



CABINET

Tuesday, 06 June 2023

Subject	Adoption of the East Suffolk Community Infrastructure Levy (CIL) Charging Schedule, East Suffolk CIL Instalment Policy and East Suffolk CIL Discretionary Social Housing Relief Policy
Report of	Cllr Kay Yule, Cabinet Member for Planning and Coastal Management Cllr Vince Langdon-Morris, Cabinet Member for Resources and Value for Money
Supporting Officers	Nick Khan, Strategic Director Nick.khan@eastsoffolk.gov.uk Philip Ridley, Head of Planning and Coastal Management Phlip.ridley@eastsoffolk.gov.uk Adam Nicholls, Principal Planner (Policy and Delivery) Adam.nicholls@eastsoffolk.gov.uk 07881 005429

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable
Wards Affected:	All Wards

Purpose and high-level overview

Purpose of Report:

That Cabinet recommends that Council resolves to 'adopt' (bring into effect) the East Suffolk Community Infrastructure Levy (CIL) Charging Schedule, along with the East Suffolk CIL Instalment Policy and the East Suffolk CIL Discretionary Social Housing Relief Policy.

CIL is a charge which can be levied by local authorities on new development in their area, to help support the infrastructure needed to support development in their area. The Council currently has two separate CIL Charging Schedules (for the former districts of Waveney and Suffolk Coastal), plus associated Instalment and Discretionary Social Housing Relief policies (again, for each former district). The Broads Authority Executive Area is excluded from the Waveney CIL Charging Schedule (and therefore CIL does not apply there).

The East Suffolk CIL Charging Schedule, which covers all of East Suffolk (apart from the Broads Authority Executive Area), will help to deliver infrastructure to support the housing and other growth set out in the Waveney Local Plan (adopted in March 2019) and the Suffolk Coastal Local Plan (adopted in September 2020), as well as any growth set out in 'made' (adopted) Neighbourhood Plans.

The CIL Charging Schedule sets out five separate CIL Charging Zones for residential purposes, ranging from £0 to £300 per square metre. There are also eight 'strategic' Local Plan site allocations, which each have their own bespoke rates. CIL rates are also set for other kinds of development, including shops, offices and holiday accommodation.

In accordance with the relevant regulations, the draft CIL Charging Schedule was subject to independent examination from July 2022 to April 2023. The Examiner has recommended in his report (see **Appendix A**) that the CIL Charging Schedule be approved (and subsequently adopted), subject to three modifications being made: i) to reflect parish boundary changes which came into effect on April 2023; ii) to correct a minor labelling error; and iii) to set the CIL rate for the Beccles and Worlingham Garden Neighbourhood strategic site to zero (£0).

In order to bring the East Suffolk CIL Charging Schedule into effect, Full Council must so resolve. It is recommended that, to allow appropriate time to transition from the current CIL Charging Schedules (whose CIL rates are, in most cases, different), it comes into effect on 1st August 2023.

There is no requirement for the East Suffolk CIL Instalment Policy and East Suffolk CIL Discretionary Social Housing Relief Policy to be independently examined. It is recommended that they too come into effect on 1st August 2023.

Options:

Bring the East Suffolk CIL Charging Schedule (reflecting the modifications recommended by the Examiner), Instalment Policy and Discretionary Social Housing Relief Policy into effect on 1st August 2023. This would mean the Council has an up-to-date CIL Charging Schedule covering the entire East Suffolk area (excluding the Broads Authority Executive Area), plus up-to-date supporting policies.

To not bring the East Suffolk CIL Charging Schedule, Instalment Policy and Discretionary Social Housing Relief Policy into effect. This would mean that the current Waveney and

Suffolk Coastal CIL Charging Schedules (plus associated Instalment and Discretionary Social Housing Relief policies) would continue to be used. However, this would be a missed opportunity to have consistent and up-to-date documents covering the entire East Suffolk area (excluding the Broads Authority area). Due to the current CIL rates being generally lower, it would also mean that a significantly lower level of CIL would be raised overall, thus not enabling as much money to be directed to help deliver growth-supporting infrastructure. Lower funding for infrastructure may also affect delivery of the planned growth in the Local Plans, in particular strategic sites.

