



Report to Southend-On-Sea Borough Council

by Terrence Kemmann-Lane JP DipTP FRTPI MCMi

an Examiner appointed by the Council

Date: 1 June 2015

PLANNING ACT 2008 (AS AMENDED)

SECTION 212(2)

REPORT ON THE EXAMINATION OF THE DRAFT SOUTHEND-ON-SEA BOROUGH COUNCIL COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE

Charging Schedule submitted for examination on 3 March 2015

File Ref: PINS/D1590/429/8

Non Technical Summary

This report concludes that the Draft Southend-on-Sea Community Infrastructure Levy Charging Schedule provides an appropriate basis for the collection of the levy in the Borough. The Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.

Modifications are needed to meet the statutory requirements. These can be summarised as follows: making changes to the text of the Schedule to bring it up-to-date and add clarity, to remove references to 'proposed' charges and the viability study process, give the map an appropriate title, add a reference to the connection between reviewing the Schedule and the review of the Core Strategy and deleting Appendices 2, 3 and 4 which are to be published as separate documents.

The specified modifications recommended in this report do not alter the basis of the Council's overall approach or the appropriate balance achieved.

Introduction

1. This report contains my assessment of the Southend-on-Sea Community Infrastructure Levy (CIL) Draft Charging Schedule (DCS) in terms of Section 212 of the Planning Act 2008. It considers whether the schedule is compliant in legal terms and whether it is economically viable as well as reasonable, realistic and consistent with national guidance (Planning Practice Guidance (PPG) – June 2014).
2. To comply with the relevant legislation the local charging authority has to submit what it considers to be a charging schedule that sets an appropriate balance between helping to fund necessary new infrastructure and the potential effects on the economic viability of development across the district. The basis for the examination, which took place through written representations, is the modified schedule submitted on 3 March 2015. This differed from the earlier draft schedule by adding references to relevant regulations, omitting duplicated text, removing text referring to earlier consultation stages, and other changes for clarity. The modified text was published for consultation for a period that ended four weeks after submission of the DCS for examination.
3. The Council proposes a matrix approach. The residential rates (Use Class C3 and C4) cover three Zones, the rates being: Zone 1 - £20 per square metre, Zone 2 - £30 per square metre, and Zone 3 - £60 per square metre. There are Borough-wide rates for extra care and retirement housing (£20 per square metre), supermarkets and superstores and retail warehousing [net retail space of over 280 per square metre] (£70 per square metre), development by a predominately public funded or 'not for profit' organisations (£0 per square

metre), and all other uses not cited (£10 per square metre).

4. The rates, including those differentiated by Zone, are based on viability alone. The three Residential Zones are defined on a map in the submitted DCS. This map is based on an OS base as required by the CIL Regulations.

Does the charging schedule comply with the requirements of the Legislation, the Regulations and the Planning Practice Guidance?

5. In a representation at the Round 1 consultation stage, the point was made that "The Council does not have an up-to-date Objectively Assessed Housing Needs study or NPPF-compliant Local Plan including site allocations". Whilst this point has not been pursued with vigour, it is a fundamental part of my examination to consider whether the submitted draft Charging Schedule complies with the legislation, regulations and national policy and guidance.
6. The Statutory Framework for CIL is provided in Part 11 of the 2008 Act. Section 221 provides that the Secretary of State "*may give guidance to a charging authority or other public authority (including an examiner appointed under section 212) about any matter connected with CIL; and the authority **must have regard to that guidance***" [emphasis added]
7. The National Planning Policy Framework (NPPF) was published by the Government in March 2012. Paragraph 12 says that it is "*highly desirable that local planning authorities should have an up-to-date plan in place*". Paragraph 14 includes "*local planning authorities should positively seek opportunities to meet the development needs of their area*" and "*should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change*". Paragraph 17 sets out "*core land-use planning principles*", one of which includes making every "*effort ... objectively to identify and then meet the housing, business and other development needs of an area...*". Paragraph 47 refers to the Government's aim to "*boost significantly the supply of housing*", and that local planning authorities should ensure that their local plan meets the full and objectively assessed needs for market and affordable housing...and identify and update a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirement with an additional buffer.
8. The meaning of paragraph 47 has been considered in detail in *City of St Albans & R (OAO) Hunston Properties & SoS [2013] EWCA Civ 1610* in which it was found that the Council had erred in law in applying a five year housing land supply derived from the revoked Regional Strategy.
9. Paragraph 49 of the NPPF states that "*...Relevant policies for the supply of land should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable sites*". I am clear that the meaning of 'out of date' or 'not up-to-date' in this context is concerned with the degree of consistency with the NPPF, and not the age of the plan (see NPPF paragraph 211).
10. Whilst I knew of a number of CIL Charging Schedules which have been approved on the recommendation of the Examiner, where the development plan document relied upon as the basis for assessing infrastructure needs pre-dated the NPPF, I was also aware that one such case had been taken to

