



**South
Cambridgeshire
District Council**

Community Infrastructure Levy

Draft charging schedule and supporting document

Date 7 July 2014



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Chapter 1: Introduction

1.1 South Cambridgeshire District Council

- 1.1.1 South Cambridgeshire is located centrally in the East of England region at the junction of the M11 / A14 roads and with direct rail access to London and to Stansted Airport. It is a largely rural district which surrounds the city of Cambridge and comprises over 100 villages, none currently larger than 8,000 persons.
- 1.1.2 It is surrounded by a ring of market towns just beyond its borders, which are generally 10–15 miles from Cambridge. Together, Cambridge, South Cambridgeshire and the Market Towns form the Cambridge Sub-Region.
- 1.1.3 South Cambridgeshire has long been a fast growing district and in 2011 had a population of 146,800 persons (bigger than Cambridge itself) and has become home to many of the clusters of high technology research and development in the Cambridge Sub-Region.
- 1.1.4 South Cambridgeshire is consistently recognised as one of the top places to live and work in the country due to our thriving economy and quality of life. Our successful local economy is important on a national stage and South Cambridgeshire is one of the fastest growing areas in the country.

1.2 The purpose of the consultation

- 1.2.1 This consultation is to help demonstrate how the Council has worked to satisfy regulatory and guidance requirements to proceed towards examination of a charging schedule under the Community Infrastructure Levy Regulations 2010 (amended).
- 1.2.2 This document should be read in conjunction with other information published in support of this process namely:
- (i) South Cambridgeshire District Council Submission Local Plan
 - (ii) Infrastructure Delivery Study August 2012
 - (iii) Infrastructure Delivery Study Update August 2013
 - (iv) Local Plan and CIL viability study report July 2013
 - (v) Draft Charging Schedule
 - (vi) Draft Regulation 123 list
 - (vii) Draft Instalment policy
 - (viii) Statement of representations on the Preliminary Draft Charing Schedule



1.3 Schedule of compliance

The table below highlights the steps that the charging authority is to follow in order to introduce a CIL charging schedule.

Table 1

Work	Required by	Evidence / work undertaken	Status
Infrastructure evidence and funding gap	<ul style="list-style-type: none"> CIL Regulation 14 CIL Guidance (Feb 2014) 2:2:2:1 and 2:2:2:2 National Planning Policy Framework Para 162 	<p>Peter Brett Associates LLP Infrastructure Delivery Study August 2012 and update study August 2013.</p> <p>Transport Strategy for Cambridge and South Cambridgeshire April 2014</p>	Complete
Viability evidence	<ul style="list-style-type: none"> CIL Regulation 14 CIL Guidance (Feb 2014) 2:2:2:3 and 2:2:2:4 National Planning Policy Framework Para 173 	Dixon Searle LLP Local Plan Submission and CIL Preliminary Draft Charging Schedule Viability Study July 2013.	Complete.
Up to date Local Plan	<ul style="list-style-type: none"> CIL Guidance (Feb 2014) Para 2:2:1 National Planning Policy Framework Para 175 	Local Plan Proposed Submission July 2013 now submitted for examination	Local Plan Proposed Submission awaiting examination
CIL in support of the Local Plan	<ul style="list-style-type: none"> CIL Guidance (Feb 2014) 2:2:2:3 	Chapter 3 of this document	Complete
Success of existing s106 policies	<ul style="list-style-type: none"> CIL Guidance (Feb 2014) 2:2:2:3 	Chapter 5 of this document	Complete
How s106 contributions will be used	<ul style="list-style-type: none"> CIL Guidance (Feb 2014) 2:6:2 	Chapter 5 of this document	Complete
Regulation 123 list	<ul style="list-style-type: none"> CIL Regulation 14 CIL Guidance (Feb 2014) 2:6:2:1 	Chapter 6 of this document and provided separately for consultation	Published for consultation
Preliminary draft charging schedule	<ul style="list-style-type: none"> CIL Regulation 15 CIL Guidance (Feb 2014) 2:2:3 	Public consultation on the Preliminary Draft Charging Schedule (PDCS) took place between 19 July and 30 September 2013	Complete
Draft charging schedule	<ul style="list-style-type: none"> CIL Regulation 16 CIL Guidance (Feb 2014) 2:2:4 	Public consultation on the Draft Charging Schedule between 21 April and 2 June 2014	Underway
Public examination	<ul style="list-style-type: none"> CIL Regulation 19-24 CIL Guidance (Feb 2014) 2:2:5 	Examination to follow the Draft Charging Schedule consultation	Anticipated Autumn 2014
Approval and implementation	<ul style="list-style-type: none"> Planning Act 2008 Section 213 CIL Regulation 25-28 CIL Guidance (Feb 2014) 2:2:6 	Approval of the Charging Schedule to occur once the examiner's report has been received	Anticipated Spring 2015



Chapter 2: The Community Infrastructure Levy

2.1 What is CIL?

- 2.1.1 CIL was introduced by the Planning Act 2008 and defined in the CIL Regulations April 2010 (as amended). It is the Government's preferred mechanism for securing developer contributions towards local and strategic infrastructure improvements, and will effectively replace tariff style planning obligation policies.
- 2.1.2 CIL is a development tax charged on new buildings, although the following do not pay the levy:
- development of less than 100 square metres - unless this is a whole house, in which case the levy is payable
 - houses, flats, residential annexes and residential extensions which are built by 'self-builders'
 - social housing that meets the relief criteria
 - charitable development that meets the relief criteria
 - buildings into which people do not normally go
 - buildings into which people go 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
 - vacant buildings brought back into the same use
- 2.1.3 The levy is charged on pounds per square metre on the net additional increase in gross internal floor space of a development. In calculating CIL the Council is required to take into consideration any floorspace of existing buildings being replaced.
- 2.1.4 Whereas developer contributions secured under a section 106 agreement are based on the needs arising from the development, CIL intentionally breaks the relationship between the impact of new development and the infrastructure that revenues are allocated towards.

2.2 Infrastructure

- 2.2.1 Section 216 of the Planning Act 2008 provides a wide definition of infrastructure that can be funded through CIL. This includes:
- a) roads and other transport facilities
 - b) flood defences
 - c) schools and other educational facilities
 - d) medical facilities
 - e) sporting and recreational facilities
 - f) open spaces
- 2.2.2 It is for a charging authority, in consultation with communities, to prioritise projects in order to deliver the Local Plan. The levy is intended to focus on the



provision of new infrastructure to support additional development, rather than to remedy existing infrastructure deficiencies.

- 2.2.3 Local planning authorities are encouraged to work collaboratively with neighbouring authorities and pool respective funds in order to support the delivery of sub-regional infrastructure. It is recognised nationally that CIL will not deliver all local priorities and that other funding streams will need to be drawn upon in order to facilitate the delivery and improvement to local and sub-regional infrastructure.

2.3 Local contribution

- 2.3.1 In England, where there is a neighbourhood development plan in place, or permission was granted by a neighbourhood development order (including by a community right to build order), the charging authority must pass 25% of Community Infrastructure Levy funds to the parish councils in whose area the chargeable development takes place. Where there is no neighbourhood development plan this amount is 15%, subject to a cap of £100 per household in the parish council area per year.

- 2.3.2 Parish Councils can use this money to fund:

- (a) the provision, improvement, replacement, operation or maintenance of infrastructure; or
- (b) anything else that is concerned with addressing the demands that development places on an area.

2.4 Discretionary relief

- 2.4.1 In addition to mandatory exemptions the CIL Regulations allow a charging authority to introduce a discretionary relief policy for exceptional circumstances if strict criteria are satisfied.

2.5 When is CIL payable?

- 2.5.1 The Regulations state that CIL is payable in full at the end of the period of 60 days, beginning with the intended commencement date of development, unless the charging authority has adopted an instalment policy.
- 2.5.2 The instalment policy may only relate to periods in time rather than defined triggers such as currently used in section 106 agreements.

2.6 Relationship with planning obligations

- 2.6.1 Legal agreements entered into under Section 106 of the Town and County Planning Act 1990 will revert back to their original intention and mitigate site specific impacts only. To encourage local planning authorities to introduce a CIL charging schedule the CIL Regulations restrict the use Section 106 agreements after April 2015 so that effectively only 5 developments can fund one item of infrastructure.