Recommendations:

1. That Cabinet recommends that Council resolves to approve:
 - a. the East Suffolk CIL Charging Schedule (allowing for the modifications recommended by the Examiner to address the areas of non-conformity with the legislative drafting requirements);
 - b. the East Suffolk CIL Instalment Policy; and
 - c. the East Suffolk CIL Discretionary Social Housing Relief Policy,and bring these three documents into effect on 1st August 2023.
2. That Cabinet recommends that Council resolves to authorise the Head of Planning and Coastal Management, in consultation with the Cabinet Member for Planning and Coastal Management, to make any relevant presentational and typographical amendments to the East Suffolk CIL Charging Schedule, East Suffolk CIL Instalment Policy and East Suffolk CIL Discretionary Social Housing Relief Policy prior to them coming into effect.
3. That Cabinet recommends that Council resolves to authorise the Head of Planning and Coastal Management, in consultation with the Cabinet Member for Planning and Coastal Management, to remedy any “correctable errors” to the East Suffolk CIL Charging (should any be discovered in the period up to six months after the CIL Charging Schedule has been approved).

Corporate Impact Assessment

Governance:

CIL is already in place in East Suffolk (excluding the Broads Authority Executive Area) and the administration of CIL is set out in the relevant legislation; all that would effectively change would be the CIL rates themselves. CIL spending in East Suffolk is governed by the [CIL Spending Strategy](#) (which was most recently amended in September 2022).

ESC policies and strategies that directly apply to the proposal:

There are various policies within the two adopted Local Plans (the [Waveney Local Plan](#) and the [Suffolk Coastal Local Plan](#)) to which CIL is relevant, including, in particular, WLP1.3 (Infrastructure) and SCLP2.2 (Strategic Infrastructure Priorities). Other key strategies include the Council’s [CIL Spending Strategy](#) (approved in January 2020 and updated in September 2022) and the [Infrastructure Funding Statement](#) (most recently published in September 2022).

Environmental:

No direct implications. The draft CIL Charging Schedule will help support growth set out in the adopted Waveney and Suffolk Coastal Local Plans (which themselves were subject to Sustainability Appraisal and Habitats Regulations Assessment). The CIL Charging Schedule does not itself make any land allocations or set any planning policy or environmental requirements directly; however, it is recommended that this is periodically reviewed to ensure that the CIL rates set remain appropriate.

The CIL Charging Schedule has been subject to Strategic Environmental Assessment screening (under the Environmental Assessment of Plans and Programmes Regulations 2004, as amended) and was screened to ascertain whether there would be potential significant effects on European Habitats sites (under the Conservation of Habitats and Species Regulations 2017, as amended). The screening assessments are available at **Appendix B** and **Appendix C** respectively and were consulted on during the consultation on the CIL 'basics' in March and April 2021. No effects were identified, and no consultation responses on the documents asserted otherwise. It is therefore considered that the CIL Charging Schedule will have a neutral environmental impact.

Equalities and Diversity:

No impacts.

An Equality Impact Assessment (EQIA) Screening Opinion was produced to accompany the consultation on the draft CIL Charging Schedule in November 2021 (**Appendix D**). The assessment concluded that there would be no differential negative impacts on those with protected characteristics and no representations were made on the EQIA Screening Opinion. In addition, the Cabinet EQIA has been prepared (reference EQIA516908468). This highlights the fact that the East Suffolk Discretionary Social Housing Relief policy allows for 100% CIL relief for the development of social housing, so is positive for reducing "deprivation/social-economic disadvantage".

Financial:

The production and 'adoption' of the CIL Charging Schedule is covered by the existing budget of the Planning Policy and Delivery Team. As the money raised through CIL charges must be ringfenced for infrastructure spending, by East Suffolk Council, and/or parish/town councils and/or other infrastructure bodies (such as Suffolk County Council) – with the exception of 5% which can be retained by the Council to spend on the administration of CIL (raising charging notices, dealing with queries etc) – the new CIL Charging Schedule will not directly affect the Council's financial position.

