South Somerset

Community Infrastructure Levy

Charging Schedule

Instalments Policy

**November 2016**

# Introduction

* 1. This document sets out South Somerset District Council’s Instalments Policy relating to its approved Charging Schedule.
	2. The levy and the Charging Schedule will be implemented from the 3rd April 2017, and the Instalments Policy will be followed from that day forward, until such time as it is either withdrawn, amended or abandoned.

# Instalment Policy

* 1. The CIL regime aims to provide certainty to both the development industry and the Council in terms of the amount of levy that is due, and the timing of payment. As noted in Chapter 1, the Government expects the CIL process to be faster in terms of securing funds. In normal circumstances the levy becomes due from the date that a chargeable development has commenced. Commencement is defined in the same way as it is used in planning legislation (i.e. ‘material operations’ on the site)[[1]](#footnote-1).
	2. However, in response to comments received during consultation on the Preliminary Draft Charging Schedule, and the Draft Charging Schedule, the Council intends to introduce an instalments policy to help manage the flow of payments.
	3. The Council’s instalments policy is in accordance with Regulation 69B of the Community Infrastructure Levy Regulations 2010 (as amended), with instalments linked to the amount payable (the chargeable amount). As permitted under Regulation 9(4) of the Community Infrastructure Regulations 2010 (as amended), where outline planning permission which permits development to be implemented in phases has been granted, each phase of the development as agreed by South Somerset District Council is a separate chargeable development and the instalment policy will, therefore, apply to each separate chargeable development and associated separate liable amount chargeable.
	4. There will be exemptions and circumstances where this policy will not apply. These issues will be considered by the Council as and when they arise, but include, and are not limited to:
1. A commencement notice has not been submitted prior to commencement of the chargeable development, as required by Regulation 67 of the Community Infrastructure Regulations 2010 (as amended).
2. On the intended date of commencement:
3. Nobody has assumed liability to pay CIL in respect of the chargeable development;
4. A commencement notice has been received by South Somerset District Council in respect of the chargeable development; and
5. South Somerset District Council has not determined a deemed commencement date for the chargeable development and, therefore, payment is required in full, as required by Regulation 71 of the Community Infrastructure Regulations 2010 (as amended);
6. A person has failed to notify South Somerset District Council of a disqualifying event before the end of 14 days beginning with the day on which the disqualifying event occurs, as per the Community Infrastructure Regulations 2010 (as amended).
7. An instalment payment has not been made in full after the end of the period of 30 days beginning with the day on which the instalment payment was due, as per the Community Infrastructure Regulations 2010 (as amended).
	1. Where the instalment policy is not applicable, the amount must be paid in full at the end of the period of 60 days beginning with the notified or deemed commencement date of the chargeable development or the date of the disqualifying event, whichever is the earliest, unless specified otherwise within the Community Infrastructure Levy Regulations 2010 (as amended).
	2. The breakdown of instalments for payments of the levy is set out in Table 1 below.

**Table 1: Instalments Policy**

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| --- | --- | --- |
| Total CIL liability | Number of instalments and amount payable | Payment period |
| Amount less than £16,000 or amount due in respect of a single dwelling | Payable as one instalment | 100% payable within 60 days of the commencement date |
| Amount between £16,000 and £60,000 | Payable as three instalments | 1st instalment of 20% payable within 90 days of commencement date; and2nd instalment of 20% payable within 360 days of commencement date.3rd instalment of 60% payable within 540 days of commencement date. |
| Amount between £60,000 and £300,000 | Payable as three instalments | 1st instalment of 20% payable within 90 days of commencement date2nd instalment of 20% payable within 360 days of commencement date3rd instalment of 60% payable within 720 days of commencement date |
| Amount between £300,000 and £750,000 | Payable as four instalments | 1st instalment of 20% payable within 90 days of commencement date2nd instalment of 20% payable within 360 days of commencement date3rd instalment of 20% payable within 720 days of commencement date4th instalment of 40% payable within 1080 days of commencement date |
| Amount over £750,000 | Payable as four instalments | 1st instalment of 10% payable within 90 days of commencement date2nd instalment of 20% payable within 540 days of commencement date3rd instalment of 20% payable within 1080 days of commencement date4th instalment of 50% payable within 1800 days of commencement date |
| 1. Where an outline planning permission permits development to be implemented in phases, each phase of the development is a separate chargeable development and will be collected in accordance with this Instalment Policy.2. Nothing in this Instalment Policy prevents the person with assumed liability to pay CIL, to pay the outstanding CIL (in whole or in part) in advance of the instalment period set out in this policy. |

1. See Section 56(4) of the Town and Country Planning Act 1990: [http://www.legislation.gov.uk/ukpga/1990/8/Section/56](http://www.legislation.gov.uk/ukpga/1990/8/section/56) [↑](#footnote-ref-1)