



AN EXAMINATION UNDER SECTION 212
OF THE PLANNING ACT 2008 (AS AMENDED)

**REPORT ON THE SOUTH OXFORDSHIRE
COMMUNITY INFRASTRUCTURE LEVY DRAFT CHARGING SCHEDULE**

Independent Examiner (appointed by the Council): Keith Holland BA (Hons)
DipTP MRTPI ARICS

Charging Schedule Submitted for Examination: 10 June 2022

Report Date: 30 September 2022

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Main Findings - Executive Summary

In this report I have concluded that the South Oxfordshire Community Infrastructure Levy Draft Charging Schedule provides an appropriate basis for the collection of the levy in the area.

The Council has provided sufficient evidence that shows, subject to Examiner Modification 1 (**EM1**), the proposed rates would not threaten delivery of the Local Plan.

The specified modification **EM1** relating to elderly persons' accommodation in Zone 2 requested by the Council and recommended in this report is necessary.

The specified modification recommended in this report does not alter the basis of the Council's overall approach or the appropriate balance achieved.

Introduction

1. I have been appointed by South Oxfordshire District Council, the charging authority, to examine the South Oxfordshire Community Infrastructure Levy (CIL) Draft Charging Schedule. I am a chartered town planner with more than 50 years' experience including 25 years' experience inspecting and examining development plans and CIL Charging Schedules as a Government Planning Inspector.
2. This report contains my assessment of the Charging Schedule in terms of compliance with the requirements in Part 11 of the Planning Act 2008 as amended ('the Act') and the Community Infrastructure Levy Regulations 2010 as amended ('the Regulations'). Section 212(4) of the Act terms these collectively as the "drafting requirements". I have also had regard to the National Planning Policy Framework (NPPF) and the CIL section of the Planning Practice Guidance (PPG).
3. To comply with the relevant legislation, the submitted Charging Schedule must strike what appears to the charging authority to be an appropriate balance between helping to fund necessary new infrastructure and the potential effects on the economic viability of development across the District. The PPG, in Reference ID: 25-040-20190901, states that the examiner should establish that:
 - the charging authority has complied with the legislative requirements set out in the Act and the Regulations;
 - the draft charging schedule is supported by background documents containing appropriate available evidence;
 - the charging authority has undertaken an appropriate level of consultation;

- the proposed rate or rates are informed by, and consistent with, the evidence on viability across the charging authority’s area; and
 - evidence has been provided that shows the proposed rate or rates would not undermine the deliverability of the plan (see NPPF paragraph 34).
4. The basis for the examination, which took place through the consideration of written representations and a virtual hearing held on 18 August 2022, is the version of the Draft Charging Schedule submitted for consultation in February 2022 combined with the Statement of Modifications submitted for consultation in June 2022. A further modification was requested by the Council at the hearing session. This modification seeks to reduce the CIL charge for elderly persons’ accommodation in Zone 2 to nil.
5. The Council’s first CIL Charging Schedule came into effect in April 2016. The 2016 CIL has 2 charging zones with residential development in Zone 2 (Didcot and Berinsfield) currently charged at £102.62 per square metre (psm) and £181.09 psm in Zone 1 District. All types of self-contained housing for older people, care homes and residential institutions are nil rated at present. Supermarkets, superstores and retail warehouses are charged at £84.51 psm. The revised CIL that the Council is now proposing contains three charging zones. Zone 1, the Southern Parishes, Zone 2 the Built up areas of Didcot and Berinsfield and Zone 3 the Rest of the District. The three zones are clearly defined in the CIL Charging Table 1 and the plan in Figure 1 and the Built up areas of Berinsfield and Didcot are shown in Appendices A and B. The June 2022 matrix of charges is shown in the tables below.

