

COMMUNITY INFRASTRUCTURE LEVY

Prepared in line with the CIL regulations, a Draft Charging Schedule along with the CIL Charging Zone Map setting out the Council's proposals for the levy, for the purposes of public consultation.



DRAFT CHARGING SCHEDULE

SEPTEMBER 2017

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1 Introduction

1.1 The Community Infrastructure Levy is a planning charge used as a tool for Local Authorities, in England and Wales, to help deliver infrastructure to support development in their area. It was introduced under the Planning Act 2008 (as amended by the Localism Act 2011) and came into force under the 2010 Community Infrastructure Levy Regulations ("CIL Regs") (and subsequent amendments).

1.2 In line with the CIL regulations, the Council has prepared a draft charging schedule (appendix A) for consultation along with the CIL charging zone map (appendix B). This sets out the Council's proposals for the levy, for public consultation and is accompanied by appropriate and available evidence. A draft regulation 123 list has been published alongside the consultation (appendix C).

2 Your Views and How to Respond

2.1 The draft charging schedule and accompanying documents are available for public comment for a six week period, between x September to October 2017.

- 2.2 The accompanying documents include;
- The draft charging schedule economic viability study prepared by consultants Keppie Massie.
- The preliminary draft charging schedule consultation report
- The CIL draft policy document
- Infrastructure projects document
- CIL and planning obligations position statement

2.3 The Infrastructure Delivery Plan Update (July 2016) prepared to support the adopted Local Plan Strategy has been used as a basis of the infrastructure evidence used to justify a future CIL charge in the Borough. This document can be viewed on the Local Plan Strategy examination library. ⁽¹⁾

2.4 Following the consideration of comments received to the draft charging schedule, alongside updated evidence relating to viability, its relationship with S106 obligations and any government reforms to the system of development contributions will be considered before deciding whether to proceed to examination and, ultimately, adoption.

Making Comments

2.5 Comments on the draft charging schedule should be made using the online consultation portal which can be accessed using the following website link - <u>www.cheshireeast.gov.uk/localplan</u>. You can also pick up a paper comments form from customer service centres at Macclesfield and Crewe and return it to the Council's Headquarters at Westfields, Middlewich Road, Sandbach, CW11 1HZ.

http://cheshireeast-consult.limehouse.co.uk/portal/planning/cs/library (Ref PC B033)



2.6 Only comments received during the consultation period will be considered. Anonymous comments cannot be accepted. The Council asks that comments are made electronically where possible, to save time and money. However, comments made using the paper forms will be accepted.

2.7 Contacting the Spatial Planning Team:

You can contact the Spatial Planning Team via:

- E-mail: cil@cheshireeast.gov.uk or localplan@cheshireeast.gov.uk
- Telephone: 01270 685893
- Post: Spatial Planning, Cheshire East Council, Westfields, Middlewich Road, C/O Earle Street, Crewe, CW1 2BJ

3 CIL Overview

What is Community Infrastructure Levy ("CIL")?

3.1 CIL is a planning charge on new development to help fund infrastructure. It is based on the size and type of development and once a CIL charging schedule is set in an area, is mandatory to pay and non-negotiable. The funds raised must be used to provide infrastructure which is required to support new development across the area.

What development is liable for CIL

3.2 The levy may be payable on development which creates net additional floor space, where the gross internal area of new build exceeds100 square metres. That limit does not apply to new houses or flats, and a charge can be levied on a single house or flat of any size, unless it is built by a self builder.

- 3.3 The following forms of development do not pay CIL;
- Development of less than 100 square metres unless a whole house, in which case the levy is payable
- Houses, flats, residential annexes and residential extensions which are built by 'self builders'
- Social housing that meets relief criteria
- Charitable development that meets relief criteria
- Buildings into which people do not normally go
- Buildings into which people go intermittently for the purpose of inspecting or maintaining fixed plant or machinery
- Structures that are not buildings, such as pylons and wind turbines
- Specified types of development which local authorities have decided should be subject to a zero rate and specified as such in the charging schedule
- Vacant buildings brought back into the same use

- Where the levy liability is calculated to be less than £50, the chargeable amount is deemed to be zero so no levy is due
- Mezzanine floors inserted into an existing building are not liable for the levy unless they form part of a wider planning permission that seeks to provide other works as well.

3.4 Further guidance and definitions of the above are set out in the relevant sections of the Planning Practice Guidance and CIL regulations 2010 (and as subsequently amended).

Who is liable to pay CIL

3.5 Landowners are liable to pay CIL. Developers may take liability to pay the CIL charge on behalf of the landowner.

What are the benefits of CIL

3.6 The benefits of CIL include:

- CIL provides a clearer mechanism for funding infrastructure in a given area, and provides clarity, certainty and transparency from the outset about how much money a scheme will be expected to contribute to infrastructure provision
- CIL collects contributions from a wider range of developments
- CIL provides local authorities with greater flexibility to set their own priorities and spending on infrastructure projects
- CIL is non-negotiable and therefore should save time by reducing the overall need for full negotiations on the levels of contributions certain schemes should pay

Neighbourhood portion of the Levy

3.7 Parishes where development takes places will receive their own portion of CIL to spend on infrastructure. In areas where there is no Neighbourhood Plan this will be 15%, capped at £100 per existing dwelling to be spent on local priorities. Where a Neighbourhood Plan is in place the portion increases to 25% uncapped as a government incentive to prepare a Neighbourhood Plan.

