Date: 20 October 2021

Project Ref: 0002

Project Name: Steyning Community Plan

**BRIEFING NOTE: COMMUNITY INFRASTRUCTURE LEVY**

This note provides an overview of Community Infrastructure Levy (CIL) and how the amount received by Steyning Parish Council will change if the Steyning Neighbourhood Plan is 'made'. In particular, this note will discuss the implications in relation to the proposed development at Glebe Farm and provide indicative calculations of the amount of CIL Steyning Parish Council may receive from this development.

## Community Infrastructure Levy

CIL is a planning charge introduced by the Planning Act 2008 and brought into force by the 2010 Community Infrastructure Levy Regulations, as a mechanism for local authorities to provide or improve infrastructure that will support the development of their area.

CIL is charged on most development but most importantly on residential development over 100sqm. The full list of what development is liable for CIL is available on the Government's Planning Guidance website[1]. Each local planning authority has a CIL charging schedule that provides the different rates that may be charged. Relevant CIL charging schedules for the Parish are available at:

- Horsham District Council CIL Charging Schedule
- South Downs National Park CIL Charging Schedule

In England, where there is a neighbourhood development plan in place, the neighbourhood is entitled to 25% of CIL revenues from new development taking place in the Plan Area. For areas without a neighbourhood plan, this is a considerably lower figure at 15%, but capped to £100/dwelling in the case of residential development.

## Land North of Glebe Farm

An outline planning application has been submitted to Horsham District Council for up to 265 dwellings, demolition of No. 37 Kings Barn Lane to provide new pedestrian/cycle/emergency link, provision of vehicular access from the A283 Steyning by-pass, provision of public open space, community orchard, sustainable drainage and other ancillary and enabling works. All matters are reserved except for vehicular access from the A283.

[1] https://www.gov.uk/guidance/community-infrastructure-levy



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To provide a rough indication of the likely CIL implications, several assumptions must be made. The assumption made are set out below:

- Development will include 265 houses
- 35% (or **93**) of these will be affordable housing
- Houses will comply with Nationally Described Space Standards but will most likely be slightly larger.
- The proposed housing mix will be broadly in line with the latest published evidence, most likely with a slight increase in larger units as these have a higher value to the developer.

Glebe Farm is located in Zone 1 of the Horsham Charging Area and the Differential Rate Charge Zones Map set out in *Community Infrastructure Levy (CIL) Charging Schedule April 2017*[2]. This means that the current indexed CIL rate is £157.19/m².

CIL is not charged on affordable housing. This means that CIL would only be charged on 172 (265 minus 93) dwellings.

Workings

CIL revenues are linked to the amount of m2 that come forward. The following table illustrates the amount of CIL that would be generated if the 172 CIL liable units were to come forward with the following mix:

10% 1 bedroom
30% 2 bedroom
40% 3 bedroom
20% 4+ bedroom

The above mix can be adjusted in many ways but is considered a broadly realistic mix to be proposed by the developer.

| Beds. | Mix % | No. Units | Smaller Units | | | Larger Units | | |
|---|---|---|---|---|---|---|---|---|
| | | | GIA (m²) | Total (m²) | CIL (£) | GIA (m²) | Total (m²) | CIL (£) |
| 1 | 10% | 26 | 45 | 774 | 121,665 | 50 | 860 | 135183 |
| 2 | 30% | 69 | 75 | 3870 | 608,325 | 90 | 4644 | 729990 |
| 3 | 40% | 69 | 85 | 5848 | 919,247 | 105 | 7224 | 1135541 |
| 4+ | 20% | 9 | 110 | 3784 | 594,806 | 140 | 4816 | 757027 |
| | | | | Total: | **2,244,044** | | Total: | **2,757,741** |

The above demonstrates that total CIL monies generated by the proposal are likely to be in the region of £2.24m - £2.76m. This money would be paid to Horsham District Council.

[2] https://www.horsham.gov.uk/planning/planning-policy/community-infrastructure-levy/cil-charges-and-how-to-pay



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Without a ‘Made’ Neighbourhood Plan

Without a neighbourhood plan, the Parish Council would receive 15% of CIL revenues capped at £100/dwelling. In essence this means £100 per dwelling.

The Parish Council could therefore expect to be handed £17,200 (172 multiplied by 100) from the CIL monies.

With a ‘Made’ Neighbourhood Plan

With a ‘Made’ neighbourhood plan the Parish Council would receive 25% of the CIL monies. This is estimated to equate to between £560,000 - £690,000 based on the above total CIL amount.

**Notes / Disclaimers**

This note and the workings within it contain a number of assumptions that are meant as a guide only. Only once the precise size of all market units on the site are known can the amount of CIL money that will be due be known.

It should also be noted that the CIL rate fluctuates each year. An annual index linked adjustment to rates is set out in CIL Regulation 40 (as amended). This will involve the use of the ‘All-in Tender Price Index’, published by the Building Cost Information Service (BCIS). The adjustment to charge rates will be applied from 1st January each year, using the index figure published by the BCIS for the previous 1st November.



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