29th March 2026

Greater Cambridge Community Infrastructure Levy Consultation

Sent via email - CIL@greatercambridgeplanning.org

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Dear Sir/ Madam,

Greater Cambridge Shared Planning CIL Charging Schedule Consultation - submitted on behalf of St John's College, Cambridge

This representation is submitted by Savills (UK) Limited ("Savills") in respect of the Draft Community Infrastructure Levy ("CIL") Charging Schedules published by Cambridge City Council ("CCC") and South Cambridgeshire District Council ("SCDC"), together operating as Greater Cambridge Shared Planning ("GCSP"). The Draft Charging Schedules have been informed by the Viability Assessment (January 2026) prepared by BNP Paribas Real Estate ("BNP") on behalf of GCSP.

This representation is made in the context of The Community Infrastructure Levy Regulations 2010 (as amended) ('the Regulations') and relevant statutory guidance. The most recent amendments to the Regulations and associated guidance came into force on 1st September 2019. The CIL consultation will therefore be subject to the requirements of these latest sets of Regulations and Guidance.

Purpose

1.1 The purpose of this representation is to set out our response to the proposed GCSP CIL Charging Schedule and supporting documents, which have been published for consultation from the 16th February 2026 to 29th March 2026. The CCC and SCDC Draft Charging Schedules have been informed by the Viability Assessment prepared by BNP Paribas Real Estate in January 2026[1].

1.2 St John's College, Cambridge, hereafter referred to as ''St John's'', is a major collegiate landowner in Cambridge with a long-term, stewardship-led approach to its estate. The College plays an important role in supporting the city's academic, residential and economic needs, including through the delivery and management of high-quality student accommodation. As demand for purpose-built student housing continues to grow across Cambridge, St John's remains actively engaged in identifying and bringing

[1] Greater Cambridge: Community Infrastructure Levy Viability Assessment (January 2026)

forward opportunities that can enhance the student experience, support the University's growth and contribute positively to the wider community.

1.3 St John's also has an interest in the delivery of residential accommodation and office space within the city, both for operational needs and to support its wider educational and charitable functions. These uses form an important part of St John's estate strategy, and the implementation of CIL will have a material impact on its ability to plan, invest and manage its assets effectively. On behalf of St John's, we have reviewed BNP Paribas' viability assumptions for these asset classes, as they underpin the proposed Charging Rates and will influence the feasibility of future development across the estate.

1.4 Where relevant, this representation comments on those assumptions to ensure that the proposed Charging Schedules are based on robust evidence and do not inadvertently undermine the delivery of development that supports St John's charitable objectives and the wider public benefit it provides.

1.5 Our particular comments in regard to this consultation can be summarised as follows:

- **Application of Charitable Relief –** St John's College is a registered charity for the purposes of the CIL Regulations, and therefore may qualify for mandatory charitable relief where it holds a material interest in the land and the development is used wholly or mainly for charitable purposes (i.e. not for commercial gain). Student accommodation that is built, owned, and occupied by St John's students clearly meets this test, as it directly supports the College's charitable objective of advancing education. However, there is less clarity where St John's develops student accommodation that is subsequently occupied by students from other Colleges and forms part of the College's wider investment portfolio. If the development is undertaken primarily as an investment rather than being used wholly or mainly for St John's charitable purposes, it may fall outside the scope of Mandatory Charitable Relief and instead be considered under the Discretionary Charitable Relief provisions. Given this distinction, we request clarification from the Local Authority on how it intends to interpret and apply these tests in relation to student accommodation that is developed by St John's but occupied by students from other Colleges. We strongly recommend that Greater Cambridge adopts Discretionary Charitable Relief under the CIL Regulations.

- **Local Plan Uncertainty** – Greater Cambridge is currently preparing a new Local Plan to guide development across Cambridge City and South Cambridgeshire. As the Plan is not yet adopted and strategic site allocations and growth locations remain subject to consultation and examination, there is ongoing uncertainty regarding the scale, distribution, and timing of future development. Introducing CIL rates before strategic sites and growth areas are clearly defined risks misalignment with the emerging Local Plan. The Planning Practice Guidance (PPG) emphasises that viability assessments should reflect planned delivery. Prematurely setting CIL rates may therefore undermine the viability of strategic sites if they do not adequately account for evolving policy requirements, infrastructure expectations, and site-specific constraints. This could therefore necessitate immediate review and amendments to the CIL Charging Schedules to facilitate growth within the Local Plan, creating unnecessary uncertainty and confusion.

- **Incorrect Assumptions** – A number of the key inputs adopted in the Viability Assessment undertaken by BNP are not reflective of the industry standards. In our view, this has led to an overstatement of the viability headroom, thereby supporting CIL rates that may not be realistically achievable across Greater Cambridge.

- **Typologies –** Due to the current status of the emerging Local Plan, the Viability Assessment has been unable to effectively test development typologies that are based on the proposed development coming forward and thus strategic sites have not been appropriately tested. This approach falls short of the PPG, which emphasizes that "detailed assessments may be necessary for particular areas or key sites on which delivery of the plan relies[2]."

- **Wider Local Context Uncertainty –** Consultation is currently underway on the potential establishment of a new Development Corporation in Greater Cambridge. The proposed activities, objectives, geographical scope and planning powers of the Corporation have yet to be defined, creating significant uncertainty around the future planning and development landscape. In parallel, the government's wider programme of local government reorganisation across England adds an additional layer of complexity, further contributing to an uncertain policy and governance context.

1.6 These points are discussed in greater detail in the following sections.

Overview

1.7 We have split our response into the following sections:

- **Part 1 -** Charitable Relief;
- **Part 2 -** Viability Testing;
- **Part 3 -** Interpretation of Results; and
- **Conclusions -** Overview of Key Concerns.

[2] Planning Policy Guidance, Paragraph: 003 Reference ID: 10-003-20180724

1.8 In submitting this representation, we are only commenting on particular key areas of the evidence base. The lack of reference to other parts of the evidence base cannot be taken as agreement with them and we reserve the right to make further comments upon the evidence base at the Examination stage.

Part 1 – Charitable Relief

1.9 Purpose-built student accommodation ('PBSA') plays a critical role in supporting the University's growth and academic competitiveness, but its importance extends far beyond the University itself. The University of Cambridge is the primary economic anchor for the city and wider region, underpinning thousands of jobs, driving world-leading research and innovation, and attracting global investment, talent and businesses that would not otherwise locate here. Students make up a significant proportion of the city's population, and if adequate provision is not made for their needs in suitable locations, this places substantial pressure on the local housing market. New PBSA helps meet the identified growth needs of existing educational institutions and directly reduces demand for private rented housing that would otherwise be occupied by full-time students. Ensuring that students can live in safe, well-managed and affordable accommodation, close to teaching and research facilities and in locations where impacts can be appropriately managed, is therefore fundamental not only to the functioning of the collegiate system, but to the economic health, housing balance and international competitiveness of Cambridge as a whole. Without sufficient purpose-built student housing, pressure on the private rented sector intensifies, the wider housing market becomes further constrained, and the city's ability to sustain its knowledge-led economy is weakened. The Cambridge Local Plan already recognises this through its criteria-based policy for student accommodation, which is intended to guide the development of new policy for the emerging Greater Cambridge Local Plan.

