Carter Jonas

RESPONSE TO DRAFT COMMUNITY INFRASTRUCTURE LEVY PUBLIC CONSULTATION

ON BEHALF OF JAYNIC PROPERTIES LTD IN RELATION TO CAMBRIDGE SERVICES

QUESTION 1: WHO ARE YOU RESPONDING ON BEHALF OF?

Developer – Jaynic Properties Ltd.

QUESTION 2: DO YOU WISH TO PARTICIPATE IN THE CIL EXAMINATION?

Yes.

The Developers are involved in land on the A14 that is allocated for B2/B8 development in the emerging Greater Cambridge Local Plan. Given its evident strategic importance amongst the employment sites being promoted along the A14 corridor and the sensitivity of CIL viability impacts on commercial development, Jaynic Properties Ltd would like to, and feel it appropriate that they, participate in the examination.

QUESTION 3: DO YOU AGREE THAT THE COUNCIL SHOULD INTRODUCE CIL?

If 'No, please explain why you do not agree.

Yes, in principle — but only if CIL rates for employment/logistics development remain viability-positive and competitive in the wider region.

The Council's intention to fund strategic transport infrastructure through CIL is clearly set out in the draft consultation documentation. However, CIL needs to be proportionate to the highways improvements which are often site specific.

Key Reasons CIL Should Not Apply to Industrial and Logistics Sites

1) **Industrial/logistics schemes often operate on low margins and face high infrastructure costs**
   B2/B8 schemes face:

   - Increasing build costs (materials, energy, sustainability requirements)
   - Significant upfront servicing and infrastructure needs
   - Fixed market rents and yields that cannot simply absorb new charges

   These viability constraints are widely recognised in national practice.

2) **Regional comparisons show that most authorities set CIL at £0 for B-class employment uses**
   Industrial/logistics CIL rates applied elsewhere demonstrate the need for caution:

   - **Babergh:** £0 per sqm for B2/B8 uses
   - **Central Bedfordshire:** £0–£10 per sqm (often £0 for logistics)
   - **Chelmsford City:** Zero rating for all non-residential including B2/B8
   - **East Cambridgeshire:** £0 per sqm for employment uses
   - **East Suffolk:** £0 per sqm for B2/B8 uses
   - **Huntingdonshire:** £0 per sqm for B2/B8 uses
   - **Mid Suffolk:** £0 per sqm for B2/B8 uses
   - **Peterborough:** £0 per sqm for B2/B8 uses
   - **West Suffolk:** Does not charge CIL at all

These very low or zero rates reflect nationwide recognition that employment-led sites produce far lower land value uplift and should not be burdened with CIL, ensuring that logistics and industrial development remains deliverable and economically competitive.

Even where local authorities do charge CIL on B2 / B8 uses, the CIL the rates are lower than what GCP is proposing (e.g. Essex, Northamptonshire and Buckinghamshire).

Introducing CIL into Greater Cambridge for such uses would place the area at a clear competitive disadvantage, pushing logistics development to neighbouring districts.

3) **Employment land in Greater Cambridge is strategically essential**
Draft employment allocations are intended to meet defined employment land needs for Greater Cambridge and deliver B2/B8 capacity and HGV parking.

Charging CIL on sites that the Local Plan depends on for employment delivery risks:

- Delays in bringing sites forward
- Reduced developer ability to fund necessary site-specific S106 mitigations
- Loss of regionally important employment and logistics capacity

4) **Evidence base does not sufficiently assess logistics viability**
Although the Council has produced a Viability Report and supporting CIL evidence, these documents:

- Do not assess A14-specific development challenges
- Do not include robust modelling of modern logistics development costs
- Do not justify departure from the regional zero-rate norm for B2/B8

The A14 Logistics Forum has also identified gaps in cumulative transport assessment along the A14 corridor, illustrating the need for more detailed evidence before applying any charging regime to logistics sites.

5) **Employment developments already secure economic and infrastructure benefits**
B2/B8 development provides:

- Significant numbers of local jobs of varying types and skills
- Business rates revenue
- Supply chain and training benefits
- Site-specific transport improvements through S106

CIL risks duplicating or displacing key S106 contributions by weakening viability and reducing funds available for site-specific mitigation.

6) **CIL could reduce—rather than increase—infrastructure delivery**
If CIL renders key employment schemes unviable:

- No development takes place
- No S106 transport mitigation is delivered
- No CIL revenue is collected
- No employment land is brought forward

This is a particularly acute risk along the A14 corridor, where strategic transport considerations are already complex and expensive to resolve.