Development Type	CIL rate (£ per square metre)		
	Zone 1 the Southern Parishes	Zone 2 the Built up areas of Didcot and Berinsfield	Zone 3 the Rest of the District
Residential development (including Houses in Multiple Occupation, elderly persons’ accommodation)			
Major Schemes (10 dwellings of more net)	£325	£200	£225
Minor schemes (9 dwellings or fewer net)	£360	£215	£260

Schemes of between 6 and 9 dwellings in the Area of Outstanding Natural Beauty are charged as major development, where affordable housing contributions are provided. Other chargeable residential development, such as residential extensions over 100 sqm, will be charged at the relevant zone rate.

Development Type	CIL rate (£ per square metre)
Student accommodation	£150
Flats/apartments of 3 storeys and above in Zone 2, including elderly persons' accommodation	£103
Build to rent	£150
Residential development on strategic sites	£0
Supermarkets	£200
Retail warehousing	£85

Table 1 of the Draft Charging Schedule details a number of points of clarification and identifies the parishes in Zone 1 and the strategic sites identified in the South Oxfordshire Local Plan.

Has the charging authority complied with the legislative requirements set out in the Act and the Regulations, including undertaking an appropriate level of consultation?

6. In preparing the Draft Charging Schedule account has been taken of the adopted Local Plan for the area (the South Oxfordshire Local Plan 2011-2035, adopted in December 2020), the supporting Infrastructure Delivery Plan (IDP) and viability work undertaken by consultants acting for the Council. The Draft Charging Schedule consultation period was from 15 February to 22 March 2022 and the Modifications were consulted on from 10 June to 8 July 2022. For the February/March consultation the Council placed hard copies of the consultation material in all public libraries in South Oxfordshire and at the Council offices. The offices were closed due to the Covid restrictions but members of the public could make arrangements to view them if they wished. The documents and an explanation of the representations procedure were also placed on the Council's consultation webpage. A notification letter/email was sent to 3,685 consultees who feature on the Council's planning consultation database. Notification posters were provided to the town and parish councils in the District. Essentially, the same consultation was carried out in relation to the material submitted for the examination. In relation to the June 2022 Modifications consultation, all those invited to make representation to the Draft Charging Schedule were notified by email or letter. The further modification put forward by the Council at the hearing session was detailed on the examination website and all those who had made representations previously were notified by letter or email. A two week period was allowed for written responses to be made from 24 August to 7 September 2022 which, given the nature of the modification, I considered to be proportionate having regard to the advice in PPG Reference ID: 25-032-20190901.
7. The Charging Schedule complies with the Act and the Regulations, including in respect of the statutory processes and public consultation, consistency with the adopted Local Plan and the Infrastructure Delivery Plan, and is supported by an adequate financial appraisal. I also consider it compliant

with the national policy and guidance contained in the NPPF and PPG respectively.

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

Infrastructure planning evidence

8. The South Oxfordshire Local Plan (2011-2035) sets out the main elements of growth that will need to be supported by further infrastructure in South Oxfordshire. The Local Plan was complemented by an Infrastructure Delivery Plan updated in April 2020. As at April 2020, there were known commitments and strategic and smaller allocations for over 21,600 new dwellings, plus an estimated windfall allowance of 1,200 dwellings.
9. In broad terms the cost of infrastructure that can reasonably be assessed is over £6,226,603,413. Taking into account a variety of funding sources including that from the Future Oxfordshire Partnership, the Housing Infrastructure Fund and the Local Growth Fund, the estimated funding gap is over £222,235,089. The projected CIL income over the remaining plan period to 2035 is £70,370,850. In the light of the information provided, the proposed charge would therefore make only a very modest contribution towards filling the likely funding gap. The figures demonstrate the need to levy CIL.

