
Report to Stevenage Borough Council

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an Examiner appointed by the Council

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Planning Act 2008 (as amended)

Section 212(2)

**Report on the Examination of the Stevenage Revised Community
Infrastructure Levy Charging Schedule, Submission Draft August 2025**

Charging Schedule submitted for examination on 15 August 2026

The examination hearings were held on 18 March 2026

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Abbreviations used in this report

BLV	Benchmark Land Value
CIL	Community Infrastructure Levy
CS	the Stevenage Revised CIL Charging Schedule Charging
Schedule	
DCS	Draft Charging Schedule
EUV+	Existing Use Value +
GDV	Gross Development Value
IDP	Infrastructure Delivery Plan
LP	Local Plan
PPG	Planning Practice Guidance
UCO	Use Classes Order
VA	Viability Assessment

Non-Technical Summary

This report concludes that the Stevenage Revised Community Infrastructure Levy Charging Schedule Submission Draft August 2025 (the CS) (CID1) provides an appropriate basis for the collection of the levy in Stevenage Borough. Stevenage Borough Council (the Council) has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk. The CS supersedes the Stevenage Community Infrastructure Levy Charging Schedule January 2020 (the adopted CS).

I have recommended that the schedule should be approved in its published form, without changes.

Introduction

1. This report contains my assessment of the CS in terms of Section 212 of the Planning Act 2008. It considers whether the schedule is compliant in legal terms and whether it is economically viable as well as reasonable, realistic and consistent with national guidance.
2. To comply with the relevant legislation the Council as the local charging authority, has to submit a charging schedule which sets an appropriate balance between helping to fund necessary new infrastructure and the potential effects on the economic viability of development across the Borough and is prepared in accordance with relevant regulations.
3. The Council consulted on a Preliminary Draft Charging Schedule (Regulation 15) between 14 October and 24 November 2024 (CID8) in accordance with Regulation 15 of the Community Infrastructure Levy Regulations 2010 (as amended). Thereafter, the Council consulted on a Draft Charging Schedule (under Regulation 16 of the Community Infrastructure Levy Regulations 2010 (as amended) between 22 January and 18 February 2025 (CID16). Other than in title, date and formatting, the content of CID16 was unchanged as a result of the public consultation. The CIL CS was submitted by the Council on 15 August 2025. It is the same as CID16 and is the basis for the examination.
4. The adopted CS came into effect on 1 April 2020. The CS updates the adopted CS. Both the adopted CS and the CS divide the Borough into the same two charging zones. Zone 1 covers lands in and around Stevenage Town Centre (Stevenage Central), whereas Zone 2 covers everywhere in the Borough outside of Zone 1 (everywhere outside Stevenage Central). The CS proposes a new levy rate for industrial development and an increase in the existing levy rates for market housing, sheltered housing, extra care housing and retail development as explained below.

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

Infrastructure planning evidence

5. The Stevenage Borough Local Plan 2011-2031 was adopted in 2019 (the adopted Plan) (EX3). The Council subsequently prepared and adopted the CIL Charging Schedule which came into effect in 2020.
6. The CS subject to my examination was submitted alongside the partial update to the Stevenage Borough Local Plan 2011-2031 (EX3). The Partial Update comprises the Stevenage Borough Local Plan 2011-2031 Schedule of Changes from Regulation 18 to Regulation 19 (EX1) and the Partial Update of the

Stevenage Borough Local Plan 2011-2031 Schedule of Changes from Regulation 19 to Pre Submission) (EX2) (referred to together hereafter as the Partial Update Plan). The Partial Update Plan will when adopted update parts of the adopted Plan (EX3). I have examined the Partial Update Plan alongside the updated CIL CS.

