

## BABERGH DISTRICT COUNCIL

<b>From: Head of Economy</b>	<b>Report Number: P116</b>
<b>To: Council</b>	<b>Date of meeting: 13 March 2015</b>

### COMMUNITY INFRASTRUCTURE LEVY (CIL)

#### 1. Purpose of Report

- 1.1 Members are referred to the previous Strategy Committee reports, [P91](#) (January 2015) [P67](#) (October 2014) and [P14](#) (May 2014) for further background on the Community Infrastructure Levy (CIL). In addition, a range of contextual workshops on CIL were held in May, September and November/December 2014 for District councillors and Town and Parish council representatives.
- 1.2 To seek authority for the Head of Economy to submit the CIL revised Draft Charging Schedule and supporting documents and evidence for formal Examination in accordance with the CIL Regulations 2010 (as amended). Furthermore, to authorise the Head of Economy to make minor changes and corrections to the CIL revised Draft Charging Schedule and associated documents and to respond appropriately to matters emerging during the Examination process.
- 1.3 To note the main issues raised from the formal CIL Draft Charging Schedule Consultation and revised Draft Charging Schedule consultations.
- 1.4 To note the CIL developmental programme timetable.

#### 2. Recommendations

- 2.1 That the main issues raised during the consultation on the CIL Draft Charging Schedule and CIL Revised Draft Charging Schedule (set out in Appendix B and C of this report) be noted.
- 2.2 That the Head of Economy be authorised:
  - (a) to submit to the Examiner the CIL Revised Draft Charging Schedule (Appendix A) and supporting documents and evidence for formal Examination pursuant to Regulation 19 of the CIL Regulations 2010 (as amended).
  - (b) to make minor modifications and corrections to the CIL Revised Draft Charging Schedule and associated documents to address matters which may arise during the formal Examination process.

### 3. Financial Implications

- 3.1 There are financial implications to consider for the Council in setting the final rate(s) to be tested for Examination, the costs of the Examination itself and thereafter, in the adoption and implementation of a CIL charging regime.
- 3.2 The CIL is intended to ensure that owners and developers of land make a contribution towards the delivery of infrastructure required in the area. If a CIL is adopted, it is currently estimated that it could generate around £20m - £25m of funding for the Council to spend on infrastructure over the next 15 years (in accordance with the CIL Infrastructure list).
- 3.3 In accordance with the CIL Regulations, a proportion of CIL funding must be passed on directly to local communities where CIL liable development takes place.
- 3.4 If a CIL is adopted, the Council is able to use up to 5% of the receipts to cover the administrative expenses incurred in connection with CIL.

### 4. Risk Management

- 4.1 The Council must ensure that the statutory requirements from the CIL Regulations have been complied with to be legally sound. A 'Statement of Compliance' will be provided with the Submission of the CIL documentation, to demonstrate this to the Planning Inspector.
- 4.2 In addition, the Council will need to defend the CIL Charging Schedule, including the underpinning evidence. A number of objections have been raised during consultation which will be debated during the Examination, as well as any other matters which a Planning Inspector may identify. However, Members are advised that the Council has produced a robust CIL Charging Schedule which is expected to be defended successfully at Examination. The Statement of Compliance will help to demonstrate this, and the Council's expert viability advisers, Peter Brett Associates will also provide specialist advice during the Examination process.
- 4.3 A summary of the key risks for CIL, at this stage, are set out in the table below.

<b>Risk Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation Measures</b>
Legal compliance with CIL Regulations	Low	High	The Council has undertaken extensive public consultation and completed the statutory processes and procedures prior to Examination.
Modifications to the Charging Schedule at Examination	Low	Moderate	The Council is mindful of the main objections to the CIL Charging Schedule, but is confident that it is appropriate, well informed by robust evidence and can be defended at Examination. The Inspector will make recommendations to modify the CIL charging schedule if they consider changes are needed.

## **5. Consultations**

- 5.1 Three separate consultation stages have been undertaken through the development of the CIL Charging Schedule. Unless required by the Planning Inspector during the CIL Examination, there will be no more consultations undertaken on the CIL Charging Schedule.

## **6. Equality Analysis**

- 6.1 The CIL Revised Draft Charging Schedule rates are underpinned by evidence to support and justify any distinctions between location, scale and type of development.
- 6.2 The CIL engagement programme has provided the opportunity for all communities and individuals that may be impacted by the CIL Charging Schedule to understand the impact and implications of the proposed approach and provide comments.

## **7. Shared Service / Partnership Implications**

- 7.1 In the context of the shared services arrangements between Babergh and Mid Suffolk Councils it is appropriate, where possible, to run a parallel and aligned approach to the CIL productions and consultation. However, it should be noted that Member decisions at this stage of CIL production may have differing implications for alignment of timescales between the two Councils.
- 7.2 The Examination of CIL documents will be held in parallel timescales, where possible, to enable efficiencies but they will effectively be two separate processes which will result in a separate Inspector's report for each Council respectively. In addition, after the Examination process, with reference to the Inspector's Report, the key decision whether and when to adopt the CIL will require separate determination by each sovereign Council.

