

Rother District Council

# Community Infrastructure Levy Draft Charging Schedule as proposed to be modified





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## **What is the Community Infrastructure Levy (CIL)?**

1. The [Community Infrastructure Levy](#) (CIL) is a new charge which local authorities in England and Wales are empowered to charge on most types of new development in their area. CIL was introduced by the [Planning Act 2008](#) and defined in the [CIL Regulations](#) April 2010 (as amended). It is the Government's preferred mechanism for securing developer contributions towards local and strategic infrastructure improvements. Once a 'charging schedule' has been adopted, all new planning applications that first permit development are liable to pay CIL (i.e. outline or full planning applications).
2. CIL allows local authorities (known as "charging authorities") to raise funds from developers undertaking new developments in their area. The money can be used to fund a wide range of additional infrastructure that is needed to support sustainable development. The Planning Act 2008 provides a wide definition of infrastructure that can be funded through the CIL levy. This includes:
  1. roads and other transport facilities
  2. flood defences
  3. schools and other educational facilities
  4. medical facilities
  5. sporting and recreational facilities
  6. open spaces
3. Fifteen percent of CIL receipts are passed directly to those Parish and Town Councils where development has taken place. This rises to twenty-five percent if a Neighbourhood Plan is in place.

## CIL Charging Rates

- 4 The CIL rate in each CIL zone is shown in Table 1.

Table 1: CIL Charging Zones and Rates

<b>Residential Zones (see the CIL Residential Charging Zones Map)<sup>1</sup></b>	<b>CIL Rate (£ per sq.m)</b>
<b>Zone 1</b>	
Battle, Rural North and West	£200
Sheltered/Retirement Homes (C3)	£140
<b>Zone 2</b>	
Rye, Hastings Fringes and Rural East	£135
<b>Zone 3</b>	
a) Bexhill - Urban	£50
b) Bexhill - Greenfield	£170
c) Bexhill – Strategic urban extensions	£100
Extra Care Housing - greenfield	£45
Extra Care Housing - brownfield <sup>2</sup>	£25
<b>Non-Residential Development</b>	
Retail – in centre convenience	£100
Retail – out of centre convenience	£120
Retail – out of centre comparison	£250
All other forms of Development	£0

