

**Community Infrastructure Levy
Draft Charging Schedule
Brighton & Hove City Council**

March 2018



Views over the City of Brighton & Hove

Contents

Consultation Procedures	3
Relevant Legislation Context	4
The Charging Authority and Charging Area	5
CIL Overview	5
Advantages of CIL	5
Parish and Neighbourhood Fund	6
The Evidence Base	6
CIL Viability Study	7
Infrastructure Provision under CIL	7
Local Development Plan	7
How the chargeable amount will be calculated	7
Proposed Charging Schedule	8
Section 106 Planning Obligations	9
Next Steps	10
Instalment Policy and when CIL is payable	10
Payment in Kind Policy	10
CIL Income Estimates and Use	11
CIL and Existing Planning Permissions	11
Monitoring and Review	11
Appendix One	
CIL - Draft Charging Schedule map 2018	13
DCS map 2018 - Detail No. 1: City West	14
DCS map 2018 - Detail No. 2: City East	15

Consultation Procedures

Community Infrastructure Levy Draft Charging Schedule

Brighton & Hove City Council intends to submit a Community Infrastructure Levy (CIL) Draft Charging Schedule for public examination, under section 212 of the Planning Act 2008 (as amended by the Localism Act 2011) and the Community Infrastructure Levy Regulations 2010 (as amended).

This Draft Charging Schedule (DCS) is issued as the second, formal stage in the preparation of a CIL Charging Schedule in accordance with regulation 16 of the Community Infrastructure Levy Regulations 2010 (as amended). The charging area covers the administrative area of Brighton and Hove City Council excluding the South Downs National Park area.

Representations are invited on the Draft Charging Schedule during a six week consultation period starting xxxx and ending xxxxx.

Anonymous comments or comments received outside these dates and times will not be accepted.

Comments on the Draft Charging Schedule can be made on our consultation portal:

Xxxxx (Preferred).

Alternatively, the document and official response forms can be downloaded from the

Council's website: xxxx Completed forms should be emailed to:

planning.policy@brighton-hove.gov.uk

During the consultation period a copy of the Draft Charging Schedule, the relevant evidence and a statement of the representations procedure will be made available for inspection at the Brighton & Hove City Council's two Customer Service Centres:

Brighton Customer Service Centre, Bartholomew House, Bartholomew Square, Brighton, BN1 1JE

Hove Customer Service Centre, Hove Town Hall, Norton Road, BN3 3BQ

**Written responses should be sent to the following Postal address:
Policy, Projects and Heritage Team; Hove Town Hall, Norton Road BN3
3BQ**

Responses can be made through the consultation portal, via email or via the post:

Completed forms should be emailed to: planning.policy@brighton-hove.gov.uk

Representations (including those taking the form of objections) should specify the matters to which they relate. Objections should also specify the change sought, including evidence to support your view. Representations received during the consultation period will be considered and, if required, alterations will be made to the DCS, which would be published through a Statement of Modifications. The Draft Charging Schedule will then be submitted for public examination.

Regulation 16 identifies that persons making representations may (1) request the right to be heard by the CIL examiner and (2) request to be notified, at a specific address, of any of the following:

- That the draft charging schedule has been submitted to the examiner in accordance with section 212 of PA 2008,
- The publication of the recommendations of the examiner and the reason for those recommendations,
- The approval of the charging schedule by the charging authority.

Regulation 17 allows any person to make representations about the Draft Charging Schedule within the consultation period to the address specified above. A person who has made representations about the Draft Charging Schedule may withdraw those representations at any time by giving notice in writing to the charging authority.

This section reflects information set out in the Brighton & Hove City Council Statement of Representations Procedure published alongside this DCS.

Relevant Legislation Context

This Draft Charging Schedule (DCS) is issued as the second, formal stage in the preparation of a CIL Charging Schedule in accordance with Part 11 of the Planning Act 2008 (as amended by Part 6 of the Localism Act 2011) and the Community Infrastructure Levy Regulations 2010 (as amended by the

Community Infrastructure Levy Amendment Regulations of 2011, 2012, 2013, 2014, 2015 and 2018). All Regulations referred to within this DCS refer to those contained within these Community Infrastructure Levy Regulations 2010 (as amended) unless otherwise stated. Relevant matters within National Planning Policy Guidance and the National Planning Policy Framework 2012 have been reviewed in the drafting and content of this DCS.

