

Cabinet Report



Report of Head of Planning

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To: CABINET

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Draft Community Infrastructure Levy Charging Schedule and draft Developer Contributions Supplementary Planning Document

Recommendations

Cabinet:

- a) agrees the proposed new Community Infrastructure Levy rates, as set out in Table 1 of this report.
- b) agrees that the Draft Community Infrastructure Levy Charging Schedule and draft Developer Contributions Supplementary Planning Document are published for public consultation for a four-week period.
- c) to delegate to the Head of Planning, in consultation with the Cabinet Member for Planning, any necessary further minor changes to the Draft CIL Charging Schedule and associated maps.
- d) agrees that, following public consultation, to delegate to the Head of Planning, in consultation with the Cabinet Member for Planning, to consider all representations made, make any necessary amendments to the Draft Community Infrastructure Levy Charging Schedule and submit the document and associated information for independent examination.

Purpose of Report

1. The purpose of this report is to seek agreement from Cabinet on the proposed new Community Infrastructure Levy (CIL) rates for the District (as set out in Table 1), so that a draft CIL Charging Schedule and a revised Developer Contributions Supplementary Planning Document can be published for public consultation and that, following any necessary changes as a result of consultation responses, the draft CIL Charging Schedule can be formally submitted for independent examination.

Corporate Objectives

2. Securing developer contributions through CIL will contribute towards achieving the corporate objective of 'providing the homes people need' as set out under Theme 1 of the Vale Corporate Plan 2020 to 2024.

Background

3. Infrastructure to support new development is funded in a variety of ways. Developers may be asked to provide contributions (financial or works) for infrastructure by the following means:
 - S106 planning obligations;
 - Community Infrastructure Levy;
 - S278 highway agreements; and
 - planning conditions.
4. S106 obligations are legal obligations entered into to mitigate the impacts of a development proposal. A significant amount of the District's infrastructure is delivered through S106 and, in respect of highway works, through S278 agreements. The allocated strategic sites, as identified within the adopted Local Plan 2031 (Part 1 & 2), will be delivering the majority of the District's housing requirement and will provide a range of supporting infrastructure (including transport improvements, schools, open space, health, leisure and community facilities), which may be on or off-site. Affordable housing is also secured through S106 agreements.
5. Policies for S106 planning obligations are set out in local plans and examined in public. Such policies should be informed by evidence of infrastructure and affordable housing need and a proportionate assessment of viability. This has been undertaken in relation to the adopted Local Plan 2031 Parts 1 and 2 policies. An SPD provides the opportunity for further guidance on the adopted planning policy, in terms of how we can secure appropriate contributions (financial or works). Before the council can adopt an SPD, it must consult and consider the issues raised in the consultation.
6. In addition to S106 planning obligations, the council can charge a Community Infrastructure Levy (CIL) to help further fund infrastructure required to support the development needs of the District. The CIL is a charge which can be levied by local authorities (as the charging authority) on new development in their area. The expenditure of CIL is not tied to infrastructure related to a specific development, although a proportion (either 15% or 25%, depending on whether they have an adopted neighbourhood plan) is provided to local parish / town councils. The National Planning Policy Guidance (PPG) advises that a levy can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities. This definition allows the levy to be used to fund a very broad

range of facilities such as play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives local areas the opportunity to identify the infrastructure they wish to fund through the use of CIL receipts as identified in their Local Plan (Infrastructure Delivery Plan - IDP) or Neighbourhood Plans. Charging authorities may not use the levy to fund affordable housing.

