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**Planning Policy Team
Oxford City Council
Town Hall
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Dear Planning Policy,

Community Infrastructure Levy (CIL) Partial Review Draft Charging Schedule Consultation - Representations by Oxford University Development Ltd

Oxford City Council ('the Council') is currently consulting on a Community Infrastructure Levy ('CIL') Draft Charging Schedule, alongside the Draft Local Plan 2040. These representations, prepared by DP9 Limited ('DP9') on behalf of Oxford University Development Ltd ('OUD'), relate to the Draft Charging Schedule and focus on its implications for the future redevelopment of the Osney Mead site.

OUD is a joint venture partnership bringing together the land and opportunities of Oxford University with the investment and development management skills of Legal & General. OUD's vision is to design and deliver exemplary, sustainable development that meets the future needs of Oxford University, contributes to the wider economy of Oxfordshire and creates economic and social benefits for local communities. Osney Mead is one of several sites that OUD is seeking to bring forward and is a major strategic development site identified by the Council as playing a crucial role in realising the vision and objectives set out within the Draft Local Plan.

OUD is concerned that the Draft Charging Schedule will have an adverse impact on the deliverability of the Osney Mead site, directly impacting the deliverability of the Draft Local Plan. The evidence base informing the Draft Charging Schedule is a Viability Assessment prepared by BNP Paribas. This fails to consider the implications of a significant uplift in rates for Class E, B2 and B8 uses (a 400% increase) on the deliverability of Osney Mead or any strategic site allocations identified in the Draft Local Plan. The evidence base is inappropriately broad-brush and too high-level for conclusions to be drawn as to the effect of new proposed CIL rates on strategic site allocations. OUD would like to discuss this matter with Council officers and explore the opportunity to take a more considered and effective approach to Osney Mead.

Osney Mead

Osney Mead is a longstanding strategic development opportunity within Oxford. It is allocated within the current adopted Local Plan, the Draft Local Plan 2040 and also benefits from supplementary guidance in the form of the West End and Osney Mead SPD, November 2022.



The allocation within the Draft Local Plan, being consulted on by the Council alongside the Draft Charging Schedule, explains that the site provides the opportunity for a major new mixed use innovation district (refer to SPCW7). The Draft Local Plan also explains both the significant constraints that need to be overcome (particularly relating to flooding, utilities, access) and the infrastructure interventions required to secure the site's transformation. In short, the site is a major opportunity, but realising this and the associated Local Plan objectives is complex. There are substantial abnormal development costs.

The SPD provides further details about the site's development potential. Its strategic importance is emphasised throughout, including in particular at paragraph 113:

“Osney Mead’s location and opportunity for change is instrumental in realising the wider vision for the area. It’s a site which provides significant opportunity for more innovation, a new working and residential community and a place for culture, arts and leisure. Allocated in the Local Plan 2036 (Policy SP2) [and now the Draft Local Plan 2040], Osney Mead is earmarked as a place for a mixed-use development which accommodates employment uses, academic uses, student accommodation, employer linked affordable housing and market housing.”

In essence, the site is of strategic importance to the future of Oxford and the deliverability of the draft Local Plan.

CIL and Strategic Sites

The Government's published CIL Guidance covers key principles for Charging Authorities to take into account when preparing Charging Schedules. The core emphasis is on striking an appropriate balance between utilising CIL to achieve additional investment to support development and the potential effect on the viability of developments.

Whilst the Guidance explains that a Charging Authority should take an area-based approach, including a broad test of viability, it also notes that Authorities should ensure that a proposed levy compliments plan policies for strategic sites. Further, in this respect, it explains that an approach may include setting specific rates for strategic sites. Low or zero rates may be appropriate where plan policies require significant contributions towards housing or infrastructure through planning obligations and this is evidenced by an assessment of viability.

The Draft Charging Schedule

The Council's Draft Charging Schedule is a partial review, proposing a change to levy rates for Class E, B2 and B8 uses. The uplift is from a current (indexed) rate of £31.59 to £158 per sqm. Clearly, this is a significant change. As noted above, it represents a 400% increase. An increase of such significance requires a high-level of scrutiny and care, so as not to adversely impact the viability and deliverability of development and the Council's Local Plan.

The rates presented in the Draft Charging Schedule are blanket rates across all development, according to land use. There is no differential associated with any of the Council's designated strategic sites.

The Evidence Base

The evidence underpinning the Draft Charging Schedule is part of a broader document prepared by BNP Paribas in relation to the Draft Local Plan ('Oxford City Council: Local Plan Viability Assessment',



July 2023). The approach is broad-brush and based on high-level generic testing of development typologies. The consideration of CIL as a specific topic within the Viability Assessment is light-touch.

The Viability Assessment does not consider or provide any sense-check against specific strategic site allocations within the Draft Local Plan. In turn, it does not factor in any exceptional or abnormal costs that might be crucially important to ensuring the deliverability of such sites.

The Council's Cabinet, held on 18th October 2023, considered the Draft Charging Schedule. This did not make available the Viability Assessment to Members of the Cabinet, but provide a short overview of viability matters within the associated Cabinet Report. Importantly, at paragraphs 20 and 21 of the Cabinet Report, the following is stated:

“Over current and previous years, the Council has been receiving relatively low amounts of B2/B8 applications but is seeing an increase in E(g) class applications, particularly for R&D use. We anticipate that increasing the rates for these development uses will help to ensure that more funding can be generated for infrastructure, without affecting the viability of development.

If and where issues of viability or economic impact may arise, the exceptional circumstances relief policy introduced in 2019 can be considered to mitigate risk of delivery of sites on a case-by-case basis.”

The above, when read together with the Viability Assessment, essentially means that the Council is relying on high-level and light-touch viability analysis to promote a 400% increase in CIL rates for the stated land uses and is relying on a case-by-case basis of exceptional circumstances relief to ensure the deliverability of sites, if necessary. No distinction has been made about the type of site in this respect (i.e. whether a strategic site allocation, or not).

Comments and Next Steps

OUN is concerned that the introduction of the proposed new CIL rates for Class E, B2 and B8 uses will unintentionally and adversely impact the deliverability of Osney Mead. In turn, this raises risk that the deliverability of the Draft Local Plan (as well as the current adopted Local Plan and West End and Osney Mead SPD) will be undermined.

Whilst it is accepted that viability testing of CIL charges is necessarily broad, it is not accepted that this obviates the need to take a careful and considered approach in relation to strategic site allocations, in accordance with the Government's CIL Guidance. It is crucially important that a viability check is undertaken in relation to those site allocations that are considered central to the deliverability of the Council's vision and objectives for the City (as set out within the Draft Local Plan). Without undertaking this work, the Council is not able to conclude whether the delivery of the Local Plan is undermined by the proposals, in accordance with the relevant NPPF plan-making tests.

OUN considers an approach that relies upon the potential future application of CIL exceptional circumstances relief to be inappropriate and creates unnecessary uncertainty. Osney Mead is a known strategic site now and one in relation to which the Council is well briefed on its substantial infrastructure challenges. The delivery of the Council's vision for Osney Mead, with its associated public benefits, requires overcoming high remediation and significant exceptional costs (particularly those associated with flooding and utilities).



OUN requests a meeting to discuss the above with the Council and recommends exploring the potential of a differential rate for the site.

Yours sincerely,



DP9 Ltd