Old Oak and Park Royal Development Corporation

Consultation Statement
June 2023

Draft Community Infrastructure Levy Charging Schedule

1. Introduction

1.1 This Consultation Statement has been prepared in accordance with the Regulation 19 of the Community Infrastructure Levy Regulations 2010 (as amended).

1.2 In accordance with the Regulations, this Consultation Statement sets out the following:

- a statement setting out if representations were made on OPDC's Draft Charging Schedule public consultation;
- the number of representations made;
- a summary of the main issues raised by the representations; and
- a summary of how the representations received were taken into account in finalising the CIL Charging Schedule for independent examination and any modifications required as a result of the public consultation.

1.3 The Statement of Modifications is contained in Appendix A. A track change version of the Draft Charging Schedule is contained in Appendix B.

2. Public Consultation Process

2.1 In November 2022, OPDC's Board unanimously approved public consultation on the Draft CIL Charging Schedule. Public consultation took place for eight weeks between 28 November 2022 and midnight on 23 January 2023.

2.2 The Draft CIL Charging Schedule and supporting documents were published on OPDC's dedicated consultation platform [Community Infrastructure Levy | OPDC have your say (london.gov.uk)] and hard copies were provided in the following local venues:

- OPDC offices, 1st Floor, Brent Civic Centre, Wembley, HA9 0AF,
- Wembley Library, Brent Civic Centre, Wembley, HA9 0AF,
- Harlesden Library, c/o Design Works, Harlesden, NW10 8SE,
- Brent Hub Community Enterprise Centre 6 Hillside, NW10 8BN,
- The Collective, Old Oak Lane, NW1 6FF.

2.3 Public notices were published in local newspapers and emails were sent out to contacts on OPDC's consultation database, which included public authorities, developers and landowners, interest groups, residents' groups, and residents.

2.4 An online consultation event was held on 5 December 2022 so that stakeholders could find out more about the Draft CIL Charging Schedule, speak to OPDC officers and find out how to respond to the public consultation. The event was recorded, and the video was posted on the consultation platform as well as written responses to the questions raised during the event. Officers also held an in-person surgery on 15 December 2022 at the Woodward Buildings in North Acton where representors could attend and ask questions.

2.5 Comments on the Draft Charging Schedule were able to be provided by email and post and stakeholders were also provided with a telephone number and email address in order to ask OPDC officers questions ahead of submitting a formal response to the public consultation.

3. Public consultation responses and resultant modifications

3.1 Consultation responses to the Draft CIL Charging Schedule were received from 16 stakeholders, comprising 189 individual comments. Table 1 below sets out which stakeholder raised the issue, the issue, and a response from OPDC together with any consequent modifications.

3.2 There were two main issues raised in the representations; firstly, concerns that the financial contributions set out in the Draft Planning Obligations SPD were not accounted for in the CIL Viability Study, and secondly, that the economic circumstances have worsened since the CIL Viability Study was produced (in April 2022) and that the value inputs were too optimistic. As a consequence of these two main issues, it was considered that the viability of CIL was overstated.

3.3 OPDC is required under the CIL Regulations to take account of the representations received and to consider whether any modifications are required to the Draft Charging Schedule before submitting it for independent examination and to determine whether any further consultation is required

3.4 A number of stakeholders sought clarification about the relationship between the Planning Obligations SPD due to be adopted in June 2023 and whether this has been accounted for in the viability evidence that has been used to support the proposed rates in the Draft CIL Charging Schedule. The Planning Obligations SPD will be revised at the same time as CIL is adopted to clarify which major infrastructure contributions will be secured from CIL rather than s106 planning obligations.

3.5 The Revised CIL Viability Study includes an allowance for s106 financial contributions on the basis that CIL will largely replace much of what is currently secured in financial planning obligations through the Planning Obligations SPD. This was also the case in the April 2022 CIL Viability Study. It is therefore considered that s106 has been appropriately accounted for in setting the CIL rates in the Draft Charging Schedule.

3.6 A number of stakeholders made representations about the inputs used in the 2022 CIL Viability Study and the fact that because of changed economic circumstances some of the key viability inputs such as build costs, inflation, rents, and yields have changed since this research was completed. Therefore, it was argued that the viability of CIL was overstated.

3.7 OPDC commissioned BNP Paribas Real Estate to produce a revised CIL Viability Study using up-to-date inputs on build costs, inflation, rents, and yields. In line with CIL guidance, this has taken an area-based approach to viability and has involved modelling a range of development scenarios, including residential and commercial typologies, testing the ability of different land uses to pay CIL.

3.8 The study recommends the maintaining of the proposed CIL rates in the draft Charging Schedule for the residential, hotel, co-living, student accommodation, data centre and all other uses, including industrial uses. However, the increased costs in the appraisals can no longer support a large office CIL charge of £80 per square metre across OPDC's whole area.

3.9 It is therefore proposed that a differential rate is applied for large offices, depending on the zone where the large office is being developed. In the majority of OPDC's area, zone A, a nominal CIL charge will be required of £35 per square metre. However, the quantum and critical mass of commercial development proposed around the HS2 super-hub station would create a place that would be able to charge higher office rents, such as those seen in prime office markets in West London. The viability evidence demonstrates that office rents akin to those seen in prime office markets such as White City would be able to support a CIL charge of £80 per square metre. This smaller area (zone B) would retain the £80 per square metre charge.

3.10 This Consultation Statement demonstrates that OPDC has complied with the CIL Regulation 16 statutory consultation requirements by way of an eight-week public consultation period between 28 November 2022 and 23 January 2023. There is not a statutory requirement to reconsult on the draft CIL Charging Schedule.

3.11 Paragraph: 013 Reference ID: 25-013-20190901 of the National Planning Policy Practice Guidance notes that "charging authorities can consult more than once where they consider it to be appropriate". The proposed modification to the large office rate is not increasing the value or potential liability from CIL. The modification is to the geographic extent to which the charge will be applicable. Previously, all large office developments would be subject to the £80 per square metre charge, but the modification means that a much smaller area will now be subject to the charge. The result of this reduces potential CIL liabilities.

3.12 OPDC did not commit during the statutory consultation to undertake further consultation but has taken into account the representations received and revised the CIL Viability Study to take account of changed economic circumstances.

3.13 OPDC has also taken into consideration whether it would be unfair not to reconsult on the modification. As explained above, there is no change to the draft CIL Charging Schedule rates, only the geographic extent of the large office rate which has been made in response to the representations received to review the evidence base to ensure that key viability inputs such as build costs, inflation, rents, and yields reflect current market conditions. Also, consultation has already been caried out for eight weeks which has allowed a sufficient amount of time for stakeholders to respond. For these reasons it is considered appropriate to not reconsult and proceed to submission.

3.14 Some other minor modifications have been made to the draft CIL Charging Schedule to remove information and context that was relevant to the consultation. The full list of modifications is contained in Appendix A.

4. Table 1: List of consultation comments

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
1	N/A	Natural England	Natural England have no comments to make on this consultation.	Noted.
2	N/A	Sport England	Thank you for consulting Sport England on the above. Sport England has an established role within the planning system which includes providing advice and guidance on all relevant areas of national and local policy as well as supporting Local Authorities in planning for sport and physical activity facilities. Sport England aims to ensure positive planning for sport by enabling the right facilities to be provided in the right places based on robust and up-to-date assessments of need for all levels of sport and for all sectors of the community. To achieve this aim Sport England's planning objectives are to PROTECT sports facilities from loss as a result of redevelopment, ENHANCE existing facilities through improving their quality, accessibility, and management and to PROVIDE new facilities that are fit for purpose and meet demands for participation now and in the future. You will also be aware that Sport England is a statutory consultee on planning applications affecting playing fields. Further	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			detail on Sport England's role and objectives within the planning system can be found at https://www.sportengland.org/how-we-can-help/facilities-and-planning/planning-for-sport	
3	N/A	Sport England	Sport England has reviewed the Draft Charging Schedule and is concerned that it would have a negative impact on the delivery of the sport and physical activity facilities required to support the growth within the area. The Draft Charging Schedule proposes to set a rate of £35 per square metre for "All Other Uses" which would include facilities for sport and those that encourage physical activity. Sport England does acknowledge, however, that education facilities, which have the potential to contain sports facilities that the community can use, are excluded from this charge. Nonetheless, facilities such as leisure centres, playing fields, Artificial Grass Pitches etc. that are needed to ensure that the new community has the opportunity to be physical active would be required to pay the Levy. Given the increasing costs to construct and operate sport and leisure facilities in the current climate, the requirement for such facilities to pay the Levy could have a detrimental impact on the delivery of such facilities or could result in smaller facilities, or facilities with less of	No change proposed. Such development proposals will have an impact on the infrastructure capacity within OPDC's area and often operate on a commercial basis. It is considered that it is appropriate for these uses to be CIL liable at the nominal rate identified unless specifically tied to an education use which would make this exempt. Any indoor sport or leisure facility owned and used mainly for charitable purposes will also be able to claim exemption from CIL. Any outdoor facilities that do not constitute a building for the purpose of the CIL regulations, such as playing fields, Artificial Grass Pitches etc. would not by their nature be CIL liable. This is consistent, for example, with the approach in the Mayor of London's CIL Charging Schedule.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			facility mix, than what is required to meet local sport and physical activity need which would affect OPDC's ability to achieve its health and wellbeing aspirations. In addition, given that OPDC's Infrastructure Delivery Plan includes sport facilities, the Draft Charging Schedule results in a situation where a sport facility development has to pay the Levy which is funding or partly funding that same sports facility.	
4	N/A	Sport England	In light of the above, Sport England has significant concerns that the Draft Charging Schedule would have a detrimental impact on the delivery of sports facilities in the area and consequently objects to the document as it does not consider that it would effectively and positively plan for sport. To address this issue Sport England recommends that sport facilities and facilities that encourage physical activity are included within the exceptions under 'All Other Uses' in the schedule.	No change proposed. Such development proposals will have an impact on the infrastructure capacity within OPDC's area and often operate on a commercial basis. It is considered that it is appropriate for these uses to be CIL liable at the nominal rate identified unless specifically tied to an education use which would make this exempt. Any indoor sport or leisure facility owned and used mainly for charitable purposes will also be able to claim exemption from CIL. This is consistent, for example, with the approach in the Mayor of London's CIL Charging Schedule.
5	N/A	Litchfields on behalf of Prologis	On behalf of our client Prologis UK Limited ('Prologis'), this letter provides comments on the Draft Community Infrastructure Levy ('CIL') Charging Schedule ("DCS") which was published by the Old Oak and Park Royal Development Corporation ('OPDC') in December 2022.	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
6	N/A	Litchfields on behalf of Prologis	Prologis has concerns regarding the DCS and the accompanying Viability Study which has informed it. In particular, Prologis has significant reservations around how the DCS and proposed levy rates have been derived and the evidence which has been used to inform the viability implications in conjunction with the draft Planning Obligations SPD. Prologis are of the view that the DCS will have an adverse impact on the viability and deliverability of schemes and will have potential implications for bringing forward developments within the area.	Noted. The CIL Viability Study evidence base has been updated to reflect the current economic conditions. It is highlighted that the proposed CIL charge is not an entirely new charge, replacing much of the charges currently sought through Section 106 agreements. The CIL Viability Study also allows for a residual S106 amount (£1,500 per residential unit, £30 per commercial sq m) to account for items that would be secured through planning obligations rather than CIL. Taken together, OPDC considers that the rates set out in the Charging Schedule are appropriate as it has struck an appropriate balance between raising money for necessary infrastructure to support the development in the area whilst ensuring that these rates would not prevent development from coming forward, in line with the requirements in the CIL Regulations 2010 as amended (Reg 14) and the National Planning Practice Guidance (‘PPG’) on CIL (‘the CIL Guidance’). Where particular uses are showing limited viability, a nominal rate has been proposed on the basis that they will place a demand on infrastructure in the area and should therefore make a contribution towards improving the infrastructure. The CIL amount payable would be a small element of the total development costs and therefore would not be the reason in

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				of itself to prevent development coming forward.
7	N/A	Litchfields on behalf of Prologis	In developing the proposed levy rates within the DCS, it is considered that OPDC has relied upon evidence which does not accurately reflect the current industrial market within Park Royal and the associated viability considerations. In addition, there are concerns around the relationship with the Draft Planning Obligations SPD and the in-combination effects that this and the DCS will have on new development. Prologis consider that the DCS has some fundamental issues which need to be addressed before the draft CIL is progressed. Prologis submitted representations to the Draft Planning Obligations SPD which was published by OPDC for consultation in September 2022. The background to the comments raised in this letter are the same as those set out within the representations to the SPD and therefore those representations are appended to this letter.	Noted. It is accepted that the market has changed since the CIL Viability Study was produced. The CIL Viability Study has been updated and now reflects up to date inputs. As set out above, the CIL Viability Study has taken into account Section 106 contributions. Prologis' representations on the Draft Planning Obligations SPD have been addressed in the consultation statement appending the SPD.

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8	N/A	Litchfields on behalf of Prologis	Prologis is one of the largest developers of industrial logistics buildings within London and across the UK. The company has built, delivered and managed over 50m sqft of industrial floorspace across 22 ‘Prologis Parks’ and continues to invest in strategic employment locations, creating high quality business environments for a range of occupiers.	Noted.
9	N/A	Litchfields on behalf of Prologis	Prologis currently owns three warehouse properties within OPDC which are located within the industrial heartland of Park Royal. Prologis will manage, and where appropriate, redevelop these sites to deliver world-class warehousing and logistics facilities to meet the growing needs of its customers. Whilst these sites are located within LB Brent, they are within the planning jurisdiction of the Old Oak Common Development Corporation for the purpose of determining new applications and therefore the CIL rates set out with the DCS will apply.	Noted.
10	N/A	Litchfields on behalf of Prologis	Prologis is considering opportunities to help address the acute need for new distribution warehouse floorspace to serve London and is exploring how innovative development can make best use of the limited space available. Therefore, these representations are prepared in the context of optimising density on sites and facilitating urban intensification through the delivery of innovative building,	Noted.

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			including multi-storey. Prologis is committed to expanding its portfolio of distribution properties, contributing positively towards the GLA and OPDC's ambitions for sustained employment growth. It is within this context that Prologis has reviewed the DCS and the associated Viability Study (April 2022) and make the following comments. We have separated out comments which relate the DCS and those which relate to the Viability Study.	
11	N/A	Litchfields on behalf of Prologis	The DCS (p.10) explains the relationship of the proposed CIL with the Planning Obligations SPD which was consulted upon at the end of last year. It is understood that the intention is to adopt the SPD ahead of the introduction of the CIL. Once the CIL charging schedule has been adopted, OPDC would need to revise the SPD to remove those planning contributions which have been superseded by and would be paid for through CIL. As previously set out with the representations to the SPD, Prologis is very concerned about this approach and the potential implications for bringing forward development within the area.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. As previously identified, the CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-

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				infrastructure items that will continue to be secured in s106 agreements.

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12	N/A	Litchfields on behalf of Prologis	Paragraph 001 (Reference ID: 10-001-20190509) of the National Planning Practice Guidance (“NPPG”) Viability states “These policy [contributions] requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106.” Paragraph 015 (Reference ID: 25-015-20190901) states “Plan makers and site promoters should assess viability to ensure that policy requirements for developer contributions are deliverable (see the viability guidance; https://www.gov.uk/guidance/viability). This will be an important part of the evidence underpinning the introduction of a charging schedule.”	Noted. The CIL Viability Study has taken into account national, regional and local policy requirements and their cost implications as is required in the PPG. The CIL Regulations require charging authorities to set their rates at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable and balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. It is also recognised this is not an entirely new demand or ask on development as the CIL rates will replace much of what used to be sought through s106 contributions. Therefore, the CIL charge will facilitate the implementation of the Local Plan without putting this development at risk.

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13	N/A	Litchfields on behalf of Prologis	The relationship of CIL and planning obligations set out in the DCS does not address this guidance. The timing of the two documents means that whilst the proposed CIL and planning obligation SPD are being developed, there is no certainty as to the infrastructure and contribution requirements. In the worst case, the SPD and DCS will both be adopted before the SPD has been reviewed to take account of the additional impact on viability brought about by the CIL. This risks a delay to the delivery of major applications within the area until a full assessment of the policy requirements on viability has been undertaken in accordance with the NPPG.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements.

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14	N/A	Litchfields on behalf of Prologis	It is understood that OPDC will seek to proactively manage the application of these two documents so that there is no ‘double-counting’ of obligations in the determination of planning applications in the interim period. However, it is considered preferable to revisit the programme so that there is no ambiguity which could lead to potential delay in the determination of planning applications. Prologis request that the programme for the progression of the draft SPD and DCS is revisited so that the impacts on the viability of schemes of both documents can be fully assessed concurrently. Notwithstanding the above fundamental concern regarding the timing of the DCS, there are a number of comments on the details of the consultation documents which are set out below.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements. Equally, the allowance for the CIL charges as proposed are accounted for in the viability testing supporting the Planning Obligations SPD.

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15	N/A	Litchfields on behalf of Prologis	Paragraph 128 (Reference ID: 25-128-20190901) of the NPPG states “Where a charging authority wishes to allow payment by instalments, they must have published an instalment policy on their website (under regulation 69B; http://www.legislation.gov.uk/uksi/2011/987/regulation/9/made). An instalment policy can assist the viability and delivery of development by taking account of financial restrictions, for example in areas such as development of homes within the buy to let sector. Few if any developments generate value until they are complete either in whole or in phases. Willingness to allow an instalments policy can be a material consideration in assessing the viability of proposed levy rates.” The DCS (p.9) invites comments on whether OPDC should adopt an instalments policy and in particular whether the same instalments policy as used for Mayoral CIL should be adopted. Mayoral CIL allows for two instalments on CIL liabilities of £100,001 or more. This threshold was reduced in 2018 before which two instalments on CIL liabilities of £500,001 or more was allowed.	Noted. OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and administer the Mayor of London’s instalment policy in relation to its MCIL, rather than having its own specific instalment policy. However, this will be kept under review and OPDC can decide to amend the instalment policy once the Charging Schedule is operational. It should be noted that the regulations allow for both detailed and outline permissions (and therefore ‘hybrid’ permissions as well) to be treated as phased developments for the purposes of the levy. Regulation 9(4) provides that each phase of a phased planning permission is a separate chargeable development for CIL purposes and therefore would be liable for separate payments for each phase, and each phase may benefit from any instalment policy that may be in force.

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16	N/A	Litchfields on behalf of Prologis	Prologis supports the principle of an instalments policy and welcomes that this is being considered at the early stages of the DCS. The likely scale and extent of developments which will come forward in the area in the next few years will attract considerable CIL liabilities which impact on the feasibility and funding of schemes. The NPPG (para. 128) recognises that few developments generate value until they are complete and provides the example of homes within the buy to let sector. This is particularly true of industrial and logistics developments, particularly multi-level schemes which are supported by GLA policy and which OPDC are likely to receive an increased number of planning applications for in the next few years. These schemes can only be occupied once complete, rather than on a floor-by-floor basis, and therefore a substantial CIL liability payable at the point of implementation will have a direct impact on cash-flow and increase pressure during what is likely to be a challenging economic period for the industry.	Noted. OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and administer the Mayor of London's instalment policy in relation to its MCIL, rather than having its own specific instalment policy. However, this will be kept under review and OPDC can decide to amend the instalment policy once the Charging Schedule is operational. It should be noted that the regulations allow for both detailed and outline permissions (and therefore 'hybrid' permissions as well) to be treated as phased developments for the purposes of the levy. Regulation 9(4) provides that each phase of a phased planning permission is a separate chargeable development for CIL purposes and therefore would be liable for separate payments for each phase, and each phased may benefit from any instalment policy that may be in force. It is also highlighted that the delivery of infrastructure in the area required to support the developments coming forward will be required at the point where developments are delivered. Consequently, the payment of CIL at earlier stages is a key part of ensuring the delivery of the supporting infrastructure in a timely manner.

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17	N/A	Litchfields on behalf of Prologis	The Viability Study which accompanies the DCS includes a number of assumptions for assessing the impact of the DCS on commercial typologies. This includes multi-level industrial developments from c.11,500sqm to 28,000sqm (converted from sqft to sqm). Industrial developments of this size would attract a CIL liability of between c£400,000 and £1,000,000. The proposed instalment threshold of £100,000 is considered appropriate as a starting point as most major industrial developments in the area would fall within this category and will have liabilities considerably higher. However, the instalments policy could be more gradated to allow a greater number of instalments and a longer payment period for those liabilities which are considerably above the £100,000 threshold. As a comparison, the London Borough of Wandsworth's instalment policy, which came into effect in April 2020, sets out a range of options based on the amount of CIL liability (please see Annex A). This approach is considered more appropriate for those liabilities which are above £500,000. In particular, the requirement for four instalments for liabilities over £500,000 and a more gradated time period is considered appropriate and would better reflect the level of liability and the associated impact on	Noted. OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and administer the Mayor of London's instalment policy in relation to its MCIL, rather than having its own specific instalment policy. However, this will be kept under review and OPDC can decide to amend the instalment policy once the Charging Schedule is operational. It should be noted that the regulations allow for both detailed and outline permissions (and therefore 'hybrid' permissions as well) to be treated as phased developments for the purposes of the levy. Regulation 9(4) provides that each phase of a phased planning permission is a separate chargeable development for CIL purposes and therefore would be liable for separate payments for each phase, and each phased may benefit from any instalment policy that may be in force.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			cash-flow. Prologis are supportive of an instalments policy but request that additional thresholds are introduced for larger liabilities with longer payment periods.	
18	N/A	Litchfields on behalf of Prologis	Prologis has fundamental concerns to the Viability Study which has been used to inform and assess the impact of the DCS on the delivery of new development within the OPDC area. These concerns relate to the overall approach to the viability assessments as well as the detail which has been used to inform the accompanying appraisal. These concerns are set out below but in addition, we consider that it would be beneficial to meet with Officers to discuss the issues and help inform the development of the DCS. Paragraph 015 (Reference ID: 25-015-20190901) of the NPPG states “Plan makers and site promoters should assess viability to ensure that policy requirements for developer contributions are deliverable (see the viability guidance; https://www.gov.uk/guidance/viability). This will be an important part of the evidence underpinning the introduction of a charging schedule. It is the responsibility of authorities when preparing their charging schedules to collaborate with the local community, developers and other stakeholders, to create realistic and viable charging schedules.” It is considered that this important part of the	Noted. The PPG on CIL identifies at Para 020 Ref ID: 25-020-20190901 that “charging authorities should use an area-based approach, involving a broad test of viability across their area, as the evidence to underpin their charge”. The PPG goes on to identify that, “there are a number of valuation models and methodologies available to charging authorities to help them in preparing this evidence. Charging authorities should use evidence in accordance with planning practice guidance on viability”. The CIL Viability Study follows standard development appraisal conventions, which is not only advocated by the PPG on Viability using locally based sites and assumptions that reflect local market circumstances and planning policy requirements but has been accepted as an appropriate basis for setting CIL charges by CIL Examiners. As set out in the report, OPDC's viability consultants BNP Paribas Real Estate have undertaken research into rents and yields achievable on such commercial space in developments in and around the OPDC’s area using various sources such as online databases including EGi and Co-star Suite as well as speaking to active local agents. BNP Paribas Real Estate have also had

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			evidence which underpins the DCS has not been undertaken in accordance with paragraph 015 as currently the DCS as proposed could impact on the deliverability of schemes within the area. Furthermore, it is not clear from the Viability Study what discussions have been held with industrial and logistics developers as required by paragraph 015. If discussions have been held within agents and leaders within the industry it is not transparent as required by the RICS ethical obligation to transparency. Prologis would be happy to meet with OPDC and the authors of the Viability Study to help inform the assumptions and information within the report.	consideration for the comments raised by Prologis and the information provided on inputs based on Litchfields and Prologis' opinions on rents and yields etc. Furthermore, CDM Project Services have provided advice on build costs. CDM have extensive experience of costing developments in London and have also undertaken numerous site-specific assessments of build costs associated with viability submissions in support of planning applications in London and specifically in the OPDC's area. Given the passage of time since the original research was undertaken, the CIL Viability Study has been revised with up-to-date evidence. OPDC has consulted on the draft Charging Schedule and evidence underpinning this in accordance with the CIL regulations.
19	5	Litchfields on behalf of Prologis	It is noted that the date of the Viability Study is April 2022. Whilst the report does not state when any research of the market or discussions with stakeholders which underpinned the appraisals was undertaken, it is assumed that this could date back to late 2021 / early 2022. Since this time, the wider economic conditions and specifically the industrial sector has changed considerably. This has resulted in the figures which are used within the report being out of date and not reflective of the market in 2023. Notwithstanding the detailed comments	Change proposed. It is accepted that the market has changed since the CIL Viability Report was produced. The CIL Viability Study has been revised and reflects up-to-date evidence.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			below, it is requested that the research and reported which underpin the study are rerun to reflect current market conditions.	
20	N/A	Litchfields on behalf of Prologis	The Viability Study includes a detailed commentary on the residential market, including Build to Rent (approximately 6 pages within section 2). There is no comparable commentary on the industrial market which is considered critical for setting the context of the subsequent appraisals. This is particularly important at the moment, when the industrial and logistics sector is undergoing a significant period of change in terms of supply, demand, operator requirements and increased policy pressure to provide intensified industrial developments. It is considered that this commentary is required and should be informed through collaboration with occupiers and developers in the sector. Without this context and commentary, the Viability Study is lacking and, in our view, has led to a number of inaccuracies within the detailed appraisals which are set out below.	Noted. The Viability Study contains commentary on the range of development types that have been assessed. In terms of industrial development, a range of typologies have been assessed, including single storey and multi-storey at different scales and plot ratios with reference to industrial schemes coming forward in London. It is acknowledged that the market has shifted since the original Viability Study was produced and the revised Viability Study has been updated accordingly to reflect this.