Economic viability evidence

10. Aspinall Verdi (AV) have undertaken the required CIL viability assessment (VA) for the Council. The VA work undertaken is essentially based on the conventional residual land value (RLV) method and has had regard to the advice contained in the NPPF and the PPG. The evidence has led to a suggested refinement of the CIL charging zones in the District. The adopted CIL contains two charging zones – Zone 1 District and Zone 2 Didcot and Berinsfield. The proposed CIL is based on three charging zones – Zone 1 the Southern Parishes, Zone 2 the Built up areas of Didcot and Berinsfield and Zone 3 the Rest of the District. The Draft Charging Schedule clearly defines these zones by reference to the relevant parishes and on appropriate maps. The evidence for the charging zones is provided by several sources including the existing Local Plan evidence base, the current CIL Charging Schedule, current new-build values, achieved second-hand values and the Index of Multiple Deprivation. The three zone approach now proposed is supported by the evidence.
11. AV have an informed understanding of the local property market. In relation to residential development AV built on viability work done by BNP Paribas in 2014 for the initial South Oxfordshire CIL. Between 2017 and 2020 AV undertook local plan viability work for the Council. This work resulted in studies involving sales values over 2 years for new-build properties and 3 months of second-hand sales. In February 2018 AV provided economic viability advice regarding the cumulative impact of the Local Plan policies. This work also sought to inform the emerging CIL review. The work was

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updated in an addendum report in August 2018. Residential Market Papers to underpin this work were produced in November 2017, November 2018 and March 2020. In July 2020 AV produced a Local Plan and CIL Viability Update. In researching the residential market AV recorded around 800 new-build property transactions. Clearly AV have been closely involved in assessing the residential property market in South Oxfordshire over a number of years and have collected a substantial body of evidence.

12. In December 2021 AV produced their CIL Viability Report (VR) which included a Residential Market Paper dated October 2021. In June 2022 AV produced an addendum report supported by a Residential Market Paper dated May 2022. This paper provides a comprehensive update of the market value assumptions used by AV and includes a national and regional overview of the residential property market, including changes between October 2021 and May 2022. Achieved new-build values as at June 2021 are detailed in the May 2022 Paper which also includes a separate review of new-build flats in Didcot between June 2021 and May 2022. The new-build values in South Oxfordshire are sense checked by a review of the second-hand market between January and June 2021. In August 2021 AV reviewed a number of new-build developments which were on-site to gain an understanding of up to date asking values for new-build properties. This data was then updated to May 2022 using Rightmove as a data source.
13. Not surprisingly, the market value assumptions used by AV (May 2022) show a wide range of values. For 1 bed flats the values range from £230,000 in the lower value areas of Didcot and Berinsfield to £351,744 in the higher value area. For 5 bed houses the range is between £689,198 and £824,400.
14. For build to rent (BTR) AV have used data from Reading, Maidenhead and Wycombe in the absence of specific BTR schemes in South Oxfordshire. In relation to yields, the AV assumptions are based on CBRE's "United Kingdom Bed Sectors Property Yields – Operational Real Estate – August 2021". For purpose built student accommodation AV rely on market reports by JLL, Knight Frank and Savills regarding student accommodation in Oxford and on the BNP Paribas work done in 2014 to model a student housing scheme. The AV assumed yield for student accommodation of 5% is based on data published by Savills.
15. For older persons housing in 2020 four age restricted schemes advertised for sale by developers active in this market, such as McCarthy and Stone and Churchill, were researched. For specialist accommodation, AV rely on assumptions made by the Retirement Housing Group regarding the premium over private market rents likely for this type of specialist accommodation. A 2022 market review for older persons housing in South Oxfordshire is included, based on schemes in Didcot, Henley on Thames, Thame and Watlington. Second-hand values for older persons' housing are based on Rightmove May 2022 asking prices. In relation to Care Villages, AV reference several schemes in Oxfordshire and Buckinghamshire, including Thamesfield Nursing Home in Henley on Thames and a care home style retirement village in Letcombe Regis. AV conclude that age restricted housing values for a 1 bed unit range from £225,000 in the low value zone

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to £410,000 in the higher value zone. 2 bed units also show a wide range of values. For extra care housing AV adopts a 25% premium over age restricted housing values. The May 2022 work by AV responded to consultation feedback by increasing the assumed size of 1 bed units and reducing the sales rate from 4 per month to 1 per month.

