

London Borough of Southwark
Preliminary Draft Community Infrastructure Levy
Charging Schedule (July 2012)

No.	Title
Appendix A	Community infrastructure levy (CIL) preliminary draft charging schedule (available with the report)
Appendix B	Infrastructure Plan (available with the report)
Appendix C	Equalities Analysis (available on the website)
Appendix D	Consultation Plan (available on the website)

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**Planning Act 2008
Community Infrastructure Levy Regulations 2010**

**London Borough of Southwark
Preliminary Draft Community Infrastructure Levy
Charging Schedule (July 2012)**

The London Borough of Southwark is a charging authority for the purposes of Part 11 of the Planning Act 2008 and may therefore charge the Community Infrastructure Levy in respect of development in the London Borough of Southwark.

CIL will be applied to the chargeable floor space of all new development apart from that exempt under Part 2 and Part 6 of the Community Infrastructure Levy Regulations (as amended by the CIL Regulations 2011 and 2012).

The rate at which CIL will be charged shall be:

Use	Zone *	Size	CIL Rate £ per sq.m.
Office and light industrial (B1)	Zone 1	N/A	£100
	Zones 2-4	N/A	£0
Hotel (C1)	Zone 1	N/A	£250
	Zones 2-4	N/A	£125
Residential (C3) and student housing	Zones 1-2	N/A	£400
	Zone 3	N/A	£250
	Zone 4	N/A	£50
Retail (A1-A5)	Zones 1-4	Up to 279m ²	£0
	Zones 1-4	280m ² - 2499m ²	£125
	Zones 1-4	2500m ² +	£250
Affordable Retail (A1-A5) as defined in Southwark's development plan or SPDs	Zones 1-4	N/A	£0
Industrial and warehousing (B2, B8)	Zones 1-4	N/A	£0
Sports and leisure centres made available to the public at equivalent rates to local authority sports and leisure centres	Zones 1-4	N/A	£0
Public libraries	Zones 1-4	N/A	£0
Development used wholly or mainly for the provision of any	Zones 1-4	N/A	£0

medical or health services by a predominantly publically funded organisation, except the use of premises attached to the residence of the consultant or practitioner			
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 by a predominantly publically funded organisation	Zones 1-4	N/A	£0
All other uses	Zones 1-4	N/A	£50

*These zones are shown in the CIL Zones Map 2012 shown in Annex 2.

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 2011 and 2012). For the purposes of the formulae in paragraph 5 of Regulation 40 (set out in Annex 1), the relevant rate (R) is the Rate for each charging zone shown in Table 1 above.

CIL will be applied on the chargeable floor space of all new development apart from that exempt under Part 2 and Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended 2011 and 2012). The exemptions from the CIL rates are:

- The gross internal area of a new buildings or extensions to buildings will be less than 100 square metres (other than where the development will comprise one or more dwelling);
- A building into which people do not normally go;
- A building into which people go only intermittently for the purpose of maintaining or inspecting machinery; or
- A building for which planning permission was granted for a limited period;
- Development by charities of their own land to be used wholly or mainly for their charitable purposes;
- Social Housing.

As per Regulation 14 of the Community Infrastructure Levy Regulations 2010 (as amended 2011 and 2012), the Council is designated the collecting authority for the Mayor of London in Southwark. This requires a current charge of £ 35 per square metre to be levied in addition to the amounts specified above.

Statement of Statutory Compliance

The Charging Schedule has been approved and published in accordance with the Community Infrastructure Levy Regulations 2010 (as amended 2011 and 2012) and Part 11 of the Planning Act 2008 as amended.

In setting the levy rates, the Council has struck an appropriate balance between;

- a) the desirability of funding from CIL in whole or in part the estimated cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding, and
- b) the potential effects, taken as a whole, of the imposition of CIL on the economic viability of development across its area.

This Charging Schedule was approved by the Council on (date to be inserted following examination)

This Charging Schedule will come into effect on (date to be inserted following the examination and approval)

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Annex 1

To the Preliminary Draft Community Infrastructure Levy Charging Schedule

Extract from the Community Infrastructure Levy Regulations 2010

(NB: this Annex is formally part of the Preliminary Draft Community Infrastructure Levy Charging Schedule)

Calculation of chargeable amount

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(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—

$$\frac{R \times A \times IP}{Ic}$$

where—

A = the deemed net area chargeable at rate R;

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

IC = 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—

$$\frac{CR \times (C - E)}{C}$$

where—

CR = the gross internal area of the part of the chargeable development chargeable at rate R;

C = the gross internal area of the chargeable development; and

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.