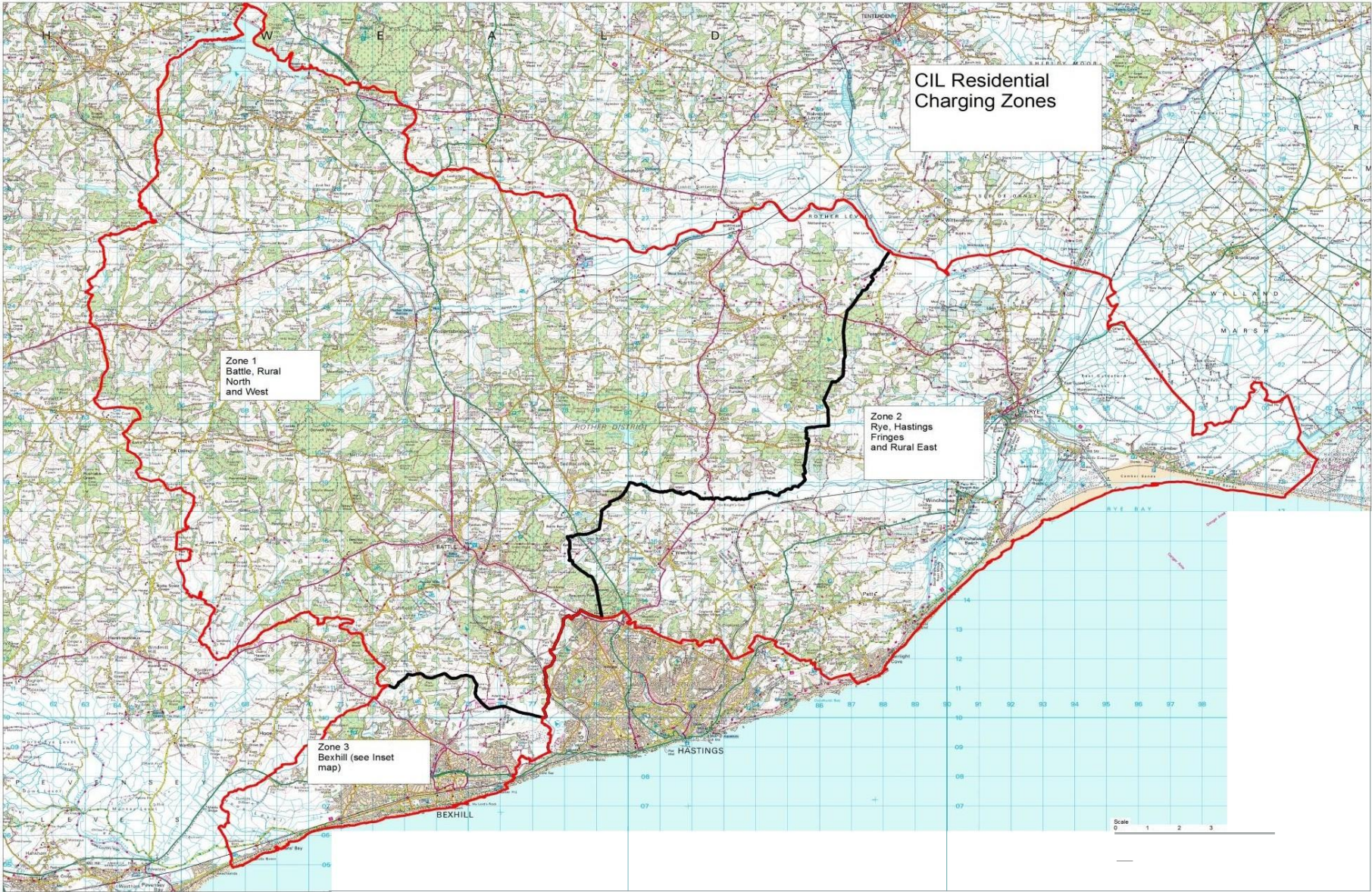
<sup>1</sup> In Zones 2 and 3 Residential Development includes Retirement Homes as dwellings.

<sup>2</sup> Brownfield Land (previously developed land): Land which is or was occupied by a permanent structure, including the curtilage of the developed land (although it should not be assumed that the whole of the curtilage should be developed) and any associated fixed surface infrastructure. This excludes: land that is or has been occupied by agricultural or forestry buildings; land that has been developed for minerals extraction or waste disposal by landfill purposes where provision for restoration has been made through development control procedures; land in built-up areas such as private residential gardens, parks, recreation grounds and allotments; and land that was previously-developed but where the remains of the permanent structure or fixed surface structure have blended into the landscape in the process of time.

