

TEIGNBRIDGE DISTRICT COUNCIL
COMMUNITY INFRASTRUCTURE LEVY
SUPPORTING POLICIES
JULY 2014
(UPDATED SEPTEMBER 2019)

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Introduction

1. This document provides the Community Infrastructure Levy (CIL) policies relating to the operation of the CIL which have been left to the discretion of the Charging Authority, which in this case is Teignbridge District Council.
2. The CIL Charging Schedule was examined in February 2014 and found sound in the Examiners' report, published in April 2014.
3. Teignbridge District Council is the CIL collecting authority in respect of the area in which it grants planning permission. This therefore includes all of Teignbridge except the area within the Dartmoor National Park.
4. FAQs, forms and other supporting information can be found on the Teignbridge website and from the planning portal website;
 - o www.teignbridge.gov.uk/cil
 - o www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil
5. The charging of CIL is based on regulations which came into force in April 2010 and since amended. This also began a transitional period with changes to the application of Section 106 of the Town and Country Planning Act 1990 in which obligations in respect of delivering infrastructure have been sought.

6. The rate at which CIL is levied must be based on the economic viability of development, taking into consideration the cost of development including the costs imposed by planning requirements, affordable housing requirements, build costs, interest rates, and local house prices. CIL must be charged at a level that most development can bear.
7. The CIL raised by Teignbridge will be spent within communities on improving and providing new infrastructure services, including roads, education, employment sites, community and sports facilities, health facilities, cycle paths and public transport.
8. The CIL Charging Schedule viability has been examined in consideration of ongoing obligations for affordable housing, on site works and biodiversity which will still be agreed under section 106 of the Town and Country Planning Act 1990 in line with Regulation 122 of the CIL Regulations 2010.

The Definition of Development

9. The following development types *may* be liable for CIL -
 - new buildings comprising 100m² or more of new build floorspace;
 - any new development that results in the creation of one or more dwellings; or
 - the conversion or change of use of redundant buildings¹.
10. For the purposes of applying the CIL, the definition of “building” does not include:
 - 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.
11. Where buildings are demolished to make way for new buildings (such as replacement dwellings), the charge is based on the net increase in floorspace (ie; new floorspace minus the floorspace of the demolished buildings).
12. The floorspace resulting from changes of use will not be charged where the building has been in continuous (lawful) use for at least six months of the three years prior to permission.

Relief and Exemptions

13. CIL on dwellings is only payable on open market dwellings. Dwellings which meet the definition² of social housing will not be required to pay CIL. This is

¹ See Regulation 40(10) (Calculation of chargeable amount) of CIL Regulations 2010 (as amended) for the definition.

² See Regulation 49 (Social Housing relief) of CIL Regulations 2010 (as amended) for the definition.

available through regulator relief; however the Teignbridge £0 rate for affordable dwellings should obviate the need for filing relief claims.

14. In accordance with CIL Regulations 54A to 54D, self / custom build dwellings and residential annexes and extensions will qualify for relief from paying CIL where:
 - CIL Liability has been assumed by the applicant prior to commencement
 - The dwelling/extension are for the applicants sole or main residence
 - The applicant occupies the dwelling for three years following completion, and
 - Appropriate forms and evidence are provided.
15. Sale or letting of the self / custom build property or annex above within a period of three years from completion will result in a withdrawal of exemption and requirement to pay the CIL outstanding.
16. For minor development (excluding new residential dwellings), CIL is not liable if the gross internal area of new build will be less than 100 sq m.
17. Where a charitable institution owns land, it may be exempt from CIL, providing the development will be used entirely or mainly for charitable purposes. Investments into land or buildings made by or on behalf of charities, where that land or buildings shall not be used entirely or mainly for charitable purposes would not be eligible for CIL relief.

Instalment Policy

18. Teignbridge District Council considers it appropriate that the payment of CIL should be allowed in instalments. This will allow payments to be spread over longer periods and is proposed in order to assist all developers in managing their cash flow.
19. The Instalment Policy will take effect on 13 October 2014.
20. Instalment payments shall comprise 25% of the total chargeable CIL payable at the following times:

Proportion of CIL payable per instalment & payment time period
Instalment (1) – 25% of the total chargeable amount to be paid within 6 calendar months from commencement date
Instalment (2) – 25% of the total chargeable amount to be paid within 12 calendar months from commencement date
Instalment (3) – 25% of the total chargeable amount to be paid within 18 calendar months from commencement date
Instalment (4) – 25% of the total chargeable amount to be paid within 24 calendar months from commencement date

21. In accordance with Regulation 70 (Payment Periods) of the CIL Regulations 2011, a chargeable development may only benefit from the instalment policy where;
 - a. a person has written to the Council to assume liability to pay CIL in respect of the chargeable development, and;
 - b. the Council has received a timely commencement notice and has not been required to determine a deemed commencement date.
22. If the above requirements are not satisfied, the total CIL liability will become payable within 60 days of the commencement of the chargeable development.
23. The Council also has the right to apply surcharges if the CIL Assumption of Liability Form or the CIL Commencement Notice is not submitted to the Council prior to the commencement of the chargeable development.
24. Once the development has commenced, all CIL payments must be made in accordance with the CIL Instalment Policy. Where a payment is not received in full on or before the day on which it is due, the total CIL liability becomes payable in full immediately (Regulation 70(8)(a)).
25. Liable persons may pay the liability in full at any time before instalments are due. The instalment policy applies to cash payments. Where the council has agreed to consider land, buildings or infrastructure to be provided in lieu of cash payments payment schedules will form part of the legal agreement between the Local Planning Authority and the applicant. The date on which any instalment policy takes effect will be published prior to adoption of the CIL.

Payments In Kind and Infrastructure Payments

26. As specified in CIL Regulations where appropriate Teignbridge may agree to accept land, buildings as all or part of the payment of the CIL owed.
27. As specified in Regulation 73 an agreement to accept land and buildings as payment in kind would be where the value of CIL paid would be equal to the agreed value of the land and buildings acquired in kind (as determined by an independent person). Other key aspects of regulation 73 to highlight include:
 - the amount of CIL payable for a development must be greater than £50,000 [73(6)(a)],
 - the person from whom land is acquired has assumed liability to pay CIL [73(6)(c)], and
 - an agreement to make land payment must be entered into before the development is commenced [73(6)(d)].
28. As specified in CIL Regulation 73A and 73B Teignbridge Council will consider, where appropriate, accepting infrastructure payments. Any agreement for infrastructure payments must be entered into before development commences.
29. The Council will, subject to regulatory requirements, consider infrastructure payment for those projects, or types of projects which appear in the Infrastructure Delivery Plan, or any other physical infrastructure that directly supports the needs of the area.

30. The infrastructure payment policy will take effect on 13 October 2014.
31. The Council is not obliged to accept any offer of payment in kind by land or infrastructure.

Exceptional Relief

32. As specified in CIL Regulations 55, 56 and 57 Teignbridge Council will consider granting discretionary relief from CIL liability where there are proven unique and exceptional circumstances.
33. The Council will only consider granting exceptional circumstance relief where the following provisions are satisfied (in accordance with Regulation 55 of the CIL Regulations 2010) including that;
 - a s106 planning obligation has been entered into in respect of the planning permission for the chargeable development;
 - the Council considers that to require payment of the CIL charged in respect of the chargeable development would have an unacceptable impact on the economic viability of the development proposal; and
 - the Council is satisfied that to grant relief would not constitute a State aid which is required to be notified to and approved by the European Commission.
34. The Exceptional Relief policy will take effect on 13 October 2014.