

# REPORT FOR: **CABINET**

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<b>Date of Meeting:</b>	19 July 2012
<b>Subject:</b>	Harrow Community Infrastructure Levy – Preliminary Draft Charging Schedule
<b>Key Decision:</b>	Yes [Affects all Wards]
<b>Responsible Officer:</b>	Andrew Trehern, Corporate Director Place Shaping
<b>Portfolio Holder:</b>	Councillor Keith Ferry, Portfolio Holder for Planning and Regeneration
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Enclosures:</b>	Appendix 1 – CIL Preliminary Draft Charging Schedule Appendix 2 – CIL Viability Report

## **Section 1 – Summary and Recommendations**

The purpose of this report is to provide a summary of the process involved in preparing the Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule and the key evidence that supports it.

### **Recommendations:**

Cabinet is requested to:

- A. Approve the CIL Preliminary Draft Charging Schedule at Appendix 1 for a six week period of public consultation in accordance with the Council's adopted Statement of Community Involvement;

- B. Authorise the Divisional Director of Planning, in consultation with the Portfolio Holder for Planning and Regeneration, to approve the consultation documents which will accompany the CIL Preliminary Draft Charging Schedule

**Reason:**

To commence the process of preparing and adopting a CIL Charging Schedule that will enable the Council to charge CIL on new development to help pay for social and physical infrastructure within the Borough.

## **Section 2 – Report**

The Council's spatial vision in its Core Strategy is underpinned by evidence of the need for new green, physical and social infrastructure to support new development and existing communities. The preparation and adoption of a CIL Charging Schedule will ensure that the borough continues to receive contributions from new development towards the delivery of strategic infrastructure required to achieve that vision.

### **Options considered**

It is considered that there are limited genuine alternative options to drafting a CIL charging schedule. Although CIL is not a statutory requirement, boroughs without a charging schedule from April 2014 will generally not be able to pool contributions towards new infrastructure.

However, there are alternative options around the level of charge to set for different types of development or different geographic areas. Such options have been explored in preparing the preliminary charges set out for consultation, which are recommended on the basis of available evidence and government guidance.

The results from the forthcoming public consultation will help to test and refine Harrow's CIL Charging Schedule. A summary of the consultation responses and the final CIL Charging Schedule will be reported back to Cabinet in October for approval for a further and final round of public consultation as well as for submission for independent examination.

### **What is the Community Infrastructure Levy (CIL)?**

The CIL Regulations came into force in April 2010. CIL is a new levy which Local Planning Authorities can choose to charge against most types of new development in their area to help pay for infrastructure such as schools, transport schemes, libraries, parks, leisure facilities and other strategic

infrastructure that is required to support the new development. This includes development that does not require planning permission.

While CIL is an optional charge, the Regulations significantly limit the use of S106 agreements, particularly after April 2014. These restrictions, principally the limitation on pooling of contributions, will make S106 impractical as a source of developer contributions for strategic infrastructure.

CIL charges must take the form of a charge per net additional square metre of floorspace arising from a development. CIL may be charged differentially across an authority's area and different charges may be set for different uses. Under the regulations, development for education and health use and certain developments by charities are exempt from the CIL. A zero charge is also set for new affordable housing.

Minor modifications to the CIL regulations were made in April 2011 and further modifications are due this year. From discussions with the Department of Communities and Local Government (DCLG), it is understood that the key areas where CIL is likely to be updated/amended are in respect of:

- Allocating a meaningful proportion (estimated to be 10% to 20%) of CIL revenues raised in each neighbourhood back to that neighbourhood. This will ensure that where a neighbourhood bears the brunt of a new development, it receives sufficient money to help it manage those impacts;
- Using CIL for ongoing costs of providing infrastructure (i.e. maintenance) associated with delivering growth;
- Using CIL for funding affordable housing

Before the Council can start charging CIL, it first needs to prepare and adopt a CIL charging schedule. The CIL Preliminary Draft Charging Schedule is the first step in preparing the charging schedule for Harrow.