3.8 There are currently some 40 Neighbourhood Development Plans in preparation across the Borough, with 6 'made' neighbourhood plans and a number reaching key stages in their development. The Council offers support packages for those groups preparing Neighbourhood Plans in the Borough. Further information on the Councils approach to neighbourhood planning can be found at www.cheshireeast.gov.uk/localplan

3.9 The neighbourhood portion of the levy can be spent on items that 'support the development of the area' (see regulation 59C of the Community Infrastructure Levy Regulations for details).

3.10 Once the levy is in place, parish, and town councils are encouraged to work closely with their neighbouring councils and the charging authority to agree on infrastructure spending priorities. If the parish or town council shares the priorities of the charging authority, they may agree that the charging authority should retain the neighbourhood funding to spend on that infrastructure. It may be that this infrastructure (eg a school) is not in the parish or town council's administrative area, but will support the development of the area.

3.11 If a parish or town council does not spend its levy share within 5 years of receipt, or does not spend it on initiatives that support the development of the area, the charging authority may require it to repay some or all of those funds to the charging authority (see regulation 59E(10) for details).

3.12 For each year when they have received neighbourhood funds through the levy, parish and town councils must publish the information specified in regulation 62A. They should publish this information on their website or on the charging authority's website. If they haven't received any money they do not have to publish a report, but may want to publish some information to this effect in the interests of transparency.

Relationship to S106 / S278 agreements

3.13 The Council currently focuses financial contributions for infrastructure from new development through S106 agreements. The purpose of such agreements are to help secure infrastructure required to mitigate site-specific impacts arising from development. S.106 agreement(s) include three key tests in that it must be (a) necessary, (b) directly related, and (c) related in scale and kind to the proposed development.

3.14 The existing Section 106 (S106) system in Cheshire East will remain in place and will continue to be used for affordable housing and for site specific measures such as open space, play areas and other infrastructure provided within the site, not identified to be collected via CIL to make a development acceptable in planning terms.

3.15 CIL Regulation 123 introduced 'pooling restrictions' which limited the Council's ability to use S106 to fund infrastructure from 6 April 2015. Specifically, the Regulation limits S106 obligations where five or more contributions have been entered into on or after the 6 April 2010 in respect of a specific infrastructure project or type.

3.16 A section 278 agreement (or S278) is a section of the Highways Act that allows developers to enter into a legal agreement with the council to make alterations or improvements to a public highway, as part of a planning application. Section 278 agreements will remain in place and will continue to be used by the Council. Conditions attached to a planning permission will also be used in order to ensure developments contribute to the infrastructure requirements of sites.

Regulation 123 List

3.17 CIL regulations asks the Council to set out a draft list of the projects and types of infrastructure that are to be funded in whole or part by the CIL. Following adoption of a future CIL Charging Schedule, this draft list will form the basis of the Council's 'Regulation 123 List' of projects wholly or partly funded by CIL receipts for which S.106 planning obligations cannot be sought. This requirement is specifically designed to prevent 'double charging' of developers. The list has to be published and any revisions to it are subject to appropriate consultation.

3.18 The Infrastructure Delivery Plan sets out what additional infrastructure is considered to be needed in the borough to support development and the funding sources based on appropriate available evidence. The Infrastructure Delivery Plan notes a total funding gap and contains a number of infrastructure schemes. Not all of the items noted in the Infrastructure Delivery Plan can be supported by CIL at the same time and therefore decisions relating to infrastructure priorities have had to be made. The approach, particularly for highways schemes,

has been to focus generally on priority 1 infrastructure schemes, in the first instance. The Regulation 123 list can be reviewed in line with the requirements of the regulations when appropriate and justified over time.

3.19 During the consultation and adoption of a future CIL Charge, the Council will continue to review infrastructure provision best funded through CIL and included on the regulation 123 list and which, being site-specific measures, should remain for negotiation through S.106.

4 Background Evidence

- **4.1** In order to set a CIL Charge, the authority, in line with the regulations, must have:
- An up to date development plan (in this case the Local Plan Strategy);
- Evidence of infrastructure funding gap (to justify a future CIL Charge and Regulation 123 list);
- Evidence on viability and the need to strike an appropriate balance between the desire to fund infrastructure and the effects on economic viability.

Local Plan Strategy ("LPS")

4.2 The Cheshire East Council adopted the Local Plan Strategy in July 2017. Policy IN1 (Infrastructure) of the Local Plan Strategy sets out that infrastructure delivery will take place in a phased, co-ordinated manner guided by the Infrastructure Delivery Plan. The policy states that the CIL Charging Schedule will be used to pool developer contributions towards local and strategic infrastructure. Policy IN2 (Developer Contributions) includes reference to the suite of funding mechanisms the Council will use towards funding the necessary and required infrastructure in the Borough, including a future CIL Charging Schedule.