2.6.2 Following the introduction of the CIL Regulations a planning obligation (section 106 contribution) may only constitute a reason for granting planning permission for the development if the obligation is:

- (i) Necessary to make the development acceptable in planning terms;
- (ii) Directly related to the development; and
- (iii) Fairly and reasonably related in scale and kind to the development

2.6.3 The CIL regulations also prevent double counting, i.e. so that Local Authorities cannot fund an infrastructure item through both CIL and planning obligations.



Chapter 3: CIL and the Local Plan

Para 175 National Planning Policy Framework

Where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan.

Para 2:2:1 Community Infrastructure Levy Guidance (2014)

Charging schedules are not formally part of the relevant Plan, but charging schedules and relevant Plans should inform and be generally consistent with each other.

Para 2:2:2:3 Community Infrastructure Levy Guidance (2014)

A charging authority should be able to explain how their proposed levy rate or rates will contribute towards the implementation of the relevant Plan (the Local Plan in England), and support development across their area.

3.1 South Cambridgeshire Local Plan

- 3.1.1 The Proposed Submission Local Plan for South Cambridgeshire updates and replaces the South Cambridgeshire Local Development Framework. The draft Local Plan's policies and proposals cover the period 2011 to 2031.
- 3.1.2 The draft Local Plan is founded on an extensive evidence base of studies and two rounds of public consultation on issues and options which were held between mid-July and end-September 2012 and mid-January to end-February 2013. It has been prepared in close cooperation with Cambridge City Council and Cambridgeshire County Council and its policies and proposals have been subject to sustainability appraisal through all stages of preparation. The Council has also worked with the local authorities in Cambridgeshire, Suffolk and Norfolk to produce a Strategic Housing Market Assessment (SHMA) to determine the amount of housing and jobs growth that will need to be accommodated by 2031 and agreed a memorandum of cooperation about how that need will be met.
- 3.1.3 The draft Plan aims to strike the right balance between growth and conservation, valuing what makes the area unique. It is about making sure jobs are created, and new homes provided, in the right areas, and that all transport needs are considered and people have a choice about where to live so they do not have to rely on cars for all of their journeys.
- 3.1.4 The draft Local Plan sets the levels of employment and housing development that should be provided over the plan period to best meet the needs of the area and establish a clear strategy for meeting development needs in the most sustainable way that protects the quality of life of existing and future residents. Its policies aim to ensure that development is of high quality and will meet the challenges we face with an ageing population and changing climate. It will ensure that new development comes with the necessary



schools, health facilities, shops, leisure facilities and open spaces that residents need to provide a good quality of life.

- 3.1.5 The draft Local Plan sets a strong framework for new development to meet the needs of the area and provide a clear statement for local residents, businesses, service providers and the development industry of what they can expect to happen in terms of change in the built and natural environment over the next couple of decades.
- 3.1.6 The updated Local Plan responds to the new National Planning Policy Framework (NPPF), the Localism Act 2011 and to proposed changes to the ways in which developers will contribute to funding supporting services and infrastructure through Section 106 contributions and the Community Infrastructure Levy (CIL).
- 3.1.7 Underpinning the whole of the draft Plan is the Government's commitment to sustainable development. Taking account of local circumstances, the new Local Plan's development and other proposals aim to meet the 3 overarching principles of sustainability:
- Economic – contributing to building a strong, responsive and competitive economy by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure;
 - Social – supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations; and by creating a high quality built environment, with accessible local services that reflect the community's needs and support its health, social and cultural wellbeing; and
 - Environmental – contributing to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, prudent use of natural resources, minimising waste and pollution, and mitigating and adapting to climate change including moving to a low carbon economy.
- 3.1.8 The policies and proposals in the draft Local Plan are founded on the issues and options consultations of 2012 and 2013. Having regard to national planning policy set out in the National Planning Policy Framework (NPPF), the draft Local Plan is the culmination of the Council's considered assessment of stakeholder and public comments.
- 3.1.9 The Proposed Submission Local Plan was published for public consultation between 19 July and 30 September 2013 and has now been submitted for examination.

3.2 CIL to support the Local Plan

- 3.2.1 The following section explains how South Cambridgeshire has complied with this requirement.



- 3.2.2 **Consistent evidence.** The Council has used the same (i) infrastructure and (ii) viability evidence for the Proposed Submission Local Plan and the Community Infrastructure Levy. The two studies took place at a similar time thereby enabling the Council to accurately assess the burden of new development, with the likely revenues that would be generated by CIL. This evidence base also allowed the Council to accurately evaluate how section 106 agreements may continue to operate and develop its strategy accordingly. The Council consulted on the Preliminary Draft Charging Schedule at the same time as the Local Plan proposed submission such that consultees could consider the impact of both together.
- 3.2.3 **The CIL charging schedule proposes to treat strategic development sites as separate charging zones.** The CIL Guidance February 2014 states that 'The focus should be in particular on strategic sites on which the relevant plan relies...' The Council is proposing a CIL exemption for strategic developments which in turn accounts for 75% of the houses that the Local Plan provides for through both (i) existing allocations without planning permission and (ii) new allocations. The CIL consultations highlighted that both the development industry and service providers preferred the continued use of section 106 agreements to secure infrastructure as (i) it provided certainty as to the developer's financial liability and it (ii) ensured that infrastructure would be delivered when needed. Whilst the result was that no residential CIL could be supported by viability evidence, this demonstrates that the Draft Charging Schedule has carefully considered the impact of development in the District, and that allocating a zero rate for residential will best support delivery of those sites.
- 3.2.7 **CIL will not add any greater financial burden on development.** Assessments undertaken by the Council, that are explored in detail later on in this document, highlight that on many development sites the imposition of the proposed CIL rate will not result in a greater financial burden on development. In many cases CIL would generate less money than that secured in present day through section 106 agreements. The Council therefore considers that the delivery of the village site allocations and windfall development will therefore not be threatened (but will instead be improved) through the introduction of CIL.
- 3.2.8 **CIL will create a greater revenue fund for the District Council.** Although an assessment has demonstrated that overall CIL may not generate any more money than currently secured through planning obligations, CIL will enable the District Council to have greater control over the funds. This in turn will allow monies to be allocated to infrastructure projects having regard to the wider needs of the District.
- 3.2.9 **Building a strong and competitive economy.** As previously explained the premise of the emerging Local Plan is directly related to the current and future employment opportunities within the District. The Council has taken forward the recommendation to apply a zero CIL rate for business use across the District. This decision will help deliver a significant number of the 22,000 additional jobs highlighted by the strategic housing market assessment. This CIL approach will therefore support wider objectives of the Local Plan.



3.2.10 **A culture of delivery.** South Cambridgeshire has witnessed considerable levels of growth in recent years on both (i) sites of strategic importance (including 3 new villages at Cambourne and major development on the edge of Cambridge) and (ii) village developments. The challenging market condition, faced by the Council over the last few years, has resulted in the development of a culture of realism, and has evidence to demonstrate that it has relaxed planning policies (including affordable housing) in accordance with national guidance to enable development to come forward.



Chapter 4: Viability evidence

CIL Regulation 14

14.—(1) In setting rates (including differential rates) in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—

- (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and
- (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.

Para 173 National Planning Policy Framework

Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

Para 174 National Planning Policy Framework

Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.

Para 2:2:2:3 Community Infrastructure Levy Guidance (2014)

Charging authorities will need to summarise their economic viability evidence. This evidence should be presented in a document (separate from the charging schedule) that shows the potential effects of the proposed levy rate or rates on the economic viability of development across the authority's area.

Para 2:2:2:4 Community Infrastructure Levy Guidance (2014)

A charging authority should use an area-based approach, involving a broad test of viability across their area, as the evidence base to underpin their charge. The authority will need to be able to show why they consider that the proposed levy rate or rates set an appropriate balance between the need to fund infrastructure and the



potential implications for the economic viability of development across their area.

There are a number of valuation models and methodologies available to charging authorities to help them in preparing this evidence. There is no requirement to use one of these models, but charging authorities may find it helpful in defending their levy rates if they do.

A charging authority should draw on existing data wherever it is available. They may consider a range of data, including values of land in both existing and planned uses, and property prices – for example, house price indices and rateable values for commercial property. They may also want to build on work undertaken to inform their assessments of land availability.

