

**SURREY HEATH BOROUGH COUNCIL**  
**DRAFT COMMUNITY INFRASTRUCTURE LEVY (CIL) SCHEDULE**  
**EXAMINATION**  
**HEARING PROGRAMME AND IDENTIFICATION OF MAIN ISSUES**  
**AND QUESTIONS**

**1 Examiner**

- 1.1. My name is Mr Philip Staddon BSc, DipTP, MBA, MRTPI. I have been appointed to undertake an independent examination of the CIL Draft Charging Schedule (DCS) published by Surrey Heath Borough Council.

**2 Programme Officer**

- 2.1 The Programme Officer is Lynette Duncan.
- 2.2 The Programme Officer acts as an impartial officer of the examination, under my direction, and not as an employee of the Council. All procedural and administrative matters should be directed to the Programme Officer. Details of how to contact the Programme Officer are set out below:

Lynette Duncan – Surrey Heath CIL Programme Officer

Telephone: 07855 649904

Email: [lynetteljdassoc@aol.com](mailto:lynetteljdassoc@aol.com)

**3 Hearing Sessions**

- 3.1 The examination Hearing sessions will commence at 9.30 a.m. on Wednesday 19 February 2014. The Hearing is expected to conclude on that day. The venue will be the Council Chamber at Surrey Heath House, Knoll Road, Camberley GU15 3HD.
- 3.2 This link opens a map showing the location of the venue:  
<http://www.surreyheath.gov.uk/council/customercontactcentre/officelocation.htm>

Anyone needing any further information should contact the Programme Officer, Lynette Duncan (details above).

**4 Scope of the Examination and the Examiner's role**

*CIL Examination – Surrey Heath Borough Council - Issues and Questions*

- 4.1 The examination is to consider whether the Draft Community Infrastructure Levy (CIL) Charging Schedule, published by Surrey Heath Borough Council, meets the requirements of the Planning Act 2008 and the associated Regulations in respect of legal compliance and economic viability.
- 4.2 The examination of the CIL Schedule through the Hearing process will be in the form of structured 'round table' discussions. Prior to the examination Hearing, I have studied all of the submitted written evidence, background documents and representations. This has enabled me to identify what I consider to be the main issues and questions that I need to explore at the Hearing to produce my examination report.
- 4.3 The Hearing will run on a rolling programme. Each of the topic issues will be discussed in full in the order set out in Section 5 below. Breaks will be taken at suitable times mid-morning, lunchtime and mid-afternoon.
- 4.4 All Representors who have, prior to the Hearing, made requests to exercise their 'right to be heard' will be able to speak to present their views. I have, very deliberately, structured some of the Hearing sessions to allow Representors, on specific issues, to contribute in a focused manner. I have also separated the residential and commercial CIL issues to assist the examination process.
- 4.5 The Council and the Representors are not required to make further written submissions in the light of my identification of the main issues (in section 5). However, where ongoing discussions between the Council and Representors establishes greater clarity on areas of agreement and dispute, the submission of short and concise Statements of Common Ground (SOCG) are encouraged. Any further statements should be received by the Programme Officer by 12.00 noon on Friday 14 February 2014.
- 4.6 I may add to or amend the programme if I consider this to be appropriate and necessary to assist the examination. The Hearing will be open to the public and the media.

## **5 The Hearing Agenda and the Main Issues and Questions**

### **Session 1 – Introductions and Scene Setting** (brief session)

Welcome and housekeeping matters (Examiner and Programme Officer).

Overview of CIL. Brief outline of the Surrey Heath Borough Council CIL proposals. Explanation of the examination process. (Examiner).

Welcome and introductions from Surrey Heath Borough Council officers / representatives.

Introductions from Representors intending to appear.

## **Session 2 – Evidence Base – Development Plan and Infrastructure**

To assist the examination the Council will be asked to explain (briefly) its Core Strategy's approach to sustainable growth in terms of scale, type and location of housing and commercial development. I am particularly interested to hear more evidence about the strategic environmental issues and the approaches set out in Core Strategy Policy CP14A/B. The developer provision of *Suitable Alternative Natural Greenspaces (SANG)* and *Strategic Access Management and Monitoring (SAMM)* appear to be particularly relevant to the Council's approach to its CIL proposals. It is important that I understand these matters fully.

The session will then explore the following key infrastructure questions:

- **Whether the infrastructure requirements set out in the Infrastructure Delivery Plan (February 2013) are reasonable and necessary to support planned development in the area?**
- **Whether the Council's predicted infrastructure funding gap of £11.58 - £18.8 million (Core Document CIL/CD/012 Draft Charging Schedule -Technical Background Document) is reasonable and whether full account has been taken of other appropriate (non CIL) funding sources?**
- **To what extent will anticipated CIL receipts fill the infrastructure funding gap?**
- **Whether the Draft Regulation 123 List is sufficiently comprehensive and clear on the use of CIL receipts, and whether the residual role for S106 Planning Obligations is clear?**

## **Session 3 – Viability Evidence and Modelling - Residential**

In this session, I will ask the Council to give a (brief) overview of the viability work they have undertaken and a simple explanation of how the viability model works.

