

Community Infrastructure Levy: A Short Guide for Planning Applicants



Development



The Community Infrastructure Levy is a new way we collect financial contributions from developers to help pay for local infrastructure. Find out more...

Lichfield District Council started charging the Community Infrastructure Levy on new developments from 13 June 2016.



What is the Community Infrastructure Levy?

The Community Infrastructure Levy (or CIL for short) is the way we collect financial contributions from developers to help pay for new and improved infrastructure.

It is calculated on a pounds (£) per square metre basis of new development.

We started charging CIL on new developments from 13 June 2016.

A CIL charge applies to all relevant applications determined on or after 13 June 2016 (including those successful on appeal and those where a resolution to grant has been made but a section 106 agreement has yet to be finalised), even if they were submitted before this time.

The levy generally replaces section 106 agreements. However, these agreements will continue to be used for certain site-specific infrastructure.

Is your development liable to pay CIL?

The levy applies to any development in Lichfield District that has 100 square metres or more of new build (including residential extensions) or involves the construction of a single dwelling, even when it is smaller than 100 square metres.

Development will be liable to pay CIL if:

- It is a type of development for which a rate has been set in the Charging Schedule (see table on page 3).
- It is a building into which people normally go, and if upon completion the gross internal floor area of the new build will be more than 100 square metres.
- It is creating one or more dwellings even where the floor space is less than 100 square metres

Development that is not liable to pay CIL:

- Residential apartments
- Development which creates net additional floor space of less than 100 square metres (unless it is a new dwelling, in which case the levy is payable)
- A structure or building into which people do not usually go, such as electricity sub-stations or plant rooms
- Mezzanine floors inserted into an existing building are not liable when no other works or changes of use are proposed
- A change of use from a single dwelling house to two or more separate dwelling houses

Are you demolishing an existing building?

The floor area of any buildings that are being demolished can be deducted from the final CIL charge, as long as they are still in one piece and standing on the day the planning permission first permits the chargeable development.

The existing building must have been in continuous lawful use for six months of the previous three years before the date of the planning permission that authorised the development.

You must submit evidence of lawful use with your planning application. This could be photos, council tax letters or a lease agreement.

Are you a self-builder or building a residential extension over 100 square metres?

The development of self-build housing and large residential extensions is CIL chargeable but qualifies for 100% relief, provided you apply for an exemption form **before** you start work on site.

See pages
6 and 7 for
the CIL
process for
planning
applicants



To claim relief for a whole new house please submit a **CIL Form 1: Assumption of Liability** and **CIL Form 7: Self Build Exemption Claim Form Part 1** with your planning application.

To claim relief for a residential extension over 100 square metres, please submit a **CIL Form 1: Assumption of Liability** and **CIL Form 9: Residential Extension Exemption Claim Form** with your planning application.

You will have to pay CIL if you sell or let your house within three years of building completion.

Exemptions/Relief for charities

There are a number of occasions where exemptions or relief from paying CIL can be applied for. These include:

- Social housing
- Development for charitable purposes

A completed **CIL Form 1: Assumption of Liability** and a **CIL Form 2: Claiming Exemption or Relief** should be returned to us before building work starts.

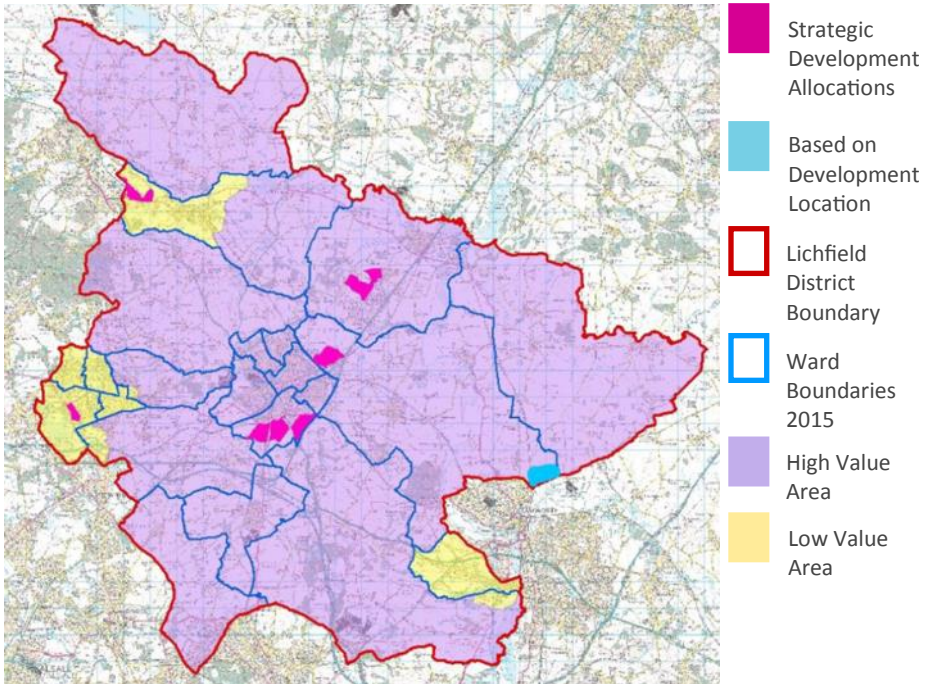
CIL charges

CIL is levied at different rates depending on location and land use.