Human Resources:

No impacts

ICT:

No impacts

Legal:

The production, examination and bringing into effect ('adoption') of a CIL Charging Schedule is governed by the Planning Act 2008 and the CIL Regulations 2010 (as amended).

If – as in this case – the Examiner has recommended modifications to remedy any areas of non-compliance with the “drafting requirements” of the Act and Regulations, appropriate modifications must be made to the CIL Charging Schedule by the Council before bringing it into effect.

Under the 2008 Act, bringing a CIL Charging Schedule into effect is a matter reserved for Full Council. Bringing a new Instalment Policy and Discretionary Social Housing Relief Policy into effect are not matters reserved for Full Council in legislation, but it is sensible for Full Council to consider them at the same time as the CIL Charging Schedule.

If Council agrees to bring the CIL Charging Schedule into effect, it must publish the Charging Schedule, plus this Cabinet/Council report (which sets out how the Examiner’s identified areas of non-compliance have been remedied), as soon as is practicable, including notifying anyone who has asked to be notified.

Risk:

The Examiner’s recommendations for addressing the areas of non-compliance must be addressed appropriately – and the changes being made are exactly those he has recommended (see below in this report). The risks of bringing the East Suffolk CIL Charging Schedule into effect are therefore believed to be low. The Examiner considers that the CIL rates have appropriate buffers to account for e.g. downturns in the property market, but the Council can always adjust the balance between infrastructure delivery through CIL and S106 agreements through the annual Infrastructure Funding Statement to ensure that key infrastructure to support growth is still secured. CIL is not negotiable, whereas infrastructure delivered through s106 is subject to negotiation. It should be noted that CIL is not allowed under legislation to be used to deliver affordable housing.

Bringing the East Suffolk CIL Instalment Policy and Discretionary Social Housing Relief Policy into effect are considered very low risk.

External Consultees:

There was extensive public consultation at initial basics (spring 2021) and draft CIL Charging Schedule consultation (autumn/winter 2021) stages. In addition, there was the opportunity for anyone to comment on the Council’s Proposed Modifications to the submitted CIL Charging Schedule in summer 2022. Various consultees were involved in the examination process (including the Hearing), including parish/town councils, landowners and members of the public.

The Council also holds monthly infrastructure/CIL meetings with Suffolk County Council and so SCC has been kept apprised of the production and examination of the CIL Charging Schedule.

There was public consultation on two earlier iterations of the Instalment Policy and some changes were made in response to consultation.

Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: (Select only one primary and as many secondary as appropriate)		Primary priority	Secondary priorities
T01	Growing our Economy		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input checked="" type="checkbox"/>	<input type="checkbox"/>
T02	Enabling our Communities		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
T03	Maintaining Financial Sustainability		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
T04	Delivering Digital Transformation		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T05	Caring for our Environment		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	Governance		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>
How does this proposal support the priorities selected? Bringing into effect the CIL Charging Schedule will support the delivery of planned growth (set out in the two Local Plans). This is both through generating funding to be spent on infrastructure and, in so doing, to provide the appropriate financial ‘environment’ for development and investment decisions to be made (by, for example, developers, the Council and Suffolk County Council). Alongside the policies of the CIL Spending Strategy, this will help optimise the Council’s own financial investments in development and infrastructure. In addition, it will assist parish/town councils by enabling them to receive their share of CIL income to spend on their locally-identified infrastructure priorities, as well as still enabling them to bid into the district CIL pot for infrastructure funds, should they wish to do this.			