7. The PPG advises that charging authorities should consider relevant national planning policy when drafting their charging schedules and they should be consistent with, and support the implementation of, up-to-date relevant local plans. CIL can only be applied in areas where, firstly, a local authority has identified a funding gap to deliver the necessary infrastructure, and secondly, where a local authority has consulted on (and approved) a charging schedule which sets out its CIL charging rates and has published the schedule on its website.
8. When considering the draft CIL rates, the charging authority must strike an appropriate balance between achieving additional investment to support development and the potential effect on the viability of developments and be able to explain how CIL will contribute towards the implementation of their relevant local plan and support development across their area. In doing so, charging authorities should use evidence in accordance with planning practice guidance and take account of national planning policy on development contributions. It is therefore appropriate to consider preparing a developer contributions SPD (S106 SPD) concurrently with a draft CIL Charging Schedule.
9. The CIL Regulations allow charging authorities to apply differential rates in a flexible way, to help ensure the viability of development is not put at risk. Charging authorities should consider how they could use differential rates to optimise the funding they can receive through the levy. Differences in rates need to be justified by reference to the viability of development. Consequently, sites with an existing higher use value (e.g. brownfield sites) will have a lower uplift and will generally not be able to support a higher CIL rate compared to greenfield sites. CIL is a pooled contribution towards infrastructure and is not specific to a particular development (unlike S106). It is, therefore, justifiable to levy differential rates in relation to viability.
10. Differential rates may be appropriate in relation to:
 - geographical zones within the charging authority's boundary;
 - types of development; and/or
 - scales of development.
11. However, the PPG also advises that charging authorities, in setting differential rates, should seek to avoid undue complexity. Charging schedules with differential rates should not have a disproportionate impact on particular sectors or specialist forms of development and differential rates should not be used as a means to deliver policy objectives.
12. CIL is levied on new floorspace and there are several exemptions where CIL is not levied (subject to specific provisions). These include:

- development of less than 100 square metres, unless this consists of one or more dwellings;
- buildings into which people do not normally go or only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
- structures which are not buildings, such as pylons and wind turbines;
- specified types of development which local authorities have decided should be subject to a 'zero' rate and specified as such in their charging schedules;
- residential annexes and extensions;
- self-build houses and flats; and
- development for charitable purposes.

NEED FOR THE REVIEW

13. Following the adoption of the Local Plan 2031 Part 1 in December 2016, the council adopted its current CIL Charging Schedule and the S106 Developer Contributions SPD in September 2017 (with the commencement of CIL in November 2017). The council subsequently adopted Part 2 of its Local Plan 2031 (which includes new site allocations and additional infrastructure requirements) in October 2019. There have also been changes to the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019. The changes to the CIL Regulations include:

- the removal of pooling restrictions for S106 obligations (i.e. the requirement that no more than five S106 obligations can fund a single infrastructure project);
- removing the need for a Regulation 123 list (i.e. a list of infrastructure projects to be funded by CIL as opposed to S106); and
- introducing a new requirement to produce an annual Infrastructure Funding Statement.

14. It is therefore necessary to review the current CIL Charging Schedule and S106 SPD to take account of the new site allocations and policies in Part 2 of the Local Plan 2031 and the changes to the CIL Regulations. Furthermore, it is evident that the current CIL rates do not generate sufficient funds to help deliver the necessary infrastructure to support new development. In particular, funding for education is falling short and it is now proposed, in the main, to secure education through S106. During the time CIL has been operating it is evident that the viability and delivery of new housing in the District has not been adversely affected.

PROCESS FOR REVIEWING THE CIL CHARGING SCHEDULE AND S106 SPD

15. The process for preparing and reviewing a CIL charging schedule is identified in Government's Planning Practice Guidance¹ (PPG) and is as follows:

- the council prepares its evidence base in order to prepare its draft levy rates, and collaborates with neighbouring/overlapping authorities (and other stakeholders);
- the charging authority prepares and publishes a draft charging schedule for consultation;
- representations are sought on the published draft documents;

¹ Planning Practice Guidance Ref 25-013-20190901

- the charging authority must take into account any representations made to it before submitting a draft charging schedule for examination;
- an independent person (the “examiner”) examines the charging schedule in public;
- the examiner’s recommendations are published;
- the charging authority has regard to the examiner’s recommendations and reasons for them; and
- the charging authority approves the charging schedule.

