

COMMUNITY INFRASTRUCTURE LEVY

PRELIMINARY DRAFT CHARGING SCHEDULE



CONTENTS	Page
Introduction	1
General Principles of CIL	1
Development that will be liable for CIL	1
When is CIL Payable?	2
CIL Charging Schedule	2
Map of Residential CIL Bands	3
How to comment on this Preliminary Draft Charging Schedule	4
Next Steps	4

1.0 INTRODUCTION

- 1.1 Most development has an impact on the need for infrastructure and it is important, therefore, that development contributes towards the infrastructure required to support sustainable development. The introduction of the Community Infrastructure Levy (CIL) is key to the delivery of sustainable development as it provides a means by which development contributes a share of the costs of the necessary infrastructure and facilities required to support it.
- 1.2 The purpose of this consultation document is to set out the general principles of CIL and to seek views on the Three Rivers District Council's CIL Preliminary Draft Charging Schedule
- 2.0 General Principles of CIL
- 2.1 CIL is a new system of developer contribution that takes the form of a standard charge per m² of additional new floor space. It allows local authorities to raise funding from development to pay for the infrastructure required to support development arising from increased levels of housing numbers and commercial floor space. CIL will not be the sole funding source for all necessary infrastructure but will supplement other public sector revenue streams.
- 2.2 The introduction of CIL coincides with significant changes to the Section 106 regime which will be scaled back to cover only site specific mitigation measures and affordable housing on the either the adoption of a local CIL Charging Schedule or the 6 April 2014 at which point existing Section 106 tariff based arrangements will cease operating.
- 2.3 Development that will be liable for CIL
- 2.4 CIL will be levied on virtually all development of buildings that people normally go into. The following development types will be liable for CIL:
 - Development comprising 100m² or more of new building floor space
 - Development of less than 100m² of new build floor space that results in the creation of one or more dwellings
 - The conversion of a building that is no longer in lawful use
- 2.5 Mandatory Exemptions and relief from CIL
- 2.6 The CIL Regulations provide for certain types of development to be exempt or eligible for relief from CIL, as set out below:

Development Exempt from CIL

- The conversion of any building previously used as a dwelling house to two or more dwellings
- Development of less than 100m² of new build floorspace provided that it does not result in the creation of a new dwelling
- The conversion of a building in lawful use, or the creation of additional floorspace within the existing structure of a building in lawful use
- Development of buildings and structures into which people do not normally go (e.g. pylons, wind turbines, electricity sub stations).

Development entitled to Mandatory Relief from CIL

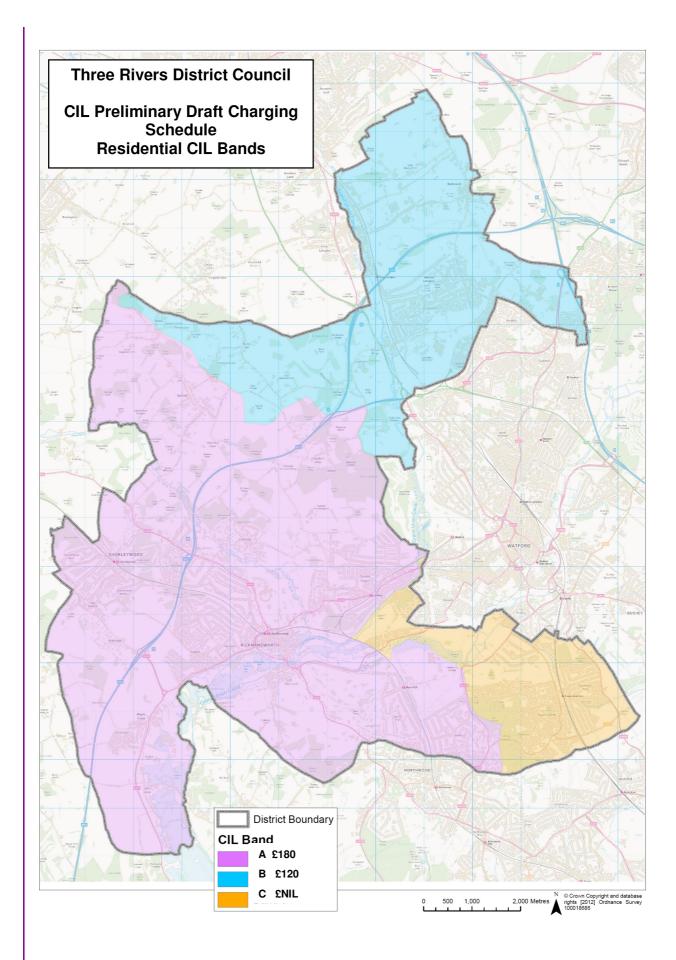
- Development by registered charities for the delivery of their charitable purposes, as set out in Regulation 43 of the Community Infrastructure Levy Regulations 2010
- Those parts of a development which are to be used as affordable housing, as set out in Regulation 49 of the Community Infrastructure Levy Regulations 2010.

