

## COUNCILS CLOSING STATEMENT

Kath:

- The Councils have been working on CIL since 2009, carried out extensive consultation, listened and adjusted rates where we felt evidence supports a reduction.
- We are confident that we have complied with regulations and set a CIL charge that strikes the right balance to ensure delivery of the plan and viability of development
- The Councils are in a strong position of having a recently examined and adopted Core Strategy and Urban Core Plan, which was supported by a detailed and “sound” IDP, concluded by Mr Pike to provide a “positive and robust delivery strategy.”. Importantly the PPG confirms that:

The Community Infrastructure Levy examination should not re-open infrastructure planning issues that have already been considered in putting in place a sound relevant Plan.

(Paragraph: 016 Reference ID: 25-016-20140612)

- Where the appropriate balance is struck between funding infrastructure and deriving a sustainable CIL rate goes to the heart of the Councils evidence.
- We have taken a cautious approach and based on available evidence we believe that the CIL rates are justifiable and allow sufficient headroom to deliver core strategy sites

Paul:

- We have established the threshold land value in line with para 15 of planning policy guidance. This sets out the basis of competitive return to land owners and developers. This states that the competitive return for the land owner is the price at which a **reasonable** land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. These options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.
- We believe that in reference to Harman that with an Existing use value of £21,000 for agricultural land our threshold value at 23x that amount at £480,000 would comply with the guidance in NPPG (10-014-20140306). We also consider that £480,000/ hectare threshold land value in the High Mid Non Urban area is in line with the market. The competitive return, or profit, to the ‘willing developer’ is adequately provided for in the 20% return on GDV for private housing development.

- In terms of revenue para 12 of NPPG (10-012-20140306) provides guidance and specifically states that “average figures may need to be used based on the type of development that the plan is seeking to bring forward” – high quality significant urban extension” and accordingly we feel that we have adopted the correct approach. It is worth note that the difference in sales values under discussion in the hearings is around 3% in our high-mid area – just a hair’s breadth. There are some differences but these are minor and come down to professional judgement. The proposed CIL levy rate of £60/m2 is, on our appraisals, within 3% of the estimated gross development value for Callerton.

Neil:

- The Councils have progressed the proposed the rates in compliance with Regulation 13, with the differential CIL rates based on the viability evidence. There is no clear or justifying alternative viability evidence.
- This is the first CIL to reach examination in the North East and we hope it will provide confidence that despite greater viability challenges than in other regions that there is clear evidence that CIL charges can be sustained to help to deliver strategic infrastructure supporting an up to date Plan.
- I and I know my colleagues at Gateshead and Newcastle would like to thank you for all your assistance, guidance and most importantly your patience at the hearing. It has been gratifying that despite our sometimes strongly held views and disagreements yesterday the debates have been practical and there were no allegations of non-compliance with the regulations.
- And I would like to thank Brian for all his help I am sure I speak for all that his calm and organisation has led to a successful hearing – Thank you Brian.
- We are now looking forward to receiving your report as soon as possible so we can ensure delivery of our Plan