

Huntingdonshire Community Infrastructure Levy - Preliminary Draft Charging Schedule

Huntingdonshire LDF | Huntingdonshire Community Infrastructure Levy - Preliminary Draft Charging
Schedule

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1 Introduction

- 1.1 This consultation document is Huntingdonshire District Council's "Preliminary Draft Community Infrastructure Levy Charging Schedule". It is supported by appropriate information and evidence regarding the creation of a reasonable levy for the locality.

What is the Community Infrastructure Levy?

- 1.2 The Community Infrastructure Levy (CIL) allows local planning authorities to raise funds from developers to pay for the infrastructure that is or will be needed as a result of new development. It came into force on 6th April 2010.
- 1.3 The CIL is an amount payable per net additional m² of floorspace. The levy set is based on community infrastructure needs identified in the Huntingdonshire Local Investment Framework which formed part of the evidence base for the adopted Huntingdonshire Core Strategy. It is further supported by updated infrastructure modelling which takes other potential funding sources into account, and an analysis of the impact of any levy on the viability of development across the district.
- 1.4 Funds raised through the CIL will be used to help pay for a wide range of community infrastructure required to support the needs of sustainable developments in the District. It will not fund 100% of the costs of the infrastructure requirements and will therefore be one element in a range of funding opportunities that need to be used to ensure that community infrastructure is effectively delivered.

Who will have to pay the CIL?

- 1.5 CIL will be charged on most new development. Liability to pay CIL arises when, on completion of the development, the gross internal area of new build on the relevant land is 100 square metres or above. The development of all new dwellings, even if it is less than 100m², is liable to pay CIL. The levy is chargeable on the basis of a calculation related to pounds per square metre on the net additional floorspace.
- 1.6 CIL will not be charged on changes of use that do not involve new additional floorspace or on structures which people do not regularly go into. Affordable housing development and development by charities is exempt from charge.

What are the benefits of CIL?

- 1.7 Most development has some form of impact on the infrastructure needs of an area and, as such, it is fair that the development contributes towards the cost of the needs. Those needs could be physical, social and green / environmental infrastructure.
- 1.8 Whilst the Council has tried to provide more certainty about the way in which infrastructure costs are met by promoting a Developer Contributions Supplementary Planning Document, the negotiation of Section 106 Agreements lacks consistency and can be slow and disproportionately resource-intensive.
- 1.9 The CIL is a fair, transparent and accountable levy which will be payable by the majority of new housing developments, whether 1 unit or 1000 units, and a range of other development types. The CIL gives developers a clear understanding of what financial contribution will be expected towards the delivery of community infrastructure needs, whilst providing the Local Planning Authority with a simple developer contributions process.

1 Introduction

What happens to Section 106?

- 1.10** The CIL is intended to provide infrastructure to support the development of an area rather than making an individual planning application acceptable in planning terms (which is the purpose of Section 106 Agreements). CIL does not fully replace Section 106 Agreements. On particular developments some site specific mitigation requirements may still need to be provided through a Section 106 Agreement in addition to the CIL levy.
- 1.11** However, the CIL Regulations have placed limitations on the use of planning obligations by:
- Putting three of the five policy tests on the use of planning obligations as set out in Circular 5/05 on a statutory basis for developments which are capable of being charged the Levy
 - Ensuring the local use of the CIL levy and planning obligations does not overlap
 - Limiting pooled contributions from planning obligations from no more than five developments towards infrastructure which may be funded by the Levy.
- 1.12** CIL will therefore become the main source of funding available through development management decisions. The provision of affordable housing lies outside of the remit of CIL and will continue to be secured through Section 106 Agreements.
- 1.13** Section 106 Agreements and planning conditions will also continue to be used for local infrastructure requirements on development sites, such as site specific local provision of open space, connection to utility services (as required by legislation), habitat protection, access roads and archaeology. The principle is that all eligible developments must pay towards CIL as well as any site specific requirement to be secured through Section 106 Agreements. Details on this can be found in the Draft Developer Contributions SPD, which is also being consulted on at this time and should be read in conjunction with this document.
- 1.14** **Large scale major developments**⁽¹⁾ of 200 units or more usually also necessitate the provision of their own on-site strategic infrastructure, such as schools, which are dealt with more suitably through a Section 106 agreement, in addition to the CIL charge. It is important that the CIL Charging Schedule differentiates between these infrastructure projects to ensure no double counting takes place between calculating the district wide CIL rate for funding of infrastructure projects and determining Section 106 Agreements for funding other on-site specific infrastructure projects.
- 1.15** The large scale major developments identified so far which will necessitate Section 106 Agreements covering on-site infrastructure in addition to their CIL levy in the District are:
- St Neots Eastern Expansion (development site to East of the East Coast mainline railway) as defined in approved Urban Design Framework
 - St Ives West (as defined in the emerging Urban Design Framework)
 - Huntingdon West (as defined in the Area Action Plan)
 - RAF Brampton (as defined in the emerging Urban Design Framework)
 - Bearscroft Farm, Godmanchester (as defined in the SHLAA)
 - Ermine Street (Northbridge), Huntingdon (as defined in the SHLAA)
- 1.16** This is not an exhaustive list and may change in time, should new large scale major⁽²⁾ developments come forward.
- 1.17** The Local Planning Authority will not be able to charge individual developments for the same items of infrastructure through both planning obligations and the Levy, as outlined in the infrastructure project list that will be published on the Huntingdonshire District Council website once a Charging Schedule has been adopted.