Background and Justification for Recommendation

1 Background facts	
	Community Infrastructure Levy (CIL) Basics
1.1	The Cabinet paper in November 2021 (ES-0935) , which sought authorisation to publish the CIL Charging Schedule for consultation, submission for examination, and the progression to the end of the examination period, detailed the basics of CIL and the history and current status of CIL in East Suffolk. A summary of what CIL is and the process followed is also given below.
1.2	Community Infrastructure Levy is a charge “ <i>which can be levied by local authorities on new development in their area. It is an important tool for local authorities to use to help them deliver the infrastructure needed to support development in their area</i> ”. It is not the only way of securing the funding/delivery of infrastructure; planning obligations (also known as Section 106 Agreements) and various kinds of highways legal agreements (Section 38 and Section 278 Agreements) may also be available/used (as appropriate).
1.3	The legislative basis for CIL was introduced through the Planning Act 2008 and it came into force through the Community Infrastructure Levy Regulations 2010. Including coronavirus measures introduced in 2020, there have been 18 separate legislative alterations/amendments affecting CIL since the 2010 Regulations, so CIL remains a complicated area of planning and taxation.
1.4	The proposed rates of CIL – even if £0 (“zero-rated”) – for various development types must be set out in a Charging Schedule, which has to undergo an independent examination before being ‘adopted’. Amendments to an existing CIL Charging Schedule must follow the same approach. For qualifying developments (there are various exemptions to CIL, such as self-build dwellings), CIL is charged on a £ per square metre (m ²) basis.
1.5	CIL was introduced in the former Waveney district in 2013 and in the former Suffolk Coastal district in 2015. In line with CIL regulations, CIL rates must be adjusted annually (on 1 st January), using the Royal Institution of Chartered Surveyors’ CIL Index, “to keep the levy responsive to market conditions”. Mostly this sees an annual increase, but occasionally there will be a decrease. A comparison of the original CIL rates and the current CIL rates is available on the website (links above). As an example, the residential CIL rate for Inner Lowestoft has increased from the original £45 per m ² in 2013 to £71.32 per m ² in 2023 (an increase from the £66.70 it was in 2022).
1.6	In addition to the two separate CIL Charging Schedules, each former Council area has an Instalment Policy (Waveney and Suffolk Coastal). CIL must be paid in full within 60 days of the commencement date of each separate phase of development, and there is no possibility under the legislation to make a viability argument to try to reduce the CIL bill. This early bill (normally well before any houses or other development types have been sold) can have significant cashflow implications for developments. An Instalment Policy can therefore aid the cashflow of development by allowing the CIL bill for each development phase to be paid in separate instalments.

1.7	The Council also has two separate (although essentially identical) Discretionary Social Housing Relief Policies (Waveney and Suffolk Coastal), which enable qualifying social housing developments to avoid needing to pay CIL.
1.8	<p>The Council must publish an annual Infrastructure Funding Statement (IFS), setting out how much money has been raised through developer contributions (CIL and S106), how it has been spent and which types of infrastructure and projects are intended to be funded through CIL. The IFS must set out:</p> <ul style="list-style-type: none"> i) the how much money has been raised through developer contributions (CIL and S106); ii) how it has been spent; and iii) infrastructure projects or types of infrastructure that it is intended to be funded through CIL. <p>The IFS therefore allows flexibility in CIL/S106 funding – infrastructure types or projects can therefore be changed annually, as circumstances alter. The Council published the third IFS (for the year 2021/22) in September 2022.</p>
1.9	Related to the introduction of the IFS, the Council approved its CIL Spending Strategy in January 2020. The Spending Strategy sets out the principles of how the money in the CIL ‘pot’ will be spent/committed, with prioritisation for particular kinds of projects (“essential infrastructure”). It also has details of what bids to the Council for CIL money (to help deliver infrastructure) should include by way of supporting information. The CIL Spending Working Group (a member group, supported by officers) makes decisions on which bids to approve.
1.10	Parish Councils without a ‘made’ (adopted) Neighbourhood Plan are entitled to 15% of the CIL raised in their parish through development (capped at the equivalent of £100 per dwelling). Where there is a ‘made’ Neighbourhood Plan covering their parish, the CIL received is 25% of the amount raised, with no cap.
1.11	East Suffolk Council is entitled to (and does) use 5% of the CIL funds raised to administer the CIL process (checking claims, calculating CIL levy amounts etc). This will continue unchanged under the new East Suffolk CIL Charging Schedule.
	Rationale for preparation of the East Suffolk CIL Charging Schedule
1.12	<p>There are three main reasons why the decision to prepare the East Suffolk CIL Charging Schedule was made:</p> <ul style="list-style-type: none"> i) Both existing CIL Charging Schedules are now quite old (2013 for Waveney and 2015 for Suffolk Coastal), there are some differences between them and they were both in need of review; ii) Local Plans were relatively recently adopted for the two former districts of Waveney (2019) and Suffolk Coastal (2020), with new/updated housing and other allocations and the infrastructure needs to support the growth; and iii) East Suffolk Council was formally created on 1st April 2019, so having a single CIL Charging Schedule for the whole district will help cohesion.
1.13	For similar reasons, and to align with the East Suffolk CIL Charging Schedule, it was sensible to also prepare new East Suffolk versions of the CIL Instalment Policy and CIL Social Housing Relief Policy.
	CIL Charging Schedule Preparation
1.14	The preparation of a CIL Charging Schedule is governed by the Planning Act 2008 and the CIL Regulations 2010 (as amended). Guidance is also provided in the national Planning Practice Guidance on Community Infrastructure Levy. The

