



**Brighton & Hove
City Council**

**TOURISM, DEVELOPMENT &
CULTURE COMMITTEE**

Item 57: Supplementary Information

4.00PM, THURSDAY, 8 MARCH 2018

HOVE TOWN HALL, COUNCIL CHAMBER - HOVE TOWN HALL

ADDENDUM

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Community Infrastructure Levy Preliminary Draft Charging Schedule Consultation Report

March 2018



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1. Summary

The Community Infrastructure Levy (CIL) Regulations require a minimum two rounds of public consultation as part of the process informing the development of a CIL Charging Schedule. This is the first of the two consultation exercises, and has been carried out in accordance with Regulation 15 of the CIL 2010 Regulations on a Preliminary Draft Charging Schedule (PDCS).

This document considers the outcome of the CIL PDCS consultation and outlines the Council's responses to the representations and comments received in a commentary.

Following consideration of representations received on the PDCS, a Draft Charging Schedule will be published in accordance with Regulation 16 of the CIL Regulations.

2. Background

Brighton & Hove City Council issued a Preliminary Draft Charging Schedule (PDCS) as the first formal stage in the preparation of a CIL Charging Schedule in accordance with the Planning Act 2008 (as amended by the Localism Act 2011) and the Community Infrastructure Levy Regulations 2010 (as amended).

The charging area is to cover the administrative area of Brighton & Hove City Council excluding the South Downs National Park area. The Charging Authority and Collecting Authority will be Brighton & Hove City Council.

3. Consultation methodology

Public consultation was undertaken during the period of **Friday 13th October 2017 and Sunday 10th December 2017**. Responses were invited through the BHCC online consultation portal, via email or post.

The PDCS, the bespoke Viability Report (DSP August 2017) and links to the Infrastructure Delivery Plan update and local development plan were made available on the council's consultation portal and [developer contributions web page](#).

In compliance with regulation 15 of the Community Infrastructure Levy Regulations 2010 (as amended) the following consultation methodology was undertaken:

Required consultation bodies were sent a copy of the PDCS along with information about the consultation, relevant dates and links to the developer contributions web page and consultation portal and invited to make representations. The list of bodies sent a copy of the PDCS, associated information and invited to make representations were:

Adjoining or adjacent Local Planning Authorities

South Downs National Park
Adur District Council
Worthing Borough Council
Lewes District Council
Mid Sussex District Council
Horsham District Council
Wealden District Council
East Sussex County Council
West Sussex County Council

Parish Councils and Neighbourhood Areas within the Brighton & Hove City Council area

Rottingdean Parish Council (with an agreed Neighbourhood Area)
Brighton Marina Business Neighbourhood Area and Forum
Hove Station Neighbourhood Area and Forum
Hove Park Neighbourhood Area and Forum

Designated Neighbourhood Areas adjoining or in the vicinity of the Brighton & Hove City Council boundary:

Peacehaven and Telscombe Neighbourhood Area
Ditchling Westmeston and Streat Neighbourhood Area
Upper Beeding Neighbourhood Area

The wider community

Emails were sent inviting representations on the PDCS to the following groups on the council's planning policy database with information about the consultation, relevant dates and links to the developer contributions web page and consultation portal:

All contacts held for developers, planning agents and landowners; business groups; voluntary, community, amenity and civic bodies; relevant utilities and statutory undertakers; universities and other higher education establishments.

The council advertised the consultation through a press and social media release.

The council presented information on the PDCS during the consultation period to the Brighton and Hove Planning Agents' Forum and to the meeting of the Chairs of Brighton and Hove Local Action Teams.

The document was available for comment on the council's Consultation Portal for the duration of the consultation and all parties registered to be notified for every consultation on the portal would have been made aware of the PDCS along with the relevant consultation dates.

Preliminary Draft Charging Schedule Questions

To aid consideration of consultation responses the following questions were posed:

'In responding to the consultation, the Council would in particular welcome comments and views on the following key issues and questions:

- 1) Given the CIL Viability Study findings and the need to fund infrastructure for the city, are the proposed CIL rates set at a reasonable level to bring forward citywide infrastructure whilst enabling developments to achieve viability?
- 2) Given the CIL Viability Study's analysis and recommendation of value zones, are the proposed CIL residential charging zones set realistically, and will they enable residential developments to achieve viability within each zone?
- 3) Please give comments and views regarding current section 106 contribution areas which are likely to form part of proposals for an associated scaling back of section 106 contributions upon introduction of CIL.'

Comments were also invited on 'any points or matters raised by this consultation document and supporting Viability Study, whether or not related to the above key issues and questions.'

Consultation Portal

Using the portal enabled the council to gather broad views on key issues and questions using the following tickbox headings:

Strongly Agree	Tend to Agree	Neither Agree or Disagree	Don't Know/ Not Sure	Tend to Disagree	Strongly Disagree
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This methodology is considered to be an accessible and user friendly way to engage with residents, voluntary groups etc.

Layout of Consultation Portal questions

Q1a 'Given the CIL Viability Study findings and the need to fund infrastructure for the city, Do you agree or disagree that the proposed CIL rates are set at a reasonable level to bring forward citywide infrastructure whilst enabling developments to achieve viability?' (Table 1)

Q1b 'Is there anything that we have not considered or do you have any comments about the proposed CIL rates which are suggested within the PDCS?'

Q2a 'Given the CIL Viability Study's analysis and recommendation of value zones, do you agree or disagree that the proposed CIL residential charging zones are set realistically, and will they enable residential developments to achieve viability within each zone?' (Table 2)

Q2b. 'Is there anything that we have not considered or do you have any comments about the proposed CIL residential charging zones which are suggested within the PDCS?'

Q3'Please give comments and views regarding current section 106 contribution areas which are likely to form part of proposals for an associated scaling back of section 106 contributions upon the introduction of CIL'

Q4 comments are also invited on any points or matters raised by the consultation document and supporting Viability Study, whether or not related to the above key issues and questions

4. Respondents

- 25 resident/individuals responses, all received through the consultation portal.
- 23 organisations / groups. Of these, 11 comments were received via the consultation portal and 12 replied via email/post.

Organisations/groups who responded

On behalf of community organisations (7 responses)

Rottingdean Parish Council

West Hove Forum

Brighton and Hove Community Transport

Brighton and Hove Housing Coalition

Brighton Marina Neighbourhood Forum

North Laine Community Association

Councillor response

On behalf of Strategic Authorities / Public Bodies (6 responses)

Highways England - Strategic Highways Authority

Sussex Police

Sport England

County Ecologist

Natural England

NHS Brighton and Hove Clinical Commissioning Group

Business organisations/ groups (3 responses)

Brighton and Hove Economic Partnership

Brighton & Hove Bus and Coach Company

Enterprise Car Club

Developers/ Agents/ Landowners (7 responses)

Brunswick Development Group PLC

GL Hearn Agents for owners of Churchill Square (JTC Fund Solutions (Jersey) Ltd)

QUOD Agents for St William Homes LLP (joint venture Berkeley Gp and National Grid

Jones Lang LaSalle Ltd on behalf of University of Brighton

Savills (UK) Ltd Agent on behalf of consortium consisting Crest Nicholson, Hyde Housing & Legal & General

Select Property Group

Lichfields on behalf of Landsec

5. Responses made to the Preliminary Draft Charging Schedule

Question One – CIL Viability Study findings and proposed CIL Rates

Table 1

Portal Responses to Q1a 'Given the CIL Viability Study findings and the need to fund infrastructure for the city, Do you agree or disagree that the proposed CIL rates are set at a reasonable level to bring forward citywide infrastructure whilst enabling developments to achieve viability?'

Consultation Portal Responses to proposed CIL rates	Strongly Agree	Tend to Agree	Neither Agree or Disagree	Don't Know/ Not Sure	Tend to Disagree	Strongly Disagree	Overall Total
Resident	3	8	4	2	3	5	25
Organisation	2	2	1	2	1	2	10
Totals	5	10	5	4	4	7	35

Commentary:

Responses made in relation to the preliminary draft charging rates indicated that on balance proposed rates were set at a reasonable level. Responses stating charges were too high, manageable or too low were received in roughly equal proportions.

Consultation Portal Responses to Q1b 'Is there anything that we have not considered or do you have any comments about the proposed CIL rates which are suggested within the PDCS'

Consultee	Agree/ Disagree with rates	Representations to Q1b	Council Response and any Changes to the DCS
Brighton & Hove Economic Partnership	Tend to agree	Given 2.12.4 of the viability study, which states: 'Appraisals were run on the basis of scenario testing with a fixed land value input to allow a surplus to be generated after all other development costs had been accounted for. That sum could then be expressed as a sum per unit available for on-site s106 requirements and or CIL.' The levels set seem manageable going forward.	This comment on proposed CIL levels is noted and considered generally supportive
Resident	Tend to agree	Given that the associate documents are significant in size which will preclude most people from actually reading them this is an unfair question! There is a significant risk that raising the CIL rates will cause housing developers to seek to build the smallest possible homes in an effort to reduce costs	PDCS consultation has been run in accordance with CIL regulations. The scope of work undertaken by the Council and documents consulted upon are considered to be in accordance with accepted practice and commensurate with other charging authority information on the production of a Charging Schedule at this stage. This will be the first CIL here, but it will largely replace and not be entirely additional to existing planning obligations arrangements under s.106. The residential rates are informed by evidence based within a carefully considered bespoke viability study. There is no evidence to demonstrate that the proposed CIL rates would reduce the size of future residential units. CIL

			costs will only be equivalent to a very small proportion of the overall development values or costs, and in balance with the viability aspects will provide necessary funding for strategic infrastructure required by new development.
Resident	Tend to agree	The residential rates seem ok. Don't see need for different zones. Outer areas have more infrastructure needs. Don't agree to leave out 'other' forms of development. Need to include commercial uses e.g. b uses that can heavily impact infrastructure and include other land uses. Other councils do. Everyone wants to develop here so should charge all types of development- it won't make them less viable.	The Proposed Charging Schedule rates are informed by the evidence within and the recommendations of a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates, including geographical zoning as far as appropriate but not to the extent of over-complicating the charging schedule unnecessarily. Under the CIL regulations and guidance, the balance between the City-wide Local Plan infrastructure needs and viability is carefully considered by the charging authority. However, the rates are set primarily with reference to viability and not according to the distribution of infrastructure needs. Where a development use has a proposed £0/sq. m charge this is informed by the viability evidence pointing to insufficient financial scope for that use to bear a CIL charge. A nil-rating of most development uses beyond residential and retail is a common finding and a position seen within many CIL charging schedules.
Resident	Tend to agree	They could be increased a little, especially since many of the benefits of the Levy increase the value of the properties and improve the situation of the new occupants.	The Council aims to improve quality of life and access to facilities in the City, and a CIL will support the Local Plan strategies around this.

			<p>The effect on property values related to CIL supported infrastructure is likely to be very difficult to detect in most instances, since it relates most to wider provision of infrastructure than site specific measures. The Proposed Charging Schedule rates are informed by evidence within and the recommendations of a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates, in balance with the need to provide infrastructure. Where a development use has a proposed £0/sq. m charge this is informed by the viability evidence pointing to insufficient scope for that use to bear a CIL charge. Overall, the proposed rates are considered appropriately positioned.</p>
Brighton & Hove Housing Coalition	Tend to disagree	They need to be higher and more specific (for example, the construction of social housing)	<p>The Proposed Charging Schedule rates are informed by the information within and recommendations of a bespoke CIL viability study considered to provide appropriate evidence in terms of supporting the setting of suitable, viable CIL rates across the Brighton & Hove charging area. The Council has no direct influence on the payment of CIL charges by social / affordable housing developments. Social housing that meets the relief criteria set out in the CIL regulations does not pay a CIL charge. This is the national approach and not unique to this authority.</p>
Resident	Tend to	I am concerned that the CIL rates will simply serve to provide an	The Proposed Charging Schedule rates are

	disagree	additional disincentive to residential properties being built, whilst at the same time forcing up the prices of those that are built.	informed by the information within and recommendations of a bespoke CIL viability study considered to provide appropriate evidence in terms of setting viable CIL rates in the local housing market context, whilst striking an appropriate balance and so also allowing for the provision of strategic infrastructure required by new development. The proposed CIL is not entirely additional - existing developer contributions will be scaled back on the introduction of a CIL charge. There is no evidence to suggest that the adoption of a CIL at the rates proposed will significantly impact the delivery of new homes, or force up the prices of those.
Select Property Group	Strongly disagree	On behalf of Select Property Group (SPG), we would like to address this question specifically in the context of the PDCS's proposed rate of £250 psm on purpose built student accommodation (PBSA). SPG concludes that BHCC's analysis of the viability impact of CIL on PBSA is extremely limited in scope. Where the Dixon Searle Partnership (DSP) Viability Study has assessed an array of residential scenarios, from 1 unit to 100 unit schemes, the Study has only considered one PBSA scenario for a 100% cluster type accommodation with 150 en-suite rooms. We acknowledge that the Viability Study will not test the viability of every possible site and scheme scenario and that the objective of a Viability Study is to test the site typologies considered most relevant to the Local Authority for the plan period. We also acknowledge that 'specific assumptions and values applied for our schemes are unlikely to be appropriate for all developments and a degree of professional judgment is required'. However, we strongly disagree that a sufficient range of PBSA typologies	These comments on the PBSA rates proposed within the PDCS are noted and as with all other comments have been taken into account in further review of the evidence and proposals. In this case, this further review work has extended to the preparation and review of additional test scenarios. Further appraisals have been carried out. This additional work is outlined in the CIL Viability Assessment Addendum (February 2018) and will be reflected subsequently in the preparation of the DCS. So the Council has ensured that due regard has been taken of the comments made here. The additional tests have enabled the consideration

		<p>has been assessed, and that the Viability Study has very limited credibility as a result. At the very least, the Viability Study should have assessed the viability of a large scale PBSA development that provides studio apartment and substantial common areas, of the type delivered by SPG. Developments of this type typically have larger rooms and higher construction costs. The model and appraisal assumptions for studio PBSA developments warrant DSP undertaking a separate set of appraisals. SPG would be pleased to work with BHCC and DSP to agree a suitable set of assumptions to use in the additional appraisals. In addition, while DSP recommends on page viii of the Viability Study that the zoned approach used for residential development is also applied to PBSA, it does not support this conclusion by providing viability assessments for PBSA by zone. This represents a major methodological inconsistency, and supports our requirement that further viability testing for a broader range of PBSA typologies is undertaken.</p>	<p>of the viability of Purpose Built Student Accommodation in a wider way, with both Studios based and Cluster based typologies appraised. The potential influence of a range of rental values have been tested, also allowing the consideration of both scheme type and location – again bearing in mind the acknowledged high-level of this work as fits the CIL principles.</p> <p>Taken together with the 2017 assessment and recommendations and now also acknowledging the consultation feedback, the Council is confident that the approach taken in the February 2018 Viability Study addendum which has taken into account these comments is appropriate, and it can be noted that the proposed charging rate for Purpose Built Student Housing has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS). This brings the amended proposed charge rate (at £175/sq. m) further in line with the viability consultants' earlier findings that pointed to setting PBSA rate or rates broadly aligned to or not exceeding the proposed residential rates range. It must be acknowledged that all schemes will vary to some extent. Having carefully considered the latest evidence and the consultants recommendations regarding a citywide or zoned approach, as well as</p>
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			<p>reviewing potential differences between the viability rates the council has concluded that there will be a single citywide rate proposed in the DCS for purpose built student accommodation – applicable to all schemes and so for example relevant to both studio apartment and cluster typologies.</p> <p>Acknowledging the likely imperfections within any area wide approach suitable for CIL, this simple approach at a reduced rate is considered to best reflect overall the variable nature of this development, site by site.</p> <p>While no further information was made available to inform the Addendum work and Council’s consideration of these matters, consultees would be welcome to make any further comments on the revised approach to be taken, following publication of the DCS.</p>
Brunswick Development Group	Strongly disagree	<p>We are concerned that the proposed levy is too high for zones 1 and 2, and that it will prove counter productive to encouraging the provision of much needed new homes. A zone one rate of £175 per square meter is untenably high when compared with Zone One CIL levys already adopted within Horsham, Worthing and Chichester of between £100 to £135 psm. Each of these areas is comparable to Brighton & Hove in terms of average house prices and location bordering the South Downs National Park. It is worth noting that another comparable area is Mid-Sussex, and their CIL due to be adopted in early 2018 has a rate of £80 psm for apartments.</p>	<p>Most relevant to a charging authority are the particular market and characteristics within its area and not elsewhere. Whilst less relevant, in terms of these comments seeking to make broad comparisons, the Council is not sure that the other authority’s charging rates are fully reflected in the comments. Looking at those quoted and others, the range of rates adopted and most recently proposed is more like £80 to £235/sq. m, with the Brighton & Hove rates proposals considered appropriately consistent</p>

			with the overall picture in any event. The Proposed Charging Schedule rates are informed by the content within and recommendations of a bespoke CIL viability study for Brighton & Hove; considered to be appropriate evidence in terms of setting viable CIL rates, whilst allowing for the provision of strategic infrastructure required by new development.
Resident	Strongly disagree	Not high enough	The Proposed Charging Schedule rates are informed by the content within and recommendations of a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates, whilst allowing for the provision of strategic infrastructure required by new development.
Resident	Strongly disagree	The proposed charging levels: The levels suggested for Retail – Larger formats are too low and should be raised to the same level as Purpose Built Student Housing.	The Proposed Charging Schedule rates are informed by the content within and recommendations of a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates, whilst allowing for the provision of strategic infrastructure required by new development. As seen in other forms of development, the viability outcomes reflecting the larger format retail types (retail warehousing and foodstores/supermarkets) were considered sensitive to adjusted investment assumptions, potentially affecting values and leading overall to a range of potential outcomes reflected by the rate as proposed.

Resident	N/A	Proposed CIL levy not set high enough. Although we need to balance economic and city growth with charging policy, in Brighton and Hove we are desirable enough for higher CIL rates to be charged without stalling or putting off developers.	This and other similar comments are noted in balance with those suggesting that the rates should be lower. A balance has to be struck between viability and the provision of infrastructure. In all cases, the Proposed Charging Schedule rates are informed by the content within and recommendations of a bespoke CIL viability study; considered to be appropriate evidence in terms of setting viable CIL rates, whilst allowing for the provision of strategic infrastructure required by new development.
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Question One Email / postal responses

‘Given the CIL Viability Study findings and the need to fund infrastructure for the city, are the proposed CIL rates set at a reasonable level to bring forward citywide infrastructure whilst enabling developments to achieve viability?’

