



The Planning Inspectorate

Report to Warwick District Council

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an Examiner appointed by the Council

Date: 23 October 2017

PLANNING ACT 2008 (AS AMENDED)

SECTION 212(2)

REPORT ON THE EXAMINATION OF THE DRAFT WARWICK DISTRICT COUNCIL COMMUNITY INFRASTRUCTURE LEVY (CIL) CHARGING SCHEDULE

Charging Schedule submitted for examination on 28 April 2017

Examination hearing held on 6 July 2017

File Ref: PINS/T3725/429/6

Non Technical Summary

This report concludes that the Warwick District Council 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.

Three modifications are needed to meet the statutory requirements. These can be summarised as follows:

- Clarification of the application of retail charging rates.
- Inclusion of Leamington Prime Retail Zone on the zoning map.
- Inclusion of Hampton Magna within residential charging zone A, as originally proposed in the draft charging schedule.

The specified modifications recommended in this report are based on matters discussed during the public hearing session and do not significantly alter the basis of the Council's overall approach or the appropriate balance achieved.

Introduction

1. This report contains my assessment of the Warwick District Council 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.
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, for which a hearing session was held on 6 July 2017, is the submitted schedule of 28 April 2017 together with modifications that were the subject of a post-submission consultation exercise between 19 May and 16 June 2017. To be clear, it is the schedule as proposed to be modified in the Statement of Modifications issued in May 2017 that is the subject of this examination.
3. The May 2017 post-submission modifications included a number of changes to the document that was published for public consultation in January 2017 under regulation 16(2) of the Community Infrastructure Levy (CIL) Regulations 2010 (as amended). In summary these are as follows:
 - § Listing the strategic housing sites within which a specific charge will be levied for residential development.
 - § Amending the zoning map to identify the strategic housing sites.

- § Amending the zoning map to include land to the west of the A46 at Hampton Magna within zone D rather than zone A. Although this change had been included in the submission charging schedule and zoning map as a change from the January 2017 version, it had not itself been subject to consultation before May 2017.
4. In terms of residential development outside five designated strategic sites the Council proposes three charging rates as follows: zone A ('Warwick, East Leamington and lower value rural') £70/square metre (sqm); zones B & D ('much of Leamington, Whitnash and high value rural') £195/sqm; and zone C (Kenilworth) £140/sqm. Residential development in the five strategic sites is proposed to be charged separately, with charges ranging from nil (site HO3 East of Whitnash) to £55 (site H42 Westwood Heath and site H43 Kings Hill). A single charge of £100/sqm is proposed to be applied to student housing across the whole District.
 5. A charging rate of £105/sqm for 'convenience based supermarkets, superstores and retail parks' is proposed across the whole District. Within the prime retail area of Leamington, a charge of £65/sqm is proposed for retail development. Outside that area, a nil charge is proposed for retail development other than 'convenience based supermarkets, superstores and retail parks' as already stated. A nil charge is also proposed for hotels, offices, industrial and warehousing and all other uses across the whole District.
 6. The Council accepts, first, that the prime retail area of Leamington should be identified on the zoning map – as it represents a separate charging area – and, second, that the descriptions of the above-noted retail uses require amending in order to remove ambiguity about their application. I recommend modifications accordingly [EM1-2], to which I return below. These changes were the subject of further consultation period between 24 July and 28 August 2017, during which time other new information prepared by the Council was also available for comment. I have taken the responses to that consultation exercise into account, along with subsequent correspondence on specific issues discussed below, in preparing this report.

Is the charging schedule supported by background documents containing appropriate available evidence? Are the charging rates informed by and consistent with the evidence?

Infrastructure planning evidence

7. The Warwick District Local Plan (LP) has been recently examined and was adopted in September 2017. This sets out the main elements of growth that will need to be supported by further infrastructure in the District. An updated Infrastructure Delivery Plan (IDP) was published in May 2017, containing the key infrastructure requirements needed to support the LP along with the anticipated sources of funding. Following my questions on this matter, the Council clarified its position in a pre-hearing written exchange¹, with updates to both the IDP and the Regulation 123 list.
8. Several key infrastructure elements, notably a number of major road

¹ Notably documents PC1 and PC1B.

improvements on the A452 Europa Way and Leamington to Kenilworth Corridors and significant expenditure on new schools (for example at Kings Hill and the south of Warwick), are not expected to be funded through CIL. The main funding sources for these are anticipated as being section 106/section 278 agreements together with external funding.

