



Haringey Council

APPENDIX A

London Borough of Haringey

CIL Charging Schedule

Adopted July 2014

Implemented 1st October 2014



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Introduction

As part of the changes introduced under the Planning Act 2008, the previous Government introduced the Community Infrastructure Levy (CIL) - a new mechanism to enable infrastructure requirements arising from growth to be funded through developer contributions.

The Community Infrastructure Levy Regulations 2012 (as amended) allows councils to introduce CIL, being a charge on new buildings and extensions to help pay for supporting infrastructure and replaces s.106 contributions (except in relation to affordable housing and on site mitigation measures).

What is CIL?

CIL is a standardised non negotiable local levy that is placed on new development for the purpose of helping to raise funds to support the delivery of the infrastructure that is required as a result of new development. Far from being a new source of funding, CIL provides a more consistent and transparent mechanism to raise financial contributions, currently sought through s106 agreements.

However, under CIL, developers can still be required to directly provide both 'off-site' infrastructure, through s106 contributions, and 'on site' improvements through planning conditions to mitigate the direct impact of the development proposed (e.g. landscaping, access roads).

How is CIL calculated and charged?

The regulations require two distinct aspects to be considered. Firstly, a 'charging authority' (the Local Authority) needs to demonstrate that new development necessitates the provision of new, or improved, infrastructure. Secondly, that the rate of the proposed levy does not make development proposals unviable, in particular with regards to expected costs that would be associated with the provision of on-site infrastructure (for the purposes of CIL, affordable housing is regarded as an on-site requirement and will continue to be secured through s106 agreements).

The levy is to be expressed as £ per m² and collected on the commencement of development. CIL is to be charged on the 'gross internal floor space' of any new development, apart from affordable housing and buildings used for charitable purposes where standard exemptions have been made.

Whilst the rate of CIL is determined by the charging authority, it is scrutinised by an independent examiner to assess whether the charge has regard to the evidence base and that the level of charge is reasonable and will not impact negatively on the economic viability of development.

The Infrastructure Funding Gap

The Council has produced an Infrastructure Study in March 2010 setting out the likely infrastructure impacts of growth identified in the Council's Local Plan. This has been built on and an updated document setting out the current anticipated funding requirements to



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meet infrastructure needs in the Borough was produced in March 2013. The outcomes of this study indicate that there is a total funding gap that CIL can contribute towards of approximately £230m. This is set out below, and the summary document is included on our website.

The level of Investment required is indicative and it includes investment that may need to be undertaken by both the Council and its partners. The investment required will need to be subject to continuous review in light of changes to the funding regimes for both the Council and its partner organisations and changing roles and functions of public sector organisations in years to come. The actual level of investment the Council makes in future years will clearly be subject to Council priorities and available funding and will need to be agreed by Cabinet as appropriate.

| Infrastructure Type | Investment Required (£m) | Funding Available (£m) | Funding Gap (£m) |
|-----------------------------|--------------------------|------------------------|------------------|
| Education | 198.0 | 120.0 | 78.0 |
| Health | tbc | tbc | Tbc |
| Open space/ Leisure | 22.3 | 1.5 | 20.8 |
| Transport | 107.6 | 19.5 | 88.1 |
| Emergency Services | -- | -- | -- |
| Decentralised Energy | 25.0 | 2.5 | 22.5 |
| Water Management & Flooding | 20.6 | tbc | 20.6 |
| Waste | -- | -- | -- |
| Total (£m) | £373.5 | £143.5 | £230 |

Viability in Haringey

Evidence has been provided by BNP Paribas to identify what CIL rates will be viable in Haringey. A primary study was received in February 2012, and updates to the evidence were provided in February 2013. The full set of evidence is available on our website.