Consultee	Representations to Q1 – General Comment Summary	Council Response and any Changes to the DCS
Brighton Marina Neighbourhood Forum	Representation is made in relation to Brighton Marina – Concerns that development will not come forward due to the effect of financial viability on CIL rates; Note that Brighton Marina is key housing site in local development plan; Additional development increases funds in overall Marina Service charge benefiting existing Residents and businesses – don’t want to hold back new development;	These comments on the rates proposed within the PDCS as would impact this particular site are noted and as with all other comments have been taken into account in the Council’s further review of the evidence and proposals. Given the Council’s knowledge of the site,

	<p>Note distance from the City centre; Development at the Marina expensive compared with other city locations in the City due to the nature of reclaimed land with subsequent foundation and substructure requirements, and building specifications required to cope with the extremely exposed location.</p> <p>Question whether the Marina should be within the highest charging rate band if developments are to be viable. The costs of section 106 and affordable housing provision to be included into the mix of costs affecting whether a developer will be confident to proceed with a project.</p>	<p>development area, longstanding proposals and discussions with development interests, as well as experience relating to the delivery of the outer harbour proposals, on review the Council considers that sufficient appropriate available evidence is already in place to support a nil-rating (£0/sq. m) of the Inner Harbour Site. This revised proposal is to be reflected in the DCS, and is consistent with the level of abnormal costs that to date have been shown to create a viability deficit. Accordingly the proposed charging rate for the Brighton Marina Inner Harbour site area (boundaries as mapped in the City Plan), considered as strategic in terms of CIL guidance, has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS)</p>
<p>Lichfields on behalf of Landsec - owners of Brighton Marina Inner Harbour site</p>	<p>CIL Viability Testing as a strategic site is required due to known and unavoidable abnormal infrastructure costs for introduction of podium structure and upgrade of sea defences and utilities at Brighton Marina.</p> <p>The Inner Harbour site at Brighton Marina is allocated for a minimum of 1,000 dwellings, which accounts for 7.6% of Brighton and Hove's housing requirement for the 2010-2030 Plan period. The importance of the allocation is clearly acknowledged in the Inspector's Report on the City Plan (dated 5 February 2016): Inner Harbour will deliver c. 5,000 sqm and 3,500 sqm of net additional retail and leisure/ recreational uses. It is estimated the redevelopment of the site will deliver approximately 305 net new FTE jobs, - a significant economic benefit.</p>	<p>As above, these comments on the rates proposed within the PDCS as would impact this particular site are noted and as with all other comments have been taken into account in the Council's further review of the evidence and proposals. Given the Council's knowledge of the site, development area, longstanding proposals and discussions with development interests, as well as experience relating to the delivery of the outer harbour proposals, on review the Council</p>

Lichfields (ctd)	<p>Landsec has undertaken its own viability appraisal under current market conditions and with an increased residential density but the Brighton Marina, Inner Harbour site remains unviable.</p> <p>Unavoidable costs Significant investment is required to upgrade the utilities, introduce a podium structure and upgrade the sea defences at Brighton Marina. These abnormal infrastructure costs are not typical of other strategic development sites identified in the City Plan. These costs have not been sufficiently reflected within the Viability Assessment and as such it cannot be relied upon in relation to the Brighton Marina site. As one of the largest residential strategic sites in the City Plan it is important that viability is further tested to ensure that the levy will not undermine the delivery of housing on this site. Combined, it is estimated from feasibility work carried out to date that the above enabling development and infrastructure increase the cost of residential construction at Brighton Marina by 30%. These are site specific, abnormal costs that are not captured in the generalised development scenarios upon which the CIL viability evidence is based.</p>	<p>considers that sufficient appropriate available evidence is already in place to support a nil-rating (£0/sq. m) of the Inner Harbour Site. This revised proposal is to be reflected in the DCS, and is consistent with the level of abnormal costs that to date have been shown to create a viability deficit. Accordingly the proposed charging rate for the Brighton Marina Inner Harbour site area (boundaries as mapped in the City Plan), considered as strategic in terms of CIL guidance, has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS)</p>
QUOD Agents for St William Homes LLP (joint venture Berkeley Group and National Grid Property)	<p>The Council has not considered the implications of CIL for strategic sites, like Brighton Gasworks, as required by CIL Guidance;</p> <ul style="list-style-type: none"> • That brownfield sites, which are critical to the delivery of the Local Plan given the constraints on land supply in and around Brighton, face significant abnormal costs which are not reflected in the generic appraisals undertaken by the Council; • That the Council’s Infrastructure Delivery Plan suggests that there could be significant site-specific requirements for these sites which have not been factored into the Viability Study appraisals; • That the proposed boundaries of charging zones in the Plan are unduly complex and unclear, and in the case of Brighton Gasworks bisect the site. • Former Gasworks sites are unique in both use and character and have 	<p>There are a wide range of sites and proposals due to come forward under the Local Plan, with greatly varying characteristics. A CIL is an area wide approach and will support the Plan as a whole; it is not intended or able to reflect potential issues on individual sites of a scale that are not critical to overall plan delivery when viewed individually . The gasworks site is allocated for 85 units within the City Plan so is not considered to be strategic in terms of CIL guidance. It is considered that the viability</p>

	<p>extremely high abnormal and technical costs, such as remediation, acknowledged by The City Plan. In order for the site to come forward viably and for it to contribute to delivering the Council’s Local Plan targets the Council should consider setting a single lower or zero rate for the site.</p> <p>This would allow the Council, in dealing with any planning application for the site, to balance obligations relating to affordable housing with other types of infrastructure contributions in the context of site specific viability issues. Proposed reforms to CIL would mean that the Council would still be able to ensure impacts of the development can be mitigated through Section 106 obligations.</p>	<p>assessment carried out has sampled sufficient brownfield sites within a suitable range of sizes for the purposes of a CIL charging schedule, and the proposals carried forward to the DCS reflect this robust approach.</p> <p>The Infrastructure Delivery Plan notes two ‘essential’ access improvements for the wider DA2 area – one of which is identified in policy DA2 2. Gas Works site d) ‘connectivity’. This is likely to be a site-specific s106 requirement for the Brighton Gasworks site. It is acknowledged by CIL regulations that sites may also be subject to site related planning obligations that meet the three ‘tests’ of CIL Regulation 122 alongside a CIL charge. It is not considered that this site specific requirement would be an obligation so abnormal or significant as to require a separate CIL rate, with CIL being a relatively small influence on overall development viability (and therefore not likely to render an otherwise viable site unviable in any event). It is not considered that the IDP prioritises further significant site specific requirements for the Gas Works site. Across the DA2 area the IDP also refers to site specific requirements relating to other DA2 sites as well as city wide priorities such as green infrastructure and provision of community buildings.</p> <p>A very complex approach to the CIL charging</p>
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		<p>schedule, with many layers of differentials, could arise were individual site characteristics to be followed to the extent envisaged in the comments received.</p> <p>As in all cases, where viability is clearly and robustly shown to be under too much pressure at the delivery stage, the overall package of obligations can be considered and reviewed if necessary. This approach again reflects the fact that all sites are different and that all individual characteristics cannot be expected to be reflected in a CIL charging schedule. Consistent with the Council's consultants' wide experience of preparing robust viability studies for this purpose, it is not appropriate to make generic allowances for abnormal costs in reviewing the viability of smaller sites, with such variation likely.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS.</p>
Jones Lang LaSalle Ltd for University of Brighton (UoB)	<p>The UoB is concerned that the proposed £250psm CIL rate would render the development of student housing at affordable rents unviable, which in turn will restrict the future operation of the University which would be to the detriment of the UoB and the city as a whole. The viability analysis used to justify the £250 psm CIL rate is not based on sound underlying assumptions and evidence.</p> <p>Appendix IIb includes an appraisal summary for student accommodation.</p>	<p>These comments on the PBSA rates proposed within the PDCS are noted and as with all other comments have been taken into account in further review of the evidence and proposals. In this case, this further review work has extended to the preparation and review of additional test scenarios. Further appraisals</p>

This is based on a 150 bed block only with no sensitivity analysis apart from testing different CIL rates. It is considered this is too simplistic and does not reflect reality.

- No recognition varying costs of different types of student accommodation in different locations.
- No allowance is made for abnormal costs (apart from a general 5% contingency).
- No allowance made for S106 costs or other infrastructure.

The assumed income is based solely on rental information provided on the UoB and Sussex University websites, based on the weekly rent charged to students. However, this over estimates the income because student housing is not all rented out 52 weeks per annum (the accommodation closer to the city centre tends to achieve higher occupancy rates compare to campus based accommodation), and it ignores the costs of managing and maintaining the student accommodation. The net income per annum is significantly lower than has been assumed.

- There is a clear difference in the focus and viability between student residential built by the universities on campus and commercial developers of student accommodation in the city (39 week lets lower rents against 50 week lets premium rents). Furthermore, it is important when undertaking viability appraisals to recognise the difference between affordable and premium rents that might be achieved.

have been carried out. This additional work is outlined in the CIL Viability Assessment Addendum (February 2018) and will be reflected subsequently the preparation of the DCS.

So the Council has ensured that due regard has been taken of the comments made here. The additional tests have enabled the consideration of the viability of Purpose Built Student Accommodation in a wider way, with both Studios based and Cluster based typologies appraised. The potential influence of a range of rental values have been tested, also allowing the consideration of both scheme type and location – again bearing in mind the acknowledged high-level of this work as fits the CIL principles.

Taken together with the 2017 assessment and recommendations and now also acknowledging the consultation feedback, the Council is confident that the approach taken in the February 2018 Viability Study addendum, which has taken into account these comments, is appropriate, and it can be noted that the proposed charging rate for Purpose Built Student Housing has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS). This brings the amended proposed charge rate (at £175/sq. m) further in line with the viability consultants'

		<p>earlier findings that pointed to setting PBSA rate or rates broadly aligned to or not exceeding the proposed residential rates range. It must be acknowledged that all schemes will vary to some extent. Having carefully considered the latest evidence and the consultants recommendations regarding a citywide or zoned approach, as well as reviewing potential differences between the viability rates, the council has concluded that there will be a single citywide rate proposed in the DCS for purpose built student accommodation – applicable to all schemes and so for example relevant to both studio apartment and cluster typologies. Acknowledging the likely imperfections within any area wide approach suitable for CIL, this simple approach at a reduced rate is considered to best reflect overall the variable nature of this development, site by site.</p> <p>In arriving at the above, the Addendum work acknowledges the points made here on potential occupancy rates, and appropriate (potentially cautious) assumptions have been made on that.</p> <p>While no further information was made available to inform the Addendum work and Council's consideration of these matters, consultees would be welcome to make any further comments on</p>
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		the revised approach to be taken, following publication of the DCS.
GL Hearn for JTC (owners, Churchill Square)	<p>The CIL charging schedule does not take account of different forms of retail development as the retail floorspace delivered by DA1 area is not Small Retail but City Centre comparison shops (general/non-shopping centre) constituting an entirely different form of small scale retail development with a challenging background of changing retail dynamics. The type of retail floorspace that will be brought forward as part of DA1 will be a combination of retail units from large anchor units, large space units through to smaller standard units. This does not constitute “small scale retail development”.</p> <p>Rate does not include consideration being given to the delivery of complex retail led development projects which potentially generate significant new retail floorspace but also include abnormal development costs including land assembly, higher than normal development costs and additional associated infrastructure. City wide £50 sq m rate would have adverse impact on delivery of DA1 policy.</p> <p>Further consideration/assessment should be given to the proposed CIL rate for retail, residential and PBSH within major development areas in the city centre regarding impact on viability of bringing forward complex regeneration schemes</p>	<p>These comments on the application of charging rates for retail as proposed within the PDCS are noted and as with all other comments have been taken into account in further review of the evidence and proposals.</p> <p>In this case, this further review work has extended to the preparation and review of additional test scenarios. Further appraisals have been carried out. This additional work is outlined in the CIL Viability Assessment Addendum (February 2018) and will be reflected subsequently the preparation of the DCS.</p> <p>So the Council has ensured that due regard has been taken of the comments made here.</p> <p>Whilst there are many unknowns at this stage in regard to the Churchill Square shopping centre development / extension proposals, the additional tests have enabled the consideration of the viability of comprehensive shopping centre type development. Bearing in mind the necessarily high-level and assumption based nature of the exercise at this stage, for the purpose of CIL charge setting, the potential</p>

		<p>influence of a range of rental values and investment yields have been tested. The further review work is consistent with the CIL principles. Taken together with the 2017 viability assessment and recommendations and now also acknowledging the consultation feedback, the Council is confident that the approach taken in the February 2018 Viability Study addendum which has taken into account these comments is appropriate.</p> <p>A £50/sq. m CIL charging rate is considered likely to amount to a CIL liability (high-level estimate) of between approximately £1 and 2m, which represents only a very small proportion of the development value or cost considered likely to be relevant in this instance.</p> <p>It is a fact that any cost has an impact on viability, and this could be described as adverse, because a cost translates to a negative impact when considered in isolation. In practice, a charge at such a level is likely to be only a very small factor in overall scheme viability and merely one of a wide range of influences on the overall scheme costs.</p> <p>As the details are unknown, in common with all appraisals undertaken as part of the viability assessment, no allowance has been made for any existing floorspace that would have the effect of netting-off within the CIL liability calculation.</p>
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		<p>Overall, there is no evidence to suggest that applying the 'all other retail' rate of £50/sq. m to the retail element of the Churchill Square development would unduly undermine its viability and therefore threaten the delivery of the Plan.</p> <p>The proposed charging rate for city centre comparison retail has been clarified between the proposed PDCS and the proposed DCS as falling within the rate of 'other shopping units development' and is not considered to fall within the retail – larger format typology (see Table 1 of the DCS). Dealt with in this way, the £50/sq. m rate as proposed within the PDCS is considered to remain entirely relevant – for all retail outside the specified larger format types, including the Churchill Square proposals. This is considered an equitable and appropriate approach, robust and consistent with CIL principles.</p> <p>It is considered that references to residential development or PBSA (purpose built student's accommodation) within this area are not specifically relevant to policy DA1 in the local development plan and so would not be applicable in terms of strategic relevance of a CIL charge relating to the DA1 area. The conference centre element would in any event be subject to nil-</p>
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		rating within as per the PDCS rate for other development uses; to be carried forward to the DCS (See Table 1 of the DCS)
Savills for consortium of Crest Nicholson, Hyde Housing & Legal & General	<p>Referring to the Executive Summary within the consultation response, the Consortium has certain concerns with the BHCC proposed approach, notably:</p> <p>The timing of the production of the CIL ahead of anticipated (and now announced) reforms to CIL by Government;</p> <p>The assumptions taken with respect of Benchmark Land Values (BLV) and how these have been used to set the CIL rates proposed across each charging zone;</p> <p>The absence of evidence to support existing use value and BLV assumptions;</p> <p>Further evidence requirements with respect of infrastructure costs, servicing costs and various other externals/ abnormals costs.</p> <p>The application of a viability buffer of 50%, whilst welcome in principle, does not go far enough when considered against the concerns outlined, and on the basis of high (and perhaps challenging) growth requirements in the City and substantial unmet housing needs, which are placing additional development pressures elsewhere in Sussex. In addition, the recent under delivery of affordable homes in the City.</p> <p>The addition of a CIL charge will not bring forward sufficient affordable housing required by the city plan. CIL rates will threaten delivery of identified housing land supply. Current under-delivery since 2010.</p>	<p>The comment on the timing of bringing forward of these proposals is noted and the Council acknowledges that there are uncertainties. Experience shows that for quite some time there has been national level uncertainty and a therefore range of reasons for potentially delaying. Stalling will be unhelpful all round. Local authorities need to continue to make progress with their Local Plans and delivery measures. Therefore, the council intends to carry on with the introduction of CIL which continues to be supported by Government. The progression of the proposals will complement the delivery of the Local Plan and update the approach to ensuring that appropriate contributions to City wide infrastructure provision are secured, also offering more certainty to the development industry and those involved in providing the necessary new development.</p> <p>The comments appear to infer an expectation that the viability assessment assumptions and results, including the Benchmark Land Values, directly translate into a CIL rate calculation. This is not the case. The assessment covers of a range of appropriate development typologies, discussed in depth with the Council in designing</p>

		<p>the assessment to appropriately reflect a range of expected delivery.</p> <p>It is not possible to set a CIL charge covering mixed-use developments as a development type, within which varying proportions of different uses (each having different viability implications) may be present. Instead, such elements of schemes are charged CIL at the commensurate rate for the relevant development type.</p> <p>An established approach and methodology, proven in the support of numerous other Charging Schedules through examination, has been applied by the viability consultants. Inevitably this means making a large number of assumptions and judgements – in order to inform rather than necessarily directly set the proposed CIL rates.</p> <p>The information gathered to inform this process, range of existing available evidence in the form of previous studies, affordable housing contributions study work undertaken by the DVS and the Council's experience have been further reviewed in light of the consultation responses.</p> <p>The viability assessment uses an established and accepted approach to considering the influence of a range of benchmark land values. In practice,</p>
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		<p>land values may vary considerably from one site to the next, even within close proximity, as supported and constrained by the individual characteristics. The very high level of residual land values (RLVs) from the appraisals is evident across many scenarios, with the variation reflected in the proposed zoned approach to residential CIL charging.</p> <p>Not unique to Brighton and Hove, there is limited available reliable transaction based evidence of land values. Few details are reported and can rarely be analysed sufficiently to be confident that like for like comparisons are being made in a wide range of respects such as planning permission and s.106 details (or planning potential and risk), site conditions, legal issues and so on. Typically in the viability consultants' experience, this is also seen through a scarcity of information coming forward via the consultation process they run. A range of other land value indications are used, with positions in many cases having been informed also by reference to existing studies of and information on the area – appropriate available evidence.</p> <p>The Council remains of the view that given the nature of the process and the inevitable difficulties involved in ensuring a fit for all situations, the approach taken is suitable and</p>
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		<p>based on appropriate evidence. It considers that the viability assessment work, as now added to with the February 2018 Addendum covering elements considered to merit further appraisal work, clearly acknowledges the nature of the process. This includes the need for review of a wide range of information, making of assumptions and judgements; all informing the striking of an appropriate balance between the desirability of providing infrastructure to support the planned new development and its viability.</p> <p>Whilst the Council's priority is to set rates appropriate for its area, the proposed charging rates are also not considered significantly out of step with the range of those adopted or proposed by other authorities – neighbouring or otherwise.</p> <p>The use of prudent assumptions setting combined with a significant buffering factor has informed a set of proposed rates that are considered both suitable and beneath where they could have been justified, accepting that buffering is essentially arbitrary and a means of ensuring rates well within the maximum potential / theoretical levels. The viability assessment also includes, as a further checking layer, consideration of the proposed charging rates as a percentage of development values, which are at</p>
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		<p>modest levels.</p> <p>Following an opportunity to provide information at the stakeholders' consultation stage of the viability assessment and on review of the comments now received, the Council considers that insufficient information has been submitted to inform any alternative assumptions or views. Acknowledging that there is no exact science involved, the Council's own experience and the considerable experience of its viability consultants in CIL and other strategic level viability assessments and work across many site-specific viability reviews supports the use of the assumptions and judgements made; including on further review.</p> <p>Nevertheless the Council seeks to set out below additional points in response to the more specific consultation comments – aspects of appraisal assumptions / detail.</p> <p>The viability considerations are based upon policy-compliant development including affordable housing provision. CIL has been allowed for at the range of tested rates (at up to £1,000/sq. m for residential developments) with appropriate levels of build and other costs overall and contingency allowances in addition for any site specific s106 obligations and/or other site-</p>
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		<p>specific matters. In many cases, the adopted development density assumptions are potentially cautious. However, on housing and mixed schemes 15% has been added to the assumed net developable site areas across the range of smaller schemes tests.</p> <p>In the viability consultants' experience, the assumptions selected in a wide range of other areas, challenged through this representation, are sound for the purpose too. These include the finance interest rates, development timings, market and affordable housing revenue assumptions, dwelling mixes and sizes, overall construction costs allowances, contingencies and fees. In these respects, experience bears out that overall a suitable approach to the costs and values assumptions has been made and the Council notes also the very limited range of representations that have been made in such respects, balanced with the points also made by parties having the opposite view- i.e. that the CIL charging rates should be higher than the Council proposes.</p> <p>The viability consultants advise that on review of the 2017 viability assessment report, a presentational error has been noted at paragraph 2.5.9 (and in the corresponding table within the Appendix III). Some inadvertent transposing of figures has now been noted. This may have</p>
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		<p>contributed to a misunderstanding on the use of the values assumptions. The correctly tabled information can be found within the assessment Appendix I – as has been used in the appraisals and analysis.</p> <p>It can be noted that changes have been made as a result of consultation responses where considered appropriate and supported by the evidence, including as revisited – the proposed charging rate for Purpose Built Student Accommodation has been amended and specific differentiation for key strategic sites has also now been included in the Council’s updated approach (see Table 1 of the DCS)</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS.</p>
Rottingdean Parish Council	The RPC is not equipped to make judgement on CIL levels on the levies proposed but we assume BHCC is satisfied with the research carried out on their behalf and are satisfied with the levels recommended.	This comment on proposed CIL levels is noted

Question Two – CIL Viability Study findings and Value Zones

Table 2

No. of portal comments received for Q2a ‘Given the CIL Viability Study’s analysis and recommendation of value zones, do you agree or disagree that the proposed CIL residential charging zones are set realistically, and will they enable residential developments to achieve viability within each zone?’

Portal Responses to proposed Residential Zones	Strongly Agree	Tend to Agree	Neither Agree or Disagree	Don’t Know/ Not Sure	Tend to Disagree	Strongly Disagree	Overall Total
Resident	3	6	3	3	5	4	24
Organisation	1	3	2	2	1	1	10
Total per category	4	9	5	5	6	5	34

Commentary:

Responses made in relation to the preliminary draft residential charging zones indicated that on balance the zones proposed were reasonable. Responses agreeing with zones and disagreeing with zones were received in roughly equal proportions.

Consultation Portal Responses to Q2b

'Is there anything that we have not considered or do you have any comments about the proposed CIL residential charging zones which are suggested within the PDCS?'