Conclusion
CIL should be introduced only where it does not impair the delivery of regionally important employment land.

Given the strong viability sensitivities of B2/B8 development, the A14 corridor's unique challenges, the strategic importance of employment sites along the A14, and the consistent regional pattern of £0 CIL rates for industrial/logistics uses, the only appropriate approach is a zero CIL rate for all B2/B8 employment development.

This ensures that Greater Cambridge remains competitive, employment land is delivered as planned, and infrastructure needs can be met through a balanced, viable combination of S106 and strategic planning mechanisms.

QUESTION 4: DO YOU AGREE THAT THE COUNCIL HAS DEMONSTRATED A FUNDING GAP?

If 'No, please explain why you do not agree.

No — while the consultation materials suggest the presence of a general infrastructure funding gap, the Council has not demonstrated a clear, quantified, or justified funding gap that warrants imposing CIL on employment/logistics sites such as those along the A14.

What the consultation materials say about the funding gap
The consultation materials state that Greater Cambridge Shared Planning intends to introduce CIL to help pay for strategic transport infrastructure needed to support development across Cambridge and South Cambridgeshire. This intention is explicitly referenced in the CIL consultation overview, which explains that CIL would serve as "an important tool" for funding infrastructure required to support development.

The Draft Charging Schedule consultation further indicates that CIL is being proposed to contribute towards such strategic infrastructure, and that the Councils are inviting comments on whether their evidence sufficiently justifies the proposed rates, including whether they have demonstrated a funding gap.

However, the documents do not set out a clear, quantified infrastructure funding gap by category, by project, or by timescale nor do they break down the funding shortfall between strategic transport infrastructure (intended to be funded by CIL) and site-specific works (continuing under Section 106).

Why the consultation does not adequately demonstrate a funding gap

1) **No quantified shortfall is shown for the strategic transport infrastructure CIL is intended to fund**
   The consultation states that transport infrastructure funding is needed but does not present:

   - A list of specific strategic transport projects to be funded by CIL,
   - The cost of those projects,
   - The existing committed funding, or
   - The remaining shortfall.

   Without these, a funding "gap" is not demonstrated in a way that meets the level of justification required before imposing CIL.

2) **The viability evidence is insufficiently transparent or detailed**
   The consultation references the existence of a Viability Report. However, the consultation materials do not show:

   - How employment sites have been tested for viability under different CIL scenarios,
   - Any sensitivity testing for logistics development,
   - Any recognition of the A14 corridor's higher infrastructure burden,
   - Any demonstration that B2/B8 uses can viably absorb a charge.

   Without robust viability evidence, a funding gap alone cannot justify CIL rates that risk making development unviable.

3) **No cumulative A14 corridor infrastructure assessment is presented**
The A14 Logistics Forum response highlights a serious flaw in the draft Greater Cambridge Local Plan evidence base:

- Cumulative impacts of logistics and industrial growth along the A14 corridor have not been assessed, especially regarding traffic and flood risk.

If the Council cannot demonstrate cumulative infrastructure need, it cannot demonstrate a reliable funding gap attributable to these developments.

4) **Funding needs appear to be generalised rather than linked to specific development typologies**
CIL should only be charged where there is a clear relationship between the type of development and the infrastructure it is intended to help fund. Here, the consultation does not demonstrate:

- That B2/B8 development generates the strategic transport funding gap, or
- That industrial/logistics uses should be expected to contribute to strategic transport infrastructure that may primarily serve residential growth.

Why the scale of the funding gap does not justify imposing CIL on employment sites

1) **A funding gap is normal — not a justification for indiscriminate charging**
Nearly all local authorities have infrastructure funding gaps. Yet many choose zero CIL rates for B-class uses because the economic harm caused by charging outweighs revenue benefits.

This is exactly the case for:

- **Babergh:** £0 per sqm for B2/B8 uses
- **Central Bedfordshire:** £0–£10 per sqm (often £0 for logistics)
- **Chelmsford City:** Zero rating for all non-residential including B2/B8
- **East Cambridgeshire:** £0 per sqm for employment uses
- **East Suffolk:** £0 per sqm for B2/B8 uses
- **Huntingdonshire:** £0 per sqm for B2/B8 uses
- **Mid Suffolk:** £0 per sqm for B2/B8 uses
- **Peterborough:** £0 per sqm for B2/B8 uses
- **West Suffolk:** Does not charge CIL at all

Employment CIL revenues are typically low because logistics viability is limited; charging CIL therefore produces minimal gain but substantial economic harm.