1.10 On behalf of St John's College, Savills seeks clarification on how the Local Authority intends to apply Discretionary Charitable Relief under the Community Infrastructure Levy Regulations 2010. St John's is a registered charitable institution and, in accordance with Regulations 43–45, it is our understanding that Mandatory Charitable Relief would apply where the College delivers student accommodation that is owned by the charity and used wholly or mainly for its charitable purposes, including the advancement of education for St John's students. However, the position is less certain where St John's develops student accommodation that is subsequently occupied by students from other Colleges and forms part of the College's wider investment activities. From time to time, colleges with sufficient capital and land support other colleges with limited resources by providing accommodation. In such circumstances, it is unclear whether the development would continue to satisfy the statutory test of being used wholly or mainly for charitable purposes, or whether it would instead fall within the scope of Discretionary Charitable Relief. Given the collegiate structure of the City and the way in which Colleges routinely interact and share facilities, we request that the Local Authority provides clarity on how these provisions will be interpreted and applied.

1.11 For the purposes of these representations, we have assumed that St John's College will benefit from charitable relief in respect of student accommodation, in accordance with the Community Infrastructure Levy Regulations 2010. On this basis, we have not provided detailed comments on the assumptions adopted by BNP Paribas in the Viability Assessment relating to the chargeability of this asset class. However, we consider it necessary to highlight that the assumptions applied, particularly in relation to rental values and build costs, materially overstate the viability of PBSA.

1.12 The Viability Assessment appears to model PBSA using a Gross Development Value (GDV) approach derived from market rents and investment yields. This methodology is inappropriate for college-operated PBSA, which is not a revenue-optimised investment product and is neither valued, financed, nor delivered on a GDV basis.

1.13 Applying market-based GDVs significantly overstates the viability of college PBSA and leads to an inaccurate conclusion regarding its capacity to absorb CIL. St John's also emphasises that Colleges typically deliver high-quality, sustainable accommodation with substantially higher build costs than those assumed by BNP.

1.14 In addition, College sites are often tightly constrained in Cambridge, frequently in central locations, within conservation areas, and subject to height and heritage limitations, which further increases construction costs. Most College-delivered PBSA does not generate a development profit, as it is delivered solely to meet operational needs rather than to achieve a commercial return.

1.15 St John's confirms that they are happy to work with the Local Authority to provide Cambridge-specific cost evidence and further demonstrate the viability realities of College PBSA.

Part 2 – The Viability Testing

1.16 BNP were appointed by Greater Cambridge Shared Planning ('GCSP') to provide a Viability Assessment to test the ability of developments in Greater Cambridge to accommodate contributions towards the infrastructure through the implementation of CIL alongside policies in the emerging Local Plan. There are a number of concerns with respect to the assumptions adopted.

1.17 We would like to highlight the following points and seek further clarification in regard to the justification for adopting a number of the assumptions included within the Viability Assessment.

Typologies – Residential

1.18 For CIL viability evidence to be robust, the development typologies must accurately reflect the forms of development anticipated in the emerging Local Plan. This is essential to ensure that the proposed CIL rates are grounded in the actual economics of development in Greater Cambridge. To satisfy the requirements of a CIL Examination, the Charging Schedules must not place the delivery of the Local Plan at risk. This requires viability testing of the allocated sites expected to come forward, using realistic assumptions that demonstrate that housing and employment targets remain deliverable once CIL is applied.

1.19 In line with the PPG (Paragraph: 005 Reference ID: 10-005-20180724), viability assessments should give particular consideration to strategic sites, especially those essential to delivering the plan's objectives. This includes large-scale developments, sites that enable or unlock adjacent development, and those located within priority regeneration areas.

1.20 We are concerned that there is no clear rationale underpinning the selection or sequencing of the residential typologies. In the absence of testing on actual strategic sites, we would expect the typology framework to include incremental steps that reflect the typical scale and form of development coming forward in Greater Cambridge. Instead, the "Low-Density Edge of Settlement" typologies show an unjustified leap from Typology 12 (11.9 gross hectares / 450 units) to Typology 20 (96.75 hectares / 3,671 units), with no intermediate scenarios tested. This omission is particularly striking given the size and character of edge-of-settlement schemes that have been delivered locally, which commonly fall between these two extremes.

1.21 The absence of any mid-range typology means that the viability assessment does not model the densities, land-take, infrastructure requirements or development economics of the types of sites that the emerging Local Plan is most likely to rely upon. This gap further undermines the robustness of the typology framework and its ability to inform proportionate and evidence-led CIL rate setting.

1.22 St John's are also concerned that for many of the typologies tested a 100% net developable area has been adopted. Policies relating to biodiversity net gain ('BNG'), open space, green infrastructure, movement and transport corridors, community facilities, and integrated water management all require substantial land-take that must be delivered on-site. Strategic sites in Greater Cambridge typically achieve net developable areas of 40–65% once these policy burdens are applied. A 100% net assumption is therefore undeliverable in practice and materially overstates viability. The typologies do not reflect policy-compliant development and cannot be relied upon to justify the proposed CIL rates.

1.23 A further concern is BNP's decision to apply a uniform average private unit size of 97 sq m (1,045 sq ft) across all residential typologies, including those that are 100% apartment-led. This assumption is not credible and does not reflect either market reality or the policy framework set out in the emerging Greater Cambridge Local Plan. Apartment schemes, particularly those in higher-density locations, typically deliver a mix of 1- and 2-bed units with significantly smaller average sizes, often in the range of 50–75 sq m. Applying a suburban family-housing average to flatted typologies materially inflates GDV and artificially improves viability outcomes. It is also not clear as to whether BNP have considered circulation space.

1.24 BNP's density assumptions applied across the typologies are undeliverable in practice. For the housing-led typologies, BNP model net densities ranging from 20 to 150 dwellings per hectare, yet these densities are then applied to 100% net developable areas, which is fundamentally inconsistent with the spatial, environmental and design policies in the emerging Greater Cambridge Local Plan.

1.25 BNP's densities implied by their assumptions are not only unrealistic but physically impossible to deliver in a policy-compliant masterplan. The combination of inflated net developable areas, uniform unit sizes and extreme density assumptions materially overstates viability and cannot be relied upon as evidence to support the proposed CIL rates.

1.26 We recommend that BNP remodel all of the typologies assuming realistic inputs and densities of development comparable to schemes in Greater Cambridge. We recommend the following densities as suggested within the Greater Cambridge HELAA[3]:

- 30–40 dph in outer residential parcels
- 40–55 dph around local centres and primary streets
- 60–80 dph where flatted development is introduced.