9. Nevertheless, the overall infrastructure package – which includes other transport works (for example in Leamington South and town centre strategies in Leamington, Warwick and Kenilworth), various sustainable transport schemes, other educational provision, health services, recreational and cultural provision, the emergency services, community facilities and green infrastructure – clearly exceeds the likely levels of funding. A total funding gap of £102,923,100 to 2029 has been identified, against which it is anticipated that the proposed CIL charge would yield some £60,950,000.
10. In the light of the information provided, the proposed charge would therefore make a significant contribution towards filling the likely funding gap. The figures demonstrate the need to levy CIL.

Economic viability evidence – Residential

11. The Council has commissioned a number of viability assessments, the most significant being the CIL Viability Study 2016 Update (the 2016 VS) and the Local Plan Additional Site Options Viability Assessment (November 2015) – the 2015 ASOVA. As set out below, additional assessments have been undertaken during the course of this examination. The assessments use a residual valuation approach, incorporating standard assumptions for a range of factors such as residential and commercial sales values, profit levels and building costs (including where appropriate, an allowance for sustainable design). Sales values are based on evidence of transacted properties in the area and properties on the market at the time of the relevant assessment.
12. Development costs are sourced from the RICS Building Cost Information Service (BCIS), with a weighting applied to adjust the costs to reflect local circumstances and an additional allowance made for external works (15% of base cost). Unit sizes appropriately accord with the Nationally Described Space Standard. A 6% allowance is added to meet sustainability requirements: however, this exceeds actual costs following the review of housing standards. A further 5% allowance is added for contingency. The adoption of allowances for professional fees of 10% for general housing sites and 12% for strategic sites appear to be conservative.
13. Although some of these assumptions have been challenged, I consider them to be reasonable and adequately justified. In particular, I agree with the Council that there is no need for abnormal costs to be assumed in such generalised appraisals: such costs are, by definition, not a normal expectation in developments and it is therefore reasonable for them to be reflected in the land value. I also agree that the assumed developer profit levels (of 20% on private housing and 6% on affordable housing) are in line with other similar exercises, including CIL and Local Plan viability testing.
14. The Council's general approach has been to test the residual value of a range of sites against the existing benchmark value plus a premium. The 2016 VS

adopts a range of benchmark land values² and applies a blanket 20% premium as an 'average'. In principle this approach accords with normal practice and is in line with national policy guidance. However, concern has been raised by several representors about the benchmark land values that have been adopted by the 2016 VS in respect of residential development. In particular, it is argued that the benchmark land values that have been applied to greenfield land are unrealistic for strategic sites within the district.

15. In response, the Council states that the relevant assumptions are derived from DCLG research on land values. The two ends of the resulting range have been adopted for the appraisals. The Council comments that these figures represent an uplift of some 11-16 times existing agricultural land values. As already noted, an additional 20% premium has been applied.
16. I note the evidence that has been supplied about recent land transactions in the district. However, market values may well build in unrealistic future expectations – for example in respect of the need to make contributions towards CIL or affordable housing. National planning practice guidance is clear that estimated land values should reflect such policy requirements, as well as providing a competitive return to willing developers. While the Harman Report³ accepts that market values can provide a useful 'sense check' on the threshold values that are being used in valuation models, it does not recommend that these are used as the basis for inputs to such models. I see no reason to depart from this approach.
17. Taking these matters together, and bearing in mind the degree of uplift over agricultural land values, I am satisfied that the benchmark land values that have been adopted in the 2016 VS are appropriate and suitably robust for this exercise. While there is also criticism that this assessment has not taken into account varying land values across the district, it seems to me that a proportionate approach has been followed that recognises the likely limitations on available data.
18. Allowance is made for £1,500 per unit on residential developments to address any residual Section 106 costs. This figure rises to £13,000 in respect of those strategic sites that were tested in the 2016 VS. The derivation of these figures is not clearly explained within the 2016 VS and, following the hearing session, the Council has submitted additional evidence in this regard⁴. This reviews the direct financial costs associated with Section 106 agreements that have been drafted since 2011 for proposals involving class C3 dwelling houses. Contributions relating to affordable housing are excluded. The Council has excluded Section 278 contributions from this analysis on the grounds that these relate to site specific works that are necessary to release the development potential of any particular site. In the Council's view, these should therefore bear upon the land value of the site. I have no reason to disagree with this approach. Furthermore, the scale of such costs depends very much on the particular circumstances of the development concerned.

