Community Infrastructure Levy Indexation – application in Wokingham Borough Council

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.

The previous calculation (before 1st January 2020) of CIL Liability used the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors All-In Tender Price Index to ensure payments reflect value changes over time.

However, from 1st January 2020 CIL indexing will be a fixed figure for each calendar year as introduced in the Community Infrastructure Levy (Amendment) (England) Regulations 2019 amendments. The figure used will be the RICS CIL Index published by the Royal Institution of Chartered Surveyors. This annual index figure will be published on or around 1st November each year and will apply from 1st January of the following year. The latest RICS CIL Index figure is available on the RICS website.

The CIL chargeable on any planning application is calculated using the following formula:

\[
\frac{R \times A \times Ip}{Ic}
\]

- **R** – the CIL rate for that use
- **A** – the deemed net area chargeable at rate R
- **Ip** – the index figure for the year in which planning permission was granted
- **Ic** – the index figure for the year in which the charging schedule took effect