	process of preparation of the CIL Charging Schedule was undertaken in accordance with the relevant legislation and guidance, and involved public consultation and an independent Examination, detailed below.
1.15	The preparation of the CIL Charging Schedule has been overseen by the Council's Local Plan Working Group. Local Plan Working Group has inputted and advised at key stages, and has also received regular updates at their meetings throughout.
1.16	Viability consultants were appointed to undertake viability assessment and to recommend appropriate CIL rates. The appointed consultants, Aspinall Verdi, have provided and updated evidence throughout the process as needed.
	CIL Charging Schedule Preparation – basic assumptions consultation
1.17	A consultation on basic costs, values and other assumptions (to help underpin the preparation of the draft CIL Charging Schedule) took place in March-April 2021. Consultation on the draft CIL Instalment Policy also took place. The Council was assisted in the viability work throughout the production and examination of the CIL Charging Schedule by its appointed consultants, Aspinall Verdi.
1.18	The representations received were considered carefully and helped inform the draft CIL Charging Schedule. Some amendments to the draft Instalment Policy were also made as a result.
	Draft East Suffolk CIL Charging Schedule consultation
1.19	At their meeting on 2nd November 2021 , Cabinet agreed to issue the draft CIL Charging Schedule (and the draft Instalment Policy) for public consultation and this consultation ran from 11 th November to 23 rd December 2021. Everyone on the Planning Policy mailing list was consulted, which includes parish/town councils, landowners, developers, agents, infrastructure providers, neighbouring local authorities, Suffolk County Council and many East Suffolk residents and businesses.
1.20	The representations received were considered carefully and a number of modifications were proposed to the draft Charging Schedule and (separately) the draft Instalment Policy as a result.
	Submission and examination of the draft East Suffolk CIL Charging Schedule
1.21	The draft CIL Charging Schedule was formally submitted for examination on 8 th July 2022 to Mr Andrew Seaman MRTPI, an independent CIL Examiner, of company Intelligent Plans and Examinations. Background evidence and information was submitted at the same time, including the key evidence informing the proposed rates in the CIL Viability Review Update (June 2022), and all examination material is available to view at https://eastsuffolk.inconsult.uk/CILEXA2022/viewContent?contentid=937267 .
1.22	Because the Council proposed, on submission, some modifications to the draft CIL Charging Schedule , during the first four weeks of the examination period, interested parties were able to make representations on these modifications, for the Examiner's consideration.
1.23	The Examiner decided that a public Examination Hearing would be necessary to enable those who had expressed a wish to be so heard by him. Following publication of his Matters & Issues questions on 9 th September 2022, the Hearing took place at East Suffolk House, Melton, on 11 th October 2022.

1.24	At the Hearing, the Examiner invited the Council to prepare and submit notes and updated evidence on two specific topics and, once published later, interested parties were given time to comment on them (again, the Examination website has full details). Subsequently, the Examiner wrote to the Council asking for a review of evidence in relation to the Beccles & Worlingham Garden Neighbourhood site. Revised evidence was submitted including a Statement of Common Ground between the Council and land-owning interests. The Examiner undertook a final round of consultation on the additional evidence with interested parties.
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2 Current position

