

Jacob Gemma

From: Gerrish, Ryan <R[REDACTED]@eu.jll.com>
Sent: 13 November 2017 12:22
To: Peter Heath; Bennett Alice; Hart Anna; Ware Julian; Lees Neil; Jones, Richard (UK)
Cc: Richard Linton
Subject: RE: MCIL 2 DCS MD and Supporting documents

Dear All,

Further to my email on Friday, circulating the updated viability evidence document, I have drafted a change log, highlighting the paragraph numbers and a short description of the changes.

MCIL2 PCDS to DCS change log.

Following the MCIL2 PDCS consultation we have addressed a number questions raised by respondents. We have updated our viability evidence base in response to the consultation feedback and highlight the key changes as at the following paragraphs in the report:

- **2.1.9 - 2.1.22** – further explanation of the approach and methodology following PDCS consultation, focussing on the simple ‘top down’ Borough wide approach to viability testing to avoid complexity. Consideration is given to the Crossrail S106 regime to support higher rates in the CAZ and Isle of Dogs for office, hotel and retail uses.
- **5.1.8 – 5.1.11** – in response to PDCS respondents, the cumulative impact off Borough CIL, Mayoral CIL and S106 contributions is considered. MCIL receipts show that there is no correlation between low MICL / BCIL rates and development volumes suggesting other factors are impacting boroughs with low development volumes.
- **8.1.3** – in response to the consultation we consider adding additional charging bands but do not identify an appropriate average house price split to justify an additional band.
- **9.5.9 – 9.5.18** – we have undertaken further viability work to assess the rolling in of the Crossrail S106 rates into the MCIL2 charging schedule and the possible impacts on office, hotel and retail development. We demonstrate the increase from the indexed Crossrail S106 rate to the proposed MCIL2 rates as a percentage of capital values per sq m using illustrative examples. The increase to the proposed MCIL2 rates represents between c.0.15% - 0.80% of capital values and is unlikely to put development at risk.
- **10.1.5 – 10.1.10** – following the PDCS consultation we have identified changes to the proposed MCIL2 boundaries for the CAZ and Isle of Dogs to address concerns raised by respondents and for simplicity. Updated maps reflecting the changes are inserted at Figures 9 and 10.

I would suggest we add this as an appendix to the DCS viability evidence base – if this is agreed we can add this in.

Kind regards,

Ryan

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From: Gerrish, Ryan
Sent: 10 November 2017 19:01
To: 'Peter Heath'; Bennett Alice; Hart Anna ([redacted]@tfl.gov.uk); Julian Ware; Lees Neil ([redacted]@tfl.gov.uk); Jones, Richard (UK)
Cc: Richard Linton
Subject: RE: [EXTERNAL] MCIL 2 DCS MD and Supporting documents

Dear All,

Please find a copy of our viability evidence for the DCS attached.

I have left track changes on so you can see where the updates are.

We will provide a change log for the back of the report and a summary paragraph for Pete's MD.

Kind regards,

Ryan

From: Peter Heath [mailto:[redacted]@london.gov.uk]
Sent: 10 November 2017 15:25
To: Bennett Alice <[redacted]@tfl.gov.uk>; Hart Anna ([redacted]@tfl.gov.uk) <[redacted]@tfl.gov.uk>; Julian Ware <[redacted]@tfl.gov.uk>; Lees Neil ([redacted]@tfl.gov.uk) <[redacted]@tfl.gov.uk>; Jones, Richard (UK) [redacted]@eu.jll.com>; Gerrish, Ryan <[redacted]@eu.jll.com>
Cc: Richard Linton [redacted]@london.gov.uk>
Subject: [EXTERNAL] MCIL 2 DCS MD and Supporting documents

All,

Attached is latest version of MD and supporting documents, for discussion on Tuesday. Can everyone read everything as I am getting lost in myriad versions of documents. I suggest we just debate big issues on Tuesday and if you have more minor editing comments pl send them through in advance.

The MD – can I have a quick para from JLL (see para 2.4) setting out how the update of their evidence has changed. Main points only.
The DCS – I have put the summary of responses received from the MD into the explanatory note section of the DCS check you are ok with the language
The DCS supporting Info – I have included data from LDD on affordable housing and uplift, if you think this is unhelpful pl shout and I will remove it or feel free to add better wording to improve it.

Pete
#LondonIsOpen

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