No.	Organisation		Summary of Representation	Council's Response
1	Natural England	1	Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development. Natural England have no comments to make on this consultation.	No issues to address.
2	Lambert Smith Hampton on behalf of Metropolitan police	1	This representation relates to Section 106 contributions to mitigate impact on crime. Lambert Smith Hampton (LSH) is appointed as town planning advisors to the Metropolitan Police Service (MPS) and is responding on their behalf. We request that Policing Infrastructure should be collected through Section 106 contributions from individual developments to ensure that the necessary funding is accounted for. We would like this request to be referenced in the Camden Local Plan and/or forthcoming planning policy documents. It is therefore requesting that the London Borough of Camden include a section (within forthcoming planning policy documents) which highlights the importance of the delivery of District Ward Offices in schemes referable to the Mayor. The MPS is already having success in securing DWOs with developers (through planning applications) and Local Planning Authorities (through planning policy). In many cases, Local Authorities and developers consider the requirement to have a positive impact on development proposals.	This comment does not relate to whether the Camden CIL rates should be increased. The Council will consider this issue in the review of future planning policy documents as appropriate.
2	Lambert Smith Hampton on behalf of Metropolitan police	3	It is widely accepted and documented that policing infrastructure represents a legitimate item for inclusion within the s106. A number of policing authorities have sought legal advice on this issue and received confirmation of this. The advice also confirms that s106 infrastructure is not limited to buildings and could include equipment such as surveillance infrastructure and CCTV, staff set up costs, vehicles, mobile IT and PND.	This relates to s106 agreements but the Council will consider this issue in the review of future planning policy documents as appropriate.
3	Mid Town	1	We support Camden's commitment to work with all developers to help improve proposals through the use of planning obligations in order to support their approval. As outlined, we have seen an increase in commercial demand in the area in the last few years with market improvement for B1 office space and hotels.	Welcome general support of Camden's approach.
3	Mid Town	2	However, when developers make contributions through CIL, BEE Midtown would urge Camden that more is done to ensure that there is a transparent link to where the money is spent on projects in the immediate area. This should include an open communication process with developers which remains after their contribution. As the area continues to grow, increased CIL contributions should deliver tangible benefits in the immediate area.	This comment does not relate to whether the Camden CIL rates should be increased. Information on where the Camden CIL has been spent will be displayed on the Camden web site and also included in our CIL and Section 106 Annual report and in future formal reporting required through the current CIL regulations.

No.	Organisation		Summary of Representation	Council's Response
3	Mid Town	3	The Midtown area in Camden has a great amount of potential, particularly in terms of the commercial property market. Our economic profile study of WC1 has seen significant business growth between 2012 – 2017, with the percentage of businesses in the area increasing by 67%. As a result, the amount of vacant business floorspace decreased, whilst rent costs have been rising. This appetite for development would help provide much-needed office space and in turn deliver high levels of CIL contribution for Camden and the GLA. Our work with BDP Architects, which tracks potential developments in the borough containing office floorspace, has shown that there are a range of sites within Midtown which have the potential of providing a total of over 118,500sq. ft of office space and a consequent £1,588,278 in CIL funds for Camden. As the number one place to do business in central London the transport and infrastructure within the BID is under increasing pressure with footfall continuing to rise.	Noted. These comments support Camden's general approach towards commercial uses in the Central London area.
4	Highways England	1	The Strategic Road Network is a critical national asset and as such Highways England works to ensure that it operates and is managed in the public interest, both in respect of current activities and needs as well as in providing effective stewardship of its long-term operation and integrity. Our interest in such strategy documents is specifically focussed on the council's approach to highway and transport matters in relation to regeneration and new development. We are keen to understand how local authorities initially identify and prioritise transport improvements in order to deliver sustainable development. Specifically how local authorities set and implement policy to manage trip demands and ultimately how these might affect the safe and efficient operation of the SRN for which we are responsible. It should be noted that, in accordance with DCLG guidance, any development contributions towards SRN improvements would be secured via S278 agreements, and not via a CIL Reg123 List or S106. The use of S278s will enable multiple sites to contribute if appropriate, and also secures the Secretary of State's position by ensuring that 100% of contributions go towards the SRN improvement. However, in some cases it could be more expedient for Highways England to be party to the S106 and secure mitigation through obligations.	Noted - we will pass these comments on to relevant council officers to inform future negotiations on s106 agreements on large sites.
5	Transport for London	1	The Mayor's adopted Charging Schedule (MCIL2) came into effect on 1 April 2019. I am pleased to note that MCIL2 has been taken into account by BNP Paribas in their Viability Update Report, and subsequently, in the rates proposed in your revised charging schedule.	Noted.