The CIL regulations require that in order to set a CIL charging schedule, the Council must have an appropriate evidence base to support the proposed levy. This includes:

**Evidence of an infrastructure funding gap:** evidence of the total infrastructure funding gap that the CIL is intended to support, having taken account of the other sources of available funding; and

**Evidence of an assessment of development viability:** evidence to demonstrate that the proposed CIL rate(s) strike an appropriate balance between helping to meet the identified infrastructure funding gap and the potential impact of the charge on development viability across the borough.

## **Identifying the infrastructure funding gap**

In order to charge a CIL, the Council must demonstrate an infrastructure funding gap. An assessment of the infrastructure required to support new development in the borough was undertaken as part of the evidence base for the Local Development Framework in 2010/11. This assessment has been

reviewed to reflect the latest position, infrastructure costs, sources of funding, and to include / exclude projects that are appropriate to receive CIL funding. In respect of the last point, it should be noted that the levy is not intended to be used to remedy pre-existing deficiencies, unless the new development makes the deficiency more severe. CIL is also not intended to be the main source of finance for infrastructure.

The outcome of the review is the CIL Infrastructure Delivery Schedule (CIL IDS), which identifies a list of infrastructure projects that are required to support new development and have a gap in secured funding which CIL can assist with. The list includes:

- green infrastructure such as parks, rivers and footpaths
- physical infrastructure such as road and rail improvements and
- social infrastructure such as schools, doctors and community facilities.

The CIL IDS identifies a funding gap of some £60m that is required for infrastructure and therefore adequately demonstrates that the application of CIL is required and justified within Harrow.

Members should note that the Council is not required to spend the income generated from CIL on the projects in the CIL IDS list. It is understood that circumstances and priorities will change over time and therefore the Council may decide what projects are supported once the CIL funding has been secured. However, the projects should be capital projects to deliver strategic infrastructure required to support development in the borough.

## **Economic Viability Study**

In setting the rate of CIL the Council needs to demonstrate that the proposed CIL rate will not put development across the borough, taken as a whole, at undue risk. For the purposes of the regulations, the Council must also consider the effect of the Mayors Crossrail CIL (currently £35 per sq.m) in making its assessment.

A Development Viability Assessment was undertaken in support of preparing the LDF policies in 2011. As with the infrastructure assessment, the findings of the Development Viability Assessment have been reviewed and updated to take account of the current position in terms of land values, build costs, sales values and the changes to the funding of affordable housing. The revised Assessment therefore provides a robust and evidenced assessment of the size of CIL rate (in £/sqm) that future development in the borough will, in general, be able to afford to pay without causing development, in general to become financially unviable.

The findings of the revised assessment show that the ability of residential schemes to make CIL contributions varies depending on where the scheme is located within the borough and the current use of the site. The range has been assessed as a maximum rate of between £180 within South Harrow to £400 per square metre within Harrow on the Hill. However, the CIL guidance is clear that charging authorities should not set their rates at the top ceiling of viability. The Mayoral CIL rate of £35 per sqm also has to be taken into

account and subtracted from these figures. Therefore a rate towards the middle of the range within each geographic location is a more realistic rate.

While there are differences in residual land values across the borough, account also needs to be had to the level of development planned for or anticipated to come forward in the different locations. Within both the highest and lowest value areas of the borough (Harrow on the Hill and South Harrow respectively) the planned levels of development are very modest, and officers therefore consider that they do not warrant a differential charging rate being applied. The vast bulk of Harrow's planned development is to come forward within the Harrow and Wealdstone Intensification Area. The suggested rate within this area is £110 per sqm and therefore provides an appropriate single rate for application across the whole of the borough.

The viability evidence also shows that student accommodation and retail development can afford a CIL liability, while office, business and industrial developments (B class uses), and all other forms of development cannot currently afford to pay CIL. Therefore, based on the viability evidence, it is appropriate within Harrow to set a different rate for different forms of development.

## **Harrow's Preliminary draft charging schedule**

In addition to the findings of the evidence base studies, there are also some clear messages that are apparent from the CIL Regulations, government guidance and other councils that are further ahead which the Council should also take into account when setting its CIL charging schedule. These are:

**Keep it simple:** the Regulations state that CIL should not be overly complex. As CIL is based on a charge on additional floorspace per square metre, and as many developments planned for in Harrow are of mixed use schemes on sites with existing floorspace, a wide variety of different charges would make CIL calculation and collection increasingly difficult. Most London councils are therefore setting one or two different charges for all the uses in their area.

