The Planning Inspectorate

Report to South Gloucestershire Council

by Simon Emerson BSc DipTP MRTPI

an Examiner appointed by the Council

Date: 5th February 2015

PLANNING ACT 2008 (AS AMENDED)

SECTION 212(2)

REPORT ON THE EXAMINATION OF THE DRAFT SOUTH GLOUCESTERSHIRE COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE

Charging Schedule submitted for examination on 19 September 2014

Examination hearing held on 10 December 2014

File Ref: PINS/P0119/429/8

Non Technical Summary

This report concludes that the South Gloucestershire Community Infrastructure Levy Charging Schedule provides an appropriate basis for the collection of the levy in the area. The Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.

I have recommended two small modifications to the Schedule which are necessary clarification. Firstly, a revised plan to make clear that the *prime locations* do not cover the new neighbourhoods where the nil rate is intended to apply to all types of development. Secondly, an additional footnote to be inserted in the Schedule to add the numerical thresholds which apply to the references in the Schedule to: *small sites that fall below affordable housing threshold*.

These two modifications have been agreed by the Council. They do not alter the CIL rates proposed in the Schedule.

Introduction

1. This report contains my assessment of the South Gloucestershire Community Infrastructure Levy (CIL) Charging Schedule in terms of Section 212 of the Planning Act 2008. It considers whether the Schedule is compliant in legal terms and whether it is economically viable as well as reasonable, realistic and consistent with national guidance (Community Infrastructure Levy Guidance – June 2014).

2. To comply with the relevant legislation the local charging authority has to submit a charging schedule which sets an appropriate balance between helping to fund necessary new infrastructure and the potential effects on the economic viability of development across the district. The basis for the Examination is the submitted *Draft Charging Schedule* (DCS)(core document CIL1) which is the same as the document published for public consultation in May 2014, together with the Council's *Modifications Statement* (CIL4) September 2014. The hearing on 10 December was short, as only one party wanted to be heard with a particular focus on public transport. Most of the Examination has thus been carried out on the basis of the written evidence.

3. The Council proposes different rates for different types of uses and different geographical zones. All rates referred to in the schedule and in this report are in pounds per square metre. The Council's Modifications did not change any of the headline rates, but did amend some of the descriptions of the categories of development for clarity. Taking account of the Modifications, in summary, the rates are:

   Communities of the North and East Fringe of Bristol, Yate/Sodbury and Severn Beach - £55; small sites in this area below the affordable housing threshold - £100.

Rest of South Gloucestershire - £80; small sites in this area below the affordable housing threshold -£130.

Cribbs Patchway New Neighbourhood (CPNN) and East of Harry Stoke New Neighbourhood (EOHSNN) (all types of development within these areas) - £0.

Residential Care Homes (class C2), Extra Care facilities (Class C2/C3), sheltered retirement (class C3) and Agricultural Tied Houses - £0.

Rates for other types of development differ between the *prime* locations and *non-prime* locations.

Offices - £30 prime; £0 - non prime.

Retail Classes A1-A5 including retail warehouse clubs - £160 prime; £120 non-prime.

Hotels (class C1) - £90 prime; £0 non-prime.

Student Accommodation - £60 prime; £0 non-prime.

Sale or display of motor vehicles - £90 in both areas.

R & D, light industrial, general industrial, storage and distribution (classes B1b, B1c B2 and B8) - £0 in both areas.

All other uses (outside the New Neighbourhoods NN) - £10.

A footnote to the DCS states that (as written): *Infrastructure projects such as schools, libraries, clinics etc (Residential and Non Residential Institutions (classes C2, C2a, D1) including development by the emergency services for operational purposes) funded and owned by the public sector will be £NIL CIL*.

4. The DCS includes plans which differentiate the *Communities of the North and East Fringe of Bristol, Yate/Sodbury and Severn Beach* from the Rest of South Gloucestershire for residential charging; to indicate the *prime* locations for non-residential uses; and to define the CPNN and EOHSNN.