Typologies – Office

1.27 For office development, BNP have modelled only two typologies, comprising plots of 0.4 hectares (0.99 acres) and 0.65 hectares (1.61 acres). These typologies reflect 10,000 sqm (107,639 sq ft) and 15,000 sqm (161,459 sq ft) of floorspace. We are concerned that this represents a very limited range of office development typologies and does not reflect the variety of office schemes typically brought forward in Greater Cambridge, including city-centre infill, science-park buildings, and larger campus-style developments. As a result, the typologies do not provide a sufficiently representative basis for determining appropriate CIL rates for the office sector.

[3] Greater Cambridge HELAA (2021) Appendix 5: Greater Cambridge Site Typologies and Capacity Study, 2021

Residential Sales Values

1.28 BNP acknowledge the wide variation in residential values across Greater Cambridge, citing a range of £371.61–£836.12/ sq ft. This range broadly reflects proximity to Cambridge city centre, with more rural locations generally achieving lower average values. St John's agrees with this general trend; however, are concerned that the upper end of the range appears overstated, and BNP provides no clarity on the underlying sales evidence. The comparables appear to rely on second-hand transactions, which are not an appropriate basis for determining a CIL rate intended to apply to new-build development. It is also unclear when these transactions occurred, making it difficult to assess their relevance to current market conditions.

1.29 Drawing on our local market knowledge, we have a clear understanding of the GDVs being achieved on current new-build schemes across Cambridge and have included the accompanying map illustrating average achieved values. It is not evident which comparables BNP have used to justify the upper end of the range at £836.12/ sq ft, but it is likely that this reflects second-hand stock rather than new-build evidence.

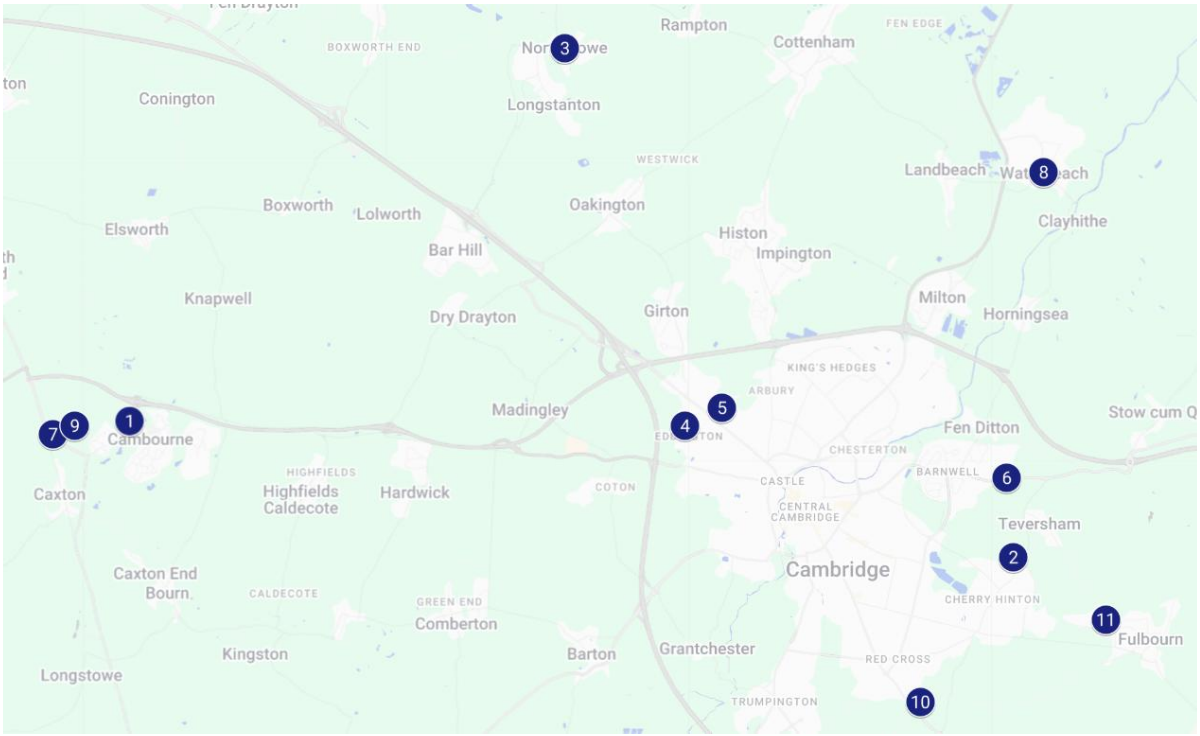

Table 1: New Build Sales Evidence

No.	Scheme	Unit Numbers	Average £/SqFt	Developer
1	Chivers Rise	286	£401	Taylor Wimpey
2	Springstead Village	1,200	£537	Bellway

3	Northstowe	10,000	£360	Vistry/TW/BDW/Keepmoat
4	Eddington	3,000	£516	Hill
5	Darwin Green	2,700	£515	BDW
6	Marleigh	1,300	£490	Hill
7	Lunar Park	200	£356	Bovis
8	Waterbeach	8,000	£415	Stonebond/ Cala
9	Burghley Green	120	£409	Taylor Wimpey
10	Netherhall Gardens	200	£538	Cala
11	Farehurst Park (Asking Prices)	110	£526	Hill

1.30 As can be seen from Table 1, we have collated new build sales evidence from the main new build schemes around the city and on the outskirts from 2024 and 2025. This dataset demonstrates a value range of £356–£538/ sq ft, reflecting actual achieved values on current schemes being delivered by the major housebuilders.

1.31 On this basis, we request that BNP update their residential sales value assumptions to align with the evidence above. The values currently adopted appear elevated relative to market reality and risk overstating scheme viability. It would be helpful to understand which Cambridge city-centre comparables support an average value of £836.12/ sq ft, and whether these are genuinely representative of new-build schemes coming forward rather than second-hand stock.

1.32 It is also essential that the evidence underpinning BNP's Viability Assessment is transparent, current and clearly sourced. Without clarity on the comparables used, it is not possible to verify whether the adopted values reflect new-build stock, appropriate transaction dates, or the specific characteristics of the Greater Cambridge market.

1.33 This point is particularly relevant in the context of current market conditions in Cambridge. Our Savills New Homes team is reporting markedly slower absorption rates across both houses and apartments, with developers now routinely offering incentives of at least 5% to stimulate sales. This is reflective of the wider new build housing market with housebuilders increasingly using price cuts and incentives to boost sales. In November 2025, the NHBC site sentiment survey showed a positive 'net balance of 24'[4], reporting higher use of incentives, and a majority reported no increases in prices. Smaller housebuilders typically lack the financial capacity for sustained price cuts or heavy use of incentives, and are struggling with lower sales rates as a result[5].