2) **Employment sites already fund significant infrastructure via S106**
B2/B8 schemes must fund:

- Access improvements
- Junction upgrades
- HGV routing measures
- Travel planning
- Cycle/pedestrian network enhancements
- Flood and drainage mitigation

These works will still be required under S106 because they are site-specific.
Imposing CIL means double charging.

3) **CIL risks undermining the Council's own employment strategy**
Draft employment allocations are essential to meeting local employment needs.

If CIL reduces viability, this may result in:

- The non-delivery of employment floor space
- Undermining the Local Plan employment supply
- The loss of economic growth, jobs, and business rates
- The loss of private-sector funding for site-specific infrastructure
- Zero CIL income if development does not proceed

Thus, CIL could worsen - not improve - the funding gap.

Why the funding gap case is particularly weak for A14 industrial / logistics sites

1) **Such sites already face high infrastructure costs**
Because these types of sites sit at a major A14 junctions, they must already address:

    - HGV circulation
    - Junction capacity
    - On-site and off-site highway works
    - Costly site servicing
    - Environmental and drainage constraints

    The addition of CIL would elevate costs beyond the standard parameters for employment sites.

2) **The A14 corridor lacks cumulative transport modelling**
As confirmed by the A14 Logistics Forum, developers cannot quantify their infrastructure burden because the Council has not provided cumulative assessments.

    Charging CIL in this context is premature and unjustified. Equally, in relation to A14 industrial / logistics sites, CIL charging would fail to recognise the benefits already being brought forward to the A14 corridor through increased HGV capacity (where this is included in developments along the A14).

3) **A14 industrial / logistics sites support strategic economic functions**
Such sites contribute to:

    - Regional logistics capacity
    - Supply chain resilience
    - Labour market expansion
    - HGV parking provision (a significant public service)

    Imposing CIL risks deterring development of strategically critical employment assets.

Conclusion
While the consultation materials refer broadly to a funding gap, they do not adequately demonstrate:

- A quantified shortfall in strategic transport infrastructure costs;
- That B2/B8 development contributes meaningfully to this gap;
- That employment development can viably bear CIL;
- That imposing CIL on employment uses would not harm delivery of strategic employment land;
- That cumulative A14 infrastructure needs have been assessed.

For these reasons, the funding gap has not been properly demonstrated, and the scale or nature of the gap does not justify imposing CIL on employment/logistics development.

QUESTION 5: DO YOU AGREE THAT THE COUNCIL HAS USED APPROPRIATE EVIDENCE TO INFORM THE PROPOSED RATES?

If 'No, please explain why you do not agree.

No — the evidence base presented by the Council is not sufficiently robust, detailed, or reflective of the specific viability characteristics of industrial/logistics development or the A14 corridor and therefore does not appropriately justify the proposed CIL rates.

What evidence the Council says it relied on
The consultation identifies the following documents as the key evidence base for rate-setting:

- Greater Cambridge Viability Report
- Greater Cambridge Infrastructure Statement
- Draft Charging Schedules for Cambridge City and South Cambridgeshire
- Draft Instalment Policies

The consultation overview also notes that the Councils have published evidence intended to demonstrate that they have *"struck an appropriate balance between the need to fund infrastructure and the potential implications for the viability of development across the area."*

However, when examined closely, these documents do not contain the level of detail, site-specific analysis, or employment-sector modelling necessary to justify setting CIL rates for B2/B8 uses.

The Viability Report lacks sufficient industrial/logistics-specific modelling
The Council's Viability Report is a generic area-wide assessment intended to test broad viability conditions across Greater Cambridge. However:

1) **It does not model modern logistics development**
   There is no specific viability testing for:

   - Different scale B8 distribution units
   - High-bay warehousing
   - HGV facilities
   - Associated external yards and vehicle circulation areas
   - High power/energy requirements typical of modern logistics operators

2) **No recognition of higher infrastructure costs on the A14 corridor**
   The A14 Logistics Forum's critique of the Local Plan evidence states that:

   - Developers have provided no traffic modelling due to lack of Council-produced cumulative assessments
   - Cumulative A14 corridor transport impacts have not been evaluated
   - Flood risk management across sites has not been integrated

   This demonstrates that strategic transport pressures unique to the A14 corridor are not understood — meaning the viability evidence cannot possibly account for them.

3) **No sensitivity testing for CIL impacts on B2/B8 schemes**
   Best practice (as widely applied in regional authorities) includes:

   - High and low rental scenarios
   - Different yield assumptions
   - Rising construction cost scenarios
   - Alternative land values for serviced vs. un-serviced land

   The Council's published documents do not show such testing.