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21	N/A	Litchfields on behalf of Prologis	Paragraph 1.8 (p.4) of the Viability Study states (our emphasis added) “It is worth noting that the results of this viability exercise, which identify certain commercial development as not viable, do not mean that sites will not be developed within OPDC’s area for these uses. This is because viability is only one of many factors which affect a landowner’s decision making. For example, owner occupiers such as a logistics company, may wish to locate in OPDC as it both complements their existing locations and provides good links to key markets and the strategic highway network. Alternatively, a business may wish to develop their own premises by reference to their own cost benefit analysis, which will bear little relationship to the residual land value calculations that a speculative landlord developer may undertake.” Whilst the broad approach which is set out within this paragraph is understood and this may be true for occupiers, Prologis is very concerned about the assertions which are being made around the practicalities and delivery of commercial development. For a company such as Prologis, who develop sites for new industrial occupiers and maintain the long-term management of such sites, viability is critical as to whether a new industrial development will be progressed.	Noted. The Viability Study has assessed all London Plan and Local Plan policy requirements as they relate to industrial development. Despite the viability challenges, OPDC considers that it is appropriate to charge a nominal CIL rate on industrial development. There are significant overarching infrastructure requirements to support the development in the area and industrial occupiers will both contribute to that increased demand for services and also benefit from new infrastructure provided. The charges proposed for new industrial uses developed are identified as amounting to circa 1% of development costs, which is not a level of cost likely to impact on a developer’s decision making as to whether to deliver a scheme or not. Furthermore, as previously identified the charge will not be an entirely new ask on development, with much of CIL charges replacing previous s106 asks. OPDC fundamentally disagrees that a cost to development of the order of 1% of development costs will prevent new commercial development from coming forward in its area. An area of London that is recognised by the market as being one of, if not the prime location for industrial uses in London, achieving the highest rents and significant demand for such uses.

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			Prologis is also a US REIT and therefore there is a responsibility to shareholders. If the policies and obligation requirements of OPDC make a site unviable to develop then Prologis would not bring it forward for new industrial development to meet the strategic objectives of the London Plan or Local Plan. Therefore, if this is the approach which is being taken in informing the DCS then it runs the risk of preventing new commercial developments from coming forward.	
22	N/A	Litchfields on behalf of Prologis	The Viability Study sets out (para. 2.64 and 2.65) the Local Policy context and in particular those policies which have a cost implication for developments. However, this list is not exhaustive and does not take into account all relevant Local Plan policies including Policy SP8 (requirements to provide green infrastructure and an overall biodiversity net gain), Policy D1 (public realm) and Policy EU2 (Urban Greening and Biodiversity). In addition, the Viability Study does not adequately take into account the Draft Planning Obligations SPD which is a discussed later in this letter.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the

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				non-infrastructure items that will continue to be secured in s106 agreements.
23	5	Litchfields on behalf of Prologis	In addition to the more fundamental comments set out in the previous section, there are a number of detailed points within the Viability Study and appraisals which are set out below. It is not clear how the document arrives at the commercial typology assumptions relating to multi-level industrial units or what market evidence has been used to inform these typologies. Prologis consider that the total floorspace for small, medium and large multi-level industrial units and the corresponding site areas are too dense and would not be delivered in this way. As set out above, Prologis would be happy to meet OPDC or the Viability Study authors to discuss these typologies further.	Change proposed. The multi-storey/stacked industrial typologies have been amended with reference to G Park and V-Park Grand Union as examples of how multi-storey/stacked industrial typologies are coming forward at different densities.
24	5	Litchfields on behalf of Prologis	The study was written in April 2022 and included a number of sensitivities around rents and yields. Firstly, it is not transparent how the commercial rents for multi-level units has been evidenced as there are no multi-level units to use as comparable evidence. Prologis do not consider that the assumed rent per sqft for large industrial units of £18.50 to be appropriate and is too low. For commercial developments, a sensitivity of rents varying by £2 per sqm has been assumed and 0.25% variation for yields. The last 12 months has seen	Change proposed. It is accepted that the market has changed since the CIL Viability Study was produced and rents and yields have been updated with reference to current market conditions in the industrial sector. With respect to multi-level schemes, it is acknowledged that these have not yet been tested in the market, with only a handful of such schemes currently being delivered. Therefore, any rental level proposed by any party would be speculated based on current market knowledge of “conventional” units delivered to date. BNP

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			considerable volatility within the industrial sector and in particular yields have already varied within this time period. Since April 2022 yields have moved out from 4.5% to 4.75% and are likely to change again. Therefore, these sensitivity assumptions are considered too conservative and do not reflect the current industrial sector.	Paribas Real Estate have had discussions with a number of industrial agents in relation to the potential rents achievable on multi-level units and they have tested this on a couple of bases, i.e.: with and without discounts for upper floors as there has been some disagreement between agents as to whether a discount would be required.
25	5	Litchfields on behalf of Prologis	The appraisals have assumed a gross to net value for all commercial typologies. This is only commercially relevant to office typologies and is not relevant to large multi-level industrial units. Again, this indicates that the Viability Study has not been appropriately informed by agents and developers operating in the sector.	Change proposed. BNP Paribas Real Estate agree with the GIA to NIA ratios potions identified by Prologis and have accordingly amended this assumption. For commercial schemes the following have been applied: 85% for office and 100% for industrial. It is acknowledged that this change to the industrial schemes would improve the viability position presented as a greater amount of the floor space is now correctly reflected as revenue generating.
26	5	Litchfields on behalf of Prologis	The study assumes broad per sqft build costs (table 4.43.1) for industrial developments varying from large standard storey (£95 per sqft) to small multi-level (£185 per sqft). As set out within the representations to the SPD, a complex multi-level building would attract build costs of over £200 per sqft, 30% higher than assumed within the study, albeit this is speculative as no comparable schemes have been developed. The evidence and	Change proposed. It is accepted that the market has changed since the CIL Viability Report was produced. Build costs have been updated with reference to current market evidence.

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			background to these figures is not transparent.	
27	N/A	Litchfields on behalf of Prologis	The study assumes 10% professional fees (para. 4.48) which is considered acceptable. However, profit of 15% of GDV is included within the appraisals (para. 4.61) which is considered too low in the context of the industry, and it is requested that this is increased to 20%.	No change proposed. The profit level at 15% on GDV/20% on cost is considered to be appropriate and in line with normal market assumptions adopted in viability assessments of actual schemes coming forward and in CIL viability assessments.
28	5	Litchfields on behalf of Prologis	To inform the commercial appraisals within the Viability Study an assumption has been made around the provision of affordable workspace. Para. 4.37 and para. 5.5 of the study states that an allowance has been made for 10% of the gross floorspace to be provided as affordable workspace at a 25% discount to market rent. This assumption is not reflective of the draft Planning Obligations SPD which requires an 80% discount. This will have a significant impact on viability which will alter the appraisals and conclusions of the report. Not only does this raise concerns around the conclusions within the study but also reiterates the comments made above about the need for a comprehensive and holistic approach to the assessment of the DCS and SPD on viability. If the inputs into the appraisal are amended to correctly reflect the proposals within the draft Planning Obligations SPD, then there will be a significant impact to the	Change proposed. The affordable workspace assumptions have been amended to take into account the requirements set out in the Planning Obligations SPD. The CIL Viability study now allows for 5% of floorspace to be delivered at 80 of market rent for a period of 15 years.

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			outcome and subsequently the viability of proposed schemes.	
29	N/A	Litchfields on behalf of Prologis	The study sets out a summary of the benchmark land values (“BLV”) which have been assumed and informed the appraisals (table 4.68.1). This includes BLV for open storage, secondary industrial (low and high) and secondary office and industrial. However, these uses are not defined within the study, and it is not clear what ‘secondary’ refers to in the context of Park Royal. Therefore, it is not transparent how this relates to the subsequent appraisals. It is requested that this is defined within the study and appropriately evidenced.	Noted. The four benchmark land values used in the CIL Viability Study have been selected to provide a broad indication of likely land values across OPDC’s area.
30	N/A	Litchfields on behalf of Prologis	Finally, the industrial appraisal results which are contained within appendix 9 of the study are blank (currently showing “#N/A”) and therefore an assessment of the appraisal in greater detail is not possible.	#N/A stands for unviable schemes where the residual land value is lower than the existing use value with a nil rate of CIL.

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31	5	Litchfields on behalf of Prologis	On this basis, Prologis is concerned that the Viability Study has some fundamental and detailed issues which result in the conclusion that the proposed CIL rates have note be [sic] appropriately evidenced. Notwithstanding the concern on the detail set out about which would further impact on viability, the study states that the commercial development may not be viable on the assumptions which have been made. If these numbers were amended to reflect what we consider to be a more appropriate reflection of the current market situation the viability would be further affected and in turn the proposed CIL rates are questioned. In particular, the suggested rates set out in table 7.16.1 are likely to change when the above assumptions and amendments are made to the appraisal. In summary, we request that a revised Viability Study is undertaken with a specific focus on industrial development. This should include a detailed assessment of the market, which is currently missing from the study, and should be informed through collaboration with landowners and developers. This collaboration and input from agents and developers active in the market should be transparent and well informed.	The CIL Viability Study has been revised with up-to-date evidence to reflect the current market conditions. The industrial typologies tested have been amended to reflect how stacked/multi-storey industrial development more accurately might come forward with reference to G Park and V-Park Grand Union and examples of schemes coming forward in OPDC's area. The results of the revised appraisals continue to show limited to no viability for industrial development. Consequently, the imposition of CIL is not the element that is making these typologies unviable i.e., they are identified as being unviable prior to the imposition of CIL. BNP Paribas Real Estate identifies in the viability report that, in assessing the results it is important to clearly distinguish between two scenarios; namely, schemes that are unviable regardless of the level of CIL (including a nil rate) and schemes that are viable prior to the imposition of CIL at certain levels. If a scheme is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a critical factor. We have therefore disregarded the ‘unviable’ schemes in recommending an appropriate level of CIL. In these cases, the value of the existing building will be higher than a redevelopment opportunity over the medium term. However,

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				this situation should not be taken as an indication of the viability (or otherwise) of OPDC's policies and requirements. Moreover, we would highlight that the LB Newham CIL Examiner, Mr A Thickett identified in his report that, "if a scheme is not viable before CIL is levied it is unlikely to come forward and CIL is, therefore, unlikely to be a material consideration in any development decision. Consequently, the Viability Study, sensibly in my view, did not factor in unviable schemes in recommending appropriate rates." As previously identified, as the charging authority, OPDC have taken a balanced view in seeking a rate of £35 per sq m on industrial development. The nominal rate proposed reflects circa 1% of development costs and at this level is unlikely to be a significant factor in developers' decision making and could be absorbed without having a significant impact on viability across OPDC's area. Para 020 of the CIL Guidance in states that, *'A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence…. There is room for some pragmatism.'* OPDC should not follow a mechanistic process when setting rates – appraisals are just a guide to

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				viability and are widely understood to be a less than precise tool. Further, CIL is used to deliver much needed infrastructure to support such development. It is therefore not unreasonable to assume that such development would contribute towards this infrastructure, and OPDC and BNPPRE consider that this meets the requirements of the CIL Regulation 14, which in setting CIL rates seeks to balance economic viability against the need to deliver infrastructure to support development. In setting a nominal charge that does not account for more than circa 1% of development costs, OPDC is of the opinion that it has struck an appropriate balance as required.

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32	N/A	Litchfields on behalf of Prologis	As currently drafted, Prologis do not consider that the DCS and the Viability Study which has informed it is fit for purpose and should be progressed based on the current assumptions. As set out above, there are specific concerns around how the DCS has been evidenced and the assumptions which have been made to inform the proposed CIL rates. Of particular concern is the lack of coordination between the DCS and the Planning Obligations SPD which has the effect of adversely impacting on the viability of industrial schemes in the near future. It is suggested that to address the comments set out above, the following actions / amendments are made to the DCS and accompanying Viability Study: 1. The programme for the progression of the draft SPD and DCS is revisited so that the impacts on the viability of schemes of both documents can be fully assessed concurrently. 2. The instalments policy is amended to include additional thresholds for larger liabilities with longer payment periods. 3. Affordable workspace should be considered as an appropriate use for discretionary relief. 4. The Viability Study provides a commentary on the industrial and	Noted. The draft Planning Obligations SPD will be considered for adoption by OPDC's Board in June 2023. The Planning Obligations SPD will be amended at the same time as when CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements. OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and simpler to administer the Mayor of London’s instalment policy in relation to its MCIL, rather than having its own instalment policy. However, this will be kept under review as OPDC can decide to

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			commercial market, informed by discussions with developers and stakeholder, which sets the overall context of the subsequent appraisals. 5. A revised Viability Study is undertaken with a specific focus on industrial development. This should include a detailed assessment of the market, which is currently missing from the study, and should be informed through collaboration with landowners and developers.	amend the instalment policy once the Charging Schedule is operational. OPDC does not plan to implement any discretionary exemptions beyond statutory social housing and charitable relief. OPDC considers that it has taken a balanced approach to setting its proposed CIL charges and these are set a reasonable level that will not prevent the delivery of development. As required by the CIL Guidance the OPDC will monitor the CIL charges, and should circumstances change, OPDC will seek to revise the levy rather than provide any discretionary relief from the charge. The CIL Viability Study has been revised to account for current market conditions in the industrial sector.

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33	N/A	Iceni on behalf of GLP	On behalf of our client, GLP, we are writing in response to your recent invitation for comments on OPDC's Draft Community Infrastructure Levy (CIL) Charging Schedule. GLP acknowledge that the Draft CIL Schedule sets out how a Community Infrastructure Levy charge would be applied to forthcoming developments in the OPDC area. It is also acknowledged that any Planning Obligations guidance would need to be revised following the adoption of a CIL Charging Schedule to remove any planning contributions that would be superseded by CIL payments. It is understood that this is the first stage of drafting the new CIL Charging Schedule and is part of OPDC's engagement strategy to give stakeholders the opportunity to help shape the Schedule prior to intended adoption at the end of 2023.	Noted.
34	N/A	Iceni on behalf of GLP	This letter pulls together advice from Urbà on the evidence prepared by BNP to inform the CIL Charging Schedule, focusing in particular on the viability assumptions made in relation to the introduction of this new CIL charge for industrial development. The report produced by Urbà is attached to this letter at Appendix A1. Below, we provide details of the evidence prepared by Urbà, and set out GLPs position regarding the proposed CIL Charging Schedule. It is	Noted.

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			important to note from the outset that GLP remain supportive and appreciative of this initial engagement.	
35	N/A	Iceni on behalf of GLP	GLP is a leading global investment manager and business builder in logistics, data infrastructure, renewable energy and related technologies. The combined investing and operating expertise allow GLP to create value for our customers and investors. GLP operate across Brazil, China, Europe, India, Japan, the U.S. and Vietnam and have more than $120 billion in assets under management in real estate and private equity. Their portfolio includes an industrial site at 12 Waxlow Road, which is within a Strategic Industrial Location (SIL) in Park Royal. The site owned by GLP is outlined by the red line in Image 1 below. GLP are committed to a broad range of ESG commitments that elevate their business, protect the interest of shareholders and investors, support employees and customers and enhance local communities. GLP Europe (formerly Gazeley) has a 30+ year track record of developing and managing logistics real estate across the United Kingdom, one of Europe's biggest logistics markets. GLP's combined experience and expertise as investors and operators provides them with a distinct competitive advantage to build, acquire and scale high-	Noted.

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			quality businesses and create value for customers and investors.	
36	N/A	Iceni on behalf of GLP	Urbà is a Royal Institution of Chartered Surveyors (RICS) regulated property consultancy company that specialises in development feasibility, viability, and delivery. Urbà has extensive experience advising public and private sector clients on development viability on a range of development types and sites. Stuart Cook, Director at Urbà, also has a track record advising on CIL Charging Schedules, including preparing the evidence for and appearing at the CIL Examination for the LB Hammersmith & Fulham CIL Viability Study. GLP appointed Urbà to prepare a review of the BNP evidence which informs the OPDCs Draft CIL Charging Schedule. This detailed review and critique of the evidence is provided in the report prepared by Urbà at Appendix A1.	Noted.
37	N/A	Iceni on behalf of GLP	In summary, Urbà's review of the evidence has found that there is no viability justification for a CIL charge to be introduced for industrial uses in the OPDC. Urbà refer to the guidance in the Planning Practice Guidance on CIL, which sets out that local authorities should ensure that CIL does not put increased risk on the viability of developments, and that if low or zero viability is found, then the authority should consider	Noted. Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery

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			setting a low or zero levy rate. On this basis, given BNPs own evidence finds that the majority of industrial developments would be unviable with the proposed CIL charge, the OPDC should be introducing a zero-levy rate for industrial development.	of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not an entirely new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme deliverability. Moreover, OPDC does not consider that the prosed nominal rate that will account for circa 1% of development costs would threaten the delivery of industrial and warehousing development in one of the premier industrial locations in London. In this context, we therefore still consider the proposed rate to be appropriate. Given their experience, Urbà will be familiar that achieving an appropriate balance is a matter of judgement and consequently charging authorities are allowed some discretion in this matter. Regulation 14 of the CIL Regulations 2010 (as amended) requires that in setting levy rates, a Charging Authority, 'must strike an appropriate balance' i.e. it is recognised there is no one perfect or correct balance; and the CIL

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				Guidance sets out at Paragraph 020 that, a charging authority must use '*appropriate available evidence… to inform their draft charging schedule"* Moreover it sets out that, *"…A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence… There is room for some pragmatism".* OPDC could adopt a zero rate, but this would undermine the funding and delivery of essential infrastructure to fund development, much of which is already sought through s106 and would going forward be secured through CIL instead. As the charging authority, OPDC consider a low rate more appropriately strikes the balance required by CIL Regulation 14.
38	5	Iceni on behalf of GLP	Furthermore, Urbà's review of BNPs evidence makes clear that BNP relied heavily on the viability of large multi-level proposals to justify the introduction of the CIL for all types of industrial uses. Whilst medium and large multi-level schemes were found to be viable and marginally viable, Urbà's review suggests that the yield levels and site coverage assumed for these large multi-level schemes is not appropriate, and this overinflates the viability of both these industrial typologies.	The CIL Viability Study has been updated and reflects current market conditions as well as amended muti-storey typologies. In summary the updated viability testing identifies that single storey large industrial is shown to be unviable; single storey small and medium uses do however show viability of between £110 and £180 per square metre against the two lower BLVs. Multi-storey industrial 1 – which reflects large and medium industrial formats is identified as being unviable in all scenarios tested and Multi-storey

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				industrial 2 – which reflects a small industrial format is viable only against lowest BLV in the scenario with no discount to the rents on the upper floors (£180 per square metre). The schemes identified as being unviable are unviable prior to the application of a CIL charge and it is not CIL that is making the development unviable. OPDC is aware that development is coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as much of the proposed CIL charge accommodates previous S106 asks the CIL charge will not be an entirely new charge on developments. At a cost of 1% of development costs the proposed nominal CIL charge is unlikely to be the determining factor in the delivery of new industrial development in an area that is widely regarded as the one of the premier industrial locations in London. In light of the above OPDC considers that is has stuck an appropriate balance, in line with the requirements of the CIL Regulations, in setting its CIL charge. The prosed level of charge will not prevent development from

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				coming forward whilst funding the necessary infrastructure that support’s development.
39	N/A	Iceni on behalf of GLP	Overall, through the critique prepared by Urbà, it is clear that the viability evidence prepared in support of the draft CIL Charging Schedule shows that introducing CIL for the majority of industrial uses, would make those uses unviable. On this basis, we consider that there is no viability justification for the CIL charge for industrial uses. It is our view that a CIL charge should not be introduced for industrial uses.	Noted. Some of the industrial developments tested show viability, however for those schemes identified as being unviable, they are unviable prior to the application of a CIL charge and consequently, it is not CIL that is making them unviable. OPDC is aware that development is coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as this is the OPDC’s first charging schedule, much of the proposed CIL charge is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC’s s106s. At a cost of 1% of development costs and the fact that it is largely replacing the s106 asks of developments, the proposed nominal CIL charge is unlikely to be the determining factor in the delivery of new industrial development in an area that is widely regarded as the one of the premier industrial locations in London. The CIL regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support

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				growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. In this context, we therefore still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate but this would undermine the funding and delivery of essential infrastructure to fund development.
40	N/A	Iceni on behalf of GLP	Furthermore, in line with the viability concerns raised by Urbà, GLP are concerned that the proposed CIL charging for industrial and warehousing developments of £35 per sqm would ultimately prejudice developers from being able to bring forward industrial intensification schemes. The aim to intensify industrial uses within Park Royal is established at a strategic and local level, and it is identified as an Opportunity Area with a target to create 11,000 jobs over a 20-year	Noted. Despite the viability challenges, OPDC considers that it is appropriate to charge a nominal CIL rate on industrial development. There are significant overarching infrastructure requirements to support the development in the area and industrial occupiers will both contribute to that increased demand for services and also benefit from new infrastructure provided.

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			period. More specifically, Local Plan Policy P4 of the OPDC Local Plan outlines the target for delivering 3,390 new jobs within Park Royal West SIL, by taking opportunities to intensify the use of all sites. The OPDC Local Plan Policy E1 seeks to protect, strengthen, and intensify industrial uses on SIL designated sites. As stated in the Park Royal Intensification Study (2018), the SIL designation sets the long-term imperative to intensify industrial use within Park Royal, providing the market context in which alternative forms of industrial development are most likely to be viable, and where intensification can give long-term benefits to Park Royal, OPDC and London more generally. However, with the CIL charging rates significantly impacting the viability of industrial and warehouse schemes, this will reduce the opportunities for developers to intensify proposed industrial uses, and as such, meet the intensification and job targets set out in policy.	It is also worth noting that as this is the OPDC's first charging schedule, much of the proposed CIL charge is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. It is an unsubstantiated assertion that a cost of 1% of development costs, much of which is largely replacing the current s106 asks of developments would "significantly impacting on the viability" of industrial and warehouse schemes. At this level of cost, it would not be the proposed nominal CIL charge that would be the determining factor in a developer's decision making as to whether to deliver new industrial development in an area that is widely regarded as the one of the premier industrial locations in London.

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41	N/A	Iceni on behalf of GLP	Whilst the introduction of a CIL charge for industrial developments will itself impact the viability of proposals; it is the cumulative impact of this potential CIL charge alongside the other emerging and increasing requirements being placed on new industrial development which will have the most significant impact. In the OPDC, there are various requirements new industrial development should be trying to achieve, all of which put a financial burden on development proposals – a list of the most burdensome is provide below. • Mayoral CIL – The latest Mayoral CIL charge for the OPDC is £60 per sqm for all development types. • Affordable Workspace – OPDC require that all employment generating uses provide a quantum of affordable workspace as part of the development proposals. The emerging OPDC Planning Obligations SPD sets out that 5% of all (net) industrial floorspace should be delivered as affordable workspace onsite. If the floorspace cannot be delivered onsite, then the OPDC may consider a financial contribution. • Urban Greening Factor (UGF) – whilst the London Plan excludes B2 and B8 uses from the requirement for an UGF, the OPDC are requesting that industrial developments demonstrate an UGF and maximise	Noted. All of these policy requirements have been assessed in the Viability study to understand the cumulative effect on the viability of development. It is an unsubstantiated assertion that the introduction of a cost amounting to 1% of development costs, much of which is largely replacing the current s106 asks of developments in any event, would “ultimately mean the viability of new industrial schemes is impacted” such that “sites will struggle to provide the other competing requirements”. OPDC considers that it has taken a balanced approach in setting its CIL charge, which will raise funds to facilitate the delivery of the infrastructure required to support the development envisaged by the Local Plan.

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			greening on industrial developments. • Biodiversity Net Gain (BNG) – there is a requirement for all development types to provide a BNG. If this cannot be achieved onsite, then a developer's contribution can be provided. Introducing a CIL charge for industrial uses, in addition to the existing Mayoral CIL, will ultimately mean the viability of new industrial schemes is impacted and sites will struggle to provide the other competing requirements, such as affordable workspace, UGF and BNG.	
42	N/A	Iceni on behalf of GLP	Overall, GLP supports OPDC's aim to provide guidance to developers on how CIL would be implemented in the area. However, based on the evidence presented by Urbà at Appendix A1, GLP believe there is a strong case to be made for a zero CIL levy on industrial uses in SIL locations. Many London Boroughs have a CIL charging schedule which has a zero levy for industrial uses (LB Brent, LB Enfield, LB Richmond, LB Sutton), and as such, having a zero levy in the OPDC would align with this approach. GLP consider that the proposed CIL charge for industrial and warehouse developments would ultimately prejudice landowners and developers from bringing forward industrial intensification schemes. A CIL charge would also make it even more challenging for	Noted. OPDC is home to the UK's largest industrial estate and anticipates significant industrial intensification to meet the need for jobs and economic floorspace as required in the London Plan 2021 and Local Plan 2022. Given the scale, this industrial intensification will be more significant than that anticipated in LB Brent, LB Enfield, LB Richmond or LB Sutton. Despite the viability challenges, OPDC considers that it is appropriate and pragmatic to charge a nominal CIL rate on industrial development. There are significant overarching infrastructure requirements to support the anticipated industrial intensification in the area and industrial occupiers will both contribute to that increased demand for services and also benefit from the new infrastructure provided.

