

**WAVERLEY BOROUGH  
COMMUNITY INFRASTRUCTURE LEVY**

**DRAFT CHARGING SCHEDULE**

**November 2017**

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## INTRODUCTION

- 1.1 The Community Infrastructure Levy (CIL) is a new tariff which will allow funds to be raised from new building projects in Waverley. It is intended to supplement other funding streams in providing new infrastructure to support local growth. The purpose of the levy is to give developers more certainty over costs and to give councils and communities more choice and flexibility in how infrastructure is funded.
- 1.2 CIL is intended to supplement rather than replace other funding streams, and to provide infrastructure alongside residential and commercial development, promoting sustainable development. Charges are meant to help fund new, or to upgrade existing, infrastructure to support growth, not to cover the cost of remedying existing deficiencies.
- 1.3 With the introduction of CIL, the use of S106 planning obligations will mainly be limited to site-specific mitigation measures which are required to make a development acceptable and for affordable housing.

### **Purpose of this document**

- 1.4 This **Draft Charging Schedule** (DCS) is published for consultation under Regulation 17 of the CIL Regulations 2010 (as amended). It provides the background to the proposed tariff, and is the second opportunity to comment on the proposed charges. This follows an earlier consultation, on the Preliminary Draft Charging Schedule, that took place in June and July 2017.

### **Who will pay CIL?**

- 1.6 CIL will be applied to most buildings that people normally use and where more than 100 square metres of floorspace (net) or a new dwelling is created (even if it is less than 100 sq. m). CIL will be payable on the commencement of development or, for larger developments, in instalments over an agreed phased period. The tariff for each type of development will be set out in the CIL Charging Schedule (see Section 3).
- 1.7 There will be no charge for change of use applications unless additional floorspace is created, as well as none for the sub-division of existing dwellings. CIL is also not payable on:
  - structures into which people do not go
  - all affordable housing
  - custom and self-build housing
  - redevelopments that do not result in a net increase in floorspace (subject to caveats) and
  - development for charitable purposes.

## 2. SETTING THE CIL CHARGE

### Evidence Base

- 2.1 The CIL Regulations state that, in setting rates, the Council, as the charging authority, must: aim to strike what appears to be an appropriate balance between:
- the desirability of funding from CIL (in whole or part) the actual and expected total cost of infrastructure required to support development of its area; and
  - the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.<sup>1</sup>
- 2.2 In order to set the rates, and to take into account these requirements, three key documents are used.
- Pre-Submission Waverley Local Plan: Part 1 (with Modifications), September 2017
  - Waverley Borough Council CIL Viability Study, November 2017
  - Waverley Borough Council Infrastructure Delivery Plan, December 2016
- 2.3 **Pre-Submission Waverley Local Plan: Part 1 (Strategic Policies and Sites)** was published in August 2016. This set out how much development will take place in the Borough to 2032 and the broad locations of that development. A version incorporating post hearing Main and Minor Modifications was published in September 2017.
- 2.4 **Waverley Borough Council CIL Viability Study** (November 2017) prepared for the Council by consultants Three Dragons looks at different types of development across the Borough.
- 2.5 The Viability Study found that Waverley comprised a single market value area, which makes setting the CIL rates a simpler task. The study also included an appraisal of the proposed strategic development site at Dunsfold Aerodrome.
- 2.6 The study's recommended residential CIL rates were based on an assumed density of 35-40 dwellings per hectare with around a 50% 'buffer' below the theoretical maximum CIL charge (see Section 3). The rates are also based on the Local Plan's proposed affordable housing provision of 30% on qualifying sites (Policy AHN1). Special provision in the testing is made for schemes of 10 or less units where there is no affordable housing requirement, for flats and for older person housing housing.
- 2.7 In terms of non-residential viability testing, the analysis showed that retail uses are currently able to support a CIL rate with a buffer rate of around 50% (Section 3).

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<sup>1</sup> Regulation 14, CIL Regulations 2010

2.12 **Infrastructure Delivery Plan** – this supports the Local Plan (Part 1). This includes project and funding information from infrastructure providers and shows that the cost of the required or proposed infrastructure exceeds the known available funds.

