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Community Infrastructure Levy
Submission Charging Schedule

Statement of Procedural and Legal Compliance

Stratford-on-Avon District Council

December 2015

Community Infrastructure Levy - Submission Charging Schedule

Statement of Procedural and Legal Compliance

1.0 Introduction

- 1.1 This statement identifies the legislation and regulations relating to the production of a Community Infrastructure Levy (CIL) Submission Charging Schedule and demonstrates how Stratford-on-Avon District Council has complied with them.
- 1.2 Legislation relating to CIL is set out in Part 11 of the Planning Act 2008 as amended by the Localism Act 2011. Provisions for guidance from the Secretary of State are set out at Section 221 of the Act.
- 1.3 The Act also makes provision for the production of CIL Regulations. The original regulations are the Community Infrastructure Levy Regulations 2010. However there have been Community Infrastructure Levy (Amendment) Regulations in 2011, 2012, 2013, 2014 and 2015.
- 1.4 The Council has prepared its CIL Submission Charging Schedule in accordance with the Planning Act 2008 (as amended), the Community Infrastructure Levy Regulations 2010 (as amended) and statutory guidance under Section 221 of the Planning Act 2008 (as amended). This is published as part of the government's Planning Practice Guidance, which is an online resource on the planning portal website.
- 1.5 Where documents within this statement are followed by a reference number, they form part of the submission documents and supporting documents for the Council's Submission Draft Charging Schedule and can be viewed and downloaded on the Council's website at: <https://www.stratford.gov.uk/planning/cil-submission-charging-schedule.cfm>. A list of these documents can also be found in Annex A at the end of this document.

2.0 Has the charging authority complied with the requirements set out in Part 11 of the Planning Act 2008 (as amended by the Localism Act) and the CIL Regulations (paragraph 2.2)?

- 2.1 Stratford-on-Avon District Council, which is the charging authority, has complied with the legislative and regulatory requirements as set out in Table 1 below.
- 2.2 In addition, as required by section 221 of the Planning Act 2008, the Council has had regard to the statutory guidance as set out in the rest of this Statement of Compliance.

Table 1: Legislative requirements

Legislative requirement	How the requirement has been met
Planning Act 2008 (as amended by the Localism Act 2011)	
Section 206	In accordance with section 206 of the Planning Act 2008 Stratford-on-Avon District Council is the charging authority.
Section 211	In accordance with section 211 (1), (2) and (3) of the Planning Act, Stratford-on-Avon District Council has complied with the CIL regulations (as demonstrated

	below) and has had regard to the actual and expected costs of infrastructure, matters of economic viability and other expected sources of funding for infrastructure.
Section 211	In accordance with section 211 (7A) (as inserted by the Localism Act 2011), Stratford-on-Avon District Council has used appropriate and available evidence to prepare its CIL submission charging schedule. This includes a detailed assessment of infrastructure needs as well as an assessment of proposed CIL rates on the economic viability of development.
Section 212 (1) and (2)	In accordance with section 212 (1) and (2) of the Planning Act 2008, Stratford-on-Avon District Council has appointed an independent examiner through the Planning Inspectorate.
Section 212 (4)	In accordance with section 212 (4) (as amended by the Localism Act 2011) Stratford-on-Avon District Council considers that the drafting requirements, as demonstrated by this statement, have been met in full. The Council has used appropriate available evidence to inform its draft charging schedule.
CIL regulations 2010 (as amended)	
Regulation 12	The Stratford-on-Avon District CIL Submission Draft Charging Schedule contains the information required by the Regulations, namely (a) the name of the charging authority; (b) the rates (in pounds per square metre) at which CIL is to be chargeable in the authority's area; (c) a map which identifies the location and boundaries of the differential charging zones reproduced from an Ordnance Survey map; and (d) an explanation of how the chargeable amount will be calculated.
Regulation 13	In accordance with regulation 13, the Submission Charging Schedule proposes differential rates based upon the location, size and use of development. A general residential CIL rate of £150 applies across the district except in the following instances: residential development (small sites of 10 units and under) CIL rate of £75, residential development (Gaydon/Lighthorne Heath new settlement) CIL rate of £110, residential development (Long Marston Airfield new settlement) CIL rate of £75, residential development (Canal Quarter regeneration zone) CIL rate of £85, retail development (Gaydon/Lighthorne Heath and Long Marston Airfield new settlements) CIL rate of £10, retail development (Out of Centre) CIL rate of £120.
Regulation 14 (1)	Regulation 14 (1) Please see responses to questions 4 and 7 (below) which set out how Stratford-on-Avon District Council has struck an appropriate balance between the desirability of funding infrastructure through a CIL and the potential effects of imposing a CIL on the area.
Regulation 14 (2)	Stratford-on-Avon District Council has had regard to actual and expected administrative expenses in connection with CIL when setting the proposed CIL rates.
Regulation 15	Please see response to question 11 for details of consultation on the preliminary draft charging schedule.
Regulation 16	Please see response to question 11 for details of consultation on the draft charging schedule.
Regulation 17	In accordance with regulation 17, Stratford-on-Avon District Council specified a period of six weeks to receive representations from 21 August – 2 October 2014.
Regulation 19	The documents submitted to the examiner for examination are listed in Annex A (SCS1 to SCS15). Stratford-on-Avon District Council has not published a statement of modifications as it does not propose to change any of the charging rates or zones.