There are three charging zones for residential development. The district's Strategic Development Areas are charged £14 per square metre. These are areas of large housing growth which are identified in the Local Plan Strategy.

The low value zones (Fazeley, Burntwood and Armitage with Handsacre) are £25 per square metre. The high value zone is £55 per square metre.

The other land uses in the table will be charged at the rate indicated regardless of their location within the district. The full version of the charging schedule provides definitions for each of the land uses and is available online at www.lichfield.gov.uk/cil.



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Use	CIL charge (per sq. m)
Market houses within Strategic Development Allocations and the Broad Development Location defined in the Local Plan Strategy 2008-2029*	£14
Market houses in lower value zone*	£25
Market houses in higher value zone*	£55
Supermarket	£160
Retail warehouse	£70
Neighbourhood convenience retail	£20
All other development including residential apartments	£0

The CIL rates will be index linked from the base year (2016) to the date when permission is granted using the BCIS 'All-in Tender Price Index'.

*This charge applies to the creation of one or more dwellings and residential extensions

You will find all of the forms mentioned in this leaflet at www.lichfielddc.gov.uk/cil



CIL Process for planning applicants

Stage 1 - Planning application

If your application is for a type of development we charge CIL on you must include **CIL Form 0: Additional Information Form** with your application. Your application won't be validated until we receive this form.

To apply for an exemption please submit the relevant exemption form, along with **CIL Form 1: Assumption of Liability**. Important: We cannot grant an exemption if you have already started on site.

Stage 2 - Assumption of liability

Before starting work on your development you must send us **CIL Form 1: Assumption of Liability**.

This form tells us who will be responsible for paying CIL. We recommend you submit it with your application. If you do not send it before you start work then the liability to pay CIL will default to the landowner and they may be surcharged. CIL liability can be transferred to another person at any time by submitting CIL Form 4: Transfer of Assumed Liability.

Stage 3 - Applications for exemptions or relief

Any application for exemption or relief must be received by us **before** you start work on site, or you will have to pay the full amount of CIL.

Stage 4 - Approval of planning permission

When your planning application is approved and you have submitted CIL Form 1, we will issue a **CIL Liability Notice**. This sets out the CIL charge and when it will become due.

CIL does not need to be paid at this point, payment only becomes due once the development has started.

Stage 5 - Commencement

You must submit **CIL Form 6: Commencement Notice** to us at least one day before you start work on your development. We will write to you to acknowledge receipt. Do not start on site until you receive this.

Failure to submit a Commencement Notice may result in you losing the ability to pay the levy in instalments and you may also incur a surcharge. You may also nullify any exemption or relief from CIL.

Stage 6 - Paying CIL

Once we receive your Commencement Notice we will issue an invoice (**Demand Notice**) to whoever has assumed liability to pay CIL. It will set out the amount and the date when CIL needs to be paid. You will need to pay the levy from the date your development starts.

Payment periods and amounts:

CIL liability	Instalments	Payment periods and amounts
Under £25,000	1	100% within 180 days of start of development
From £25,000 to £75,000	2	50% within 180 days of start of development 50% within 360 days of start of development
From £75,000 to £250,000	3	25% within 180 days of start of development 25% within 360 days of start of development 50% within 540 days of start of development
£250,000 or more	4	25% within 180 days of start of development 25% within 360 days of start of development 25% within 540 days of start of development 25% within 720 days of start of development

When we receive a payment we will write to you to acknowledge receipt.



Development

If CIL is not paid or is paid late, we have a range of enforcement powers including surcharges, stop notices and court orders. Details of this can be found in our CIL Surcharges and Enforcement Policy at www.lichfielddc.gov.uk/cil

Stage 7 - Completion review

If you have applied for self-build relief for a whole house you must submit **CIL Form 7: Self Build Exemption Claim Form Part 2**, along with the relevant evidence within six months of finishing building work.

If you do not send us this form it may result in the withdrawal of the self-build relief and you may have to pay the full CIL charge.

Your self-build property will be monitored for three years following completion to ensure that it is not sold or leased. If this occurs then your self-build exemption will be withdrawn and you will have to pay the full CIL charge.

Can I appeal against paying CIL?

If you think we have miscalculated the amount of CIL you can ask us to review it within 28 days of the date of the liability notice. Following this review, you may submit an appeal to the Valuation Office Agency. Find out more at: www.gov.uk/guidance/community-infrastructure-levy-how-to-make-an-appeal

Appeals related to enforcement (surcharges, commencement notices and stop notices) should be submitted to the Planning Inspectorate. Find out more at: www.gov.uk/guidance/appeal-a-community-infrastructure-levy-enforcement-notice

Any questions? Email us at cil@lichfielddc.gov.uk or call us on **01543 308192**.