2.13 The summary table below shows the ‘funding gap’ which justifies the preparation of a CIL Charging Schedule. It is, however, only a ‘snapshot’ of the current situation. The information it contains will evolve and change as further information becomes available. The latest position is based on the version of the **Waverley Infrastructure Delivery Plan** published in **December 2016**. Table 1 is a summary of the Infrastructure Delivery Schedule set out after page 76 within the December 2016 version of the Waverley Infrastructure Delivery Plan.

**Table 1: Infrastructure Funding Gap**

<b>Infrastructure Type</b>	<b>Cost</b>	<b>Funding Gap</b>
<b>TRANSPORT</b>		
<i>Transport - Road Improvements Road Safety Walking and Cycling</i>	£64.86m	£61.56m
<i>Public Transport</i>	£1.3m	£0.94m
<b>EDUCATION</b>		
<i>Possible expansion of schools</i>	£37m	£34.15m
<b>COMMUNITY, LEISURE AND RECREATION</b>		
<i>Community Facilities Leisure Centre Provision or Improvements Cultural Facilities</i>	£21.16m	£20.33m
<i>Sports Pitches Outdoor Sports Facilities</i>	£8.3m	£8.3m
<i>Playground Facilities Skate Parks and Outdoor Recreation</i>	£1.59m	£1.59m
<b>NATURAL and BUILT ENVIRONMENT</b>		
<i>Environmental Improvements Open Space Visitor Facilities Public Realm</i>	£1.44m	£1.33m
<b>TOTAL</b>	<b>£135.65m</b>	<b>£128.2m</b>

*Note: These figures would change as infrastructure providers are able to cost their infrastructure and know committed funds and as some infrastructure are being delivered. These figures exclude Highway infrastructure works outside the Borough e.g. on the A3; M25; etc.*

- 2.14 CIL will not necessarily be expected to meet the full 'funding gap' for identified infrastructure requirements. The information used to identify the funding gap is also derived from a 'living' document on current costs and phasing assumptions. The amounts identified in Table 1 above are subject to change as part of continuing discussions between the Council and other infrastructure providers and how requirements can be met. It will be necessary to prioritise the use of S106 and CIL funding as some projects will clearly be more critical than others. Some of the costings for projects are initial estimates that may change. Work is also not yet complete in terms of identifying possible alternative funding, for example from the Local Enterprise Partnership or, in some cases, through S106.
- 2.15 The principal sources of funding for local services are from central government, in the form of revenue and capital grants, and from local council tax. The CIL is not intended to replace this mainstream funding: it is the funding of last resort and should be used to reduce the gap between the cost of providing the required infrastructure to support a growing population and the amount of money available from other mainstream sources. In establishing the funding gap an estimate of the likely contribution from other funding sources will be considered.

### 3. THE CIL CHARGING SCHEDULE

3.1 The rates are informed by the viability evidence base at a level that does not put the overall quantum of development proposed in the Local Plan at risk. CIL charges should not be set near the margins of viability and therefore the proposed rates accommodate an adequate buffer to allow for potential section 106/278 costs and changes in site specific circumstances. In accordance with the CIL Regulations, for any types of uses that are unable to sustain a CIL charge a £0 CIL rate has been applied.

