

Winchester City Council

COMMUNITY INFRASTRUCTURE LEVY

Preliminary Draft Charging Schedule

December 2012



Winchester
City Council



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1.0 Introduction

- 1.1 The Community Infrastructure Levy (CIL) allows planning authorities in England and Wales to raise funds from developers to pay for the infrastructure that is needed as result of development. This consultation document sets out the background to the levy and seeks comments on Winchester City Council's proposed rates of CIL.
- 1.2 This is the first of two formal rounds of consultation on the City Council's charging schedule. This preliminary stage is an opportunity for respondents to help shape the Draft Charging Schedule before it is subject to an independent examination. The proposed charges are set out in Section 6.
- 1.3 It is important to note that the South Downs National Park Authority (SDPNA) is the CIL charging and collection authority for the approximately 40% of Winchester District which lies within the South Downs National Park. The Park boundary is shown on Plan 1. This Preliminary Draft Charging Schedule (PDCS) and supporting evidence has been developed in liaison with the SDNPA, which intends to introduce its own CIL regime in due course.
- 1.4 The PDCS has been prepared in accordance with the Community Infrastructure Levy Regulations 2010 (as amended) and Government guidance. In setting its CIL rates as directed by Regulation 14(1), Winchester City Council has aimed at striking what appears to be an appropriate balance between:
 - The desirability of funding from CIL (in whole or part) the estimated total cost of infrastructure required to support the development of Winchester District; and
 - The potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across Winchester District.
- 1.5 The PDCS is informed by a series of evidence base reports which have been published alongside this document. These are described in Section 5.

2.0 Consultation

- 2.1 Winchester City Council, as a 'charging authority', must consult on its proposed CIL rates through this Preliminary Draft Charging Schedule. All background documents can be viewed on the CIL pages of the Council's website www.winchester.gov.uk.
- 2.2 You are invited to submit a response on this consultation. Comments should be made in writing to :

Mr. Steve Opacic
Head of Strategic Planning
Winchester City Council
Colebrook Street
Winchester
S023 9LJ

Or by email : ldf@winchester.gov.uk

- 2.3 The consultation period runs from **Friday 14 December 2012 to Friday 1 February 2013 (12 pm deadline)**.
- 2.4 The City Council will consider all representations, and assess the need to revise the proposed charging schedule. Consultation on a *Draft* Charging Schedule will follow as soon as is practicable. The stage-by-stage timetable for the adoption of CIL is set out within the Council's Local Development Scheme (Revised 2012), with introduction of the levy scheduled for the autumn of 2013.

3.0 The Community Infrastructure Levy

- 3.1 The Community Infrastructure Levy is relatively new and represents a significant change to the system of developer contributions that, through S106 of the Town and Country Planning Act 1990 and its antecedents, has been in place for a number of decades. The charge came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010 (as amended by the Community Infrastructure Levy (Amendments) Regulations 2011). As at late 2012, several planning authorities across England and Wales have introduced a CIL regime already, with the vast majority of potential charging authorities still to progress a charging schedule through to examination and adoption.
- 3.2 Further information on CIL is included within Appendix 1, and more detailed advice can be found on the websites of the Department of Communities and Local Government (www.gov.uk/government/organisations/department-for-communities-and-local-government) and the Planning Advisory Service (www.pas.gov.uk).

4.0 Planning Context

- 4.1 Charging authorities should normally implement the levy on the basis of an up-to-date development plan. The City Council's proposed CIL regime is intended to provide a funding platform for the implementation of the Council's spatial planning strategy, as set out the [Winchester District Local Plan Part 1 - Joint Core Strategy](#). This is due to be adopted in early 2013, and will constitute the City Council's development plan along with the [South East Plan](#) (pending its proposed revocation) and any saved policies from the [Winchester District Local Plan Review 2006](#).
- 4.2 The funds raised through CIL are intended to provide for, or contribute towards, infrastructure that is needed as a result of development, by filling the 'funding gap' that remains once other known sources have been taken into account. It is for the local authority to decide which infrastructure is needed, and Winchester City Council has identified the infrastructure that is deemed to be essential to the delivery of the development and growth set out in the Core Strategy. Evidence in respect of the infrastructure requirements over the Local Plan period, and the means of delivery, formed a key part of the Joint Core Strategy examination, and will now support the Council's case for the introduction of CIL.
- 4.3 The Government requires local authorities to work closely with neighbourhoods to decide what infrastructure they identify as priorities, and (under the Localism Act 2011) allocate a 'meaningful proportion' of CIL revenues raised in each neighbourhood back to that community. Winchester City Council engages extensively with its communities through its parish councils, some of which have been addressing infrastructure requirements through the preparation of parish plans, and other community planning projects.
- 4.4 It is anticipated that certain communities will wish to progress the Localism agenda further by contributing to the Council's Local Plan Part 2: Site Allocations and Development Management Policies or preparing their own neighbourhood plans. Neighbourhood Plans, once adopted, would form part of Winchester's development plan, alongside Local Plan Part 1 and 2, and be likely to inform decisions on infrastructure priorities to be funded in part or whole by CIL.