5	Transport for London	2	Public and active transport infrastructure is vital to support 'good growth' across London, and CIL will continue to play an important role in funding infrastructure to support new development. TfL broadly supports the approach you have set out, although I have noted that the supporting infrastructure documents do not seem to place the same emphasis on public transport, walking and cycling improvements as is set out in your Local Plan, LIP3 and other policy documents. For example, where general terms such as 'transport infrastructure' or 'highways improvements' are used in the Strategic Funding List, it would be helpful if these explicitly stated that walking, cycling and public transport are the priority modes to reflect the overall borough approach.	These comments do not relate to whether the Camden CIL rates should be increased. The Council intends to update its CIL funding list following this review of CIL rates and will publish the updated list on its website.

No.	Organisation		Summary of Representation	Council's Response
5	Transport for London	3	I have noted the significant funding gap that underpins the revised Camden CIL charging schedule. Whilst I am aware that the purpose of the funding gap is to meet one of the two key tests set out in the CIL regulations 2010 (as amended), the supporting infrastructure evidence is, in some cases, almost five years old. Several projects listed in the SFL, for example, have delivery dates that are in the past (e.g. Freight Consolidation Centre, 2017). You may wish to use this as an opportunity to review the documents and update them to reflect current timeframes, budgets and priorities.	The Council intends to update its CIL funding list following this review of CIL rates and will publish the updated list on its website.
5	Transport for London	4	Several key transport projects, namely 'bus improvements' and 'Camden Town' and 'Holborn station capacity works' have been identified in the SFL for removal. As stated above, CIL is becoming more and more important in ensuring the delivery of these types of projects and we oppose the deletion of these projects for the following reasons: Several key transport projects, namely 'bus improvements' and 'Camden Town' and 'Holborn station capacity works' have been identified in the SFL for removal. As stated above, CIL is becoming more and more important in ensuring the delivery of these types of projects and we oppose the deletion of these projects for the following reasons.	The Council intends to update its CIL funding list following this review of CIL rates and will publish the updated list on its website.
5	Transport for London	5	Camden Town station improvements: this scheme is currently on hold due to a funding shortfall; however, TfL remains committed to the project.	Camden will update its funding list to reflect investment priorities going forward and this will be published on the Camden web site when agreed.
5	Transport for London	6	Holborn station improvements: this scheme has been re-phased due to the financial challenges TfL is currently facing; however TfL remains committed to the project.	Camden will update its funding list to reflect investment priorities going forward and this will be published on the Camden web site when agreed.
5	Transport for London	7	t LB Camden has been awarded funding though the Liveable Neighbourhood programme and Holborn is described as the key transport objective following completion of the West End Project in spring 2020. It is a complex and challenging gyratory and will require significant resources. We support the inclusion of a possible contribution towards this scheme, although note that the delivery date needs to be updated.	Camden will update its funding list to reflect investment priorities going forward and this will be published on the Camden web site when agreed.
5	Transport for London	8	As a general point, you may wish to consider the potential benefits of taking a more holistic approach to delivery across different infrastructure categories. For example, health and community infrastructure projects could be viewed in the wider context and interventions that will increase walking cycling and outdoor recreation could be considered in addition to capital works. The Surma Centre and Highgate Newtown Community Centre projects for example, could include references to public realm improvements that promote walking and cycling and discourage use of cars to enable healthier lifestyle choices. In addition, considerable CIL resources are being used in the borough to improve schools and provide additional places where necessary. As part of these projects, you may wish to consider improving the local 'Active Travel Zone' (ATZ1) around schools, enabling children and their carers to use sustainable modes of transport.	Camden will update its funding list to reflect investment priorities going forward and this will be published on the Camden web site when agreed.
