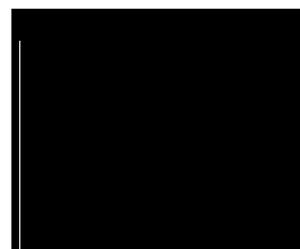
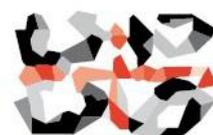
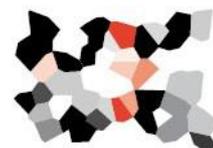
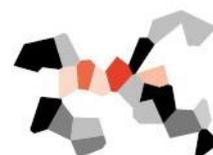
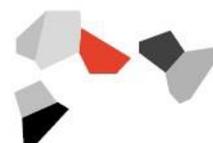
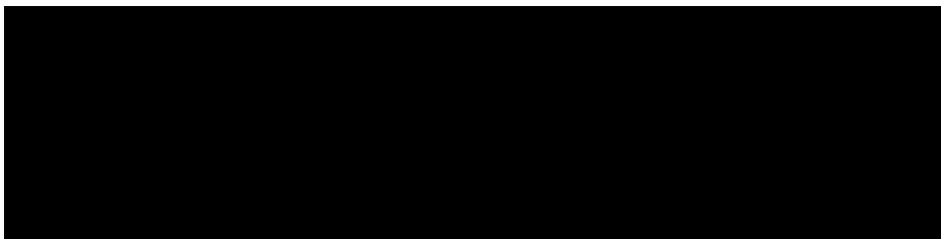
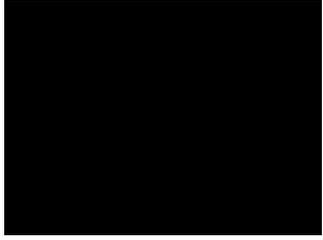


**Runnymede Borough Council – CIL  
(Regulation 16) and Infrastructure  
Delivery & Prioritisation SPD  
(Regulation 12) Consultation**



April 2020

C11786



**Runnymede Borough Council – CIL  
(Regulation 16) and Infrastructure  
Delivery & Prioritisation SPD  
(Regulation 12) Consultation**



**Reference:** C11786

**Version:** 1

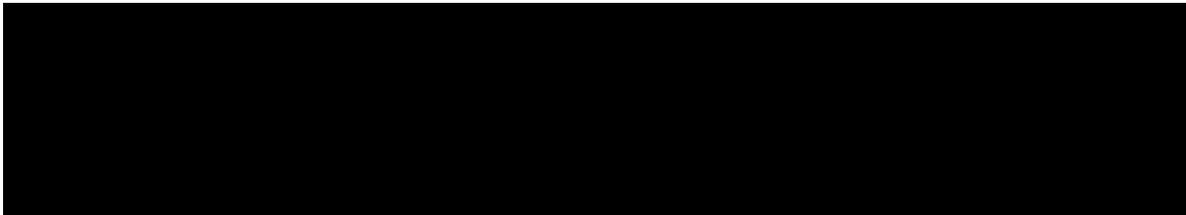
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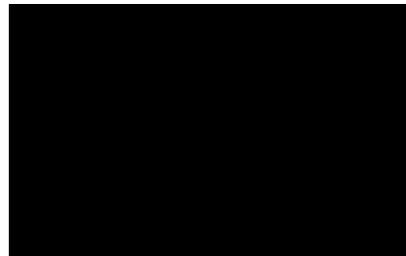
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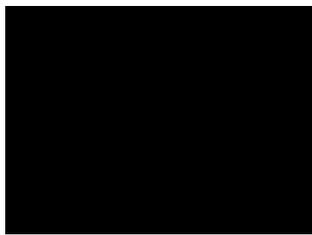
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## 1.0 Introduction and Background