Regulation 21	Those respondents who requested to be heard at the CIL Examination are identified in the submission document SCS5 'Submission Charging Schedule: Compendium of Consultation Responses', December 2015, which fulfils the requirements of Regulation 19(1b), as noted in that report on the submission charging schedule consultation.
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3.0 Is the charging authority's submission charging schedule supported by background documents containing appropriate available evidence?

- 3.1 Stratford-on-Avon District Council has used appropriate available evidence to prepare its Draft Charging Schedule as required by Section 211(2) of the Planning Act 2008. There are two particularly important documents in this regard: the Economic Viability Study September 2015 and the Infrastructure Delivery Plan (IDP) – Revised version November/December 2015. The Economic Viability Study September 2015 (evidence document SCS2) is the key evidence document and was undertaken by Peter Brett Associates to justify what level of CIL could be charged in Stratford-on-Avon District without deterring development.
- 3.2 The Economic Viability Study September 2015 tests the ability of a range of development types throughout Stratford-on-Avon District to yield contributions to infrastructure requirements through CIL. Levels of CIL have been tested in combination with the Council's other planning requirements, including the provision of affordable housing.
- 3.3 The 'Infrastructure Delivery Plan and Schedule of Infrastructure Projects – Revised version' November/December 2015 (evidence document SCS3) is a key evidence document used to support the Stratford-on-Avon District Core Strategy. As set out in the Planning Practice Guidance on CIL, "the charging authority area's infrastructure needs should be drawn from the infrastructure assessment that was undertaken as part of preparing the relevant Plan." The IDP includes a detailed assessment of infrastructure needs and identifies an indicative funding gap of around £118 million.
- 3.4 Other relevant evidence and supporting documents can be found listed in the list of submitted documents at Annex A.

4.0 Has the charging authority provided evidence of an infrastructure aggregate funding gap that demonstrates the need to levy CIL?

- 4.1 Paragraph 016 of the statutory CIL guidance states that 'the Government recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term. Charging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put in place the levy.' The guidance also sets out that the infrastructure needs should be drawn from the infrastructure assessment that was undertaken as part of preparing the relevant plan.
- 4.2 Stratford-on-Avon District Council has set out in its IDP the aggregate funding gap that demonstrates the need to levy a CIL. The indicative funding gap identified is currently around £118 million.
- 4.3 The Core Strategy was submitted to the Secretary of State for examination on 30 September 2014. Examination hearings took place in January 2015 and interim conclusions were published by the Inspector on 18 March 2015. The District Council was invited to undertake

further work on the housing requirement and the most appropriate manner of meeting any increase in this, and to resolve specific deficiencies in the Sustainability Appraisal.

This work was undertaken and the District Council, at its meeting on 20 July, endorsed a number of proposed modifications.

