



Community Infrastructure Levy

Preliminary Draft Charging Schedule

September 2012

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1. For Community Infrastructure Levy (CIL) purposes Reigate and Banstead Borough Council is both the Charging Authority and Collecting Authority for the Borough of Reigate and Banstead.
2. This preliminary draft charging schedule has been published in accordance with:
 - Part 11 of the Planning Act 2008 (as amended)
 - Community Infrastructure Regulations 2010 (as amended)
3. This preliminary draft charging schedule was approved on 19 July 2012.
4. CIL will be charged at the differential rates set out in the following schedule:

Land Use ¹	CIL Charge (£/sqm)
Residential (Use Class C3)	£125/sqm
Retail (Use Classes A1-A5) greater than 280sqm	£250/sqm
Retail (Use Classes A1-A5) less than 280sqm	£50/sqm
All other development	£0/sqm

5. The rates will apply throughout the borough.
6. In setting the CIL rates contained within this schedule, the Charging Authority has aimed to strike what appears to it to be an appropriate balance between the desirability of funding infrastructure from CIL, and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.
7. The Charging Authority has used appropriate available evidence to inform the preliminary draft charging schedule.²³

Calculating the Chargeable Amount

8. The chargeable amount will be calculated in accordance with The Community Infrastructure Levy Regulations 2010 (as amended). The method of calculation set out below is subject to any subsequent amendment to the CIL Regulations.

¹ As defined in the Town and Country Planning (Use Classes) Order 1987 (as amended)

² Reigate and Banstead Infrastructure Delivery Plan September 2012

³ Reigate and Banstead Community Infrastructure Levy Viability Assessment Report June 2012

9. The Collecting Authority will calculate the amount to be paid by a chargeable development⁴ in the following way:

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

where –

A = the deemed net area chargeable at rate R

I_P = the index figure⁵ for the year in which planning permission was granted

I_C = the index figure⁵ for the year in which the charging schedule containing rate R took effect

10. The value of A is calculated as follows:

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

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 build⁶) 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 use⁷;

(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

E = an amount equal to the aggregate of the gross internal areas of all buildings⁸ which –

(a) on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use; and

(b) are to be demolished before completion of the chargeable development

11. The chargeable amount is an amount equal to the aggregate of the amounts of CIL chargeable at each of the relevant rates⁹.

⁴ 'Chargeable development' is development for which planning permission is granted, other than a building into which people do not normally go, or a building into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery - CIL Regs 6 and 9

⁵ National All-in Tender Price Index published by the Building Cost Information Service of the Royal Institution of Chartered Surveyors; and the figure for a given year is the figure for November of the preceding year - CIL Reg 40(7)

⁶ For the purposes of CIL charge calculation 'new build' means that part of the development which will comprise new buildings and enlargements to existing buildings- CIL Reg 40(12)

⁷ For the purposes of CIL charge calculation a building is in 'lawful 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- CIL Reg 40(10)

⁸ For the purposes of CIL charge calculation 'building' does not include a building into which people do not normally go, a building into which people go only intermittently for the purpose of maintaining or inspecting machinery, or a building for which planning permission was granted for a temporary period - CIL Reg 40(11)

⁹ 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 is situated - CIL Reg 40(4)

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

Exemptions and Relief

13. Exemption for minor development – liability to CIL does not arise where the gross internal area of new build⁶ will be less than 100 square metres. This exemption does not apply where the development will comprise one or more dwellings.

14. Exemption for charities – liability to CIL does not arise where the owner of the relevant land is a charitable institution, and the chargeable development will be used wholly or mainly for charitable purposes.

15. Social housing relief – a chargeable development which comprises or is to comprise qualifying dwellings¹⁰ (in whole or in part) is eligible for relief from liability to CIL. Relief from paying CIL is given on the gross internal area relating to the qualifying dwellings. Calculation of the chargeable amount follows the stages given in paragraphs 9 and 11, but substituting the value N_R for A calculated as follows:

$$N_R = \frac{Q_R \times N}{Q}$$

where –

N_R = the deemed net area chargeable at rate R

Q_R = the gross internal area of the part of the chargeable development which will comprise qualifying dwellings, and in respect of which, but for the social housing relief, CIL would be chargeable at rate R

Q = the gross internal area of the part of the chargeable development which will comprise qualifying dwellings

N = the deemed net area of the part of the chargeable development which will comprise qualifying dwellings

16. The value of N is calculated as follows:

$$Q - \left(\frac{Q \times E}{C} \right)$$

where –

Q = the gross internal area of the part of the chargeable development which will comprise qualifying dwellings

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

(a) on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use, and

(b) are to be demolished before completion of the chargeable development

C = the gross internal area of the chargeable development

¹⁰ A 'qualifying dwelling' is a dwelling that satisfies at least one of the conditions set out in CIL Reg 49. This includes most forms of affordable housing provided by a private registered provider of social housing, a registered social landlord, or a local housing authority; and shared ownership arrangements within the meaning of the Housing and Regeneration Act 2008, subject to specified limitations.