[4] Savills English Housing Supply Q4 2025, February 2026
[5] Savills English Housing Supply Q4 2025, February 2026

1.34 Given the slowdown in absorption rates, increased reliance on incentives, and the broader softening of the new-build market, it is essential that the Viability Assessment reflects accurate, current and appropriately evidenced GDVs. Without this recalibration, the assessment risks overstating scheme viability and undermining the robustness of the proposed CIL rate.

Rents and Yields for Commercial Development

Office / R&D

1.35 The rents adopted by BNP for offices at £615/sqm (£57/sq ft) are overstated. Those rents may be achievable in prime locations such as by the train station but they are not achievable elsewhere. The below plan highlights some of the recently achieved rental prices for offices in Cambridge in 2024 and 2025. Those offices of the highest specification and located closest to the station achieve a premium and have historically achieved rents c. £60/ sq ft, however, these rents very quickly drop off with distance from this location. A differentiated approach, reflecting the well-established gradient in Cambridge office rents, would provide a more accurate and robust basis for viability testing.

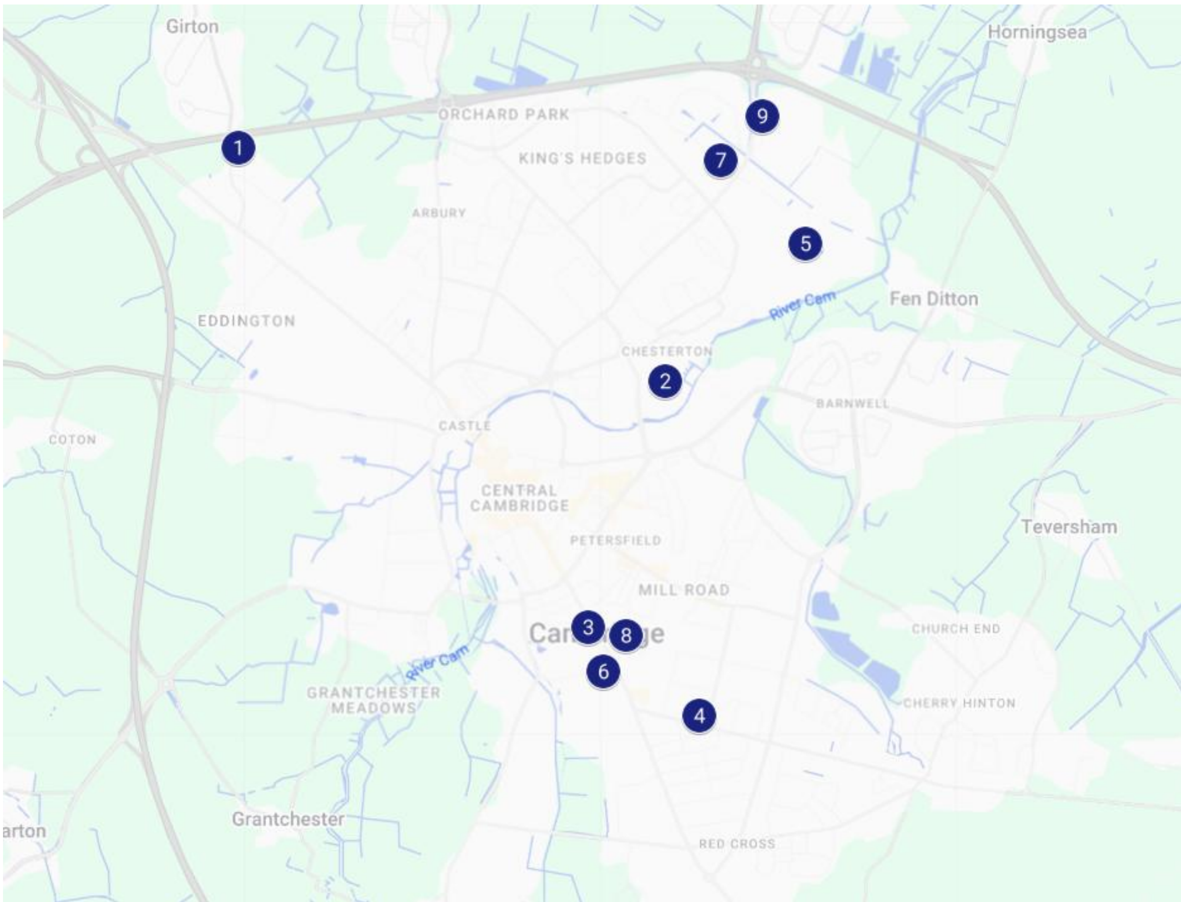

Table 2: Office Rents Achieved in Cambridge in 2024/25

No.	Address	Sq Ft	Rent (psf)	Date
1	Wellbrook Court	40,294	£23.82	Q4 2024
2	Radio House	85,488	£21.48	Q4 2024
3	Bateman House	2,678	£42.50	Q2 2025
4	Old Swiss	3,410	£50.00	Q2 2025
5	One Cambridge Square	2,550	£45.63	Q3 2025
6	Brooklands	1,700	£62.50	Q2 2025
7	22 Cambridge Science Park Rd	21,240	£40.00	Q3 2025
8	21 Station Road	12,000	£65.00	Q4 2025
9	Maurice Wilkes Building	7,642	£35.00	Q4 2025

1.36 BNP's own commentary on Benchmark Land Values (BLVs) states that office rents within the District range from £6.64 to £22.94/ sq ft at 4.38. While the £6.64–£22.94/ sq ft range appears low relative to recent market evidence, the contrast highlights a clear inconsistency between the rental values used to inform BLVs and those applied in the viability testing (£57/sq ft). This inconsistency materially inflates development values and overstates the viability headroom available to support the proposed CIL rates.

1.37 BNP's Viability Assessment has not differentiated rents and yields for R&D and offices. R&D space typically commands higher rents and sharper yields than conventional offices because it serves a specialist occupier base, often with strong covenant strength and bespoke requirements. Offices operate in a broader but more price-sensitive market, and using blended assumptions masks these differences. It effectively attributes R&D-level values to office space that would not achieve them in practice, thereby overstating the viability of office development.

1.38 BNP recognised this in their own Viability Assessment[6] undertaken in December 2025 for Oxford City Council, applying separate rents and yields for offices and R&D to ensure their evidence base reflected real market behaviour. We consider it important that BNP adopts the same approach for Greater Cambridge to ensure the assessment is robust, transparent and aligned with established best practice.

1.39 Specifically looking at the yields adopted by BNP, we would comment that a yield of 6% for offices is not reflective of the market. Savills UK Commercial Research suggests offices should reflect 7.5%[7].

1.40 The Viability Assessment already recognises this spatial variation in relation to retail, distinguishing between city-centre and "elsewhere" rents. A comparable approach should be applied to office

[6] Oxford City Council: Local Plan Viability Assessment Update, December 2025

[7] Savills Market in Minutes: UK Commercial, December 2025

floorspace to ensure the appraisal reflects real market conditions. This would align with established practice in other authorities, such as Birmingham City Council[8], where prime and secondary commercial markets are distinguished within viability evidence to avoid overstating viability in weaker locations or understating it in prime areas.

