



Stevenage Draft CIL Charging Schedule 2025

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1.0 INTRODUCTION

What is the Community Infrastructure Levy?

- 1.1 The Community Infrastructure Levy (CIL) is a charge that a Local Authority can apply to developers who are constructing additional floorspace. The CIL money that is collected by an authority can be spent on infrastructure which is necessary to support proposed growth in their area. This could involve schemes involving education, transport, community facilities, parks and leisure or other projects which are needed as a result of development taking place. The governance of spending CIL money will be developed in the coming months.
- 1.2 CIL was approved by the Council on 29 January 2020 and come into effect in Stevenage on 01 April 2020.
- 1.3 Any applications granted permission on or after 1 April 2020 may be liable to pay a CIL charge.

How is CIL charged?

- 1.3 CIL is charged per square meter of additional floorspace in new development. The charge is calculated based on the type, size and location of the proposed development.
- 1.4 Details of the CIL charges for different types and locations of development in Stevenage can be found in the adopted CIL Charging Schedule above.
- 1.5 Whilst the CIL charge is non-negotiable, some developments will include floorspace that can offset the charge and many developments will be eligible for exemptions or relief in line with the CIL Regulations 2010 (as amended).

How does CIL and S106 work together?

- 1.6 Currently, financial contributions are collected through Section 106 legal agreements. CIL will not fully replace S106 obligations, they will work alongside one another. CIL is intended to provide infrastructure to support new development more generally and contributions are not tied to the location in which the development takes place, whereas S106 obligations are specifically required to make an individual planning application acceptable.
- 1.7 Unlike contributions made via S106 Agreements, CIL receipts are not earmarked for particular infrastructure related to the development from which they are raised. Instead, CIL monies are pooled into a fund which can be used for any infrastructure needed to support the development of the borough, or for strategic infrastructure needs elsewhere. The Council is responsible for allocating the money raised through CIL towards infrastructure required to support the development of the borough.

- 1.8 The CIL Regulations 2010, as amended, restrict the use of S106 obligations to ensure that developments are not charged for the same items through both S106 Agreements and the CIL. The Council is required to publish a list of infrastructure types or specific schemes that it believes will, or may, be wholly or partly funded by CIL (known as a Regulation 123 list). The Council will not be able to seek S106 contributions towards infrastructure on this list (to avoid duplicate contributions being made). The Regulation 123 list is published on the Council's website.

CIL income

- 1.9 Our CIL income is split in accordance with the regulations in the following way:
- Strategic CIL: 80% will be spent on infrastructure projects that benefit the whole borough.
 - Local CIL: 15% of CIL is required to go directly to the communities where the development will take place – as we do not have Parishes, this will be allocated to Ward Members.
 - The costs of administering CIL will be funded from the levy (up to 5% of total receipts is permitted for this use).

Collection of CIL monies

- 1.10 The responsibility to pay CIL rests with the owner of the land on which the development will be situated. However, others involved in the development can take on the liability for CIL for the development by submitting an Assumption of Liability Notice. Applicants should include this notice when submitting applications, along with a copy of a CIL Additional Information Form¹.
- 1.11 In line with the CIL regulations, the Council will issue a 'liability notice' as soon as practicable after the day on which a planning permission first permits development. The liability notice informs the applicant/landowner of the amount of CIL that they are required to pay, taking into account any relief or exemption for which the development qualifies.
- 1.12 Liability to pay CIL is triggered by the commencement of a development. The developer is required to submit a commencement notice at least 24 hours before development is due to start. The Council will then send out a demand notice, which sets out the payment due dates in line with the payment procedure. If a commencement notice is not submitted, further charges may apply and any exemptions to CIL will no longer apply.

¹ Where an applicant has not completed an Assumption of Liability Notice as part of their planning application submission, the Council will expect the developer, land owner or other interested parties to assume liability by completing an Assumption of Liability Notice where permission has been granted.

- 1.13 By default the levy must be paid within 60 days, but for schemes with phased outline permission payment will be triggered separately for each phase. The Council has chosen to adopt an Instalments Policy, which allows developers to pay their CIL charges in phased stages, in line with the Regulations 69(b)². Following the review of CIL charges, the Council has updated its instalment policy.
- 1.14 Where development commences and a liability notice has not been provided, the CIL liability defers to the landowner. If the landowner then fails to pay, the council will issue a default liability notice. If there is persistent non-compliance, the Council can take direct action to recover the amount.