- 1.1 This statement of representations has been prepared by [REDACTED] incorporating work from [REDACTED] on behalf of our client, [REDACTED]. It sets out our collective response to the Draft Community Infrastructure Levy (CIL) Charging Schedule and Draft Infrastructure Delivery & Prioritisation SPD published for consultation by Runnymede Borough Council (RBC) in February 2020.
- 1.2 [REDACTED] will be commenting specifically on the consultation material which is relevant to the proposed Longcross Garden Village (LGV) allocation and impacts on the A320 including proposed mitigation works to the highway network.
- 1.3 [REDACTED] since February 2013 in respect of its property interest at the Longcross Estate, Runnymede. [REDACTED] has engaged in the development plan process since that date and has made various representations to RBC in respect of both the former Runnymede Core Strategy and, more recently, the Runnymede 2030 Draft Local Plan.
- 1.4 In summary, [REDACTED] objects to the allocation of LGV as a strategic housing site and considers the site selection process to be fundamentally flawed. DPDS is of the view that LGV should be removed as an allocation from the Runnymede Local Plan 2030. Any works that have already started on LGV should be postponed until A320 mitigation works have been completed, and impacts to the A320 road network have been demonstrably mitigated.



## 2.0 Representations on Draft Community Infrastructure Levy (CIL) Charging Schedule

### Overview

- 2.1 CIL is a non-negotiable charge which is intended to apply to certain new development and calculated on a £ per square metre basis, charged on the net level of development proposed. In order to charge CIL, the Council are looking to implement a Community Infrastructure Levy 'charging schedule' based on viability and technical evidence which has also been published as part of this consultation. This will help the Council determine the correct rates to charge and whether to vary the charge for different parts of the Borough, different types of development or different scales of development.
- 2.2 The money raised will be used to help fund infrastructure to meet the needs of the community such as improvements to roads, schools, parks, playgrounds and other community facilities. It will still be possible to also secure some funding for infrastructure through S.106 agreements, but this is likely to be restricted to more site-specific requirements.
- 2.3 It is of note that the Draft CIL Charging Schedule identifies the area of the proposed LGV allocation as being exempt from CIL (i.e a rate of £0 per sqm of new floorspace). The 'Technical Background Document' from the evidence base seeks to justify this decision, stating at paragraph 5.52 that *"Given that the Longcross site is a key strategic site underpinning delivery of the Local Plan and its spatial strategy, the Council would not wish to place the delivery of this site at risk"*.
- 2.4 The exemption from CIL means that any contributions towards infrastructure from LGV, including improvements to the A320 highway network, would need to be secured through a Section 106 (S.106) legal agreement. This aligns with RBC's preferred route for securing contributions towards site specific 'critical infrastructure' and is discussed further at Section 3 below.

### CIL Viability Testing Final Report (November 2019)

- 2.5 LGV is discussed in paragraphs 4.77 – 4.82 of the CIL Viability Testing Final Report. Paragraph 4.77 explains that LGV is a key site in the delivery of the Council's housing development and associated commercial property. Paragraph 4.80 goes on to state that there has been considerable discussion of viability with the developer and their advisors; but whilst all parties agree that the scheme is viable, the Council believes that the scheme is more viable than the developer's figures suggest.
- 2.6 Paragraph 4.82 states that the benchmark for the scheme is not fully agreed, although has been assessed by the Council at £60m. The Council therefore considers the scheme viable to deliver the full range of S.106 contributions sought.
- 2.7 On review of this report, it is clear that there remains an element of disagreement between the developer and Council about the level of contribution from the LGV scheme.

Runnymede Community Infrastructure Levy (CIL) Technical Background Report (December 2019)

2.8 Paragraph 2.1 confirms that the 2030 Local Plan makes provision for almost 8,000 net additional dwellings, including 1,700 at LGV. LGV therefore accounts for over 21% of the additional dwellings.

*Infrastructure Funding Gap (Section 3)*

2.9 The Infrastructure 'Funding Gap' is discussed in Section 3 of the Technical Background Document. Paragraph 3.3 explains that the Council intends for infrastructure to come forward at LGV (and where necessary off-site) through the use of S.106 agreements rather than through a CIL charge. The costs of infrastructure at LGV therefore do not form part of the funding gap.

2.10 Table 3-2 sets out infrastructure costs for LGV and the rest of the Borough. Of the £60m assumed to be provided through S.106 for LGV, the transport elements include:

- Highways £19.5m (excludes costs for A320 improvements)
- Bus & Rail £10.88m
- Active £0.25m
- **Total £30.63m**

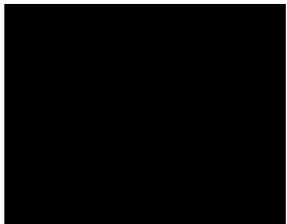
2.11 These are quite specific sums considering that the Transport Assessments in support of the LGV proposals have not yet been completed, and there is therefore no firm idea of what off-site works will ultimately be required in terms of highways, public transport and active travel. Notwithstanding, £250,000 seems a slight contribution for all walk, cycle and 'soft' measures including Travel Plan measures for a development of 1,700 dwellings plus commercial uses.