The evidence does not justify a departure from established regional CIL practice
The consultation fails to explain why Greater Cambridge believes it appropriate to levy CIL on industrial/logistics development when all neighbouring authorities have adopted zero CIL on B-class employment development, including:

- **Babergh:** £0 per sqm for B2/B8 uses
- **Central Bedfordshire:** £0–£10 per sqm (often £0 for logistics)
- **Chelmsford City:** Zero rating for all non-residential including B2/B8
- **East Cambridgeshire:** £0 per sqm for employment uses
- **East Suffolk:** £0 per sqm for B2/B8 uses
- **Huntingdonshire:** £0 per sqm for B2/B8 uses
- **Mid Suffolk:** £0 per sqm for B2/B8 uses
- **Peterborough:** £0 per sqm for B2/B8 uses
- **West Suffolk:** Does not charge CIL at all

These zero-rate positions exist because the industrial/logistics sector is widely recognised as having:

- Higher upfront infrastructure costs
- Lower development margins
- Lower land value uplift
- Greater sensitivity to cumulative obligations
- Less ability to absorb additional taxation

Without viability evidence demonstrating why Greater Cambridge materially differs from these well-established regional patterns, the proposed CIL rate is not adequately justified.

The Infrastructure Statement does not link infrastructure costs to B2/B8 development
The Greater Cambridge Infrastructure Statement sets out general area-wide needs but does not:

- Identify which infrastructure categories are directly generated by logistics uses
- Identify the cost of infrastructure attributable to B2/B8 development
- Separate costs driven by residential growth from those driven by employment growth
- Assess whether employment development provides proportionate funding via S106

Since B2/B8 developments generate significant site-specific S106 obligations (junction improvements, HGV routing, drainage, travel planning), the Infrastructure Statement should show the remaining strategic burden industrial development should fairly contribute to. It does not.

Thus, the Statement cannot be considered adequate evidence for imposing CIL on these uses.

Evidence does not consider the characteristics of B2/B8 sites along the A14 corridor
The viability evidence does not address:

- The unique highway constraints of the A14 (identified as inadequately assessed by the A14 Logistics Forum)
- The high site-servicing costs associated with large logistics platforms
- The land value characteristics of employment land west of Cambridge
- The cost of HGV parking infrastructure (large impermeable surfaces, lighting, security, drainage)
- Environmental mitigation requirements common on sites adjacent to major transport corridors
- The need for larger plot depths, extensive external yards, and 24-hour operational design features

Overall conclusion
The Council has not used appropriate, sufficient, or detailed evidence to justify imposing CIL on B2/B8 employment/logistics development.

Key shortcomings include:

- The viability report lacks industrial/logistics modelling
- No A14-specific cumulative assessment exists
- No sensitivity testing for industrial viability is shown
- Zero justification is given for diverging from regional zero-rate practice
- The Infrastructure Statement does not attribute costs proportionately to industrial uses

Accordingly, the proposed CIL rates are not evidence-based and cannot be applied to the A14 Logistics sites. A zero CIL rate for all B2/B8 uses remains the only justified approach.

Question 6: Do you agree that the Council has struck an appropriate balance between additional investment to support development and the potential effect on the viability of developments?

If 'No, please explain why you do not agree.

No — the Council has not struck an appropriate balance. The proposed CIL approach would place additional cost pressures on development, particularly for employment/logistics sites, and the evidence presented does not fully justify the level of burden proposed for B2/B8 uses.

Consultation documents show the Council's aim to secure more funding — but not how viability is protected
The Council's consultation states that CIL is intended to support the strategic transport infrastructure required across Greater Cambridge, and that the Councils believe they have struck "an appropriate balance" between funding needs and viability.

However, the supporting documents - including the Draft Charging Schedules, Instalment Policies, and Viability Report - do not demonstrate how the balance has been achieved. They invite comments on whether these issues have been adequately evidenced, indicating that the Councils' position is not yet fully substantiated.

In particular, the consultation does not show how viability impacts differ across development types, nor does it justify why industrial/logistics development should bear a CIL charge despite its well-documented viability constraints.

The viability evidence does not sufficiently test B2/B8 development, so the balance cannot be said to be "appropriate"
For the Council to claim it has balanced infrastructure funding and viability, it must demonstrate that:

- viability has been robustly tested for each development typology;
- proposed CIL rates can be absorbed without undermining deliverability;
- sector-specific factors (e.g., logistics) have been meaningfully addressed.