1.41 St John's is concerned that the assumptions on rents and yields for office/R&D and floorspace are not differentiated by location. Cambridge functions as a two-tier market in which commercial values vary significantly between prime city-centre locations and secondary or peripheral areas as demonstrated by the comparable evidence included in Table 2 and 3.

1.42 Without such differentiation, the assessment risks applying city-centre value assumptions to locations where they are not achievable, potentially leading to an overestimation of development viability and, consequently, CIL rates that do not reflect the realities of the Cambridge office and industrial markets.

Build Costs

1.43 St John's have significant concerns in respect of the build costs which have been adopted within the Viability Assessment. A flat rate has been applied across Greater Cambridge. No information has been included to suggest whether the median has been adopted or where the build costs are rebased to. The costs adopted reflect £1,608/sqm for houses and £1,858/sqm for flats and £2,555/sqm for offices.

1.44 Although the PPG (Paragraph: 10-012-20180724) recommends the use of BCIS data for assessing build costs, we recognise several inherent limitations with this approach. The BCIS dataset is based on a relatively small sample size and does not account for the specific characteristics of individual development sites. Applying a single build cost for all houses or all flats is overly simplistic and does not reflect the complexity of real-world development. For instance, the construction costs for flats can vary significantly depending on building height. Multi-storey apartment blocks typically incur higher costs than low-rise schemes. Additionally, build costs are closely tied to economies of scale: smaller developments tend to be more expensive on a per-unit basis compared to larger schemes due to less efficient procurement and delivery processes.

1.45 It is essential that the base build costs being modelled are correct to ensure that there is not a significant underestimation of the true costs of development. A number of the other assumptions adopted (contingency, externals and professional fees) are based upon the base build costs, therefore a number of cost elements could be vastly underestimating the true costs of delivery.

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8 Birmingham Community Infrastructure Levy Viability Review, August 2020 (reissued March 2022)

1.46 The build costs adopted are materially below the levels we are seeing housebuilders achieve in practice, particularly among Small and Medium-Sized Enterprises (SMEs), who continue to face tighter margins, higher finance costs, and reduced buying power in the supply chain. This sits against a wider backdrop of sustained construction inflation. BCIS' latest five-year forecast (4Q2025–4Q2030) projects building costs to rise by around 15%, with tender prices expected to increase by approximately 16–17% over the same period. These pressures indicate that current cost allowances are unlikely to be deliverable and understate the true cost environment facing developers.

1.47 For larger edge-of-settlement schemes, an additional allowance of £29,070 per unit has been applied for 'utilities upgrades, estate roads and other related infrastructure', derived from the Local Housing Delivery Group Viability Testing Local Plans guidance and subsequently indexed.

1.48 It is unclear precisely what this allowance is intended to cover, but at this level it is unlikely to be sufficient for site-wide enabling works. Edge-of-settlement schemes typically require substantial investment in primary infrastructure, such as spine roads, utilities reinforcement, drainage networks, attenuation, off-site highway mitigation, and strategic green/blue infrastructure, which routinely exceed this level of provision. On comparable strategic and urban-extension schemes, infrastructure allowances are significantly higher, reflecting the scale and complexity of upfront works required to unlock development.

Externals

1.49 The Viability Assessment adopts a flat-rate assumption of 15% of BCIS build costs to account for external works associated with infrastructure and services.

1.50 Applying the same external allowance across all development typologies fails to reflect industry practice. It is widely recognised that larger, strategic-scale developments incur significantly higher external costs due to the scale and complexity of their infrastructure requirements. As such, applying a flat percentage to all schemes risks underrepresenting the true cost profile of strategic sites.

1.51 Strategic sites, due to their scale and policy expectations, are expected to deliver a wider range of physical and social infrastructure, typically secured through Section 106 or Section 278 agreements. These infrastructure items are essential to unlocking large-scale development and typically include:

- **Roads** - junction upgrades and new road links;
- **Transport** - enhanced public transport infrastructure or subsidies;
- **Schools** - land and capital contributions for new schools;
- **Healthcare** - GP surgery provision; and
- **Community infrastructure** - libraries, open space, and local centres.

1.52 The PPG (Paragraph 25-021-2019090) states that "a Charging Authority should take development costs into account when setting its levy rate or rates, particularly those likely to be incurred on strategic sites". This guidance directly acknowledges that strategic-scale development faces disproportionate cost burdens compared to smaller development and should be treated accordingly.

1.53 This principle has been accepted by neighbouring Local Authorities to include East Suffolk Council ('ESC') who within their Viability Assessment[9] adopted a different approach, applying a higher external works allowance of 20% for strategic sites, compared to 15% for smaller schemes to reflect the additional infrastructure demands associated with strategic growth.

Section 106

1.54 The Viability Assessment applies a Section 106 allowance of £25,000 per residential unit (£25/sqm for non-residential development), rising to £46,000 per unit for strategic allocations. Under national guidance, the introduction of CIL should ordinarily result in a material reduction in Section 106 obligations, with CIL funding the majority of strategic infrastructure and Section 106 reserved for site-specific mitigation.

1.55 The approach proposed for Greater Cambridge diverges significantly from this principle. The Councils have confirmed that CIL will be used solely to fund strategic transport infrastructure, with all other infrastructure, education, open space, community facilities, utilities, biodiversity and site-specific works, continuing to be secured through Section 106. As a result, Section 106 costs will not reduce following the introduction of CIL; instead, CIL will operate as an additional charge on top of existing obligations.

1.56 Against this backdrop, the £25,000–£46,000 per-unit Section 106 allowances used in the Greater Cambridge Viability Assessment appear unusually high and inconsistent with the stated purpose of CIL. If Section 106 is expected to remain at current levels, and CIL is layered on top to fund transport infrastructure, the combined burden risks exceeding viable levels, particularly for strategic sites that already face substantial infrastructure and policy costs.

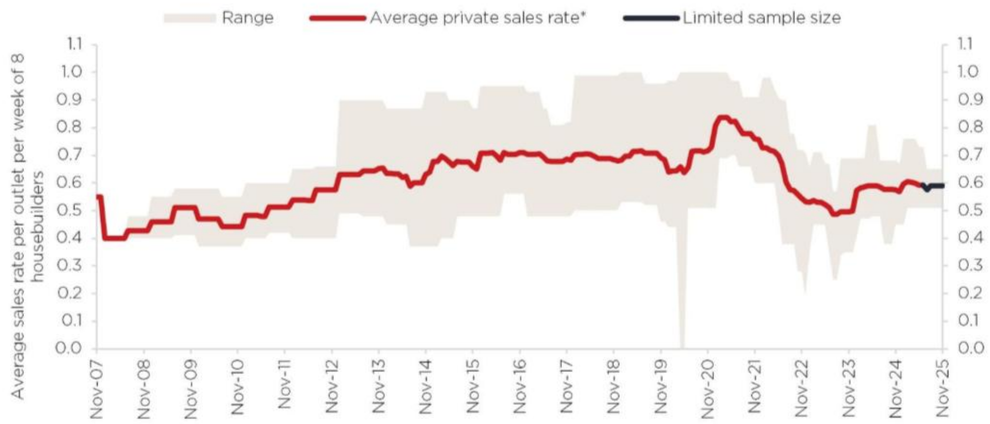
Development and Sales Rates

1.57 BNP have adopted a sales period based on the assumption of 6 units per month. St John's is concerned that this is not reflective of the current market with it widely suggested in the media that sales rates have been negatively impacted in the last year.