Consultee	Agree/ Disagree with rates	Representations to Q2b	Council Response and any Changes to the DCS
North Laines Community Association	Tend to agree	CIL should cover and include areas such as St Peters and North Laine Ward.	The proposed charging schedule within the DCS demonstrates proposed CIL charges which include St Peters and North Laine Ward.
Brighton and Hove Economic Partnership	Tend to agree	Although the report 'acknowledges imperfections are likely in any mapped scenario' There may be some merit in revisiting some of the zoning areas. For example, there are parts of South Portslade (St. Aubyns Road, St. Andrews Road, Franklin Road and Station Road) where housing prices have risen such that in some instances they are equitable with some roads in west Hove. There may be a similar degree of equity elsewhere within the zoning scheme allowing for developers to pay less via CIL but still making significant gains on completion and sales. It may be worth considering a buffer zone between highest value and lowest zones to account for this	These comments on residential rates zoning and the associated zone "boundaries" proposed within the PDCS are noted and have been considered during a further review of the evidence in order to consider any case for an alternative approach. There have been only a small number of recent sales in the areas around the proposed zone boundary – insufficient to inform and support an alternative zoning or zone boundary to that proposed in the PDCS stage mapping. This is also an area within which a relatively small quantum only of new build development attracting CIL payments is likely to be provided. In practice, a charging rate adjusted from that proposed could be expected to make very little difference in the overall context of the Local Plan and the supporting CIL. Other sources such as 'Zoopla' heat mapping

			<p>have been considered and again point to the clearest, most representative of values patterns, boundary being as proposed. While open to considering evidenced alternatives, the Council considers it appropriate on balance to continue with the approach informed and supported by its evidence. This is also consistent with the findings of the Valuation Office Agency (VOA) Affordable Housing off-site contributions boundaries used by Brighton & Hove Council in the determination of planning applications.</p> <p>The Council also notes that the introduction of a form of buffer zone between this junction of Zones 1 and 3, if satisfactorily evidenced, would reduce the differential by only £25/sq. m – i.e. the difference between the £150/sq. m zone 2 and £175/sq. m zone 3 proposed rates. On this basis, linked to the low level of development likely in this transitional area, the Council maintains that the PDCS approach to the proposed charging zones positioning remains appropriate.</p>
Resident	Tend to agree	Not clear as to definition of Affordable housing and Social Housing built by a Council. Will these be exempt of CIL levy	CIL Regulations allow relief for social housing. Planning Practice Guidance contains up to date definitions and conditions where social housing relief applies.
Resident	Tend to agree	The stated costs /values of 2 Bedroom Flats seems to be excessive	Property values in the City are typically high, and this contributes to the buoyancy of the local market and the nature of the viability findings

			overall. The proposed DCS rates are informed by a bespoke viability study for the city to test the likely impact of CIL rates on the viability of developments envisaged by the Local Development Plan. This is considered to be an appropriate evidence base to underpin CIL rates.
Select Property Group	Neither agree nor disagree	<p>With respect to PBSA and charging zones, SPG is very concerned that the Council diverts from the recommendations of its consultants without robustly explaining why it has done so. SPG strongly believes that the PDCS should be informed by appraisals exploring whether a zoned approach is appropriate for PBSA. The table at page viii of the Viability Study, titled 'CIL charging rates parameters' Recommendations Study², suggests that the zoned approach to charging residential, at rates per sqm of £75-125, £150-200, £175-250, applies also to purpose-built students' housing². Even though it is not informed by evidence, DSP's justification for this approach is stated at paragraph 3.6.4 of the Viability Study: For clarity and consistency, we recommend that the Council could consider CIL charging rates aligned to its selection of rates within the above noted recommended parameters for residential (C3) development. This would appear to present an appropriate and equitable scenario in our view. ² Despite this advice, BHCC's PDCS proposes a flat rate of £250 psm for PBSA across the city, which is justified by officers by the absence of affordable housing requirements associated with this development type (paragraph 3.10 of the report to the Tourism, Development and Culture Committee Report of 21 September 2017). This justification is not supported by evidence nor by DSP's advice. It is also in contrast to the detailed reasons in paragraph 3.9 of the committee report for adopting the lower end of the parameter range and a zoned approach for residential development, which also apply to PBSA. The rationale for</p>	<p>These comments on the PBSH rates proposed within the PDCS are noted and have been taken into account in both the addendum viability assessment and subsequently the preparation of the DCS.</p> <p>Working with its consultants further to the PDCS consultation the Council had regard to the comments made here. Within the viability assessment addendum the approach to appraising and considering the viability of Purpose Built Student Housing has been extended to include varying type (cluster and studios based formats) and further look at the impact of potentially varying values – whether by scheme type, specification or location.</p> <p>Taking account of the submitted comments and the February 2018 Viability Study addendum, the proposed charging rate for Purpose Built Student Housing has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS).</p> <p>The viability assessment work informs rather</p>

		<p>adopting a city wide approach to PBSA is briefly explained in paragraph 3.6 of the Tourism, Development and Culture Committee Report, which explains that: Findings demonstrated no clearly justifiable approach to zone non-residential development rates. Therefore city wide charging rates are suggested for both retail and purpose built student housing. ☐</p> <p>While we agree that DSP does not adequately explain its recommendation to apply zoned rates to PBSA, the Council's rejection of DSP's advice also lacks any justification. There is an absence of detail from both parties: DSP's recommendations and the Council's dismissal of the recommendations are both unsubstantiated and lack evidence or reasoned explanation. Furthermore, Appendix IIb Non-Residential Results Summary does not include the appraisal for the £250 CIL rate, which was ultimately chosen for PBSA. SPG strongly believes that the PDCS should be reviewed after more detailed consideration of the suitable rate for PBSA, including more analysis exploring whether a zoned approach is appropriate. In the absence of thorough analysis and explanation, BHCC's proposed city wide rate of £250 psm on PBSA looks somewhat arbitrary and is opposed by SPG</p>	<p>than directs the selection of the CIL charging rate(s).</p> <p>Having carefully considered the latest evidence and the possibilities regarding a citywide or zoned approach, as well as reviewing potential differences between the viability rates based on type, the council has concluded that there will be a single citywide rate proposed in the DCS for purpose built student housing schemes of all types (i.e. including both studio apartment and cluster typologies) which will allow for a less complex charging schedule compared with potential alternatives including various forms of differentiation, as is appropriate to a CIL. Set at the revised proposed single rate, it is considered that this takes account of varying value and of some indications that, dependent on the details, the cluster type developments could often be the more viable, of these typically highly viable forms of development.</p> <p>The Council accepts that these developments could be delivered by a range of parties based on varying models of procurement and ownership / investment. However, this is likely to also apply to varying extents with many other types of development. CIL charges should not be based on the individual criteria or operations of particular providers or sectors - the basis is planning which is land and scheme based, and</p>
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			<p>does not reflect matters such as ownership models or particular business plans. This has been factored in to the view that a single rate for all developments of this nature, City area wide, is most appropriate – pitched, as amended, to cater for a range of development characteristics rather than maintained at a level beyond the upper residential charging rate.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS.</p>
Brighton and Hove Housing Coalition	Tend to disagree	Social values tend to be ignored and environmental costs do not seem to be considered	An Equalities Impact Assessment and a Strategic Environmental Assessment Screening Determination will be carried out as part of the process of bringing in a CIL charge
Resident	Tend to disagree	The zones are oddly mixed for example Wish in Zone 1 but Brunswick and Adelaide and Goldschmid in Zone 2	These comments on residential zoning rates proposed within the PDCS are noted. The residential charging zones proposed in the PDCS and carried through to the DCS are evidenced by a bespoke viability study which has found that the proposed residential charging zones are appropriate for the level of a CIL rate and are consistent with the findings of the Valuation Office Agency (VOA) Affordable Housing off-site contributions boundaries used by Brighton & Hove Council in the determination of planning applications.
Resident	Tend to disagree	I'd be concerned that by zoning the city in the way proposed there is a suggestion that certain types of developments are encouraged within	Consistent with the regulations, a CIL cannot be used as a planning tool that seeks to secure

		each area. i.e.; larger property developments in low levy zones, small property developments in high levy areas.	objectives other than the securing of infrastructure contributions at an appropriate level informed by viability considerations. The Proposed Charging Schedule rates are informed by the information within and recommendations of a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates within geographical zoning areas where commensurate with the viability evidence.
Resident	Tend to disagree	I think the marina is overpriced and the slowdown in sales there may evidence this. perhaps move from zone 1? Also the council has little or no responsibilities inside the marina.	<p>Comments made in relation to Brighton Marina CIL rates proposed within the PDCS are noted and have been taken into account in the preparation of the DCS.</p> <p>It can be noted that the proposed charging rate for the Brighton Marina Inner Harbour site area (boundaries as mapped in the City Plan) , considered as strategic in terms of CIL guidance, has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS)</p>
Resident	Tend to disagree	Have one flat rate. Hard to justify different zones. Housing costs similar throughout the city.	The Proposed Charging Schedule rates are informed by the evidence within and recommendations of a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates within geographical zoning areas - proposed approach consistent with the viability evidence.

Brunswick Development s Group Plc	Strongly disagree	<p>We do not believe that Brighton Marina should be included within Zone one, as its residential sales value is not comparable to the seafront areas adjacent to the City Centre or to Hove. This is due to a number of factors, including the marina being separated geographically from the City Centre with limited transport links. The financial viability of all development within Brighton Marina needs to take into account that it starts from a point of significantly higher construction costs than anywhere else within the City; this is due to the nature of the reclaimed land site and the foundation and substructure requirements that this imposes, along with the enhanced building specifications required to cope with the extremely exposed location. Brighton Marina is recognised within the City Plan Part One as a key site for additional housing in the City realisable before 2030, and its inclusion within zone 1 will negatively impact on the financial viability of future residential development. It should also be noted that as a managed estate with its own 24 hour security Brighton Marina has a significantly lower dependency on public services, such as police, than elsewhere within the City, providing further reasoning for why it should not be included within Zone one.</p>	<p>Comments made in relation to Brighton Marina CIL rates proposed within the PDCS are noted and have been taken into account in the preparation of the DCS.</p> <p>As noted above the Council is satisfied on further review that it has the appropriate available evidence, based on existing information in order to inform an adjustment to the PDCS stage proposals so that the Brighton Marina Inner Harbour site area (boundaries as mapped in the City Plan), is considered as strategic in terms of CIL guidance, with the proposed DCS rate for this being £0/sq. m (see Table 1 of the DCS).</p> <p>The Council notes that based on the same approach of reviewing existing viability information and Housing Investment Fund bidding details, the appropriate available information exists to support the same approach in respect of the proposed housing at the strategic King Alfred site.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS.</p>
Resident	Strongly disagree	Zone 1 should be expanded to take in further inland areas of high desirability and up and coming desirability (eg 7 dials, 5 ways, Dyke Road	The Proposed Charging Schedule rates are informed by the evidence within and

		and surrounding areas inc Withdean, central Hove up into Hove Park etc.	recommendations of a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates within geographical zoning areas – proposed approach consistent with the viability evidence.
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Question Two - Email / postal responses

‘Given the CIL Viability Study’s analysis and recommendation of value zones, are the proposed CIL residential charging zones set realistically, and will they enable residential developments to achieve viability within each zone?’

Consultee	Representations to Q2 – General Comment Summary	Council Response and any Changes to the DCS
Brunswick Developments Group Plc and The Outer Harbour Development Company Partnership LLP	<p>Brighton Marina should not be included within Zone one:</p> <ul style="list-style-type: none"> its residential sales value is not comparable to the seafront areas adjacent to the City Centre or Hove due to a number of factors, including geographical separation of marina from the City Centre with limited transport links. The financial viability of all development within Brighton Marina needs to take into account of significantly higher construction costs than anywhere else within the City; this is due to the nature of the reclaimed land site and the foundation and substructure requirements that this imposes, along with the enhanced building specifications required to cope with the extremely exposed location. Brighton Marina is recognised within the City Plan Part One as a key site for additional housing in the City realisable before 2030, and its inclusion within zone 1 will negatively impact on the financial viability of future residential development. 	<p>Comments made in relation to Brighton Marina Inner Harbour CIL rates proposed within the PDCS are noted and have been taken into account in the preparation of the DCS.</p> <p>Based on the Council’s existing appropriate available evidence, as above the Council proposes to remove this site from CIL charging zone 1 within the DCS.</p> <p>The proposed charging rate for the Brighton Marina Inner Harbour site area (boundaries as mapped in the City Plan) , considered as strategic in terms of CIL guidance, has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS). Sites</p>

	<ul style="list-style-type: none"> It should also be noted that as a managed estate with its own 24 hour security Brighton Marina has a significantly lower dependency on public services, such as police, than elsewhere within the City, providing further reasoning for why it should not be included within Zone one. 	<p>in the vicinity of Brighton Marina Inner Harbour are not considered as strategic in terms of CIL guidance, however, and so further changes to the residential charging zones are not proposed.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS.</p>
<p>QUOD Agents for St William Homes LLP (joint venture Berkeley Group and National Grid Property)</p>	<p>The Council has not considered the implications of CIL for strategic sites, like Brighton Gasworks, as required by CIL Guidance;</p> <ul style="list-style-type: none"> Former Gasworks sites are unique in both use and character and have extremely high abnormal and technical costs, such as remediation, acknowledged by The City Plan. In order for the site to come forward viably and for it to contribute to delivering the Council's Local Plan targets the Council should consider setting a single lower or zero rate for the site. <p>This would allow the Council, in dealing with any planning application for the site, to balance obligations relating to affordable housing with other types of infrastructure contributions in the context of site specific viability issues. Proposed reforms to CIL would mean that the Council would still be able to ensure impacts of the development can be mitigated through Section 106 obligations.</p>	<p>The gasworks site is allocated for 85 units within the City Plan and is not considered to be strategic in terms of CIL guidance. It is considered that the viability assessment carried out has sampled sufficient brownfield sites within a suitable range of sizes for the purposes of a CIL charging schedule, and the DCS reflects this robust approach.</p> <p>The Infrastructure Delivery Plan notes two 'essential' access improvements for the wider DA2 area – one of which is identified in policy DA2 2. Gas Works site d) 'connectivity'. This is likely to be a site-specific s106 requirement for the Brighton Gasworks site. It is acknowledged by CIL regulations that sites may also be subject to site related planning obligations that meet the three 'tests' of CIL Regulation 122 alongside a CIL charge. It is not considered that this site specific requirement would be an obligation so abnormal</p>

		<p>or significant as to require a separate CIL rate. It is not considered that the IDP prioritises further significant site specific requirements for the Gas Works site. Across the DA2 area the IDP also refers to site specific requirements relating to other DA2 sites as well as city wide priorities such as green infrastructure and provision of community buildings.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS.</p>
<p>Lichfields on behalf of Landsec - owners of Brighton Marina Inner Harbour site</p>	<p>Nil CIL rate Zone 1 is not viable for Marina; based on assumptions of minimal site infrastructure and s106 costs zone 1 CIL rate does not reflect abnormal costs. To fail to take account of these within the setting of the CIL rate would lead to a CIL Charging Schedule contrary to the CIL Regulations and NPPG guidance as it would compromise the delivery of housing in the City Plan.</p>	<p>Comments made in relation to Brighton Marina Inner Harbour CIL rates proposed within the PDCS are noted and have been taken into account in the preparation of the DCS.</p> <p>Based on the Council's existing appropriate available evidence, as above the Council proposes to remove this site from CIL charging zone 1 within the DCS.</p> <p>The proposed charging rate for the Brighton Marina Inner Harbour site area (boundaries as mapped in the City Plan) , considered as strategic in terms of CIL guidance, has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS).</p>

		The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS.
Jones Lang LaSalle Ltd for University of Brighton	When further considering the CIL rate, it is considered that a single rate across the city is not appropriate, and there needs to be variation to reflect and differentiate between university and commercial development of residences	<p>Comments on the PBSA rates proposed within the PDCS are noted and have been taken into account in both the addendum viability assessment and subsequently the preparation of the DCS.</p> <p>Having carefully considered the latest evidence and the consultants recommendations regarding a citywide or zoned approach, as well as reviewing any potential differences between the viability rates by type or development source, the council has concluded that there will be a single simple approach of a citywide rate proposed in the DCS for purpose built student housing schemes of all types and provided by all parties. This is consistent with a need to ensure that the approach to setting CIL charges cannot be “personalised” according to potential varying or particular procurement or ownership / investment models etc.</p>
Select Property Group (SPG)	<u>Zoned Approach</u> : DSP recommends on page viii of the Viability Study that the zoned approach used for residential development is also applied to PBSA, it does not support this conclusion by providing viability assessments for PBSA by zone. This represents a major methodological inconsistency, and supports our requirement that further viability testing for a broader range of PBSA	Comments on the PBSA rates proposed within the PDCS are noted and have been taken into account in both the addendum viability assessment and subsequently the preparation of the DCS.

	<p>typologies is undertaken.</p>	<p>Having carefully considered the latest evidence and the consultants recommendations regarding a citywide or zoned approach, as well as reviewing potential differences between the viability rates, the council has concluded that there will be a single citywide rate proposed in the DCS for purpose built student housing schemes of all typologies which will allow for a clear and simple charging schedule as is appropriate to CIL principles, with the requisite rate set at an appropriate level to reflect a potential range of varying types, procurement/ownership models and locations.</p>
<p>GL Hearn for JTC (owners, Churchill Square)</p>	<p>Residential Zone 1 Delivering residential as part of a mixed use development on a complex City Centre Site, such as DA1, is very different from delivering residential on a “standard” development site, for the same reasons as set out above. Whilst the viability study makes reference to the variations between costs and values of different types of development scenarios, JTC is concerned that a blanket application of a CIL rate of £175 for residential floorspace as part of the DA1 development area will impact on the ability to bring forward this important regeneration project in the City Centre. Similar considerations apply to the development of student housing</p>	<p>It is considered that references to residential development or PBSA within this area are not specifically relevant to policy DA1 in the local development plan and so would not be applicable in terms of strategic relevance of a CIL charge relating to the DA1 area. The conference centre would be subject to nil-rating within the proposed DCS rate (See Table 1 of the DCS). With the retail element addressed separately, the Council considers that there is no need to further reflect these comments through additional review work or changes to the CIL charging proposals.</p>

Question Three – Proposed changes to section 106 contributions

All comments received for Q3 ‘Please give comments and views regarding current section 106 contribution areas which are likely to form part of proposals for an associated scaling back of section 106 contributions upon the introduction of CIL’

Consultee	Representations to Q3 – General Comment Summary	Council Response and any Changes to the DCS
<p>Brunswick Developments Group Plc and The Outer Harbour Development Company Partnership LLP</p>	<p>Too much still required through s106 obligations – should be more on CIL list funding as otherwise there will be too many other high cost s106 contributions</p> <p>The draft document outlines that the only S106 contributions that will be replaced by the introduction of CIL will be offsite recreation, education and sustainable transport contributions. Alongside significant affordable housing provision, this leaves many other high cost S106 contributions. We are concerned that the CIL in addition to these will significantly curtail future development.</p>	<p>It is acknowledged by CIL regulations that sites may also be subject to site related planning obligations that meet the three ‘tests’ of CIL Regulation 122 alongside a CIL charge.</p> <p>The bespoke CIL viability report has used an established, well recognised approach and has considered an appropriate range of development scenarios likely to come forward in the city. Viability considerations are based upon policy-compliant development including affordable housing provision, with a contingency allowance for site specific s106 obligations and/or other site-specific matters.</p>
<p>Enterprise Car Club</p>	<p>From previous experience on CIL - this is suited to procurement of assets/services on site at new developments. From a car club perspective these 106 payments for car clubs should be kept separate for both operator's and developers to work separately on. Typically due to the</p>	<p>This comment is noted. Site specific s106 obligations will remain alongside a CIL charge for strategic infrastructure where necessary and directly related to planning as</p>

	nature of CIL, a car club service tends to fall down the line in terms of what funds are available and where they should go. By keeping separate we are ensuring the benefits of reduced congestion, car ownership and improved air quality are still available to residents. Be it incorporating car club onsite, or membership of an existing network.	set out in CIL Regulation 122. A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS.
Brighton and Hove Community Transport	S106 are very restrictive and area focused. The use of S106 is permitted for citywide benefits	Citywide infrastructure is proposed to be funded by way of a CIL charge. Where necessary and directly related to planning as set out in CIL Regulation 122, site specific s106 obligations will remain alongside a CIL charge.
Brighton & Hove Bus and Coach Company	The current S106 contribution arrangements have worked extremely well in delivering local bus stop infrastructure at stops across the city and has seen the addition of many bus shelters, raised bus kerbs and live departure screens. The city council has done an excellent job in managing the process to ensure that funds aren't wasted. There have been some occasions where the restrictions on the site location have made it difficult to spend the sum available and a move to CIL could improve the situation but it is essential that suitable bus priority projects are included in the Regulation 123 list. There is a risk that the moving of a lot of the development funds to CIL will have a negative impact on local improvements at bus stops.	This comment is noted. Where necessary and directly related to planning as set out in CIL Regulation 122, site specific s106 obligations will remain alongside a CIL charge for strategic infrastructure. A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS
Brighton and Hove Housing Coalition	Lack of transparency and accountability with final agreements more concerned with local authority budgets as opposed to community needs.	This comment is noted
Sport England	As many infrastructure types including sport offer potential to be provided directly by developers through planning obligations as well as through CIL, the charging schedule should provide guidance for	This comment is noted. Where necessary and directly related to planning as set out in CIL Regulation 122, site specific s106