**The charge(s) must be justified by objective viability assessments:** it can not be based on wanting to encourage or restrict certain development types or promote specific regeneration locations.

**Unlike with Section 106 agreements, the CIL Regulations do not allow for CIL to be easily waived or renegotiated on a site-by-site basis:** it is a charge on the land and if it makes development unviable then the development may not go ahead. Therefore the Council should avoid trying to set CIL charges that are close to the ceiling of what might be viable for the majority of development within Harrow.

Based on the research findings and guidance, Harrow's CIL Preliminary Draft Charging Schedule is summarised in the table below. Please note the stated figures do not include the Mayor's CIL which is an additional £35 per square metre for most development in Harrow, and has been applicable since 01 April 2012).

<b>Use</b>	<b>Charge per sqm</b>
Residential (Use Classes C3),	£110
Residential Institutions, except Hospitals, (Use Class C2), Student Accommodation, Hostels and HMOs (Sui Generis)	£55
Retail (Use Class A1), Financial & Professional Services (Use Class A2), Restaurants & Cafes (Use Class A3), Drinking Establishments (Use Class A4), Hot Food Take-aways (Use Class A5)	£100
All other uses	Nil

As a guide, other boroughs are currently proposing the following charges:

	<b>Residential</b>	<b>Other development</b>
Brent (Preliminary draft stage)	£200 per sq m (plus additional £35 Mayoral CIL)	£200 per sq m for hotel; £300 per sq m for student accommodation; £40 per sq m for office; £80 per sq m for retail; £5 for community and leisure facilities; £0 on industrial (plus additional £35 Mayoral CIL)
Barnet (Preliminary draft stage)	£135 per sq m (borough wide flat fee) (plus Mayor's CIL of £35 per sq m)	
Hillingdon (Preliminary draft stage)	£95 per sq m	£215 per sq m for large format (1,000 sq m +) retail; £35 for office; £40 for hotels; £5 per sq m for industrial; £35 per sq m for Sui Generis
Redbridge (Adopted)	£70 per sq m (borough wide flat fee) (plus Mayor's CIL of £25 per sq m)	
Wandsworth (through examination but awaiting formal adoption)	£575 per sq m in Nine Elm (along the river frontage) £250 per sq m in most of the borough; £0 per sq m in Roehampton; (plus additional £50 Mayoral CIL)	£0 (a recent change, having consulted on higher rates for offices and retail previously) (plus additional £50 Mayoral CIL)
Croydon (in or through examination but awaiting formal adoption)	£0 in Croydon town centre, £120 per sq m for the rest of the borough. (plus additional £20 Mayoral CIL)	£20 per sq m for employment uses; £120 per sq m for retail and leisure (plus additional £20 Mayoral CIL)
Merton (Preliminary draft stage)	£385 per sq m in Wimbledon; £140 per sq m in Colliers Wood & Rayners Park; £42 per sq m in Mitcham and Morden (plus additional £35 Mayoral CIL)	£100 per sq for retail (plus additional £35 Mayoral CIL)
Lewisham (Preliminary draft stage)	£100 per sq m in Zone 1 (post codes fronting the Thames); £70 per sq m in Zone 2 (rest of the borough) (plus additional £35 Mayoral CIL)	£0 for office, industrial, storage and distribution; and £80 per sq for everything else (plus additional £35 Mayoral CIL)
Barking and Dagenham	£70 in Barking town centre, Leftley & Faircross; £25 in	£300 per sq m for large convenience retail; £0 for other

(Preliminary draft stage)	Barking Riverside; £10 across the rest of the borough (plus additional £20 Mayoral CIL)	retail, office, leisure, health and education; £10 for all other uses (plus additional £20 Mayoral CIL)
Sutton (Preliminary draft stage)	£100 per sq m (plus additional £20 Mayoral CIL)	£120 per sq m for convenience retail (plus additional £20 Mayoral CIL)

Ealing, Three Rivers, Hertsmere and other London boroughs not listed above are yet to publish details of their proposed draft charging schedule.