2.12 The highways and transport infrastructure funding gap is discussed in more detail in paragraphs 3.28 to 3.38. The initial highways funding gap is £88.5m, with the critical A320 and M25 Junction 11 mitigation scheme costed at £44m. Surrey County Council (SCC) has submitted a number of bids for funding and has identified clawback of £6.6m - £11m from developer contributions.

2.13 However, based on the figures in Table 3-2, none of this clawback is to be from Longcross Garden Village, even though Policy SD10: Longcross Garden Village within the emerging Runnymede 2030 Local Plan states at criterion e): *"Delivery of on and off site improvements to the local road network to mitigate significant impacts as set out (but not limited to) in the Infrastructure Delivery Plan (IDP) and contributions towards improvements to the A320 as set out in the final A320 Study"*.

2.14 Paragraphs 3.36 to 3.37 explain that the initial funding gap for active transport projects is £10.25m, with actual contributions of £0.28m and no further funds identified, leaving a funding gap of £9.97. The figure of £0.25m from LGV set out in Table 3-2 appears particularly inadequate in this context, given that LGV represents over 21% of the Boroughs proposed residential development.

2.15 Paragraph 3.38 sets out a bus and rail funding gap of £16.1m with no other funding sources identified; the total highways and transport infrastructure funding gap is given as £69.8m.



2.16 If no CIL is to be collected from LGV to cover off-site improvements, the conclusion might be that developments elsewhere in Runnymede Borough are in effect subsidising the LGV developer.

*CIL Rates (Section 5)*

2.17 Section 5 of the Technical Background Document discusses setting CIL rates. Table 5-6 gives a figure of £297 for LGV. The pessimistic scenario set out in paragraph 5.51 gives a 50% viability buffer of £32–£109 per sqm for LGV, excluding any infrastructure costs towards the A320 mitigation scheme.

2.18 As previously mentioned, paragraph 5.52 then goes on to conclude that LGV should have a CIL rate of £0 so as to not ‘place the delivery of this site at risk’.

2.19 Again, the implication is that development in the rest of the Borough is subsidising the infrastructure required to enable LGV, including the critical A320 improvements.

*CIL Receipts (Section 6)*

2.20 Table 6-1 of the Technical Background Document confirms that LGV will contribute nothing towards the £19.5m to be derived from the development sites across the Borough. Paragraph 6.8 concludes that the size of the final infrastructure funding gap (estimated £75.5m) means that the Council will need to find other sources of funding throughout the Local Plan period.

2.21 The significance of this gap and uncertainty of funding sources brings into question whether a CIL rate of £0 for LGV is indeed a sensible option.

*Section 106 Contributions Secured 2015-2019 (Appendix C)*

2.22 Appendix C of the Technical Background Document sets out the S.106 contributions secured from 2015 – 2019. For LGV (application reference RU.13/0856) the transport related contributions are:

- Traffic calming works      £165,000
- Bus service                      £880,000
- Rail service                        £700,000
- Rail station                        £754,641
- Travel initiatives                £150,000
- **Total**                              **£2,649,641**

2.23 As set out in Table 3-2, LGV is to contribute a total of £30,630,000 in S.106 funding for transport measures, leaving £27,980,359 still to be secured by future S.106 agreements for LGV South. If the viability of LGV is as marginal as the Technical Background Document suggests in deciding not to seek CIL contributions, then this level of S.106 funding may well be in doubt.

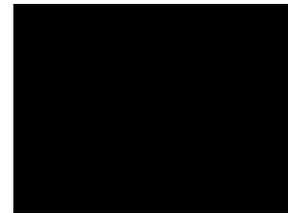
## 3.0 Representations on Draft Infrastructure Delivery & Prioritisation SPD

### Overview

- 3.1 The Draft Infrastructure Delivery & Prioritisation SPD sets out guidance on how the Council will prioritise infrastructure funding to support the 2030 Local Plan, and how it will operate Section 106 planning agreements and undertakings once CIL has been implemented.
- 3.2 The Draft SPD also sets out the cost impact implications of development on various infrastructure types which will act as a starting point for the Council in negotiating financial contributions in lieu of physical infrastructure provision through S.106 agreements/undertakings.