	<p>developers and the community on the relationship between CIL and site specific infrastructure requirements associated with major developments.</p> <p>current areas of s106 contributions proposed to remain secured via s106 on introduction of CIL for on-site provision include on-site recreation/sports facilities and/or space provision. Request consideration of including off-site provision for outdoor sports where necessary to mitigate the impact of a proposal, particularly as Brighton has a robust and up to date Playing Pitch Strategy as an evidence base to inform such contributions.</p> <p>There is an IDP listing some major projects related to sport; however unless it is possible to collect s106 contributions relating to off-site provision where justified, the improvements to various sites recommended in the Playing Pitch Strategy are unlikely to come forward. As developers cannot be charged for the same infrastructure through planning obligations and CIL, the charging schedule or its supporting documents should provide clarity and transparency on this issue e.g. through clarifying what infrastructure planned major developments will be expected to provide through planning obligations.</p> <p>Planning obligations will not be able to be used for any infrastructure types or projects that are included within the Reg 123 list (unless this is to mitigate the loss of existing sporting facilities in line with the requirements of Paragraph 74 of the NPPF) including facility types falling under a generic infrastructure heading included in a Reg 123 list (e.g. outdoor sports facilities).</p> <p>No requirement on a LA to ensure that the infrastructure listed in the Reg 123 list is delivered</p> <p>A number of competing infrastructure priorities on the list are likely. Advocacy important with, and within, a LA to help ensure that CIL funds are directed to appropriate sporting provision to meet the needs</p>	<p>obligations will remain alongside a CIL charge for strategic infrastructure. A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS.</p> <p>It will be noted that the Draft Regulation 123 List framework released for consultation to support the DCS includes references to 'Health Facilities', 'Open Space Provision' and 'Recreation space built facilities'.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.</p>
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	<p>generated by new development. Sports facilities excluded from a Reg 123 list, can be delivered by planning obligations to meet the needs generated from a development for the facility type(s)/project.</p> <p>A LA may also state in their Reg 123 list that specific facility types or developments are excluded from the list therefore enabling planning obligations to be used, e.g. strategic scale developments</p>	
Brighton and Hove Economic Partnership	This seems appropriate, although it is noted that these may change in the future.	This comment on proposed approach to s106 is noted and considered generally supportive
Sussex Police	Seek to ensure that both CIL and S106 can be utilised to provide necessary expansion of policing infrastructure to make development acceptable in planning terms - a key priority of the police force.	<p>This comment is noted.</p> <p>It will be noted that the Draft Regulation 123 List framework to be released for consultation to support the DCS includes reference to 'Emergency services'.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.</p>
East Sussex County Council Ecologist	The list of current areas covered by S106 planning obligations does not include contributions to on or off site compensation for ecological impacts, e.g. funding for the management of reptile translocations sites. How will such agreements be made and funded in the future? Also, it is unclear how the proposals fit with Annex 6 of SPD11: Calculating developer contributions and new nature conservation benefits.	<p>It is acknowledged by CIL regulations that sites may be subject to site related planning obligations that meet the three 'tests' of CIL Regulation 122 alongside a CIL charge.</p> <p>The DCS has been amended to reflect this comment. The methodologies used to calculate remaining s106 contribution areas are proposed to continue as set out in the updated Developer Contribution Technical</p>

		Guidance (March 2017).
NHS Clinical Commissioning Group (CCG)	<ul style="list-style-type: none"> Request that on-site health buildings / land designated as community infrastructure are eligible for CIL funding. Request that specific pipeline projects named in most recent CCG estates strategy are identified as strategically important infrastructure and so eligible for CIL. These projects would require a healthcare footprint of over 1,000sqm and include some element of secondary care provision. Welcome inclusion of health building / land within the schedule of uses still eligible for s106 funding with careful dividing line to ensure no double dipping. 	<p>It will be noted that the Draft Regulation 123 List framework released for consultation to support the DCS includes reference to off-site citywide health care facilities provision.</p> <p>The consultee notes that Double Dipping is prohibited. The DCS refers to the potential for on-site health care facilities which would only be permissible under the terms of CIL regulation 122.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.</p>
Highways England	Insofar as the Draft Charging Schedule is concerned Highways England have no comments to make, noting that the agreed A27 Trunk Road mitigations supporting the City Plan will be collected via s278 agreements with the various developers who's sites cumulatively impact on the relevant A27 junctions. Accordingly, the agreed mitigation schemes whilst listed in the councils Infrastructure Delivery Plan (IDP) should not appear in the councils CIL Reg 123 listing	<p>This comment is noted.</p> <p>It will be noted that the Draft Regulation 123 List framework released for consultation to support the DCS includes references to 'Transport and Highways'</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.</p>
Savills on behalf of consortium	BHCC has published an initial Draft Regulation 123 List to support the PDCS which sets out the infrastructure which it currently envisages will	This comment is noted.

<p>consisting Crest Nicholson, Hyde Housing & Legal & General</p>	<p>be paid for through either CIL or Section 106 contributions. The Consortium welcomes the publication of a Regulation 123 List at this initial stage in the CIL process.</p> <p>The Consortium would ask for further detail on the anticipated Section 106 contributions to be sought by BHCC to ensure that a realistic figure is included in the viability assessments. This information should be broken down by scheme type to enable a comparison on a cost per unit basis. This will help ensure that the combined total cost of Section 106 and CIL is not in excess of historically delivered Section 106 contributions and will not therefore adversely impact the deliverability of any sites coming forward.</p>	<p>It is acknowledged by CIL regulations that development may also be subject to site related planning obligations that meet the three 'tests' of CIL Regulation 122 alongside a CIL charge.</p> <p>A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS, which includes detail on anticipated s106 contributions.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.</p>
<p>Resident</p>	<p>Off-site Sustainable Housing should also be included in s106/CIL exemption in addition to Transport, Education and Sustainable Transport provisions.</p>	<p>Site specific s106 obligations (including for affordable housing) will remain alongside a CIL charge for strategic infrastructure. A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS.</p> <p>The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.</p>
<p>Resident</p>	<p>Section 106 contributions may currently have an area boundary for infrastructure improvements, as CIL could have wider community development boundary or district. Would CIL follow only contribute within the Zones described in the paper. Is there a bidding process</p>	<p>The council is currently preparing a Charging Schedule which will set out the rate (£ / sq. m) that will be payable for specific development types within geographical</p>

	planned for community and leisure developments across the City, which are not currently in the City Plan?	locations as set out in the charging schedule. A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS. Issues of CIL funding governance are not yet set out.
Resident	I am not familiar with the existing Section 106 / Developer contribution documents and details to comment on this, other than to say that I would be concerned that the introduction of the CIL will provide developers with another means to escape from their responsibility to build affordable / social rent housing as part of their development.	Site specific s106 obligations (primarily including affordable housing provision) will remain alongside a CIL charge for strategic infrastructure. A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS. The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.
Resident	Don't agree to remove sustainable transport costs from s106 as these will be needed in immediate area of development site to mitigate affects- not somewhere across other side of city. On site costs doesn't cover all the impacts.	Site specific s106 obligations will remain alongside a CIL charge for strategic infrastructure. A draft Regulation 123 list framework of items that may be funded by CIL will be consulted upon alongside the published DCS. The consultee would be welcome to make any further comments on the approach taken, following publication of the DCS and this Draft Regulation 123 list framework.

Resident	The Developers could probably pay a higher Levy and the C.I.L. often benefits the Developers and the new occupants. Maybe there could be a different (lower) C.I.L. where there is a higher proportion of Affordable Housing.	<p>CIL is a fixed charge upon development types as set out in the relevant Charging Schedule.</p> <p>Social housing that meets the relief criteria set out in CIL regulations does not pay a CIL charge. This means that as the affordable housing content of a development rises, typically the CIL liability will reduce (as the CIL liable market homes content reduces).</p>
Resident	There needs to be some balance between levels of CIL, section 106 and affordable housing requirements to ensure that developments remain viable and are not delayed and frustrated by being overburdened with these contributions.	The bespoke CIL viability report has used an established, well recognised approach and has considered an appropriate range of development scenarios likely to come forward in the city. Viability considerations are based upon policy-compliant development including affordable housing provision, with a contingency allowance for site specific s106 obligations and/or other site-specific matters.
Resident	The way that section 106 money is spent is never made clear to the communities concerned. For instance none of us know how the section 106 money from the AMEX development was spent. or if it was spent. More transparency is needed and the money needs to be shown to have benefited the community - we can't see that the money AMEX paid has helped us at all and this is a deprived area	<p>The comment is noted.</p> <p>Once the CIL charge commences, CIL Regulations require that a meaningful proportion of revenue raised by development is allocated back to those neighbourhoods. The council will engage with those communities outside parish councils where development has taken place and agree with them how best to spend the neighbourhood funding.</p>

		Neighbourhood forums will have an influence over how funds are spent in their area. CIL regulations require a report to be made annually and this will include a summary of CIL expenditure.
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Question Four - All Other Matters in relation to the PDCS

All comments received for Q4. – ‘Comments are invited on any points or matters raised by this consultation document and supporting Viability Study, whether or not related to the specific key issues and questions. Do you have any other Comments about the proposed CIL Preliminary Draft Changing Schedule or its supporting documents?’

Consultee	Representations to Q4 – General Comment Summary	Council Response and any Changes to the DCS
Sport England	I note that the document states that the Council intends to consider the appropriateness of introducing a discretionary payment in kind policy prior to the adoption of its charging schedule. As this would provide the flexibility for developers to pay directly for community infrastructure such as sports facilities, the charging schedule should in accordance with the regulations offer sufficient flexibility for such payments and provide guidance on how this will be applied in practice.	The DCS states that the council intends to consider the appropriateness of introducing a payment in kind policy. This would not form part of the charging schedule and could be changed independently of the charging schedule.
Natural England	Does not consider that this PDCS poses any likely risk or opportunity in relation to their statutory purpose.	Comment Noted
Select	SPG considers that DSs approach to Benchmark Land Value (BLV) lacks	The comments received on the PBSA rates

<p>Property Group</p>	<p>rigour and specificity. Despite quoting relevant guidance repeatedly and at length, DSPs Viability Study does not provide any specific value assessments of BLV for each use, nor of the surplus achieved above these values in order to assess whether the residual land values (RLVs) generated by the financial appraisals are viable. This critical methodological step is absent from the Viability Study, and should be the basis on which the CIL rates are justified. In Appendix III paragraph 7.26, DSP states that: ‘[Benchmark Land Values] are not fixed in terms of creating definite cut-offs or steps in viability but in our experience, they serve well in terms of adding a layer of filtering to the results, to help enable the review of those. It adds in Appendix III at paragraph 7.27 that: ‘DSP’s practice is to compare the wide range of appraisal RLV results with a variety of potential land value comparisons.’ SPG considers DSP’s methodology to be very vague and the evidence insubstantial. While DSP outlines a variety of different methodologies for evaluating viability, it provides no specific details on how its evidence was analysed, and which methodology was ultimately used to arrive at the CIL rates. While we agree that viability testing is not an exact science, SPG considers that it is possible to arrive at an appropriate BLV comparing with RLVs. DSP’s discussion of Existing Use Value (EUV) is very non-committal and at no point does it specify the premium applied to EUV to arrive at BLV. It also does not give any indication of the surplus that arises when subtracting the RLV from BLV. For these reasons, SPG strongly believes that DSP should include much more robust consideration of these details in order to better understand how the rates in the PDCS have been arrived at. Without this information, SPG objects to the proposed CIL rate for PBSA and concludes that it would have a harmful impact of the viability of this form of development in Brighton.</p>	<p>proposed within the PDCS are noted and have been taken into account in both the addendum viability assessment and subsequently the preparation of the DCS.</p> <p>An established approach and methodology, proven in the support of numerous other Charging Schedules through examination, has been applied by the viability consultants. Inevitably this means making a large number of assumptions and judgements – in order to inform rather than necessarily directly set the proposed CIL rates.</p> <p>The information gathered to inform this process, range of existing available evidence in the form of previous studies, affordable housing contributions study work undertaken by the DVS and the Council’s experience have been further reviewed in light of the consultation responses.</p> <p>The viability assessment uses an established and accepted approach to considering the influence of a range of benchmark land values. In practice, land values may vary considerably from one site to the next, even within close proximity, as supported and constrained by the individual characteristics.</p> <p>The very high level of residual land values</p>
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		<p>(RLVs) seen from the PBSA appraisals typically is evident across the addendum test scenarios.</p> <p>Not unique to Brighton and Hove, there is limited available reliable transaction based evidence of land values. Few details are reported and can rarely be analysed sufficiently to be confident that like for like comparisons are being made in a wide range of respects such as planning permission and s.106 details (or planning potential and risk), site conditions, legal issues and so on. Typically in the viability consultants' experience, this is also seen through a scarcity of information coming forward via the consultation process they run. A range of other land value indications are used, with positions in many cases having been informed also by reference to existing studies of and information on the area – appropriate available evidence.</p> <p>The Council remains of the view that given the nature of the process and the inevitable difficulties involved in ensuring a fit for all situations, the approach taken is suitable and based on appropriate evidence. It considers that the viability assessment work, as now added to with the February 2018 Addendum covering elements considered to merit further appraisal work, clearly acknowledges the</p>
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		<p>nature of the process. This includes the need for review of a wide range of information, making of assumptions and judgements; all informing the striking of an appropriate balance between the desirability of providing infrastructure to support the planned new development and its viability.</p> <p>The consultants are highly experienced in assessing the viability of development for informing CIL rate-setting and the Council is confident that the approach taken in the February 2018 Viability Study addendum is appropriate in further supporting the general approach whilst suggesting some adjustment to that. Following consideration of the comments and further review, the proposed charging rate for Purpose Built Student Housing has been amended between the proposed PDCS rate and the proposed DCS rate (see Table 1 of the DCS)</p> <p>Having carefully considered the latest evidence and the consultants recommendations regarding a citywide or zoned approach, as well as reviewing potential differences between the viability rates the council has concluded that there will be a single citywide rate proposed in the DCS for purpose built student housing schemes of all types.</p> <p>The consultee would be welcome to make any</p>
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		further comments on the approach taken, following publication of the DCS.
North Laine Community Association	Unfortunately there is no definition of neighbourhood areas except for parish councils or neighbourhood forums. The North Laine does not have a neighbourhood forum, nor is it a parish council. It is therefore difficult to gauge, from the figures supplied, the amount included in a CIL - whether it might be offices or housing that could be used in our Conservation Area.	CIL regulations require that a meaningful proportion of revenue raised by development is allocated back to those neighbourhoods. This is set out in the DCS. The council will engage with those communities outside parish councils where development has taken place and agree with them how best to spend the neighbourhood funding.
Brighton & Hove Housing Coalition	There is a need for a thorough rethink and the genuine involvement of the local community.	Comment noted The council is currently preparing a Charging Schedule which will set out the rate (£ / sq. m) that will be payable for specific development types within geographical locations as set out in the charging schedule. Once the charge commences, as set out in the DCS, CIL Regulations require that a meaningful proportion of revenue raised by development is allocated back to those neighbourhoods. The council will engage with those communities outside parish councils where development has taken place and agree with them how best to spend the neighbourhood funding.
West Hove Forum	The key issue for us is the Neighbourhood Portion of the levy. The consultation document treatment of this is disconcertingly brief. However, we were represented at the meeting of the Chairs of LATs that was helpfully addressed . We subsequently received a note which provided an extract from the government guidance of CIL, and we have briefly	Comment noted The council is currently preparing a Charging Schedule which will set out the rate (£ / sq. m)

reviewed the sections of the guidance which relate to the Neighbourhood Portion.

We understand that the council is legally obliged to allocate a minimum of 15% CIL revenues arising from development within the WHF neighbourhoods outside the Neighbourhood Plan area to be spent within these neighbourhoods and allocate a minimum of 25% in the Neighbourhood Plan area when the Neighbourhood Plan is adopted. Across the city it will be impractical for most neighbourhoods to organize to adopt a Neighbourhood Plan, and we are concerned that this distinction could be disadvantageous to areas without a formal plan.

The CIL regulations state that ‘ ***the use of neighbourhood funds should match priorities expressed by local communities, including priorities set out formally in neighbourhood plans***’ This raises important questions for the development of the BHCC CIL policy, not least how ‘local communities’ are to be defined and how the priorities of these communities are to be determined.

The WHF takes the view that the introduction of these neighbourhood funds is a very important opportunity to significantly enhance the involvement of local communities outside designated Neighbourhood Plan areas in the planning and development processes which shape their neighbourhoods.

The WHF is a stakeholder in the evolving Hove Station Neighbourhood Plan. We fully support the work the Forum is doing to ensure that local priorities for the expenditure of the 25% CIL funds are fully expressed in the Plan.

Council has advised that ‘we are not at stage in the process where there are many concrete answers to specific questions that may arise around the neighbourhood portion’

The WHF believes that in order for the potential benefits of the neighbourhood portion to be realized it is vital that the BHCC takes the

that will be payable for specific development types within geographical locations as set out in the charging schedule. Once the charge commences, as set out in the DCS, CIL Regulations require that a meaningful proportion of revenue raised by development is allocated back to those neighbourhoods. The council will engage with those communities outside parish councils where development has taken place and agree with them how best to spend the neighbourhood funding. Neighbourhood forums will have an influence over how funds are spent in their area.

LAT Chairs were consulted as part of the PDCS consultation exercise.

