



South Worcestershire Councils Community Infrastructure Levy Review

Follow up to Hearing

1st October 2026

Introduction

On 24th June 2026, the South Worcestershire Councils submitted the jointly prepared revised Draft Charging Schedule for Examination. Examiner Keith Holland held the hearing into the Draft Charging Schedule on 14th September. At the end of the hearing, the South Worcestershire Councils took away a number of actions to provide further information on the following:

1. Provide the following information:

- Total infrastructure costs
- Known funding sources
- Gap between the two
- Contribution expected from CIL

In order to demonstrate justification for reviewing the CIL Charging Schedule and introducing revised charges.

2. Provide the housing trajectory for the adopted Local Plan

3. Provide examples of development coming forward for PBSA that has been CIL compliant over the past 3-5yrs.

This covering report provides the findings of the above work, and gives some further information on how the work has been assembled.



Funding Shortfall



Table 1 Infrastructure Costs, Funding and Gap

Infrastructure	Total known costs	Total known non S106 sourced fund	S106 Contributions	Total Known Funding Gap
Transport	£124,942,000.00	£5,000,000.00	£83,494,860.00	£36,447,140.00
Utilities	£33,000,000.00	-	£33,000,000.00	-
Education	£125,867,359.00	-	£63,285,267.00	£62,582,092.00
Healthcare	£19,523,321.00	-	£19,523,321.00	-
Emergency Services	£1,274,958.00	-	£1,274,958.00	-
Sports	£89,287,693.00	£13,450,000.00	£18,423,693.00	£20,940,000.00
Green Infrastructure	£8,528,413.00	-	£2,754,950.00	£5,773,463.00
Community Buildings	£2,408,714.00	-	£2,408,714.00	-
Sub- Total	£404,832,458.00	£18,450,000.00	£224,165,763.00	£125,742,695.00
Flood Mitigation	£33,285,849.00	£8,177,000.00	£0	£25,108,849.00
Total	£438,118,307.00	£26,627,000.00	£224,165,763.00	£150,851,544.00



Table 1 has been calculated using the information published within the Infrastructure Delivery Plan, 2024 (available within the examination library), which is the best available information to inform this work. This version of the Infrastructure Delivery Plan was produced at a point in time specifically to support the examination of the South Worcestershire Development Plan Review (SWDPR), and therefore was produced within a constrained timetable. This alongside the nature of strategic planning, meant that not all infrastructure mitigations had specific projects available at the time of writing to enable detailed costings and funding packages to be identified. In a number of cases, infrastructure providers were unable to confirm project costs, funding sources, or potential funding gaps. Whilst such projects are identified within the IDP, no cost assumptions have been applied where this information was unavailable.

The infrastructure cost calculations presented exclude those associated with the strategic allocations, which are proposed to be subject to a nil Community Infrastructure Levy (CIL) rate within the updated Charging Schedule.

The IDP is intended to be a living document and will be reviewed and updated periodically as further information becomes available. Should infrastructure costs increase materially in a manner that could affect the viability of development coming forward, the Council may seek to review the CIL Charging Schedule to ensure that it remains appropriate and responsive to changing circumstances.

Flood risk infrastructure has been provided within table 1 separately, as specific projects had not been identified at the time of writing the IDP and it hasn't been confirmed as to whether these projects will be seeking CIL contributions.



Predicted Income from CIL

Table 2 Predicted Income from CIL

Total predicted income	£126,594,387.00
Income anticipated from housing allocations	£22,065,687.00
Income anticipated from employment allocations	£104,078,700.00
Income anticipated from retail development	£450,000.00

The total predicted income from the Draft Charging Schedule as submitted is £126,594,387.00. This has been calculated on the following basis. Application of the CIL regulations in terms of how the income is spent would need to be applied with the neighbourhood/parish council portion being split from the strategic infrastructure fund.

Residential Development

CIL liable residential development was calculated by taking the total number of dwellings allocated within the SWDPR and removing those expected to be delivered on Strategic Sites, as they are £0 CIL rated. Removing any sites which already have planning permission, as the revised draft charging schedule will not be applied retrospectively.

Within this calculation it has been assumed that development will be fully policy compliant in terms of the amount of affordable housing being proposed, which has also been discounted from the calculation.