4.3 The Council has started work on the second part of its Local Plan, the Site Allocations and Development Policies document which will provide further detailed policies and allocate sites.

Infrastructure Delivery Plan ("IDP")

4.4 Statutory guidance requires a CIL Charging authority to identify the total cost of infrastructure that it desires to fund in whole or in part from the Levy.

4.5 The Council has prepared a Infrastructure Delivery Plan (July 2016 Update)⁽²⁾ to support the proposals in the Local Plan Strategy. This consultation document on the draft charging schedule should be read in conjunction with the Infrastructure Delivery Plan. The Infrastructure Delivery Plan sets out what additional infrastructure is considered to be needed in the Borough to support development and the funding sources based on appropriate available evidence.

² http://cheshireeast-consult.limehouse.co.uk/portal/planning/cs/library (Ref PC B033)



4.6 The Infrastructure Delivery Plan notes a total funding gap of between £372,763,650 to £450,645,650. This justifies the creation and implementation of a CIL charging schedule, alongside other funding sources, to deliver appropriate infrastructure in the Borough to support the proposals contained within the emerging Local Plan Strategy.

4.7 It should be noted that CIL will form one funding stream, which will be used to reduce any funding gap to support the proposals in the emerging Local Plan Strategy and will be used alongside other funding sources including that from central government, the Local Authority's own capital receipts or other mechanisms such as S.106 agreements / S.278 agreements.

Evidence of Viability

4.8 Keppie Massie have assisted the Council in preparing and carrying out viability evidence to support a future CIL charge in the Borough. The viability appraisal evidence undertaken to support the draft charging schedule has been updated following the consultation on the preliminary draft charging schedule and reflects any changes in market conditions.

4.9 The draft charging schedule viability assessment report prepared by Keppie Massie sets out recommendations based on high level scenario testing and consideration of evidence on CIL rates that could reasonably be supported in the Borough. It also takes account of testing of a selection of Local Plan Strategy sites across the Borough. The evidence base work provides the basis for preparing a CIL charging schedule for the Borough and has been produced to be robust to support the Council through a future CIL Charge.

4.10 A key test in deriving a CIL rate is that it must not have a detrimental effect on development (taken as a whole) in the borough area. Regulation 14 of the CIL Regulations recognises that the CIL rate set may put some development at risk. A charging authority must look at the potential effects of charges "taken as a whole" on the viability of development "across its area". Evidence may show that proposed rates may make a particular development on any given site unviable. But, unless that development threatens the delivery of the plan as a whole, the duty (to achieve an appropriate balance) in Regulation 14 is still likely to be met.

5 Implementation of CIL

Collecting the Levy

5.1 Cheshire East Council as the charging authority will be responsible for collecting CIL payments.

5.2 The levy becomes payable once development has started and is the responsibility of the landowner in normal circumstances, although the developer may assume liability instead.

5.3 The CIL regulations are clear on how CIL is calculated including approaches to indexation to take account of inflation. Part 8 of the Community Infrastructure Levy Regulations 2010 (as amended) sets out the legal framework for calculating and collecting the Levy.

5.4 The Council will monitor the effectiveness of the CIL Charging Schedule, once adopted, and will review on the basis of changed economic conditions or when there is clear evidence of the balance of infrastructure delivery and viability are threatened. In addition, monitoring

indicators contained in the Local Plan Strategy and the introduction of future development plan documents may provide triggers for future review of the CIL Charging Schedule as would changes to national guidance / regulations on such matters.

5.5 The Council recognises the viability issues associated with the payment of financial contributions and considers that a policy on the potential deferment of payment of financial contributions through an instalment policy is appropriate. The Council proposes to operate an Instalment Policy made in line with Regulation 70 of the Community Infrastructure Levy Regulations 2010 (as amended) should CIL be adopted. The Council has provided an instalment policy separately and the intention of this policy is to assist with the delivery of larger projects. Due to the discretionary nature of the instalment policy, the Council can withdraw or amend this policy at any time.

5.6 Draft policies on Discretionary Charitable Relief and Discretionary Social Housing Relief are provided separately. Due to their nature, the Council can withdraw or amend such policies at any time.

5.7 The Council has also set out the circumstances where it will consider the receipt of land or items of infrastructure instead of CIL monies. This will be considered on a site by site basis and the approach is set out in the draft CIL policies document, published separately.

5.8 At this time, it is not considered appropriate to introduce an exceptional circumstances relief policy. Given that the draft CIL rates are set at such a level to strike an appropriate balance between the need to fund infrastructure and the potential implications for the economic viability of development in the borough. The Council will keep this situation under review and has the discretion to introduce this policy at any time if market conditions change.

