Greater Norwich Development Partnership
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By email and post
cil@gndp.org.uk

14 November 2011 Ref. SMG/PSD/05060003

Dear Sir/Madam

GREATER NORWICH DEVELOPMENT PARTNERSHIP – PRELIMINARY DRAFT CIL CHARGING SCHEDULES FOR BROADLAND, NORWICH AND SOUTH NORFOLK CONSULTATION

We write on behalf of our client, Sainsbury's Supermarkets Ltd, in respect of the draft CIL Charging Schedules for Broadland, Norwich and South Norfolk. Sainsbury's currently operates three stores in the Joint Core Strategy Area at:

- Pound Lane, Norwich (Broadland District Council);
- Longwater Retail Park, Costessey (South Norfolk District Council); and
- Queens Road, Norwich (Norwich City Council.

Sainsbury's are also interested in pursuing future opportunities to enhance their retail offer in the Joint Core Strategy area.

The implementation of CIL in the Joint Core Strategy Area and its impact on retail proposals is therefore of great interest to Sainsbury's and they are keen to ensure that the CIL levy is implemented appropriately.

Having reviewed each of the draft Charging Schedules, we are of the firm view that the proposed levy of £135 per m² on convenience stores over 2,000m² is both unreasonable and unjustifiable. It will simply be too onerous to developers and operators to pay this levy in respect of foodstore development in addition to having to pay considerable Section 106 contributions. The levy means that these types of development will need to contribute at least £270,000, but more than likely, a minimum fee of £500,000 will be required for a standard new foodstore.

From a review of the evidence base, it is clear that the figure of £135 per m² has not been robustly assessed in any way, particularly in terms of the potential impacts on the economic viability of development. This is a requirement of Section 14 of the CIL Regulations and, therefore, the levy as proposed is not appropriate or reasonable. It is completely unreasonable to base the figure on

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the general assumption that retail development can afford to make a bigger contribution than other types of development in terms of viability.

Furthermore, in light of the Government's clear promotion of sustainable economic development, the imposition of this levy will conflict with key national policy aims. One of the key messages from 'Planning for Growth' is that LPA's should "ensure that they do not impose unnecessary burdens on development". The imposition of the proposed levy rate will be a clear burden on retail development and it will be harmful to investment and job creation. PPS4 identifies retail as economic development and development that generates employment. In the current economic climate, retail development is an important contributor to economic growth and obstacles such as the proposed levy should not be imposed. It will be in clear conflict with current national policy and should not be carried forward, as proposed.

If a levy must be brought forward, we consider that a cap needs to be set for the total amount of money that can be contributed by developments through CIL. This cap should be based on a robust assessment of viability, taking into account that developers will still also be contributing significant funds towards Section 106 Agreements. It is unreasonable that the proposed CIL Levy effectively acts as restriction on the size of development that is allowed by being such a fundamental factor in the overall viability of the development. This is too restrictive and unjustified, especially in the current economic climate.

Finally, we would highlight the need for the next draft version of the document to include a list of specific infrastructure requirements which CIL will contribute towards. This list is fundamental to understanding the need for CIL contributions and the impact of any individual scheme on these infrastructure requirements. The document cannot come forward without this list.

We trust that the above comments will be taken into consideration in the preparation of the next draft of the Charging Schedules. Sainsbury's are keen to invest further within the Joint Core Strategy area, but do not wish to see potential development opportunities adversely impacted upon by the imposition of an unreasonable CIL Levy.

Please contact my colleague Helen McManus or myself if you wish to discuss further and please keep us informed of the LDF process going forward.

Yours faithfully

[redacted]

Sean McGrath

cc: Andy Pepler, SSL