Urban&Civic plc

Representations to the Greater Cambridge Community Infrastructure Levy Draft Charging Schedule

March 2026

Introduction

Urban&Civic plc submits these representations as the UK's leading Master Developer. We were created specifically to disrupt the established approach to national housing supply in which the promotion and delivery of what we have come to call Super Strategic Sites, namely large-scale, residential-led developments with capacity for 2,000 or more homes, delivered over ten to twenty or more years, had all but been abandoned by the private sector in the aftermath of the Global Financial Crisis. Our representations are the product of fifteen years of operational experience promoting, delivering and managing some of the most complex and consequential residential-led developments in England.

Our experience of working with South Cambridgeshire in relation to Waterbeach has been a strong partnership and we recognise that South Cambridgeshire, as a local planning authority, has significant experience of Super Strategic Site planning and delivery. We also acknowledge the work GCSP have put into developing a bespoke approach to respond to Greater Cambridge's challenges. These representations address specific aspects of the financing and delivery of Super Strategic Sites which are complex and on which we would welcome further discussion so that the full impacts of the proposals can be fully understood, and potential solutions explored. We trust that the responses below provide helpful insight and a basis for further dialogue.

At Waterbeach, we acquired the site outright from DIO and have made substantial long-dated infrastructure investment, supported with long dated infrastructure finance from Homes England and are managing an active programme of housebuilding customers, community infrastructure delivery and place stewardship that will extend through multiple phases well into the 2040s. We have a direct, material and long-term stake in the planning and funding frameworks that govern development in this area but also recognise the challenges faced.

Our central proposition is that the Community Infrastructure Levy, as currently proposed, has been calibrated against a viability model that does not reflect the economics, risk profile or delivery mechanics of Super Strategic Sites. The proposed rates and structure may be appropriate for much of the development anticipated across Greater Cambridge. They are not, however, appropriate and in our assessment would be actively problematic for strategic scale development of the kind that Waterbeach represents and upon which Greater Cambridgeshire's longer-term housing trajectory materially depends.

On-site infrastructure and s.106 costs across Urban&Civic's Super Strategic Sites currently run to approximately £60,000 per plot, which is around four times the equivalent figure for infill development, before affordable housing requirements are factored in. Master developers must commit tens of millions of pounds in planning and infrastructure costs before a single home is sold, creating a structural period of negative cashflow of five to ten years that has no counterpart in standard residential development. Investors in sites of this character assess returns on an IRR or cash-on-cash basis over a full investment period of twenty to thirty years, not the profit-margin metrics that dominate standard viability guidance and, by extension, CIL rate-setting. These are fundamentally different financial propositions, and the Viability Assessment currently contains no analysis of that distinction or a wider recognition of the importance that such infrastructure has for Super Strategic Sites in terms of placemaking and delivery. This is a scale differentiation and does not apply to smaller scale sites for which CIL may indeed be logical.

These representations are consistent with, and draw upon, the evidence base that informs Urban&Civic's concurrent submissions to MHCLG on the December 2025 draft National Planning Policy Framework, in which we make the case for a formal Super Strategic Site policy designation with its own viability benchmarks, consenting framework and delivery mechanics. The CIL consultation presents a specific and concrete instance of why that calibration based on a clear and differentiating designation matters.

Our core submission is that super strategic sites should be nil-rated for CIL, with contributions continuing to be secured through site-specific Section 106 Obligations alone. We expand upon that position in our responses to the individual consultation questions that follow. We recognise the funding challenges faced in this area and we would welcome the opportunity to discuss the financial evidence base and potential solutions in further detail with the Greater Cambridgeshire team and its advisers.

Question 1: Who are you responding on behalf of?

Urban&Civic plc.

Question 2: Do you wish to participate in the CIL examination?

Urban&Civic reserves its position to participate at an examination depending upon the position adopted moving forward.

Question 3: Do you agree that the Council should introduce CIL?

We note that the Viability Assessment expresses an ambition to increase developer contributions towards strategic infrastructure through CIL, which has previously relied upon Section 106 contributions alone. It is stated that Section 106 Agreements will continue to be deployed to meet community and on-site infrastructure requirements, with CIL collected primarily for strategic infrastructure.