6 Draft Charging Schedule

6.1 The Community Infrastructure Levy draft charging rates for development across the Cheshire East Council area are proposed as follows:

Development Type	Zone	Initial Proposed Rate of CIL (per sqm)
Residential (Use Class C3)	Zone 1 - Crewe, Macclesfield, Alsager, Congleton, Handforth, Middlewich, Nantwich, Sandbach, Audlem, Bunbury, Bollington, Chelford, Disley Goostrey, Haslington, Holmes Chapel, Shavington and Wrenbury	£0
Residential (Use Class C3)	Zone 2 - Crewe Hinterland	£22

Development Type	Zone	Initial Proposed Rate of CIL (per sqm)
Residential (Use Class C3)	Zone 3 - Knutsford, Alderley Edge, Mobberley, Prestbury, Poynton and Wilmslow	£57
Residential (Use Class C3)	Zone 4 - rural areas to the south and central areas of Cheshire East	£71
Residential (Use Class C3)	Zone 5 - rural areas to the north of the Borough	£168
Apartments (Use Class C3)	Zone 3 + 5	£60
Hotels (Use Class C1)	Whole Borough	£0
Retail Uses	Retail Zone 1 - Retail Parks at Grand Junction in Crewe and Handforth Dean in Handforth	£66
Retail Uses	Outside of Retail Zone 1	£0
Offices (Use Class B1)	Whole Borough	£0
General Industrial (Use Class B2)	Whole Borough	£0
Storage and Distribution (Use Class B8)	Whole Borough	£0
All Other Uses (Whole Borough)	Whole Borough	£0

Table 6.1 Proposed CIL Rates (per sqm)

6.2 Consultants Keppie Massie has undertaken detailed appraisals of a selection of Local Plan Strategy Sites to inform the overall CIL position in the draft charging schedule. The testing suggests that the following sites should be subject to a zero CIL rate (the proposed CIL rates for other Local Plan Strategy sites will be as per the charging zone they are located in CIL Charging Zone map(s) set out in appendix B of this document)

LPS Ref	Site	Settlement	No Dwellings	Proposed CIL Rate in DCS (per sqm)
LPS 1	Central Crewe	Crewe	Mixed Use	0
LPS 2	Basford East	Crewe	850 inc 24 ha emp	0
LPS 3	Basford West	Crewe	370 homes and 22 ha emp	0
LPS 4	Leighton West	Crewe	850 inc 5 ha emp	0
LPS 8	South Cheshire Growth Village	Crewe	650 homes	0
LPS 12	Central Macclesfield	Macclesfield	Mixed	0
LPS 13	South Macclesfield Development Area	Macclesfield	1050 homes and 5 ha emp	0
LPS 21	Twyfords and Cardway	Alsager	550 new homes	0
LPS 23	Radway Green Brownfield	Alsager	10 ha redevelopment of employment land	0
LPS 24	Radway Green Extension	Alsager	25 ha of employment land	0
LPS 25	Radway Green North	Alsager	12 ha of employment land	0
LPS 26	Back Lane/Radnor Park	Congleton	750 and 5-7 ha emp	0
LPS 27	Congleton Business Park Extn	Congleton	625 homes and 13 ha of employment/ commercial	0
LPS 28	Giantswood Lane	Congleton	150 homes	0

LPS 29	Giantswood Lane to Manchester Road	Congleton	500 homes	0
LPS 30	Manchester Road to Macclesfield Road	Congleton	450 homes	0
LPS 31	Tall Ash Farm	Congleton	225 new homes	0
LPS 33	North Cheshire Growth Village	Handforth	1500 and 12 ha emp	0
LPS 42	Glebe Farm	Middlewich	525	0
LPS 43	Brooks Lane	Middlewich	200 homes and associated facilities	0
LPS 44	Midpoint 18	Middlewich	70 ha of employment	0
LPS 45	Land off Warmingham Lane West (Phase 2)	Middlewich	235	0
LPS 47	Snow Hill	Nantwich	Mixed Use	0
LPS 51	Adlington Business Park	Poynton	10 ha of employment land	0
LPS 55	Wilmslow Business Park	Wilmslow	6.3 ha emp	0
LPS 60	Wardle Improvement Area	Wardle	61 ha of emp	0

Table 6.2 Local Plan Strategy sites where a zero CIL rate is proposed (per sqm)

6.3 In order to assist with the interpretation of the scaled plan in appendix B and for the avoidance of doubt, the proposed CIL rates for Local Plan Strategy sites subject to a CIL charge are as follows:

LPS Ref	Site	Settlement	No Dwellings	Proposed CIL Rate in DCS (per sqm)
LPS 5	Leighton	Crewe	500 homes	22

LPS 6	Crewe Green	Crewe	150 homes	22
LPS 7	Sydney Road	Crewe	525 homes	22
LPS 9	Shavington / Wybunbury Triangle	Crewe	400	22
LPS 10	East Shavington	Crewe	275	22
LPS 11	Broughton Road	Crewe	175	22
LPS 14	Land East of Fence Avenue	Macclesfield	250 homes	71
LPS 15	Land at Congleton Road	Macclesfield	300 and 10 ha emp	71
LPS 16	Land south of Chelford Road	Macclesfield	200 homes	71
LPS 17	Gaw End Lane	Macclesfield	300 homes	71
LPS 18	Chelford Road and Whirley Road	Macclesfield	150 homes	71
LPS 20	White Moss Quarry	Alsager	350 new homes and local centre	71
LPS 22	Former MMU	Alsager	400 new homes and leisure hub	71
LPS 32	North of Lamberts Lane	Congleton	225 new homes	71
LPS 34	Land Between Clay Lane and Sagars Road	Handforth	250	168
LPS 36	North West Knutsford	Knutsford	500 and 7.5 ha emp	168
LPS 37	Parkgate Extension	Knutsford	200 new homes and 6 ha employment	168
LPS 38	Land South of Longridge	Knutsford	225	168