	<p>lead in establishing a participatory process for identifying the questions and developing answers which have widespread support. This process needs a timeline. It may be that the starting point should be the network of LATs. Our ward councillors play an active role in the work of WHF and this experience indicates that they and their colleagues elsewhere should be expected to play an important role in development of the BHCC approach to the Neighbourhood Portion.</p>	
<p>Brighton Marina Neighbourhood Forum</p>	<p>We do strongly welcome the principle of the 'neighbourhood portion' spending. We have seen situations at previous developments on the Marina where section 106 requirements which, whilst doubtless well-intentioned, have resulted in money being wasted on items which have ended up providing no benefit. We would very much like to avoid this happening in future developments.</p> <p>Neighbourhood Forums have a vital role to play in helping to target spending on the real needs and priorities of local communities, and therefore we believe there should be a formal consultation mechanism between the Council and the Neighbourhood Forum to shape spending proposals not only for the CIL monies but also on what should be in the s106 agreements covering developments in Forum areas.</p>	<p>Comment noted</p> <p>The council is currently preparing a Charging Schedule which will set out the rate (£ / sq. m) that will be payable for specific development types within geographical locations as set out in the charging schedule. Once the charge commences, as set out in the DCS, CIL Regulations require that a meaningful proportion of revenue raised by development is allocated back to those neighbourhoods. The council will engage with those communities outside parish councils where development has taken place and agree with them how best to spend the neighbourhood funding. Neighbourhood forums will have an influence over how funds are spent in their area.</p> <p>Site specific s106 obligations will remain alongside a CIL charge for strategic infrastructure where necessary and directly related to planning as set out in CIL Regulation 122.</p>
<p>Savills on</p>	<p>With regard to Discretionary Relief and Exceptional Circumstances Relief</p>	<p>Policies relating to discretionary reliefs would</p>

<p>behalf of consortium consisting Crest Nicholson, Hyde Housing & Legal & General</p>	<p>we note that BHCC does not comment on whether the relief will be offered and instead invites comment on the prospect of doing so. BHCC has stated that it will consider the implementation of these measures before adoption of the CIL.</p> <p>The Consortium would strongly suggest making the discretionary reliefs available, particularly relief for exceptional circumstances. The Consortium would recommend that this is clarified at Draft stage and encourage the Council to offer an exceptional circumstances relief policy as part of the emerging CIL.</p> <p>No considered detriment arising from the Council making available such reliefs within policies as part of its Charging Schedule, as the Council will still retain control over the application of the policies and strict tests surrounding the availability and applicability of Exceptional Circumstances Relief.</p>	<p>not form part of the charging schedule and could be changed independently of the charging schedule.</p> <p>The council intends to consider the appropriateness of introducing an instalment policy and payment in kind policy.</p>
<p>Resident</p>	<p>Charging developers will only mean they will add it to their final price and impact upon residents. council should encourage business and enable people to work,</p>	<p>The Proposed Charging Schedule rates are informed by consultant recommendations within a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates. The proposed charging schedule includes a nil charge for employment uses.</p>
<p>Resident</p>	<p>"residential" covers a wide range of use classes and it may be easier to specifically exclude uses rather than list all of them. Particular omissions I note with the current wording are C4 and Sui Generis large HMOs Would CIL apply to change of use? Would CIL apply to householder extensions?</p>	<p>It is considered that the wording is appropriate for enabling a CIL residential charge. Householder extensions under 100sq.m would be exempt from a CIL charge.</p>
<p>Resident</p>	<p>Concerned about Social & Community space. No reference to developing parks or green areas and related rates. If read thoroughly</p>	<p>It will be noted that the Draft Regulation 123 List framework of items that may be funded by</p>

	<p>why is purpose built student space exempt and Sheltered Housing not exempt.</p>	<p>CIL will be released for consultation to support the DCS, and includes reference to Open Space Provision, Recreation space built facilities, Public realm and cultural infrastructure.</p> <p>The consultee would be welcome to make any further comments on the approach taken.</p>
Resident	<p>They're too complex and confusing for the lay person. This prevents this consultation from being truly effective because it does not enable general public and resident engagement. As a result it is unlikely that the collated data will truly reflect what most people within Brighton and Hove think about Section 106 / Developer Contributions / CIL levy etc. This is ultimately very disappointing and should be addressed before running the consultation again.</p>	<p>PDCS consultation has been run in accordance with CIL regulations. The approach of documents and information offered is considered to be in accordance with accepted practice and commensurate with other charging authority information on the production of a Charging Schedule at this stage.</p>
Resident	<p>Check we are charging like London boroughs as we have London land prices.</p>	<p>The Proposed Charging Schedule rates are informed by consultant recommendations within a bespoke CIL viability study considered to be appropriate evidence in terms of setting viable CIL rates.</p>

Further review of Strategic Sites further to Preliminary Draft Charging Schedule consultation – Informative

A Community Infrastructure Levy (CIL) Charging Schedule supports the delivery of planned development set out in the adopted Local Development Plan. The levy is necessarily based upon an area wide approach. It is not intended or able to reflect all potential issues on individual sites and particularly those of a scale that are not critical to overall plan delivery. It is acknowledged that there are a wide range of sites and development proposals expected to come forward under the City Plan and that the original CIL Viability Study looked at a comprehensive range of site typologies/scenarios.

However, representations made in relation to strategic site allocation Preliminary Draft Charging Schedule (PDCS) have informed a further review of the proposed approach to the CIL charging schedule in respect of two key development sites allocated in City Plan Part One. These are Brighton Marina Inner Harbour strategic site allocation and the King Alfred/RNR Site strategic site allocation. Both are very large scale proposals on which the planned housing growth set out in City Plan Part One is dependent. In the case of the King Alfred/RNR site, the sports facilities provision is tied in with the housing development proposals, forming a critical delivery element of the Local Plan itself and needing financial support. The Brighton Marina Inner Harbour proposals are also very much mixed-use in nature, with the delivery of some of the non-residential elements looking likely to add to, rather than ease, the challenging viability scenario overall.

On further reflection, the very challenging viability scenarios that are known to the Council on a longstanding basis in both of these cases, the fact that both sites are considered to be strategic in terms of the CIL guidance and the available evidence all point to a review of the approach put forward in the PDCS being justified

The revised approach is limited to these two sites because the Council considers that other sites are not subject in the same way to the combined characteristics of supporting a critical development level in the City Plan and having well documented viability difficulties.

Brighton Marina Inner Harbour

The Inner Harbour City Plan allocation is considered strategic in CIL terms due to the significant amount of proposed housing to come forward (1000 units). The infrastructure required to deliver the site as set out in representations to the PDCS, such as an underlying podium structure and an upgrade of sea defences and utilities result in abnormal costs that demonstrate a significant viability deficit. On review, and given the Council's knowledge of the site, discussions with development interests, as well as experience relating to the delivery of the Brighton Marina Outer Harbour proposal, the Council considers that sufficient appropriate available evidence is already in place to inform a nil-rating (£0/sq. m) of the Inner Harbour Site (boundaries as mapped in the City Plan). This appropriate available evidence informs the City Plan Part One - City Plan Part One Background Studies (2012) including - Viability Testing of Strategic Sites and Brighton and Hove Combined Viability Study Update (2014) where the above Inner Harbour issues are referred to.

King Alfred/RNR Site

The King Alfred site is also considered strategic in CIL terms, as an allocation to make provision for new indoor public wet and dry sports facilities for the city as well as contribute significantly to the planned housing growth of the city. Evidence, including a recently successful Housing Investment Fund marginal viability bid of £15.2m, as well as previous experience of an unimplemented scheme due to a significant viability deficit demonstrate the significant viability issues associated with delivery of this development. Significant financial challenges lie ahead in delivering this scheme CIL charging rates should not further undermine the delivery of such a key component the City Plan, and in the circumstances it is considered that sufficient appropriate evidence is in place to support a nil-rating (£0/sq. m) of the King Alfred/ RNR site (boundaries as mapped in the City Plan).

**Appendix I:
Supplementary Results & Appraisal
Summaries – Retail & PBSA**

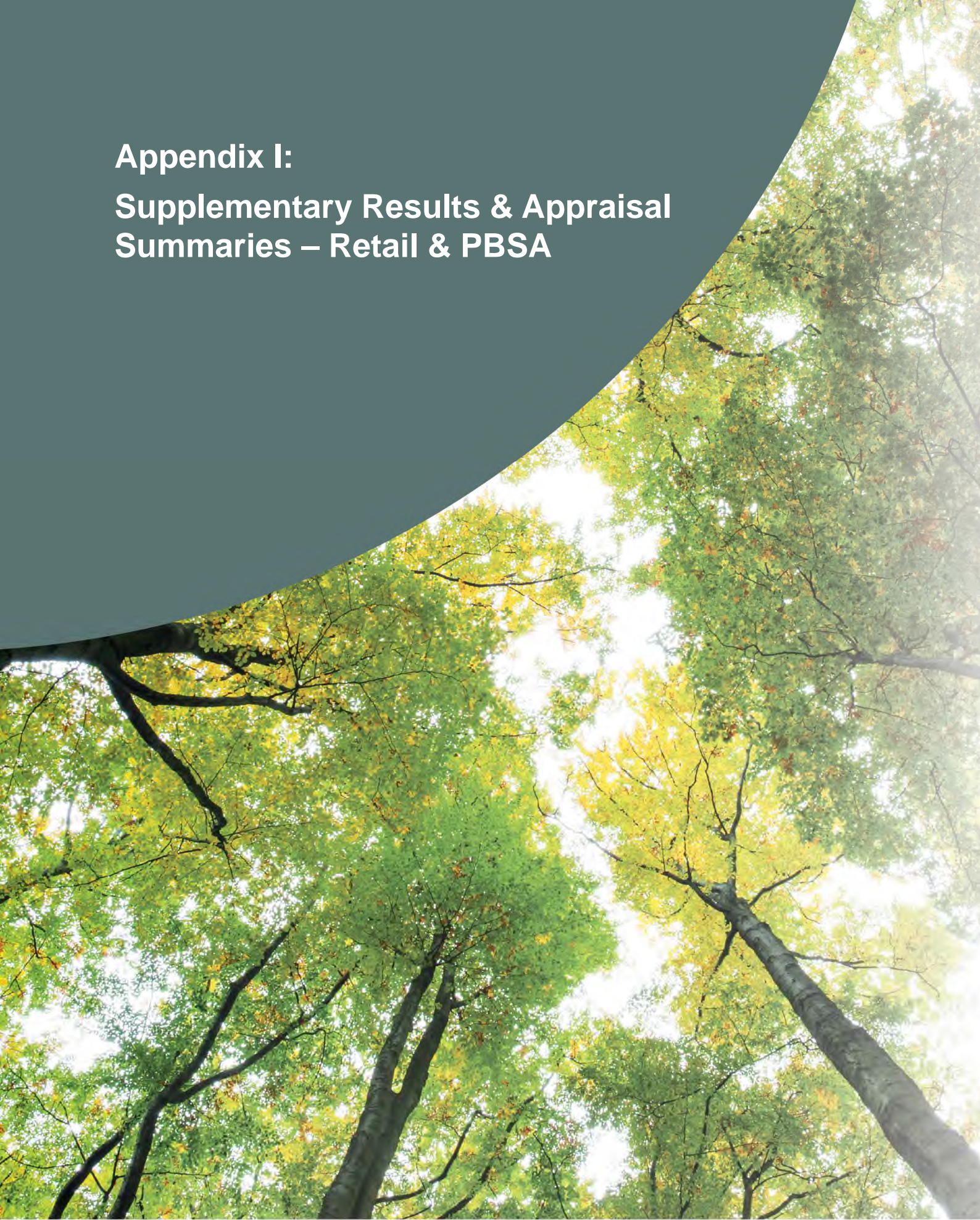


Table 1 Residual Land Value Results - Student Accommodation Update, Value Level & CIL Rate

Use Class / Type	CIL Rate £/m2	Cluster Site Size (ha)	Studio Site Size (ha)	Cluster Accommodation - 400 Beds						Studio Accommodation - 150 Block					
				Residual Land Value (£)			Residual Land Value (£/Ha)			Residual Land Value (£)			Residual Land Value (£/Ha)		
				Low Value Level	Medium Value Level	High Value Level	Low Value Level	Medium Value Level	High Value Level	Low Value Level	Medium Value Level	High Value Level	Low Value Level	Medium Value Level	High Value Level
Student Accommodation 5.5% Yield	£0	0.75	0.25	£10,114,198	£14,958,385	£18,195,383	£13,485,597	£19,944,513	£24,260,511	£2,123,565	£5,253,844	£8,388,502	£8,494,260	£21,015,376	£33,554,008
	£25			£9,950,604	£14,794,790	£18,031,789	£13,267,472	£19,726,387	£24,042,385	£2,004,886	£5,135,159	£8,269,823	£8,019,544	£20,540,636	£33,079,292
	£50			£9,787,009	£14,631,195	£17,868,194	£13,049,345	£19,508,260	£23,824,259	£1,886,207	£5,016,481	£8,151,144	£7,544,828	£20,065,924	£32,604,576
	£75			£9,623,415	£14,467,600	£17,704,600	£12,831,220	£19,290,133	£23,606,133	£1,767,528	£4,897,802	£8,032,465	£7,070,112	£19,591,208	£32,129,860
	£100			£9,459,820	£14,304,005	£17,541,005	£12,613,093	£19,072,007	£23,388,007	£1,648,849	£4,779,123	£7,913,786	£6,595,396	£19,116,492	£31,655,144
	£125			£9,296,225	£14,140,410	£17,377,410	£12,394,967	£18,853,880	£23,169,880	£1,530,169	£4,660,445	£7,795,107	£6,120,676	£18,641,780	£31,180,428
	£150			£9,132,630	£13,976,815	£17,213,816	£12,176,840	£18,635,753	£22,951,755	£1,411,487	£4,541,766	£7,676,428	£5,645,948	£18,167,064	£30,705,712
	£175			£8,969,035	£13,813,209	£17,050,221	£11,958,713	£18,417,612	£22,733,628	£1,292,810	£4,423,087	£7,557,749	£5,171,240	£17,692,348	£30,230,996
	£200			£8,805,441	£13,649,615	£16,886,626	£11,740,588	£18,199,487	£22,515,501	£1,174,131	£4,304,408	£7,439,070	£4,696,524	£17,217,632	£29,756,280
	£225			£8,641,846	£13,486,022	£16,723,031	£11,522,461	£17,981,363	£22,297,375	£1,055,453	£4,185,728	£7,320,390	£4,221,812	£16,742,912	£29,281,560
	£250			£8,478,251	£13,322,428	£16,559,437	£11,304,335	£17,763,237	£22,079,249	£936,773	£4,067,049	£7,201,711	£3,747,092	£16,268,196	£28,806,844

Key:

	RLV beneath Viability Test 1 (RLV <£500,000/ha)
	RLV exceeding Viability Test 1 (RLV £500,000/ha)
	RLV exceeding Viability Test 2 (RLV £1,500,000/ha)
	RLV exceeding Viability Test 3 (RLV >£3,300,000/ha)
	RLV exceeding Viability Test 4 (RLV >£5,000,000/ha)
	RLV exceeding Viability Test 5 (RLV >£10,000,000/ha)

Source: Dixon Searle Partnership (2018)

Student Accommodation (Cluster)
400 Bed Block
5.5% Yield / Low Value / £175 CIL

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Cluster)
400 Bed Block****Summary Appraisal for Phase 1**

Currency in £

REVENUE**Rental Area Summary**

	Units	m²	Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Student Accomodation	400	4,800.00	21.43	7,290	2,187,146	2,916,194	2,187,146

Investment Valuation**Student Accomodation**

Current Rent	2,187,146	YP @	5.5000%	18.1818	39,766,287		
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GROSS DEVELOPMENT VALUE**39,766,287**

Purchaser's Costs

(2,286,562)

(2,286,562)

NET DEVELOPMENT VALUE**37,479,726****NET REALISATION****37,479,726****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.75 Ha 11,958,713.92 pHect)

8,969,035

8,969,035

Stamp Duty

437,952

Agent Fee

1.50%

134,536

Legal Fee

0.75%

67,268

Site Survey & Prep Costs

0.75 ha

100,000.00 /ha

75,000

714,755

CONSTRUCTION COSTS**Construction**

Student Accomodation

7,384.62 m²1,808.00 pm²

13,351,385

13,351,385

Contingency

5.00%

667,569

CIL

7,384.62 m²175.00 pm²

1,292,308

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Cluster)
400 Bed Block**

			1,959,877
Other Construction			
Site Works	5.00%	667,569	667,569
PROFESSIONAL FEES			
All Professional	10.00%	1,335,138	1,335,138
MARKETING & LETTING			
Letting Agent Fee	10.00%	218,715	
Letting Legal Fee	1.00%	21,871	
			240,586
Additional Costs			
Arrangement Fee	2.00%	179,381	
			179,381
MISCELLANEOUS FEES			
Planning / Insurances	2.00%	267,028	
BREEAM	5.00%	667,569	
			934,597
FINANCE			
Debit Rate 6.500%, Credit Rate 0.500% (Nominal)			
Land		1,629,624	
Construction		1,251,156	
Total Finance Cost			2,880,780
TOTAL COSTS			31,233,104
PROFIT			6,246,622
Performance Measures			
Profit on Cost%	20.00%		
Profit on GDV%	15.71%		
Profit on NDV%	16.67%		
Development Yield% (on Rent)	7.00%		
Equivalent Yield% (Nominal)	5.50%		
Equivalent Yield% (True)	5.69%		

Student Accommodation (Cluster)**400 Bed Block**

IRR	18.91%
Rent Cover	2 yrs 10 mths
Profit Erosion (finance rate 6.500%)	2 yrs 10 mths

Student Accommodation (Cluster)
400 Bed Block
5.5% Yield / Medium Value / £175 CIL

**Student Accommodation (Cluster)
400 Bed Block**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Rental Area Summary

	Units	m²	Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Student Accomodation	400	4,800.00	25.71	8,747	2,623,963	3,498,617	2,623,963

Investment Valuation

Student Accomodation

Current Rent	2,623,963	YP @	5.5000%	18.1818	47,708,411		
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GROSS DEVELOPMENT VALUE

47,708,411

Purchaser's Costs

(2,743,234)

(2,743,234)

NET DEVELOPMENT VALUE

44,965,177

NET REALISATION

44,965,177

OUTLAY

ACQUISITION COSTS

Residualised Price (0.75 Ha 18,417,612.07 pHect)

13,813,209

13,813,209

Stamp Duty

680,160

Agent Fee

1.50%

207,198

Legal Fee

0.75%

103,599

Site Survey & Prep Costs

0.75 ha

100,000.00 /ha

75,000

1,065,958

CONSTRUCTION COSTS

Construction

Student Accomodation

7,384.62 m²

1,808.00 pm²

13,351,385

13,351,385

Contingency

5.00%

667,569

CIL

7,384.62 m²

175.00 pm²

1,292,308

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Cluster)
400 Bed Block**

			1,959,877
Other Construction			
Site Works	5.00%	667,569	667,569
PROFESSIONAL FEES			
All Professional	10.00%	1,335,138	1,335,138
MARKETING & LETTING			
Letting Agent Fee	10.00%	262,396	
Letting Legal Fee	1.00%	26,240	
			288,636
Additional Costs			
Arrangement Fee	2.00%	276,264	
			276,264
MISCELLANEOUS FEES			
Planning / Insurances	2.00%	267,028	
BREEAM	5.00%	667,569	
			934,597
FINANCE			
Debit Rate 6.500%, Credit Rate 0.500% (Nominal)			
Land		2,510,745	
Construction		1,267,587	
Total Finance Cost			3,778,333
TOTAL COSTS			37,470,966
PROFIT			7,494,212
Performance Measures			
Profit on Cost%	20.00%		
Profit on GDV%	15.71%		
Profit on NDV%	16.67%		
Development Yield% (on Rent)	7.00%		
Equivalent Yield% (Nominal)	5.50%		
Equivalent Yield% (True)	5.69%		

Student Accommodation (Cluster)**400 Bed Block**

IRR	17.87%
Rent Cover	2 yrs 10 mths
Profit Erosion (finance rate 6.500%)	2 yrs 10 mths

Student Accommodation (Cluster)
400 Bed Block
5.5% Yield / High Value / £175 CIL

**Student Accommodation (Cluster)
400 Bed Block**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Rental Area Summary

	Units	m²	Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Student Accomodation	400	4,800.00	28.57	9,720	2,915,854	3,887,806	2,915,854

Investment Valuation

Student Accommodation

Current Rent	2,915,854	YP @	5.5000%	18.1818	53,015,531		
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GROSS DEVELOPMENT VALUE

53,015,531

Purchaser's Costs

(3,048,393)

(3,048,393)

NET DEVELOPMENT VALUE

49,967,138

NET REALISATION

49,967,138

OUTLAY

ACQUISITION COSTS

Residualised Price (0.75 Ha 22,733,627.95 pHect)

17,050,221

17,050,221

Stamp Duty

842,011

Agent Fee

1.50%

255,753

Legal Fee

0.75%

127,877

Site Survey & Prep Costs

0.75 ha

100,000.00 /ha

75,000

1,300,641

CONSTRUCTION COSTS

Construction

Student Accomodation

7,384.62 m²

1,808.00 pm²

13,351,385

13,351,385

Contingency

5.00%

667,569

CIL

7,384.62 m²

175.00 pm²

1,292,308

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Cluster)
400 Bed Block**

			1,959,877
Other Construction			
Site Works	5.00%	667,569	667,569
PROFESSIONAL FEES			
All Professional	10.00%	1,335,138	1,335,138
MARKETING & LETTING			
Letting Agent Fee	10.00%	291,585	
Letting Legal Fee	1.00%	29,159	
			320,744
Additional Costs			
Arrangement Fee	2.00%	341,004	341,004
MISCELLANEOUS FEES			
Planning / Insurances	2.00%	267,028	
BREEAM	5.00%	667,569	
			934,597
FINANCE			
Debit Rate 6.500%, Credit Rate 0.500% (Nominal)			
Land		3,099,535	
Construction		1,278,567	
Total Finance Cost			4,378,102
TOTAL COSTS			41,639,279
PROFIT			8,327,859
Performance Measures			
Profit on Cost%	20.00%		
Profit on GDV%	15.71%		
Profit on NDV%	16.67%		
Development Yield% (on Rent)	7.00%		
Equivalent Yield% (Nominal)	5.50%		
Equivalent Yield% (True)	5.69%		