In addition, a charging authority should directly sample an appropriate range of types of sites across its area, in order to supplement existing data. This will require support from local developers. The exercise should focus on strategic sites on which the relevant Plan (the Local Plan in England, Local Development Plan in Wales, and the London Plan in London)] relies, and those sites where the impact of the levy on economic viability is likely to be most significant (such as brownfield sites).

The sampling should reflect a selection of the different types of sites included in the relevant Plan, and should be consistent with viability assessment undertaken as part of plan-making.

Charging authorities that decide to set differential rates may need to undertake more fine-grained sampling, on a higher proportion of total sites, to help them to estimate the boundaries for their differential rates. Fine-grained sampling is also likely to be necessary where they wish to differentiate between categories or scales of intended use.

The focus should be in particular on strategic sites on which the relevant Plan relies and those sites (such as brownfield sites) where the impact of the levy is likely to be most significant.

The outcome of the sampling exercise should be to provide a robust evidence base about the potential effects of the rates proposed, balanced against the need to avoid excessive detail.

A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. For example, this might not be appropriate if the evidence pointed to setting a charge right at the margins of viability. There is room for some pragmatism. It would be appropriate to ensure that a 'buffer' or margin is included, so that the levy rate is able to support development when economic circumstances adjust. In all cases, the charging authority should be able to explain its approach clearly.



4.1 Independent assessment

- 4.1.1 South Cambridgeshire District Council commissioned Dixon Searle Partnership (DSP) in November 2012 to carry out a viability assessment (hereafter called the DSP report) to support the introduction of a Community Infrastructure Levy (CIL) on all new development across the Council area. The instruction was later expanded to take into account a viability assessment of the emerging Local Plan.
- 4.1.2 DSP successfully assisted East Cambridgeshire District Council in the examination of their CIL charging schedule and have also been appointed by 2 further neighbours for South Cambridgeshire; Cambridge City and North Hertfordshire, to undertake relevant CIL viability work. In such circumstances it is felt that they are considered to have a good level of knowledge of the area, and also well placed to enable the authorities to have regard to approaches being taken forward locally and nationally.
- 4.1.3 The DSP report was undertaken in accordance with the relevant CIL Guidance of the time (April 2013) with a view to understanding the effect of the imposition of CIL across the District. The DSP report consisted of both:
- a) An area based approach involving a broad test of viability across the District and
 - b) A sampled range of appropriate sites (in terms of scale and location) to those that are expected being delivered through the Local Plan (i.e. either allocated or windfall)

4.2 Residential

- 4.2.1 The DSP report recognised that within South Cambridgeshire there are areas of higher and lower values; however, there was insufficient information to justify where any CIL charging boundaries may be drawn.
- 4.2.2 As a result the Council is proposing a flat CIL rate of £100 psm for residential use except those strategic development sites as referred to in the charging schedule (£0 psm). The Council is proposing a rate of £125 psm for a small area of land known as North of Teversham Drift that was a previous site allocation at Cambridge East that has been carried forward under the new Local Plan. The reason for this approach is that this parcel of land forms part of a wider development proposal predominantly in Cambridge City, where the proposed residential CIL rate is £125 psm.
- 4.2.3 The DSP report based this recommendation having had close regard to the type and location of development that was to be coming forward over the life of the plan (and also where development had been seen in recent years).

4.3 Strategic sites

- 4.3.1 CIL Guidance February 2014 states at paragraph 2:2:2:6 that 'The regulations allow charging authorities to apply differential rates in a flexible way, to help ensure the viability of development is not put at risk. Differences in rates need to be justified by reference to the economic viability of development. Differential rates should not be used as a means to deliver policy objectives.



Differential rates may be appropriate in relation to (i) geographical zones within the charging authority's boundary, (ii) types of development; and/or (iii) scales of development".

- 4.3.2 South Cambridgeshire is a prosperous area of major growth in terms of both jobs and houses. Both South Cambridgeshire District Council and Cambridgeshire County Council have a significant amount of experience and expertise of delivering infrastructure as part of strategic development sites, brought forward both on the edge of Cambridge and through the creation of new towns and villages.
- 4.3.3 Given the significant infrastructure costs associated with the strategic sites, the Council considers that it is wholly appropriate to continue to secure relevant infrastructure through section 106 agreements. Importantly this proposal has been supported by the development industry in response to the consultation of the Preliminary Draft Charging Schedule.
- 4.3.4 In terms of the value of section 106 secured from strategic development sites in South Cambridgeshire these have ranged from circa £15,000 per unit for a 950 dwelling extension to Cambourne, over £17,000 per unit for the outline planning permission of 900 dwellings at Orchard Park and over £19,000 per unit for the 1,200 dwelling development at Trumpington Meadows. The Council has also recently signed a section 106 agreement for 1,500 dwellings as phase 1 of the new town of Northstowe, where the total value of the section 106 agreement equates to £20,000 per dwelling.
- 4.3.5 Having factored in a section 106 contribution, equivalent to £20,000 per unit to cover section 106 costs, the viability assessment concluded that when taking into account affordable housing policies the schemes were not sufficiently viable to justify an additional residential CIL charge.

4.4 Allocated sites

- 4.4.1 The emerging Local Plan allocates 13 development sites (in 10 villages) that would be able to accommodate a combined total of 913 dwellings.
- 4.4.2 As part of the DSP report these sites have been considered as being able to support the proposed level of CIL whilst still maintaining other planning policy objectives such as affordable housing.

4.5 Windfall sites

- 4.5.1 In addition to the allocated development sites the Local Plan also allows for a total of 2,800 dwellings to be delivered via windfall sites (i.e. 200 dwellings per annum from 2018-19).
- 4.5.2 As demonstrated later in this document the Council has a strong record of delivering policy compliant developments across windfall sites and therefore are confident that the imposition of CIL will not render such schemes unviable or threaten the delivery of the Local Plan.



4.6 Neighbouring authorities

4.6.1 South Cambridgeshire District Council shares borders with 8 other potential charging authorities and during recent CIL examinations Planning Inspectors have considered that it is sensible to look at the CIL rates and approaches being taken forward by neighbouring authorities.

4.6.2 The table below demonstrates the residential CIL rates along with their affordable housing requirement. Whilst all other policy requirements are disregarded as part of this assessment, it helps demonstrate how the proposed rates in South Cambridgeshire sit in the wider context.

Table 2

Authority	Status	Residential CIL rate psm	Affordable housing	Viability consultant
Braintree	Not currently progressing CIL	-	-	-
Cambridge City	Submitted for examination	£125	40%	DSP
Central Bedfordshire	PDCS consulted on	Three rate of £45, £150 and £225	30%	Three Dragons
East Cambridgeshire	Charging authority	3 rates of £40, £70 and £90	40% South 30% North	DSP
Huntingdonshire	Charging authority	£85	40%	Drivers Jonas Deloitte
North Hertfordshire	PDCS consulted on but currently not looking to introduce CIL	2 rates of £80 and £120	25%	DSP
South Cambridgeshire	Draft charging schedule	£100	40%	DSP
St Edmundsbury	Not currently progressing CIL	-	-	-
Uttlesford	Not currently progressing CIL	-	-	-

4.7 Retail

4.7.1 The DSP report demonstrated that large-scale retail development (i.e. Supermarkets) could support a CIL rate of £125.

4.7.2 The DSP report also helped demonstrate that this level of CIL could not be applied across all retail development and, as in the case of the number of other authorities, the viability assessment recommended applying a lesser CIL rate for smaller retail development. The Council is proposing a CIL threshold based on restrictions placed on 'large shops' within the Sunday Trading Act 1994 (and where in Schedule 1 of the Act the definition of "large shop" is given as a shop which has a relevant floor area exceeding 280 square metres).

4.7.3 The DSP report confirmed that a lower rate should be anywhere within a range of up to £75 per square metre. The District Council resolved to consult



on a rate of £50 per square metre, to enable a relevant buffer. The District Council is also committed to keep this under review on an ongoing basis.

- 4.7.4 In order to explore future needs for retail development, Cambridge City Council and South Cambridgeshire District Council commissioned the Cambridge Sub-Regional Retail Study 2008.
- 4.7.5 This showed that retail in Cambridge was performing well and provided an assessment of the need for new floorspace for both comparison goods (items not generally purchased on a frequent basis e.g. clothing, shoes, electrical goods, furniture, books.) and convenience goods (every day and essential items e.g. food and drink) to 2021.
- 4.7.6 The 2008 study identified that additional needs were generally related to serving the planned major developments such as Northstowe.
- 4.7.7 Although the preliminary draft charging schedule was drafted on the basis that retail development (whether as part of strategic sites or not) would be CIL liable, the Council has taken account of representations received from the industry and have amended its approach to provide exemption for all development (i.e. residential and retail) on strategic sites.
- 4.7.8 The Council does not consider there to be significant new build retail developments taking place outside of the strategic development sites and accordingly it is felt that the local plan will not be put at risk through the introduction of this charge.

