

Your Ref:

Our Ref: CONS0010

Date: 23 January 2023

Local Plans Team
Exeter City Council
Civic Centre
Paris Street
Exeter
EX1 1JN

Dear Sirs

EXETER COMMUNITY INFRASTRUCTURE LEVY (CIL) CONSULTATION: DRAFT CHARGING SCHEDULE

With reference to the above consultation, on behalf of our clients, Growen Estates, we object in the strongest possible terms to the provisions of the charging schedule relating to retail development, and in particular the continued blanket application of the charge to such development outside the city centre.

The economic and viability landscape relating to retail development has undergone a 'sea change' since the preparation and adoption of the original charging schedule. The exponential rise in online retailing, combined with national and international events, including Brexit, the Covid 19 pandemic, the war in Ukraine, and the consequential inflationary pressures on construction costs as well as disposable incomes of consumers, are all exerting a substantial negative force on bricks and mortar retailing.

My clients are the promoters of a retail-led, mixed use development at Moor Exchange to serve the existing and future business and residential communities on the east side of Exeter. The critical role of local facilities to deliver sustainable new communities is acknowledged in the Development Plan and the planning permissions that have been granted for the Monkerton and Hill Barton urban extension. Neither of the district/local centres identified in the Monkerton and Hill Barton Masterplan Study have come forward, and there is no prospect of either of them doing so. In granting planning permission for Moor Exchange¹, it was acknowledged that it is now the only prospect for local facilities to serve the existing and future communities on the east side of Exeter, and critical to the creation of a sustainable community in this location.

Given the retail economic circumstances that now prevail, and that are unlikely to change given that online retailing is now embedded in contemporary lifestyles, the burden of CIL on all out of centre developments,

¹ Ref. 19/1461/OUT

and not least those that the Council seeks to support to ensure the delivery of sustainable communities, is fatal and counter-productive. It is inconsistent with the Council's declared climate emergency, central to which is reducing the need to travel by providing local facilities that are accessible by sustainable transport modes, and incompatible with the concept of walkable neighbourhoods.

Given the brake that CIL is imposing on essential retail development in out of centre locations, the current schedule is therefore frustrating the achievement of key objectives that underpin the policies and provisions of the Exeter Core Strategy, and in particular:

3. *Aim to provide everyone in the community with the opportunity of living in a decent warm home of a suitable type, size and tenure for their needs, **supported by the local community facilities they require**, by making full and efficient use of previously developed land and **delivering sustainable urban extensions to the east and south-west in co-operation with adjoining authorities.** ...*
6. ***Meet local needs for community, cultural, social, retail, health, education, religious, and recreational facilities, particularly within the urban extensions, regeneration area and in areas of deprivation, in order to improve quality of life and reduce social exclusion and the perception of crime.***²

It is also part of the core strategy 'vision' for Exeter to "... enhance its position as a premier retail and cultural destination"³.

The CIL provisions relating to retail development are now operating against achieving the Core Strategy vision and objectives in that they are leveraging a severe brake on out of centre development which is critical to delivering sustainable urban extensions and the vision for Exeter as a premier retail destination. Under the retail market circumstances that now prevail, a much smarter approach is critical, to respond to consumer demands and lifestyles and which enable the integration of physical retailing as part of daily business and leisure activities. Bricks and mortar retailing is now competing in accessibility terms with computer and mobile phone screens, and must respond accordingly, failing which the virtual shop, which contributes little, if anything, to the local economy or employment, will prevail and retail real estate will continue its downward spiral.

CIL is an extremely blunt instrument that fails either to reflect or respond to contemporary retail market requirements. In an E-Mail sent to the Council's Deputy Chief Executive in June 2020, a copy of which is enclosed with these submissions, my clients set out the negative forces that the CIL provisions relating to retail development were imposing on investment in the city, and in particular the delivery of Moor Exchange which is the critical cement in the delivery of a sustainable urban extension at Monkerton and Hill Barton. Those concerns were raised in the early stages of the pandemic, and the extraordinary global events that have unfolded since that time have simply compounded the negative impacts. This is 'real world' evidence from an experienced and market-facing developer of retail real estate, rather than a hypothetical viability

² Exeter Core Strategy, p.14, emphasis added

³ Ibid, para. 3.2



assessment, and which at the very least, confirms the 'sea-change' in viability circumstances pertaining to retailing since the CIL Charging Schedule was originally adopted.

It is therefore extremely disappointing that the commercial realities communicated at that time by an experienced promoter and developer of retail real estate seeking to deliver the Council's vision and objectives for a sustainable community in east Exeter, appear to have been ignored. There is currently considerable interest in the development of the Moor Exchange site for a variety of alternative uses, and unless this opportunity is taken to review, and amend, the CIL provisions relating to retail development, it is likely that the opportunity to deliver local facilities for Monkerton and Hill Barton, and the wider residential and business communities of east Exeter, will be lost forever. My clients herewith request disclosure of the market evidence that supports and justifies the Council's decision not to review the CIL provisions relating to town centre uses.

It is significant that your neighbouring authority, East Devon District Council, has found it necessary to structure their CIL schedule to support the delivery of town centre uses in appropriate locations in order to achieve sustainable urban communities, and notably to exclude Cranbrook, where new town centres are being promoted, from the retail levy. Given the similar market circumstances that pertain in Exeter, we find it extraordinary, and inexplicable, that you do not consider similar adjustments to your CIL Charging Schedule to be necessary.

It is also significant that, over the past decade, and notwithstanding the planned provisions for town centre uses that have been incorporated in the urban extensions, the only out-of-centre retail developments that have come forward, have been stand alone stores for discount convenience operators in locations of their choosing rather than those driven by the aims of sustainability, and in particular to encourage and facilitate a reduction in car travel. Given the Council's declared climate emergency, that is a failing that requires urgent rectification, and the starting point for which must be a proper understanding and response to retail market circumstances and the knockout blow that the current CIL provisions are levelling on the delivery of the critical social and community infrastructure that provides the cement for sustainable communities.

We would urge that you give these submissions your most careful attention, and would be pleased to meet with to discuss them further, if it would be of assistance. At this stage, we would request the opportunity to participate in any future examination of the revised CIL Charging Schedule.

Yours faithfully

Dr Thomas S Rocke

BA (Hons) PhD BTP (Dist) MRTPI

Director

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