Draft Regulations laid before the House of Commons in accordance with section 222(2)(b) of the Planning Act 2008 (c. 29), for approval by resolution of that House.

DRAFT STATUTORY INSTRUMENTS

2026 No. ****

COMMUNITY INFRASTRUCTURE LEVY, ENGLAND

The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2026

Made - - - -	***
Coming into force	

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 205(1), 220(1), (2) and (3) and 222(1)(a), (b) and (d) of the Planning Act 2008(**a**), with the consent of the Treasury.

A draft of these Regulations has been laid before the House of Commons in accordance with section 222(2)(b) of the Planning Act 2008 and approved by a resolution of that House.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2026.

(2) These Regulations come into force on [date].

(3) These Regulations extend to England and Wales.

Amendments to the Community Infrastructure Levy Regulations 2010

2. The Community Infrastructure Levy Regulations 2010(**b**) are amended in accordance with regulation 3.

Amendments to the Community Infrastructure Levy Regulations 2010

3.—(1) In regulation 2(1)—

(a) in the definition of "clawback period", after sub-paragraph (b) insert—

(**a**) 2008 c. 29. Most of the functions of the Secretary of State under Part 11 of the Planning Act 2008, in so far as exercisable in relation to Wales, were transferred to the Welsh Ministers by article 44 of the Welsh Ministers (Transfer of Functions) Order 2018 (S.I. 2018/644). There are amendments to section 205 which are not relevant to this instrument.

(**b**) S.I. 2010/948. Regulation 2 was amended by S.I. 2014/385. Regulation 54D was inserted by S.I. 2014/385. Regulation 58ZA was inserted by S.I. 2019/1103. Regulations 65 and 66 were amended by S.I. 2014/385. Regulation 74A was inserted by S.I. 2012/2975. Regulation 74B was inserted by S.I. 2014/385. Schedule 1 was inserted in relation to England by S.I. 2019/1103. There are other amendments not relevant to this instrument.

“(bb) in relation to the London time-limited relief, the period beginning with the granting of the relief and ending with the date of the last compliance certificate relating to the total development (which has the same meaning as in regulation 54E),”;

(b) after the definition of “liability transfer notice” insert—

““London time-limited relief” means relief granted under regulation 54E;”;

(c) in the definition of “relief”, after “social housing relief” insert “, London time-limited relief”.

(3) After regulation 54D insert—

“London time-limited relief

54E.—(1) A charging authority must grant relief (“London time-limited relief”) from liability to pay CIL in respect of a chargeable development (D) if the following conditions are met—

(a) the charging authority for the relevant land is a local planning authority in Greater London;

(b) no more than [10% / 25%] of the area of the relevant land is excluded land;

(c) if any other relief applies to the total development, the person requesting the relief has been granted that relief before requesting London time-limited relief;

(d) the estimated amount of CIL payable in respect of the residential part of the total development, before London time-limited relief is granted, amounts to at least £500,000;

(e) a planning obligation has been entered into, in respect of the planning permission which permits the total development, which satisfies the affordable housing condition;

(f) where the Mayor of London has provided grant funding in relation to the affordable housing comprised in the total development, at least 10% of the housing units comprised in the total development (to satisfy the affordable housing condition) is not grant funded.

(2) London time-limited relief may not be granted in relation to CIL charged by the Mayor of London.

(3) For the purposes of estimating the amount of CIL under paragraph (1)(d) the charging authority must calculate the amount of CIL payable for the total development, and in making that calculation the authority must—

(a) disregard the amount of any CIL charged by the Mayor of London in relation to the total development, and

(b) deduct the amount of any relief for which the residential part of the total development would be eligible (disregarding the London time-limited relief for which the development is eligible).

(4) For the purposes of paragraph (1)(e), where the relevant land is public land or industrial land, the affordable housing condition is satisfied if the planning obligation provides for at least 35% of the housing units comprised in the total development to be affordable housing and for that affordable housing to satisfy the 60% rule.

(5) For the purposes of paragraph (1)(e), where part of the relevant land is public land or industrial land, the affordable housing condition is satisfied if the planning obligation provides for at least A% of the housing units comprised in the total development to be

affordable housing (where A is calculated in accordance with paragraph (9)) and for that affordable housing to satisfy the 60% rule.

