



# **South Lakeland's Community Infrastructure Levy (CIL)**

*What will it mean for you?*



# Who's Who?

**Dan Hudson**

Development Strategy and Housing Manager

**Alastair McNeill**

Development Plans Manager

**Mark Shipman**

Development Management Manager

**Simon Anstey**

CIL Officer

**Amy Tawton**

Temporary Planning Policy Officer

# What today is about



For anyone involved in developing new **housing**

- A brief **introduction to CIL**
- What you do when **applying for permission**
- What you need to do **when development starts**
- When you **pay**
- How and when you can **appeal**
- How and when you can apply for an **exemption**
- What are **the risks**

# A learning process



- We are the **first in Cumbria** to be doing this
- There is a **lot to take on board**
- This is **new for us as well**
- We want to make this as **straightforward as it can be**
- There will be a degree of **snagging** in the first few months of operation - patience needed;
- E-mail power point – **please share widely.**

# What is CIL?



- A levy on **new built floorspace**
- **£50 /m<sup>2</sup>** on new residential development
- Fixed not negotiable;
- **£150 /m<sup>2</sup>** on supermarkets and retail warehouses
- To help to deliver **infrastructure needs** identified in the **Local Plan**
- **15-25%** to Parish/Town Councils

# Why have a CIL?



- Limits on S106 **pooled contributions**;
- **Predictability** – can be quantified;
- **Greater role for Districts** – income stream;
- **Certainty for developers** – land prices;
- **Cumulative impacts**;
- **Small developments** contribute;
- **Community buy-in** – parish contribution;

# Where is SLDC at?



- **Adopted Local Plan** (December 2013)
- Needs **infrastructure to support growth**
- **Charging Schedule** consulted on in 2014
- **Examination - Feb 2015**
- Inspectors Report **20th March 2015**
- Council considers **adoption 20<sup>th</sup> May 2015**
- CIL commences **1<sup>st</sup> June**
- **£50/m<sup>2</sup>** = around **£5,000** per house
- **£18m** over 10 years



# What are other authorities charging?

- SLDC residential rate is at the **lower end** due to affordable housing obligation;
- Central Lancs £65/m<sup>2</sup>
- West Lancs £85/m<sup>2</sup>
- Trafford £20-80/m<sup>2</sup>
- **North West Average** about £65
- **England average** about £100
- Kensington and Chelsea - £800 (with Crossrail)
- Sandbanks (Poole) - £1200 (consultative)





# You will not pay CIL on the following:

- Development wholly within National Parks;
- Development within **Kendal Canal Head** and **Ulverston Canal Head** Regeneration Areas;
- permission granted **before CIL commences**;
- Residential development which **does not involve the creation of a new dwelling** and is less than **100/m<sup>2</sup>**;
- Residential **subdivision** not creating new **floorspace**
- **Development** or parts of a development which are **neither residential nor liable retail**;



You may be **eligible for relief** from CIL on the following:

- **Affordable and Intermediate Housing**
- **Self Build Housing**
- **Development for Charitable Purposes**
- Self build **Residential annexes**
- **Self Build Residential extensions** 100 sq m;
- But **exemption** may be **withdrawn** if there is a **'disqualifying event'**.



# Conversions and existing Floorspace

- CIL is **payable** on eligible **permitted development** and **changes of use**.
- This includes **barn conversions**
- A deduction is made for existing or demolished **floorspace** which has been **in lawful use** for a **continuous period of at least six months** within the period of **three years** ending on the date of the **planning permission**;

# When does it happen?



- CIL will commence on **1<sup>st</sup> June** - subject to Council approval - and apply to applications determined (**decision notice issued**) on or after that date.
- We will ask that relevant applications submitted from **1<sup>st</sup> April onwards** be accompanied by the necessary forms for CIL.
- For some existing current applications, **CIL information will be necessary**;
- We'll now **talk you through the process**;

