

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
17 March 2015

Subject: ADOPTION AND IMPLEMENTATION OF THE COMMUNITY INFRASTRUCTURE LEVY (CIL) CHARGING SCHEDULE

**All Wards outside of the North York Moors National Park
Portfolio Holder for Environmental & Planning Services: Councillor B Phillips**

1.0 PURPOSE AND BACKGROUND:

- 1.1 This report explains the outcome of the Examiner's report on the Hambleton CIL Draft Charging Schedule, proposed minor modifications to the final Charging Schedule, associated policies and proposes a formal adoption date of 7 April 2015.
- 1.2 The CIL Regulations 2010 (as amended) set out that a charging authority can choose to charge the CIL on new development in its area and this is one of the key ways in which infrastructure funding will be gained to support development and growth. By creating the right balance between gaining funding to provide the infrastructure which supports growth and in setting rates at levels which will continue to attract investment, the CIL will help to meet Hambleton's priorities.
- 1.3 In Hambleton, there are a small range of rates for different types of development. These are set out in the Charging Schedule in Annex 'A'. CIL is charged on liable buildings/extensions over 100sqm and on liable new dwellings of any size, based on a net increase in floorspace. CIL cannot be charged on affordable housing, charities, householder extensions, or self-build. The CIL becomes liable on the grant of planning permission but is paid when development commences on site.
- 1.4 The CIL Regulations restrict the scope for the use of S106 planning obligations from 6 April 2015. After that date, the pooling of S106 contributions from more than five developments per type or item of infrastructure will no longer be possible.
- 1.5 The CIL Examination Hearing took place on 7 August 2014 and the Examiner published his Report on 23 December 2014.

Main Issues:

- 1.6 The CIL Examination report states that the Examiner considers that the Council has sufficient evidence to support the CIL Charging Schedule and can show that the levy is set at a level that will not put the overall development of Hambleton District at risk. He recommends that the Charging Schedule should be approved as per the Proposed Modifications published in October 2014.
- 1.7 Overall, this is a very positive report which will be viewed with interest by authorities across the country. Hambleton is a forerunner of CIL in the region with only Leeds and Sheffield with an approved CIL regime in place to date. The Examiner also considered that it would be prudent for the Council to review the CIL charges within two years of adoption.

- 1.8 A number of other policies are also required alongside the Charging Schedule. These are discussed below and attached as appendices.

Regulation 123 List:

- 1.9 Currently the Council requires developments to pay a pooled S106 contribution for greenspace, education and other large infrastructure needs. Under the CIL, these S106 payments will no longer be possible. Therefore, CIL Regulation 123 requires the Council to set out a list of those projects or types of infrastructure that it intends will be, or may be, wholly or partly funded through the CIL. In order to ensure that individual developments are not charged for the same infrastructure items through both S106 and the CIL, a S106 contribution cannot then be made towards an item already on the List. The February 2014 Amendments to the CIL Regulations also mean that payments towards S278 Highways agreements cannot be made towards an item on the Regulation 123 List (although they can still be pooled).
- 1.10 Cabinet agreed a Draft Regulation 123 List in January 2014 (CA.74) and this was then presented as part of the subsequent public consultation and examination. The content of this draft list is taken from the infrastructure identified as necessary to support the development proposed in the Local Development Framework. The agreed CIL Regulation 123 List is attached to this report at Annex 'B'. Decisions on spending and priorities are not the subject of this report; a further report will be brought back to Cabinet in June on which schemes in the Regulation 123 List should be priorities for CIL funding for 2015/16.

Instalments Policy:

- 1.11 The Council can set a policy to allow the CIL to be paid in instalments, which helps viability especially for larger developments. A draft Instalments Policy has been subject to public consultation throughout the CIL process and the proposed Instalments Policy for adoption is attached at Annex 'C'.

Exceptional Circumstances Policy:

- 1.12 The CIL Regulations allow the Council to set an Exceptional Circumstances Policy, which is the only way in which any reduction in a CIL payment is allowed. It is proposed that Hambleton adopts such a policy. It has strict and narrow criteria and it is expected that this policy will be rarely used because the CIL rates have been set to already take into account viability issues, development costs and policy requirements across the District. This includes that it is reasonable to assume that any S106 signed by an applicant reflects viability of the scheme, including consideration of CIL rates applicable at the time. The proposed Exceptional Circumstances Policy is attached at Annex 'D'.

Statement of Discretionary Charitable Relief:

- 1.13 The CIL Regulations require that a charity which owns the land being developed will get full relief from their share of the CIL liability where the chargeable development will be used 'wholly, or mainly, for charitable purposes'. In accordance with CIL Regulations 44 and 46, the Council can also choose to offer discretionary charitable relief to a charity landowner where the greater part of the development will be held as an investment from which the profits are applied for charitable purposes.

1.14 It is recommended to offer the relief in order to support charitable activities as much as possible. The proposed statement (in Annex 'E') sets out that relief will be available for development held as an investment by a charity. Charitable relief shall be given at the rate of 25% of the amount of CIL due.

2.0 LINK TO COUNCIL PRIORITIES:

2.1 CIL will help fund infrastructure necessary to support economic development and growth and will assist in delivering the Council's Economic Development Strategy and the emerging Investment Plan. Housing and employment development and strategic recreation facilities are all elements contributing to the Council priorities of driving economic development, meeting housing needs, including affordable housing and promoting health and well-being. Some of the schemes identified on the Regulation 123 List to be funded either wholly or in part by CIL are also Council priorities.