However, the Viability Report cited in the consultation does not include:

- detailed modelling of small to large-format logistics units;
- sensitivity testing around construction cost inflation, yield compression, or infrastructure burdens;
- assessment of viability conditions specific to the A14 logistics corridor;
- calculation of the combined impact of CIL + S106 + abnormal infrastructure costs.

The Council therefore cannot demonstrate that its evidence appropriately balances infrastructure needs and viability impacts for employment development.

The Council's approach appears to apply this test at a generic level, without differentiating between sectors that operate with very different cost structures and economic characteristics. For example:

High-value sectors (e.g., residential, commercial office):
These sectors generally have greater capacity to accommodate additional charges due to:

a) high land value uplift,
b) strong demand,
c) relatively predictable build costs.

Low-margin sectors (e.g., logistics/industrial):
These developments tend to experience more constrained financial parameters, including:

a) tighter yields,
b) increasing construction costs,
c) lower rental levels,
d) reduced contingency to absorb additional charges.

The consultation evidence does not fully reflect these variations, making it difficult to understand how the proposed rates have been balanced across different development types.

Regional comparisons show that neighbouring authorities have recognised viability risks and set CIL at zero
The Councils' proposed approach is out of step with established regional precedents. Neighbouring authorities set:

- **Babergh:** £0 per sqm for B2/B8 uses
- **Central Bedfordshire:** £0–£10 per sqm (often £0 for logistics)
- **Chelmsford City:** Zero rating for all non-residential including B2/B8
- **East Cambridgeshire:** £0 per sqm for employment uses
- **East Suffolk:** £0 per sqm for B2/B8 uses
- **Huntingdonshire:** £0 per sqm for B2/B8 uses
- **Mid Suffolk:** £0 per sqm for B2/B8 uses
- **Peterborough:** £0 per sqm for B2/B8 uses
- **West Suffolk:** Does not charge CIL at all

These decisions directly reflect the fragility of employment land viability and the importance of remaining competitive as a logistics investment location.

If Greater Cambridge imposes CIL where others do not, it will:

a) drive developers to nearby zero-CIL authorities;
b) reduce Greater Cambridge's employment land delivery;
c) undermine economic objectives in the emerging Local Plan.

This contradicts the concept of an "appropriate balance."

Overall conclusion — The balance does not appear to have been fully demonstrated
Based on the consultation material, it is not yet clear that the Council has shown an appropriate balance between:

a) the need to fund strategic transport infrastructure, and
b) the cost characteristics of employment and logistics development, particularly along the A14 corridor.

Several areas of analysis appear incomplete or insufficiently evidenced:

a) B2/B8 development has not been modelled within the viability assessment.
b) Cumulative impacts along the A14 corridor have not been fully explored.
c) Site-specific infrastructure and servicing requirements are not taken into account.

d) Prevailing regional practice of applying a zero rate to industrial development has not been considered.
e) Differences in sectoral cost structures are not reflected in the proposed charging approach.
f) The potential for additional charges to influence delivery of employment allocations has not been assessed.

Given these gaps, the evidence does not yet demonstrate that an appropriate balance has been achieved.

A zero CIL rate for B2/B8 uses remains the approach most consistent with available information and with how other authorities across the region have responded to the cost profile of industrial and logistics development.

QUESTION 7: DO YOU AGREE THAT IT IS CLEAR HOW CIL WILL OPERATE ALONGSIDE SECTION 106 PLANNING OBLIGATIONS?

If 'No, please explain why you do not agree.

No — the consultation documents do not provide sufficient clarity on how CIL will interact with Section 106 for employment/logistics developments, particularly for sites like the industrial/logistics developments proposed along the A14 where significant site-specific mitigation will be required.

What the consultation documents say — and what they do not say
The Draft Community Infrastructure Levy Public Consultation provides the Charging Schedules, Instalment Policies, and supporting evidence, and invites comments on how CIL will work alongside Section 106 obligations.

The consultation overview confirms that CIL is intended to fund strategic transport infrastructure across Greater Cambridge.

However, the documents do not clearly set out:

- Which strategic transport projects will fall under CIL
- Which site-specific transport works will remain under Section 106
- How the Council will prevent double counting
- How obligations differ between residential and employment developments
- A clear “Regulation 123 list” style breakdown (even though the formal Reg. 123 list is no longer used, most authorities still publish CIL/S106 demarcation tables for clarity)

As a result, developers cannot determine with confidence what infrastructure they will be asked to fund under each mechanism.