Why review existing CIL charges?

- 1.15 A local authority may review their existing Community Infrastructure Levy (CIL) rate to make sure it aligns with current economic conditions, development trends, and community needs.
- 1.16 A review can help determine whether the existing rate is still effective in funding necessary infrastructure projects without deterring development. Changes in land values, construction costs, and demographic shifts could prompt a reassessment to ensure that the CIL rate remains fair and proportionate. Additionally, a review could address any legal or policy changes at national level that impact local funding mechanisms. Ultimately, regular reviews help maintain a balance between stimulating growth and providing adequate public services and amenities.

² The Community Infrastructure Levy Regulations 2010

2.0 DRAFT CHARGING SCHEDULE EVIDENCE BASE

Viability Study

- 2.1 The production of the Draft Charging Schedule has been informed by key evidence relating to infrastructure needs in the borough and economic viability of development to contribute to infrastructure through payment of CIL.
- 2.2 In 2017, Stevenage Borough Council commissioned HDH Planning & Development to undertake an assessment of the implications of the Community Infrastructure Levy. Following this, CIL was adopted by Stevenage Borough Council in 2019 and the following charging schedule applied from 01 April 2020, as detailed in table 1.

<https://www.stevenage.gov.uk/documents/planning-policy/community-infrastructure-levy-cil/cil-21042020/cil-charging-schedule.pdf>

Table 1.

Development Type	CIL Rate	
	Zone 1: Stevenage Central	Zone 2: Everywhere else
Residential		
Market Housing	£40 per m2	£100 per m2
Sheltered Housing	£100 per m2	
Extracare Housing	£40 per m2	
	Within the primary and secondary shopping areas	
Retail Development	£60 per m2	
All Other Development	£0 per m2	

- 2.3 As part of the Local Plan Review and Partial Update AspinallVerdi were appointed by Stevenage Borough Council to assess the viability and feasibility of a revised Local Plan, Community Infrastructure Levy and associated community infrastructure policies
- 2.4 The assessment conducted considers the level of CIL which could be applied to development without harming the economic viability of development across the area and is used to judge whether the planned development can viably support the proposed policy requirements. To inform this, as mentioned above, specialist consultants: AspinallVerdi were commissioned to prepare a Viability Study and associated proposed CIL rates.
- 2.5 The latest viability report considers national and regional changes to the residential market, reviews existing market evidence, new build asking prices, achieved values as well as second hand achieved market values. This evidence will be used to provide a benchmark land value (BLV).
- 2.6 The report results include a range of CIL rates based on the current CIL rates April 2020 progressing to a maximum CIL threshold across Zone 1 and 2.

3.0 INFRASTRUCTURE DELIVERY PLAN

- 3.1 Government guidance recommends that the evidence on infrastructure needs should be drawn directly from the infrastructure planning that underpins the Development Plan. The following documents, which were produced to support and inform the Local Plan, provide the evidence base for CIL:
- Stevenage Borough Infrastructure Funding Strategy, Aecom, September 2015.
 - Infrastructure Delivery Plan (IDP), SBC (most recent version is July 2022).
 - Whole Plan Viability Study including Community Infrastructure Levy, AspinallVerdi, September 2024.
- 3.2 The IDP aims to identify the infrastructure required to support future levels of growth across the town. It covers the period from 2011 - 2031, in line with the Local Plan.
- 3.3 The Infrastructure Delivery Plan covers a wide range of physical and social infrastructure including; transport, utilities, education, health, community facilities, emergency services and green infrastructure requirements. It aims to:
- Identify the current infrastructure provision within the District;
 - Identify any existing gaps in infrastructure
 - Provide an understanding of the growth that can be supported by the existing infrastructure.
 - Identify where and when additional infrastructure may be required
 - Outline the costs of such infrastructure
 - Identify how that infrastructure might be funded and delivered.
- 3.4 The IDP is a live document, which requires updating frequently to take into account changes and uncertainties in infrastructure requirements. The most recent version was adopted in 2024. It was developed following detailed discussions and consultation with infrastructure providers.
- 3.5 The paper identifies a funding requirement of around c. £222 million, as detailed in Table 2.

