

APPENDIX E



## Draft Charging Schedule

June 2014

## **Introduction**

The Community Infrastructure Levy (CIL) is a new levy that local authorities can choose to charge on new developments in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development – for example, new or safer road schemes, park improvements or a new health centre. The levy applies to most new buildings and charges are based on the size and type of the new development.

CIL is considered to be fairer, faster and more certain and transparent than the current system of planning obligations which are generally negotiated on a 'case-by case' basis. Levy rates that will be set in consultation with local communities and developers will provide developers with much more certainty 'up front' about how much money they will be expected to contribute.

Levy rates must be set at a level which does not affect the viability of development in the area taking into account the cost of land, build costs, expected sales price and a return for the developer. Given the differences in land costs and sales prices across the Borough it is proposed to set different CIL rates in different parts of the Borough.

The Draft Charging Schedule was originally issued for consultation in October 2013. Since then there have been significant changes in circumstances with the Community Infrastructure Levy (Amendment) Regulations 2014 coming into force and a review of the housing supply in the Aligned Core Strategy. It was therefore considered appropriate to reissue a revised Draft Charging Schedule for a further round of consultation. This Draft Charging Schedule has been produced to set out where CIL will be levied and how much will be charged. It builds on previous consultation work that was undertaken on the Preliminary Draft Charging Schedule (September 2012). The Draft Charging Schedule also includes the Regulation 123 list. This sets out the infrastructure that will be funded via CIL. Infrastructure not on this list can be funded through S106 Obligations if it is necessary to make the development acceptable in planning terms, directly related to the development and fairly and reasonably related in kind and scale to the development.

The consultation on the Draft Charging Schedule is the last opportunity for representations to be made on the areas, rates and principle of CIL prior to the examination. A timetable for the adoption of CIL and how to submit representations are set out below.

## Draft Charging Schedule

The Borough of Gedling is a charging authority for the purposes of Part 11 of the Planning Act 2008 and may therefore charge the Community Infrastructure Levy (CIL) in respect of development in the Borough of Gedling. The Council is also the collecting authority for its administrative area.

### Statutory Compliance

The Draft Charging Schedule has been prepared in accordance with the Community Infrastructure Levy Regulations 2010, Part 11 of the Planning Act 2008 and statutory guidance in 'Community Infrastructure Levy: Guidance' (CLG, 2012).

In accordance with Regulation 14, in setting the CIL rate the Council has aimed to strike what it considers to be an appropriate balance between

- the desirability of funding from CIL (in whole or 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
- the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.

The Council's timetable for producing an adopted CIL Charging Schedule is:

Consultation on Draft Charging Schedule ends	August 2014
Submission of Draft Charging Schedule for Examination	Winter 2014
Examination of Draft Charging Schedule	Spring 2015
Adoption of Charging Schedule	Summer 2015