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			industrial developers to deliver the other planning requirements, such as affordable workspace and BNG. As such, introducing a CIL charge for industrial uses would therefore be highly contradictory to the strategic and local level ambitions for industrial intensification in Park Royal SIL, as set out in local and regional planning policy, and emphasised in the OPDC Industrial Intensification Study (2018). As has been demonstrated in this letter, BNP's assessment for an industrial and warehousing CIL charge of £35 per sqm is not supported by their evidence and a zero rate is more appropriate. Therefore, GLP would welcome amendments to the CIL Charging Schedule to remove the £35 per sqm rate for industrial and introduce a zero rate.	OPDC recognises that there is clearly a need to balance the need to deliver affordable workspace with the need to secure contributions to fund community infrastructure that will support development and growth and ensuring that developments generate acceptable returns to willing landowners and willing developers. OPDC cannot seek to prioritise securing affordable workspace to the exclusion of securing funding for infrastructure and vice versa. In OPDC's view, the proposed rates strike this balance appropriately. OPDC disagrees and considers that a nominal rate more appropriately reflects a balance to the delivery of industrial development, particularly as the CIL is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s.
43	N/A	Iceni on behalf of GLP	We have been instructed by GLP to review the BNP Paribas Real Estate (BNP) viability evidence base document1 which is being used to support the proposed industrial and warehousing CIL charge of £35 psm. Through our review, we have found that based on their inputs and assumptions there is no justification for a CIL charge on industrial and warehousing uses. Furthermore, a number of the inputs and assumptions used are flawed, and as such	Noted. OPDC would highlight that the CIL Viability Study evidence base has been updated to reflect the current economic conditions. Given their experience, Urbà will be familiar that in arriving at a CIL charge based on the requirements of the CIL Regulations 2010 (as amended) and CIL Guidance, achieving an appropriate balance is a matter of judgement

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			viability is being overstated. In making our assessment we have drawn our experience of undertaking CIL studies for local authorities such as the London Borough of Hammersmith & Fulham and London Borough of Sutton, along with Employment Studies for London Borough of Haringey, London Borough of Newham and London Borough of Sutton.	and that charging authorities are allowed to use some discretion in this matter. Regulation 14 of the CIL Regulations 2010 (as amended) requires that in setting levy rates, a Charging Authority, 'must strike an appropriate balance…' i.e. it is recognised there is no one perfect balance; and the CIL Guidance sets out at Paragraph 020 that, a charging authority must use *"appropriate available evidence… to inform their draft charging schedule"* Moreover it sets out that, *"…A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence… There is room for some pragmatism".* OPDC has had regard to the outcomes of BNP Paribas Real Estate's viability testing as well as considering the significant overarching infrastructure requirements to support the development in the area, for which industrial development will contribute to that increased demand for services and also benefit from new infrastructure provided. Moreover, OPDC is aware that industrial development is coming forward in the area, and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. As much of the proposed CIL

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				charge accommodates previous S106 asks the CIL charge will not be an entirely new charge on developments. OPDC could adopt a zero rate, but this would undermine the funding and delivery of essential infrastructure to fund development, much of which is already sought at through s106 and would going forward be secured through CIL instead. As the charging authority, OPDC consider a low rate more appropriately strikes the balance required by CIL Regulation 14.
44	5	Iceni on behalf of GLP	We have significant concerns that BNP has not followed their evidence when setting the CIL rate for industrial/warehouse use and because the CIL rates are not viable it puts development at risk – both of which are not in accordance with the PPG on CIL. BNP acknowledge, in their conclusion, that the viability of industrial uses is challenging due to high build costs for stacked industrial uses and high existing use values,2 therefore their conclusion appears to be at odds with them seeking a CIL charge. The PPG on CIL explains that when setting rates that ‘the regulations allow charging authorities to apply differential rates in a flexible way, to help ensure the viability of development is not put at risk.…if the evidence shows that the area includes a zone, which could be a strategic site, which has low, very low or	Noted. The viability testing has been updated to reflect current market conditions and the stacked/multi storey industrial typologies have been revised to better reflect how these developments come forward. The updated viability testing identifies that single storey large industrial is shown to be unviable; single storey small and medium uses do however show viability of between £110 and £180 per square metre against the two lower BLVs. Multi-storey industrial 1 – which reflects large and medium industrial formats is identified as being unviable in all scenarios tested and Multi-storey industrial 2 – which reflects a small industrial format is viable only against lowest BLV in the scenario with no discount to the

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			zero viability, the charging authority should consider setting a low or zero levy rate in that area. The same principle should apply where the evidence shows similarly low viability for particular types and/or scales of development…'3 [our emphasis] The BNP viability assessment has tested the six scenarios set out in Table 2-1. As we have set out in the final column in Table 2-1, the majority of the scenarios tested are unviable with the draft CIL rate of £35 psm. Furthermore, the BNP results appear counterintuitive because multi-level development is generally the most challenging to deliver but BNP is showing this to be the most viable.	rents on the upper floors (£180 per square metre). The schemes identified as being unviable are unviable prior to the application of a CIL charge and it is not CIL that is making the development unviable. OPDC is aware that development is coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as this is the OPDC's first charging schedule, much of the proposed CIL charge accommodates previous S106 asks, and consequently the CIL charge will not be an entirely new charge on developments. At a cost of 1% of development costs the proposed nominal CIL charge is unlikely to be the determining factor in the delivery of new industrial development in an area that is widely regarded as the one of the premier industrial locations in London. CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost

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				in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. In this context, OPDC therefore still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate, but this would undermine the funding and delivery of essential infrastructure to fund development.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
45	N/A	Iceni on behalf of GLP	Despite the challenges to viability, BNP has recommended a CIL charge, with their justification appearing to be through sensitivity testing. Their sensitivity testing has identified the viability impact of increasing/decreasing rent by £2 psf and increasing/decreasing the yield by 0.25%. They explain that this testing 'demonstrates the sensitivity of small changes to these inputs on the viability of such uses, and consequently the ability to levy a CIL charge.'4 But analysis of the sensitivity testing shows that the positive change to viability only makes the single viable scenario more viable and the marginal scenario viable, all other scenarios remain unviable. Therefore, the sensitivity testing does not justify that the proposed charge is viable across all scenarios, and again BNP has not followed their evidence. Furthermore, as we go on to explain the positive changes are unlikely to materialise because yields are pushing out rather than hardening (getting lower) and it would need to be the latter to improve viability.	Noted. As previously identified, the CIL viability study has been updated to take into account current market conditions including accounting for yields having pushed out. BNP Paribas Real Estate have however highlight that Urbà have not been balanced in their review of the viability study's inputs. Urbà have only commented on inputs where there is downside e.g., higher yields and build costs, and not made mention of any inputs that would result in improved viability. For example, it is highlighted that rents have increased significantly (well in excess of the £2 per sq ft sensitivity tested) since the initial viability study was undertaken. The CIL Regulations 2010 (as amended) and CIL Guidance require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme viability. In this context, OPDC therefore still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate but this would undermine the funding and delivery of essential infrastructure to fund development. Given their experience, Urba will be familiar that in arriving at a CIL charge based on the requirements of the CIL Regulations 2010 (as amended) and CIL Guidance, achieving an appropriate balance between raising much needed funds to facilitate the delivery of infrastructure whilst ensuring the deliverability of development is a matter of judgement and that charging authorities are allowed to use some discretion in this matter. Regulation 14 of the CIL Regulations 2010 (as amended) requires that in setting levy rates, a

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				Charging Authority, ‘must strike an appropriate balance…’ i.e. it is recognised there is no one perfect balance; and the CIL Guidance sets out at Paragraph 020 that, a charging authority must use *“appropriate available evidence… to inform their draft charging schedule”* Moreover it sets out that, *“…A charging authority’s proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence… There is room for some pragmatism”.*

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
46	5	Iceni on behalf of GLP	As we have explained above, BNP's justification for levelling a CIL charge is through their sensitivity analysis of rents and yields. BNP state that they have based their industrial yields, which range between 4 – 4.25%, on Knight Frank and CBRE prime yield schedules and comparable evidence5 but they have not provided this evidence. The latest Knight Frank Yield Guide6 (see copy in Appendix A) refers to prime yields of between 4.75 – 5.50% with a weaker outlook - this is against a backdrop of cooling in occupier demand, for example, Amazon this month announced that they are closing three sites and reducing staff numbers due to the slowing of the economy. The BNP sensitivity testing is not sufficiently robust to show where yields are now because they only tested yields moving up/down by 0.25%, whereas in reality yields the Knight Frank evidence shows they are at least 0.5% higher than what they have used in their testing. Table 2-2 shows when we adjust the investment yield by 0.5%, to reflect current market conditions, capital values fall significantly, which once fed through the development appraisal will reduce overall development viability.	Change proposed. It is accepted that the market has changed since the Viability Study was produced. The study has been updated accordingly to account for the latest market information. BNP Paribas Real Estate have highlighted that Urbà have not been balanced in their review of the viability study's inputs. Urbà have focused on the downside of the capital values due to higher yields, which BNP Paribas Real Estate do not disagree with, however they have made mention or identified in their table showing capital values the implications of the significant increases in rental values since the initial viability study was undertaken, nor have they mentioned that current forecasts predict further industrial rental growth over the coming years, albeit at a more muted rate than previous, but growth none the less.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
47	5	Iceni on behalf of GLP	As referenced above, the BNP analysis shows a site coverage of between 56% and 60% for single storey and 180% and 299% for multi-level. BNP explain that they have based their site area, which informs the site coverage, on their experience of individual schemes,7 but no supporting evidence has been provided. As we demonstrate in Figure 2-1 and Figure 2-2, the assumption regarding site area/coverage on multi-level development is wrong and hence artificially improving viability. 2.2.4 GLP has had proposals for multi-level warehouse development in the London Borough of Newham for a number of years, branded as G-Park London Docklands. These proposals (planning application reference19/01776/FUL) are for a 3-storey unit (see the image in Figure 2-1, with further details in Appendix B) extending to 40,473 sq m with vehicle ramped access on a 3.31 hectares site. The site coverage equates to 122% - much lower than that assumed by BNP. As we can see in the image in Figure 2-1, this level of site coverage is required to allow sufficient circulation around the site, the ramp access for upper floors and yard space.	Change proposed. The multi-storey/stacked industrial typologies tested in the Viability Study have been amended with reference to G Park and V-Park Grand Union as examples of how multi-storey/stacked industrial typologies are coming forward at different densities.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
48	5	Iceni on behalf of GLP	In 2018 the GLA produced a study titled “Industrial Intensification and Co location Study: Design and Delivery Testing.” Amongst other things, this study considered a scenario for a stacked large industrial unit of 25,680 sqm of over 3 floors, at a site coverage of 152% - this scenario was supported with a sketch layout as set out in Figure 2-2, with further details found in Appendix C. We see in this example, a more regularly shaped site size was assumed than the G-Park Docklands proposal, and even then, the density is much lower than that used in the BNP testing.	Change proposed. The multi-storey/stacked industrial typologies have been amended with reference to G Park and V-Park Grand Union as examples of how multi-storey/stacked industrial typologies are coming forward at different densities.
49	5	Iceni on behalf of GLP	Our evidence shows that BNP has significantly overstated their site coverage assumption on the medium and large multi-level scenarios, and this is part of the reason they are showing them to be so viable. As we demonstrate in Table 2-3 and Source: BNP (April 2022), Urbà (January 2023) 2.2.6 Table 2-4, if we assume a more reasonable site coverage of 140% then only a single scenario has scope to capture a CIL charge.	Change proposed. The multi-storey/stacked industrial typologies have been amended with reference to G Park and V-Park Grand Union as examples of how multi-storey/stacked industrial typologies are coming forward at different densities.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
50	5	Iceni on behalf of GLP	A key challenge in the delivery of multi-level development is around the build costs and ensuring appropriate floor loading. Table 2-5 provides a summary of the total construction costs for each of the scenarios based on the BNP inputs. When we cross-reference the BNP assessment with the GLA's evidence set out in 2018 the "Industrial Intensification and Co location Study: Design and Delivery Testing" study (see Figure 2-3, with further details set out in Appendix D) we see that the BNP costs would only be sufficient for up to 35kN/m2 UDL floor loading for large medium and large multi-level industrial and not a higher floor loading of 50kN/m2 UDL. GLP has confirmed to us, that a floor loading of 7.5kN/m2 is more in line with what they install in their offices and not suitable for industrial unit floors. Furthermore, to deliver a floor loading of up to 50kn/m2, as per the GLA's evidence, BNP should be using a cost around 60% higher (difference between 83% cost uplift for 50kn/m2 and 21% cost uplift for 35kn/m2 in the Figure 2-3 analysis) than they have used in their testing for multi-level development – therefore, their assessment on these scenarios should be showing less viability.	Change proposed. The CIL Viability Study has been updated and this includes revised advice on build costs by CDM Project Services in accordance with current market information.

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51	N/A	Iceni on behalf of GLP	As we have demonstrated, BNP's assessment for an industrial and warehousing CIL charge of £35 psm is not supported by their evidence and a zero rate is more appropriate. BNP's assessment is flawed because they have not followed their evidence when setting the CIL charge, which is against the PPG on CIL. We also have concerns that BNP has overstated viability because a number of their inputs and assumptions are not sufficiently robust as such any potential CIL charge will put development at risk, which is again counter to the PPG on CIL. In setting a CIL charge BNP has relied too heavily on the viability findings on multi-level warehousing and our analysis has shown this is particularly where BNP has overstated their inputs and assumptions.	Noted. The updated viability testing shows that some of the industrial developments show viability, however for those schemes identified as being unviable, they are unviable prior to the application of a CIL charge and consequently, it is not CIL that is making them unviable. OPDC is aware that development is coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as this is the OPDC's first charging schedule, much of the proposed nominal CIL charge is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. The CIL Regulations and Guidance require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable and balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan.

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				Therefore, the CIL charge will facilitate the implementation of the Local Plan. In this context, OPDC remain of the opinion that the proposed rate is appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate but this would undermine the funding and delivery of essential infrastructure to fund development. At a cost of 1% of development costs and the fact that it is largely replacing the s106 asks of developments, the proposed nominal CIL charge is unlikely to be the determining factor in the delivery of new industrial development in an area that is widely regarded as the one of the premier industrial locations in London.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
52	N/A	Savills on behalf of Imperial	This representation is submitted by Savills (UK) Limited (hereafter known as "Savills") in respect of Old Oak and Park Royal Development Corporation's (''OPDC'') consultation on their Community Infrastructure Levy (''CIL'') Draft Charging Schedule (''DCS''), on behalf of Imperial College London (''Imperial''). Imperial is regularly ranked amongst the top ten best universities in the world and is the only university in the UK to focus exclusively on science, engineering, medicine, and business. The College academic mission is to achieve enduring excellence in research and education in science engineering, medicine, and business for the benefit of society. The College offers world leading STEM education to over 20,000 students, has the greatest concentration of high impact research of any major UK university, and was recently named by The Times and Sunday Times Good University Guide as University of the Year for 2022. Imperial are supportive of OPDC as the single largest development opportunity in London. Together with the OPDC, Imperial are developing a 'West Tech' vision that draws from activities across multiple boroughs from Westminster to Hounslow and Brent (with Ealing and Hammersmith & Fulham at the centre) that builds a strong and meaningful	Noted.

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			cluster of research; start-ups, scale ups and corporates. Through the White City Innovation District, Imperial are the early adopters of this vision, whilst also playing an active role in bringing forward sustainable development in and around North Acton. Imperial have significant land ownership in OPDC and are therefore keen to see that reasonable rates of CIL are adopted for various types of development. The purpose of this representation is therefore to set out our response on behalf of Imperial to the DCS and supporting documents, which have been published for consultation from the 28th November 2022 to 23rd January 2023.	
53	N/A	Savills on behalf of Imperial	Imperial have significant land ownership in OPDC and are therefore keen to see that reasonable rates of CIL are adopted for various types of development. The purpose of this representation is therefore to set out our response on behalf of Imperial to the DCS and supporting documents, which have been published for consultation from the 28th November 2022 to 23rd January 2023. Imperial's existing interests in OPDC include operational student accommodation, such as Woodward Halls and Kemp Porter Halls delivered in 2016 and 2020 respectively, providing bed spaces to circa 1,200 Imperial students; residential accommodation including key worker housing and private	Noted.

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			rental and existing office space. They are committed to the delivery of housing and employment within OPDC. There are a number of pipeline schemes within the charging area including a major mixed-use development at One Portal Way comprising residential (Build-to-Rent, For Sale, Affordable and Co- Living), Office, Hotel and town centre uses. Imperial also have a number of pipeline schemes for student accommodation and light industrial use for the purposes of research and development.	
54	N/A	Savills on behalf of Imperial	A hybrid application (Ref: 21/0181/OUTOPDC) is being progressed in respect of the redevelopment at One Portal Way. Full planning permission is sought for a mix of residential (461 dwellings), co-living units (384 units), flexible commercial / community / town centre uses. Outline permission is sought for further residential (864 dwellings), 17,477 sq m of office floorspace, 11,807 sq m of hotel floorspace or 11,633 sq m of office floorspace, and additional flexible commercial/community/town centre uses (Class E/F/Sui Generis). Imperial has the potential to bring forward other development schemes during the plan period. Whilst it is recognised that CIL helps to deliver infrastructure, it is important that the CIL	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			rates do not risk the delivery of development as a result of viability implications.	
55	N/A	Savills on behalf of Imperial	Imperial own, develop and operate assets for charitable use which directly support the operations of the institution, such as student accommodation and teaching facilities. Imperial also own, develop and operate assets for investment purposes to support the academic mission by generating income from diversified unfettered assets, for example office for commercial use. These investment activities are vital in securing long-term financial sustainability of the university.	Noted.
56	N/A	Savills on behalf of Imperial	Imperial would like to highlight that they are supportive of the principle that development helps to deliver needed infrastructure. The objective of this representation is therefore not to oppose CIL; it merely seeks to ensure a reasonable rate is proposed, which will enable the planned development in the area to come forward.	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
57	N/A	Savills on behalf of Imperial	OPDC have informed their proposed DCS by viability evidence1 produced by BNP Paribas Real Estate (April 2022). There are, however, a number of concerns in respect of the viability evidence and the proposed rates. Imperial's particular comments in regard to this consultation can be summarised as follows: National Planning Reform– The Government undertook a consultation about reform to the planning system within the Planning White Paper2 with a proposal to abolish Section 106 and CIL. Most recently the Levelling-up and Regeneration Bill3 sets the framework for the Government to introduce a new Infrastructure Levy to replace CIL. In light of this uncertainty, it is not clear whether CIL will remain applicable in due course; Implications of Old Oak and Park Royal Development Corporation Emerging Planning Obligations SPD – We note the recent consultation held by OPDC regarding the draft Planning Obligations SPD and its evidence base. Representations were submitted in response to that consultation by Imperial's Consultants which we are supportive of. We note that OPDC intend to progress CIL prior to the emerging SPD but it is clear that both CIL and the SPD contain implications for the viability of proposals in the area. We highlight the need to be mindful	Noted. The government is currently undertaking a technical consultation on the proposed Infrastructure Levy. It is intended that once the Levelling-up and Regeneration Bill becomes law that this is introduced nationwide through a phased "test and learn" approach over a 10 year period. CIL will continue to be chargeable until the new levy is introduced. Therefore, it is considered to be appropriate for OPDC to progress with a CIL Charging Schedule given the significant infrastructure requirements that are needed to support the development set out in the Local Plan. The Planning Obligations SPD will be amended at the same time as when CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the

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			of the implications of both the emerging CIL and SPD requirements and suggest that OPDC commit to a comprehensive review of the SPD once the CIL Charging Schedule has been adopted, ideally prior to implementation. Furthermore, within Part 2 of these current representations we note inconsistency within the evidence base. Incorrect Assumptions – We have raised concerns regarding a number of assumptions adopted within the viability testing and we have asked for further clarification and justification. We highlight that adopting incorrect assumptions results in an over-estimation of the maximum CIL rates that can be supported. For example, the MCIL2 rates should be modelled at the prevailing rates; Unviable Rates – It remains unclear how BNP has formulated their proposed CIL rates from the viability evidence and testing. The results tables indicate that the vast majority of the typologies tested within certain value zones and delivering policy compliant affordable are unviable. The adoption of nominal rates across unviable schemes is a direct conflict to the CIL Regulations for formulating appropriate CIL rates; Risk to Development Delivery – OPDC was established in April 2015 to drive the delivery of tens of thousands of new homes and new jobs in	non-infrastructure items that will continue to be secured in s106 agreements. It is acknowledged that the market has shifted since the original Viability Study was produced and the Viability Study has been updated to reflect current market inputs, including prevailing MCIL rates. In assessing the results, it is important to clearly distinguish between two scenarios; namely, schemes that are unviable *regardless* of the level of CIL (including a nil rate) and schemes that are viable *prior* to the imposition of CIL at certain levels. If a scheme is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a critical or determining factor. We have therefore disregarded the ‘unviable’ schemes in recommending an appropriate level of CIL as these schemes would be unlikely to come forward and CIL would not therefore be payable. The unviable schemes will only become viable following a degree of real house price inflation, or in the event that OPDC agrees to a lower level of affordable housing for particular sites in the short term. However, as shown by the sensitivity analyses (which test reduced affordable housing levels) even a reduction in affordable housing does not always remedy viability issues. In these situations, it is not the presence or absence of planning

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			Old Oak and Park Royal. An unviable CIL rate could undermine these aspirations for delivery within the area; Application of Charitable Relief – In light of Imperial's status as an exempt charity, we strongly recommend that OPDC considers adopting Charitable Relief under the CIL Guidance to allow flexibility for Imperial to deliver their pipeline schemes.	obligations that is the primary viability driver – it is simply that the value generated by residential development is lower than some existing use values. In these situations, sites would remain in their existing use. Moreover, we would highlight that the LB Newham CIL Examiner, Mr A Thickett identified in his report that, *"if a scheme is not viable before CIL is levied it is unlikely to come forward and CIL is, therefore, unlikely to be a material consideration in any development decision. Consequently, the Viability Study, sensibly in my view, did not factor in unviable schemes in recommending appropriate rates."*
58	N/A	Savills on behalf of Imperial	It should be noted that this representation is made in the context of The Community Infrastructure Levy Regulations 2010 (as amended) ("the Regulations") and relevant statutory guidance4. The most recent amendments to the Regulations and associated guidance came into force on 1st September 2019. The CIL consultation will therefore be subject to the requirements of these latest set of Regulations and Guidance.	Noted.

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59	N/A	Savills on behalf of Imperial	On behalf of Imperial, Savills write to scrutinise the available evidence, viability testing and the proposed CIL rates. The objective remains to ensure a reasonable rate of CIL, which allows for the viable delivery of policy requirements for sustainability and affordable housing, anticipated residual Section 106/ 278 and other site-specific infrastructure. We have therefore split our response into the following Sections: Part 1 - Planning Overview, Housing Land Supply and PPG Guidance; Part 2 - Viability Testing; Part 3 - Interpretation of Results; and Conclusions - Overview of key concerns and proposed CIL rates. In submitting this representation, we are only commenting on particular key areas of the evidence base. The lack of reference to other parts of the evidence base cannot be taken as agreement with them and we reserve the right to make further comments upon the evidence base at the Examination stage.	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
60	N/A	Savills on behalf of Imperial	Part 1 – Planning Overview and Housing Land Supply- The London Plan was adopted in March 2021; it sets out the spatial strategy for Greater London. The London Plan identifies at Table 2.1 that the Old Oak and Park Royal Opportunity Areas have the capacity to deliver an indicative 25,500 homes and 65,000 jobs. The London Plan sets a target for 1,367 homes per annum to be delivered in Old Oak and Park Royal between 2019 and 2029.Policy H4 establishes a strategic target for 50% of all new homes delivered across London to be genuinely affordable. Policy H6 specifies the tenure split to be applied to affordable housing and the implications of following the Fast Track Route. Policy E3 highlights the importance of affordable workspace and where there is a demonstrable need for such provision, Local Planning Authorities can consider the use of policies to secure such provision as part of S106 Planning Obligations. In June 2022 the OPDC adopted its Local Plan which sets out the spatial vision and a series of policies intended to shape the regeneration of the area between 2018 to 2038. Policy H1 states that OPDC will support delivery of a minimum of 19,850 new homes during the Plan period, supporting proposals that contribute to the delivery of a minimum	Noted.

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			annual housing target of 993 homes. This will support the delivery of housing as required by the London Plan (2021). Policy H2 and SP4 requires affordable housing to be delivered in accordance with the overarching 50% target, subject to viability. Policy SP5 seeks to support the delivery of 36,350 new jobs between 2018-38. Policy E3 seeks the provision of affordable workspace offered at below market rate as part of proposals to generate new employment floorspace.	
61	N/A	Savills on behalf of Imperial	The Draft Planning Obligations SPD was the subject of consultation to 8th November 2022. The Draft SPD seeks to provide additional clarity about thresholds and specific requirements for planning obligations within OPDC including affordable housing tenures, public transport contributions, open space contributions, social infrastructure contributions, and affordable workspace provision. Imperial's advisors provided comments in response to this draft guidance. The comments were broadly supportive of the draft SPD but highlight concerns about onerous and unevidenced targets for affordable workspace contributions proposed in OB7D 'Provision of Affordable Workspace' and OB7E 'Securing Affordable Workspace Value'. We support the comments made by	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			Imperial and note these have been considered in the context of this response to the CIL Charging Schedule. Furthermore, we note inconsistency within the evidence base supporting the draft SPD and the CIL Consultation.	
62	N/A	Savills on behalf of Imperial	In accordance with the provisions of paragraph 48 of the National Planning Policy Framework, weight to be given to relevant policies in emerging plans depends upon: the stage of preparation of the emerging plan, the extent to which there are unresolved objections to relevant policies; and the degree of consistency of the relevant policies in the emerging plan to the Framework. The OPDC website identifies that a review of consultation responses to the Draft SPD is currently underway. It may be that there are changes required as a result of feedback provided but it is unclear at this stage of the preparation of the SPD what these changes may be or when they will be published. Paragraph 2.12 of the Draft SPD acknowledges the emerging CIL for the area. Paragraph 2.12 of the SPD states: "Some of the planning obligations set out in this document may relate to infrastructure that may in the future be funded by CIL. The Planning Obligations SPD will be revised following adoption of a CIL Charging Schedule to reflect the	No change proposed. The Planning Obligations SPD will be amended at the same time as when CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements.