1 DCLG Development Control PS 1/2 statistical definition 2007/8

2 DCLG Development Control PS 1/2 statistical definition 2007/8

2 Policy Background

2.1 This section sets out the evidence the District Council has used to produce this Preliminary Draft Charging Schedule. The core elements of this are the outline of infrastructure necessary to support development that will be funded through CIL and the viability assessments that have been carried out to identify the charge.

2.2 In setting a Community Infrastructure Levy rate, a Charging Authority must comply with both Regulation 14 of the Community Infrastructure Levy Regulations 2010 which states:

14.—(1) In setting rates (including differential rates) in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—

- a. the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and*
- b. the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.*

(2) In setting rates in a charging schedule, a charging authority may also have regard to actual and expected administrative expenses in connection with CIL to the extent that those expenses can be funded from CIL in accordance with regulation [61](#).

and Section 211 (2) and (4) from Part 11 of the Planning Act 2008:

211. (2) A charging authority, in setting rates or other criteria, must have regard, to the extent and in the manner specified by CIL regulations, to—

- a. actual and expected costs of infrastructure (whether by reference to lists prepared by virtue of section 216(5)(a) or otherwise);*
- b. matters specified by CIL regulations relating to the economic viability of development (which may include, in particular, actual or potential economic effects of planning permission or of the imposition of CIL);*
- c. other actual and expected sources of funding for infrastructure.*

211. (4) The regulations may, in particular, permit or require charging authorities in setting rates or other criteria—

- a. to have regard, to the extent and in the manner specified by the regulations, to actual or expected administrative expenses in connection with CIL;*
- b. to have regard, to the extent and in the manner specified by the regulations, to values used or documents produced for other statutory purposes;*
- c. to integrate the process, to the extent and in the manner specified by the regulations, with processes undertaken for other statutory purposes;*
- d. to produce charging schedules having effect in relation to specified periods (subject to revision).*

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- 2.3** The Charging Schedule levy rate should, therefore, strike a balance between the desirability for funding and the impact any levy may have on the economic viability of development across the whole development of Huntingdonshire.

Supporting Documents

- 2.4** Huntingdonshire District Council has considered a range of evidence and policy documents in reaching the conclusion set out in the Preliminary Draft Charging Schedule.
- 2.5** The **Huntingdonshire Core Strategy 2009** sets the strategic spatial planning framework for development in Huntingdonshire to 2026 and contains strategic policies to manage growth and guide new development in Huntingdonshire based on the Vision that:
- 2.6** *“In 2026 Huntingdonshire will have retained its distinct identity as a predominantly rural area with vibrant villages and market towns. Residents will be happier, healthier and more active and will enjoy an improved quality of life with improved access to a wider range of local jobs, housing, high quality services and facilities and green infrastructure.”*
- 2.7** Core Strategy Policy CS10 outlines contributions to infrastructure required by new developments.

Policy CS 10

Contributions to Infrastructure Requirements

Development proposals will be expected to provide or contribute towards the cost of providing appropriate infrastructure, and of meeting social and environmental requirements, where these are necessary to make the development acceptable in planning terms where this complies with the requirements set out in Circular 5/2005 or successor documents.

Contributions may also be required to meet the management and maintenance of services and facilities provided through an obligation where this complies with the requirements set out in Circular 5/2005. The appropriate range and level of contributions will be assessed in a comprehensive manner, taking into account

strategic infrastructure requirements and using standard charges where appropriate. Standards and formulae for calculating contributions will be set out in separate Supplementary Planning Documents or Development Plan Documents. Where appropriate, the particular requirements of specific sites, including any additional

or special requirements will be set out in other DPDs.

