

APPENDIX F



Revised Draft Charging Schedule

January 2015

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 Revised 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 Revised 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.

Revised 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 Revised 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 Revised Draft Charging Schedule ends	Summer 2014
Submission of Revised Draft Charging Schedule for Examination	Winter 2014
Examination of Revised Draft Charging Schedule	Spring 2015
Adoption of Charging Schedule	Summer 2015

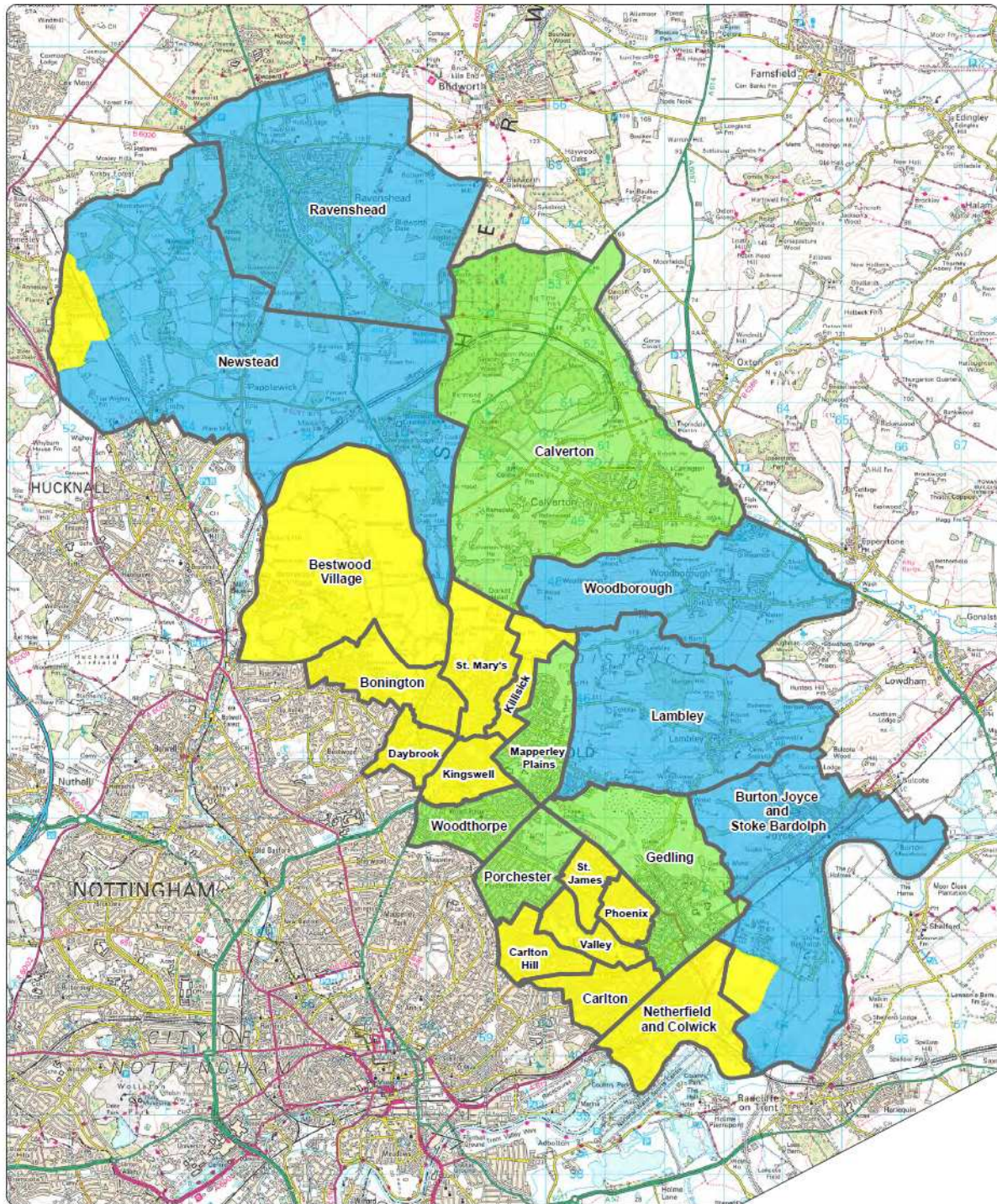
CIL Rate

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 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.

Representations on the Revised 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.

Regulation 123 List of Projects to be funded by CIL – January 2015

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:

Funding	Funding Source	Funding Bid	Comments
£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

<u>Project Location:</u>	Gedling Colliery / Chase Farm
<u>Project Description:</u>	Secondary School contributions
<u>Progress:</u>	Not yet started
<u>Estimated Cost:</u>	£1,689,000
<u>Funding</u>	£ 0
<u>Gap</u>	£1,689,000

Project 4

<u>Project Location:</u>	Top Wighay Farm
<u>Project Description:</u>	Secondary School contributions
<u>Progress:</u>	Not yet started
<u>Estimated Cost:</u>	£2,816,000
<u>Funding:</u>	£ 0
<u>Gap:</u>	£2,816,000

Summary

Total Gap Funding Reg123 List	£11,705,000
CIL Revenue Target	£7,200,000