5. The text of the DCS and the Council's evidence make clear that the £0 rate within the NNs is intended to apply to all types of development, not just residential. However, the shading on the map of the prime locations covers the NNs. The Council accepts that this is misleading and agreed that, notwithstanding any other matters, I should recommend the inclusion of an amended plan which excludes the NNs from the prime locations. I consider that this is necessary for clarity and consistency with the wording of the DCS.

6. The descriptions of development in Appendix A of the DCS include two references to: *small sites that fall below affordable housing threshold*. The Council accepts that clarification is required by way of a footnote in the Schedule to make clear what these thresholds are, taking into account Core Strategy policy (CS18) which informed the original development examples tested for viability, as well the Ministerial Written Statement on 28 November 2014 concerning *Support for small scale developers, custom and self-builders* which, among other matters, increased the national policy

threshold for seeking contributions for affordable housing. The principles of this statement have been incorporated in National Practice Guidance. The clarification suggested by the Council (written response 17 December) refers to the threshold as 11 or more in urban areas and six or more in designated rural areas. These do not invalidate the development sizes used in the viability appraisals (sites of nine and four dwellings, CIL9, Appendix 5). I regard this clarification as necessary but uncontentious and do not discuss it further. I have included both of the above matters in my recommendations at the end of the report.

Is the charging schedule supported by background documents containing appropriate available evidence?

Infrastructure planning evidence

7. The South Gloucestershire Core Strategy (CS)(CIL11) was adopted in December 2013. This sets out the main elements of growth that will need to be supported by further infrastructure.

8. The Council's *Infrastructure Delivery Plan* (IDP) March 2014 (CIL14) is very detailed; it is an updated version of the IDP that was considered alongside the Examination of the Core Strategy. The Council's CIL *Justification Paper* May 2014 (CIL8) highlights the main items of infrastructure which need to be funded. These are major transport schemes, waste sorting and recycling facilities, public open space/green infrastructure and schools. The *Paper* identifies the total cost of schemes where known, external funding already committed and contributions received to date through S106 payments.

9. The position has been updated by the Council to August 2014 in response to the consultation on the DCS (*Summary of Responses,* CIL2, September 2014, paragraph 2.10 and Appendix 2). The funding gap is now estimated at £42m (assuming that £64m can be secured for education from future S106 payments).

10. The CS proposes about 28,300 dwellings between 2006-2027. Of these, nearly 17,000 have been constructed or have planning permission (as at December 2013) and an additional 2,000 are likely to gain permission before April 2015 when the Council intends to implement CIL. It is proposed not to levy any CIL on the two NNs which total 7,700 dwellings (discussed further below). This leaves less than 2,000 dwellings potentially subject to CIL. A proportion of these will be affordable dwellings and others for which no CIL is payable. The Council estimate that the dwellings liable for CIL could yield about £1m annually amounting to £12m between April 2015 and 2027. As such, I consider that CIL would make a useful contribution to the funding gap for infrastructure. The Council's largely undisputed evidence on infrastructure requirements and funding demonstrates the need to levy CIL.

11. The Council's *Draft Regulation 123 List* (CIL7) identifies those types of infrastructure to which CIL funds may contribute. These include a number of specific transport projects and a variety of other distinct types of infrastructure such as school places, libraries and health facilities. As amended in the Council's published modifications to the Draft 123 List (CIL4) the infrastructure requirements arising from the two new neighbourhoods with a nil CIL rate are

excluded. The Council can thus seek financial contributions via S106 obligations for all types of necessary infrastructure arising from those developments. Outside the two NNs, the main types of infrastructure for which S106 payments would still be sought from residential development would be green infrastructure/public open space and local highway works directly related to the site.

