

**Shepway District Council
Community Infrastructure Levy (CIL)**

Draft Charging Schedule

June 2015

**Submission Document
(For Examination in Public)**



**Shepway District Council
Community Infrastructure Levy (CIL):
Draft Charging Schedule**

The Consultation on the Community Infrastructure Levy (CIL) Draft Charging Schedule is the second of the consultations required as part of the process leading to the introduction of CIL, in Shepway District. The document sets out the Council's preferred position on CIL rates that it proposes to submit for examination in public, after the consultation.

The consultation period on the draft CIL Charging Schedule ran from 9th February to the 23rd March 2015 (all representations and comments to be received by 5pm).

For further information, please visit the Council's website at:

<https://www.folkestone-hythe.gov.uk/planning/community-infrastructure-levy>

Or telephone: 01303 853364

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The Charging Authority and Charging Area

The Charging Authority is Shepway District Council.

The charging area covers the administrative area of Shepway District.

Purpose of Consultation

This consultation document represents the second formal stage in Shepway District Council's preparation of a Community Infrastructure Levy (CIL) charging schedule.

CIL is a tariff based approach to funding infrastructure that allows local authorities to raise funds from developers undertaking new building projects. Its purpose is to help fund the provision of infrastructure needed to support the growth and development identified by an area's Local Plan.

The CIL Draft Charging Schedule sets out the CIL rates that the Council proposes to charge on development within its charging area. Rates are set out as '£s per sq m' on chargeable developments, in respect of different types of development and geographical areas. A cross reference to the Use Class Order is also provided.

Statutory Compliance

The provisions for CIL are set out by Part 11 of the Planning Act 2008, the Localism Act 2011, and the CIL Regulations 2010 (as amended in 2011, 2012, 2013 and 2014).

This Draft Charging Schedule is published for public consultation as the second step in setting a CIL charge for Shepway District Council, and is published in accordance with Regulations 15 and 16 of the CIL Regulations.

The CIL Regulations can be accessed via the following website:

<https://www.gov.uk/government/policies/giving-communities-more-power-in-planning-local-development/supporting-pages/community-infrastructure-levy>

CIL Liable Developments

CIL is charged according to the rates stated in a Local Authority's Charging Schedule on the:

- The net additional gross internal floorspace of all new residential units, regardless of their size; and
- The erection of, or extensions to, other buildings creating over 100 sq m net new additional gross internal floorspace.

The rates set out in an adopted CIL Charging Schedule are not negotiable.

Mandatory Exemptions from CIL

Some types of development are exempt from paying CIL, including the following as set out by the CIL Regulations:

- Minor development of less than 100 sq. m. net additional gross internal floorspace, unless it results in the creation of net additional dwelling(s) (Regulation 42);
- The conversion of any building previously used as a dwelling house to two or more dwellings;
- Full relief is applied on all those parts of chargeable development that are to be used as social/affordable housing (criteria set out in Regulation 49/49A);
- All forms of residential development including annexes and extensions which are built by 'self builders';
- A registered charity landowner will receive full relief from their portion of the liability where the chargeable development will be used wholly or mainly for charitable purposes (Regulation 43-48);
- The conversion of or works to a building in lawful use that affects only the interior of the building;
- Mezzanine floors of less than 200 sq m inserted into an existing building, unless they form part of a wider planning permission, which seeks to provide other works;
- Development of buildings and structures into which people do not normally go into, or enter under limited circumstances (for example an electricity sub-station or wind turbine) (Regulation 5(2));
- Vacant buildings brought back into use (Regulation 40), where there is no net gain in floorspace, provided a building has been in use for 6 continuous months out of the last 3 years.
- When a CIL charge is calculated as £50 or less, a CIL payment will not be charged by the Council (Regulation 40)

In addition to the above exemptions, developments that have a planning permission when a CIL charging schedule comes into force are not liable for CIL. This includes any subsequent reserved matters applications following outline planning permission. If developments with planning permission are not commenced within a conditioned time limit, any subsequent renewal or amendment applications are liable to CIL, if by that time a Charging Schedule has been adopted.

