

Caerphilly County Borough

Community Infrastructure Levy Preliminary Draft Charging Schedule & Draft Infrastructure List

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Head of Regeneration & Planning

**Caerphilly County Borough Council
Community Infrastructure Levy
Preliminary Draft Charging Schedule**

1. Preliminary Draft Charging Schedule

1.1 Introduction

The purpose of this document is to set out Caerphilly County Borough Council's Preliminary Draft Charging Schedule for the Community Infrastructure Levy (CIL) in its area. The finance generated from the CIL will be used to secure infrastructure that is required to support development in accordance with the Caerphilly County Borough Local Development Plan. This Charging Schedule has been prepared in accordance with the requirements of the Community Infrastructure Levy Regulations 2010.

1.2 Community Infrastructure Levy Rates

Caerphilly County Borough Council is the charging authority for the purpose of charging the Caerphilly County Borough Community Infrastructure Levy.

Caerphilly County Borough Council intends to charge the Community Infrastructure Levy in Caerphilly County Borough at the following rates (expressed as pounds per square metre) in respect of all developments in the following use classes within each of the relevant zones as shown in Tables 1 & 2 below.

Table 1: Residential (C3) Development CIL Rates

Charging Zones for Residential Development		
Geographical Area	Rate £ per square metre (Affordable housing funded through S.106)	Rate £ per square metre (Affordable housing funded through CIL)
Lower Viability Area	£0	£0
Mid-Range Viability Area	£25	£125
Higher Viability Area	£40	£250

A map illustrating the location and boundaries of the zones in which differential rates are charged is attached at Appendix A.

Table 2: Commercial Development CIL Rates

Commercial Development	
Type of Development	Rate (£ per square metre)
A1 Retail Development	£100
B1 Office Development	£0
B2 – B8 Industrial Development	£0
Care & Nursing Home Development	£0
*D1 Primary Healthcare Development	£60
D2 Hotel Development	£0
D2 Cinema Development	£0
A3 Restaurants, Café & Drinking Establishments	£25

*Excludes all other uses within Class D1 of the Town & Country Planning (Use Class) Order 1987

1.3 Calculating the CIL Amount

The chargeable amount will be calculated at the time planning permission first permits the chargeable development in accordance with the formula set out in Regulation 40 as follows:

$$\frac{R \times A \times I_p}{I_c}$$

R = the CIL Rate set out in the tables above A = the deemed net area chargeable at rate R ¹ I _p = the index ² figure for the year in which planning permission was granted I _c = the index figure for the year in which the charging schedule took effect
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CIL will be charged for the net additional floorspace, that is, after the area of demolished buildings has been deducted. Where the chargeable amount is less than £50 it is deemed to be zero.

Where there is more than one use class on a development, the chargeable development in each use class is calculated separately and then added together to provide the total chargeable amount.

Where an outline planning permission permits development to be implemented in phases, each phase of the development is a separate chargeable development. In the case of outline planning applications where the floorspace of the development is not specified, the amount will be calculated at the submission of reserved matters and the liability notice will follow the approval of reserved matters.

¹ Regulation 40 (6) provides more information on how to calculate A

² The index is the All-in Tender Price Index published by the Building Cost Information Service of the RICS and the figure is for 1st November of the preceding year (Regulation 40 (7))

2. Exemptions from CIL

CIL chargeable development does not include works to buildings into which people do not normally go or which people only go intermittently to inspect or maintain plant or machinery.

CIL is not chargeable on minor developments where the gross internal area of the new building or extension will be less than 100 square metres unless the development will comprise one or more dwellings.

CIL is not chargeable on developments where the owner of the land is a charitable institution and the development will be used wholly or mainly for charitable purposes.

Social housing (also known as Affordable Housing) is eligible for relief from CIL. Regulations 49-54 of the Community Infrastructure Levy Regulations 2010 set out the conditions and procedures under which this exemption applies for social housing.

There is also discretionary relief for exceptional circumstances if there is a Section 106 planning obligation attached to a development, and the cost of that exceeds the CIL amount levied, whereby CIL would have an unacceptable impact on the economic viability of a development. In such exceptional circumstances, the onus will be placed on the Developer to demonstrate that this is the case. Any discretionary relief must not constitute State Aid.

3. How will the Levy be collected?

The levy's charges will become payable from the date that a chargeable development is commenced. The definition of commencement being the same as used in planning legislation, unless planning permission has been granted after commencement.

When planning permission is granted the Council will issue a liability notice setting out the amount that will be due for payment when the development is commenced, the payment procedure and the possible consequences of failure to comply with the requirements.

The responsibility to pay the levy runs with the ownership of the land to which the development relates and is transferred when ownership is transferred.

The liable party must submit a commencement notice to the Council prior to commencement of development. The Council, as charging authority, will serve a demand notice on each person liable to pay CIL in respect of the chargeable development.

4. What will the Levy be spent on once it is adopted?

In accordance with the CIL Regulations, the Council must apply CIL receipts to funding infrastructure to support the development of its area.

The Draft Infrastructure List, for the purposes of the Caerphilly County Borough Community Infrastructure Levy is defined as:

Physical Infrastructure

- ***Policy TR5 Transport Improvement Schemes- Northern Connections Corridor.***
- ***Policy TR6 Transport Improvement Schemes – Caerphilly Basin.***
- ***Policy TR9 Highway Corridor Safeguarding – Caerphilly South East Bypass.***
- ***Policy TR8.1 Regeneration Led Highway Improvements – Heads of the Valleys Area.***
- ***Strategic public transport infrastructure.***
- ***Waste transfer / recycling bulking infrastructure.***
- ***Upgrade of existing Civic Amenity Sites.***
- ***Strategic Drainage Network.***
- ***Air Quality Action Plan Schemes.***
- ***Network Connections – Superfast Broadband.***

Social Infrastructure

- ***Welsh Medium Secondary Education Provision.***
- ***Youth and Community Facility Provision & Upgrade to existing facilities.***
- ***Cemetery Provision.***
- ***Leisure Centre Provision & Upgrade to existing facilities.***

Green Infrastructure

- ***Off-Site Formal Leisure Facilities***

The levy is intended to fund the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision unless those deficiencies will be made more severe by the new development. The levy can be used to increase the capacity of existing infrastructure or to repair failing infrastructure, if it is necessary to support development.

The Government requires the Council to allocate a meaningful proportion of levy receipts within each neighbourhood back to that neighbourhood. The Council will liaise with neighbourhoods to identify their infrastructure requirements and endeavour to balance neighbourhood needs with wider infrastructure needs to support the development of the area. The Council will retain the ability to use levy income to address cumulative impacts on infrastructure that may occur further away from the development.

APPENDIX A

RESIDENTIAL CHARGING ZONES