12. A number of representations seek other projects or types of infrastructure to be added to the Draft Reg 123 list or greater detail concerning new public transport. But the Reg 123 list is not a matter on which I can make any recommendation and it can be amended by the Council at any time. It is not primarily an infrastructure planning tool, which is the role of the IDP, but solely to signal what will or will not be covered by CIL. I have taken it into account, in so far as necessary, in considering the reasonableness of the assumptions concerning residual S106 contributions after CIL is introduced.

Economic viability evidence

13. The Council commissioned a CIL Viability Study (VS). The first report was in October 2012 and it was updated in April 2014 (CIL10 and 9 respectively). This work has been undertaken by consultants experienced in this type of work. References to the VS below are all to the April 2014 update. The assessment uses a residual valuation approach. For general residential development outside the NNs, the VS modelled various development typologies based on a range of sizes of sites, a range of densities, sales values and land values. Local data was used to identify three different value points (VP) for sales, plus a higher and a lower point for sensitivity testing. VP3 represents values in the villages and rural areas and VPs 2 and 3 represent the range of values within the urban areas (VS, Appendix 2). The four different benchmark land values represent: greenfield sites, low value employment and high value employment sites and existing residential land.

14. The main suite of appraisals on which the recommendations of the VS are based used a policy compliant provision of 35% affordable housing (VS, Appendices 3 and 4). Appraisals were also run for small sites below the CS affordable housing site-size thresholds (VS, Appendix 5). Section 106 costs are assumed at £3,500 per dwelling. This is reasonable given that, once CIL is introduced, public open space will be the main item remaining to be funded through S106 for most sites. Details of existing S106 contributions from specific sites and for different types of infrastructure are provided in Appendix 9 of the VS and are updated in Appendix 10 of the *Summary of Responses* (CIL2).

15. Representations in response to the publication of the DCS expressed particular concerns about some of the assumptions used in the residential appraisals, including: net to gross site areas; density; the mix of dwellings; lack of local site-specific sampling; and the greenfield threshold land value. The Council sought to respond positively to these detailed concerns. It considered further evidence to test whether the VS' original assumptions were reasonable and in some cases revised assumptions and re-ran the appraisals. The Council provided this additional work to the parties concerned about the residential rates and was open to further discussions prior to the hearing. This further work is outlined in the Council's *Summary of Responses* (CIL 2, pp13-21 and

related Appendices).

16. In my pre-hearing questions, I provided the opportunity for parties to make further comments on the Council's revised evidence, but requested that any such further comments were made in the context of a Statement of Common Ground (SCG) with the Council, summarising the main points of agreement/disagreement with the Council's evidence. Only one party submitted further comments in relation to the residential rates, but without any SCG. The main concern that was reiterated was the lack of comprehensive local benchmarking/site sampling. It was considered that the Council should have used all known site-specific data from its 16 sample sites to test viability overall, rather than using those sites only for evidence on density and mix.

17. The CIL Guidance indicates that authorities should directly sample an appropriate range of types of sites across its area in order to supplement existing data and that this exercise should focus on strategic sites on which the relevant local plan relies and on those sites where the impact of the levy on economic viability is likely to be most significant (such as brownfield sites). The VS clearly did assess the strategic sites on which the Core Strategy relies (which I consider further below). Thus the use of data from the 16 smaller sites "sampled" by the Council relates only to the small proportion of residential development that would actually be subject to CIL.

18. In my view, there is no one prescriptive way that this "direct sampling" should be addressed, particularly for non-strategic sites. Using the sample of sites to better inform the densities and mixes and using other sources for other inputs (as summarised in the table in the Council's response on this issue of 5 December 2014) seems reasonable in the context of South Gloucestershire. It is also worth noting that between 2008-2013 nearly 80% of residential development in South Gloucestershire was on greenfield sites (18% on brownfield and 2.3 % on existing residential - CIL9, 6.2). Apart from Patchway Trading Estate and Filton Airfield which are zero rated as part of the CPNN, brownfield sites might be expected to contribute only a modest proportion of the residential sites to which CIL will apply.

