

North Somerset Council

CIL Indexation Guidance Notice 2024

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Introduction

This document has been produced to set out how indexation will affect the Community Infrastructure Levy (CIL) for developments granted planning permission in North Somerset in 2024. In line with the amended CIL regulations, the charging year will now run across the calendar year, starting 1st January 2024 and ending December 31st 2024.

All CIL Liability Notices issued by the Council in 2024 will include indexation in the calculation of the chargeable amount in order to keep the levy responsive to market conditions. The calculation of the CIL chargeable amount is defined by the CIL Regulations 2010 (as amended):

The index that must be used is set by the CIL Regulations 2010 (as amended) and is the BCIS All-In Tender Price Index (BCIS TPI). The index figure for any given year is set on 1st January and is the index figure published by the Royal Institute of Chartered Surveyors (RICS) on the fourth Monday of October of the preceding year and is available online: <u>Community Infrastructure Levy (CIL) Index developed by BCIS</u>

<u>R x A x lp</u> Ic

R - the CIL rate for that use

A - the deemed net area chargeable at rate R

Ip - the index figure for the year in which planning permission was granted

Ic - the index figure for the year in which the charging schedule took effect

Index figures

The index figures that will be used to calculate indexation for North Somerset's adopted Charging Schedule in 2024 are:

Year	Index Figure
2018/19 (the year in which the Charging Schedule took effect)	286
2024 (the calendar year in which planning permission was granted)	381

Example

In the calendar year 2024, a planning application is approved that grants a dwelling that has an GIA of 100sqm, located in Zone C that is chargeable at £80/sqm. The CIL liability would be as calculated as follows:

 $\frac{\pounds 80 \times 100 \text{sqm} \times 381}{286} = \pounds 10,657.34$

CIL charge 2024

This document is relevant to all Planning Permissions issued between 1st January 2024 and 31st December 2024 and will be updated in December 2024 when a new index figure for the next year has been published.

After applying the updated indexation as in the above example, the following charges will be levied against developments for developments granted permission from 1st January 2024.

Location(s)	Development type (use class)	CIL charge 2024 per m ²
Zone A: Weston Town Centre	Residential (C3/C4).	£0.00
Zone B: Outer Weston: sites	Residential (C3/C4) development on sites designated as Strategic Development Areas.	£26.64
Zone B: Outer Weston: sites	Residential (C3/C4) development on sites not designated as Strategic Development Areas.	£53.29
Zone C: Rest of District	Residential (C3/C4) development on sites designated as Strategic Development Areas.	£53.29
Zone C: Rest of District	Residential (C3/C4) development on sites not designated as Strategic Development Areas.	£106.57
All (zones A, B, C)	Extra-care (C2) housing.	£0.00
All (zones A, B, C)	Purpose-built student accommodation / halls of residence.	£53.29
All (zones A, B, C)	Large-scale retail (A1/A2/A3/A4/A5): more than 280m2 net sales area.	£159.86
All (zones A, B, C)	Small-scale retail (A1/A2/A3/A4/A5): less than 280m2 net sales area.	£79.93
All (zones A, B, C)	Commercial (B1/B2/B8).	£0.00
All (zones A, B, C)	All other qualifying development.	£0.00

NB – the figures are presented to two decimal places for ease, and the final calculation may alter as a result.

Explanatory notes and definitions

1) "Extra-care (C2) housing" is defined as:

- "Accommodation available to rent or buy for older people or others in need of care and which meets the following criteria:
- Residents are subject to an assessment of minimum care needs to establish eligibility to buy or lease a property; and
- Residents are required to purchase a 'minimum care package' as a condition of occupation, to include at least 2 hours of domiciliary care per week focused on the health and social care needs of those residents; and
- The development has a minimum non-saleable floorspace in excess of 30% of GIA."

Residential development not meeting these criteria shall be charged as C3 residential use class.

2) "Strategic Development Areas" are defined as follows:

- "The Weston Villages, as defined in the Weston Villages SPD, or as amended through subsequent planning policies; and/or
- Individual development sites of 500 or more dwellings; and/or
- Any other strategic sites or SDAs identified in an appropriate planning policy by NSC."

3) Charging zones for residential development (use classes C3 and C4) are as shown on the Ordnance Survey map extracts in Appendices A and B to this Charging Schedule (available here: <u>About the community infrastructure levy | North Somerset Council</u>)

4) The Town and Country Planning Act (Use Classes) Order 1987 was amended in 2020 by the Town and Country Planning Act (Use Classes) (Amendment) (England) Regulations 2020.

These regulations revise and replace certain use classes;

- **Class A was revoked -** Class A 1/2/3 were effectively replaced with Use Class E(a,b,c). A4/5 uses were not covered by Use Class E and became defined as 'Sui Generis'.
- B1 Business was revoked It is effectively replaced with the new Class E(g).
- **Class D was revoked** D1 was split out and replaced by the new Classes E(e-f) and F1. D2 was split out and replaced by the new Classes E(d) and F2(c-d) as well as several newly defined 'Sui Generis' uses.

To ensure that CIL charging schedules continue to operate and have proper effect, regulation 4A was inserted into the Amendment Regulations. Regulation 4A applies to charging schedules which were approved and published by charging authorities before 1st September 2020. It provides that any references to the use classes that were specified in the Use Classes Order prior to 1 September 2020 are to be read as if they were references to the descriptions of the uses which comprised those use classes before that date.

The government has confirmed that, 'if a CIL rate has been applied to A1 - A5 Use Classes prior to 1 September 2020, that rate should remain applicable to the development uses previously contained within the A1-A5 Use Classes'.

Further guidance on the Use Classes Order can be found on the Government's website: GOV.UK - Changes to the Use Class Order and GOV.UK - When is permission required? If you have any questions regarding the CIL charges, please contact the CIL Team at: <u>CIL@n-somerset.gov.uk</u>

