Borough Plan Advisory Committee

Date: 07 March 2013
Agenda item: 04
Subject: Merton’s Community Infrastructure Levy draft charging schedule for public consultation

Lead officer: Director for Environment and Regeneration, Chris Lee
Lead member: Cabinet Member for Environmental Sustainability and Regeneration, Councillor Andrew Judge
Forward Plan reference number: 1245
Contact officer: Strategic Policy and Research Manager, Tara Butler

Recommendations:
1. That public consultation takes place for a period of six weeks on Merton’s draft Community Infrastructure Levy Charging Schedule
2. That the Borough Plan Advisory Committee notes the timetable set out below for the progression of Merton’s CIL.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 By April 2014, the Community Infrastructure Levy (CIL) will largely replace Section 106 agreements in funding infrastructure necessary to support development such as education, health and community facilities. Affordable housing will still be secured through S106 obligations.

1.2 Local Authorities who wish to charge the levy must produce a draft charging schedule setting out CIL rates for their area, which are expressed as ‘£ per sqm’. The draft charging schedule should be presented for public consultation at least twice before being approved by an independent examiner and finally adopted by the Council.

1.3 Once CIL is adopted and implemented, it becomes a statutory land charge and therefore is non-negotiable unless exempt through the CIL Regulations from paying CIL.

1.4 In accordance with CIL regulations and guidance, local authorities wishing to adopt and subsequently implement a CIL charge should be able to justify a need to levy a CIL charge and to demonstrate that the CIL charge is informed by available viability evidence.
1.5 This report summarises this background information as well as recommending a draft CIL charge for public consultation; the second stage of the preparation of Merton’s CIL. Appendix A summarises what other London boroughs are proposing to charge for their CIL.

1.6 This report was presented to Cabinet on 18 February 2013.

2. DETAILS

2.1 Between January and March in 2012, Merton’s Preliminary Draft CIL Charging Schedule was subject to public consultation; the first phase of creating Merton’s CIL charge.

2.2 Since June 2012 further viability evidence has been undertaken following the responses received from this consultation, (including those submitted from the Mayor of London) and government’s publication of new CIL Regulations in October 2012 and December 2012. This was to ensure that Merton’s CIL charge ‘£ per sqm’ is pitched appropriately and will not impact on the viability of the overall majority development expected to come forward in Merton’s adopted Core Planning Strategy.

2.3 Since 01 April 2012 Merton has been collecting the Mayor of London’s CIL charge on behalf of the Mayor, which contributes to funding Crossrail. This CIL charge of £35 per sqm in Merton is levied on most developments except for affordable housing, education, health uses and developments used for charitable purposes. Merton has to take the Mayor’s pre-existing CIL charge into account when setting its own CIL charge.

2.4 This report recommends public consultation on Merton’s draft CIL Charging Schedule, the second stage of creating a CIL charge for Merton.

Considerations when selecting a CIL Charge

2.5 Once the CIL charge ‘£ per sqm’ is adopted, it is a mandatory land charge. The CIL regulations and guidance makes clear that a CIL charge must be informed by and consistent with viability evidence and that charge must be set so that most (not all) development in the borough will still be viable, and therefore able to be built, once the charge is imposed.

2.6 However it is up to local authorities to strike the balance between how much money is required from CIL funding to provide infrastructure as a result of development with how much development would be put at risk that is expected to come forward in Merton’s Core Planning Strategy from the imposition of the CIL charge.
2.7 Government guidance and good practice examples, including those from the Mayor of London’s CIL, have a number of recommendations for all authorities setting a CIL charge for the first time.

**Keep the first CIL Charge simple**

2.8 CIL regulations and guidance allows boroughs to apply a different CIL rate by ‘zone’ or ‘use’. Each boundary must be shown on a map and the reasons for differences between the zones must be clearly justified.

2.9 However, very strong advice from authorities that have already implemented CIL (including the Mayor of London) is to keep the charges simple and straightforward for the first CIL. Not only does this make the charge easier to justify at the independent examination, it also makes it much easier to explain and administer.

2.10 CIL charges that have a number of variables according to geographic area and land use may become too complicated for an applicant to understand and too onerous for the authority to implement successfully, particularly for proposals that straddle different zones and will have a number of different uses.