In order to prevent avoidance of contributions any requirement will be calculated on the complete developable area, rather than the area or number of homes/ floorspace of a proposal, where the proposal forms a sub-division of a larger developable area.

The nature and scale of any planning obligations sought will be related to the form of development and its potential impact upon the surrounding area. Where appropriate, any such provision will be required to be provided on site. Where this is not possible, a commuted payment is likely to be sought. In determining the nature and scale of any planning obligation, specific site conditions and other material considerations including viability, redevelopment of previously developed land or mitigation of contamination may be taken into account. The timing of provision of infrastructure and facilities will be carefully considered in order to ensure that appropriate provision is in place before development is occupied.

Contributions that may be required include the following:

- affordable and key worker housing;
- open space and recreation (including leisure and sports facilities);

- strategic green infrastructure and biodiversity enhancement/ mitigation;
- transport (including footpaths, bridleways, cycleways, highways, public transport, car parks and travel planning);
- community facilities (including meeting halls, youth activities, play facilities, library and information services, cultural facilities and places of worship);
- education, health and social care and community safety;
- utilities infrastructure and renewable energy;
- emergency and essential services;
- environmental improvements;
- drainage / flood prevention and protection;
- waste recycling facilities; and
- public art, heritage and archaeology.

Contributions will be calculated taking into account provisions of the Community Infrastructure Levy.

2.8 The **Huntingdonshire Local Investment Framework (LIF) 2009** is a key supporting document to the Core Strategy and the development of the Charging Schedule. It identifies the physical, social and green infrastructure needs arising from the planned growth of Huntingdonshire to 2026 and the potential funding sources, including planning obligations and Community Infrastructure Levy that could viably be secured to help meet this need.

2.9 The **Huntingdonshire Local Strategic Partnership Sustainable Community Strategy Vision 2008 – 2028** is that:

“The Huntingdonshire Strategic Partnership is working together to achieve a long term vision for Huntingdonshire as a place where current and future generations have a good quality of life and can –

- *make the most of opportunities that come from living in a growing and developing district;*
- *enjoy the benefits of continued economic success;*
- *access suitable homes, jobs, services, shops, culture and leisure opportunities;*
- *realise their full potential;*
- *maintain the special character of our market towns, villages and countryside; and*
- *live in an environment that is safe and protected from the effects of climate change and where valuable natural resources are used wisely.”*

2.10 The **Cambridgeshire Horizons Integrated Development Plan** considers the goals set out in the East of England Plan and the Regional Economic Strategy and identifies and costs, where possible, project-level interventions needed to achieve them. These projects are sub-regional in scale and, as such, are strategic in nature, having greater than district-level impact.

2.11 The **Cambridgeshire Local Investment Plan (CLIP)** provides the context for future strategic funding discussions with the Homes and Communities Agency (HCA). The objective of the CLIP is to address the need for investment across Cambridgeshire whilst encompassing the key objectives of the HCA by delivering sustainable growth and regeneration, and representing excellent value for money. It summarises the investment priorities identified by each district to achieve this goal.

2.12 The **Greater Cambridge-Greater Peterborough Local Enterprise Partnership** was established in 2010 and is based on the complementary functional economic areas of the cities of Cambridge and Peterborough, together with neighbouring market towns and communities. The LEP area covers Cambridgeshire, Peterborough City, Rutland, Cambridge, East Cambridgeshire, Fenland, Huntingdonshire and South Cambridgeshire Districts but beyond these administrative boundaries, the real economic geography extends into parts of North Hertfordshire, Uttlesford, St Edmundsbury and Forest Heath; South Holland and King's Lynn & West Norfolk. The LEP mission is to:

2 Policy Background

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"lead our area's growth to 100,000 significant businesses and create 160,000 new jobs by 2025 in an internationally renowned low carbon, knowledge-based economy"

2.13 The LEP aims to ensure the delivery of:

- A doubling of GVA over a twenty year period - from £30 billion to £60 billion annually
- Growth in number of significant businesses (as measured by Inter-Departmental Business Register) from 60,000 to 100,000 by 2025
- Creation of 160,000 net new jobs by 2025
- Delivery of 100,000 new homes over a 20 year period

Initial possible CIL rate

2.14 The Local Investment Framework 2009 was the first piece of work undertaken to look at the potential for introducing a Community Infrastructure Levy across Huntingdonshire and utilised a single hectare development model to initially assess viability. At that time the viability assessment suggested a maximum viability rate for residential development at what equated to £217 per square metre⁰ and a maximum viability rate of £54 per square metre for commercial.