This session will then explore the source and robustness of some of the assumptions used in the viability modelling. I do not intend to examine, through the Hearing, all of the model assumptions, as many are uncontested and well covered in the written submissions. However, I do wish to explore, with the Council and Representors, those areas where there have been some challenges and / or I have some questions and clarifications. These areas are:

- Land values
- Residential sales values
- Affordable housing
- Profit level allowances (on market and affordable housing)
- Suitable Alternative Natural Greenspaces (SANG) and Strategic Access Management and Monitoring (SAMM) allowances
- Site specific infrastructure costs (S.106 and S.278)

#### **Session 4 – Residential Charging Zones and Proposed CIL Rates**

Having tested the robustness of the residential evidence, this session will explore how that evidence has been used to inform the Council's CIL proposals. The session will explore the following key questions:

- **Has the viability testing included a good range of development sites that reflect the variety of residential developments that are anticipated to meet the Core Strategy's housing requirements?**
- **Does the viability evidence support the differentiation between the Western Charging Zone (£180 / £55 psm) and the Eastern Charging Zone (£220 / £95 psm)?**
- **Does the viability evidence support the differentiation of the Princess Royal Barracks Charging Zone (where a £0 CIL rate is proposed)?**
- **Does the viability evidence support a differentiated approach based on whether or not a development makes its own provision for SANG? Furthermore, if the SANG differentiation is supported, are the different CIL rates (with / without own SANG) informed by and consistent with the evidence?**
- **In setting the draft CIL charges what allowances have been made for viability 'buffers' and are the viability buffers sufficient to allow for the variability of schemes across the charging zones?**
- **Overall, do the private housing CIL charges constitute a reasonable proportion of development costs?**
- **Do the CIL charging proposals impact disproportionately on sheltered / retirement housing types?**

### **Session 5 – Viability Evidence and Modelling – Commercial**

The Council has made a range of assumptions that have been used in its assessment of viability on different commercial developments. There have been some challenges to the assumptions made, particularly in terms of supermarket development.

This session will explore the source and robustness of some of the assumptions used in the viability modelling. I do not intend examining, through the Hearing, all of the model assumptions. However, I do wish to explore, with the Council and Representatives, those areas where there have been some challenges and / or I have some questions and clarifications. These areas are:

- Land values for commercial development
- Rents and yields
- Site specific infrastructure costs (S.106 and S.278)
- Costs involved in obtaining planning permission

### **Session 6 – Commercial Charging Zones and Proposed CIL Rates**

This session will explore each of the proposed commercial CIL charges in turn. The key questions are:

- **Does the viability evidence support the Council's differentiation of 'Retail Warehousing' and 'Supermarkets / Superstores' development types. Furthermore, is the £200 psm borough wide CIL charge supported by that evidence and is it reasonable in all other respects?**
- **Does the viability evidence support the Council's proposal for a zero rate CIL charge for 'All Other Retail (A1-A5)' development in Zone A (Camberley Town Centre)?**
- **Does the viability evidence support the Council's proposal for a £100 psm CIL charges for 'All Other Retail (A1-A5)' outside of Camberley Town Centre in Zone B (Rest of the Borough)?**
- **Does the viability evidence support the Council's proposal for a zero rate CIL charge for 'All Other Development' across the whole borough?**

### **Session 7 – Other Matters** (Brief Session)

This short session will consider the following issues insofar as they have a bearing on the examination:

- Phased CIL payments
- Discretionary relief
- Monitoring and review
- Other matters that Representors and the Council wish to raise before the closing session

### **Session 8 – Round Up and Conclusions**

In this final session, I will give the participants an opportunity to sum up their views on the evidence. The focus of this session will be on an overarching examination question, which is:

- **Does the evidence demonstrate that the proposed CIL charge rates would not put the overall development of the area at serious risk?**

Participants are not expected to respond with the formalities of a 'closing speech' but it is an opportunity to sum up views. Where Representors are opposed to elements of the DCS, this will be an opportunity to sum up the evidence to support their views and set out clearly the changes they would like me to consider.

After this discussion, I will close the Hearing. I will then prepare my report, which will contain conclusions and recommendations. The examination will remain open until my report is submitted to the Council, but I will not accept further evidence from any party unless it is information that I have specifically requested.

**Mr. P.J. Staddon**  
**Appointed Examiner**  
**22 January 2014**