(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(a); 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.

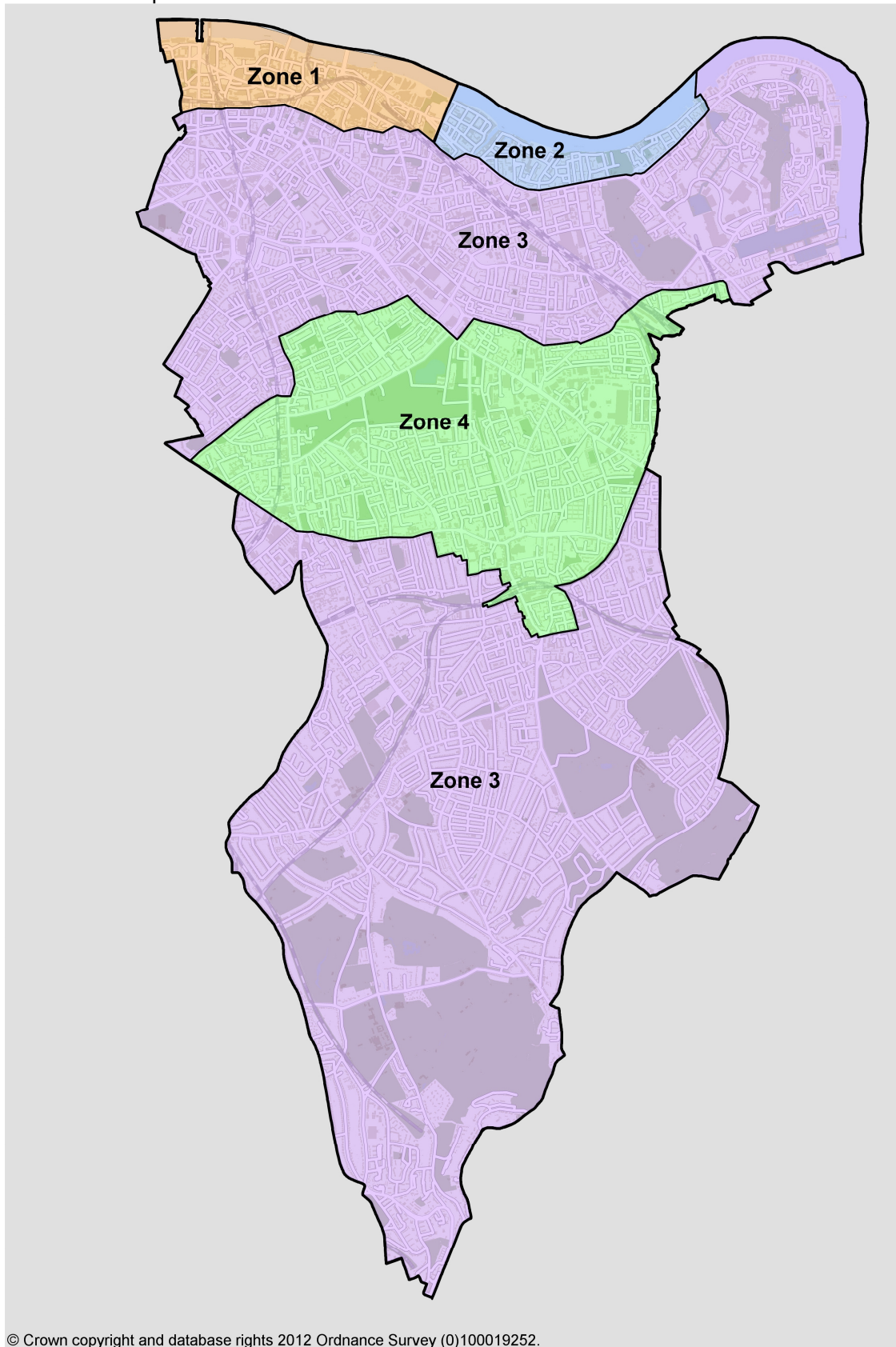
(11) In this regulation “building” does not include—

- (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.