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			infrastructure which OPDC intends to through fund through CIL rather than Section 106 obligations”. As noted within representations to the Draft Planning Obligations SPD, clarity is sought from OPDC about this matter. Given the wide-ranging scope of the emerging Planning Obligations SPD, it is clear that the emerging requirements would have viability implications on proposals and therefore the emerging CIL rates and vice versa.	
63	N/A	Savills on behalf of Imperial	Whilst OPDC state their intention to revise the SPD following adoption of a CIL Charging Schedule, the statement at paragraph 2.12 does not expressly extend to reconsideration of the thresholds for affordable workspace contributions and suggested rent levels, in light of viability implications. We therefore take this opportunity to reiterate the importance of giving due consideration to the overarching emerging requirements for proposals and the implications upon viability, particularly when combined with CIL. It is suggested that OPDC commit to a comprehensive review of the SPD once the CIL Charging Schedule has been adopted, ideally prior to implementation.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will

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				continue to be secured in s106 agreements. Additionally, the affordable workspace formula set out in the current draft Planning Observations SPD has been revised and it will be considered for adoption in June 2023.
64	N/A	Savills on behalf of Imperial	OPDC Delivery of Development: It is reported within the OPDC Annual Monitoring Reports, that 3,299 dwellings have been delivered since the establishment of the Corporation in April 2015. This equates to an annual average of 471 dwellings per annum. However, the supply of housing has increased significantly in the last year to exceed the Local Plan annualised requirement of 993 dwellings. In respect of affordable housing delivery, it is stated of the 1,078 dwellings delivered in 2021/22, 47% were affordable housing by habitable room. 63% of the affordable housing completed was intermediate housing and 37% was social rent or London Affordable Rent5. Whilst it is acknowledged that not every site will trigger the need to delivery on site affordable housing or affordable workspace provision. It is recognised that CIL adds an additional level of complexity to considerations about viability and the delivery of proposals. Within the context of the emerging Planning Obligations SPD, this is a particular concern for mixed use development schemes. In light of the above,	Noted. The CIL Regulations and Guidance require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the deliverability of developments. OPDC considers that they have taken a balanced and reasonable position in setting their rate of £80 per sq m on residential development. This charge represents a small percentage of the total development value, well below 5% of development costs (identified as typically accounting for between 1.08% and 1.49% of development costs and on average 1.24% of development costs). The proposed CIL rates will therefore have a relatively modest impact on residual land values. Moreover, as this is OPDC's first charging schedule, it is crucial to recognise that the CIL contribution being sought, will not be a new cost burden on development. It is largely replacing much of the financial contributions currently secured in through s106 Agreements.

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			we strongly advise that suitable buffers are incorporated to ensure that additional pressure upon the delivery of development is not imposed via CIL. This will ensure that the proposed development can support the suggested level of CIL and the delivery of much needed development (both private and affordable) across the area is not threatened.	Consequently, it is unlikely to be the determining factor in scheme viability. In this context, we consider the proposed rate to be appropriate. The rates proposed are also reasonable when balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
65	N/A	Savills on behalf of Imperial	Applying the Guidance- The PPG CIL Guidance must be followed in the preparation of a Charging Schedule. The following observations are made against relevant aspects of the Guidance. Paragraph: 010 Reference ID: 25-010-20190901- It is imperative that a CIL rate is not set which could have a negative impact on the delivery of development. The contribution of strategic regeneration sites to the housing supply puts greater importance on the testing of a wide range of development scenarios.	Noted. The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme viability. In this context, we therefore still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. There is room for pragmatism. We note that surrounding charging authorities (Brent (£200 per sq m unindexed and £316.96 indexed to 2023), LBHF (£100 per sq m unindexed and £137 per sq m) are already securing CIL at a similar or higher rate

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				in areas with similar residential values and build costs to those found in the OPDC's area. CIL is not preventing these schemes from coming forward. OPDC has taken a balanced view in seeking a rate of £80 per sq m on residential development. This charge represents a small percentage of the total development value, well below 5% of development costs (identified as typically accounting for between 1.08% and 1.49% of development costs and on average 1.24% of development costs). The proposed CIL rates will therefore have a relatively modest impact on residual land values. The CIL Guidance identifies that a charging authority should directly sample an appropriate range of types of sites across its area, in line with planning practice guidance on viability ('the Viability Guidance'). The Viability Guidance identifies at paragraph 003 that, when assessing the viability of plans, there is no requirement for individual testing of every site or assurance that individual sites are viable. Site typologies can be used to determine viability at the plan making stage. The Viability Guidance recognises at Paragraph 004 that, the typology approach is a process which plan makers can follow to ensure that they are creating realistic, deliverable policies based on

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				the type of sites that are likely to come forward for development over the plan period. The CIL Viability Study has appraised 5 residential development typologies, reflecting both the range of sizes/types of development and densities of development across the OPDC's area. OPDC has considered these in light of their knowledge of actual developments that have come forward in the area as well as development that it anticipates will come forward in the area over the plan period. These typologies are therefore reflective of developments that have been consented/are being considered as well as those expected to come forward in the OPDC in future.

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66	N/A	Savills on behalf of Imperial	Paragraph: 012 Reference ID: 25-012-20190901- Appropriate consideration therefore must be given to the Local Plan to ensure that the CIL rates do not undermine aspirations for regeneration and growth in the area.	Noted. The CIL Viability Report has tested the potential rates of CIL in combination with the cumulative impact of OPDC's adopted Local Plan policy requirements. This is in line with the requirements of the National Planning Policy Framework ('NPPF') the National Planning Practice Guidance ('PPG') and the Local Housing Delivery Group guidance 'Viability Testing Local Plans: Advice for planning practitioners'. Notwithstanding this, OPDC is also of the consensus view that the CIL Guidance identifies that, *"rates should not be used as a means to deliver policy objectives"*. Notwithstanding this OPDC would highlight that this is the OPDC's first charging schedule, much of the proposed nominal CIL charge is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. The CIL Regulations and Guidance require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable and balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan.
67	N/A	Savills on behalf of Imperial	Paragraph: 017 Reference ID: 25-017-20190901- Reliance must therefore be had on infrastructure evidence and viability evidence, with reasoned consideration of the views of the key stakeholders and delivery agents.	Noted. Charging authorities must identify the total cost of infrastructure they wish to fund wholly or partly through the levy. In doing so, they must consider what additional infrastructure is needed in their area to support development, and what other sources of funding are available, based on appropriate evidence. The Infrastructure Delivery Plan 2021 (IPD), found sound in the examination of OPDC's Local Plan, has identified the essential infrastructure requirements to support development and the extent to which it is funded and the expected funding gap. CIL is required to support the funding of this essential infrastructure. OPDC has consulted with key stakeholders on the draft Charging Schedule and viability evidence in accordance with the regulations including holding an in-person surgery event on 15 December 2022. OPDC has also taken account of the representations received to the consultation, for example, by updating the CIL Viability study and making amendments to the Planning Obligations SPD with regard to the relationship between planning obligations and CIL.

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68	N/A	Savills on behalf of Imperial	Paragraph: 021 Reference ID: 25-021-20190901- Reliance must therefore be had on infrastructure evidence and viability evidence, with reasoned consideration of the views of the key stakeholders and delivery agents.	Noted. Paragraph 021 of the PPG deals with development costs including costs arising from existing regulatory requirements, and any policies on planning obligations in the relevant plan, such as policies on affordable housing and site-specific requirements. The CIL Viability Report has tested the potential rates of CIL in combination with the cumulative impact of OPDC's adopted Local Plan policy requirements. This is in line with the requirements of the National Planning Policy Framework ('NPPF') the National Planning Practice Guidance ('PPG'), RICS Guidance Note 'Assessing viability in Planning under the National Planning Policy Framework for England (2021)' and the Local Housing Delivery Group guidance 'Viability Testing Local Plans: Advice for planning practitioners'. OPDC confirms that due regard and consideration has been had for the views and comments of stakeholders' and delivery agents' responses to the consultation.
69	N/A	Savills on behalf of Imperial	Paragraph: 019 Reference ID: 25-019-20190901- The Viability Assessment evidence should test sites identified in the Local Plan. The viability inputs and assumptions in the testing of the generic site typologies must be realistic and reasonable.	Noted. The CIL Viability Study methodology compares the residual land values and potential to secure CIL of a range of development typologies reflecting the types of developments expected to come forward in OPDC's area. These are considered to be realistic and reasonable.

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70	N/A	Savills on behalf of Imperial	Paragraph: 171 Reference ID: 25-171-20190901- Grampian conditions must be used sparingly.	Noted.
71	N/A	Savills on behalf of Imperial	Paragraph: 166 Reference ID: 25-166-20190901- The costs of S106 is relevant consideration for the viability evidence. In addition, the cost of Section 278 infrastructure is a relevant consideration for the viability evidence.	Noted. The CIL Viability Study has included an allowance for £1,500 per residential unit and £30 per sq m for non-residential floorspace to take account of s106 costs.
72	5	Savills on behalf of Imperial	Part 2 – The Viability Testing- We would like to highlight our concerns and seek clarification in regard to the justification for adopting a number of the assumptions included within the viability testing which we highlight below. We have also had reference to Imperial's representation to the Draft Planning Obligations SPD (November 2022) submitted by Iceni and share a number of the viability concerns raised. We note that a number of assumptions modelled in the Viability Assessment included within the OPDC and LB Ealing Affordable Workspace Study produced by Volterra and Redo (2022) are different to the viability testing inputs that BNP have adopted.	Noted. The assumptions in the Revised Affordable Workspace Study and Revised CIL Viability Study have been standardised.

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73	5	Savills on behalf of Imperial	We reviewed the revenue assumptions that BNP have adopted within the Viability Study6. We have significant concerns in respect of the evidence provided to substantiate the capital and rental values applied across the use classes modelled. OPDC is a vast geographical area resulting in a range of value evidence however a large quantum of OPDC, such as Old Oak Common, is currently undeveloped. It is therefore concerning that flat rate value assumptions have been applied across the entire area. Furthermore, we strongly view that the value assumptions adopted are aspirational and thereby highly speculative given the lack of evidence available, especially in respect of new build residential and office uses.	Change proposed. It is accepted that the market has changed since the CIL Viability Study was produced and the study has subsequently been updated to take into account current market conditions and inputs. Consideration was given to different markets within OPDC's area, but the evidence does not currently support different values. As this is OPDC's first Charging Schedule it is considered prudent to introduce a flat rate for most uses which can be varied in the future should different value markets become established. In addition, the residential charge of £80 per sq m is modest by comparison to the CIL charges levied in the surrounding boroughs, typically accounting for between 1.08% and 1.49% of development costs and on average 1.24% of development costs. We note that surrounding charging authorities (Brent (£200 per sq m unindexed and £316.96 indexed to 2023), LBHF (£100 per sq m unindexed and £137 per sq m) are currently securing CIL at higher rates in areas with similar residential values and build costs to those found in the OPDC's area. CIL is not preventing these schemes from coming forward. The one area of the draft Charging Schedule we are proposing to change as a result of the updated evidence is in relation to large offices. £80 per square metre is no longer viable for most of OPDC's area. However, it is considered that large offices based around the

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				HS2/Elizabeth Line and national rail super-hub station at Old Oak Common Station could support a £80 per square metre charge based on rental evidence for established West London office markets. Consequently, for large offices it is proposed to have a split charge, most of OPDC's area as charging zone A with a nominal CIL rate and the areas adjacent to the new HS2 station as charging zone B with an office CIL charge of £80 per square metre.
74	N/A	Savills on behalf of Imperial	In addition, Imperial would also like to raise their concerns in respect of the value assumptions for the affordable revenue within the viability testing. It is not clear what £ per sq ft has been applied within the financial modelling across the various affordable tenures. In addition, there is no reference to the Government's requirement to deliver a minimum proportion of residential schemes as First Homes. The Government requires this tenure to be delivered at 50% discount to open market values in London, therefore the potential receipts from the affordable element of proposed new schemes is likely to be impacted, thereby further reducing the viability. Imperial requests that the Council takes this into consideration.	No change proposed. In accordance with the Written Ministerial Statement Local plans submitted for examination before 28 June 2021, or that have reached publication stage by 28 June 2021 and subsequently submitted for examination by 28 December 2021, will not be required to reflect the First Homes policy requirement. The Viability Study provides details of the value assumptions for Social Rent, London Living Rent and Shared Ownership which are the Mayor of London's affordable tenure requirements set out in London Plan Policy H6. OPDC would highlight that in order to qualify as a First Home, a property must be sold at least 30% below the open market value. Therefore, the required minimum discount cannot be below 30%. There is no differential for London at 50%. However, the First Homes Written

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				Ministerial Statement does give local authorities and neighbourhood planning groups the discretion to require a higher minimum discount of either 40% or 50% if they can demonstrate a need for this.
75	N/A	Savills on behalf of Imperial	Imperial's concerns were raised within Iceni's representation, and we echo these comments in respect of ensuring that appropriate, available evidence is applied within the viability testing to ensure that the proposed rates are fully justified.	Noted.
76	N/A	Savills on behalf of Imperial	BNP have adopted a profit of 17.5% on Gross Development Value (GDV) for private and 6% on GDV for affordable, which reflects a blended rate ranging from 11.75% on GDV for schemes delivering policy compliant affordable housing. The minimum profit margin that the lending institutions are currently prepared to accept, in light of the prevailing market conditions with cost and value uncertainties on delivering residential development, is a blended 20-25% on GDV.	No change proposed. The Viability Guidance identifies at paragraph 18 that, *"For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk."* The CIL Viability Study has adopted a profit margin of 17.5% of private residential GDV for testing purposes, reflecting the level of profit

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				typically applied in viability assessments submitted with planning applications within the OPDC area and in London more widely. Profits on individual schemes may require lower or higher profits, depending on site and scheme specific circumstances, but 17.5% is considered to be appropriate for testing purposes. A 6% return on affordable housing GDV is appropriate as there is very limited sales risk on these units for the developer; there is often a pre-sale of the units to an RP prior to commencement. Any risk associated with take up of intermediate housing is borne by the acquiring RP, not by the developer. The above profit levels have been agreed in the assessment of viability of schemes in OPDC's area as well as across London. As a consequence, the blended profit position is simply a reflection of the appropriate risk associated with the different elements delivered in a scheme. With respect to profit levels at policy compliant levels we note that at 35% affordable Housing the overall profit ranges between 15.04% and 15.38% and at 50% affordable housing, the overall profit ranges between 13.64% and 14.1%. We would highlight that this appropriately reflects the risk profile of such developments as it applies profit levels associated with the different risk associated with the delivery of the private units

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				and affordable residential units as set out in the paragraph above. We reiterate that this is the approach adopted and accepted in viability assessments and the PPG on Viability.
77	5	Savills on behalf of Imperial	We note that within the OPDC and LB Ealing Affordable Workspace Study produced by Volterra and Redo (2022) adopted a profit margin of 18% of GDV. We query why an alternative, lower rate has been adopted by BNP.	Change proposed. The Affordable Workspace Study has been aligned with the CIL Viability Study.
78	N/A	Savills on behalf of Imperial	It should be recognised that there are many different types of developer and many different types of sites that will affect the appropriate GDV that will see sites delivered. This approach has been supported by an Inspector in relation to two residential development sites in Southend-on-Sea –"Most of the risk of development remains and so, although I am aware that in some parts of the country developers are prepared to accept a return of 15%, for this appeal I accept the assertion of both parties' experts...that a risk reward return of between 20% and 25% is a reasonable expectation for profits whether calculated on GDV or on costs, with expectations for profits calculated on the latter basis being sometimes higher still"7 (Paragraph 6). The Inspector also acknowledged the outcomes of the following appeal decisions, which supported a higher blended profit rate than currently reflected in	Noted. OPDC notes that the examples given are all from locations outside of London, which reflect very different markets to that of the OPDC area. The Appeals also date from 2012 and 2014 which pre-date the 2019 PPG (and subsequent amendments). Consequently, the profit evidence set out is not reflective of the current profit levels seen to be adopted in developments in the OPDC's area in 2023. Moreover, the profit margin adopted in the CIL Viability Study of 17.5% of private residential GDV, reflects the level of profit that has been applied in viability assessments submitted with planning applications within the OPDC area and in London more widely. BNP Paribas Real Estate acknowledges that profits on individual schemes may require lower or higher profits, depending on site and scheme specific

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			BNP's viability testing for WHBC: Land at the Manor, Shinfield8 – accepted evidence submitted by six national housebuilders on their targets and supported a blended rate of 20% on GDV; Land at Lowfield Road, Rotherham9 – supported a rate of 22%, made up of 15% profit and 7% overheads. Imperial therefore has serious concerns that this profit margin is not reflective of the current market expectations. We therefore ask that the Council reviews their viability evidence and includes a minimum blended profit rate of 20% on GDV.	circumstances, but 17.5% on GDV for private residential units and 6%on affordable units are considered to be appropriate for testing purposes.
79	5	Savills on behalf of Imperial	We have referred to the concerns raised within Iceni's representation (November 2022) in respect of the build cost assumptions applied within the viability testing. We share the strong concern raised in respect of the underestimation of build costs in light of the nature, density and height of the schemes proposed by Imperial.	Change proposed. It is accepted that the market has changed since the CIL Viability Study was produced. The build costs, have been updated by CDM Project Services in the revised Viability Study in accordance with the latest market evidence.
80	N/A	Savills on behalf of Imperial	In addition, Imperial's placemaking aspirations have not currently been allowed for within the viability testing. We view that the 'External Works' allowances within the viability testing are low and should be reconsidered to reflect an industry approach which would be at least 10-15% of build costs. These allowances would be towards the upper end of this range for large, mixed use regeneration schemes.	No change proposed. The allowance for external works is considered to be reasonable for an area level assessment and has been advised on by CDM Project Services.

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81	N/A	Savills on behalf of Imperial	Abnormal costs, referred to as ‘Exceptional Costs’ within the Viability Study10, capture the impact of additional development costs such as archaeological investigation, water diversion, ground remodelling and stabilisation, which may be required, especially on brownfield, regeneration sites. BNP make no allowance for these works within the Viability Appraisal. We therefore urge that an appropriate allowance is modelled either within a combined cost per dwelling for infrastructure or as a standalone development cost.	No change proposed. Abnormal costs are too variable and site and scheme specific to assess explicitly within an area wide viability assessment. OPDC and BNP Paribas Real Estate note that the Examiner for Bristol’s CIL Charging Schedule identified at paragraph 26 that, *“By definition, the CIL cannot make allowance for abnormal, site specific, costs. The rates have to be based on a generic analysis of a variety of size and type of schemes across the area, taking into account average local build costs, not the individual circumstances of particular sites. The fact that a few specific schemes that are already marginal may become unviable in certain locations should not have a significant impact on the delivery of new housing across the city to meet the requirements of the adopted CS.”*
82	N/A	Savills on behalf of Imperial	In September 2022, OPDC consulted upon a draft Planning Obligations SPD which provides additional guidance on the monetary and non-monetary obligations which OPDC will secure through Section 106 agreements. It is important that the viability testing for the proposed CIL rates takes into consideration the outcome of this planning guidance document so that accurate developer contributions can be modelled.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.:

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			Whilst OPDC highlights that the SPD will be revised to remove those contributions which will be superseded by and paid for through CIL, the cashflow mechanics for all financial contributions has not been modelled.	Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements.
83	N/A	Savills on behalf of Imperial	The Viability Study11 assumes an allowance of £1,500 per unit for residential schemes and £30 per square metre for commercial schemes for Section 106 contributions. Imperial are particularly concerned that this is not reflective of the financial contributions that have historically and will continue to be sought by OPDC. Imperial have collated evidence of the Section 106 contributions for key surrounding schemes which range from £4,026 to £8,657 per residential unit and between £77 per sq m and £253 per sq m for commercial space. These figures are over double the current assumptions that have been tested within the Viability Study12.	No change proposed. OPDC has reviewed the total s106 contributions on a range of schemes secured to date when no borough CIL has been payable in coming up with these allowances. This has been calculated by taking away the "infrastructure" contributions from the total s106 contributions secured on individual schemes to arrive at a residual sum. £1,500 per residential unit and £30 per sq m non-residential floorspace is therefore an allowance within the appraisals for s106 contributions once CIL is adopted. This is on the basis that OPDC would not look to secure infrastructure contributions from s106 but fund these through CIL instead. The actual s106 contribution secured on individual schemes would be subject to viability.
84	N/A	Savills on behalf of Imperial	There is particular concern in respect of OPDC's requirement for co-living off-site affordable payments whereby Imperial are experiencing a significant contribution being	No change proposed. OPDC has reviewed the total s106 contributions on a range of schemes secured to date when no borough CIL has been payable in coming up with these allowances.

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			sought which would equate to a significantly higher amount on a per unit basis than currently assumed within the viability testing. Imperial therefore requests that the Council provides analysis on Section 106 Agreements sought across the OPDC for a range of schemes to further justify the current allowance.	This has been calculated by taking away the "infrastructure" contributions from the total s106 contributions secured on individual schemes to arrive at a residual sum. £1,500 per residential unit and £30 per sq m non-residential floorspace is therefore an allowance within the appraisals for s106 contributions once CIL is adopted. This is on the basis that OPDC would not look to secure “infrastructure” contributions from s106 but fund these through CIL instead. The actual s106 contribution secured on individual schemes would be subject to viability. Affordable housing contributions for Co-living are calculated by assessing the difference between a scheme delivering a policy compliant level of affordable units at 50% of market rent against a 100% private scheme i.e. payment in lieu of the provision of on-site affordable housing. The Viability Study’s appraisals assess the provision of the policy compliant levels of affordable housing in line with this requirement and consequently this has been appropriately accounted for in the OPDC’s CIL rate.
85	N/A	Savills on behalf of Imperial	We note that BNP have adopted a development finance rate of 6.5%. We view that this is underestimating the prevailing rate of development finance achievable, especially for multi-phased, mixed use development schemes, where we are	No change proposed. The development finance rate adopted of 6.5% is considered to be within a reasonable range that is currently seen in viability assessments for finance and is reasonable for an area wide

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			experiencing lending institutions requiring between 8-8.5%.	assessment which will be in place over a long period of time. Development finance in the appraisals is applied as an all-in rate at 100% debt finance. In actuality development finance is much more complex and differs from development to development and developer to developer. It is noted that the finance rates adopted in development appraisals did not drop significantly between the property boom era up to circa 2007 and the Global Financial Crisis in 2008-2009, at which point base rates were lowered to historic levels and kept there. In 2008, the Bank of England base rate was 5% and development finance rates were in the range of 6% to 6.5%. The base rate is currently 4.5% and is not expected to increase above 4.75%, so development finance rates are expected to remain within the current range. Furthermore, there is no direct link between development finance rates and the base rate, unlike many mortgages which are directly linked.
86	N/A	Savills on behalf of Imperial	We raise our concerns in respect of the range of typologies that BNP have tested within the Viability Study. We highlight that there is no guarantee that schemes similar to the typologies tested will be delivered. Imperial requests that a wider range of larger schemes and typologies, reflective of	Noted. The CIL Viability Study has tested a range of development typologies reflecting both the range of sizes/types of development and densities of development expected to come forward in OPDC's area over the life of the Charging Schedule, to arrive at the suggested CIL rates.

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			Imperial's proposed developments are modelled, including site specific testing. This approach will ensure that schemes that OPDC are aware are in the planning pipeline can be accurately assessed.	OPDC has considered these in light of its knowledge of actual developments that have come forward in the area as well development that they anticipate will come forward in the area over the plan period. These typologies are therefore reflective of developments that have been consented/are being considered as well as those expected to come forward in the OPDC in future. The CIL Guidance identifies that a charging authority should directly sample an appropriate range of types of sites across its area, in line with planning practice guidance on viability ('the Viability Guidance'). The Viability Guidance identifies at paragraph 003 that, when assessing the viability of plans, there is no requirement for individual testing of every site or assurance that individual sites are viable. Site typologies can be used to determine viability at the plan making stage. A study of this kind can never test all potential scenarios, but it is considered that the most likely scenarios have been assessed. OPDC is not required to undertake site-specific testing for the purpose of setting CIL rates.
87	5	Savills on behalf of Imperial	OPDC have confirmed that the London-wide Mayoral CIL is still applicable to eligible developments within the OPDC area at the appropriate rate. Mayoral CIL2 has been	Change proposed. The CIL Viability Study has been updated to incorporate the increased rate for MCIL2.

