

**Runnymede Community Infrastructure Levy (CIL)**

**Statement of Compliance**

August 2020

## **Introduction**

- 1.1 This Community Infrastructure Levy (CIL) Statement of Compliance sets out how Runnymede Borough Council has met the requirements of the Planning Act 2008 (as amended) and the Community Infrastructure Levy Regulations 2010 (as amended) in the preparation of its draft CIL Charging Schedule.
- 1.2 Where appropriate this statement will also set out how preparation of the draft CIL Charging Schedule is consistent with the governments Planning Practice Guidance (PPG) note on CIL.

## **Compliance with the Planning Act 2008 (as amended)**

### Section 205

- 1.3 The section states that the overall purpose of CIL is to ensure that costs incurred in the development of an area can be funded by owners/developers of land in a way that does not make the development of the area economically unviable.
- 1.4 The Council has prepared evidence undertaken by AGA Ltd on its behalf which takes account of development viability in Runnymede Borough and over a range of development types. This is the CIL Viability Assessment (CIL-10) and update to deal with representations and Covid-19 and hereafter referred to as an addendum (CIL-11). The CIL rates proposed are based on this evidence.

### Section 211

- 1.5 This section requires that a charging authority proposing to charge CIL must issue a document setting rates. In setting rates, a charging authority must have regard to a) actual or expected costs of infrastructure, b) matters specified by the CIL Regulations relating to economic viability of development and c) other actual and expected sources of funding for infrastructure.
- 1.6 Section 211 also sets out that CIL Regulations may require charging authorities to have regard to actual or expected administrative expenses in connection with CIL, may consult in the preparation of a charging schedule and must use appropriate available evidence to inform preparation of a charging schedule. The CIL Regulations may also require a charging authority to provide an estimate of the amount of CIL chargeable.
- 1.7 Runnymede Borough Council has prepared a CIL draft charging schedule (CIL-01) which sets out proposed CIL rates. The Council has had regard to the actual or expected costs of infrastructure through its infrastructure evidence which supported the Runnymede 2030 Local Plan (CIL-12,13 & 14) and has prepared evidence of development viability (CIL-10 & 11). Actual or other sources of funding have also been considered in the CIL Technical Background Document and addendum (CIL-08 & 09) as well as the expected

administrative expenses in terms of the amount of CIL available for infrastructure funding.

- 1.8 The Council has undertaken appropriate consultation in the preparation of its charging schedule as set out in the Regulation 19(1)(b) Statement of Representations (CIL-06) and has used appropriate available evidence in setting its proposed rates (CIL-10 to CIL-14). The Technical Background Documents also set out an estimate of CIL receipts over the period of the 2030 Local Plan.

#### Section 212

- 1.9 Requires a charging authority to appoint someone, who in their opinion, is an independent and qualified person (the Examiner) to examine the charging schedule and requires the charging authority to allow anyone who makes representations about a draft charging schedule to be heard by the examiner.
- 1.10 The Council has appointed Mr Philip Staddon as Examiner who is considered by the Borough Council to be independent with appropriate qualifications and experience.
- 1.11 In undertaking consultation of the draft charging schedule and modifications, the Council set out that anyone wishing to be heard by the examiner can request to do so (see CIL-06).

#### Section 216

- 1.12 Sets out that CIL Regulations may require charging authorities to prepare and publish a list of what is to be or may be wholly or partly funded by CIL.
- 1.13 Ahead of the publication of its first Infrastructure Funding Statement (IFS), the Council has prepared a draft Infrastructure Delivery & Prioritisation SPD (CIL-17) to guide which infrastructure may be wholly or partly funded through CIL.

### **Compliance with the Community Infrastructure Levy Regulations 2010 (as amended)**

#### Regulation 12

- 1.14 This regulation sets out the information charging schedules must contain. How the requirements of this Regulation have been met are set out below:-

Reg 12(2)(a) – Name of the charging authority – This is set out on p1 of the draft charging schedule.

Reg 12(2)(b) – Rates (set at pounds per sqm) at which CIL is to be chargeable – Set out in the tables on p2/3 of the draft charging schedule.

Reg 12(2)(c) – Where differential rates are set, a map which (i) identifies the boundaries and locations of zones, (ii) is reproduced from or based on Ordnance Survey (OS), (iii) shows National Grid lines and numbers and (iv)

includes an explanation of any symbol or notation which it uses. In this respect:

A map of proposed CIL charging zones is set out within the draft charging schedule at p4 and this (i) identifies CIL charging zones and boundaries, (ii) is reproduced from OS, (iii) shows National Grid lines and numbers and (iv) includes a key of symbols/notations used. The CIL charging zones are also available to view on the Council's mapping service provided to members of the public via its web-site at <https://www.runnymede.gov.uk/>

Reg 12(2)(d) – An explanation of how the chargeable amount will be calculated – The method for calculating the CIL chargeable amount is set out in Schedule 1 of the CIL Regulations and reproduced on pages 5-6 of the draft charging schedule.

Reg 12(3) – A charging schedule must also include (a) the date on which the charging schedule was approved, (b) date the charging schedule takes effect and (c) a statement that it has been issued, approved and published in accordance with the Regulations and Planning Act 2008.

The draft charging schedule includes indicative dates on which the charging schedule will be approved and takes effect. A statement that the charging schedule has been issued, approved and published in accordance with the Regulations and Planning Act 2008 is set out on p6 of the draft Charging Schedule.