These modifications specifically, along with supporting documents, were the subject of a period for public representations which closed on Friday 25 September 2015.

The proposed modifications and representations received were submitted to the Inspector for consideration on 23 October 2015 and the Examination hearings will resume on 12 January 2016.

The Inspector accepted that the level of infrastructure planned in the IDP was able to support the level of growth set out in the Core Strategy. The IDP has been updated to account for the revised OAN housing figure and spatial strategy. The September 2014 version has also been updated in terms of scheme progression and costs and, in some cases, scheme titles have been amended as proposals have been firmed up.

5.0 Is the proposed rate or rates informed by, and consistent with, the evidence on economic viability across the charging authority's area (Reg 14 (b))?

5.1 Yes, the proposed rates are consistent with the economic viability evidence. All of the proposed rates are identical to those recommended in the Economic Viability Study September 2015 (Table 8.1), and all are lower than the maximum rates identified with the buffer allowing for a number of risk factors.

6.0 Are the rates so complex, or based on strategic sites, where in addition to the area based broad test of viability some further site sampling of viability is required, and has this sampling been undertaken?

6.1 No, the rates set in the draft charging schedule are not complex, however, there are rates for the strategic allocations and site sampling has been undertaken to justify the level of these rates through the viability assessment.

7.0 Has the charging authority provided evidence that shows, and explains, that the proposed rates would not threaten delivery of the relevant Plan as a whole and have they explained how their proposed levy rates will contribute to the implementation of their plan and support development across their area?

7.1 Policy CS.15 of the draft Core Strategy sets out the distribution of development for the district and it is clear that "the scheme incorporates or provides for appropriate improvements to the infrastructure and services of the community". This policy allows for the introduction of a 'Development Requirements Supplementary Planning Document' that is currently under development and will formally be adopted in 2016. This document will identify how existing planning obligation arrangements will operate alongside a Community Infrastructure Levy.

7.2 The Economic Viability Study September 2015 has taken account of the relevant plans and policies to ensure that the proposed rates would not threaten the delivery of the relevant plan. The study adopted the residual land value methodology to assess the potential

economic viability for different forms of development using reasonable standard assumptions including policy requirements, house price indices, land values, build costs, section 106 contributions and developer profit margins. As such the proposed rates are considered reasonable and the study is clear that the proposed rates, along with continued (but scaled back) s106 agreements for site specific matters, will contribute to the implementation of the Core Strategy.

8.0 Has the charging authority provided evidence that shows that they have struck the appropriate balance between desirability of funding infrastructure through a CIL and the potential effects of imposing a CIL on their area? (Summary of Regulation 14 (1), paragraph 2.2)

8.1 Charging authorities should use evidence to strike an appropriate balance between the desirability of funding infrastructure from the Levy and the potential impact upon the economic viability of development across their area.

8.2 The District has an aggregate funding gap of around £118 million over the 20 year plan period (approximately £5.9 million per year). The levy that the Council is proposing is not designed to try and meet this funding gap as this would clearly be to the detriment of the viability of development in Stratford-on-Avon District.

8.3 The Economic Viability Study September 2015 tests different rates for different types of development taking into consideration different assumptions to ensure that the proposed rates do not threaten viability. In addition, each rate has allowed for a buffer to deal with site specific circumstances and changes in value over time.

8.4 The proposed rates are therefore expected to have a positive economic effect on development across the district as they strike an appropriate balance between funding essential strategic infrastructure whilst ensuring developments remain viable.

9.0 Does the authority have an up to date relevant (development) plan? And is the CIL consistent with it and the supporting infrastructure evidence?

9.1 A number of the policies set out in the Stratford-on-Avon District Core Strategy were informally adopted on an interim basis in June 2015. The policies that have been adopted are those that are not subject to significant representations or unresolved concerns. Although the formal wording of all main modifications will only be confirmed on receipt of the Inspector's final report, the interim adopted policies, some of which relate to infrastructure, are unlikely to be considered further during the remaining stages of the examination.