19. The Council accepted that some of the housing mixes used in the VS assumed too great a proportion of larger houses and thus a revised mix was used for re-appraisal. It also accepted that for development typologies involving 75 and 300 dwellings that 10% and 20% respectively should be added to the site area to reflect the fact that such larger developments typically have to accommodate open space on site. The cost of providing this open space was also added for these revised assessments.

20. The residual land values derived from the use of the Council's revised inputs on density, mix and gross areas are shown in Appendix 8 of CIL 2. This tested only value points 2 and 3 (the weaker and mid-point values) as these are most sensitive to any changes. Overall, there is some improvement in the residual values for most schemes at a density of 35 and 50 dwellings per hectare (dph), but schemes of 75 dph remain unviable. For the most part, low and medium density development of all scales is viable on greenfield land at value points 2 and 3 (and would also be for point 4). Schemes are also viable for the lower value employment land at value point 3, but only at lower densities

for the largest schemes. A few schemes would be viable with the high employment land benchmark (as would some schemes at value point 4), but no schemes are viable where the existing use value of the land is residential (which was also true of value point 4 in the original appraisals in the VS).

21. The VS assumes £350,000 per hectare is the minimum greenfield land value required for landowners to release land for development. I consider that this threshold is reasonable. It represents a very substantial uplift from agricultural value (which is around £20,000 per hectare) and it is consistent with assumptions made in other similar studies and national guidance. Land values in these types of studies should reasonably reflect the impact on value of legitimate planning requirements such as affordable housing and potential CIL, which are costs to the landowner. This may well mean that what is now a reasonable expectation for the landowner will be below historic land values.

22. Overall, I consider that the methodology and input assumptions used in the VS for general residential development, as updated and summarised in Appendix 8 of CIL2, represent appropriate evidence on which to consider residential CIL rates.

23. The VS assessed the viability of strategic sites separately from the typologies discussed above (VS, Appendix 7). For the CPNN, the assessment was based on the four main land parcels which are being brought forward by different developers for residential or residential/employment use. It is these four parcels of land (excluding some areas where no built development is proposed) which make up the three parcels identified in the DCS for CPNN. Two of the developers' land parcels adjoin each other and so have been combined on the DCS plans.

24. Three of the four parcels of the CPNN assessed in the VS show financial surpluses when assessed against the threshold greenfield land value, but the Patchway Industrial Estate shows a deficit against the threshold employment land value (VS, Appendix 7). EOHSNN also shows a surplus. The VS notes (6.12) that it was recognised at the Core Strategy Examination that there would be a funding gap for the delivery of these two new neighbourhoods. This background is amplified in the Council's *Schedule of Reponses* (CIL5, p23.) following consultation. The VS also cites (6.16) various practical reasons for treating the two NNs differently from residential development elsewhere. Whilst precise cost details are not provided, the IDP demonstrates the very substantial infrastructure funding that is required (eg at least £50m for new schools at CPNN and £17m at EOHS - p27 of the evidence on education within the IDP).

25. The developers of the NNs dispute some of the assumptions in the VS for the NNs and consider that funding infrastructure will be even more challenging than implied by the surpluses in the VS. I accept that the VS may well have overestimated these surpluses because it has not applied the land cost to the total area that the developers have had to acquire to deliver the NNs. However, any such revised inputs would only reinforce the conclusion made in the VS that these NNs cannot support a CIL charge. There is no evidence to suggest that the NNs could deliver all the infrastructure required by these large and complex developments as well as pay a CIL charge. Accordingly,

there is no need to explore further the detailed cost assumptions made for the NNs in the VS. The Council and lead Consortium for the development of the CPNN have agreed that the valuation assumptions used in the VS would not be relied on in the detailed negotiations of S106 agreements and on this basis the Consortium have not pursued its concerns on these points.