### Regulation 13

- 1.15 Regulation sets out that charging authorities can set differential rates based on different areas, different intended uses of development, gross internal area or intended number of dwellings or units to be constructed. In setting differential rates charging authorities may set supplementary charges, nil rates, increased rates or reductions.
- 1.16 The Council has set out differential rates in its draft charging schedule based on location or use of development and where appropriate nil rates. This is in accordance with Regulation 13.

### Regulation 14

- 1.17 Requires that in setting rates a charging authority must strike an appropriate balance between the desirability of funding from CIL and the actual and expected estimated total cost of infrastructure required to support development of its area taking into account other actual and expected sources of funding and potential effects on viability of development across its area. Also sets out that charging authorities may have regard to actual or expected administrative expenses in connection with CIL and that a charging authority's draft infrastructure list is appropriate evidence in the preparation of their charging schedule.

- 1.18 The Council has prepared a CIL Technical Background Document and addendum (CIL-08 & 09) which explains how the Council has struck a balance between funding from CIL, infrastructure costs including administrative expenses and sources of funding as well as the economic viability of development.
- 1.19 Charging authorities are no longer required to set out a list of infrastructure, which would be funded wholly or partly by CIL in what were formerly known as 'Regulation 123' lists (as Regulation 123 has been deleted from the CIL Regulations). The Council is now required to prepare Infrastructure Funding Statements (IFS) instead, however the Council's first IFS is not required by CIL Regulation 121A until 31<sup>st</sup> December 2020. Nevertheless, the Council has based infrastructure costs on the evidence which supported the 2030 Local Plan (CIL-12, 13 & 14) and has set out its approach to funding infrastructure through CIL and/or S106 in a draft Infrastructure Delivery & Prioritisation SPD (CIL-17), which are considered to be appropriate evidence.

#### Regulation 15

- 1.20 Regulation 15 required charging authorities to prepare and consult on a preliminary draft charging schedule prior to consultation of a draft charging schedule. Regulation 15 was deleted by the CIL Regulations on 1<sup>st</sup> September 2019. As preparation and consultation of the Runnymede CIL began after 1<sup>st</sup> September 2019 Regulation 15 does not apply.

#### Regulation 16

- 1.21 Before submitting a draft charging schedule for examination, charging authorities must make a copy of the draft charging schedule, relevant evidence and statement of representations procedure available for inspection at its principal offices and such other places considered appropriate and publish these on its web-site as well as a statement of the fact that the draft charging schedule and relevant evidence are available for inspection and where they can be inspected.
- 1.22 The Council undertook consultation of its draft charging schedule from Monday 24 February 2020 to Monday 6 April 2020. In this respect the Council published a copy of its draft charging schedule, relevant evidence, statement of representations procedure and statement of the fact that the draft charging schedule and relevant evidence were available for inspection and where they could be inspected on its web-site. The website went live on Friday 21 February 2020. Further detail is set out in CIL-06.
- 1.23 The Council also made available a copy of the draft charging schedule, relevant evidence and statement of representations procedure on the 21 February 2020 at the following locations:

The Civic Centre & Library, Addlestone  
Chertsey Library  
Egham Library

New Haw Library  
Virginia Water Library

- 1.24 During the course of the consultation the UK entered a state of lockdown in response to the Covid-19 pandemic. As such, whilst consultation documents remained available on the Council's website throughout the consultation period Surrey County Council closed all of its libraries to members of the public from 5.30pm Friday 20<sup>th</sup> March 2020.
- 1.25 In response to libraries and the Civic Centre closing to members of the public the Council extended the consultation response deadline to the draft charging schedule. In doing so it extended the period for representations to 5pm Friday 24 April 2020 and made it clear that if anyone required hard copies of documents to make a representation, these could be requested from the Council and sent by post. The webpage updating the situation with the consultation and Covid-19 was published on the 7 April 2020.
- 1.26 Regulation 16 also requires the charging authority to invite representations on the draft charging schedule as appropriate from people who are resident or carry on a business in the area, voluntary bodies and bodies representing the interests of persons carrying on a business in the area.
- 1.27 The Council sent emails or hard copy letters to all persons who appear on the Planning Policy team's database informing them of consultation on the draft charging schedule. This includes a mix of local residents, businesses, voluntary bodies and bodies representing businesses in the area. The email/letter was sent on Friday 21 February (see CIL-06). In light of the Covid-19 pandemic and lockdown the Council sent a further email/letter to all those on the Planning Policy database on the 7 April 2020 informing them that consultation was extended to 24 April 2020 and they could receive hard copy documents if required (see CIL-06).
- 1.28 Regulation 16 also sets out that a copy of the draft charging schedule be sent to each of the consultation bodies (as defined by Regulation 16(2)). This was carried out on Friday 21 February 2020.

#### Regulation 17

- 1.29 Sets out that anyone may make representations about a draft charging schedule and that representations must be made within the period and to the place specified by the charging authority. Regulation 17 also requires a charging authority to take Account of any representations before submitting a draft charging schedule for examination.
- 1.30 The period for representations and where these should be sent were clearly set out in the Statement of Representations which accompanied the consultation of the draft charging schedule (See CIL-06). On extending the consultation period due to Covid-19, the Council made it clear on its web-site and in emails/letters to interested parties the extended period to make representations and where these should be sent (CIL-06).

- 1.31 The Council has prepared a Regulation 19(1)(b) Statement which sets out how it has taken representations received into account (CIL-06).