16. We are currently at the first stage, which is preparing our evidence base in order to prepare our draft CIL Charging Schedule. The evidence includes the following:

- an Infrastructure Funding Gap Statement (using evidence set out in the Infrastructure Delivery Plans produced to support the adopted Local Plan 2031 Parts 1 and 2);
- Viability Evidence - (Viability Assessment 2019, Viability Addendum 2020 and Executive Summary 2020); and
- Engagement with stakeholders.

17. The process and requirements for producing a Supplementary Planning Document are set out in the Town and Country Planning (Local Planning) Regulations 2012. Before an SPD can be adopted, the local authority will need to undertake public consultation for a minimum of 4 weeks. Following public consultation and consideration of representations, the SPD can be formally adopted by the council. We have reviewed and provided a draft of the S106 SPD alongside this paper. The next step will be to undertake public consultation on the draft S106 SPD, alongside the draft CIL Charging Schedule.

CIL CHARGING SCHEDULE: INFRASTRUCTURE FUNDING GAP STATEMENT

18. The PPG states we need to demonstrate we have an infrastructure funding gap, so the council can show there is a need for CIL to be put in place to assist in funding infrastructure across the District. This is undertaken by reviewing the infrastructure required to support development, as identified in the Infrastructure Delivery Plans (IDPs), produced to support the adopted Vale of White Horse 2031 Local Plans Parts 1 and 2, and comparing expected costs of infrastructure items with expected sources of funding.

19. The Infrastructure Funding Gap Statement (IFGS) (Appendix 2) demonstrates there is a funding gap within the District. The total cost of infrastructure equates to circa £1.3 billion. Other sources of funding need to be considered in determining the funding gap, as funding for infrastructure can also be secured through S106 (both works and contributions) and national and sub-regional funding sources such as the Oxfordshire Housing and Growth Deal. Further details on this are provided in the Infrastructure Funding Gap Statement and the Infrastructure Delivery Plans. When other sources of funding are discounted from the total cost of infrastructure, a funding gap of circa £285 million remains. It should be noted, there are some infrastructure projects where the cost is unknown or uncertain and, therefore, it is likely that this funding gap will be higher.

CIL CHARGING SCHEDULE VIABILITY EVIDENCE

20. The PPG advises that authorities must strike a balance between achieving additional investments (infrastructure) to support development and the potential effects on the viability of developments when drafting their rates. To demonstrate this, a viability assessment has been undertaken and has provided recommendations on the appropriate level of charge we can levy on developments in the District. The viability assessment has been undertaken by consultants Aspinall Verdi on behalf of the council.
21. The viability assessment was initially undertaken in 2019, however, work on the review of the CIL Charging Schedule was paused due to progress with the Part 2 Local Plan. Work continued in 2020 and, in February 2020, Aspinall Verdi were commissioned to provide a viability update, which now forms an Addendum to their original report. This update ensures the council is producing a draft Charging Schedule based on the most recent information available. The findings are presented in a summary report which combines and summarises the assessment and recommendations from the viability assessment report (dated April 2019) and the Addendum (dated August 2020). The viability summary report is provided at Appendix 4. The 2019 viability report and 2020 Addendum are also available upon request.
22. The viability for CIL is a general viability assessment across the District. The assessment incorporates a number of assumptions, for example, with regard to sale values, build costs, contingency, allowances for increased costs relating to adaptable housing and space standards. Various development typologies were assessed (e.g. different numbers/housing densities) and sensitivities applied (e.g. percentage increases / decreases in costs or income). This ensured that the viability was applicable for a range of development and captured most scenarios.
23. Key findings from the viability assessment show that:
 - Strategic sites provide a significant contribution to infrastructure through S106 (£36k and above per dwelling) and therefore cannot support CIL;
 - A wide range of maximum rates were found across the District, due to varying land values;
 - Land values were higher in the eastern part of the District and development could support a higher CIL rate there than across the rest of the District;
 - Student accommodation, HMOs, and age restricted housing could support CIL;
 - Residential institutional accommodation (e.g. extra-care and residential care homes) could not support CIL;
 - Minor development (fewer than 10 dwellings) could support a higher CIL rate than major development, as it does not have to provide affordable housing;
 - Differential rates between brownfield and greenfield land could be charged reflecting land values;
 - Apart from in some specific locations (i.e. in the built-up areas of Wantage, Grove and Faringdon) residential CIL rates could be increased;
 - Business and industry could not support CIL, as was previously the case; and
 - Supermarkets and retail warehousing could continue to support CIL, but at the same rate as existing.