Proposed CIL Rates and Zones

The following tables and location maps at appendices 1 to 4, detail the proposed CIL rates and zones for Shepway District Council's administrative area:

Table 1: Residential Developments (C3 & C4 uses, including sheltered accommodation)	
Zone (as per maps at appendices 1 & 2)	CIL rate /£ per sq m
A	£0
B	£50
C	£100
D	£125

Table 2: Retail Developments		
Zone	Development (A1 to A5 uses)	CIL rate / £ per sq m
Folkestone Town Centre Area (appendix 3)	All convenience and comparison retail and other development akin to retail	£0
Rest of district	Supermarkets, superstores, and retail warehousing (net retail selling space of over 280 sq m) (a & b)	£100
Rest of district	Other large scale development akin to retail (net retail selling space of over 280 sq m) (c)	£100
Rest of district	Other retail development and developments akin to retail (net retail selling space up to 280 sq m)	£0
Notes		
<p>a) Superstores/supermarkets are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.</p> <p>b) Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering for mainly car-borne customers.</p> <p>c) Includes sui generis uses akin to retail including petrol filling stations; selling and/or displaying motor vehicles; and retail warehouse clubs.</p>		

Table 3: Strategic & Key Development Sites		
Core Strategy Local Plan policies (appendix 4)	Development (A, B, C & D uses)	CIL Rate / £ per sq m
SS6	Folkestone Harbour & Seafront	£0
SS7	Shorncliffe Garrison	£0
CSD8	New Romney Masterplan	£0
CSD8	Sellindge	£0
Note: The Council considers that the above strategic & key development sites are more appropriately addressed by s106, given their scale and stage in the planning process.		

Table 4: Other Developments (B, C1, C2 & D uses)	
Other	CIL Rate – per sq m
All other developments (district wide)	£0

Index Linking CIL Rates to Inflation

In accordance with Part 5 of the CIL Regulations 2010 (as amended), the calculation of CIL liability will take account of inflation by index-linking to the national All-in Tender Price Index published from time to time by the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors.

The need for an index linked increase will be considered 12 months after the adoption date of the Charging Schedule, and at each subsequent 12 month period thereafter, over the life-cycle of the Charging Schedule.

Payment of CIL and Instalments Policy

Payment of CIL is due from the date of commencement of the liable development. The default position set by the CIL Regulations is that the whole amount must be paid within 60 days of commencement, unless a discretionary instalments policy is offered. Shepway District Council intends to provide this facility, with its proposed terms outlined by a draft CIL Instalments Policy, which can be viewed on the following Council webpage:

<https://www.folkestone-hythe.gov.uk/planning/community-infrastructure-levy>

This policy does not however, have to form part of the consultation and examination on the draft CIL Charging Schedule, and is therefore provided for information only.

Payment in Kind

The CIL Regulations provide a local authority with the discretion to accept land, buildings or infrastructure payments, as all or part of a CIL payment due in respect of a liable development. Shepway District Council intends to provide this facility, with its proposed terms outlined by a draft CIL Payments in Kind Policy, which can be viewed on the following Council webpage:

<https://www.folkestone-hythe.gov.uk/planning/community-infrastructure-levy>

The Council is not however, obliged to accept any offer of payment in kind by land or infrastructure.

This policy does not have to form part of the consultation and examination on the draft CIL Charging Schedule, and is therefore provided for information only.

Discretionary Relief from CIL

The CIL regulations allow a charging authority to permit discretionary relief from CIL (e.g. where a reduced or nil payment may be accepted). These cases are likely to be rare but could include the following:

- Development by charities for investment activities (as defined by Regulation 44);
- Development by charities where relief would normally constitute State Aid (as defined in Regulation 45); and
- Where a charging authority considers there are exceptional circumstances to justify relief (as defined in Regulation 55), in cases where a development is – subject to

planning obligations; where payment of CIL would have an unacceptable impact on economic viability; and where granting of relief wouldn't constitute a state aid.

Discretionary Charitable Relief

It is not the intention of the Council to offer discretionary charitable relief at present, given the availability of mandatory relief. It is considered that such a policy would impose an additional level of complexity in the administration and management of the CIL.

The CIL Regulations allow a policy of this kind to be introduced at any stage. The Council will therefore keep this under review as part of the regular post adoption monitoring of the CIL system.

Discretionary Exceptional Circumstances Relief

It is not the intention of the Council to offer exceptional circumstances relief at present. The circumstances in which a policy of this nature would be likely to be used would be extremely rare given that the CIL rate is set based on viability evidence. It would also impose an additional level of complexity in the administration and management of the CIL charge.