While the ambition to deliver a greater level of contribution towards strategic infrastructure and to pool contributions is welcomed, Urban&Civic is cautious that CIL can both collect the contributions and deliver the infrastructure in a timely manner to support delivery of Super Strategic Sites. Furthermore, there is a significant risk that diverting direct and specific contributions from Super Strategic Sites into CIL will frustrate delivery, impact the quality of development, reduce provision of affordable housing and cause delay.

Urban&Civic's own operational evidence across our Super Strategic Site portfolio demonstrates why the economics of these sites are structurally incompatible with CIL contributions. We define Super Strategic Sties as any site with capacity for 2,000 or more homes, an anticipated delivery period of ten or more years from outline consent to final completion, and requiring material on-site investment in transport, education, utilities and green infrastructure prior to or concurrent with first residential delivery. On-site infrastructure and s.106 costs across our Super Strategic Sites currently run to approximately £60,000 per plot, approximately four times the equivalent figure for infill development, before affordable housing requirements are factored in. CIL, calibrated against the viability of standard residential development, cannot account for that differential. The consequences of ignoring it are likely to include stalled delivery, reduced affordable housing, diminished quality and will impact the sites upon which the Council's housing trajectory is most dependent. It will also remove the ability for the Master Developer to self-deliver that infrastructure, such as our recent footpath, cycleway and bridleway bridge over the A10, which also removes the construction risk from the public sector and the risk of delay.

Super Strategic Sites that carry an inherent and often front-loaded infrastructure burden should be nil-rated in the event that the Council proceeds with the introduction of CIL.

Question 4: Do you agree that the Council has demonstrated a funding gap?

While there is clearly a funding gap, Urban&Civic has significant concerns about whether the gap as presented is the right basis upon which to introduce CIL at this time.

Timing: CIL Ahead of the Greater Cambridge Local Plan

The CIL charging schedule is being brought forward in advance of the Greater Cambridge Local Plan ('GCLP'), which is being prepared simultaneously and which will have a material effect on both the infrastructure requirements and the funding sources available to meet them. The Infrastructure Statement ('IS') and CIL Supporting Statement are calibrated against adopted local plans with a horizon of 2031, yet the Viability Report has been assessed against the emerging draft GCLP. This creates a fundamental internal inconsistency in the evidence base: infrastructure requirements are assessed against one policy context; viability is tested against another.

National Planning Practice Guidance is clear that, where practical, infrastructure planning for the purposes of plan-making and levy-setting should be undertaken together (PPG 25-012). The Council would be better placed to bring forward a CIL charging schedule that is properly aligned with the GCLP, ensuring that in-kind infrastructure provision, s.106 commitments and CIL spending priorities are coherent and mutually reinforcing.

Cambridge Growth Company and Development Corporation Funding

The IS contains no substantive recognition of the anticipated support from the Cambridge Growth Company ('CGC') or the proposed Greater Cambridge Development Corporation ('GCDC') in delivering strategic transport infrastructure. These bodies represent a significant and proximate source of infrastructure funding that, once committed, could materially alter the scale of the funding gap that CIL is being asked to fill. Proceeding with a charging schedule before this funding position is confirmed risks overstating the gap and setting rates at a level that is inconsistent with the development landscape that will actually prevail.

Question 5: Do you agree that the Council has used appropriate evidence to inform the proposed rates?

No. The evidence base does not use appropriate evidence to inform the proposed rates, for two principal reasons. First, there is a fundamental disconnect between the IS (calibrated to the adopted local plans) and the Viability Report (tested against the emerging GCLP), meaning that the infrastructure the CIL seeks to fund and the assumptions upon which it is viability-tested do not correspond. Second, and most materially for Urban&Civic's position, the evidence base contains no adequate assessment of the economics of large-scale strategic residential development.

The Case for Nil-Rating Super Strategic Sites: Policy and Precedent

National Planning Practice Guidance explicitly supports differential rates for strategic sites. PPG 25-022 states that charging authorities should consider setting a low or zero levy rate where the evidence shows that an area, including a strategic site, has low, very low or zero viability. PPG 25-025 goes further, confirming that low or zero rates may be appropriate where plan policies require significant contributions towards housing or infrastructure through planning obligations.