16. Affordable housing transfer values assumed by AV are based on figures from the Council. These are 76% of open market value for intermediate housing, 60% for affordable rent housing and 44% for social rent housing. The May 2022 work by AV references the First Homes guidance issued by the Government in May 2021.
17. The residential appraisals are based on over 45 residential typologies based on development types anticipated in the adopted Local Plan, the housing mix in the Oxfordshire Strategic Housing Market Assessment and national/market evidence of unit sizes. The typologies matrix involves over 90 assessments for various types of development throughout the District. The assessments include both green field and brown field sites involving developments that range in size from 4 units to 500 units. For each of the typologies a series of sensitivity tests have been undertaken to assess viability, in particular what scope there is to provide a viability buffer. The variables included in the sensitivity testing involve level of affordable housing, site specific S106 agreements, profit levels, benchmark land values (BLVs), density, build costs and market values.
18. The assessments have taken into account planning policy requirements detailed in the adopted Local Plan that have a direct impact on viability. Twenty one policies are identified. The AV work also acknowledges that there are other Local Plan policies that could have an indirect impact on viability. Reasonably, AV point out that these are reflected in the property market cost and value assumptions adopted.
19. The residential cost assumptions adopted by AV are clearly set out. These include up-front costs such as planning application fees and site specific S106 fees, construction costs including demolition/site clearance, design costs arising from considerations such as Net Biodiversity Gain, provision of accessible and adaptable dwellings and costs arising from professional fees and marketing costs. Variable contingency costs are allowed for depending on the type of site being developed. Profit and finance assumptions are detailed in the evidence. The evidence also deals with the assumptions that have been made in relation to BTR, student accommodation and older persons housing.
20. BLVs are clearly a critical consideration for viability work. AV use the standard "existing use plus a premium" approach favoured by national PPG. There is no prescriptive guidance on how much the premium should be but a figure of between 20% and 30% in urban areas is commonly used. For agricultural land 10-20 times agricultural value is generally seen as reasonable. These premiums were endorsed by the Homes and Communities Agency consultation paper in 2010.

21. The AV research in the December 2021 assessment noted the work done by Savills and Carter Jonas into residential land values in 2020 and 2021 as well as several other land value studies done in surrounding areas including West Oxfordshire, the Vale of White Horse and Stratford-upon-Avon. Agricultural land values were researched on the basis of data from the Estates Gazette Interactive, Rightmove, CoStar and local agents. Agricultural values were estimated at an average of just over £11,300 per acre while paddock land with an element of hope value was put at a little over £41,400 per acre. AV's research included four transactions for green field residential sites with planning permission in South Oxfordshire and five listed sites in South Oxfordshire and the surrounding areas. AV concluded that for hypothetical viability appraisals the evidence suggests a figure of around £600,000 per acre for consented green field land. AV note that valuing brown field sites for development is challenging and conclude that it is best to use plan area wide studies that have been independently examined. On this basis they concluded that a value of £300,000-£400,000 per acre would be reasonable.
22. AV apply an existing use value of £12,500-£15,000 per acre for green field sites for most of the District rising to £15,000-£17,500 in the higher value market area. These figures are slightly higher than the estimated agricultural land value to reflect the likelihood that development sites will be close to existing urban areas. To establish the benchmark AV apply a premium of 23- 24 times for the majority of the District, 22-23 times for the lower market area and 24 times for the higher value area. For brown field land the VA applies a 20% premium over perceived existing use value, except in the lower value area where a premium of 15% has been applied.
23. In relation to commercial rates, AV assessed four types of supermarket ranging from small express type stores to large supermarkets and retail warehouses. Given the complexity of town centre retail and the fact that there is currently no CIL charge for high street retail development and no proposal to introduce a charge, no detailed viability appraisals have been done. For commercial and employment uses, other than supermarkets and retail warehouses, there is no current CIL and none is intended. Consequently, AV have understandably not undertaken any detailed viability work on these types of development (see also paragraph 31 below).