Regulation 19

- 1.32 Regulation 19 sets out the documents which should be submitted for examination and includes:
- a) the draft charging schedule – Submitted as document reference **CIL-01**
  - b) a statement setting out the number of representations made to the draft charging schedule, a summary of those representations and how they were taken into account or if no representations were made – Set out in **CIL-06**
  - c) copies of the representations – copies of representations on the draft charging schedule and statement of modifications have been submitted.
  - d) where a charging authority has modified the draft charging schedule after publication at Regulation 16, a statement of those modifications – Submitted as document reference **CIL-02**.
  - e) copies of the relevant evidence – Forms part of the CIL document library as submitted.
- 1.33 Of the documents listed above a copy of each must be in paper form and those mentioned in a), b) and d) and to the extent where it is practicable to do so for c) and e) should be sent electronically. As soon as reasonably practicable after submission, the charging authority must make available the documents listed above at the same places as in Regulation 16 and on their website with a statement of the fact that a copy of the draft charging schedule and supporting documents are available for inspection.
- 1.34 The Council can confirm that the documents set out in a) – e) above have been submitted in paper form and electronically and will be made available on the Council's website and at the following locations as soon as reasonably practicable after submission and subject to Covid-19 restrictions or further lockdown.
- The Civic Centre & Library, Addlestone  
Chertsey Library  
Egham Library  
New Haw Library  
Virginia Water Library
- 1.35 In the event that Covid-19 restrictions or further lockdown measures require the closure of the places where documents can be inspected, the Council will make hard copies available on request and send these via post to those who do not have access to electronic documents.
- 1.36 Regulation 19 also requires that where a charging authority modified a draft charging schedule after it was published at Regulation 16 a charging authority must send a copy of the statement of modifications to each of the consultation

bodies and publish a copy of the statement on its web-site. This needs to be complied with before submission.

- 1.37 The Council sent a copy of its CIL Statement of Modifications to each of the consultation bodies and published the statement on its website on Friday 17 July 2020 (CIL-06).

Regulation 21

- 1.38 Requires the charging authority to submit a copy of each request it receives to be heard on the Statement of Modifications to the examiner as soon as possible after the closing date for requests. At least 4 weeks before the opening of the CIL examination the charging authority must publish on its web-site the time and place of the examination and the name of the examiner to any person who made a representation to the draft charging schedule and any person who has made a request to be heard.
- 1.39 The Council will submit copies of each request to be heard on the Statement of Modifications to the Examiner as soon as possible following the 4-week period for requests from the date of submission. The Council will also ensure that a notification of the time, place and examiner for the examination will be published on its website 4 weeks prior to the opening of the examination.

Regulation 23

- 1.40 The charging authority must publish the examiners recommendations and reasons as soon as practicable the day after it receives them. The recommendations and reasons must be made available for inspection at the places at which the draft charging schedule and supporting documents were made available, published on the Council's web-site and notice given to those persons who requested to be notified of the publication of the examiners recommendations and reasons that they have been published.
- 1.41 The Council will ensure that the examiner's recommendations and reasons are published as soon as practicable the day after it receives these on its web-site and confirm these are available for inspection and notify all those who made a request to be notified.

Regulation 25

- 1.42 As soon as practicable after approving a charging schedule a charging authority must:
- i) publish the charging schedule and any report setting out how the charging schedule as approved remedies any non-compliance on its web-site.
  - ii) make the charging schedule together with any report as stated in i) above available for inspection at the places the draft charging schedule and supporting documents were made available;
  - iii) give notice to those who requested to be notified of the approval that it has been approved; and

iv) send copies of the charging schedule to each of the relevant consenting authorities.

- 1.43 The Council will ensure that it complies with i)-iv) as soon as practicable following approval of the charging schedule.

### **Compliance with the Planning Practice Guidance Note: Community Infrastructure Levy (CIL)**

#### Paragraph 10

- 1.44 A charging authority should specify in their charging schedule the types of development liable for the Levy and relevant rates for that type of development. Rates are expressed as £ per sqm. The charging authority must strike an appropriate balance between additional investment to support development and the potential effect on development viability. Charging authorities should be able to show and explain how their rates will contribute towards implementation of their relevant plan and support development across their area. In doing so charging authorities should use evidence in accordance with Planning Practice Guidance and take account of national planning policy on development contributions.
- 1.45 The Runnymede draft CIL charging schedule sets out rates for the type of development liable for the levy and in £ per sqm (CIL-01). The CIL Technical Background and its addendum (CIL-08 & 09) sets out how the Council has struck a balance between additional investment to support development and the effect on development viability and explains how rates will support development across the area. The Technical Background Document and its addendum uses evidence of viability and infrastructure needs to support rates and a draft Infrastructure Delivery & Prioritisation SPD (CIL-17) sets out the Council's approach to development contributions in accordance with national planning policy.

#### Paragraph 011

- 1.46 Charging authorities should consider relevant national planning policy when drafting schedules and be consistent and support implementation of up to date relevant plans.
- 1.47 Regard has been had to the NPPF 2019 in drafting rates and the draft charging schedule is considered to be consistent with and supports the Runnymede 2030 Local Plan.

#### Paragraph 012

- 1.48 CIL can only be charged where a relevant plan is in place. Paragraph 012 sets out that for the purposes of the Levy, a relevant plan is any strategic policy, including those set out in any spatial development strategy. As such, it is considered that the Runnymede 2030 Local Plan is a relevant plan.