24. In response to the change in the CIL Regulations (i.e. removing the pooling restrictions for S106 contributions) and the shortfall in education funding, the 2020 viability addendum has included education as a S106 cost. To ensure education is adequately funded it is considered favourable to secure through S106 rather than CIL.
25. CIL is a mandatory charge and needs to be set at a rate which the majority of developments can pay. A contingency or buffer is, therefore, necessary and maximum rates should not be charged. In relation to a S106 agreement, the viability issues on a particular site can be considered and the infrastructure can be negotiated. Overall, the council will be able to secure more funding towards education through S106 than through CIL. However, the inclusion of education within S106 costs results in the maximum CIL rates being slightly lower than stated in the 2019 Viability Assessment.

CIL CHARGING SCHEDULE – CONSIDERATION OF DIFFERENTIAL RATES

26. The viability assessments suggest that differential rates for minor schemes could be levied. This is because these schemes do not contribute towards affordable housing or S106 costs. In 2020, S106 costs for education were factored into the viability but this will not affect the viability for minor schemes. In their 2020 Addendum, the viability consultants advised that the council could capture more receipts by levying differential brownfield and greenfield rates. Officers have considered the possibility of differential rates and also explored the type of rates in neighbouring authorities with similar land values and elsewhere in England. It is evident that no other authorities currently differentiate between brownfield and greenfield sites, however, a few authorities have adopted or are proposing differential rates for minor schemes.
27. As the majority of brownfield sites outside the Eastern Parishes are in the built-up areas of Wantage, Grove and Faringdon, the recommended approach is to ringfence these areas and effectively charge a brownfield rate. This allows the rest of the District to achieve the higher CIL rate, which is in effect the greenfield rate. Administering differential rates for brown and greenfield land would be extremely complex and achieve relatively little more income for infrastructure. In conclusion, officers do not recommend differential rates for brownfield and greenfield sites across the District.
28. In this context, viability was reassessed so that appropriate rates could be applied in the different zones. These are not the maximum rates, as a contingency or buffer is necessary to ensure that development overall is viable and can come forward with its requisite policy requirements for infrastructure and affordable housing.
29. There is the scope to levy a higher differential rate on minor schemes. Officers recommend that the rate for minor schemes is uplifted by £60 per sq m from the major site rate in each zone. Whilst the viability assessment suggests that minor schemes could support higher rates, the council must allow a contingency or buffer, particularly in the current economic climate. The proposed uplift is comparable to the approach taken by other authorities which levy a differential rate for minor schemes. In the AONB the council can seek off site contributions for affordable housing on schemes for 6 - 9 dwellings (at 10 dwellings and more on-site provision applies). Within the AONB the minor scheme rate should therefore be applied to schemes of 5 dwellings and under. The rate for minor schemes would also apply to residential extensions (over 100 sq m) and annexes, although in practice these schemes usually benefit from an exemption under the self build regulations.

