



Chichester District Council

Community Infrastructure Levy (CIL) Factsheet

CIL is a non-negotiable charge on new residential and retail development. It is therefore essential that housebuilders, developers, land agents and anyone buying or selling land and buildings should be aware of the implications of CIL.

This leaflet provides some helpful information and should be read in conjunction with the CIL regulations. If you have further questions please contact Chichester District Council's Planning Policy Team.



What are the CIL rates in Chichester?

The CIL rates are set out in the adopted Charging Schedule which should be read in conjunction with the Charging Zone map. The CIL rates (£ per sq m) are set out in the table below. The CIL rates will be index linked from the base year to the date when permission is granted using the 'All-in Tender Price Index' published by the Building Cost Information Service of the Royal Institute of Chartered Surveyors.

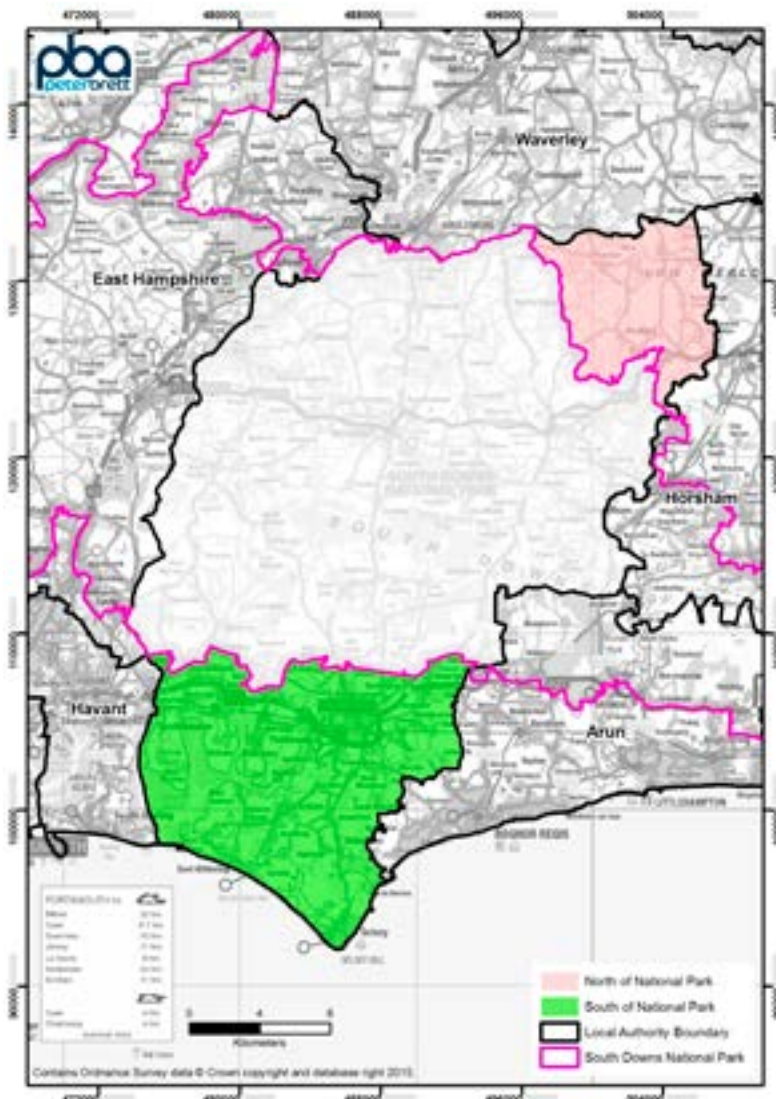
Please visit the District Council's website to see the rates with the correct index applied <https://www.chichester.gov.uk/article/27023/CIL-process-forms-and-payments>

The CIL rates are **non-negotiable**.

Use of Development	Levy (£ per sq. metre)
*Residential - South of the National Park	£120
*Residential - North of the National Park	£200
Retail (wholly or mainly convenience)	£125
Retail (wholly of mainly comparison)	£20
Purpose Built Student Housing	£30
Standard Charge (applies to all development not separately defined)	£0

*With the exception of residential institutions (C2)

This charge applies to the creation of one or more dwellings and any residential extension or annex which is 100 square metres or more gross internal area. Exemptions and relief can be applied for, if applicable. Further information and guidance is available on the Council's website <https://www.chichester.gov.uk/article/27023/CIL-process-forms-and-payments>



What type of development is subject to the CIL charge?