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			modelled at £60.55/ sq m as the indexed rate for 2021 in the OPDC area. We note that the prevailing rate including indexation is confirmed by MCIL's Annual CIL Rate Summary 2023 document13 at £64.55 per sq m. The viability evidence should therefore be updated to incorporate the increased rate for MCIL2.	
88	N/A	Savills on behalf of Imperial	Part 3 - Interpretation of Results- Imperial are concerned that there has not been adequate explanation provided by OPDC in regard to the methodology for using the results from the viability testing to calculate the proposed CIL rates across the various uses. In respect of the residential viability testing, we note that no viability is shown for any of the five typologies modelled when delivering policy compliant affordable housing, except for a low density (300 dph scheme over £900 sq ft). There is very limited viability shown across the five typologies when delivering 40% affordable housing. BNP have therefore proposed their suggested rates based upon the limited number of typologies showing viability within the highest value zones, delivering non-policy compliant affordable housing. We note that a similar approach to the interpretation of the results has occurred for the Built to Rent typologies and co-living typologies where limited viability was demonstrated.	Noted. In assessing the results, it is important to clearly distinguish between two scenarios; namely, schemes that are unviable *regardless* of the level of CIL (including a nil rate) and schemes that are viable *prior* to the imposition of CIL at certain levels. If a scheme is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a critical or determining factor. BNP Paribas Real Estate and OPDC have therefore disregarded the 'unviable' schemes in recommending an appropriate level of CIL as these schemes would be unlikely to come forward and CIL would not therefore be payable. Some schemes would be unviable even if a zero CIL were adopted and we recommend that OPDC pays limited regard to these schemes as they are unlikely to come forward unless there are significant changes to main appraisal inputs (i.e., sales values and costs). This is a

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				proposition that examiners have accepted elsewhere. The unviable schemes will only become viable following a degree of real house price inflation, or in the event that OPDC agrees to a lower level of affordable housing for particular sites in the short term. However, as shown by the sensitivity analyses (which test reduced affordable housing levels) even a reduction in affordable housing does not always remedy viability issues. In these situations, it is not the presence or absence of planning obligations that is the primary viability driver – it is simply that the value generated by residential development is lower than some existing use values. In these situations, sites would remain in their existing use. Moreover, we would draw attention to the comments made by the LB Newham CIL Examiner, Mr A Thickett's in his report that, *"if a scheme is not viable before CIL is levied it is unlikely to come forward and CIL is, therefore, unlikely to be a material consideration in any development decision. Consequently, the Viability Study, sensibly in my view, did not factor in unviable schemes in recommending appropriate rates."*

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				The CIL Regulations and Guidance identify that a charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. There is room for pragmatism, and we consider that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347 million. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. The CIL charge will facilitate the implementation of the Local Plan. A rate of £80 per sq m on residential development is unlikely to be the determining factor in scheme viability as it represents a small percentage of the total development value, well below 5% of development costs and typically accounting for between 1.08% and 1.49% of development costs and on average 1.24% of development costs. The proposed residential CIL rate will therefore have a relatively modest impact on residual land values. OPDC would highlight that this is its first charging schedule, and consequently it is necessary to recognise that the CIL contribution

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				will not be a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. OPDC further notes that, surrounding charging authorities have been securing CIL at a similar or higher rate in locations immediately around OPDC's administrative area for a significant number of years already. The London Borough of Brent's charge is £200 per square metre unindexed (£316.96 per square metre indexed to 2023) and the London Borough of Hammersmith and Fulham's rate is £100 per square metre unindexed (£137 per square metre indexed to 2023). CIL is not seen to be preventing development schemes from coming forward in these locations. We consider that the costs and revenues incurred in developments just outside of OPDC's area will not be so significantly different, that a charge of £80 per square metre would hinder development from coming forward in the OPDC's area. In this context, OPDC consider the proposed rate to be reasonable and appropriate and pragmatic proposal given the available evidence.

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89	N/A	Savills on behalf of Imperial	It is alarming that the rate proposed for 'All other uses' which captures older persons housing, small office developments (less then 20,000 sq m), industrial and warehousing, retail and all other uses have been set at £35 per sq m despite challenging viability being highlighted by OPDC and in the viability evidence. The proposed rate is described as 'nominal' however we view this is in direct conflict with the results of the viability testing for these uses which shows marginal to no viability for these schemes to come forwards with a CIL liability.	Noted. The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme viability. OPDC has taken a view that all development will require infrastructure to support it, and in this regard, a nominal rate on all other uses of £35 per square metre will assist in raising much needed capital to assist in the funding of infrastructure to ensure development in the area is sustainable. At this level of charge, the proposed nominal CIL rate is unlikely to have a significant impact on viability across the

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				OPDC's area as it will form such a small percentage of development costs i.e., typically less than 1% (shown to be between 0.7% and 1.5% of development costs). It is worth noting that the Mayor's CIL applies to all uses and was initially set at £35 per square metre and is now set at £60 per square metre (£66.55 indexed to 2023), for which exhaustive testing of all uses was not undertaken as it was considered that this level of charge was nominal and would not impact on development. In this regard it is noted that the Council's proposed charge is £21.55 less than the Mayoral CIL charge at £35 per square metre. At this level any CIL charges will form a very small portion of development costs and as such is unlikely to be a significant factor in developers' decision making and could be absorbed without having a significant impact on viability across the Borough. OPDC considers that a nominal rate is a positive approach to development. This ensures sustainable development in the Borough by the funding of infrastructure to support new development, whilst putting minimal financial impact on such development through a nominal charge.

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				The CIL Regulations and Guidance identify that a charging authority’s proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. There is room for pragmatism, and we consider that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347 million. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. The CIL charge will facilitate the implementation of the Local Plan. We would highlight that a low/nominal CIL charge for “all other uses” has been considered and accepted as a reasonable charge by a number of CIL Examiners in London Boroughs including the Royal Borough of Kingston Upon Thames, London Borough of Bexley, London Borough of Hounslow, and London Legacy Development Corporation.
90	N/A	Savills on behalf of Imperial	Imperial are supportive of promoting and delivering mixed-use schemes which will deliver much needed housing and employment to the area. In light of their Charitable status, they are obligated under Section 119 of the Charities Act 2011, to ensure that the best value reasonably	Noted.

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			obtainable to the Charity is achieved. Should the rates of CIL not be set at appropriate levels, Imperial's aspirations for their pipeline schemes may need to be amended to deliver the most viable uses.	
91	N/A	Savills on behalf of Imperial	In light of our above observations, we would request that OPDC reconsiders their approach to ensure that the additional financial burden that a CIL rate will contribute, does not prevent schemes being delivered within the plan period.	The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC consider that the rates proposed are reasonable and balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. The CIL charges proposed by the OPDC account for between less than 1% and no more than 4.5% of development costs. However, as this is OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in s106s. Therefore, OPDC considers that the CIL charges as proposed are unlikely to be the determining factor in scheme viability.

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				In this context, OPDC remain of the opinion that the proposed rates are appropriate and achieve the balance required by the CIL Regulations 2010 (as amended).
92	N/A	Savills on behalf of Imperial	Imperial strongly supports that OPDC have recognised that as a Charging Authority, they have the discretion to allow Mandatory and/or Discretionary Charitable Relief to be claimed. However, it is not clear if this is OPDC's intention and we note that a decision will be made at the point the Charging Schedule is adopted. Imperial has charitable status, being an exempt charity pursuant to the Exempt Charities Order 1962 and the Third Schedule to the Charities Act 2011. Imperial's overarching aim, as a charitable body, for their development proposals is to deliver regeneration schemes for public benefit. It is therefore their desire to have the option of benefitting from Mandatory and/ or Discretionary Charitable Relief on their schemes coming forward, should this be applicable. Therefore, we recommend that OPDC confirms whether Mandatory and/or Discretionary Relief will be made available as soon as possible, with consideration to Imperial's existing and future potential to contribute to the success of OPDC.	No change proposed. OPDC does not plan to implement any discretionary exemptions beyond statutory social housing and charitable relief. OPDC considers that the proposed CIL charge is viable and will monitor the charge to ensure it remains viable. Should circumstances change, OPDC will seek to revise the levy rather than provide any discretionary relief from the charge.

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93	N/A	Savills on behalf of Imperial	The CIL Guidance which highlights the importance of a Charging Authority recognising an appropriate balance when determining CIL rates to ensure the delivery of housing, especially affordable housing, is not compromised. The PPG requires that CIL is not set at the margins of viability and an appropriate 'buffer' is included to ensure the levy rate remains able to support development when economic circumstances adjust14. BNP have acknowledged the guidance in respect of applying a buffer however it isn't clear how a buffer has been applied. BNP recommend that consideration is given to the risk factors and varying viability across OPDC as a whole when interpreting the results from their CIL appraisals. The majority of BNP's viability testing results highlight no viability; therefore, a buffer cannot be applied. Where the viability testing does highlight viability, BNP have applied a buffer of only 20%. Site specific circumstances mean that the economics of the development pipeline will vary across the area. This is inevitable given the varied nature of housing and mixed-use development land supply and costs associated with bringing forward development within high density, regeneration, and brownfield land. It is therefore important to consider these factors	Noted. The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. We consider that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. In this context a 20% buffer has been applied. The appraisals in the CIL Viability Study identify a maximum CIL charge (borough CIL and MCIL) and apply a buffer of 20% once MCIL is taken from the maximum CIL charge to come up with an appropriate amount for borough CIL. As previously identified, in assessing the results, it is important to clearly distinguish between two scenarios; namely, schemes that are unviable *regardless* of the level of CIL (including a nil rate) and schemes that are viable *prior* to the imposition of CIL at certain levels. If a scheme is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a critical or determining factor. We have therefore disregarded the 'unviable' schemes in recommending an appropriate level

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			when proposing 'one size fits all' rates across a significantly diverse area in terms of market and development characteristics.	of CIL as these schemes would be unlikely to come forward and CIL would not therefore be payable. Some schemes would be unviable even if a zero CIL were adopted and BNP Paribas Real Estate have recommended that OPDC pays limited regard to these schemes as they are unlikely to come forward unless there are significant changes to main appraisal inputs. That is, the unviable schemes will only become viable following a degree of real house price inflation, or in the event that OPDC agrees to a lower level of affordable housing for particular sites in the short term. However, as shown by the sensitivity analyses (which test reduced affordable housing levels) even a reduction in affordable housing does not always remedy viability issues. In these situations, it is not the presence or absence of planning obligations that is the primary viability driver – it is simply that the value generated by residential development is lower than some existing use values. In these situations, sites would remain in their existing use. We would draw attention to the comments made by the LB Newham CIL Examiner, Mr A Thickett's in his report that, *"if a scheme is not viable before CIL is levied it is unlikely to come forward and CIL is, therefore, unlikely to be a*

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				material consideration in any development decision. Consequently, the Viability Study, sensibly in my view, did not factor in unviable schemes in recommending appropriate rates." The CIL Regulations and Guidance identify that a charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. There is room for pragmatism, and OPDC consider that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan. The CIL charge will facilitate the implementation of the Local Plan.
94	N/A	Savills on behalf of Imperial	It should also be highlighted that Imperial's approach to delivering their schemes is to ensure that much needed services, revitalisation and placemaking come forward within the area. OPDC is an area with increasing construction costs with potential for significant abnormal costs given the historic, industrial use. It is Imperial's view that a sufficient buffer is allowed for within the interpretation of the results to ensure Imperial can continue delivering legacy schemes for the benefit of the wider area and community. As already discussed, there are concerns in respect of the assumptions adopted within the viability study. These	Noted. Circa 4,000 homes have been constructed since OPDC's inception and it is considered that OPDC has a strong pipeline of housing schemes coming forward. As an opportunity area to benefit from the construction of the new HS2 superhub station it is considered that despite economic uncertainty the values assumed in the CIL Viability Study will be realised. The government is currently undertaking a technical consultation on the proposed Infrastructure Levy. It is intended that once the Levelling-up and Regeneration Bill becomes law that this is introduced nationwide through a phased "test and learn" approach over a 10 year period. CIL will continue to be

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			concerns sit alongside the risks and uncertainties associated with the housing supply in the OPDC and for a number of other following reasons: i) History of under delivery of required housing in OPDC; ii) Uncertainty and implications for development costs due to inflation; iii) Uncertain economic climate and impact on future revenue generation; iv) Uncertainty in respect of the National Planning Reform and potential removal of CIL. We therefore question whether a 20% buffer as applied across certain uses is sufficient to mitigate the potential risks of the levy rates compromising delivery in OPDC. In light of a number of current uncertainties, we would highly recommend that a viability cushion of at least 40% should be adopted across all proposed rates.	chargeable until the new levy is introduced. Therefore, it is considered to be appropriate for OPDC to progress with a CIL Charging Schedule given the significant infrastructure requirements that are needed to support the development set out in the Local Plan. The proposed CIL rate of £80 per square metre represents a small percentage of the total development value, well below 5% of development costs (identified as typically accounting for between 1.08% and 1.49% of development costs and on average 1.24% of development costs). In addition, OPDC and BNPPRE do not consider the rate proposed will have a detrimental effect on planning obligations towards affordable housing. Sensitivity testing residential schemes with and without the proposed CIL charge has shown that the CIL charge equates to the equivalent of circa 2.6% affordable housing. In normal circumstances, the cost of CIL would be passed onto the landowner in bids for sites. Where this is not possible, the sensitivity testing indicates that the impact CIL would have on the delivery of affordable housing would be minimal. In the OPDC's judgement, the impact strikes an appropriate balance between the need to raise funds for providing essential supporting

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				infrastructure and the impact on other policy requirements. As identified at para 3.15 of the Viability Study, the Examiner on the Mayor of London's first CIL charging schedule identified in his concluding remark, that *"the price paid for development land may be reduced [so that CIL may be accommodated]. As with profit levels there may be cries that this is unrealistic, but* ***a reduction in development land value is an inherent part of the CIL concept****. It may be argued that such a reduction may be all very well in the medium to long term but it is impossible in the short term because of the price already paid/agreed for development land. The difficulty with that argument is that if accepted the prospect of raising funds for infrastructure would be forever receding into the future. In any event in some instances it may be possible for contracts and options to be re-negotiated in the light of the changed circumstances arising from the imposition of CIL charges".* (Paragraph 32 – emphasis added). The proposed CIL rates will therefore have a relatively modest impact on residual land values. Moreover, being the OPDC's first CIL Charging schedule the Levy is not an entirely new cost burden on developments as the CIL charge will largely replace current s106

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				contributions. In this light, the proposed rate reflects a reasonable level of charge which will both allow development to continue to come forward whilst contributing towards necessary infrastructure to support the development coming forward.
95	N/A	Savills on behalf of Imperial	Imperial welcome that OPDC are considering introducing an Instalments Policy alongside the Charging Schedule. We note that the OPDC has decided not to introduce its own instalment policy and to adopt the Mayor of London's instalment policy, as follows: (mcil policy). We have reviewed this policy and suggest that, in light of the proposed rates across OPDC and in conjunction with MCIL2 rates, the Charging Authority should consider an alternative instalments policy. Ultimately, developer cashflow is an important consideration, notably in respect of upfront infrastructure costs typically associated with strategic development. The Instalment Policy should aim to reflect, as closely as possible, the timing of delivery of the development, to ensure that the CIL does not put unnecessary pressure on cashflow and viability.	OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and simpler to administer the Mayor of London's instalment policy in relation to its MCIL, rather than having its own instalment policy. However, this will be kept under review as OPDC can decide to amend the instalment policy once the Charging Schedule is operational. It should be noted that the regulations allow for both detailed and outline permissions (and therefore 'hybrid' permissions as well) to be treated as phased developments for the purposes of the levy. Regulation 9(4) provides that each phase of a phased planning permission is a separate chargeable development for CIL purposes and therefore would be liable for separate payments for each phase, and each phased may benefit from any instalment policy that may be in force.

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				It is also highlighted that the delivery of infrastructure in the area required to support the developments coming forward will be required at the point where developments are delivered. Consequently, the payment of CIL at earlier stages is a key part of ensuring the delivery of the supporting infrastructure in a timely manner.
96	N/A	Savills on behalf of Imperial	Imperial have highlighted significant infrastructure requirements, preliminary costs such as demolition and basement works, potential clean-up costs, wider Section 106 financial contributions and likely MCIL2 payments required across a number of their large-scale, mixed-use schemes. The majority of these costs are incurred towards the start of the build programme which result in significant cashflow implications. Furthermore, the nature of these schemes require a phased delivery. It is therefore imperative that the CIL payment profile follows the delivery of the schemes. With this in mind we suggest the instalments proposed reflect the length of the permission granted, with equal instalments due annually post commencement of development. For example, if the permission has a time limit requiring commencement within 5 years, 20% of the CIL tariff should be due annually for the 5 consecutive years post commencement. This is particularly	OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and simpler to administer the Mayor of London’s instalment policy in relation to its MCIL, rather than having its own instalment policy. However, this will be kept under review as OPDC can decide to amend the instalment policy once the Charging Schedule is operational.

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			applicable to those permissions with CIL liabilities over £500,001.	
97	N/A	Savills on behalf of Imperial	For schemes with smaller CIL liabilities, we suggest the following thresholds as a starting point, albeit we have included a suggested threshold for those above £500,001 if the Council would prefer this approach to the one outlined above. (Table in response)	OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and simpler to administer the Mayor of London's instalment policy in relation to its MCIL, rather than having its own instalment policy. However, this will be kept under review as OPDC can decide to amend the instalment policy once the Charging Schedule is operational.
98	N/A	Savills on behalf of Imperial	We believe that there should be an overriding mechanism which, in certain situations should the CIL payments threaten the viability, and thus the deliverability of the scheme proposed, can be negotiated and agreed on a one-to-one basis. This is in line with the PPG which states: "An instalment policy can assist the viability and delivery of development by taking account of financial restrictions, for example in areas such as development of homes within the buy to let sector. Few if any developments generate value until they are complete either in whole or in phases."15	OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and simpler to administer the Mayor of London's instalment policy in relation to its MCIL, rather than having its own instalment policy. However, this will be kept under review as OPDC can decide to amend the instalment policy once the Charging Schedule is operational.

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99	N/A	Savills on behalf of Imperial	Based on the above analysis, we remain of the opinion that the Council cannot demonstrate that the suggested CIL rates are striking a suitable balance or supported by accurate viability evidence. It is therefore essential that additional testing is undertaken (in light of the above) and the CIL rates are reviewed.	The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. We consider that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. It is unlikely that the rates as proposed by OPDC, which range between less than 1% and at most 4.5% of development costs to be the determining factor in scheme viability. This is particularly true given that as this is OPDC's first charging schedule, it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in s106s. In this context, OPDC remain of the opinion that the proposed rates are reasonable, balanced, and appropriate.

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100	N/A	Savills on behalf of Imperial	The assessment of planned development and its viability is an inherent test of the CIL Examination, making the following points significant: Planning Uncertainty – In light of the uncertainty of the national planning system and continuation of CIL, we strongly advise that the OPDC reassess whether it is an appropriate time to consider adopting a CIL Charging Schedule; Incorrect Assumptions – We have raised concerns in respect of a number of assumptions adopted within the viability testing and we have asked for further clarification and justification. We highlight that adopting incorrect assumptions results in an over-estimation of the maximum CIL rates that can be supported. For example, the MCIL2 rates should be modelled at the prevailing rates; Application of Buffer - It is fundamental that a minimum viability cushion of 40% should be adopted within the proposed CIL rates to minimise risk to the housing supply; Risk to Housing Supply – Whilst the initial rates of delivery within OPDC have not been as high as the Local Plan requirement of 993 dwellings per year. It is anticipated that this delivery will increase now that the Local Plan has been adopted. If CIL is set at an unviable rate, this significantly risks the ability of the OPDC to deliver the required housing need during the	Noted. As set out above it is accepted that the market has changed since the CIL Viability Study and the Study has been updated to reflect the current market, including current indexation of MCIL2. OPDC considers that 20% is an appropriate buffer balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m and the need for development to support its delivery. The proposed rates range between less than 1% and at most 4.5% of development costs. Moreover, it is important to also note that CIL will largely replace much of what is currently secured and being collected through s106 in developments in the OPDC's area. In this light it is considered that the CIL charges as proposed are reasonable and balanced and are unlikely to be the determining factor in scheme viability. OPDC has a strong pipeline of developments coming forward. Surrounding authorities already charge CIL at a similar or higher rate than that proposed by OPDC and it has not prevented development. OPDC has considered the range of CIL instalment policies currently in operation in London. As a Mayoral Development Corporation, officers consider that it would be appropriate to follow and simpler to

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			plan period; Application of Charitable Relief – In light of Imperial's status as an exempt charity, we strongly recommend that OPDC considers adopting Charitable Relief under the CIL Guidance to allow flexibility for Imperial to deliver their pipeline schemes. We therefore strongly advise that additional consideration is made in respect of OPDC's Charging Schedule, including undertaking additional viability testing to address the points raised above.	administer the Mayor of London's instalment policy in relation to its MCIL, rather than having its own instalment policy. However, this will be kept under review as OPDC can decide to amend the instalment policy once the Charging Schedule is operational.
101	N/A	Quod on behalf of SEGRO	I am writing on behalf of SEGRO in response to your Community Infrastructure Levy (CIL) Draft Charging Schedule (DCS). Government guidance on setting CIL rates requires, among other things, for Charging Authorities to consider the impacts of proposed rates on delivering the types of sites and uses set out in their Local Plan. SEGRO is one of the largest landowners in the OPDC area with an extensive industrial land portfolio. It is an innovative and active provider of business space, testing new models of delivery (including multi-storey space) which will be essential to the delivery of the Local Plan in a place where industrial uses are of regional and national significance. These representations make specific reference to three issues: the viability of industrial and warehouse uses, the information provided on Data Centres in	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			the Viability Study, and the potential for a policy of ‘In Kind’ contributions for mixed use site allocations.	
102	5	Quod on behalf of SEGRO	SEGRO is concerned that the OPDC’s own Viability Study demonstrates that industrial and warehouse uses cannot afford to pay the proposed CIL rate for ‘Other Uses’. This was based on data from 2021 when the market was performing strongly, and development costs were lower. Since then the market has become more challenging and costs have risen. Further marginal costs, such as a new CIL charge, will only make development less viable. It is therefore not appropriate, on the basis of the OPDC’s own evidence and following the CIL guidance to charge a CIL rate for industrial and warehouse development. This should include use Classes B2 and B8, and relevant parts of E Class which provide such uses: E(g)(ii) Research and development of products or processes and E(g)(iii) Industrial processes. These uses could be removed from the ‘all other uses’ category and be set at a zero rate.	Noted. It is acknowledged that the market has moved since the CIL Viability Study was produced. The CIL Viability Study has been updated to reflect current market inputs. However, OPDC continues to propose to charge a nominal charge on industrial and warehouse development. The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC’s first charging schedule it is necessary to recognise that the CIL

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme viability. In this context, we therefore still consider the proposed rate to be appropriate. The CIL Guidance identifies that a charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. There is room for pragmatism. OPDC has taken a view that all development, including industrial and warehousing will require infrastructure to support it, and in this regard, a nominal rate on all other uses of £35 per square metre will assist in raising much needed capital to assist in the funding of infrastructure to ensure development in the area is sustainable. At this level of charge, the proposed nominal CIL rate is unlikely to have a significant impact on viability across the OPDC's area as it will form such a small percentage of development costs (i.e., circa 1% of development costs). It is worth noting that the Mayor's CIL applies to all uses and was initially set at £35 per square

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				metre and is now set at £60 per square metre (£66.55 indexed to 2023), for which exhaustive testing of all uses was not undertaken as it was considered that this level of charge was nominal and would not impact on development. In this regard it is noted that the Council's proposed charge is £21.55 less than the Mayoral CIL charge at £35 per square metre. At this level any CIL charges will form a very small portion of development costs and as such is unlikely to be a significant factor in developers' decision making and could be absorbed without having a significant impact on viability across the Borough. OPDC considers that a nominal rate is a positive approach to development. This ensures sustainable development in the area by the funding of infrastructure to support new development, whilst putting minimal financial impact on such development through a nominal charge. The CIL Regulations and Guidance identify that a charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. There is room for pragmatism, and we consider that the rates proposed are reasonable balanced against the identified unfunded