2.15 Economic circumstances have changed since that work was undertaken, a new coalition government has come into power, the CIL Regulations 2010 and the CIL (Amendment) Regulations 2011 have come into force, and Parliament is considering the Decentralisation and Localism Bill which contain major potential planning reforms including neighbourhood planning and the CIL (Amendment) Regulations, linked to this Bill, are expected to come into force in 2012.

2.16 A review of work undertaken to date was therefore required in order to progress towards a Charging Schedule for Huntingdonshire. The key evidence review has been:

- Huntingdonshire District Council Viability Testing of Community Infrastructure Levy Charges by Drivers Jonas Deloitte, 2011
- Huntingdonshire Market Report by Drivers Jonas Deloitte, August 2010
- Huntingdonshire Infrastructure Project Plan List, 2011

2.17 The outcome of this along with the evidence of the adopted Core Strategy 2009 has helped to establish a new Community Infrastructure Levy being proposed in the Appendix 1: 'Preliminary Draft Charging Schedule'.

Reviewing the Infrastructure projects suitable for CIL

2.18 The Huntingdonshire Local Investment Framework – the infrastructure development plan supporting the Huntingdonshire Core Strategy – was adopted in 2009. It provides a full breakdown of the infrastructure needs of the district based on the projected growth outlined in the Core Strategy, namely from 2001 to 2026, a total of at least 14000 homes will be provided in Huntingdonshire with about 85ha of new land for employment in order to contribute to the creation of at least 13,000 jobs.

2.19 The LIF looked at a range of infrastructure types. However, development progress has moved on and been affected by an economic recession. There has also been a change in government and the CIL Regulations 2010 have gained Royal Assent and one phase of amendments have come into force with a second phase anticipated by April 2012.

2.20 A review of the list of infrastructure needs identified in the Local Investment Framework has therefore been undertaken. This has been undertaken with key partners and infrastructure providers specifically considering potential CIL funded projects, as set out in para 16 of the DCLG Community Infrastructure Levy Guidance 2010. The revised list has taken into account:

- reviewed housing trajectory
- current alternative funding availability
- CIL infrastructure projects excluding large scale major site-specific projects, as noted below.

2.21 It is important to remember that whilst CIL will have the potential to raise significant funding for local infrastructure needs, it should be recognised as one of a range of funding options that can be utilised in the delivery of infrastructure.

2.22 In reviewing the infrastructure list, further work has been undertaken to consider large scale major developments⁽³⁾, those of 200 units or more, in more detail. This is for a number of reasons, as outlined in the Viability Testing of Community Infrastructure Levy Charges, undertaken by Drivers Jonas Deloitte on behalf of Huntingdonshire District Council. Primarily, such sites usually necessitate the provision of their own on-site strategic infrastructure, such as schools, which are dealt with more suitably through a Section 106 agreement, in addition to the CIL charge. It is important that the CIL Charging Schedule differentiates between these infrastructure projects to ensure no double counting takes place between calculating the district wide CIL rate for funding of infrastructure projects and determining Section 106 Agreements for funding other on-site specific infrastructure projects.

2.23 The large scale major developments identified so far are:

- St Neots Eastern Expansion (development site to East of the East Coast mainline railway) as defined in approved Urban Design Framework
- St Ives West (as defined in the emerging Urban Design Framework)
- Huntingdon West (as defined in the Area Action Plan)
- RAF Brampton (as defined in the emerging Urban Design Framework)
- Bearscroft Farm, Godmanchester (as defined in the SHLAA)
- Ermine Street (Northbridge), Huntingdon (as defined in the SHLAA)

2.24 This is not an exhaustive list and may change in time, should new large scale major⁽⁴⁾ developments come forward.

2.25 Taking into account the above, the revised infrastructure list now looks at the infrastructure areas as identified in the LIF but has excluded certain categories including certain on-site infrastructure on large scale major developments and items required by condition. It should be noted that this is not a definitive list of infrastructure types.