26. In practical terms, substantial parts of the CPNN may well have received planning permission by the time CIL comes into effect (table of progress in Council's pre-hearing statement). The nil rate is justified on viability grounds and will also enable the on-going and detailed negotiations on funding infrastructure between the Council and the four leading developers to continue without the significant change that a CIL charge would introduce. This provides the best context for ensuring continued good progress on the delivery of the CPNN and the timely delivery of essential infrastructure.

27. I am satisfied that there are no other equivalent large strategic sites that need to be considered for a nil rate as the other major allocations in the CS have already been granted planning permission.

28. For non-residential types of development, the VS undertook appraisals for: retail warehouses; offices - prime and secondary locations; supermarkets; hotel; industrial; student housing; comparison retailing; convenience store; shopping centre - prime and secondary locations; and car dealerships (VS, Appendix 8). Only the industrial appraisals showed no ability to accommodate a CIL levy.

29. The assessments for hotels and student housing were based on what the VS considers to be areas where demand (and thus returns/value) for new build projects would be strongest, namely within the most accessible parts of the urban area south of the M4/5 and within the Ring Road to the east. These areas are also closest to the universities to support any demand for student housing. This is the area which is identified in the DCS as the *prime location* for non-residential development. There is little or no recent local data for these types of development and thus the VS is making a valuation judgement, but for the reasons given, this is a justified, viability based, approach. The VS also considers that this would be the area where the office market was strongest and there is evidence to support a distinction between these prime locations and elsewhere (VS, 7.9.4).

30. Only the shopping centre assessments were challenged with alternative viability evidence in the context of The Mall regional shopping centre at Cribbs Causeway. I consider that matter further in the next section.

Conclusion

31. The DCS is supported by detailed evidence of community infrastructure needs and the viability of a range of different types of development. Subject to my further consideration of the evidence in relation to shopping centres below, I consider that the evidence which has been used to inform the Draft Charging Schedule is robust, proportionate and appropriate.

Are the charging rates informed by and consistent with the evidence? Would they put the overall development of the area at serious risk?

32. The VS sets out the recommended rates in the Table at 10.1. The DCS has adopted all the recommendations. I consider that the different rates for residential sites within the urban areas (as defined in the DCS) and the rest of South Gloucestershire and the higher rates for the sites not having to contribute to affordable housing are justified by the viability evidence. Whilst some types of residential development either with the highest densities or with the highest existing use value are not viable, CIL would represent only a small proportion of the gross development value (VS, 8.9) and for most such sites would not be critical in determining whether or not they proceed.

33. The VS does not specifically highlight the extent to which the recommended rates incorporate viability "buffers" or "cushions" compared with rates that would be at the margins of viability. However, the summary table of the original outcomes of all the different modelled typologies, VS (appendices 3 and 4, CIL9) shows that only a small proportion of those modelled residual land values come within 10% of the threshold land values in those case where there was viability. Most of the viable scenarios show a residual land value considerably above the threshold. This evidence indicates that the rates are not set at the margin of viability in most circumstances.

34. In relation to the striking of the appropriate balance is it important also to bear in mind that the sites to which CIL would apply represent only about 7% (including the affordable housing element on the sites) of the total housing to be delivered over the plan period. Bearing in mind that the CIL will be kept under review (see below), I am satisfied that it would not put residential development required by the development plan at serious risk.

35. Other than in relation to The Mall, there is no alternative viability evidence which challenges the rates proposed for non-residential development or the differentiation between prime and non-prime locations. I consider that these are justified on the evidence available and would not put these types of development at serious risk. It is important to bear in mind that these rates do not apply within the defined NNs and would thus not impact on the development of the non-residential elements of these comprehensive development (eg retail or leisure to meet new local needs).