### CIL Rate

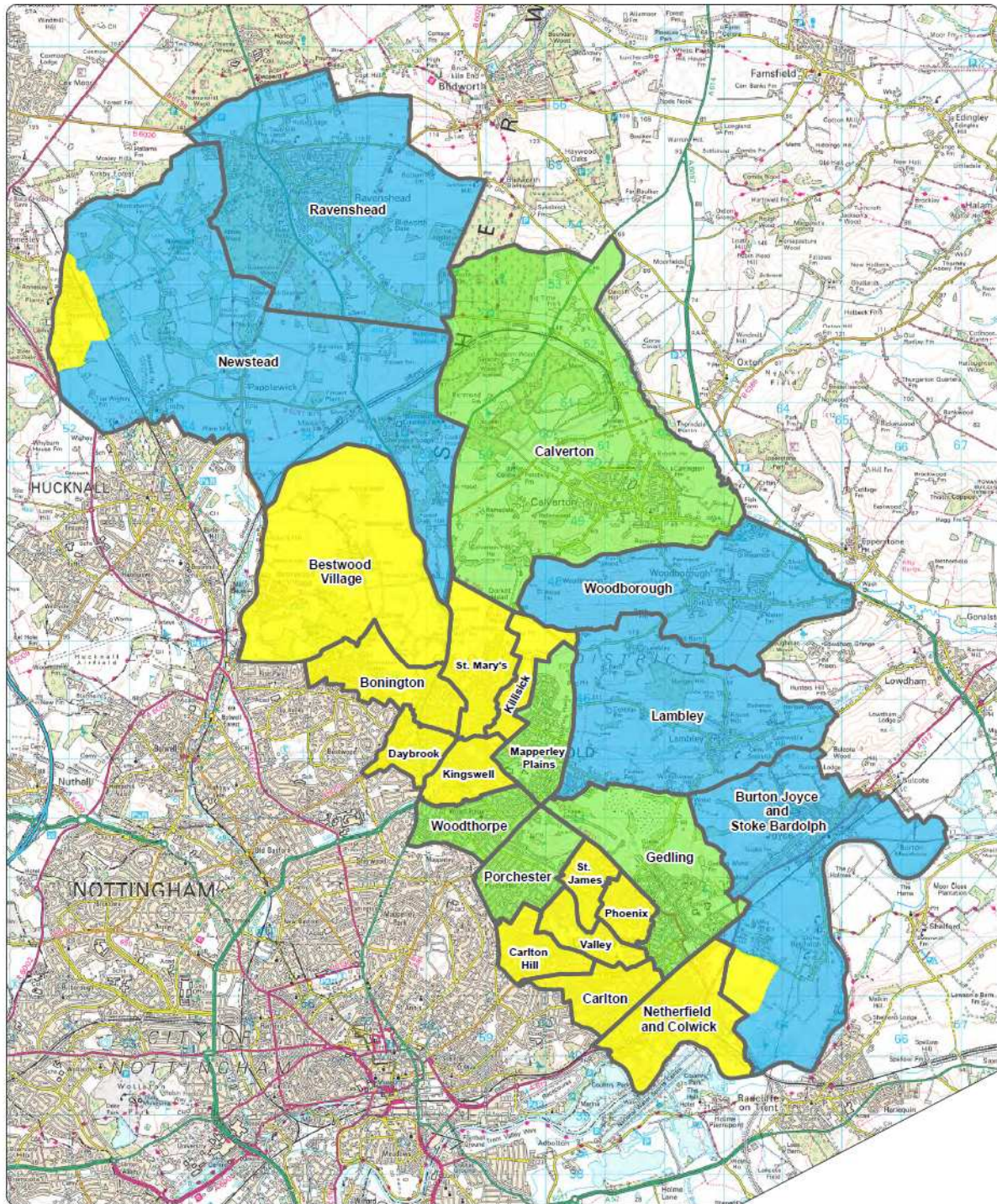
The rate at which CIL will be charged shall be:

Development Type			
Residential	Zone 1	Zone 2	Zone 3
	£0/sqm	£45/sqm	£70/sqm
Commercial	Borough wide		
Retail A1, A2, A3, A4, A5	£60/sqm		
All other uses	£0/sqm		



## Charging Zone Map

### Gedling CIL - Residential Charging Zones



#### Key

- Wards
- Zone 1
- Zone 2
- Zone 3

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L/GIS/Carthography/00402 - Gedling wards - charging zones/A3 gedling wards - residential charging zones revised 04/02/14 PLW GIS team 14/05/2014

## **Supporting Evidence Base**

The initial rationale for the introducing CIL was set out in the Council's Preliminary Draft Charging Schedule which was published for consultation in September 2012. The PDCS was supported by a number of evidence base documents. These documents have been revised or supplemented following consultation and the publication of amended guidance and regulations in Dec 2012, April 2013 and February 2014.

A link to all supporting documents is provided below:

<http://www.gedling.gov.uk/planningbuildingcontrol/planningpolicy/communityinfrastructurelevycil/>

## **Liability to pay CIL**

Liability to pay CIL occurs on the grant of the related planning permission that first permits the proposed development, such as the grant of full planning, change of use or approval of the last reserved matter on the grant of outline planning.

## **CIL payment**

GBC will issue a liability notice following the grant of the planning permission for the chargeable development. The notice will be sent to the applicant, the owner and any party who has assumed liability for the CIL.

The Regulations state that CIL becomes payable upon the commencement of development (defined by reference to section 56(4) of the TCPA 1990 and includes works of demolition and construction and preparatory works such as digging foundations and installing services). It is possible for the Council to collect staged payments provided it has an adopted policy (instalments policy) for doing so, which has been published for at least 28 days prior to use on the Council's website. GBC has proposed an instalment policy which was set out in the Preliminary Charging Schedule and is included in the supporting evidence base.