- 1.49 Paragraph 012 also sets out that charging schedules and relevant plans should inform and be generally consistent with each other and where practical undertake infrastructure planning for the purpose of plan making and setting the levy at the same time.
- 1.50 The CIL rates proposed have been informed by and are consistent with the 2030 Local Plan and infrastructure evidence which supported the 2030 Local Plan through examination (CIL-12,13 & 14). Evidence of the infrastructure funding gap and how CIL can help to close this is set out in the Council's CIL Technical Background Document and addendum (CIL-08 & 09).
- 1.51 Paragraph 012 states Sustainability Appraisal is not required for CIL charging schedules. However, the Council prepared a Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA) screening (CIL-04) which concluded that SEA and an Appropriate Assessment were not required. The three statutory bodies (Environment Agency, Historic England and Natural England) concurred with this conclusion. The Council has also undertaken an Equalities Impact Assessment (CIL-05).
- 1.52 Paragraph 012 also states that charging authorities should think strategically in their use of the levy and involve consideration of other funding available that could be combined with the levy to enable the delivery of strategic infrastructure. The Council's CIL Technical Background Document and Addendum (CIL-08 & 09) show how other funding sources have been taken into account.

### Paragraph 013

- 1.53 Sets out how charging schedules should be prepared and adopted as follows:

- charging authority prepares its evidence base and collaborates with neighbouring/overlapping authorities (and other stakeholders)

See paras 1.57-1.59 below.

The Council began preparation of its CIL evidence in September 2019.

- the charging authority prepares and publishes a draft charging schedule for consultation;

The Council published its draft charging schedule in February 2020

- representations are sought on the published draft;

The Runnymede draft charging schedule was subject to public consultation from 24 February to 24 April 2020.

- the charging authority must take into account any representations made to it before submitting a draft charging schedule for examination;

How the Council has taken account of representations prior to submission is set out in CIL-06.

- an independent person (the “examiner”) examines the charging schedule in public

TBC

- the examiner’s recommendations are published

TBC

- the charging authority has regard to the examiner’s recommendations and reasons for them

TBC

- the charging authority approves the charging schedule

The Council is aiming to approve the charging schedule in February 2021.

#### Paragraph 014

- 1.54 States that charging authorities must consult and collaborate with the County Council in setting rates and work closely with them in setting priorities for how the Levy is spent.
- 1.55 The Council consulted with Surrey County Council on its draft charging schedule and Statement of Modifications. Governance arrangements between the Borough and County Council will be put in place to set priorities on how the Levy will be spent in due course.

#### Paragraph 015

- 1.56 Sets out that plan makers and site promoters should assess viability to ensure that requirements for developer contributions are deliverable and it is the responsibility of the charging authority to collaborate with local communities, developers and other stakeholders to create realistic and viable charging schedules.
- 1.57 The Council carried out an assessment of viability to support its CIL charging schedule (CIL-10 & 11) which takes account of 2030 Local Plan requirements for affordable housing, physical infrastructure delivery (through Section 106) and sustainability standards. The CIL Viability Assessment is informed by and consistent with the viability work undertaken in preparation of the 2030 Local Plan.
- 1.58 In preparing the 2030 Local Plan Viability Assessment the Council held a stakeholder workshop with a ‘Development Market Panel’ in February 2017 to discuss viability assumptions for the Local Plan viability assessment. Further detail of this is set out in CIL-06.
- 1.59 The Local Plan Viability Assessment formed part of the evidence which was available during the draft 2030 Local Plan consultations.

#### Paragraph 016

- 1.60 States that a charging authority should have regard to the actual and expected cost of infrastructure, viability of development, actual or expected sources of funding for infrastructure and the actual and expected costs of administering the CIL charge.
- 1.61 Evidence on the actual and expected cost of infrastructure, other sources of funding and estimated receipts for administrative expenses are set out in the Council's Technical Background Document and Addendum (CIL-08 & 09). Evidence of viability can be found in the CIL Viability Assessment and its addendum (CIL-10 & 11).

#### Paragraph 017

- 1.62 States charging authorities must identify the total cost of infrastructure they wish to fund wholly or partly through the levy, what additional infrastructure is needed in their area to support development and other sources of funding. Information on infrastructure needs should be drawn from the infrastructure assessment that was undertaken when preparing the relevant plan (the Runnymede 2030 Local Plan) and their CIL charging schedules.
- 1.63 Evidence of infrastructure needs, costs and other sources of funding are set out in the Council's CIL Technical Background Document and addendum (CIL-08 & 09) which is informed by the Council's infrastructure evidence.
- 1.64 Paragraph 017 also states that from December 2020, local authorities must publish an infrastructure funding statement, and information should be drawn from this which will help the charging authority to identify the infrastructure funding gap and a levy funding target. The PPG also recognises uncertainty in pinpointing other infrastructure funding sources beyond the short-term and charging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put in place the levy. Any significant funding gap should be considered sufficient evidence of the desirability of CIL funding, where other funding sources are not confirmed.
- 1.65 The Council is currently preparing its first Infrastructure Funding Statement (IFS), however the Council's CIL Technical Background Document and addendum (CIL-08 & 09) identifies other sources of funding and the aggregate infrastructure funding gap that demonstrates a need to put in place the Levy.
- 1.66 Paragraph 017 sets out that the Community Infrastructure Levy examination should not re-open infrastructure planning issues that have already been considered in putting in place a sound relevant plan.
- 1.67 The Council has used the infrastructure evidence which was examined as part of the 2030 Local Plan examination process (CIL-12, 13 & 14).