3.0 RISK ASSESSMENT:

3.1 There are no significant risks associated with the recommendation of this report.

3.2 Key risks in not approving the recommendation:

| Risk | Implication | Prob* | Imp* | Total | Preventative action |
|--|---|--------------|-------------|--------------|----------------------------|
| Further delay in the delivery and adoption of the CIL Charging Schedule. | Longer timescale for delivery and adoption of CIL will result in loss of developer contributions and a delay in the pay back of the costs. Without CIL in place by April 2015, the ability to receive contributions through S106 agreements will be significantly limited. | 4 | 5 | 20 | Agree recommendations. |

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

4.0 FINANCIAL IMPLICATIONS:

4.1 The costs in achieving an adopted CIL have been approximately £50,000 which has been met from the One-Off Fund. These costs will be repaid from the 5% administrative charge that can be retained by the Council.

4.2 The costs of the software (approximately £10,000) to undertake the administrative tasks of implementing the CIL will also be recovered through the 5% administrative charge. This charge can also recover the ongoing costs of managing the CIL receipts and implementing the levy.

4.3 The projected revenue receipts of the CIL Charging Schedule are set in Annex 'F'.

5.0 LEGAL IMPLICATIONS:

- 5.1 The Council will need to follow the CIL Regulations (2010) as amended to ensure that the proper legal procedures continue to be adhered to in implementing the Charging Schedule.
- 5.2 The arrangements for the receipt and managing of contributions may require legal mechanisms between the Council and delivery partners such as the local highways authority, NYCC Children and Young People's Services and other relevant parties.

6.0 EQUALITY/DIVERSITY ISSUES:

- 6.1 There are no equality/diversity issues relating to the recommendations of this report.

7.0 HEALTH AND SAFETY ISSUES:

- 7.1 There are no health and safety issues relating to the recommendations of this report.

8.0 RECOMMENDATION:

- 8.1 That Cabinet approves and recommends to Council:
- (1) the adoption and implementation of the CIL Charging Schedule and its associated policies, at Annex 'A';
 - (2) the adoption and implementation of the CIL Instalment Policy, at Annex 'C';
 - (3) the adoption and implementation of the CIL Exceptional Circumstances Policy, at Annex 'D';
 - (4) the adoption and implementation of the CIL Discretionary Charitable Relief Statement, at Annex 'E'; and
 - (5) a further report be brought back to Cabinet on the spending priorities for CIL in 2015/16.

MICK JEWITT

Background papers: Hambleton CIL Examiners Report (23 December 2014)
Hambleton CIL Proposed Modifications (October 2014)

Author ref: AMc

Contact: Andrew McCormack
Planning Policy & Conservation Team Leader
Direct Line No: 01609 767055

HAMBLETON DISTRICT COUNCIL

COMMUNITY INFRASTRUCTURE LEVY

CHARGING SCHEDULE



April 2015

(with effect from 7th April 2015)

Hambleton District Council

Community Infrastructure Levy (CIL) Charging Schedule

Introduction

- 1 The Community Infrastructure Levy (CIL) was introduced under the Planning Act 2008 and is defined in the CIL Regulations 2010 (as amended). Local authorities in England and Wales can elect to charge CIL on new developments. Essentially, it is a tariff-based approach to assist in funding infrastructure associated with planned growth.
- 2 The introduction of CIL is seen as necessary in part because, from April 2015, the ability to pool planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), will be restricted. It will therefore become difficult to deliver larger scale items of infrastructure such as schools and transport schemes, where the pooling of numerous individual planning contributions is often necessary. Section 106 will continue to be used to deliver some infrastructure but this will largely be restricted to site-specific mitigation and providing affordable housing.

The Charging and Collecting Authority

- 3 Hambleton District Council, as the local planning authority, is a charging authority and will therefore charge the CIL in respect of Hambleton District¹.
- 4 The collecting authority for the finance generated by CIL will typically be Hambleton District Council as the charging authority. However, where North Yorkshire County Council grants planning permission for development in the Hambleton District it will be the County Council who will be the collecting authority.² Where the County Council is the collecting authority for a development it will pass the CIL payment on to the charging authority minus any reasonable administrative expenses incurred in collecting the CIL on the charging authority's behalf.³

Development Liable To Pay CIL

- 5 Most development that involves the creation of buildings that people normally go into will be liable to pay CIL.⁴ However, the CIL Regulations make provision for a number of exemptions to CIL⁵ against which the levy will not be charged, including:
 - new buildings or extensions under 100 square metres of gross internal floorspace which does not involve the creation of a new dwelling;
 - the change of use, conversion or subdivision of a building that does not involve an increase in floorspace;
 - the creation of a mezzanine floor within a building;
 - temporary development permitted for a limited period;
 - buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
 - structures which are not buildings, such as pylons and wind turbines;
 - affordable housing (defined as social rented and intermediate housing); and
 - development by charities for charitable purposes.
- 6 CIL is charged on the gross internal floorspace⁶ of new development. Where planning permission is granted for a development that involves the extension or demolition of a

¹ Under the terms of Part 11 of the Planning Act 2008.

