

12 September 2014

CIL Consultation Infrastructure Planning Team London Borough of Tower Hamlets 2nd Floor Mulberry Place 5 Clove Crescent, E14 2B

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Dear Sir / Madam

## Tower Hamlets Community Infrastructure Levy Revised Draft Charging Schedule: Consultation on Supplementary Evidence

I am writing on behalf of London First in relation to the further consultation on the supplementary evidence for the London Borough of Tower Hamlets (referred to as the Charging Authority) Community Infrastructure Levy Revised Draft Charging Schedule. If the Examiner decides to hold a further hearing, London First wishes to reserve its right to appear which is provisionally set for 6<sup>th</sup> October 2014.

London First is a business membership organisation with the mission to make London the best city in the world in which to do business. We represent the capital's leading employers in key sectors such as financial and business services, property, transport, ICT, creative industries, hospitality and retail. Our membership also includes higher education institutions and further education colleges.

One of our principle concerns at the CIL examination was the lack of appropriate evidence that was used to demonstrate how the Charging Authority has considered the viability and deliverability of strategic sites across the borough. The supplementary evidence produced by the charging authority has now provided an improved basis for further discussion on how to proceed with CIL setting for strategic sites.

In our view the supplementary evidence makes it clear there are a different set of challenges around financial viability to deliver strategic sites across the borough. The evidence demonstrates the viability challenges faced by the Council and developers in bringing forward strategic sites. We believe the Council's evidence provides a justification for a differential set of CIL rates that should be applied to strategic sites, which may include the need to consider setting a nil rate given the complexities in bringing forward strategic sites which do differ from a traditional scale development.

Further, London First considers the Council's approach to the delivery of affordable housing in respect of the strategic sites particularly surprising and concerning. It appears the Council is using the 'subject to viability' flexibility within its affordable housing policy to back-solve its CIL rates. This is wholly inappropriate. The flexibility within affordable housing policy is intended for the planning application stage, when the detailed site specific viability is understood and can be balanced against other planning policy requirements.

Overall, London First does not support the Council's preferred option of not amending its Draft Charging Schedule in respect of strategic sites. We believe the conclusion reached by the Council goes against its own supplementary evidence base.

Yours sincerely

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**London First** 

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