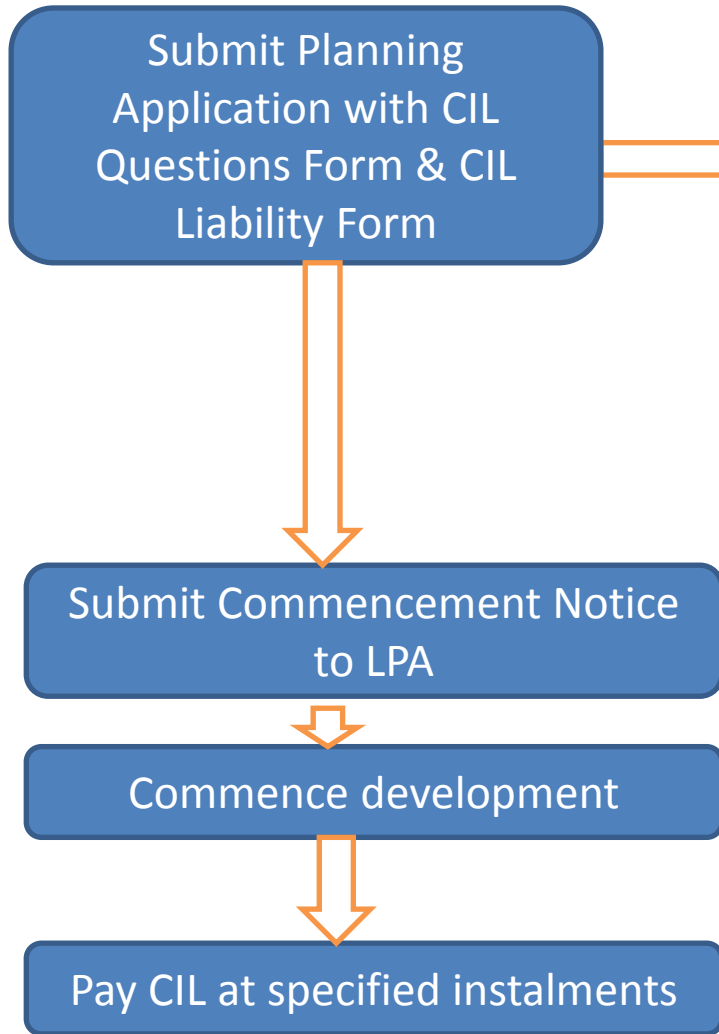


# When do I pay?

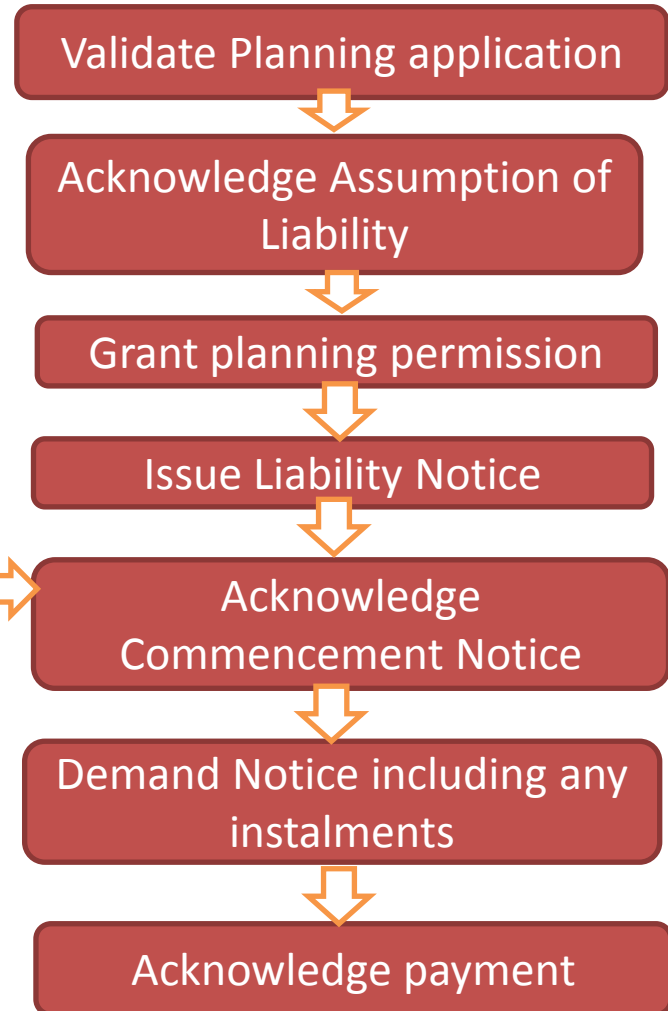
- CIL is not payable all at once - The Council has an **Instalment Policy**;
- **10% is required** within **60 days** of the **Commencement Notice**;
- **Payment** may then be made in **instalments**;
- **The length of the payment period** varies from a single payment within 9 months for a single dwelling to up to 8 payments spread over six years for developments of **more than 300 dwellings**;
- Payable in full on **occupation of development**;