This approach has been accepted by examiners in a number of recent charging schedules, providing clear precedent for the position Urban&Civic advocates:

- **South Oxfordshire Council (adopted January 2023)**: The Examiner confirmed that infrastructure costs on strategic sites could appropriately be met through s.106 arrangements, with no CIL charge for residential development on strategic sites, describing this approach as acceptable in terms of national policy.
- **Vale of White Horse District Council (adopted April 2023)**: A similar nil-rate approach for strategic sites was accepted by the Examiner.
- **Chiltern and South Bucks / Buckinghamshire Council (adopted January 2020)**: CIL is charged at zero for sites above 400 units, the Examiner finding this appropriate given the scale of site-specific development mitigation and infrastructure requirements.
- **Folkestone and Hythe District Council (adopted November 2023)**: A payment-in-kind policy allows infrastructure costs to be offset against CIL liability on large-scale sites.

These precedents demonstrate that exempting Super Strategic Sites from CIL does not require viability arguments alone, it is a legitimate policy choice about how infrastructure contributions are best secured. Urban&Civic encourages the Council to adopt the same approach, nil-rating Super Strategic Sites and retaining the s.106 mechanism as the primary and appropriate vehicle for securing site-specific infrastructure delivery.

Question 6: Do you agree that the Council has struck an appropriate balance between additional investment and the potential effect on the viability of developments?

While that balance may well be struck for much of the development anticipated across Greater Cambridge, Urban&Civic is firmly of the view that there is insufficient consideration of the practicalities or implications of placing the same requirements upon Super Strategic Sites as those that might apply to smaller scale development.

The Distinct Economics of Super Strategic Sites

The challenges and complexities of funding and delivering Super Strategic Sites are materially different from those of standard residential development. Substantial forward funding for infrastructure and the total burden that arises from needing to create whole communities and fully mitigate the impact of development over the long term means an ongoing balancing of priorities, as viability itself varies and is reviewed across delivery cycles. Delivered across decades and across multiple market cycles, strategic scale development will typically involve explicit or de facto Grampian conditions linked to strategic infrastructure. Development will stop if necessary infrastructure is not in place. Affordable housing becomes the residual variable as other non-negotiable mitigation is defined and delivered. Together with South Cambridgeshire we are very aware of the challenges of commencing and maintaining momentum on such sites.

A further structural mismatch arises from the return metrics against which Super Strategic Site viability is properly assessed. Standard viability guidance and, by extension, CIL rate-setting is calibrated to housebuilder profit margins, typically 20%+ gross margin in normal market conditions, or 15–20% on fully serviced parcels procured from a master developer. Investors in Super Strategic Sites, by contrast, necessarily assess returns on an IRR or cash-on-cash basis over the full investment period, commonly twenty to twenty-five years. A no-growth, unlevered IRR of 10–15% is generally required to attract and sustain investment at this scale. These are fundamentally different metrics, and a viability framework calibrated against profit-margin benchmarks provides no reliable guide to the investability of long-dated, capital-intensive development.

Furthermore, a master developer must commit many tens of millions of pounds in planning and infrastructure costs before a single home is sold. This creates a period of negative cashflow, commonly five to ten years, that has no counterpart in standard residential development. Placing a statutory CIL obligation at the point of each planning permission adds a further, fixed and irrecoverable charge against a cashflow position that is already structurally negative in the early years of a scheme.

Flaws in the Viability Assessment's Input Assumptions

Beyond the absence of any Super Strategic Site analysis, Urban&Civic notes that the Viability Assessment applies consistently conservative input assumptions across all residential development typologies. Each individual assumption may sit within a defensible range in isolation, but the cumulative effect of placing assumptions at the lower end of what is reasonable systematically understates the true cost of development, particularly in a market such as Greater Cambridge that is more likely to experience cost pressures.

