

A GUIDE TO THE COMMUNITY INFRASTRUCTURE LEVY (CIL)

Introduction

The Community Infrastructure levy (CIL) is a non-negotiable levy introduced by the government that allows local planning authorities to raise funds from developers and individuals who are undertaking building projects in their area. It is a way of ensuring that all relevant development makes an equal contribution to new infrastructure such as schools and transport initiatives needed to support growth in the greater Norwich area.

Where it is appropriate, Section 106 agreements and planning conditions will also continue to be used but in a much reduced and restricted form. Please see the CIL regulation 123 list on the Council's CIL web page for further details.

1. Is my planning proposal liable for CIL?

Most developments will potentially be liable for CIL including;

- Developments of 100 square metres gross internal area (GIA) or more of new build.
- All development regardless of size that results in the creation of a new dwelling.
- All buildings including agricultural buildings and storage warehouses that people enter into.
- Conversion of buildings that are no longer in lawful use.
- Permitted Development under 'general consent'

There are some types of development that can claim exemption from payment of CIL. These include:

- Those building their own homes or have commissioned a home from a contractor.
- Residential extensions and Annexes built within the grounds of your own home.
- Social housing provided by a local authority, private registered provider, some shared ownership dwellings and some dwellings provided by a Landlord for rent.
- Development by charities for charitable purposes.

You are advised to contact the Council if you are not sure if your development can claim exemption from CIL

Permitted development

In some cases permitted development (that is development that does not require planning permission) may be large enough to be CIL Liable. In these cases the developer must serve a CIL Form 5- Notice of Chargeable development on the Council before the development is commenced. A CIL charge will then be calculated and applied as though planning permission had been granted. A copy of this form can be found on the Planning Portal Website

https://www.planningportal.co.uk/info/200126/applications/70/community_infrastructure_levy/5

Broads Authority Area

Development in the area administered by the Broads Authority will not be liable for CIL unless the Broads Authority adopts its own charging schedule.

2. When did CIL come into effect?

CIL was formally adopted by the Council on 9th May 2013 and applies to all liable development for which planning permission was granted after 1st July 2013.

3. A few examples of development types that may or may not be CIL liable

Current Site	Proposed Development	CIL Liable	Chargeable Area
Cleared building site	<ul style="list-style-type: none">92 sq. m new residential dwelling	✓	92 sq m
Single dwelling – in use	<ul style="list-style-type: none">Single dwelling with a 25 sq. m extension	X	CIL is no longer being levied on house extensions
Cleared building site	<ul style="list-style-type: none">2000 sq. m residential, including 40% affordable housing (800 sq. m)	✓	1200 sq. m The affordable housing relief (800 sq. m) must be applied for and meet certain criteria to be granted
Single dwelling – in use but to be demolished	<ul style="list-style-type: none">125 sq. m new development90 sq. m original dwelling demolished	✓	35 sq. m The charge is reduced because the original building was in use
Single dwelling – not in use and to be demolished	<ul style="list-style-type: none">125 sq. m new development90 sq. m original dwelling demolished	✓	125 sq. m Not exempt as the original building was not in use for any period over the last three years

4. How much will I have to pay?

CIL is charged in accordance with the rates set out in the Council's charging schedule.

The amount payable is inflated annually to keep the levy responsive to market conditions. The index rate is calculated from the November before the year in which planning permission is granted. The inflation Index used is the All in Tender Price Index (published by the Building Cost Information Service)

A copy of the charging schedule can be found on the Council's CIL web page

5. Paying CIL in the form of land

Where the chargeable amount on a development exceeds £50,000 in certain circumstances you may be able to pay some or all of your entire CIL amount in the form of land. The Council will not accept other 'Infrastructure' as payment in kind.

Payment of CIL in the form of land will depend on five conditions.

- The Council must agree to the transfer of land as part or whole payment of the CIL.
- The Council accepts there is a need and commits to use the land to help provide infrastructure to support the development of the area.
- A developer / individual who wishes to transfer the land to the Council must have assumed liability to pay CIL beforehand by filling in CIL form - **Assumption of Liability**.