5.0 Evidence Base

- 5.1 This consultation document is supported by a series of evidence base reports; these are technical documents which demonstrate that the City Council has assessed infrastructure needs across its area and has tested the effects of CIL on the economic viability of development, as required by Regulation 14(1) of the CIL Regulations (2010).

Infrastructure

- 5.2 Local authorities wishing to introduce CIL are required to demonstrate that there is a funding gap in the provision of infrastructure required to support new development. Through the preparation of the City Council's Joint Core Strategy, a significant level of infrastructure planning has been undertaken.

- 5.3 The infrastructure planning evidence, in the form of an [Infrastructure Delivery Plan](#), was scrutinised at the Core Strategy examination in October and November 2012, and is a robust and comprehensive assessment of need. To assist the CIL process further, an [updated Schedule of Infrastructure](#), with identified priority and (in most cases) costs, is published alongside this document.
- 5.4 The revised Schedule no longer includes infrastructure within the South Downs National Park, as the delivery of these items (save for any clear cross-boundary projects) will be the responsibility of the SDNPA. Infrastructure within the Partnership for Urban South Hampshire (PUSH) area has been identified separately because of the on-going discussions with the City Council's partners as to the requirements for strategic infrastructure across the sub-region.
- 5.5 Excluding the Strategic Allocations (North of Whiteley, North of Winchester and West of Waterlooville), where infrastructure will be funded through extant or emerging S106 agreements, the quantum of costed critical or priority infrastructure across the District (including the area within PUSH) currently totals approximately £117 million (£22.5 million within PUSH + £94.5 million outside PUSH). Officers continue to explore other potential sources of funding (for example New Homes Bonus, and possible Growth Area and Local Economic Partnership funds), and currently the overall 'funding gap' for the District is in the region of £105 million (£21.8 million within PUSH + £83.6 million outside PUSH); a figure that clearly justifies the Council's proposed introduction of CIL in 2013.

Table 1: Estimated cost of infrastructure by area

Area	Cost (actual or estimated)	Funding Gap
SA: West of Waterlooville	£28,577,953	-
SA: North Whiteley	£85,666,040	£17,000,000
SA: North Winchester	£14,608,328	-
Winchester (within PUSH)	£22,455,000	£21,860,000
Winchester (outside PUSH)	£94,529,000	£83,613,000
Total	£245,836,321	£122,473,000

- 5.6 The infrastructure funding gap list below is not a prioritised list of infrastructure delivery and does not identify the specific items of infrastructure which will necessarily be funded by CIL. As with Table 1, its sole purpose is to demonstrate that there are no alternative means identified at present to finance the infrastructure requirements identified through the infrastructure planning process.

Table 2: Estimated cost of infrastructure by type (excludes infrastructure costs for strategic allocations)

Type	Cost (actual or estimated)	Funding Gap
Community and Cultural Facilities	£9,050,000	£8,700,000
Education	£17,800,000	£9,000,000
Extra Care	£53,750,000	£53,750,000
Green Infrastructure	£11,500,000	£11,500,000
Health Services	£215,000	£215,000
Open Space, Sport and Recreation	£3,325,000	£3,250,000
Transport	£20,344,000	£17,983,000
Waste	£1,000,000	£1,000,000
Total	£116,984,000	£105,473,000

Viability

- 5.7 The Regulations require that the proposed CIL has to have regard to the ‘potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.’
- 5.8 The CIL Regulations also allow for different CIL rates to apply, although differential rates must be solely based on economic viability evidence and not for planning policy objectives.
- 5.9 In order to fulfil these requirements, the City Council commissioned economic viability assessments to provide evidence to test and formulate suitable CIL rates. One of the guiding principles of this work was to ensure that CIL rates do not put the overall viability of development in the District at risk, and consultants Adams Integra assessed viability in respect of different land uses. Two reports have been submitted; the first considers residential CIL viability alongside affordable housing viability, and the second deals with other commercial land uses. These documents can be viewed on the Council’s website www.winchester.gov.uk
- 5.10 The studies considered a wide range of matters to assess development viability, including differing land values, variable development costs (for example, affordable housing costs, site costs) and locational variations in sales values. The studies also considered wider issues, such as the relationship with the CIL rate in neighbouring authorities, the potential impact on developers’ investment decision making, and the implications of a zonal charging regime. The result is a comprehensive assessment which justifies the proposed approach.
- 5.11 These two detailed reports have been published to inform the public consultation on this Preliminary Draft Charging Schedule, but the key findings can be summarised as follows:
- A recommendation that a two tier charge should apply for residential development; a £120 per square metre charge for Winchester town, and a £80 charge for all other parishes, with one key exception;

