

Merthyr Tydfil County Borough Council

Community Infrastructure Levy

Draft Charging Schedule

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Introduction

The purpose of this document is to set out Merthyr Tydfil County Borough Council's Draft Charging Schedule for the Community Infrastructure Levy (CIL) in its area. The monies generated from the CIL will be used to secure infrastructure that is required to support development in accordance with the Merthyr Tydfil County Borough Council Local Development Plan.

This Charging Schedule has been prepared in accordance with the requirements of the Community Infrastructure Levy Regulations 2010 (as amended).

Preliminary Draft Charging Schedule – public consultation

The council published its Preliminary Draft Charging Schedule for consultation between 7th March 2013 and 18th April 2013. The consultation period received 4 submissions, which included 26 separate representations. All the representations have been considered and have been addressed in the Preliminary Draft Charging Schedule Consultation Report.

CIL Rates

Merthyr Tydfil County Borough Council is the charging authority for the purpose of charging the Merthyr Tydfil Community Infrastructure Levy. The area of Merthyr Tydfil County Borough that lies within Brecon Beacons National Park is excluded from this charge. The responsibility for setting and collecting CIL in this area will rest with the National Park Authority.

The Council intends to charge Community Infrastructure Levy in Merthyr Tydfil at the following rates (expressed as £ per square metre) in respect of all developments in the following use classes within each of the relevant zones as shown in Table 1 below.

Table 1: Residential and Commercial Development CIL rates

Residential (C3) Development CIL rates	
Zone	CIL rate per square metre
Merthyr Tydfil	£25
Mid Valleys	£0
Lower Valley	£25
Commercial Development CIL rates	
Type of Development	CIL rate per square metre
Retail (A1)	£100
Retail (A3)	£25
Primary Healthcare Development (D1)*	£60

*all other uses within Class D1 of the Town and Country Planning (use class) Order 1987 are excluded

Maps illustrating the location and boundaries of the zones are attached and appendices 1 and 2.

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:

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

Where

R = the CIL Rate set out in the tables above

A = the deemed net area chargeable at rate R

I_p = the index 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

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

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.

CIL Exemptions

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 (as amended) 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.

How will CIL be collected?

CIL will become payable from the date that a chargeable development is commenced. The definition of commencement is 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.

Where planning permission is granted retrospectively for development that has already been carried out, the commencement date for the purposes of CIL will be the day on which planning permission is granted.

The responsibility to pay CIL 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.

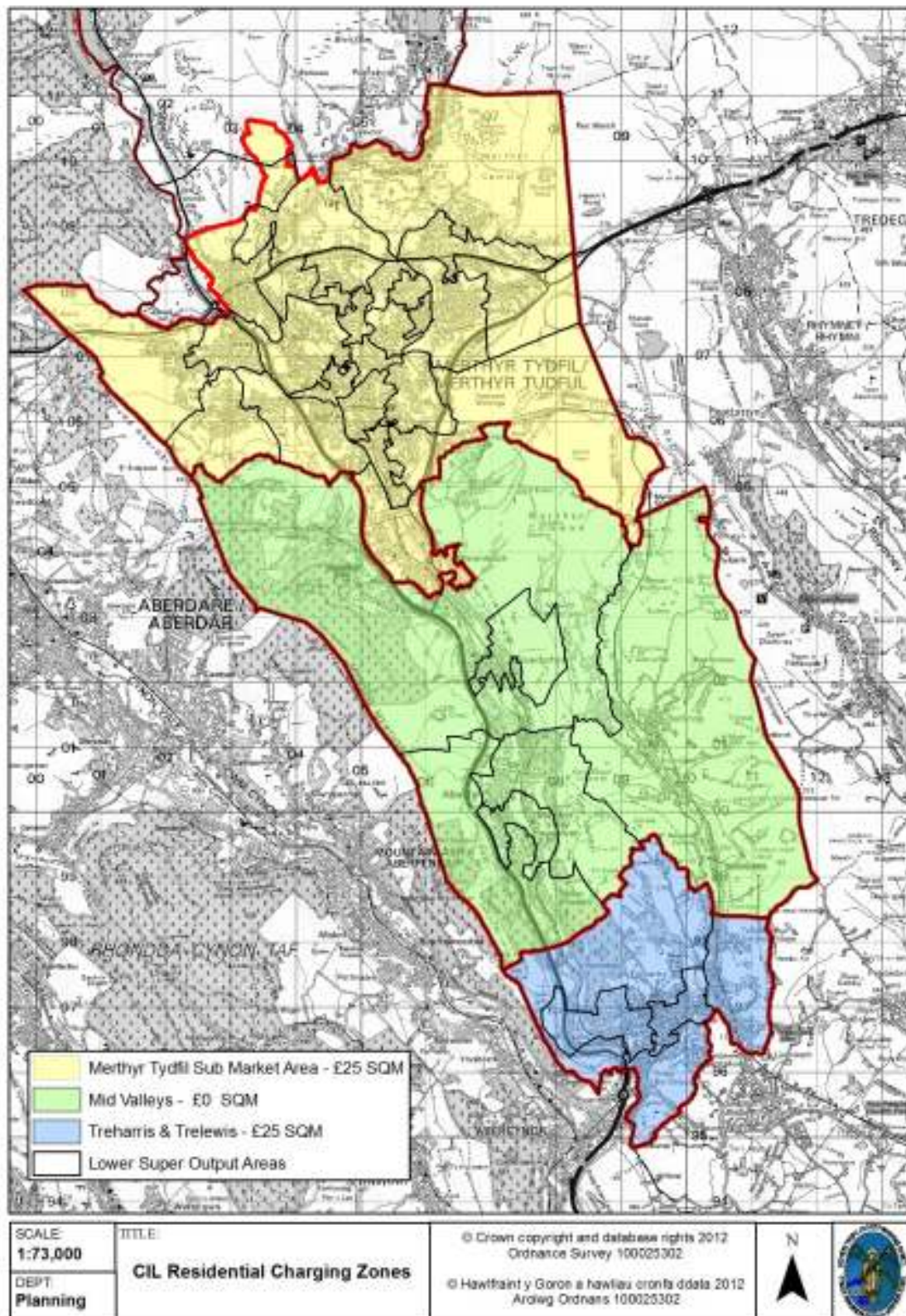
How will CIL be spent?

CIL Regulation 123 requires the council to publish a list of infrastructure that CIL revenue can be used to fund. However, this list should not form part of the Charging Schedule, as it is not subject to the Charging Schedule procedure.

In order to facilitate consideration and discussion of what infrastructure should be eligible for CIL funding, and what should not, the council has prepared its 'Draft Regulation 123 List of Infrastructure', which sets out the council's view of what infrastructure should be CIL funded. The Regulation 123 List is available for inspection and comment as part of the Draft Charging Schedule documentation.

Appendix 1

Residential Charging Zones



Appendix 2

Commercial Charging Zone