6	Kentish Town Neighbourhood Forum	1	KTNF accepts that we do not have sufficient information, knowledge, or professional experience to comment on the appropriateness of the precise amounts currently being charged for CIL payments, but we are extremely	The Kentish Town Area is not affected by the proposed additional CIL rates and will only be affected by rate changes which reflect an indexation of the current CIL rates, which is not an additional charge but already applies. This

No.	Organisation		Summary of Representation	Council's Response
			concerned that raising the CIL will have a detrimental effect on development in the Forum area. We are currently aware of some major schemes which, we are told by the developers, are struggling to achieve financial viability due to a combination of development costs which threaten their realisation. The Car Wash site at 369-377 Kentish Town Road, which has been granted planning consent, is faced with, amongst other expenses peculiar to the site, the exceptional costs of building next to a busy railway line in a deep cutting. The approved scheme makes valuable use of an unusually misshapen site. The Murphy's Yard scheme, which is approaching planning application stage, is also burdened with the costs of building alongside railway cuttings, tunnels and railway viaducts, in addition to building over the Fleet River. The costs of both these schemes carry further development costs due to the requirement for the provision of affordable housing and we are concerned that the proposal to raise the level of the CIL payments may make these important schemes, which are central to the 'made' Kentish Town Neighbourhood Plan, and to Camden's Kentish Town Planning Framework, non- viable, and consequently remain undeveloped. We are also concerned that the Regis Road site may also fail for the same reasons. These sites taken together are planned to provide in excess of 2000 new residential units which would make a significant contribution towards the shortage of much needed housing in the Borough, in addition to much needed employment opportunities. Similar concerns apply to small site that would attract a CIL and Camden should not be introducing a further tax when the future of the economy is so uncertain.	level of CIL has not deterred most development in the borough from coming forward as explained in the BNP viability report. Therefore it is not considered that the proposed changes will deter development from coming forward in the Kentish Town Area.
7	Smith Jenkins on behalf of Travelodge Hotels Ltd	1	we query the robustness of a single hotel appraisal. The report states that the Central Area has seen a significant quantum of new hotel developments delivered and consented since the current CIL charging schedule was adopted. If this is the case, there should be a greater pool of evidence available to BNP to review; certainly, more than a single hotel scheme to establish some of the key appraisal inputs.	Although only one appraisal has been used in the viability study it is considered that the values derived from this are typical of hotel values in the Camden context and are an appropriate basis upon which to judge what levels of CIL can be charged without deterring development. BNP Paribas Real Estate ('BNPPRE') have both spoken to their in-house valuation team, who value budget hotels across London, and reviewed a range of hotel transactions evidence in Camden and across London. This has corroborated that their assumption of a capital value of circa £266,000 per hotel room is a reasonable assumption if potentially conservative, given some of evidence set out below. The transaction identified in particular for which the appraisal is based on is the Travelodge Central Euston, Grafton Place, which sold for £40 million in August 2018. This breaks back to a capital value of £266,667 per room (150 bedrooms). This compares to the additional Camden and wider London evidence as follows: • Travelodge London Central Kings Cross Hotel, Grays Inn Road, sold for £36.3 million in February 2018. This breaks back to a capital value of £504,167 per room (72 bedrooms). This was a conversion of a listed period building.

No.	Organisation		Summary of Representation	Council's Response
				• DoubleTree by Hilton Hotel, 60 Pentonville Road, sold for £136 million in March 2018, which breaks back to a capital value of £364,611 per room (373 bedrooms). • Premiere Inn Canary Wharf, 82 West India Dock Road sold for £106 million in January 2020, which breaks back to a capital value of £265,000 per room (400 bedrooms). This is not as good of a location as central Camden. With respect to the comments around yield, BNPPRE have advised that this is somewhat of a red herring in this instance as their appraisal is modelled off a capital value per room of £266,667 and the adoption of the transaction yield level of 3.25% was simply a function in the appraisal to get to the capital value per room i.e. a rent and yield were simply included in the model to achieve the capital value figure of £266,667 per room. As evidenced above, the use of a capital value of this level is appropriate, if conservative for this location. We understand from comments made by LaSalle, who purchased the Travelodge in Central Euston, that the Travelodges in this location are thought to be some of the best performing in their portfolio.
7	Smith Jenkins on behalf of Travelodge Hotels Ltd	2	Base Construction costs – The cost quoted at £237.55 per sqft that equates to £63,300 per room is too low. We are advised that the costs in BCIS are being skewed with non-London sites and not reflecting the complexity's associated with working in London. They also do not reflect the quality of elevations that Camden will no doubt want in their Borough as part of any scheme. Further, none of the scheme detailed in the BCIS analyses are Travelodge projects so are not representative of the construction cost. Information held by Travelodge and current tender information within London suggests that construction costs should be upwards of £80,000 per room (£300 per sqft), representing a significant 33% increase. Construction costs we believe are fundamentally too low.	BNPPRE have adopted construction costs from the RICS BCIS database, rebased to reflect the circumstances in the London Borough of Camden. This is considered to be an appropriate source of information for such costs when undertaking viability assessments and has been accepted as such at numerous CIL Examinations. This is confirmed by the National Planning Practice Guidance ('NPPG') on Viability as an appropriate source for such information at para 012, which sets out how costs for the purpose for viability assessment should be defined. It identifies that, *"Assessment of costs should be based on evidence which is reflective of local market conditions"* and that *"Costs include: build costs based on appropriate data, for example that of the Building Cost Information Service".* We note that the assertion by Smith Jenkins that the cost are too low has not been backed up by any evidence.