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LPS 46	Kingsley Fields	Nantwich	1100 new homes, retail and 2 ha of employment	71
LPS 48	Land Adjacent to Hazelbadge Road	Poynton	150 new homes	168
LPS 49	Land at Spink Farm	Poynton	150 new homes	168
LPS 50	Land south of Chester Road	Poynton	150	168
LPS 53	Land Adj to J17 of M6	Sandbach	450 new home and 20 ha of	71
LPS 54	Royal London including land west of Alderley Road	Wilmslow	employment 175 and 5 ha emp	168
LPS 56	Land at Little Stanneylands	Wilmslow	200 homes	168
LPS 57	Heathfield Farm (allocation)	Wilmslow	150	168
LPS 61	Alderley Park	Alderley	200-300 new homes and employment	168

Table 6.3 Local Plan Strategy Sites CIL rates (per sqm)

7 Next Steps

7.1 The draft charging schedule, regulation 123 list and supporting documentation is published for six weeks of consultation. The comments received will then be reviewed, analysed and responses provided by the Council. During this period, representations can be made and any person making a representation has the right to be heard at a future CIL Examination in Public.

7.2 Where any changes are made to a draft charging schedule after publication, the council must set these out in a 'statement of modifications'. This should include any steps considered necessary to inform people who were invited to make representations on the draft charging schedule that this statement has been published and consulted for a further 4 week period.

7.3 Following a decision by the Council to proceed towards adoption, the charging schedule would then be submitted and examined by an independent person. The CIL examiner following consideration of the evidence and comments received can recommend approval, or approval subject to modification, or rejection of the CIL charging schedule. Subject to the

recommendation of approval, the CIL charging schedule, will then be taken forward for adoption by the Council with implementation of CIL recommended from a published date following the Council meeting.

7.4 In November 2015, the Government announced an independent group to conduct a review of the Community Infrastructure Levy and the extent to which it is meeting its objectives. The CIL advisory groups report has been submitted to Government. The Housing White Paper, published on the 7th February 2017 notes that Government is currently exploring longer term reforms to the system of developer contributions (S.106 and CIL) and intends to announce any changes to its current operation at the 2017 Autumn Budget Statement. The Council will keep its position on CIL under review and will respond to any future changes in its operation as and when appropriate.



8 Glossary

Charging Authority	A charging authority is the collecting authority for CIL charged in its area. The charging authority prepare relevant CIL proposals for their area including an assessment of the infrastructure needs for which the levy may be collected.
Charging Schedule	The charging schedule is a document that sets out community infrastructure levy rates of a charging area
Community Infrastructure Levy (CIL)	A levy on development allowing local authorities to raise funds from owners or developers of land undertaking new building projects in their area.
Development Plan	This includes adopted Local Plans and Neighbourhood Plans and is defined in Section 38 of the Planning and Compulsory Purchase Act 2004.
Draft Charging Schedule	This is the document prepared for the second stage of statutory consultation required in the production of charging schedule. This document will be consulted upon before being examined by an independent examiner.
Infrastructure	Basic services necessary for development to take place, for example, roads, electricity, sewerage, water, education, sport/recreation and health facilities.
Infrastructure Development Plan	National planning policy formally requires Local Authorities to demonstrate sufficient infrastructure exists, or will be provided, to support their strategies for new development as set out in their Local Plan documents. The Infrastructure Development Plan is a supporting document to the Local Plan
Local Plan	The plan (which can comprise one or more documents) for the future development of the local area, drawn up by the Council in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. The term includes old policies which have been saved under the 2004 Act.
Local Plan Strategy	A development plan document and the first part of the Council's Local Plan. It sets out the overall planning framework for the area. It includes strategic policies and allocations to achieve sustainable development.
Preliminary Draft Charging Schedule	This is the document prepared for the first statutory consultation required in the production of the Charging Schedule.

Planning obligation	A legally enforceable obligation entered into to mitigate the impacts of a development proposal.
Regulation 123 list	The Regulation 123 List provides for charging authorities to set out a list of those projects or types of infrastructure that it intends to fund, or may fund, through the levy once CIL is adopted.
Section 106 agreement	Section 106 (S106) of the Town and Country Planning Act 1990 allows a local planning authority to enter into a legally-binding agreement or planning obligation with a landowner in association with the granting of planning permission. The obligation is termed a Section 106 Agreement and is a way of delivering or addressing matters that are necessary to make a development acceptable in planning terms.
Section 278 agreement	A Section 278 Agreement is a legally binding document between the Local Highway Authority
	and the developer to ensure that the work to be carried out on the highway is completed to the standards and satisfaction of the Local Highway Authority.

