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LAMBETH CIL FAQ

What is CIL?

The Community Infrastructure Levy (CIL) is a levy that local authorities charge on new developments to fund infrastructure needed to support the development, such as schools and roads. It was introduced by Government through the Planning Act 2008 and the CIL Regulations 2010,

What is Lambeth Council CIL?

Lambeth CIL came into effect on 1 October 2014. A revised CIL Charging Schedule was approved and comes into force on 1 January 2015. A CIL Charging Schedule sets out the rates to be charged per square metre of gross internal area floorspace by type of development and charging zone location of a chargeable development. Any planning application granted permission on or after the date when a CIL Charging Schedule takes effect may be liable to pay CIL rates from that schedule.

What is Mayoral CIL?

Mayoral CIL charging came into effect on 1 April 2012 to raise funds to help finance the Crossrail project. On 1 April 2019, the Greater London Authority revised the CIL Charging Schedule issued by the Mayor of London. Lambeth Council is the Collecting Authority for Mayoral CIL and passes CIL monies collected on to Transport for London. Lambeth Council is permitted to retain up to 4% of the CIL collected to cover administrative costs.

Until 31 March 2019, Mayoral CIL was charged in Lambeth at a flat rate of £35 per square metre of liable floorspace, regardless of location or development type (apart from educational and health facilities which are zero rated). Since 1 April 2019, Mayoral CIL's rates have gone up. In Lambeth, most chargeable developments will pay £60 per m² of chargeable floorspace. However, in parts of Waterloo and Vauxhall Nine Elms which are included in the Central London Activities Zone, the following MCIL2 charges will apply:

- Office £185 per m² indexed from 2019
- Retail £165 per m² indexed from 2019
- Hotel £140 per m² indexed from 2019

Educational and health facilities have remained zero rated in respect of Mayoral CIL.

What are the benefits of CIL?

CIL is intended to provide a fairer, faster and more transparent means of ensuring that development contributes to the cost of the infrastructure it will rely upon, such as schools, roads, health centres or improved public transport.

What development is liable for CIL?

Development will potentially be liable for CIL if it:

- Is for a building into which **people normally go**; and
- Comprises one or more dwellings; or
- Involves new build floorspace of at least 100m² gross internal area (GIA)

What development is not liable for CIL?

Please see link below for the recent guidance:

<https://www.gov.uk/guidance/community-infrastructure-levy#introduction>

Who is liable for CIL?

The responsibility to pay the levy rests with the ownership of land on which the liable development will be situated. Although liability rests with the landowner, 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 development

Where can I find the Lambeth charging Zones?

CIL charges relate to land values, and these vary across the borough. There are now four CIL charging zones in the Borough: A, B, C and D. Please see link below:

<https://beta.lambeth.gov.uk/sites/default/files/2021-11/2022lambethcilzones.pdf>

How can I check the estimated CIL liability for my development?

Developers and applicants can check the estimated CIL liability for any particular development using the online CIL calculator.

<https://www.lambeth.gov.uk/planning-and-building-control/planning-applications-and-policies/calculate-your-community>

What are the Lambeth CIL charges?

From 1 January 2022, Lambeth CIL charges (per square metre of gross internal floor area) are:

Development type	Zone A – Waterloo and Vauxhall	Zone B – Kennington, Oval and Clapham	Zone C – Brixton, Herne Hill and Tulse Hill	Zone D – Streatham, Streatham Hill and West Norwood
Residential including co-living schemes or shared accommodation	£500	£350	£250	£200

Development type	Zone A – Waterloo and Vauxhall	Zone B – Kennington, Oval and Clapham	Zone C – Brixton, Herne Hill and Tulse Hill	Zone D – Streatham, Streatham Hill and West Norwood
Self-contained sheltered housing, self-contained extra care schemes and care homes	£250	£175	£100	£100
Hotel	£200	£75	£75	£75
Office	£225	£225	Nil	Nil
Large Retail Development*	£225	£225	£225	£225
Other Retail	Nil	Nil	Nil	Nil
Student accommodation	£400	£400	£400	£400
All other uses not identified above	Nil	Nil	Nil	Nil

* Retail includes such uses as shops selling consumer goods, including food and essential items, to visiting members of the public, premises for the provision of financial and professional services, a café or restaurant, and gymnasium. It will also include related sui generis commercial uses such as pubs or drinking establishments, takeaways, cinemas, betting shops, launderette, and car showrooms. Large retail development includes:

- Superstores/supermarkets/shopping mall/shopping centre/shopping arcade which are shopping destinations in their own right, with over 280m² of retail space, with or without a dedicated car park; or
- Retail warehouses which are large stores specialising in the sale of household goods (such as carpets, furniture, and electrical goods), DIY items and other ranges of goods catering for mainly car-borne customers.

For applications that have been granted planning permission before 1 January 2022, the rates set out in the [2014 CIL Charging Schedule](#) will apply.

How will my CIL bill be calculated?

The rates are set in £/m² for different development types. The total payable for any specific development will be calculated using the formulae set out in Schedule 1 of the CIL Regulations 2010 (as amended). CIL must be calculated using the prescribed formula.