Chichester will be charging for the following types of development:

- residential development which creates one or more dwellings;
- comparison and convenience retail development; and
- purpose built student housing.

These development types will be liable for CIL in the following circumstances:

- residential development comprising 100 square metres or more of new build floorspace which is not for the benefit of the owner/occupier;
- any development that results in the creation of one or more dwellings;
- the conversion or change of use of redundant buildings not in lawful use into residential or retail use; and
- the conversion or change of use of existing buildings in lawful use into residential or retail use where additional new floor space is proposed.
- all new dwellings regardless of size.

Why does Chichester have differential rates (charging zones)?

Differential rates (charging zones) are a way of dealing with variations in economic viability within the same local authority charging area. This makes CIL more flexible to local market conditions.

When did CIL come into effect in Chichester?

Chichester District Council adopted the CIL on 26 January 2016 and began charging CIL on all planning applications granted from **Monday 1 February 2016**.

How is CIL calculated?

The Council will calculate the correct CIL charge based on the information you provide in Form 1 – ‘Additional Information Requirement Form’, available on the Planning Portal website https://www.planningportal.co.uk/info/200136/policy_and_legislation/70/community_infrastructure_levy/5

The calculation is based on the CIL rate (based on the type and location of the proposed development) multiplied by the net floorspace (gross floorspace minus any existing floorspace). The final calculation will also be index linked to take into account build cost inflation.

I don't understand how much CIL I owe?

A simple way of calculating your approximate CIL charge is:

CIL Rate (£ sq m) x Net Chargeable Floor Area of development (sq m)

Bear in mind that existing floorspace that has been in continuous lawful use

for at least six months in the past three years is not charged, and will therefore be deducted from the calculation.

How do I measure the floor area?

The RICS Code of Measuring Practice 6th edition is used to calculate gross internal area as it is used by Examiners at CIL appeals. The gross internal floorspace is the total internal area of the building (on each floor) and should include all rooms, garages, circulation and service space such as lifts and floorspace devoted to corridors, toilets, storage, ancillary floorspace etc.

Planning applications which include conversion of existing floorspace (in lawful use) may be deducted from this to work out the net internal floorspace.

Retail floorspace excludes mezzanines and so proposed mezzanine floorspace should be deducted.

When do I pay CIL? Can I pay in instalments?

Chichester District Council has a ‘Payment by Instalment Policy’ and

providing liability has been accepted (using the Assumption of Liability Form (form 2)) before commencement of development, CIL may be paid via instalments starting when development commences. See the table below for further details.

Once planning permission is granted, Chichester District Council will issue applicants with a Liability Notice. This will detail how much CIL is due (even if this is £0) which will become payable on the date of commencement. However, before work commences on site, the Commencement Notice (form 6), **must be** submitted to the Council at least one clear working day before commencement starts. **It is important that applicants wait until an acknowledgement of Form 6 has been received from the CIL Team at the District Council before commencing works (including demolition).**

Providing this is carried out as required, the following instalment policy will be applied. Failure to do this before commencement will result in the loss of any right to pay by instalments and result in a surcharge.

Amount of CIL Liability	Number of Instalments	Payment periods and amounts
Amounts up to £49,999	No instalments	<ul style="list-style-type: none"> Total amount payable within 90 days of commencement of development.
Amounts from £50,000 to £249,999	Two instalments	<ul style="list-style-type: none"> £50,000 payable within 90 days of commencement of development. Balance payable within 180 days of commencement of development.
Amounts from £250,000 to £499,999	Three instalments	<ul style="list-style-type: none"> £100,000 payable within 90 days of commencement of development. Balance payable in a further two instalments of equal amount within 180 and 270 days of commencement of development.
Amounts from £500,000 to £999,999	Four instalments	<ul style="list-style-type: none"> £250,000 payable within 90 days of commencement of development. Balance payable in a further three instalments of equal amount within 180, 270 and 360 days of commencement of development.
Amounts over £1,000,000	Four instalments	In principal, as set out above for amounts over £500,000, but instalments for this scale of development will be open to negotiation on an individual basis.