² Regulation 10(4) of the CIL Regulations 2010 (as amended).

³ In line with Regulation 76 of the CIL Regulations 2010 (as amended)

⁴ This includes development permitted by a 'general consent' (including permitted development).

⁵ Under Part 2 and Part 6 of the CIL Regulations 2010 (as amended).

⁶ The gross internal floorspace is the internal area of the building and should include rooms, circulation and service space such as lifts and floorspace devoted to corridors, toilets, ancillary floorspace (e.g. underground car parking) etc.

building in lawful use⁷, the level of CIL payable will be calculated based on the net increase in floorspace. This means that the existing floorspace contained in the building to be extended or demolished will be deducted from the total floorspace of the new development when calculating the CIL liability. This means that most developments on previously developed brownfield sites will generally have a lower CIL liability than developments that take place on greenfield sites.

- 7 The Council will have the ability to claw back any CIL relief where a development no longer qualifies for that relief within a period of 7 (seven) years from the commencement of the development. For example, should a charity develop a building for charitable purposes and subsequently sell the building to the open market within seven years then the Council will be able to claw back the CIL that would have been charged on the building had it been originally in private use.

Discretionary Relief

- 8 The Regulations also allow charging authorities to permit discretionary relief from CIL in certain circumstances (e.g. where a reduced or nil payment may be accepted). The cases for relief are likely to be rare but can include the following:

- Development by charities for investment activities from which the profits will be applied for charitable purposes (as defined by CIL Regulation 44);
- Development by charities where relief would normally constitute State Aid (as defined in CIL Regulation 45); and
- Where the Council considers there are exceptional circumstances to justify relief (as defined in CIL Regulation 55). In these situations the development site must also have a planning obligation (Section 106 Agreement) relating to the planning permission which is greater than the value of the CIL charge, and the combined cost of the Section 106 Agreement and CIL charge would have an unacceptable impact on the economic viability of the development. In such cases the developer would be expected to demonstrate this (as set out in CIL Regulation 57) via an 'open book' approach with an independent valuer. Relief can also only be granted if it does not constitute notifiable State Aid (as defined in European law).

- 9 Given these requirements, most development will not be eligible for charitable or exceptional circumstances relief. However, the District Council will be prepared to consider applications for relief and has published an Exceptional Circumstances Relief Policy alongside the Draft Charging Schedule.⁸

How CIL Will Be Calculated

- 10 The amount of CIL a development is liable to pay will be calculated according to Regulation 40 of the CIL Regulations 2010 (as amended). The method involves multiplying the relevant CIL rate for the type of the development by the net additional floorspace – and factoring in an inflation measure to allow for changes in building costs over time. A summary of this method is set out below:

CIL Rate x Net Additional (new build) Floorspace x Inflation Measure

- 11 The inflation measure used will be the national 'All-in Tender Price Index' published by the Building Cost Information Service (BCIS) of the Royal Institute of Chartered Surveyors. The inflation measure involves dividing the Index costs from the year when planning

⁷The definition of lawful use is contained in Regulation 40(10) of the CIL Regulations 2010 (as amended), which states that: "...a building is in use if a part of that building has been in use for a continuous period of at least six months within the period of 12 months ending on the day planning permission first permits the chargeable development."

⁸ The draft Exceptional Circumstances Relief Policy, Infrastructure Funding Gap paper, draft Regulation 123 List and draft Instalments Policy are all available to view and download at: www.hambleton.gov.uk/cil

permission is granted, by the Index costs from the year the Charging Schedule is adopted. Full details of the method are set out in the CIL Regulations 2010 (as amended).

- 12 The CIL Regulations specify that where the overall chargeable amount on a scheme is less than £50, it is deemed to be zero.

Liability and Collection of CIL

- 13 CIL takes the form of a charge per square metre of additional floorspace (new build or extensions) and can be charged on most new development. There are exemptions for charitable organisations and affordable housing, together with some size thresholds for non-residential uses. Any new build – that is a new building or an extension – is only liable for the levy if it has 100 square metres, or more, of gross internal floor space, or involves the creation of one dwelling, even when that is below 100 square metres. The money raised will be used to deliver prioritised infrastructure that is needed to support the growth proposals set out in the Council's Local Development Framework (LDF) Core Strategy.

- 14 CIL is payable on commencement of development but the Council is able to introduce payments by instalments. This would need to be agreed before any development commences and be in accordance with a published instalment policy.

- 15 The Council recognises the viability issues associated with the payment of financial contributions and considers that a policy on the potential deferment or payment by instalments of contributions through an instalment policy is appropriate. An instalment policy is in place to assist developers in this respect and can be viewed or downloaded at www.hambleton.gov.uk/cil

Payment of CIL 'in-kind'

- 16 Under CIL Regulations charging authorities may, at their own discretion, consider accepting land as payment in kind in lieu of CIL. This will only normally be considered for land in excess of that needed to deliver infrastructure required as a direct result of the permitted development (e.g. if the permitted development requires a children's play area on-site, that land will not be accepted as payment in lieu of CIL). The value of the land for in lieu payment will be determined by an independent valuer.

Relationship Between CIL and Section 106 Agreements

- 17 Provision of Section 106 agreements will remain but from April 2015, under CIL Regulation 123 (as amended) the ability to pool contributions from developers via Section 106 to deliver larger items of infrastructure will be substantially curtailed. The Council's intention is that CIL will be used to deliver larger strategic items with Section 106 retained only for direct mitigation of site-specific impacts.