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Appendix A Draft Charging Schedule

The Charging Authority

A.1 The charging authority is Cheshire East Council

Date of Approval

A.2 The CIL draft charging schedule was approved for consultation on the 12th September 2017

Statutory Compliance

A.3 The CIL draft charging schedule has been issued, approved and published in accordance with the Community Infrastructure Levy Regulations 2010 (and as subsequently amended) and part 11 of the Planning Act 2008 (as amended by part 6 of the Localism Act 2011).

A.4 In setting the Levy rates, the Council considers that it has struck an appropriate balance between;

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

Calculating the CIL Chargeable Amount

A.5 CIL charges will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations 2010 (as amended).

A.6 CIL is charged on the net additional internal floor area of development.

A.7 In summary (and subject to any changes that have occurred or may occur as a result of future amendments to the Regulations) the amount of CIL chargeable will be calculated as follows: CIL Rate x Chargeable Floor Area x BCIS Tender Price Index (at Date of Planning Permission) / BCIS Tender Price Index (at Date of Charging Schedule)

A.8 The Chargeable Floor Area makes allowance for previous development on the site. The net chargeable floor area amounts to the gross internal area of the chargeable development less the gross internal area of any existing building s that qualify for exemption on the site.

A.9 Where buildings are demolished to make way for new buildings, the charge will be based on the eligible floorspace of new buildings less the eligible floorspace of the demolished buildings, provided the buildings were in lawful use prior to demolition.

A.10 A building is considered to be in lawful use if the building contains a part that has been in lawful use for a continuous period of at least six months within the period of three years ending on the day planning permission first permits the chargeable development.



A.11 If the CIL amount calculated is less than £50 no charge will apply.

A.12 The relevant rates are the rates as set out in the Charging Schedule which apply to type and location of the relevant development. They apply at the time planning permission first permits the chargeable development.

A.13 This summary does not take account of every aspect of the Regulations.

CIL Rates

A.14 The Community Infrastructure Levy draft charging rates for development across Cheshire East Council area are as follows:

Development Type	Zone	Initial Proposed Rate of CIL (per sqm)
Residential (Use Class C3)	Zone 1 - Crewe, Macclesfield, Alsager, Congleton, Handforth, Middlewich, Nantwich, Sandbach, Audlem, Bunbury, Bollington, Chelford, Disley Goostrey, Haslington, Holmes Chapel, Shavington and Wrenbury	£0
Residential (Use Class C3)	Zone 2 - Crewe Hinterland	£22
Residential (Use Class C3)	Zone 3 - Knutsford, Alderley Edge, Mobberley, Prestbury, Poynton and Wilmslow	£57
Residential (Use Class C3)	Zone 4 - rural areas to the south and central areas of Cheshire East	£71
Residential (Use Class C3)	Zone 5 - rural areas to the north of the Borough	£168
Apartments (Use Class C3)	Zone 3 + 5	£60
Hotels (Use Class C1)	Whole Borough	£0
Retail Uses	Retail Zone 1 - Retail Parks at Grand Junction in Crewe and Handforth Dean in Handforth	£66
Retail Uses	Outside of Retail Zone 1	£0

Development Type	Zone	Initial Proposed Rate of CIL (per sqm)
Offices (Use Class B1)	Whole Borough	£0
General Industrial (Use Class B2)	Whole Borough	£0
Storage and Distribution (Use Class B8)	Whole Borough	£0
All Other Uses (Whole Borough)	Whole Borough	£0

Table A.1 Draft Charging Schedule CIL Rates (per sqm)

Appendix B Charging Zone Map

Residential CIL Rates

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B.1 Figures B1-B3 present the proposed residential CIL charging areas based on the outcomes of the Keppie Massie Draft Charging Schedule Viability Assessment. The Borough has been considered on a Town and Parish basis and the urban areas are defined by the boundaries (settlement boundary and / or green belt boundary) in the legacy Crewe and Nantwich, Congleton and Macclesfield Local Plan documents as amended by the Local Plan Strategy and a selection of site testing as set out in the Keppie Massie draft charging schedule viability report.

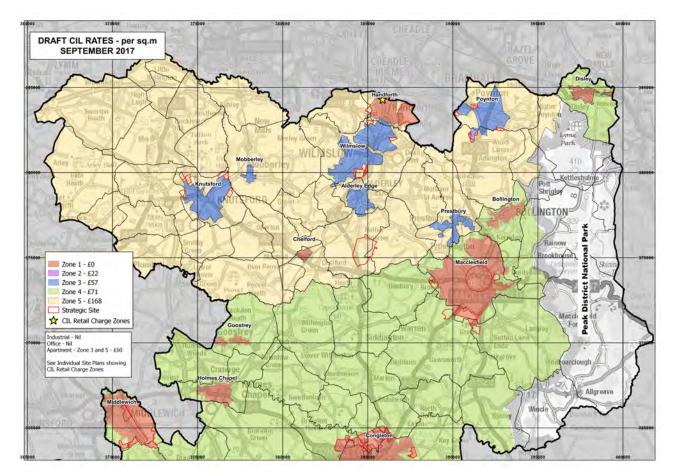


Figure B.1 Northern Area CIL Map (rates set per sqm)