7. The adopted Plan aims to facilitate some 140,000 square metres of employment floorspace, 4,700 square metres of comparison retail floorspace, 7,600 square metres of convenience retail floorspace and 7,600 new homes between 2011 and 2031. As at 1 September 2025, the Council has delivered 3,287 new net homes and approximately 102,000 square metres of employment floorspace leaving approximately 4,313 homes and around 38,000 square metres of employment floorspace to be delivered over the remainder of the plan period together with appropriate retail floorspace, in line with the adopted Plan as amended by the Partial Update Plan (SBC4).
8. Supporting the growth proposed in the adopted Plan and the Partial Update Plan is the Council's Infrastructure Delivery Plan, September 2024 (CID5). This was updated in October 2025 (CID14). CID5 and CID14 provide the main sources of infrastructure planning evidence necessary to justify the CS levy rates and support the delivery of the growth proposed in the adopted Plan up to 2031 as amended by the Partial Update Plan.
9. The Partial Update Plan does not alter the overall quantum or spatial distribution of development required or the plan period. The development that remains to be delivered up to 2031 will need to be supported by investment in infrastructure within the Borough. However, the Partial Update Plan does update a number of existing policies and introduce new policies which have implications for the viability of different forms of development in the Borough. These implications have been assessed by the Council and are considered in the economic viability evidence section of my report below.
10. Planned growth in Stevenage Borough gives rise to substantial community and infrastructure requirements. The Council's Infrastructure Delivery Plan (CID5 and CID14) identifies needs relating to transport and mobility (including public transport, cycling, walking and highway capacity), education (primary and secondary provision), healthcare (including primary care and acute services), green and blue infrastructure, community and leisure facilities, utilities, and emergency services.
11. Based on the growth proposed in the adopted Plan and Partial Update Plan, the Infrastructure Delivery Plan (CID14) identifies a substantial requirement for new and improved infrastructure. It indicates that the total cost of infrastructure required exceeds £200 million to deliver in full the growth proposed over the plan period. A range of funding sources have been identified, including

Government funding, capital investment by infrastructure providers and developer contributions secured through Section 106 agreements and the Community Infrastructure Levy. However, it demonstrates that these sources will only meet part of the overall infrastructure requirement. As such, a funding gap of over £200 million has been identified, representing the difference between total infrastructure costs and funding reasonably expected to be available. A projected income from CIL of between £15 million and £20 million for the remainder of the adopted Plan period up to 2031 has been identified (CID14).

12. The adopted CIL CS was brought into effect on 1 April 2020, applying to planning permissions granted on or after that date. The Council's latest Infrastructure Funding Statement for 2023/24 (CID6) shows that £992,661.67 was collected between 1 April 2023 and 31 March 2024, and that a further £390,403.61 had been collected in earlier years since the levy was first implemented. Taken together, this indicates that £1,383,065.28 of CIL has been collected between 1 April 2020 and 31 March 2024. Although the Infrastructure Funding Statement notes that additional sums may have been collected after the end of the reporting period and are not reflected in those figures.
13. As such, the Council's CIL receipts are not expected to be large enough to fully fund any significant infrastructure projects, and the Council will look to use its CIL receipts to "top up" the funding gaps for individual infrastructure schemes once Section 106 contributions and other potential funding streams have been secured or explored.
14. The CS makes clear that infrastructure provision is therefore expected to be funded principally through a combination of Section 106 obligations, central and local government capital funding, transport grants, NHS and education funding, and other public and private investment, with CIL operating as a complementary funding source to help address residual gaps rather than as the primary means of delivery. Section 106 receipts in 2023/24 were £1.37 million, demonstrating the importance of the contribution made from site-specific obligations alongside the levy.
15. In light of the information provided, the proposed charge would therefore make only a modest, but significant contribution towards filling the likely funding gap. The figures demonstrate the need to levy CIL.
16. The Infrastructure Delivery Plan (CID5 and CID14) identifies the infrastructure required to support development in Stevenage. The Infrastructure Funding Statement (CID6 and CID17) identifies a funding gap between the cost of required infrastructure and committed funding. Overall, I am satisfied that the CS is supported by appropriate available infrastructure planning evidence.