7	Smith Jenkins on behalf of Travelodge Hotels Ltd	3	Benchmark Land Value – It is clear from the analysis here that the benchmark land values established are hugely variable. The outcome of this, as stated in para. 6.15 of the report is that the results of the hotel development appraisals in the Central Area (CIL Zone A) suggest a maximum CIL charge of between £0 p/sqm (CUV3) and £1,246 p/sqm (CUV1) (with the CUV2 in the middle being £270). This is clearly a huge variance that will be further influenced by changes in gross development values and costs for the hotel appraisal scheme, that we believe could be significant as detailed above. Para. 6.15 goes on to states that "We recommend that the Council consider setting an increased CIL rate of £110 per sq m for such developments in the Central area (CIL Zone A) which accounts for a suitable buffer from the maximum CIL charge of £270 per sq m". This is quoted as allowing a buffer from the maximum rate, however, given the uncertainty over many of the key inputs we do not consider it reasonable to conclude at this stage that a revised CIL rate of £110 p/sqm for	We note the comments made here and agree that existing land use can vary in such urban locations, and accordingly this will impact on the maximum quantum of CIL that can be supported (between £0 p/sqm (CUV3) and £1,246 p/sqm (CUV1) (with the CUV2 in the middle being £270). The key issue here is that even at a CIL rate of Zero, some schemes will not be viable on sites with more valuable existing use values, i.e. it will not be CIL that is the determining factor in the site's viability it is market factors rather than the Council's policy position. We note that the Travelodge scheme was viably able to come forward in the listed building in Kings Cross, as demonstrated by the capital value per room, this site was capable of achieving significantly increased capital values of over £500,000 per room. Market commentary on this transaction provided by the CoStar online property market database identifies that, *"It was noted by the*

No.	Organisation		Summary of Representation	Council's Response
			Zone A [combined with Mayoral CIL at £140] will ensure the viability of hotel schemes. A combined "hotel CIL rate" of £250 p/sqm would be a very significant cost to development.	*selling agent that the hotel deal was probably the lowest yield recorded for an occupation lease* [3.07%]*, due to being underpinned by extreme residential vacant possession value".* BNPPRE consider that at the proposed rate of £110 is a reasonable charge, allowing for a viability buffer from the maximum CIL charges identified (between 56% to 91% based on CUV3 and CUV2 respectively). At this level of charge the CIL liability is identified as equating to circa 1.6% of total development costs, which is unlikely to have an impact on a developer's decision to deliver a scheme. The Council notes that the surrounding boroughs (directly adjacent to the area in question) have hotel CIL charges implemented as follows: • LB Islington:£350 psm unindexed (£489.12) • Westminster CC: £200 psm and £150 psm unindexed (£246.49 psm and £184.87 psm) • City of London: £75 psm unindexed (£104.81 psm indexed) CIL charges of this order have not prevented Hotel developments from coming forward in these locations. In addition, BNPPRE have highlighted that in arriving at the CIL charge they have not accounted for the presence of existing floorspace i.e. their appraisals assume no deduction for existing floorspace, which takes a worst case scenario and a more conservative maximum CIL charge. In an urban location such as Camden there is likely to be exisiting floorspace to be deductible in the calculation of a site's CIL liable floorspace. With respect to Smith Jenkins' comment on "Mayoral CIL has increased", we would highlight that this is misnomer as prior to MCIL2 there was a Crossrail S106 topup charge on hotel development in this location (£50 psm MCIL (excluding indexation) plus £61 psq m Crossrail S106 Topup (unindexed) is £111 psm (unindexed). This was actually £144.71 per sq m as at March 2019, i.e. prior to MCIL 2 being adopted at £140 psm). On this basis this cost has already been factored into the market and moreover, this cost has been included in BNPPRE's appraisals. In light of the above the Council would highlight that the proposed increase in the Camden hotel CIL charge from the existing position is in fact £71.31, which equates to an increase of 1.06% on development costs.

No.	Organisation		Summary of Representation	Council's Response
8	Thames Water	1	We consider that water and wastewater infrastructure buildings should be exempt from payment of the Community Infrastructure Levy for the following reasons: § the CIL was not taken into account in the preparation of Thames Water's latest business plan, and hence, if for any reason, we were required to pay it this would impact on the ability to deliver important water and wastewater infrastructure required to support growth; and § water and wastewater infrastructure usually has no significant impact on wider infrastructure provision	Water and wastewater buildings would normally be exempt from the CIL. Notwithstanding this, it is not proposed to charge a Camden CIL for these uses.