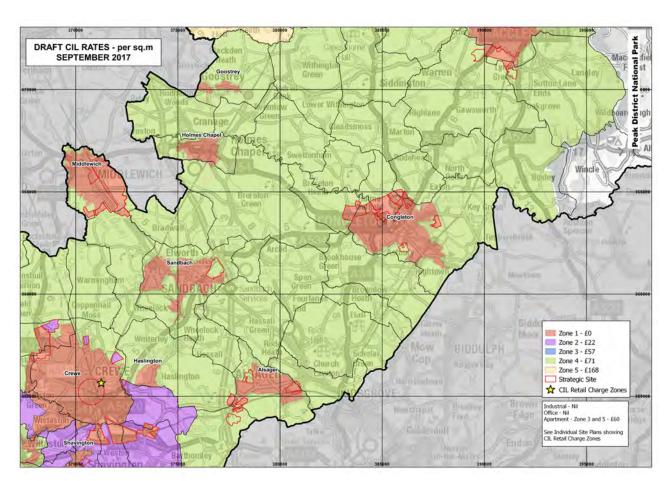


Figure B.2 Central Area CIL Map (rates set per sqm)

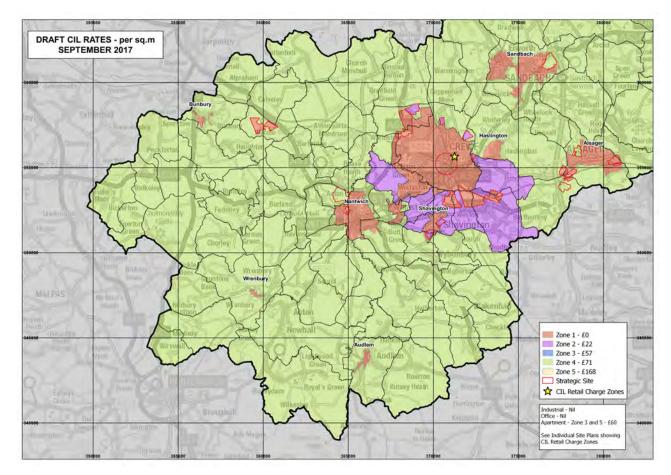


Figure B.3 Southern Area CIL Map (rates set per sqm)

Retail CIL Rates

B.2 Figures B4 and B5 set out the proposed Retail CIL rates for the areas of Handforth Dean in Handforth and Grand Junction Retail Park in Crewe as evidenced by the Keppie Massie Draft Charging Schedule Viability Assessment.

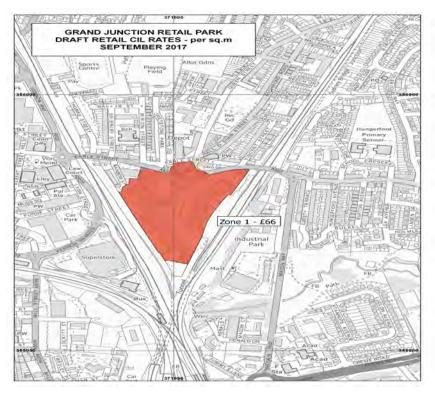


Figure B.4 Grand Junction Crewe CIL Rates (rate set per sqm)

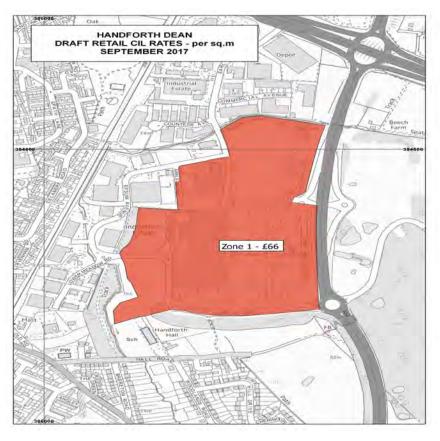


Figure B.5 Handforth Dean CIL Retail Charging Area (rate set per sqm)

Appendix C Draft Regulation 123 List

C.1 N.B. produced as information to support the Community Infrastructure Levy draft charging schedule consultation.

C.2 The following list sets out the type of infrastructure or projects, the Council may fund, wholly or in part, through Community Infrastructure Levy receipts once a charging schedule is adopted. The inclusion of a type of infrastructure or project on the Regulation 123 list does not represent a commitment by the Council to fund that infrastructure through Community Infrastructure Levy receipts. The order does not imply a priority or preference for funding. The list will be reviewed following consultation on the draft charging schedule and periodically, subject to a decision to adopt a CIL charge in the borough, taking into account emerging infrastructure requirements to support the timely delivery of new development within the borough.

C.3 The list is based upon the infrastructure projects or types set out in the Infrastructure Delivery Plan (July 2016 Update) to include items that will support growth identified in the adopted Local Plan Strategy for the period (2010-2030).

