



Suffolk Coastal...
...where quality of life counts

Community Infrastructure Levy

Draft Instalments Policy

October 2014

SUFFOLK COASTAL DISTRICT COUNCIL

COMMUNITY INFRASTRUCTURE LEVY

DRAFT CHARGING SCHEDULE

October 2014

DRAFT INSTALMENTS POLICY

1.0 INTRODUCTION

- 1.1 This document sets out the Instalments Policy for the collection of funds brought about through the Suffolk Coastal District Council Community Infrastructure Levy Draft Charging Schedule.
- 1.2 The Draft Instalments Policy will not come into effect until the Suffolk Coastal Charging Schedule has undergone independent examination prior to adoption by Full Council and subsequent implementation.
- 1.3 The document is provided at this stage to inform the consultation on the Draft Charging Schedule and provide an indication as to the approach the Council will implement once CIL is brought into effect across the District.
- 1.4 The Draft Instalments Policy has been prepared in accordance with Regulation 69B of the CIL Regulations 2010 (as amended).

2.0 INSTALMENT POLICY

- 2.1 The Council is aware that the overall viability of a development is a key consideration for the landowners/developers who bring sites forward. In order to ensure that developments come forward at the appropriate time it is proposed to vary the approach to payments according to the total chargeable amount of CIL a development is liable for.
- 2.2 The table below details the Council's approach to the collection of CIL liability and the payment periods that will be brought into effect following the adoption and implementation of CIL.

Total CIL Liability	Payment Periods
Chargeable amounts less than £80,000	Payment will be required in three instalments: <ul style="list-style-type: none"> • First instalment: 33% of the total chargeable amount to be paid within 60 days of the development commencing. • Second instalment: 33% of the total chargeable amount to be paid within 365 days of the development commencing. • Third instalment: remaining 34% of the total chargeable amount to be paid within 547 days of commencement.
Chargeable amounts greater or equal to £80,000	Payments will be required in three instalments: <ul style="list-style-type: none"> • First instalment: 33% of the total chargeable amount to be paid within 60 days of the development commencing. • Second instalment: 33% of the total chargeable amount to be paid within 547 days of commencement. • Third instalment: remaining 34% of the total chargeable amount to be paid within 730 days of commencement.

2.3 With respect to the Draft Instalments Policy, the date of commencement will be taken as that submitted by the developer/landowner under Regulation 67: Commencement notice as detailed by the CIL Regulations 2010 (as amended).

2.4 The total chargeable amount will be the amount detailed on the liability notice as detailed under Regulation 65: Liability notice as detailed by the CIL Regulations 2010 (as amended). The liability notice will take account of any social housing relief, charitable or self build exemptions which apply.

2.5 The Draft Instalments Policy can be used by anybody who assumes liability for CIL as part of any future development across the District. However the option to pay by instalments will be removed in the following circumstances:

- Where a commencement notice has not been submitted prior to the commencement of the chargeable development,

- Where nobody has assumed liability to pay CIL for the chargeable development on the intended day of commencement,
 - An instalment has not been paid in full within 30 days of the date that the instalment is due.
- 2.6 When the use of instalments is not used, or does not apply, the chargeable amount must be paid in full within 60 days of the commencement date as notified (CIL Regulation 70(7) 2010 as amended).
- 2.7 In instances where payment of CIL liability is not received in accordance with the Draft Instalments Policy or as detailed by Regulation in Regulation 70 of the CIL Regulations 2010 (as amended), the unpaid balance becomes payable in full immediately. When payment for CIL liability is not received, surcharges and interest will be imposed onto payments as part of the enforcement powers detailed in Regulation 80 - 88 of the CIL Regulations 2010 (as amended).
- 2.8 When sites come forward through phased development, as agreed by Suffolk Coastal District Council, each separate phase of development will be treated as a separate chargeable development. Therefore the Draft Instalments Policy can be applied to each phase separately.
- 2.9 The Draft Instalments Policy will come into effect the same day as the CIL Charging Schedule is implemented by Suffolk Coastal District Council.

3.0 RATIONALE

- 3.1 The primary purpose of the Draft Instalments Policy is to provide landowners with an understanding of the Council's approach to the payment of CIL.
- 3.2 The Draft Instalments Policy is also intended to aid the viability of developments that come forward by assisting the cash flow of individual schemes.
- 3.3 The Council has a long history in the collection of funds through Section 106 planning obligations associated with planning permissions granted. Within Suffolk Coastal, the Playspace scheme requires monies to be paid up front and other contributions (such as education and health care provision) are usually phased through the lifetime of the development or at various trigger points (such as before the 50th unit is constructed or prior to the occupation of the 100th unit) which at times

causes issues with regards to cash flow for the development.

- 3.4 The CIL Regulations 2010 (as amended) do not allow for setting payment periods with respect to milestones achieved during the development so a different approach is needed for CIL. The Draft Instalments Policy has to be set with respect to time from commencement and can only be differentiated depending on the total chargeable amount.
- 3.5 The Draft Instalments Policy has two different payment periods depending on whether the total chargeable amount is less than £80,000 or £80,000 or more.
- 3.6 Suffolk Coastal and Waveney District Councils are in partnership and share many services between authorities such as Planning Services. Waveney District Council implemented a CIL Charging Schedule in August 2013 and provides an Instalments Policy which is proving successful. In order to ensure that the introduction and implementation of CIL across Suffolk Coastal is also successful for local communities, stakeholders and the Council as Charging Authority it is sensible to implement the same Instalments Policy to ensure a consistent and efficient approach across both authorities.

4.0 MONITORING AND REVIEW

- 4.1 The Draft Instalments Policy will be subject to monitoring and review to ensure that it is still fit for purpose and does not unduly cause any issues which affect the viability of specific developments or the overall viability of the Suffolk Coastal Local Plan.
- 4.2 Information relating to the amount of funds generated through the Suffolk Coastal Charging Schedule and what this is being spent on will be published annually as part of the Authority Monitoring Report.

ENDS