The CIL Regulations allow a policy of this kind to be introduced at any stage. The Council will therefore keep this under review as part of the regular post adoption monitoring of the CIL system.

Parish and Town Councils' Neighbourhood Fund

The CIL Regulations 2010 (as amended), and section 2 of the Localism Act (2011) require a Charging Authority to pass a 'meaningful proportion' of CIL receipts to local neighbourhoods, where development has taken place.

Parishes where development takes place will therefore receive their own portion of CIL income to spend on the infrastructure they want. In areas where there is no neighbourhood plan this will be 15%, capped at £100 per existing dwelling. Where a neighbourhood plan is in place the portion is an uncapped 25%.

Draft Regulation 123 List

The CIL Regulations 2010 (as amended), requires a Charging Authority to provide at examination a draft list of the projects or types of projects that will be funded in whole or in part by CIL. The list, called the Draft Regulation 123 List, needs to link to an infrastructure assessment, which considers the infrastructure funding required to support the growth outlined by an area's Local Plan.

A draft Shepway District Council Regulation 123 list and a Draft Infrastructure Assessment and Delivery Plan, can be viewed on the following Council webpage:

<https://www.folkestone-hythe.gov.uk/planning/community-infrastructure-levy>

Monitoring and Review

As per the requirements of the CIL Regulations 2010 (as amended), collection and spending of CIL funds will be reported annually.

So as to ensure an appropriate CIL rate that reflects changing market and other influences on development viability and deliverability, the Council will put in place an appropriate monitoring and review framework that consists of:

- Reporting of the level of housing market activity and development in the Council's Authority Monitoring Report (AMR).
- Tracking of funding coming forward to meet infrastructure from CIL and other sources.
- The amount of CIL collected since the adoption and commencement dates of a CIL charging schedule; how it has been allocated; and the infrastructure projects part, or wholly supported through CIL.
- A continuation of existing s106 monitoring systems.

CIL Regulations allow adopted CIL rates to be updated annually for inflation, based on the Building Cost Information Service (BCIS) all tender prices index.

It is also anticipated that the CIL charging schedule and its rates will be reviewed within a 3 to 5 year time period, from its adoption date, or at an earlier date if changing market conditions support this.

Responding to the Consultation

Comments and representations are invited on the draft CIL Charging Schedule, the accompanying draft Regulation 123 list, and supporting information. Further information and copies of all CIL related documents, are available on the Council's website as follows:

<https://www.folkestone-hythe.gov.uk/planning/community-infrastructure-levy>

Comments and representations should be made in writing and sent to the following addresses:

By email to - planning.policy@folkestone-hythe.gov.uk (with 'CIL consultation' in the subject bar) By post to -

Draft CIL Charging Schedule Consultation
Shepway District Council
Planning and Building Control
Planning Policy
Civic Centre, Castle Hill Avenue
Folkestone, Kent
CT20 2QY

Please note that all representations made in response to the draft CIL Charging Schedule must be submitted to the examiner, together with a summary of the main issues raised. Therefore, comments cannot be treated as confidential and will be made available as public documents. Personal addresses will not however, be made publicly available.

Timescale for Submitting Comments

The consultation period on the draft CIL Charging Schedule runs from 9th February to the 23rd March 2015 (all representations and comments to be received by 5pm).

Requesting Further Notifications

Any organisation or person making representations may request that they be notified at a specified address, of any of the following:

- That the draft CIL Charging Schedule has been submitted to the examiner in accordance with section 212 of the Planning Act 2008;
- The publication of the recommendations of the examiner and the reasons for those recommendations; and
- The approval of the CIL Charging Schedule by the Council

If you would like further notification of the above matters, please state this in your response to the draft CIL Charging Schedule.

Timescale for Adoption of a CIL Charging Schedule

Following this consultation, all comments received along with all supporting information will be submitted to the Planning Inspectorate for independent examination. Anybody who makes comments in response to this document will have the right to be heard at the Examination in Public.

