

12th March 2025

Oxford City Council
Planning Policy
Town Hall
St Aldgate's
Oxford
OX1 1BX

By email: cilteam@oxford.gov.uk

The Savills logo consists of the word "savills" in a lowercase, sans-serif font, colored red, set against a solid yellow rectangular background.

Alex Reade
E: alex.reade@savills.com
33 Margaret Street
London
W1G 0JD
T: +44 (0) 20 7499 8644
F: +44 (0) 20 7495 3773
savills.com

Dear Sir/Madam

RE: OXFORD CITY COUNCIL PARTIAL REVIEW OF COMMUNITY INFRASTRUCTURE LEVY (CIL)

We write jointly on behalf of (1) Thomas White Oxford Ltd and Oxford North Ventures, (2) The Oxford Science Park (Properties) Ltd and (3) Royal London Mutual Insurance Society Limited (care of, Royal London Asset Management) to confirm our intention to be heard at the CIL Examination Hearing scheduled for 31st March 2025. Notably, the parties jointly represented herein are either largely or wholly responsible for 12 of the 18 site-specific typologies tested amounting to almost one half of the total office / R&D accommodation assessed.

In responding we would like to record our formal objection to modification numbers 1, 2 and 3 set out within the table of modifications of the Statement of Modifications to the Oxford City Council Community Infrastructure Levy Draft Charging Schedule – Regulation 19 (1)(d). Our overarching concern relates to the lack of information published and inadequate evidence base contained within the Oxford City Council CIL Review Addendum Note, dated April 2024 ('the Viability Addendum') which has precluded effective engagement with the consultation.

Although we welcome the updated site-specific consideration of strategic opportunities across the city – which we previously requested during the consultation stage, we would draw attention to a lack of supporting analysis having been provided where despite conclusions being reported, supporting assessments are absent. The Council has therefore failed to publish a sufficient level of analysis in respect of the Office and R&D typology where an unsustainable fivefold increase in developer levy is being proposed.

In respect of the detail included within the Viability Addendum we also maintain material concern over the revenue and cost assumptions and would refer to the specific objections raised by Savills and others during the draft CIL Charging Schedule consultation which appear to have been disregarded.

Specifically, development revenue assumptions appear to predicate only on third party research material with an insufficient level of market evidence referenced. This is particularly evident in the yield profile whereby a blanket 'aggressive' allowance is included across the city irrespective of geography, scale, specification or tenure etc, again with insufficient supporting evidence.

Development cost assumptions were also addressed with notable concern during the consultation stage. The Viability Addendum relies upon a generic BCIS cost base which is not appropriate for aspirational office and R&D accommodation being proposed across the city. Moreover, the notional 'external' allowance apparently included within the Viability Addendum fails to adequately capture the cost of delivering the site-wide infrastructure associated with the proposed scale of development whilst achieving proper placemaking objectives. It is critical that appropriate assumptions are adopted for both development revenue and costs particularly during periods of market uncertainty.

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The Viability Addendum is fundamentally absent in supporting justification and evidence as required under the CIL Regulations 2010 (as amended) and we remain of the opinion that the conclusions of the Viability Addendum are currently unsound, with the delivery of strategic city schemes fettered. It is critical that CIL is set at a sustainable level to enable key sites to come forward whilst contributing sustainably toward city-wide infrastructure projects.

We look forward to addressing the above concerns in greater detail during the Hearing scheduled for 31st March 2025.

If you have any questions at this stage please contact Alex Reade or Mark Breen at the above address.

Yours faithfully

A handwritten signature in black ink, appearing to read "Savills", written in a cursive, stylized script.

Savills