- 18 Under CIL Regulation 123 (as amended), the Council has also prepared a list (the Regulation 123 List) setting out the infrastructure that it considers will be funded either wholly or in part through CIL. CIL cannot be used as well as Section 106 to deliver the same element of infrastructure. The Regulation 123 list aims to provide clarity on what infrastructure will and will not be funded by CIL. The Regulation 123 list can be reviewed at any time, with appropriate public consultation. It is initially suggested that this would be done on an annual basis linked to the publication of the Council's Annual Monitoring Report which will identify progress on collecting and spending CIL.

- 19 Given the relatively low rates of CIL likely to be viable, the Regulation 123 list is likely to be restricted to "core infrastructure" and items where contributions need to be pooled. It might include, for example, key road improvement schemes, new schools and sustainable transport. Other items such as affordable housing, site specific highway works and school place contributions would continue to be negotiated via Section 106 agreements unless where stated.

- 20 There will be a need to continually liaise and discuss any emerging Regulation 123 list issues with key infrastructure providers such as North Yorkshire County Council, the Environment Agency and the local Clinical Commissioning Group for healthcare facilities. Additionally, other forms of funding will also need to be investigated.

Spending the CIL Levy

- 21 The funding generated from CIL must be used to deliver infrastructure in the District that is needed to support the level of housing and employment growth proposed within the Hambleton Local Development Framework (LDF). This could include funding new highway infrastructure, schools, open spaces, health and leisure facilities. This may be new infrastructure, or could involve repairing, expanding or enhancing existing infrastructure, if that is necessary to support new development. In certain circumstances it may also be spent on the on-going costs of providing infrastructure, which could include maintenance and operational activities. Under CIL Regulation 123, the Council has published the schemes and projects on which it will seek to spend CIL receipts to deliver (its 'Regulation 123 List'). This can be viewed online at: www.hambleton.gov.uk/cil and copies are available to view at District Council offices and local libraries during normal opening hours..
- 22 It is important to make clear that CIL is not meant to replace mainstream sources of funding for infrastructure and will not cover the full costs of all of the infrastructure projects identified in the Council's Infrastructure Delivery Plan (IDP). The Council will work closely with relevant infrastructure and service providers to discuss and deliver the funding for infrastructure projects.
- 23 The CIL Regulations also allow for up to 5% of the CIL receipts collected each year to be used to pay for the setting up and administrative expenses incurred by the charging authority. The Council anticipates that it is likely to seek an element of reimbursement, to cover the costs associated with collection, implementation and monitoring of the CIL. This will be accounted for in the Council's monitoring of the expenditure of the CIL.

CIL for Local Communities

- 24 The Council will be required to pass a proportion of CIL receipts to parish and town councils for use on infrastructure identified as important by the local community. A local council (i.e. parish/town council) with an adopted neighbourhood plan will receive 25% of the CIL receipts generated by development within the neighbourhood plan boundary (provided that development was given planning approval after the neighbourhood plan was adopted). In areas where no neighbourhood plan is in place, the local council will receive 15% of CIL receipts generated by development in the area (with a cap on the CIL revenue the charging authority has a duty to give local councils equal to £100 per Council tax dwelling in the area each financial year).
- 25 This 'local fund' will be passed on to parish/town councils where development occurs and these locally elected councils will be directly accountable for its spending and reporting. Where an area does not have a town or parish council, the charging authority will hold the local fund on the areas' behalf and spend the money in line with the local areas needs, guided by the results of appropriate local consultation.
- 26 Parish/town councils are not restricted to spending funds on the infrastructure projects identified in the charging authorities Regulation 123 List and are not required to prepare their own list of infrastructure projects. However, 'local funds' must be spent on:
- i. the provision, improvement, replacement, operation or maintenance of infrastructure (e.g. roads, schools, open space, village halls etc.); or
 - ii. anything else that is concerned with addressing the demands that development places on an area.

- 27 Following the adoption of the CIL the Council intends to produce guidance for town/parish councils on all aspects of the CIL process, including what information will need to be reported annually on the use of local funds.
- 28 Amendments to the CIL Regulations allow the charging authority to require the repayment of local funds that remain unspent 5 years after they were transferred to a local council.⁹ Any returned funds will be placed in the pooled CIL fund to be spent on district-wide infrastructure projects.

Reporting

- 29 The Council will publish an annual report (as part of its Authority Monitoring Report) on the operation of the levy over each financial year.¹⁰ This will include the following information:
- The amount of CIL monies that have been collected;
 - How much of that money has been spent;
 - Information on how CIL monies have been spent, including on which infrastructure projects, and how much has been used to cover administrative costs; and
 - The amount of CIL retained at the end of the reporting year.
- 30 Parish/town councils who receive CIL monies will have a duty to report to the District Council annually on how they have used their local funds.

Monitoring and Review

- 31 The Council recognises the need to closely monitor the proposed CIL charges, given that changes in the property market, construction costs and changes in local or national policy over time can impact on development viability. Following the adoption of the CIL Charging Schedule, the Council intends to review the CIL every two years, if necessary, in response to significant changes in local development viability.