- As the substantial infrastructure costs required for the three Strategic Allocation Sites will be delivered through S106 contributions, the viability of development requires the CIL rate (for all uses) in these areas to be set at zero.
- Evidence demonstrates that certain retail categories within the A1 Use Class are sufficiently viable to support a CIL charge and others are not. Convenience stores and food retailing as well as larger retail warehouses are proving viable whereas, outside of Winchester city centre, comparison shopping is not strong enough at this stage due to poor consumer confidence, an increase in internet shopping, and superstores offering comparison goods that have traditionally been sold on the high street.
- Hotel development could potentially support CIL charges of up to £100 per m². However, a rate of £70 per m² allows for a sufficient buffer for site-specific issues.
- The office and industrial/warehouse markets are currently offering the least ability to afford CIL charges. This is due to lower rents resulting from an adequate supply of stock, weak occupier demand and higher yields resulting from shorter leases and weaker covenants.

5.12 These recommendations are reflected in the Council's proposed CIL rates and zones, as described below.

6.0 Proposed CIL Charge Rates and Zones

6.1 Taking account of the viability evidence base documents, the City Council proposes that CIL rates for Winchester District (outside of the South Downs National Park), expressed as £ per square metre, should reflect differential viability circumstances through zoning.

6.2 The proposed charging zones reflect clear differences in the viability of development across the District (excluding the area within the South Downs National Park). They are defined geographically on the attached Plan 1 and are described as follows:

Zone 1: Strategic Allocations and South Hampshire Urban Areas

The boundaries are as shown on the Core Strategy Proposals Map (shown in more detail in Plan 2).

Zone 2: Winchester Town

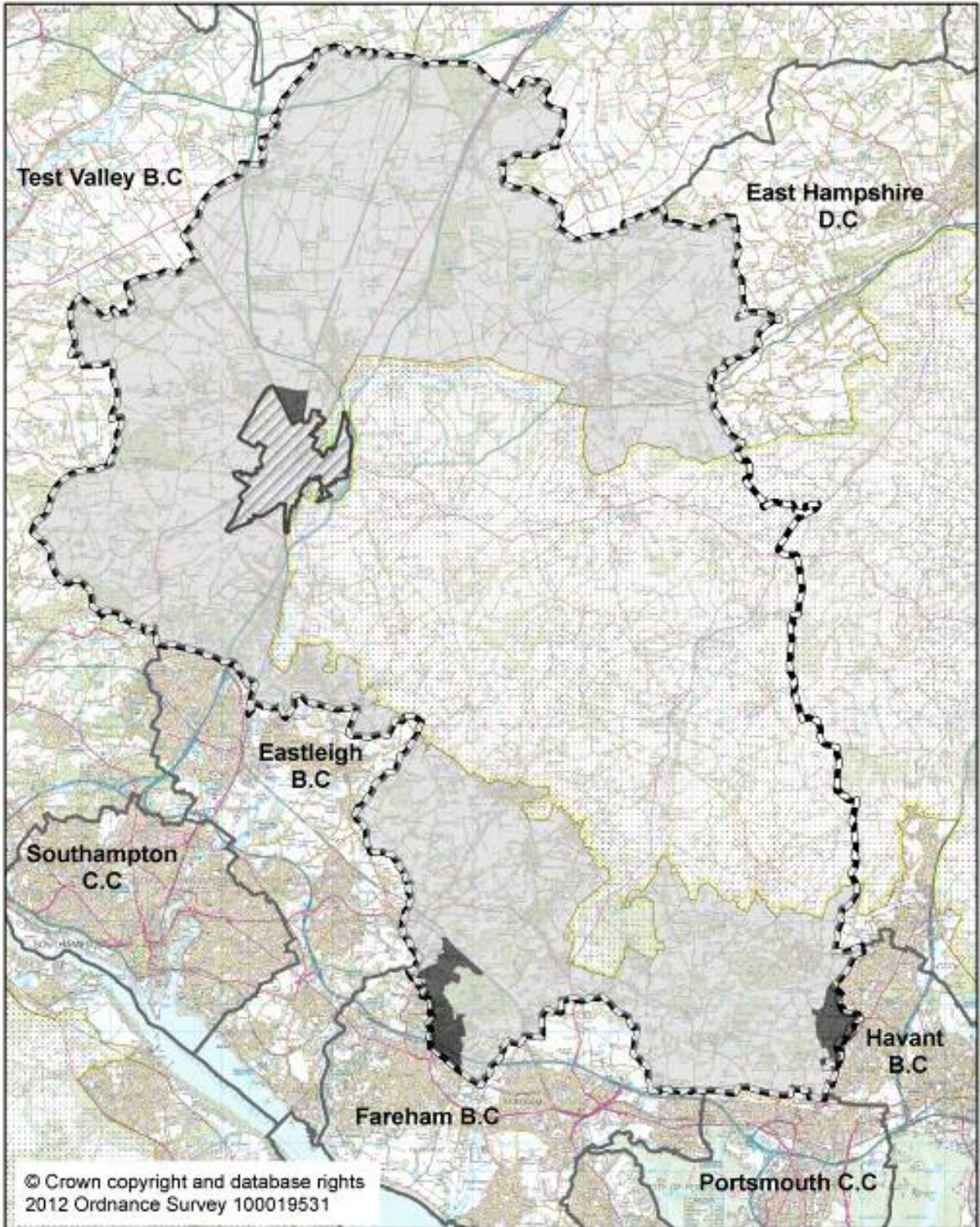
The boundary reflects the settlement boundary of Winchester Town as shown on the Core Strategy Proposals Map (shown in more detail in Plan 3).