Judicial Review (JR) seeking to have an approved Charging Schedule declared unlawful. Since the result of this JR could have been fundamental to my examination, and I could not ascertain when the decision on it would become available, I decided that I must seek to have the Council address the matter in the light of the wording of the legislation, the regulations and national guidance. The full terms of my question can be found on the Council's CIL page of its website.

11. The Council's response to my question was made in a document dated April 2015, sent to me on 30 April. By this time the JR referred to above had been decided – the decision can be found at *the Queen on the application of Oxted Residential Ltd v Tandridge District Council [2015] EWHC 793*.
12. The Examiner for the Tandridge CIL examination concluded the following at paragraph 11 of his report:

"The Council has a Core Strategy adopted in October 2008, preceding the March 2012 publication of the NPPF by more than three years. It may be that some of its policies are capable of being considered out of date when judged against the policies of the NPPF, but until it is replaced it remains the principal document of the Development Plan for the district. The CIL charges proposed by the Council are based on infrastructure needs arising from the development required for the implementation of that plan. So long as there is a funding gap, and that funding is to provide for infrastructure needed to meet the costs of supporting development of the area, I see no legal basis to find that the submitted CIL Charging Schedule should not be approved just because it is based on a plan which, no doubt, will be reviewed in the near future."

13. The learned Judge, in his decision in the JR case (Mr Justice Dove) found that the Inspector for the Tandridge CIL Charging Schedule clearly addressed the concern of whether or not he was approving a Charging Schedule that related to an up-to-date plan. In paragraph 70 the Judge states that the Inspector in considering Tandridge's CIL Charging Schedule *"was entitled to conclude, that although the Core Strategy was to be reviewed, nonetheless there was good reason to endorse the CIL Schedule so as to support provision of infrastructure for the existing levels of completed development."*
14. Subsequently in paragraph 71 the Judge summarises the position in relation to the status of the adopted plan and the legal entitlement of an Inspector to make his own considered conclusions. He states that:

"...the following points in my view need to be noted. First, there is no requirement in the legislative framework - nor is one relied upon - which requires a recently adopted plan to be in place before a CIL Schedule can be adopted. Second, whilst the Guidance to which regard must be had in accordance with the requirements of Section 221 of the 2008 Act suggests charging schedules should be consistent with and supported by an up-to-date plan, the decision here was for the reasons which were given by the Inspector, a departure from that policy which the Inspector was legally entitled to make, provided he gave reasons for that departure. He provided clear and adequate reasons to justify the departure. Whilst it is no doubt the optimal position, there is no reason in law why a charging

authority can only produce a CIL Schedule if it has a recently produced plan. If, like here, the plan relied upon requires review then no doubt revision of the CIL Schedule to align it with the reviewed plan would be a high priority, if not essential."

15. It is not necessary for me to set out the full response by the Council to my question, but again it can be found on the Council's CIL webpage. I set out in short the Council's main points, in the following three paragraphs.
 - 15.1 The Council makes reference to the matters just dealt with and points out that the Southend Core Strategy adopted in December 2007 is the most up to date manifestation of the development objectives and wishes of the local community. It was prepared in accordance with the necessary statutory framework and regulations. When it was found sound by the Planning Inspector it had been subject to significant public scrutiny and examination, and was deemed to be the most appropriate strategy for Southend for the period from 2001 to 2021.
 - 15.2 Whilst the Council is not currently able to specify an objectively assessed need for its area or the wider housing and economic market area, this is currently being carried out through a review of the Thames Gateway South Essex (TGSE) Strategic Housing Market Assessment (SHMA). In the Council's opinion, that does not mean the CIL Charging Schedule should be considered unsound. The recent decision in the Gladman Development case (*Gladman Development Ltd and Wokingham Borough Council [2014] EWHC 2320*), confirms that if a development plan document deals with the assessment of the need for housing, then paragraph 47 of the NPPF will generally require full, objectively assessed needs to be identified. The Southend CIL Charging Schedule does not assess housing provision for the Council's area, but merely indicates the charges for different types of development in the Borough. In such circumstances, the soundness of the Charging Schedule is not contingent on identifying the full, objectively assessed needs for market and affordable housing.
 - 15.3 Paragraph 49 of the NPPF clearly states that policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites. In the case of Southend Borough Council, evidence of a five-year supply is readily available.
16. In the light of the Tandridge judgement and the Council's response to my question, my conclusions on whether or not the Southend-on-Sea CIL complies with the requirements of the legislation, the regulations and the PPG follows.
17. The preparation of the Draft Charging Schedule has been based on the proposed levels of growth and development in the adopted Core Strategy Development Plan Document, published in December 2007 for the plan period up to 2021. Nevertheless, the Council acknowledges that, in accordance with policy and guidance in the NPPF and PPG that a review is required and this has commenced. This review will include the preparation of an updated