4.8 Business

- 4.8.1 The DSP report demonstrated that there was insufficient evidence to charge a CIL on business use and this is consistent with assessments undertaken by neighbouring authorities.
- 4.8.2 This, however, will not prevent the District as Local Planning Authority securing monies through section 106 agreements towards (for example) public transport or highways improvements so long as the request satisfies the relevant CIL tests.
- 4.8.3 It is intended that CIL will be subject to a regular review and therefore a CIL may be applied to business use in future if it is considered to be viable at the relevant point in time.

4.9 Other uses

- 4.9.1 In carrying out their assessment of the District, DSP have been unable to identify any other forms of development that they believe are sufficiently viable to support a CIL charge.
- 4.9.2 As with the case for residential development it is considered appropriate to provide a further benchmark by assessing the other CIL rates being proposed in authorities that share a border with South Cambridgeshire.



4.9.3 The table below highlights certain trends exist with approaches to retail (i) it is most common to have split rate based on a scale between 280 and 500 square metres. The smaller CIL rate is usually between £40 and £60 with the higher rate between £100 and £120. It also showed that none of our neighbouring authorities are proposing charging CIL on business development.

Table 3

Authority	Status	Business psm	Retail psm
Braintree	Not currently progressing CIL	-	-
Cambridge City	Submitted for examination	£0	A1-A5 = £75
Central Bedfordshire	PDCS consulted on	£0	Large superstores of 2,500 m2 & above = £200 All other retail uses (A1- A5) = £100
East Cambridgeshire	Charging authority	£0	A1-A5 More than 350 sqm = £120 Less than 350 sqm = £60
Huntingdonshire	Charging authority	£0	A1-A5 More than 500 sqm = £100 Less than 500 sqm = £40
North Hertfordshire	PDCS consulted on but currently not looking to introduce CIL	£0	A1-A5 More than 280 sqm = £120 Less than 280 sqm = £60
St Edmundsbury	Draft charging schedule	-	-
Uttlesford	Not currently progressing CIL	-	-



Chapter 5: CIL and section 106 agreements

Para 203 National Planning Policy Framework

Local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations.

Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition.

Para 204 National Planning Policy Framework

Planning obligations should only be sought where they meet all of the following tests:

- necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development.

Para 2:2:2:3 Community Infrastructure Levy Guidance (2014)

As background evidence, the charging authority should also provide information about the amount of funding collected in recent years through section 106 agreements. This should include information on the extent to which their affordable housing and other targets have been met.

Para 2:2:2:4 Community Infrastructure Levy Guidance (2014)

The authority will need to be able to show why they consider that the proposed levy rate or rates set an appropriate balance between the need to fund infrastructure and the potential implications for the economic viability of development across their area.

Para 2:6:2 Community Infrastructure Levy Guidance (2014)

Charging authorities should work proactively with developers to ensure they are clear about the authorities' infrastructure needs and what developers will be expected to pay for through which route. There should be no actual or perceived 'double dipping', with developers paying twice for the same item of infrastructure.

5.1 The use and success of section 106 agreements in the District

- 5.1.1 South Cambridgeshire Development Control Policy Development Plan Document adopted in July 2007 states at policy SF10 '*All residential developments will be required to contribute towards Outdoor Playing Space (including children's play space and formal outdoor sports facilities) and Informal Open Space to meet the additional need generated by the development...*'



5.1.2 In January 2009 South Cambridgeshire adopted the Open space in new developments SPD that provided information as to the financial contributions necessary for each planning application. Since that date the Council has secured financial contributions from single dwelling developments. In January 2010 the Council also introduced a policy to secure indoor community space contributions from new development, expanding on development control policy DP/4.

5.1.3 This approach is in contrast to the majority of other Local Planning Authorities who generally apply a higher threshold for planning obligations (it is not uncommon for this threshold to be 10 dwellings before section 106 contributions are sought).

5.1.4 It is thought that the imposition of CIL will not necessarily be felt by small developments as might be the case in other parts of the Country.

5.1.5 Table 4 below shows the number of section 106 agreements the Council has entered into over the previous 5 years.

Table 4

Year	2008/09	2009/10	2010/11	2011/12	2012/13
No s106 agreement signed	32	72	78	90	139

5.1.6 The number of section 106 agreements has increased 4 fold during the period from when the policy was introduced to the end of the last recorded financial year. The indication for year 2013/14 shows that circa 150 section 106 agreements are to be signed.

5.1.7 The table below is an adaptation of planning policy indicator LOE1ii, as included in the Annual Monitoring Report, and highlights the number of dwellings in each settlement category (excluding edge of Cambridge developments).

Table 5

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Rural centre	260	362	214	290	341	181	195
Minor rural centre	141	164	57	100	70	85	102
Group village	231	209	72	65	104	223	184
Infill village	67	60	28	13	15	21	15
Outside village framework	125	174	90	43	29	104	63
TOTAL	824	969	461	511	559	614	559

5.1.8 Since 2008-2009 the authority has experienced year on year growth except for one year, therefore it could be considered that the introduction of policies, to secure financial contributions from single dwelling developments, has not



resulted in a slowdown in housing delivery in the District, although the impact of the recession after 2007-2008 clearly did.

5.1.9 The Council can therefore successfully demonstrate that the ability to develop viably has not been impacted by the imposition of the planning policy that secures financial contributions from single dwelling developments, and the Council can see no reason as to why the introduction of a CIL charging schedule will result in the level of growth slowing.

5.1.10 To adequately assess the likely impact of CIL across the District it is important to ascertain the current level of financial contributions secured from development. The table below highlights the level of financial contributions secured from section 106 agreements that have been signed in each of the previous 5 financial years.

Table 6

Year/Obligation	2008/09	2009/10	2010/11	2011/12	2012/13
Indoor community space	£40,000	£300,000	£21,670	£55,583	£209,697
Education	£413,280	£903,973	£47,500	£21,100	£1,520,530
Public art	£55,000	£26,500	£78,000	£53,450	£110,500
Public open space	£197,590	£840,266	£327,028	£391,191	£1,456,734
Transport	£32,200	£284,987	£297,627	£461,863	£174,262
Other*	£5,000	£186,124	£9,115	£1,300	£187,052
TOTAL	£743,070	£2,541,850	£780,940	£984,487	£3,658,775

* Other includes such items as Healthcare, drainage, household waste receptacles, libraries.

5.1.11 The table does not include contributions secured from strategic development sites (i.e. those in excess of 500 dwellings as it is not intended that such sites will be replaced by CIL).

5.1.12 What this exercise demonstrates is that there is little by way of consistency in the level of section 106 contributions secured (i) as individual elements or (ii) as a total. This is not particularly surprising as section 106 contributions are based on the impact and needs of particular developments that are being brought forward in each year. However, what this table does demonstrate is that planning permissions issued over the previous 5 years may generate section 106 payments of circa £8.7m.

5.2 CIL calculation using section 106 contributions

5.2.1 The also Council considers it to be useful to demonstrate what CIL rate has, in effect, been applied across a number of recent village developments. This is achieved by dividing the total value of the signed section 106 agreement, by an estimated market floor area of that development.



5.2.2 The Council chose a range of village development sites, across different value areas, where the planning permission has been issued in recent years (thereby ensuring current planning policies were applied).

5.2.3 Table 7 below shows the value of a number of completed section 106 agreements based on the estimated floor space of the market houses, delivered across the scheme.

