

CITY OF LONDON

COMMUNITY INFRASTRUCTURE LEVY

CHARGING SCHEDULE

MAY 2014



PROPOSED CITY OF LONDON DRAFT COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE

The Charging Authority

The City of London Corporation is a charging authority for the Community Infrastructure Levy for the purposes of Part 11 of the Planning Act 2008 (as amended).

Schedule of Rates

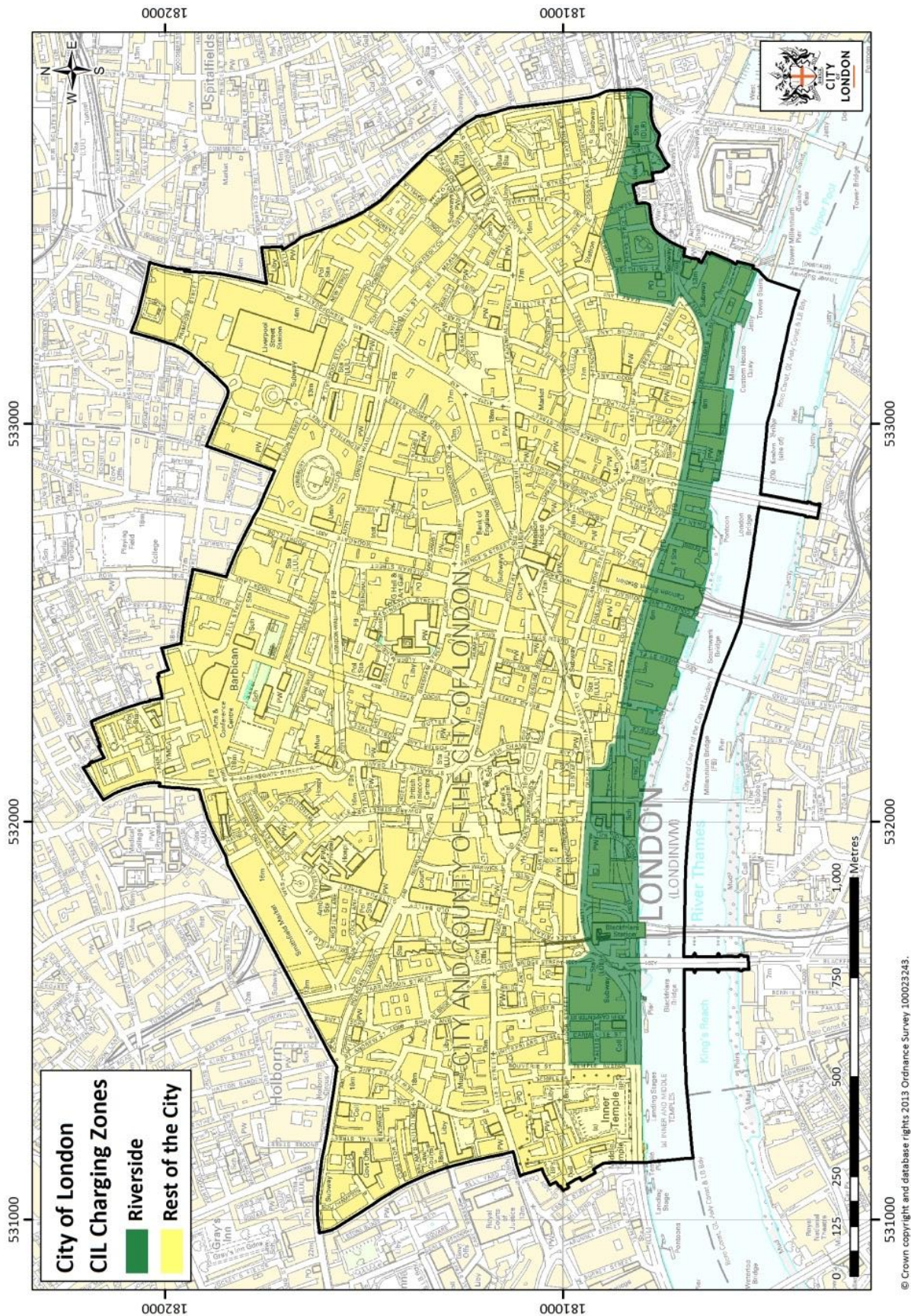
The City of London proposes to charge CIL in respect of development in the City of London at the following rates (expressed as pounds per square metre net additional floorspace, gross internal area):

Table 1: City of London CIL Charging Zones and Rates

Land Use	Zone	CIL Rate (£ per m²)
Offices	City-wide	£75
Residential	Riverside	£150
Residential	Rest of City	£95
Development used wholly or mainly for the provision of medical or health services, except the use of premises attached to the residence of the consultant or practitioner	City-wide	Nil
Development used wholly or mainly for the provision of education as a school or college under the Education Acts or as an institution of higher education	City-wide	Nil
Development used wholly or mainly for the operational purposes of the emergency services	City-wide	Nil
All other uses	City-wide	£75

Relevant zones are shown on the CIL Charging Zones Map.