Zone 3: Market Towns and Rural Areas



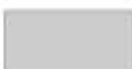
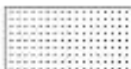

The rest of the District, outside of Zones 1 and 2 and the South Downs National Park, lies within Zone 3.

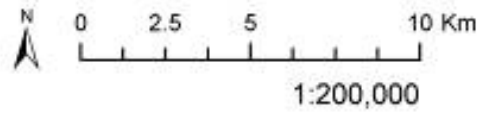
6.3 The CIL rates proposed for land-uses, as they apply in each zone, are as set out in Table 3 below:

Plan 1: Winchester CIL Proposed Charging Zones

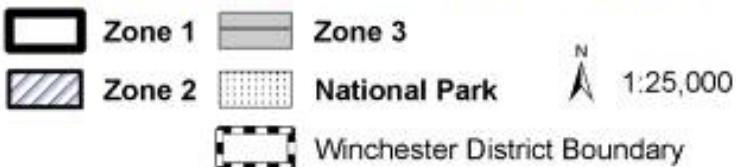
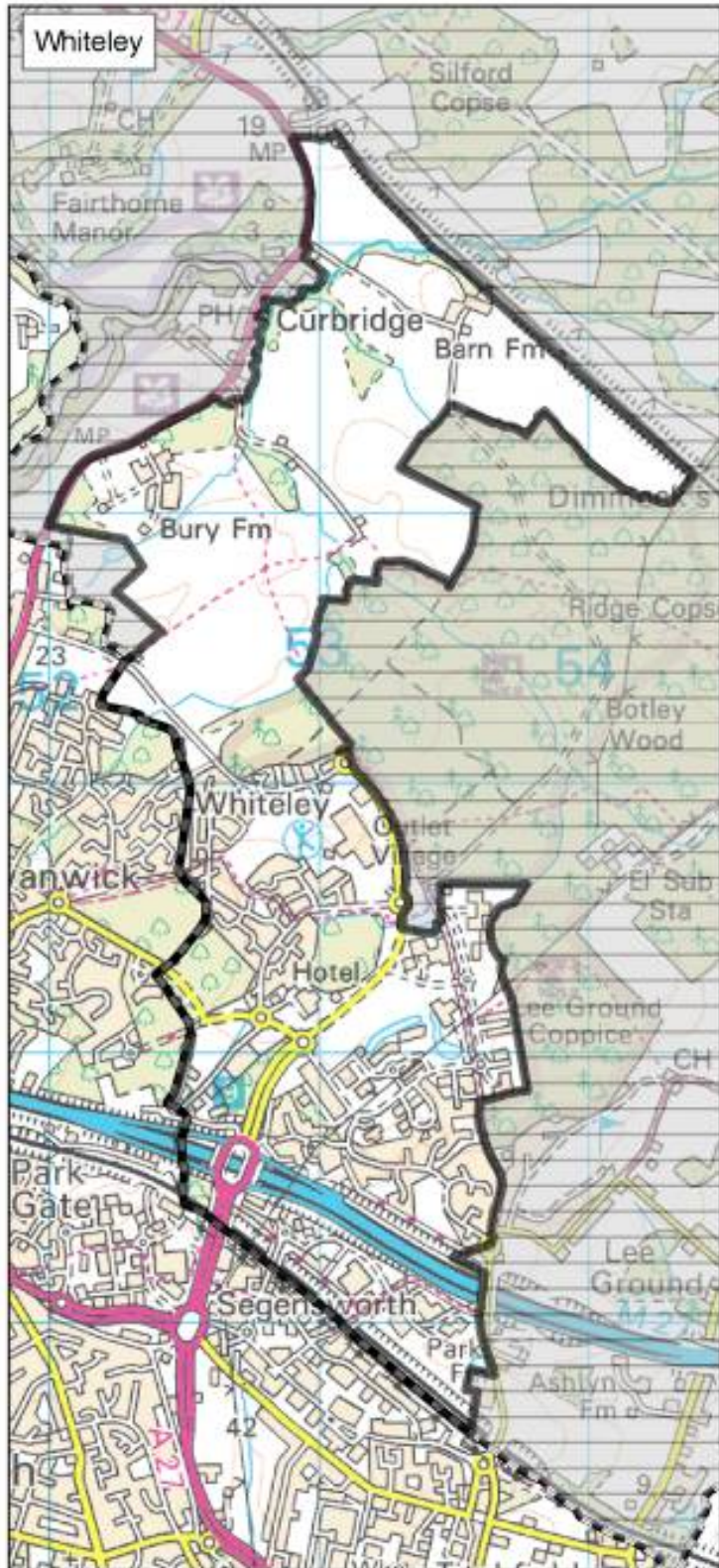