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				essential infrastructure cost in the Infrastructure Delivery Plan of circa £347 million. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. The CIL charge will facilitate the implementation of the Local Plan. We would highlight that a low/nominal CIL charge for “all other uses” has been considered and accepted as a reasonable charge by a number of CIL Examiners in London Boroughs including the Royal Borough of Kingston Upon Thames, London Borough of Bexley, London Borough of Hounslow and London Legacy Development Corporation.
103	5	Quod on behalf of SEGRO	The evidence on Data Centres provided in the report is very limited and does not provide ‘appropriate available evidence’ to justify the proposed rate. SEGRO has extensive experience of data centre development and would be happy to engage with the OPDC and its advisers to address these issues.	Noted. The evidence to support the proposed data centre charge has been updated in the revised CIL Viability Report.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
104	N/A	Quod on behalf of SEGRO	The Local Plan identifies several ‘site allocations’, two of which are owned by SEGRO. These require re-development and replacement of existing employment uses, and at least 1,000 new homes on each site. Our comments on the rates for industrial and warehouse uses relate equally to these sites as they will require relocation strategies, affordable workspace and replacement floorspace. In addition any new housing development will pay residential CIL rates. Given the potential abnormal development costs (both policy driven and site specific) it would be useful for OPDC to give itself the flexibility to allow for ‘In Kind contributions’ to CIL for any strategic infrastructure provided on such sites. We set out more detail on these points below.	Noted. OPDC is considering the circumstances where CIL payment in kind of land or infrastructure may be appropriate. This will be set out when the Charging Schedule is adopted.
105	N/A	Quod on behalf of SEGRO	SEGRO is one of Europe’s largest industrial real estate companies and provides premises for all types of businesses ranging from small businesses to the largest multi-national companies. SEGRO’s portfolio includes warehouses, industrial space, data centres and film studios. SEGRO is one of the major business space providers in the Park Royal area with 4.9 million square feet of floorspace over fourteen properties. Of these the following are within the Old Oak and Park Royal Development Corporation (OPDC) area: Within Strategic Industrial	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			Location (SIL), SEGRO Park Rainsford Road, SEGRO Park Coronation Road, SEGRO Park Abbey Road North, SEGRO Park Abbey Road West, SEGRO Centre Abbey Road Outside Strategic Industrial Location (SIL): SEGRO Park, Victoria Road (Site 13 in Local Plan), SEGRO Park Royal Westway (Site 22 in Local Plan)	
106	N/A	Quod on behalf of SEGRO	SEGRO actively manages and invests in its estate and therefore has a long-term interest in policy for its sites. It is a leading innovator in the development and management of modern business space. This includes V Park Grand Union, which is just outside of the OPDC area and will provide the first urban multi-storey industrial development in Park Royal. Through its 'Responsible SEGRO' Framework SEGRO is seeking to lead sustainable industrial design and low carbon growth aiming to be net zero carbon by 2030. SEGRO has a particular expertise in the development of data centres as key items of national infrastructure. This portfolio and expertise mean that SEGRO will be a critical partner to the OPDC in delivering the 'Good Growth' set out in the OPDC Local Plan, 2018 to 2038, which was adopted in 2022 ('The Local Plan') and in particular the ambition to 'protect, strengthen and intensify' the	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			Strategic Industrial location in Park Royal and Old Oak Common.	
107	N/A	Quod on behalf of SEGRO	SEGRO is therefore interested in the potential effects of the CIL rates in the types of uses within its portfolio. These are: • Data Centres: £120/sqm • All Other Uses (including B1 under 20,000 sqm, B2 and B8 – industrial/workshop and distribution, and uses within Use Class E (g) such as offices, some R&D and industrial): £35/sqm These obligations would be in addition to £60/sqm of MCIL2 for all uses. SEGRO wishes to continue to be active in Park Royal and for re-development and re-investment to be incentivised to deliver the Local Plan policy requirements and wider aspirations. SEGRO wishes to work collaboratively with the OPDC to ensure that CIL is set in a way that allows it to continue to deliver development viably and would be happy to share further evidence with you and your advisers to demonstrate potential impacts on development.	Noted. OPDC would highlight that the proposed CIL charges will not be an entirely new cost/burden on development. Given that this is the OPDC's first charging schedule, the proposed CIL will largely be replacing much of the financial contributions currently secured in the OPDC's s106s.
108	N/A	Quod on behalf of SEGRO	The Government publishes guidance on setting CIL rates as part of its Planning Practice Guidance. This sets out the following: 1 When deciding the levy rates, an authority must strike an appropriate balance between additional investment to support development and the potential effect on the	The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			viability of developments. (Paragraph: 010 Reference ID: 25-010-20190901) 2 Authorities should show how “their proposed levy rate (or rates) will contribute towards the implementation of their relevant plan and support development across their area”. In this case the relevant Local Plan is the London Plan (2021), and the OPDC Local Plan (2022) 3 The regulations allow Charging Authorities to apply differential rates in a flexible way, to help ensure the viability of development is not put at risk. (Paragraph: 022 Reference ID: 25-022-20190901) 4 If the evidence shows that the area includes a zone, which could be a strategic site, which has low, very low or zero viability, the charging authority should consider setting a low or zero levy rate in that area. The same principle should apply where the evidence shows similarly low viability for particular types and/or scales of development. (Paragraph: 022 Reference ID: 25-022-20190901)	in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC’s first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC’s s106s. Therefore, it is unlikely to be the determining factor in scheme viability. In this context, we therefore still consider the proposed rate to be appropriate. A charging authority’s proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate but this would undermine the funding and delivery of essential infrastructure to fund development.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
109	N/A	Quod on behalf of SEGRO	It is a Strategic Policy of the Local Plan (SP5) to secure economic resilience. The proposed outcome is: “A strong, resilient, and diverse economy, that allows existing businesses to thrive and grow and supports the introduction of new businesses to the area. A fair economy across the OPDC area will provide opportunities for locals and Londoners to access a range of employment opportunities across a range of sectors and skill levels. ”The Local Plan notes that Park Royal is of local, regional, and national economic significance (para 3.25) and the Strategic Industrial Location (SIL) covers more than half the OPDC area (excluding Wormwood Scrubs). The Plan states that: “The Industrial Land Review Addendum (2021) demonstrates that there is potential to deliver a net gain of 250,428 sqm of industrial floorspace capacity through the intensification of SIL and co-location of industrial activities outside of SIL in the OPDC area. This increase will help contribute towards meeting the ongoing demand for industrial space in the wider market area.” It is clear therefore that the re-investment and re-development in industrial assets is critical to the implementation of the Local Plan. Chapter 9 of the OPDC Local Plan on Employment sets out a series of policies that expand on these ambitions and	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			place quite tight restrictions and potentially onerous obligations on employment sites both inside and outside the SIL. Policy E1 relates to those sites within the SIL. Requirements include: (a) Proposals are of uses suitable for broad industrial type activities; (b) achieve no net loss of industrial floorspace capacity and where feasible, intensify the use of sites (c) provide a mix of unit sizes. Paragraph 9.9 of the Supporting Text states that: “sites should deliver high plot ratios through industrial intensification where feasible, subject to transport impacts, agent of change, delivery of a high-quality public realm and all other relevant planning policy considerations. Applicants must set out all options explored for intensification in their Planning Statements.” Policy E2 is relevant to the two SEGRO sites outside the SIL which are also site allocations. Requirements here include:(a) Proposals to contribute to the jobs target and meet site allocations requirements;(b) Re-provide industrial floorspace and incorporate existing businesses by identifying whether they can be accommodated on site and providing appropriate units for them; (c) Supporting re-location of existing businesses off site where they can’t be accommodated on site.	

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
110	N/A	Quod on behalf of SEGRO	Paragraph 9.18 (in the Local Plan) suggests that applicants will be required to submit a detailed Business Relocation Strategy to meet policy E2, parts b and c. The site-specific targets (set out in Table 3.1) for SEGRO's sites are: Site 13: Victoria Industrial Estate 400 homes and 6,500 sqm of commercial (minimum), within first ten years of the Local Plan period, and a further 700 homes in years 11 to 20, Site 22: Westway Estate, 1,000 homes and 4,800 sqm of commercial (minimum), years 11 to 20 of Local Plan period. Policy E3, Supporting Small Businesses and Start Ups, and applying to both SIL and non-SIL sites, requires proposals generating new employment floorspace to: a) incorporate an appropriate quantum of: i) affordable workspace offered at below market rate; ii) shared workspaces; and/or iii) small business units- b) demonstrate that any affordable workspace provided under part a) would be managed by an appropriate workspace or studio provider and/or be supported by an appropriate Management Scheme; and c) demonstrate that the affordable workspace delivered provides an appropriate security of tenure. These policy requirements will, where appropriate, be secured through planning conditions and obligations which will both constrain values	Noted. Affordable workspace has been included as a development cost in the CIL Viability Report. Some of the costs referenced are abnormal and or at the least site and scheme specific and consequently could only be accounted for appropriately at a development management/ application specific determination level as there is no average scenario that would be appropriate to consider. As a consequence, such costs are not appropriate to include in an area wide assessment of viability. OPDC and BNP Paribas Real Estate note that the Examiner for Bristol's CIL Charging Schedule identified at paragraph 26 that, *"By definition, the CIL cannot make allowance for abnormal, site specific, costs. The rates have to be based on a generic analysis of a variety of size and type of schemes across the area, taking into account average local build costs, not the individual circumstances of particular sites. The fact that a few specific schemes that are already marginal may become unviable in certain locations should not have a significant impact on the delivery of new housing across the city to meet the requirements of the adopted CS."* It is important to also note that CIL will largely replace much of what is currently collected through s106, so will not be an entirely new cost to development.

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			(by limiting uses and requiring certain unit sizes and types) and impose significant costs, through the need to re-locate businesses and through affordable workspace requirements. To be viable any development will need to be able to incorporate these costs along with other development costs and deliver a viable return. In virtually all cases in the Park Royal area there are existing uses on site which will trigger these policies, and there will also be site specific costs including infrastructure and access and in some cases remediation and site preparation which also need to be taken into account. CIL rates should be set with reference to these policies as well as other more standard requirements.	OPDC cannot seek to prioritise securing affordable workspace etc to the exclusion of securing funding for infrastructure and vice versa. The CIL Regulations and Guidance require rates to be set at a level that strikes an appropriate balance between raising funds to support the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan to support the delivery of the development capacity in the Local Plan (circa £347m) and the potential effect on the viability of developments. OPDC considers that the rates proposed strike this balance appropriately and that it would be unlikely that CIL charges of the order proposed in the DCS would be the determining factor in the delivery of development.
111	N/A	Quod on behalf of SEGRO	The Council has published a 'Community Infrastructure Levy Viability Study' (April 2022) alongside the Draft Charging Schedule. This is intended to provide the context for judging the impact of CIL and other obligations on development and in striking the right 'balance' to ensure that the delivery of the sites and scale of development in the plan are not put at risk. The report takes a standard approach to CIL viability assessment covering a range of residential and commercial appraisals. For relevant commercial uses these include	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			Office Developments (Small and Large), Speculative Industrial and Warehousing Developments and Data Centres.	
112	5	Quod on behalf of SEGRO	As a general point the report is dated April 2022, but the cost data is for Quarter 1 of 2021, and rents, values and yields appear to be from Quarter 2 and Quarter 3 of 2021. This is understandable as the report had to reflect a point in time and such comprehensive reports take some time to produce. Nevertheless, they also give an overly optimistic view of the commercial property market, reflecting in effect the peak of development viability. Since then, uptake, rental values and yields have all softened and development costs have increased. Viability is increasingly difficult to achieve. Any additional costs at the margins will inevitably affect viability further.	Noted. It is acknowledged that the market has moved since the CIL Viability Study was produced. The CIL Viability Study has been revised with up-to-date evidence and now reflects current market conditions.
113	N/A	Quod on behalf of SEGRO	Industrial developments are further broken down into: • Small Standard and Multi-Level • Medium Standard and Multi-Level • Large Standard and Multi Level The report identifies a series of inputs which we agree are broadly reasonable. However, we would make the following points, which would tend to worsen the viability:	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
114	N/A	Quod on behalf of SEGRO	Section 106 contributions and obligations are broadly in line, but slightly below what we would expect from the Draft Planning Obligations SPD for the formula-based obligations. However, there are also a series of other obligations which will be negotiated on a site-by-site basis including Bio-Diversity Net Gain, highways and transport, and air quality neutral payments, which will be significant;	Noted. OPDC's policy expectation is that urban greening factor and air quality positive requirements would be achieved on-site and only in exceptional circumstances would an in-lieu contribution be considered appropriate. In respect of highways, again, this would be an exceptional circumstance where works are required to enable a site access and the costs for this would be a factor for viability specific to that site which would need to be balanced against other negotiable S106 requirements.
115	N/A	Quod on behalf of SEGRO	The appraisals do not take into account requirements for re-location, including decanting and interim moves as part of any re-development, and requirements for bespoke replacement property. Given the focus of policy on intensification this should have been included;	Relocation costs would be abnormal costs specific to a particular development and it is not possible or always reasonable to model these in an area wide viability study. By their very nature, exceptional costs relate to works that are 'atypical' and will be different on every site. As identified at para 4.66 in the CIL Viability Study, *"in the absence of detailed site investigations, it is not possible to provide a reliable estimate of what exceptional costs might be, further these costs will vary on a site-by-site basis. Our analysis therefore excludes exceptional costs, as to apply a blanket allowance would generate misleading results."*
116	5	Quod on behalf of SEGRO	The Build Costs appear very low, possibly reflecting in part the sharp inflation since the initial inputs were sourced. The costs for industrial typologies in the report range from £95 to £185 per sqft, whereas SEGRO's	Change proposed. It is accepted that the market has changed since the CIL Viability Study was produced. The build costs, have been updated by CDM Project Services in the

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			recent experience has been costs ranging from c. £160/sqft to c. £300 to £400/sqft for multi-storey or intensive/specialist development;	revised Viability Study in accordance with the latest market evidence.
117	5	Quod on behalf of SEGRO	The Local Plan requires applicants to consider intensification of employment uses and for additional floorspace in the SIL largely relies on such intensification. As OPDC is aware multi storey industrial/warehouse developments are not yet common. SEGRO has been involved in one of the only multi-storey developments in London (X2 at Hatton Cross) and two further proposed developments in London: securing planning permission in Barking and Dagenham and is on site with V-Park Grand Union, in Park Royal. SEGRO's experience in developing these proposals has been that they have higher development costs (see previous point) as well as a lower rental tone on the upper floors. In addition, valuers will also apply a higher yield than traditional industrial in order to reflect the more bespoke nature of the asset;	Change proposed. Differential rents and yields of individual floors in multi-storey industrial development have been accounted for in the revised CIL Viability Study. As SEGRO has identified the multi-storey market in the UK remains untested and consequently there is no evidence to corroborate with certainty that in all cases a discount will be required on upper floors and the level of discount if required. There was also a degree of differing opinion between agents on this matter as well. Notwithstanding this, both rental scenarios i.e., with and without discounts, have been assessed in the Viability Study. BNP Paribas Real Estate notes that there have been no transactions of muti-storey units in the UK market that would evidence the differential in yield profile for all multi-storey schemes.
118	N/A	Quod on behalf of SEGRO	Professional fees are typically 12.5% as opposed to 10% in the report.	No change proposed. The professional fees applied are considered to be reasonable and in BNP Paribas Real estate and the OPDC's experience are in line with market allowances for professional fees included in viability assessments received in the OPDC's area.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
119	N/A	Quod on behalf of SEGRO	These inputs will vary between individual developments but overall would suggest that the assumptions over-state viability.	Noted.
120	5	Quod on behalf of SEGRO	However, notwithstanding the above, the conclusions from the Appraisal themselves demonstrate that: “the viability of speculative developments for such uses is likely to be challenging given high build costs for stacked industrial uses and high existing use” (paragraph 6.29). This demonstrates that the OPDC’s own evidence shows that none of the 60 ‘standard’ scenarios have returns that exceed an EUV benchmark and only multi-storey developments with low benchmark land values might be viable. As you will be aware this type of product is not yet common and as we have set out above build costs are significantly higher than assumed, rents on average lower and yields higher. In practice with these factors reflected we believe all of these scenarios would be unviable as well. On the basis of these assessments OPDC has proposed what it describes as a ‘nominal’ £35/sqm charge. Whilst such an approach might be appropriate for other uses which are not critical to the delivery of the Local Plan and are not subject to other onerous requirements, industrial and warehouse developments are critical to the delivery of the Local Plan and already face significant	Change proposed. It is accepted that the market has changed since the CIL Viability Study was produced. and the Viability Study has been updated to reflect current market conditions and the typologies on stacked/multi-storey industrial development have been revised. The updated viability testing shows that some of the industrial developments show viability, however for those schemes identified as being unviable, they are unviable prior to the application of a CIL charge and consequently, it is not CIL that is making them unviable. OPDC is aware that development is coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as this is the OPDC’s first charging schedule, much of the proposed nominal CIL charge is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC’s s106s. The schemes identified as being unviable are unviable prior to the application of a CIL charge and it is not CIL that is making the development unviable. OPDC is aware that development is

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			obligations including affordable workspace and/or relocation/management requirements. It is therefore not appropriate, on the basis of the OPDC's own evidence and following the CIL guidance to charge a CIL rate for industrial and warehouse development. This should include use Classes B2 and B8, and relevant parts of E Class which provide such uses: E(g)(ii) Research and development of products or processes and E(g)(iii) Industrial processes.	coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as this is the OPDC's first charging schedule, much of the proposed CIL charge accommodates previous S106 asks, and consequently the CIL charge will not be an entirely new charge on developments. At a cost of 1% of development costs the proposed nominal CIL charge is unlikely to be the determining factor in the delivery of new industrial development in an area that is widely regarded as the one of the premier industrial locations in London. Particularly in light of the fact that this will not be an entirely new cost to development. The CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				Therefore, the CIL charge will facilitate the implementation of the Local Plan. In this context, OPDC therefore still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate but this would undermine the funding and delivery of essential infrastructure to fund development.
121	N/A	Quod on behalf of SEGRO	In relation to the Data Centre appraisals, significantly less information is provided about the appraisal inputs. SEGRO is Europe's leading shell data centre provider having built over 30 data centres. At present, its data centre portfolio extends to the Slough Trading Estate, two telcos and an enterprise data centre in Greater London. Existing customers include China Mobile, CyrusOne, Cyxtera, Equinix, GTR, Iron Mountain, NTT, VIRTUS and a variety of banks. Slough is now considered to be the 2nd largest global data centre cluster behind Ashburn, Virginia.	Noted. OPDC has approved 5 data centre schemes in the last 3 years with further interest being expressed for developing data centres on other sites, suggesting a significantly viable and deliverable market within OPDC's area.
122	N/A	Quod on behalf of SEGRO	At a high level we would make the following points, which we can further evidence if necessary: SEGRO is a shell developer of Data Centres not an operator. Units are provided either as	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			shell or ‘powered shell’ and the operator undertakes fit out; The appraisal uses an Operator model with the occupier undertaking construction, fit out and operation. This has different economics particularly in relation to early costs, of which CIL would be one being payable on commencement in a developer model;	
123	5	Quod on behalf of SEGRO	We would expect to see some transparency in the appraisals with assumptions on revenue and yields, this does not appear to be included in the report;	Noted. As set out in the revised CIL Viability Report, the evidence collected on the sale of data centres around the UK sets out a large spread of capital values. Given that these are not newly developed data centres and are not all in prime locations like in OPDC where there has been a significant interest in data centre development, we have adopted the upper quartile capital value achieved for such uses of £1,300 per sq ft.
124	5	Quod on behalf of SEGRO	As with industrial, build costs have increased significantly, and there is no visibility of cost assumptions in the report. In addition, power connection costs and/or power infrastructure and upgrades to sub-stations are very significant and costs have been increasing rapidly;	Noted. It is accepted that the market has changed since the CIL Viability Study was produced. The inputs to the CIL Viability Study have updated to reflect current market conditions. The build costs have been assessed by CDM Project Services.
125	N/A	Quod on behalf of SEGRO	The height assumption (35 metres) is not evidenced, many data centres are smaller than this and this would reduce total floorspace.	Noted. However, data centres permitted in OPDC's area have generally been at this height.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
126	N/A	Quod on behalf of SEGRO	On this basis we don't think that the report provides 'appropriate available evidence' to support the proposed rates in the Charging Schedule which are significantly higher than industrial and warehouse uses. SEGRO has extensive experience of data centre development and would be happy to engage with the OPDC and its advisers to address these issues.	CIL Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, the CIL charge proposed, which amount to circa 1.2% of development costs, is unlikely to be the determining factor in scheme viability. In addition, OPDC has approved 5 data centre schemes in the last 3 years with further interest being expressed for developing data centres on other sites, suggesting a significantly viable and deliverable market within OPDC's area. OPDC understands that the demand for Data Centre space is likely to remain at all-time highs as the largest providers look to expand their presence,

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				particularly in London. In addition, OPDC is aware that their area is considered by Data Centre operators to one of the most desirable locations in the UK, having an excellent high voltage power supply and data cable resources. In this context, OPDC still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence.
127	N/A	Quod on behalf of SEGRO	Two of the sites owned by SEGRO are identified in the Local Plan as 'Site Allocations' with at least 1,000 homes on each alongside replacement employment space. The OPDC has chosen not to undertake site specific analysis of 'strategic sites' which is recommended by the CIL guidance and is common in most CIL viability reports. These sites will often have significant infrastructure costs associated with them including social and transport infrastructure which may serve the wider area. They will also be subject to Policy E2 for re-location, re-provision of employment uses and E3 on affordable workspace. Under the current proposed Charging Schedule, they will pay separate rates for each use. If OPDC was to follow our suggestion of a zero rate for industrial and	Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable and balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			warehousing uses that would go some way to mitigating the cost concerns.	factor in scheme viability. In this context, we therefore still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate on industrial and warehousing uses, but this would undermine the funding and delivery of essential infrastructure to fund development. Moreover, the proposed charge is modest being circa 1% of development costs at which level it is unlikely to be the determining factor in the delivery of new industrial development in an area that is widely regarded as the one of the premier industrial locations in London.
128	N/A	Quod on behalf of SEGRO	We would also encourage the OPDC to have a policy under Regulations 73 and 73A to allow for 'Payments in Kind'. SEGRO noted in its representations on the Draft Planning Obligations Supplementary Planning Document (dated 8 November 2022) that that document should be revised to remove confusing reference to 'in kind' delivery. However, where land or infrastructure serves a strategic function, beyond that of the site, it should be possible for that to be accepted as 'in kind' payment towards CIL, particularly on strategic sites to effectively avoid them paying double. Although this is not a specific issue for any CIL examination a commitment	Noted. OPDC is considering the circumstances where CIL payment in kind of land or infrastructure may be appropriate. This will be set out when the Charging Schedule is adopted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			to such a policy would reduce SEGRO's concerns about the impact of proposed rates on these two sites.	
129	5	Quod on behalf of SEGRO	SEGRO is a key landowner in the OPDC area and will play a central role in helping deliver the Local Plan vision and targets. It is keen to work positively with OPDC to ensure that policy requirements, including CIL, are appropriate and will incentivise development, noting that in most cases in Park Royal this will involve expensive re-development. As we have set out above SEGRO's current view is: Industrial, workshop and warehouse uses, including re-investment, re-development and intensification are critical to achieving the Local Plan outcomes and are central to the future of the area and London as whole. The OPDC's own evidence suggests that such development does not achieve EUV benchmarks and it is therefore inappropriate to set a CIL rate for these uses; For Data Centres the Viability Study does not provide sufficient evidence to understand how the proposed rate was arrived at therefore doesn't provide 'appropriate available evidence' to justify the proposed rates; That OPDC should consider, alongside the current Charging Schedule review, adopting a policy to accept 'In Kind' and 'Infrastructure Payments' from large site	Noted. As set out above OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. The updated viability testing shows that some of the industrial developments show viability, however for those schemes identified as being unviable, they are unviable prior to the application of a CIL charge and consequently, it is not CIL that is making them unviable. OPDC is aware that development is coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as this is the OPDC's first charging schedule, much of the proposed nominal CIL charge is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. The schemes identified as being unviable are unviable prior to the application of a CIL charge and it is not CIL that is making the development

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			allocations where they provide infrastructure that in part or whole serves the wider area. SEGRO is keen to work with OPDC to address these issues before the Charging Schedule is submitted for Examination. In the meantime, they would like to reserve the right to be represented at any Examination Hearing.	unviable. OPDC is aware that development is coming forward in the area and consequently such development is deliverable and is currently making contributions towards infrastructure through S106. Moreover, as this is the OPDC's first charging schedule, much of the proposed CIL charge accommodates previous S106 asks, and consequently the CIL charge will not be an entirely new charge on developments. At a cost of 1% of development costs the proposed nominal CIL charge is unlikely to be the determining factor in the delivery of new industrial development in an area that is widely regarded as the one of the premier industrial locations in London. OPDC could adopt a zero rate, but this would undermine the funding and delivery of essential infrastructure to fund development, much of which is already sought at through s106 and would going forward be secured through CIL instead. As the charging authority, OPDC consider a low rate more appropriately strikes the balance required by CIL Regulation 14. OPDC cannot seek to prioritise securing affordable workspace and other policies to the exclusion of securing funding for infrastructure and vice versa. In OPDC's view, the proposed rates strike this balance appropriately.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				With respect to data centres, OPDC has reviewed the available evidence on data centre values and the viability evidence supports a charge of £120 per sq m. The CIL charge proposed amounts to circa 1.2% of development costs, and at this level of charge, it is unlikely to be the determining factor in the delivery and viability of Data Centre Schemes. OPDC is conscious that it has approved 5 data centre schemes in the last 3 years with further interest being expressed by numerous parties for developing data centres on other sites in the area. This suggests that Data Centres are significantly viable and deliverable market within OPDC's area. OPDC understands that the demand for Data Centre space is likely to remain at all-time highs as the largest providers look to expand their presence, particularly in London. In addition, OPDC is aware that its area is considered by Data Centre operators to be one of the most desirable locations in the UK, having an excellent high voltage power supply and data cable resources. OPDC is also considering the circumstances where CIL payment in kind of land or infrastructure may be appropriate. This will be set out when the Charging Schedule is adopted.