#### Paragraph 018

- 1.68 States that at examination, the charging authority should set out the projects or types of infrastructure that are to be funded in whole or in part by the levy

and where infrastructure planning work has been undertaken specifically for the levy setting process but not tested as part of another examination, it will need to be tested at the levy examination.

- 1.69 The infrastructure projects and types to be funded through the Levy (and which through Section 106) is set out in the Council's draft Infrastructure Delivery & Prioritisation SPD (CIL-17). The infrastructure evidence used to support the Levy has already been tested through the 2030 Local Plan examination.

Paragraph 019

- 1.70 States that a charging authority should be able to explain how their proposed levy rate or rates will contribute towards new infrastructure to support development across their area and summarise their viability assessment.
- 1.71 The Council's CIL Technical Background Document and addendum (CIL-08 & 09) explain how CIL rates will contribute to new infrastructure to support development across the Borough as well as setting out a summary of the viability evidence.
- 1.72 Paragraph 019 also states that viability assessments should be proportionate, simple, transparent and publicly available in accordance with the viability guidance. 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 viability of development across the authority's area and where the levy is introduced after a plan has been made, it may be appropriate for a local authority to supplement plan viability evidence with assessments of recent economic and development trends, and through working with developers (e.g. through local developer forums), rather than by procuring new evidence.
- 1.73 The Council's CIL Viability Assessment and addendum (CIL-10 & 11) were publicly available during consultation of the draft charging schedule and Statement of Modifications. In considering viability the Council procured new evidence rather than supplement its existing evidence, but which was consistent with the viability evidence for the 2030 Local Plan.
- 1.74 Paragraph 019 also sets out that the examiner may consider whether any assessment prepared prior to the publication of the viability guidance generally accords with that guidance and 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.
- 1.75 The Council's CIL Viability Assessment and addendum were carried out after publication of the PPG note on viability. The Council's CIL Technical Background Document and addendum (CIL-08 & 09) sets out and takes account of the level of Section 106 contributions collected since the start of

the 2030 Local Plan period (1 April 2015) and the extent to which affordable targets have been met.

Paragraph 020

- 1.76 States that a charging authority should use an area-based approach, involving a broad test of viability across their area and 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 viability of development across their area.
- 1.77 The Council's CIL Viability Assessment and addendum (CIL-10 & 11) use an area-based approach and tests the viability of development across the Borough. The Council's CIL Technical Background Document and addendum (CIL-08 & 09) sets out how the proposed levy rates set an appropriate balance between the need to fund infrastructure and implications for viability across the Borough.
- 1.78 Paragraph 020 also sets out that charging authorities should use evidence in accordance with planning practice guidance on viability and must use appropriate available evidence to inform the preparation of their draft charging schedule and be consistent with that evidence across their area as a whole.
- 1.79 The Council considers the CIL Viability Assessment and addendum (CIL-10 & 11) have been undertaken in general accordance with the PPG note on viability. This, along with the Council's infrastructure evidence (CIL-12, 13 & 14) and evidence of other sources of funding is considered to be appropriate and have informed the proposed levy rates across the Borough as a whole.
- 1.80 Paragraph 020 also states that a charging authority should draw on existing data wherever it is available and lists a number of sources of data which can be included and that 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 line with planning practice guidance on viability and this will require support from local developers, landowners and site promoters.
- 1.81 The Council's CIL Viability Assessment and addendum (CIL-10 & 11) draws on evidence from Land Registry and various market commentaries. The viability addendum also responds to representations received during the draft charging schedule consultation and updates market commentary where appropriate. The Council's evidence of land availability was last updated in January 2018 and considered during the 2030 Local Plan examination. The approach to site appraisal in the CIL Viability Assessment and addendum is consistent with the sites appraised in the Local Plan viability assessment, which was informed through the stakeholder workshop set out in CIL-06.
- 1.82 Paragraph 020 states that charging authorities that decide to set differential rates may need to undertake more fine-grained sampling, on a higher proportion of total sites and is also likely to be necessary where they wish to

differentiate between categories or scales of intended use. The sampling exercise should provide a robust evidence base about the potential effects of the rates proposed, balanced against the need to avoid excessive detail.

- 1.83 The CIL Viability Assessment considers the viability of residential development across different areas of the Borough and at different scales as well as the 2030 Local Plan allocation sites. As such, it is considered that sufficient sampling has been undertaken to inform differential residential rates. The viability assessment also considers retail development in its three town centre locations with other commercial development considered on a borough wide basis with rents and yields taken from market commentary.
- 1.84 Finally Paragraph 020 states that 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 and that 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.
- 1.85 The Council considers its rates to be reasonable based on the available evidence and has applied a reasonable viability buffer. This is explained in the Council's CIL Technical Background Document and addendum (CIL-08 & 09).