Following the Examination in Public, the Examiner will publish a report, which will set out their findings. If the Examiner approves the draft CIL Charging Schedule, the Council will look to bring the CIL Charging Schedule into effect according to the timescale indicated as follows:

Activity	Timing
Draft CIL Charging Schedule issued for consultation and representations	February to March 2015
Submission of CIL Draft Charging Schedule to Secretary of State	Summer 2015
Examination in Public for CIL Draft Charging Schedule	Summer 2015 (exact date to be set)
Shepway District Council's adoption of CIL Charging Schedule	Autumn 2015
Commencement date of CIL Charging Schedule	Winter 2015/16
<i>Note: The Council will use its best endeavours to keep to the above indicated timetable, but reserves the right to amend this if circumstances as they become known, determine this to be necessary.</i>	

APPENDIX 1: CIL charging zones for residential developments.



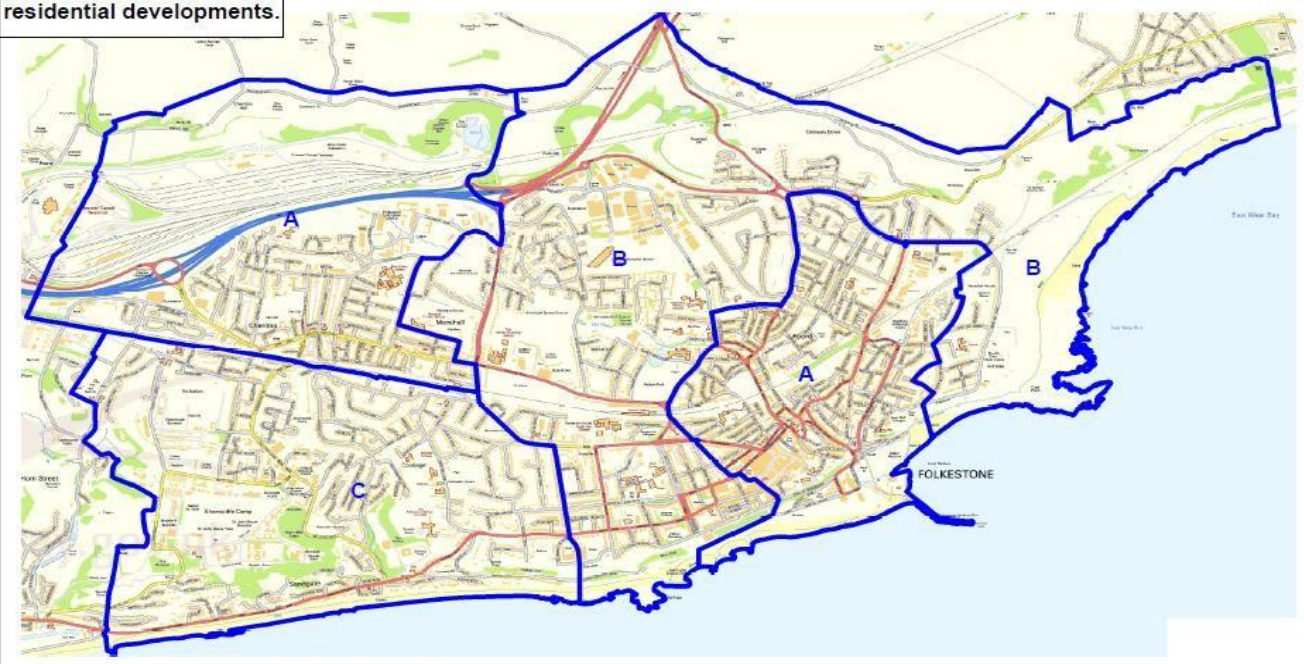
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**APPENDIX 2:
CIL charging zones for
residential developments.**

Folkestone Town Inset Map



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Appendix 3: Folkestone Town Centre Retail & Commercial Area