Are the proposed rates informed by and consistent with the evidence on viability across the charging authority's area?

Residential development

24. AV have presented a series of appraisals for each of the typologies. These appraisals are described as "back solved" to arrive at a position where the RLV is just above the BLV. This establishes the maximum CIL that could be applied (without any buffer) and allows for a rate to be recommended that includes a buffer. The AV conclusions on maximum rates at pounds per square metre are detailed as follows.

25. Within the lower value area, medium and large scale developments on brown field land would be viable with a CIL of over £570. For green field sites a rate of over £1,000 would be possible. For small scale brown field development, where no affordable housing is required, the rate could be over £800. There is one exceptional situation assessed – a 100% flatted scheme for 20 units in Didcot which would not be viable.
26. Within the medium value area, on brown field land the maximum average rate would be over £725 and over £1,200 on green field land. In the higher value area on brown field sites tested (4-410 unit schemes), the average maximum figure is £1,400 and for green field sites (4-155 units) it is £1,965.
27. A BTR scheme for 150 units is tested in the medium value area. The maximum rate on a green field site is £415 and £215 on a brown field site. A 200 unit purpose built student accommodation development would be viable with a CIL of £215 on a brown field site and £510 on a green field site.
28. Turning to the AV assessments for older persons housing, in the medium value area the age restricted/sheltered schemes would be viable on green field and brown field sites at maximum rates of £1,300 and £976 respectively. Extra care schemes on these types of site would be viable at rates of £1,149 and £825. In the higher value area the comparable rates would be £2,124, £1,799, £1,957 and £1,630.
29. Within the lower value zone on both brown and green field sites, the AV assessment is that older persons' housing of all types would not be viable if a CIL is applied.
30. It is noted that generally the updated viability work (June 2022) shows scope for higher CIL charges than the 2021 assessment work. The exception to this is the older persons housing in the lower value zone where the opposite applies. The reasons for this change are detailed and include updated costs, further research into sales values, increased sales and marketing costs, and reduced sales rates.

Commercial rate

31. For supermarkets on all types of site AV tested a CIL rate of £200. This level of CIL would result in an average buffer of 76%. For retail warehouses AV conclude that viability is more marginal than for supermarkets and recommend that the existing CIL rate be retained. AV show that neither office nor industrial development are viable with a CIL imposed.

Has evidence been provided that shows the proposed rate or rates would not undermine the deliverability of the plan (see National Planning Policy Framework paragraph 34)?

32. The focus of many of the objections to the Charging Schedule are the proposed rates for housing for older people. This is not surprising given the

change compared with the current CIL regime in the District.