Infrastructure type	Exclusions from CIL infrastructure definition
Roads and other transport facilities	Excluding local site-related condition requirements
Schools and other educational facilities	Excluding large scale major ⁽⁵⁾ on-site school provision
Medical facilities	Excluding large scale major ⁽⁶⁾ on-site health provision
Sporting and recreational facilities	Excluding on-site provision of land
Green Infrastructure Open Spaces / facilities	Excluding on-site provision of land

3 DCLG Development Control PS 1/2 statistical definition 2007/8

4 DCLG Development Control PS 1/2 statistical definition 2007/8

5 DCLG Development Control PS 1/2 statistical definition 2007/8

6 DCLG Development Control PS 1/2 statistical definition 2007/8

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Infrastructure type	Exclusions from CIL infrastructure definition
Social Infrastructure	Excluding large scale major ⁽⁷⁾ on-site library provision and community facilities
Economic Regeneration	Excluding office/unit development but including skills development activities
Emergency services	Excluding large scale major ⁽⁸⁾ on-site safer neighbourhood team accommodation provision
Utilities	Excluding local site related requirements

2.26 Further information on this and the project list can be found at Appendix 2: 'Infrastructure Needs'.

7 DCLG Development Control PS 1/2 statistical definition 2007/8

8 DCLG Development Control PS 1/2 statistical definition 2007/8

3 Implementing the Charging Schedule.

3.1 The calculation of the chargeable amount to be paid by a development is set out in Regulation 40 of the Community Infrastructure Levy Regulations 2010. This states:

1. *The collecting authority must calculate the amount of CIL payable (“chargeable amount”) in respect of a chargeable development in accordance with this regulation.*
2. *The chargeable amount is an amount equal to the aggregate of the amounts of CIL chargeable at each of the relevant rates.*
3. *But where that amount is less than £50 the chargeable amount is deemed to be zero.*
4. *The relevant rates are the rates at which CIL is chargeable in respect of the chargeable development taken from the charging schedules which are in effect—*
 - a. *at the time planning permission first permits the chargeable development; and*
 - b. *in the area in which the chargeable development will be situated.*
5. *The amount of CIL chargeable at a given relevant rate (R) must be calculated by applying the following formula—*

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

I_c

where—

A = the deemed net area chargeable at rate R ;

I_p = the index figure for the year in which planning permission was granted; and for the year in which planning permission was granted; and

I_c = the index figure for the year in which the charging schedule containing rate R took effect.

6. *The value of A in paragraph (5) must be calculated by applying the following formula—*

$$\frac{C_r \times (C - E)}{C}$$

C

where—

C_r = the gross internal area of the part of the chargeable development chargeable at rate R , less an amount equal to the aggregate of the gross internal area of all buildings (excluding any new build) on completion of the chargeable development which –

- a. *on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use:*

3 Implementing the Charging Schedule.

- b. *will be part of the chargeable development upon completion: and*
- c. *will be chargeable at rate R.*

C = the gross internal area of the chargeable development; and

E = an amount equal to the aggregate of the gross internal areas of all buildings which— which—

- a. *on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use; and; and*
- b. *are to be demolished before completion of the chargeable development.*

How will the CIL levy be collected?

- 3.2** A notice of liability will be issued by Huntingdonshire District Council as soon as practicable after the day on which a planning permission first permits development stating the chargeable amount in relation to the development. The responsibility to pay the levy runs with the ownership of land on which the liable development will be situated and is a local land charge.
- 3.3** Payment of the levy is due from the date the chargeable development commences. A commencement notice must be submitted to Huntingdonshire District Council no later than the day before the day on which the chargeable development is to be commenced. Regulation 69B of the amended Community Infrastructure Regulations permits a charging authority to allow persons liable to pay CIL to do so by instalments following the publication of an instalment policy. Huntingdonshire District Council will publish an instalment policy at the point of adoption of the Charging Schedule. The instalment policy for Huntingdonshire District Council will be set at the point of adoption of the a Charging Schedule. However the time permitted for payment will be no less than as stated in the former Regulation 70 of the Community Infrastructure Regulations 2010 i.e. as follows:
 - 2. *Where the chargeable amount is equal to or greater than £40,000, payment of the amount of CIL payable in respect of D (A) is due in four equal instalments at the end of the periods of 60, 120, 180 and 240 days beginning with the intended commencement date of D.⁽⁹⁾ (A) is due in four equal instalments at the end of the periods of 60, 120, 180 and 240 days beginning with the intended commencement date of D.*
 - 3. *Where the chargeable amount is equal to or greater than £20,000 and less than £40,000, payment of A is due in three equal instalments at the end of the periods of 60, 120 and 180 days beginning with the intended commencement date of D.*
 - 4. *Where the chargeable amount is equal to or greater than £10,000 and less than £20,000, payment of A is due in two equal instalments at the end of the periods of 60 and 120 days beginning with the intended commencement date of D.*
 - 5. *Where the chargeable amount is less than £10,000, payment of A is due in full at the end of the period of 60 days beginning with the intended commencement date of D.*
- 3.4** For developments where the outline planning permission permits development to be implemented in phases, planning permission first permits a phase of the development on the day of the final approval of the last reserved matter associated with that phase (Regulation 8 Community Infrastructure Regulations 2010). As such, each phase can be considered as a separate development and CIL will be levied per agreed phase rather than the site in its entirety.