Table 7

Houses	Application no	S106 date	Village	Total S106	Est Market floorspace	S106 market units psm
1	S/2519/12	01/03/2013	Milton	£5,082.24	110	£46
3	S/0861/10	19/02/2013	Sawston	£8,329.56	150	£56
13	S/0133/11	30/08/2011	Great Shelford	£33,882.26	550	£62
15	S/1901/09	17/12/2010	Haslingfield	£72,182.61	800	£90
16	S/0572/09	05/01/2010	Duxford	£24,186.74	930	£26
19	S/0733/11	18/11/2011	Willingham	£55,576.87	1180	£47
26	S/0440/12	24/01/2013	Over	£145,726.65	1540	£95
31	S/1847/10	28/06/2011	Impington	£226,738.01	1735	£131
34	S/1356/08	16/02/2010	Impington	£241,749.08	1515	£160
47	S/2509/12	15/02/2013	Cottenham	£372,435.79	2520	£148
72	S/0809/12	25/09/2012	Impington	£443,534.43	3860	£115
89	S/0983/11	10/05/2012	Milton	£469,385.00	4835	£97

5.2.4 This table highlights that for developments of 26 dwellings or more the section 106 contribution on a 'per market square metre basis' was no less than £95, and that this contribution went up to £160 across the village developments sampled.

5.2.5 The table also shows that a development as small as 15 dwellings had a section 106 agreement that secured a value equivalent to £90 per market square metre.

5.2.6 Apart from the development of 19 dwellings in Willingham (30%) all of the developments shown in the table secured 40% affordable housing provision.

5.2.7 In summary what this exercise shows is that many village developments, similar to those allocated in the new Local Plan, should be able to sustain a CIL rate of £100 psm, and that on many occasions the section 106 agreement secured more money that would be expected through CIL.

5.3 Neighbourhood contribution

5.3.1 South Cambridgeshire District Council recognises the importance of Parish Councils in delivering local amenities for the use of existing and new residents.

5.3.2 Rather than take direct responsibility for the allocation and management of section 106 contributions such as (i) open space and (ii) community centre



contributions these have instead been passed to Parish Councils to manage and deliver local infrastructure.

- 5.3.3 The Council has secured a considerable amount of money for Parish Councils in recent years summarised in the table below (figures are rounded).

Table 8

Year	2008/09	2009/10	2010/11	2011/12	2012/13
£ secured for PC's	£240,000	£1,140,000	£350,000	£450,000	£1,670,000

- 5.3.4 It is recognised that whereas on a national basis CIL was intended to raise more money for local projects and put more control into the hands of the Parish Council, in South Cambridgeshire it is the case that Parish Council's will likely receive considerable less under CIL.

- 5.3.5 This does, however, mean that more funding will be available for the Council to direct towards infrastructure of a strategic nature, thereby enabling more development to take place (one of the primary purposes of CIL).

5.4 Affordable housing

- 5.4.1 CIL guidance requires the charging authority to demonstrate the extent to which affordable housing and other targets have been met.

- 5.4.2 The Council published the latest Annual Monitoring Report in February 2014 covering the period 1st April 2012 – 31st March 2013. The table below highlights the success of the affordable housing policy over the previous 5 years and demonstrates that in the last three monitoring years, 40% of dwellings permitted on sites of two or more dwellings, where Development Control Policy HG/3 was applicable, were affordable.

Table 9

	2008/09	2009/10	2010/11	2011/12	2012/13
Affordable dwellings permitted as a % of all dwellings permitted on sites where Policy HG/3 is applicable	34%	33%	40%	40%	39%

Notes:

- The data includes planning permissions where Policy HG/3 applies and where the target is to achieve a 40% affordable housing contribution either onsite or offsite through a commuted sum contribution.
- It excludes planning permissions where the original planning permission was registered or granted before the adoption of Policy HG/3, planning permissions granted at individual parcels at large sites where a single parcel will be either entirely affordable or market housing where the affordable



housing contribution is captured in the year that the whole site is permitted (e.g. Cambourne and Orchard Park), rural exception sites (sites of 100% affordable housing permitted as an exception to policy, usually outside of village development frameworks), and planning permissions for 100% affordable dwellings within village development frameworks (that are not exception sites).

- The data includes outline, reserved matters and full planning permissions, and therefore the same site may be included in multiple years as a site receives outline planning permission and later reserved matters permission or if a revised planning permission is approved.

5.5 Expected CIL revenue

5.5.1 The CIL Regulations require charging authorities to strike an appropriate balance between the funding of infrastructure from the levy and the potential effects of the levy on the viability of development.

5.5.2 The Council has undertaken an assessment of likely CIL revenues by:

- (i) Using the housing completion rate identified in the Proposed Submission Local Plan (Figure 3: Housing Trajectory).
- (ii) Deducting all completions associated with strategic development sites (i.e. non-residential CIL liable)
- (iii) Deducting 40% of dwellings (i.e. affordable) as being non CIL liable
- (iv) Applying a floor area of 85 square metres to market dwellings (i.e. £8,500 per market dwelling)

5.5.3 The result is that the Council can expect to receive in the region of £22.5m CIL revenue over the plan period (to 2031). Once an assumed local proportion of 15% and an administration proportion of 5% have been deducted the residual revenue of which the Council can allocate to projects is £18m.

5.5.4 Once CIL has been fully rolled out the annual income of which the District Council will control fluctuates between circa £1.2m to £1.6m until the village allocations have been built thereafter receipts of £1m per annum could be expected against the continuing windfall developments.

5.5.5 The Council expects that, across a 5 year period (from 2017/18), CIL funding from residential development alone would in the region of £7.5m.

5.6 CIL versus section 106 contributions

5.6.1 It is important to understand the likely impact of CIL across the District and how it would compare to section 106 agreements individual sites. Using the same developments as discussed previously, the table below presents a direct comparison between the section 106 value and expected CIL revenue on a 'total' and 'per dwelling' basis.



Table 10

Units	App no	S106 date	Village	Total S106	Expected CIL revenue	Difference (total)	Difference (per dwelling)
1	S/2519/12	01/03/2013	Milton	£5,082.24	£11,000	£5,917.76	£5,917.76
3	S/0861/10	19/02/2013	Sawston	£8,329.56	£15,000	£6,670.44	£2,223.48
13	S/0133/11	30/08/2011	Great Shelford	£33,882.26	£55,000	£21,117.74	£1,624.44
15	S/1901/09	17/12/2010	Haslingfield	£72,182.61	£80,000	£7,817.39	£521.16
16	S/0572/09	05/01/2010	Duxford	£24,186.74	£93,000	£68,813.26	£4,300.83
19	S/0733/11	18/11/2011	Willingham	£55,576.87	£118,000	£62,423.13	£3,285.43
26	S/0440/12	24/01/2013	Over	£145,726.65	£154,000	£8,273.35	£318.21
31	S/1847/10	28/06/2011	Impington	£226,738.01	£173,500	-£53,238.01	-£1,717.36
34	S/1356/08	16/02/2010	Impington	£241,749.08	£151,500	-£90,249.08	-£2,654.38
47	S/2509/12	15/02/2013	Cottenham	£372,435.79	£252,000	-£120,435.79	-£2,562.46
72	S/0809/12	25/09/2012	Impington	£443,534.43	£386,000	-£57,534.43	-£799.09
89	S/0983/11	10/05/2012	Milton	£469,385.00	£483,500	£14,115.00	£158.60

5.6.2 This table highlights the real term impact of CIL across a range of actual development sites where a section 106 agreement has been signed. This demonstrates that the difference between (i) the total section 106 contribution and (ii) the CIL liability may be as little as a several hundred pounds per dwelling, but more often is still only a couple of thousand pounds.

5.6.3 The only real exception to this rule is the impact that CIL will have on single dwelling developments but the Council considers that as these are mainly to be those of a self-build nature, CIL will be exempt anyway.

5.6.4 It can also be seen that four of the five largest developments in the table actually benefit from CIL, and therefore on viability grounds these developments are able to accommodate section 106 contributions in addition to CIL, without having an adverse impact of the economic viability of the scheme.

5.7 The need for transparency

5.7.1 In accordance with CIL Regs and Community and Local Government guidance (February 2014) the charging schedule should consider, and make clear to the development industry, how CIL will work with section 106 agreements.

5.7.2 Unlike a number of other local planning authorities South Cambridgeshire District Council has never operated a planning obligations or developer contributions supplementary planning document. As a result the contributions are calculated based on the needs of new development and not sought where there is existing capacity in for example the local school which without funding could accommodate the needs of the new residents.

5.7.3 The emerging policies of the Local Plan Submission Document are worded to provide the District Council with flexibility to secure planning obligations in the



event that CIL is no longer in operation nationally or locally, or where a particular contribution is required to mitigate the site specific impact of development. This approach is consistent with the National Planning Policy Framework and the CIL Regulations.