² These are: commercial sites - £1.05m/ha; former community sites - £0.5m/ha; greenfield (high end of range) - £0.37/ha; greenfield (low end of range) - £0.25m/ha.

³ Local Housing Delivery Group: *Viability Testing for Local Plans: Advice for planning practitioners* (June 2012).

⁴ Documents CIL21, CIL21a and CIL21b.

19. The above evidence shows that Section 106 costs associated with strategic sites range from £8,696 to £25,119 per dwelling with an average cost of £16,643 per dwelling. Taking into account those matters identified in the Regulation 123 list, I am satisfied that, subject to my comments below about the Kings Hill site, the estimate of residual Section 106 costs of £13,000 per dwelling for strategic sites is soundly based if highways and education costs are included in full – which can be anticipated given the likely scale of on-site infrastructure associated with such proposals. In response to my questions, the Council has provided further clarification about its intended split between CIL and section 106 funding for strategic and non-strategic sites⁵.
20. Particular concern in this regard has been voiced in respect of the largest of the strategic sites (Kings Hill, up to 4,000 units). The Council has clarified its position on this site in an exchange of documents subsequent to the hearing⁶. Notwithstanding its earlier written comments, it now explains that the viability of the Kings Hill site was tested with an assumption of residual section 106 contributions (i.e. excluding CIL payments) of £60,450,000 – equivalent to £15,135 per dwelling, rather than the £13,000 assumed in the 2016 VS for other strategic sites. Adding in the likely yield from CIL (at £55/sqm) gives a total infrastructure contribution assumption of £73,080,000 for the site – which the study shows to be viable.
21. Subsequent to the examination hearing, the Council and the site's developer agreed a list of infrastructure cost assumptions⁷ totalling £69.2m to £72.2m – the uncertainty relating to the scale of highway contributions likely to be required by the neighbouring authority (Coventry City Council). Excluding CIL payments this equates to a residual section 106 contribution of, at most, £14,350 per dwelling. These figures do not exceed the assumptions that were subject to viability testing. As such, I am satisfied that the £55/sqm charging rate for that site, which represents a reduction from the figure originally proposed, is adequately justified.
22. Actual Section 106 costs for smaller housing sites (below 300 dwellings) have been extremely variable – ranging from nil to £17,359 per dwelling. After taking off those items that would be covered by CIL, the Council's analysis suggests that the £1,500 per unit estimate is likely to be an overestimate of the actual residual Section 106 costs for sites below 50 dwellings. As such, their viability may be stronger than initially suggested. For schemes between 50 and 100 dwellings, it is assumed that education contributions and most highway contributions (excluding those related to localised improvements) are likely to be covered by CIL. As such, it concludes that the £1,500 per unit estimate is also soundly based. I agree with both of these assessments.
23. Assessing historical data on residual costs associated with larger residential developments (between 100 and 300 dwellings) has proved more complex, as an assessment is needed of how such costs would have been met had CIL have been in place. The Council's figures show that the £1,500 figure is well within the range of actual contributions if highways and education costs are excluded, but would be a significant underestimate if such costs are included.

⁵ Document CIL24c.

⁶ Documents CIL24, CIL24a-d.

⁷ Document CIL24c, paragraph 10.

On balance, I consider that the combination of Regulation 123 schemes and the effect of pooling restrictions is likely to limit the requirement for any such contributions to addressing localised impacts. Nevertheless, it is likely that some contributions could exceed the £1,500 figure. As such, some caution should be applied to the relevant outputs in respect of these schemes. However, it is noted that relevant policies allow for flexibility in the negotiation of such agreements in respect of matters including scheme viability.