Figure 1: CIL Charging Zones



Calculation of the CIL Charge

The amount to be charged for each development will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations 2010 (as amended). For the purposes of the formulae in paragraphs (5) and (6) of Regulation 40 (~~set out in Annex 4~~), the relevant rate (R) is the rate for each charging zone shown in Table 1.

As set out in Part 5 of the Community Infrastructure Levy Regulations 2010 (as amended), the above CIL rates shall be tied to the Royal Institution of Chartered Surveyors “All In Tender Price Index”; the rate of CIL charged will therefore alter depending on the year planning permission for the chargeable development is first granted.

Scope of CIL

CIL will be chargeable on the net additional floorspace (gross internal area) of all new development apart from those exempt under Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended). Those exempt from the charge are as follows:

- developments where the gross internal area of new build on the relevant land will be less than 100 square metres (does not apply where development will comprise one or more dwellings);
- buildings into which people do not normally go, or go into only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
- residential annexes or residential extensions;
- self-build housing or self-build communal development;
- buildings owned by charities and used wholly or mainly for a charitable purpose*;
- those parts of a development used for social housing*.

*Applications for charitable or social housing relief must be submitted to the City Corporation in accordance with Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended).

Discretionary Relief

Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended) provides for discretionary relief from CIL for exceptional circumstances. The ~~proposed~~ CIL rates in this Charging Schedule have been informed by a detailed viability study, which has demonstrated that a combination of the CIL, scaled back s106 planning obligations and reasonable site specific mitigation should not have an adverse impact on the general viability of development across the City. Where issues of viability arise and are supported by a verified viability appraisal, the City Corporation will consider the potential for reductions in both City and Mayoral s106 planning obligations. The City Corporation does not therefore propose to offer any other discretionary or exceptional relief from CIL. If there is a more general issue

over viability then that will be addressed through monitoring and review of the CIL rates.

Payment Instalments

In line with Regulation 70 of the Community Infrastructure Levy Regulations 2010 (as amended), payment of the City and Mayoral CIL should be made in accordance with the following categories:

- Where the payable amount of CIL is £500,000 or less, the whole amount shall be paid in a single instalment not more than 60 days after commencement of the development.
- Where the payable amount is more than £500,000, developers have the option to pay two instalments:
 - 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.

Mayoral CIL

In accordance with Regulation 10 of the Community Infrastructure Levy Regulations 2010 (as amended), the City Corporation is a collecting authority for the Mayoral CIL. This is currently set at a level of £50 per square metre and will be levied in addition to the proposed City of London CIL rates.

Statutory Compliance

This Charging Schedule has been issued, approved and published in accordance with the Community Infrastructure Levy Regulations 2010 (as amended) and Part 11 of the Planning Act 2008.

This Schedule was approved by the Court of Common Council of the Mayor and Commonalty and Citizens of the City of London on 1st May 2014

This Schedule takes effect on 1st July 2014

Annex 1

Extract from the Community Infrastructure Levy Regulations 2010 (as amended)

Calculation of chargeable amount

40.—(1) The collecting authority must calculate the amount of CIL payable (“chargeable amount”) in respect of a chargeable development in accordance with this regulation.

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

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

(4) 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 will be situated.

(5) 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;

I_P = the index figure for the year in which planning permission was granted; and

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

(6) The value of A in paragraph (5) 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 development chargeable at rate R;

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; and

K_R = an amount equal to the aggregate of the gross internal area of all buildings (excluding any new build) 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 use;

(b) will be part of the chargeable development upon completion; and

(c) will be chargeable at rate R.

(7) The index referred to in paragraph (5) is the national All in Tender Price Index published from time to time by the Building Cost Information Service of the Royal Institution of Chartered

Surveyors; and the figure for a given year is the figure for 1st November of the preceding year.

~~(8) But in the event that the All-in Tender Price Index ceases to be published, the index referred to in paragraph (5) is the retail prices index; and the figure for a given year is the figure for November of the preceding year.~~

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

~~(a) the gross internal area of a building situated on the relevant land; or~~

~~(b) whether a building situated on the relevant land is in lawful use,~~
~~the collecting authority may deem the gross internal area of the building to be zero.~~

~~(10) For the purposes of this regulation 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.~~

~~(11) In this regulation “building” does not include—~~

~~(a) a building into which people do not normally go;~~

~~(b) a building into which people go only intermittently for the purpose of maintaining or inspecting machinery; or~~

~~(c) a building for which planning permission was granted for a limited period.~~

~~(12) In this regulation “new build” means that part of the chargeable development which will comprise new buildings and enlargements to existing buildings.~~