2.11 Defining the precise boundary between different charges is challenging, especially where the viability evidence splits a street, or even a single site, into two zones, potentially with different charges.

**The charge must be based on viability, not desire to promote or restrict development** –

2.12 The proposed CIL charge should be based on evidence of viability and cannot be based on an authority’s desire to achieve regeneration or restrict development in a particular area or of a particular land use.

2.13 However, with reference to the point above about keeping the charge simple, this does not mean that an authority must follow the absolute recommendations of what is viable. For example, many London councils are proposing a single charge for residential development across their whole authority area, to keep the charge simple, even though it might be viable to levy slightly different charges within different parts of the borough.

**Not all development has to be viable**

2.14 Merton’s preferred CIL charge must not have a significant impact on the viability of development across the whole of Merton; therefore it is advised that the charge is not set at the highest level of what might be viable. However it may be that parts of the borough where a limited amount of new development takes place may be hindered.
Expect to replace the CIL charge every five years.
2.15 Like most economic and financial forecasts, studies into development viability are at their most accurate in the short to medium term. Changes in development costs, profits, legal fees, lending interest rates, land values and other variables will occur over time. Councils are advised to review their charging schedule at least every five years, and consider creating a new schedule if viability has changed significantly during this time.

Recommended CIL charge for Merton – proposed for consultation

2.16 Merton’s Preliminary Draft CIL Charging Schedule was consulted on between January and May 2012. To address the issues raised in the consultation, additional viability work was undertaken to inform Merton’s draft CIL.

2.17 In November 2012, BNP Paribas completed Merton’s CIL Viability Assessment. The report from BNP Paribas stated that the CIL charges set out in Appendix 1 of this report would be viable.

2.18 Although it is the view of BNP Paribas that these charges may be viable, officers are recommending a CIL Charge for Merton in line with emerging best practice in setting CIL rates, taking government guidance into account and learning the lessons from the CIL examinations of other boroughs.

Residential development
2.19 For residential development: two zones, based on assessment of viability by postcode
- £220 per square metre in Colliers Wood, Raynes Park and Wimbledon
- £115 per square metre in Mitcham, Morden and West Barnes
Retail
2.20 The recommended charge for retail superstores and warehouses across the borough: £100 per square metre. It is not recommended that a CIL charge is levied on other forms of retail development in Merton (e.g. smaller shops, cafes, restaurants).

2.21 Superstores/supermarkets are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit. Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering for mainly car-born customers. Charging CIL on all other retail premises, such as smaller shops, was not found to be viable.

Development other than residential or retail
2.22 The BNP Paribas report on viability found that no other types of development in Merton (e.g. offices, industrial buildings etc) are likely to be viable enough to support a CIL charge, in addition to the £35 per square metre already levied by the Mayor of London. Therefore the recommended charge for other forms of development in Merton is zero.
Progression with the next stages:

2.23 The proposed timetable is as follows:

<table>
<thead>
<tr>
<th>Target Milestones</th>
<th>Timescale</th>
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<tbody>
<tr>
<td>Consult on Draft Charging Schedule</td>
<td>Spring 2013</td>
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<tr>
<td>Submission to Secretary of State</td>
<td>Summer 2013</td>
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<tr>
<td>EiP Hearing</td>
<td>Autumn 2013</td>
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<td>Adoption</td>
<td>Winter 2013</td>
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<tr>
<td>Implementation</td>
<td>Spring 2014</td>
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3. ALTERNATIVE OPTIONS

3.1 Since 01 April 2012, London boroughs have been levying and collecting CIL on behalf of the Mayor of London. CIL regulations and guidance will restrict the use of S106 obligations, boroughs should set their own CIL before April 2014 otherwise funding secured through developer’s contributions to fund infrastructure such as education, health and transport will be limited.

3.2 Several viable alternative options were explored and rejected in recommending the draft CIL charge set out in this report.

3.3 One option was to continue to apply the proposed changes as set out in the Preliminary Draft CIL Charging Schedule (January 2012). This option was rejected as the proposed charges did not reflect up-to-date viability evidence set out in the BNP Paribas report (2012) and that proposing to apply CIL to three different zones for residential development, was seen as too complex for the initial CIL charge for Merton.