[9] East Suffolk CIL Charging Schedule Examination Document Library: A8 Aspinall Verdi CIL Review June 2022

1.58 Savills Research[10] confirms that the new build market faces serious challenges from the lack of buyer demand. Low sales rates among housebuilders are raising concerns for housing delivery. In the absence of a demand-side stimulus, sales rates reported by the major housebuilders across the country have plateaued at 0.6 sales per outlet per week in the first 6 months of 2025.

1.59 Recent months' data suggest sales rates may have softened slightly. Three housebuilders issued updates covering July to November 2025. Taylor Wimpey reported sales rates of 0.61, down from 0.68 the year before. Persimmon reported sales rates of 0.63 in November 2025, slightly higher than 0.61 at the end of 2024. Crest reported full-year results of 0.51 in 2025, also slightly higher than 0.48 across 2024..



Source: *Savills Research *Excluding bulk sales to provide accurate representation of market activity from individual homebuyers.*

1.60 The sales absorption assumed by BNP sits well above what is being achieved in practice, given the reliance on discounts and incentives to secure reservations. On this basis, it is reasonable to request that BNP revisit and moderate their assumed sales rates so that they more accurately reflect prevailing market dynamics and the level of demand evidenced across comparable schemes.

Site Abnormals (Exceptional Costs)

1.61 Abnormal costs within the Viability Assessment represent the additional development expenditure that can arise on both brownfield and greenfield sites. BNP have confirmed that, in the absence of detailed site investigations, it is not possible to produce a reliable estimate of these costs. On this basis, no allowance has been included, with BNP expressing concern that a blanket assumption could distort results.

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[10] Savills: English Housing Supply Update Q4 2025, February 2026

1.62 The PPG (Paragraph: 10-013-20240214) is explicit that viability assessments must be based on “standardised inputs” and “evidence of costs and values that reflect local market conditions”. It also states that ‘abnormal costs, including those associated with treatment for contaminated sites, or costs associated with brownfield, phased or complex sites should be taken into account when defining benchmark land value’.

1.63 These requirements make clear that viability testing should not ignore known categories of cost simply because site-specific data is incomplete. Instead, it should adopt reasonable, evidence-based assumptions that reflect typical conditions in the local market.

1.64 Other CIL Viability Assessments have adopted a different approach to BNP where an allowance has been included within the testing to include Babergh and Mid Suffolk District Council’s CIL Viability Assessment prepared by Urba[11] where an allowance of £110,000 per acre was included for abnormal costs.

1.65 Abnormal costs are particularly acute on strategic sites and they are typically front-loaded in the delivery process, often long before any development income is realised. It is important to note that BCIS construction cost data, which underpins much of the Viability Assessment, only reflects standard construction elements (substructure, superstructure, preliminaries). It does not include exceptional or site-specific abnormal costs. Therefore, it is incorrect to assume that the Viability Assessment's standard build cost metrics already capture these burdens. Without explicit abnormal cost allowances for strategic sites, the assessment risks substantially overestimating residual land values and development viability.

1.66 Failure to account for these substantial and distinct abnormal costs results in a viability assessment that does not reflect real-world development economics.

<u>Developer’s Profit</u>

1.67 BNP have adopted a profit of 17.5% on Gross Development Value (GDV) for private and 6% on GDV for affordable, which reflects a blended rate ranging from 12.9% on GDV based on the 40% affordable housing policy provision. The minimum profit margin that the lending institutions are currently prepared to accept, on residential development, is a blended rate of at least 20% on GDV blended across both private and affordable tenures. This is also reinforced by the PPG (Paragraph:10-019-20190509).

<u>Benchmark Land Values (‘BLV’)</u>

[11] CIL Viability & affordable housing commuted sum calculation study, Urba, November 2024

1.68 BNP have suggested that 'much of the land coming forward for development in Greater Cambridge will be greenfield which has a low existing use value' of £20,000 - £23,000 per gross hectare, reflecting £8,095 - £9,305 per gross acre. In our view, these figures materially understates prevailing agricultural land values in the area and is not supported by current market evidence which is further reinforced by the fact that BNP have not provided any comparable agricultural transactions to support these EUVs within the Viability Assessment.

1.69 By way of context, the Royal Institution of Chartered Surveyors (RICS) and the Royal Agricultural University publish a biannual Farmland Market Directory of Land Sales, which provides transaction - based evidence of agricultural land values. The most recent report (January – June 2025) indicates an average value of £57,079 per hectare for transactions in the East of England, as set out in the table below. This benchmark is substantially above the range assumed by BNP.

Table 3: Weighted Sample Average Prices by Location and Size

Weighted Sample	Small <50 ac		Medium 50-200 ac		Large > 200 ac	
	£/ac	£/ha	£/ac	£/ha	£/ac	£/ha
East	23,100	57,079	23,100	57,079	9,970	24,635
East Midlands	16,744	41,375	11,713	28,944		
North East	13,885	34,309	8,779	21,693		
North West	10,503	25,953	12,919	31,923		
South East	15,528	38,370				
South West	13,950	34,471	11,729	28,983	10,817	26,728
West Midlands	23,395	57,810	10,786	26,652		
Yorks and Humber	16,330	40,351	9,750	24,092	6,073	15,005
England Overall	**14,578**	**36,023**	**11,564**	**28,575**	**8,864**	**21,902**
Wales	17,208	42,522	14,655	36,213		
Scotland	36,976	91,368	7,603.48	18,788		
GB Overall	**15,231**	**37,637**	**11,767**	**29,076**	**8,864**	**21,902**

1.70 The figures referenced above relate to small and medium-sized sites. However, even when allowing for the potential value differential associated with larger sites, it is considered that BNP's proposed Existing Use Values (EUVs) remain understated when assessed against the evidence presented in Table 4. Furthermore, as the figures in Table 4 represent regional averages for the East of England, it is reasonable to conclude that values within Greater Cambridge would sit at the upper end of that range, reflecting the area's strong market fundamentals and land demand.

