

16 November 2022

Development Strategy Team  
Town Hall  
Evreux Way  
Rugby  
CV21 2RR

VIA EMAIL ONLY: [localplan@rugby.gov.uk](mailto:localplan@rugby.gov.uk)

Dear Sir/Madam,

**Community Infrastructure Levy (CIL) Draft Charging Schedule Consultation**

Pegasus Group have been instructed by Persimmon Homes (Central) to submit a response to the consultation on the Community Infrastructure Levy (CIL) Draft Charging Schedule. Persimmon Homes (Central) have a number of interests within Rugby Borough, including at Coton Park East.

Persimmon Homes (Central) acknowledge the intention of the Council to impose CIL charges within the Borough. The proposed changes are significant, particularly for residential development. It is noted that strategic sites are proposed to be excluded from CIL and relevant obligations sought through Section 106/Section 278 agreements. This approach is due to specific infrastructure requirements associated with the strategic sites. This approach is supported and reflects the specific nature of strategic sites infrastructure requirements which are best met through tailored S106 agreements.

As set out in the draft Charging Schedule, CIL is a set charge on all developments which creates net additional floor space exceeding 100 sqm. The draft Charging Schedule distinguishes between urban and rural areas. It does not make any distinction between Greenfield and previously developed sites. The introduction of CIL charges is likely to adversely impact the viability of previously developed sites. This could ultimately discourage the development of previously developed sites, which runs counter to the aspirations of local and national policy (Section 11 of the NPPF and Policy GP3 of the adopted Local Plan).

As currently drafted, the Charging Schedule does not propose to offer exceptional circumstances relief (see paragraph 29), which is not supported. By not making exceptional circumstances relief available, the Council is taking a rigid approach, which does not allow for site-specific circumstances where exceptional relief may be appropriate. The Planning Practice Guidance (PPG) on Community Infrastructure Levy is clear that charging authorities may offer relief from the levy in exceptional circumstances where a person responsible for a specific scheme cannot afford to pay the levy (paragraph 076, reference ID: 25-076-20190901). This would be of particular benefit for previously developed sites with viability concerns, as one of the conditions for granting

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flexibility in particular cases where this is required. Without this allowance for flexibility, the Council could find itself in a position where sites that are suitable for development and which are supported cannot be delivered due to viability concerns related to CIL. It is suggested that the Council should amend the draft CIL Charging Schedule to confirm that exceptional relief will be made available in accordance with the provisions of the CIL Regulations (2010).

Paragraph 9 of the draft CIL Charging Schedule states that under the amended regulations, both CIL and S106 funding can be secured towards the same piece of infrastructure. The draft Developer Contributions Supplementary Planning Document (SPD) provides further detail on this. It sets out that for health and sport education matters CIL contributions would cover the majority of these matters with S106 agreements being used for provision of land. For transport, CIL would cover most aspects with the exception of site-specific highways works/ infrastructure. Biodiversity net gain is envisaged to be addressed via S106 only. This approach is generally supported, however the SPD should be clear that it will not seek S106 contributions from sites where the infrastructure forms part of the CIL Infrastructure Funding Statement (IFS) to avoid these developments being charged for the same piece of infrastructure twice as this would likely result in viability issues. It should also be noted that where sites are providing land through a S106 Agreement but are still CIL liable, this may give rise to viability issues and would be an example of when the flexibility offered by exceptional circumstances relief could be of assistance.

Overall, it is considered that, in its current form, the CIL draft Charging Schedule is overly rigid and likely to cause concern for the delivery of housing in the Borough. There is a clear policy preference at both local and national level for the redevelopment of previously developed land, however the draft Charging Schedule does not acknowledge this and, in its current form, risks undermining the policy approach. As discussed above, previously developed sites are more sensitive to viability concerns and often face additional costs over and above similar greenfield sites. The Council should be aware that proposal for CIL to cover the entire Borough, and without the availability of exceptional circumstances relief, could have significant effects on previously developed sites. As it is a clear objective of both local and national policy to encourage the reuse and redevelopment of previously developed land, the draft CIL Schedule should be reviewed to ensure it will not undermine this objective. It is suggested that the amendments outlined above, the commitment to the inclusion of exceptional circumstances relief, would assist in supporting the viability of previously developed land and other challenging sites and should be included as part of the draft Charging Schedule. The Developer Contributions SPD would also benefit from clarifying that items listed on the IFS will not be subject to S106 requests.

We are grateful for the opportunity to comment on the CIL draft Charging Schedule and hope that our comments are of assistance as the Council progresses this document.

Yours faithfully

[Redacted signature]

[Redacted name]

**Associate Planner**

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