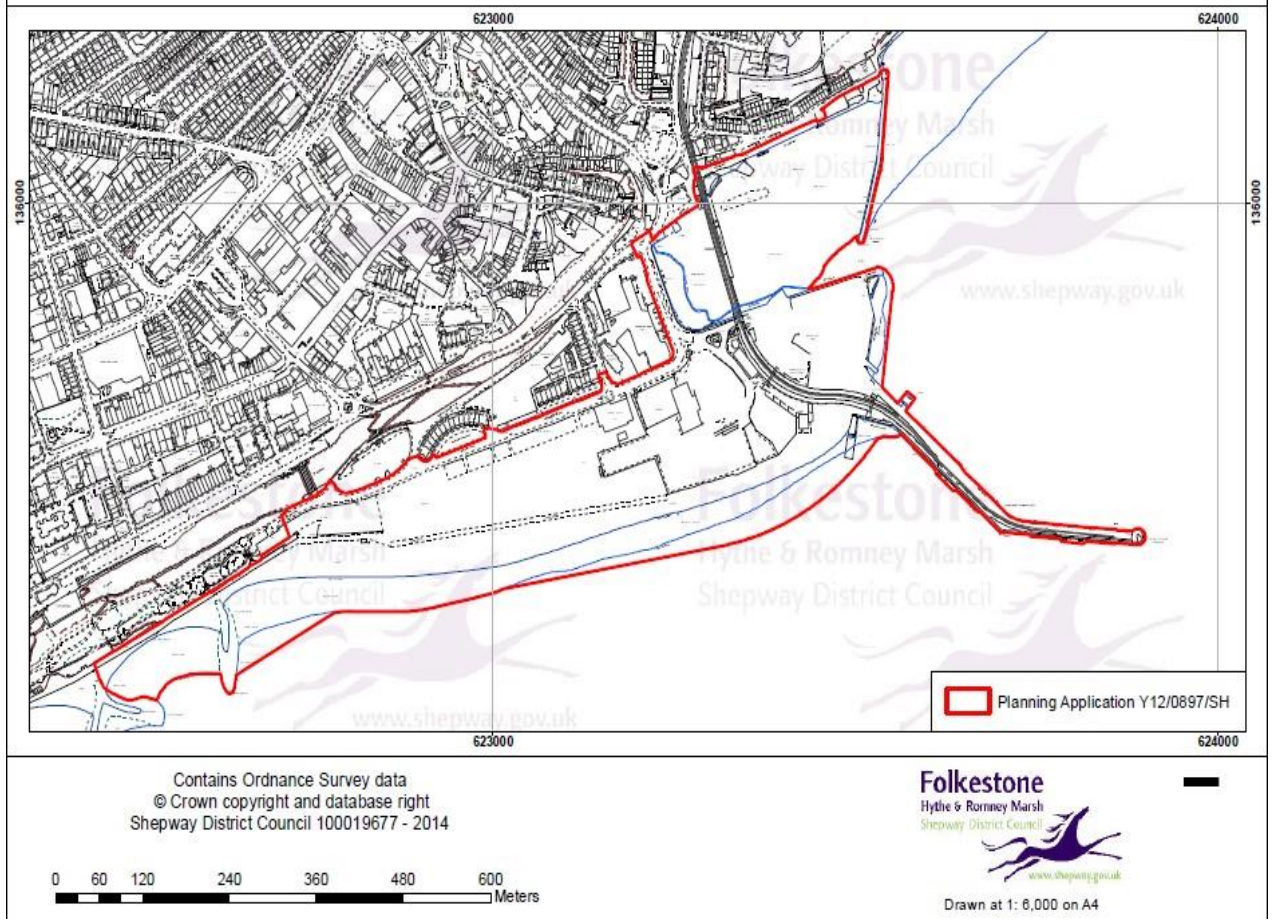
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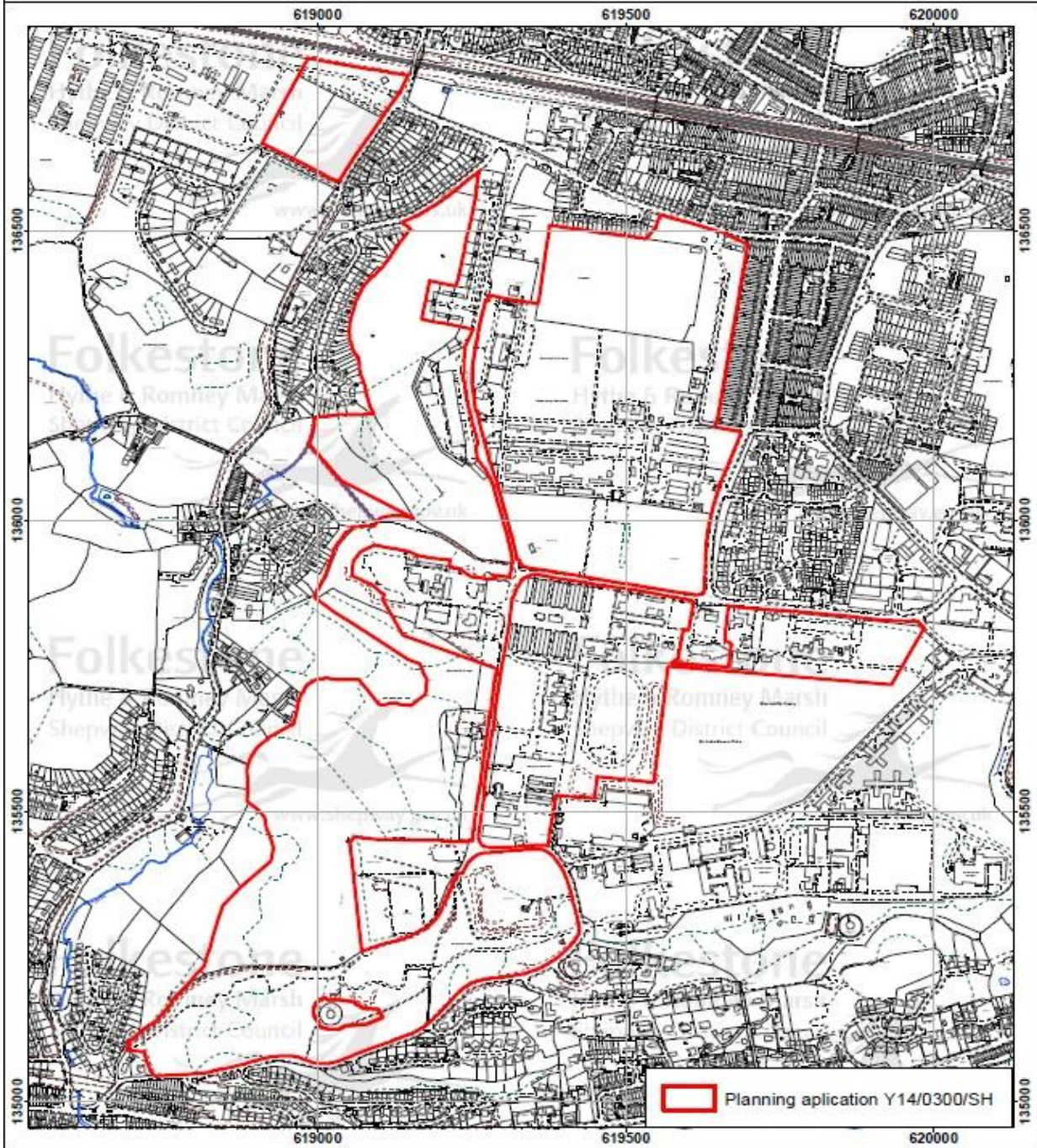
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Appendix 4: Core Strategy Local Plan Strategic & Key Development Sites