Economic viability evidence

17. The CIL CS is supported by comprehensive economic viability evidence, comprising the Local Plan & CIL Review Viability Assessment October 2024 (CID7) and the Affordable Housing Policy Addendum November 2025 (CID15) (referred to together hereafter as the viability evidence).
18. The viability evidence appraises a range of residential, non-residential and mixed-use typologies reflecting differences in location, value zone, scale and land type, with strategic sites appraised individually where these are critical to plan delivery. This approach is consistent with the relevant sections of the Viability Planning Practice Guidance (PPG)¹ and reflects the type and location of development expected in the Borough up to 2031.
19. The appraisals are based on a residual land value approach. They compare the residual value generated by policy compliant development against a benchmark land value. Benchmark land values are derived using an existing use value plus premium approach. The benchmark values are informed by local land value evidence and applied consistently across the typologies tested. I am satisfied that the benchmark land values adopted reasonably balance the requirement to incentivise land to come forward with the need to secure infrastructure funding.
20. In relation to gross development value, the Viability PPG (paragraph 011) confirms that area average figures may be used, provided they are adjusted to reflect differences in land use, form, scale and location, and are applied having regard to outliers in the data. The residential values used are informed by local market evidence and applied by value zone. The non-residential values are informed by much more limited available local transactional data but are supplemented by wider generic market evidence and professional judgement. I am satisfied that this approach is consistent with the Viability PPG and proportionate to the level of evidence reasonably available and its intended purpose.
21. The development costs accounted for in the viability evidence appraisals are informed by BCIS construction cost data, with appropriate allowances for external works, fees, contingency and finance, and they reflect the cumulative impact of affordable housing, sustainability standards, accessibility requirements, biodiversity net gain and residual Section 106 obligations. This accords with paragraph 012 of the Viability PPG. I am satisfied that the assumptions used are reasonable for the purposes of setting CIL rates.
22. For residential development, the Viability PPG indicates a developer return of around 15-20% of gross development value may be appropriate, with a lower

¹ Viability Planning Practice Guidance -Paragraph: 004 Reference ID: 10-004-20190509 Revision date: 09 05 2019 & Paragraph: 005 Reference ID: 10-005-20180724 Revision date: 24 07 2018

return potentially justified for affordable housing where risk is reduced. The Council's viability evidence cautiously assumes 17.5% for market housing and adopts a 6% return on GDV for affordable housing, which it describes as "broadly accepted as an industry-standard level". These figures are reasonable in this case and accord with the Viability PPG.

23. The non-residential development appraisals in the viability evidence are based on developer return of 15% of gross development value for all non-residential uses. This is the bottom end of the range suggested by the PPG, reflects the lower returns achieved compared to residential and overall is justified. The evidence shows that some forms of development are capable of supporting a levy while others are not and as reflected in the differential rates discussed below.
24. Overall, I conclude that the Council's viability evidence accords with Viability PPG and provides a robust and proportionate economic viability evidence base for the CIL CS.

Are the charging rates informed by and consistent with the evidence?

Market housing

25. The CIL CS proposes market housing levy rates of £50 per square metre within Zone 1 (Stevenage Central) and £120 per square metre within Zone 2 (everywhere else). This would be an increase of £10 per square metre from that required by the adopted CIL CS in Zone 1 and an increase of £20 per square metre in Zone 2.
26. The viability evidence shows higher sales values for market housing in Zone 2 than Zone 1. Even when taking full account of affordable housing provision, Section 106 obligations, and other requirements of the development plan, the appraisals indicate a clear surplus in excess of the proposed CIL rate. The increase to £120 per square metre leaves sufficient headroom to accommodate reasonable variations in costs and values which may be identified when considering real development proposals with bespoke development circumstances.
27. In Zone 1 the viability evidence notes higher build costs, more brownfield sites, and more complex site development conditions. However, the tested residential typologies generally show a surplus once the costs of development plan policy compliance are taken into account. The increase to £50 per square metre remains within the level of surplus identified in the majority of tested scenarios.