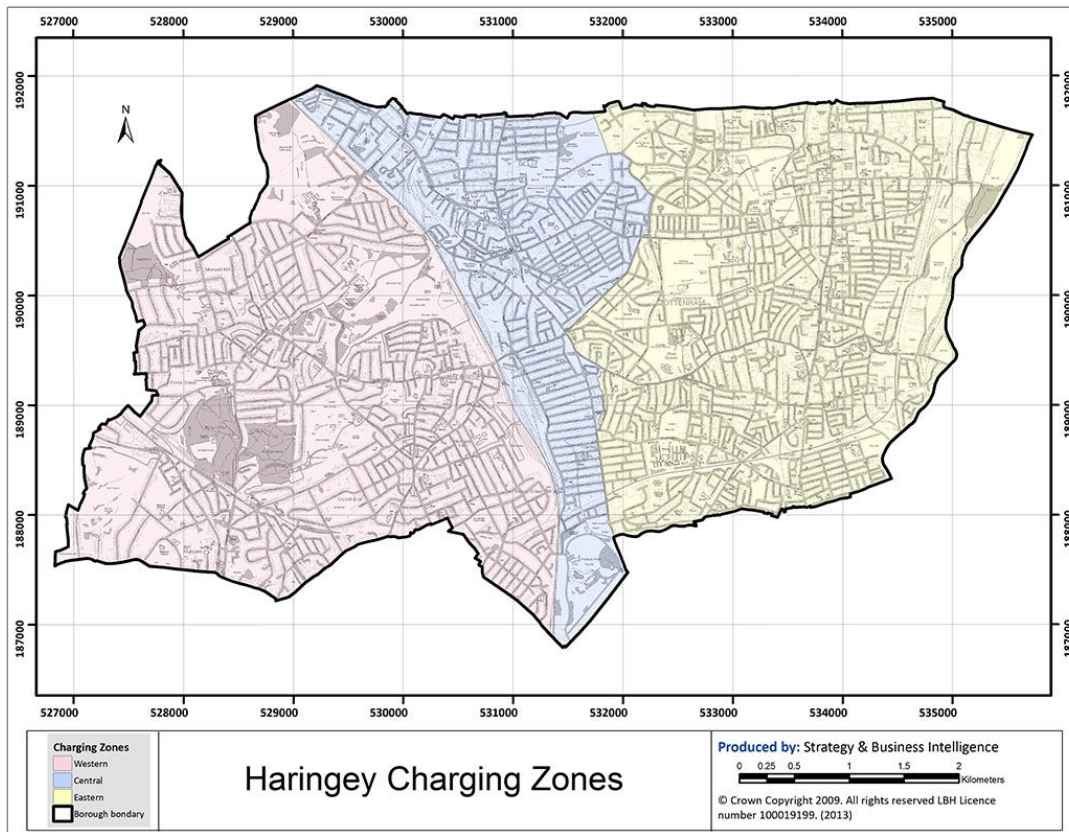
The Charging Schedule

The proposed schedule is set out below. The map shows the charging zones:

| CIL charge (£/square metre) | | | | |
|--|----------|---------|---------|-------------|
| Use | Western | Central | Eastern | Mayoral CIL |
| Residential | £265 | £165 | £15 | £35 |
| Student accommodation | £ 265 | £165 | £15 | £35 |
| Supermarkets | £95 | | | £35 |
| Retail Warehousing | £25 | | | £35 |
| Office, industrial, warehousing, small scale retail (use class A1-5) | Nil Rate | | | £35 |
| Health, school and higher education | Nil Rate | | | Nil |
| All other uses | Nil Rate | | | £35 |
| Superstores/supermarkets are defined as shopping destinations in their own right where weekly food | | | | |



shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.
Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items, and other ranges of goods, catering mainly for car borne customers.



Exemptions

CIL charges will not be levied on:

- Development that creates less than 100m² of new build floor space measured as Gross Internal Area (GIA) and does not result in the creation of one or more dwellings.
- Buildings into which people do not normally go, or only go to perform maintenance.
- Buildings for which planning permission was granted for a limited period.
- Affordable housing, subject to an application by a landowner for CIL relief (CIL regulation 49).
- Development by charities for charitable purposes subject to an application by a charity landowner for CIL relief (CIL regulation 43).

The CIL Regulations 2010 set out the situations for both mandatory and discretionary exemptions. Mandatory exemptions include affordable housing and developments



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occupied solely for the purpose of charitable activity by a registered charity. However, the charging authority has discretionary powers to provide relief on:

- the investment activities of charitable institutions
- in exceptional circumstances where:
 - the cost of complying with s106 planning obligation is greater than the chargeable amount payable by a developer;
 - there is an unacceptable impact on the economic viability of a development
 - that the granting of relief would not constitute state aid.

The Council will not expect to implement any discretionary exemptions. The Council believes the charge is viable and will monitor the charge to ensure it remains viable. Should circumstances change the Council will seek to revise the levy rather than provide any discretionary relief from the charge.

Payments in kind

In circumstances where the liable party and Haringey Council agree, payment of the levy may be made by transferring land. The agreement cannot form part of a planning obligation, must be entered into before the chargeable development is commenced and is subject to fulfilling the following:

- the acquired land is used to provide or facilitate the provision of infrastructure within Haringey;
- the land is acquired by the Council or a person nominated by the Council;
- the transfer of the land must be from a person who has assumed liability to pay CIL;
- the land has to be valued by an independent person agreed by the Council and the person liable to pay CIL;
- 'Land' includes existing buildings and other structures, land covered with water, and any estate, interest, easement, servitude or right in or over the land.

