

Community Infrastructure Levy (CIL) Update June 2015

What is CIL?

CIL is a levy that the Council can choose to apply to new developments in the borough (new houses/flats and commercial development). The money collected is spent on new infrastructure within the borough (i.e. roads, flood defences, schools, parks) to support growth.

Latest position

Three rounds of public consultation have taken place (July-Sept 2014, November-December 2014 and January-February 2015) in respect of the Council's CIL Charging Schedule (detailing the CIL charges); and the <u>Draft Charging Schedule</u> was submitted to the Planning Inspectorate for independent examination on 3rd March 2015. The Examiner's Report approving the Charging Schedule, with recommendations for minor modifications only, was published on 1st June 2015 and is available on our CIL webpage (link below).

Subject to agreement with members at the Council meeting on Thursday 23rd July 2015 it is intended that CIL charging commences on **Monday 27th July 2015**. Any planning decisions issued (no matter when submitted) after adoption of a CIL Charging Schedule may be liable to pay CIL. To enable the Council to calculate the levy liability an <u>Additional Information Requirement form (PDF)</u> and <u>Assumption of Liability form (PDF)</u> (including details of the person(s) paying any charge) will now be a validation requirement for all planning applications that are CIL liable. General guidance relating to CIL including guidance on completing these forms is available via the <u>Planning Portal</u>.

CIL rates per sq metre

The amount of CIL payable depends on the size, type and uses of any proposed development and the amount of new floorspace being created. CIL will only be charged in respect of change of use applications where new floor space in excess of 100 square metres is being added, except where the change of use is creating one or more new dwellings, in which case it may be liable even if no new floor space is being created. The three residential charging zones are detailed below and include Thorpe Bay and Leigh in Zone 3, the central area in Zone 2 and everywhere else in Zone 1. The charges are as follows (see <u>Draft Charging Schedule</u> for more details). The charges are as follows (see <u>Draft Charging Schedule</u> for more details):

Development type	Proposed CIL rate
Residential (Class C3 and C4) – Zone 1 (Market areas 1-5)	£20
Residential (Class C3 and C4) – Zone 2 (Market area 6)	£30
Residential (Class C3 and C4) – Zone 3 (Market areas 7 and 8)	£60
Extra care and retirement housing ¹	£20
Supermarkets and superstores ² and retail warehousing ³ (net retailing space of over 280 square metres)	£70
Development by a predominantly publicly funded or 'not for profit' organisation ⁴ (see below for definition) including medical and health services, social care, education, emergency services, waste facilities, community facilities, sport and leisure facilities only	£0
All other uses not cited above	£10

Existing buildings that are being retained (in the same or a different use) or demolished are deducted from the CIL calculation providing they are considered to have been "inuse". It is the applicant's responsibility to provide evidence that buildings were in "lawful use", and that the building(s), or part of the building, have been in use for a continuous period of at least six months within the period of three years ending on the day planning permission first permits the chargeable development. Clarification as to what constitutes a lawful use is given in the Town and Country Planning Act, Section 191 (2).

Relief/exemptions

Details in respect of mandatory relief from the CIL charge (including minor development exemptions, charitable relief, social housing relief and self-build relief) can be found at <u>www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil</u>. The Council does not intend to offer any discretionary relief from paying CIL but will offer an Instalment Policy (currently set out in the Draft Charging Schedule) in relation to staged payments. If you think you might qualify for relief, you should speak to the Council as soon as possible and you must obtain the Council's agreement to your formal claim for relief before starting work on site, as in most cases, relief cannot be granted after development has commenced.

Most small-scale householder development will be exempt from paying the charge. However, the Council advises anyone who intends to either change a building's use or carry out any building work to first check with the Planning Department whether any CIL payment is required as the Council will act in accordance with the process prescribed by Central Government, which includes stringent enforcement measures such as surcharges and prosecution for those failing to comply.

Further information

A <u>revised Supplementary Planning Document 2 (Planning Obligations</u>) will be published on adoption of a CIL Charging Schedule and this will set out the consequential changes to Section 106 agreements.

More details on CIL are available on our website at <u>www.southend.gov.uk/cil</u> or <u>www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil</u> or from the S106 & CIL Officer.