The Planning Act 2008, the Localism Act 2011 and the Community Infrastructure Levy Regulations can be accessed via the following website:

[Legislation.gov.uk](http://legislation.gov.uk)

National planning practice guidance can be accessed via the following website:

[PPG Website](#)

National Planning Policy Framework 2012 can be accessed via the following website:

[NPPF Website](#)

The Charging Authority and Charging Area

The Charging Authority and Collecting Authority is Brighton & Hove City Council.

The charging area covers the administrative area of Brighton and Hove City Council excluding the South Downs National Park area. The National Park Authority is the charging authority for its own CIL Charging Schedule implemented on 1st April 2017.



Easterly views towards Marine Parade, Brighton

The Community Infrastructure Levy (CIL)

CIL Overview

CIL allows local authorities to raise funds from development for the provision of infrastructure in and around their areas. A CIL charge is non-negotiable; however there are exemptions for some types of development such as Affordable Housing.

Once adopted, the CIL Charging Schedule will set out a standard rate (£ per sq. m) based on new Gross Internal Area (GIA) that will be payable by landowners or developers for specific development types within geographical locations as set out in the Charging Schedule. The money collected through CIL will be authorised by the Council to help pay for a range of infrastructure that will support growth and development within the city.

Advantages of CIL

The Government's CIL regulations and guidance outlines a range of key advantages over the current system of Section 106 Agreements including that:

- It will be less time consuming, reduce the levels of negotiation with applicants and help speed up the planning system;
- It is a non-negotiable charge which is transparent and predictable, meaning that applicants will know their CIL liability prior to submitting a planning application;
- CIL provides a fairer system in that it relates contributions to the size of liable developments in respect of net new floor space provided by a development, and new residential dwellings;
- CIL collects contributions from a wider range of developments than under section 106, providing additional funding to allow local authorities to carry out a range of infrastructure projects that not only support growth but benefit the local community;
- Pooling restrictions from April 2015 allow a maximum of five S106 contributions towards an infrastructure project or a type of infrastructure; so limiting funds from S106 contributions to bring forward strategic infrastructure necessary to support new development. CIL allows a predictable, longer-term funding stream giving strategic infrastructure delivery more certainty.

Parish and Neighbourhood Fund

CIL regulations require that at least 15% of levy receipts are to be spent on priorities that should be agreed with the local community in areas where

development is taking place. Under CIL Regulations, 15% of CIL receipts are passed directly to Parish Councils where development has taken place. This is capped at a maximum of £100 per existing council tax dwelling. Communities with a 'made' neighbourhood plan will benefit from 25% of the levy revenues arising from the development that takes place in their area (this is uncapped). Areas without a Parish Council or neighbourhood plan will still benefit from the 15% neighbourhood portion. In these instances, the charging authority retains the levy receipts but should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding. Neighbourhood forums will have an influence over how funds are spent in their area.

The Evidence Base

When establishing a CIL Charging Schedule and CIL rates, a local authority must show that there's need for infrastructure funding to support its Local Development Plan. The local authority also has to demonstrate available sources of infrastructure funding are insufficient to meet all infrastructure needs over the life span of the local plan, and therefore a funding gap exists.

Therefore, a CIL charging schedule must be informed by available evidence, which includes:

- A bespoke viability assessment to test the likely impact of CIL rates on the viability of developments envisaged by the Local Development Plan;
- An infrastructure delivery plan to demonstrate broad needs and a funding gap; and
- The Local Development Plan

The above documents are briefly set out below. They can also be accessed via the council's [Developer Contributions](#) webpage.

CIL Viability Study towards a Charging Schedule

Under Regulation 14 (as amended) the Council is required to ‘strike an appropriate balance between’ the desirability of funding infrastructure from the levy and ‘the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area’.

A bespoke CIL Viability Study has been carried out for the purposes of exploring a CIL Charging Schedule for Brighton & Hove City Council by Dixon Searle Partnership between the dates Jan – August 2017 and was consulted upon alongside the PDCS. To address representations made through the consultation, a Viability Study Addendum (February 2018) has been produced. The Viability Study and its Addendum is considered to be an appropriate evidence base to underpin the rates and geographical areas within this DCS.