Your CIL liability will be calculated by:

Multiplying the amount of net chargeable floorspace x the CIL rate for the development type x the index linked figure for the year planning permission was granted; then

Dividing the total by the index linked figure for the year the Charging Schedule was implemented.

Where the development includes more than one type of chargeable development, the calculation will be applied to each development type. The total bill will be the sum of the totals for each development type.

Until 31 December 2019, index linked figures are taken from the published All-in Tender Price Index. From 1 January 2020, index linked figures for a current year are

taken from the Royal Institute of Chartered Surveyors (RICS) CIL index published at the end of October of the previous year. CIL rates are index-linked so that once set they will rise or fall in line with inflation to protect their value. This will also avoid the need for regular (annual) resetting of rates, which would require full consultation and re-examination each time.

Will demolition works be included in the CIL calculation?

Where a development involves the demolition of existing buildings which takes place after the time at which permission first permits development, the demolished floorspace is credited against the CIL charge calculation PROVIDED that part of the building being demolished was in lawful use for a period of six consecutive months within the last three years prior to the time at which permission first permits development (usually the date on which permission was granted). Where an existing building does not meet the six-month lawful use requirement, its demolition (or partial demolition) is not taken into account in calculating the chargeable amount.

How do I calculate the GIA of a building?

The generally accepted method of calculation of GIA is set out in the RICS Code of Measuring Practice 6th Edition (link below):

<https://www.rics.org/uk/upholding-professional-standards/sector-standards/real-estate/code-of-measuring-practice/>

What other policy statements apply to Lambeth CIL?

As part of the operation of CIL in Lambeth, there are associated policy statements setting out the way that the CIL system is administered. These are:

CIL instalments policy - The Regulations provide for councils to allow payment of CIL on larger projects in instalments, to help cash flow on those projects. For developments that commence prior to 1 June 2019, the instalment policy applied is the same as that issued by the [Greater London Authority](#). For developments that commence on or after 1 June 2019, the instalment policy applied will be [Lambeth's CIL instalments policy](#).

CIL Land and Infrastructure Payments - Allows for the payment of CIL Liability, in part or full, through, either provision of land, or infrastructure provision directly by developers, at the discretion of the Council. See [Land Payments and availability of infrastructure payments statement](#).

Exceptional circumstances relief policy - There may be individual projects where a matter peculiar to the proposal or the site would make the scheme unviable if the standard Lambeth CIL charge were to be applied. This policy gives the Council the

power to consider granting full or partial relief from the CIL liability if it can be demonstrated to the Council's satisfaction that payment of the full CIL liability would make the project unviable. See the [Lambeth exceptional circumstances relief policy](#).

Charitable CIL relief - The CIL regulations give the Council the power to offer discretionary relief from CIL to charities, for charitable purposes and commercial developments they make. The Council has updated this approach as from 9 November 2021. See the [charitable development CIL relief policy](#).

Discretionary Social Housing Relief – Mandatory relief will be applied for social housing provided by Local Authorities or Registered Providers. In addition, in Lambeth, at the Council's discretionary relief may also be considered for discounted market sales. See [Discretionary Social Housing Relief statement](#).

Are CIL charges subject to Indexation?

CIL charges are subject to indexation, which takes into account any changes in price between the time when charging schedules come into force and the time at which planning permission is granted.

In applying CIL indexation, when a CIL Liability Notice is issued, Lambeth Council will use whatever figure is published in the RICS CIL index or BCIS All-in Tender Price Index as applicable for the November of the preceding year in which the permission was issued.

How do I apply for exemption/relief?

These exemptions must, however be applied for in the correct manner through the planning application and CIL liability calculation process. This means using the exemptions claim forms found on the Planning Portal CIL webpage: https://www.planningportal.co.uk/info/200126/applications/70/community_infrastructure_levy

Please note CIL relief must be sought and granted before works commence. Otherwise the relief will be void.

Which CIL forms do I need to submit?

Please refer to the planning portal link below for the various CIL forms: https://www.planningportal.co.uk/info/200126/applications/70/community_infrastructure_levy/5

Form 1 – CIL Additional Information - this form must be completed by an applicant alongside the submission of a planning application. A planning application may be considered invalid if this form is not included when submitting a planning

application. CIL Form 1 assists in the determination of CIL liability especially in relation to lawful and occupied use as well as floorspace information.

Form 2 - Assumption of Liability - this form must be completed by the person(s) or organisation(s) who will be responsible for paying any CIL charge (the 'Liable Party')

Form 3 - Withdrawal of Assumption of Liability - this form is used when a Liable Party wants to withdraw their previously assumed liability to pay CIL. Any withdrawal of liability must be made prior to commencement.

Form 4 - Transfer of Assumed Liability - this form is used where an existing Liable Party wishes to transfer liability to pay the CIL charge to another Liable Party. The form must be received no later than the day on which the final payment of CIL is due in respect of the chargeable development.