## **8. Summary of CIL development**

The CIL has been developed with a significant amount of data collection and engagement with Members, developers/agents, businesses and local communities (town/parish councils etc). A summary of the process is set out below:

<b>Date</b>	<b>Stage</b>
Winter 2013 / 2014	Evidence gathering for development viability and future infrastructure requirements
Spring 2014	Creation of a CIL Member Reference Group and Member briefings
May 2014	CIL Preliminary Draft Charging Schedule consultation
Summer / Autumn 2014	CIL Member Reference Group, Member briefings, town/parish council workshops, developer workshops

Date	Stage
November 2014	CIL Draft Charging Schedule consultation
Winter 2014 / 2015	CIL Member Reference Group, Member training, town/parish council workshops
January 2015	Revised CIL Draft Charging Schedule consultation

## 9. Key issues raised at CIL consultation

- 9.1 The key issues raised on the CIL Draft Charging Schedule (Nov 2014) are set out in Appendix B together with Council officer's responses.
- 9.2 The key issues raised on the CIL Revised Draft Charging Schedule (Jan 2015) are set out in Appendix C together with Council officer's responses.
- 9.3 The comments have been considered by the Council's officers and CIL consultants and it is considered that there are no reasons to delay the Examination of the CIL material.

## 10. The Examination process

- 10.1 The Council must carry out formal Submission and Examination of the CIL Charging Schedule before it may be in a position to adopt. The Submission documents will include the CIL Revised Draft Charging Schedule itself, draft Regulation 123 (infrastructure) list, draft CIL instalments policy, the appropriate evidence justifying the CIL and copies of all those representations made on the CIL Draft Charging Schedule and CIL Revised Draft Charging Schedule consultation documents.
- 10.2 The Council must also satisfy a number of procedural matters upon Submission of the CIL Draft Charging Schedule, including notifying all persons who requested to be told that document Submission has occurred and ensuring that submission material above is all publically available. A Programme Officer will be appointed to deal with liaison between the appointed Planning Inspector, the Council and those persons who have submitted comments and are taking part in the Examination. Once it is agreed that the procedural elements have been satisfied, then the Examination will turn to the issues and the evidence.
- 10.3 Objectors to any part of the CIL may choose to rely upon written representations, or may choose to appear in person and speak at the Examination hearing sessions.
- 10.4 The Planning Inspector's role is to determine whether the proposed rates and zones are reasonable when measured against the evidence. The Inspector will hear/read all objections and the Councils' responses, ask questions of clarification, and when satisfied that they have all of the information, will prepare a report of findings. The report may recommend approval (without changes), approval subject to modifications, or rejection.

## 11. Post Examination stages

- 11.1 Upon receipt of the Inspector's Report, the Council must choose whether to adopt the CIL Charging Schedule or not.
- 11.2 The timing of adoption of CIL will need to be carefully considered with regard to operational issues such as progress on existing s106 agreements, establishing relevant internal procedures and mechanisms to collect CIL funds, as well as establishing procedures and mechanisms to spend CIL funds etc.
- 11.3 If the Council adopts a CIL, then it can begin charging and accruing CIL funds for infrastructure provision. It is unlikely that significant funds will be generated in the early stages of CIL charging (which is common experience around the country) but potentially, it may generate around £20m-25m to the Council for infrastructure provision investment over the next 15 years.
- 11.4 Fifteen per cent (15%) of CIL charging authority receipts, known as the 'neighbourhood portion', are passed directly to those Parish and Town Councils where development has taken place (capped at £100 per existing dwelling) – this is increased to 25% of receipts (uncapped) in areas where a Neighbourhood Plan has been adopted. The neighbourhood portion of CIL receipts will be paid at least every six months, at the end of October and the end of April.
- 11.5 There is no 'standard' CIL governance or spend model being used by other planning authorities around the country, the models that are being used are very different. The Council will review a number of feasible model approaches in order to assess what would be best suited to the local needs and priorities of the authority.

## Appendices

Title	Location
A. CIL Revised Draft Charging Schedule	Attached
B. Main issues raised at DCS consultation	Attached
C. Main issues raised at Revised DCS consultation	Attached

## 12. Background Documents

[Paper P91 – Strategy Committee – 15<sup>th</sup> January 2015](#)

[Paper P67 – Strategy Committee – 28<sup>th</sup> October 2014](#)

[Paper P14 – Strategy Committee – 8<sup>th</sup> May 2014](#)

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# COMMUNITY INFRASTRUCTURE LEVY BABERGH REVISED DRAFT CHARGING SCHEDULE



## 1. Introduction

- 1.1 This Schedule has been prepared, approved and published in accordance with Part 11 of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended).

