



**WEST OXFORDSHIRE
DISTRICT COUNCIL**

**West Oxfordshire District Council
Community Infrastructure Levy (CIL)
Draft Charging Schedule**

March 2020

<u>Contents</u>	<u>Page</u>
1. Introduction	3
2. About CIL – what is it and why is it needed?	3
3. Proposed CIL rates in West Oxfordshire	5
4. Reliefs and exemptions	7
5. Payment of CIL	7
6. Spending and Reporting on CIL	7
7. Reviewing CIL	8
8. Responding to the consultation	8

Appendices

Appendix 1 – Calculation of CIL chargeable amount	10
Appendix 2 – Summary of the CIL collection process	13
Appendix 3 – Draft Charging Schedule Availability	14

1. Introduction

- 1.1 The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area to help fund supporting infrastructure. The levy only applies in areas where a local authority has consulted on, and approved, a charging schedule which sets out its levy rates and has published the schedule on its website.
- 1.2 This Draft Charging Schedule (DCS) sets out the proposed CIL rates for West Oxfordshire together with a brief overview of the CIL process. The DCS will be the subject of a 6-week period of public consultation before being submitted for independent examination.
- 1.3 The District Council is aiming to adopt its CIL charging schedule by autumn 2020.

2. About CIL – what is it and why is it needed?

What is CIL?

- 2.1 The Community Infrastructure Levy or ‘CIL’ is essentially a tariff or standard charge that can be placed on most forms of new development to help fund local infrastructure such as transport, flood defences, schools, green space and community and cultural facilities.
- 2.2 CIL is charged on a pounds (£) per square metre basis and can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, where necessary to support development.
- 2.3 CIL is intended to operate alongside other, more traditional developer contributions including Section 106 planning obligations and Section 278 highway agreements. Unlike those agreements which deal with site-specific infrastructure needed to make particular developments acceptable in planning terms, CIL payments go into a general funding pot and can be spent on infrastructure across the District.
- 2.4 Importantly, the CIL regulations now allow for the same item of infrastructure to be funded through CIL and other forms of developer contribution including Section 106 planning obligations¹. There are also no longer any restrictions on the number of planning obligations that may be ‘pooled’ together to fund the same item of infrastructure.

Why is CIL needed?

- 2.5 Evidence prepared in support of the West Oxfordshire Local Plan² identified the infrastructure that is needed to support future growth in the District up to 2031. Whilst some of this is already funded, or at least able to be funded through other mechanisms such as Section 106 planning obligations and central Government funding, there remains a large infrastructure ‘funding gap’ which CIL will contribute towards.

¹ Subject to any planning obligation meeting the relevant tests set out in Regulation 122 of the CIL regulations (as amended) - <http://www.legislation.gov.uk/ksi/2010/948/regulation/122/made>

² Adopted in September 2018

What kind of development is required to pay CIL?

- 2.6 Subject to viability considerations, CIL may be payable on any non-residential development which creates new or additional internal area, where the gross internal area (GIA) of new build is 100 square metres or more. For residential development, CIL can be charged on all new dwellings (houses, flats etc.) irrespective of size.
- 2.7 The following are not required to pay CIL:
- Development of less than 100 square metres, unless this consists of one or more dwelling and does not meet the relevant self-build criteria;
 - Buildings into which people do not normally go;
 - 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; and
 - Specified types of development which local authorities have decided should be subject to a ‘zero’ rate and specified as such in their charging schedules.
- 2.8 The following can also be subject to an exemption or relief where the relevant criteria are met, and the correct process is followed:
- Residential annexes and extensions;
 - Self-build houses and flats;
 - Social housing that meets certain specific relief criteria;
 - Charitable development that meets certain specific relief criteria.
- 2.9 Where the levy liability is calculated to be less than £50, the chargeable amount is deemed to be zero, so no levy is due. Mezzanine floors, inserted into an existing building, are not liable for the levy unless they form part of a wider planning permission that seeks to provide other works as well.