Form 5 - Notice of Chargeable Development – development carried out pursuant to permitted development rights, or other types of general consent where there is no application to the Council for a grant of planning permission in response to a planning application, is liable to pay CIL. Anyone looking to undertake development which would provide one or more dwellings or 100m² or more of new-build floorspace must use this form to provide details and the supporting evidence requested prior to commencement so that a CIL charge can be levied. This assists in the determination of CIL liability especially in relation to lawful and occupied use as well as floorspace information.

Form 6 - Commencement Notice – this form must be submitted by the developer at least one day prior to commencement. Its receipt will also trigger the issue of the Demand Notice.

Form 7- Self Build Exemption Claim Form Part 1 – this form is used to claim exemption from CIL where a dwelling is being self-built (subject to conditions, see Section 2.3). The form must be submitted prior to commencement, and commencement must not take place before a decision is made in respect of the application.

Form 7- Self Build Exemption Claim Form Part 2 must then be submitted within six months of completion to complete the claim.

Form 8 - Residential Annex Exemption Claim Form – this form is used to claim exemption from CIL where an annex is being self-built. The form must be submitted prior to commencement, and commencement must not take place before a decision is made in respect of the application.

Form 9 - Residential Extension Exemption Claim Form – this form is used to claim exemption from CIL where an extension is being built. The form must be submitted

prior to commencement, and commencement must not take place before a decision is made in respect of the application.

Form 10 - Claiming Charitable or Social Housing Relief - this form is used to apply for charitable and/or social housing against a CIL liability. It must be submitted prior to commencement, and commencement must not take place before a decision is made in respect of the application.

Form 11 - Claiming Exceptional Circumstances Relief - this form is used to apply for exceptional circumstances relief against a CIL liability. It must be submitted prior to commencement, and commencement must not take place before a decision is made in respect of the application.

Is VAT applied to CIL?

CIL is exempt from VAT.

Can CIL payment be enforced?

Yes. CIL charges are intended to be easy to understand and comply with. The system anticipates that most people liable will be able to pay without problem or delay as the cost will have been factored into development costs from the outset. However, under the regulations the Local Authority has the power to penalise late payments or take more direct action against persistent non-compliance including CIL Stop Notices or applying to the courts for seizure of assets to pay the outstanding amount.

When is a Liability Notice issued?

A Liability Notice is issued as soon as practicable after the day on which a 'planning permission first permits development'.

What happens after the Liability Notice is issued?

The applicant must serve the Assumption of liability and commencement notice to the Local Authority.

When is a Demand Notice issued?

A Demand Notice is issued on receipt of a Commencement Notice or, in the case of a general consent, on receipt of a Notice of Chargeable Development.

When is CIL payment due?

CIL will be payable within 60 days of development commencing, or if the local authority has an instalment policy, then in accordance with that policy.

However:

- Where no-one has assumed liability even if a commencement notice has been received, payment is due immediately upon commencement.
- Where the Council has determined a 'deemed commencement' date (because no valid Commencement Notice was provided), payment is due on the deemed commencement date.

When are surcharges and late interest charged?

Surcharges and interest may be imposed as follows:

- If the development has commenced and no Assumption of Liability Notice has been received - £50 on each liable person.
- Where the Council has to apportion liability between different owners - £500 on each owner.
- For failure to submit a Notice of Chargeable Development – 20% of the chargeable amount up to a maximum of £2,500.
- For failure to submit a Commencement Notice – 20% of the chargeable amount up to a maximum of £2,500.
- For failure to notify the Council of a disqualifying event within 14 days - 20% of the chargeable amount up to a maximum of £2,500.
- For late payment – 5% of the chargeable amount or £200 (whichever is greater) may be imposed after 30 days and again after 6 months and then after 12 months on any outstanding amount.
- Failure to comply with an information notice within 14 days – 20% of the chargeable amount up to a maximum of £1,000.
- Late payment interest must be paid starting on the day after payment was due at a rate 2.5 percentage points above the Bank of England base rate.

Can I appeal against CIL decisions by the Council?

Appeals can be made in instances where an applicant considers that the Council has made an administrative or calculation error, or where the Council has taken enforcement action such as surcharges and stop notices. Appeals must be made within 28 days of the date the liability notice was issued.

Full information on the CIL Appeals Process can be found on the following website:

<https://www.gov.uk/guidance/community-infrastructure-levy-how-to-make-an-appeal>

The principle of the requirement to pay CIL, or the rates set out in the Charging Schedules, cannot be appealed. The Regulations set out various circumstances in which CIL liability can be reviewed or appealed under the Regulations.

Are CIL payments owed recorded as a Local Land Charge?

The amount of CIL payable in respect of a chargeable development is a local land charge. Local land charges are registered by Lambeth Council at the point at which the Liability Notice is issued.

The local land charge can be removed when full payment has been received, except in cases where relief or self-build exemption has been granted in which case the local land charge should remain in place during the clawback period in case of a disqualifying event.

Can I find out how CIL has been spent?

We will prepare monitoring reports on how much CIL we have received, what it has been spent on, and how much is left in reserve. These reports must be prepared annually by 31 December for the previous financial year and published on the Council's website.

<https://www.lambeth.gov.uk/planning-and-building-control/community-infrastructure-levy-cil-reports>