<b>The Charging Authority:</b>	<b>Babergh District Council</b>
<b>Date of Approval:</b>	<i>To be confirmed</i>
<b>Date of Effect:</b>	<i>To be confirmed</i>

## 2. Scope of CIL Charges

- 2.1 For the purposes of Part 11 of the Planning Act 2008, **Babergh District Council** is a Charging Authority for Community Infrastructure Levy (CIL) in respect of development within its administrative area.
- 2.2 As set out in the Community Infrastructure Levy Regulations, CIL is applicable on net additional gross internal floorspace of all new development apart from that specifically exempted by the Regulations which are as follows:
- i. Development of less than 100sqm, unless it is a whole house, in which case the levy is payable;
  - ii. Self-build dwellings, residential annexes and extensions;
  - iii. Those parts of a development which are to be used as affordable housing;
  - iv. Development by registered charities for the delivery of charitable purposes;
  - v. Buildings into which people do not normally go, buildings which people only enter intermittently for the purposes of inspection or maintenance, and structures which are not buildings, such as pylons;
  - vi. Specified types of development which local authorities have decided should be subject to 'zero' rate and specified as such in their charging schedules;
  - vii. Vacant buildings brought back into the same use, but where there is no increase in floorspace;
  - viii. Development where the levy liability is calculated to be less than £50
  - ix. Buildings owned by charities used for a charitable purpose;
- 2.3 The Council has produced viability evidence to inform the setting of its CIL rates which apply across the whole of **Babergh District Council's** administrative area and are set out in **Table 01** overleaf:-

### 3. CIL Rates

Table 01 – Babergh District Council CIL Rates

BDC Development Type*	Zone	Proposed CIL rate (per sqm)
<b>Residential development</b> (1-10 dwellings or combined gross floorspace upto 1,000sqm) (Use Class C3, excluding 'assisted living'** housing)	Low	£125
<b>Residential development</b> (11 or more dwellings or combined gross floorspace over 1,000sqm) (Use Class C3, excluding 'assisted living'** housing)	Low	£75
<b>Residential development</b> (1-10 dwellings or combined gross floorspace upto 1,000sqm) (Use Class C3, excluding 'assisted living'** housing)	High	£165
<b>Residential development</b> (11 or more dwellings or combined gross floorspace over 1,000sqm) (Use Class C3, excluding 'assisted living'** housing)	High	£115
<b>Strategic Sites</b> (as defined in the Core Strategy: Chilton Woods - Sudbury, strategic broad location for growth - East of Sudbury / Gt Cornard, Lady Lane – Hadleigh, Babergh Ipswich Fringe, Brantham Regeneration Area)	n/a	£0
<b>Wholly or mainly Convenience retail</b> ***	District	£100
<b>All other uses</b> (including Use Classes B, C1, C2, and D and any other sui generis uses)	District	£0

\* As defined by the Use Classes Order 1987 (as amended).

\*\* 'Assisted living' is used to describe developments that comprise self-contained homes with design features and support services available to enable self-care and independent living. Sometimes also known as sheltered/retirement housing and extra care accommodation

\*\*\* where no particular form of retail use is conditioned, the LPA will assume that the 'intended use' for the CIL charging purposes may encompass "wholly or mainly" convenience retail as an open ended permission would allow this.

### 4. Calculation of CIL Chargeable Development

4.1 The precise amount charged for each development will be calculated in accordance with Regulation 40 of the CIL Regulations, 2010 (as amended). As stipulated in the Regulations, all charges are based on the gross internal floorspace area.

### 5. Local Community Funds

5.1 As set out in Section 2 of the Localism Act (2011) Charging Authorities are required to pass a 'meaningful proportion' of the CIL receipts to local neighbourhoods where development has taken place. Parishes where

development takes place will therefore receive their own portion of the CIL to spend on the infrastructure they want. In areas where there is no neighbourhood plan this will be 15%, capped at £100 per existing dwelling. Where a neighbourhood plan is in place the portion is an uncapped 25%.

## 6. Monitoring and Review

- 6.1 Collection and spending of CIL funds will be reported annually. Unless economic or development delivery conditions change significantly in the intervening period, the Council does not anticipate to review the CIL for 3 years after the date of adoption.

## 7. How to make Comments and Next Stages

- 7.1 This REVISED Draft Charging Schedule will be subject to formal public consultation for a period of 4 weeks from the **16<sup>th</sup> of January 2015 to 4pm on the 13<sup>th</sup> of February 2015**. Late responses cannot be accepted. Duly made Responses should be made on the prescribed forms and can be returned by email to [info.cil@babergh.gov.uk](mailto:info.cil@babergh.gov.uk) or alternatively they can be posted to:

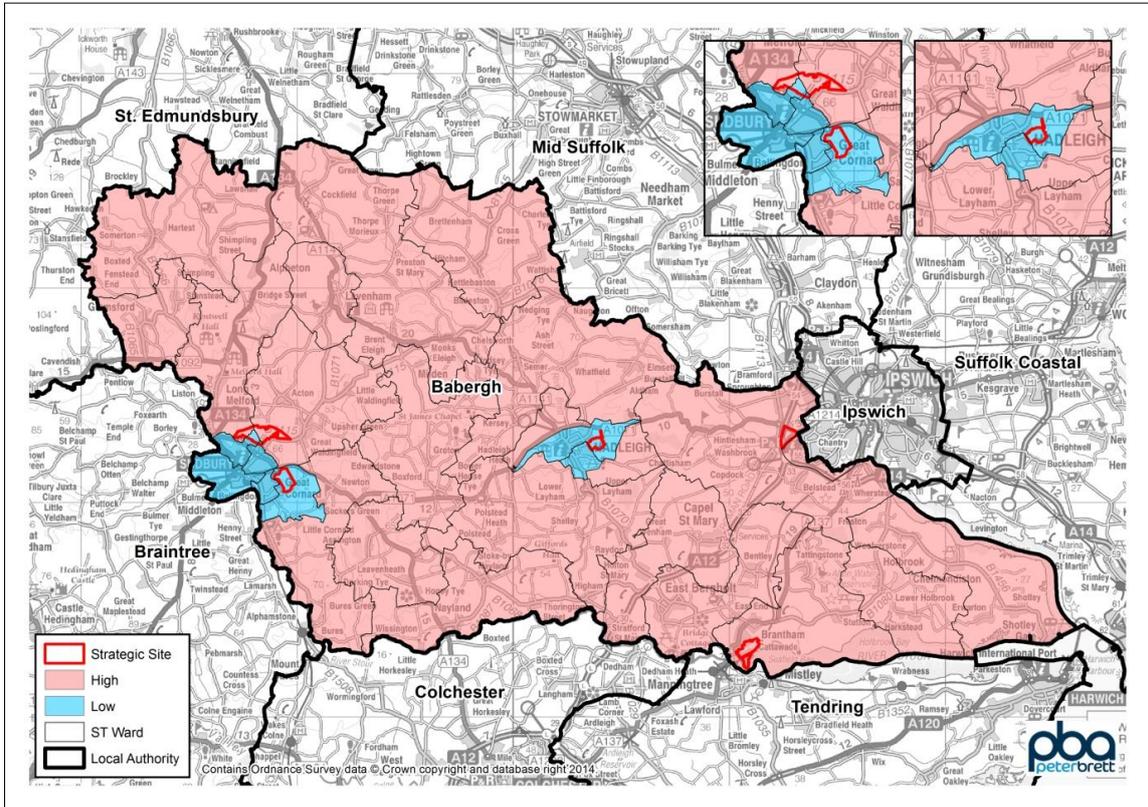
CIL Consultation  
Planning Policy  
Babergh District Council  
Corks Lane  
Hadleigh  
Suffolk  
IP7 6SJ

- 7.2 Any person making representation may request that they be notified at a specified address of any the following:
- That the REVISED Draft Charging Schedule has been submitted to the examiner in accordance with section 212 of the Planning Act 2008,
  - The publication of the recommendations of the examiner and the reasons for those recommendations, and
  - The approval of the Charging Schedule by the Council
- 7.3 Following this consultation, all comments received along with all supporting information will be submitted to the Planning Inspectorate for independent Examination. Anybody who makes comments in response to this document will have the right to be heard at the Examination in Public.
- 7.4 Following the Examination in Public, the Examiner will publish a report which will set out their findings. If the Examiner approves the CIL Draft Charging Schedule the Council will look to bring the CIL Charging Schedule into effect at the earliest opportunity subject to approval by Full Council.
- 7.5 The Council anticipates that the CIL Charging Schedule will be brought into effect in Summer 2015.

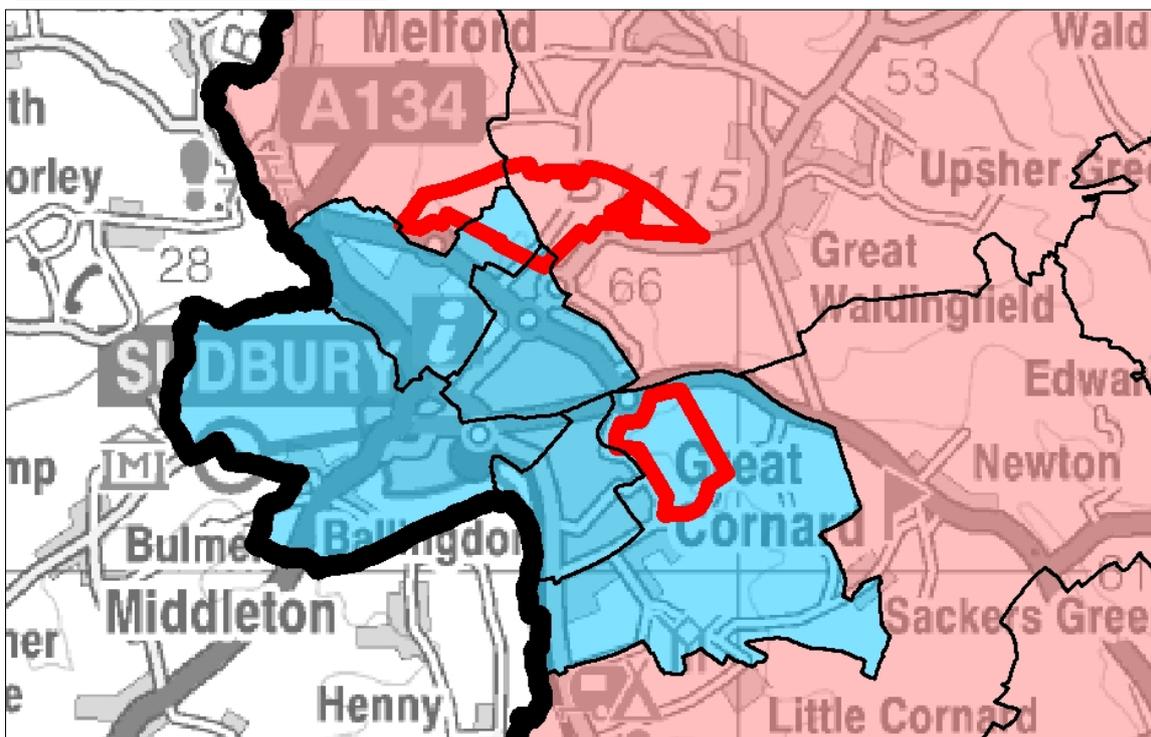
## 8. Charging Zones

The Babergh District Council CIL charging zones can be seen on the maps below and should be read with the proposed charging rates:

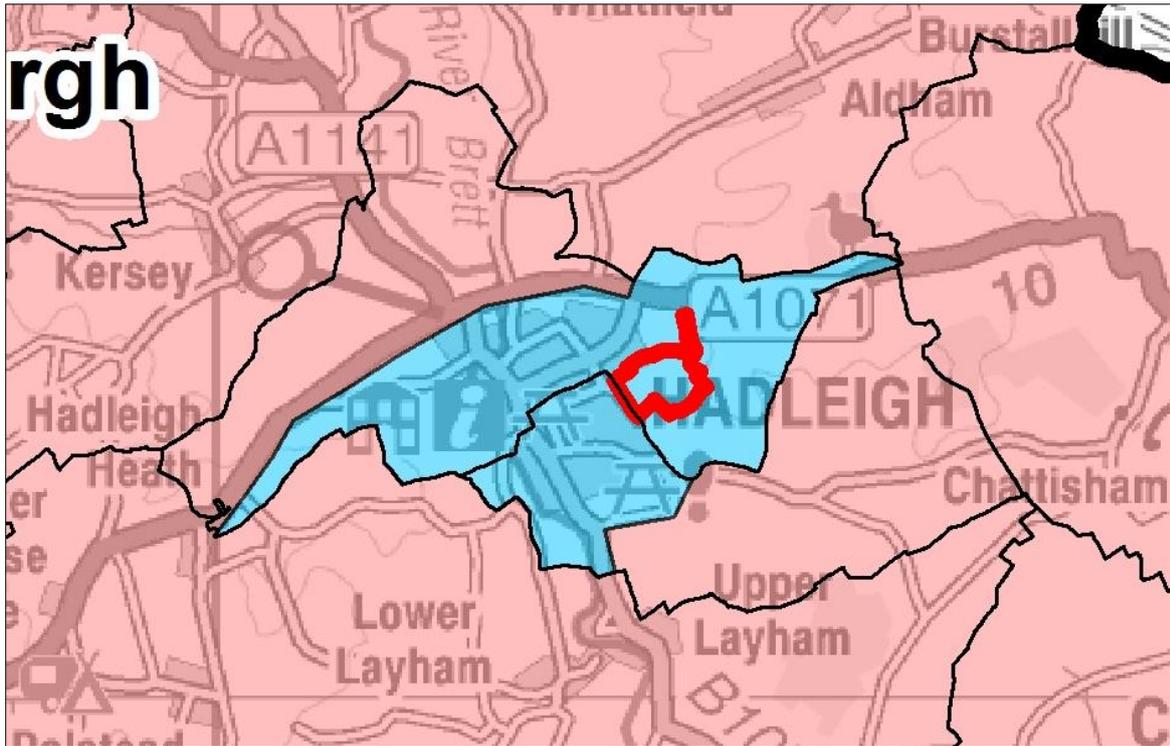
### District-wide map



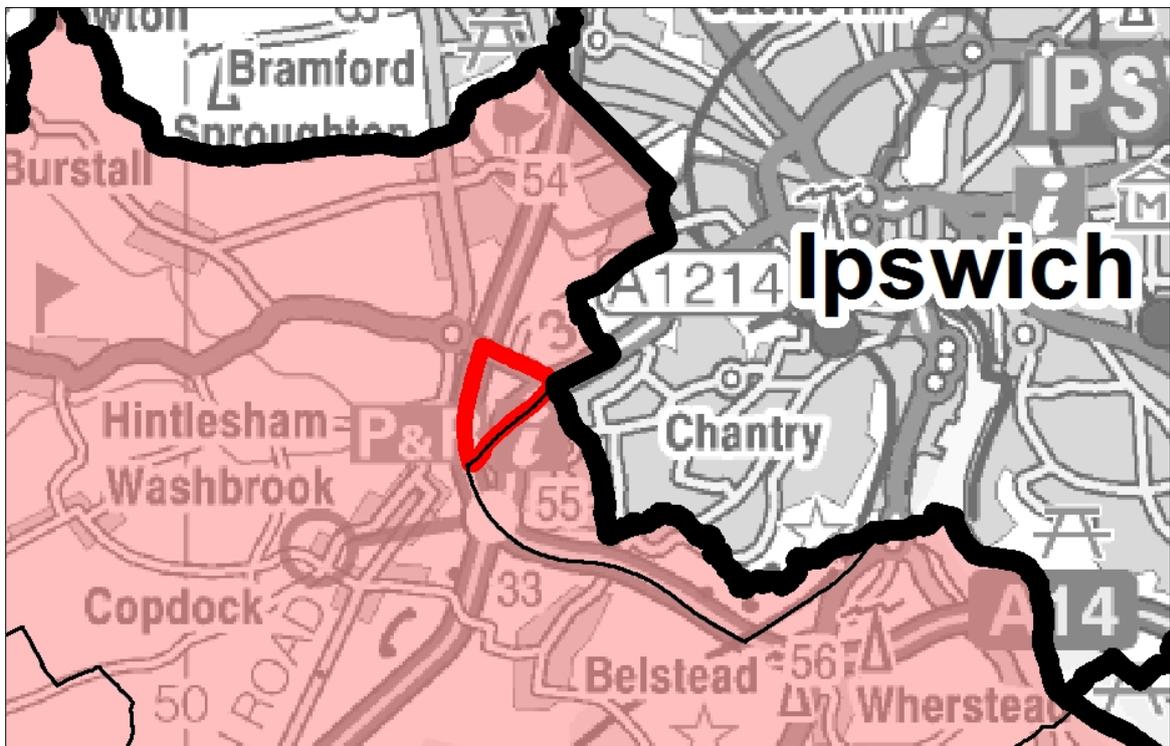
### Inset map – Sudbury area



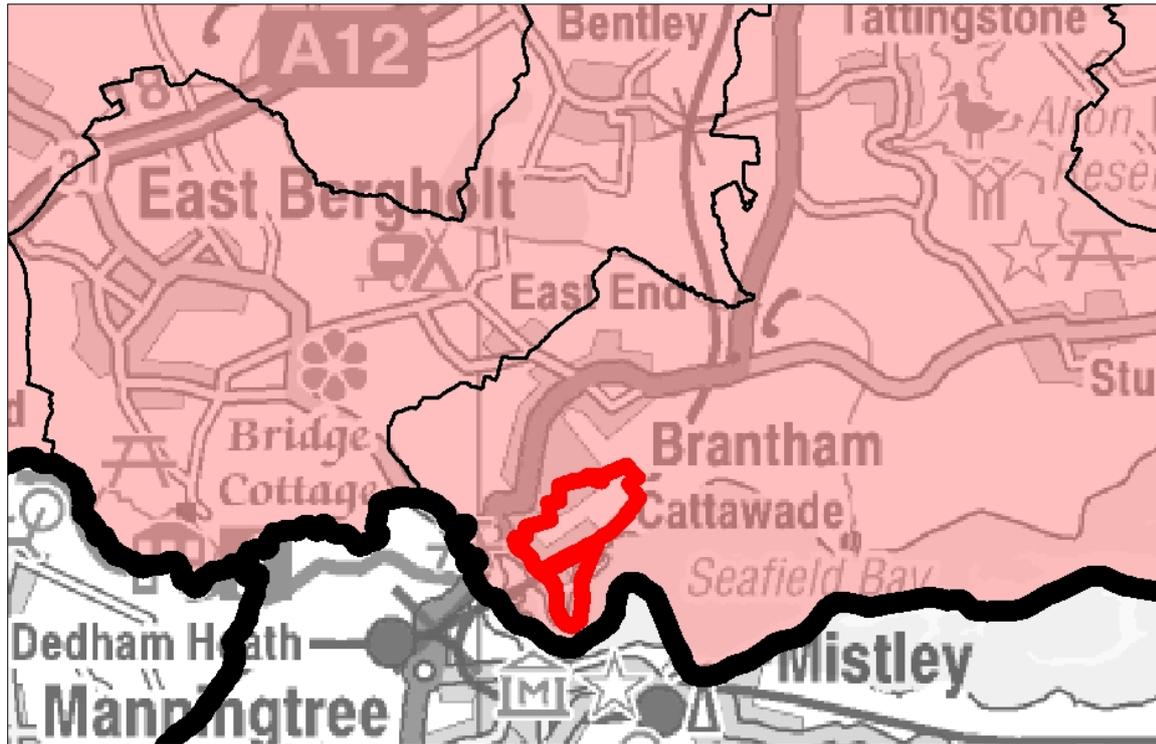
Inset map – Hadleigh area



Inset map – Babergh Ipswich Fringe area



Inset map – Brantham area



**APPENDIX B – Main issues raised at Draft Charging Schedule (DCS) consultation**

DCS Issue:	Council reply:
<p>i. Additional modelling scenarios are required for more development types</p>	<p>The CIL viability evidence has included testing a range of development types and sizes which typically come forward across the district. The viability evidence has run over 60 development scenarios in the district over the CIL production period. Any two land transactions and development schemes are rarely the same so the assumptions applied have been selected as a reasonable estimate and with conservative viability buffers to allow for individual variances and market changes. Little evidence has been submitted to suggest the assumptions made are substantially wrong. All figures are informed by local evidence eg. from BCIS, Land Registry or developer/agent comment and are considered to be either industry standard or within the reasonable range.</p> <p>The strategic sites which generally carry many heavy infrastructure/s106 burdens have been tested and show that, at this time, they cannot afford to provide for a CIL charge taking account of the viability buffer required by the CIL Regulations.