Student Accommodation (Cluster)**400 Bed Block**

IRR	17.42%
Rent Cover	2 yrs 10 mths
Profit Erosion (finance rate 6.500%)	2 yrs 10 mths

Student Accommodation (Studio)
150 Studio Block
5.5% Yield / Low Value / £175 CIL

Development Appraisal
Dixon Searle Partnership
20 February 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Studio)
150 Studio Block****Summary Appraisal for Phase 1**

Currency in £

REVENUE**Rental Area Summary**

	Units	m²	Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Student Accomodation	150	3,750.00	28.57	9,720	1,093,445	1,457,927	1,093,445

Investment Valuation**Student Accomodation**

Current Rent	1,093,445	YP @	5.5000%	18.1818	19,880,824		
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GROSS DEVELOPMENT VALUE**19,880,824**

Purchaser's Costs

(1,143,147)

(1,143,147)

NET DEVELOPMENT VALUE**18,737,677****NET REALISATION****18,737,677****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.25 Ha 5,171,238.51 pHect)

1,292,810

1,292,810

Stamp Duty

54,140

Agent Fee

1.50%

19,392

Legal Fee

0.75%

9,696

Site Survey & Prep Costs

0.25 ha

100,000.00 /ha

25,000

108,229

CONSTRUCTION COSTS**Construction**

Student Accomodation

5,357.14 m²1,808.00 pm²

9,685,714

9,685,714

Contingency

5.00%

484,286

CIL

5,357.14 m²175.00 pm²

937,500

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Studio)
150 Studio Block**

			1,421,786
Other Construction			
Site Works	5.00%	484,286	484,286
PROFESSIONAL FEES			
All Professional	10.00%	968,571	968,571
MARKETING & LETTING			
Letting Agent Fee	10.00%	109,345	
Letting Legal Fee	1.00%	10,934	
			120,279
Additional Costs			
Arrangement Fee	2.00%	25,856	25,856
MISCELLANEOUS FEES			
Planning / Insurances	2.00%	193,714	
BREEAM	5.00%	484,286	
			678,000
FINANCE			
Debit Rate 6.500%, Credit Rate 0.500% (Nominal)			
Land		182,044	
Construction		647,155	
Total Finance Cost			829,199
TOTAL COSTS			15,614,729
PROFIT			3,122,947
Performance Measures			
Profit on Cost%	20.00%		
Profit on GDV%	15.71%		
Profit on NDV%	16.67%		
Development Yield% (on Rent)	7.00%		
Equivalent Yield% (Nominal)	5.50%		
Equivalent Yield% (True)	5.69%		

Student Accommodation (Studio)**150 Studio Block**

IRR	28.32%
Rent Cover	2 yrs 10 mths
Profit Erosion (finance rate 6.500%)	2 yrs 10 mths

Student Accommodation (Studio)
150 Studio Block
5.5% Yield / Medium Value / £175 CIL

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Studio)
150 Studio Block****Summary Appraisal for Phase 1**

Currency in £

REVENUE**Rental Area Summary**

	Units	m²	Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Student Accomodation	150	3,750.00	35.71	12,149	1,366,711	1,822,281	1,366,711

Investment Valuation**Student Accommodation**

Current Rent	1,366,711	YP @	5.5000%	18.1818	24,849,290		
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GROSS DEVELOPMENT VALUE**24,849,290**

Purchaser's Costs

(1,428,834)

(1,428,834)

NET DEVELOPMENT VALUE**23,420,456****NET REALISATION****23,420,456****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.25 Ha 17,692,346.58 pHect)				4,423,087			
					4,423,087		
Stamp Duty				210,654			
Agent Fee		1.50%		66,346			
Legal Fee		0.75%		33,173			
Site Survey & Prep Costs	0.25 ha	100,000.00 /ha		25,000			
					335,174		

CONSTRUCTION COSTS**Construction**

	m²	Rate m²	Cost	
Student Accomodation	5,357.14 m ²	1,808.00 pm ²	9,685,714	9,685,714
Contingency		5.00%	484,286	
CIL	5,357.14 m ²	175.00 pm ²	937,500	

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Studio)
150 Studio Block**

			1,421,786
Other Construction			
Site Works	5.00%	484,286	484,286
PROFESSIONAL FEES			
All Professional	10.00%	968,571	968,571
MARKETING & LETTING			
Letting Agent Fee	10.00%	136,671	
Letting Legal Fee	1.00%	13,667	
			150,338
Additional Costs			
Arrangement Fee	2.00%	88,462	88,462
MISCELLANEOUS FEES			
Planning / Insurances	2.00%	193,714	
BREEAM	5.00%	484,286	
			678,000
FINANCE			
Debit Rate 6.500%, Credit Rate 0.500% (Nominal)			
Land		626,190	
Construction		655,437	
Total Finance Cost			1,281,627
TOTAL COSTS			19,517,045
PROFIT			3,903,412
Performance Measures			
Profit on Cost%	20.00%		
Profit on GDV%	15.71%		
Profit on NDV%	16.67%		
Development Yield% (on Rent)	7.00%		
Equivalent Yield% (Nominal)	5.50%		
Equivalent Yield% (True)	5.69%		

Student Accommodation (Studio)**150 Studio Block**

IRR	24.06%
Rent Cover	2 yrs 10 mths
Profit Erosion (finance rate 6.500%)	2 yrs 10 mths

Student Accommodation (Studio)
150 Studio Block
5.5% Yield / High Value / £175 CIL

**Student Accommodation (Studio)
150 Studio Block**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Rental Area Summary

	Units	m²	Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Student Accomodation	150	3,750.00	42.86	14,581	1,640,359	2,187,146	1,640,359

Investment Valuation

Student Accomodation

Current Rent	1,640,359	YP @	5.5000%	18.1818	29,824,715		
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GROSS DEVELOPMENT VALUE

29,824,715

Purchaser's Costs

(1,714,921)

(1,714,921)

NET DEVELOPMENT VALUE

28,109,794

NET REALISATION

28,109,794

OUTLAY

ACQUISITION COSTS

Residualised Price (0.25 Ha 30,230,995.49 pHect)

7,557,749

7,557,749

Stamp Duty

367,387

Agent Fee

1.50%

113,366

Legal Fee

0.75%

56,683

Site Survey & Prep Costs

0.25 ha

100,000.00 /ha

25,000

562,437

CONSTRUCTION COSTS

Construction

Student Accomodation

5,357.14 m²

Rate m²

1,808.00 pm²

Cost

9,685,714

9,685,714

Contingency

5.00%

484,286

CIL

5,357.14 m²

175.00 pm²

937,500

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Student Accommodation (Studio)
150 Studio Block**

			1,421,786
Other Construction			
Site Works	5.00%	484,286	484,286
PROFESSIONAL FEES			
All Professional	10.00%	968,571	968,571
MARKETING & LETTING			
Letting Agent Fee	10.00%	164,036	
Letting Legal Fee	1.00%	16,404	
			180,440
Additional Costs			
Arrangement Fee	2.00%	151,155	151,155
MISCELLANEOUS FEES			
Planning / Insurances	2.00%	193,714	
BREEAM	5.00%	484,286	
			678,000
FINANCE			
Debit Rate 6.500%, Credit Rate 0.500% (Nominal)			
Land		1,070,958	
Construction		663,731	
Total Finance Cost			1,734,689
TOTAL COSTS			23,424,827
PROFIT			4,684,968
Performance Measures			
Profit on Cost%	20.00%		
Profit on GDV%	15.71%		
Profit on NDV%	16.67%		
Development Yield% (on Rent)	7.00%		
Equivalent Yield% (Nominal)	5.50%		
Equivalent Yield% (True)	5.69%		

Student Accommodation (Studio)**150 Studio Block**

IRR	22.09%
Rent Cover	2 yrs 10 mths
Profit Erosion (finance rate 6.500%)	2 yrs 10 mths

Appendix II: Supplementary Research

- Churchill Square Retail Analysis
- PBSA Assumptions



County: **East Sussex**
 Submarket: **Central Brighton Ret**
 City: **Brighton, BN1 2TF**

Property Type: **Retail/(Major Urban Shopping Centre)**
 Star Rating: **★★★★☆**
 Status: **Built Oct 1998**
 Tenancy: **Multiple Tenant**
 % Leased: **100%**

Floors: **3**
 NIA: **474,624 SF**
 Typical Floor Size: **158,208 SF**
 Land Area: -
 Lot Dimensions: -
 Elevators: -

Leasing Company: **Lunson Mitchenall
 Cushman & Wakefield**
 Property Manager: **GVA**

Freeholder: **Kleinwort Benson (Channel Islands) Ltd
 Standard Life Investments Ltd
 Standard Life UK Shopping Centre Trust**

Total Avail: **1,306 SF**
 Max Contig: **1,306 SF**
 Smallest Space: **1,306 SF**

Owner Occupied: **No**
 Owner Type: **Developer/Owner-NTL**
 Ceiling Height: -
 Loading Docks: -

Street Frontage: **380 feet on Western Road**

Anchor Tenant(s): **Burton, Clarks, Debenhams Retail Plc, Dorothy Perkins, H&M, H&M kids, HMV, Miss Selfridge, Next,**
 Utilities: **Urban Outfitters, Wh Smith plc**
 Amenities: **Food Court, On Site Management, Security System**
 Parking: **1,600 Covered Spaces are available; Ratio of 3.37/1,000 SF**
 For Sale: **Not For Sale**

Building Notes

The property comprises shopping centre which was developed by Standard Life Investments at a cost of £90 million in October 1998 and is situated in the heart of Brighton. There is around 475,000 sq ft of retail space and on-site parking for 1,600 cars. The property is anchored by Bhs, Burton/Dorothy Perkins/Miss Selfridge, Clarks, HMV, Debenhams, H & M, Next, Urban Outfitters, WH Smith, and Zara.

The property is located within the City Centre of Brighton which is within walking distance to Brighton Railway station and is well served by the local bus companies with many buses stopping directly outside the centre.

For Lease Information

Total Available: **1,306 SF**

Typical Floor: **158,208 SF**

Max Contig: **1,306 SF**

Smallest Space: **1,306 SF**

P GRND Floor - Unit 51, Churchill Sq - 1,306 SF Retail - A1 (Shops)

Rent: **£170,000 PA**

Rates: **£80,480 PA**

Floor Contig: **1,306 SF**

Divisible: **N**

Term: **Thru Jun 2023** Service Charge: **£11,260 PA**

Building Contig: **1,306 SF**

Type: **Assignment**

Amenities: **EPC - E**

Leasing Company: **Harper Dennis Hobbs / Heather Swain 020 7462 9100**

Notes: **The available space comprises ground floor retail accommodation available on assignment of an listing lease expiring in 2023. STAFF UNAWARE. The unit is available by way of an assignment of the lease which expires on 23 June 2023. The next rent review is due 24 June 2018. The lease is contracted outside the protection of the Landlord and Tenant Act 1954. Incentive available up to £127,500 subject to covenant.**

For Sale Information

This Building is Currently Not For Sale

Tenant List

Total Tenants: 84

Tenant	SF	Floor(s)	Industry	# Emp	Contact Details
3 Store	3,303	LL,GRND	Communications		01273 777230
A.S. Watson (Health & Beauty UK) Ltd	8,367	LL	Retailers/Wholesalers		01273 739562
Accessorize	729	GRND			01273 823943
Aldo	2,848	LL,GRND	Retailers/Wholesalers		01273 760011
Animal	2,900	LL	Retailers/Wholesalers		01273 220075
Apple	5,388	GRND,1	Manufacturing		01273 740500
Apricot	4,400	LL,GRND	Retailers/Wholesalers		
Aurum Holdings Ltd	1,479	GRND	Retailers/Wholesalers		01273 738080
Bershka	2,263	GRND	Retailers/Wholesalers		
Blue Inc	3,982	LL,1	Manufacturing		01273 772672
Boost Juice	410	GRND	Retailers/Wholesalers		
Boux Avenue	3,587	LL,GRND	Retailers/Wholesalers		01273 738797
Build-A-Bear Workshop	2,263	GRND	Retailers/Wholesalers		01273 771557
Burton	4,398	GRND	Retailers/Wholesalers		01273 204815
Café Giardino	3,665	1	Retailers/Wholesalers		01273 749724
Calzedonia	2,445	GRND,1	Retailers/Wholesalers		
Carphone Warehouse	3,165	LL,GRND	Communications		0870 168 2200
Claire's	974	GRND	Retailers/Wholesalers		01273 202400
Clarks	9,755	GRND,1	Retailers/Wholesalers		01273 328938

Clinton Cards	4,396	LL	Retailers/Wholesalers	01273 747053
Costa Coffee	2,123	GRND	Retailers/Wholesalers	01273 207973
Crocs	5,678	LL	Retailers/Wholesalers	01273 726800
Debenhams Retail Plc	99,026	LL,GRND	Retailers/Wholesalers	0844 561 6161
Dorothy Perkins	4,398	GRND	Manufacturing	01273 731250
Eat Ltd	400	1	Retailers/Wholesalers	01273 732380
Ed's Easy Diner	2,500	GRND	Retailers/Wholesalers	
Ernest Jones	1,500	GRND	Retailers/Wholesalers	01273 748438
Expo	2,710	LL	Retailers/Wholesalers	01273 726347
Foot Locker	5,035	GRND	Retailers/Wholesalers	01273 739908
G Star Raw	2,851	GRND	Manufacturing	
G Store	2,400	LL	Retailers/Wholesalers	01273 726347
Game	1,719	LL	Retailers/Wholesalers	01273 727374
GNC	889	GRND	Retailers/Wholesalers	01273 710150
Gymboree Play & Music	1,479	GRND	Retailers/Wholesalers	01273 772900
H&M	20,383	LL,GRND,1	Retailers/Wholesalers	01273 729743
H&M kids	3,719	LL	Retailers/Wholesalers	01273 729743
H. Samuel	2,408	GRND	Retailers/Wholesalers	01273 323034
HMV	8,796	GRND	Retailers/Wholesalers	01273 749919
Hollister	9,306	LL,GRND	Retailers/Wholesalers	01273 727941
Jane Norman	2,965	LL,GRND	Financial Institutions	01273 208533
JD Sports	7,010	GRND,1	Retailers/Wholesalers	01273 776243
Kiko Milano	918	GRND	Retailers/Wholesalers	01273 735171
Krisp	3,235	LL,GRND,1	Retailers/Wholesalers	01273 779997
La Senza	2,778	LL	Retailers/Wholesalers	
Lakeland	4,293	LL	Retailers/Wholesalers	01273 728771
Lego Uk Ltd	2,820	GRND	Retailers/Wholesalers	01273 772670
Levi's	1,985	LL,GRND	Manufacturing	01273 725338
Lipsy Ltd	2,821	LL,GRND	Retailers/Wholesalers	01273 322900
Maccheroni	833	1	Retailers/Wholesalers	07557 470431
McDonald's	2,917	1	Retailers/Wholesalers	01273 747924
Men Kind	2,851	GRND	Retailers/Wholesalers	01273 567064
Millie's Cookies	100	GRND	Retailers/Wholesalers	01273 729015
Miss Selfridge	4,000	GRND	Retailers/Wholesalers	01273 324292
Mothercare	8,008	LL	Retailers/Wholesalers	01273 828490
Natwest	3,530	LL,GRND	Financial Institutions	01273 328043
Next	13,487	GRND,1	Retailers/Wholesalers	01273 327307
O2	1,634	LL	Communications	01273 725721
O'Neill	2,778	LL	Retailers/Wholesalers	01273 729126
Pineapple	691	GRND	Retailers/Wholesalers	01273 770843
Pull & Bear	7,134	GRND,1	Retailers/Wholesalers	01273 777522
Republic	2,593	LL	Retailers/Wholesalers	01273 749764
River Island	6,844	GRND,1	Retailers/Wholesalers	01273 726604
Schuh Ltd	3,400	GRND	Retailers/Wholesalers	01273 208483
Shoon Ltd	1,468	LL,GRND	Retailers/Wholesalers	01273 732195
Skechers	3,480	GRND	Retailers/Wholesalers	01273 722355
Sole Trader	1,400	GRND	Retailers/Wholesalers	01273 204822
Spud u Like	1	1	Retailers/Wholesalers	01273 321510
Sunglass Hut	326	GRND	Retailers/Wholesalers	01273 775304
Supercuts	954	LL	Personal Services	01273 730197
Swarovski	1,005	GRND	Retailers/Wholesalers	01273 821444

T H Baker	1,900	GRND	Retailers/Wholesalers	01273 747129
The Entertainer	4,100	LL	Retailers/Wholesalers	01273 329675
The Fragrance Shop	565	GRND	Retailers/Wholesalers	01273 205492
The Perfume Shop	377	GRND	Retailers/Wholesalers	01273 723377
Thorntons	787	GRND	Manufacturing	01273 328532
Tie Rack	171	GRND	Retailers/Wholesalers	01273 779837
Tiger Retail Limited	2,722	LL	Retailers/Wholesalers	01273 739787
T-Mobile	1,150	GRND	Communications	01273 722308
Urban Outfitters	13,347	LL,GRND,1	Retailers/Wholesalers	01273 710013
USC	3,834	LL,GRND	Retailers/Wholesalers	01273 733457
Virgin Media Group Ltd	1,563	GRND	Communications	01273 771162
Vision Express	3,227	GRND	Retailers/Wholesalers	01273 737901
Vodafone	776	GRND	Communications	07717 764250
Wh Smith plc	18,909	LL,GRND	Retailers/Wholesalers	01273 324146

Leasing Activity

GRND - 3,480 SF Retail - Skechers

Sign Date: **01/08/2016** Exp Date: **29/09/2026** Rent Paid: -

Move Date: **30/09/2016** Lease Type: **RELET**

Leasing Company: **Lunson Mitchenall / Emma Charlesworth 020 7478 4964 / Neil Hockin 020 7478 4955
Cushman & Wakefield / Toby Sykes 020 7152 5240 / James Merrett 020 7152 5082**

Tenant Rep: **CBRE / Graham Barr 020 7182 2417**

Notes: **Sketchers has taken 67/68 Russell Place at Churchill Square Shopping Centre comprising 3,480 sq ft (323 sq m) of ground floor retail accommodation from Standard Life Investments Ltd on a 10 year lease. Cushman & Wakefield and Lunson Mitchenall acted on behalf of Standard Life Investments Ltd. CBRE acted on behalf of Sketchers. The deal was confirmed by Standard Life Investments Ltd.**

LL - 2,900 SF Retail - Animal

Sign Date: **01/07/2016** Exp Date: **10/08/2026** Rent Paid: -

Move Date: **11/08/2016** Lease Type: **RELET**

Leasing Company: **Lunson Mitchenall / Emma Charlesworth 020 7478 4964 / Neil Hockin 020 7478 4955
Cushman & Wakefield / Toby Sykes 020 7152 5240 / James Merrett 020 7152 5082**

Tenant Rep: **Stockford Anderson / Andrew Collier 020 3443 8502**

Notes: **Animal has taken Unit 80 Lower Mall at Churchill Square Shopping Centre comprising 2,900 sq ft (269 sq m) of lower ground floor retail accommodation from Standard Life Investments Ltd on a 10 year lease. Cushman & Wakefield and Lunson Mitchenall acted on behalf of Standard Life Investments Ltd. Stockford Anderson acted on behalf of Animal. The deal was confirmed by Standard Life Investments Ltd.**

GRND - 2,851 SF Retail - Men Kind

Sign Date: **02/10/2015** Exp Date: **31/10/2020** Rent Paid: -

Move Date: **01/11/2015** Lease Type: **RELET**

Leasing Company: **Lunson Mitchenall / Neil Hockin 020 7478 4955
Cushman & Wakefield / Toby Sykes 020 7152 5240 / James Merrett 020 7152 5082**

Tenant Rep: -

Notes: **Men Kind has taken Unit 55 Churchill Square Shopping Centre comprising 2,851 sq ft (267 sq m) of ground floor retail accommodation on a 5 year lease. The quoting rent was £120,000 pa. Lunson Mitchenall and Cushman & Wakefield acted on behalf of the landlord. The deal was confirmed by Neil Hockin at Lunson Mitchenall.**