3.2 The Council proposes to set the following range of CIL charges:

Use	CIL rate
<b>Residential dwellings – schemes of more than 10 units</b>	<b>£395 per sq. m</b> (where there is no SANG/SAMM tariff – Zone A) <sup>(g)</sup>  <b>£372 per sq. m</b> (where the SANG/SAMM tariff is charged – Zone B) <sup>(h)</sup>
<b>Residential dwellings – schemes of 10 or less</b>	<b>£452 per sq. m</b> (where there is no SANG/SAMM tariff – Zone A) <sup>(g)</sup>  <b>£435 per sq. m</b> (where the SANG/SAMM tariff is charged – Zone B) <sup>(h)</sup>
<b>Dunsfold strategic site</b> <sup>(a)</sup>	<b>£0 per sq. m</b>
<b>Older person housing (retirement and supported living) with affordable housing</b> <sup>(b)</sup>	<b>£118 per sq. m</b> (where there is no SANG/SAMM tariff – Zone A) <sup>(g)</sup>  <b>£100 per sq. m</b> (where the SANG/SAMM tariff is charged – Zone B) <sup>(h)</sup>
<b>Older person housing (retirement and supported living) without affordable housing</b> <sup>(b)</sup>	<b>£280 per sq. m</b> (where there is no SANG/SAMM tariff – Zone A) <sup>(g)</sup>  <b>£268 per sq. m</b> (where the SANG/SAMM tariff is charged – Zone B) <sup>(h)</sup>
<b>Small Convenience Store</b> <sup>(c)</sup>	<b>£75 per sq. m</b>
<b>Supermarket</b> <sup>(d)</sup>	<b>£65 per sq. m</b>
<b>Town Centre Retail (other than convenience)</b> <sup>(e)</sup>	<b>£25 per sq. m</b>
<b>Out of Centre Retail (other than convenience)</b> <sup>(f)</sup>	<b>£95 per sq. m</b>
<b>All other uses</b>	<b>£0 per sq. m</b>

CIL Charging Schedule Notes

Ref.	Notes
(a)	Dunsfold Strategic site is identified on Map A
(b)	<p>These uses are defined as follows:</p> <p>Retirement housing - This is often known as “Sheltered Housing” or “Retirement Living”. Retirement Housing usually provides some facilities that you would not find in completely independent accommodation. These can include (secure main entrance, residents’ lounge, access to an emergency alarm service, a guest room. Extra facilities and services are paid for through a service charge on top of the purchase price or rent. To move into retirement housing you are assumed to be independent enough not to need care staff permanently on site</p> <p>Supported housing - This is often known as “Extra Care Housing” or “Assisted Living”. Everyday care and support will be available. Facilities will include those available in retirement housing plus others (such as a restaurant, communal lounges, social space and leisure activities, staff on site 24 hours a day). Service charges are likely to be higher than in retirement housing but this reflects the more extensive range of facilities.</p> <p>For the avoidance of doubt ‘Care homes’ are excluded from this older person housing charge and are separately considered as ‘All other uses’ and therefore a zero CIL rate will apply to development meeting the following definition - residential care homes or nursing homes where integral 24 hour personal care and/or nursing care are provided together with all meals. A care home is a residential setting where a number of older people live, usually in single rooms and people occupy under a licence arrangement.</p>
(c)	A small convenience store has a majority (in excess of 50%) of its net selling area conditioned for the sale of convenience goods in a total gross store size of no larger and including 300 sqm gross.
(d)	A supermarket store has a majority (in excess of 50%) of its net selling area conditioned for the sale of convenience goods in a total gross store size of greater than 300 sqm gross.
(e)	Applies to qualifying floorspace within town centres identified on Maps X to X and to all retail development within A use class other than convenience floorspace as described above.
(f)	Applies to qualifying floorspace outside of town centres identified on Maps X to X and to all retail development within A use class other than convenience floorspace as described above.
(g)	Areas to which the charge applies are shown on Map x
(h)	Areas to which the charge applies are shown on Map x



## Administering the CIL Charge

- 3.9 A **draft infrastructure list** accompanies this DCS for information (Appendix 1). The Council can only spend its CIL receipts on infrastructure projects and types specified in our infrastructure list, also known as a 'Regulation 123' list. This does not commit the Council to fund this infrastructure using the CIL, but it cannot use S106 planning obligations to fund any of the infrastructure included in the draft 123 list.
- 3.10 It will be for the Council to decide its infrastructure funding priorities. In that respect, the governance arrangements will also include a formal method of prioritising funding.
- 3.11 As required by the CIL Regulations, the Council will pass on a portion of the CIL receipts to each parish council. This will be at 15% of the CIL originating in that parish. In parishes with a Neighbourhood Plan in place (following a successful referendum), the proportion increases to 25%.