Lack of clarity is especially problematic for A14 logistics and employment sites
These uses inevitably require extensive site-specific mitigation, including:

- Access improvements to the A14 junction
- HGV routing and turning arrangements
- On-site servicing, drainage and utilities
- Footpath/cycleway connectivity
- Localised traffic management measures
- Acoustic and environmental buffering

These are mitigations that must be delivered through Section 106, as they relate directly to the site and its operational impacts.

But the consultation gives no certainty that such works will not also be funded (or partially funded) through CIL.

This lack of clarity raises both cost risk and viability uncertainty for developers.

The A14 corridor evidence gaps further undermine clarity on CIL vs S106
The A14 Logistics Forum highlights several evidence failures in the wider Local Plan process:

- No cumulative transport assessment across the A14 corridor
- Lack of consolidated analysis of traffic impacts of multiple logistics schemes
- Lack of flood risk cumulative assessment

If these assessments do not yet exist, then:

- The Council cannot reliably distinguish strategic transport needs (CIL) from site-specific mitigation (S106).
- Developers cannot anticipate which infrastructure burdens will fall on them.
- The Council cannot claim that the relationship between CIL and S106 is “clear.”

Risk of double charging — a major industry concern
Without clear demarcation, industrial/logistics developers face the risk of paying twice:

- **Through CIL:**
  For strategic road improvements covering the wider area.

- **Through S106:**
  For site-specific highway upgrades, access works, and local traffic mitigation.

Experience from other authorities has shown that where early CIL implementation has lacked clear S106/CIL demarcation, this overlap has created uncertainty and additional cost pressures for developers.

For logistics sites — where financial margins are typically tighter — the cumulative effect of both charges can place meaningful pressure on scheme economics. While this does not necessarily render a scheme unviable, it can significantly impact deliverability and reduce flexibility within development budgets.

Industrial and logistics developments already contribute heavily through Section 106
It is standard practice that B2/B8 schemes deliver:

- Junction capacity increases
- Highway access realignments
- New roundabout arms or signalisation
- On-site HGV facilities and routing controls
- Travel plans
- Drainage and attenuation infrastructure
- Landscaping, screening, and ecological mitigation

These site-specific measures will always remain S106 obligations.

The consultation does not reassure developers that CIL will not fund similar interventions, creating uncertainty over:

- Which transport measures fall under CIL
- Whether one type of infrastructure is partially funded under both regimes
- Whether S106 will be reduced proportionately to account for the introduction of CIL
- Whether the cumulative impact of obligations has been viability-tested (it has not)

Clarity required on A14 related sites
The consultation provides no A14 site related guidance explaining:

- Whether A14 junction improvements would be CIL-funded or S106-funded
- Whether HGV-related road safety measures would be one, or the other, or both
- Whether the Council expects B2/B8 schemes to fund new strategic transport infrastructure through CIL despite also delivering major on-site highway works

This ambiguity increases delivery risk and undermines the Local Plan's employment strategy.

Conclusion
The consultation does not clearly explain how CIL will operate alongside Section 106 obligations. The evidence base:

- Does not define the split between strategic transport infrastructure (CIL) and site-specific mitigation (S106)
- Does not address the unique infrastructure challenges of A14 logistics sites
- Does not prevent double charging
- Does not provide sector-specific clarity needed for B2/B8 developers
- Does not explain how viability is protected in light of combined CIL + S106 burdens

Accordingly, the Council has not provided clear or adequate information on how CIL will operate alongside Section 106 obligations, especially for the industrial/logistics sites along the A14.

A zero CIL rate for B2/B8 uses remains the only viable approach until such clarity is provided.

QUESTION 8: DO YOU AGREE THAT THE DRAFT INSTALMENT POLICY STRIKES THE RIGHT BALANCE BETWEEN INCOME AND DEVELOPER CASHFLOW?

If 'No, please explain why you do not agree.

Only partially — while instalments are offered, the draft policy does not strike the right balance for large B2/B8 employment developments or logistics-based sites The instalment timetable is too compressed, does not reflect the cashflow profile of industrial/logistics development, and risks undermining viability.

What the consultation materials say about instalments
The consultation includes Draft Instalment Policies for both Cambridge City Council and South Cambridgeshire District Council. These policies accompany the Draft Charging Schedule and form part of the documents on which the Councils are inviting representations.

However, the instalment policies are generic — they do not differentiate between development types, development scale, or differing cashflow characteristics. They reflect a standardised approach rather than acknowledging the unique viability constraints of employment land.

