

Caerphilly County Borough
Community Infrastructure Levy

Charging Schedule

Takes Effect From 1st July 2014

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**Caerphilly County Borough Council
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Community Infrastructure Levy – Charging Schedule

1. The Charging Schedule

1.1 Introduction

1.1.1 The purpose of this document is to set out Caerphilly County Borough Council's 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 (as amended).

1.2 Approval of the Charging Schedule

1.2.1 The council resolved to approve the Charging Schedule at a meeting of the Full Council held on 10 June 2014, with an implementation date of 1 July 2014.

1.2.2 The Charging Schedule has been subject of two consultation periods (October/November 2012 and March/May 2013) and has been subject of public examination in January 2014, in accordance with the CIL Regulations.

1.3 Community Infrastructure Levy Rates

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

1.3.2 Tables 1 and 2 below set out the rates that Caerphilly County Borough Council will charge in respect of the relevant developments. All rates are expressed as pounds per square metre. The residential rates are set according to three charging zones (please refer to the map included at Appendix A for the three charging zones), whilst the remainder of the charges are applicable across the whole of the county borough (please refer to the map included at Appendix B for the Commercial Charging Zone).

Table 1: Residential (C3) Development CIL Rates

Charging Zone	Rate (£ per square metre)
Lower Viability Area	£0
Mid-Range Viability Area	£25
Higher Viability Area	£40

Table 2: Commercial Development CIL Rates

Type of Development	Rate (£ per square metre)
A1 Retail Development	£100
A3 Restaurants, Café & Drinking Establishments	£25
B1 Office Development	£0
B2 – B8 Industrial Development	£0
Care & Nursing Home Development	£0
D1 Non-Residential Institutions	£0
D2 Hotel Development	£0
D2 Cinema Development	£0

Community Infrastructure Levy – Charging Schedule

1.4 Calculating the CIL Amount

1.4.1 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

1.4.2 CIL will be charged for the net additional floorspace, which is the floorspace remaining after the total of existing floorspace has deducted. Regulation 40 (7) sets out formula for calculating the net floorspace, as follows:

$$G_r - K_r - \left(\frac{G_r \times E}{G} \right)$$

Where

G = the gross internal area of the chargeable development;

G_R = the gross internal area of the part of the chargeable development chargeable at rate R;

K_R = the aggregate of the gross internal areas of the following—

- (i) retained parts of in-use buildings, and
- (ii) for other relevant buildings, retained parts where the intended use following completion of the chargeable development is a use that is able to be carried on lawfully and permanently without further planning permission in that part on the day before planning permission first permits the chargeable development;

E = the aggregate of the following—

- (i) the gross internal areas of parts of in-use buildings that are to be demolished before completion of the chargeable development, and
- (ii) for the second and subsequent phases of a phased planning permission, the value E_x (as determined under paragraph (8)), unless E_x is negative, provided that no part of any building may be taken into account under both of paragraphs (i) and (ii) above.

1.4.3 Where the chargeable amount is less than £50 it is deemed to be zero.

1.4.4 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.

1.4.5 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

Community Infrastructure Levy – Charging Schedule

not specified, the amount will be calculated at the submission of reserved matters and the liability notice will follow the approval of reserved matters.

2. Exemptions from CIL

Applications of Regulations

- 2.1 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 (Regulation 11).
- 2.2 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 (Regulation 42).

Mandatory Exemptions

- 2.3 CIL is not chargeable for self-build residential annexes, extensions or single dwellings (Regulation 42A)
- 2.4 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 (Regulation 43). The council has issued advice in respect of Charitable Relief in “*CIL Guidance Note 4: Charitable Relief Policy*”
- 2.5 Social housing (also known as Affordable Housing) is eligible for relief from CIL (Regulation 43). 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. The council has issued advice in respect of Social Housing Relief in “*CIL Guidance Note 3: Social Housing Relief Policy*”
- 2.6 CIL is not chargeable on self-build housing developments (Regulation 54A).

Discretionary Exemptions

- 2.7 The CIL Regulations also make provision for Charging Authorities to grant relief from CIL for certain developments. Such relief is offered at the discretion of the Charging Authority, and is not granted as a matter of right.
- 2.8 Regulation 44 of the CIL Regulations makes provision for charging authorities to grant relief from CIL for charitable developments for investment activity. The council will grant such relief for qualifying developments (please refer to CIL Guidance Note 4 – Charitable Development Relief for further information.)
- 2.9 Regulation 45 of the CIL Regulations makes provision for charging authorities to grant relief from CIL for charitable developments where CIL would constitute state aid. The council will grant such relief for qualifying developments (please refer to CIL Guidance Note 4 – Charitable Development Relief for further information.)
- 2.10 Regulation 49A of the CIL Regulations makes provision for charging authorities to grant relief from CIL for the low cost home-ownership element of social housing developments. The council will grant such relief for qualifying developments (please refer to CIL Guidance Note 3 – Social Housing Relief for further information.)

Community Infrastructure Levy – Charging Schedule

- 2.11 Regulation 55 of the CIL Regulations makes provision for charging authorities to grant relief from CIL for developments where the viability of the development is compromised by exceptional circumstances. However, such relief can only be offered where there are exceptional circumstances, and the exceptional circumstances must be based on development viability. The CIL generally and the level of charge in particular are all based upon an assessment of development viability. Given this, issues likely to affect development viability have already been taken into account. As a result there are no readily identifiable circumstances that would be considered to be exceptional. Given these difficulties the council has resolved **not** to make relief for exceptional circumstances available in the county borough.