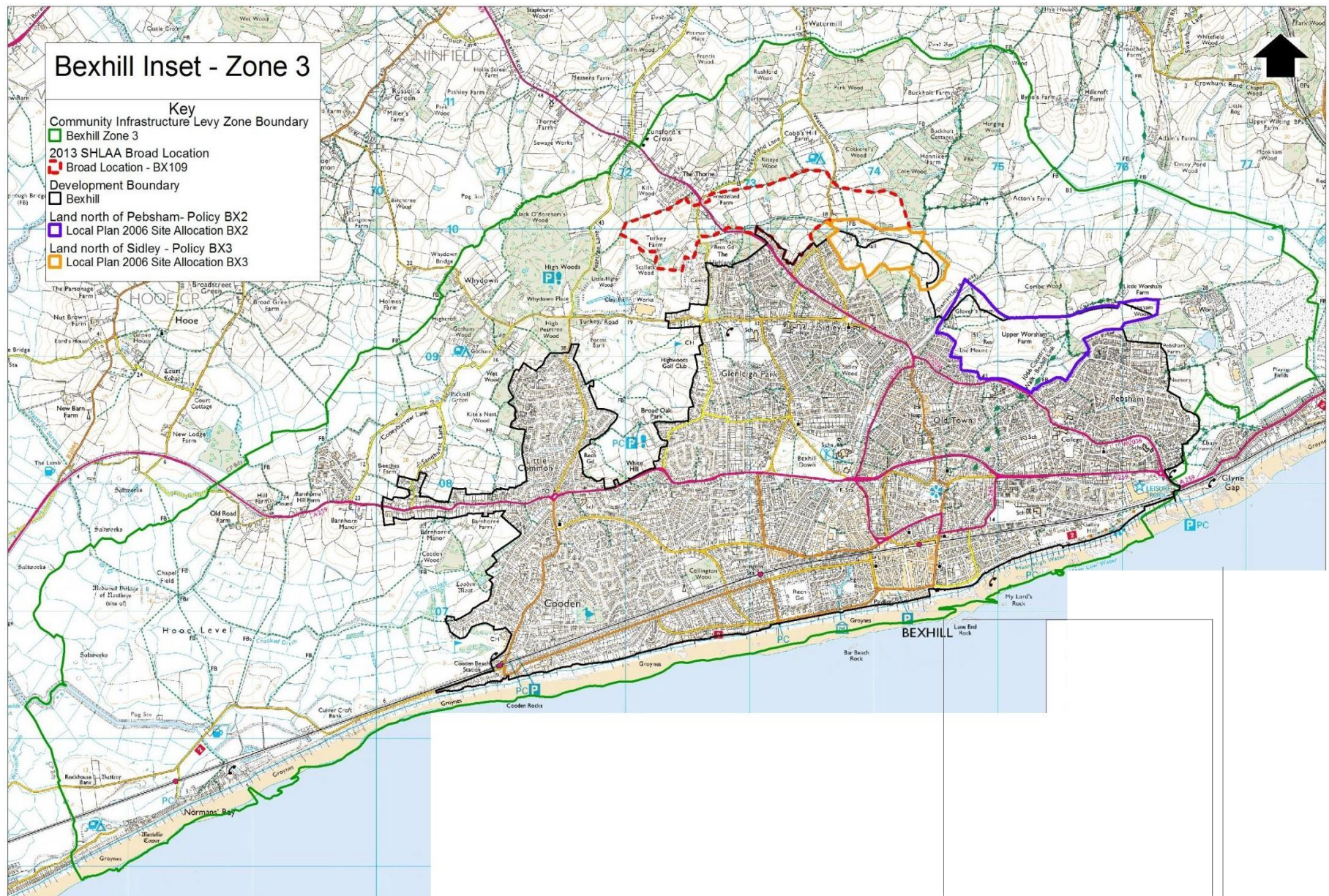
- 5 For schemes that comprise both greenfield and brownfield parts, whichever is the predominant land use, the charge should be set on that basis. In the event that an urban site in Bexhill is partly brownfield and partly greenfield, it will be treated as wholly brownfield if that element is at least 20% of the site; otherwise it will be classed as greenfield. The same will apply to extra care schemes on part brownfield/part greenfield sites.
- 6 In setting its CIL rates in accordance with the Community Infrastructure Levy Regulations, Rother District Council has struck an appropriate balance between:
- the desirability of funding from CIL (in whole or part) the estimated total cost of infrastructure required to support the development in Rother District Council, taking into account other actual and expected sources of funding; and
  - the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across the district.



Residential CIL Charging Zones Map









### **When is CIL payable?**

- 7 When planning permission is granted to CIL liable development, a liability notice will be sent which will contain the amount of CIL that is due for the development, including when the total amount must be paid. The Regulations state that CIL liability is payable in full at the end of the period of 60 days, beginning with the intended commencement date of development, unless the charging authority has adopted an instalment policy.

### **Instalment Policy**

- 8 The Council will develop an Instalment Policy as part of the overall governance protocol to implement CIL. The Instalment Policy will be published on the Council's website. It will assist larger schemes that have a phased implementation.