(6) For the purposes of paragraph (1)(e), where the total development meets the criteria in the Policy H11 of the London Plan (published by the Mayor of London in March 2021) the affordable housing condition is satisfied if the planning obligation provides for—

(a) at least 20% of the housing units comprised in the total development to be affordable housing, and

(b) all of the affordable housing to be intermediate rent accommodation where at least 30% of the housing units comprised in the total development are to be rented out at or below the London Living Rent (at the rate published by the Mayor of London in January 2026).

(7) For the purposes of paragraph (1)(e), where paragraphs (4) to (6) do not apply to the relevant land, the affordable housing condition is satisfied if the planning obligation provides for at least 20% of the housing units comprised in the total development to be affordable housing and for that affordable housing to satisfy the 60% rule.

(8) For the purposes of paragraphs (4) to (7), "the 60% rule" is—

(a) if the amount of housing units which are affordable housing (AH) is between 20% to 35% of all the housing units comprised in a total development (T), then at least 60% of AH are to be let on a social rent basis;

(b) if the amount of AH is more than 35% of all the housing units comprised in T then—

(i) in relation to the part of the AH which amounts to 35% of all the housing units comprised in T, at least 60% of AH are to be let on a social rent basis, and

(ii) in relation to the remainder of AH comprised in T, those units need not be let on a social rent basis.

(9) For the purposes of paragraph (5), A equals 20 + (15 x (PA / RL)), where—

"PA" is the total area of the public land and industrial land;

"RL" is the total area of the relevant land.

(10) In this regulation—

"accommodation occupied on a co-living basis" means accommodation, not being a self-contained dwelling, in a building where communal facilities, including cooking, working and social facilities, are provided for the residents of the building;

"affordable housing" means housing for which at least one of the conditions in regulation 49 (social housing relief) is satisfied;

"communal space for residents of the dwellings" means an area of a residential building, other than an excluded area, which is wholly or mainly for the benefit of the occupants of the dwellings;

"development plan" has the same meaning as in the Planning and Compulsory Purchase Act 2004(**a**);

"excluded area" means—

(a) the area inside any dwelling, and

(**a**) 2004 c. 5. Part 2 was amended by section 97 of, and Schedule 7 to, the Levelling-up and Regeneration Act 2023 (c. 55) with savings for existing development plans in S.I. 2026/169.

(b) any area designed to be used wholly or mainly by the general public;

"excluded dwelling" means—

(a) any dwelling which is residential accommodation that is designed or adapted for occupation solely or principally by persons undertaking a full-time course of further or higher education at a qualifying institution,

(b) any dwelling which is residential accommodation occupied on a co-living basis, or

(c) any other dwelling intended only to be occupied on a temporary basis;

"excluded land" means—

(a) land which has been designated as Green Belt in a development plan which has effect in relation to the area of any local planning authority in Greater London;

(b) land which has been designated as Metropolitan Open Land in a development plan which has effect in relation to the area of any local planning authority in Greater London;

(c) land which has been designated as an open space in a development plan which has effect in relation to the area of any local planning authority in Greater London;

(d) land which is used as a park, recreation ground, allotment or land used principally as a golf course or driving range;

"industrial land" means—

(a) land designated as industrial land in a development plan which has effect in relation to the area of any local planning authority in Greater London;

(b) land which has a use (or, if unused, a last use) which falls within Class B2 or B8 in Schedule 1 to, or the use described in sub-paragraph (g)(ii) or (iii) of Class E in Schedule 2 to, the Town and Country Planning (Use Classes) Order 1987, or as a scrapyard, or a yard for the storage or distribution of minerals or the breaking of motor vehicles(**a**);

"intermediate rent accommodation" has the meaning given in regulation 2 of the Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016(**b**);

"planning obligation" means a planning obligation under section 106 of the TCPA 1990;

"public authority" has the same meaning as in section 3 of the Freedom of Information Act 2000(**c**);

"public land" means land that is owned or used by a public authority, or company or organisation in public ownership and includes land that has been released from public ownership for proposed housing development;

"qualifying institution" has the same meaning as it has in Part 2 of the Higher Education Act 2004(**d**);

(**a**) S.I. 1987/764. Class B2 of Schedule 1 was amended by S.I. 1995/297. Schedule 2 was inserted by S.I. 2021/428. There are other amendments not relevant to this instrument.
(**b**) S.I. 2016/390.
(**c**) 2000 c. 36.
(**d**) 2004 c. 8. See section 11 for the definition of "qualifying institution". Section 11 is amended by section 89(2) of the Consumer Rights Act 2015 (c. 15) and section 89(2) of the Higher Education and Research Act 2017 (c. 29).