Charging CIL

- 2.10 Once the CIL charging schedule has been adopted, the District Council will assume the role of ‘charging authority’ for the purposes of CIL in West Oxfordshire. This means that the Council will calculate the chargeable amount (subject to any indexation as appropriate) and issue the relevant liability notice to the parties that are liable to pay the charge. Further information on how the chargeable amount will be calculated is set out at Appendix 1.

Collecting CIL

- 2.11 The District Council will also be the collection authority for CIL in West Oxfordshire. The CIL collection process involves a number of stages and is summarised for ease of reference at Appendix 2.

How is CIL calculated?

- 2.12 In most cases, the amount of levy that is payable is calculated by multiplying the additional gross internal area (GIA) by the proposed CIL rate for that particular development type. Two very simple examples are provided below.

Example – One Dwelling

Size of dwelling (GIA) – 130 m²

CIL rate - £100 per m²

Amount payable through CIL - £13,000 (i.e. 130 m² x £100)

Example – Ten Dwellings

Total size of dwellings (GIA) – 1,300 m²

CIL rate - £100 per m²

Amount payable through CIL – £130,000

- 2.13 Gross Internal Area (GIA) will be calculated using the definition contained in the Royal Institution of Chartered Surveyors (RICS) Code of Measuring Practice (currently in its 6th edition). The Council must also apply an index of inflation to keep the levy rate responsive to market conditions.

3. Proposed CIL rates in West Oxfordshire

- 3.1 It is important that CIL rates are set at a level that does not hinder new development coming forward, striking an ‘appropriate balance’ between additional investment to support development and the potential effect on the viability of developments. This balance is at the centre of the charge-setting process.