evidence base, including the TGSE SHMA to address the NPPF requirement to establish an objectively assessed need within the TGSE housing market area.

18. Consistent with the circumstances of the Tandridge judgement as outlined above, in its CIL Charging Schedule, Southend Borough Council is seeking funding towards the infrastructure required to support existing defined levels of growth as set out in the Core Strategy 2007. The Council's intention is that the Infrastructure Delivery Plan and the CIL Charging Schedule will be reviewed alongside a review of the Core Strategy to ensure that the infrastructure needs of any additional growth are correctly identified and met, and that the identified infrastructure funding gap is accurate and up to date (and, I should add, that the levy charges remain appropriate in terms of viability).
19. In the light of my further conclusions below, I am satisfied that there is already a pressing need to secure infrastructure to support current and proposed development, which justifies the implementation of CIL. I take the view that, in all the circumstances of the submission of this CIL Charging Schedule, it is appropriate for me to continue with its Examination, with the 2007 Core Strategy as the development plan basis.

Is the charging schedule supported by background documents containing appropriate available evidence?

Infrastructure planning evidence

20. The Southend-on-Sea Core Strategy (CS) was adopted in 2007, setting out the main elements of growth that will need to be supported by further infrastructure in the period 2001 to 2021. As part of the preparation of the CS, an infrastructure assessment was undertaken, identifying the scale and type of infrastructure needed to deliver the area's local development and growth needs. In view of the elapsed time since 2007, the Council has commissioned an updated Infrastructure Delivery Plan (IDP). This reflects the latest position in respect of the Council's priorities. The main IDP document is dated June 2014, but this has had small amendments subsequently published, the latest being February 2015.
21. The IDP covers the remaining period up to 2021 and assesses infrastructure needs for education, health and social wellbeing, utilities, transport, flood defences, managing unstable land, emergency services, waste, social and community, leisure and recreation, open space/green infrastructure and public realm. The infrastructure includes that identified by the Council and other service providers. Table 13.1 in the IDP sets out a summary of infrastructure costs which amount to £203.535m. The known funding shown in the table of £102.884m leaves a funding gap of just over £100.651m.
22. To set against this funding gap it is difficult for the Council to estimate with any accuracy the likely income from CIL. Indeed, any estimate is highly sensitive to multiple assumptions and variables such as exemptions and deductions. Using the Council's Annual Monitoring Reports, which monitor residential, use classes B1-B8, A1, A2 and D2, an analysis has been made to allow projections on the assumption that development will continue in a similar pattern to the past four years. This analysis, which assumed that the Charging Rates were in place by the start of financial year 2015/16, with six years

remaining of the plan period to 2021, gave a projection that CIL income could be just over £2.554m. Taking account of the fact that the Council's analysis covered a period which included two years when the economy was in recession, emerging growth targets for the area and economic viability, I consider that CIL could potentially raise upwards of £2.6m towards the funding gap of circa £100.651m up to 2021.

23. In the light of this information and analysis the proposed charge would therefore make a modest contribution towards filling the likely funding gap. The figures demonstrate the need to levy CIL.