"residential part" in relation to a development—

(a) only includes the gross internal floorspace of accommodation which is a dwelling (together with the gross internal floorspace of any communal space for residents of those dwellings), and

(b) does not include—

(i) any excluded dwelling, or

(ii) any communal space for residents of excluded dwellings or any communal space shared with the residents of excluded dwellings;

"social rent basis" has the meaning given in regulation 2 of the Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016;

"total development" means the chargeable development (D), or where the planning permission which provides for D expressly provides for development to be carried out in phases, all the chargeable developments permitted by all the phases taken as whole.

London time-limited relief: amount of relief

54F.—(1) The amount of London time-limited relief for a chargeable development must be calculated in accordance with this regulation.

(2) If the planning obligation referred to in regulation 54E(1) provides for 35% or more of the dwellings comprised in the total development to be affordable housing, the amount of the relief from the CIL liability in relation to the residential part of the chargeable development is 80%.

(3) If the planning obligation referred to in regulation 54E(1) provides for the percentage (A%) of the dwellings comprised in the total development to be 20% or more but less than 35%, the amount of the relief from the CIL liability in relation to the residential part of the chargeable development is 50% + (2 x (A% - 20%)).

(4) If the planning obligation referred to in regulation 54E(1) provides for less than 20% of the dwellings comprised in the relevant development to be affordable housing, the amount of the relief from the CIL liability in relation to the residential part of the total development is zero.

(5) The amount of relief is to be calculated after all other reliefs, if any, which apply to the development have been taken into account.

(6) In this regulation "affordable housing", "industrial land", "public land", "residential part" and "total development" have the same meanings as in regulation 54E.

London time-limited relief: procedure

54G.—(1) London time-limited relief must be claimed in accordance with this regulation.

(2) A claim for relief—

(a) must be submitted by the claimant to the collecting authority in writing on a form published by the Secretary of State (or a form to substantially the same effect);

(b) must be received by the collecting authority before commencement of the chargeable development;

(c) submitted by the claimant must include—

(i) a statutory declaration, made by the claimant, declaring that—

(aa) the viability of the total development has been assessed by a suitably qualified professional, and

(bb) the conclusion of that appraisal is that the development is not viable;

(ii) a summary appraisal of the viability of the total development;

(iii) any other particulars specified or referred to in the form;

(d) must be accompanied by—

(i) the application fee of £25,000;

(ii) evidence that the chargeable development qualifies for London time-limited relief (by reference to the criteria mentioned in regulation 54E(1)).

(3) A claim for London time-limited relief lapses if the chargeable development to which it relates is commenced before the collecting authority has notified the claimant of its decision on the claim.

(4) Before the end of the period of 28 days beginning with the day on which the collecting authority receive a valid claim, the collecting authority must notify the claimant in writing of—

(a) its decision on the claim and the reasons for the decision, and

(b) if relief is granted, the amount of the relief,

and provide an explanation of the requirements of regulation 67(1).

(5) A claim for London time-limited relief is valid if it complies with the requirements of paragraph (2).

London time-limited relief: withdrawal of relief

54H.—(1) This regulation applies if London time-limited relief has been granted in relation to a chargeable development and a disqualifying event occurs before the end of the clawback period.

(2) For the purposes of this regulation, a disqualifying event is any one of the following events—

(a) the chargeable development does not commence before 31st March 2030;

(b) the compliance certificate relating to the chargeable development is not given within five years (or such later date agreed in writing by the collecting authority) beginning with the day the chargeable development commences;

(c) if the amount of affordable housing to be comprised in the total development is reduced;

[(d) if less than [X%] of the housing units which are affordable housing comprised in the total development are completed before [Y%] of the other housing units comprised in the total development are first occupied;]

(e) if the total development no longer meets a condition in regulation 54E(1);

(f) after the London time-limited relief is granted another relief is granted in relation to any part of the total development.

(3) Subject to paragraph (4), where this regulation applies the London time-limited relief in respect of a chargeable development is withdrawn and the relevant person is liable to pay an amount of CIL ("the withdrawn amount") equal to the difference between the qualifying amount immediately before the disqualifying event and the qualifying amount immediately after the disqualifying event.

(4) If the disqualifying event is that the amount of affordable housing comprised in the total development (T) is reduced but continues to be at least 20% of the housing units comprised in T then part of the London time-limited relief in respect of a chargeable development is withdrawn and the relevant person is liable to pay an amount of CIL ("the partial withdrawn amount") equal to the difference between the qualifying amount immediately before the reduction and the qualifying amount immediately after the reduction.