36. The VS recommends and the DCS proposes a rate of £10 for all other development not otherwise defined in the Schedule (but excluding public infrastructure). The VS has not tested the viability of any development which might fall into this category. However, I am satisfied that this rate is justified and would not put at serious risk the development of the area. The rate is low and would be unlikely to be a significant factor in determining the viability of most "other" development. All the main types of development required by the CS have been tested and are subject to bespoke rates, including nil rates. So the development of the area is unlikely to rely on any particular "other" development project. Given the need to fund infrastructure, I consider that the appropriate balance has been struck in this regard.

37. I turn now to the two remaining contentious matters concerning The Mall - the exclusion of The Mall from the areas defined in DCS for the CPNN and the

appropriateness of the prime "shopping centre" model tested in the VS.

The geographic definition of New Neighbourhoods (NNs) with a nil CIL rate

38. As already explained, the three parcels identified in the DCS for CPNN are based on the four separate developer land parcels which are being brought forward for this project and which were the subject of viability testing in the VS. Two of the developers' land parcels adjoin each other and so have been combined on the DCS plans.

39. CS policy CS26 proposes the CPNN and sets out the scale and type of development that is to be delivered. Fig 6 of the CS is the Framework Diagram for the policy. The *Development Area* highlighted on this Diagram includes more land than the land parcels assessed in the VS and now identified in the DCS. Excluded from the latter is The Mall shopping centre, its car parks and the other commercial uses which surround it. I see no reason in principle why the areas assessed and subsequently identified as the nil rate zones for the CPNN have to correspond with the total development area shown in Fig 6. The relevant question is whether the areas so identified are those which relate to the delivery of the main requirements of the policy.

40. Policy CS26 refers to a Supplementary Planning Document (SPD) as the delivery mechanism to ensure that the required development is comprehensively planned and delivered. The *CPNN Development Framework* SPD was adopted by the Council in March 2014. Whilst it applies to the same overall area as identified in Fig 6 of the CS, it is clear from its Framework Diagram (pp18-19) that the areas required to deliver the new residential neighbourhoods, employment land and local centres (which will include retail for the needs of the new communities) are confined to the areas identified in the DCS and do not encompass the land around The Mall. The Council has confirmed that the areas identified in the DCS are those where the required number of houses and related development will be delivered (see Council's response to my pre-hearing questions). The areas identified in the DCS as constituting the CPNN are therefore logical and justified.

41. The area defined in the DCS for the nil rate at EOHSNN corresponds with the red line boundary north of the Ring Road shown in Fig 7 of the CS which illustrates the area to which policy CS27 applies. The land south of the Ring Road is shown in the Framework Diagram solely as *public open space and GI opportunity area*. The Consultation Draft *EOHSNN Development Framework SPD* June 2014 confirms that all new built development is north of the Ring Road and would be accommodated within the boundary of the nil zone shown in the DCS. This boundary is thus also logical and justified.

The Mall and the retail rate

42. The main challenge to the retail rate is from the owners of The Mall shopping centre. I have addressed above their concern that The Mall has been excluded from the nil-rated CPNN area. Thus any new additional retail expansion of The Mall would be subject to the prime retail rate of £160.

43. The VS tested a "shopping centre" development based on the addition of a single new unit to a centre in prime and non-prime locations and found such

proposals viable and capable of withstanding the CIL charge. I accept, however, that a large extension of The Mall, such as appears to be currently contemplated by the owners, would require a more bespoke valuation assessment because of its size and complexity.

44. I recognise that in undertaking the VS the consultants had very little local appropriate data for a shopping centre expansion and thus had to draw on generalised data from elsewhere. Nevertheless, the subsequent evidence submitted by the owners of The Mall strongly suggests that some of the inputs appropriate to test the viability of such a scheme are materially different to those used in the VS's shopping centre model and would not result in such a favourable assessment. On the evidence before me, I cannot be satisfied that the proposed prime retail rate would not put at risk a large retail expansion of The Mall shopping centre. However, for the reasons given below, I am satisfied that, in the short term at least, any such risk would not undermine the development of the area in accordance with the current development plan, and that possible proposals for The Mall do not need to be tested further at this time.