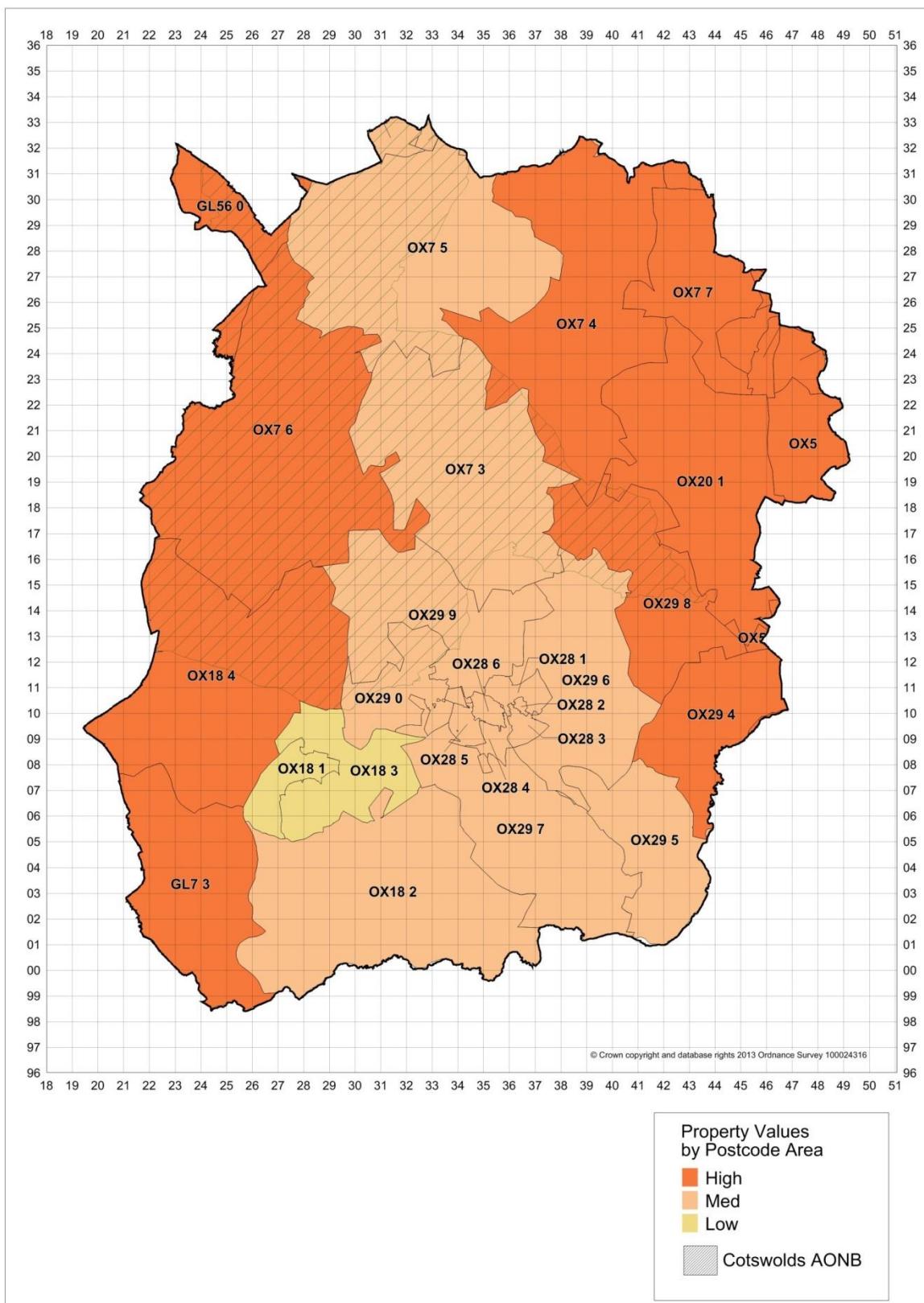
Residential Uses

- 3.2 The proposed CIL charges for residential development in West Oxfordshire are set out below. It should be noted that the five strategic sites allocated in the West Oxfordshire Local Plan 2031 are ‘zero-rated’ for the purposes of CIL for reasons of viability.

Zone	1-10 dwellings	11+ dwellings	Extra-care housing	Strategic sites ³
Low	£200	£100	£100	£0
Medium	£250	£125	£100	£0
High	£300	£150	£100	£0

- 3.3 The three residential zones are shown on the plan overleaf and mirror those set out in the adopted Local Plan for the purposes of Policy H3 – Affordable Housing.

³ Oxfordshire Cotswolds Garden Village, West Eynsham SDA, East Witney SDA, North Witney SDA, East Chipping Norton SDA



Non-Residential Uses

- 3.4 The proposed CIL charges for non-residential development in West Oxfordshire are set out below.

Non-residential CIL (District-wide)	
All non-residential uses (excepting retail)	£0 per m ²
Food supermarket retail (A1)	£100 per m ²

4. Reliefs and exemptions

- 4.1 The CIL Regulations make a number of provisions for charging authorities to give relief from CIL. Some types of relief are mandatory, others are offered at the charging authority's discretion.
- 4.2 The District Council will offer mandatory relief in accordance with the CIL regulations (as amended) but does not currently intend to offer any form of discretionary relief from CIL. The decision not to offer discretionary relief from CIL at the present time will be reviewed as part of any initial review of CIL.

5. Payment of CIL

- 5.1 When planning permission is granted, the District Council will issue a liability notice setting out the amount payable through CIL, and the payment procedure. Typically, CIL payments must be made within 60 days of the commencement of any chargeable development. However, recognising the importance of assisting the timely delivery and viability of new development, the District Council proposes to accept the payment of CIL by instalments in respect of larger CIL payments and will publish a separate instalments policy in accordance with the CIL Regulations (as amended).
- 5.2 The Council will also consider in appropriate circumstances the sub-division of larger development proposals into 'phases' for the purposes of CIL with each phase considered a separate chargeable development and therefore liable for payment in line with the Council's proposed instalment policy.

6. Spending and reporting on CIL

- 6.1 CIL payments can be used to fund a wide range of infrastructure including transport, flood defences, schools, green space and community and cultural facilities. It can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development. It cannot be used to fund affordable housing.
- 6.2 From December 2020 onwards, the District Council is required to prepare an 'Infrastructure Funding Statement' setting out what it intends to spend CIL revenue on as well as information on the payments received through CIL and section 106 planning obligations during the previous financial year.

