

# Trafford Community Infrastructure Levy: Charging Schedule – Short Guide for Applicants



April 2014



If you need help to understand this information, please ask someone to phone 0161 912-2000 to let us know how we can best provide this information.

اذا كنت في حاجة الى مساعدة لفهم هذه المعلومة الرجاء طلب من شخص الاتصال برقم الهاتف: 0161 912-2000 لاخبارنا عن كيفية تقديم هذه المعلومة بأحسن طريقة.

ARABIC

如果您需要帮助才能看懂这份资料，可以请人致电：

0161 912-2000，告诉我们如何最好地给您提供这些信息。

CHINESE

Si vous avez besoin d'aide pour comprendre ces informations, veuillez demander à quelqu'un de téléphoner au 0161 912-2000 pour nous informer de la meilleure façon pour fournir ces informations.

FRENCH

જો આપને આ માહિતીની સમજણ માટે મદદની જરૂર હોય તો કૃપા કરી કોઈને કહો કે, આ માહિતી અમે કેટલી સારી રીતે પૂરી પાડી શકીએ તે બાબતે અમને જણાવવા માટે, 0161 912-2000 નંબર પર ફોન કરો.

GUJARATI

Jesli potrzebujesz pomocy aby zrozumiec ta informacje, popros kogos, aby zadzwonil pod numer 0161 912-2000 aby nas poinformowal, w jaki sposób najlepiej mozemy ci ja przekazac.

POLISH

ਜੇ ਤੁਹਾਨੂੰ ਇਹ ਜਾਣਕਾਰੀ ਸਮਝਣ ਲਈ ਸਹਾਇਤਾ ਚਾਹੀਦੀ ਹੈ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਕਿਸੇ ਨੂੰ ਸਾਨੂੰ 0161 912-2000 ਨੰਬਰ ਤੇ ਟੈਲੀਫੋਨ ਕਰਕੇ ਇਹ ਦੱਸਣ ਲਈ ਕਹੋ ਕਿ ਅਸੀਂ ਇਹ ਜਾਣਕਾਰੀ ਸਭ ਤੋਂ ਅੱਛੇ ਢੰਗ ਨਾਲ ਕਿਸ ਤਰ੍ਹਾਂ ਦੇ ਸਕਦੇ ਹਾਂ।

PUNJABI

Haddii aad dooneeyso in lagaa taageero garashada macluumaadkaani, fadlan qof uun ka codso inuu waco telefoonka 0161 912-2000 oo noo sheego sida ugu fiican oo aanu macluumaadkaani kuugu soo gudbin karno.

SOMALI

اگر آپ کو یہ معلومات سمجھنے میں مدد کی ضرورت ہے تو براہ مہربانی کسی سے کہیے کہ وہ ہمیں 0161 912-2000 پر ٹیلیفون کرے تاکہ ہمیں معلوم ہو سکے کہ آپ کو یہ معلومات فراہم کرنے کا بہترین طریقہ کیا ہے۔

URDU

## Introduction

The information contained within this guide is intended to assist developers and land owners to understand Trafford's Community Infrastructure Levy (CIL) and determine their potential CIL liability. It is not intended to replace the need to read and understand the CIL Regulations and Government guidance, and applicants are advised to seek their own professional advice.

All forms referred to in this document are available from the Council's website [www.trafford.gov.uk/cil](http://www.trafford.gov.uk/cil) and the [Planning Portal](#).

For more information you can also:

- Visit the Council's CIL web pages: [www.trafford.gov.uk/cil](http://www.trafford.gov.uk/cil)
- Read the DCLG [Guidance](#).
- Email: [CIL@trafford.gov.uk](mailto:CIL@trafford.gov.uk)
- Call Trafford's Planning enquiry line: 0161 912 3149

In addition, the Planning Advisory Service [website](#) provides useful information on CIL, including links to the CIL Regulations.

## What is the Community Infrastructure Levy?

The Community Infrastructure Levy (CIL) is a charge on development, collected to help fund infrastructure projects such as transport, flood defence, parks, recreational facilities and schools to support new growth. CIL is charged on a £ per square metre (sq.m) basis of development.

From 7 July 2014, CIL will become the main source of developer contributions, but Section 106 legal agreements (S106) will still be used to secure the delivery of affordable housing and site related infrastructure requirements. Therefore it is possible that some developments may be liable to pay both CIL and sign a S106, although these will cover different types of infrastructure.

For more information on what is required to support development, please see the revised SPD1: Planning Obligations 2014.

