

COMMUNITY INFRASTRUCTURE LEVY - It's time to make your views known!

The matter of CIL was an issue that frequently cropped up in discussions of the Steering Group of Exeter St James Forum, our parent organisation that developed the Neighbourhood Plan. For those familiar with those discussions, it is important to note that this consultation concerns the rates charged to developers, and the focus now is not on how the revenue is spent, including the neighbourhood portion.

Why should we as individuals be interested?

Differential CIL rates are an important consideration for developers. With economic factors of fundamental importance to them, it is obvious that those types of development where a lower CIL bill eats into potential profit are very attractive.

Differential CIL charges will inevitably affect the trend of development over coming years within St James and across Exeter as a whole, so if you want to have a say, this is your chance!

What examples are there of the effect of the present charging rates?

When ECC introduced its CIL in 2013, a few months after the Neighbourhood Plan had been adopted, it was decided to charge CIL on Purpose Built Student Accommodation (PBSA) at a rate 50% less than on other residential development. At the time ECC was keen to encourage PBSA development in line with its agreement with the University to provide such accommodation for 75% of the increase in student numbers, year on year, as predicted by the University. But ECC also argued that this was the answer to the community balance crisis; the repeated assurance was that although more PBSA blocks were required to help the City cope with the growth of the University, these developments would mean that student houses (HMOs) would be returned as residential stock for families.

The result is all around us!

It is hard to deny that as any potential development site within reasonably close proximity to the University has become available, for example across St James, PBSA is the only kind of development, large or not quite so large, that has flashed, first and foremost before the eyes of the developer.

Within St James, although the Neighbourhood Plan has ensured the refusal of some PBSA applications, its policy clauses cited as the reason for refusal in decision notices, regrettably others have still been approved. And yet, the promised return of student HMOs to family homes has simply not materialised – a fact that ECC eventually conceded.

The domination of PBSA amongst new development and the change of character this is having on the City, is now a matter of conversation often heard far beyond our neighbourhood and others

adjacent to the University campus. The current CIL consultation material shows that ECC shares the view that PBSA should no longer be made such an attractive proposition to developers, and so the Council is proposing a rate increase that would be likely to curb the number of PBSA applications.

Many residents across St James are likely to be delighted by this.

HOWEVER...!

A relatively recent type of development, Co-Living, is the new kid on the block. Amongst the other proposals, including increasing the rate on PBSA, ECC is proposing to charge a low rate of CIL for such development so, if approved, Exeter should expect that as the rash of PBSA planning applications dries up, Co-Living applications would soar.

Is Co-Living right for St James and / or Exeter? Each individual would be wise to think this through. What do we know about Co-Living?

Although some Co-Living developments have been approved in Exeter (eg Harlequins) and others are going through the planning process (Heavitree Road ex Police Station site), not one has yet been completed and become inhabited, so it's far too early to know whether the evidence in a few years' time will prove they really have been 'just what Exeter needs' or, as some fear, PBSA by another name. But everyone who cares about the future of St James, and the City as a whole, would be well advised to give serious thought NOW as to the likely impact of the proposed structure, before the CIL charging structure is set in stone for the foreseeable future.

Don't wait till it's too late to express your view! It could lead to much regret.

Do you think the proposed preferential rate for Co-Living will have earned the big thumbs-up in the years ahead, or have become the cause of much regret that too few people joined in the consultation voicing objections to the Co-Living CIL rate to persuade a rethink by ECC?

So far there seems very little to distinguish this form of accommodation from PBSA – except that anyone is able to apply for tenancy, student and non-student alike – as long as the rent can be met.

The publicised anticipated rent for the proposed Gladstone Road Co-Living accommodation, built on the former ambulance station site, is between £946pcm for a standard room and £1,106pcm for a premium room. This clearly limits the prospective tenant; co-living is widely promoted as the solution to the shortage of accommodation available for new graduates and other young professionals but what proportion of these would even be earning enough to satisfy the tenancy checks? Tenancy eligibility criteria include an annual income of at least two and a half times the rent, or a guarantor willing to take responsibility for all a tenant's liabilities. This means that those wanting to rent the cheapest rooms in the block must earn at least £28,380pa while an income of £33,180pa is required to apply for the most expensive.

Considering the size of Co-Living units is significantly smaller than the minimum housing space standard of 37sq.m. for a one person dwelling (the studios proposed for Gladstone Road are 16 –

17 sq.m.), it is hard to imagine that those who can afford the rent would find this an attractive proposition as their main home. Maybe that's why very short term tenancy contracts tend to be offered for Co-Living? Websites for landlords promote co-living as a particularly lucrative proposition. Does this suggest it is an equally good deal for those setting out on career pathways?

At the same time we shouldn't forget that the University has continued to grow at a far greater rate, year after year, than the predicted figures supplied periodically to the Council have suggested. As term time accommodation, rather than as an individual's main permanent home, and with rental on a par with PBSA to be covered by a loan and / or the bank of mum and dad for the limited period of studentship ... might this appeal? How likely is it that Co-Living accommodation will become PBSA by another name, another option for students, like everyone else, finding it increasingly difficult to find temporary accommodation during their studies away from their main home?

There is no disagreement over the lack of housing across the board in Exeter, but is Co-Living the right solution for young working people?

What housing options do you consider most appropriate for all who are seeking in Exeter, and for those who you would like to attract to Exeter to help make the City the kind of place you'd like it to be, including new graduates and young professionals?

If ECC's revised policy is confirmed to charge significantly lower rates of CIL for Co-Living, then it seems inevitable that this kind of development will predominate, taking over where PBSA leaves off.

Whether you think Co-Living is what Exeter needs over the next decade, or whether your opinion is that this is likely to blight our future neighbourhood and City while failing to provide appropriate homes for young professionals, and that it would be very unwise to provide developers with this incentive, you will be able to say so as part of the current consultation and urge a rethink by the Council.

Where to find the consultation documentation and survey

The main document for consultation is the Draft Charging Schedule. This, together with supporting evidence which has been used to determine the CIL rates, and an online survey, is available at this link: <https://exetersays.commonplace.is/>.

The consultation material is also available at the Civic Centre Reception and the city libraries.

The Trust would like to encourage you most strongly to join in the consultation and make your view count. Time is of the essence – do it now!