CIL Charging Zone

-  Zone 1
-  Zone 2
-  Zone 3
-  National Park
-  Winchester District Boundary

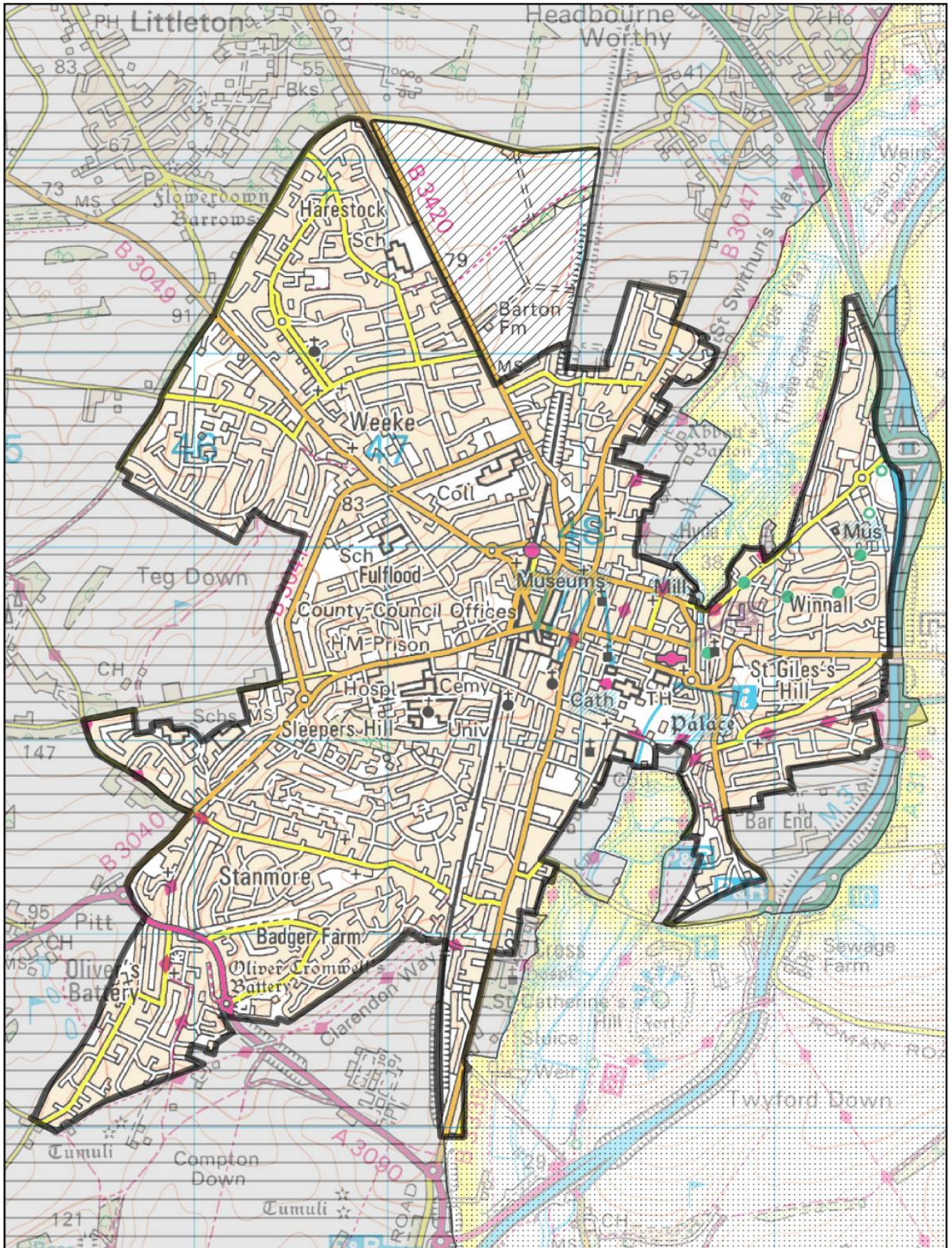


Plan 2: Zone 1



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Plan 3: Zone 2



- Zone 2
- Zone 3
- Zone 1
- National Park

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Table 3: Proposed CIL Rates

Type of Development	Charge per square metre		
	Zone 1	Zone 2	Zone 3
Residential	£0	£120	£80
Hotel	£0	£70	£70
Retail ¹ (town centre ²)	£0	£120	£0
Retail ¹ (convenience stores, supermarkets and retail warehouses ³)	£0	£120	£120
Retail (all other development)	£0	£0	£0
All other uses	£0	£0	£0