- 5.7.4 The table below highlights the policies contained within the emerging Local Plan that could be used to secure planning obligations from new development.

Table 11

Policy	Nature of Planning Obligation
SC/4	<ul style="list-style-type: none"> • Primary and secondary schools; • Meeting places; • Health facilities; • Libraries; • Sports facilities; • Commercial facilities important to community life including childcare nurseries, local shops restaurants and cafes, and public houses; • Provision for faith groups; • Provision for burials; • Provision for waste and recycling.
SC/6	<ul style="list-style-type: none"> • Indoor Community Facilities
SC/7 SC/8	<ul style="list-style-type: none"> • Outdoor Play Space, Informal Open Space and New Developments
TI/2 TI/8	<ul style="list-style-type: none"> • Planning for sustainable travel • Infrastructure and new developments

- 5.7.5 As can be seen in Chapter 10 none of the policies are in the format of a 'tariff' style highlighting that all contributions are to be in a scale and form in direct relation to the impact of a particular scheme.
- 5.7.6 The NPPF at para 153 states '*Supplementary planning documents should be used where they can help applicants make successful applications or aid infrastructure delivery, and should not be used to add unnecessarily to the financial burdens on development*'.
- 5.7.7 Planning Practice Guidance issued by Department of Communities and Local Government in March 2014 goes further in relation to the use of Supplementary Planning Documents by saying that "*They should build upon and provide more detailed advice or guidance on the policies in the Local Plan. They should not add unnecessarily to the financial burdens on development*".
- 5.7.8 The Council is therefore clearly restricted from introducing policies, at a later date, to secure section 106 contributions in addition to those revenues generated from the Community Infrastructure Levy. It is considered that the cumulative impact of the policies and national restrictions (including the Regulation 123 list) give sufficient comfort to the development industry as to how section 106 agreements will be restricted post CIL adoption.



5.8 The use of section 106 agreements after CIL

- 5.8.1 As set out in the Preliminary Draft Charging Schedule the Council considers it appropriate for infrastructure across strategic developments to continue being funded in full from a section 106 agreement. This approach, however, does not preclude the Council from securing financial contributions through a section 106 agreement for all other developments, so long as the tests as set out in Regulations 122 and 123 are satisfied.
- 5.8.2 The Council recognises that CIL is the Government's preferred mechanism for securing infrastructure funding from development and as such intends using section 106 agreements sparingly for this purpose. However, investigations into Local Plan site allocations highlighted that there are significant capacity issues in many primary schools, including those where village development is planned. The primary schools within these villages may require capital contributions to enable extensions being delivered to accommodate the new residents.
- 5.8.3 The independent viability assessment undertaken on behalf of the Council included a figure for section 106 costs in the viability appraisals. The possible requirement to provide a small level of funding towards the local primary school is therefore not considered a 'new' expenditure item that wasn't previously identified.
- 5.8.4 Table 12 below sets out the likely planning obligations that would result from development. This can be read in conjunction with the draft infrastructure list later in the document.

Table 12

Type	Description
Primary school improvements	A s106 financial contribution may be sought but only where the needs of the development cannot be met within the existing school capacity
Public open space and associated maintenance contributions	Onsite
Children's play areas	Onsite
Public art and culture	Onsite
Household waste receptacles	Onsite
Mitigating travel impact	Local
Drainage / flood prevention	Local
Section 106 agreement monitoring	Financial contribution to cover costs associated with the monitoring and administration of planning obligations



Chapter 6: Infrastructure

CIL Regulation 14

14.—(1) In setting rates (including differential rates) in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—

- (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and
- (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.

Para 31 National Planning Policy Framework

Local authorities should work with neighbouring authorities and transport providers to develop strategies for the provision of viable infrastructure necessary to support sustainable development, including large scale facilities such as rail freight interchanges, roadside facilities for motorists or transport investment necessary to support strategies for the growth of ports, airports or other major generators of travel demand in their areas. The primary function of roadside facilities for motorists should be to support the safety and welfare of the road user.

Para 162 National Planning Policy Framework

Local planning authorities should work with other authorities and providers to:

- assess the quality and capacity of infrastructure for transport, water supply, wastewater and its treatment, energy (including heat), telecommunications, utilities, waste, health, social care, education, flood risk and coastal change management, and its ability to meet forecast demands; and
- take account of the need for strategic infrastructure including nationally significant infrastructure within their areas.

Para 177 National Planning Policy Framework

It is equally important to ensure that there is a reasonable prospect that planned infrastructure is deliverable in a timely fashion. To facilitate this, it is important that local planning authorities understand district-wide development costs at the time Local Plans are drawn up. For this reason, infrastructure and development policies should be planned at the same time, in the Local Plan.

Para 2:2:1 Community Infrastructure Levy Guidance (2014)

The process for preparing a charging schedule is similar to that which applies to relevant Plans. Charging authorities may work together when preparing their charging schedules, and Government supports this approach as a means to share knowledge and costs and to support strategic thinking in the use of the levy, linking the use of the levy to activities such as growth planning. Charging schedules do not require a Sustainability Appraisal.

Charging authorities should think strategically in their use of the levy to ensure that



key infrastructure priorities are delivered to facilitate growth and the economic benefit of the wider area. This may for example include working with neighbouring authorities, Local Enterprise Partnerships and other interested parties and involve consideration of other funding available that could be combined with the levy to enable the delivery of strategic infrastructure, including social and environmental infrastructure, and facilitate the delivery of planned development.

Para 2:2:2:1 Community Infrastructure Levy Guidance (2014)

Charging authorities must identify the total cost of infrastructure they wish to fund wholly or partly through the levy. In doing so, they must consider what additional infrastructure is needed in their area to support development, and what other sources of funding are available, based on appropriate evidence.

Information on the charging authority area's infrastructure needs should be drawn from the infrastructure assessment that was undertaken as part of preparing the relevant Plan

In determining the size of its infrastructure funding gap, the charging authority should consider known and expected infrastructure costs and the other possible sources of funding to meet those costs. This process will help the charging authority to identify a levy funding target.

6.1 Infrastructure needs

- 6.1.1 In August 2012 Peter Brett Associates concluded work on an infrastructure delivery study (hereafter referred to as IDS) required to support both the current and emerging Local Plan.
- 6.1.2 The study objectively assessed development and infrastructure requirements and identified the infrastructure and services required to support levels of growth set out in the current core strategy and the emerging Local Plan. It also identifies the costs, timescales and the details of how these schemes should be funded, including funding already secured, funding through public finance and developer contributions sources, and funding gaps.
- 6.1.3 The infrastructure delivery study was updated in August 2013 having direct regard to the development sites being proposed through the Local Plan.
- 6.1.4 The infrastructure study is a live document and will be subject to regular review by the District Council.
- 6.1.5 Table 13 below shows the extent of the infrastructure requirements and the associated costs in South Cambridgeshire in accordance with table 4.2 of the IDS.



Table 13

	2011-2013	2016-2021	2021-2026	2026-2031	Total in plan period
South Cambs (District Wide)	£33,382,125	£1,205,720,000	£61,510,000	£66,390,000	£1,367,002,125
Bassingbourn Area	£34,266	£127,182	£172,302	£206,761	£540,511
Bottisham Area	£91,260	£854,138	£291,062	£349,729	£1,586,189
Cambourne	£805,000	-	-	-	£805,000
Cambourne West	-	£1,302,992	£20,790,904	£3,756,188	£25,850,084
Comberton Area	£45,795	£553,869	£397,006	£476,182	£1,472,852
Cottenham Area	£116,403	£456,608	£224,706	£269,420	£1,067,137
Gamlingay Area	£4,003,427	£40,631	£238,658	-	£4,282,716
Impington Area	£593,137	£423,969	£132,714	£158,349	£1,308,169
Linton Area	£24,495	£2,131,344	£158,349	£190,245	£2,504,433
Melbourn Area	£135,774	£10,143,043	£529,720	£634,529	£11,443,066
Sawston Area	£99,811	£5,491,163	£1,215,519	£822,212	£7,628,705
Swavesey Area	£66,265	£3,355,161	£197,936	£238,658	£3,858,020
Bourn Airfield	-	-	£2,540,116	£17,233,009	£19,773,125
Northstowe	£1,291,520	£122,535,641	£104,219,610	£45,234,646	£273,281,417
Waterbeach (Minimum)	-	£29,000,000	£380,000,000	£18,573,540	£427,573,540
Waterbeach (Maximum)	-	-	-	-	£0
South Cambs Total	£40,689,278	£1,382,135,741	£572,618,602	£154,533,468	£2,149,977,089

6.1.6 Table 14 below sets out the cost of infrastructure requirements over both SCDC and Cambridge City (i.e. those items that cannot be directly attributable to either charging authority but that both authorities require).