3.4 Another option was to recommend that Merton’s draft CIL charge be applied to residential development exactly as set out in the BNP Paribas report, with five different charges applied to five different zones in Merton (See Appendix A). This approach was viewed as unduly complex to take forward for Merton’s first CIL, contrary to best practice guidance which strongly advises that CIL charges are kept simple so as not to put development delivery or implementation at risk.

3.5 Another option was to apply the maximum level of charges set out in BNP Paribas report as financially viable. This option was considered to be inappropriate as Government Guidance advises against setting rates at the
3.6 Another option was to apply one CIL charge for residential development to the whole borough, reflecting the lowest level of viability in the borough. CIL will be used to fund infrastructure (such as healthcare, school places, open spaces, biodiversity) essential to supporting new homes in the borough. Merton has a wide variation in sales prices across the borough. Applying one CIL charge for residential development to the whole borough would keep CIL simple but would reduce the amount of funding for infrastructure necessary to support new development, and potentially put the delivery of Merton’s Core Planning Strategy at risk if infrastructure couldn’t keep pace with new residential development.

4. CONSULTATION UNDERTAKEN OR PROPOSED

4.1 January to May 2012: Merton Council published its Preliminary draft CIL Charging Schedule for public consultation. It proposed the following charges for residential development: 3 different zones based on viability:

- **Wimbledon zone** (parts of Village, Hillside and Wimbledon Park wards) = £385 per square metre
- **Colliers Wood / Raynes Park zone** = £140 per square metre
- **Morden and Mitcham zone** = £42 per square metre

4.2 Responses to this consultation and the council’s actions from these responses are set out on Merton Council’s website: [www.merton.gov.uk/CIL](http://www.merton.gov.uk/CIL) The responses received covered a number of issues including:

- The methodology of the viability report and the relationship with the Mayor’s CIL (response from the Mayor of London)
- Questions on the assumptions on the costs of development in Merton which had been incorporated into the viability work which informed Merton’s CIL (e.g. the costs of the Mayor’s CIL, affordable rent, affordable housing Section 106 charges)
- Questions relating to the government’s CIL Regulations and how CIL will be allocated for spending in Merton

4.3 Following the consultation feedback, Merton undertook additional viability evidence to inform the draft CIL Charging Schedule
5. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

Financial, Resource and Property implications of moving from S106 to CIL

6.1 In the ten years between 2000 and 2011, Merton received on average £960,000 per year in Section 106 receipts. However across the 11 years this varied from circa £400k in one year to circa £3million in another year, depending on what developments were built that year.

6.2 Like most outer London boroughs, many of Merton’s development sites are not vacant land but have existing buildings on them. Under Government Regulations, CIL can generally only be levied on the net additional floorspace (i.e. not including the existing floorspace on the site) therefore this reduces the CIL liable for redevelopment of existing development sites.

6.3 Not all developments will be charged CIL (e.g. affordable housing, charitable institutions, healthcare, community, education, office, industrial are either exempt in the Regulations or unviable for CIL in Merton).

6.4 Therefore, Merton’s CIL revenue could average c£1,000,000 in CIL receipts per annum, very similar to what Merton already receives in Section 106. This estimate is based on:

- development trends in Merton since 1999,
- development forecast by use and area for the next five years
- consideration of CIL exemptions, and
- the potential CIL charges proposed in this report
- the example of collection the Mayor of London’s CIL in Merton over the nine months since April 2012

6.5 It is difficult to accurately forecast CIL receipts due to the complicated nature of levying the new charge, when and whether development will start construction and how often landowners will pursue CIL exemptions. CIL is payable once construction has started; once planning permission is granted developers have up to three years to start construction and may apply for an extension to this.

6.6 The total funding needed to support local infrastructure (e.g. education, healthcare, transport, open spaces etc) throughout the 15-year lifetime of the Core Planning Strategy excluding funding from other sources is circa £190million. This is very similar to other London boroughs.

6.7 Should neighbourhood plans be adopted in any part of Merton, 25% of CIL levied on new developments within the neighbourhood plan area must be allocated for spending within the neighbourhood plan boundary.
6. LEGAL AND STATUTORY IMPLICATIONS

7.1 Part 11 of the Planning Act 2008 introduces CIL. CIL is also provided for by the Localism Act 2011. Government have prepared CIL Regulations 2010; CIL (amendment) Regulations 2011 and 2012.