#### Paragraph 021

- 1.86 Sets out that a charging authority should take development costs into account when setting its levy rate or rates, particularly those likely to be incurred on strategic sites or brownfield land. Assessment of costs should be based on evidence which is reflective of local market conditions in accordance with planning practice guidance on viability.
- 1.87 The Council considers that its CIL Viability Assessment and addendum (CIL-10 & 11) take account of development costs which are based on evidence of the local market.
- 1.88 Paragraph 021 also sets out that development costs include costs arising from existing regulatory requirements, and any policies on planning obligations in the relevant plan, such as policies on affordable housing and identified site-specific requirements for strategic sites.
- 1.89 The CIL Viability Assessment and addendum take account of 2030 Local Plan policies and costs for affordable housing, physical infrastructure delivery and sustainable design. Further, the costs for sustainable design included in the viability assessment are around £2,000 per dwelling more than the actual expected costs which can account for further unknown costs such as sustainable drainage (SuDS) and biodiversity improvements. The 2030 Local Plan allocates development sites contingent on A320 improvement works which are expected to make contributions towards repayment of a Housing Infrastructure Fund (HIF) grant. The level of contribution toward repayment of

the HIF grant from contingent sites was not considered in the CIL Viability Assessments for the following reasons:

- i) Conditions imposed by Homes England on the HIF grant requires the Council to target 100% clawback of HIF funding on a site by site basis. As such this is not a fixed cost.
- ii) As contributions toward HIF repayment are to be negotiated after development achieves policy compliant development first i.e. payment of CIL, meeting affordable housing targets and physical provision of infrastructure through S106 as required by the 2030 Local Plan, any surplus left after this will be the clawback that can be achieved and will vary from site to site. As such, the final HIF repayment contribution is unknown and cannot be tested through CIL viability.
- iii) As HIF repayment contributions are negotiable on a site by site basis, they cannot be set through CIL (which is non-negotiable). Rather, CIL should be set at a rate which helps to fund delivery of a range of infrastructure across the Borough as well as affordable housing targets in order to achieve sustainable development. This is considered the correct approach to setting CIL rates in light of HIF repayment and the one taken in the CIL Viability Assessments. This approach is also set out in the Council's draft Infrastructure Delivery & Prioritisation SPD.

#### Paragraph 022

- 1.90 States that charging authorities should consider how they could use differential rates to optimise funding through the levy with the difference in rates justified by the viability of development. Differential rates should not be used as a means to deliver policy objectives. Differential rates may be appropriate in relation to
  - geographical zones within the charging authority's boundary;
  - types of development; and/or
  - scales of development.
- 1.91 The Council has proposed differential rates based on geographical zones and types of development which have been informed by the viability evidence and subject to an appropriate buffer, optimise funding through the Levy.
- 1.92 Paragraph 022 also sets out that differential rates should seek to avoid undue complexity and should not have a disproportionate impact on particular sectors or specialist forms of development. Charging authorities may wish to consider how any differential rates reflect the viability of the size, type and tenure of housing needed for different groups in the community, including accessible and adaptable housing. Charging authorities should consider the views of developers at an early stage.
- 1.93 In setting differential rates the Council has avoided undue complexity by limiting the number of charging zones for development. The CIL Viability

Assessment and addendum (CIL-10 & 11) has considered specialist forms of development such as older persons accommodation, students and Traveller pitches/plots on the 2030 Local Plan allocations sites and the rates proposed have been informed by this evidence. The viability assessment also took account of the 2030 Local Plan policies for housing tenure, mix and size as well as including the costs of accessible/adaptable housing. Paragraphs 1.57-1.58 above sets out early engagement.

- 1.94 Paragraph 022 also states that If evidence shows that the area includes a zone, which could be a strategic site, which has low, very low or zero viability, the charging authority should consider setting a low or zero levy rate in that area. The same principle should apply where the evidence shows similarly low viability for particular types and/or scales of development.
- 1.95 The 2030 Local Plan allocates the strategic site at Longcross Garden Village and a site predominantly for Traveller pitches at Chertsey Bittams C. The CIL Viability Assessment summarises the viability work undertaken for the Longcross site during Local Plan preparation and appraises the Chertsey Bittams C site. The Council's CIL Technical Background Document and addendum (CIL-08 & 09) takes account of this and explains why a separate charging zone and zero rate are proposed for these sites.
- 1.96 Finally paragraph 022 states that differential rates must not be set in such a way that they constitute a notifiable State aid under European Commission regulations and a charging authority which chooses to differentiate between classes of development, or by reference to different areas, should do so only where there is consistent viability evidence to justify this approach.
- 1.97 The Council considers that its proposed Levy rates are based on evidence of viability and have not been proposed in such a way as to constitute a notifiable state aid.

#### Paragraph 023

- 1.98 States that charging authorities may set differential rates by different intended uses of development. Charging authorities taking this approach will need to ensure that the differential rates are supported by robust evidence on viability.
- 1.99 The Council has proposed differential rates based on different uses of development. This has been informed by the CIL Viability Evidence (CIL-10 & 11) and explained in the Council's CIL Technical Background Document (CIL-08 & 09).

#### Paragraph 024

- 1.100 Sets out that charging authorities may set differential rates by scale set by reference to either floor area or the number of units or dwellings in a development.
- 1.101 The Council has not proposed differential rates based on scale as explained in the CIL Technical Background Document.

### Paragraph 025

- 1.102 States that the uplift in land value that development creates is affected by the existing use of land and proposed use and charging authorities can take these factors into account in the evidence used to set differential levy rates.
- 1.103 The CIL Viability Assessment (CIL-10 & 11) takes account of existing use value of land and proposed use which has informed the Council's proposed differential rates.
- 1.104 Paragraph 025 also states charging authorities should set levy rates in a way that takes account of the infrastructure needs of the area and the additional value generated through planning permissions in a way that does not undermine deliverability of the plan.
- 1.105 The CIL Technical Background Document and addendum (CIL-08 & 09) as informed by the CIL Viability Assessment explains how the proposed rates will not undermine the deliverability of the 2030 Local Plan.