Infrastructure Provision under CIL

The June 2017 Infrastructure Delivery Plan (IDP) update is the first update of the IDP which was tested as part of the process to adopt City Plan Part One. This IDP update was agreed by the Tourism Development and Culture committee, and identifies in its summary that it is ‘also an evolving part of the evidence base for an emerging Community Infrastructure Levy (CIL) Charging Schedule and Regulation 123 list’. It is considered to be appropriate evidence to inform the preparation of this Draft Charging Schedule. The list evidences a funding gap in the provision of infrastructure and justifies the collection of CIL.

A draft Regulation 123 list has been prepared by the council to support the CIL Draft Charging Schedule and proposes Infrastructure Types or Projects suitable for CIL funding.

Local Development Plan

The Local Development Plan for Brighton and Hove consists of the Brighton & Hove City Plan Part One 2016, retained policies of the Brighton & Hove Local Plan 2005, the East Sussex, South Downs and Brighton and Hove Waste & Minerals Plan (adopted 2013) and the East Sussex, South Downs and Brighton and Hove Waste & Minerals Sites Plan (adopted 2017).

How The Chargeable amount will be calculated

The Council will calculate the ‘chargeable amount’ of CIL using the formal calculation methodology as set out in Regulation 40 of the CIL Regulations 2010 (as amended). The key theme of calculating a CIL charge is that CIL will be charged on the net additional internal floor area of development, once

exempted development types and other eligibility considerations as set out in the CIL Regulations (as amended) have been taken into account.

The Council will use the Royal Institution of Chartered Surveyors (RICS) Code of Measuring Practice 6th edition definition of Gross Internal Area to calculate chargeable floor space. The CIL rates will be index linked to the 'All-In Tender Price Index' of construction costs published by the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors. This index of inflation will keep the levy responsive to market conditions. The council will apply the most recent BCIS finalised figure published before the previous 1 November.

Proposed Charging Schedule

The proposed CIL charging rates below are within the scope of the Viability Assessment's updated guide parameters and findings; and it is considered that these rates will not impede the delivery of the overall Brighton and Hove Local Development Plan.

Table 1

Use	Location	Levy (£/sq. m)
Residential - applies to C3 and C2 use classes	Zone 1	175
	Zone 2	150
	Zone 3	75
Zone areas are shown on Map in Appendix 1		
Strategic Sites rate	Brighton Marina Inner Harbour; King Alfred Leisure Centre/RNR site	0
Purpose Built Student Housing	City Wide	175
Retail – Larger format – Retail warehousing / Supermarkets	City Wide	100
Other shopping units development	City Wide	50
All other development uses	City Wide	0

Notes: Retail – Larger format:

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 for mainly car-borne customers.

Superstores/supermarkets are 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 - Other shopping units development: includes city centre comparison retail

Section 106 Planning Obligations

Once the CIL charging schedule is adopted, developers or land owners will still be expected to provide site-specific infrastructure which is:

- necessary to make the development acceptable in planning terms
- directly related to the development
- fairly and reasonably related in scale and kind to the development

through a section 106 (s106) obligation under CIL Regulation 122 (as amended). No item on a Regulation 123 infrastructure list will be eligible for s106 contributions to avoid 'double dipping'. In order to provide clarity about the extent of the financial burden that development will be expected to bear so that viability can be robustly assessed, the list below demonstrates which current areas of s106 contributions are proposed to be scaled back and which obligations are to remain secured via s106 obligations:

Current areas of s106 contributions proposed to be scaled back on introduction of CIL:

- Off-site Recreation space contributions;
- Off-site Education provision contributions;
- Off-site Sustainable Transport contributions.