Note: CIL will be levied using £'s per square metre and the chargeable area will be the net additional increase in floorspace of any given development. It is applicable to all new buildings and extensions greater than 100sqm of gross internal floorspace and unreservedly to all new dwellings. If there are existing buildings on the development site which are to be demolished for redevelopment, the associated floorspace may be applicable for deduction from the chargeable floorspace, although other regulations have a bearing.

## Proposed consultation

CIL is a relatively recent significant change to the way in which new infrastructure may be funded from development. The details of CIL have changed frequently in the last two years and there is a wealth of guidance on this complex issue. It is important that the CIL consultation documents explain the issues that affect Harrow's CIL clearly, plainly and succinctly.

Subject to Cabinet approval of the proposed CIL charges, officers will prepare the consultation documents for Harrow's Preliminary Draft Charging Schedule. The consultation documents will succinctly set out the proposed charges, a simple explanation of what CIL is, how it will be levied and the differences with Section 106 as well as the necessary statutory content. The consultation document will not go into detail at this stage as to how Harrow's CIL might be spent as it is difficult to plan for expenditure before the proposed CIL charges are finalised and central government is still consulting on options which will affect how CIL is spent in local areas.

This report recommends that Cabinet delegate approval for the consultation documents on CIL to the Divisional Director of Planning in consultation with the Portfolio Holder for Planning and Regeneration.

## Timetable

The timetable for preparing and adopting the CIL Charging Schedule (based upon a need to report to November full Council meeting) is as follows:

- Preparation and viability testing: May - July 2012
- Community engagement on preliminary draft CIL Charging Schedule: August - September 2012
- Finalise Harrow's draft CIL Charging Schedule: September - October 2012
- Final community engagement on CIL: November - December 2012

- Submit for independent examination: January 2013
- Independent examination – public hearings: February/March 2013
- Adoption: June/July 2013

## **Governance**

CIL is fundamentally different to S106 in that it places the onus and responsibility on the Charging Authority (the Council) to ensure that the right infrastructure is provided at the right time. Developers paying the charge (and the communities receiving new development) will expect the infrastructure to be in place to support their development and are likely to be particularly concerned to see that appropriate organisational structures and reporting and monitoring provisions are in place.

Officers are currently reviewing models for the planning and management of infrastructure delivery. The democratic and governance processes, together with financial management arrangements will need to be developed in parallel with the delivery of the Charging Schedule, as well as new IT infrastructure currently under development with the Councils IT supplier. Options for the management of a pooled fund for strategic infrastructure will be reported to Members at a later date.

## **The Use of Planning Obligations (S106 agreements)**

S106 remains to secure affordable housing and to mitigate the site specific impacts of the development in question but can not be applied to address the cumulative effects of development. The changes to the use of S106 are to ensure that Councils cannot double charge developers for the same items of infrastructure through both the levy and a planning obligation. The Regulations therefore require the Council to set out, in broad terms, what types of infrastructure it intends to fund through the levy (known as the Regulation 123 list) otherwise it will not be able to fund any infrastructure through S106 once the levy is adopted. Note: s278 of the Highways Act can be used in conjunction with CIL development on the Regulation 123 list.

Given the changes to the use of S106, in tandem with preparation of a Harrow CIL, the Council will also prepare a Supplementary Planning Document to assist applicants in understanding the site specific planning obligations the Council may still seek to secure through the use of S106. These would include, but are not limited to impacts upon building heritage and conservation, archaeology, Green Belt management, biodiversity, on-site flood mitigation and on-site requirements for district heating network facilities, as well as for affordable housing (at least for the time being).

## **Implications of the Recommendation**

### **Resources and Costs**

Becoming a CIL charging authority will require staff and resources to be put to ensuring the processes and procedures are in place for the CIL operation which will involve officer time from Planning (including registration, land



charges, policy and development management), and Finance (collection, accounting, invoicing where necessary). The establishment of a CIL for Harrow is currently provided for from Planning Delivery Grant within the Planning Division Budget, as part of the Planning Divisions budget for 2012/13. In future years, the regulations allow for up to 5% of the charge to relate to implementation /administration costs – although recent consultation on the review of these provisions suggest that this limit may be raised in future.

