



Briefing Note

Our ref 01507/02/NT
Date 7 August 2015
To Mr Kemmann-Lane, CIL Examiner Royal Borough of Kingston Upon Thames
From Hannah Whitney (Nathaniel Lichfield & Partners)

Subject Kingston Upon Thames: CIL Examination Further Matters on Behalf of Chessington World of Adventures Resort

1.0 **Introduction**

1.1 On behalf of our client, Chessington World of Adventures Resort (CWoAR), a company forming part of Merlin Operations Ltd, we set out further evidence with respect to the proposed Royal Borough of Kingston upon Thames (RBK) CIL charge. As noted in our original representations, dated 14 May 2013, CWoAR object to the proposed charge of £20 per square metre to be applied to “all other Uses” which are not otherwise identified in the draft CIL Charging Schedule.

1.2 It is considered that CWoAR does not represent a typical strategic commercial site in the Borough, as new development does not necessarily result in direct revenue gain. As explained in further detail below, a unique approach is required with respect to this site to ensure an ‘appropriate balance’ is taken with respect to funding infrastructure in Kingston and the potential implications for economic viability of development at the Resort and the wider area.

2.0 **Background**

2.1 CWoAR is located within the southern-most part of the Royal Borough of Kingston-upon-Thames, close to the boundaries with the Surrey districts of Elmbridge (to the west) and Epsom and Ewell (to the east). It occupies a total area of 80 hectares (197 acres). One of CWoAR’s unique selling points is its large Zoo which houses over 1,000 exotic animals including lions, tigers, gorillas, monkeys and penguins.

2.2 In order to maintain visitor numbers and to continue its nature and wildlife conservation work and education programme at the attraction it is vital that CWoAR continues to upgrade and invest in its facilities. This includes developing and refreshing attractions each year to ensure repeat business from customers.

3.0 **CWoAR CIL Liable Developments**

3.1 CWoAR regularly invests in facilities at the Park and typical CIL liable development includes the following:

- 1 Indoor attractions/rides
- 2 New accommodation
- 3 Food and beverage buildings within the park
- 4 Operational buildings, such as maintenance and storage buildings
- 5 Animal welfare and back of house zoo facilities
- 6 General theme park back of house facilities

3.2 A number of these types of development will result in large-scale buildings, where a significant level of new floorspace will be provided. As a result the £20 per sqm RBK CIL, in combination with the £35 per sqm Mayoral CIL, will place a significant financial burden on CWoAR.

3.3 With respect to CWoAR's operational and back of house facilities, there is no direct financial return to the company as a result of investment in these buildings. They are necessary to ensure the Resort runs efficiently and responds to modern animal welfare standards. It is considered that they should not be treated in the same way as typical developments where new buildings generally result in direct commercial gain through rent return, manufacturing output or offices, for example.

3.4 As noted in our previous representations, CWoAR disagree with the assumptions made in the viability assessment prepared by BNP Paribas, that most developers in use classes D1 and D2 will be able to absorb the proposed CIL charge without it having a significant impact on viability. The following examples demonstrate why this is not the case at CWoAR.

1. Maintenance Warehouse/Storage Facilities

3.5 CWoAR has a number of warehouse buildings on site. In the next few years it is aiming to relocate a number of these to other areas of the park (freeing up space in the main part of the Resort). The intention is to re-provide double the amount of floorspace to allow more direct storage space on site. This investment will allow the company to decrease the number of regular deliveries to and from the site and will result in more efficient working practices.

3.6 However, assuming a doubling of existing floorspace CWoAR would be faced with a total CIL charge of £112,640 (£71,680 towards the Mayoral CIL and £40,960 towards the RBK CIL). It is estimated that the Kingston CIL represents approximately 8% of the construction costs associated with such a building, which CWoAR would be making no direct profit from. This cost is likely to delay or even halt CWoAR's decision to invest in such improvements

to the Park, and as such, limit the range of benefits which would occur as a result.

2. Animal Facilities

- 3.7 The Zoo at CWoAR pre-dates the amusement park and is one of the attraction's unique selling points. In order to keep up with modern standards of animal welfare standards/legislation the Resort needs to make a significant ongoing investment in the type and number of buildings supporting the operation of the Zoo.
- 3.8 If investment in the animal facilities is not maintained this could reduce the number and scope of animals which the Zoo can accommodate and therefore have a detrimental impact one of CWoAR's unique selling point, harming the overall viability of the Resort and affecting the nature and wildlife conservation work and education programme. As with the example above, CWoAR would receive no direct financial gain from redeveloping its back of house animal facilities.

3. Hotel Extension

- 3.9 The Mayoral CIL charge for the recent 69 bedroom hotel extension at CWoAR was £138,915. CWoAR has retrospectively reviewed the implication of the additional RBK CIL charge (£79,380 on the basis of 3,969 sqm net floorspace). The budget for the hotel project was extremely tight, with limited headroom available. It is estimated that non-essential elements of the scheme would have been lost in order to cover the costs of the additional RBK CIL charge. For example, less kitchen space would have been provided (subsequently reducing the number of chefs which could be employed) as well as reduced staff welfare facilities. Overall, whilst not completely stalling the development, the RBK CIL charge would have reduced the ability for CWoAR to deliver the scheme as intended with the full scope of ancillary facilities desired.

4.0 Conclusion

- 4.1 For the reasons set out above, it is considered that the draft Charging Schedule should be amended to specifically remove CWoAR from the proposed £20 charge for all other uses. There are unique circumstances which exist in relation to CWoAR which mean it cannot be treated as a typical commercial development, where all new floorspace will result in direct financial profit.
- 4.2 CWoAR always takes a responsible attitude toward Section 106 contributions, for example, in 2007 CWoAR paid £1.2 million for a new signalised junction at the entrance to the Resort's main car park. It is considered that site specific planning obligations should continue to be main method for dealing with future infrastructure costs relating to the Resort. Given the unique circumstances

relating to the Resort it is more appropriate to calculate obligations on a project by project basis rather than threaten the quality and extent of future development which is necessary to support this important strategic site within the Borough.