1.71 To further enforce the above point, we include some recent comparable evidence for agricultural land in Greater Cambridge:

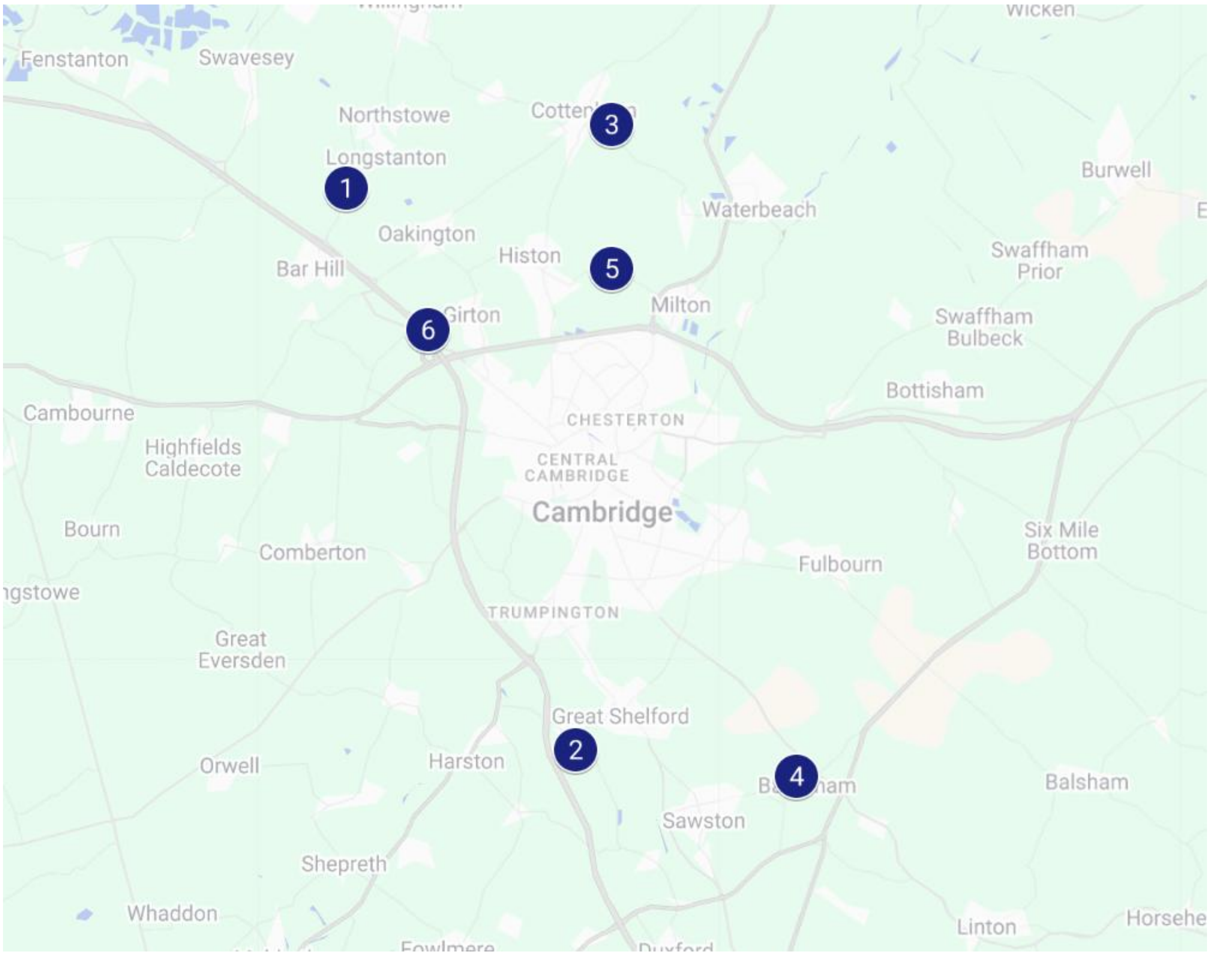

Table 4: Agricultural Comparable Evidence

No.	Address	Acres	£	£/Ha	£/Acre	Date
1	Bar Farm Longstanton	199	£3,250,000	£40,404	£16,351	2025
2	Hall & Rectory Farm Little Shelford	586	£10,000,000	£42,174	£17,068	2024
3	Steeple Chase Farm Cottenham	179	£2,300,000	£31,683	£12,822	2024
4	Babraham Estate	1,515	£27,515,000	£44,878	£18,162	2018
5	Manor Farm Impington	370	£8,575,796	£57,217	£23,155	2024
6	Grange Farm Girton	162	£3,626,120	£55,344	£22,397	2023

1.72 The comparable evidence in Table 5 demonstrates that agricultural land values across Greater Cambridge are materially higher than the £8,095–£9,305 per gross acre adopted by BNP. The strongest comparables, those closest to Cambridge, achieve £22,000–£23,000 per gross acre, reflecting the premium associated with proximity to the city and the competitive market for edge-of-Cambridge land. Values then soften with distance, but even the lower-value transactions significantly exceed BNP's assumptions. This evidence aligns more closely to the Farmland Market Directory of Land Sales. This indicates that the current inputs understate realistic land values and risk distorting the viability conclusions.

1.73 BNP apply a BLV of £250,000 to £370,000 per gross hectare, a multiplier of 12.5–18.5 times agricultural land value. This ratio only holds if agricultural existing use value (EUV) is assumed at £20,000 per hectare. If BNP's own upper figure of £23,000 per hectare is used, the same BLV range instead equates to a lower multiplier of 10.9–16.1 times EUV. For greenfield land, premiums are typically in the region of 15–20 times agricultural value, reflecting the level generally required to incentivise land release. Even at this higher premium, the EUV assumed by BNP remains materially below typical agricultural land values in Cambridgeshire, meaning the BLVs adopted are anchored to an artificially low starting point and therefore understate realistic landowner expectations.

1.74 Re-modelling the BLVs using a more realistic EUV, such as £49,420 per gross hectare (equivalent to £20,000 per gross acre) which aligns with the comparable evidence and applying a premium of 15–20 times, would generate BLVs in the order of £741,300–£988,400 per gross hectare. This range more accurately reflects market evidence, such as Minimum Land Values, to bring greenfield land forward in Greater Cambridge.

Part 3 – Interpretation of Results

1.75 The appraisal results demonstrate that the capacity to absorb CIL reduces as the proportion of affordable housing increases, with testing undertaken up to 50% across a range of typologies and sales values. Under a policy-compliant position of 40% affordable housing, and assuming an average sales value of £7,125/sqm (£662/ sq ft) together with BNP's highest BLV (which, as set out earlier, remains materially understated), only six typologies generate any positive headroom once CIL is applied. All six are high-density flatted schemes, which do not reflect the form, density or location of the emerging strategic allocations. This limited headroom erodes rapidly as sales values soften, and it is notable that £7,125/ sqm sits at the very top of what is realistically achievable in Greater Cambridge, particularly when compared with the new-build evidence included within this submission.