- 6.3 In accordance with the CIL regulations, up to 5% of the District Council's CIL receipts may be spent on administrative expenses associated with the operation of CIL.
- 6.4 Where all or part of a chargeable development is within the area of a Parish Council, the District Council is required to pass a proportion of the CIL receipts from the development to the Parish Council. The basic amount payable is 15% which increases to 25% where an adopted Neighbourhood Plan is in place (see below).

Parish Neighbourhood Levy council plan		
✓	✓	25% uncapped, paid to parish each year
✓	X	15% capped at £100/dwelling (indexed for inflation), paid to parish each year
X	✓	25% uncapped, local authority consults with community about how funds can be used, including to support priorities set out in neighbourhood plans
X	X	15% capped at £100/dwelling (indexed for inflation), local authority consults with community to agree how best to spend the neighbourhood funding

- 6.5 The Parish Council must use the CIL receipts passed to it to support the development of the Parish Council's area by funding the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on the area. Parish Councils must prepare a report for any financial year in which it receives any CIL payments.

7. Reviewing CIL

- 7.1 Once adopted, the District Council will keep its charging schedule under review to ensure that levy charges remain appropriate over time. The Council may seek to review its charging schedule in whole or in part taking account of relevant considerations including changes in market conditions and infrastructure needs, or as part of any review of the Local Plan.

8. Responding to the consultation

- 8.1 A 6-week consultation period will apply to this draft charging schedule. The draft schedule will be made available online and at various locations across the District (see Appendix 3). Copies will be sent to Town and Parish Councils. Other interested parties will be notified and invited to comment.

- 8.2 Written comments should be sent to the following address:

Planning Policy
West Oxfordshire District Council
Elmfield Office
New Yatt Road
Witney
OX28 1PB

- 8.3 Electronic responses should be sent to the following email address:
planning.policy@westoxon.gov.uk
- 8.4 Unless there are any materially significant issues raised during the 6-week consultation, it is anticipated that the draft charging schedule will be submitted to the CIL examiner in May 2020, together with copies of any representations received and supporting background evidence.
- 8.5 A date for the recommencement of any CIL hearings will then be agreed. It is hoped that the Council will be in a position to formally adopt its charging schedule by autumn 2020.

Appendix 1 – Calculation of CIL chargeable amount

Chargeable amount: standard cases

1.—(1) The chargeable amount is an amount equal to the aggregate of the amounts of CIL chargeable at each of the relevant rates.

(2) But where that amount is less than £50 the chargeable amount is deemed to be zero.

(3) The relevant rates are the rates, taken from the relevant charging schedules, at which CIL is chargeable in respect of the chargeable development.

(4) The amount of CIL chargeable at a given relevant rate (R) must be calculated by applying the following formula—

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

where—

- A = the deemed net area chargeable at rate R, calculated in accordance with sub-paragraph (6);
- I_p = the index figure for the calendar year in which planning permission was granted; and
- I_c = the index figure for the calendar year in which the charging schedule containing rate R took effect.

(5) In this paragraph the index figure for a given calendar year is—

(a)in relation to any calendar year before 2020, the figure for 1st November for the preceding calendar year in the national All-in Tender Price Index published from time to time by the Royal Institution of Chartered Surveyors;

(b)in relation to the calendar year 2020 and any subsequent calendar year, the RICS CIL Index published in November of the preceding calendar year by the Royal Institution of Chartered Surveyors;

(c)if the RICS CIL index is not so published, the figure for 1st November for the preceding calendar year in the national All-in Tender Price Index published from time to time by the Royal Institution of Chartered Surveyors;

(d)if the national All-in Tender Price Index is not so published, the figure for 1st November for the preceding calendar year in the retail prices index.

(6) The value of A must be calculated by applying the following formula—

$$G_R - K_R - \left(\frac{G_R \times E}{G} \right)$$

where—

- G = the gross internal area of the chargeable development;
- G_R = the gross internal area of the part of the chargeable development chargeable at rate R;
- K_R = the aggregate of the gross internal areas of the following—

- (i) retained parts of in-use buildings; and
- (ii) for other relevant buildings, retained parts where the intended use following completion of the chargeable development is a use that is able to be carried on lawfully and permanently without further planning permission in that part on the day before planning permission first permits the chargeable development;

E = the aggregate of the following—

- (i) the gross internal areas of parts of in-use buildings that are to be demolished before completion of the chargeable development; and
- (ii) for the second and subsequent phases of a phased planning permission, the value E_x (as determined under sub-paragraph (7)), unless E_x is negative,

provided that no part of any building may be taken into account under both of paragraphs (i) and (ii) above.