24. The 2016 VS tested nine residential development typologies, the largest being greenfield schemes of 75 houses and an urban site of 100 flats. Five specific strategic sites were tested, ranging from 319 to 1,165 dwellings. Concern was raised by various representors that this effectively resulted in an absence of viability testing for sites between 100 and 319 units in size, particularly as different assumptions had been made for the strategic sites, as already discussed.
25. At the hearing session, the Council acknowledged this concern. It has now prepared additional appraisals for residential schemes of 150 and 250 units on greenfield and brownfield sites⁸. Inputs have remained broadly similar to those in the 2016 VS, with changes being made only in respect of build periods and unit mixes. In summary, these appraisals show that the capacity of sites on that scale to absorb the proposed CIL rates is no different to other site typologies that were previously tested.
26. In both the 2016 VS and the more recent work on larger residential sites, the respective typologies were tested over five areas across the four benchmark land values already discussed. Subject to my comments below about the definition of zones A and D at Hampton Magna, I am satisfied that this provides an adequately fine-grained approach in respect of assessing development viability in the various zones. In particular, the evidence in respect of the differential in residential sales values is sufficient to justify the adoption of three separate charging areas for residential development. Although two zones (B and D) set the same rate for such development – and could therefore in practice be combined – I recognise that this relates to the way in which the schedule has evolved over time. It is not necessary for this to be changed in order to meet the statutory requirements.
27. Some concern has been raised that the differentials between proposed residential charging rates in different zones do not mirror the degree of difference in sales values between such zones. However, there is no requirement in the Regulations for rates to achieve a particular degree of correlation with sales values. As already described, the requirement is (in summary) for the charging authority to set an appropriate balance between the desirability of funding infrastructure from CIL (in whole or in part) and the potential effects of the imposition of CIL on the economic viability of development in its area.
28. Prior to the submission of the charging schedule for examination, the Council proposed an amendment to the zoning map to include land to the west of the A46 at Hampton Magna within zone D rather than zone A. This was included in the post-submission statement of modifications (May 2017). The

⁸ Documents CIL22, CIL22a and CIL22b.

amendment, which was made following representations from the Parish Council, is based on a view that premium values have been achieved wherever land has been made available for development, although such opportunities have been restricted by the presence of Green Belt land. In its written statement, the Council quotes a sales value figure of 'up to £3,898 per sqm' for second hand units.

29. This assumption has been challenged by a number of representors. Sales value data for Hampton Magna, which have not been substantively challenged by the Council, have been supplied which give a range of £2,066/sqm to £2,917/sqm. It is clear that the maximum value quoted by the Council represents an unusual case rather than a typical one. I note in this context that the use of a maximum sales value figure to justify this boundary change is inconsistent with the Council's reliance on average sales values in the 2016 VS (table 4.4.3).
30. Following the hearing, the Council produced an expanded version of table 4.4.3⁹ containing the range of achieved sales values for the identified zones. This enables a comparison to be made with the submitted figures for Hampton Magna. The result of this comparison is that sales values in Hampton Magna align more closely with those in Warwick and East Leamington Spa (zone A) than the higher value rural areas (zone D). Indeed even the maximum value cited by the Council is somewhat less than the lowest value in zone D.
31. I accept that the change from zone A to zone D has strong local support. Nevertheless, there is a requirement that the setting of CIL rates takes into account the potential effects on the economic viability of development. As such, it is essential that zone boundaries are set with regard to, and consistent with, economic viability evidence. I recommend a modification accordingly **[EM3]**.

Economic viability evidence - Commercial

32. The 2016 VS appraises a series of hypothetical commercial developments including hotels, offices, industry/warehouses and retail. In respect of retail, three separate appraisals have been undertaken, relating to developments in the Prime Retail Area of Leamington Spa, developments elsewhere in the District and superstores/retail parks. I am satisfied that the assumptions underlying these assessments¹⁰ are reasonably based.
33. As already noted, the Council proposes a clarification to the definition of the suggested retail charging rates, replacing the definition of 'convenience-based supermarkets, superstores and retail parks' – which had been the subject of some criticism – with the adoption of 2,500 sqm threshold, which is broadly consistent with the 30,000 square feet (2,787 sqm) size of the larger retail category ('retail – superstores, retail parks') that was subject to viability testing. This change has been recommended above to provide clarification.
34. However, I agree with a representor that the intended addition of further 'definitions and notes' is unnecessary in the light of the clarification provided

⁹ Document CIL22.

¹⁰ Summarised in table 4.41.1 of the 2016 VS.

by the amended table – which sets out differential charging rates based on floor area and location. Specifically, it is not necessary to state what retail development 'will include' as the terms of Use Class A1 are already clear. This additional wording, which was proposed by the Council in the post-hearing consultation, has not been included within my recommended modification.

Conclusion

35. The draft charging schedule is supported by detailed evidence of community infrastructure needs and economic viability justification. On this basis, and subject to the modifications that I recommend above, I conclude that the charging schedule is supported by background documents containing appropriate available evidence and that the charging rates are informed by and consistent with the evidence.