IMPACT OF COVID 19

30. There have been significant discussions over the impacts of the Covid-19 Pandemic and its effect on the development industry. In the 2020 Viability Addendum, the consultants conclude that there is currently limited information on which to base assumptions over potential impacts that the pandemic may have on the development industry and that whilst it may be expected that we would see some decrease in output from the development industry, there have also been measures put in place by the Chancellor (such as temporary stamp duty reductions) to ensure demand is maintained in the short term. Consequently, the consultants recommended that the viability assessment be undertaken with a 'business as normal' approach.

THE 'PLANNING FOR THE FUTURE' WHITE PAPER

31. Government has recently published its *Planning for The Future* White Paper, which proposes major reforms to the planning system, including the possible removal of CIL in favour of a National Infrastructure Levy. We understand there may be concerns over implementing a revised Charging Schedule for the District when CIL could be abolished shortly after. However, due to the length of time it may take to implement any changes to the planning system and the uncertainty around the progress of these initial proposals, we consider there is a greater risk in loss of income from not implementing a revised Charging Schedule. The proposed increased in CIL rates would enable the District to collect significantly more funds than the current Charging Schedule allows, even if the revised Schedule was only in place for a short period.

CIL CHARGING SCHEDULE: ENGAGEMENT WITH STAKEHOLDERS

32. The NPPF advises that where the Community Infrastructure Levy is in place for an area, charging authorities (i.e. the council) should work proactively with developers to ensure they are clear about the authorities' infrastructure needs.
33. Developer engagement was carried out in February 2019 and more recently on 12 October 2020, to enable the consultants (Aspinall Verdi) to share the assumptions that were used in their viability assessments and to seek views from the development industry on these assumptions. Whilst in excess of 200 agents and developers were invited to both events, twenty representatives attended in 2019 and three representatives attended in 2020. To date, we have not received any feedback, querying or confirming the assumptions used in the viability assessments. Any future feedback will be considered following the public consultation before submission to the Planning Inspectorate. in assessing the final recommended rates.

CIL CHARGING SCHEDULE - RECOMMENDED RATES

34. The proposed CIL rates are based on findings of the viability assessments, as well as consideration of how CIL is administered and the complexity and costs around that. The recommended charges for residential schemes relate to three defined geographical zones within the District. The table also sets out differential rates for minor schemes (those under 10 dwellings, or under 6 dwellings in the AONB). Officers advise that development on strategic sites and institutional care accommodation should be nil rated. Rates for supermarkets and retail warehousing would be set district wide, as at present. The rates in the council's current charging schedule are included, for reference.

Table 1: Proposed and Current CIL charges (per sq. m of chargeable floorspace)

Development type	Proposed CIL Rate			Current CIL Rate ²	
	Zone 1: Eastern Parishes ³	Zone 2: Built up areas: Wantage, Grove and Faringdon ⁴	Zone 3: Rest of District	Zone 1: Rest of District	Zone 2: Built up areas: Wantage, Grove and Faringdon
Residential Development (including student accommodation, HMOs, age restricted and sheltered housing)					
Major Schemes (10 dwellings and more net)*	£280	£100	£200	£140.14	£99.27
Minor Schemes (9 dwellings and fewer net)**	£340	£160	£260		
* Schemes of between 6 and 9 dwellings in the Area of Outstanding Natural Beauty are charged as major development					
**Other chargeable residential development (e.g. residential extensions over 100 sq m and annexes) will be charged at the relevant zone rate					
Development type	District Wide				
Strategic Sites ⁵	£0			£0	
Institutional accommodation: Extra-care, nursing and care homes	£0			£0	
Supermarkets and Retail Warehousing	£117.00			116.78	
Residential rural exception site	£0			£0	
All other development	£0			£0	

² The current rates were originally set as £120 (Zone 1) and £85 (Zone 2) and have risen in line with annual indexation set nationally.