## How to get involved

This Draft Charging Schedule is subject to a 6 week consultation between x December 2017 and x January 2018. A comments form is available on the Council's website – [www.waverley.gov.uk/cil](http://www.waverley.gov.uk/cil). Alternatively, comments can be emailed to [planningpolicy@waverley.gov.uk](mailto:planningpolicy@waverley.gov.uk) or posted to:

Planning Policy  
Waverley Borough Council  
The Bury  
Godalming  
Surrey GU7 1HR

If you have any questions on the content of the Draft Charging Schedule, please contact the Planning Policy Team on 01483 523291.

**APPENDIX 1****DRAFT WAVERLEY BOROUGH INFRASTRUCTURE ('REGULATION 123') LIST**

This Infrastructure / Regulation 123 List sets out those types of infrastructure or specific infrastructure projects that the Council may fund (in whole or part), through the Community Infrastructure Levy. The inclusion of a project or type of infrastructure on the list does not signify a commitment from the Council to fund the listed project or type of infrastructure. Nor does the order of the list imply any preference or priority.

Infrastructure type or project	Exclusions
<b>Provision of new Suitable Alternative Natural Greenspace (SANG) as part of the Thames Basin Heaths SPA avoidance and mitigation measures</b>	Strategic Access Management and Monitoring (SAMM) Contributions towards the management and maintenance of existing SANG. Measures to secure mitigation/avoidance in the Wealden Heaths SPA, will be secured through S106 agreements.
<b>Transport</b> New and/or improved infrastructure or services in respect of – <ul style="list-style-type: none"> <li>▪ Strategic Road Network</li> <li>▪ Local Road Network</li> <li>▪ Rail network</li> <li>▪ Passenger access and information at railway stations</li> <li>▪ Bus stops (safety and accessibility)</li> <li>▪ Real Passenger Time Information</li> <li>▪ Cycling and walking networks</li> </ul>	All other site specific transport and highways improvements as identified in a site specific assessment.
<b>Education</b> School expansion schemes and new schools, including pre-school provision.	Improvements that are directly related to a specific development
<b>Leisure and Community Facilities</b> <ul style="list-style-type: none"> <li>▪ Children's and young persons' play areas</li> <li>▪ Improvements to playing pitches</li> <li>▪ New or improved indoor and outdoor sports provision</li> <li>▪ Improvements to formal and informal areas of recreational open space</li> <li>▪ Libraries</li> <li>▪ Community Centres</li> <li>▪ Health facilities</li> </ul>	Improvements that are directly related to a specific development
<b>Environmental improvements</b> <ul style="list-style-type: none"> <li>▪ Strategic flood infrastructure</li> <li>▪ Pollution abatement infrastructure</li> <li>▪ Public art</li> </ul>	Improvements that are directly related to a specific development
<b>Public Services</b> <ul style="list-style-type: none"> <li>▪ Recycling</li> <li>▪ Capital expenditure for emergency services</li> </ul>	Improvements that are directly related to a specific development

<b>Dunsfold Aerodrome</b>	Site specific mitigation related to the development to be funded through a planning obligation.
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The list will be reviewed and updated when needed, including proportionate consultation with interested parties.

The Council will continue to secure the following mitigation and policy requirements through planning obligations:

- Site-specific infrastructure requirements, including highway works, provision of open space, and other infrastructure and facilities necessary for the development of a specific site (that would not result in pooling of more than five such planning obligations)
- Strategic Access Management and Monitoring (SAMM) and maintenance of existing SANG for the Thames Basin Heaths Special Protection Area
- Affordable housing.

These will be subject to the statutory tests set out in CIL Regulation 122. A planning obligation can only be taken into account when determining a planning application for development, or any part of a development, if the obligation meets all of the following tests, whereby it is -

- a) necessary to make the development acceptable in planning terms;
- b) directly related to the development; and
- c) fairly and reasonably related in scale and kind to the development.

APPENDIX 2

PROVISIONAL CIL CHARGING ZONES MAPS