Does the evidence demonstrate that the proposed charging rates would not put the overall development of the area at serious risk?

Residential Development - general

36. As already noted, three charging rates are proposed for residential development excluding the strategic sites. In the majority of the site typologies that were tested in the 2016 VS and the additional work noted above, the studies showed that a higher charging rate (£220-£300/sqm) could be achieved than the maximum that is now proposed (£195/sqm in zones B and D). In general terms, this provides an indication that the respective charges are not being set at the margin of viability. I am satisfied that the variation in charging rates between the different charging areas is justified by the differentials in output between the various appraisals. Concerns in respect of affordable housing delivery are discussed later in this report.
37. Viability testing in respect of the strategic sites indicates that charging rates on the above levels are likely to prove challenging. In respect of site HO3 (East of Whitnash) a nil rate is proposed. Higher rates (£25/sqm) are justified for two strategic sites at Kenilworth, while a rate of £55/sqm has been shown to be viable on sites south of Coventry at Westwood Heath and, as already discussed, Kings Hill.
38. Several parties express concern that the proposed residential charging rates, notably those for zones B and D, would be in excess of the CIL rates that are proposed or presently charged by other nearby local authorities. However, there is no legislative or policy requirement for Councils to set rates that are consistent with those of their neighbours: it is for each authority to set its own charge based upon the particular circumstances of its area and the viability evidence. In the present case I note that Warwick District achieves markedly higher house values than many other authorities in the Midlands. As already described, the proposed charging rates have been subject to viability testing. I have therefore seen no substantive evidence that differentials in charging rates between Warwick District and its neighbours would in themselves be likely to preclude developments from coming forward.

Affordable Housing

39. LP policy H2 (as adopted) seeks the provision of a minimum of 40% affordable housing in residential developments on sites of 11 or more dwellings or where the combined gross floorspace is more than 1,000 sqm. It adds that the amount of affordable housing, the form of provision, its location on the site and the means of delivery of the affordable element of the proposal will be subject to negotiation at the time of a planning application, stating that viability of the development will be a consideration in such negotiations.
40. The 2016 VS tested site viability based upon a range of affordable housing proportions (0% to 40%). These appraisals show that schemes in Leamington Spa and the higher value rural area (zones B and D) can generally sustain a CIL charge of at least the £195/sqm set out in the charging schedule, while maintaining 40% affordable provision. However, the study shows that this is more challenging in the lower value zones (A and C). In Warwick and the surrounding lower value rural areas (zone A), a more modest charging rate of £70/sqm has been set. For most site types, the appraisals show that this would be able to support affordable housing provision of some 20-30%. However, it is important to note that the appraisals also demonstrate that, in many cases, 40% affordable housing would not be viable even with a nil CIL rate. For these reasons, it does not seem to me that the proposed CIL rate would materially threaten the delivery of affordable housing in this zone.
41. In the Kenilworth area (zone C) the appraisals show that most schemes can provide 30% affordable housing at CIL charging rates of £180 to £200/sqm. The proposed rate £140/sqm would therefore not significantly affect the delivery of affordable housing in this zone. But in any event, as already discussed, the relevant LP policy allows for negotiation to take place on viability effects, as has been recognised by the examining Inspector. I am satisfied that the Council's approach in this regard is adequately justified.

Specialist Housing for the Elderly

42. Concern has been raised that the potential effects of the proposed charging rates on the viability of developments suitable for older people have not been adequately tested. In the light of these comments, I asked the Council to undertake further appraisals. These were prepared after the examination hearing and, like all of the later documentation that has been presented by the Council, were the subject of further consultation.
43. The appraisals relate to schemes of 30 and 50 units of a type provided by developers such as McCarthy & Stone and Churchill Retirement Living. The results¹¹ show retirement housing schemes to be marginally more viable than general purpose flatted developments¹². While there are some circumstances where appraisals have shown general housing to be unable to sustain 40% affordable housing provision, I have already commented on the relevant policy framework, including the scope for negotiation in appropriate circumstances. Accordingly, I am satisfied that this evidence before me does not justify the setting of a separate charging rate for this type of accommodation.

¹¹ Documents CIL22 and CIL22b.

¹² Table 6.7.9 of the 2016 VS – document CIL7.