2.1	The Examiner issued his report and recommendations (see Appendix A) to the Council on 19 th April 2023. As required by the CIL legislation, the Council publicised the recommendations shortly afterwards, including publishing it on the website, lodging copies of the report in East Suffolk libraries and Customer Contact Centres (in Lowestoft, Woodbridge and Felixstowe) and informing those who had asked to be informed of its publication.
2.2	The Examiner concluded that the draft CIL Charging Schedule, as submitted in July 2022, is not compliant with the relevant legislative drafting requirements. However, the Examiner has recommended three modifications that would remedy the areas of non-compliance.
2.3	The Council is not bound to make the specific modifications recommended by the Examiner, as long as the areas of non-compliance are addressed appropriately. However, it is recommended to Cabinet that the modifications made are exactly as proposed by the Examiner.
	'Standard' C3 residential CIL charges
2.4	The submitted draft CIL Charging Schedule proposed five different residential zones for 'standard' use class C3 dwellings, based on the differing viability across the district (see the final CIL Charging Schedule, Appendix F, for the map), with the following CIL rates (two of them zero-rated): <ul style="list-style-type: none"> • Zone 1 (Higher): £300 per m² • Zone 2 (Mid Higher): £200 per m² • Zone 3 (Mid): £100 per m² • Zone 4 (Mid Lower): £0 per m² • Zone 5 (Lower): £0 per m²
2.5	The Examiner concluded (paragraph 159 of his report) that the delineation of the different residential charging zones, and the rates themselves, are justified.
	Specialist accommodation
2.6	Specialist accommodation is defined in the draft CIL Charging Schedule as Sheltered Housing, Extra Care Housing and Residential Care Homes (<i>not purely age-restricted accommodation (55+, 60+ etc), which is treated as standard residential accommodation for CIL purposes</i>). All were proposed as zero-rated, there not being sufficient viability for any level of CIL charge.
2.7	The Examiner concluded (paragraph 160 of his report) that the zero rates for the various types of specialist accommodation are warranted.
	Strategic sites

2.8	<p>Bespoke residential CIL rates for eight 'strategic' sites were proposed in the submitted draft CIL Charging Schedule (<i>note: East Suffolk Council is the landowner of part of the North Felixstowe and Kirkley sites</i>):</p> <ul style="list-style-type: none"> • South Saxmundham Garden Neighbourhood: £100 per m² • North Felixstowe Garden Neighbourhood: £65 per m² • Land off Howlett Way, Trimley St Martin: £160 per m² • Brightwell Lakes/Adastral Park, Martlesham: £0 (zero) per m² • Land south of The Street, Carlton Colville/Gisleham: £90 per m² • Beccles and Worlingham Garden Neighbourhood: £30 per m² • North of Lowestoft Garden Village: £60 per m² • Kirkley Waterfront and Sustainable Urban Neighbourhood: £0 (zero) per m² <p>The variation of CIL values between the sites is due to (amongst other elements) differences in land and property values, constraints (such as flood risk), Local Plan policy/infrastructure requirements (such as new junctions and primary schools) and the proposed residential densities – this is explained and justified in the CIL Viability Review Update (June 2022).</p>
2.9	<p>Of these sites, Brightwell Lakes is zero-rated in the current Suffolk Coastal CIL Charging Schedule and was granted outline planning permission in 2019 on that basis (with reserved matters for the first housing phases granted permission in 2022), so it was not considered appropriate to change the rate. Kirkley Waterfront is likewise zero-rated in the Waveney CIL Charging Schedule, but the vast majority of the site has yet to be re-developed. Given the low land and property values there, plus considerable other constraints (such as contaminated land), it was considered that the site is not viable for CIL.</p>
2.10	<p>The Examiner concluded that, with the exception of the Beccles and Worlingham Garden Neighbourhood, the CIL rates for the strategic sites are justified and appropriate.</p>
2.11	<p>There was considerable debate about the Council's proposed £30 per m² rate for the Beccles and Worlingham Garden Neighbourhood. This rate was strongly opposed by the landowners and their representatives throughout the process, who considered that the site's viability (due to various cost requirements and cost uncertainties) was such that a zero rate was the only appropriate conclusion. Other consultees put forward representations suggesting the rate should be higher than £30 per m². The Examiner discusses the matters at length in his report (paragraphs 89-129).</p>
2.12	<p>The Council defended its proposed rate at the Hearing and in the considerable engagement and submissions that followed, including in a Statement of Common Ground with the landowner interests (see the Examination Library for further details). In summary, however, the Examiner recommended (paragraph 128 of his report) a zero rate:</p> <p>"The Beccles and Worlingham Garden Neighbourhood is a significant and key site for the development plan within East Suffolk. As noted in the SoCG, there are significant costs to bringing the site into fruition. I find that the balance of evidence shows that the Council is at risk of underestimating such costs which are sensitive to changes and which logically would warrant an adequate buffer to ensure development viability. Such a buffer does not persuasively exist even if a CIL charge is reduced from £30 to £10/sqm. There is no indication that values will increase sufficiently to offset such costs. I agree with the Council's</p>