³ The Eastern Parishes are: Cumnor, Wytham, North Hinksey, South Hinksey, Kennington, Wootton, Sunningwell, Radley, Abingdon, Drayton, Sutton Courtenay, Appleford On Thames, Milton, Harwell, Chilton, Upton, and Blewbury

⁴ This includes Grove Technology Park in East Challow

⁵ Strategic allocated sites: LPP1: Crab Hill, Didcot Power Station, East of Coxwell Road, Faringdon, Grove Airfield, Land South of Park Road Faringdon, Monks Farm, North of Shrivenham, South of Faringdon, Valley Park, North West Valley Park, LPP2: Dalton Barracks, East of Kingston Bagpuize, North West Grove.

35. Table 1 shows the majority of the proposed charging rates are higher than those in the adopted Charging Schedule:

- Zone 1 (Eastern Parishes) has a higher charge compared to the other zones as the development values in this area are higher and there would be a higher uplift in values, therefore, development can support a higher CIL rate. (A list of parishes falling within Zone 1 is provided³)
- Zone 2 in the proposed charging schedule relates specifically to the built-up areas of Wantage, Grove and Faringdon. These built-up areas are essentially brownfield locations where land values are lower and development costs are likely to be higher. A lower charge is, therefore, recommended in these areas, in order to enable a higher rate to be levied in the rest of the District, including at greenfield locations within these parishes.
- Zone 3 relates to the rest of the District and the viability shows that a higher rate can be levied than is currently set.
- Within each zone, a higher rate for minor schemes will be levied to account for the higher viability of these sites, which do not provide affordable housing or other S106 contributions. For residential schemes within the North Wessex Downs Area of Outstanding Natural Beauty, the higher rate will only apply to those of 5 or fewer dwellings, as schemes of between 6 and 9 dwellings are expected to make affordable housing contributions.

36. Table 1 also shows:

- Strategic Sites: There are several strategic allocations that are currently exempt from paying CIL in the current charging schedule. This is because strategic sites will mitigate their development impacts through site-specific S106 contributions and, in doing so, will generally not be viable to pay CIL as well. The exemption of these sites will be carried forward into the revised charging schedule. Part 2 of the Local Plan allocates three further strategic sites and these are also recommended to be exempt from CIL. All the CIL exempt sites that do not yet have planning permission are listed in footnote 4.
- The other allocated sites⁶ in Part 2 of the Local Plan are of a scale (all less than 100 dwellings) which will not have a significant infrastructure requirement and thus CIL is viable on these sites, as only limited infrastructure would be secured through S106.
- Supermarkets and Retail Warehousing - The charge for supermarkets and retail warehousing remains the same as the previous charging schedule because there is no available evidence to update the viability information behind this typology. It is worth noting that there is no charge set out for Town Centre Retail as it has been found to be unviable to implement a charge on this typology.
- Extra-care and Nursing and Care Homes - It has also been found to be unviable to implement a charge on Extra-care, Nursing Homes and Care Homes. However, a

⁶ Allocated sites liable for CIL: Sutton Courtenay, North of East Hanney, North-East of East Hanney, and South-East of Marcham (not yet permitted)

charge is applied to Sheltered Housing and Age Restricted Housing which will be applied in accordance with the relevant residential zone rate.

37. The proposed charges represent a viable increase on the previous CIL charging rates, which will help the council to secure more funding towards necessary infrastructure in the District. Based on the planned housing over the Plan period it is estimated that current CIL would generate £15,947,204, whereas the proposed revised CIL, as recommended, would generate £ £30,903,664. The strategic sites would be exempt from CIL but substantial infrastructure would be secured through developer contributions, secured through S106 and S278 agreements.

S106 DEVELOPER CONTRIBUTIONS SPD – PROPOSED REVISIONS

38. The S106 Developer Contributions SPD has been updated (Appendix 3) to include reference to the policies in Part 2 of the Local Plan 2031 (adopted Oct 2019) and to remove reference to the Regulation 123 list, which no longer exists since changes to the CIL regulations in 2019.