(5) The relevant person must notify the charging authority in writing of a disqualifying event before the end of the period of 14 days beginning with the day on which it occurs.

(6) Before the end of the period of 28 days beginning with the day on which the charging authority receive the notification of a disqualifying event, the authority must—

(a) send a copy to the collecting authority (if it is not the charging authority), and

(b) give notice to the relevant person in writing of the withdrawn amount or, as the case may be, the partial withdrawn amount and provide an explanation of how the amount was calculated.

(7) In this regulation "relevant person" means the person who is liable to pay CIL under these Regulations and is to benefit from London time-limited relief in respect of a chargeable development.

London time-limited relief: information notice

54I.—(1) A collecting authority may serve an information notice on a person required to notify the collecting authority of a disqualifying event in accordance with regulation 54H.

(2) The information notice may require the person to give such information, documents or materials as are specified in the notice, and which are in the person's possession or control, which the collecting authority considers relevant to assist it in—

(a) determining the extent to which a chargeable development is eligible for London time-limited relief; and

(b) calculating the qualifying amount in respect of the chargeable development.

(3) An information notice must inform the person on whom it is served of the possible consequences of a failure to comply with the notice.

(4) A requirement of the information notice is complied with by giving the required information to the collecting authority in writing or sending the required documents or materials to the collecting authority (as the case may be) before the end of the period of 14 days beginning with the day on which the notice is served.

(5) A reference in this regulation to a chargeable development includes a reference to part of a chargeable development.".

(4) In regulation 55, after paragraph (3) insert—

"(3A) A chargeable development (D) is not eligible for discretionary relief for exceptional circumstances if relief under regulation 54E (London time-limited relief) has been granted in relation to D.".

(5) In regulation 58ZA(2), after sub-paragraph (c) insert—

"(cc) London time-limited relief;".

(6) In regulation 65—

(a) in paragraph (2)(e) after "charitable relief" insert ", London time-limited relief";

(b) in paragraph (11)(a) after "social housing relief," insert "London time-limited relief".

(7) In regulation 66(3)(a) after “social housing relief,” insert “London time-limited relief”.

(8) In regulation 67(5) after “social housing relief” insert “or London time-limited relief”.

(9) In regulation 74A, after paragraph (4) add—

> “(5) This regulation does not apply if a grant of London time-limited relief has been given in relation to the chargeable development referred to in paragraph (1)(a).”

(10) In regulation 74B, after paragraph (5) insert—

> “(5A) This regulation does not apply if a grant of London time-limited relief has been given in relation to the chargeable development referred to in paragraph (1)(a).”

(11) In regulation 83(5), in the definition of “relevant development”, after sub-paragraph (b) insert—

> “(bb) London time-limited relief;”.

(12) In regulation 84, after paragraph (5B) insert—

> “(5C) Where the disqualifying event occurs in relation to a grant of London time-limited relief, the surcharge is payable by the relevant person within the meaning of regulation 54H(7).”.

(13) In Schedule 1, in paragraph 7(13), in the definition of “withdrawal provisions”, after paragraph (d) insert—

> “(dd) regulation 54H (London time-limited relief: withdrawal of relief);”.

We consent

Names
Date Two of the Lords Commissioners of His Majesty’s Treasury

Signed by authority of the Secretary of State for Housing, Communities and Local Government

Name
Parliamentary Under Secretary of State
Date Ministry of Housing, Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Regulations)

Part 11 of the Planning Act 2008 (c. 29) provides for the imposition of a charge known as the Community Infrastructure Levy ("CIL"). The Community Infrastructure Levy Regulations 2010 ("the CIL Regulations") (S.I. 2010/948) provide for the imposition of, and procedures in connection with, CIL in England and Wales, with some aspects of some provisions within the CIL Regulations already applying in relation to England only. These Regulations make further provision that applies in relation to England only.

The Regulations make amendments to the CIL Regulations which introduce a new time-limited relief from CIL in relation to certain developments in London. New regulations 54E to 54I set out details of the London time-limited relief, the procedure for claiming the relief and the events which lead to its withdrawal.

A copy of the London Plan can be found at https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf.

The amount of the London Living Rent was published at https://www.london.gov.uk/programmes-strategies/housing-and-land/buying-and-owning-home/london-living-rent

An impact assessment has not been produced for these Regulations because they amend an existing local tax regime; publication of a full impact assessment is not necessary for such legislation.