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Date: 17 August 2015



Mr Ranesh Chavda

Programme Officer – Leicester City Council CIL Examination

Dear Mr Chavda,

Additional Information Requested by Inspector

Please find attached the City Council's response to the additional information the CIL Inspector has requested regarding the University of Leicester's comments on the viability study (vs) and viability study update (vsu).

In addition, there are a couple of factual issues raised by the University in their submission that we consider to be inaccurate and we would wish to bring to the attention of the Inspector before the Hearing. These are set out below:

Consultation on viability appraisal and viability update

Leicester University have submitted representations at all stages of the preparation the charging schedule, at Preliminary Draft and Draft stage. These have been submitted to the Inspector as part of our evidence for our charging schedule.

In regards to the viability appraisal and viability update, the council would like to direct the Inspector to the University representations to the Preliminary Draft Charging Schedule. To the question "Do you have any comments to make on the viability assumptions and methodology used in the CIL Viability Assessment?" Andrew Piatt of Gateley LLP responded on behalf of the University of Leicester (citizen space ref ANON-9CNU-XGX1-7): -

"The proposal to change student halls of residence has no empirical or policy basis. University owned student halls of residence provide low cost housing for students together with pastoral and social support for students. Student halls as an affordable option, therefore fulfil a function akin to affordable housing. Affordable housing is exempt from CIL and it is illogical to incorporate student halls of residence, which fulfil similar purposes, within CIL. A figure of £100 per square metre is arbitrary and completely fails to recognise that delivery of accommodation for students by the University fulfils an educational purpose and is not a commercial enterprise. There is no sound empirical basis for the figure in relation to University provided student accommodation. The proposed charge will directly impact upon the University's ability to provide student accommodation, which has wider consequential impact.

The required balance is not struck. The Leicestershire and Rutland CIL viability study fails to justify the proposed charge on student halls of residence.”

Also as part of the Draft Charging Schedule the following consultation question was asked “The Council invites comments on the Draft Charging Schedule and supporting documents including the viability assessment update 2014” with the viability update being made available on the Council’s consultation system as well as all Leicester City Council’s customer service centres and libraries.

In regards to this Andrew Piatt of Gateley LLP again responded on behalf the University of Leicester and stated *“The University notes that in relation to the representations that it made on the preliminary draft schedule consultation the Council asserts that the level of charge has been set in accordance with viability evidence. The University has instructed surveyors on its behalf to review the viability position which is set out within the “CIL Viability Study Update” of December 2014. Section 8 of that deals with student accommodation and sets out a viability appraisal of an indicative scheme. The University does not accept the income and cost components of that appraisal and consequently does not accept its conclusions.”*

The University of Leicester were also invited to 2 developer days in 2012 where the viability evidence was discussed in further detail. Leicester City Council is therefore surprised by the comments from the University of Leicester that they were not given opportunity to provide comments on the Leicestershire and Rutland CIL viability study and 2014 Leicester Viability Update.

Comprehensive city wide student residential strategy

The University make reference to their representation to the Council’s Local Plan Issues and Options consultation (13th February 2015) in which they suggest that *“there is a need for a comprehensive city wide student residential strategy, with an emphasis on the coordinated delivery of the right quality, of the right type, in the right location that responds to the changing nature of the product and provision”*. They then suggest that their CIL evidence, alongside a review of the Council’s evidence base for its adopted Core Strategy and forthcoming Local Plan, confirms that such a strategy does not exist. In addition, it is suggested that the adopted Core Strategy only addresses student accommodation in a very general way in Policy CS6, which says an SPD will be prepared, and that no SPD has been produced post the Core Strategy.

The Council believes this information is misleading, and that it is important to make clear that we adopted a [Student Housing SPD](#) in June 2012, which is a comprehensive strategy for student accommodation (both purpose built and shared housing) across the city. This builds on Core Strategy policy CS6, and provides further guidance on issues such as need for new accommodation, location, scale, over-concentration, quality and management. In particular, the SPD seeks to, and has been successful in, steering new purpose built student accommodation away from existing residential areas where there are already a high concentration of students and towards more appropriate areas, in particular the city centre.

The University of Leicester were involved throughout the preparation of the SPD. Indeed, in their formal response to the SPD consultation, they stated that *“the University welcomes the proposed SPD in the context of providing constructive*

supplementary advice and guidance to that which is present in the statutory development plan for the City Council”.

Core Strategy policy CS6, which the Student Housing SPD supports, was not changed between the 2010 Core Strategy and the current adopted version which was found sound at Examination in 2014. The City Council therefore considers that the Student Housing SPD, adopted in 2012, is up-to-date and relevant.

I would be grateful if you could forward this letter, together with the attached viability information, to the Inspector.

Yours sincerely,

Fabian D’Costa

Team Leader – Planning Policy