

**Our ref:****Your ref:** Q70042**Email:** [REDACTED]**Date:** [REDACTED]

The Development Planning Team  
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By email

Dear Sir/Madam

## HAVERING CIL DRAFT CHARGING SCHEDULE CONSULTATION

Quod is instructed by Portland Capital, to prepare and submit planning representations in response to the Community Infrastructure Levy Draft Charging Schedule Consultation.

Portland Capital hold several assets in Havering, comprising the Rom Valley Way Retail Park, Romford, RM7 OAE and The Seedbed Centre, Romford, RM7 OAE. These sites are located within the Romford Housing Zone.

Portland Capital do not support the proposed Draft Charging Schedule for the reasons set out below:

### Havering's Housing Target/Delivery

The adopted London Plan (2016) sets a minimum housing delivery target between 2015 and 2025 of 11,701 new homes, equating to 1,170 new homes per annum within the borough.

The housing delivery target increased with the adoption of the 2016 London Plan from the previous borough target (970 units per annum) and is set to increase further through the emerging New London Plan (draft published December 2017) to 1,875 units per annum.

Using the figures contained within the borough's Final Submission Local Plan Housing Position Statement (2018), housing delivery is well below the requisite minimum levels set in the London Plan as demonstrated in the table below:

Year	Housing Target	Net Completions	Private Completions	Net Affordable Completions	Net Completions	Housing Target Variance
2012/13	970	154		144	298	-672
2013/14	970	645		272	917	-53



2014/15	970	409	329	738	-232
2015/16	1,170	758	205	963	-207
2016/17	1,170	518	67	585	-585

In the previous five years 2012/13 to 2016/17, a net total of 3,501 dwellings were completed, equating to an average of 700 dwellings per year. This represents a significant under delivery when compared with the London Plan minimum target for the same period of 5,250 Units (shortfall of 1,749 units).

Further to the above, with regards to current 5 year land supply (2017-2022) the document identifies:

5 year housing target (2017 to 2022)	5,850 (1,170 x 5)
20 % buffer	1,170 (20% of 5,850)
5 year housing target + 20% buffer	7,020
Under-delivery since 2015	792
5 year housing supply (based on trajectory)	7,812
Current overprovision/ shortfall	6,165

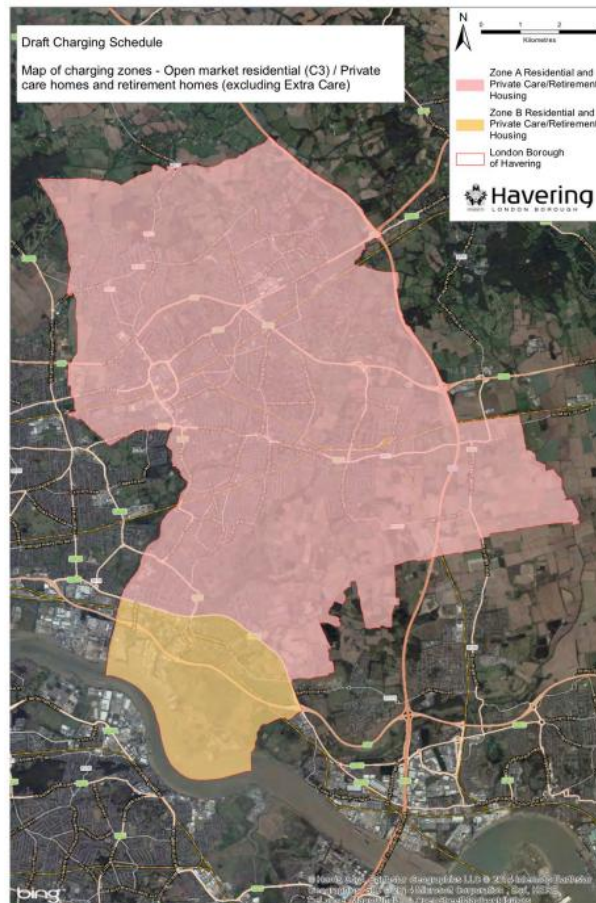
The five year land supply calculation is based on a housing target of 1,170 units per annum and includes a 20% buffer in addition to previous under delivery. Havering is unable to identify a sufficient supply of housing land to meet this target in the identified period, which is further worsened in the context of increasing housing delivery targets.

It is clear that the borough is under-delivering against its housing targets. This shortfall should be read in the context of future residential delivery and the impact that the proposed uplifted CIL rates will have upon this.

### **CIL Charging CIL Rates and Charging Zones**

With regards to residential development, the proposed CIL rates identify two zones with rates of £125 for Zone A (North) and £55 for Zone B (South). These figures are linked to two different geographical zones which are designed to reflect locational difference in viability. The proposed Zones are re-provided below:

## Proposed CIL Charging Zones



The proposed CIL rates relevant to the two areas vary significantly, with the North Zone incurring a rate over twice that applicable to Zone B. Portland Capital do not support this, whilst Zone B seeks to capture the Riverside Opportunity Area (including Rainham and Beam Park Housing Zones), major schemes outside of this Zone particularly those within the Romford Housing Zone will be significantly encumbered by the proposed Zone A rate.

Housing Zones are areas where the Mayor seeks to use funding or policy levers in new ways to achieve higher levels of housing delivery based on factors such as good transport accessibility. Therefore CIL rates identified in Zone B should also apply to the Romford Housing Zone. The Zone A and Zone B areas share the same scheme costs and similar values yet proposed CIL rates differ significantly. This will act to constrain the necessary large scale housing delivery required to address housing delivery issues as demonstrated in the previous section of this letter.

Whilst Portland Capital recognise that the Romford Housing Zone will benefit from Crossrail assisting development in the long-term, this cannot be relied upon to overcome development viability, and the delivery of residential development in the short term.

It is important to recognise that the Riverside Opportunity Area also has improved infrastructure planned and the Romford Housing Zone should therefore be viewed in the same context, reflected by an appropriate CIL figure which seeks to facilitate residential development in this area.

Given the housing delivery issues outlined previously the effect of the proposed Zone A rate will be significant, further affecting delivery and acting to constrain the necessary large scale housing required.

### Changes from the Preliminary Draft Charging Schedule 2015

The previous version of the Preliminary Draft Charging Schedule dated 2015 included the following residential CIL Rates:

- £70 – Open market residential north of the A1306 (Zone A); and
- £50 – Open market residential south of the A1306 (Zone B).

Whilst the Zone B uplift from 2015 represents a 10% increase on the previous figure, the Zone A figure has risen close to 80% (79%) on the 2015 rate. It is unclear why the Zone A rate has increased so significantly in comparison to Zone B. Further to the proposed Havering CIL increase, Mayoral CIL is set to increase from £20 per square metre, to £25 per square metre (from April 2019) via MCIL 2.

Portland Capital do not therefore support the significant uplift in the Zone A residential charge. Sites acquired on the basis of Havering's 2015 draft CIL rate and MCIL1 will now have a significantly higher CIL contribution. This will have a significant impact on affordable housing (particularly in the context of the increased 35% affordable housing contributions required by the London Plan) and other infrastructure, while also necessarily driving the scale of proposed developments.

We trust this submission provides sufficient information however should you require any further detail or clarification, please do not hesitate to contact me. We are keen to remain involved in the CIL Consultation process and wish to be consulted on future development plan documents.

Yours sincerely



  
Director