# Chichester District Council

## Community Infrastructure Levy (CIL)

**A Guide for those building extensions, residential annexes or building or commissioning their own homes**

**'Self-Build' for the purposes of CIL exemption is defined as all homes built or commissioned by individuals or groups of individuals for their own use, either by building the home on their own or working with builders.**

**Disclaimer:** This guide is intended to provide general advice to aid self-builders through the CIL process. It does not replace the requirements of the Community Infrastructure Levy Regulations 2010 (as amended).

### Introduction

#### Who is this guide for?

Applicants in the Chichester District, excluding the area within the South Downs National Park, who are intending to submit a planning application:

* To build or commission the building of a whole new dwelling for their own occupation
* To extend their primary residence by 100 sqm or more
* To build an annex within the grounds of their main dwelling

**Top Tip:** This guide provides an overview to CIL and answers some frequently asked questions however, applicants are strongly advised to consult with an appropriate professional who has a good working knowledge of the CIL regulations prior to submitting their planning application.

#### What is CIL and what is it used for?

It is a charge on certain types of development and the money raised is used to fund a wide range of local infrastructure projects such as flood defences, schools, road improvements, paths and cycle ways, health and social care facilities, parks, green spaces and leisure centres.

#### How is it calculated?

It is based on the Gross Internal Area (GIA) of your property. In simple terms this is the internal floorspace and measured in square metres (sqm) at each floor level.

It is the increase in floorspace that is subject to the charge. Credit is allowed for existing buildings that are either being retained or demolished, subject to those building being in continuous lawful use (see below)

The rates per sqm are detailed in our charging schedule which is indexed each January. This together with a detailed guide to measuring is available on the [CIL process forms and payments](https://www.chichester.gov.uk/article/27023/CIL-process-forms-and-payments) page of our website.

#### What is Continuous Lawful Use?

For existing floorspace to be eligible for a credit against the CIL charge it must have been in continuous lawful use for a period of six months within the three years prior to the date on which your planning application is permitted

The Council will require evidence and examples of suitable documents are given in the notes to our charging schedule on the [CIL process, forms and payments](https://www.chichester.gov.uk/article/27023/CIL-process-forms-and-payments) pages of our website

**Top Tip:** If you are intending to purchase a property either to demolish and build a new home or extend it then please ensure you consider the evidence requirements and obtain suitable documents from the seller at the time of purchase

#### When must the CIL be paid?

The CIL is paid by the developer and the charge becomes due at the date of commencement of construction (as set out in section 56(4) of the Town and Country Planning Act 1990) – broadly accepted as the point at which some limited works begin on site to implement a planning permission. This includes demolition and other minor groundworks, the digging of trenches, laying of pipes and changes to the use of the land.

#### Are there any exemptions from payment?

Yes, there are exemptions for those wishing to build their own homes, or extensions, but these are not automatic. They have to be applied for, and there are conditions attached to these including procedures which must be followed to the letter. These exemptions and process are discussed later in this document.

**Top Tip:** Any exemption must be applied for and granted prior to the commencement of the development or the full exemption will not be applied. You will need to advise the CIL team before commencement, so be sure to seek agreement to the formal claim for exemption before starting any work on site, and be sure that you really are eligible to apply. If in doubt please contact the CIL team.

#### What if I am joining with others in a self-build development?

If your application involves two or more self-build properties or a mix of self-build properties and homes to be sold on the open market then it is still possible to be granted self-build exemption. However, the regulations are complex and there are a number of pitfalls than can lead to the unintentional loss of relief.

**Top Tip**: You will need to ensure that your planning permission is ‘phased’ to fit in with your circumstances. This is to ensure that each self-build plot can be treated individually. Please engage with both the planning department and the CIL team at an early stage

#### What if I need to alter my planning permission after it has been granted?

Very minor amendments known as ‘non material amendments’ do not impact on CIL.

Other amendments made under S73 of the Town & Country Planning Act 1990 that change the measured floorspace will impact on the CIL liability and any relief given. There are provisions in the CIL regulations to allow for existing relief to be carried forward and additional relief given. This is the only circumstance in which relief can be given after development has commenced. Application must be made on CIL Form 13 ‘Further Exemption Claim’ which should be submitted with the planning application.

Major amendments that cannot be accommodated within the S73 regulations, and made after work has commenced, will likely mean the loss of any relief and credit for any buildings that have been demolished.

**TOP TIP:** Before you commence ensure that the permission is for the home you want to build. Avoid having to change permitted plans as this risks the loss of relief and a significant CIL liability.

#### What if I want to sell the property or plot after planning permission has been granted?

If this is before you have commenced work then you will need to ensure that liability is transferred to the new owners. Your solicitor can help you with this using CIL Form 4 ‘Transfer of Assumed Liability’. Exemption is not transferred automatically and the new owners will need to apply and meet the eligibility criteria.

In other circumstances, unless the property has been completed and occupied as your main residence for three years, then CIL would become payable. This is known as clawback. Once the three year clawback period has elapsed then no CIL is due.

