

South Downs National Park Authority

Community Infrastructure Levy

Preliminary Draft Charging Schedule

Non-technical summary

This 'Non-technical summary' document is for explanatory purposes only. Please see the published [Preliminary Draft Charging Schedule](#) document for official wording, proposed charges and definitions of development.

A Frequently Asked Questions guide is also available on our website: www.southdowns.gov.uk/cil

Introduction

This Non-technical summary introduces the Community Infrastructure Levy and explains the purpose and content of the current consultation.

The Community Infrastructure Levy (CIL) is a new system of charges that the South Downs National Park Authority ('the Authority') intends to use to raise funds from developers. From 2015, developers will pay a charge relative to the size of new buildings (so bigger developments pay more CIL). The funds raised will be used to deliver a wide range of infrastructure across the National Park.

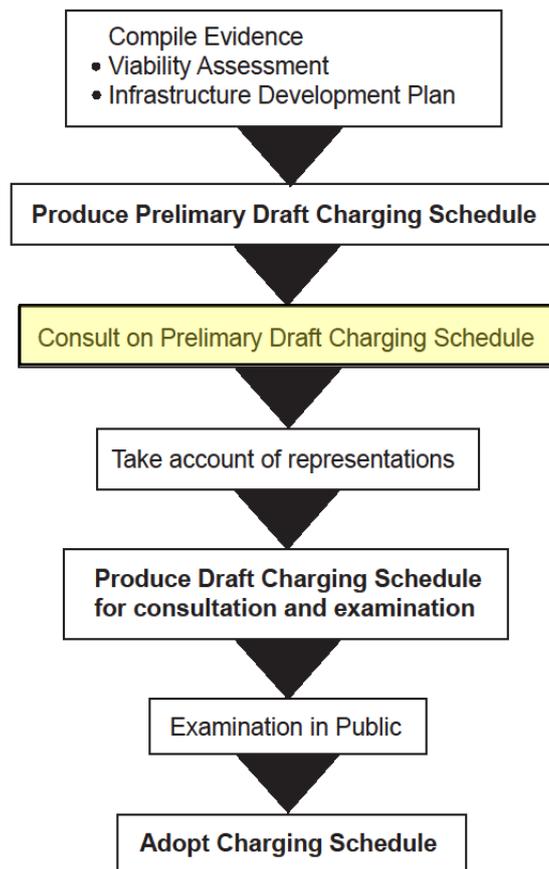
Funding for 'Infrastructure' can include new road schemes, schools, community services, sports and leisure facilities and green infrastructure. CIL funds can be spent on the provision, improvement, replacement, operation or maintenance of this infrastructure. Also, 15% of CIL funds received (up to a total of £100 per existing home in the parish) are passed directly to parish councils to spend on infrastructure projects of their choice.

The CIL is introduced when the Authority adopts a legal document called a 'CIL Charging Schedule'. The main part of a CIL Charging Schedule is the list of charges (known as 'rates') which developers will pay when they gain planning permission.

The Process

The Authority must undertake two periods of consultation and pass an examination by a government inspector before introducing a CIL Charging Schedule. The first consultation exercise (February 2014) is on a document called a 'Preliminary Draft Charging Schedule' (PDCS). The PDCS states the Authority's intentions for the CIL and includes a list of proposed charges.

The following diagram shows the full process for introducing a CIL charging schedule.



Consultation on the proposed charges (Preliminary Draft Charging Schedule)

The proposed charges are shown below and the full document can be viewed on the Authority's website (www.southdowns.gov.uk/cil).

CIL charges are set at a rate of pounds per square meter (£/m²) multiplied by new internal floorspace. After the CIL is adopted in 2015, all new developments listed will pay a charge which is non-negotiable.

Type of development	Proposed Levy
New homes in Petersfield, Lewes, Petworth, Midhurst (Zone 1)	150 (£/m ²)
New homes in Liss (Zone 2)	100 (£/m ²)
New homes in all other areas (Zone 3)	200 (£/m ²)
Supermarkets, superstores and retail warehouses	120 (£/m ²)
All other development	0 (£/m ²)

Q1: Do you have any comments on the above proposed charges?

The Government has exempted the following types of development from a CIL charge:

- Social (affordable) housing;
- Domestic residential extensions;
- Self-build development;
- Development by charitable institutions;
- Changes of use that do not increase floorspace;
- Buildings into which people do not normally go or go only intermittently for the purpose of maintaining or inspecting machinery;
- Buildings with temporary planning permission.

CIL and Affordable Housing

CIL charges and affordable housing provision are both costs to a developer. Through the current consultations on CIL and the Local Plan, the Authority will need to find a suitable balance between infrastructure funding from CIL charges and affordable housing provision – without making development financially unviable. All decisions on affordable housing will be set first in the emerging Local Plan and the CIL charges will be set accordingly.

In order to propose a single schedule of CIL charges for this consultation, the Authority has used an interim assumption of 40% affordable housing. However, if a different affordable housing policy is set in the emerging Local Plan following the options consultation, the CIL charges will be adjusted accordingly.

Other choices

Legislation allows the Authority some discretion on how it operates the CIL. The Authority is therefore also consulting on five of these options and your views are welcome on these as follows:

Payment by instalments

An 'instalment policy' would allow the CIL charges to be paid over time rather than upfront. This would allow larger developments to afford the CIL charges rather than suffer the burden of full payment at the beginning.

Q2: Do you think an instalment policy is a good idea?

Q3: Do you have any comments on the number or phasing of instalments it should include?

Relief for exceptional circumstances

This optional relief would allow developments with the most complex problems or costs to avoid paying the CIL charge, subject to independent financial assessment and at the discretion of the Authority.

Q4: Do you think allowing CIL to be avoided in the most exceptional circumstances is a good idea?

Land- and Infrastructure-in-kind

This policy would allow developers to give the Authority land or infrastructure to an equivalent value of some or all of the CIL charge instead of paying all financially. This could be preferable to the Authority in areas where land is limited and community needs can be met more effectively through this approach.

Q5: Do you think a payment-in-kind policy is a good idea?

Relief for charitable investment activities

This policy would allow charities to build developments with a greater part being used as an investment for the financial benefit of the charity rather than for its direct use. This is separate from development by charities for their direct use which is already exempt from CIL charges.

Q6: Do you think relief for charitable investment activities is a good idea?

Relief for low-cost market housing

This policy would allow developers to avoid paying the CIL charge when they build market housing for sale at no more than 80% of market value. This is separate from affordable housing development which is already exempt from CIL charges.

Q7: Do you think relief for low-cost market housing is a good idea?

Consultation process

The consultation period for this Preliminary Draft Charging Schedule will run from February to April 2014. Comments are invited from all stakeholders, individuals and groups in this open consultation about anything in the above document and any other issues you wish to raise.

Comments are invited using the following contact details:

Website:

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Email:

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Phone:

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Accessibility

All documents related to this consultation are available on the Authority's website (www.southdowns.gov.uk/cil). Printed copies, a large-print version and other formats can be requested using any of the contact details above or viewed at the Authority offices in Midhurst.

Next steps

The Authority will publish summary of responses to this consultation in May 2014. Any comments will be taken into account before an amended CIL is published for the second consultation stage (Draft Charging Schedule) in late 2014.

An independent examiner must approve the Draft Charging Schedule before the Authority can adopt a final Charging Schedule and implement the CIL charges. The CIL will be applied to all liable planning permissions from the date of adoption in May 2015. The CIL rates will be reviewed periodically thereafter.