- d. The land to be transferred must have been independently valued by a suitably qualified person agreed by the Council. The valuation must represent a fair market value for the land on the day it was valued.
- e. Development must **not** have commenced before written agreement with the Council. Any agreement must clearly state the value of the land to be transferred.

Agreement to pay CIL in the form of land may not form part of any planning obligation entered into as part of a S106 agreement.

It is recommended that if you wish to include the transfer of land in any CIL agreement you speak with the Council as early as possible in the planning process.

6. Instalment policy

Broadland District Council will allow the payment of CIL by instalments as set out in the Council's instalment policy which can be found on the Council's CIL web page.

7. Land charges

CIL liabilities are registered as a local land charge against the land affected by the planning permission. In most cases the charge will be cancelled on full payment of the liability, however where relief or exemption is granted conditions apply as follows.

Social Housing / charities – Relief granted is subject to a disqualifying event not occurring within seven years of commencement of the development.

Self -Build dwellings and residential annexes – Relief granted is subject to a disqualifying event not occurring within three years of completion of development.

8. What will my CIL payment be spent on?

The majority of the CIL collected will be spent on infrastructure required to support growth in the greater Norwich area which includes Broadland, Norwich and South Norfolk. All infrastructure spending will be determined through a plan which is published separately and is known as the Local Infrastructure Plan & Programme.

Either 15% or 25% if there is a neighbourhood plan in place of the sum collected will be passed on to the local Town / Parish Council for projects that will directly provide improved local infrastructure.

A list of funds collected and spent will be published annually on the Council's CIL web page.

9. Appeals procedure

Appeals can be made against all aspects of the CIL collection and enforcement system, from the CIL collection authority's calculation of the amount due to any enforcement actions it may take. Further details can be found in our guidance note Appeals and Surcharges which can be found on the Council's CIL web page.

10. Penalties

The Council has the right to apply surcharges and penalties where there has been a clear breach of CIL procedures. Further details can be found on our guidance note Appeals and Surcharges which can be found on the Council's CIL web page.

A Summary of the CIL process

To ensure we calculate the correct payment / apply the correct exemptions if applicable, it is important that you return a **CIL - Additional questions document** with your planning application. You may have been sent this when you made a planning enquiry, if not the documents can be found at [the national Planning Portal website](#).

On approval of your planning application you will receive a CIL Information pack from us that will contain all the relevant forms that apply to CIL. Importantly It will include a **Liability Notice** that sets out how much CIL is payable for the development. On the next page is a summary of the CIL process.

As soon as possible after receiving your CIL Information pack you or the relevant parties need to complete and return the **ASSUMPTION of LIABILITY**. This form confirms to the Council who is responsible for paying the CIL charge relating to the development.

If you are claiming exemption or relief from payment for social housing, charitable relief, self-build exemption or an annexe then you must also return the appropriate claim form prior to commencement of the development.

At any time before commencement of the development you can withdraw or transfer liability for paying the CIL. This must be done by completing;

- CIL form 3 - Withdrawal of assumption of Liability
- CIL form 4 - Transfer of Assumed Liability

Both forms can be found on the planning portal web site.

On receipt of a relief or exemption form if the amount payable is amended you will receive a **Revised Liability Notice**.

IN ALL CASES before your development starts **you are required to send back a COMMENCEMENT NOTICE**. This form lets the Council know when your development is going to commence, and will form the basis of the dates that your CIL payments become due (if applicable). This form must be returned no later than one day before development is to be commenced. If this form is not returned to the Council prior to commencement penalty surcharges may be applied.

On receipt of the Commencement Notice a **DEMAND NOTICE** for payment will be issued. Payment will normally be due within 60 days of commencement. On developments where liability exceeds £24,999 payments may be made by instalments.

If CIL is not paid Enforcement action will be taken.

The Council will acknowledge receipt of payment(s) made.

For further CIL information and appropriate forms visit:

the national Planning Portal website www.planningportal.gov.uk/cil

the Valuation Office website www.voa.gov.uk

the Planning Inspectorate website www.planningportal.gov.uk/planning/planninginspectorate