

## Community Infrastructure Levy (CIL) Guidance Note: Self Build Relief

The CIL Regulations provide that self-build development is entitled to relief from CIL. The Council has already agreed to provide automatic self-build relief for residential annexes and extensions and so there is no need to apply for self-build relief where you are extending your home in this way.

Should you be developing a new home (regardless of whether this simply involves the replacement of an existing home on the site), there are two stages that must be completed in order to claim and remain eligible for self-build exemption.

**Stage 1** The first stage must be completed prior to commencement of development.

The claim for a self-build exemption must:

1. Be made by a person who both intends to build, or commission the building of, a new dwelling, and occupy the dwelling as their sole or main residence for a period of at least three years ('the clawback period');
2. Be made by a person who has assumed liability to pay CIL in respect of the new dwelling. The claimant must assume liability by submitting the [Assumption of Liability \(Form 1\)](#) form **prior to the commencement of development**; and
3. Be submitted to the Council on the [Self Build Exemption Claim Form: Part 1 \(Form 7\)](#) **prior to the commencement of development**.

Development will cease to be eligible for relief from the levy if:

1. The development commences before the Council has reached a decision on whether or not to grant relief from the levy; and/or
2. The Council has not received a [Commencement Notice \(Form 6\)](#) prior to the commencement of development.

**Stage 2** The [Self-build Exemption Claim Form: Part 2 \(Form 7\)](#) must be submitted to the Council within six months of the completion of the development.

The form must be accompanied by **all** of the following as evidence to support the claim for relief:

1. A compliance certificate for the development issued under either Regulation 17 (compliance certificates) of the Building Regulations 2010 or Section 51 of the Building Act 1984 (final certificates); and
2. Title deeds of the property; and
3. Council tax certificates.

The form must be accompanied by **two** of the following as evidence to support the dwelling being occupied as a person's sole or main residence:

1. Utility Bill;
2. Bank Statement;
3. Local Electoral Roll Registration.

The form must be accompanied by **one** of the following:

1. An approved claim from HM Revenue and Customs under 'VAT431NB: VAT refunds for DIY housebuilders'; or
2. Proof of a specialist Self Build or Custom Build Warranty; or
3. Proof of an approved Self Build or Custom Build Mortgage from a bank or building society.

Self-build relief will be withdrawn where a disqualifying event occurs up to three years from the date of the compliance certificate.

A disqualifying event is:

1. Any change in relation to the self-build housing or self-build communal development where it ceases to be self-build housing or self-build communal development;
2. Failure to submit [Self Build Exemption Claim Form: Part 2 \(Form 7\)](#) and the relevant evidence within six months of the date of the compliance certificate;
3. The letting out of a whole dwelling or building that is self-build housing or self-build communal development;
4. The sale of the self-build housing; or
5. The sale of the self-build communal development.

Where a disqualifying event occurs, the beneficiary of the relief is liable to pay an amount of CIL equal to the amount of CIL that would have been payable on commencement of development had relief not been granted.

Where a disqualifying event occurs, the beneficiary of relief must notify the Council, in writing, within 14 days of the disqualifying event. Where this is not done, a surcharge equal to the lesser amount of 20 per cent of the chargeable amount or £2,500 may be applied.

The Council will calculate what clawback is payable, and notify the beneficiary in writing of the withdrawn amount and how this has been calculated. Alongside this, a new liability notice will be issued and a demand notice will be served to collect the clawback relief.

### **Submitting a revised planning application**

Should you submit a revised planning application before work has commenced on site and still wish to claim self-build relief, you must follow the procedures set out above for the new application. It is important that these procedures are followed prior to the commencement of any development on the site; otherwise you will be ineligible to claim self-build relief.

Section 73a (variation of conditions, e.g. alterations to the plans) applications, which relate to development already commenced or carried out, are not eligible for self-build relief, even if a previously approved scheme on the site was eligible for relief. This is because the development authorised by any retrospective permission will have commenced before the self-build claim can be made and decided. As no commencement notice can be given because the date of grant is taken to be the date the development commences (reg. 7(5)), it is not possible to secure a self-build exemption for such a retrospective permission.

This means that if you have had to submit a fresh application because what you have built was different from the approved scheme, you will not now be able to claim self-build.