¹ Retail includes shops, supermarkets, retail warehouses, hairdressers, undertakers, travel and ticket agencies, post offices (but not sorting offices), pet shops, sandwich bars, showrooms, domestic hire shops, drycleaners, funeral directors and internet cafes.

² Winchester Town Centre as defined by the town centre boundary shown on Inset Map 31 of the Winchester District Local Plan (2006).

³ Convenience stores, supermarkets and retail warehouses are defined as follows:

Convenience store -

1. Size: The store must be under 278 m² [3,000 ft²]

2. Opening Hours: Not subject to restricted opening hours under the Sunday Trading Act

3. Product Categories: Stock at least seven of the following core categories;

- Alcohol
- Bakery
- Canned & packaged grocery
- Chilled food
- Confectionery
- Frozen food
- Fruit / Vegetables
- Health & beauty
- Hot food-to-go
- Household
- National lottery
- Milk
- Newspapers/Magazines
- Non-food
- Sandwiches
- Savoury snacks
- Soft drinks
- Tobacco

Supermarket - for this purpose is a food based retail unit greater than 278 m².

Retail warehouse - is defined as a large store, typically on one level, that specialises in the sale of bulky goods such as carpets, furniture, electrical goods or DIY items.

7.0 Calculation of Charge

7.1 CIL is charged on the net additional gross internal floor area of a development. Where buildings are demolished, the total of the demolished floorspace will be off-set against the floorspace of the new buildings, providing the buildings were in lawful use prior to demolition.

7.2 In this context, a building is considered to be in lawful 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.

7.3 The calculation of the chargeable amount of CIL to be paid for a development proposal is set out in Regulation 40 of the CIL Regulations (as amended). This states that:

- The chargeable amount is the aggregate amounts of all chargeable developments at each of the relevant rates.
- Where the chargeable amount is less than £50 it is deemed to be zero.
- The relevant rates are those set out in the Charging Schedule which are in effect at the time planning permission is granted.
- The amount of CIL chargeable at a given rate and the means to determine the net chargeable area must be calculated using the formulae set out in Regulation 40. These provide the relevant indexing information and the mechanism to off-set existing floorspace proposed for demolition.

7.4 For details of the charge calculation, please refer to Regulation 40 of the CIL Regulations 2010 and the Amendment Regulations 2011.

8.0 Statutory Exemptions

8.1 The CIL Regulations provide exemptions for paying CIL as follows:

- 100% relief from CIL on those parts of a chargeable development which are to be used as social housing.
- Charity landowners receive 100% relief from their portion of the liability where chargeable development will be used wholly, or mainly, for charitable purposes.

8.2 More details will be included within the Council's Draft Charging Schedule, including whether the authority chooses to offer discretionary relief to a charity landowner where the greater part of the chargeable development will be held as an investment, from which the profits are applied for charitable purposes. The Draft Schedule will also set out the Council's position in respect of relief in specific exceptional circumstances.

9.0 Payment of CIL

9.1 The CIL Regulations (as amended) allow Charging Authorities to adopt an instalment policy, as an alternative to requiring a full payment of CIL within 60 days of the commencement of the chargeable development. The City Council does not need to state its intention to adopt an instalments policy until the CIL Charging Schedule is adopted, and it is not a matter for scrutiny at CIL independent examination. The Council will be considering its position in due course, and would welcome any comments on good practice as applied elsewhere.