45. Despite its size, The Mall is at the bottom of the retail hierarchy defined in CS policy CS14. Any retail development here would currently be assessed on the basis of the location being "out of centre". The CS (9.26) explicitly postponed to a later plan (either the Policy, Sites and Places Plan or the replacement Core Strategy/Local Plan) consideration of the scope to permit additional retail development at The Mall.

46. The CS (CS14) does identify a need for a substantial scale of new comparison floorspace over the plan period, but there is currently no development plan support for any significant part of this to be located at The Mall. The Council has published a first draft of its Policy, Sites and Places Plan which seeks to accommodate about half of the required comparison floorspace within existing centres (see *Statement of Common Ground* between the Council and The Mall parties). However, given the early stage that this plan has reached, it would be premature to assume that most of the remaining need would have to be accommodated by a large expansion of The Mall. That is a decision which should be determined through the adoption of a future development plan.

47. The Council continues to be committed to a full review of the local plan by 2018 and regards this as the vehicle to consider major expansion of The Mall in the wider context of the longer term planning of the area. It is not the role of this CIL Examination to speculate on the outcome of such future development plan reviews. The Council also recognises the need to keep CIL rates under review and would certainly need to review them to take account of a new local plan. Review is the appropriate mechanism to ensure that, over the longer term, the CIL rates do not put the plan-led development of the area at serious risk.

48. There is no other detailed evidence challenging the retail rates. They accord with the recommendations made in the VS. I consider that they are justified and would not, in the short term, put at risk retail development which accords with the development plan.

Conclusion

49. In setting the CIL charging rate the Council has had regard to detailed evidence on infrastructure planning and the economic viability evidence of the development market in South Gloucestershire. The Council has tried to be realistic in terms of achieving a reasonable level of income to address an acknowledged gap in infrastructure funding, while ensuring that a range of development remains viable across the authority's area. It will be appropriate to consider any revision to the charges as subsequent development plan documents come to be adopted and if there are significant changes in likely costs and values to those assumed in the Viability Study.

50. I highlighted in the introduction to the report two clarifications which are required to the DCS and which are accepted by the Council. These are, firstly, a revised plan to make clear that the prime locations do not cover the new neighbourhoods where the nil rate is intended to apply to all types of development. Secondly, an additional footnote to be inserted in the Schedule to add the numerical thresholds which apply to the references in the Schedule to: *small sites that fall below affordable housing threshold*.

LEGAL REQUIREMENTS	
National Policy/Guidance	The Charging Schedule complies with national policy/guidance.
2008 Planning Act and 2010 Regulations (as amended)	The Charging Schedule complies with the Act and the Regulations, including in respect of the statutory processes and public consultation, consistency with the adopted Core Strategy and Infrastructure Delivery Plan and is supported by an adequate financial appraisal.

51. I conclude that subject to the modifications set out in the Appendix below, the South Gloucestershire Community Infrastructure Levy Charging Schedule satisfies the requirements of Section 212 of the 2008 Act and meets the criteria for viability in the 2010 Regulations (as amended). I therefore recommend that the Charging Schedule be approved.

Simon Emerson

Examiner

Appendix - Recommended Modifications

1. Insert in Appendix A of the Draft Charging Schedule an additional footnote referenced to the two lines in the Schedule which refer to *small sites that fall below affordable housing threshold*, as follows:

> *Affordable housing threshold means 10 units or below in urban areas and 5 units or below in rural areas in accordance with Policy CS18 of the Core Strategy, applied taking account of the NPPG revision (ID: 236-012-20141128) dated 28/11/14.*

2. Replace the plan on p10 of the Draft Charging Schedule (*CIL – Prime Locations*) with plan of the same title accompanying this report.

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