Specific concerns include:

- No contingency allowance: The Viability Assessment includes no contingency allowance. Lichfields' national research across 144 viability studies identifies that 90% include such an allowance, typically in the range of 2.5–5% of build costs. The omission is particularly acute in the current economic context, in which construction costs rose approximately 20% between 2021 and 2025 and are forecast to rise further.
- Developer returns: The Viability Assessment adopts a profit margin of 17.5% for open market housing. National benchmarking identifies that 75% of comparable studies use 20%, and given the risk profile of current market conditions, a lower assumption is likely to undermine delivery across a range of typologies.
- Professional fees: An allowance of 7% is adopted for professional fees. National benchmarking suggests 88% of comparable studies use a range of 8–10%, reflecting the complexity and intensity of professional input on development projects, particularly in a market such as Cambridge.
- Abnormal costs: The Viability Assessment does not include site-specific abnormal cost allowances, relying solely on the baseline included within BCIS data. For Super Strategic Sites, which carry substantial upfront infrastructure requirements, this approach materially understates the cost base.

Sales Values: Not Reflective of the Greater Cambridge Geography

The Viability Assessment tests sales values ranging from £4,000 to £9,000 per square metre. Independent analysis of Land Registry data across Greater Cambridge indicates that more than half of identified sales areas fall below £4,625/sqm, the second lowest value tested, and over 80% fall below £5,250/sqm. In other words, the scenarios that the Viability Assessment presents as the primary basis for rate-setting are not reflective of the values achievable across the majority of the Greater Cambridge geography.

For new settlement typologies, the development form most directly comparable to Urban&Civic's Super Strategic Sites, the Viability Assessment's own analysis shows these schemes to be unviable across virtually all scenarios at the sales values that actually prevail across most of Greater Cambridge. This finding directly contradicts the premise that a blanket rate of £60/sqm can appropriately be applied to this form of development.

Placing a statutory requirement upon Super Strategic Sites to contribute to CIL will detach funding from the primary and essential infrastructure specifically associated with the development, and without absolute certainty of effective delivery of strategic infrastructure directly tied to the phasing of a site through site-specific s.106 Obligations, progress is likely to stall or be derailed altogether.

Question 7: Do you agree that it is clear how CIL will operate alongside Section 106 Planning Obligations?

While in theory it is possible to establish a clear distinction between CIL contributions and separate but parallel Section 106 contributions, this alignment will be fixed at a point in time and scope, when a planning permission is granted. This may be workable for development likely to be built within a relatively short time horizon. It is not workable in the context of Super Strategic Sites delivered over decades.

These sites are subject to wide-ranging Section 106 Obligations, based upon comprehensive environmental impact assessment and viability appraisal. As with Waterbeach they involve multiple review groups designed to keep options flexible. Mitigation of impacts and funding of infrastructure is rarely fully crystallised at the point of an outline planning permission. Section 106 Obligations establish how those things will crystallise over time, but it is impossible to know how the context will change or what CIL commitments might exist when delivery occurs 5, 10, 15 or 20 years hence.

The three-tier consent structure through which Urban&Civic delivers its sites, Outline Planning Permission, Key Phase Approval and Reserved Matters Application, reflects precisely this challenge. The Outline establishes the strategic framework; the Key Phase Approval sets infrastructure commitments phase by phase, as costs and values become more certain; the Reserved Matters Application enforces plot-level compliance. At no stage in this structure can CIL liability be predicted, budgeted or managed with the certainty that investors require. Flexibility is better than Prophecy. CIL, by its statutory nature, is the opposite: a fixed and irrecoverable charge crystallised at a moment in time.

To this end there does appear to be a lack of coordination between the Draft Charging Schedules and the Cambridge Planning Obligations SPD, which has been progressing towards adoption simultaneously. The SPD does not appear to have been drafted with reference to the emerging CIL charging schedule, and does not make clear how transport-related Section 106 contributions will be calibrated or reduced once CIL is in place. The IS and CIL Supporting Statement indicate that CIL receipts will be directed to strategic transport infrastructure, yet the SPD's transport chapter contains no corresponding assurance that s.106 transport contributions will be reduced to avoid double-charging. For Super Strategic

Sites, the risk of a 'doubling' of financial outlay, contributing to CIL whilst also retaining full s.106 transport obligations, is not a theoretical concern and would have material impacts.