- 2.7 Where planning permission is granted for new development that involves the extension or demolition of a building in lawful use, the level of CIL payable will be calculated based on the net increase in floorspace. This means that the existing floorspace contained in the building to be extended or demolished will be deducted from the total floorspace of the new development when calculating the CIL liability.
- 2.8 The definition of 'lawful' use is contained in Regulation 40(10) of the Community Infrastructure Regulations 2010 which states the following:

'For the purposes of this regulation a building is in use if a part of that building has been in use for a continuous period of at least six months within the period of 12 months ending on the day planning permission first permits the chargeable development'

- 3.0 When is CIL Payable?
- 3.1 CIL will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations. CIL becomes due for payment upon commencement of the development and payment must be made in full within 60 days of the commencement date. However, the 2011 Amendment Regulations allow us to introduce an instalment policy to assist developers. This would be offered in all cases where the total CIL liability is £35,000 or greater.
- 3.2 In such cases CIL payments would be accepted in the following instalments:
 - 20% of the total chargeable amount no later than 60 days after the commencement date
 - 20% of the total chargeable amount on the date that is six calendar months after the commencement date
 - 30% of the total chargeable amount on the date that is 12 calendar months after the commencement date
 - 30% of the total chargeable amount on the date that is 18 calendar months after the commencement date.
- 3.3 Failure to comply with the instalment policy will result in the total unpaid balance becoming payable immediately.
- 3.4 CIL liabilities of less than £35,000 will be payable in full no later than 60 days after the development commencement date.
- 4.0 CIL Charging Schedule
- 4.1 As per government guidance the proposed CIL rates have been established through an assessment of economic viability. The purpose of this work was to assess the level of CIL that can be supported without making schemes economically unviable, across a range of uses and locations in the District. The viability assessment is available to view on the Council's web site.
- 4.2 The proposed CIL rates for Three Rivers are set out in the Charging Schedule below. The map identifies the CIL Band areas for residential development.

THREE RIVERS DISTRICT COUNCIL CIL CHARGING SCHEDULE		
Residential Developments		
CIL Band A	£180/per m ²	
CIL Band B	£120/per m ²	
CIL Band C	£Nil	
Other Developments		
Retail	£120/per m ²	
Hotels	£120/per m ²	
Care Homes	£120/per m ²	
Other non residential	£Nil	



How to comment on this Preliminary Draft Charging Schedule

This consultation runs from xxx until xxxx

If you wish to comment on the Three Rivers Community Infrastructure Levy Preliminary Draft Charging Schedule, comments should be made via email to <u>TRLDF@threerivers.gov.uk</u> or in writing to:

Claire May Principal Planning Officer Economic and Sustainable Development Three Rivers District Council Three Rivers House Northway Rickmansworth Herts WD3 1RL

Please note that comments cannot be treated as confidential and that they will be made available as public documents.

For any queries regarding this consultation, please contact Claire May on 01923 727106, or <u>claire.may@threerivers.gov.uk</u>

Next Steps

Following this consultation the Council will consider the responses received and any other evidence that emerges and use them to inform the charging schedule it intends to implement.

Once the Council considers that the Draft Charging Schedule is ready for independent examination, it will be published for a four week consultation period together with the supporting evidence and the responses received to this consultation.

During the four week period, representations may be made and any person making a representation has the right to be heard at the CIL examination.

It is anticipated that the four week consultation period will take place in xxx prior to an independent examination in xxxx 2013.