### Paragraph 026

- 1.106 Sets out that differential rates for geographic zones can be used across a charging authority's area and authorities may wish to align zonal rates for strategic development sites. Viability guidance sets out the importance of considering specific circumstances of strategic sites and includes the potential to undertake site specific viability assessments of sites critical to delivering the strategic priorities of the plan.
- 1.107 The Council's CIL Viability Assessment (CIL-10) sets out an appraisal of each of the 2030 Local Plan allocations including the strategic site at Longcross which has informed proposed rates and geographic zones.
- 1.108 Paragraph 026 also sets out that charging authorities may consider how zonal rates can ensure that the levy compliments plan policies for strategic sites. This may include setting specific rates for strategic sites that reflect the land value uplift their development creates. Low or zero rates may be appropriate where plan policies require significant contributions towards housing or infrastructure through planning obligations and this is evidenced by an assessment of viability.
- 1.109 The Council's CIL Viability Assessment takes account of developer contributions towards affordable housing and infrastructure through planning obligations for each of the 2030 Local Plan allocation sites including Longcross. On this basis CIL rates compliment the 2030 Local Plan allocation policies including a zero rate at Longcross as explained in the Council's CIL Technical background Document (CIL-08 & 09).

### Paragraph 027

- 1.110 States that charging authorities may choose to set differential rates by combining geographical areas/use types/scale of development but this must be consistent in the way that the available evidence on viability informs the

treatment of each proposed rate, balancing the desirability of funding infrastructure through the levy and impact on the viability of development across the area. They should be aware that it is likely to be harder to ensure that more complex patterns of differential rates are State aid compliant.

- 1.111 The Council has proposed a combination of rates based on geographic areas and use types which has been informed by the CIL Viability Assessment (CIL-10 & 11) and explained in the Council's Technical Background Document (CIL-08 & 09).

Paragraph 028

- 1.112 Sets out that charging authorities may take account of their related administrative expenses when setting their levy and that an authority may set levy rates slightly higher than the levels required to meet their infrastructure funding needs to cover administration costs, but take this impact into account in fulfilling their responsibilities to set an appropriate balance, and the limits on the amount which can be applied to administrative expenses.
- 1.113 The CIL Technical Background Document (CIL-08 & 09) calculates the amount of CIL which may be available for administrative expenses but does not add these to proposed rates.

Paragraph 031

- 1.114 States that charging schedules should be based on evidence about the infrastructure needs of the area and the ability of development in that area to fund that infrastructure in whole or in part.
- 1.115 The Council's proposed charging schedule is informed by the CIL Viability Assessment and addendum (CIL-10 & 11) and explained in the CIL Technical Background Document (CIL-08 & 09).

Paragraph 032

- 1.116 Sets out that a draft charging schedule must be formally published along with the appropriate available evidence on infrastructure costs, other funding sources and viability. It is also for charging authorities to decide how they wish to consult although where authorities are introducing the levy for the first time, or making significant changes to their levy, the expectation is that charging authorities will consult for a minimum of 4 weeks.
- 1.117 The Council published its draft charging schedule on the 24 February 2020 along with the appropriate available evidence. The draft charging schedule and evidence was subject to consultation for an initial period of 6 weeks from 24 February 2020 to 6 April 2020 and extended to 24 April 2020 in light of the Covid-19 pandemic (See CIL-06).

Paragraph 033

- 1.118 States that charging authorities are best placed to decide how to engage with their local communities and other relevant parties and must invite

representations where the authority considers it appropriate from people who live, work or operate a business in the area; voluntary bodies, or bodies that represent businesses in the area. Charging authorities are also required to invite representations from consultation bodies.

- 1.119 The Council consulted with each person or organisation held on its Planning Policy database which includes people who live, work or operate business in the area as well as voluntary bodies and bodies who represent businesses. Representations were also invited from the consultation bodies (See CIL-06).

Paragraph 034

- 1.120 Sets out that charging authorities should avoid making substantive changes to the draft charging schedule between publication and submission unless they have been sufficiently consulted on. Where changes are made the charging authority must set these out in a 'statement of modifications and take any steps necessary to inform people who were invited to make representations on the draft charging schedule that this statement has been published. Charging authorities may ask anyone wishing to be heard to provide additional details for example, whether they support or oppose the modification(s) and why. These details may be submitted to the examiner, along with the requests to be heard, where the authority considers they will help the examiner or if the examiner has asked for them.
- 1.121 The Council has proposed substantive modifications to its draft charging schedule in light of representations received during the consultation period and in response to further viability assessment undertaken in light of the Covid-19 pandemic. The modifications were set out in a Statement of Modifications (CIL-02) which was published on 17 July 2020 and consulted on for 4 weeks from 17 July to 14 August 2020. All those notified of publication of the draft charging schedule were notified of the publications and consultation on the Statement of Modifications. The Statement of Modifications set out that anyone wishing to be heard on the modification should also explain which modification they are responding to and whether they do or do not support the modification and the reasons why. Consultation responses have been submitted to the Examiner and summarised in CIL-06.

Paragraph 035

- 1.122 States that a charging schedule must be examined in public by an independent person appointed by the charging authority.
- 1.123 The Council has appointed Mr Phillip Staddon as the independent person to examine the Runnymede draft charging schedule. The Council submitted the draft charging schedule and accompanying documents to the Examiner on the 28 August 2020.