9 Where D is the chargeable development

Implementing the Charging Schedule. 3

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- 3.5** Developments granted planning permission by way of a general consent will first be required to submit a notice of chargeable development prior to commencement of development (Regulations 5, 8 and 64 Community Infrastructure Regulations 2010).
- 3.6** From commencement of development, a demand notice will be issued by Huntingdonshire District Council to the liable person/s requesting payment of the levy amount.

What will the CIL levy collected be spent on?

- 3.7** CIL resources will be spent on the infrastructure needed to support the new development across Huntingdonshire. It will fund new infrastructure and will not be used to fund the provision of any deficit in provision unless this is necessary to meet the need of the new development. The levy can also be used to expand, repair or refurbish existing infrastructure where necessary for new development. In addition, it may, in the future, be spent on the ongoing costs of providing infrastructure; and could consider funding maintenance, operational and promotional activities⁰.
- 3.8** The Government intends to require charging authorities to allocate a 'meaningful proportion' of levy receipts back to the neighbourhood in which the development has taken place. This will enable the local community to decide on what infrastructure priorities they have and take control to address them. Huntingdonshire District Council will provide a proportion of the CIL monies to local neighbourhoods from the adoption of their Charging Schedule, whether the Localism Bill and Amendment of CIL Regulations (II) have gone through all necessary parliamentary processes or not by that time.
- 3.9** As required⁽¹⁰⁾, Huntingdonshire District Council will publish on its website a list of infrastructure projects or types of infrastructure that it intends will be, or may be, wholly or partly funded by CIL.
- 3.10** It is anticipated that in the future, through an agreed process working with the Huntingdonshire Strategic Partnership, the Greater Cambridge Greater Peterborough Local Enterprise Partnership and Town/Parish Councils, an Annual Business Plan outlining the coming years future infrastructure priorities will be produced. This would work with a range of other agendas and plans including Neighbourhood Plans / Development Orders as they come forward, Homes & Communities Agency Local Investment Plan, Enterprise Zones and Business Improvement Districts.

10 Community Infrastructure Regulations 2010, Regulation 123

4 Next Steps

4 Next Steps

Future Timetable

- 4.1** Following this consultation of the Huntingdonshire Preliminary Draft Charging Schedule, all responses will be considered along with further information to inform the Draft Charging Schedule. The Draft Charging Schedule will then be published for consultation, as required under Regulation 16. The table below outlines the time frame for the future steps in this through to adoption by Huntingdonshire District Council.

Timescale⁽¹⁾	
Autumn 2011	Publish the Draft Charging Schedule, relevant evidence and statement of the representations procedure for 4 weeks
Winter 2012	Examination in Public held
Spring 2012	Inspector's Report
Spring 2012	Adoption of Charging Schedule

1. subject to change

Preliminary Draft Charging Schedule Appendix 1:

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Appendix 1: Preliminary Draft Charging Schedule

1.1 This is the Preliminary Draft Charging Schedule for Huntingdonshire and has been prepared in accordance with:

- Part 11, Planning Act 2008
- Community Infrastructure Levy Regulations 2010
- Community Infrastructure Levy (Amendment) Regulations 2011
- Community Infrastructure Levy Guidance: Charge setting and charging schedule procedures
- Planning Policy Statement 12: Creating strong safe and prosperous communities through Local Spatial Planning

1.2 Huntingdonshire District Council, as the local Planning Authority, is the Charging Authority and will also be the Collecting Authority.

Liability to Pay CIL

1.3 A chargeable development, one for which planning permission is granted, that is liable to pay CIL covers all new developments (Regulation 9).

Exemptions/ Relief to Pay CIL

1.4 A number of new developments are not required to pay CIL for a number of reasons.

- If the gross internal area of **new build is less than 100 square metres**, and does not comprise of one or more dwellings, then liability to pay CIL does not arise (Regulation 42).
- If the owner of a material interest in the relevant development land is a **charitable institution**, it is exempt from liability to pay CIL subject to conditions (Regulation 43).
- If there is discretionary charitable relief to do so, discretionary charitable relief from liability to pay CIL may be given for a development that is held by a **charitable institution as an investment** from which the profits will be applied for charitable purposes subject to conditions (Regulation 44).
- If the chargeable development comprises or is to comprise qualifying **social housing** (in whole or in part), it is eligible for relief from liability to pay CIL subject to conditions (Regulation 49).
- If there are **exceptional circumstances** for doing so, relief (“relief for exceptional circumstances”) from liability to pay CIL may be given subject to conditions (Regulation 55) – see section below.
- If the development only concerns a **change of use** and no additional new floorspace then it will not be liable to pay CIL, although it could be liable to S106 Developer Contributions.
- If the new development is for a **building into which people do not normally go** or into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery, it is not liable to pay CIL, although it could be liable to S106 Developer Contributions (Reg 6).