## **Legal comments**

The power to charge by way of CIL was introduced by Part 11 (Sections 205-225) of the Planning Act 2008. The Community Infrastructure Levy Regulations 2010 (as amended in 2011) deal with the detailed implementation of CIL and cover matters such as the procedure for setting CIL, the charging and collecting of the levy and liability for payment. A charging authority cannot adopt CIL unless it has first produced a charging schedule based on appropriate available evidence which has informed the preparation of the charging schedule.

## **Financial Implications**

The introduction of CIL will mean that the Council will be able to charge developers based on specific rates set out in this report in order to generate income to fund infrastructure improvements. Existing S106 funding is to be scaled back and will be replaced by the new charges under CIL. Therefore the income generated by CIL will not be entirely new money but also partly a replacement of what the Council might have got under S106. However, this funding remains significantly less than the funding requirement as identified in the Infrastructure Delivery Schedule and income from the CIL will contribute towards this.

The costs associated with the printing, publishing and consulting on the CIL Preliminary Draft Charging Schedule will be met from the existing Planning Services budget through a specific allocation of £4k from the Planning Delivery Grant.

## **Performance Issues**

As set out in this report, CIL is not new money (its effectively replaces S106) and will not be the primary source of funding for new infrastructure. Rather the purpose of CIL is to help close the existing gap in funding the infrastructure required to support new development. In this context the introduction of the CIL will be positive, in that it should assist the Council's performance in the delivery of strategic infrastructure. However, in terms of which types of strategic infrastructure will be delivered and their priority, this remains for the Council to determine through its processes for the allocation of capital spending, bidding for grants, property disposal etc.

## **Environmental Impact**

There are no environmental impacts associated with the introduction of a Harrow CIL. Environmental issues are at the heart both of the planning process and the delivery of supporting infrastructure. Site specific environmental impacts will continue to be mitigated through the negotiation of appropriate S106 obligations. Ultimately it is for the Council to decide what infrastructure projects they wish to fund in full or part through CIL receipts, which may or may not include environmentally beneficial infrastructure projects.

## **Risk Management Implications**

Risk included on Directorate risk register? Yes

Separate risk register in place? No

The key risk associated with CIL is not in getting the charging schedule adopted but rather in ensuring that CIL receipts are used effectively to delivery the strategic infrastructure identified as being required in the Infrastructure Delivery Schedule. Once CIL is adopted, the Council will not be in a position to refuse planning applications on the basis of inadequate provision of strategic infrastructure. Both the community and developers will expect the Council be transparent in the use of CIL receipts and to monitor and report on its effectiveness.

## **Equalities implications**

Was an Equality Impact Assessment carried out? No

CIL is effectively a tax on new development. The Regulations are limiting in terms of how CIL is to be applied and any exemptions, and were subject to a central government equalities assessment, which found there to be no negative consequences of introducing a CIL. In this context, a local EqIA is not considered necessary.

## **Corporate Priorities**

The CIL will provide funding and a system to help support the implementation of the following corporate priorities:

- Keeping neighbourhoods clean, green and safe – through the delivery of funding for strategic infrastructure projects aimed at improving the quality of our existing green spaces, the expansion of the Green Grid network.
- United and involved communities: A Council that listens and leads – CIL provides scope to support communities in the shared delivery of infrastructure – particularly through the provisions for consultation and local implementation that are currently under review.
- Supporting and protecting people who are most in need – through provision of new or enhanced health care and other community

facilities. Depending on amendments to the Regulations, CIL might also be made available to assist in the delivery of affordable housing.

- Supporting our town centre, our local shopping centres and businesses - through the provision of physical infrastructure including public transport and new public realm that can assist in generating economic growth and town centre vitality.