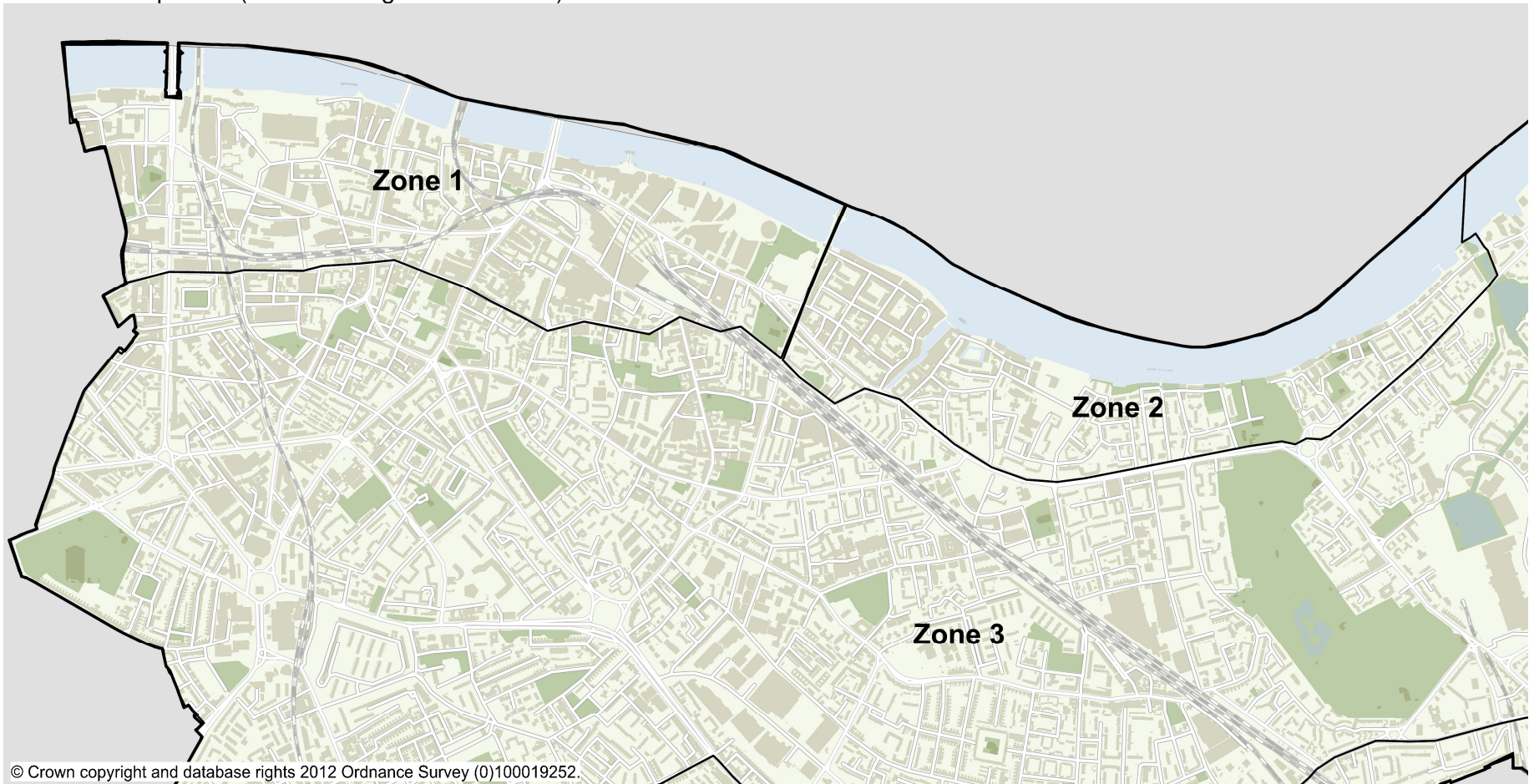
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ANNEX 2

CIL Zones Map 2012



CIL Zones Map 2012 (inset showing zones 1 and 2)



CIL Zones Map 2012 (inset showing zone 4)