Economic viability evidence

24. The Council commissioned a CIL Viability Study (VS), dated May 2014. There was subsequently a Viability Addendum Note published in July 2014 that responded to Council Members' interest in pursuing a three zone approach for residential uses. In December 2014 a final version of the VS was published.
25. The VS uses a residual valuation approach: using reasonable standard assumptions to ascertain a 'residual' value from gross development value of a scheme after all other costs are taken into account. The costs for producing a scheme include building costs, fees, finance, profit levels, etc, and such matters as affordable housing, planning obligations, and other plan policy costs. Having allowed for all these costs, the resulting figure indicates the sum potentially available for the site purchase – the "residual land value" (RLV). The study methodology compares the RLVs of a range of generic developments to a range of benchmark land values as an indication of existing or alternative land use values relevant to site use and locality. CLG guidance requires that charging authorities do not set their CIL at the margins of viability. In this respect a buffer of circa 30% has been recommended in the VS.
26. A sensitivity analysis has been run for residential development that varies the base sales values and build costs, with values increasing by 18.5% and costs by 8.5%. This reflects the growth predicted by Savills in their research report, 'Residential Property Focus Q4 2013 from 2014 to 2016 (i.e. the potential life of a charging schedule), and forecast growth in build costs as identified from the RICS Build Costs Information Service ('BCIS') over the same period. This analysis assists in understanding the levels of CIL that are viable currently but also the impact of changing markets on viability. A fall in sales values of 5% has also been tested, to enable a view to be taken on the impact of any adverse movements in sales values in the short term. The commercial appraisals incorporate sensitivity analyses on rent levels and yields.
27. I consider that the scope of the VS is appropriate to the level of detail required to establish suitable and robust evidence. I am satisfied that the VS is an appropriate tool for assessing the viability of development in the Borough and provides the viability evidence against which to judge the charge rates proposed by the Council.

Conclusion

28. The draft Charging Schedule is supported by detailed evidence of community

infrastructure needs and a funding gap is evident. Accepted valuation methodology has been used, informed by reasonable assumptions about development costs, and local sale prices, rents and yields, etc. On this basis, the evidence that has been used to inform the Charging Schedule is robust, proportionate and appropriate.

Is the charging rate informed by and consistent with the evidence?

CIL rates for residential development

29. A number of issues have been raised in representations: the date of VS data; level of developers' profit; professional fees; abnormal costs; benchmark land values; and residual s106 assumptions. It is said that reconsideration of these issues should result in amended CIL rates for residential developments. I deal with each issue in turn.
30. VS Data - The various editions of the VS have data and assumptions that have not altered since the Preliminary DCS stage and are therefore said to be about 12 months out of date. In my view it is unrealistic to expect data in a VS to be entirely up-to-date at the time of the examination, so long as the process of producing the DCS has not been too protracted. Obviously if there have been material changes in data inputs by the time of the examination, there would need to be at least a partial review of the effects on viability.
31. In the response for the Council it is pointed out that this is currently a period of recovery since a severe recession and the residential values in Southend are still more than 8% below 2008 peak levels. It is also pointed out that between Q1 of 2013 (the date data was sourced for the VS) and December 2014 (the latest available figures) the Land Registry index database identifies that average residential sales values have increased in Southend-on-Sea by 12.4%. It is also noted in Savills Residential Property Focus Report Q1 2015 that values in mainstream East of England markets (ie non-prime) will experience cumulative growth of 25.2% between 2015 and 2019.
32. Set against this is the BCIS data base General Building Cost Index which identifies a 4.37% increase in build costs over the period January 2013 to December 2014, whilst the BCIS All-in-Tender Price Index reflects an increase of 8.97%. With house price inflation substantially outstripping recent increases in build costs, I see nothing in this point to suggest that the extent to which the VS data is not the most up-to-date available is material to the question of whether the best available evidence has been relied upon.
33. Level of developers' profit – it is said that the blended profit rate adopted in the VS is below the minimum level required by national housebuilders, developers and land promoters. The blended rate relies on a reduced profit rate for the affordable housing element of 6% as against 20% for the private element – resulting in 15.8% at 30% level of affordable housing and 17.2% at 20% level of affordable housing (percentages provided in the Representor's document) . Furthermore, it is said that, since most new housing in Southend is required to be on brownfield land, there are likely to be significant upfront costs and abnormal costs. Finally, of the matters material to my examination, it is noted that grant funding for affordable housing is now less readily available and that there is therefore a greater associated risk with this element

of residential development.