7.2 As the CIL draft Regulations 2012 relate mainly to how CIL is spent, Merton’s CIL Charging Schedule is being prepared in line with the provisions of the CIL Regulations 2010 and 2011.

7.3 Since November 2012, the following guidance has been issued which will have an impact on the council when progressing with Merton’s CIL:

- The Mayor has published draft supplementary planning guidance ‘Use of Planning Obligations in the Funding of Crossrail, and the Mayoral Community Infrastructure Levy’. This document proposes to make the adoption of CIL more onerous for Local Authorities for instance, setting out guidance on CIL setting by boroughs, proposing a CIL instalment policy to be implemented by local authorities who have not yet adopted their own CIL and clarification on the definition of ‘floorspace’ (including clarifying that communal areas in residential developments regardless of tenure is CIL liable).

- Community Infrastructure Levy Guidance December 2012 – this guidance replaces the statutory guidance issued on 14 December 2010 under section 221 of the Planning Act 2008 and should be complied with when adopting a Charging Schedule. The principle change makes progressing with adopting a CIL charge slightly more onerous. The key changes are as follows:
  - The evidence test at examination, as Charging Authorities will now need to ‘show and explain’ how their CIL rates contribute positively towards, and not threaten delivery of their relevant (development) plan as a whole, now and through the economic cycle.
  - The introduction of a clear thread between:
    - plan making evidence on infrastructure need;
    - the evidence on the aggregate infrastructure gap, that provides the need for CIL;
    - the draft regulation 123 list that is now required at examination, that sets out the charging authorities spending plans.
  - the need to explain, at examination, how CIL and S106 will operate when a CIL has been adopted
  - requiring the charging authorities to consult if they change the Regulation 123 CIL spending list, and to review the charging schedule if the change to the list affects viability.
  - Developers are expected to give the Charging Authority support with evidence and Charging Authorities are encouraged to engage early with developers and be clear about their infrastructure needs and how they will be paid for.
7. **HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

7.1 None for the purposes of this report.

8. **CRIME AND DISORDER IMPLICATIONS**

8.1 Planning obligations are used to fund infrastructure to reduce crime and disorder, including CCTV. As infrastructure providers, the Met Police may apply to local authorities for CIL funding.

9. **RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

9.1 It is considered that starting to prepare for CIL implementation at this stage is essential to reducing the risks of not being ready to charge CIL by April 2014.

10. **APPENDICES – the following documents are to be published with this report and form part of the report**

Appendix 1: Briefing Note: Developing a CIL charge for Merton

11. **BACKGROUND PAPERS**

**Merton-specific**

Merton’s CIL Preliminary Draft Charging Schedule 2011:  

Merton’s CIL Viability Study completed by Roger, Tym and Partners (Jan 2012):  

Merton’s Statement of Consultation for Merton’s CIL Preliminary Draft Charging Schedule:  

**Mayor of London**

Use of planning obligations in the funding of Crossrail, and the Mayoral Community Infrastructure Levy – draft SPG (November 2012):  

**Government Regulations and guidance**

The Community Infrastructure Levy Regulations 2010
“Community infrastructure levy guidance – charge setting and charging schedule procedures”, March 2010 DCLG

“The Community infrastructure levy summary”, November 2010 DCLG

The Community Infrastructure Levy (Amendment) Regulations 2011

“Community Infrastructure Levy Relief”, Information document, May 2011 DCLG

“Community infrastructure levy – an overview”, May 2011 DCLG

Community Infrastructure Levy: detailed proposals and draft regulations for reform: consultation October-December 2011 (CLG)

http://www.communities.gov.uk/publications/planningandbuilding/cilreformconsultation

“Community infrastructure levy – collection and enforcement”, information document October 2011 DCLG

http://www.communities.gov.uk/publications/planningandbuilding/cilcollectionenforcement

Amendments to the CIL Regulations November 2012 (DCLG)

CIL Statutory Guidance December 2012 (DCLG) (replaces and amends December 2010 statutory guidance)

Useful guidance

Planning Advisory Service – CIL frequently asked questions

http://www.pas.gov.uk/pas/core/page.do?pageId=1242969

Planning Officers Society CIL advice note (October 2011):

Table 1. BNP Paribas November 2012 report: potential charge for Merton’s CIL

In January 2012, Merton Council published its Preliminary draft CIL Charging Schedule for public consultation. It proposed the following charges:

Three different zones for residential development based on viability and separated by postcodes:

- Wimbledon zone (parts of Village, Hillside and Wimbledon Park wards) = £385 per square metre
- Colliers Wood / Raynes Park zone = £140 per square metre
- Morden and Mitcham zone = £42 per square metre

Responses to this consultation and the council’s actions from these responses are set out on Merton Council’s website: www.merton.gov.uk/CIL

The responses received covered a number of issues including:

- The methodology of the viability report (queried by the Mayor of London)
- Questions on the assumptions on the costs of development in Merton which had been incorporated into the viability work which informed Merton’s CIL (e.g. the costs of the Mayor’s CIL, affordable rent, affordable housing Section 106 charges
- Questions relating to the government’s CIL Regulations and how CIL will be allocated for spending in Merton

In November 2012, BNP Paribas completed Merton’s CIL Viability Assessment. The report from BNP Paribas stated that the following CIL charges would be viable. It should be noted that these proposals are based on strategic viability assessments and not on best practice and government guidance in setting CIL charges.

Table 1. BNP Paribas report recommended potential charge for Merton’s CIL

Residential – BNP Paribas recommendations for what is viable

- Colliers Wood to Raynes Park - £220 per square metre
- Mitcham - £115 per square metre
- Morden - £150 per square metre
- Wimbledon (north) - £360 per square metre
- West Barnes - £90 per square metre
Retail (shops, banks, estate agents, restaurants, cafes, bars, pubs, takeaways) – BNP Paribas recommendations for what is viable

- Wimbledon town centre - £100 per square metre
- Rest of borough - £0 (not viable)

Retail superstores / warehouses

- Whole borough - £100 per square metre
## Appendix 2: CIL charges for the Mayor of London and other London boroughs

(italic text signifies CILs that have passed independent examination or been adopted in London)