10.0 Glossary

Abbreviation	Term	Explanation
CIL	Community Infrastructure Levy	The Community Infrastructure Levy (CIL) is a levy that local authorities can choose to charge on new developments in their area. The money can be used to support development by funding infrastructure that the Council, local community and neighbourhoods want.
	CIL Charging Authority	The CIL charging authorities in England will be district and metropolitan district councils, London borough councils, unitary authorities, national park authorities, The Broads Authority and the Mayor of London.
	CIL Collecting Authority	A charging authority is also the collecting authority for CIL charged in its area.
	Comparison Shopping	The retailing of items not obtained on a frequent basis. These include clothing, footwear, household and recreational goods.
	Convenience Shopping	The retailing of everyday essential items including food, drinks, newspapers and confectionery.
	Development Plan	This refers to the statutory planning documents covering the District, currently the South East Plan, the Minerals and Waste Development Framework and the Development Plan Documents in the Winchester Local Development Framework.
	Evidence Base	The information gathered by the City Council to support the preparation of a range of documents that are covered by the LDF and other policies produced by the Council. It includes both quantitative (numerical values) and qualitative (feelings and opinions) data.
	Infrastructure	Services necessary for development to take place, for example, roads, electricity, sewerage, water, education and health facilities.
LDS	Local Development Scheme (LDS)	This sets out the programme and timetable for the preparation and production of Local Development Documents.
LPP1	Local Plan Part 1/ Core Strategy	The Development Plan Document which sets out the spatial vision and objectives for the future of the Winchester District up to 2031, with the strategic policies necessary to deliver that vision.
LPP2	Local Plan Part 2	The Development Plan Document which will set out site allocations and development management policies
	Meaningful proportion	This is a proportion of CIL (to be determined) which will go back to the to the local elected council for the area where the CIL was collected. The Government are still considering the definition of a 'meaningful proportion'.
	National Park	An area designated under the National Parks and Access to the Countryside Act 1949 (as amended). Part of Winchester District lies within the South Downs National Park.
PUSH	Partnership for Urban South Hampshire	A sub-regional Partnership of 10 local authorities from Test Valley in the west to Havant in the east, set up to co-ordinate economic development, transport, housing and environmental policy within South Hampshire.
SEP	South East Plan	The Regional Strategy for the South East. The policies within the LDF must be in accordance with this plan for so long as it exists (the Government intends to abolish Regional Strategies).
WDLPR	Winchester District Local Plan Review (2006)	The saved policies in the WDLPR are the current planning policies for Winchester District. These policies will eventually be replaced by policies in LPP1 and LPP2.

11.0 APPENDIX 1: Community Infrastructure Levy: Questions and Answers

These are some of the commonly asked questions on CIL, with answers and advice on how it will be applied within Winchester.

It is important to note that the City Council is both the 'charging authority' and the 'collection authority' for the whole of the District, with the exception of the area that lies within the South Downs National Park. The National Park Authority is expected to introduce a CIL regime for the Park in due course.

What development is liable to pay the levy?

The levy in Winchester District will apply to only certain land-uses, as set out within the Preliminary Draft Charging Schedule (Table 3: Proposed CIL Rates).

Within these categories, most buildings that people normally use will be liable to pay the levy (on the basis of the charging rates set out in the Schedule, and as explained below), but the levy is not payable on buildings into which people do not normally go and buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery.

The levy will not be charged on changes of use that do not involve an increase in floorspace.

How will the levy be calculated?

The levy will be charged in pounds per square metre on the net additional increase in floorspace of any given development:

Any new build – that is a new building or an extension – is liable for the levy if:

- (a) it has 100 square metres, or more, of gross internal floorspace; or
- (b) it involves the creation of one or more additional dwellings, even when they total less than 100 square metres.

But with the following deductions from the liability calculation:

- the gross floorspace of any existing buildings on the site that are going to be demolished, and
- any floorspace resulting from the development to the interior of an existing building

However, floorspace subject to demolition or resulting from change of use will only be disregarded where it has been in continuous lawful use for at least six months in the 12 months prior to the development being permitted.

How does the levy relate to planning permission?

The levy will be charged on new builds permitted through some form of planning permission. Usually this will be planning permission granted by Winchester City Council as the local planning authority, and the levy will also apply to 'permitted development' new builds under the General Permitted Development Order 1995 (as amended).

Less commonly, planning permission may be granted by local planning orders (for example simplified planning zones or local development orders), by the Planning Inspectorate, and by Acts of Parliament.

The planning permission will identify the buildings that will be liable for a Community Infrastructure Levy charge: the 'chargeable development'. The planning permission also defines the land on which the chargeable buildings will stand, the 'relevant land'.

Who is liable to pay the levy?

The responsibility to pay the levy runs with the ownership of land on which the liable development will be situated. This is in keeping with the principle that those who benefit financially when planning permission is given should share some of that gain with the community. That benefit is transferred when the land is sold with planning permission, which also runs with the land. The regulations define landowner as a person who owns a 'material interest' in the relevant land. 'Material interests' are owners of freeholds and leaseholds that run for more than seven years after the day on which the planning permission first permits development.

Although ultimate liability rests with the landowner, the regulations recognise that others involved in a development may wish to pay. To allow this, anyone can come forward and assume liability for the development. In order to benefit from payment windows and instalments (see below), someone must assume liability in this way. Where no one has assumed liability to pay the levy, the liability will automatically default to the landowners of the relevant land and payment becomes due immediately upon commencement of development. Liability to pay the levy can also default to the landowners where the collecting authority, despite making all reasonable efforts, has been unable to recover the levy from the party that assumed liability for the levy.

How is the levy collected?