### **Exemptions and Discretionary Relief from CIL**

- 9 The Regulations allow mandatory relief for affordable housing and certain types of developments. Affordable housing will continue to be delivered through Section 106 Agreements. Also excluded from CIL is self-build housing. The CIL Regulations exempt the following from paying the CIL:
  - a. Development by registered charities for the delivery of their charitable purposes
  - b. Those parts of a development which are to be used as social housing
  - c. The conversion of any building previously used as a dwelling house to two or more dwellings
  - d. Development of less than 100 sq m of new build floorspace, provided that it does not result in the creation of a new dwelling
  - e. The conversion of, or works to, a building in lawful use that affects only the interior of the building
  - f. Development of buildings and structures into which people do not normally go (eg, pylons, wind turbines, electricity sub stations)
- 10 The CIL Regulations allow for the Council to provide further relief, at their discretion. The Council do not have to offer this relief, but if they chose to do so, they must adopt a discretionary relief policy. This is not part of the charging schedule and may be published at a different time.

## **Regulation 123 List**

- 11 The Council is required to publish a list of those infrastructure projects that will be funded by CIL. This is called 'Regulation 123 List'. Regulation 123 of the Community Infrastructure Regulations 2010 (as amended) restricts the use of planning obligations (s106 agreements) for infrastructure that will be funded in whole or in part by CIL. The adopted Regulation 123 List is published on Rother District Council's website.

## Appendix 1 Calculating the charge

The formal calculation methodology is provided in Regulation 40 and Part 5 of the CIL Regulations 2010, as amended.

- The collecting authority must calculate the amount of CIL payable (“chargeable amount”) in respect of a chargeable development.
- The chargeable amount is an amount equal to the aggregate of the amounts of CIL chargeable at each of the relevant rates.
- But where that amount is less than £50 the chargeable amount is deemed to be zero.
- The relevant rates are the rates, taken from the relevant charging schedules, at which CIL is chargeable in respect of the chargeable development.

The amount of CIL chargeable at a given relevant rate (R) must be calculated by applying the following formula:

$$\frac{R \times A \times I_p}{I_c}$$

- A = the deemed net area chargeable at rate R;
- $I_p$  = the index figure for the year in which planning permission was granted; and •

$I_c$  = the index figure for the year in which the charging schedule containing rate R took effect.

The index figure for a given year is:



- a. the figure for 1st November for the preceding year in the national All-in Tender Price Index published from time to time by the Building Cost Information Service of the Royal Institution of Chartered Surveyors or
- b. if the All-in Tender Price Index ceases to be published, the figure for 1<sup>st</sup> November for the preceding year in the retail prices index.

The value of A must be calculated by applying the following formula:

$$\text{Net Chargeable Area (A)} = \text{GR} - \text{KR} - \frac{\{\text{GR} \times \text{E}\}}{\text{G}}$$

- G = the gross internal area of the chargeable development;
- GR = the gross internal area of the part of the chargeable development chargeable at rate R;

KR = the aggregate of the gross internal areas of the following:

- a) retained parts of in-use buildings, and
- b) for other relevant buildings, retained parts where the intended use following completion of the chargeable development is a use that is able to be carried on lawfully and permanently without further planning permission in that part on the day before planning permission first permits the chargeable development;

E = the aggregate of the following:

- a) the gross internal areas of parts of in-use buildings that are to be demolished before completion of the chargeable development, and
- b) for the second and subsequent phases of a phased planning permission, the value  $E_x$ , unless  $E_x$  is negative; and
- c) provided that no part of any building may be taken into account under both of paragraphs (a) and (b) above

The value  $E_x$  must be calculated by applying the following formula:

$$E_P - (G_P - K_{PR})$$

- $E_P$  = the value of E for the previously commenced phase of the planning permission;
- $G_P$  = the value of G for the previously commenced phase of the planning permission; and
- $K_{PR}$  = the total of the values of KR for the previously commenced phase of the planning permission.