9	Gerald Eve on behalf of Lend Lease	1	Lendlease, on behalf of the landowners are proposing that development at Euston to be nil rated for CIL purposes, in order for planning contributions and infrastructure delivery to be dealt with instead under Section 106 of the Town and Country Planning Act. This is not about One Euston seeking a reduction in its development costs or delivery of physical, social and/or environmental infrastructure. Rather, it enables more investment into identified projects and purposes that provide tangible public benefits that are specifically related to One Euston (and in doing so satisfying the tests of Regulation 122), and can be clearly explained as such in the public domain. The full extent of infrastructure delivery through financial contributions and physical delivery will be set out within a very robust open book financial viability assessment which will be independently assessed. The sheer scale and complexity of the One Euston Project, extending over XX hectares, is ideally suited towards a bespoke Section 106 approach to infrastructure delivery for the reasons set out below. By dealing with financial contributions through Section 106, Camden will be able to secure more local targeted benefits than CIL funds which would be Borough wide.	Given the strategic significance of development at Euston, the Council consider that it would be more effectively dealt with through the Infrastructure Payments procedure under the CIL reg 73 (Payments in Kind). The Council has previously indicated that it will accept Infrastructure payments where it can facilitate the delivery of major strategic infrastructure projects. The most recent version of the CIL regs has introduced increased flexibility to this procedure. This will in effect allow a separate s106 negotiation to be undertaken for major strategic sites where the Council considers this to be appropriate. For the purposes of clarity the Council will amend and publish its policy on Infrastructure Payments in lieu of CIL to state that this will only be allowed where the site delivers major strategic infrastructure identified in a planning framework or other adopted Local Plan document.
10	DP9 Derwent London	1	Derwent London own the Network Building located on 95-100 Tottenham Court Road and is currently in discussions with the London Borough of Camden regarding the redevelopment of this building to bring forward a mixed-use development, including a significant amount of office and retail floorspace. Derwent is in discussion with senior officers at Camden in relation to The Network Building. This includes discussion between BPS on behalf of Camden and DS2 on behalf of Derwent. It has been accepted that the redevelopment cannot provide all the associated residential requirement due to costs. An increase of CIL as currently proposed will make the situation less tenable.	DP9's comments are noted however the proposed changes to the CIL rates have been derived by looking at the viability of commercial uses in Camden. As explained in BNP's viability analysis CIL is one of a whole range of development costs which may determine whether a scheme is viable. The CIL is designed to be standard charge which can be applied across an area without deterring most development. DP9 has identified that their client is already in discussions with the Council in relation to site specific viability. The Council's policies allow for this to be taken into consideration where site specific issues exist that impact on development viability. We note that DP refer to the increase in retail rates, however, as previously identified in response to other representors, the Council is not proposing to increase any rates other than the hotel and office rate in the central area of the borough. The other increases are a function of indexation as identified by Regulation 40 and therefore these figures actually represent the current CIL charges liable on schemes. The proposed increase in the hotel and office CIL charges is identified as being a small increase to schemes in terms of costs form the currently adopted indexed CIL charges i.e. these amount to less than 1% for offices (the uplift of £54.75 psm equates to circa 0.7% of development costs).

<table>
<tr><th>No.</th><th>Organisation</th><th></th><th>Summary of Representation</th><th>Council’s Response</th></tr>
<tr><td></td><td></td><td></td><td></td><td>
The Council notes that the surrounding boroughs (directly adjacent to the area in question) have office CIL charges implemented as follows:

LB Islington:£80 psm unindexed (£111.80)
Westminster CC: £200 psm and £150 psm unindexed (£246.49 psm and £184.87 psm)
City of London: £75 psm unindexed (£104.81 psm indexed)

The CIL charges proposed are unlikely to have a significant impact on the delivery of such developments. We note that developers frequently build in allowances for 5% contingency of build costs. Furthermore, developers are typically able to absorb build cost inflation running at around 2.5% annually, in comparison to a one-off CIL charge typically at a lower percentage.
The Council considers that the proposed rates represent a reasonable balance between seeking to raise some CIL income from these types of development and any negative effect on viability.
</td></tr>
<tr><td>10</td><td>DP9 Derwent London</td><td></td><td>
BNP Paribas refer to significant market improvements since the previous viability study was undertaken. At paragraph 1.3 it refers to market improvements, however the inference is that this is in relation to market improvements since September 2012, the date of the original GVA viability study commission to support the adopted Charging Schedule. There is no reference to the GVA viability study addendum which was prepared to update the cost and value inputs to Q3 2014.