	advisors [<i>Aspinall Verdi</i>] that a cautious approach should be taken when setting CIL charges. As a consequence, the proposed rate would result in a low and inadequate buffer that unacceptably risks the delivery of the site and as consequence would undermine the deliverability of the development plan. No other charge is evidentially justified with an adequate buffer, and I therefore conclude that a nil charge is warranted. Should additional evidence arise in the future, the Council will be able to review the position."
	Other rates
2.12	<p>The rates for various other types of development in the submitted draft CIL Charging Schedule were:</p> <ul style="list-style-type: none"> • Holiday lodges in defined coastal areas: £210 per m² • Holiday lodges – all other areas: £0 per m² • Convenience retail: £70 per m² • Comparison retail: £0 per m² • Employment (offices, industrial, warehouses): £0 per m² • All other development: £0 per m²
2.13	The Examiner concluded (paragraphs 146 and 155), that the rates proposed are justified.
	East Suffolk CIL Instalment Policy
2.14	The draft East Suffolk CIL Instalment Policy was prepared and consulted on at the same time as the initial and draft CIL Charging Schedule in 2021 and some appropriate changes made as a result of the consultations. It did not need to be independently examined but was submitted to the Examiner as a background document. It has a small number of changes compared to the existing Waveney and Suffolk Coastal Instalment policies, including allowing the largest development phases (of over £1m) to pay their CIL bill in five instalments, rather than the current four. The preparation of the CIL Instalment Policy has also been considered by the Local Plan Working Group.
	East Suffolk CIL Discretionary Social Housing Relief Policy
2.15	The East Suffolk CIL Discretionary Social Housing Relief Policy did not need to be examined either. As a straightforward document (the CIL Regulations are prescriptive about what must and must not be included) public consultation was not considered necessary (and it is not required by legislation) and, allowing for the passage of time, it is not significantly different to the current Waveney and Suffolk Coastal policies. The Discretionary Social Housing Relief Policy has been considered at a meeting of the Local Plan Working Group.