C.4 The Community Infrastructure Regulations 2010 (as amended) restricts the use of planning obligations secured through S106 agreements for infrastructure that will be funded in whole or in part by the Community Infrastructure Levy. This is to ensure there is no duplication between CIL and planning obligations in funding the same infrastructure projects. In addition, a development should not have to contribute twice towards the same piece of highways infrastructure through works carried out under Section 278 of the Highways Act 1980, and monies or land provided through CIL.

C.5 The relationship between CIL and planning obligations are explained in the Planning Practice Guidance where it notes that it is possible that site specific mitigation may still be necessary subject to certain limits, namely:

- The application of the statutory test with respect to planning obligations (regulation 122) namely necessary to make the development acceptable in planning terms, directly relevant to the development and fairly and reasonably related in scale and kind;
- Ensuring no overlap between CIL and Planning Obligations;
- Imposing a 5 limit pooled contribution from planning obligations towards infrastructure that may be funded by the levy.

C.6 In accordance with the CIL Regulations, the Council will pass 15% of relevant CIL receipts to the Town/Parish Council for that area, capped at £100 per dwelling on existing dwellings. If the town/parish council adopts a neighbourhood plan, this percentage will be increased to 25% (uncapped).

C.7 The list below sets out those infrastructure projects that Cheshire East Council currently intends may be wholly or partly funded by CIL, with clarification notes and S106 requirements.

1) Infrastructure Type or Project that could potentially be funded through CIL		2) Any exclusions - to be secured potentially through section 106, section 278 or other means except those items specified in column 1.	
Transport (Roads and other transport facilities including public transport provision)		Transport assessments, Travel Plans and Travel Plan monitoring in line with Policy C04 (Travel Plans and Travel Assessments) of the Local Plan Strategy.	
Als	ager		
•	B5077 Crewe Road/B5078 Sandbach Road North junction improvements	Highway works to mitigate the direct impact of development including site access, junction improvements and enabling safe and convenient access by all modes of transport.	
 Improvements to the A5020 Weston Gate Roundabout 		Site related pedestrian, cycle or bus facilities / service provision.	
• Ma	Crewe Bus Station Relocation	n.b Improvements may include works directly within or related to the development site, where the needs for such works are identified in a	
•	Macclesfield Town Centre Movement Strategy		
Nantwich			
•	Burford junction improvements, to include complementary improvements on surrounding network Alvaston roundabout junction improvements Peacock roundabout junction improvements		
Wil	mslow		
•	A34/A538 West junction improvements A34/ Alderley Road / Wilmslow Road		
Ge	neral		
•	Canal towpath improvements		
En¢	ergy (electricity and gas suppliers) No CIL Funding	Overall requirement identified in the Infrastructure Delivery Plan as being dependent on demand from individual schemes, phased completion and short term supply, secured through s.106 agreement as required.	

1) Infrastructure Type or Project that could potentially be funded through CIL	2) Any exclusions - to be secured potentially through section 106, section 278 or other means except those items specified in column 1.
 Water (water supply and wastewater treatment, flood risk management) No CIL Funding 	Any site specific mitigation measures required to facilitate the alleviation of flood risk / water efficiency measures in relation to the site or in vicinity of the site to avoid /mitigate the impacts arising from the development of the site in line with policy SE13 Flood Risk and Water Management of the Local Plan Strategy.
ICT / Digital (broadband / wireless) No CIL Funding 	Developers will be required to work with appropriate providers to delivery the necessary physical infrastructure to accommodate ICT related hard infrastructure and networks in line with Policy CO3 (Digital Connections) of the Local Plan Strategy
 Education (primary and secondary schools) Funding for Primary Education to deliver the Local Plan Strategy will be generated through S106 agreements apart from the following projects that may benefit from CIL funds: CS 8: South Macclesfield Development Area CS44: Back Lane / Radnor Park CS46: Giantswood Lane to Manchester Road, Congleton 	 Early Years Education Special Educational Needs Primary Education Secondary Education Employment and training initiatives
 Health The provision, improvement, replacement, operation or maintenance of new and existing primary health care facilities and services. 	Provision of secondary health care facilities or a site by site basis. Please also refer to policy SC3 (Health and Wellbeing) of the Local Plan Strategy.

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1) Infrastructure Type or Project that could potentially be funded through CIL	2) Any exclusions - to be secured potentially through section 106, section 278 or other means except those items specified in column 1.
Community FacilitiesNo CIL Funding	On site or nearby provision of community facilities identified by site specific measures / requirements.
 Recreation and Sporting Facilities (indoor sports facilities and sports pitches) The improvement of a leisure centre and athletics stadium at Macclesfield identified in the Infrastructure Delivery Plan. 	Any site specific measures identified – reference should also be made to policy SC1 (Leisure and Recreation), SC 2 (Indoor and Outdoor Sports Facilities) and SE6 (Green Infrastructure) of the Local Plan Strategy.
Green Infrastructure (allotments, open space and amenity open space) No CIL Funding 	On site or nearby provision of green infrastructure as a result of development sites. Please also refer to policy SE6 (Green Infrastructure) of the emerging Local Plan Strategy.

Table C.1 Initial Draft Regulation 123 List - Draft Charging Schedule Consultation