(7) The value E_x must be calculated by applying the following formula—

$$E_p - (G_p - K_{pR})$$

where—

E_p = the value of E for the previously commenced phase of the planning permission;

G_p = the value of G for the previously commenced phase of the planning permission; and

K_{pR} = the total of the values of K_R for the previously commenced phase of the planning permission.

(8) Where the collecting authority does not have sufficient information, or information of sufficient quality, to enable it to establish that a relevant building is an in-use building, it may deem it not to be an in-use building.

(9) Where the collecting authority does not have sufficient information, or information of sufficient quality, to enable it to establish—

- (a) whether part of a building falls within a description in the definitions of K_R and E in sub-paragraph (6); or
- (b) the gross internal area of any part of a building falling within such a description,

it may deem the gross internal area of the part in question to be zero.

(10) In this paragraph—

“building” does not include—

- (i) a building into which people do not normally go;
- (ii) a building into which people go only intermittently for the purpose of maintaining or inspecting machinery; or
- (iii) a building for which planning permission was granted for a limited period;

“in-use building” means a building which—

- (i) is a relevant building, and
- (ii) contains a part that has been in lawful use for a continuous period of at least six months within the period of three years ending on the day planning permission first permits the chargeable development;

“new build” means that part of the chargeable development which will comprise new buildings and enlargements to existing buildings, and in relation to a chargeable development granted planning permission under section 73 of TCPA 1990 (“the new permission”) includes any new buildings and enlargements to existing buildings which were built pursuant to a previous planning permission to which the new permission relates;

“relevant building” means a building which is situated on the relevant land on the day planning permission first permits the chargeable development;

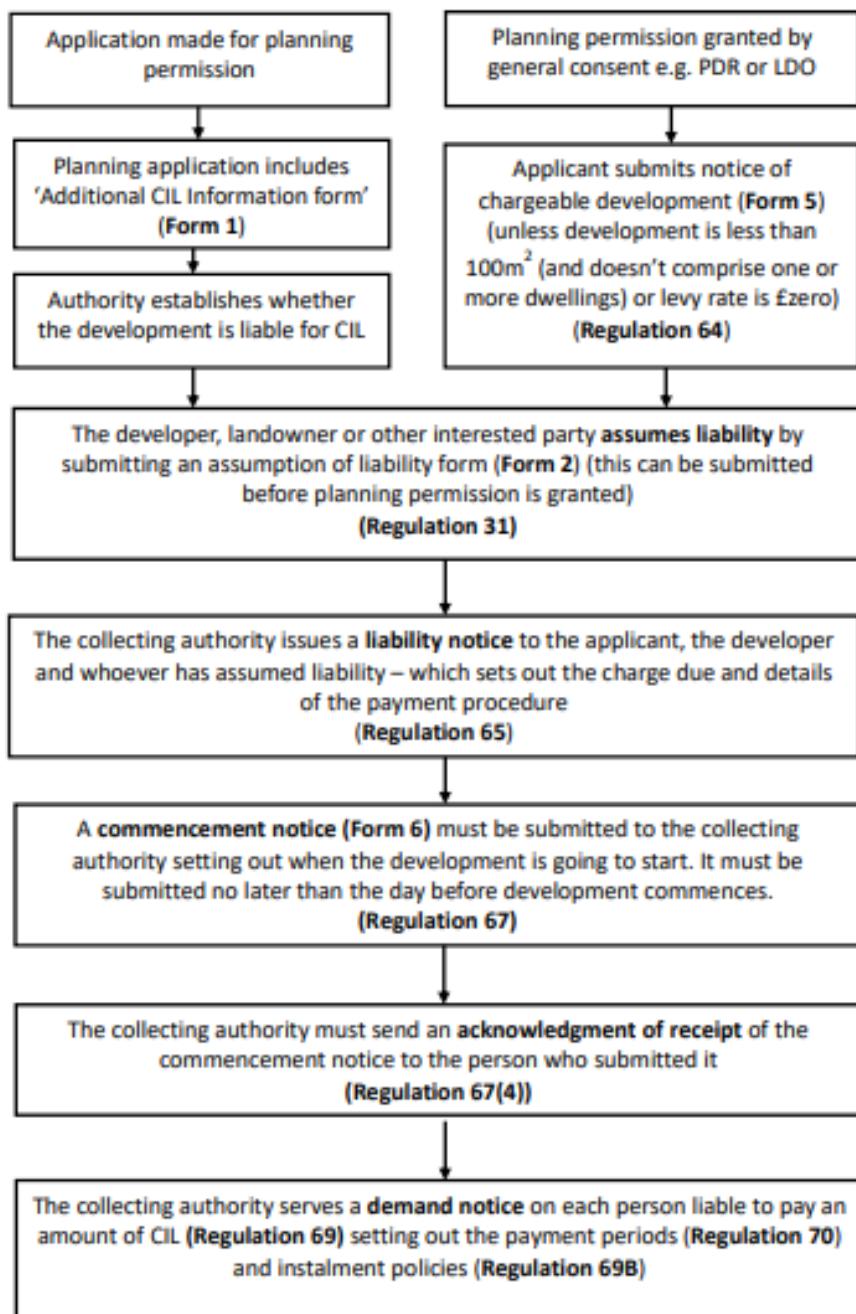
“relevant charging schedules” means the charging schedules which are in effect—