Discretionary Relief for Exceptional Circumstances

1.5 Regulation 55 of the Community Infrastructure Regulations 2010 permit a charging authority to:

grant relief (“relief for exceptional circumstances”) from liability to pay CIL in respect of a chargeable development (D) if—

- a. it appears to the charging authority that there are exceptional circumstances which justify doing so; and*
- b. the charging authority considers it expedient to do so.*

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- 1.6** The above may only happen if a planning obligation of greater value than the chargeable amount has been entered into in respect of the planning permission which permits the chargeable development and the charging authority considers that payment of the levy would have an unacceptable impact on the economic viability of the development⁽¹¹⁾⁽¹²⁾.
- 1.7** It is the intention of Huntingdonshire District Council to offer such relief. A statement confirming this will be issued once the Charging Schedule has been adopted, in compliance with Regulation 56.

The CIL Rate

- 1.8** The charge detailed below will be levied on most new building developments that people would normally use. It is chargeable in pounds per square metre on the net additional floorspace **if** that floorspace is more than 100m². However, if the development involves the creation of a new dwelling, even if it is less than 100m², it is still liable to pay CIL.
- 1.9** Huntingdonshire District Council proposes to set a flat rate across the district of £98 per square metre for residential development, based on the viability work undertaken – see Appendix 3: 'Assessment of Viability'.

Proposed Charge	per square metre
Residential (including C2, C3 and C4)	£98
Office (B1)	£0
General Industrial, Storage & Distribution (B2 and B8)	£0
Hotel (C1)	£75
Retail < 1,000sq m ⁽¹³⁾ (A1/ A2/ A3/ A4/ A5)	£50
Retail > 999 sq m ⁽¹⁴⁾ (A1/ A2/ A3/ A4/ A5)	£140
Community Uses (including D1 and D2)	£0
Sui Generis	£0

1. Do you agree with the proposed charge for residential development?
2. Do you agree with the proposed zero charge for office development?
3. Do you agree with the proposed zero charge for general industrial, storage and distribution development?
4. Do you agree with the proposed charge for hotel development?
5. Do you agree with the proposed charges for retail development?
6. Do you agree with the proposed zero charge for community uses development?
7. Do you agree with the proposed zero charge for sui generis?

- 1.10** The rate shown be updated annually for inflation in accordance with the Royal Institute of Chartered Surveyors "All In Tender Price Index".

11 Regulations 55 – 57. Community Infrastructure Regulations 2010
 12 DCLG Community Infrastructure Levy Relief Information Document, May 2011
 13 DCLG Development Control PS 1/2 statistical definition 2007/8
 14 DCLG Development Control PS 1/2 statistical definition 2007/8

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- 1.11** Site specific contributions may also be required through a Section 106 agreement or as part of the Conditions attributed to a planning consent. Details on this can be found in the Draft Developer Contributions SPD, which is also being consulted on at this time and should be read in conjunction with this document.

CIL Geographical Zone

- 1.12** The proposed levy rates will apply uniformly to all land uses across the whole geographic extent of the district of Huntingdonshire.

8. Do you agree with the proposal to set flat rate levy according to uses across the whole of Huntingdonshire?

Appendix 2: Infrastructure Needs

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Appendix 2: Infrastructure Needs

2.1 In preparing the Preliminary Draft Charging Schedule, the necessary infrastructure, phasing and cost needs to be ascertained. This is not a definitive list but an indication of the likely infrastructure required by new development, taking account of any current surpluses – this is in line with CLG Community Infrastructure Guidance, March 2010.

2.2 Under Section 216 of the Planning Act 2008, infrastructure includes:

- roads and other transport facilities,
- flood defences'
- schools and other educational facilities,
- medical facilities,
- sporting and recreational facilities,
- open spaces
- affordable housing.

2.3 It is important to note that the wording used in the act is 'includes' and, as such, this is not an exhaustive list. Regulation 63 of the Community Infrastructure Regulation 2010 has amended this listing to exclude affordable housing.

