



Brentwood Borough Council,
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Brentwood,
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Thursday, 10 November 2022

BY EMAIL

Dear Sir / madam,

BRENTWOOD BOROUGH COUNCIL – COMMUNITY INFRASTRUCTURE LEVY DRAFT CHARGING SCHEDULE

OCTOBER - NOVEMBER 2022 CONSULTATION

On behalf of our client, EA Strategic Land, we wish to respond to the consultation in respect of the Brentwood Local Plan CIL Viability Assessment.

Overall, a primary issue for EASL in respect of the emerging CIL proposals is to support the ongoing review of costs and contingencies, given the significant implications this has on housing delivery. Crucially as outlined in the Consultation the purpose of CIL should be to support, and not hinder development from coming forward.

a. Strategic Allocations – Zero CIL

It is clear in the adopted Brentwood Local Plan, and likely to be the case in the Partial Review, that large scale strategic allocations form a fundamental component in terms of meeting the Council's housing requirements. These large-scale growth proposals generally deliver major infrastructure alongside the housing. In such cases, the requirement to pay CIL in addition to the delivery of infrastructure through Section 106, would render a development unviable.

It is recommended that the Council clarify that in such instances zero CIL would be applicable to ensure that the CIL does not prejudice the viability of developments. The CIL Charging Schedule should confirm that it will be for the council and the applicant to consider the balance of securing developer obligations through S106 contributions and/or CIL.

b. Development & Infrastructure Costs

EASL support the ongoing review of costs and contingencies as detailed in the consultation. The Consultation states that the most recent BCIS costs should be used. In addition, it is recommended that the Council also have regard to Tender Price indices (TPI) which measure the movement in prices agreed between clients and contractors at 'commit to construct' point, normally when the tender is accepted. Given the current economic climate and continued rise in building costs, it is important to keep this issue under review and the TPI is considered the most appropriate tool to inform this analysis.

A further point of note relates to the Infrastructure Delivery Plan (IDP) which was published in October 2019, over three years ago. It is considered that in order to provide an appropriate balance between securing infrastructure investment and supporting viability of new development, the LPA requires an updated IDP that operates in tandem with the calculations that have supported the CIL Charging Schedule. The costs in the IDP are now clearly out of date and need a full review to ensure

infrastructure delivery. The updated IDP should run concurrent with the Local Plan focused review and be adopted at the same time to ensure this balance is being struck. An up-to-date IDP produced as part of the preparation of the Local Plan, and in consultation with various spending services can set spending priorities. These can then be matched with the area where CIL funding arises, to ensure locals can see the benefit of new development in their area.

c. Variation in Values across the Borough

The Consultation does not allow for any variation in CIL rates across the borough which appears contrary to the evidence in the report. For instance, as shown in Table 4.6 Pilgrims Hatch and Great Warley (both suburbs of Brentwood) have average price per sqm at £5,700, Brentwood itself is £5,300 per square metre and lower value areas such as West Horndon this is around £3,700 per sq. m.. Thus, immediately this area is achieving around £2,000 per sq.m. less than other areas and £700 less than the next lowest (Mountnessing). Furthermore, on a price per square metre basis this should not reflect the over-riding house types.

The Consultation states that the principle driver of the differences is the situation rather than the location of a site. That is to say, the value will be more strongly influenced by the specific site characteristics, the immediate neighbours and environment, rather than in which particular ward or postcode sector the scheme is located. It is questioned whether this actually applies to Brentwood where there are clearly major differences in values depending on the location within the Borough. It is recommended that this is considered further by the Council to ascertain whether different levels of CIL contribution would be appropriate.

While we recognise that the CIL rates are informed by the outcome of appraisals, rather than the values, we still believe this puts lower value areas such as West Horndon with price assumptions far higher than they are in reality.

d. Phasing

The CIL Payment Schedule should be agreed on a project by project basis, reflecting the phasing profile of strategic projects. The Instalments Policy seems appropriate as long as this only relates to each Reserved Matters Phase of the Strategically Allocated developments, or else this could prove financially damaging to the developer. Flexibility will be required for either CIL or S.106 payments on Strategic Sites.

e. Conclusion

EASL welcome the opportunity to continue to engage with the Council in the preparation of the CIL for the Borough. We hope that above points will be taken into account when refining the charging schedule.

We look forward to working with the Council on this matter and request that EASL are updated as matters progress.

Yours sincerely,



Leona Hannity
DIRECTOR