## **Calculating the Charge**

GBC will calculate the amount of CIL payable ("chargeable amount") in respect of a chargeable development in accordance with regulation 40 of the Community Infrastructure Levy Regulations 2010, as amended in 2011, 2012 and 2014.

Under Regulation 40, the CIL rate will be index linked with the Royal Institute of Chartered Surveyors "All In Tender Price Index". The current 'All In Tender Price Index' will be set out at the time of adoption.

## **Existing Floorspace on a Development Site**

Regulation 40 provides that the total floorspace of any existing buildings on a development site should be subtracted from the floorspace of the chargeable development, where the existing buildings have been in use for at least six months



within the period of 12 months ending on the day planning permission first permits the chargeable development.

### **Exemptions and Reliefs**

The following forms of development are exempt from paying CIL:

- buildings into which people do not normally go, or go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery (Regulation 6);
- developments of under 100 sq m that do not result in the creation of 1 or more additional dwellings (Regulation 42); and
- development by a charity where the development will be used wholly or mainly for charitable purposes (Regulation 43).

The following types of development are able to apply for relief from paying CIL:

- social housing (Regulations 48, 49, 50, 51, 52, 53, 54).

In addition, the Council has the option to offer discretionary relief for:

- development by a charity where the profits of the development will be used for charitable purposes (Regulations. 44, 45, 46, 47, 48); and
- exceptional circumstances (Regulations 55, 56, 57, 58).

The Council's policy on whether discretionary relief is offered will be set out in a separate policy document, in accordance with the relevant regulations.

### **Statement of the Representations Procedure**

This document was published for consultation on x June 2014. Comments should be made before 5pm on x August 2014. Comments should be submitted on line via the Council's consultation web-portal:

<http://gedling.novem.co.uk/portal/cil-dcs>

or in writing to:

Planning Policy  
Gedling Borough Council  
Civic Centre  
Arnot Hill Park  
Arnold  
Nottingham  
NG5 6LU

Tel 0115 901 3757

Email [planningpolicy@gedling.gov.uk](mailto:planningpolicy@gedling.gov.uk)

Representations on the Draft Charging Schedule will be made available to the person appointed to examine the soundness of the Charging Schedule during an independent examination. Persons making representations may request the right to be heard by an examiner.

Persons making representation may also be accompanied by a request to be notified at a specified address of:

- The Draft Charging Schedule being submitted to the examiner;
- The publication of the recommendations of the examiner and the reasons for those recommendations;
- The approval of the charging schedule by the charging authority.

## **Regulation 123 List of Projects to be funded by CIL – May 2014**

### **Project 1**

<u>Project Location:</u>	Gedling Colliery
<u>Project Description:</u>	Gedling Access Road to facilitate development of Gedling Colliery/Chase Farm
<u>Progress:</u>	Stalled (due to funding gap)
<u>Estimated Cost:</u>	£32,400,000
<u>Funding:</u>	£26,200,000
<u>Gap</u>	£6,200,000

#### Funding Composition:

<b>Funding</b>	<b>Funding Source</b>	<b>Funding Bid</b>	<b>Comments</b>
£7m	Homes and Communities Agency		GBC and HCA are reviewing long term delivery options for the scheme
£10.8m		Local Transport Board	
£5.4	Nottinghamshire County Council		Subject to the agreement of the Transport and Highways Committee
£3m		Public Land and Infrastructure Fund	TBC

### **Project 2**

<u>Project Location:</u>	Gedling Colliery Country Park
<u>Project Description:</u>	Visitor Centre
<u>Progress:</u>	Not yet started
<u>Estimated Cost:</u>	£1,000,000
<u>Funding</u>	£ 0
<u>Gap</u>	£1,000,000



### **Project 3**

Project Location: Arnold Town Centre Improvements

Project Description: Leisure Centre Extension

Progress: Not yet started

Estimated Cost: £tbc

Funding £ 0

Gap £tbc

### **Project 4**

Project Location: Calverton

Project Description: Mitigation measures associated with prospective Sherwood Forest Special Protection Area

Progress: Not yet started

Estimated Cost: £tbc

Funding: £ 0

Gap: £tbc

### **Summary**

Total Gap Funding Reg123 List £7,200,000 (plus costs for Arnold Town Centre Improvements and mitigation measures for pSPA)

CIL Revenue Target £7,200,000