1.76 When sales values are adjusted to reflect closest to the highest average levels evidenced across current new-build schemes (£5,875/ sqm, £546/ sq ft) the results deteriorate significantly. At this more realistic value point, only one typology remains viable with CIL while delivering policy-compliant affordable housing. This demonstrates the extreme sensitivity of BNP's results to sales value assumptions and highlights the risk of basing CIL rate-setting on values that exceed what the market is currently achieving. It is also worth noting that sales values are much lower on the peripherals of the city and in the wider area and therefore viability further reduced. If the appropriate BLVs were adopted as suggested in 1.77, it is unlikely that any of the typologies would be viable with policy compliant affordable housing. This is concerning as BNP conclude that the proposed CIL rates do 'strike an appropriate balance between maximising revenue and the potential impact on viability, and securing affordable housing'.

1.77 BNP identify maximum CIL rates by calculating the surplus of residual land value (RLV) over benchmark land value (BLV), and also test the impact of CIL as a cost to assess the effect on RLV. While the report concludes that increases in CIL would generally reduce RLVs by less than 10% and therefore would not prevent development coming forward, this conclusion is highly dependent on the assumptions adopted. As set out in our critique, the BLVs used in the testing are materially understated, being derived from an artificially low agricultural EUV, and the residential sales values adopted, particularly at the upper end of the range, are significantly above the levels evidenced on current new-build schemes across Greater Cambridge.

1.78 The combination of suppressed BLVs and inflated sales values artificially inflates the surplus above BLV and therefore overstate the apparent headroom for CIL. If realistic BLVs were applied, or if sales values were aligned with actual market evidence, the surplus residual would reduce substantially, narrowing viability margins. In such circumstances, even modest increases in CIL could have a far more pronounced impact on scheme viability and land release than BNP's headline conclusions suggest, particularly for the strategic sites on which the emerging Local Plan relies.

Conclusion

1.79 This representation demonstrates that the Draft CIL Charging Schedules are not supported by a sufficiently robust or complete evidence base to justify the proposed rates or to demonstrate compliance with the requirements of the CIL Regulations and Planning Practice Guidance. The combination of Local Plan uncertainty, incomplete viability testing, unrealistic assumptions and unresolved questions around future infrastructure responsibilities creates a material risk that the proposed CIL rates will undermine the deliverability of development across Greater Cambridge.

1.80 The Councils are consulting on CIL at a time when the emerging Local Plan remains untested and key strategic growth locations are still subject to consultation. The PPG requires that CIL viability testing reflects planned development and the scale and nature of sites on which the plan relies. In the absence of testing for strategic sites, including those expected to deliver significant infrastructure and affordable housing, the evidence base cannot demonstrate that the proposed rates will support, rather than frustrate, the delivery of the spatial strategy.

1.81 The SPD places substantial infrastructure, open space, biodiversity and land-take requirements on large, low-density, edge-of-settlement sites, yet the proposed CIL rate does not differentiate between typologies or reflect the disproportionate burdens placed on strategic development. The flat £60/m² rate therefore risks over-burdening the very sites that are expected to deliver the majority of future housing and infrastructure. The PPG is clear that differential rates should be used where viability varies by scale, location or type of development; the current approach does not meet this test.

1.82 There is also a significant risk of double charging. The SPD anticipates extensive Section 106 contributions for major infrastructure, but the Councils have not set out how these obligations will interact with CIL or how overlap will be avoided. This concern is amplified by the ongoing consultation on the Greater Cambridge Development Corporation (GCDC). Until the GCDC's remit, funding mechanisms and infrastructure responsibilities are confirmed, the Councils cannot demonstrate how CIL, S106 and Development Corporation funding will operate together. Proceeding with CIL in advance of this clarity risks duplication, misalignment and undermining the viability of strategic sites that the GCDC is intended to support.

1.83 The viability assessment prepared by BNP adopts a number of assumptions that do not reflect market reality. Residential sales values at the upper end of the range are unsupported by new-build evidence, while agricultural land values and benchmark land values are based on artificially low inputs that do not align with local market evidence. When realistic EUVs and appropriate premiums are applied, the majority of typologies would be unable to viably deliver policy-compliant affordable housing. This directly conflicts with the PPG requirement that CIL must not undermine the deliverability of the Local Plan, including its affordable housing policies.

1.84 Taken together, these issues mean that the Councils have not yet demonstrated that the proposed CIL rates strike the "appropriate balance" required by the Regulations between securing infrastructure funding and ensuring that development remains viable. The evidence does not show that the proposed rates would support the deliverability of the emerging Local Plan, nor does it provide the transparency and robustness required for Examination.

1.85 We understand that the proposed rates have been deliberately aligned with those adopted by Oxford City Council, and the Local Authority has confirmed that this approach reflects competitive positioning considerations. The PPG requires differential rates to be used where viability varies materially by geography, scale or development type. The evidence clearly demonstrates that viability differs significantly between Cambridge City and the more rural areas, yet the Charging Schedules do not reflect this. The Councils' justification is that a simple schedule is needed to "sit alongside Section 106" and help plug the funding gap, does not meet the regulatory requirement to base rates on viability evidence. Comparative analysis with East Cambridgeshire and Huntingdonshire further highlights the risk: both authorities have experienced viability pressures, with Huntingdonshire reporting that infrastructure burdens have already constrained affordable housing delivery. Setting a flat rate risks undermining delivery, particularly on strategic sites.

1.86 For these reasons, St John's respectfully requests that the Councils reconsider the timing of the CIL consultation and undertake further work to ensure that the Charging Schedules are aligned with the emerging Local Plan, reflects realistic viability assumptions, avoids double charging, and supports the delivery of policy-compliant affordable housing and strategic infrastructure across Greater Cambridge.

1.87 In addition, St John's seeks clarity on the application of Mandatory and Discretionary Charitable Relief under the Community Infrastructure Levy Regulations 2010. As a registered charity, St John's would ordinarily expect Mandatory Relief to apply where development is used wholly or mainly for its charitable purposes, including the provision of student accommodation for its own students. However, the position is less clear for accommodation developed by St John's but occupied by students from other Colleges, or where the development forms part of the College's wider investment activities. Given the collegiate structure of Cambridge and the way in which Colleges routinely share facilities and accommodation, it is essential that the Councils set out how they intend to interpret the statutory tests. Without this clarity, the financial implications of CIL for St John's cannot be fully understood.

1.88 Given St John's stewardship-based and long-term approach to managing its estate, the implications of CIL differ materially from those experienced by volume housebuilders or short-term developers. St John's prioritises high-quality design, sustainable place-making and development that delivers long-lasting community and academic benefit, rather than short-term returns. If CIL rates are set at levels that do not reflect realistic viability or the true cost profile of strategic, long-term development, this risks constraining the College's ability to invest in and deliver projects that support its charitable objectives, including the provision of student accommodation, community facilities and high-quality environments that benefit the wider city. Ensuring that CIL is calibrated to the economics of long-term stewardship is therefore essential to safeguarding the public value the College delivers across Cambridge.

Yours faithfully,

For and on behalf of Savills (UK) Ltd

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Associate

cc. Abigail Jones MSc (Hons) MRICS – Head of Development