2.4 The infrastructure considered within Huntingdonshire is shown in the following table.

Infrastructure Type	Exclusions from CIL infrastructure definition
Roads and other transport facilities	Excluding local site specific condition requirements
Schools and other educational facilities	Excluding large scale major ⁽¹⁵⁾ on-site school provision
Medical facilities	Excluding large scale major ⁽¹⁶⁾ on-site health provision
Sporting and recreational facilities	Excluding on-site provision of land
Green Infrastructure Open Spaces / facilities	Excluding on-site provision of land
Social Infrastructure	Excluding large scale major ⁽¹⁷⁾ on-site library provision and community facilities
Economic Regeneration	Excluding office/unit development but including skills development activities
Emergency services	Excluding large scale major ⁽¹⁸⁾ on-site safer neighbourhood team accommodation provision
Utilities	Excluding local site related requirements

15 DCLG Development Control PS 1/2 statistical definition 2007/8

16 DCLG Development Control PS 1/2 statistical definition 2007/8

17 DCLG Development Control PS 1/2 statistical definition 2007/8

18 DCLG Development Control PS 1/2 statistical definition 2007/8

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8. Do you agree with the infrastructures definition?
9. Do you agree with exclusion of on-site infrastructure for large scale major⁽¹⁹⁾ developments?

Infrastructure Projects

- 2.5** The Infrastructure plan projects required due to the planned growth across Huntingdonshire up to 2026 have been assessed and costed, as required by Planning Policy Statement: Creating strong safe and prosperous communities through Local Spatial Planning. The phasing of development, potential other funding sources and responsibilities for delivery have also been considered. The list is not an exhaustive list and can change at any time.
- 2.6** Full details on the project list can be accessed in the Huntingdonshire Infrastructure Project Plan List.

19 DCLG Development Control PS 1/2 statistical definition 2007/8

Appendix 3: Assessment of Viability

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Appendix 3: Assessment of Viability

3.1 In deciding the rate of CIL, a Charging Authority is required to have regard to the economic viability of the area. Regulation 14 Community Infrastructure Regulations 2010 states:

14.—(1) In setting rates (including differential rates) in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—

- a. the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and*
- b. the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.*

10. Do you agree the appropriate balance between the desirability of funding from CIL and impacts on the economic viability have been met?

3.2 The Local Investment Framework included viability assessments on the area. However, the market has seen considerable changes in the last 18 months and Huntingdonshire District Council commissioned Drivers Jonas Deloitte to undertake a market review update and further viability assessments, taking into account the change in market conditions and the change in the affordable housing landscape and availability of grant funding support.

3.3 The market review was undertaken in August 2010 and highlights the current position regarding the residential, employment and retail markets in Huntingdonshire following the global recession. The full document outlining the affect this has had on housing supply, market prices and incentives and residential land values can be accessed in the Huntingdonshire Market Report by Drivers Jonas Deloitte, August 2010.

3.4 The global recession and a range of legislative changes has also necessitated an update of viability assessments. These were undertaken by Drivers Jonas Deloitte on behalf of Huntingdonshire District Council and completed in May 2011.

3.5 The viability work has taken into account the findings of the Market Report and outlines the methodology used to assess the viability of residential and commercial development in Huntingdonshire to inform the setting of the proposed levy in the Preliminary Draft Charging Schedule. In assessing the viability, the payment periods as noted in Regulation 70 of the Community Infrastructure Regulations 2010 were used namely that:

(2) Where the chargeable amount is equal to or greater than £40,000, payment of the amount of CIL payable in respect of D (A) is due in four equal instalments at the end of the periods of 60, 120, 180 and 240 days beginning with the intended commencement date of D.⁽²⁰⁾ (A) is due in four equal instalments at the end of the periods of 60, 120, 180 and 240 days beginning with the intended commencement date of D.

(3) Where the chargeable amount is equal to or greater than £20,000 and less than £40,000, payment of A is due in three equal instalments at the end of the periods of 60, 120 and 180 days beginning with the intended commencement date of D.

20 Where D is the chargeable development

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(4) Where the chargeable amount is equal to or greater than £10,000 and less than £20,000, payment of A is due in two equal instalments at the end of the periods of 60 and 120 days beginning with the intended commencement date of D.

(5) Where the chargeable amount is less than £10,000, payment of A is due in full at the end of the period of 60 days beginning with the intended commencement date of D.

- 3.6** Full details can be found in the Huntingdonshire District Council Viability Testing of Community Infrastructure Levy Charges by Drivers Jonas Deloitte.