3. How will the Levy be collected?

- 3.1 The levy becomes payable on the date that a chargeable development is commenced. The definition of commencement is the same as that used in planning legislation, unless planning permission has been granted after commencement.
- 3.2 When planning permission is granted the Council will issue a liability notice, which sets out:
- 1 the amount that will be due for payment when the development is commenced,
 - 2 the payment procedure, and
 - 3 the possible consequences arising from the failure to comply with the requirements of the Liability Notice.
- 3.3 The responsibility to pay the levy lies with the ownership of the land to which the development relates, and is transferred when ownership is transferred.
- 3.4 The liable party must submit a commencement notice to the Council prior to the commencement of development. The Council, as charging authority, will then serve a demand notice on each person liable to pay CIL in respect of the chargeable development.

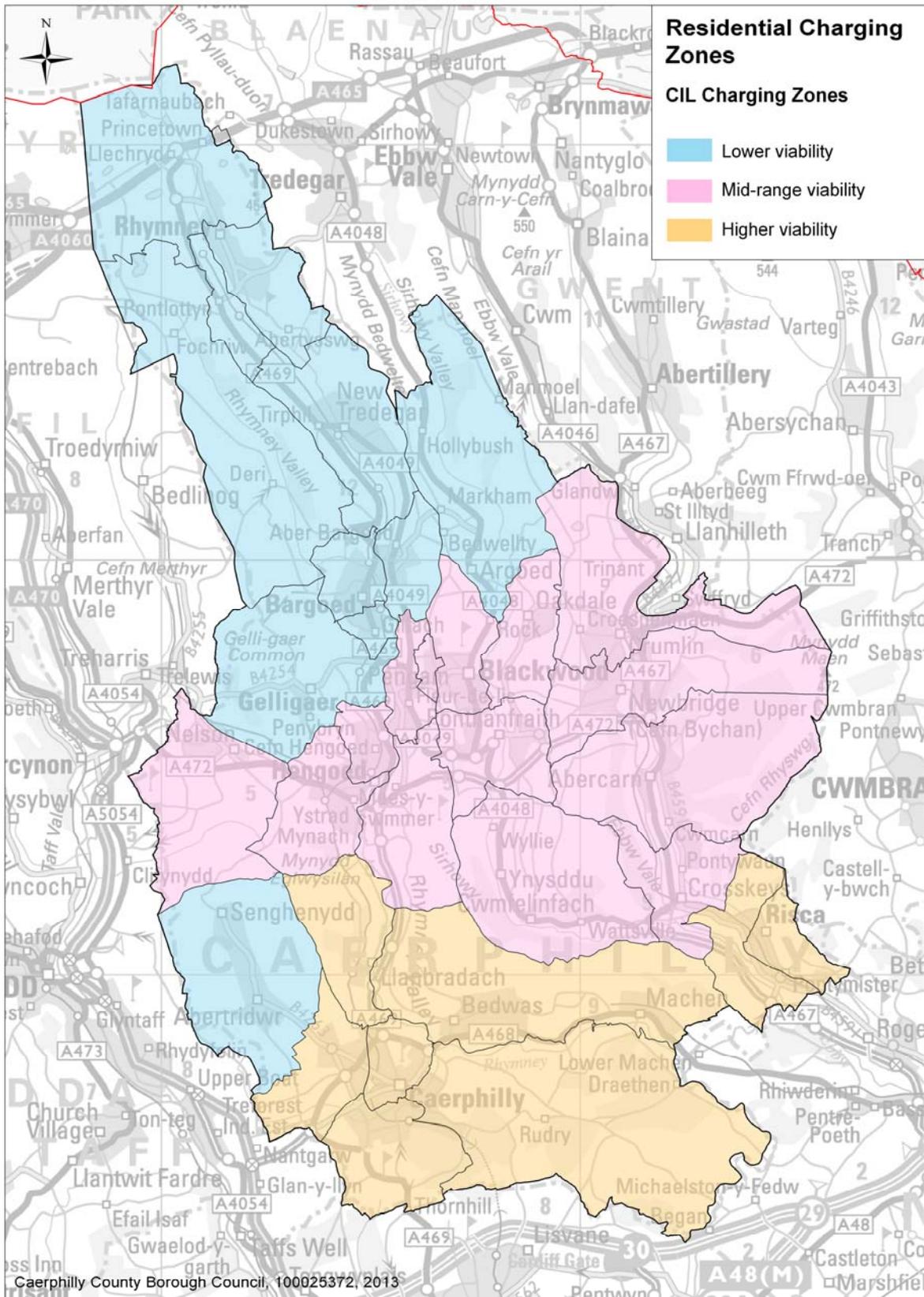
4. What will the Levy be spent on once it is adopted?

- 4.1 CIL Regulation 123 requires the council to publish a list of infrastructure that CIL revenue can be used to fund. The council published its Regulation 123 List on 1 July 2014, to coincide with the implementation of the Charging Schedule.

Community Infrastructure Levy – Charging Schedule

APPENDIX A

RESIDENTIAL CHARGING ZONES



APPENDIX B

COMMERCIAL CHARGING ZONE

