

## CIL FAQs

### 1. What is the relationship between CIL and S106 agreements (planning obligations)?

Reforms have restricted how planning obligations can be used however they will still be utilised to ensure that individual developments are acceptable from a planning perspective including specific requirements such as affordable housing quotas, road improvements, landscaping, health facilities and schooling.

The CIL is different in that it will support infrastructure in the area. Stipulations that are funded through any CIL charge will not be required as part of a S106 agreement.

### 2. What development will incur a CIL charge?

A development will be liable for CIL if it involves:

- New buildings with at least 100m<sup>2</sup> gross internal area floor-space; or
- One or more entirely new dwellings

The charge is still applied to developments that are permitted through 'general consent and permitted development.

A development will not be liable for CIL if it is:

- The conversion, sub-division, addition of mezzanine, or change of use that does not create new floor space in a building within lawful use for at least six months in the three years prior to the development being permitted
- A building that is not regularly used by people, or is only used occasionally for the purposes of fixing plant machinery, for example.
- Is a structure, such as pylons or wind turbines; or
- Is a permitted development or permitted by 'general consent' and started before 6th April 2013; or
- A development which attracts a zero or nil charge (£0/m<sup>2</sup>) as per the CIL Charging Schedule

The land owner is responsible for any levy for developments on their land, however any other party may pay the levy - the nominated party should come forward and declare liability for the development.

### 3. How do I pay the CIL charge?

The charge is calculated at £ / m<sup>2</sup> based on the net increase in the Gross Internal Area of the development's floor space.

The levy is ordinarily a monetary payment however in certain circumstances transfer of land to the authority may be accepted as payment - an 'In Kind Policy' will be available for these arrangements.

#### **4. Is VAT applied to CIL charges?**

The CIL is exempt from VAT.

The CIL charge is calculated at £ / m<sup>2</sup> based on the net increase in the Gross Internal Area of the development's floor space.

#### **5. Will levy charge rates adjust for factors such as inflation?**

To ensure levy charging rates respond to market conditions we will apply an annually updated index of inflation using the rate for 1st November (Q4) of the preceding year. (using BICS All Tender Index).

#### **6. When is the CIL charge payment due?**

The CIL charge is due from the chargeable development commencement date.

After you have received planning permission we will provide you with a notice detailing the amount of levy charge that is due and how you can pay.

Unlike sS06 agreement contributions, for CIL charges there are no triggers for payment and monies can be spent without time constraint.

#### **7. Can I pay CIL charges in instalments?**

Yes - download the Payment by instalments policy for more information.

#### **8. What happens if I don't pay or I'm late paying?**

Late payments will incur surcharges.

If late payment or non-compliance is persistent we can issue a CIL Stop Notice or obtain court action for seizure of assets to pay any balance, or otherwise custodial sentences.

#### **9. Are there any discounts or relief for CIL charges?**

Yes, you may be eligible to receive relief for developments such as:

- Buildings for charities
- Social housing
- Self-builds, and self-build residential annexes or extensions

Further guidance will be available soon.

## **10. Does the levy apply to outline applications?**

Any outline planning permission granted at 8th February 2018 will be liable for the CIL charge when the development is built. You will not need to submit any forms until you are ready to being your build.

For phased developments, each phase is treated as a separate development and will have the relevant CIL charge calculated and applied at each reserved matters stage.

## **11. Will change of use incur a CIL charge?**

Potentially depending on the previous use of the building:

For example;

A CIL charge would be due if you were converting a building in to residential use (like a barn conversion) and it had not been in lawful use for a period of at least six months in the three years (up to the day planning permission is granted).

A CIL charge would be due if you were to change the use of a building not in lawful use to a supermarket or retail warehouse and there is an additional new build area of over 100sqm.

## **12. Will second homes incur a CIL charge?**

Yes, second homes are still residential dwellings and any development creating new build floor space may incur a relevant CIL charge if it is a permanent building.

## **13. Will a mobile home incur a CIL charge?**

No, under planning law mobile homes are not "permanent buildings" and therefore CIL does not apply for this type of structure.

## **14. Will dividing an existing dwelling into new dwellings incur a CIL charge?**

No, provided no additional new build floor space is created there will be no charge for sub-dividing a single dwelling into two or more separate dwellings.

## **15. My new build is bigger than 100sqm. Do I pay the levy on the new build area over the 100sqm or just the area that is above the threshold?**

You pay the CIL charge for the entire area of the build including the threshold.

For example, if you were building a supermarket extension and the new floor area equated to 99sqm you would pay no charge, however if your new floor area equated to 101sqm you will pay CIL charge for the entire 101sqm.

Once the threshold is breached the entire development becomes chargeable.

**16. Will a CIL charge be incurred if planning permission was granted after the CIL Charging Schedule came into effect?**

Yes.

If you were granted planning permission after the CIL Charging Schedule came into effect a CIL charge may be applied.

Even if you were waiting for a resolution planning permission is not formally granted until any resolution has been made and any S106 agreements signed where required therefore a CIL charge will still be incurred.

**17. Will a CIL charge be incurred if a Section 73 was approved after the CIL Charging Schedule came into effect?**

Yes.

If a S73 application to vary or remove conditions is made after publication of the CIL Charging Schedule then a CIL will be incurred as the S73 approval results in a new planning permission.

However, the new additional chargeable amount is equal only to the net increase in the chargeable amount arising from the original planning permission.

If the application to vary a condition does not result in an increase in floor-space then there will be no charge.

**18. Will a CIL charge be incurred if an Article 18 of the Development Management Procedure Order was approved after the CIL Charging Schedule came into effect?**

No.

As long as the extension of time meets Article 18 of the Development Management Procedure Order (for permission before October 2010).

If the application dates after October 2010 then a new permission is required and therefore a CIL will be due.

**19. Will developments consisting only of social housing be liable for CIL?**

Yes.

As social housing is a residential development it will be still be liable for CIL, however it is also eligible for 100% relief as long as the housing is used as social housing for a minimum of seven years after development.

If the development ceases to be social housing before the end of the seven years a CIL charge may be incurred.

**20. Will a CIL charge be due for developments where planning permission has been granted before the CIL Charging Schedule came into effect?**

No.

CIL charges will only be due for planning applications granted after 5th February 2018.

Any outline planning permission reserved matters that were granted prior to 5th February 2018 will also not be liable.