Collection of CIL

London Borough of Haringey is the collecting authority for the purpose of Part 11 of the Planning Act 2008 and CIL Regulations 2010 (as amended by Regulations 2011 and 2012).

When planning permission is granted, Haringey Council will issue a liability notice setting out the amount payable, and the payment procedure.

In the case of development enabled through permitted development orders, the person(s) liable to pay will need to consider whether their proposed development is chargeable, and to issue Haringey Council a notice of chargeable development.

Payment Instalments



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Where the payable amount of CIL is £500,000 or less, the whole amount shall be paid in a single installment not more than 60 days after commencement of the development.

Where the payable amount is more than £500,000, developers should have the option to pay two installment payments:

- The greater of £500,000 or half the value of the total payable amount 60 days after commencement, and
- The remainder 240 days after commencement.

Appeals

A liable person can request a review of the chargeable amount by the charging authority within 28 days from the issue of the liability notice. CIL Regulations allow for appeals on:

- The calculation of the chargeable amount following a review of the calculation by the Council.
- Disagreement with the Council's apportioned liability to pay the charge.
- Any surcharges incurred on the basis that they were calculated incorrectly, that a liability notice was not served or the breach did not occur.
- A deemed commencement date if considered that the date has been determined incorrectly.
- Against a stop notice if a warning notice was not issued or the development has not yet commenced.

A person aggrieved by the levy (or attempt to levy) of a distress can appeal to the Magistrates Court.

Spending CIL revenue

CIL revenue will be spent on infrastructure needed to support development in Haringey. This need is assessed as part of the Local Plan making process and an Infrastructure Delivery Plan is included in the adopted Local Plan: Strategic Policies. This infrastructure needs and delivery plan are updated regularly.

The Council includes as part of this submission the proposed Regulation 123 list below.

| 2014/15-2018/19 Reg 123 Projects |
|---|
| Lordship Lane Recreation Ground improvements |
| Down Lane Park improvements |
| Bruce Castle Park improvements |
| 4 Improved Greenway cycle & pedestrian routes |
| Alexandra Primary School Expansion |
| Welbourne Primary School Expansion |
| Bounds Green Primary School extension |



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The Council will publish annual reports showing, for each financial year:

- How much has been collected in CIL;
- How much has been spent;
- The infrastructure on which it has been spent;
- Any amount used to repay borrowed money;
- Amount of CIL retained at the end of the reported year.

It is the Government's intention to allow for a proportion of CIL to be passed to Local Councils and Neighbourhoods. The Council will abide by regulations to administer this as they are introduced.

Administrative costs

Up to 5% of all contributions will be used to pay for the costs of administering the Community Infrastructure Levy. This charge would support the Council in monitoring and enforcement of the charge as well as providing infrastructure planning support to manage and co-ordinate the delivery of infrastructure improvements that address the impacts resulting from development.

CIL and Section 106 agreements

Unlike s106, the levy is to provide infrastructure to support the development of an area, not to make individual planning applications acceptable in planning terms. It breaks the link between a specific development site and the provision of infrastructure and thus provides greater flexibility for delivery of infrastructure when and where it is needed.

Section 106 agreements and Section 278 Highways Agreements will continue to be used to secure site-specific mitigation and affordable housing. In some instances, S106 agreements may be used in large development sites needing the provision of their own specific infrastructure for which delivery may be more suitably dealt with through s106s. Type of s106 requirements may include the following:

- Specific infrastructure requirements that directly arises from five or fewer developments, section 106 arrangements may continue to apply if the infrastructure is required to make the development acceptable in planning terms
- Affordable housing contributions
- New access roads/ junction improvements serving the site
- Connections to a renewable/ decentralised energy network
- On-site open space requirements
- Employment and training provision
- Travel plans / Car clubs / Cycle parking
- Town Centre management funding

Mayoral CIL



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The Mayoral CIL has been in effect since April 2012 in accordance with Regulation 25 (a) of the Community Infrastructure Regulations 2010 (as amended). The Mayor published his CIL charging schedule on the GLA's website, and it is intended to contribute towards the funding of Cross Rail, and the Mayor has in effect declared his aim of raising £300m from Mayoral CIL towards this project. The Mayor's target is expected to be achieved by 2019. It is very likely that further London wide infrastructure funding will be required in the future and the revision and required collection of Mayoral CIL will now form a permanent feature of the planning and development policy framework operating in London.

The London boroughs collect the Mayor's CIL on his behalf. Haringey falls within Zone 2 of the Mayor's Charging Schedule which means that Haringey is required to collect £35/m² on behalf of the Mayor for any development that falls within scope of the regulations.