</p> <p>The methodology employed is consistent with the Harman Report ‘<i>Viability Testing Local Plans</i>’ (2012) and is set out in Sections 4 and 5 of the CIL Viability Report (October 2014) evidence. The approach above is acceptable within the guidance and helps to test whether the CIL proposals are generally viable across most development expected.</p>
<p>ii. Viability model assumptions are considered unrealistic in relation to:</p> <ul style="list-style-type: none"> <li>- Land values</li> <li>- Build costs</li> <li>- Abnormal costs</li> <li>- Developer profit</li> <li>- Fess</li> </ul>	
<p>iii. Proposed CIL rates are considered too high and risk delivery</p>	<p>The proposed CIL rates are considered to have been based upon a suitable range of development scenarios and evidenced reasonable assumptions set out in Section 4 and 5 of the CIL Viability Report (October 2014). This, together with the applied conservative viability buffer, is considered appropriate to demonstrate that development is generally viable with the CIL rates and as few sites as possible are put at risk. The viability evidence shows that some forms of development can accommodate a higher level of CIL, whilst other development can only afford a lower, or nil, CIL charge.</p> <p>A review of build costs house price values has been conducted during the production of the CIL (see Section 6.5 of Viability Report (October 2014) and the proposed rates are considered to remain appropriate.</p>