The BNP Paribas viability study includes two graphs to demonstrate market movements over time, the first (figure 2.16.1) in relation to London office market rents, and the second (figure 2.16.2) in relation to the London office market yields.
[Reproduction of BNPPRE Figure 2.16.1 London office markets rents]
As can be seen from the graph above, when compared to rents as at Q3 2014, West End office rents have actually reduced.
</td><td>
BNPPRE has provided the following response on this matter.
BNPPRE and the Council agree that the initial CIL viability assessment was produced in 2012, upon which the CIL charges were set and based. The rents and yield adopted were set out in the report at Table B3 (this is confirmed in both the September 2012 report and the 18th June 2014 version of the report).
A “CIL Economic Viability Study: Addendum” was also published dated 8th October 2014. In this document Table 4 confirms the Average New Build Office Values by Zone September 2014, which we agree clearly demonstrates a significant improvement the market both in terms of rents and yields from the initial report and testing upon which the charges were based on.
We set out a comparison of the rents and yields identified in the three GVA reports and BNPPRE’s recent study in the table below.
<table>
<tr><th rowspan="2">Market</th><th colspan="2">GVA assumptions adopted in testing in 2012 and subsequent September 2012 report and set out in the June 2014 Report</th><th colspan="2">GVA information on updated rents and yields October 2014 Addendum Report</th><th colspan="2">BNPPRE assumptions adopted in testing 2019</th></tr>
<tr><th>Rent</th><th>Yield</th><th>Rent</th><th>Yield</th><th>Rent</th><th>Yield</th></tr>
<tr><td>Central</td><td>£55 psf</td><td>6.25% to 6.5%</td><td>£65 psf</td><td>4.25%</td><td>£65 psf</td><td>4.50%</td></tr>
<tr><td>Zone 1</td><td>£45 psf</td><td>6.5% to 7%</td><td>£50 psf</td><td>5.50%</td><td>£75 psf</td><td>4.50%</td></tr>
</table>
The GVA October 2014 Addendum Report identifies the purpose for its creation in the Introduction at paras 1.1 and 1.2 as follows:
</td></tr>
</table>

No.	Organisation		Summary of Representation	Council's Response
				"In this Addendum we present the findings of additional analysis of the proposed CIL rates conducted since the publication of the original CIL Economic Viability report in September 2012. This analysis has been undertaken in order to assist the Examiner understand the potential impact which the proposed CIL rates in the Draft Charging Schedule would have on the viability of development across the Borough. *1.2 The Examiner has raised a series of questions, and we have been asked by the Council to provide responses to some of them".* The new evidence was not adopted in appraisals to establish the updated maximum viable quantum of CIL at that point in time. The evidence simply served to demonstrate that the market had improved and therefore the CIL charges as previously set would not impact on the viability of development in the Borough. The June 2014 report includes Example development appraisals at Appendix C. In the first appraisal (Scheme 10) commercial space (145 sq m offices) is valued at a rent of £592psm (£55 psf) and a yield of 7.37%. In the second appraisal (Scheme 11) commercial space (300 sq m offices) is valued at a rent of £592psm (£55 psf) and a yield of 7.37%.
10	DP9 Derwent London	2	It is assumed that the existing building (which informs the Benchmark Land Value) is 50% of the size of the new development. There is no justification for this assumption and in dense urban areas our and Derwent's experience is that the level of 'uplift' over and above existing floorspace is typically less than that assumed in the viability stud. It is assumed that an existing landowner will apply a "modest" refurbishment to secure a letting, but the nature of the second-hand space means that BNP Paribas adopt lower rents and a higher, less valuable yield. This assumption ignores the fact that in determining what is a reasonable return to a willing landowner in order for said landowner to release their site for development, many landowners may consider a more comprehensive refurbishment of the existing building to secure a higher rent and a tenant of better covenant strength (lower yield)	BNPPRE and the Council's experience and review of planning applications in the area over the last few years reflects a range of existing building quantums from refurbishments and direct changes of use to small extensions to existing premises, where no floor space is created to over 80% of new floorspace being delivered. Where there is a small increase in the floorspace created through an extension this will be adding value to the existing building whilst retaining the existing value of the remaining building. Demolition and redevelopment of schemes where only small increases in new floorspace are made are unlikely to take place as it will not be viable to di so when compared to the alternatives of refurbishing the existing premises, particularly in a higher value and sought after part of London such as central Camden. Therefore where a building is more valuable in its existing use or where a more substantial refurbishment or change of use can take place but not a meaningful increase in the floorspace this will often occur instead of a complete redevelopment of the site. This position is clearly borne out in the development seen in urban areas and particularly in central Camden. Although there is a range development that has come forward the average is circa 40% to 50% new floorspace being provided. BNPPRE has undertaken sensitivity testing to understand the impact on the maximum CIL charge and development of benchmarks where 40% new floorspace is delivered in developments (see attached appraisals at **Appendix 1**). This has identified that viability would understandably reduce, but that the CIL charge of £110 per sq m could still be accommodated by the large majority of schemes. It is worth noting that a charge increase of 0.7% of development costs is unlikely to be the

No.	Organisation		Summary of Representation	Council's Response
				defining factor of development being delivered, it is more likely to relate to market conditions that a scheme is unviable/undeliverable.