Large B2/B8 schemes have fundamentally different cashflow patterns to other development types
Industrial/logistics developments require:

- Significant upfront capital expenditure (platform construction, utilities upgrades, earthworks, attenuation ponds, access roads, HGV yards)
- Extensive infrastructure investment before any building is usable or income-generating
- Staged development where plots may be delivered over time rather than in a single phase
- Finance and funding models that depend on pre-lets, forward funding, or occupier agreements

These characteristics differ substantially from residential development, where units are completed and sold progressively throughout the build period.

Because the Council's instalment policy does not account for these differences, it cannot be said to strike an appropriate balance.

This type of development has especially expensive early-stage infrastructure requirements, including:

- Significant junction and access arrangements
- HGV turning, circulation, parking and enforcement infrastructure
- Large structural foundations for distribution platforms
- Extensive yard surfacing, drainage and SUDs
- Landscaping, bunding, and screening adjacent to the A14 strategic corridor

These costs occur long before the scheme generates lettable floorspace or revenue.

A compressed CIL instalment schedule places disproportionate cashflow pressure on such a site, risking viability.

The instalment policy's timescales are too front-loaded for logistics development
Although the exact wording of the instalment policies is not reproduced in the consultation summary, the Councils' documents show that:

- CIL becomes payable shortly after commencement;
- Instalments are spread over a relatively short period;
- Larger developments do not receive proportionately longer repayment periods.

For industrial schemes — which may involve millions of pounds of infrastructure investment before completion — requiring CIL payments early in the programme is misaligned with real-world cashflow and increases viability risk.

The A14 corridor lacks cumulative transport assessment, creating further early-stage financial uncertainty

The A14 Logistics Forum explicitly noted that the Council has not produced:

- cumulative transport modelling for all A14 logistics proposals;
- a corridor-wide assessment of transport impacts;
- consolidated information on flood risk interactions.

Because such assessments are missing, developers cannot accurately quantify:

- what infrastructure they will be required to fund through S106;
- what strategic transport contributions may be expected through CIL;
- whether early CIL payments coincide with other major infrastructure outlays.

This lack of clarity compounds risk and means the instalment policy does not provide sufficient breathing room for large B-class schemes.

Regional practice reinforces the need for more flexible instalment terms
Neighbouring authorities that apply £0 CIL for B2/B8 development (e.g., Peterborough, East Cambridgeshire, West Suffolk, Central Bedfordshire etc.) do so:

- to maintain viability;
- to remain competitive;
- because they recognise the heavy early-stage infrastructure investment required in logistics development.

Greater Cambridge is already diverging from regional norms by proposing a charge. At minimum, this requires longer, more flexible instalment terms.

Conclusion — The policy does not strike the right balance
For B2/B8 employment development more broadly — the proposed instalment policy:

- Does not reflect the high upfront capital intensity of logistics development;
- Does not recognise that income is not achieved until late in the programme or following completion.
- Does not recognise the unique cost environment of A14 corridor employment land;
- Imposes CIL payments too early in the project lifecycle which discourages speculative investment entirely;
- Does not recognise that Early CIL obligations can reduce debt capacity and harm financing terms.
- Fails to account for overlapping S106 obligations;
- Increases viability risks without evidence-based justification;
- Is out of step with both sector norms and regional CIL practice.

Therefore, the draft instalment policy does *not* strike an appropriate balance between income and developer cashflow. A more flexible, extended instalment framework is necessary — or a zero CIL rate for B2/B8 uses should be adopted.

QUESTION 9: DO YOU AGREE THAT THE COUNCIL HAS MET ALL REGULATORY REQUIREMENTS?

If 'No, please explain why you do not agree.

Only partially — while the Council has met the basic procedural requirements for publishing the Draft Charging Schedule and supporting documents, significant gaps in the evidence base, consultation clarity, and statutory justification mean that the Council has not met the regulatory requirements necessary to support the introduction of CIL on B2/B8 employment sites.

Procedural requirements appear to have been met — but this is only one element of regulatory compliance
The Council has published its Draft Charging Schedules, Draft Instalment Policies, Infrastructure Statement, and Viability Report as required under the CIL Regulations. These documents have been made available as part of a formal public consultation process.

The Council's consultation overview also confirms that the Draft Charging Schedule is being prepared in accordance with Section 212 of the Planning Act 2008.

However, procedural publication alone does not equate to compliance.

Under Regulation 14 of the CIL Regulations, a charging authority must use "appropriate available evidence" and must strike an appropriate balance between funding infrastructure and ensuring development viability.