Current areas of s106 contributions proposed to remain secured via s106 on introduction of CIL for on-site provision include:

- Affordable Housing - on site provision or commuted sum in lieu;
- On-site recreation/sports facilities and/or space provision;
- On-site schools/education land and/or building provision;
- Development related transport access and highways works provision under s278 and/ or s38 of the Highways Act 1980;
- On-site Local Employment training/job opportunities provision with supporting financial contribution;
- On-site public realm provision including artistic element;
- Development related flood defenses and coastal engineering;
- Development related water supply & utilities provision, & wastewater drainage;
- Zero rated (£0 per sq. m) developments where site specific mitigation measures may be required;
- On-site health care facilities, emergency services facilities and other community buildings;
- Development related nature conservation and ecological measures.

The methodologies used to calculate the remaining s106 contribution areas are proposed to continue as set out in the updated Developer Contribution Technical Guidance (March 2017).

For further information on current areas of s106 contributions which are set out in the March 2017 Developer Contribution Technical Guidance, please go to our [Developer Contributions webpage](#) . A more detailed framework of Infrastructure Type or Project has been prepared by the council for consultation alongside the published CIL Draft Charging Schedule.

Next Steps

Indicative Timetable for development & adoption of a CIL Charging Schedule

Date	Key Stage
Oct 2017-Dec 2017	Preliminary Draft Charging Schedule published for eight week consultation following Committee resolution
March -May 2018	Following committee resolution, publish for six week consultation: <ul style="list-style-type: none"> • Draft Charging Schedule (revised following PDCS consultation) • Statement of representations procedure • Draft Regulation 123 list
June 2018	Submission of documents and relevant evidence to the examiner
Oct/ Nov 2018	Publication of the examiner's recommendations
Spring 2019	Adopt CIL Charging Schedule following a resolution of Full Council

Instalment Policy and when CIL is Payable

In accordance with Regulation 69B of the CIL Regulations (as amended), a charging authority can set its own policy allowing liabilities to be paid by instalments. To implement this, the Council would publish an instalment policy on its website. Such a policy would not be part of the charging schedule and could be changed independently of it.

The council intends to consider the appropriateness of introducing an installment policy.

Payment in Kind Policy

In accordance with Regulations 73, 73A, 73B and 74 of the CIL Regulations (as amended), charging authorities have the discretion to accept payment in kind to allow land or infrastructure payments for the whole or part of the CIL due in respect of a chargeable development. To implement this, the Council would publish a policy on its website in accordance with the notification requirements. Such a policy would not be part of the charging schedule and could be changed independently of it.

The council intends to consider the appropriateness of introducing a payment in kind policy.

CIL Income Estimates and Use

This is an estimated, indicative income for residential development, based on the projected growth and approximate timing of delivery outlined by the Local Development Plan, along with the residential CIL rates and zones proposed by the DCS. The methodology and assumptions for this income estimate are set out in Appendix Two.

It is currently estimated for the purposes of this DCS that in the region of £2 million per annum could be generated from CIL income over the plan period to 2030. This is based on housing (including an affordable housing discount), retail and student housing delivery (excluding strategic sites) as identified within policy CP1 of City Plan Part One over the plan period to 2030.

The amount available to the Council to fund strategic infrastructure will however, be reduced due to the need to net off an administration cost of up to 5%, and allocate neighbourhood funds under the criteria specified above.

Revenues from CIL are therefore not expected to bridge the long term funding gap demonstrated through the IDP.

CIL and Existing Planning Permissions

Developments which receive planning consent and have concluded section 106 agreements prior to the commencement date of a CIL Charging Schedule, will not be liable to CIL.

Where a planning permission granted before a levy charge came into force is then subject to amendment under s73 (minor material amendment) of the Planning Act 1990 (as amended) after the commencement date of a CIL charging schedule, then only any additional liability it introduces will be subject to CIL.

Reporting, Monitoring and Review

So as to ensure an appropriate CIL rate that allows for changing market and other influences on development viability and deliverability, the Council will put in place an appropriate monitoring and review framework that consists of:

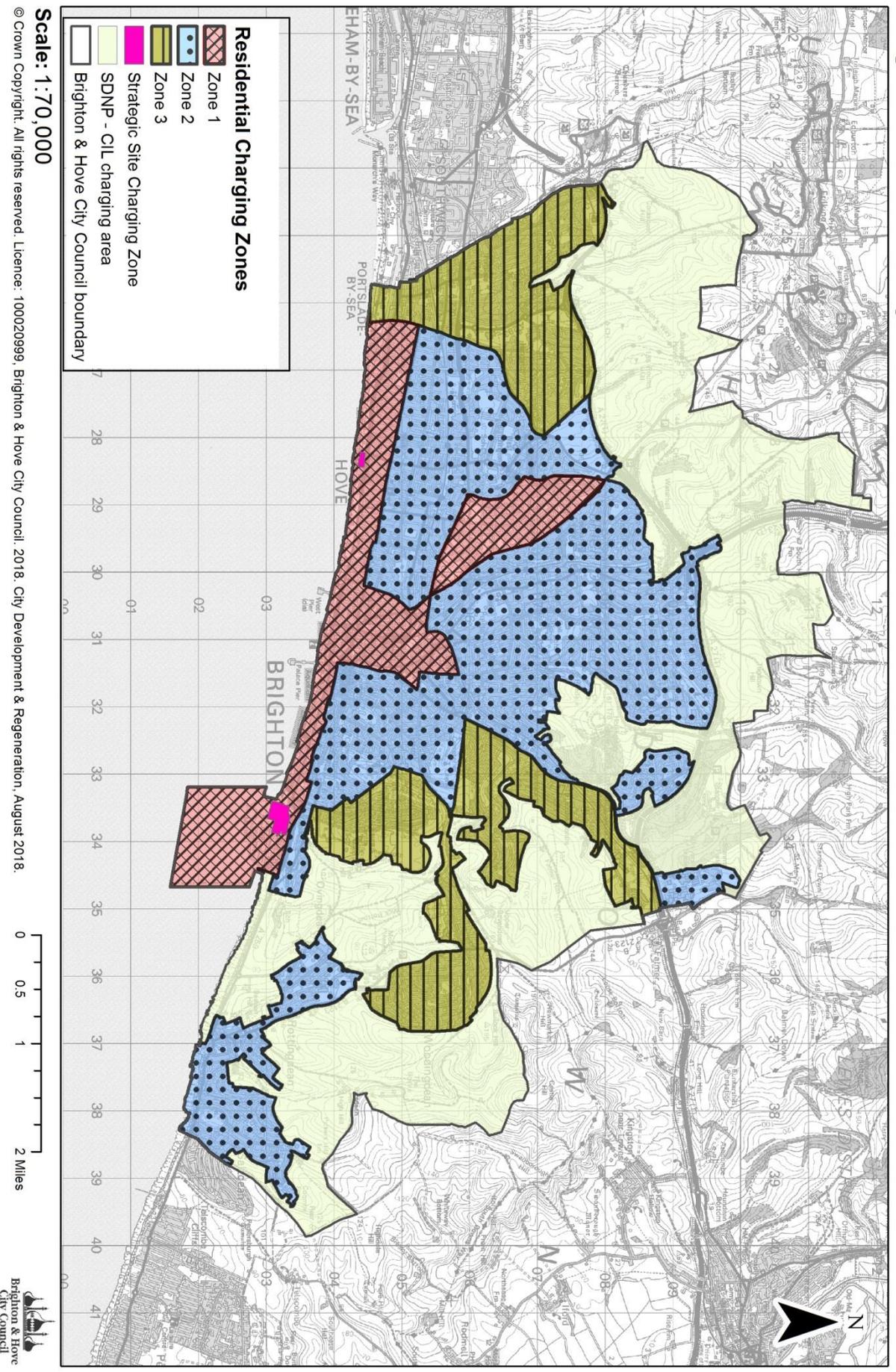
- Reporting of the level and progress of development in the City in the Council's Authority Monitoring Report (AMR)
- Preparation of a report for any financial year in which CIL is collected to comply with the CIL regulations 2010 (as amended)
- A continuation of existing s106 monitoring systems.

It is also anticipated that the CIL charging schedule and its rates will be reviewed within a 3 to 5 year time period, from its adoption date, or at an earlier date if changing market conditions support this.