# CIL Process

## Developer Actions



## LPA Actions





# What do I do before I apply?

- We strongly advise **pre application discussions**;
- As part of the advice we give, we will give you an initial estimate of the **CIL payment** due;
- Consider the division of **liabilities** – do you wish **one party to assume liability** or do you wish the **liabilities to be split between different interests in the site**.




# What do I do when I apply – for PP or PA

- The critical information **must be submitted on the official forms** (on the Planning Portal)  
<http://www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil>
- The **CIL Additional Questions form** goes with your application form and gives us the net internal floorspace information to calculate CIL requirement.
- It also contains links to the **other forms** you may need – including those to claim **relief**;
- **The Assumption of Liability Form (Form I)** tells us who **will be liable to pay CIL**;



# Interim requirements

You will be asked to send additional information for CIL liable development. This includes:

 **Community Infrastructure Levy (CIL) - Determining whether a Development may be CIL Liable**  
**Planning Application Additional Information Requirement form**

Following the introduction of the Community Infrastructure Levy (CIL) all applicants for full planning permission, including householder applications and reserved matters following an outline planning permission, and applicants for lawful development certificates are required to provide the following information. Please read the associated Guidance Notes before you complete the form. Notes on the questions are provided at [http://www.planningportal.gov.uk/uploads/1app/cil\\_guidance.pdf](http://www.planningportal.gov.uk/uploads/1app/cil_guidance.pdf)

**1. Application Details**

Applicant or Agent Name: \_\_\_\_\_

Planning Portal Reference (if applicable): \_\_\_\_\_ Local authority planning application number (if allocated): \_\_\_\_\_

Site Address: \_\_\_\_\_

**CIL Additional Questions Form**

Description of development: \_\_\_\_\_


Does the application relate to minor material changes to an existing planning permission (is it a Section 73 application)?

Yes  Please enter the application number: \_\_\_\_\_

No

If yes, please go to Question 3. If no, please continue to Question 2.

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 **Community Infrastructure Levy (CIL)**  
**Form 1: Assumption of Liability**

This form should be used to assume liability prior to commencement of development. Please complete using block capitals and black ink.

**Description of Development**

Planning Permission / Notice of Chargeable Development Reference: \_\_\_\_\_

Site address: \_\_\_\_\_

Description of development: \_\_\_\_\_

**Section A: Assumption of Liability**

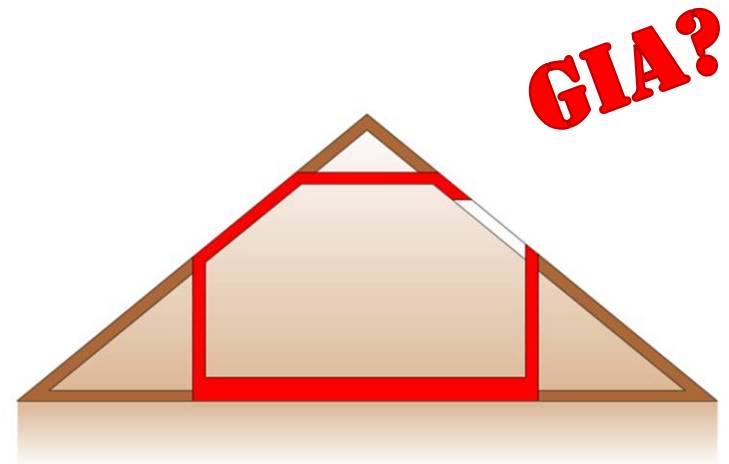
If the liable party is a company, you must fill in the company name