3 How to address current situation

3.1	As discussed above, in order to bring the East Suffolk CIL Charging Schedule into effect, a resolution of Full Council is required. It makes logistical sense for Full Council to also approve the East Suffolk CIL Instalment Policy and East Suffolk CIL Discretionary Social Housing Relief Policy at the same time. The Local Plan Working Group considered the final CIL Charging Schedule, the CIL Instalment Policy and the Discretionary Social Housing Relief Policy in advance of it being
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	brought to Cabinet and Council at their meeting on 27 th April 2023 (in the context of the Examiner's Report).
3.2	<p>The Examiner made three recommendations for Proposed Modifications (PMs) to the draft CIL Charging Schedule to address areas of non-conformity with the 'drafting requirements' (see the Appendix of his report). They are (summarised):</p> <p>PM1: Amend Appendix A to reflect final adopted changes to a small number of parish/ward boundaries [<i>which arose through the East Suffolk Community Governance Review and came into effect in April 2023</i>]</p> <p>PM2: Correct numbering in the table on page 2 to 1.4: "Table 3.4 1.4 – Other Rates"</p> <p>PM3: Amend the rate for the Beccles and Worlingham Garden Neighbourhood to £0 per m² (from £30 per m²).</p>
3.3	It is recommended that the Examiner's recommendations are made without any alterations – they are clear and unambiguous.
3.4	The Council cannot refuse to make any of the modifications, make substantively different modifications or make wholly new modifications. The only alternatives to not accepting the substance of the Examiner's recommendations would be to prepare an amended draft CIL Charging Schedule, consult on it and then submit this for independent examination or to retain the existing CIL Charging Schedules.
3.5	The final East Suffolk CIL Charging Schedule (incorporating the Examiner's recommended modifications) is at Appendix E , with the East Suffolk CIL Instalment Policy at Appendix F and the East Suffolk CIL Social Housing Relief Policy at Appendix G .
3.6	<p>It is recommended that the three documents are brought into effect on 1st August 2023, rather than immediately or at an intermediate date (like 1st July), due to the following principal reasons:</p> <ul style="list-style-type: none"> • Time is needed to update the back-office CIL systems and various pages of the Council's website with the new CIL Charging Schedule information • The CIL team needs to write to all those with existing (unimplemented) planning permissions to inform them of the new CIL rates in advance of them coming in, re-issuing CIL liability notices • There is also a need to allow for a lead-in time for planning applications already in the system to (as appropriate) be finalised and issued ahead of the new CIL rates, although no guarantees can or will be offered that any specific planning applications will or will not be approved and issued ahead of 1st August 2023 • More general awareness-raising (for example, with parish councils and small developers) of the new CIL rates is necessary. The Council's website will be updated with useful information, including Frequently Asked Questions
3.7	An Equality Impact Assessment, Habitats Regulation Assessment, and Strategic Environmental Assessment were prepared and consulted on during the production of the draft CIL Charging Schedule (see appendices B-D). No issues were raised in response to any of the documents.
3.8	It is important to note that any planning permissions issued before 1 st August 2023 will still be on the (now current) Suffolk Coastal or Waveney CIL rates, with the relevant current Social Housing Relief Policy also still applying, even if

	development has not yet commenced and CIL liability not yet been assumed. For this reason, the current Charging Schedules and Policies will remain on the Council's CIL website, although in a subsidiary position.
3.9	The CIL legislation allows for any "correctable errors" (broadly, errors which would not affect the actual CIL rates, such as typos or minor clarifications) in the CIL Charging Schedule to be corrected up to six months after the Charging Schedule has been approved. As a relatively short and straightforward document it is not considered that there are any such errors, but if any emerge, authorisation is sought in the recommendations for such corrections to be made.

4 Reason/s for recommendations

4.1	Bringing into effect the East Suffolk CIL Charging Schedule, plus the East Suffolk CIL Instalment Policy and the East Suffolk CIL Discretionary Housing Relief Policy, will ensure that there is an up-to-date CIL policy position. With the changes in rates from the existing CIL Charging Schedule better reflecting current land and development costs and values, this will enable higher CIL income (overall) to be raised. This, in turn, will enable a higher amount of infrastructure to be delivered, to support growth set out in the two Local Plans (plus any growth identified in Neighbourhood Plans).
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Appendices

Appendices:

Appendix A	Examiner's Report and Recommendations on the East Suffolk Draft CIL Charging Schedule (April 2023)
Appendix B	Strategic Environmental Assessment Screening Opinion (November 2021), produced to accompany consultation on Draft CIL Charging Schedule
Appendix C	Habitats Regulations Assessment Screening Statement (November 2021), produced to accompany consultation on Draft CIL Charging Schedule
Appendix D	Equality Impact Assessment Screening Opinion (October 2021), produced to accompany consultation on Draft CIL Charging Schedule
Appendix E	Final East Suffolk CIL Charging Schedule
Appendix F	East Suffolk CIL Instalment Policy
Appendix G	East Suffolk CIL Social Housing Relief Policy

Background reference papers:

Date	Type	Available From
March 2019	East Suffolk Council - Waveney Local Plan	https://www.eastsuffolk.gov.uk/planning/planning-policy-and-local-plans/local-plans/
September 2020	East Suffolk Council - Suffolk Coastal Local Plan	https://www.eastsuffolk.gov.uk/planning/planning-policy-and-local-plans/local-plans/

September 2022	East Suffolk CIL Spending Strategy	https://www.eastsuffolk.gov.uk/assets/Planning/Community-Infrastructure-Levy/CIL-spending/CIL-Spending-Strategy.pdf
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