Further Information

- 32 For further information on the Hambleton Community Infrastructure Levy, please contact:

Technical Services Unit
Hambleton District Council
Civic Centre
Stone Cross
Northallerton
North Yorkshire
DL6 2UU

By tel: 01069 779977

by email: cil@hambleton.gov.uk

by web: www.hambleton.gov.uk/cil

⁹ Regulation 59E of the CIL (Amendment) Regulations 2013

¹⁰ As required by Regulation 62 of the CIL Regulations 2013 (as amended)

**HAMBLETON DISTRICT COUNCIL
COMMUNITY INFRASTRUCTURE LEVY (CIL)
CHARGING SCHEDULE – WITH EFFECT FROM 7TH APRIL 2015**

This Charging Schedule has been prepared in accordance with Part 11 of the Town and Country Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended). It is supported by local evidence regarding infrastructure requirements and the impact of the levy on the viability of development, as set out in the background reports. These can be found on the Council's website as part of the CIL evidence base (www.hambleton.gov.uk/cil)

Levy Rates

The rates below will be charged against the gross internal floor area of:

- All new dwellings.
- All other built development (over 100 sq m in size).
- All net additional floor area of replacement development where it exceeds 100 sq m.

| Development Uses | Levy Rate (per sqm) |
|--|----------------------------|
| Private Market Housing ¹¹ (excluding apartments) ¹² | £55 |
| Retail Warehouses ¹³ | £40 |
| Supermarkets ¹⁴ | £90 |
| Public/Institutional Facilities as follows: education, health, community and emergency services | £0 |
| Agricultural related developments* | £0 |
| All Other Chargeable Development ¹⁵ | £0 |

How the CIL charge will be calculated

In accordance with the Regulations, where applicable, the Council will issue a Liability Notice that states the chargeable amount on the granting of planning permission or as soon as possible after the grant of planning permission. The Council will calculate the amount of CIL chargeable using the formulae set out in the CIL Regulations (as amended).

Full details of the way in which CIL will be calculated, together with an overview of CIL and the full CIL Regulations can be found on the Government website:

<https://www.gov.uk/government/publications/community-infrastructure-levy-guidance-charges>

¹¹ Private market housing is defined as houses that are developed for sale or for private rent on the open market at full market value. As such, 'affordable housing' of any type is excluded from this definition.

¹² 'Apartments are separate and self-contained dwellings within the same building. They generally have shared access from the street and communal areas from which individual dwellings area accessed. Apartment buildings have dwellings on more than one floor and are subdivided horizontally by floor.

¹³ Retail warehouses are usually large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods. They can be stand-alone units but are also often developed as part of retail parks. In either case, they are usually located outside of existing town centres and cater mainly for car-borne customers. As such, they usually have large adjacent, dedicated surface parking.

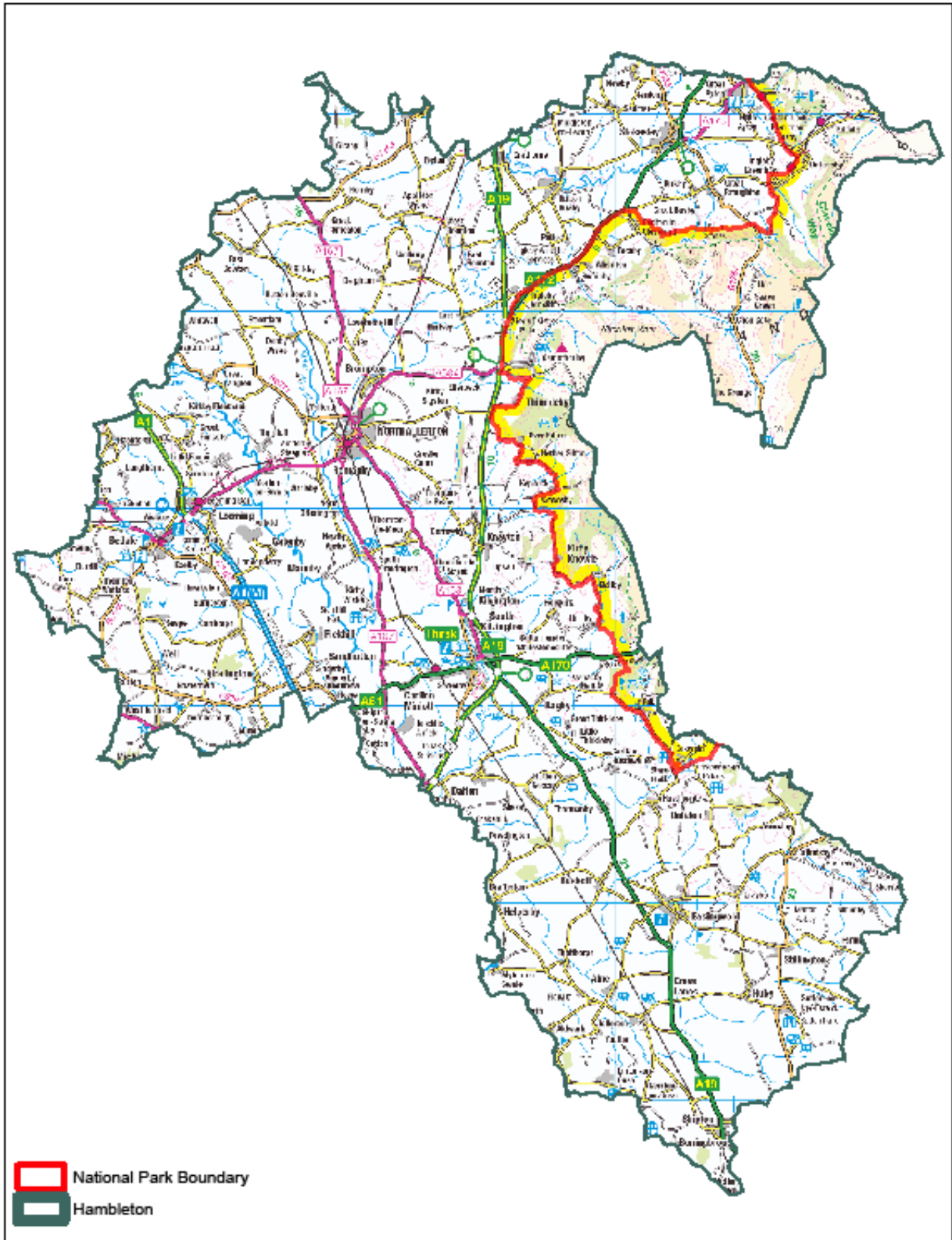
¹⁴ Supermarkets are large convenience-led stores where the majority of custom is from people doing their main weekly food shop. As such, they provide a very wide range of convenience goods, often along with some element of comparison goods. In addition to this, the key characteristics of the way a supermarket is used include:

- The are used for the sale of goods will generally be above 500sq. m;
- The majority of customers will use a trolley to gather a large number of products;
- The majority of customers will access the store by car, using the large adjacent car parks provided; and
- Servicing is undertaken via a dedicated service area, rather than from the street.

¹⁵ This means all other chargeable development as identified in Regulations and Guidance – industrial, office etc.

* Agricultural related developments excludes agricultural workers dwellings. These are covered by the residential charge.

Hambleton CIL Charging Zone



HAMBLETON
DISTRICT COUNCIL
Civic Centre, Stone Cross, Northallerton DL6 2UU
Telephone: 0845 1211 555 Fax: 01609 767228



Reproduced by permission of Ordnance Survey on behalf of HMSO. © Crown copyright and database right 2013. Ordnance Survey Licence number 100018555

Hambleton District Council Community Infrastructure Levy (CIL) Regulation 123 List: April 2015

Introduction

This document has been prepared in accordance with Regulation 123 of the Community Infrastructure Levy Regulations 2010 (as amended). CIL Regulation 123 restricts the use of planning obligations for infrastructure that will be funded in whole or in part by the Community Infrastructure Levy, to ensure no duplication between the two types of developer contributions.

Charging authorities are required to publish on its website a list (the Regulation 123 list) setting out those projects or types of infrastructure that it intends will benefit from CIL funding. The Regulation 123 list can be reviewed at any time but it is likely that the Council will undertake to do this annually, following the publication of the Council's Annual Monitoring Report which will identify progress on collecting and spending CIL. In line with Government guidance on the preparation and implementation of the CIL, the Council will undertake appropriate local consultation when reviewing the Regulation 123 list.

The inclusion of a project or type of infrastructure in this list does not signify a commitment from Hambleton District Council to fund, either in whole or in part, the listed project or type of infrastructure through CIL. Nor does the order of the list imply any order of preference or weighting of one project against another.

Infrastructure To Benefit From CIL Funding

The list below sets out those infrastructure projects that Hambleton District Council intends will be, or may be, wholly or partly funded by CIL.

| | Location | Infrastructure Requirement |
|-------------------------------------|-----------------|---|
| Road Network & Transport | Northallerton | North Northallerton Link Road |
| | Northallerton | Northallerton Public Transport Interchange |
| | Bedale | Bedale Footpath and Cycleway Network |
| | Easingwold | Easingwold Footpath and Cycleway Network |
| | Stokesley | Stokesley Footpath and Cycleway Network |
| | Dalton | Dalton Bridge Improvements |
| | Thirsk | Thirsk Public Transport Interchange |
| | District – Wide | Junction improvements required to mitigate the cumulative impact of housing and employment allocations. |
| Education | Northallerton | Provision of new primary school in North Northallerton |
| | District - Wide | Provision of additional primary school places required as a result of new development. |
| Green Infrastructure | Northallerton | North Northallerton Sports and Recreation Area |
| | Northallerton | Northallerton Town Park |
| Healthcare | District - Wide | Healthcare Facilities – Additional GPs |

Continuing Role for Planning Obligations (Section 106 Agreements)

The CIL Regulations 2010 include a deadline of April 2015 beyond which restrictions on the pooling of planning obligations (i.e. S106 Agreements and commuted sums) will come into force. From this date, the Council will not be able to pool more than five contributions from separate developments towards a single item of infrastructure not to be funded by the CIL. In order to ensure that developments are not charged twice for the same item of infrastructure, the Council cannot require the provision of any item of infrastructure on the Regulation 123 list via a planning obligation.

Despite these restrictions, there will continue to be an important role for planning obligations in mitigating the site specific impacts of a development and in providing affordable housing. The Council will continue to secure the types of infrastructure identified in its adopted Local Development Framework by way of planning obligations, where they meet the tests set out in Regulation 122 of the CIL Regulations 2010 and do not appear on the Council's Regulation 123 list.