Sheltered housing

28. The CS proposes a rate of £120 per square metre for sheltered housing as a flat rate across the Borough. This is an increase of £20 per square metre from the £100 per square metre rate in the adopted CIL CS.
29. The Council's viability evidence recognises the unit values, cost structure and delivery model differ from that of market housing. The tested typologies assume lower sales values than market housing and apply lower allowances for development plan requirements than market housing. On this basis, the viability evidence indicates that after allowing for affordable housing where applicable, residual Section 106 obligations and other development plan requirements, sheltered housing schemes anywhere in the Borough are capable of generating a surplus. The viability evidence demonstrates that sheltered housing can viably support the proposed levy rate.

Extra care housing

30. The CIL CS proposes a rate of £50 per square metre for extra care housing, representing an increase of £10 per square metre from the £40 per square metre rate in the adopted CIL CS. Extra care housing differs from sheltered housing in that it typically provides self-contained homes alongside more comprehensive on-site care and support facilities, often including communal spaces, staff accommodation and care services. The viability evidence recognises these differences through higher build costs and demonstrates that, while extra care housing has less headroom than sheltered housing, the proposed CIL rate of £50 per square metre remains well below the maximum level indicated by the appraisals. I am satisfied that the proposed CIL rate for extra care housing is justified by the viability evidence and would not prejudice the delivery of this form of development.

Retail development

31. A rate of £75 per square metre for retail development is proposed, representing an increase of £15 per square metre from the £60 per square metre rate in the adopted CIL CS. The Council's viability evidence includes specific testing of retail development typologies, reflecting the fact that viability within the retail sector varies considerably by scale, format and performance. The assessment focuses on forms of retail development that are most likely to come forward in the Borough over the plan period. The viability evidence demonstrates that the proposed increase to £75 per square metre does not move the levy towards the margins of viability. The tested retail typologies continue to show adequate headroom above the proposed CIL rate, even when allowing for conservative assumptions on construction costs and developer returns. In this context, the revised rate leaves scope to accommodate reasonable fluctuations in costs and values which may arise in practice, while still securing a meaningful contribution towards infrastructure provision.

32. The proposed rate therefore strikes an appropriate balance between securing additional infrastructure funding and maintaining the viability of retail development in the Borough. The rate of £75 per square metre for retail development is supported by the evidence and represents a proportionate and justified increase from the adopted rate.

Industrial Development

33. It is proposed to introduce a new levy rate of £40 per square metre for industrial development.
34. The Council's viability evidence includes specific testing of industrial development typologies, reflecting the distinct costs, values and market considerations associated with this form of development. It acknowledges that industrial uses generally generate lower development values than residential or certain forms of retail development but usually have lower costs in terms of meeting development plan requirements. The viability evidence demonstrates that industrial development can generate a modest positive surplus after taking account of build costs, developer return, finance costs and residual Section 106 obligations, sufficient to accommodate the proposed CIL charge in most cases. I am satisfied that the introduction of a £40 per square metre CIL rate for industrial development is informed by and consistent with the evidence.

Does the evidence demonstrate that the proposed charge rate would not put the overall development of the area at serious risk?

35. Regulation 34 requires the charging authority to strike an appropriate balance between the desirability of funding infrastructure and the potential effects of CIL on development viability. Having regard to the evidence discussed above, I am satisfied that the proposed CIL rates would not put the overall development of Stevenage at serious risk.

Conclusion and Legal Requirements

36. In setting the CIL charging rate, the Council has had regard to detailed evidence on infrastructure planning and the economic viability evidence of the development market in its viability assessment. The Council has been 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 authority area.
37. The requirements of the 2008 Planning Act and 2010 CIL Regulations (as amended), including in respect of the statutory processes and public consultation, financial appraisal, and consistency with the development plan,

have been complied with, and the draft charging schedule is consistent with national policy and guidance.

38. I conclude that the CIL CS has satisfied the requirements of Section 212 of the 2008 Act and meets the criteria for viability in the 2010 Regulations (as amended). I therefore recommend that the Charging Schedule be approved.

L Fleming

Examiner