

GUIDANCE NOTE 2 - Residential annex or extension relief

1.0 Introduction

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The Council resolved to adopt and implement the Community Infrastructure Levy Charging Schedule on 13th November 2017. The report and associated supporting documents can be seen at [Agenda for Council on Monday, 13 November 2017, 7.00 pm | West Lindsey District Council](#).

From 22nd January 2018, West Lindsey Council implemented the Community Infrastructure Levy (CIL). CIL will apply to any planning decision that qualify from and including that date. CIL will apply to any planning decision that qualify from and including that date.

The Community Infrastructure Levy Regulations 2010 (as amended) ('the Regulations') provides that a development that incorporates a self-build annexe or extension is eligible for relief from the levy.

2.0 Definition of Residential Annex

Regulation 42A states:

'...a person (P) is exempt from liability to pay CIL in respect of the development if

- a. P owns a material interest in the dwelling ("main dwelling");
- b. P occupies the main dwelling as P's sole or main residence; and
- c. The development is a residential annex'
'The development is a residential annex if it
 - a. Is wholly or mainly within the cartilage of the main dwelling; and
 - b. Comprises one new dwelling.'

3.0 Process for claiming Residential Annex Relief

Regulation 42B sets out the procedure for claiming residential annex relief from the levy. Unless these procedures are followed, a development will cease to be eligible for relief from the levy.

The claim for a residential annex exemption must

1. Be submitted to the Council on the Self Build Annex Claim Form **prior to the commencement of development**
2. Include the particulars specified or referred to in the Self Build Annex Claim Form

3. Be accompanied by the documents referred to in the Self Build Annex Claim Form

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
2. The Council has not received a Commencement Notice **prior to the commencement of development**

4.0 Withdrawal of the exemption for a residential annex

Residential annex relief will be withdrawn where a disqualifying event occurs up to three years from the date of the compliance certificate.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. The use of the main dwelling for any purpose other than as a single dwelling;
2. The letting of the residential annex; or
3. The sale of the main dwelling or the residential annex, unless they are sold at the same time to the same person.

Where a disqualifying event occurs, the beneficiary of relief is liable to pay an amount of CIL equal to the amount of CIL that would have been payable on the 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.