If the payments have not been made on time in accordance with the payment by instalments policy, payment in full will be required within 60 days.

Where are the CIL forms available?

All the CIL forms can be found on our website at:

<https://www.chichester.gov.uk/article/27023/CIL-process-forms-and-payments>

- Form 1:** Additional Information
- Form 2:** Assumption of Liability
- Form 3:** Withdrawal of Assumption of Liability
- Form 4:** Transfer of Assumed Liability
- Form 5:** Notice of Chargeable Development
- Form 6:** Commencement Notice
- Form 7:** Self Build Exemption Claim Form Part 1
- Form 7:** Self Build Exemption Claim Form Part 2
- Form 8:** Residential Annex Exemption Claim Form
- Form 9:** Residential Extension Exemption Claim Form
- Form 10:** Charitable and/or Social Housing Relief Claim Form
- Form 12:** Further Charitable and/or Social Housing Relief Claim
- Form 13:** Further Exemption Claim
- Form 14:** Phase Credit Application

Which types of development qualify for relief?

Applicants can apply for relief from the CIL for the following types of development:

- Self build dwellings (subject to Regulation 54A – 54D);
- Residential annexes and extensions (subject to Regulation 42A – 42C);
- Social housing that meets the needs of the relief criteria set out in Regulation 49 or 49A (as amended by the 2014) Regulations: and
- Development to be used wholly or mainly for charitable purposes, in accordance with Regulations 43 to 48 (The Council shall not grant discretionary CIL relief for chargeable

development on land and property held as part of a charity's investment activities).

Do I have to pay CIL if I convert existing premises into a use which is subject to a CIL charge, for example if I convert an existing space above a shop into residential units?

Where the 'lawful use' test is met CIL is only payable on the net increase in gross internal floor area. Floorspace to be converted or demolished can be taken into account in calculating the CIL liability. It does not matter if the floorspace to be converted or demolished is a different use to the end use to which the floorspace is to be put, or to the floorspace to be constructed. In other words, changes of use are not liable to a CIL charge provided there is no net increase in gross internal floor area.

The lawful use test requires a part of the building to have been in lawful use for a continuous period of at least six months within the three year period ending on the day that planning permission permits development. It will be for the applicant or their agent to demonstrate lawful use by providing more than one piece of appropriate evidence for example:

- Time-stamped photographs showing the building in the use claimed;
- Sworn statements made by people who can confirm the use claimed, witnessed by a solicitor;
- Utility or other bills relating to the use claimed.

If there is not sufficient evidence to prove the building(s) are lawful in-use buildings, the floor space may not be deducted from the CIL charge.

Do I have to pay CIL if I am reapplying for or renewing an expired/lapsed planning permission?

Yes, assuming that the Council's CIL charges apply to the type/s of development in question.

When do I submit my Commencement Notice? What does 'commencement' mean in the CIL context?

In CIL terms, development is considered to have commenced when any 'material operation' begins to be carried out on the land subject to the CIL charge. To avoid potential surcharges and forfeit of the right to pay in accordance with the Council's Instalments Policy, developers are required to submit their Commencement Notice to the Council (at the latest) the day before 'material operations' commence.

Developers are advised not to commence until they have received an Acknowledgement of Commencement Notice letter from the Council.

For CIL purposes, 'material operation' is defined in section 56(4) of the Town and Country Planning Act 1990, and includes the laying of any underground pipes, the digging of a trench for foundations, or any work of demolition or construction in the course of the erection of a building.

How long are the CIL rates set for? Will they be changed?

CIL rates will be kept under review by the Council. The rates will be reviewed alongside the review of the Local Plan.

What about development in the South Downs National Park?

The Chichester District Council CIL Charging Schedule does not cover the South Downs National Park. The South Downs National Park Authority is responsible for planning including CIL charges within the National Park area. It has its own CIL Charging Schedule.



For more information on CIL please contact:

Planning Policy, Chichester District Council, 1 East Pallant House, East Pallant, Chichester, West Sussex PO19 1TY, United Kingdom

cil@chichester.gov.uk Telephone: 01243 785166

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