Affordable housing, on-site infrastructure requirements and open space provision (in line with Policy DP37 of the Council's Development Policies Development Plan Document) and maintenance payments to ensure the long-term upkeep of open spaces, will continue to be sought via planning obligations.



**Community Infrastructure Levy (CIL)
CIL Instalment Policy**

APRIL 2015

Regulation 70(7) of the Community Infrastructure Levy (Amendment) Regulations 2011 sets a default of full payment of the Levy within 60 days of the commencement of development. The Amendment Regulations also enable a Charging Authority to set an Instalment Policy that allows payments to be spread over longer periods.

Within Hambleton District it is considered reasonable that payment instalments are scheduled in proportion to the scale of development that is proposed. In accordance with Regulation 69B of the Community Infrastructure Levy Regulations 2010 (as amended), Hambleton District Council (the Charging Authority) will apply the following Instalment Policy to all development on which CIL is liable.

The Instalment Policy came into effect on 7th April 2015.

Number, Proportion and Timing of Instalments

The Community Infrastructure Levy will be payable by instalments as follows:-

a) Where the chargeable amount is less than £50,000

- Full payment will be required within 60 days of the commencement date*

b) Where the chargeable amount is £50,000 - £250,000

- First instalment representing 25% of the chargeable amount will be required within 60 days of the commencement date; and
- The second instalment representing 75% of the chargeable amount will be required within 270 days of the commencement date.

c) Where the chargeable amount is over £250,000

- First instalment representing 25% of the chargeable amount will be required within 60 days of the commencement date;
- Second instalment representing 25% of the chargeable amount will be required within 180 days of the commencement date;
- Third instalment representing 25% of the chargeable amount will be required within 360 days of the commencement date; and
- The fourth and final instalment representing 25% of the chargeable amount will be required within 540 days of the commencement date.

*** The commencement date will be the CIL Commencement Notice (CIL FORM 5) date as advised by the developer under CIL Regulation 67.**



Community Infrastructure Levy (CIL) Exceptional Circumstances Relief Policy

This statement is made in accordance with Regulation 56 of the Community Infrastructure Levy Regulation 2010 (as amended).

Hambleton District Council hereby gives notice that the relief for exceptional circumstances is available in the Hambleton District (excluding the North York Moors National Park).

Relief from exceptional circumstances must be claimed in accordance with Regulation 57 of the Community Infrastructure Levy Regulations 2010 (as amended) – reproduced for convenience below .

A relief claim form is available on the Council's website at the following address:

www.hambleton.gov.uk/cil

The policy comes into effect on 7 April 2015.

Further information can be provided by contacting the Council's Technical Support Unit by contacting:

Technical Support Unit (CIL)
Hambleton District Council
Civic Centre
Stone Cross
Northallerton
DL6 2UU

Tel: 01609 779977

Email: cil@hambleton.gov.uk

CIL Regulation 57 - Exceptional circumstances: procedure

57.—(1) Relief for exceptional circumstances must be claimed in accordance with this regulation.

(2) This regulation is subject to regulation [58](#) in the case of a chargeable development situated in the area of a London borough council.

(3) The person claiming relief ("the claimant") must be an owner of a material interest in the relevant land.

(4) A claim for relief must—

(a) be submitted to the charging authority in writing on a form published by the Secretary of State (or a form to substantially the same effect);

(b) be received by the charging authority before commencement of the chargeable development;

(c) include the particulars specified or referred to in the form; and

(d) be accompanied by—

(i) an assessment carried out by an independent person of the cost of complying with the planning obligation mentioned in regulation [55\(3\)\(b\)](#),

- (ii) an assessment carried out by an independent person of the economic viability of the chargeable development,
 - (iii) an explanation of why, in the opinion of the claimant, payment of the chargeable amount would have an unacceptable impact on the economic viability of that development,
 - (iv) where there is more than one material interest in the relevant land, an apportionment assessment, and
 - (v) a declaration that the claimant has complied with paragraph (6).
- (5) For the purposes of paragraph (4)(d) an independent person is a person who—
- (a) is appointed by the claimant with the agreement of the charging authority; and
 - (b) has appropriate qualifications and experience.
- (6) The claimant must send a copy of the completed claim form and the particulars referred to in paragraph (4)(d) to the owners of the other material interests in the relevant land (if any).
- (7) As soon as practicable after receiving a claim for relief, the charging authority must notify the claimant in writing of its decision on the claim and (where relief is granted) the amount of relief granted.
- (8) Where relief is granted the charging authority must send a copy of the decision to—
- (a) the collecting authority (if it is not the charging authority); and
 - (b) the person by whom the planning obligation mentioned in regulation [55\(3\)\(b\)](#) is enforceable (if that person is not the collecting authority or the charging authority).
- (9) A claim for relief for exceptional circumstances will lapse where the chargeable development to which it relates is commenced before the charging authority has notified the claimant of its decision on the claim.
- (10) A chargeable development ceases to be eligible for relief for exceptional circumstances if there is a disqualifying event.
- (11) A disqualifying event occurs if—
- (a) before the chargeable development is commenced—
 - (i) charitable or social housing relief is granted in respect of the chargeable development, or
 - (ii) an owner of a material interest in the relevant land makes a material disposal of that interest; or
 - (b) at the end of the period of 12 months beginning with the day on which the charging authority issues its decision on the claim, the chargeable development has not been commenced.
- (12) Where a disqualifying event occurs an owner of a material interest in the relevant land must—
- (a) notify the charging authority in writing of the disqualifying event before the end of the period of 14 days beginning with the day on which it occurs; and
 - (b) send a copy of the notification to the owners of the other material interests in the relevant land (if any).
- (13) On receipt of the notification the charging authority must send a copy to—
- (a) the collecting authority (if it is not the charging authority); and
 - (b) the person by whom the planning obligation mentioned in regulation [55\(3\)\(b\)](#) is enforceable (if that person is not the collecting authority or the charging authority).
- (14) Paragraph (15) applies where a charging authority issues a statement (in accordance with regulation [56\(2\)\(a\)](#)) giving notice that relief for exceptional circumstances will no longer be available in its area.
- (15) Any claim for relief for exceptional circumstances received by the charging authority on or before the day mentioned in regulation [56\(2\)\(a\)](#) must be considered by the charging authority.