### **Section 3 - Statutory Officer Clearance**

Name: Kanta Hirani	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 26 June 2012		
Name: Abiodun Kolawole	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 26 June 2012		

### **Section 4 – Performance Officer Clearance**

Name: Martin Randall	<input checked="" type="checkbox"/>	on behalf of the Divisional Director Partnership, Development and Performance
Date: 26 June 2012		

### **Section 5 – Environmental Impact Officer Clearance**

Name: Andrew Baker	<input checked="" type="checkbox"/>	on behalf of the Divisional Director (Environmental Services)
Date: 26 June 2012		

## **Section 6 - Contact Details and Background Papers**

**Contact:** Matthew Paterson, Senior Professional Planning Policy, Place Shaping, 020 8736 6082

**Background Papers:** CIL Regulations 2010 (as amended)  
PAS guidance notes on CIL

**Call-In Waived by the  
Chairman of Overview  
and Scrutiny  
Committee**

**NOT APPLICABLE**

*[Call-in applies]*

# Appendix 1 - Preliminary Draft Charging Schedule

## Preliminary Draft Charging Schedule – Rates of CIL

Use	Charge per sqm
Residential (Use Classes C3),	£110
Hotel (Use Class C1), Residential Institutions, except Hospitals, (Use Class C2), Student Accommodation, Hostels and HMOs (Sui Generis)	£55
Retail (Use Class A1), Financial & Professional Services (Use Class A2), Restaurants & Cafes (Use Class A3), Drinking Establishments (Use Class A4), Hot Food Take-aways (Use Class A5)	£100
All other uses	Nil

**\*The above charge will apply across all of Harrow, in addition to the Mayoral CIL of £35 per sqm.**

### Calculating the Chargeable CIL

CIL applies to the gross internal area of the net increase in development (Regulation 14). The amount to be charged for each development will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations 2010. For the purposes of the formulae in paragraph 5 of Regulation 40 (set out below), the relevant rate (*R*) is the differential rate relating to each specific use as set out in this Preliminary Draft Charging Schedule.

### Calculation of chargeable amount

- (1) The collecting authority must calculate the amount of CIL payable (“chargeable amount”) in respect of a chargeable development in accordance with this regulation.
- (2) The chargeable amount is an amount equal to the aggregate of the amounts of CIL chargeable at each of the relevant rates.
- (3) But where that amount is less than £50 the chargeable amount is deemed to be zero.
- (4) The relevant rates are the rates at which CIL is chargeable in respect of the chargeable development taken from the charging schedules which are in effect –
  - (a) at the time planning permission first permits the chargeable development; and
  - (b) in the area in which the chargeable development will be situated.
- (5) The amount of CIL chargeable at a given relevant rate (*R*) must be calculated by applying the following formula—

$$R \times A \times I_P$$

$$\frac{I_C}{I_P}$$

where—

$A$  = the deemed net area chargeable at rate  $R$

$I_P$  = the index figure for the year in which planning permission was granted;  
and

$I_C$  = the index figure for the year in which the charging schedule containing the rate  $R$  took effect.

(6) The value of  $A$  in paragraph (5) must be calculated by applying the following formula –

$$\frac{C_R \times (C - E)}{C}$$

Where –

$C_R$  = the gross internal area of the part of the chargeable development chargeable at rate  $R$ , less an amount equal to the aggregate of the gross internal area of all buildings (excluding any new build) on completion of the chargeable development which –

- (a) on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use;
- (b) will be part of the chargeable development upon completion; and
- (c) will be chargeable at rate  $C$

$C$  = the gross internal area of the chargeable development; and

$E$  = an amount equal to the aggregate of the gross internal areas of all building which –

- (a) on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use; and
- (b) are to be demolished before completion of the chargeable development.

(7) The index referred to in paragraph (5) is the national All-in Tender Price Index published from time to time by the Building Cost Information Service of the Royal Institution of Chartered Surveyors; and the figure for a given year is the figure for 1st November of the preceding year.

(8) But in the event that the All-in Tender Price Index ceases to be published, the index referred to in paragraph (5) is the retail prices index; and the figure for a given year is the figure for November of the preceding year.

(9) Where the collecting authority does not have sufficient information, or information of sufficient quality, to enable it to establish –

- (a) the gross internal area of a building situated on the relevant land; or
- (b) whether a building situated on the relevant land is in lawful use, the collecting authority may deem the gross internal area of the building to

be zero.

(10) For the purposes of this regulation a building is in 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.

(11) In this regulation “building” does not include –

- (a) a building into which people would not normally go;
- (b) a building into which people go only intermittently for the purpose of maintaining or inspecting machinery; or
- (c) a building for which planning permission was granted for a limited period.

(12) In this regulation “new build” means that part of the chargeable development which will comprise new buildings and enlargements to existing buildings.