Contributing to CIL and not then directly benefiting from CIL spending to relieve the infrastructure cost burden has serious implications. CIL contributions cannot be returned, and there is no contingency mechanism available if CIL priorities change over time or are not directly related to necessary mitigation. This tends firmly towards a conclusion that Super Strategic Sites should be nil-rated for CIL, with contributions continuing through Section 106 Obligations alone.

Question 8: Do you agree that the draft instalment policy strikes the right balance between income and developer cashflow?

No. The instalment policy has been designed with no obvious consideration of the cashflow profile of strategic scale development. On a Super Strategic Site, the master developer, not the housebuilder, bears the upfront capital risk: the multi-year negative cashflow period, the infrastructure-first investment, and the planning complexity. Urban&Civic, as master developer, commits its capital before housebuilders are on site. Any CIL liability would fall, in practice, on the entity least able to absorb a fixed, irrecoverable charge against a structurally negative cashflow position in the early phases of delivery.

The housebuilder customers who build on our fully-serviced and de-risked parcels do so against a transparent cost structure. Introducing CIL into that structure, with crystallisation at outline consent or Key Phase Approval, would alter the investment arithmetic in ways that cannot be mitigated by instalment scheduling. The instalment policy addresses the timing of payment; it does not address the more fundamental problem that CIL, as an instrument, is structurally challenging with the economics and delivery mechanics of Super Strategic Sites.

Urban&Civic would be pleased to review further detailed financial modelling to illustrate the cashflow implications of CIL on a strategic site of the scale and phasing profile of Waterbeach.

Question 9: Do you agree that the Council has met all regulatory requirements?

Urban&Civic recognise the energy and effort that has gone into getting to this stage but is concerned that the Council could be exposed to the challenge that it has not met the regulatory requirements in the following material respects.

Section 211(7A) of the Planning Act 2008 requires that a charging authority use appropriate available evidence to inform the preparation of a charging schedule. The evidence base as presented is not appropriate because the IS and CIL Supporting Statement are assessed against adopted local plans with a 2031 horizon whilst the Viability Report is assessed against the emerging GCLP. This internal inconsistency means that the infrastructure the CIL seeks to fund and the assumptions upon which it is viability-tested do not correspond.

Regulation 14(1)(a) of the CIL Regulations 2010 requires a charging authority to strike an appropriate balance having regard to actual and expected costs of infrastructure and other actual and expected sources of funding. The IS does not assess the infrastructure funding and in-kind provision that will arise from the emerging GCLP allocations, nor does it substantively account for the anticipated contributions from the Cambridge Growth Company or the proposed Greater Cambridge Development Corporation. The role that Super Strategic

Sites play as a sui generis and substantial source of infrastructure provision, through s.106 Obligations, in-kind delivery and long-term stewardship, is not clear in the evidence base.

Regulation 14(1)(b) requires the charging authority to have regard to the potential effects of the imposition of CIL on the economic viability of development across its area. For the reasons discussed, the Viability Assessment does not adequately discharge this duty in relation to Super Strategic Sites. The absence of contingency allowances, the use of conservative profit margin and professional fee assumptions, the failure to test sales values representative of the majority of the Greater Cambridge geography, and the absence of any analysis of large-scale strategic residential development economics mean that the viability evidence could be challenged as a robust basis for rate-setting.

Urban&Civic would be pleased to engage with the Council and the appointed examiner to provide further evidence in support of the corrections required.

Question 10: Do you have any comments on how the neighbourhood portion should be distributed?

In relation to Super Strategic Sites, Section 106 Agreements must ensure that the impacts of development are fully mitigated. In most circumstances, those 'neighbourhood' needs will be all-encompassing and internal to the development, or require specific contribution to off-site services and facilities which may or may not relate to CIL spending priorities. Separate additional contributions towards wider local facilities elsewhere will rarely relate directly to the development in question.

In relation to Super Strategic Sites the focus must remain on securing the highest quality of new development and the community facilities directly related to it. This further reinforces the case for continuing reliance on Section 106 Obligations alone in relation to strategic scale development, with neighbourhood priorities addressed through the comprehensive s.106 framework rather than a discretionary CIL allocation mechanism.

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