An average house size has been used of a large 3 bed dwelling, and using the Nationally Described Space Standards, an average floorspace of 105m² has been used to calculate the potential income from residential development.

It has not been possible to include a windfall allowance within this calculation, however, as tested through the Examination in Public of the SWDPR, the allowance included within the overall housing trajectory is for small sites only and is minimal.

Employment Development

The income from Employment Development has been calculated by taking the allocations within the SWDPR, and removing land that is proposed to be delivered on strategic allocations. Removing any site that has planning permission, as the revised draft charging schedule will not be applied retrospectively, and applying a 15% reduction to site size to account for service/associated land uses that do not make up actual employment floorspace.



It has not been possible to include an allowance for windfall development within this calculation.

Retail Development

The retail requirements arising from the SWDPR are very small, and no specific allocations for retail were made within the plan. Therefore, CIL income from retail development has been based on the identified requirements arising from the Retail and Town Centres Study, 2024, with a total of 3,000m² identified across South Worcestershire over the plan period.

It has not been possible to include an allowance for windfall development within this calculation.

Further Comments

No specific allocations have been made for Purpose-Built Student Accommodation or for elderly care, therefore it has not been possible to calculate these in detail.

The South Worcestershire Councils consider that this demonstrates justification for the revised charging schedule and would propose to add an additional paragraph to the charging schedule as submitted to give this explanation, similar to paragraph 5.10 of the currently adopted charging schedule¹, which sets out the estimated funding gap, known sources of funding and remaining unidentified funding needs for infrastructure delivery.

1

https://www.worcester.gov.uk/component/fileman/file/PDF%20Documents/Planning/planning_policy/ldf/Community_Infrastructure_Levy/Community%20Infrastructure%20Levy%20Charging%20Schedule.pdf?routed=1&container=fileman-files



Purpose-Built Student Accommodation

Table 3 Applications for Purpose Built Student Accommodation since the introduction of CIL

STATUS	App Ref	Address	Description	Status	CIL Rate (per m²)	Decision Date	Amount	Relief	Type	Revised Total	CIL Collected
COMPLETE	P17J0577	YMCA HOSTEL HENWICK ROAD WORCESTER WR2 5NS	Change of use hostel to student accommodation; demolitions and erection of new accommodation block; access and car park improvements	Approved	£100	29/10/2018	£231434.26	No	N/A	£222,679.71	£222,679.71
COMPLETE	P18J0124	UNIVERSITY OF WORCESTER LAND OFF HIMBLETON ROAD WORCESTER WR2 6AJ	Proposed 20 bed student residence (use class C2), car parking, landscaping and associated development and drainage infrastructure	Approved	£100	31/07/2018	£83,729.37	Yes	Charitable (100%)	£0.00	£0.00
COMPLETE	19/00247/FUL	IMAGES NIGHTCLUB, 19 THE BUTTS, WORCESTER, WR1 3PA	Demolition of existing building. Erection of 83 bedroom student accommodation building including	Approved	£100	08/12/2020	£242,208.39	No	N/A	£242,208.39	£242,208.39



			ancillary and communal living space								
COMPLETE	26/00300/FUL	Farrier House, Farrier Street, Worcester, WR1 3BH	Change of use of part of the ground floor of Farrier house from private healthcare (use class E) to student accommodation (use class Sui-Generis).	Due to the building being in Lawful Use, discount can be applied so the change of use element to student accommodation is not CIL liable.	£100	03/07/2026	£55,664.34	Yes	Building is in Lawful Use	£0.00	£0.00
LIVE	22/00334/FUL	St Clements Church Hall, Henwick Road, Worcester, WR2 5NP	Demolition of existing Church Hall and erection of four storey building to provide 54 bed student accommodation with associated communal amenity space, landscaping, car/cycle parking and refuse storage.	Approved	£100	02/09/2024	£203,422.02	No	N/A	£203,422.02	TBC



LIVE	25/00154/FUL	8-10 Flat 2, Foregate Street, Worcester, WR1 1DB	Upward extension of existing student accommodation building to provide 18no. bedrooms and shared living accommodation contained within 4 Units.	Potential CIL Liability - Additional Information Form Required. CIL Liability depends on whether or not the building is in lawful use and if the 'retained' part of the building should be counted as part of this. Email sent to Laura Wall 3rd July 2025 summarising this. UPDATE: Due to the building being in Lawful Use, discount can be applied so new element of the student accommodation is not CIL liable.	£100	16/10/2025	£64,274.38	Yes	Building is in Lawful Use	£0.00	TBC
------	--------------	--	---	---	------	------------	------------	-----	---------------------------	-------	-----