The levy's charges will become due from the date that a chargeable development is commenced in accordance with the terms of the relevant planning permission. The definition of commencement of development for the levy's purposes is the same as that used in planning legislation, unless planning permission has been granted after commencement.

When planning permission is granted, the collecting authority will issue a liability notice setting out the amount of the levy that will be due for payment when the development is commenced, the payment procedure and the possible consequences of not following this procedure.

The levy's payment procedures encourage someone to assume liability to pay the levy before development commences. Where liability has been assumed, and the collecting authority has been notified of commencement, parties liable to pay the levy will always benefit from a 60 day payment window on any instalments policy a local authority may have in place. However, payments are always due upon commencement if no party assumes liability and/or no commencement notice is submitted before commencement.

Winchester City Council will decide at a later stage if it wishes to set its own levy payment deadlines and/or offer the option of paying by instalments. If it decides to do so, it will publish an instalments policy on its website and make it available for inspection at its principal offices.

Do all developers have to pay?

The CIL Regulations give relief from the levy in two specific instances:

- Firstly, a charity landowner will benefit from full relief from their portion of the liability where the chargeable development will be used wholly, or mainly, for charitable purposes.

Winchester City Council will decide at a later stage whether it will offer discretionary relief to a charity landowner where the greater part of the chargeable development will be held as an investment, from which the profits are applied for charitable purposes. The charging authority must publish its policy for giving relief in such circumstances.

- Secondly, the regulations provide 100% relief from the levy on those parts of a chargeable development which are intended to be used as social housing.

To ensure that relief from the levy is not used to avoid proper liability for the levy, the regulations require that any relief must be repaid, a process known as 'clawback', if the development no longer qualifies for the relief granted within a period of seven years from commencement of the chargeable development.

In addition, the CIL Regulations provide that charging authorities have the option to offer a process for giving relief from the levy in specific exceptional circumstances where a developer of a specific scheme cannot afford to pay the levy. Winchester City Council will decide at a later stage whether it wishes to offer such relief.

Is there an alternative to making financial payments?

The CIL Regulations provide for charging authorities to accept transfers of land as a payment 'in kind' for the whole or a part of the levy, but only if this is done with the intention of using the land to provide, or facilitate the provision of, infrastructure to support the development of the charging authority's area.

An agreement to make an in-kind payment must be entered into before commencement of development. Land that is to be paid 'in kind' may contain existing buildings and structures and must be valued by an independent valuer who will ascertain its 'open market value', which will determine how much liability the 'in-kind' payment will off-set. Payments in kind must be provided to the same timescales as cash payments.

Will the Levy charging rates be updated on an annual basis?

Winchester City Council will be required to apply an annually updated index of inflation to keep the levy responsive to market conditions. The index will be the national All-In Tender Price Index of construction costs published by the Building Cost Information Service of The Royal Institution of Chartered Surveyors.

How will payment of the levy be enforced?

The levy's charges are intended to be easily understood and easy to comply with. However, where there are problems in collecting the levy, Winchester City Council will have the means to penalise late payment and deter future non-compliance. To ensure payment, the regulations provide for a range of proportionate enforcement measures, such as surcharges on late payments.

In cases of persistent non-compliance, the CIL Regulations enable collecting authorities to take more direct action to recover the amount due. One such measure is the Community Infrastructure Levy Stop Notice, which prohibits development from continuing until payment is made. Another is the ability to seek a court's consent to seize and sell assets of the liable party.

What is the relationship between CIL and S106 planning obligations?

CIL is intended to provide infrastructure to support the development of an area rather than to make individual planning applications acceptable in planning terms. There may still be, however, some site specific impact mitigation requirements without which a development should not be granted planning permission. Some of these needs may be provided for through the levy but others may not, particularly if they are very local in their impact. There is therefore still a legitimate role for development-specific planning obligations to enable a local planning authority to be confident that the specific consequences of a development can be mitigated.

However, limitations have been placed on the use of planning obligations in three respects:

- putting the Government's policy tests on the use of planning obligations set out in Circular 5/05 *Planning obligations* on a statutory basis for developments which are capable of being charged the levy;
- ensuring the local use of the levy and planning obligations does not overlap; and
- limiting pooled contributions from planning obligations towards infrastructure which may be funded by the levy.

What will the Levy be spent on?

CIL must be used for “supporting development of an area” by “funding the provision, replacement, operation or maintenance of infrastructure” (sections 205(2) and 216 of the Planning Act 2008 as amended by the Localism Act). Infrastructure “includes (a) roads and other transport facilities, (b) flood defences, (c) schools and other educational facilities, (d) medical facilities, (e) sporting and recreational facilities, and (f) open spaces.”

The term “includes” means that the definition of what constitutes infrastructure is open-ended. Winchester City Council will in due course set out its proposed intentions with regard to the mechanisms for the setting of spending priorities, including in respect of accountability, monitoring and reporting.