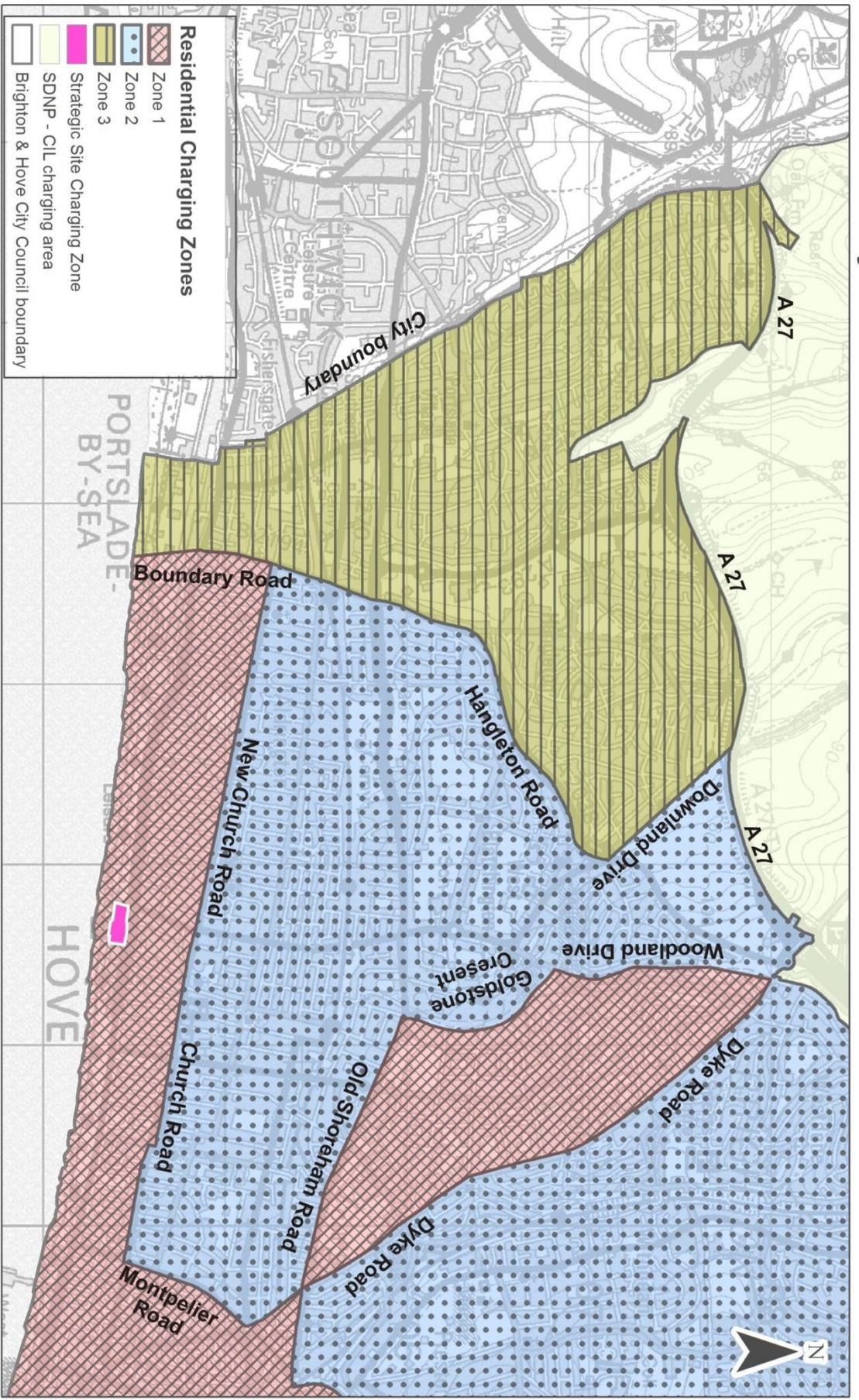
Hove Railway Station, looking west

Appendix 1 Community Infrastructure Levy - Draft Charging Schedule map 2018 Brighton & Hove City Council



Appendix 1 Community Infrastructure Levy - Draft Charging Schedule map 2018

Detail: No.1 : City West



© Crown Copyright. All rights reserved. Licence: 100020999, Brighton & Hove City Council, 2018. City Development & Regeneration, August 2018.



Appendix 1 Community Infrastructure Levy - Draft Charging Schedule map 2018

Detail: No.2 : City East