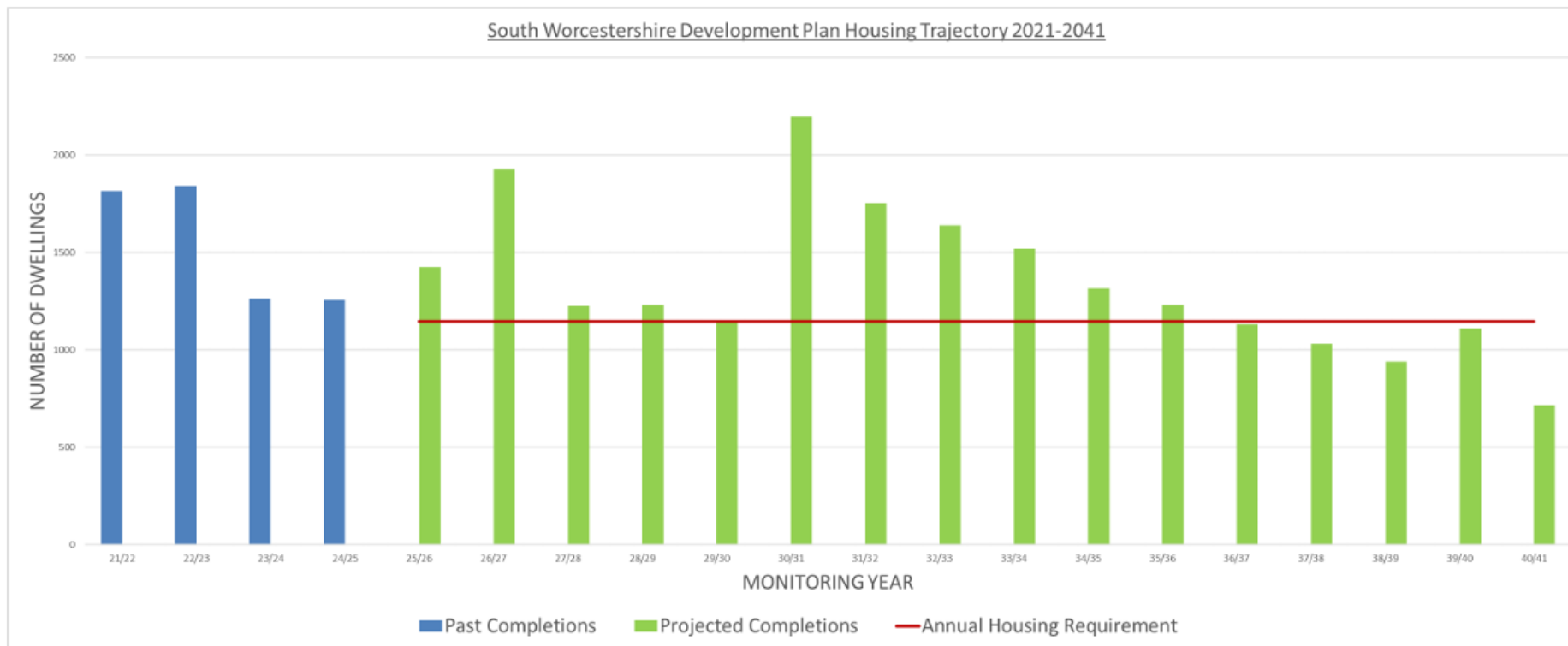
Table 3 lists the applications received within South Worcestershire for Purpose-built student accommodation since the introduction of the Community Infrastructure Levy. Through discussions with the University of Worcester, the Councils are aware that at the time of



writing, the University considers there to be sufficient student accommodation to meet housing requirements for their students. As can be seen in table 3, this does not represent a large number of applications overall, and it is considered that this demonstrates the existing charge would not block any future development of this type.



Housing Trajectory



The housing requirement was rebased at 1 April 2025, therefore is only shown from this year. Housing completions for the Plan period in the years 2021/22 to 2024/25 are shown.