<table>
<thead>
<tr>
<th>Area</th>
<th>CIL status</th>
<th>Residential charges</th>
<th>Retail/commercial charges</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>London Mayor’s (Crossrail) CIL</td>
<td>Came into force on 1 April 2012</td>
<td>Three charging bands, with rates of £20, £35 and £50 per square metre</td>
<td>Three charging bands, with rates of £20, £35 and £50 per square metre</td>
<td>Medical and health service developments are exempt, as are school, college and higher education developments</td>
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<td>Barking and Dagenham</td>
<td>Consultation on preliminary draft charging schedule closed on 10 April 2012</td>
<td>Three zones. Charges of £10, £25 and £75 per square metre.</td>
<td>Charge of £300 p sq m for large convenience retail. Nil rate for small retail and office developments.</td>
<td>Leisure, health and education developments exempt from levy. All other non-residential uses face charge of £100 p sq m.</td>
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<td>Barnet</td>
<td>Consultation on preliminary draft charging schedule closed on 23 April 2012</td>
<td>Single flat rate of £135 per square metre would apply to all development.</td>
<td>Single flat rate of £135 per square metre would apply to all development.</td>
<td>Two zones for student and hotel accommodation, with charges of £40 and £60 p sq m. No charges for public medical or health facilities, or education facilities. All other uses charged at £10 p sq m.</td>
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<td>Bexley</td>
<td>Consultation on preliminary draft charging schedule closes on 1 March 2013</td>
<td>Two zones, with charges of £40 and £60 per square metre.</td>
<td>Charge of £100 p sq m for retail above 280 sq m. All other uses charged at £10 p sq m.</td>
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<td>Camden</td>
<td>Consultation on preliminary draft charging schedule closed on 20 December 2012</td>
<td>A charge of £500 per square metre proposed for residential developments with fewer than 10 dwellings across the whole borough. There are three charging zones for residential uses.</td>
<td>Retail developments to face charge of £25 p sq m across whole borough. Office developments charged at either £45 p sq m or £25 p sq m. No charge for industry, warehousing, research and development. Other development types face charges of either £40 p sq m or £30 p sq m.</td>
<td>Charges of either £400 p sq m or £175 p sq m for student housing. Hotel developments to face charges of either £40 p sq m or £30 p sq m. All other development types face charges of either £40 p sq m or £30 p sq m.</td>
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<tr>
<td>Authority</td>
<td>Description</td>
<td>Details</td>
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<tr>
<td>Croydon</td>
<td>Examination report published in December 2012.</td>
<td>Two zones. Charges either £0 or £120 per square metre. Business uses (B1, B2-B8) charged at either £0 or £120p sq m. All other uses £120p sq m. Residential and non-residential institutions exempt from the charge.</td>
<td>£25 p sq m must pay exempt from the charge.</td>
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<tr>
<td>Hammersmith</td>
<td>Consultation on preliminary draft charging schedule closed on 19 October 2012.</td>
<td>Four zones for residential, with charges of £100, £200, £200 and £400 per square metre. Business uses (B1, B2-B8) charged at either £0 or £120p sq m. All other uses £120p sq m. Residential and non-residential institutions exempt from the charge.</td>
<td>£80 p sq m charge for offices in Hammersmith town centre. No charge for office developments elsewhere. Zero rate for industrial and warehousing developments. All other uses - including retail - to pay flat rate of £80 p q m. Health and education developments exempt. All other uses to pay flat rate of £80 p sq m.</td>
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<td>Haringey</td>
<td>Consultation on preliminary draft charging schedule closed on 17 September 2012.</td>
<td>Three residential zones, with charges of £15, £165 and £265 per square metre. Businesses uses (B1, B2-B8) charged at either £0 or £120p sq m. All other uses £120p sq m. Residential and non-residential institutions exempt from the charge.</td>
<td>Borough-wide charge for supermarkets for £95 p sq m. Borough-wide charge of £25 p sq m for retail warehouse developments.</td>
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<tr>
<td>Haringey</td>
<td>Consultation on draft charging schedule closed on 20 September 2012.</td>
<td>Charge of £110 per square metre for residential developments. Rate of £55 p sq m for residential institutions, student accommodation, hostels and HMOs. Business uses (B1, B2-B8) charged at either £0 or £120p sq m. All other uses £120p sq m. Residential and non-residential institutions exempt from the charge.</td>
<td>Charge of £100 p sq m for Retail (Use Class A1), Financial &amp; Professional Services (Use Class A2), Restaurants &amp; Cafes (Use Class A3), Drinking Establishments (Use Class A4), Hot Food Take-aways (Use Class A5) A rate of £215 per square metre is proposed for large format retail of 1,000sq m or more outside. Nil rate for other retail schemes. Office developments charged at £35 p sq m, and industrial developments at £5 p sq m. All other uses exempt from the levy.</td>
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<td>Harrow</td>
<td>Consultation on draft charging schedule closed on 20 September 2012.</td>
<td>Flat rate of £95 per square metre. Business uses (B1, B2-B8) charged at either £0 or £120p sq m. All other uses £120p sq m. Residential and non-residential institutions exempt from the charge.</td>
<td>Charge of £40 p sq m for hotels. Sui Generis charge of £35 p sq m.</td>
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<td>Hillingdon</td>
<td>Consultation on draft charging schedule closed on 14 December 2012.</td>
<td>£300 per square metre charge for residential dwellings. Business uses (B1, B2-B8) charged at either £0 or £120p sq m. All other uses £120p sq m. Residential and non-residential institutions exempt from the charge.</td>
<td>£300 p sq m charge for retail uses A3 and A4. £200 p sq m charge for retail uses A1, A2 and A5. Two zones for offices, with charges of either £150 or £450 p sq m charge for student accommodation, hotels and apart-hotels. £80 for assembly and</td>
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<td>Islington</td>
<td>Consultation on preliminary draft charging schedule closed on 20 August 2012.</td>
<td>£300 per square metre charge for residential dwellings. Business uses (B1, B2-B8) charged at either £0 or £120p sq m. All other uses £120p sq m. Residential and non-residential institutions exempt from the charge.</td>
<td>£300 p sq m charge for retail uses A3 and A4. £200 p sq m charge for retail uses A1, A2 and A5. Two zones for offices, with charges of either £150 or £450 p sq m charge for student accommodation, hotels and apart-hotels. £80 for assembly and</td>
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</table>
Lambeth Consultation on preliminary draft charging schedule closed on 9 November 2012.

Four residential charging zones, with charges of £50, £150, £265 and £369 per square metre.

Charge of £115 p sq m for retail developments in excess of 2,500 square metres. No charge for other retail schemes. Two charging zones for office developments, with charges of £125 and £0 p sq m.

