



## Community Infrastructure Levy Charging Schedule

June 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 schools. 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 have been set in consultation with local communities and developers and provide developers with much more certainty 'up front' about how much money they will be expected to contribute.

Levy rates must be set 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 Charging Authority**

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.

## **Date of Approval**

The Charging Schedule was approved by the Council on xxxxxx2015

## **Date of Effect**

The Charging Schedule will come into effect within three months of the date of Council approval.

## **Statutory Compliance**

The Charging Schedule has been prepared in accordance with the Community Infrastructure Levy Regulations 2010 (as amended), 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

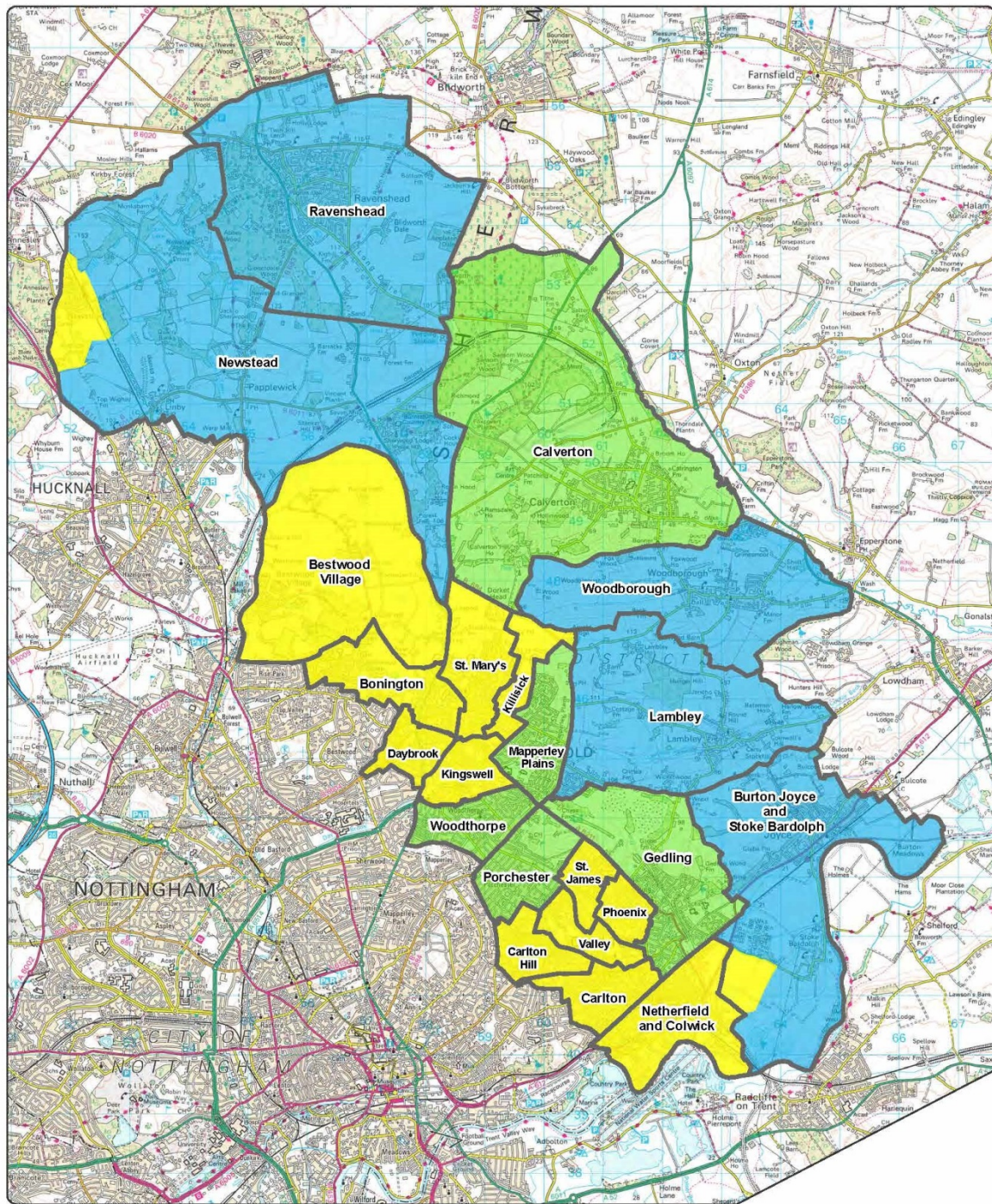
- the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.

### CIL Rate

The rate at which CIL will be charged shall be:

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

# Gedling CIL - Residential Charging Zones



## Key

-  Wards
-  Zone 1
-  Zone 2
-  Zone 3

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 LGIS/Cartography/0402 - Gedling wards - charging zones/3 gedling wards - residential charging zones revised 04/2014 PLW GIS team 14/05/2014



## **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). The Council proposes to introduce an instalments payments policy as set out below:

<b>Chargeable Amount</b>	<b>Timescale</b>
Less than £15,000	Full payment within 90 days of development commencing
Between £15,000 and £50,000	First instalment (25%) within 90 days Second instalment (50%) within 270 days Third instalment (25%) within 360 days
Between £50,000 and £100,000	First instalment (25%) within 90 days Second instalment (50%) within 360 days Third instalment (25%) within 540 days
Over £100,000	First instalment (25%) within 90 days Second instalment (25%) within 270 days Third instalment (25%) within 540 days Fourth instalment (25%) within 720 days

## **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".

## **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 36 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.

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

### **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>	Full application granted December 2014. Application for first phase 315 dwellings anticipated summer 2015
<u>Estimated Cost:</u>	£32,400,000
<u>Funding:</u>	£26,200,000
<u>Gap</u>	£6,200,000

### **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

## **Further Information**

Further information on the Community Infrastructure Levy is available on the Borough Council's website [www.gedling.gov.uk](http://www.gedling.gov.uk) or contact the Planning Policy team at [planningpolicy@gedling.gov.uk](mailto:planningpolicy@gedling.gov.uk) or tel (0115) 901 3757.