GRND - 918 SF Retail - Kiko MilanoSign Date: **01/06/2015** Exp Date: **31/05/2025** Rent Paid: -Move Date: **01/06/2015** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall / Laura Shimell / Neil Hockin 020 7478 4955
Cushman & Wakefield / Toby Sykes 020 7152 5240**Tenant Rep: **KLM Retail**Notes: **Kiko Milano has taken 918 sq ft (85 sq m) of ground-floor retail space within Unit 43 on a 10-year lease on private and confidential terms. Lunson Mitchenall and Cushman & Wakefield acted on behalf of the landlord. Kitchen La Frenais Morgan represented the tenant. Transaction confirmed by Kiko Milano.****GRND - 2,908 SF Retail - Foot Locker**Sign Date: **01/05/2015** Exp Date: **30/04/2020** Rent Paid: **£180,000 PA**Move Date: **01/05/2015** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall**Tenant Rep: **Brasier Freeth / Russell Jerrard 020 3828 8530**Notes: **Freedom Sports Ltd t/a Footlocker has taken 2,908 sq ft (270.16 sq m) of ground-floor retail and ancillary space at Unit 81 from ___ on a five-year lease at £180,000 pa, equating to £61.90 psf (£666.27 psm). No breaks or reviews were included. Lunson Mitchenall and Cushman Wakefield acted jointly on behalf of the landlord. A six month rent-free period was agreed. Brasier Freeth LLP acted on behalf of Footlocker. Achieved rent confirmed by Brasier Freeth LLP. EPC Rating - C.****GRND - 2,127 SF Retail - Foot Locker**Sign Date: **01/05/2015** Exp Date: **30/04/2020** Rent Paid: **£180,000 PA**Move Date: - Lease Type: **RELET**Leasing Company: **Lunson Mitchenall**Tenant Rep: **Brasier Freeth / Russell Jerrard 020 3828 8530**Notes: **Freedom Sports Ltd t/a Footlocker has taken 2,908 sq ft (270.16 sq m) of ground-floor retail and ancillary space at Unit 81 from Kleinwort Benson (Channel Islands) Ltd on a five-year lease at £180,000 pa, equating to £61.90 psf (£666.27 psm). No breaks or reviews were included. Lunson Mitchenall and Cushman Wakefield acted jointly on behalf of Kleinwort Benson (Channel Islands) Ltd. A six month rent-free period was agreed. Brasier Freeth LLP acted on behalf of Footlocker. Achieved rent confirmed by Brasier Freeth LLP. EPC Rating - C.****GRND - 847 SF Retail**Sign Date: **31/10/2014** Exp Date: **30/10/2029** Rent Paid: -Move Date: **31/10/2014** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall / Laura Shimell / Neil Hockin 020 7478 4955
Cushman & Wakefield / Toby Sykes 020 7152 5240**

Tenant Rep: -

Notes: **An undisclosed tenant has taken 847 sq ft (78 sq m) of ground-floor retail space within Unit D on private and confidential terms. Lunson Mitchenall and Cushman & Wakefield LLP acted on behalf of the landlord. The quoting rent was £50,000 pa. Transaction confirmed by Lunson Mitchenall.**

LL,GRND - 4,400 SF Retail - ApricotSign Date: **01/10/2014** Exp Date: **30/09/2024** Rent Paid: **£250,000 PA**Move Date: **17/11/2014** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall / Neil Hockin 020 7478 4955**
Cushman & Wakefield / Emma Williams 020 7152 5187 / Toby Sykes 020 7152 5240

Tenant Rep: -

Notes: **Apricot has taken 2,016 sq ft (187.3 sq m) of ground floor sales area with 2,444 sq ft (227 sq m) of basement and sub-basement ancillary space at units 67-68 from Standard Life Investments Ltd on a 10 year lease at £250,000 pa, subject to a rent review and a tenant option to break in year five. Cushman & Wakefield LLP and Lunson Mitchenall acted on behalf of the landlord. The tenant was unrepresented. Achieved rent confirmed by Emma Williams at Cushman & Wakefield LLP.****GRND,1 - 2,445 SF Retail - Calzedonia**Sign Date: **15/09/2014** Exp Date: **14/09/2024** Rent Paid: -Move Date: **15/10/2014** Lease Type: **New**Leasing Company: **Lunson Mitchenall / Laura Shimell / Neil Hockin 020 7478 4955**
Cushman & Wakefield / Toby Sykes 020 7152 5240 / James Merrett 020 7152 5082Tenant Rep: **Cushman & Wakefield / Mark Barrett 020 7935 5000**Notes: **Calzedonia has taken 2,445 sq ft (227 sq m) of retail space at unit 6 from Standard Life Investments Ltd on a 10 year lease at an undisclosed rent, with a tenant option to break in year five. Lunson Mitchenall and Cushman & Wakefield LLP acted on behalf of the landlord. Cushman & Wakefield LLP acted on behalf of the tenant. The quoting rent was £160,000 pa. Deal confirmed by James Merrett at Cushman & Wakefield LLP.****LL,GRND - 3,587 SF Retail - Boux Avenue**Sign Date: **18/08/2014** Exp Date: - Rent Paid: -Move Date: **17/09/2014** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall / Neil Hockin 020 7478 4955**
Cushman & Wakefield / Toby Sykes 020 7152 5240 / James Merrett 020 7152 5082

Tenant Rep: -

Notes: **Boux Avenue has taken Unit 65-66 Churchill Square Shopping Centre comprising 3,587 sq ft (333 sq m) of ground floor and lower ground floor retail accommodation on a 10 year lease. The quoting rent was £285,000 pa. Lunson Mitchenall and Cushman & Wakefield acted on behalf of the landlord. The deal was confirmed by Neil Hockin at Lunson Mitchenall.****GRND - 2,851 SF Retail - G Star Raw**Sign Date: **01/04/2014** Exp Date: **30/04/2019** Rent Paid: -Move Date: **01/05/2014** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall / Laura Shimell / Neil Hockin 020 7478 4955**
Cushman & Wakefield / Toby Sykes 020 7152 5240

Tenant Rep: -

Notes: **G Star Raw has taken 2,851 sq ft (264 sq m) of ground floor retail space (unit 55) from Standard Life Investments Ltd on a five -year lease. No rent reviews or breaks were agreed. Cushman & Wakefield LLP and Lunson Mitchenall acted on behalf of landlord. The tenant was unrepresented. The quoting rent was £170,000 pa, Deal confirmed by Cushman & Wakefield LLP.**

LL - 2,722 SF Retail - Tiger Retail LimitedSign Date: **01/04/2014** Exp Date: **31/03/2024** Rent Paid: **£150,000 PA**Move Date: **03/05/2014** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall / Neil Hockin 020 7478 4955
Cushman & Wakefield / Emma Williams 020 7152 5187 / James Merrett 020 7152 5082**Tenant Rep: **Plus Shops Retail Limited / Richard Brown**Notes: **Tiger Retail Ltd has taken 2,722 sq ft (252.88 sq m) of lower ground floor retail space at unit 97 from Standard Life Investments Ltd on a 10 year lease at £150,000 pa, subject to a rent review and a tenant option to break in year five. Cushman & Wakefield LLP and Lunson Mitchenall acted on behalf of the landlord. Plus Shops Retail Limited represented the tenant. The quoting rent was £150,000 pa. Achieved rent confirmed by Emma Williams at Cushman & Wakefield LLP.****GRND,1 - 7,134 SF Retail - Pull & Bear**Sign Date: **01/11/2013** Exp Date: **-** Rent Paid: **-**Move Date: **06/12/2013** Lease Type: **RELET**Leasing Company: **Lunson Mitchenall / Laura Shimell / Neil Hockin 020 7478 4955
Cushman & Wakefield / Toby Sykes 020 7152 5240**Tenant Rep: **-**Notes: **Pull & Bear has taken 7,134 sq ft (662.77 sq m) of ground and first-floor retail space within unit 59 from Standard Life Investments on a new lease on confidential terms. Lunson Mitchenall and Cushman & Wakefield acted on behalf of Standard Life Investments. The quoting rent was £350,000 pa. Transaction confirmed by Laura Shimell at Lunson Mitchenall.****GRND - 1,900 SF Retail - T H Baker**Sign Date: **15/07/2013** Exp Date: **31/07/2023** Rent Paid: **-**Move Date: **01/08/2013** Lease Type: **RELET**Leasing Company: **-**Tenant Rep: **-**Notes: **TH Baker has taken 1,900 sq ft (177 sq m) of first-floor retail space from Standard Life Investments on a ten-year lease. Achieved rent confirmed by Standard Life Investments.****GRND - 1,306 SF Retail - Fossil**Sign Date: **15/07/2013** Exp Date: **14/08/2023** Rent Paid: **-**Move Date: **15/08/2013** Lease Type: **RELET**Leasing Company: **-**Tenant Rep: **-**Notes: **Fossil has taken 1,400 sq ft (130 sq m) of first-floor retail space from Standard Life Investments on a ten-year lease. Achieved rent confirmed by Standard Life Investments.****GRND - 9,892 SF Retail**Sign Date: **03/07/2012** Exp Date: **-** Rent Paid: **-**Move Date: **03/07/2012** Lease Type: **Assignment**Leasing Company: **Capital Retail / Ryan Kennedy / Mike Willoughby**Tenant Rep: **-**Notes: **An undisclosed tenant has taken 1,216 sq ft (113 sq m) of ground and basement-floor retail space in Unit 25 on an assignment at confidential terms. Capital Retail acted on behalf of Kingston Smith & Partners LLP, Administrator of Shoon Limited (the former tenant). The quoting rent was £122,000 pa.**

GRND - 2,908 SF RetailSign Date: **17/08/2011**

Exp Date: -

Rent Paid: -

Move Date: -

Lease Type: **New**Leasing Company: **Lunson Mitchenall / Nick Hartwell 020 7478 4984 / Neil Hockin 020 7478 4955
Cushman & Wakefield LLP / Michaela Dakin 020 7152 5546 / Toby Sykes 020 7152 5240**

Tenant Rep: -

Notes: **An undisclosed tenant has taken 2,908 sq ft (270 sq m) of retail space within Unit 81 on a confidential lease. Cushman & Wakefield and Lunson Mitchenall acted on behalf of the landlord. The quoting rent was £175,000 pa. Deal confirmed by Michaela Dakin at Cushman & Wakefield.****GRND - 2,958 SF Retail - Hollister**Sign Date: **04/01/2011**

Exp Date: -

Rent Paid: -

Move Date: **25/01/2011**Lease Type: **New**Leasing Company: **Lunson Mitchenall / Nick Hartwell 020 7478 4984 / Neil Hockin 020 7478 4955**

Tenant Rep: -

Notes: **Hollister Ltd has taken 2,958 sq ft (274.81 sq m) of retail space on the ground floor in Unit 83 on a new lease on confidential terms. Lunson Mitchenall acted on behalf of the landlord. The quoting rent was £170,000 pa, equating to £57.47 psf (£618.62 psm).****LL - 2,778 SF Retail - Crocs**Sign Date: **01/10/2010**

Exp Date: -

Rent Paid: -

Move Date: **01/10/2010**Lease Type: **New**Leasing Company: **Lunson Mitchenall**

Tenant Rep: -

Notes: **Crocs has taken 1,200 sq ft (111 sq m) of retail space within Unit 82 from Standard Life Investments Ltd on confidential lease terms. Lunson Mitchenall acted on behalf of Standard Life Investments Ltd. The quoting rent was £130,000 pa. Letting confirmed by Charles Jacks at Lunson Mitchenall. (CoStar Research 05/11/2010)****GRND - 763 SF Retail - Virgin Media Group Ltd**Sign Date: **01/02/2010**

Exp Date: -

Rent Paid: -

Move Date: **01/02/2010**Lease Type: **New**Leasing Company: **Lunson Mitchenall
Cushman & Wakefield**

Tenant Rep: -

Notes: **Virgin Media Group Ltd has taken 763 sq ft (71 sq m) of retail space within Unit 18 from Standard Life Investments Ltd on confidential terms. Lunson Mitchenall and Cushman & Wakefield acted on behalf of Standard Life Investments Ltd. Deal confirmed by Neil Hockin at Lunson Mitchenall.****GRND - 1,150 SF Retail - T-Mobile**Sign Date: **01/06/2009**Exp Date: **30/05/2019**Rent Paid: **£148,000 PA**Move Date: **01/06/2009**Lease Type: **New**Leasing Company: **Lunson Mitchenall**Tenant Rep: **Harper Dennis Hobbs**Notes: **T-Mobile has taken 1,150 sq ft (106.84 sq m) of retail space within Unit 39 from Standard Life Investments Ltd on a 10-year lease at £148,000 pa, subject to a rent review in year 5. Lunson Mitchenall acted on behalf of Standard Life Investments Ltd. Harper Dennis Hobbs acted on behalf of T-Mobile. Achieved rent confirmed by Nick Hartwell at Lunson Mitchenall.**

GRND - 7,058 SF RetailSign Date: **06/04/2009**

Exp Date: -

Rent Paid: -

Move Date: -

Lease Type: -

Leasing Company: **Lunson Mitchenall / Nick Hartwell 020 7478 4984 / Neil Hockin 020 7478 4955
Cushman & Wakefield**

Tenant Rep: -

Notes: **Lease details confidential for unit 6-7.****GRND - 6,000 SF Retail - West Cornwall Pasty Co Ltd**Sign Date: **15/11/2006**Exp Date: **14/11/2016**Rent Paid: **£43,500 PA**Move Date: **15/11/2006**

Lease Type: -

Leasing Company: -

Tenant Rep: **Downing Associates**Notes: **West Cornwall Pasty Co Ltd has taken the cafe from Standard Life Ltd on a new 10-year lease at £43,500 pa. Downing Associates represented West Cornwall Pasty Co Ltd. (Company Website 15/11/06 Downing Associates)****4,036 SF Retail - Butlers**Sign Date: **01/10/2006**Exp Date: **31/01/2007**

Rent Paid: -

Move Date: **01/10/2006**

Lease Type: -

Leasing Company: **Lunson Mitchenall**Tenant Rep: **Harper Dennis Hobbs**Notes: **Butlers has taken 4,036 sq ft (375 sq m) of retail space within Unit 83 from Standard Life Ltd on a four-month lease at a confidential rent, with an undisclosed Zone A rent. Lunson Mitchenall acted on behalf of Standard Life Ltd. Harper Dennis Hobbs acted on behalf of Butlers. (Property Mall 30/10/06)****GRND - 7,800 SF Retail - Zara UK Ltd**Sign Date: **29/08/2006**Exp Date: **28/08/2016**

Rent Paid: -

Move Date: **29/08/2006**

Lease Type: -

Leasing Company: -

Tenant Rep: **Harper Dennis Hobbs**Notes: **Zara UK Ltd has taken 17,046 sq ft (1,584 sq m) of retail space on a 10-year lease at a confidential rent with an undisclosed Zone A rent. Harper Dennis Hobbs acted on behalf of Zara UK Ltd. (Agent Website 09/01/07 Harper Dennis Hobbs)****GRND - 2,820 SF Retail - Lego Uk Ltd**Sign Date: **01/01/2004**Exp Date: **31/12/2018**Rent Paid: **£145,000 PA**Move Date: **01/01/2004**

Lease Type: -

Leasing Company: **Lunson Mitchenall**Tenant Rep: **Michael Peddar & Co**Notes: **Lego UK Ltd have taken 2,820 sq ft (859.53 sq m) of retail space from The Standard Life Assurance Co on a new 15-year lease at £145,000 pa equating to £51.41 psf (£553.46 psm), subject to five-yearly upwards only rent reviews. A 13 week rent-free period was agreed. Michael Peddar & Company acted on behalf of Lego UK Ltd. Lunson Mitchenall acted on behalf of The Standard Life Assurance Co.**

(Retail Week 05/02/04 & FOCUS Research 23/03/04)

2,400 SF Retail - Bookcase

Sign Date: **28/03/2003**

Exp Date: -

Rent Paid: **£157,000 PA**

Move Date: **28/03/2003**

Lease Type: -

Leasing Company: **Lunson Mitchenall
Knight Frank LLP**

Tenant Rep: -

Notes: **Standard Life owns the 43,663 sq m (470,000 sq ft) centre, which is anchored by Debenhams, BhS and Next.**

New tenants include D2, which has taken a 279 sqm (3,000 sq ft) units at £133,000 pa; Schuh, which has taken a 316 sq m (3,400 sq ft) ground-floor unit at £115,000 pa and Book Case, which has taken a 223 sq m (2,400 sq ft) unit at £157,000 pa.

Five other units are in solicitors hands.

Lunson Mitchenall and Knight Frank are the joint letting agents.

(Property Week 28/03/03 p64 Survey)

GRND - 3,400 SF Retail - Schuh Ltd

Sign Date: **28/03/2003**

Exp Date: -

Rent Paid: **£115,000 PA**

Move Date: **28/03/2003**

Lease Type: -

Leasing Company: **Lunson Mitchenall
Knight Frank LLP**

Tenant Rep: -

Notes: **Standard Life owns the 43,663 sq m (470,000 sq ft) centre, which is anchored by Debenhams, BhS and Next.**

New tenants include D2, which has taken a 279 sqm (3,000 sq ft) units at £133,000 pa; Schuh, which has taken a 316 sq m (3,400 sq ft) ground-floor unit at £115,000 pa and Book Case, which has taken a 223 sq m (2,400 sq ft) unit at £157,000 pa.

Five other units are in solicitors hands.

Lunson Mitchenall and Knight Frank are the joint letting agents.

(Property Week 28/03/03 p64 Survey)

3,000 SF Retail - D2

Sign Date: **28/03/2003**

Exp Date: -

Rent Paid: **£133,000 PA**

Move Date: **28/03/2003**

Lease Type: -

Leasing Company: **Lunson Mitchenall
Knight Frank LLP**

Tenant Rep: -

Notes: **Standard Life owns the 43,663 sq m (470,000 sq ft) centre, which is anchored by Debenhams, BhS and Next.**

New tenants include D2, which has taken a 279 sqm (3,000 sq ft) units at £133,000 pa; Schuh, which has taken a 316 sq m (3,400 sq ft) ground-floor unit at £115,000 pa and Book Case, which has taken a 223 sq m (2,400 sq ft) unit at £157,000 pa.

Five other units are in solicitors hands.

Lunson Mitchenall and Knight Frank are the joint letting agents.