There is no clawback period for extension relief

#### What forms are required?

In all instances CIL Form 1 ‘Additional Information’ and CIL Form 2 ‘assumption of liability’ will need to be submitted with your planning application. Further forms specific to your proposed development will be required, and these are discussed on the pages that follow.

All the forms can be found on the [CIL process forms and payment](file:///C:\Users\kdower\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\8EFZW8OZ\CIL%20process%20forms%20and%20payment) page of our website.

### Self-Build Relief for a Whole Dwelling

#### Eligibility

* The property must be occupied by you as your sole or main residence for a minimum of three years from the date of completion
* The value of the relief is classed as state aid and there are restrictions on the amount that an individual can receive. Further details can be found on [gov.uk](https://www.gov.uk/guidance/community-infrastructure-levy#state-aid-section)
* You must have assumed liability to pay the CIL

#### Process

1. You must claim the exemption by submitting CIL Form 7 ‘Self Build Exemption Claim Part 1’.

**TOP TIP**: The claim must be received, approved and acknowledged by the CIL team at the council before you commence development. The form can be sent at any time before commencement but we recommend it is sent at the same time as you submit your planning application.

1. At least one day before you commence work on site you must notify the CIL team at the Council using CIL Form 6 ‘Commencement Notice’ and await our acknowledgement.

**TOP TIP**: It is not sufficient to rely on other notices that you may need to submit such as building control notices. It must be the CIL Form 6 and sent to the CIL team

1. Once your development is complete (that is the date of the completion notice issued by your building inspector) then within six months you must submit CIL Form 7 Self Build Exemption Claim Part 2 together with all of the evidence required and detailed in the form. The CIL team at the council will acknowledge receipt and confirm the relief continues to apply.

**TOP TIP**: We recommend you make yourself aware of the evidence required at the earliest opportunity and if you envisage any difficulties discuss these with the CIL team. Failure to supply the evidence within the six months will result in the loss of your relief and the CIL will be payable.

1. You must occupy the property for three years from the date of completion. Should circumstances change and the property is no longer your main residence then you must contact the CIL team and arrange for the CIL to be paid

### Self-Build for a Residential Annex

#### Eligibility

* The residential annex must be situated in the grounds of the main dwelling (not any other type of development, such as a shop, caravan, office or surgery).
* The annex must not be separately let (including on air B&B) or sold separately from the main dwelling within the 3 year clawback period.
* If the annex is to be sold within the 3 year clawback period the CIL relief will be lost unless the annex is sold together with the main dwelling to the same person(s).

#### Process

1. You can claim the exemption by submitting CIL Form 8 ‘Residential Annex Exemption Claim’.

**TOP TIP**: The claim must be received, approved and acknowledged by the CIL team at the council before you commence development. The form can be sent at any time before commencement but we recommend it is sent at the same time as you submit your planning application

1. At least one day before you commence work on site you must notify the CIL team at the Council using CIL Form 6 ‘Commencement Notice’ and await our acknowledgement.

**TOP TIP**: It is not sufficient to rely on other notices that you may need to submit such as building control notices. It must be the CIL Form 6 and sent to the CIL team

1. You must occupy the property for 3 years from the date of completion. Should circumstances change within this period and the property is either no longer your main residence or the annex is to be let or sold separately, then you must contact the CIL team and arrange for the CIL to be paid

### Self-Build exemption for a residential extension

#### Eligibility

* You must be the owner of the property and it must be your sole or main residence, **and** you must be occupying (living in) the property before applying for extension relief. You may be asked to provide evidence to prove this before relief is granted.

**Top Tip:** Extensions of less than 100sqm are exempt from CIL. In these cases indicate on CIL Form 1 ‘Additional Information’ by ticking the appropriate boxes. This form has to be submitted with all applications and then, unless you are contacted by the Validation or CIL teams requesting further information, there is nothing further needed with regards to CIL.

#### Process

1. You can claim the exemption by submitting CIL Form 9 ‘Residential Extension Claim’.

**TOP TIP**: The claim must be received and granted by the CIL team at the council before you commence development. The form can be sent at any time before commencement but we recommend it is sent at the same time as you submit your planning application

1. You do not need to submit a commencement notice if you have been granted extension relief unless there are other elements of the planning permission that are liable to a CIL charge. For example, there may also be an annex building with or without relief. In these circumstances you would need to submit the CIL Form 6 ‘Commencement Notice’ to the CIL team at least one day prior to commencement, and await our acknowledgement.
2. If your application for relief has been refused then you would need to submit a CIL Form 6 ‘Commencement Notice’ to the CIL team in all cases.

### Further Information and Contacts

[Government CIL guidance](https://www.gov.uk/guidance/community-infrastructure-levy)

[Chichester District Council Guidance](https://www.chichester.gov.uk/article/27023/CIL-process-forms-and-payments)

The CIL team cannot offer bespoke advice. However, we are always happy to offer guidance of an operational nature. Our preferred method of contact is by email.

Email: [cil@chichester.gov.uk](mailto:cil@chichester.gov.uk)

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Community Infrastructure Levy

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