33. Significantly, the June 2022 viability update showed that the delivery of housing for older people in the lower value zone would be prejudiced if a CIL is imposed. At the examination hearing the Council asked for a further modification to the proposed Charging Schedule. This modification, which I endorse through **EM1**, provides for a nil charge for elderly persons' housing in the lower value zone. Elderly persons' housing includes extra care, sheltered, assisted living and age restricted housing. This modification reflects the viability evidence and addresses a number of points made in the representations received.
34. In relation to elderly persons' housing in the higher value zone, AV tested a CIL rate of £325. The assessment concluded that at this CIL rate there would be a viability buffer of over 80% for all types of elderly persons' housing including extra care housing. Some challenge the sales value figures for the elderly persons' housing in the higher value zone. However, AV are able to support the figures on the basis of evidence from an age restricted development in Henley and the premiums recommended by the Retirement Housing Group. The objectors have not produced any convincing contradictory evidence or made alternative premium suggestions. In any event, the generous buffer of over 80% provided reassurance that the proposed charge should not threaten the delivery of elderly persons' housing in the higher value zone.
35. In the medium value zone AV have assumed retirement living/sheltered housing values of £350,000 (1 bedroom) and £510,000 (2 bedrooms), and £437,500 and £637,500 for extra care units. Given the evidence from places such as Wheatley and Wallingford, these values appear to be reasonable, especially given house price inflation since 2020. Assuming a CIL of £225 for elderly persons' housing in the medium value zone, AV put the viability buffer at 73% for brown field sites and 80% for green field sites. As is the case with the higher value zone, this is a generous buffer.
36. Clearly the size of the viability buffer depends on benchmark values. The benchmark values used by AV are challenged by some. AV's approach is a conventional one which they have sensibly adapted for the circumstances in South Oxfordshire – for example, assuming green field values are higher around Henley, while within the lower value zone the premium on brown field land above existing use value is 15% rather than the usual 20%.
37. Some are critical of the existing use values used by AV. In relation to elderly persons' housing, an element of this challenge is on the grounds that AV has tested green field sites, whereas sites for elderly persons' accommodation will almost always be on brown field land within or on the edge of settlements. The convincing response from AV is that they have tested both green field and brown field sites and have tested on the basis of the sort of brown field sites likely to come forward rather than, for example, prime modern commercial sites. Also, AV point out that their work involves different benchmark values for brown and green field sites and that additional contingencies are allowed for on brown field sites. Overall, it is

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considered that the available evidence supports the assessments made by AV.

38. There is a challenge to AV's assessments for elderly persons' housing on the ground that their density assumptions are too high. It is noted that AV reduced their density assumptions in the June 2022 Addendum. The latest AV assumptions follow the guidance for retirement housing published by the Retirement Housing Group (based on research by Three Dragons). It is also relevant to bear in mind that lower density retirement housing schemes are likely to be of a higher standard and to achieve higher values than those used by AV. In my view, the density objections cannot be substantiated.
39. In relation to unrestricted housing in the higher value zone, AV calculate that the average maximum possible CIL rate would range from £1,400 on brown field land to £1,965 on green field sites. For both types of site, CIL rates of £325 for larger schemes and £360 for smaller schemes have been tested by AV. The average viability buffer based on these rates would be 73% on brown field sites and 82% on green field sites.
40. For the medium value zone the average maximum CIL rate is calculated by AV as being over £725 for brown field sites and £1,200 for green field sites. Testing a CIL rate of £225 for larger schemes and £260 for smaller schemes results in an average viability buffer of 61%. The lowest viability buffer would be a modest 28%. However, given the policies in the adopted Local Plan, there are a limited number of sites in the Area of Outstanding Natural Beauty where this buffer would apply.
41. In the June 2022 modification in the lower value zone, the Council changed the proposed CIL rate for flats and apartments of 3 storeys and above for all types of occupation in response to the consultation comments received and updated viability work by AV. Instead of increasing the rate, the Council proposed retaining the existing rate of £103. As explained above, a further modification request from the Council is for elderly persons' accommodation to be excluded from the charge. In the lower value zone, the June 2022 AV assessment shows a maximum possible CIL rate of over £576 for medium and large scale developments on brown field land and over £1,000 on green field sites. For small scale developments on brown field sites, the maximum CIL is put at £800. For larger schemes a rate of £200 was tested and for smaller schemes £215 was tested. This testing revealed a viability buffer of between 32% and 82% other than for a small 100% flatted scheme in Didcot which was shown to not be viable. Clearly, the changes sought by the Council through the modifications will improve the viability buffer position for some forms of development other than for small flatted schemes in Didcot. The small flatted scheme assessment begs the question whether the rate for the lower value zone, even as proposed to be modified, is acceptable? I do not consider that in broad terms the delivery of residential development in the lower value zone would be jeopardised to a material extent as, according to the evidence, very few small 100% flatted schemes have come forward in Didcot to date. It would not be appropriate for the CIL rate for the whole area to be based on one typology – especially one that is unlikely to be representative of the type of development that is generally expected to be

built in Didcot.