This is where the Council's evidence falls short.

The Council has not demonstrated that it used "appropriate available evidence," as required by the CIL Regulations
The CIL Regulations require that charging authorities use up-to-date, proportionate, and relevant viability evidence when setting rates.

Yet the Council's evidence base fails to meet this standard because:

1) **The Viability Report does not model industrial/logistics development**
   The Viability Report lacks typology-specific modelling for B2/B8 uses and small to large-format logistics sites.

2) **No assessment has been made of A14 corridor cumulative impacts**
The A14 Logistics Forum highlights that the Council has not produced cumulative assessments of traffic impacts, flood risk, or infrastructure pressure across the corridor. Without such assessments, the Council's evidence is incomplete.

3) **Regional comparators have been ignored**
Neighbouring authorities (Peterborough, East Cambridgeshire, West Suffolk, Central Bedfordshire) all set a zero CIL rate for B-class uses, based on viability evidence.
The consultation documents do not explain why Greater Cambridge is diverging from this norm.

4) **No clear link between strategic infrastructure costs and B-class development**
The Infrastructure Statement does not identify specific strategic transport projects attributable to employment/logistics growth.

   This prevents the Council from demonstrating that B2/B8 development should contribute via CIL.

Therefore, the Council has not met the evidential standard required under the CIL Regulations.

The Council has not shown that it properly considered development viability, as required
A charging authority must demonstrate that its CIL proposals do not threaten the viability of development in its area.

However:

1) **No evidence shows that B2/B8 uses can absorb CIL**
Industrial/logistics profitability is highly sensitive to cost increases. The viability evidence does not reflect this, nor does it model logistics-specific assumptions.

2) **The industrial/logistics A14 sites have abnormally high infrastructure demands**
Sites along the A14 require substantial access, HGV management, drainage, and environmental mitigation works.

   These burdens have not been included in the viability testing.

3) **Overlap between CIL and S106 has not been resolved**
The Council's documents do not provide a clear explanation of how CIL will operate alongside Section 106 obligations.

   Without clarity, the combined burden of CIL + S106 may be significantly higher than modelled.

4) **Without cumulative A14 modelling, viability cannot be understood**
The A14 Logistics Forum confirms that cumulative modelling has not been completed.
Thus, the viability implications of multiple logistics allocations have not been assessed.

   In the absence of robust viability testing, the Council has not met the viability requirements of the CIL Regulations.

The Council has not demonstrated that the proposed rates strike the "appropriate balance" required by Regulation 14
Regulation 14 requires a charging authority to balance:

1. The desirability of funding infrastructure
2. The effects of CIL on viability

But the Council's evidence base:

- Does not quantify the strategic transport funding gap
- Does not identify what proportion should be funded by employment development
- Does not show that industrial schemes could remain viable with CIL
- Does not avoid double-charging where S106 is still required

- Does not account for competition from neighbouring zero-CIL authorities

This means the Council has not demonstrated that an appropriate balance has been struck.

Regulatory compliance also requires transparency and clarity — both of which are lacking
The consultation documents must clearly explain:

- What CIL will fund
- What S106 will fund
- How the charging rate was derived
- How evidence supports the proposed rate
- How viability has been protected

However:

- The consultation does not clearly set out a CIL/S106 division.
- The evidence does not substantiate the viability of employment sites.
- The A14 corridor's infrastructure needs and impacts have not been assessed.
- The Infrastructure Statement does not attribute costs to specific development types.

Therefore, the transparency and clarity required for regulatory compliance are lacking.

Conclusion
While the Council has met basic procedural requirements, it has not met the core regulatory requirements needed to justify the introduction of CIL for employment/logistics development. The evidence base is incomplete, insufficiently specific, and fails to demonstrate that project economics have been safeguarded or that an appropriate balance has been struck.

Accordingly, the Council has not met all regulatory requirements. A zero CIL rate for B2/B8 uses remains the only defensible position under the CIL Regulations.

QUESTION 10: DO YOU HAVE ANY COMMENTS ON HOW YOU FEEL THE NEIGHBOURHOOD PORTION SHOULD BE DISTRIBUTED?

The Council is allowed to use 15% of CIL receipts to improve the area close to where development took place. This is known as the 'neighbourhood portion'. Details of how this will work in Cambridge will be worked up over the next 12 months.

If 'Yes', please explain your views on how the neighbourhood portion should be distributed.

This Question is for Cambridge City Council only.

N/A – Focus has been on A14 related sites that are not located within an area covered by Cambridge City Council.