DCS Issue:	Council reply:
iv. The viability evidence is too cautious and the proposed CIL rates too low	The Council does not consider that the CIL viability evidence is over cautious. The viability buffer adopted seeks to ensure that the majority of development is viable, and to allow for individual variances and market changes. CIL is not intended to be the only funding source for providing future infrastructure provision.
v. Proposed CIL rates are not consistent with neighbouring areas	The viability evidence gathered has demonstrated that the proposed CIL rates are affordable by most typical schemes expected in the district. The proposed CIL rates are thought to be generally consistent with those other Suffolk authorities developing CIL charging schedules. However, each CIL will be based upon its own local evidence and assumptions and are not therefore directly comparable.
vi. The charging zones need further refinement to reflect a 'mid-range' of viability across the district	The approach to charging zones has been undertaken in accordance with the CIL Regulations which make it clear that zones must be high level so as to avoid overly complicated CIL Charging Schedule structures. Evidence has not been provided to support the view that a 'mid-range' viability zone / charge should be created and the Council does not believe the CIL viability evidence supports this.
vii. The viability of small development schemes has not been adequately tested	Smaller developments have been considered in the CIL viability evidence. The development scenarios modelled include a 1 house, 3 flats, 5 house and 10 house scenario. These were specifically modelled in order to understand the cashflow of smaller schemes.
viii. Additional strategic sites should be identified for further viability analysis and 'zero' rated for CIL	<p>The strategic sites on which the Local Plan relies were identified and tested in the CIL viability work process (see Section 14 of Viability Report (October 2014))</p> <p>These strategic sites which generally carry many heavy infrastructure/s106 burdens have been tested and show that, at this time, they cannot afford to provide for a CIL charge taking account of the viability buffer required by the CIL Regulations.</p>
ix. Discretionary relief policies should be developed	The Council does not consider further discretionary CIL relief to be appropriate at this time. There is not enough viability evidence to mean that discretionary relief should be allow for, given the added complexity that this entails.

DCS Issue:	Council reply:
<p>x. The CIL infrastructure list (Reg 123 list) needs more clarity</p>	<p>A draft CIL infrastructure list, based upon the adopted Local Plan documents and Infrastructure Delivery Plan has been produced. The role of the list is to help provide evidence on the potential funding gap – it is not the purpose of the examination to challenge the list.</p> <p>The Council intends for CIL funds to be a key source for future infrastructure provision in the district. However, the Council is proposing to fund infrastructure for the strategic sites through s106/s278 legal agreements and the remainder of infrastructure across the district through CIL funding. If the Council adopts a CIL, the infrastructure list is likely to be reviewed annually by the Council to ensure it remains appropriate.</p>
<p>xi. The CIL Instalments Policy should be adjusted</p>	<p>The draft instalments policy has been set out with reference to the cash flows of the development appraisals undertaken, the need for delivery and the awareness of the potential for market downturn. The Council is confident that this is a fair and viable instalment policy for the area.</p>
<p>xii. Local communities should receive a greater share of CIL funding</p>	<p>Town / parish councils will receive a minimum of 15% (capped at £100 per existing dwelling) of CIL funding generated in their locality. Where a Neighbourhood Plan has been adopted in the area, this will increase to 25% (uncapped). This is prescribed for by the CIL Regulations.</p>
<p>xiii. Greater CIL spending emphasis should be given to areas where the main receipts are generated</p>	<p>Town / parish councils will automatically receive a meaningful proportion of the CIL receipts generated from their local area. The majority of CIL funds go into a central pot which the local authority will seek to spend in accordance with the CIL infrastructure list (the 'Regulation 123' list). The Council will need to consider the most appropriate spending priorities which can best help to meet the strategic infrastructure needs across the area.</p>

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**APPENDIX C – Main issues raised at Revised Draft Charging Schedule (RDCS) consultation**