10	DP9 Derwent London	5	Build costs – based on Derwent's considerable experience of developing in the Borough, we consider the current assumptions to be understated. We would be happy to provide further data as part of the Examination hearing, subject to discussing the disclosure of confidential information with our client.	BNPPRE have adopted construction costs in line with the RICS BCIS database, rebased to reflect the circumstances in the London Borough of Camden. This is considered to be an appropriate source of information for such costs when undertaking viability assessments and has been accepted as such at numerous CIL Examinations. This is confirmed by the National Planning Practice Guidance ('NPPG') on Viability as an appropriate source for such information at para 012, which sets out how costs for the purpose for viability assessment should be defined. It identifies that, *"Assessment of costs should be based on evidence which is reflective of local market conditions"* and that *"Costs include: build costs based on appropriate data, for example that of the Building Cost Information Service".* We note that Derwent's assertion that the costs are too low has not been backed up by any evidence. It is highlighted that information relied on for this study, in particular that which departs from publicly available best available information identified as being reasonable for such studies by the NPPG, would need to be published.
10	DP9 Derwent London	6	At paragraph 4.14 the viability study states that in line with the requirements of policy H2 a contribution towards self-contained housing calculated in accordance with Camden Policy Guidance charge. No further detail is provided, except within the appraisals where an assumption of £20 per sq ft (£215 per sq m) has been assumed which is noted to account for "Residual S106 & Mayoral CIL + Policies P2 and P4 Market & AH contribution". Based on our experience in the borough, we would note, in the first instance, that it may not be reasonable to assume that the requirement to deliver on-site market and affordable housing can be so simply discharged, especially for the larger development typology. LBC have a sequential policy in respect of the delivery of self-contained housing and we request that the study considers the viability impacts of on-site delivery and provides further workings as to how the current appraisal assumption of £20 per sq ft is considered to account for the necessary contributions.	Noted. BNPPRE have undertaken appraisals to demonstrate that a CIL charge of £110 per sq ft will not significantly impact on the delivery of such sites. This is explained in the viability sensitivity testing at **Appendix 2**.
11	DP9 On behalf of Murphys	1	Where an existing charging schedule is being reviewed and updated, this requires a review of the current adequacy of the evidence base to ensure that it reflects any changes in circumstances and new appropriate available evidence which has emerged since the adoption of the existing charging schedule in 2015. When the Zone B and Zone C boundaries were created (before the adoption of the current charging schedule in 2015), LB Camden had not begun preparation of the Kentish Town Planning Framework ("KTPF"), which is currently in draft and expected to be	As set out in its evidence, the Council adopted its CIL Charging Schedule in April 2015. The adopted CIL rates (including CIL Regulation 40 indexation) are consequently embedded into both the planning requirements and the land market. The Council have undertaken a partial review of their currently adopted charging schedule. This approach is identified as being acceptable by the

No.	Organisation		Summary of Representation	Council's Response
			issued for a second round of consultation imminently. The KTPF identifies the Murphy's Yard site as suitable for a significant amount of housing. - It was therefore not envisaged in 2015 when the Zone B and Zone C boundaries were set that residential use in any significant quantum would come forward at the site	Planning Act 2008 as amended by the Localism Act 2011, and the levy Regulations. We note that para 045 of the PPG states that: *"Charging authorities may revise their charging schedule in whole or in part. Any revisions must follow the same processes as the preparation, examination, approval and publication of a charging schedule (as specified under the Planning Act 2008, particularly sections 211 to 214 as amended by the Localism Act 2011, and the levy Regulations)."* The CIL regulations (Reg 40) require collecting authorities to apply an index of inflation to keep adopted CIL levies responsive to market The Council's rationale for undertaking a partial review of its adopted CIL Charging Schedule (2015) is set out in the BNP Paribas Real Estate ('BNPPRE') Camden CIL Viability Update Study (September 2019). The key issue is the currently adopted Charging Schedule is based on evidence gathered in September 2012, at which point the residential market had recovered - to a degree - from a deep recession, with sales values increasing significantly from the lowest point in the cycle in June 2009, exceeding the previous peak values of August 2008 in August 2010. The residential markets have remained sufficiently buoyant and there is no evidence that the Council's adopted CIL rates (indexed to current costs) deter schemes from coming forward. By