34. It is clear that required profit levels are related to risk. I have had it put to me in other recent examinations that expected developer's profit can be regarded as 16% to 20%, due to the improved market. As to the blended rate, and the level of profit that is attributed to the affordable element, the degree to which a development scheme can bear the cost of affordable housing is a matter of negotiation which takes place before planning permission is granted: any effect on viability can be left to that process. I regard the assumptions used in the VS for profit levels to be typical of such studies undertaken for the purpose of defining a CIL level that will leave development in an area generally viable. Nothing in the representation causes me to think that it is misjudged in the case of the Southend-on-Sea proposed charge.
35. Professional fees – on this issue it is suggested that professional fees will be higher in the Borough because of the preponderance of brownfield development sites. The only other point made to support this is a list of professional fees that might be incurred – fees for the planning application, planning consultant, architect, quantity surveyor, engineer, site surveys, building regulation, and NHBC and EPC. Whilst my experience is that all of these fees might well be incurred in any particular development, no precise evidence is given to back the recommended level of 12%. The Council suggests that different schemes will incur fees of between 8% and 12%, and that 10% is a reasonable assumption to make when dealing with generalised assumptions of this sort. I agree.
36. Abnormal costs – abnormal costs have not been factored into the VS appraisals: to take account of this it is suggested that a minimum buffer of 40% should be used in setting CIL rates. Again, no specific evidence has been provided of what the abnormal costs might be or where they might arise: not surprising when they are 'abnormal'. The CIL residential charges proposed make an allowance in relation to the Thorpe Bay area of a buffer 25%, but otherwise have buffers of 33% or 40%. The £20 per square metre rate is a nominal rate rather than a maximum rate. In addition, no allowance has been made for existing floorspace that could be discounted from chargeable floorspace; and any abnormal costs of development should be reflected in the land value. I see no reason to amend the CIL charges to take account of abnormal costs.
37. Benchmark land values – the Council is criticised for lack of information on the type of site that will be coming forward for development in each value area. However, the growth identified in the development plan is indicated as coming predominantly from previously developed land, and therefore the VS tested a range of such sites to arrive at benchmark values. I consider that it is reasonable, particularly in a Borough such as Southend-on-Sea, that the benchmark land values of such sites provide a broad indication of likely land values across the Borough, since regard has been had to the predominant types of site likely to come forward.
38. Residual s106 assumptions – in this regard it is said that there is no clarity about the makeup of the £850 and £1,012 per unit indicated in the draft Planning Obligations SPD to remain under s106. However, since the VS has used the higher figure per residential unit to address residual s106 costs, and

this can only be an estimate, it does not affect my view of the appropriate evidence which has been used in proposing the CIL charges for the Borough.

39. Conclusion – in respect of the residential rates, none of these matters amount to a convincing challenge to the VS and the assumptions on which it is based, or the proposed charges that result. As a consequence I see no need to review the alternative viability appraisals that have been put forward which use the higher rates for developer's profit and professional fees dealt with above.

Commercial rate

40. There is only one matter that it is necessary for me to deal with under this heading, which concerns the proposed retail rates. The retail rates are set at £70 per square metre for stores above 280sq.m, whilst stores below that threshold will be subject to the £10 charge for the 'All other uses not cited above' category. It is noted that, whilst the viability testing covered three unit sizes – 279sq.m, 1,000sq.m and 5,000sq.m – this is not reflected in the Charging Schedule. It is suggested that the blanket rate of £70 for stores above 280sq.m is unfair and would prejudice LAD operators (limited assortment discounters – a typical example being ALDI). However, beyond pointing out that LADs have low profit margins, no evidence is given which would justify a separate charge rate for stores with floorspace between 280sq.m and 5,000sq.m.
41. In the response on behalf of the Council it is suggested that LAD stores compete with other supermarkets and superstores and retail warehouse uses in the market for sites and would therefore pay rents of a similar level to their competitors. I also note that the BCIS database identifies that there are differences in build cost between units of 1,000sq.m and above 5,000sq.m, and that this is the reason for testing the two thresholds. The CIL charge for units above 280sq.m is based on the lower viability expectation of units up to 1,000sq.m. In any event I have no evidence that is persuasive that there is justification for introducing a separate tier of charges for the LAD type of retail stores.

Other matters

42. Whilst not affecting the question of whether the Draft Southend-on-Sea Community Infrastructure Levy Charging Schedule provides an appropriate basis for the collection of the levy in the Borough, I raised a small number of points with the Council concerning the text of the CIL Charging Schedule in the interests of clarity, concision and making the document up-to-date. The Council has agreed that some modifications are desirable for these reasons and suggests that the following modifications be made.
43. In Section 3 'CIL Rates', in the title of Table 1, the word 'Proposed' should be deleted in the approved document, as it should be in the heading banner above the rates. It would also be desirable, for absolute clarity, if the right hand heading in that banner were "CIL rate per square metre".
44. The next heading, following Table 1, should be Residential charging 'zones' rather than 'areas'. Also much of the text under this heading is no longer necessary at the stage of approval, since the basis of the charges on the

viability evidence will have been dealt with in the examination process. Thus all of the text under this heading should be removed and replaced with "The three Residential Charging Zones are shown on Figure 1, the Residential Charging Zones Map."