Table 2.

Infrastructure type	Cost (in millions)	
	Sources of funding	Funding Requirement
Mobility	<ul style="list-style-type: none"> • DfT Active Travel Funds • Developer Contributions • Town Deal • Capital Funding • LEP • Other Government funding opportunities • Network Rail 	<ul style="list-style-type: none"> • Cycling at least £32 million • Walking at least £1.4 million • Buses £10 million • Rail £40 million • Strategic road network £16 million • Local road network - a funding requirement has yet to be identified
Education	<ul style="list-style-type: none"> • Developer Contributions • Capital Funding 	<ul style="list-style-type: none"> • Primary Schools £11.8 million • New Secondary School £36.6 million (with Post 16 Provision)
Healthcare	<ul style="list-style-type: none"> • Developer Contributions • Private Finance • Transfer of Land • Dept of Health Loan 	<ul style="list-style-type: none"> • Primary Care General Practice £ tbc • Acute Services £19.8 million • Secondary Healthcare £2.6 million • Adult Social Care £ tbc
Green and Blue Infrastructure	<ul style="list-style-type: none"> • Capital Funding • Developer Contributions 	<ul style="list-style-type: none"> • £8 million
Community/leisure	<ul style="list-style-type: none"> • Developer Contributions 	<ul style="list-style-type: none"> • Community Facilities £40 million • Sports and Leisure Facilities £ tbc • Young People's Centre refurbishment and reconfiguration £3.2 million
Utilities	<ul style="list-style-type: none"> • Developer Contributions 	<ul style="list-style-type: none"> • Waste Management £500,000

- 3.6 It is important to note that our estimated CIL income (based on the CIL rates we are proposing) will not reach the level required to fund all of the infrastructure we need.
- 3.7 Initial calculations show that from our strategic sites delivery, our CIL income will bring in c. £14 million over the next 5 years, with c. £17 million to 2031 and c. £20 million to 2035. This is clearly nowhere near the funding gap of c. £222m we have identified.

4.0 RESIDENTIAL MARKET

- 4.1 The latest viability appraisal has assessed the viability of the Community Infrastructure Levy on the residential market and identify proposed an increase in CIL charge and provide an indication of the potential effects of the proposed updated levy rate on the economic viability of development within the Borough. This included a detailed testing of strategic development sites with substantial site-specific infrastructure.
- 4.2 The residential values adopted within the latest viability report are based on a detailed analysis of the local property market in Stevenage Borough and supported by a separate property market report.
- 4.3 The base construction costs have been informed by data published on the RICS Building Cost Information Service² (BCIS) and comparable schemes being delivered across the Borough.
- 4.4 We have therefore increased the values in our appraisals (see table 3) by 20 % to reflect the current position as at July 2024.

5.0 COMMERCIAL MARKET

- 5.1 In addition to the residential typologies, detailed testing was carried out on the viability of the Community Infrastructure Levy on the commercial market and propose an increase in the existing CIL charge on retail development and proposes the introduction of a new industrial charge underpinned by the indication of the potential effects of the proposed updated levy rate on the economic viability of development within the Borough.
- 5.2 The non-residential values adopted within the latest viability report are based on a detailed analysis of specific sites which are expected to come forward. In addition to a developed generic commercial typology based on the most common types of non-residential development, which have been varied subject to size and location (i.e. greenfield or brownfield).
- 5.2 We have therefore increased the values in our appraisals (see table 3) by 25% to reflect the current position as at July 2024.
- 5.3 The viability study identified the introduction of a CIL rate for industrial development. The draft schedule establishes an initial rate of £40 per m2.