Table 14

	2011-2013	2016-2021	2021-2026	2026-2031	Unspecified	Total
Strategic for Both Local Authorities	£9,687,657	£127,500,000	£2,000,000	£6,500,000	£85,000,000	£230,687,657

6.1.7 Within the Autumn Statement published December 2013 the Government announced details of the Greater Cambridge City Deal at para 1.235 “*The government is committed to delivering with Greater Cambridge their proposals on Gain Share – a payment by results mechanism whereby the local area will be able to keep a larger proportion of the proceeds of economic growth generated in, and around, the city of Cambridge. This recognises the*



growth potential that exists in Greater Cambridge and will drive economic growth and accelerate transport and housing infrastructure by unlocking over £1 billion of investment. The Government will announce details of how this proposal will work alongside Budget 2014. Further information on City Deals will be announced in due course”.

- 6.1.8 The 2014 Budget announced the details of the City Deal with the potential for the three relevant authorities: Cambridgeshire County Council, Cambridge City Council and South Cambridgeshire District Council being able to unlock infrastructure funding of up to £500m from Central Government based on the level of performance against certain objectives including housing delivery. This helps to demonstrate recognition even from Government that the cost of providing infrastructure far outweighs the revenue that could be generated locally through CIL and other revenue streams such as New Homes Bonus.

6.2 CIL Regulation 123

- 6.2.1 The consequence of CIL Regulation 123 is that, if the Council does not publish an infrastructure list, all projects are considered being funded through CIL receipts, thereby restricting the ability to raise any money from section 106 agreements.
- 6.2.2 The publication of an infrastructure list therefore (i) provides clarity to the development industry as to what projects it may fund through CIL and (ii) highlight the possibility of infrastructure being funded through section 106 contributions.
- 6.2.3 When CIL was introduced there was no real emphasis placed on the infrastructure list and the charging authority did not even need to present it as part of the CIL examination. However the CIL Regs 2014 require the draft list to be prepared for the examination of the Draft Charging Schedule and forms part of the examination.
- 6.2.4 The main concern raised by the development industry is to ensure that they are not paying for infrastructure items twice through a s106 and a CIL contribution. This issue is more relevant for strategic development sites.
- 6.2.5 Due to the CIL approach being taken forward by South Cambridgeshire, i.e. development within the strategic development sites are proposed being exempt from CIL, there is no potential for ‘double dipping’ to occur. The Council will, however, have to be mindful that CIL receipts from smaller developments are not allocated to infrastructure projects that strategic sites part fund through a section 106 contribution.

6.3 The draft Regulation 123 infrastructure list

- 6.3.1 As previously explained the Council is proposing a strategy whereby section 106 agreements will be used to secure necessary on and offsite infrastructure associated with the strategic developments at Bourn airfield, Cambourne West, Darwin Green II, Northstowe, Waterbeach and Wing. As a result a zero CIL rate is proposed for all development within these sites.



6.3.2 As such the funding principle will be for the Council to look to allocate CIL monies towards projects that:

- (i) Deliver the necessary local infrastructure to support allocated and windfall development within South Cambridgeshire villages and,
- (ii) Are of a strategic nature and not necessarily associated with a particular strategic development site.

Draft Regulation 123 infrastructure list:

- (i) Pre-school education*
- (ii) Secondary school education*
- (iii) Libraries and lifelong learning*
- (iv) Public and community transport*
- (v) Strategic green infrastructure*
- (vi) Village halls and community centres*
- (vii) Household recycling centres*
- (viii) Primary health care*
- (ix) Major transport schemes identified in the Transport Strategy for Cambridge and South Cambridgeshire*

*except where required as part of the following allocated strategic sites and any windfall development that is the scale of a large-scale major i.e. (a large-scale major development is one where the number of residential units to be constructed is 200 or more):

- NS/3 and SS/7 Northstowe
- SS/2 Darwin Green
- SS/3 (2) (the parcel Land North of Newmarket Road) Cambridge East
- SS/5 Waterbeach
- SS/6 Bourn airfield
- SS/8 Cambourne West



Chapter 7: Draft charging schedule

7.1 South Cambridgeshire District Council Draft Charging Schedule

Charging Authority: South Cambridgeshire District Council

Date of approval:

Date on which the charging schedule takes effect:

Statement of compliance: This draft charging schedule has been issued, approved and published in accordance with part 11 of the Planning Act 2008 and the Community Infrastructure Levy Regulation 2010 (as amended).

Use	Charge £/sqm
Residential (Area 1)	£100
All development for strategic development sites (Area 2)	£0
Residential for allocated sites with Cambridge City (Area 3)	£125
Retail (up to 280 sqm)	£50
Retail (equal to and greater than 280 sqm)	£125
All other uses	£0

For the purposes of CIL Regulation 12(2)(c) 9 maps have been prepared to identify the location of CIL charging zones. Maps are available at www.scambs.gov.uk/cildcs

Area 1 (Map 1*) being the whole of the District with the exception of the following:

Area 2 (Maps 2-7*) comprising land at the following strategic development sites:

- Northstowe NS/3 and Northstowe Extension SS/7
- North West Cambridge Huntingdon Road and Histon Road SS/2
- Cambridge East SS/3 (2)
- Waterbeach New Town SS/5
- Bourn airfield New Village SS/6
- Cambourne West SS/8

Area 3 (Maps 8 and 9*) comprising land at the following strategic development sites:

- Cambridge East SS/3 (2) (the area of Land North of Teversham Drift)
- Northern Fringe (East) SS/4

The chargeable amount to be paid by a development will be calculated in accordance with the formula set out in Regulation 40 of the Community Infrastructure Levy Regulations 2010 (as amended).

In accordance with Regulation 40 the rate shown shall be updated for inflation in accordance with the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors "All In Tender Price Index".



Chapter 8: Further information

8.1 CIL documents

Planning Act 2008

http://www.legislation.gov.uk/ukpga/2008/29/pdfs/ukpga_20080029_en.pdf

National Planning Policy Framework

<http://www.legislation.gov.uk/ukpga/2008/29/contents>

Community Infrastructure Levy Regulation 2010

http://www.legislation.gov.uk/uksi/2010/948/pdfs/uksi_20100948_en.pdf

Community Infrastructure Levy (Amendment) Regulations 2011

http://www.legislation.gov.uk/uksi/2011/987/pdfs/uksi_20110987_en.pdf

Community Infrastructure Levy (Amendment) Regulations 2012

http://www.legislation.gov.uk/uksi/2012/2975/pdfs/uksi_20122975_en.pdf

Community Infrastructure Levy (Amendment) Regulations 2013

http://www.legislation.gov.uk/uksi/2013/982/pdfs/uksi_20130982_en.pdf

Community Infrastructure Levy (Amendment) Regulations 2014

http://www.legislation.gov.uk/ukdsi/2014/9780111106761/pdfs/ukdsi_9780111106761_en.pdf

Community Infrastructure Levy Guidance February 2014 (CLG)

http://www.planningportal.gov.uk/uploads/cil/cil_guidance_main.pdf



Chapter 9: Statement of representations procedure

South Cambridgeshire District Council hereby gives notice of its intention to submit for examination a Community Infrastructure Levy charging schedule under Section 212 of the Planning Act 2008.

In accordance with the CIL Regulations 2010 (amended) the Council is undertaking a public consultation on the Draft Charging Schedule and is inviting representations on this and the associated evidence.

Consultation documents

- (i) Preliminary Draft Charging Schedule July 2013
- (ii) Local Plan Submission & Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule Consultation viability study July 2013
- (iii) Infrastructure Delivery Study August 2012
- (iv) Infrastructure Delivery Study August 2013
- (v) Statement of consultation on the Preliminary Draft Charging Schedule
- (vi) Draft Charging Schedule consultation version 2
- (vii) Draft Charging Schedule supporting information consultation version 2
- (viii) Draft Regulation 123 infrastructure list
- (ix) Draft CIL instalment policy
- (x) Transport Strategy for Cambridge and South Cambridgeshire April 2014

Consultation period

The consultation on the Draft Charging Schedule runs for a period of 4 weeks from 9:00 on 7 July 2014 to 17:00 on 4 August 2014.