39. As explained above, the majority of funding for infrastructure is secured through S106 and the SPD provides guidance on how and when the council will seek funding through S106. Pooling limitations no longer apply and the council can collect S106 monies from as many developments as necessary and pool the contributions towards a particular project. That project can also receive CIL funding. Specifically, the revised SPD states that education contributions will be sought through S106, yet CIL can also be used for education, if needed.

40. The SPD provides further guidance on the policies set out in the adopted Local Plan 2031 and in respect of all types of infrastructure, including affordable housing. Particularly in relation to community and leisure facilities, the SPD notes that engagement with local district ward councillors and town and parish councils is recommended to help identify the type of projects that would be appropriate to gain funding in the locality. Unless a facility is being provided through a strategic development, the majority of community and leisure facilities will be provided through CIL. The town or parish proportion of CIL can also be spent on these facilities.

NEXT STEPS

41. Table 2 below sets out the key milestones for the review of the CIL Charging Schedule and Developer Contributions SPD.

Table 2: Next Steps

Milestone	Expected Date(s)
Public consultation (4 weeks) on the Draft CIL Charging Schedule & Draft Revised Developer Contributions SPD.	11 Jan 2021 to 08 Feb 2021
Submission of the Draft CIL Charging Schedule for independent examination ⁷	March 2021

⁷ The Developer Contributions SPD does not need to be submitted for Examination, but it is necessary to see the correlation of both funding mechanisms.

Milestone	Expected Date(s)
Examination of Draft CIL Charging Schedule	TBC – Indicative June 2021
Adoption of the CIL Charging Schedule and Developer Contributions SPD	TBC - to be considered by Cabinet and Council – Summer 2021

Options

42. The following alternative options have been considered in the main report:

- Differential rates for Brownfield/Greenfield sites are not recommended, due to the complexity and costs associated with administration;
- Differential rates for development schemes of 9 dwellings or fewer (5 dwellings or fewer in the AONB) are recommended, due to the higher viability of these developments. Increased rates for minor schemes are included in Table 1 of this report; and
- Maintaining the rates in the current CIL Charging Schedule (in the context that Government’s planning reforms could replace CIL with an alternative National Infrastructure Levy). This is not recommended for the reasons highlighted in the report and it is recommended to progress with a revised CIL Charging Schedule.

Financial Implications

43. As set out in paragraph 37, the proposed charges represent a viable increase on the previous CIL charging rates, which will help the council secure more funding towards necessary infrastructure in the District.

44. Paragraph 27 of this report refers to the additional administrative costs that would be incurred by the council, if differential CIL rates for brownfield and greenfield sites were adopted. However, operational costs for administering CIL with the recommended revised rates would be only marginally higher and can be covered by the increased CIL income.

Legal Implications

45. There are no legal implications arising from this report.

Risks

46. The following risks have been identified:

- Proposing higher CIL rates in this current period of economic uncertainty could have implications (albeit currently unknown) for future development viability in the District. However, by not proposing the higher range of CIL rates (based on the

findings of the Viability Assessment), we are maintaining a good buffer to take account of any short term fluctuations in the local economy.

- If public consultation on the draft CIL Charging Schedule and Developer Contributions SPD does not begin by 11 January 2021 in 2020, it is unlikely that the independent examination of the Charging Schedule will take place before Autumn 2021, which would significantly delay the timeframe within which new CIL rates could be adopted (potentially beyond 2021).

Conclusion

47. Officers recommend that the revised draft CIL Charging Schedule be progressed in order to maximise the effectiveness of CIL in helping to deliver the necessary infrastructure to support development across our District, as set out in our adopted Local Plan 2031.

Background Papers

- Appendix 1: Draft CIL Charging Schedule
- Appendix 2: Draft Infrastructure Funding Gap Statement
- Appendix 3: Draft Developer Contributions Supplementary Planning Document
- Appendix 4: Viability Executive Summary 2020