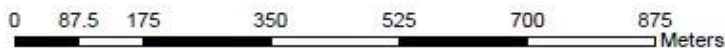
Folkestone Harbour & Seafront (Core Strategy Local Plan Policy SS6)



Shorncliffe Garrison (Core Strategy Local Plan Policy SS7)

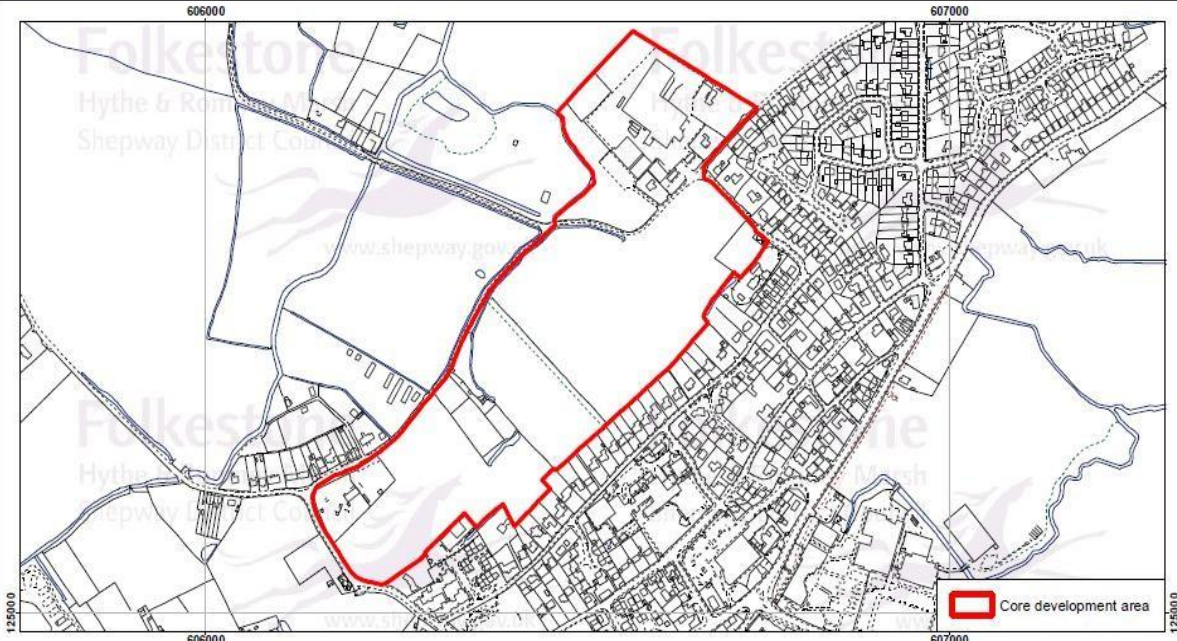


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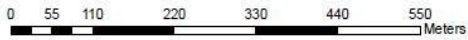


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New Romney Masterplan Sites (Core Strategy Local Plan Policy CSD8)

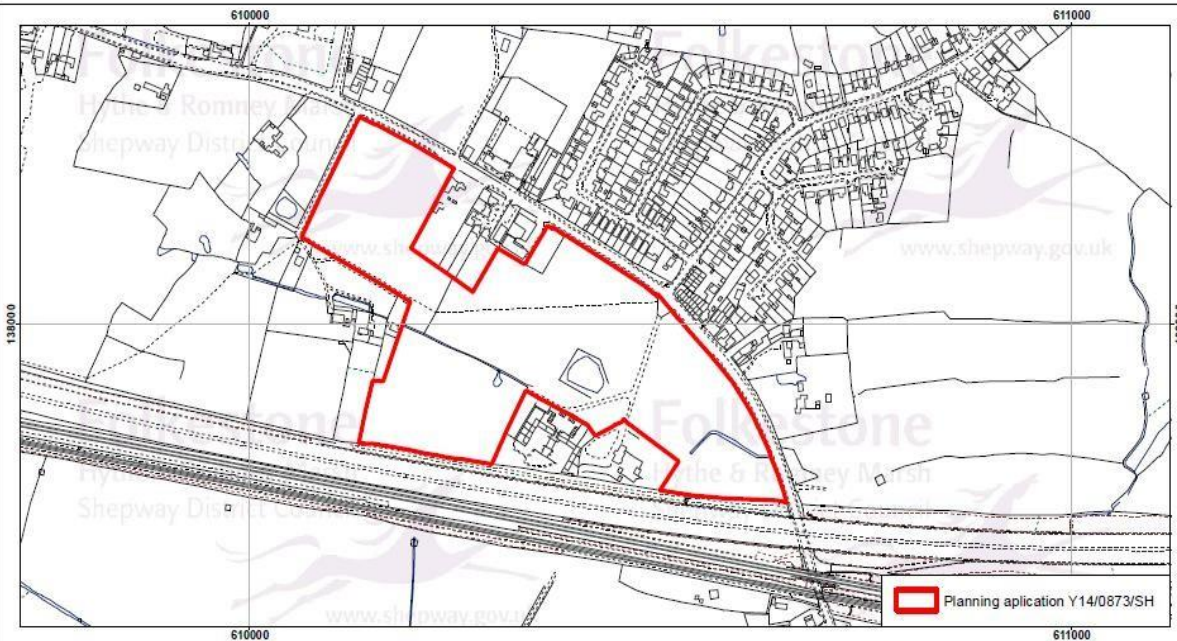


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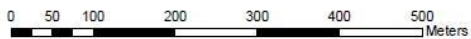


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Sellidge (Core Strategy Local Plan Policy CSD9)



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