How to access documents

Copies of the Draft Charging Schedule and supporting documents are available at the Council's head office between the hours of 8:00 and 17:30 Monday to Friday:

South Cambridgeshire District Council
South Cambridgeshire Hall
Cambourne Business Park
Cambridge
CB23 6EA

Further information can be accessed via:

www.scambs.gov.uk/cil



How to make representations

Comments may be made in the following ways:

- (i) Online consultation system: <http://scambs.jdi-consult.net/localplan>
- (ii) In e-mail to: cil@scambs.gov.uk
- (iii) In writing to: Jo Mills
Director of Planning and New Communities
South Cambridgeshire District Council
South Cambridgeshire Hall
Cambourne Business Park
Cambridge
CB23 6EA

Representations received for the Draft Charging Schedule consultation between 28 April and 7 July 2014 do not need to be resubmitted and will be taken into account.

Withdrawal of Representations

Any person making representations on the Draft Charging Schedule may withdraw those representations at any time by giving written notice to South Cambridgeshire District Council to the above address.

Right to be heard

Any person making representations on the Draft Charging Schedule may request the right to be heard by the Examiner at the Community Infrastructure Levy public examination. Anyone who wishes to be heard must make a request in writing to South Cambridgeshire District Council before the end of the consultation period. This request may be withdrawn at any time before the opening of the examination by giving notice in writing to South Cambridgeshire District Council.

Notifications

Any person making representations may request that they be notified at a specified address of any of the following:

- That the Draft Charging Schedule has been submitted to the examiner in accordance with section 212 of the Planning Act 2008;
- The publication of the recommendations of the examiner and the reasons for those recommendations; and,
- The approval of the charging schedule by South Cambridgeshire District Council.



Consultation questions

In relation to the questions set out below, if your response is to register an objection please ensure that you set out in your response the reason(s) for any such objection(s).

1. Do you support or object to the Council's view that it has demonstrated a sufficient infrastructure funding gap to justify the need to charge a Community Infrastructure Levy?
2. Do you support or object to the Council's view that the proposed rates are informed by and consistent with, the evidence on economic viability across the District?
3. Do you support or object to the Council's view that the proposed rates represent an appropriate balance between the desirability of funding infrastructure and the need to maintain the overall viability of growth across the District?
4. Do you support or object to the Council's view that the proposed rates would assist delivery of the proposed Local Plan?
5. Do you support, object or have any comments to make in relation to the interaction between Section 106 and CIL following the adoption of a charging schedule?
6. Do you support or object to the Draft Regulation 123 list?
7. Do you support or object to the Draft Instalment Policy?
8. Do you support or object to the Council's view that it has complied with the requirements set out in Part 11 of the Planning Act 2008 and the Community Infrastructure levy Regulations 2010 (amended)?
9. Do you have any other comments supporting or objecting to the Draft Charging Schedule Consultation Document or any of the associated evidence documents?
10. Do you wish to register to speak and make additional comments in person during the Examination of the Draft Charging Schedule?



Chapter 10: Local plan policies on planning obligations

Policy SC/4: Meeting Community Needs

1. All housing developments will include or contribute to the provision of the services and facilities necessary to meet the needs of the development. The scale and range of this provision or contribution will be appropriate to the level of need generated by the development and will address the specific needs of different age groups, of people with disabilities, and faith groups and will be adaptable to population growth and demographic changes. The full range of services and facilities are likely to be required in new settlements and similar developments.

2. The community needs of large scale major developments (individual sites with 200 or more dwellings, or groups of smaller sites which cumulatively exceed this figure), will be established through detailed assessments and strategies prepared in consultation with service providers, and approved by the local authority in partnership with the landowners and stakeholders.

3. In making assessments of need and the timing of delivery of the service or facility, account will be taken of capacity at existing facilities in the locality, their accessibility and of other local circumstances.

Range of Services and Facilities to be provided

4. The community facilities and services to be provided include:

- a) Primary and secondary schools;
- b) Meeting places;
- c) Health facilities;
- d) Libraries;
- e) Sports facilities;
- f) Commercial facilities important to community life including childcare nurseries, local shops restaurants and cafes, and public houses;
- g) Provision for faith groups;
- h) Provision for burials;
- i) Provision for waste and recycling.

Community Involvement and Development

8. A community development strategy will be prepared for large scale major developments (Waterbeach New Town, Bourn Airfield New Village and Cambourne West) to demonstrate how the new communities will be effectively supported throughout the build phase of the developments, including at the outset of development.

The supporting test to Policy SC/4 'Meeting community needs' states that

'The provision of facilities and services will be secured via a planning obligation when mitigating a site specific impact or more generally through a Community Infrastructure Levy contribution'.



Policy TI/8: Infrastructure and New Developments

1. Planning permission will only be granted for proposals that have made suitable arrangements for the improvement or provision of infrastructure necessary to make the scheme acceptable in planning terms. The nature, scale and phasing of any planning obligations and/or Community Infrastructure Levy (CIL) contributions sought will be related to the form of the development and its potential impact upon the surrounding area.

The supporting test to Policy TI/8: Infrastructure and New Developments states that:

Infrastructure provision will be funded through a number of sources. Mainstream funding, such as the County Council's capital programmes, service providers' investment programmes, and Government grant will contribute to infrastructure spending. However, developer funding, such as planning obligations and CIL, are an important additional resource for locally determined priorities.

CIL is the Government's preferred mechanism for securing developer contributions towards local and strategic infrastructure improvements and, where possible, the Council intends using CIL to fund offsite provision of facilities and services.

The provisions contained with the CIL Regulations mean that agreements under Section 106 of the Town and County Planning Act 1990 will revert back to their original intention and mitigate site specific impacts only. In certain circumstances it may be appropriate for the Council to secure planning obligations in addition to CIL where, in accordance with CIL Regulation 122, the obligation is:

- i. Necessary to make the development acceptable in planning terms;*
- ii. Directly related to the development; and*
- iii. Fairly and reasonably related in scale and kind to the development.*

The Council will consult on and publish an infrastructure list under CIL Regulation 123 which will clearly set out those items the Council intends spending CIL receipts on. Under the CIL Regulations the Council will be unable to secure planning obligations for items of infrastructure on the Regulation 123 list thereby providing clarity to developers and land owners that no 'double counting' will occur (i.e. the Council will not secure a financial contribution through a section 106 agreement towards a piece of infrastructure that it could fund through CIL receipts).

Should the Council revise the Regulation 123 list, it is to ensure that these changes are clearly explained and subject to appropriate local consultation. Should the Council not introduce a CIL Charging schedule, a CIL charging schedule is later withdrawn or the CIL Regulations are later repealed the Council will produce a Planning Obligations SPD to detail the specific infrastructure requirements from new development.

Contributions may be necessary for some or all of the following:

- *Affordable housing, including for Key Workers;*
- *Education (including nursery and pre-school care);*
- *Health care;*



- *Public open space, sport and recreation facilities (including Strategic Open Space);*
- *Improvements (including infrastructure) for pedestrians, cyclists, equestrians, highways and public and community transport;*
- *Other community facilities (e.g. community centres, youth facilities, library services social care, and the provision of emergency services);*
- *Landscaping and biodiversity;*
- *Drainage / flood prevention;*
- *Waste management (pursuant to the Cambridgeshire & Peterborough Minerals and Waste Development Plan);*
- *Arts and cultural provision;*
- *Community development workers and youth workers;*
- *Other utilities and telecommunications;*
- *Preservation or enhancement of the historic landscape or townscape.*

Depending on the nature of the services and facilities, contributions may also be required to meet maintenance and/or operating costs either as pump priming or in perpetuity, provided through an obligation.

Development can create additional demands for physical infrastructure and social facilities, as well as having impacts on the environment. In such cases planning obligations will be required, in accordance with government guidance, to make the necessary improvements, provide new facilities, or secure compensatory provision for any loss or damage created. Such obligations will take account of the wider needs of the Cambridge Sub-Region, in order to achieve wider planning objectives, with contributions pooled where appropriate to meet strategic requirements. In such cases, the nature and scale of contributions sought will be related to the size of the scheme and the extent to which it places additional demands upon the area'.