## When does Trafford's CIL come into effect?

The levy was approved by Council on 26 March 2014 and will be implemented on **7 July 2014** in Trafford.

Any development where a planning permission is issued from 7 July may be liable to pay CIL, however there are certain situations where it will not be required:

- If a scheme is granted outline planning permission before the CIL implementation date, the subsequent approval of reserved matters will not trigger a liability for CIL.
- The renewal of a planning permission, which was approved prior to the CIL implementation date, will not trigger a liability for CIL.
- If an application is made under Section 73 of the Town and Country Planning Act to vary a planning permission that was granted prior to the CIL implementation date, provided there is no uplift in floorspace over the original consent, a CIL liability will not be triggered.

## What are the charges in Trafford?

Use	CIL charge (per sqm)
Private market houses in:	
<i>Cold charging zone</i>	£20
<i>Moderate charging zone</i>	£40
<i>Hot charging zone</i>	£80
Apartments <sup>1</sup> in:	
<i>Cold charging zone</i>	£0
<i>Moderate charging zone</i>	£0
<i>Hot charging zone</i>	£65
Retail Warehouses	£75
Supermarkets outside defined town centres	£225
Supermarkets within the defined town centres of Altrincham, Sale, Stretford and Urmston	£0
Public/Institutional Facilities as follows: education, health, community & emergency services, public transport	£0
Offices	£0
Industry and Warehousing	£0
Leisure	£10
Hotels	£10
All other development	£0

<sup>1</sup> Apartments include sheltered accommodation & retirement apartments

**Please see the Charging Schedule for a map of the charging zones.**

### Will my development be liable to pay CIL?

CIL applies to development in Trafford, and is liable if that development has 100 sq.m or more of gross internal area, or involves the construction of a single dwelling even when it is below 100 sq.m. Development will be liable to pay CIL if:

- It is of a type for which a rate has been set in the Charging Schedule.
- It is a building into which people normally go, and if upon completion the gross internal floor area of new build will be more than 100 sq.m.
- It is creating 1 or more dwellings even where the floorspace is less than 100 sq.m.
- If it involves the change of use of a building that has been unused for a period of time, it may be liable.

While any development over the size threshold will be subject to CIL, the gross internal area of any existing buildings on the site to be demolished will be deducted from the final liability, provided it has been in continuous lawful use for 6 months of the previous three years prior to the date of the planning permission that authorised the development.

### **Development that is not liable to pay CIL**

- Development of less than 100 square metres, unless it is new dwelling, in which case the levy is payable.
- A structure or building into which people do not usually go or go into only intermittently for maintenance, such as electricity sub-stations or telecommunications plant rooms.
- A change of use with no additional floorspace and the former use was lawful and in continuous use for a period of at least six months of the three years preceding the issuing of the planning permission.
- Mezzanine floors of less than 200 square metres inserted into an existing building are not liable unless they form part of a wider planning permission that seeks to provide other works as well.
- A change of use from a single dwelling house to two or more separate dwelling houses.

If your proposed development is for any of the following uses you will have to complete the relevant form to apply for relief from paying CIL:

- It is social housing.
- It will be used for charitable purposes.
- It is a self-build new home, extension or residential annexe.

### **What information do I need to submit?**

For most types of planning proposal, you will need to complete a 'CIL Question Form' and submit this when you make your application so the Council can determine if an application will be liable to a CIL charge or not. These types of development include:

- Those in excess of 100 square metres.
- Householder applications for works or extensions to a house.
- The creation of a new dwelling.
- The conversion of a building.

## Example Scenarios

Existing site Description	Proposed Development	CIL Liable?	Chargeable area
Cleared building site	90 sq.m new residential dwelling	Yes	90 sq.m Liable because even though the floor space is under 100 sq.m, a new dwelling is being created.
Single dwelling In use	25 sq.m extension to existing dwelling	No	Not liable as extensions under 100 sq.m are exempt from the levy.
Single dwelling In use	125 sq.m extension to existing dwelling	Yes	125 sq.m. However exemption for self-build developments can be applied for
Cleared building site	2000 sq.m residential, including 40% affordable housing (800 sq. m)	Yes	1200 sq.m, i.e. the market housing part only. The 800sqm affordable housing is exempt but relief must be applied for and meet certain criteria to be granted
Single dwelling In use and to be demolished	125 sq.m new development, 90 sq. m original dwelling demolished	Yes	35 sq.m Development comprises of one or more dwellings but the charge is reduced as the original building to be demolished is in use
Shop unit Not in use	90 sq. m conversion / change of use of unit to residential	Yes	90 sq.m No exemption even though under 100 sq. m as a new dwelling is being created. As the unit has not been in use, the floorspace is chargeable
Shop unit In use	90 sq. m conversion / change of use to residential	Yes	0 sq.m new floorspace so no charge No exemption even though under 100 sq. m as creating new dwelling. However, as the unit has been in use, the floorspace is deductible and so there is no charge in this scenario
Single dwelling Not in use	90 sq.m conversion / change of use of unit to retail	No	Not liable as change of use to non-residential and under 100 sq. m new development. The fact that it has not been in use is not relevant in this scenario
4000 sq.m offices In use	4000 sq.m conversion of offices to flats	Yes	Liable but no charge as the existing floorspace which is currently in use is being converted
4000 sq.m offices Not in use	4000 sq.m conversion of offices to flats	Yes	4000 sq.m liable as the existing floorspace is being converted to residential and has not been in lawful use