contrast, as at September 2012, although the B1 office and hotel markets had recovered to a degree from the recession in 2007-2009, they were still below the values seen prior to the recession. Since this point however, the market has seen a marked improvement and in particular, central London has seen significant growth in values and a number of new developments coming forward. The Council has also seen an increase in the number of applications for new B1 use developments, including research and development space. In addition, there has been an increase in applications for hotels within the Central Area/current CIL Zone A ('CIL Zone A') of the Borough. The Council notes DP9s comments on behalf of Murphy's in relation to residential rates, however, it would highlight that the Council is not proposing to change the adopted residential rates charged. The residential rates set out in the Council's DCS are the rates that are currently charged on residential development in the Council's area based on the 2015 CIL charge rate indexed to a 2020 charge level based on the CIL Regulation 40 indexation calculation. We note that in the CIL Examiner's Report on the London Borough of Southwark's Draft Revised Charging Schedule (August 2017) he identified that where the rate and its description had not changed in the revised charging schedule before him he considered that it was not a matter for his examination, stating *"my examination is purely concerned with the substantive revision, and not with the changes to rates due to the inflation uprate as provided for in the Regulations".*

No.	Organisation		Summary of Representation	Council's Response
11	DP9 On behalf orf Murphys	3	Since 2015, however, LB Camden has developed its ambitions for the planning of the Kentish Town and Regis Road Growth Area and confirmed Murphy's Yard as a key component of the comprehensive mixed-use regeneration as evidenced by the publication of the draft KTPF in October 2018. The KTPF covers both the Regis Road opportunity as assessed by BNPP in 2015 and the Murphy's Yard site. This is a change in circumstances since the existing charging schedule was adopted and one which needs to be considered as new appropriate available evidence as part of the review of the DCS.	As identified above, the Council is consulting on a partial review to its Charging Schedule and is not proposing any changes to the residential rates, these remain as they are at present. Other than applying indexation to the rates, which would happen anyway under the current charging schedule, the Council's experience is that the current CIL rates are not having a significant impact on development viability coming forward in Kentish Town. As already identified in an earlier response to another representor, on sites with strategic significance, the Council is open to the Infrastructure Payments procedure under the CIL reg 73 (Payments in Kind).
11	DP9 On behalf of Murphys	4	The KTPF also confirms LB Camden's commitment to develop a CIL strategy to guide and coordinate investment across the framework area recognising the need for the approach to CIL for the Regis Road and Murphy's Yard sites to be considered in tandem. Setting consistent rates across the growth area is an important element of this and which can be delivered through the current review of the charging schedule. The current rate of £500 per sqm of residential floorspace, which is raising to £613 per sqm in the DCS, will place a significant burden on any future planning application that includes residential use at the Murphy's Yard site. Applying this high rate could negatively impact the viability of the scheme and potentially reduce the amount of affordable housing that it can deliver in accordance with the adopted policies of the Local Plan	Given the specific circumstances of the Murphy site, the Council considers that it could be effectively dealt with through the Infrastructure Payments procedure under the CIL reg 73 to review the amount of CIL which may need to be paid where a site delivers strategic infrastructure. We will also look at pooling CIL collected in this framework area to address the infrastructure needs generated by new development. Therefore, it is not considered necessary to review the CIL rates to coordinate infrastructure provision across this area.
11	DP9 On behalf of Murphys	7	Whilst Folgate Estates understand the consolidation of office, and research and development uses within the DCS, reference to Use Class B1 should be removed from the DCS as the DCS makes no reference to any other Use Classes, or alternatively it should specifically reference the individual Use Classes as set out in the Town and Country Planning (Use Class Order) 1987 (as amended) for office (Use Class B1(a)) and research and development (Use Class B1(b)). Additionally, as a point of clarification, it is our understanding that light industrial floorspace (Use Class B1(c)) will continue to be charged at a rate of £0 per sqm (GIA) of development as set out in the DCS, and this should be made clear in the Charging Schedule once adopted.	Noted. In the interests of consistency, all reference to class B1 will be removed from the schedule.
12	Eileen Willmott	1	If the B P Paribas' findings are correct, for offices and hotels, R and D and residential markets, then I have no objection to the higher costs of CIL to enable it to fill the future funding gap.	None