(Property Week 28/03/03 p64 Survey)

2,550 SF Retail - Twinmar Holdings LtdSign Date: **13/07/2002**Exp Date: **04/09/2013**Rent Paid: **£105,000 PA**Move Date: **13/07/2002**

Lease Type: -

Leasing Company: **Blanchflower Lloyd Baxter Ltd**Tenant Rep: **Andrew Benton & Co**

Notes: **Twinmar has taken Unit 31, totalling 237 sq m (2,550 sq ft) from Gymboree on assignment of a 15-year lease held from 04/09/98 at £105,000 pa. A nominal premium has been paid. Blanchflower Lloyd Baxter acted for Gymboree, while Andrew Benton & Co represented Twinmar. (Estates Gazette 13/07/02 p105).**

Sale Comps**28/04/1995**Sale Date: **28/04/1995**

Net Initial Yield: -

Comp ID: **2397333**

Sale Price: -

Reversionary Yield: -

Research Status: **Confirmed**

Price/SF: -

Tenure: **Freehold**

Sale Conditions: -

True Buyer: -

Buyer Agent: -

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True Seller: -

Listing Agent: -

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Notes: **Standard Life is buying the freehold of the 415,000 sq ft centre from the borough council for £16M (RW: £17.3M). Standard Life plan to refurbish the centre. Debenhams is tipped to be the new anchor store once refurbishment is completed in 1997. Standard Life currently hold a long lease on the property. (Estates Times 28/04/95 p1, Retail Week 17/11/95 p24)**

20/06/1991Sale Date: **20/06/1991**

Net Initial Yield: -

Comp ID: **2355963**

Sale Price: -

Reversionary Yield: -

Research Status: **Confirmed**

Price/SF: -

Tenure: **Long Leasehold**

Sale Conditions: -

True Buyer: -

Buyer Agent: -

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-

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True Seller: -

Listing Agent: -

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Notes: **Taylor Woodrow has sold its substantial leasehold interest in the centre to head-leaseholder Standard Life. The deal enables Standard Life, believed to be in advanced talks with freeholders Brighton Borough Council, to refurbish the ageing 250,000 sq ft complex (EG Survey 14/09/91 p125: property comprises 460,000 sq ft of space). (Chartered Surveyor Weekly 20/06/91 p7, Estates Times 06/09/91 p9, Estates Gazette Survey 14/09/91 p125)**

30/06/1968Sale Date: **30/06/1968**

Net Initial Yield: -

Comp ID: **2389063**

Sale Price: -

Reversionary Yield: -

Research Status: **Confirmed**

Price/SF: -

Tenure: **Long Leasehold**

Sale Conditions: -

True Buyer: -

Buyer Agent: -

-

-

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True Seller: -

Listing Agent: -

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Notes: **On the instructions of Barclays Bank plc the lease on an A2 unit with a frontage of 32 ft, ground floor of about 1,640 sq ft and first floor of about 1,575 sq ft plus two other floors is for sale through Carrton Green (0273 206481). The lease is for a term of 42 years from 1968 with 7- yearly reviews. (Advertisement Estates Gazette 26/05/90 supp. p46)**

Rating Lists

2017 Rating

Office Name	Rateable Value	Effective Date	Assessment No.	Description
2401 0021 AT 7	£1,200	01/04/2017	879000070029	Advertising Right An...
86	£149,000	01/04/2017	040583	Shop And Premises
96	£168,000	01/04/2017	040588	Shop And Premises
UNIT 6	£136,000	01/04/2017	060052	Shop And Premises
UNITS 17 & 18	£1,225	01/04/2017	046890	Store And Premises
UNITS 82-84	£322,500	01/04/2017	045160	Shop And Premises

2010 Rating

Office Name	Rateable Value	Effective Date	Assessment No.	Description
2401 0021 AT 7	£1,100	01/04/2010	879000070029	Advertising Right An...
86	£138,000	16/03/2010	040583	Shop And Premises
96	£148,000	01/04/2010	040588	Shop And Premises
UNIT 6	£126,000	16/01/2015	060052	Shop And Premises
UNITS 17 & 18	£1,025	04/03/2015	046890	Store And Premises
UNITS 82-84	£282,500	14/03/2011	045160	Shop And Premises

2005 Rating

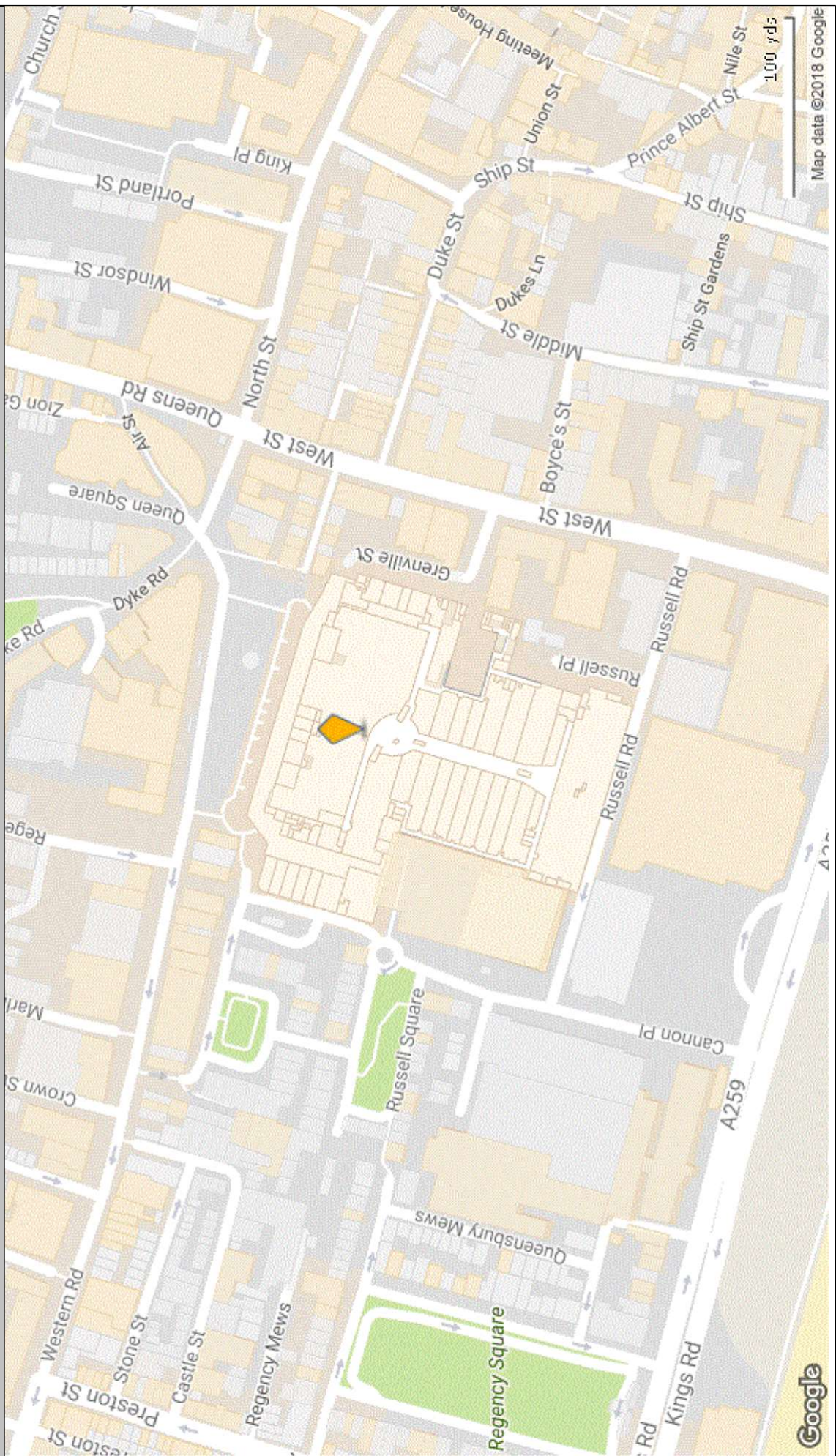
Office Name	Rateable Value	Effective Date	Assessment No.	Description
BRITISH HOME STORES	£750,000	01/04/2005	879000120000	Shop And Premises

2000 Rating

Office Name	Rateable Value	Effective Date	Assessment No.	Description
2401 0021 AT 7	£450	-	879000070029	Advertising Right An...

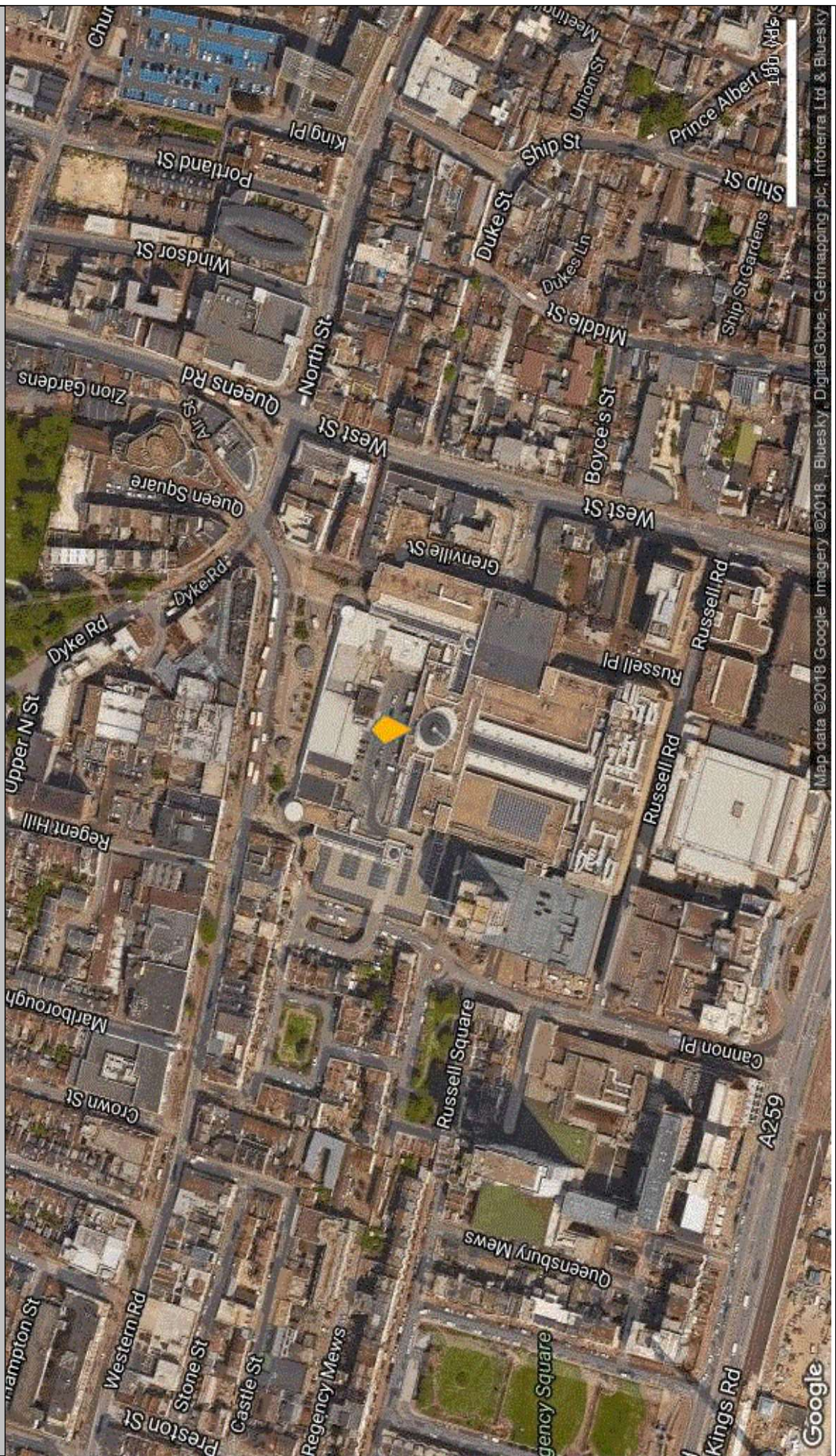
Churchill Square Shopping Centre

Churchill Sq, Brighton, BN1 2TF



Churchill Square Shopping Centre

Churchill Sq, Brighton, BN1 2TF



Brighton & Hove City Council – Supplementary Research - Student Accommodation Assumptions

Value Assumptions

To arrive at appropriate value assumptions for different types of student accommodation in the Brighton & Hove context, we reviewed a range of relevant online resources.

For cluster type student accommodation we reviewed the accommodation pages from the University of Brighton's website. These provided a useful overview of the number and type of accommodation blocks available to students, including 5 no. newer build or recently refurbished blocks. This information provided the most comparable room rents per week based on tenancies from 39 – 50 weeks, together with average room sizes. The majority of this data was most relevant to cluster flats and ranging from 60 – 469 beds of between 3-6 rooms per flat.

In addition, although less comparable than the University of Brighton, we also considered similar information provided by the University of Sussex. This data, as expected, provided lower overall rents most likely due to the outer City location combined with much older style accommodation and, therefore, not comparable to the new build and type of student accommodation envisaged to come forward in the Brighton and Hove context.

We considered the range of data described above through analysis of the minimum, average and maximum rents whilst also taking into account the type and age of each block. This enabled us to take a measured view on the range of values currently being seen across the City. We are of the opinion that weekly rents of £150, £180 and £200 are reasonably representative with the lowest rents for blocks in perhaps less central areas, to new or recently refurbished blocks in the more desirable central areas therefore demanding the higher rents. The very upper end of the above values range we consider to be representative of new build products in the best locations.

For Studio Flats, we looked at other web-based resources for student accommodation development opportunities currently available in comparable locations e.g. coastal cities with Universities on the south coast. The data collected comprised of 5 no. blocks of student accommodation in the form of studio flats newly built or recently consented in Portsmouth and Southampton. The information provided room rents per week all based on tenancies of 51 weeks, together with average room sizes.

Using the same process as with cluster flats above we considered the range of information before us, analysed the anticipated rents, room sizes and in general the proposed characteristics of the schemes including location. This analysis led us to the opinion that overall weekly rents for studio flats within the Brighton context would be in the range (weekly rents) £200 - £300. Again as for the cluster flats, the lower values we would envisage being more representative of a less central location with the higher rents representative of new build products in much more desirable, central locations.

Room Sizes

As well as informing the values assumptions, the research collected also enabled us to analyse average room sizes for both cluster accommodation and studio flats. On this basis, the cluster accommodation assumed rooms of 12m² (net) and 25m² (net) for the studio flats, which we consider to be reasonable assumptions to make based on appropriate available evidence.

Non-lettable area (net:gross)

We reviewed the development opportunities marketed by Savills in Southampton as the most appropriate comparable, which suggested a non-lettable floor area of 21%. In addition we also reviewed a student bed space cost analysis carried out by Cushman and Wakefield in 2014 which provides a range between 20%-40% averaging around 35% with no real notable difference between types. On this basis we have assumed 30%-35% as a reasonable approach.

Yields

Both accommodation types were modelled at a range of yields from 4.5% - 6% although we consider the upper end of that range of between 5% - 6% to be the most appropriate and realistic in the context. This view was based on reviewing a range of market reporting, principally by Knight Frank and Savills who both indicate positive market sentiment. The range of yields quoted depend on the type of let, however generally for prime regional areas these vary from 4.25% to 6%.

Management Costs

A review of the student bed space cost analysis carried out by Cushman and Wakefield together with other student accommodation management costs assumed as part of other viability studies suggests a range from 20% - 45% operating costs deduction from gross rents. On careful consideration of this information together with DSP experience, we adopted an addition of 25% within both types of student accommodation modelled.

Occupancy Rates

The majority of the data collected indicated an average occupancy of 51 weeks of the year, however three of the University of Brighton examples indicate a 39 week occupancy. According to the University of Brighton website, they offer student accommodation during the summer (30th June to 15th September) as holiday accommodation (priced at £35 per person per night) and we understand this to be an approach adopted by other Universities. On this basis, we have assumed a 39 week 100% occupancy with the remainder at a reduced 60% occupancy to reflect rooms being let out as holiday accommodation, which we consider to be a reasonable, conservative approach.

Values Research Evidence Summary
University of Brighton - Halls of Residence (Cluster Accommodation)
Falmer

Great Wilkins	£146	Single room pw
	£7,300	per year based on 50-week tenancy
	12.50	Room size (sq.m.)
	164	Total No. rooms
	N	Catered Y/N
	3-6	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

Paddock Field	£137	Single room pw (self-catered)
	£5,343	per year based on 39-week tenancy
	£167	Single room pw (catered)
	£6,513	per person per year based on 39-week tenancy
	11.80	Room size (sq.m.)
	469	Total No. rooms
	Both	Catered / Self-catered?
	6-8	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

Grand Parade

Phoenix Brewery	£150	Single room pw
	£5,850	per year based on 39-week tenancy
	10.20	Room size (sq.m.)
	298	Total No. rooms
	N	Catered Y/N
	6-8	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

Moulsecoomb

Moulsecoomb Place	£161	Single room pw
	£6,279	per year based on 39-week tenancy
	9.50	Room size (sq.m.)
	163	Total No. rooms
	Y	Catered Y/N
	6-8	Rooms per flat
	Y	Internet Access Y/N
	N	Ensuite Y/N

Varley Park

Kingston and Framfield	£131	Single room pw
	£5,019	per year based on 39-week tenancy
	9.25 - 10	Room size (sq.m.)
	68	Total No. rooms
	N	Catered Y/N
	6-8	Rooms per flat
	Y	Internet Access Y/N
	N	Ensuite Y/N

Firle	£150	Single room pw
<i>Newer build</i>	£5,850	per year based on 39-week tenancy
	9.75	Room size (sq.m.)
	63	Total No. rooms
	N	Catered Y/N
	8	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

The Hub	£150	Single room pw
<i>Newer build</i>	£7,500	per year based on 50-week tenancy
	£160	Premium single pw
	£6,240	per year based on 50-week tenancy
	12 (standard) 14 (premium)	Room size (sq.m.)
	62	Total No. rooms
	N	Catered Y/N
	8	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

Selsey and Chalvington	£161	Single room pw (Selsey)
	£6,279	per year based on 39-week tenancy
	£161	Single room pw (Chalvington)
	£6,279	per year based on 39-week tenancy
	9.25-10	Room size (sq.m.)
	156	Total No. rooms
	Y	Catered Y/N
	6	Rooms per flat
	Y	Internet Access Y/N
	N	Ensuite Y/N

Cliffe	£172	Single room pw
<i>Newer build</i>	£6,708	per year based on 39-week tenancy
	9.75	Room size (sq.m.)
	36	Total No. rooms
	Y	Catered Y/N
	6	Rooms per flat
	Y	Internet Access Y/N
	N	Ensuite Y/N

Woodland and Downland	£180	Single room pw
<i>Newer build and/or refurbished</i>	£7,020	per year based on 39-week tenancy
	12.00	Room size (sq.m.)
	138	Total No. rooms
	Y	Catered Y/N
	7-9	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

Highview	£180	Single room pw (Catered)
<i>Newer build and/or refurbished</i>	£7,020	per year based on 39-week tenancy
	£212	Studio Flat pw (Self-catered)
	£8,268	per year based on 39-week tenancy
	9.75	Room size (sq.m.)
	45	Total No. rooms
	Both	Catered / Self-catered?
	8	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

Coastland	£150	Single room pw
	£5,850	per year based on 39-week tenancy
	12.00	Room size (sq.m.)
	69	Total No. rooms
	Self-catered	Catered / Self-catered?
	7-9	Rooms per flat
	Y	Internet Access Y/N
	Y	Ensuite Y/N

Upland	£150	Single room pw (self-catered)
	£5,850	per year based on 39-week tenancy
	£142	Single room pw (Self-catered with shared bathroom)

	£5,538	per year based on 39-week tenancy
	12.00	Room size (sq.m.)
	9.50	Room size (sq.m.) (shared bathroom units only)
	58	Total No. rooms (4 with shared bathroom)
	Self-catered	Catered / Self-catered?
	4-8	Rooms per flat
	Y	Internet Access Y/N
	Both	Ensuite Y/N

Hillside	£150	Single room pw (self-catered)
	£5,850	per year based on 39-week tenancy
	£142	Single room pw (Self-catered with shared bathroom)
	£5,538	per year based on 39-week tenancy
	12.00	Room size (sq.m.)
	9.50	Room size (sq.m.) (shared bathroom units only)
	65	Total No. rooms (4 with shared bathroom)
	Self-catered	Catered / Self-catered?
	8	Rooms per flat
	Y	Internet Access Y/N
	Both	Ensuite Y/N

Studio Flats (Student Accommodation)

144 - 149 High Street, Southampton - Consented student accommodation (Savills)

Room Size	No. Beds	Rent PW	Term
23	36	£210	51
24	8	£210	51
18	8	£180	51
26	6	£220	51
25	4	£220	51
20	4	£190	51
21.5	2	£190	51
22.5	68	£203	

St James St, Portsmouth - built in 2012 (The Seaside Student Portfolio)

Room Size	No. Beds	Rent PW	Term
14	12	£190	51
14	5	£205	51
14	7	£215	51
19	9	£220	51
25	3	£260	51
17.2	36	£218	

Middle Street, Portsmouth (The Seaside Student Portfolio)

Room Size	No. Beds	Rent PW	Term
19	8	£215	51
19	49	£225	51
19	23	£240	51
25	16	£265	51
25	21	£285	51
36	6	£305	51
23.83	123	£256	

Earlsdon Street, Portsmouth (The Seaside Student Portfolio)

Room Size	No. Beds	Rent PW	Term
19	12	£190	51
17	19	£200	51
21	3	£225	51
28	2	£250	51
21.25	36	£216	

Park House, Southampton (The Seaside Student Portfolio)

Room Size	No. Beds	Rent PW	Term
17	4	£185	51
18	30	£190	51
18	32	£195	51
25	10	£235	51
26	26	£255	51
36	1	£300	51
23.33	103	£227	

Overall rents range

min	£180
max	£305

Average room size

21.8 sqm
Generally range from around 20 - 36m² for studios

Average Room Rents

£253 based on 25m² (as per DSP assumption)