Party A Assuming Liability	Party B Assuming Liability
Title: _____	First name: _____
Last name: _____	Last name: _____
Company: _____	Company: _____
Position: _____	Position: _____
Company registration no: (where applicable) _____	Company registration no: (where applicable) _____
Unit: _____ House number: _____ House suffix: _____	Unit: _____ House number: _____ House suffix: _____
House name: _____	House name: _____
Address 1: _____	Address 1: _____
Address 2: _____	Address 2: _____
Address 3: _____	Address 3: _____
Town: _____	Town: _____
County: _____	County: _____
Country: _____	Country: _____
Postcode: _____	Postcode: _____
Telephone number (mandatory): _____ Extension number: _____	Telephone number (mandatory): _____ Extension number: _____
Country code: _____ National number: _____	Country code: _____ National number: _____
Email address (optional): _____	Email address (optional): _____

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# CIL Forms information required

- Gross internal area (GIA) of proposed new floorspace
- Please look at what should be included within a GIA calculation in our guidance
- CIL is only payable on new additional floorspace - demolition



# Then what happens?



- The Council will **acknowledge** the acceptance of liability;
- The Council will **determine applications for relief**;
- If permission is granted, the Council will issue a **CIL Liability Notice** which will tell you what you need to pay;
- Note that the liability will be **adjusted for inflation**



# What do I have to do before starting development?

- You **must** submit a **Commencement Notice on Form 6** before making a start on site.
- This is in addition to **Building Regulations Commencement** and clearing conditions;
- **FAILURE TO DO THIS WILL RESULT IN THE INVALIDATION OF ANY EXEMPTIONS AND THE RIGHT TO PAY IN INSTALMENTS;**
- **YOU WILL THEN BE LIABLE FOR THE FULL AMOUNT IMMEDIATELY**

# How to claim relief



- **Development eligible for relief includes;**
  - Affordable and Intermediate Housing**
  - Self Build Housing**
  - Development for Charitable Purposes**
  - Self build Residential annexes**
  - Self Build Residential extensions 100/m<sup>2</sup>;**
- **Submit CIL relief claims on the official forms.**
- **Exemptions must be claimed before submitting the Commencement Notice;**



# What happens once I have started building?

- When it receives the **Commencement notice**, the Council issues a **Demand Notice**;
- This sets out **what payments are needed and when they are due** in line with the instalment policy;

# How can I appeal?



- You can ask SLDC for a review of the calculation of the amount within **28 days of liability notice**;
- If no decision within 14 days or dissatisfied with result you can appeal to VOA within **60 days of liability notice**;
- Must do this **before commencement**;
- **Other appeal processes** relate to the **apportionment of liability (VOA)** and to **CIL enforcement processes** and **surcharges** for late payment (**PINS**);
- **Complex area** – specialist advice recommended;



# What happens with Phased Development?

- Large scale developments may be treated as **phased developments**;
- This means that each individual phase would be a **separate chargeable development**;
- If you wish to pursue this route, this must be made clear through the **planning permission**;
- **Self Build dwellings** may need to be treated as individual phases because any CIL relief must be claimed by the occupier;



# Consequences of not paying CIL

CIL payment is mandatory and non-negotiable.  
If you do not pay or do not pay on time:

- You will be subject to a penalty without further notification
- Any agreement for you to pay in instalments will be withdrawn

There are strong enforcement powers and penalties for failure to pay, including Stop Notices, surcharges and prison terms.



# What happens to the money?

- The Council's **Infrastructure Delivery Plan** sets out a list (**Regulation 123 List**) of infrastructure projects to be supported by CIL;
- Includes some schools, off site highways works, some off site open space measures, health and **site infrastructure for employment sites**;
- Council cannot '**double dip**' or require S106 contributions for projects on the R123 List;
- Council must **report annually** on CIL income and expenditure. **Parishes** must do the same.

# Information on CIL

- A series of 8 detailed guidance notes and other information is available at [www.southlakeland.gov.uk/CIL](http://www.southlakeland.gov.uk/CIL)
- Simon Anstey, CIL Officer will be your initial contact for CIL queries from 1 April 2015  
[simon.anstey@southlakeland.gov.uk](mailto:simon.anstey@southlakeland.gov.uk)

Tel: 01539 793439