Student Housing

44. An appraisal has been undertaken of student housing assuming a hall of residence type development with en-suite bathrooms and communal kitchens/living space. Rents charged by the University of Warwick have been assumed. The appraisal indicates that such developments could achieve a maximum CIL rate of £148/sqm. The proposed charging rate of £100/sqm, which would apply across the District, therefore includes a clear margin for viability. I have seen no substantive evidence that this would preclude such developments from coming forward. Furthermore, the 2016 VS comments that such charges would not apply to accommodation developed by the University itself, as it would benefit from exemption under Regulation 43.

Commercial Uses

45. The appraisals demonstrate that the majority of commercial uses tested would be unlikely to be able to absorb any level of CIL payment. I have seen no evidence that would cause me to take a different view. The exceptions relate to retail development in the Prime Retail Zone of Leamington Spa and to the larger retail schemes already discussed¹³. In respect of Leamington's Prime Retail Zone, the development appraisals indicate that, in viability terms, a charging rate of up to £133/sqm could be achieved at the highest current use value. The proposed charging rate of £65/sqm represents approximately half of this figure, and is therefore a conservative estimate. Nevertheless, the 2016 VS accepts that a significant proportion of development activity in this area involves the re-use of existing units. As such, it is unlikely that CIL revenues will be high from this source.
46. The effect on the viability of larger retail schemes has been tested on the basis of a 30,000 square foot development (2,787 sqm). The floorspace threshold of 2,500 sqm that the Council proposes to add to the charging schedule **[EM1]** is therefore broadly consistent with the evidence base. In addition it equates to the default floorspace threshold that the National Planning Policy Framework adopts for retail impact assessments¹⁴.
47. In terms of viability, the development appraisals indicate that a charging rate of up to £151/sqm could be achieved at the highest current use value¹⁵. While this conclusion has not been substantively challenged, concern has been raised that the charging rate set out in the draft charging schedule (£105/sqm), which represents an increase from the rate that was originally suggested, represents a higher proportion of the appraisal output figure than the figure for Leamington's Prime Retail Zone discussed above. Clearly, this would represent a smaller viability 'buffer'. However, the resulting charging rate would still be well within what the appraisals suggest could be achieved without adversely affecting scheme viability. Furthermore, the resulting proportion would not be dissimilar to that adopted for other uses by the 2016 VS – for example student housing, as discussed above. It does not therefore

¹³ The 2016 VS lists student housing under 'commercial uses'. However I have grouped this use with my consideration of residential developments.

¹⁴ National Planning Policy Framework, paragraph 26.

¹⁵ The Council has confirmed that the reference to 'lowest' current use value in paragraph 6.40 of the 2016 VS represents an error.

seem to me that the proposed charging rate for larger retail developments would be at the margins of viability.

Conclusion

48. I conclude that the evidence demonstrates that, subject to the recommended modifications, the proposed charging rates would not put the overall development of the area at serious risk.

Other Matters

49. All of the written representations in respect of the draft charging schedule have been considered. Some of these relate to matters that are not within the scope of this examination, including comments about the draft Regulation 123 list of infrastructure to be funded by CIL.

Conclusion

50. In setting the CIL charging rates the Council has had regard to detailed evidence on infrastructure planning and the economic viability evidence of the development market in Warwick District. 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 Council area.

LEGAL REQUIREMENTS	
National Policy/Guidance	The Charging Schedule complies with national policy and 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 Local Plan and Infrastructure Delivery Plan and is supported by an adequate financial appraisal.

51. I conclude that subject to the modifications set out in Appendix A the Warwick District Council 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.

M J Hetherington

EXAMINER

This report is accompanied by:

Appendix A (attached) – Modifications that the examiner specifies so that the Charging Schedule may be approved.

Appendix A

Modifications specified by the examiner so that the Charging Schedule may be approved

These modifications apply to the Draft Charging Schedule (CIL1) as modified by the Statement of Modifications (May 2017).

Modification EM1

Delete table titled 'Type of Development: Retail' and replace with the following:

Type of Development: Retail	
Retail Floorspace	Charge per square metre
Retail development up to 2500 square metres floorspace within Leamington Prime Retail Zone	£65
Retail development up to 2500 square metres floorspace outside Leamington Prime Retail Zone	Nil
Retail Development 2500 square metres floorspace or over - whole District	£105

Modification EM2

Add zoning map showing the Leamington Prime Retail Zone as defined in document CIL23.

Modification EM3

Amend zoning map at Hampton Magna to include the "white area" shown on the version of the zoning map dated 6 April 2017 and Local Plan housing allocation H51 within Zone A rather than Zone D.