42. The viability buffers calculated by AV are clearly adequate but the accuracy of the buffer figures is dependent on other factors such as development costs, sales values and BLVs. As discussed above, the approach adopted by AV to benchmark values is a standard one favoured in national guidance. In relation to land and sales values, AV have detailed research information that is both extensive and relatively recent. Although some query the validity of the figures, it is clear from the scale and scope of the research detailed by AV that they have a clear and comprehensive picture of the residential market in South Oxfordshire. Affordable housing transfer values used by AV are based on the Council's experience and are the same as the values tested at the Local Plan examination.
43. As regards development costs, some of the assumptions used by AV are challenged in representations. However, the most significant assumptions that have a large impact on the cost of development follow generally accepted practice. Thus, for example, a 20% profit on market sales is assumed while the assumption for affordable housing is a 6% profit. Build costs are based on Building Cost Information Service (BCIS) data with a reasonable assumption that volume housebuilders are usually able to achieve economies of scale. Design requirements that have cost implications, including Net Biodiversity Gain, accessible and wheelchair adaptable dwellings and carbon/energy reduction have been taken into account, as have anticipated site specific S106 costs based on specific Council information. Although demolition/site clearance costs are included in the assessments, there is some criticism that exceptional "opening up" costs have not been taken into account. AV and the Council make the reasonable point that such exceptional costs, which cannot readily be quantified because they depend on the specific circumstances on each site, should be taken into account in the price paid for the land.
44. The delivery of defined strategic sites will not be affected by the CIL regime in South Oxfordshire as the Council has decided that infrastructure costs on strategic sites should be met through S106 arrangements. No CIL charge for residential development on strategic sites is proposed. This approach is acceptable in terms of national policy.
45. The proposals for commercial and retail development are not controversial and the approach adopted by the Council is justified.
46. A number of representations relate to what CIL revenues should be spent on. This is a matter for the Council and is not a consideration for this report, which is focused on the impact of the proposed CIL on the viability of development in the area. Similarly, questions of exceptional circumstances relief and discretionary charity relief are at the Council's discretion and are not relevant to this report. In the case of the Maiden Erleigh Chiltern Edge School, the Council considers that it would be most appropriate to deal with viability issues through the S106 arrangements rather than by applying exceptional circumstances relief. This is a view that the Council is entitled to take. Some of the representations seek to challenge exemptions, such as

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self-build schemes that are specified in the CIL Regulations. Clearly, the Council is obliged to follow the Regulations.

47. In setting the CIL charging rates, the Council has had regard to detailed and convincing evidence on infrastructure planning and the economic viability evidence of the development market in South Oxfordshire. 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 South Oxfordshire District.
48. I consider the viability assessment to be comprehensive and robust. My conclusion is that the residential and retail rates proposed would not threaten delivery of the Local Plan. The proposed rates are justified.

Overall Conclusion

49. I conclude that the South Oxfordshire Community Infrastructure Levy Draft Charging Schedule, subject to the making of the modification(s) set out in **EM1** satisfies the drafting requirements and I therefore recommend that the Draft Charging Schedule be approved.

Keith Holland

Examiner

Attachments:

Appendix A – Modification that the examiner specifies so that the Charging Schedule may be approved.

Appendix A

Examiner Modification (**EM**) recommended in order that the Charging Schedule may be approved.

Examiner Modification (EM)	Page no./ other reference	Modification
EM1	Table 1 CIL Charges	<p>In the line dealing with flats/apartments of 3 storeys and above in Zone 2, change the word "including" to "excluding".</p> <p>Add additional development type, "All elderly persons' accommodation in Zone 2 £0".</p>