



# **Community Infrastructure Levy (CIL)**

## **Revised Draft Charging Schedule**

### **Statement of Modifications**

**February 2014**

## **1. Introduction**

- 1.1 The Council has decided to amend some of the rates set out in the Revised Draft Charging Schedule, and as such have prepared this Statement of Modifications.
- 1.2 Under the provisions of the CIL Regulations 2010 (as amended), the Council is able to modify the CIL Draft Charging Schedule following publication and consultation. Where changes are proposed the Council is required to produce a Statement of Modifications, inform consultation bodies invited to make representations on the Draft Charging Schedule, and provide an opportunity to request a right to be heard by the Examiner in relation to the proposed changes.

## **2. Modifications to the Revised Draft Charging Schedule**

- 2.1 This Statement of Modifications sets out the modifications which have been made to Tower Hamlets' Revised Draft Charging Schedule. As set out below, the modifications made are limited to a small amendment to a few of the commercial rates. They comprise reductions to the hotel, 'convenience' retail, and office (both for North Docklands and for the City Fringe) rates. These reductions have been made to reflect the representations received at the RDCS stage, and in particular reflect a methodological adjustment to the viability appraisals. The site value in the viability appraisals must now be accounted for when assessing the reasonable profit levels expected for developers of commercial schemes.
- 2.2 The RDCS was published for consultation on 21<sup>st</sup> October 2013. The Council received representations from 29 respondents to the Revised Draft Charging Schedule within this consultation period, which ended on 2<sup>nd</sup> December 2013. Further details about the background to this consultation, and the consultation on the earlier Draft Charging Schedule, are set out in the Statement of Compliance (February 2014) which will be submitted to the Planning Inspectorate shortly.
- 2.3 Appendix 1 of this document sets out the BNP Paribas's reasons for recommending that the Council make change to the rates, and their further appraisals related to this are set out in Appendix 2. Appendix 3 sets out the resulting impact in relation to the CIL Projections and the Funding Gap. It is estimated that this change to the rates will reduce the Council's projected CIL income by 2.58% over the plan period (up to 2025/26).

## **3. Publication**

- 3.1 As required under Regulation 19 of the Regulations, a copy of this Statement of Modifications has been sent to each of the persons that were invited to make representations under Regulation 15 and it has been published on the Council's website at: <http://www.towerhamlets.gov.uk/cil>.
- 3.2 This Statement of Modifications will also be made available at the Town Hall and in Idea Stores across the Borough for inspection during business hours.

## **4. Requests to be Heard**

- 4.1 Any person may request to be heard by the Draft Charging Schedule's Examiner in relation to the modifications set out in this document. The Council has already received requests with regard to the Draft Charging Schedule and the Revised Draft Charging Schedule. There is no need to repeat those requests to be heard at this stage. It is only

if any person wishes to exercise their right to be heard in relation to the modifications set out in this document that they need to inform the Council.

4.2 Any request to be heard by the Examiner in relation to these modifications must be:

- Submitted to Tower Hamlets Council in writing before the end of the period of four weeks beginning with the day on which the Draft Charging Schedule is submitted to the Examiner in accordance with Regulation 19 (1).
- Include details of the modifications (by reference to this Statement of Modifications) on which the person wishes to be heard.

4.3 Persons requesting to be heard should indicate whether they support or oppose the modifications and explain why.

4.4 In accordance with the Regulations, a copy of each request to be heard in relation to these modifications will be forwarded to the Examiner.

4.5 Requests to be heard may be withdrawn at any time before the opening of the Examination by giving notice in writing to Tower Hamlets Council.

4.6 A request to be heard by the Examiner in relation to these modifications must be made in writing by post or email to:

Infrastructure Planning  
London Borough of Tower Hamlets  
2nd Floor, Mulberry Place  
5 Clove Crescent  
E14 1BY  
Email: [CIL@towerhamlets.gov.uk](mailto:CIL@towerhamlets.gov.uk)

## 5. Proposed Modifications

- 5.1 The proposed modifications relate to the proposed CIL rates set out in Table 1 of the Revised Draft Charging Schedule. It is proposed to modify Table 1 in the manner set out in table below: -

Table 1: Proposed Rates

Development Type	Proposed CIL Rate Per Sq. M (GIA) of Development		
	Zone 1	Zone 2	Zone 3
Residential	£200	£65	£35
Offices	<i>City Fringe</i>	<i>North Docklands</i>	<i>Rest of Borough</i>
	<del>£120</del> <b>£90</b>	<del>£60</del> <b>£50</b>	Nil
Retail (Except Convenience Supermarkets, Superstores and Retail Warehousing)	£70	£70	Nil
Convenience Supermarkets, Superstores and Retail Warehousing	Borough Wide		
	<del>£135</del> <b>£120</b>		
Hotel	Borough Wide		
	<del>£210</del> <b>£180</b>		
Student Housing	Borough Wide		
	£425		
All Other Uses	Borough Wide		
	Nil		