Community Infrastructure Levy (CIL) Discretionary Charitable Relief

Hambleton District Council hereby gives notice that the Council is offering discretionary charitable relief in its area (Hambleton District excluding the North York Moors National Park) under CIL Regulations 44 and 45 of the Community Infrastructure Regulations 2010 (as amended).

The Council will begin accepting claims for relief from 7 April 2015.

Subject to the requirements of the CIL Regulations, the Council offers discretionary charitable relief:

- (a) where the proposed charitable development will be used to fund the provision on services to District residents; and
- (b) that charitable relief shall be given at the rate of 25% of the amount of CIL due.

Please note that this statement relates only to Hambleton District Council's CIL charges.

Claiming Discretionary Charitable Relief

The Council's ability to grant discretionary charitable relief from CIL is limited by the CIL Regulations, you are advised to consult the Regulations to check whether your development is eligible before submitting a claim.

Claims for Discretionary Charitable Relief should be made on "CIL Form 4: Claiming Exemption or Relief" available from the Council. Forms should be submitted together with the "CIL Form 2: Assumption of Liability".

Please send your completed forms to:

Technical Services Unit (CIL)
Hambleton District Council
Civic Centre
Stone Cross
Northallerton
North Yorkshire
DL6 2UU

Further information:

Further information on CIL is available on the Council's website at: www.hambleton.gov.uk/cil

If you have any questions in the relation to the Community Infrastructure Levy please contact the Council's Technical Support Unit:

Tel: 01609 779977

Email: cil@hambleton.gov.uk

CIL Revenue Projections (2014-2026) and the Meaningful Proportion (to Local Councils)

| | CIL Charge per sq.m | No. units in plan period (note 1a) | Market Units (note 1b) | Unit floorspace (note 2) | Gross floorspace (note 3) | Estimated net additional proportion | Estimated net additional floorspace | Estimated CIL revenue in plan period | Estimated annual CIL revenue (2014-2026) (12 years) |
|--|--|------------------------------------|------------------------|--------------------------|---------------------------|-------------------------------------|-------------------------------------|--------------------------------------|---|
| Residential | | | | | | | | | |
| Houses | 55 | 3,480 | 1,914 | 130 | 248,820 | 95% | 236,379 | 13,000,845 | 1,083,404 |
| Non-Residential | | | | | | | | | |
| Retail warehouses | 40 | | | | 3,000 | 90% | 2,700 | 108,000 | 9,000 |
| Supermarkets | 90 | | | | 3,000 | 90% | 2,700 | 243,000 | 20,250 |
| Offices & Industrial (50%) - (see note 5) | 0 | | | | 195,000 | 90% | 175,500 | 0 | 0 |
| Other Chargeable Development | 0 | | | | 10,000 | 90% | 9,000 | 0 | 0 |
| Total | | | | | | | | 13,351,845 | 1,112,654 |
| Less following costs | | | | | | | | | |
| 5% Admin fee | £667,592 | (£55,633 p.a.) | | | | | | 12,684,253 | 1,057,021 |
| 5% Admin fee + meaningful proportion (see notes 6 and 7) | £667,592 + £1,902,638 (@ 15%) (£158,553 p.a.) + £166,898 (@ 25%) (£13,908 p.a.) = £2,737,128 | | | | | | | 10,614,717 | 884,560 |

Notes:

- 1a. taken from the local development framework (2014-2026)
- 1b. affordable housing is not liable for CIL. We assume that an average of 45% affordable is achieved
2. the average unit size is based on assumptions applied in the viability assessments
3. office and industrial floorspace relates to the 75ha sought in the Core Strategy, converted to floorspace based on the 85:15 split between industrial and offices. 40% site coverage is assumed for both uses, with industrial assumed to be single storey and offices three storey on average. Retail floorspace is an estimate based on one new supermarket and one new retail park being permitted over the plan period
4. CIL is levied on net additional floorspace, so an allowance is made for existing buildings demolished to make way for new development
5. assumption that 50% of allocated employment land is developed.
6. the meaningful proportion is limited to the value of £100 per existing dwelling in the identified local area each financial year
7. 15% calculated against 95% of overall market dwelling provision and 25% against 5% of overall market dwelling provision.