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130	N/A	Pocket Living	Following email notification received on 28th November from the OPDC informing Pocket Living that the OPDC are consulting on two planning documents from 28th November 2022 to midnight 23rd January 2023, namely the ‘Draft Community Infrastructure Levy (CIL) Charging Schedule’ and ‘A proposed Article 4 Direction’, we would like to make the following representations on the ‘Draft Community Infrastructure Levy (CIL) Charging Schedule’ as a stakeholder with land interests in the OPDC area. In regard to the ‘Draft Community Infrastructure Levy (CIL) Charging Schedule’ we seek further clarity that OPDC will allow Exceptional Circumstances Relief (ECR) or adopt Discretionary Social Housing Relief (DSHR) for products such as Pocket Living Discount Market Sale homes. These homes are sold at 80% of market value and are a NPPF compliant affordable housing product. Pocket Living benefits from an exemption from CIL via ECR or DSHR in many of the Boroughs it operates within. The table below sets out the position in London currently: Barnet, Greenwich, Redbridge, Waltham Forest- ESR, Lambeth, Wandsworth, Westminster DSHR	No change proposed. OPDC does not plan to implement any discretionary exemptions beyond statutory social housing and charitable relief. OPDC considers that the proposed CIL charge is set at a reasonable level that will not prevent development from coming forward and will monitor the implementation of the charge in line with the requirements set out in the CIL Guidance. Should circumstances change, OPDC will seek to revise the CIL charge rather than provide any discretionary relief from the charge.
131	N/A	Pocket Living	In regard to the ‘Old Oak and Park Royal Development Corporation Community Infrastructure Levy Viability Study’, we have	Comments on inputs are responded to below. In terms of having the CIL Viability Study reviewed by an additional party this will happen

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			concerns that the adopted CIL charging schedule is based purely on this BNP Paribas Real Estate study, which contains many assumptions in order to generate the figures that have been stated in the 'Draft Community Infrastructure Levy (CIL) Charging Schedule'. We question how key assumptions (some of which we disagree with) in regards to build costs, professional fees, development finance, marketing costs, commercial marketing, acquisition/purchase costs, development sale periods, developers profit, s106 costs and bench mark land values can be generalised in this way and applied to a wide range of typologies. We feel it would be prudent if the OPDC consider commissioning a review of the 'Old Oak and Park Royal Development Corporation Community Infrastructure Levy Viability Study' by an additional party in order to inform their CIL charging schedule further and ensure that the suggested CIL charges do not deter development in the OPDC area. In addition to the above comments on assumptions made we would also make the following comments:-	through the process of examination by an independent Examiner. They will determine the following: that OPDC has complied with the legislative requirements set out in the Planning Act 2008 and the Community Infrastructure Levy Regulations (as amended); that the draft charging schedule is supported by background documents containing appropriate available evidence; that OPDC has undertaken an appropriate level of consultation; that the proposed rates are informed by, and consistent with, the evidence on viability across the charging authority's area; and evidence has been provided that shows the proposed rates would not undermine the deliverability of the development plan (see National Planning Policy Framework paragraph 34).
132	5	Pocket Living	Rents have been capitalised at yields of between 3.5% and 3.65% (3.5% on the higher rents, 3.6% on the medium rents and 3.65% on the lower rents) These have been informed by just two reports (CBRE and	Noted. It is accepted that the market has changed since the CIL Viability Study was produced. The revised CIL Viability Study has considered and updated the inputs as appropriate based on current market evidence.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			Knight Frank), one of which is dated November 2020. The market has moved since November 2020 and therefore the figures here are out of date and not in keeping with current market conditions. To therefore rely on one report for yield information does not seem appropriate.	
133	N/A	Pocket Living	We request further clarity on how s106 costs at £1,500 per unit was derived.	This is a proxy amount based on the assumption that CIL is largely replacing much of the financial contributions currently secured in s106s for financial contributions such as Heathy Streets and public realm, public transport contributions, education and health contributions. OPDC has undertaken analysis of previous S106 agreements negotiated on schemes in the area, particularly considering the elements that would remain as residual S106 asks in future. Based on these results, both OPDC and BNP Paribas Real Estate consider the allowances adopted in the study to be a reasonable proxy to cover the elements that OPDC would seek contributions through Section 106 for such schemes. The actual amounts will of course be subject to site-specific requirements and negotiations when schemes are brought forward through the development management process.

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134	N/A	Pocket Living	We request further clarity on this table. It appears to state that only high value BTR projects providing either 0%-35% affordable housing can viably sustain a CIL charge in the OPDC area. Medium value BtR projects can only sustain a CIL charge if they provide 0% affordable housing. We do not disagree with these findings but question how this has been considered in the CIL charging schedule?	This is correct. We would highlight that the imposition of CIL is not the element that is making the other scenarios unviable i.e., they are identified as being unviable prior to the imposition of CIL. In assessing the results, it is important to clearly distinguish between two scenarios; namely, schemes that are unviable regardless of the level of CIL (including a nil rate) and schemes that are viable prior to the imposition of CIL at certain levels. If a scheme is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a critical factor. We have therefore disregarded the 'unviable' scenarios in recommending an appropriate level of CIL. In these cases, the value of the existing building/use will be higher than a redevelopment opportunity over the medium term. However, this situation should not be taken as an indication of the viability (or otherwise) of OPDC's policies and requirements. Moreover, we would draw attention to the comments made by the LB Newham CIL Examiner, Mr A Thickett's in his report that, *"if a scheme is not viable before CIL is levied it is unlikely to come forward and CIL is, therefore, unlikely to be a material consideration in any development decision. Consequently, the*

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				Viability Study, sensibly in my view, did not factor in unviable schemes in recommending appropriate rates."
135	5	Pocket Living	The report states that a CIL charge at 4% of development costs, '...is unlikely to be the determining factor in a developer's decision making as to whether they deliver such developments'. Based on our experience charges of this level have the potential to significantly impact deliverability of schemes and important affordable homes. It is unclear as to why BNP Paribas Real Estate think that CIL charged at 4% of development costs is suitable for BtR projects, but for other residential uses 1.26% is considered a 'modest amount'. We would welcome a discussion including attendance at any working groups or roundtables to discuss this detail.	This was an error in the previous report. The updated Viability Study correctly identifies the proposed charge reflects no more than 2.2% of development costs. At this level of cost, the CIL is unlikely to be the determining factor as to whether a developer brings a scheme forward or not. OPDC and BNPPRE note that developers frequently build in allowances for 5% contingency of build costs in viability assessments. Furthermore, developers are able to absorb annual build cost inflation and continue to deliver schemes, in comparison to a one-off CIL charge typically at a lower percentage. This is also the OPDC's first charging schedule, and consequently it is necessary to recognise that the CIL contribution is not an entirely new cost burden on development. It is largely replacing much of the financial contributions currently secured in the OPDC's s106s.
136	N/A	Transport for London	Thank you for inviting us to comment on the OPDC's Draft Community Infrastructure Levy (CIL) Charging Schedule. Having reviewed the documents, we have no comments on the OPDC's Draft Community Infrastructure Levy (CIL) Charging Schedule,	Noted. This information was provided for context.

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			however I do have one observation on paragraph 5.5. In paragraph 5.5 there is reference to state aid, this was replaced by the new subsidy control regulations on 4th January 2023 and you may want to update the document in light of these changes.	
137	N/A	DP9 on behalf of Gempoint 2000	These Representations are written on behalf of our client, Gempoint 2000 Ltd in response to the Community Infrastructure Levy Schedule Consultation which began on 28th November 2022. These Representations are written specific to Old Oak Wharf, Goodhall Street, London, NW10 6UA (‘the Site’) which is located within the Channel Gate Area and currently occupied by Lords Builders Merchant. Site Context: The OPDC Local Plan was adopted on 22nd June 2022 which released a substantial provision of Strategic Industrial Land (‘SIL’) in favour of its allocation by way of Policy P9 as the Channel Gate Area. This area is allocated to be a new high quality residential-led neighbourhood comprising a minimum of 3,100 new homes and 600 new jobs. To the front of the allocated area is the Site, which is still operational as a highly successful builder’s merchant. As a large retail and storage warehouse, this business was compatible with the original SIL designation. However, with the adoption of the 2022 OPDC Local Plan and the Site’s de-	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			designation from SIL, the applicant is looking to relocate this business elsewhere – with such a move to be funded by the Site's redevelopment for residential uses. Viability is therefore a critical factor in allowing the existing business to be relocated, facilitating this key Site within the Channel Gate Area to come forward in line with the allocation.	
138	N/A	DP9 Ltd on behalf of Gempoint 2000	Supported by Policy P9, substantial pre-application discussions have been with the OPDC as Local Planning Authority ('LPA') with a view to devising a residential-led development ('Proposed Development') that is both viable and acceptable in planning policy terms. At the time of writing, these discussions have involved five pre-application meetings with Officers; and presentations to the independent Community Review Group and Place Review Group. The prevailing feedback received during these discussions was recognition of the Site's sensitivities to scale and massing, being located adjacent to the Old Oak Lane Conservation Area and the Grand Union Canal Conservation Area. Whilst it is noted that the Site is not identified in the Local Plan as being appropriate for tall buildings, adopted Local Plan Policy P9 and the supporting evidence base documents (Grand Union Canal Massing and Enclosure Statement and the Channel Gate	Noted.

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			Development Framework Principles document) provide a height framework which has fed into the evolving design iterations of the Proposed Development. In this respect, design iterations presented to the LPA originally comprised up to 450 residential. However, this has since been reduced to 360 residential units which, given the surrounding site constraints, pre-application discussions with the LPA have suggested may be a more acceptable starting point.	
139	N/A	DP9 Ltd on behalf of Gempoint 2000	Each design iteration presented to the LPA through pre-application discussions was supported by details of the maximum reasonable amount of affordable housing the respective schemes could accommodate in accordance with OPDC Local Plan Policy H2. The viability inputs underpinning this scheme were discussed with OPDC (via BNP Paribas) by way of a Financial Viability Assessment dated July 2022. Whilst primarily underpinning the original 450 unit scheme, this FVA concludes that, at a best case viability scenario where no affordable housing is proposed, and taking into account construction costs, Mayoral CIL 2, estimated S106 contributions and a nominal carbon offset contribution, there is a sizeable financial deficit which would impact on the Site coming forward in line with the allocation. Utilising these agreed values,	Noted. Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable and balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development, it is largely replacing much of the financial contributions currently secured in OPDC's s106s. Therefore, it is unlikely that a CIL charge identified as typically accounting for between

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			whilst is it noted a 360 unit scheme with no affordable housing and less floorspace may generate lower Mayoral CIL, carbon offsetting and S106 contributions, there would still be a proportionate deficit.	1.08% and 1.49% of development costs and on average 1.24% of development costs, would be the determining factor in the delivery of a scheme. By comparison OPDC and BNPPRE note that developers frequently build in allowances for 5% contingency of build costs in viability assessments. Furthermore, developers are able to absorb annual build cost inflation and continue to deliver schemes, in comparison to a one-off CIL charge typically at a lower percentage.
140	N/A	DP9 Ltd on behalf of Gempoint 2000	In the event that the Local CIL charge would fully replace S106 contributions, there would be no exacerbation of this deficit. However, neither the Local CIL evidence base nor the Draft Planning Obligations SPD which the OPDC consulted on in Q4 of 2022, provides clarity into the extent of infrastructure to be funded by Local CIL (should it be implemented) versus S106 Obligations. This was a point made in our Representations to the Draft Planning Obligations SPD. Should Local CIL be in addition to, rather than largely replacing S106 contributions, then the deficit would be exacerbated resulting in fundamental uncertainties about the ability of the existing business to relocate – and therefore prejudicing the deliverability of this key site within the Channel Gate Area.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements. The CIL charge is identified as typically accounting for between 1.08% and 1.49% of development costs and on average 1.24% of development costs. OPDC and BNP Paribas do not consider that it is the CIL charge (which would be replacing much of the already sought s106 costs) that would be the determining factor in the delivery of a scheme.
141	N/A	DP9 Ltd on behalf of Gempoint 2000	In order to safeguard the deliverability of the Site in line with the Channel Gate Area designation (Local Plan Policy P9), there are two suggested options for proceeding with Local CIL: i. The draft Charging Schedule be amended to include Charging Zones which assign charges per land use reflecting site-specific viability issues (such as an operational business on land allocated for residential). In this respect, the Charging Zone in which the Site is located should have a £nil charge for residential uses. This would ensure the current deficit associated with the Site's emerging redevelopment is not exacerbated, whilst still allowing S106 contributions to fund essential infrastructure.	Noted. Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development, it is largely

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				replacing much of the financial contributions currently secured in OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme viability. In this context, we therefore still consider the proposed rate to be appropriate. A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. OPDC could adopt a zero rate but this would undermine the funding and delivery of essential infrastructure to support the development envisaged. Moreover, it is highly unlikely that the removal of a CIL charge accounting for a cost of circa 1.24% (assuming that it is an entirely new charge, which it is not given that it is replacing much of the existing s106 asks) of development costs being the determining factor in the delivery of this Site in the Channel Gate Area.
142	N/A	DP9 Ltd on behalf of Gempoint 2000	The Local CIL Charge should be reviewed to reflect, and entirely or largely replace S106 contributions. This would ensure the monies collected from Local CIL would directly contribute towards the regeneration of the area whilst not putting additional burden on emerging proposals. In this respect, there should be greater coordination between the	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			draft Local CIL Charging Schedule and the draft Planning Obligations SPD.	contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements.
143	5	DP9 Ltd on behalf of Gempoint 2000	Notwithstanding the two suggested amendment options above, it is noted that much of the evidence base for the draft CIL Schedule was compiled by BNP Paribas prior to April 2022. This therefore does not consider the economic downturn which commenced from September 2022 – which included depreciation in land values and house prices combined with an increase in general construction costs. The impacts of this downturn on construction and development and its noted expectation to continue into 2023 and beyond, have been heavily publicised - with example Press Releases within Appendices 1 and 2 of this document. The BNP Paribas viability report should therefore be reviewed and updated as a matter of priority in advance of the	Change proposed. It is accepted that the market has changed since the CIL Viability Study was produced. The CIL Viability Study has been updated with the evidence now reflecting current market conditions.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			suggested amendments in Section 4 above being considered.	
144	N/A	DP9 on behalf of Tiago Properties Ltd	We issue these representation on behalf of our client, Tiago Properties Limited, who is currently in pre-application discussion with you regarding a proposal for the redevelopment of the ‘Park Royal Road East and West Sites (5-7 Park Royal Road and Units 2-4 of the Lower Park Industrial Estate) (‘the Site’) located within OPDC in Park Royal West. 1.2 The proposals are for the redevelopment of the site to provide a mixed-use scheme, comprising: a. a Purpose-Built Student Accomodation (PBSA) led building incorporating industrial use (East Site) and b. an affordable residential led building incorporating commercial uses (West Site).	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
145	N/A	DP9 on behalf of Tiago Properties Ltd	In November 2022 we submitted representations on behalf of Tiago Properties Limited relating to the draft OPDC Planning Obligations SPD. A main observation of ours in the representations was that the draft SPD did not specifically set out which contributions would cease to be applicable once CIL is adopted, despite making clear that some would. Our view in those representations was that it is vital that the SPD sets out which obligations would cease to be applicable once CIL is adopted, to provide clarity on the future combined Section 106 and CIL costs to developers. Until that happens, it is difficult to precisely assess the impact of the emerging CIL rates versus the interim scenario and that impacts these representations too.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
146	N/A	DP9 on behalf of Tiago Properties Ltd	Notwithstanding, based on our assessment of the potential OPDC CIL Liability for the development at Park Royal Road, we have identified a major increase from the total emerging Section 106 contribution liability, including those unidentified Section 106 contributions that would cease to be sought upon the adoption of CIL. This continues to be the case once Social Housing Relief for our client's scheme is factored in. This naturally results in concerns about the potential impact of the future adoption of a CIL charging schedule on the viability of developments like our clients, which includes a significant affordable housing provision.	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements.
147	5	DP9 on behalf of Tiago Properties Ltd	The CIL liability for our clients proposals (following Social Housing Relief) would almost entirely relate to the PBSA proposals. Having reviewed the supporting BNP Paribas Viability Assessment, it is our clients view that the inputs are now out of date and inaccurate. For example: a. The operating cost estimate of £2,500 per room referred to at paragraph 4.33 is not considered to be accurate in current circumstances. The Stay	Change proposed. It is accepted that the market has changed since the original CIL Viability Study was produced. The Viability Study has been updated and reflects current market inputs. BNP Paribas Real Estate has had consideration for the comments made by DS2 in relation to the operating costs, however, DS2 have not provided any evidence to substantiate

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			Club is currently estimating its average operating costs to be in the region of £3,500 to £3,850 and across the sector operating costs are being recorded as up to £4,850 when including central marketing and reservation costs.	this information and there is no detail as to what is include and excluded in these costs. Moreover, these costs far exceed the levels of operating costs allowed for in recent student accommodation schemes assessed by BNP Paribas Real Estate.
148	5	DP9 on behalf of Tiago Properties Ltd	b. The estimated net rental yield of 4.25% referred to at Paragraph 4.34 is also not accurate to current circumstances. The Stay Club is estimating its average yield at present to be in the region of 4.5%.	Change proposed. It is accepted that the market has changed since the original CIL Viability Study was produced. The Viability Study has been updated to reflect the latest available market evidence.
149	5	DP9 on behalf of Tiago Properties Ltd	In summary, we recommend that the Viability Assessment is reconducted and following this that the proposed CIL rates are reviewed, to ensure that the adoption of CIL in OPDC does not stymie regeneration of the area, the overwhelming priority which resulted in the creation of the OPDC. We would be pleased to expand upon these representations or provide further information upon request.	Noted. The CIL Viability Study has been updated to reflect the latest available market evidence. OPDC considers that the rates proposed are reasonable and strike an appropriate balance between raising funds for identified essential infrastructure to support the delivery of the development capacity in the Local Plan, whilst not impacting on the deliverability of development. As this is the OPDC's first charging schedule it should be recognised that CIL contributions will not be a new cost burden on development. CIL will largely replace much of the financial contributions currently secured in OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme viability.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
150	N/A	Transport Trading Limited Properties Limited	Recently TfL has set up a dedicated commercial property company, Transport Trading Limited Properties Limited (TTLP), to deliver housing in high demand areas and provide an increased revenue stream, and also to manage its commercial estate and undertake other development projects. Please note that our representations below are the views of the TTLP planning team given the land interest that TfL has in the borough only and are separate from any representations that may be made by TfL in its statutory planning role and / or as the strategic transport authority. Our colleagues in TfL Spatial Planning have provided a separate response to this consultation in respect of TfL-wide operational and land-use planning / transport policy matters as part of their statutory duties.	Noted.
151	N/A	Transport Trading Limited Properties Limited	We recognise that CIL is crucial to providing the infrastructure that the borough needs but there is a delicate balance that needs to be achieved which delivers infrastructure without unintentionally constraining development.	Noted.
152	N/A	Transport Trading Limited Properties Limited	London Underground Limited (as a subsidiary of TfL) have a freehold on North Acton Station. TTLP are exploring the potential to develop this site for a high-quality development that relates to and strengthens	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			its neighbourhood, which delivers a place that people are proud to live in, and which is founded on transparent engagement and best practice.	
153	N/A	Transport Trading Limited Properties Limited	TTLP are concerned that the proposed CIL amounts set out in the CIL Draft Charging Schedule could have adverse implications for the viability of development at North Acton Station, the development of which could provide much needed housing (including affordable housing) and other public benefits.	Noted. Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates proposed are reasonable balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charges will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining factor in scheme viability. In this context, OPDC remain of the opinion that the proposed rates are appropriate.
154	N/A	Transport Trading Limited Properties Limited	Planning Practice Guidance (Paragraph: 010 Reference ID: 25-010-20190901) stipulates that when deciding the levy rates, an authority must strike an appropriate balance between additional investment to support	Regulations require rates to be set at a level that strikes an appropriate balance between raising additional funds to support growth and the potential effect on the viability of developments. OPDC considers that the rates

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			development and the potential effect on the viability of developments.	proposed are reasonable and balanced against the identified unfunded essential infrastructure cost in the Infrastructure Delivery Plan of circa £347m. A contribution towards funding this infrastructure is required to support the delivery of the development capacity in the Local Plan. Therefore, the CIL charge will facilitate the implementation of the Local Plan. As this is the OPDC's first charging schedule it is necessary to recognise that the CIL contribution is not a new cost burden on development - it is largely replacing much of the financial contributions currently secured in the OPDC's s106s. Therefore, it is unlikely to be the determining factor in a scheme's viability. In this context, we therefore still consider the proposed rates to be appropriate.
155	N/A	Transport Trading Limited Properties Limited	For the North Acton Station site, there will be infrastructure and operational constrains and requirements which will result in significant abnormal costs for the development.	Noted.
156	N/A	Transport Trading Limited Properties Limited	There will be additional costs associated with mitigating sound and vibration from the adjacent railway, as well as operational requirements which require, for example, a 3-meter buffer from the railway which again reduces the developable site area. As a transport operator, this scheme will seek to improve public transport and active travel at and in the vicinity of the site. There are also	Noted. Abnormal costs are too variable and site and scheme specific to assess explicitly within an area wide viability assessment. As set out elsewhere, in assessing the results, it is important to clearly distinguish between two scenarios; namely, schemes that are unviable due to abnormal costs regardless of the level of CIL and schemes that are viable prior to the imposition of CIL at certain levels. If a scheme

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			abnormal costs associated with the timing and methodology for the construction of schemes. For example, development close to the railway tracks will require robust protective measures to maintain service operations, and the health and safety of the network and passengers.	is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a critical factor in determining its development. Market conditions would need to improve for development to be viable.
157	N/A	Transport Trading Limited Properties Limited	These constraints and requirements create substantial additional costs which can have viability implications. On page 42 of the OPDC CIL Viability Study there is reference to the abnormal costs and how they have been accounted for: "Exceptional costs can be an issue for development viability on previously developed land. Exceptional costs relate to works that are 'atypical', such as remediation of sites in former industrial use and that are over and above standard build costs. However, in the absence of detailed site investigations, it is not possible to provide a reliable estimate of what exceptional costs might be, further these costs will vary on a site by site basis. Our analysis therefore excludes exceptional costs, as to apply a blanket allowance would generate misleading results". It is appreciated that there will be a breadth of abnormal costs associated with sites and an average level of abnormal costs is already reflected in BCIS data. However, TfL's abnormal costs associated with the	Noted. Abnormal costs are too variable and site and scheme specific to assess explicitly within an area wide viability assessment. OPDC and BNP Paribas Real Estate note that the Examiner for Bristol's CIL Charging Schedule identified at paragraph 26 that, *"By definition, the CIL cannot make allowance for abnormal, site specific, costs. The rates have to be based on a generic analysis of a variety of size and type of schemes across the area, taking into account average local build costs, not the individual circumstances of particular sites. The fact that a few specific schemes that are already marginal may become unviable in certain locations should not have a significant impact on the delivery of new housing across the city to meet the requirements of the adopted CS."* Furthermore, OPDC considers that it would be unlikely that a CIL charge of the order proposed by in the DCS would be the determining factor in the delivery of this scheme. In addition, it is

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			operational and infrastructure requirements and constraints are in additional to the average level of abnormal costs and have not been accounted for in the assessment of impacts on viability.	important to also note that CIL will largely replace much of what is currently collected through s106, so will not be an entirely new cost to development.
158	N/A	Transport Trading Limited Properties Limited	As a public sector body, TTLP seeks to lead the way in terms of housing delivery, sustainable development, and high-quality design. Working with our development partners, our projects incorporate: High-quality design and place-making facilitated by our Design Principles and review by the Mayoral Design Advocates, as well as LPA and GLA officers and Design Review Panels. This approach is supported by the increasing focus in national policy on good design and 'beautiful' places; A strong focus on sustainable development informed by TfL's Sustainable Development Framework which combines ambitious visions and a well-designed strategy, with focused performance metrics and quantitative targets, to achieve optimum sustainability solutions for our developments. The Framework sets out a clear mechanism for the definition and optimisation of goals, evaluating project performance and actively seeking opportunities for the improvement of performance with subsequent implementation. The framework spans nine	Noted.

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			dimensions of sustainability across the triple bottom line (this being environmental, social and economic). Each dimension contains a set of Key Performance Indicators (KPI), and each KPI has corresponding minimum and aspirational performance levels. This is a continuously evolving methodology in line with policy, best practices and lessons learned. This framework demonstrates TfL's aspirations to deliver development which capitalises on opportunities for environmental, social and economic sustainability to a greater degree than other developers may. This can have some cost implications but ultimately will help deliver more cohesive and successful communities and places, and whilst this is relevant to all new development it is particularly key with this larger scale schemes that TTLP is looking to bring forward in the borough; Our schemes are usually at, or adjacent to, transport infrastructure and so we need to take the opportunity to improve e.g. public transport access and interchange; walking and cycle routes and other facilities to promote active, healthy travel; and measures to reduce reliance on private vehicles.	
159	N/A	Transport Trading Limited	These aspirations for well-designed, sustainable development can have implications for scheme viability. However,	Noted.