9.2 In setting the rates in the draft charging schedule, the Council considered the strategic priorities set out in the Core Strategy and the Infrastructure Delivery Plan to ensure that the proposed levy rates facilitate growth and will enable key infrastructure priorities to be delivered.

10.0 Has the charging authority provided a draft Regulation 123 list and provided evidence to show how much they have raised through S106 agreements in recent years?

10.1 Stratford-on-Avon District Council has provided a Regulation 123 list (evidence document SCS1) and has set out how much has been raised through s106 agreements in recent years in Section 3.5 of evidence document SCS2.

11.0 Has the charging authority complied with the consultation and administration requirements set out in the Regulations?

11.1 Stratford-on-Avon District Council has complied with the consultation and administration requirements specified in the Regulations as set out and summarised in the following table:

Table 2: Consultation Stages and Compliance

Consultation	Dates	Compliance
Public consultation on the Preliminary Draft Charging Schedule	31 October – 13 December 2013 (6 weeks)	The PDCS consultation followed the requirements set out in regulation 15 of the CIL regulations 2010 (as amended). Further detail can be found in the PDCS consultation statement, Preliminary Draft Charging Schedule: Consultation Report.
Publication of Draft Charging Schedule	21 August – 2 October 2014 (6 weeks)	The publication of the DCS for consultation followed the requirements set out in regulation 16 of the CIL regulations 2010 (as amended). Further detail can be found in the regulation 19(b), Report on Draft Charging Schedule Consultation
Public consultation on the Submission Charging Schedule	16 October – 13 November 2015 (4 weeks)	The publication of the SCS for consultation followed further modification to the Core Strategy and Economic Viability Evidence following the requirements set out in paragraph 2.2 & 2.2.5.5 of the CIL regulations 2010 (as amended) and the requirements set out in section 211 (7A) of the 2008 Planning Act (as inserted by the (7A) Localism Act 2011). Further detail can be found in the CSC consultation statement, Report on the Submission Charging Schedule Consultation.

Annex A: Submission Documentation SCS.1 to SCS.19

- SCS.1 Submission Charging Schedule** - October 2015
- SCS.2** Economic Viability Study: Submission Charging Schedule - PBA September 2015
- SCS.3** Stratford-on-Avon District Council: Submission Core Strategy 2011-2031 - Appendix 1: Infrastructure Delivery Plan and Schedule of Infrastructure Projects - Revised version November/December 2015
- SCS.4** Statement of Procedural and Legal Compliance - December 2015
- SCS.5** Submission Charging Schedule: Summary of Consultation Responses - November 2015
- SCS.6** Submission Charging Schedule: Summary of Consultation Responses addendum - December 2015
- SCS.7** Submission Charging Schedule: Compendium of Consultation Responses - December 2015
- SCS.8** Core Strategy: As submitted September 2014 showing subsequent proposed modifications - June 2015
- SCS.9** Core Strategy: Proposed Modifications in response to the Inspector's Interim Conclusions - August 2015

- SCS.10 Draft Charging Schedule** - August 2014
- SCS.11** Draft Charging Schedule: Summary of Consultation Responses - March 2015
- SCS.12** Economic Viability Study: Draft Charging Schedule - PBA June 2014
- SCS.13** Stratford-on-Avon District Council: Submission Core Strategy 2011-2031 - Appendix 1: Draft Infrastructure Delivery Plan - June 2014
- SCS.14** Core Strategy: proposed Submission Version –June 2014

- SCS.15 Preliminary Draft Charging Schedule** - October 2013
- SCS.16** Preliminary Draft Charging Schedule: Summary of Consultation Responses - July 2014
- SCS.17** Economic Viability Study - PBA September 2013
- SCS.18** Stratford-on-Avon District Council: Submission Core Strategy 2011-2031 - Appendix 1: Draft Infrastructure Delivery Plan - October 2013
- SCS.19** Assessment of Potential New Settlements and Sustainable Urban Extensions - PBA July 2013

Core Strategy related information and documents can be viewed online via www.stratford.gov.uk/corestrategy

Community Infrastructure Levy (CIL) related information and documents can be viewed online via www.stratford.gov.uk/CIL