- (i) at the time planning permission first permits the chargeable development, and
- (ii) in the area in which the chargeable development will be situated;

“retained part” means part of a building which will be—

- (i) on the relevant land on completion of the chargeable development (excluding new build),
- (ii) part of the chargeable development on completion, and
- (iii) chargeable at rate R.

Community Infrastructure Levy Collection Process



Appendix 3 – Draft Charging Schedule Availability

West Oxfordshire District Council Offices Elmfield New Yatt Road Witney OX28 1PB Tel: 01993 861000 Open: Monday – Friday 9am to 5pm	Witney Town Centre Shop 3 Welch Way Witney OX28 6JH Tel: 01993 861000 Open: Monday – Friday 9am to 5pm	Witney Town Council Town Hall Market Square Witney OX28 6AG Tel: 01993 704379 Open: Monday – Friday 9am to 1pm, 2pm to 5pm
Carterton Town Council 19 Alvescot Road Carterton OX18 3JL Tel: 01993 842156 Open: Monday – Friday 9.30am to 4.30pm	Chipping Norton Town Council The Guildhall Chipping Norton OX7 5NJ Tel: 01608 642341 Open: Monday – Friday 9am to 1pm	Burford Visitor Information Centre 33 High Street Burford OX18 4QA Tel: 01993 823558 Open: Monday – Saturday 9.30am to 5pm, Sunday 10am to 4pm
Bampton Library Old Grammar School Church View Bampton OX18 2NE Tel: 01993 850076	Burford Library 86A High Street Burford OX18 4QF Tel: 01993 823377	Carterton Library 6 Alvescot Road Carterton OX18 3JH Tel: 01993 841492
Charlbury Library Charlbury Community Centre Enstone Road Charlbury OX7 3PQ Tel: 01608 811104	Chipping Norton Library Goddards Land Chipping Norton OX7 5NP Tel: 01608 643559	Eynsham Library 30 Mill Street Eynsham OX29 4JS Tel: 01865 880525
North Leigh Library Memorial Hall Park Road North Leigh OX29 6SA Tel: 01993 882935	Stonesfield Library Village Hall Longore Stonesfield OX29 8EF Tel: 01993 898187	Witney Library Welch Way Witney OX28 6JH Tel: 01993 703659
Woodstock Library The Oxfordshire Museum Fletcher's House Park Street Woodstock OX20 1SN Tel: 01993 814124	Wychwood Library 29 High Street Milton-under-Wychwood OX7 6LD Tel: 01993 830281	