45. Arising from this, the map itself ought to have a title (the present text already refers to Figure 1), and so a title should be added: "Figure 1 – Residential Charging Zones"
46. In addition to the above, a modification should be made in the light of the explanation, given by the Council, of the work that is on-going with regard to housing need assessment and the review of the Core Strategy, with the Council's stated intention that the Infrastructure Delivery Plan and the CIL Charging Schedule will be reviewed alongside the review of the Core Strategy. Since Section 5 of the Charging Schedule deals with monitoring and review, paragraph 5.3 should have an addition to deal with the review of the CIL charges alongside that of the Core Strategy.
47. In the Statement of Modifications, a 'Note' at the end states that Appendices 2, 3 and 4 are to be published on the website as separate documents. Their content will remain the same until any further revisions are made in accordance with the CIL Regulations and any necessary consultation. It would be more satisfactory to have one set of documents to refer to, rather than the possibility of the text of the Appendices in the Charging Schedule becoming out of line with those on the website. Therefore these Appendices should be deleted from the Charging Schedule.
48. These modifications will require consequential changes to the Contents list where Section 3 would require amendment to the Map line and the deletion of the Explanation line, and the deletion of the references to Appendices 2, 3 and 4.

Does the evidence demonstrate that the proposed charge rates would not put the overall development of the area at serious risk?

49. The Council's decision to use a part matrix approach to its CIL charges is based on reasonable assumptions about development values in different areas of the borough and likely costs. The evidence suggests that residential and commercial development will remain viable across most of the area if the charges are applied. No evidence has been put forward which convincingly suggests that the proposed rates would put development in the Borough at risk.

Conclusion

50. In setting the CIL charging rate the Council has had regard to detailed evidence on infrastructure planning and the economic viability evidence of the development market in the Borough. The Council has tried to be realistic in terms of achieving a reasonable level of income to address an acknowledged gap in infrastructure funding, while ensuring that a range of development remains viable across the authority's area. As mentioned in paragraph 46 above, the Southend-on-Sea Core Strategy is in the early stages of a review

and it is the Council's stated intention to review the charge rates alongside the Core Strategy review. I endorse this intention.

LEGAL REQUIREMENTS	
National Policy/Guidance	The Charging Schedule complies with national policy/guidance.
2008 Planning Act and 2010 Regulations (as amended)	The Charging Schedule complies with the Act and the Regulations, including in respect of the statutory processes and public consultation, consistency with the adopted Core Strategy and Infrastructure Delivery Plan and is supported by an adequate financial appraisal.

51. I conclude that, subject to the modifications set out in Appendix A, the Draft Southend-on-Sea Community Infrastructure Levy Charging Schedule satisfies the requirements of Section 212 of the 2008 Act and meets the criteria for viability in the 2010 Regulations (as amended). I therefore recommend that the Charging Schedule be approved.

Terrence Kemmann-Lane

Examiner

This report is accompanied by Appendix A (attached) – Modifications that the Examiner specifies so that the Charging Schedule may be approved.

Appendix A

Modifications recommended by the Examiner to allow the Charging Schedule to be approved.

Modification Number	Modification
EM1	In Section 3 'CIL Rates', delete the word 'Proposed' in the title of Table 1 and in the heading banner above the rates; and in the right hand heading in that banner add after "CIL" the words "rate per square metre".
EM2	In the heading following Table 1, 'Map of residential charging areas', delete 'areas' and insert 'zones'.
EM3	Delete all of the text under the heading 'Map of residential charging zones' and replace with "The three Residential Charging Zones are shown on Figure 1, the Residential Charging Zones Map."
EM4	Add a title to the map: "Figure 1 – Residential Charging Zones"
EM5	At the end of paragraph 5.3, add the sentence "Work is on-going in respect of housing need assessment and review of the Core Strategy, and therefore, the Infrastructure Delivery Plan and the CIL Charging Schedule will be reviewed alongside any review of the Core Strategy to ensure that the infrastructure needs of any additional growth are correctly identified and met, and that the identified infrastructure funding gap is accurate and up to date."
EM6	Make consequential changes to the Contents list where Section 3 would require amendment to the Map line and the deletion of the Explanation line, and the deletion of the references to Appendices 2, 3 and 4