

## Community Infrastructure Levy - Indexation Guidance Notice 2023

This document has been produced to provide guidance on how indexation will affect the Community Infrastructure Levy (CIL) for developments granted planning permission in Birmingham in 2023.

All CIL Liability Notices issued by the Council in 2023 will include indexation in the calculation of the chargeable amount. The calculation of CIL chargeable amount is defined by the CIL Regulations 2010 (as amended):

$\frac{R \times A \times Ip}{Ic}$ <p> <b>R</b> – the CIL rate for that use  <b>A</b> – the deemed net area chargeable at rate R  <b>Ip</b> – the index figure for the year in which planning permission was granted  <b>Ic</b> – the index figure for the year in which the charging schedule took effect         </p>
--

The index that must be used is set by the CIL Regulations 2010 (as amended) and is the BCIS All-In Tender Price Index. The index figure for any given year is set on 1<sup>st</sup> January and is the index figure for November 1<sup>st</sup> of the preceding year. The index figures that will be used to calculate indexation for Birmingham’s adopted Charging Schedule in 2023 are:

<b>Year</b>	<b>Index Figure</b>
2016 (the year in which the Charging Schedule took effect)	271
2023 (the year in which planning permission is granted)	355

The Index figure is published by the Royal Institute of Chartered Surveyors and is available online: [Community Infrastructure Levy \(CIL\) Index developed by BCIS](#)

CIL Charging Schedule, including 2023 Indexation

<b>Development Type</b>	<b>Detail</b>	<b>Original Charge/ sqm</b>	<b>Charge per sqm 2022</b>
Retail convenience <sup>1</sup>	<2,000 sqm	£0	£0
Retail convenience <sup>1</sup>	>2,000 sqm	£260	£340.59
Retail <sup>2</sup>	All other	£0	£0
Retail <sup>2</sup>	Greenbelt Development (Sustainable urban extension)	£0	£0
Industrial/Employment	All areas	£0	£0
Offices	All areas	£0	£0
Residential	Value zones 1,2 & 3 (High value area)	£69	£90.39
Residential	Value zones 4,5,6 & 7 (Low value area)	£0	£0
Residential	Green Belt Development (Sustainable urban extension)	£0	£0
Residential	Social Housing Providers registered with HCA and Birmingham Municipal Housing Trust developments	£0	£0
Student housing	All areas, except Green Belt Development (Sustainable urban extension)	£69	£90.39
Student Housing	Green Belt Development (Sustainable urban extension)	£0	£0
Hotel	City centre	£27	£35.37
Hotel	Green Belt Development (Sustainable urban extension) and rest of city	£0	£0
Leisure	All areas	£0	£0
Education	All areas	£0	£0
Health	All areas	£0	£0
Extra Care	C2 use	£0	£0
All other development	All areas	£0	£0

NB – the figures are presented to 2 decimal places for ease, and the final calculation may alter as a result.

## Example

In 2023, a planning application is approved for a residential dwelling that results in a net increase of GIA of 100sqm, located in a chargeable area with a rate of £69/sqm. The CIL liability would be calculated as follows:

$$\frac{\pounds 69 \times 100\text{sqm} \times 355}{271} = \pounds 9,038.75$$

This document is relevant to all CIL Liability Notices issued between 1<sup>st</sup> January 2023 and 31<sup>st</sup> December 2023 and will be updated in January 2024 when a new index figure for that year will be applied. If a new CIL Charging Schedule is published, the new charges will supersede these figures.