

## MURPHY'S YARD – LBC CIL REVIEW

### COMMENTS ON LBC RESPONSE TO EXAMINER

21 MAY 2020

1. These comments have been prepared on behalf of Folgate Estates, owners of the Murphy's Yard site ("the Site") in Kentish Town in response to the "Camden response to Examiners questions" document which itself is a response to questions from the Examiner to LB Camden (LBC) ref. EQ2.
2. The Examiner rightly points out that the majority of our representations relate to the Site's location within Zone C and the need for the Draft Charging Schedule to take account of the significant change in circumstances within the area (namely the emergence of the site within the Kentish Town Planning Framework (KTPF) as a significant housing site). We suggest that this requires an amendment to the zone boundaries to include the Site within Zone B alongside the Regis Road site. This matter is not specifically addressed in LBC's response to the Examiner, but we note LBC's response in its CIL Review Consultation Response Table dated 28 February 2020 stating "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."
3. We will not repeat the content of our previous representations here, but we maintain the position that although LBC is not reviewing the rates as part of this review, the emergence of the KTPF and the Site within it as suitable for a significant quantum of residential development necessitates an amendment to the zone boundaries to align the Site with the Regis Road site to the south and set consistent rates across the Growth Area. We note the Examiner's comment that "*it may be possible to differentiate representations that may be made about changing the rates for charging zones, from those that refer to changes of circumstances affecting areas and where zone boundaries are drawn*" and request that this matter is considered in detail as part of the Examination.
4. Camden's response states "Camden has set its CIL rates by looking at the costs and values generated by development and what levels of CIL could be charged without deterring development". This comment is specific to a query regarding the Euston site but explains the overall approach to setting the rates across the Borough.
5. Owing to its size, location, railway boundaries, and land use designations, the Site has a specific set of circumstances that will inform its redevelopment prospects. The LSIS site designation makes it unique, especially in Zone C of the CIL charging map. The majority of Zone C consists of very high standard residential neighbourhoods with no industrial sites. Given the Site's policy requirements, residential use that comes forward will be alongside c. 40,000sqm of industrial floorspace. This is not comparable to any of the high-value neighbourhoods in Hampstead and Highgate. The evidence in GVA's CIL Economic Viability Appraisal, June 2014 demonstrates this through the sales values data included in this report on pages 53-54.
6. LBC's Local Plan designates the Site as a locally significant industrial site where intensification of industrial uses is encouraged and required. The high residential charge for developments in Zone C is inconsistent with the approach of the KTPF to deliver residential use on the existing LSIS site, which was not envisaged when the original charging schedule was adopted, and which could serve as a deterrent to residential development. The LSIS designation that covers the entirety of the Site

is a material consideration in terms of its existing and future character (given the industrial land use requirements for any proposed redevelopment), and ultimately the “zone” that it relates to. As we stated in our original representations, applying the Zone C 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.

7. In terms of Infrastructure Payments, we welcome LBC’s intention to publish a policy on Infrastructure Payments in lieu of CIL for sites identified in adopted planning framework documents. However, this provision does not in itself address our concerns regarding the change in circumstances at the Site as set out above. Similarly, the ability for CIL to be paid in instalments does not mitigate against the significant liability that would be incurred by development (particularly residential) at this site, even though it may help with cash flow. Infrastructure Payments may be made in lieu of CIL but fundamentally the liable amount in monetary terms is unchanged. A sensible approach for the Growth Area would set a consistent rate which would better and more fairly encourage the infrastructure delivery across the area. The Council may pool CIL contributions in order to address infrastructure needs generated by development in the framework area, but again this does not address the fact that a higher liability is being charged at the Site.
8. LBC’s response also states that *“on larger sites development that will come forward in phases the CIL would be charged by phase, and with instalments if appropriate, which would provide further flexibility. It is also possible that Camden may relax this approach further in the case of very large strategic development provided a satisfactory explanation is given for why such additional flexibility is needed and how this would facilitate the provision of infrastructure to address the impact of such a development.”* We welcome the willingness for flexibility, in particular as it may relate to instalments being paid by way of infrastructure payments (in accordance with Regulation 74 of the CIL Regulations) and ensuring that cashflow is managed in line with the infrastructure delivery.