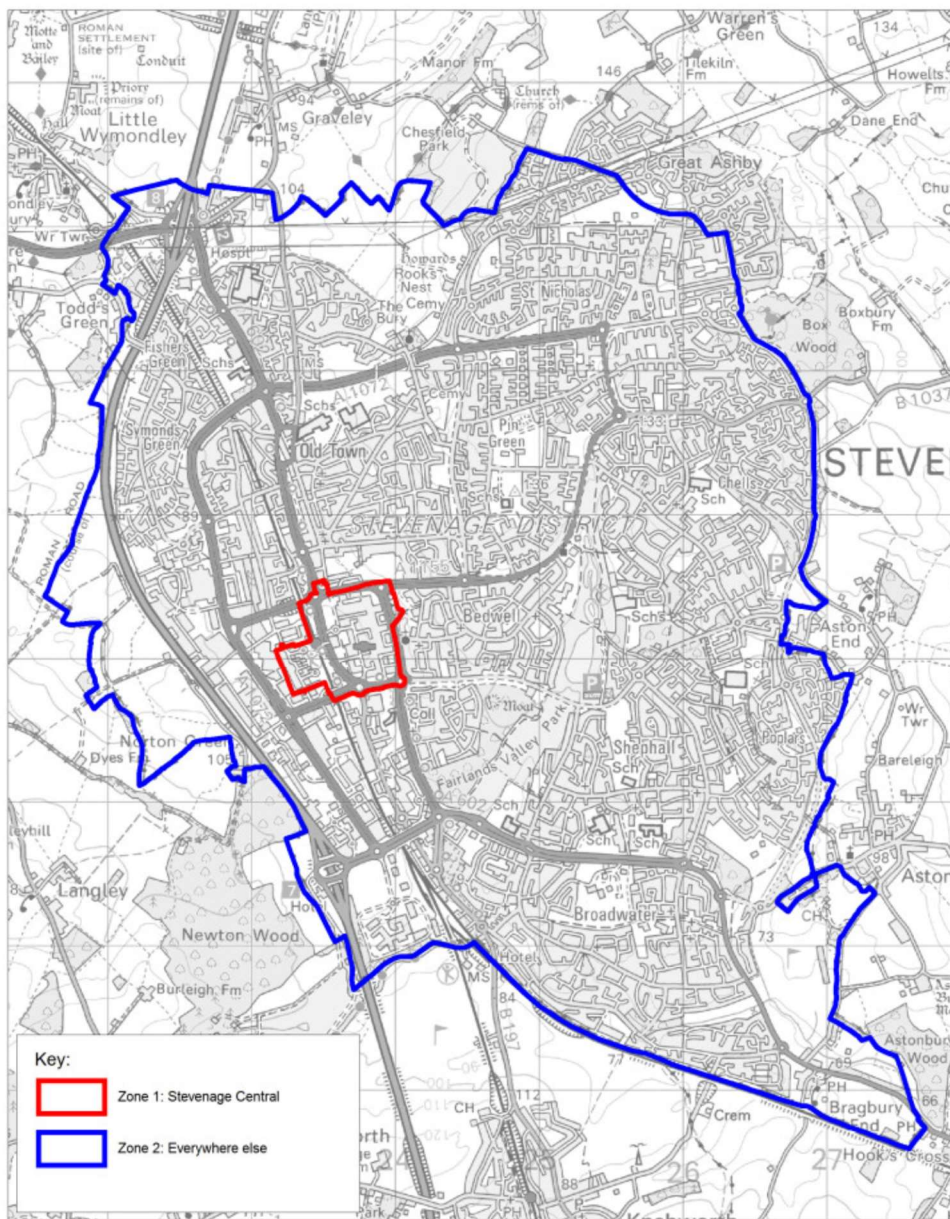
6.0 PROPOSED UPDATED LEVY RATES

- 6.1 In line with the evidence above, the table below sets out the proposed updated CIL rates for Stevenage Borough expressed as pounds per square metre. The extent of each Charging Zone is set out in the maps on the following pages.

Table 3. Proposed levy rates

Development Type	CIL Rate	
	Zone 1: Stevenage Central	Zone 2: Everywhere else
Residential		
Market Housing	£50 per m2	£120 per m2
Sheltered Housing	£120 per m2	
Extracare Housing	£50 per m2	
Retail Development	£75 per m2	
Industrial Development	£40 per m2	
All other Development	£0 per m2	

CIL Charging Zones



Zone 1: Stevenage Central



Zone 2: Everywhere else

