THE ROYAL BOROUGH OF KINGSTON UPON THAMES

CIL Charging Schedule: Infrastructure Funding Gap Statement

1. Purpose

CIL regulation 14 requires that:

1) In setting rates (including differential rates) in a charging schedule, a charging authority must strike an appropriate balance between—

(a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and

(b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.

This Infrastructure Funding Gap Statement forms part of the evidence submitted to fulfil the requirements of 1) a) of regulation 14. The Council has undertaken a Financial Viability assessment which will form part of its submission in order to address 1) b) of the same Regulation.

This Statement in accordance with the Community Infrastructure Levy Regulations 2010 (as amended) and the National Planning Practice Guidance (NPPG) (as amended). It provides aggregate and residual funding gap calculations based on the infrastructure requirements set out in the Kingston Infrastructure Delivery Plan 2026 (IDP), thereby demonstrating the sizable level of additional funding needed to deliver essential local infrastructure identified for the Borough.

2. Introduction

The Community Infrastructure Levy (CIL) is a levy that local authorities can charge on new development to fund infrastructure needed in the local area. Kingston Council adopted the current CIL Charging Schedule in 2015 which is indexed annually in accordance with rates published by BCIS (Building Cost Information Service) as per the Regulations.

The Kingston IDP identifies the plethora of different types of infrastructure required to support the planned growth over the Local Plan period.

The IDP covers the infrastructure needed for the next 20 years aligned to the plan period. The Council undertakes regular consultation (at least every year) with internal and external partners to ensure that the IDP remains up to date and continues to support the Local Plan. Project/Programmes within the IDP contain the following information:

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- an indicative timescale for delivery,
- the growth that the provision is supporting,
- anticipated sources of funding,
- total indicative costs
- prioritisation level.

Due to the long-term delivery nature of the IDP, not all costs for infrastructure have been fully identified resulting in some projects providing estimated figures based on the information available at the time of consulting with stakeholders. Such figures may be subject to change and will be updated as and when required as a result of future updates of the IDP.

In accordance with the National Planning Policy Guidance, the IDP is not intended to be re-examined as part of the proposed changes to the CIL charging schedule[1]

3. Funding gap calculations

In order to support the Council's amendments to the Council's CIL charging schedule, this statement sets out calculations for both the aggregate funding gap and residual funding gap.

The aggregate funding gap is calculated by taking the total cost of Infrastructure and deducting funding from other sources.

The residual funding gap is the remaining shortfall after subtracting projected, specific contributions (like the Community Infrastructure Levy) from the aggregate funding gap

AGGREGATE FUNDING GAP

The Aggregate Funding Gap is most commonly expressed by the following formula:

Funding Gap = Total Infrastructure Needs - Funding from other sources

The aggregate funding gap is set out for each individual infrastructure project in the Council's IDP (under the columns titled 'unmet funding requirement (£m)')

Table 1 sets the totals of these for each infrastructure type as set out in the IDP (2026). The grand total of this is the aggregate funding gap. All these figures are up to date as of 1st April 2026. However, please note that up to date figures of due, received and available S106 and CIL funding can be found at any time via the Council's public facing module.

[1] Community Infrastructure Levy Guidance paragraph 18

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Table 1- Summary of Total Estimated Infrastructure Cost, Available Funding and Funding Gap (IDP 2026)[2]

Infrastructure Type	Unmet need - Funding Gap (Total Infrastructure need) (£M)
Education	**72.62**
Flood resilience	**3.056**
Green Infrastructure	**11.508**
Health and Social Care	**353.87**
Highways and Transportation	**416.51**
Housing Property and related Major Projects	**40.3**
Regeneration	**31.28**
Sport Community and Leisure	**61.11**
Sustainable Energy, Power and Climate action	**36.15**
Waste and water Infrastructure	**12.5**
TOTAL AGGREGATE FUNDING GAP (£M)	**1038.9**

RESIDUAL FUNDING GAP - CURRENT CIL CHARGING SCHEDULE

The residual funding gap calculation involves taking into account the remaining shortfall after subtracting projected, specific contributions (in this case Community Infrastructure Levy income) from the aggregate funding gap total.

[2] As noted in the Introduction, this estimate is based only on a selection of infrastructure projects where the likely costs are known. In reality the estimated funding gaps are likely to be much larger

As such, the Council needs to estimate the funding projected to be received over the life of the Local Plan based on the **existing** CIL rates (ie if the existing CIL charging schedule remained in force).

To do this, we have taken the average amount of CIL received over the last 5 financial years (published in the Council's IFS's - and not including administrative portions) and have applied a year on year inflation rate increase on this figure of 3%[3] up to 2043.

Average yearly CIL Income (last 5 years)	£2,532,564
Indexation/Inflation rate (year on year)	3%
Number of years (up to 2043)	17
Total projected CIL Income (up to 2043)	£55,115,178
Existing Available CIL (as of April 2026)	£1,488,309
Total projected CIL availability (up to 2043)	£56,603,487
Total unmet funding need (Table 1)	£1038,994,000
Residual Funding Gap (2015 Schedule)	**£982,390,513**

RESIDUAL FUNDING GAP - PROPOSED CIL CHARGING SCHEDULE

We can also undertake this calculation again - estimating the CIL yearly income that would be collected if the proposed (2026) CIL charging schedule were to be adopted. To do this, we have assumed that there would be an additional 8.5% uplift in receipts relative to the existing (adopted) schedule. This is because it is proposed to increase the residential rates by approximately 10-15% across the board, introduce additional rates (eg for Co-living), whilst also also reducing commercial (office, retail and industrial) rates. Factoring all of this in, along with the current (challenging) macro-economic climate, we have assumed an overall increase in receipt amounts of 8.5% vs the existing schedule. Applying this increase to the yearly CIL income figure and running the calculations again would result in the following:

Average yearly CIL Income (last 5 years)	£2,747,831 (+8.5%)
Indexation/Inflation rate (year on year)	3%

[3] The 3% figure is based upon the average Consumer Price Index rise from 1989 to 2026

Number of years (up to 2043)	17
Combined projected CIL Income (up to 2043)	£59,795,361
Existing Available CIL (as of April 2026)	£1,488,309
Total projected CIL availability (up to 2043)	£61,283,670
Total unmet funding need (Table 1)	£1,038,994,000
Residual Funding Gap (2026 Schedule)	**£977,710,330**

The above figures justify the need for Council to continue its implementation of CIL (and additionally support) the increased rates proposed in the CIL Draft Charging Schedule.

The Council will continue to proactively seek additional funding opportunities where they become available with the aim of reducing the funding gap and prioritise the delivery of infrastructure that is critical to mitigate the growth outlined in the new Local Plan.

4. Conclusion

This analysis demonstrates significant aggregate and residual funding gaps between the cost of infrastructure required to support planned growth and the funding available from existing sources. The introduction of revised CIL rates is therefore deemed necessary and justified to help address this gap and continue to support the delivery of key infrastructure. This statement concludes that a significant shortfall in funding will remain, even with the adoption of a new CIL Charging Schedule. In lieu of this, The Council will continue to proactively seek additional funding opportunities where they become available to reduce the funding gap and prioritise the delivery of key infrastructure that is critical in supporting growth outlined in the Kingston Local Plan.