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		Properties Limited	the benefits that this can bring are significant and all of these elements play a strong role in supporting sustainable, healthy and well-connected communities.	
160	N/A	Transport Trading Limited Properties Limited	TTLP note paragraph 5.14 of the draft Charging Schedule which clarifies that the Planning Obligations SPD will be revised once the CIL Charging Schedule has been adopted to remove those planning contributions which have been superseded by and would be paid for through CIL. This will be important to ensure that contributions are not duplicated and there are not overly onerous contributions required which would put at risk the viability of developments	No change proposed. The Planning Obligations SPD will be amended at the same time as CIL is adopted. It is anticipated that affordable housing, employment and training contributions, affordable workspace and highways works specific to the development site and off-site open space and playspace contributions will continue to be secured from Section 106. All other major infrastructure contributions currently set out in the SPD (e.g.: Healthy Streets and public realm, public transport, health, education and community facilities contributions) will normally be covered by the proposed CIL charge and will not be subject to a financial contribution secured in a s106 agreement. The CIL Viability Study appraisals include a residual s106 amount of £1,500 per residential unit and £30 per square metre non-residential floorspace to cover the costs of the non-infrastructure items that will continue to be secured in s106 agreements.
161	N/A	Transport Trading Limited Properties Limited	In summary, we have concerns that the implications of the draft CIL Charging Schedule need to be more fully assessed in respect of the viability of development where there are significant abnormal costs.	Noted. By its nature a CIL Charging schedule which is based on area wide testing cannot account for “averaged abnormal costs” as abnormal costs are too variable and site and scheme specific

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
				to assess. The OPDC and BNP Paribas Rea Estate notes that the Examiner for Bristol's CIL Charging Schedule identified at paragraph 26 that, "By definition, the CIL cannot make allowance for abnormal, site specific, costs. The rates have to be based on a generic analysis of a variety of size and type of schemes across the area, taking into account average local build costs, not the individual circumstances of particular sites. The fact that a few specific schemes that are already marginal may become unviable in certain locations should not have a significant impact on the delivery of new housing across the city to meet the requirements of the adopted CS." In setting its CIL charges, OPDC has stuck an appropriate balance between funding vital infrastructure to support development and th delivery of development over the life of its Local Plan. Further, OPDC considers that it would be unlikely that a CIL charge of the order proposed by in the DCS would be the determining factor in the delivery of schemes. In addition, it is important to also note that CIL will largely replace much of what is currently collected through s106, so will not be an entirely new cost to development.
162	N/A	Historic England	No comments	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
163	N/A	Canal and Rivers Trust	The Trust has no comments on the details of the charging schedule at this stage. We are keen to continue to work with you regarding the allocation of CIL to projects supporting active travel, and improvements to the Grand Union Canal and its towpath. This could also include improvements to canal accesses off Trust land, and wayfinding to the canal from nearby places.	Noted.
164	N/A	Old Oak Neighbourhood Forum	The Old Oak Neighbourhood Forum was designated by OPDC in 2017. Since the 'interim forum' was first established in 2015, we have responded to all consultations on the OPDC Local Plan, and to most of the consultations on Supplementary Planning Documents and related material prepared for the Local Plan evidence base. We responded to the OPDC 2016 consultation on a previous Draft Charging Schedule. Some of our comments below repeat points made at that time.	Noted.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
165	N/A	Old Oak Neighbourhood Forum	The document needs to explain why a CIL Charging Schedule being introduced only now. As explained in the 2016 Draft Charging Schedule, when the OPDC was established on 1 April 2015, it became the Local Planning Authority (LPA), the CIL Charging Authority and the Collecting Authority for its area. Since 1 April 2015, any charging schedules previously adopted by the boroughs within the OPDC area are no longer applicable to planning permissions granted after this date. Mayoral CIL continued to be charged and collected by OPDC after 2015. Given that it was recognised before the establishment of the OPDC that infrastructure costs at Old Oak would be very substantial in order to open up areas of undeveloped land, the 2022 Draft Schedule needs an explanation of why CIL has not been charged for the eight years since 2015? When we asked this question on the OPDC consultation webinar on December 5th 2022 we were told OPDC had to wait for the Local Plan to be adopted to implement CIL. There appears to be some debate over whether a CIL Charging Schedule can be introduced in advance of Local Plan adoption, if a sufficient evidence base to support the charging regime has been prepared by the relevant planning authority. National Planning Practice	No change proposed. OPDC previously consulted on a Preliminary Draft Charging Schedule (PDCS) from 3 October 2016 to 25 November 2016. This was paused at the time as there was a fundamental review of the CIL regime underway by government (A new approach to developer contributions: a report by the CIL review team, October 2016). Therefore, OPDC prioritised work to get the Local Plan submitted, examined and adopted, which also included further work on identifying the infrastructure requirements arising out of OPDC's change in approach following the Inspector's interim findings. Given the passage of time since the preparation of the supporting evidence for the 2016 PDCS it has been necessary to prepare new evidence to support a CIL Charging Schedule at current costs and values. Throughout this time OPDC has been securing Section 106 planning contributions to support infrastructure delivery as well as collecting Mayoral CIL.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			Guidance states: In relation to the levy, the relevant plan is any strategic policy, including those set out in any spatial development strategy. Charging schedules are not formally part of the relevant plan but charging schedules and relevant plans should inform and be generally consistent with each other. Where practical, there are benefits to undertaking infrastructure planning for the purpose of plan making and setting the levy at the same time. A charging authority may use a draft plan if they are proposing a joint examination of their relevant plan and their levy charging schedule. This wording is a 'should' and not a 'must'. A Planning Advisory Service note (undated but probably late 2014) examined this issue and noted that the (then) Minister for Housing and Planning, Brandon Lewis, wrote to a local authority in the Southeast stating that it is possible for a charging authority to adopt a levy in advance of its local plan provided they have robust evidence. This PAS note continued The Planning Advisory Service concluded that where planning authorities have a robust evidence base for the purpose of CIL, in our opinion there is no legislative reason not to progress your CIL and this is now supported by the Housing and Planning Minister, DCLG, and PINs.	

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
166	N/A	Old Oak Neighbourhood Forum	The position may since have changed. OPDC may have had advice from PINS or the Planning Inspector for the Local Plan that its evidence base was not sufficiently robust when submitted in 2018. But we are puzzled that back in 2016, OPDC thought that it was ready to move forward with a CIL regime and consulted on a Draft Charging Schedule. In December 2018, OPDC approved for consultation a Draft SPD on Planning Obligations. In relation to CIL, this stated OPDC intends to publish a revised Draft Charging Schedule following the publication of further guidance from the Government regarding changes to the CIL regulations as indicated following the 2018 consultation on the role of developer contributions in driving housing delivery. The reason for rehearsing this history is that the introduction to the 2022 Draft Charging Schedule does not explain it. We feel that Londoners in the OPDC area have a right to answers to the following questions: Whether OPDC considered at the time of submission of the Draft Local Plan (October 2018) the case for introducing a CIL Charging Schedule in advance of adoption of the Local Plan, given the scale of the 'infrastructure funding gap' already identified?, Whether choosing not to do so reflected advice from PINS?, Whether or not 2018 Infrastructure Delivery Plan was	No change proposed. OPDC previously consulted on a Preliminary Draft Charging Schedule (PDCS) from 3 October 2016 to 25 November 2016. This was paused at the time as there was a fundamental review of the CIL regime underway by government (A new approach to developer contributions: a report by the CIL review team, October 2016). Therefore, OPDC prioritised work to get the Local Plan submitted, examined and adopted, which also included further work on identifying the infrastructure requirements arising out of OPDC's change in approach following the Inspector's interim findings. Given the passage of time since the preparation of the supporting evidence for the 2016 PDCS it has been necessary to prepare new evidence to support a CIL Charging Schedule at current costs and values. Throughout this time OPDC has been securing Section 106 planning contributions to support infrastructure delivery as well as collecting Mayoral CIL.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			considered at the time to provide a sufficient evidence base to progress a CIL Charging Schedule (or whether the question was not put to the OPDC Planning Committee and Board)?	
167	N/A	Old Oak Neighbourhood Forum	What level of funding has been foregone as a result of charging CIL from 2023 onwards? This is the obvious reason for wanting answers to the questions above. In response to a question on 'funding foregone' at the December 5th 2022 consultation webinar, the answer given was Officers have estimated a potential CIL income of £130-185m over the Local Plan period (to 2038), compared to a range of £65-120m if we relied solely on Section 106 contributions based on our contributions secured to date. Very simplistically, OPDC foresee a £10m to £65m increase in total income to 2038 from introducing CIL. What would have been the figure, had OPDC gone ahead with CIL in 2016 or in 2018? The answer can only be an estimate, given that the quantum of new development in the years 2023-38 is assumed by OPDC to be higher than in 2016-22. But it seems clear that there has been a potentially significant sum foregone, in terms of CIL receipts.	No change proposed. The figures quoted are estimates and would depend on the level and type of development to come forward, which specific CIL rates would apply, and the level of affordable housing delivered. While OPDC has not been secured CIL to date it has secured £41m in developer contributions since its inception as highlighted in the latest Infrastructure Funding Statement (IFS) 2021/22.
168	N/A	Old Oak Neighbourhood Forum	OPDC may argue that a CIL Charging Schedule set in 2016 would have become outdated the minute that the 2019 'change of	No change proposed. OPDC previously consulted on a Preliminary Draft Charging Schedule (PDCS) from 3 October 2016 to 25

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			direction' to the Western Lands, and the abandonment of plans for the Cargiant land at Old Oak North. This is a valid point, up to November 2019.	November 2016. This was paused at the time as there was a fundamental review of the CIL regime underway by government (A new approach to developer contributions: a report by the CIL review team, October 2016). Therefore, OPDC prioritised work to get the Local Plan submitted, examined and adopted, which also included further work on identifying the infrastructure requirements arising out of OPDC's change in approach following the Inspector's interim findings. Given the passage of time since the preparation of the supporting evidence for the 2016 PDCS it has been necessary to prepare new evidence to support a CIL Charging Schedule at current costs and values. Throughout this time OPDC has been securing Section 106 planning contributions to support infrastructure delivery as well as collecting Mayoral CIL.
169	N/A	Old Oak Neighbourhood Forum	It is not possible to establish what level of CIL would have been earned on the major developments at North Acton over the 2015-23 period, has LBE remained the planning authority during these years and had that planning authority introduced a CIL regime. The sums would have been substantial given the high volume of floorspace developed at North Acton between 2015 and 2022. LB Ealing has been one of a small handful of London Boroughs not to introduce a CIL regime. A Preliminary Draft Charging	Noted. OPDC was not party to the decision by LBE to not adopt a CIL regime in 2016.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			Schedule was consulted on in 2014. The submitted version (taking account of the establishment of the OPDC was examined in 2016. The Examiner concluded that the Schedule provides an appropriate basis for the collection of the levy in the borough. But the Council did not subsequently introduce CIL, seemingly preferring to rely on S106 obligations.	
170	N/A	Old Oak Neighbourhood Forum	Infrastructure costs-The 2016 PDCS gave a figure for total anticipated infrastructure costs of £1.549m with 'available funding of £0.379m and a 'funding gap' of £1,179m. These figures were based on a 2015 Infrastructure Funding Study. This latest Draft Charging Schedule states the overall cost of the identified infrastructure is £2.14 billion. The document identifies an infrastructure funding gap of between £136 million and £202 million. The cost of necessary infrastructure, which is considered unfunded, and is not assumed to be a developer of service provider cost, is £347 million. The latest Infrastructure Funding Statement reported to the OPDC Planning Committee on December 15th 2022 does not give a figure for the 'funding gap'. The IDP being relied upon at present is from 2021 and is now 2 years old. Much has happened since then in terms of construction costs.	Noted. The previous PDCS was based on evidence that has since been updated and was not progressed, as explained above. The figures quoted in the DCS currently being progressed relate to the Infrastructure Delivery Plan (IDP) 2021, which is the most recent broad indication of overall costs produced to support the Local Plan 2022 adoption. It is accepted that construction costs may change over time and CIL is not going to cover all of the costs of essential infrastructure, nor is it expected to. The IDP sets out a range of potential funding sources to bridge the funding gap.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
171	N/A	Old Oak Neighbourhood Forum	In its set of responses to FAQs on the Modifications to the Reg 19 Draft Local Plan, as published on the OPDC website, OPDC officers commented as below: What is the funding gap and how does OPDC expect it will be addressed? The funding gap represents the estimated infrastructure cost for which no specific funding has been identified, such as from projected planning contributions or general development costs. While a potential funding gap of up to £202 million as identified for the draft Local Plan is significant, it is not unusual for a project of the scale and complexity of Old Oak and Park Royal and is considered to be a reasonable and realistic infrastructure investment when considered against the level of economic growth that will be delivered in the OPDC area. It is also less than the £250m previously awarded to OPDC in principle by Government, through its Housing Infrastructure Funding (HIF). The IDP sets out several options for how the funding gap can be addressed, including national infrastructure funding programmes, or opportunities to borrow against value generated by future development. To date OPDC has been granted a £50m loan facility from the GLA Land Fund. These funds are intended to bring forward development at Old Oak West, through the funding of land	No change proposed. OPDC's Local Plan was found sound in 2022. CIL will help to fund the infrastructure to support the development capacity set out in the Local Plan.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			acquisitions, infrastructure and enabling works and associated due diligence costs. This £50m loan is repayable to the GLA and will go only part way towards the infrastructure funding gap. The Fiona Fletcher-Smith 2016 OPDC Review for the new Mayor stated at 2.1 that The funding for the infrastructure needed to bring forward development in the area amounts to approximately £2.5bn and Government expects this to be paid for from development. In the words of this 2016 OPDC Review report, in addition to impacting on the ability of developments to provide an acceptable level of affordable housing, the high cost of infrastructure may force a quantum and scale of development that is unacceptable in height, scale, density or mass – and at the expense of community infrastructure. Our neighbourhood forum takes the view that this risk has already materialised in the 2016-2023 period and is becoming all too evident at North Acton, Scrubs Lane and in planning consents granted at what is now called 'Old Oak West'.	
172	N/A	Old Oak Neighbourhood Forum	In the interests of transparency, we argue that the introductory section of the 2022 PDCS should provide a fuller account of the reasons why OPDC is only now embarking on implementing a CIL regime and the extent to which CIL receipts will meet the latest	No change proposed. It is not considered necessary or relevant to go over the history of the PDCS in the 2023 Charging Schedule.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
			anticipated infrastructure funding gap. There may be very good reasons for the delayed implementation of CIL, but local residents and businesses would welcome an explanation of these.	
173	N/A	Old Oak Neighbourhood Forum	Comparison with CIL rates in LB Hammersmith & Fulham- The slide below was discussed at an open meeting of OONF in December 2022. We do not have the specialist expertise to assess the details of viability, now and in the next few years, at Old Oak. We are also aware that the LBHF CIL charges (as shown in red below) date from September 2015.	Noted.
174	5	Old Oak Neighbourhood Forum	With these provisos, the reaction of our members to the OPDC's proposed levels has been Puzzlement that different charging levels are not being set for different parts of the OPDC area, to take account of the varying residential values related to of e.g. proximity to public transport and 'town centre facilities'. LBHF operates with a wide range of CIL charges between the affluent and more deprived parts of the Borough. While differentials in residential values will not be this great in the OPDC area, they will surely exist for the next decade pending the opening of Old Oak Common Station and the arrival of a 'major new town centre'?	Change proposed. The charging schedule has been revised to set a differential rate for offices between the area around the HS2 station and the rest of the OPDC area. The evidence does not currently support differential values for other uses as is the case in some other boroughs such as London Borough of Hammersmith & Fulham as the whole of OPDC's area attracts similar costs and values. OPDC can review its Charging Schedule at a later date should different markets develop with different residential values that may warrant different CIL rates in different sub areas.

No.	Modification reference (where relevant)	Organisation	Comment	OPDC Response
175	N/A	Old Oak Neighbourhood Forum	Developments at White City East are already onstream and will be a major competitor to uncompleted schemes in Scrubs Lane (given the former location's access to Westfield and Overground/Underground stations). If LBHF chose to charge a nil rate for CIL at White City East, to encourage development, is a standard £80 rate for residential a wise move for Scrubs Lane, along with the proposed housing at the Mitre Way Industrial Estate and other parts of Old Oak North?	No change proposed. As set out in the viability report, the proposed £80 per sq. m residential rate represents a small percentage of the total development value, well below 5% of development costs (identified as typically accounting for between 1.08% and 1.49% of development costs and on average 1.24% of development costs). The proposed CIL rates will have a relatively modest impact on residual land values and are therefore unlikely to result in development not coming forward. The CIL Charge is also not an entirely new charge and replaces much of what is sought through s106 currently. The CIL will also fund the necessary infrastructure to support the development coming forward.
176	N/A	Old Oak Neighbourhood Forum	We support the higher levels of CIL proposed for student accommodation and the specific category proposed for data centres.	Noted.
177	5	Old Oak Neighbourhood Forum	In relation to offices, we note that the 2016 PDCS stated the occupational evidence suggests a maximum CIL rate of £271 could be supported across the OPDC area, however a £70 CIL rate has been set to provide a restrained approach and allow for the continuation of a strong employment use presence in the OPDC area. We commented at the time that this low level for office development seemed over-cautious in light of the scale of the infrastructure funding gap identified for the OPDC area and suggested	Change proposed. The updated CIL viability testing has shown no viability for smaller scale office development in the OPDC area. For larger offices and larger scale office development at the current rental levels of between £36 to £38 per square foot there is no/very limited viability. OPDC's adopted Local Plan anticipates the delivery of significant new commercial development alongside a range of other uses and placemaking around the new HS2/Elizabeth Line and national rail super-hub station at Old Oak Common Station. This

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			that a slightly higher level should be imposed. This new PDCS proposes a nominal rate of £35 per square metre for small office developments and £80 per square metre on large office developments, in recognition that the office market is not yet well established in the OPDC area but that large office developments could come forward close to the Old Oak Common HS2 station. Our information from HS2 (obtained in response to a FoI request) is that HS2 currently anticipates releasing the Adjacent Site Development in Q4 2030. We assume that a new Local Plan will be prepared around 2025, at which time an updated CIL charging regime could be introduced. This should seek to capture via CIL and S106 obligations the greatly increased land values that will accrue at the Adjacent Site immediately to the south of Old Oak Common Station.	would include large-scale office development delivering a critical mass with supporting amenities that would create the environment for a new prime office location, which could attract a higher office rent of £50 per square foot and higher. The Viability Study has identified that where developments achieve rents of this order they can viably support s CIL charge of the order of £80 per square metre. On this basis OPDC proposes to adopt a split rate for offices where; the majority of OPDC's area is in zone A with a nominal CIL charge of £35 per square metre, and the area around the new HS2 station, (which would see the delivery of a critical mass of new office development along with placemaking and the supporting amenities to achieve higher rents) would be located in in zone B with a CIL charge of £80 per square metre.
178	N/A	Old Oak Neighbourhood Forum	Neighbourhood CIL- Paragraph 5.7 reads The National Planning Practice Guidance (NPPG) sets out that the 15 or 25 per cent (when the Neighbourhood Plan is adopted) neighbourhood portion of the CIL raised should retained by the Charging Authority to be spent in consultation with the local community. The phrase in brackets (when the Neighbourhood plan is adopted) is confusing. There is no singular	Noted. 15 or 25 per cent where a Neighbourhood Plan is adopted will retained by the Charging Authority to be spent in consultation with the local community.

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			neighbourhood plan. Wording such as ‘or 25% for areas where a neighbourhood plan is adopted would make more sense. There is already a Harlesden Neighbourhood Plan in place, covering part of the OPDC area, and local residents in that area are now gaining the benefit of significant NCIL funding from LB Brent.	
179	N/A	Old Oak Neighbourhood Forum	Paragraph 5.8 of the text, as drafted, does not reflect the intended relationship between neighbourhood forum and charging body, when it comes to allocation of NCIL receipts. In our view the charging authority needs to do more than ‘consult’ and should defer to the forum’s view of how the appropriate proportion of CIL is used to best meet the infrastructure needs arising within the neighbourhood area.	No change proposed. It is not necessary for OPDC to set out at this stage how it will meet the requirements for spending a proportion of CIL receipts in consultation with the local community. The regulations are not prescriptive. Government guidance suggests that charging authorities clearly set out their approach to engaging with neighbourhoods using their regular communication tools. Therefore, officers consider that it would be appropriate for OPDC to set out its approach to neighbourhood funding and how the community can prioritise projects when the Charging Schedule is adopted and operational.
180	N/A	Old Oak Neighbourhood Forum	The consultation version of the 2022 PDSC does not explain that Neighbourhood CIL can be spent on a wider range of projects and expenditure than is the case for local councils. This is important information for local community organisations and neighbourhood forums. The relevant section of National Planning Practice Guidance states:	No change proposed. It is not necessary for OPDC to set out at this stage how it will meet the requirements for spending a proportion of CIL receipts in consultation with the local community. The regulations are not prescriptive. Government guidance suggests that charging authorities clearly set out their approach to engaging with neighbourhoods using their regular communication tools.

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			Where the charging authority retains the neighbourhood funding, they can use those funds on the wider range of spending that are open to local councils (see ‘Can the levy be used to deliver Suitable Alternative Natural Greenspace?’, and regulation 59C). In deciding what to spend the neighbourhood portion on, the charging authority and communities should consider such issues as the phasing of development, the costs of different projects (for example, a new road, a new school), the prioritisation, delivery and phasing of projects, the amount of the levy that is expected to be retained in this way and the importance of certain projects for delivering development that the area needs. Where a neighbourhood plan has been made, the charging authority and communities should consider how the neighbourhood portion can be used to deliver the infrastructure identified in the neighbourhood plan as required to address the demands of development. They should also have regard to the infrastructure needs of the wider area.	Therefore, officers consider that it would be appropriate for OPDC to set out its approach to neighbourhood funding and how the community can prioritise projects when the Charging Schedule is adopted and operational.
181	N/A	Old Oak Neighbourhood Forum	Residents in Ealing (outside the OPDC area) do not have the benefit of the 15% or 25% NCIL element, given the lack of CIL implementation in the Borough.	Noted. OPDC was not party to the decision by LBE to not adopt a CIL regime in 2016.

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182	N/A	Old Oak Neighbourhood Forum	The Old Oak Neighbourhood Forum is unlikely to attempt to bring a neighbourhood plan to the stage of adoption. This is a consequence of the lack of potential development sites within the neighbourhood boundary (as imposed by OPDC in 2017) coupled with OPDC's refusal to approve the Forum's proposed extension to this boundary in 2021.	Noted.
183	N/A	Old Oak Neighbourhood Forum	We ask that when the final CIL Charging Schedule is published, it includes a full explanation of Neighbourhood CIL in terms that reflects DLUHC Planning Practice Guidance.	Noted. OPDC will set out its approach to neighbourhood funding and how the community can prioritise projects when the Charging Schedule is adopted and operational. It will be in accordance with Planning Practice Guidance.
184	N/A	Grand Union Alliance	I am replying on behalf of the GUA informed by existing agreed policy positions, including a much earlier response of November 2016. The response of the Old Oak Neighbourhood Forum (OONF) has been brought to our attention. The principal points are supported and for the sake of conciseness will not be duplicated here except in as far as the skeleton of that response will be outlined as follows: It thoroughly critiques the history of attempts by the OPDC at introducing CIL and the subsequent missed opportunities for potential income to support development and growth. It then reflects on changing estimated infrastructure costs and the amount that is presently considered to be	Noted.

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			unfunded based on 2-year-old research (IDP published February 2021) since when “much has happened … in terms of construction costs”. [See below GUA’s additional commentary].	
185	5	Grand Union Alliance	On the age of the supporting evidence, the Viability Study (VS - published April 2022) the GUA argues that much is out of date as significant economic events have considerably disrupted the scene setting and appraisal assumptions. For example, the VS describes “continued low interest rates” (para 1.6), “a sensitivity analysis assuming average growth in sales values reported over the next 5 years of 10%, accompanied by cost inflation of 5%” (para 4.8), and so forth. Whilst para 1.6 notes that “assessment of suggested CIL rates relies on current and not grown appraisal rates”, the GUA considers that the ground has substantially shifted and what was once ‘current’ is no longer fit for purpose. The Economic and Housing Market Context of the VA’s Introduction has drawn what is now a too optimistic conclusion from assessments that predate last autumn’s economic crisis. It describes what could be characterised as predicting a ‘bounce back’ despite the unforgiving economic reality of the present situation of an unrelenting crisis. The build costs adopted in the Study did include a contingency of 5%, but today’s	Change proposed. The CIL Viability Study has been updated and now reflects current market conditions.

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			consumer price inflation is over 9% with building materials and impacted construction costs well into double digit inflation.	
186	N/A	Grand Union Alliance	This misplaced optimism continues with the assumption for residential sales values informed by those achieved by development comparables in and around the OPDC's area. The development context for much of the OPDC greatly differs from the contexts of the comparables which have much better levels of amenity, connectivity and standing. And this will not substantially change in the near future. As the HS2 FOI response FOI 22-4767 of 21 October 2022 revealed HS2 delivery into services from Old Oak Common Station is currently scheduled between December 2029 and 2033. Whereas the VS at para 6.10 writes that the station's 2028 delivery as "driving sales values in OPDC's area". The FOI states that the various sites that HS2 holds are for release from Q4 2028 to Q2 2032, cautioning on "the difficulty to provide release dates with any degree of confidence". Much of what was previously known as the OPDC's Western Lands will be blighted by HS2's prolonged occupation and development construction.	No change proposed. Section 4 of the CIL Viability Report provides details of the evidence used to assess the sales values achievable in the OPDC area on current day values.
187	N/A	Grand Union Alliance	Lastly, we would draw your attention to what the City of Westminster describes as a broad, holistic, and flexible definition of public	Noted. OPDC will set out its approach to neighbourhood funding and how the community can prioritise projects when the

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			infrastructure: that community infrastructure is the framework of physical assets e.g., facilities and equipment, services, and systems needed to support and sustain a community of people, provided to all members of that community. (See Westminster's Community Infrastructure Levy CIL Spending Policy Statement Adopted 17 October 2022). We find this to be progressive in reflecting what community groups consider to be purpose and role of CIL and which should inform CIL's investments in the locality. Westminster's statement continues: This broad definition encompasses any public asset, service, or system which facilitates an individual's or group's ability to: maintain a modern dwelling; utilise energy, potable and waste water, waste services, and communications technology; travel; communicate and access information; engage in household, social, communal, civic, artistic, cultural, or leisure activities; maintain and improve their physical and mental health, primarily through access to health care and physical activity; be kept safe from harm, including harm to their person and their possessions presented by crime and environmental threats such as pollution, weather, and flood risk; educate themselves; engage in leisure activities; and	Charging Schedule is adopted and operational. It will be in accordance with Planning Practice Guidance.

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			access multi-functional green and blue spaces and other natural features.	
188	N/A	Grand Union Alliance	Finally, the GUA requests that community and faith facilities (other than those already benefiting from charitable status and relief in the CIL Regulations) are subject to zero/nil charge and/or that exceptional or relief will be granted.	No change proposed. OPDC does not plan to implement any discretionary exemptions beyond statutory social housing and charitable relief, which is in line with the approach taken to Mayoral CIL. OPDC considers that the proposed CIL charge is reasonable and strike and appropriate balance as required by the CIL Regulations. OPDC will monitor the charge to ensure it remains viable. Should circumstances change, OPDC will seek to revise the levy rather than provide any discretionary relief from the charge.
189	N/A	Community member	This is good to improve the infrastructure of the area. It is currently a sad state of affairs with garbage overflows, rates, flies, drug abuse, litter, vandalism and theft. The area (especially old oak road) receives no attention from the council. This levy might help in bringing about a sense of neighbourhood.	Noted.