### **How is CIL calculated?**

The calculation involves multiplying the CIL charging rate by the floorspace, and factoring in an index figure to allow for changes in building costs over time.

$$\frac{\text{CIL Rate (R)} \times \text{Chargeable Floor Area (A)} \times \text{BCIS Tender Price Index (Ip)}}{\text{BCIS Tender Price Index (Ic)}}$$

A = the deemed net area chargeable at rate R

Ip = The BCIS All-in Tender Price Index for the year in which planning permission was granted (published on 1<sup>st</sup> November of the preceding year)

Ic = The BCIS All-in Tender Price Index for the year in which the charging schedule containing rate R took effect

The All in Tender Price Index is published by the Building Cost Information Service (BCIS) of the Royal Institute of Chartered Surveyors (RICS) and the figure for any given year is the figure for November of the preceding year. Further details of the specific calculations and how they are made can be found in the CIL Regulations.

The amount is based on the “gross internal area” (GIA) of the development. GIA will be measured in accordance with the RICS Code of Measuring Practice. Generally, any structure with 3 or more walls and a roof is considered to be internal floorspace and therefore chargeable.

Communal areas within social housing developments, for example corridors and entrance halls, qualify for relief from CIL. The definition of Social Housing is set out in Regulation 49 and it covers most types of affordable housing provided in Trafford including social rented, affordable rent and shared ownership tenures.

Floorspace subject to demolition or resulting from change of use can only be deducted where it has been in continuous lawful use for at least six months in the last 3 years prior to a development being permitted. It will be for the applicant or their agent to demonstrate lawful use by providing appropriate evidence such as Council Tax records or Business Rates documentation.

CIL payments are not subject to VAT. Payments of amounts of less than £50 are treated as zero rated and not payable.

### **How do I pay CIL?**

When planning permission is granted for a CIL liable development and any pre-commencement conditions have been discharged the Council will issue a Liability Notice, which will set out how much CIL is to be paid and when it is to be paid.

Prior to commencing development, the Council must be served with a Commencement Notice stating the date when construction work will begin. The Council will then serve a Demand Notice setting out precise details of payment arrangements.

To support developers bringing forward new schemes, the Council has introduced an instalments policy for the payment of CIL, an extract from this is shown below:

CIL liability	Instalments	Payment periods and amounts
Under £25,000	1	100% within 180 days of commencement of development
From £25,000 up to £50,000	2	50% within 180 days of commencement of development 50% within 365 days of commencement of development
From £50,000 up to £150,000	3	34% within 180 days of commencement of development 33% within 365 days of commencement of development 33% within 545 days of commencement of development
From £150,000 upwards	4	25% within 180 days of commencement of development 25% within 365 days of commencement of development 25% within 545 days of commencement of development 25% within 730 days of commencement of development

In addition, the CIL Regulations allow for phased developments. Where a full planning permission is granted that allows a phased development, each phase is treated as a separate chargeable development. For these developments, CIL is calculated on the date the pre-commencement condition associated with relevant phase is approved.

The responsibility to pay CIL relates to the ownership of the land. However the regulations recognise that others involved in a development may wish to pay. To allow this, anyone can come forward and assume liability for the payment. It is the responsibility of the person who assumes liability to inform the Council of this.

The Council has a 'payments in kind' policy which details alternatives to cash payments through the provision of land or infrastructure, and a policy for relief from CIL in exceptional circumstances; both policies are available from: [www.trafford.gov.uk/CIL](http://www.trafford.gov.uk/CIL).

### **Can I appeal against paying CIL?**

The CIL charge itself is non-negotiable. Appeals can only be made against procedural aspects relating to the calculation, collection and enforcement of CIL.