### A320 Corridor & M25 Junction 11 Improvements

- 3.3 The Draft SPD identifies the A320 Corridor & M25 Junction 11 improvements as 'critical infrastructure', for which RBC intend to seek financial contributions through S.106 agreements or physical improvements through S.278 agreements from all Local Plan allocations whose delivery is contingent on these mitigation works.
- 3.4 RBC in partnership with SCC has made a bid to secure £44.14m from the Housing Infrastructure Fund (HIF) to help deliver the mitigation works, of which 25% will be 'clawed back' from developer contributions. This amounts to approximately £11m which needs to be raised from S.106 agreements for sites whose delivery is contingent on the highway improvements. Based on an estimation of proposed new floorspace for each of these sites, and an assumption of policy compliant development coming forward, the SPD calculates a required developer contribution of £61 per sqm for the contingent sites.
- 3.5 The Draft SPD goes on to state that CIL receipts may also be spent on A320 Corridor & M25 Junction 11 improvements as appropriate. It is of note, however, that the Draft CIL Charging Schedule confirms that the proposed allocation at LGV South (SD10), the largest of the contingent sites in terms of floorspace, would be exempt from CIL.
- 3.6 Since publication of the Draft SPD, the Chancellor of the Exchequer announced in his Spring Budget that he will allocate £41.8 million from the HIF for the 'A30 North of Woking' bid, which will be used to fund improvements to the M25 and A320.
- 3.7 On this basis, the developer contributions for sites dependent on A320 mitigation will need to be recalculated to account for the £2.34m shortfall compared to the initial HIF bid.
- 3.8 We maintain our view that it is essential that funding is secured and A320 improvements are implemented prior to further development coming forward at LGV or other sites contingent to these mitigation works.
- 3.9 Table 2-2 (Infrastructure Hierarchy) of the Draft SPD itself confirms "*Improvements to junctions and links on the A320 Corridor and M25 Junction 11*" as being 'critical infrastructure' (i.e. highest priority category), which is defined in Table 2-1 (Infrastructure Priority Categories) as "*Infrastructure which must happen to enable growth. Without critical infrastructure development **cannot proceed** [DPDS emphasis] and the Plan cannot be delivered*".



- 3.10 Table 2-2 goes on to define which infrastructure falls further down the prioritisation hierarchy, under categories labelled 'essential', 'policy high priority' and 'desirable' respectively.
- 3.11 Paragraph 2.5 of the SPD, however, explains that LGV will be an exception to the Infrastructure Hierarchy; stating that the mix of infrastructure types and timing will be agreed as part of a 'bespoke S.106 agreement'. The SPD attempts to justify this approach, stating that *"Given the strategic nature of the site and its delivery in phases, not having a separate approach could prejudice the early and comprehensive delivery of infrastructure which will be fundamental to delivering a new settlement to garden village principles"*.
- 3.12 The SPD, however, severely lacks any detail as to what such bespoke S.106 agreement for LGV might include in transport terms; which is concerning given that it is the largest of the sites contingent to the critical A320 improvement works.

## 4.0 Concluding Remarks

- 4.1 Throughout our involvement in the RBC Local Plan process, [REDACTED] have made clear that certainty is required as to both the funding and delivery of A320 improvement works, which RBC themselves have identified as critical infrastructure.
- 4.2 It is our view that until these mitigation works are both funded and delivered, no new housing should come forward at LGV or other allocated sites which are dependent on these highway improvement works.
- 4.3 RBC's ambition to achieve delivery of key strategic sites should not supersede the fundamental considerations of plan-making and future decision-taking as set out in the National Planning Policy Framework (NPPF). This includes ensuring that potential impacts of development on transport networks can be addressed, avoiding unacceptable impact on highways and avoiding residual cumulative impacts which are severe. With regards to LGV, these provisions of the NPPF can only be guaranteed upon delivery of the critical A320 improvement works.
- 4.4 As discussed throughout these representations, however, there still remains lack of clarity and detail regarding the viability of LGV and the contribution it will make to critical infrastructure, and lack of certainty as to alternate sources of funding which will fully bridge the infrastructure funding gap.