Use class B (business, general industrial, storage or distribution) exempt from the charge. All other uses charged at £80 p sq m.

All other use classes charged at £80 p sq m.

Lewisham Consultation on preliminary draft charging schedule closed on 23 April 2012.

Two zones. Charges of either £70 or £100 per square metre.

Charge of £30 p sq m for retail uses A1, A2, A3, A4 and A5. Proposes a charge of £120 p sq m for hotels. No charge for other uses.

Flat rate of £70 per square metre for all uses

Flat rate of £70 per square metre for all uses

Flat rate of £30 p sq m proposed for student accommodation. All other uses exempt from the levy.

Newham Consultation on preliminary draft charging schedule closed on 14 September 2012.

Two charging zones for residential. Charges of either £40 or £80 per square metre.

Charge of £30 p sq m for retail uses A1, A2, A3, A4 and A5. Proposes a charge of £120 p sq m for hotels. No charge for other uses.

Flat rate of £70 per square metre for all uses

Flat rate of £70 per square metre for all uses

Flat rate of £130 p sq m proposed for student accommodation. All other uses exempt from the levy.

Redbridge Began charging on 1 January 2012

Flat rate of £70 per square metre for all uses

Flat rate of £70 per square metre for all uses

Charge of £50 p sq m for hotels. No charge for public service and community facilities. Standard charge of £25 p sq m for all other uses not covered.

Flat rate of £70 per square metre for all uses

Flat rate of £70 per square metre for all uses

Flat rate of £70 per square metre for all uses

Richmond upon Thames Consultation on preliminary draft charging schedule closes on 28 January 2013.

Two charging zones with charges of £210 and £275 per square metre.

Charge of £150 p sq m for convenience retail in all areas. Comparison retail charge of £150 p sq m in Richmond town centre, £0 elsewhere. Offices charged at £25 p sq m in Richmond town centre, £0 elsewhere. No charge for light industrial space.

Charge of £50 p sq m for hotels. No charge for public service and community facilities. Standard charge of £25 p sq m for all other uses not covered.

Southwark Consultation on preliminary draft charging schedule closed on 17 October 2012.

Four zones for residential (and student) developments, with charges of £50, £250 and £400 per square metre.

Retail charges of £0, £125 and £250 per square metre. Office and light industrial rates of either £0 or £100 per square metre.

Charge of £115 p sq m for retail developments in excess of 2,500 square metres. No charge for other retail schemes. Two charging zones for office developments, with charges of £125 and £0 p sq m.

Hotel developments charged at £125 or £250 per square metre. No charges for industrial and warehousing, public health facilities, schools and colleges, libraries and sports and leisure facilities 'made available to the public at equivalent rates to local authority sports and
<table>
<thead>
<tr>
<th>Location</th>
<th>Remarks</th>
<th>Charging Schedule</th>
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</thead>
<tbody>
<tr>
<td>Sutton</td>
<td>Consultation on draft charging schedule closed on 10 December 2012</td>
<td>Flat rate of £100 per square metre</td>
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<td>Rate of £120 p sq m for convenience retail. Nil rate for comparison retail and all other uses.</td>
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<td>All other development types exempt.</td>
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<tr>
<td>Tower Hamlets</td>
<td>Consultation on preliminary draft charging schedule closed on 2 January 2013</td>
<td>Three residential charging zones, with CIL rates of £35, £65 and £200 per square metre.</td>
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<td>Large retail schemes (over 280 sq m) would face a tariff of £200 p sq m. Smaller retail schemes would be asked to pay £100 p sq m in the City Fringe and North Docklands, while being exempt from the levy elsewhere. Charge of £125 p sq m proposed for office developments in City Fringe and North Docklands. No charge elsewhere.</td>
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<td></td>
<td>A rate of £425 p sq m would apply to student accommodation and hotel developments across the entire borough. All other development types exempt from the charge.</td>
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<tr>
<td>Wandsworth</td>
<td>Charge came into force on 1 November 2012.</td>
<td>Four zones, with residential charges ranging from £0 to £575 per square metre.</td>
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<td>Office and retail developments charged at £100 p sq metre in two Nine Elms zones. Nil rate everywhere else.</td>
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<td></td>
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<td>All other development is exempt from the charge.</td>
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