RDCS Issue:	Council reply:
<p>i. Increasing CIL charges in small development is inconsistent with the Government’s objective to reduce burdens on these types of development</p>	<p>The Council is mindful of the Government’s intentions with regard to small scale development and has acted consistently with the CIL Regulations with proposed rates directly linked to viability. The Additional viability work undertaken demonstrates that approximately £100/sqm additional viability had been gained as a result of removing requirements for affordable housing and some s106 contributions from small developments. Accordingly, the Council has directly used this evidence to amend CIL charges and a cautious 50% buffer on the theoretical maximum has been applied.</p>
<p>ii. Viability model assumptions are considered unrealistic in relation to:</p> <ul style="list-style-type: none"> <li>- Land values</li> <li>- Build/Design costs</li> <li>- Abnormal costs</li> <li>- Developer profit</li> <li>- Fess</li> </ul>	<p>The CIL viability evidence has included testing a range of development types and sizes which typically come forward across the district. The viability evidence has run over 60 development scenarios in the district over the CIL production period. Any two land transactions and development schemes are rarely the same so the assumptions applied have been selected as a reasonable estimate and with conservative viability buffers to allow for individual variances and market changes. Little evidence has been submitted to suggest the assumptions made are substantially wrong. All figures are informed by local evidence eg. from BCIS, Land Registry or developer/agent comment and are considered to be either industry standard or within the reasonable range.</p> <p>The strategic sites which generally carry many heavy infrastructure/s106 burdens have been tested and show that, at this time, they cannot afford to provide for a CIL charge taking account of the viability buffer required by the CIL Regulations.</p> <p>The methodology employed is consistent with the Harman Report ‘<i>Viability Testing Local Plans</i>’ (2012) and is set out in Sections 4 and 5 of the CIL Viability Report (October 2014) evidence. The approach above is acceptable within the guidance and helps to test whether the CIL proposals are generally viable across most development expected.</p>

<b>RDCS Issue:</b>	<b>Council reply:</b>
<p>iii. Proposed CIL rates are considered too high and risk delivery</p>	<p>The proposed CIL rates are considered to have been based upon a suitable range of development scenarios and evidenced reasonable assumptions set out in Section 4 and 5 of the CIL Viability Report (October 2014). This, together with the applied conservative viability buffer, is considered appropriate to demonstrate that development is generally viable with the CIL rates and as few sites as possible are put at risk. The viability evidence shows that some forms of development can accommodate a higher level of CIL, whilst other development can only afford a lower, or nil, CIL charge.</p> <p>A review of build costs and house price values has been conducted during the production of the CIL (see Section 6.5 of Viability Report (October 2014) and the proposed rates are considered to remain appropriate.</p>
<p>iv. The specific viability of small development schemes has not been accurately represented in the assessment</p>	<p>Smaller developments have been considered in the CIL viability evidence. The development scenarios modelled include a 1 house, 3 flats, 5 house and 10 house scenario. These were specifically modelled in order to understand the cashflow of smaller schemes. The Council is aware that build costs have gone up, but so have sales values which must also be reflected.</p> <p>A review of build costs and house price values has been conducted during the production of the CIL (see Section 6.5 of Viability Report (October 2014) and the viability buffer factored into the proposed CIL charges, is more than adequate to allow for any movement in factors affecting viability, such as build costs etc.</p>
<p>v. The viability evidence is too cautious and the proposed CIL rates too low</p>	<p>The Council does not consider that the CIL viability evidence is over cautious. The viability buffer adopted seeks to ensure that the majority of development is viable, and to allow for individual variances and market changes. CIL is not intended to be the only funding source for providing future infrastructure provision.</p>
<p>vi. Additional strategic sites should be identified for further viability analysis and 'zero' rated for CIL</p>	<p>The strategic sites on which the Local Plan relies were identified and tested in the CIL viability work process (see Section 14 of Viability Report (October 2014))</p>

RDCS Issue:	Council reply:
	<p>These strategic sites which generally carry many heavy infrastructure/s106 burdens have been tested and show that, at this time, they cannot afford to provide for a CIL charge taking account of the viability buffer required by the CIL Regulations.</p>
<p>vii. The charging zones need further refinement to reflect a 'mid-range' of viability across the district</p>	<p>The approach to charging zones has been undertaken in accordance with the CIL Regulations which make it clear that zones must be high level so as to avoid overly complicated CIL Charging Schedule structures. Evidence has not been provided to support the view that a 'mid-range' viability zone / charge should be created and the Council does not believe the CIL viability evidence supports this.</p>
<p>viii. The Council should make clear it's assumptions on Affordable Housing requirements in light of the Ministerial Statement (Nov 2014)</p>	<p>Affordable housing thresholds have been adjusted up to the new minimum (11 or more dwellings) as set out by the Ministerial Statement. Where local planning policy requirements set an affordable housing threshold greater than the new minimum, these remain unchanged.</p>
<p>ix. Proposed CIL rates are not consistent with neighbouring areas</p>	<p>The viability evidence gathered has demonstrated that the proposed CIL rates are affordable by most typical schemes expected in the district. The proposed CIL rates are thought to be generally consistent with those other Suffolk authorities developing CIL charging schedules. However, each CIL will be based upon its own local evidence and assumptions and are not therefore directly comparable.</p>
<p>x. The CIL infrastructure list (Reg 123 list) needs more clarity</p>	<p>A draft CIL infrastructure list, based upon the adopted Local Plan documents and Infrastructure Delivery Plan has been produced. The Council intends for CIL funds to be a key source for future infrastructure provision in the district. However, the Council is proposing to fund infrastructure for the strategic sites through s106/s278 legal agreements and the remainder of infrastructure across the district through CIL funding. If the Council adopts a CIL, the infrastructure list is likely to be reviewed annually by the Council to ensure it remains appropriate.</p>