Paragraph 128

- 1.124 Sets out that where a charging authority wishes to allow payment by instalments, they must have published an instalment policy on their website.

Willingness to allow an instalments policy can be a material consideration in assessing the viability of proposed levy rates.

- 1.125 The Council has prepared a draft Instalments Policy (CIL-16) which has been submitted with the draft charging schedule for information.

Paragraph 166

- 1.126 States that local authorities should ensure that the combined total impact of developer contributions (CIL, S106 & S278) do not undermine the deliverability of the plan and authorities can choose to pool funding from different routes to fund the same infrastructure provided authorities set out in their infrastructure funding statements which infrastructure they expect to fund through the levy.
- 1.127 The Council has taken account of S106 and S278 costs in the CIL Viability Assessment (CIL-10 & 11) which has informed proposed CIL rates. The Council has prepared a draft Infrastructure Delivery & Prioritisation SPD (CIL-17) which sets out which infrastructure is expected to be delivered by S106/S278 and which by CIL. The SPD will inform the preparation of the Council's first Infrastructure Funding Statement and has been submitted with the draft charging schedule for information.

## Appendix A - Organisations Invited to Runnymede Development Market Panel

Organisation	
BT Syntegra	GL Hearn
BP International Ltd	Blackfield Land
Tennay Properties	Rapleys
White Young Green Planning	Porta Planning LLP
Barrett Southern Counties	OSP Architecture
Turley Associates	Strutt and Parker
Metropolitan Housing Trust	Chase and Partners
London & Quadrant Housing Association	TRL Planning
Ability Housing Association	RPS
Owl Housing Ltd	Armstrong Rigg Planning
Croudace Ltd	Catesby Property Group
Bovis Homes Ltd	Cushman & Wakefield
Threshold Housing and Support	Crownhall Estates (for Pantiles Nursery)
Persimmon Homes	Batcheller Monkhouse
Quod	Working Property
Michael Burroughs Associates	Gerald Eve
Bell Cornwell	Cunnane Planning
Runnymede Park Farms Ltd	D&M Planning Ltd
Mayflower Nurseries	Harrow Estates
Terence O'Rourke	Home Builders Federation
Housing 21	Level
Kiely Planning Limited	Teddies on a Rainbow Nursery
Knight Frank	Scott Brownrigg - Planning
Savills	Unite Group
Tetlow King Planning	Environ
Wentworth Club	Iceni Projects
Hicks Baker	Heaton Planning
Setplan Chartered Town Planners	Planning Perspectives
Springwheel Associates	John Andrews Associates
Enterprise M3 LEP	Tanner and Tilley
Thames Valley Berkshire LEP	Blue Sky Planning
Linden Homes	Claud Waterer & Co
Coast to Capital LEP	MTC PLanning and Design Limited
Crown Estate	Goodall Design
Metrode Products Limited	The Emerson Group
a2 Housing Group	Kevin Scott Consultancy Limited
Alexson Homes	Broadway Malyan
CEMEX UK	Little Echoes Day Nursery
Goldcrest Homes	HKR Architects
Bellway Estates	Surrey Chambers of Commerce
George Wimpey UK Ltd.	Suite 9C Joseph's Well

Ashfronts Limited	Devine Homes
Grapevine Developments	Woolf Bond Planning
A&O Properties Ltd	Carter Planning Limited
Artestates	Leigh & Glennie Ltd
Bewley Homes PLC	DLA Town Planning Ltd
Bouygues	Charles Church Homes
Cascade Partnerships Ltd	SSA Planning
Chertsey Parklands LLP	ECA
Churchill Retirement Homes	MLA
Danehurst Developments Ltd	DLP Planning Consultants
Ensign Group Ltd	BNP Paribas Real Estate
Fairview New Homes	Country Land and Business Association
Glen House Estates Ltd	Karnal Travel Ltd.
Graham Care Ltd	Royal Holloway, University of London
Kerry Foods	MGA Town Planning and Development Consultants
McCarthy and Stone Retirement Lifestyles Ltd	Milton Hall Montessori Nursery School
Merlot Developments Ltd	Firstplan
Redrow Homes Ltd	AMEC E&I UK
Travelodge Hotels Ltd	DTZ (acting on behalf of Royal Mail)
Windsar Care Ltd	Deloitte Real Estate
WSP Developments Ltd	NTR Planning
PEGASUS GROUP	UEEC
Applegate Homes	Cluttons
JLL	Nigel Moor Planning
Indigo Planning	Red Balloon Pre-School
PRP Planning	Malcom Scott Consultants
Arktec	Berkeley Homes (Southern) Ltd
Vanbrugh Land	Ottershaw Social Club
Barton Willmore	Preston Bennett Planning
Stride Treglown	SRB Services
Carter Jonas	Paul Dickinson & Associates
Thakeham	Windsor homes plc
GVA	Peter Black Associates
Planware Ltd	The Planning Bureau Ltd.
Smiths Gore	Parkwood consultancy
Lewandowski Willcox	CBRE
Nathaniel Lichfield & Partners (NLP)	Summix Limited
Brimble Lea & Partners	vincent and gorbing
Gladman	Sanders Laing
Taylor Wimpey	Vail Williams LLP
Crest Nicholson	Lafarge Tarmac

DHA Group	Squire's Garden Centres
DPDS	Alliance Plan
Bidwells	CgMs
AKH Associates	Ashill
Boyer Planning	blue cedar homes
DESIGN PLANNING	Campbell Reith LLP
Smech Property Ltd	