

**Selby District Council
Community Infrastructure Levy 2015 (CIL)**

DRAFT Instalments Policy

The responsibility to pay the CIL levy is with the landowner on which the proposed developed is to be situated. The regulations define the landowner as a person who owns a 'material interest' in the relevant land to be developed.

In order to be eligible to pay a CIL liability by instalment, all the relevant forms must be submitted to the Council prior to the commencement of the chargeable development, and all payments must be made in accordance with this CIL Instalment Policy and Regulatory requirements.

This Instalments Policy is made in line with Regulations 69B and 70 of the Community Infrastructure Levy Regulations 2010 (as amended) and is as follows:

- a) This Instalments Policy takes effect on adoption of the CIL.
- b) The CIL instalment policy calculates payment days from commencement of development on site. The Commencement date will be taken to be the date advised by the developer in the commencement notice under CIL Regulation 67.
- c) Payment of instalments are as follows:

CIL charge	Instalment Policy	Note	
Up to £50,000	Due in full within 60 calendar days of commencement	This is approximately equivalent to housing developments of up to 10 dwellings in the higher charge zone, or up to 20 dwellings in the lower charge zone, or to supermarkets of 450sqm, or retail warehousing of 830sqm.	The majority of residential development schemes in the District will fall in to these categories. It is likely that upon commencement such schemes will normally be completed within a year
£50,001 to £100,000	50% due within 90 days of commencement of development, then 50% due within 120 days of commencement of development	Larger schemes will require additional flexibility to ensure that the larger levy is payable without risk to viability. A longer lead-in time is available for such schemes, and double the normal time to pay in full.	
£100,001 and over	35% due within 90 days of commencement of development, then 35% due within 6 calendar	These larger developments may normally take longer than one year to complete, so they also enjoy longer lead-in time and more instalments over a longer period.	

	months of commencement of development, then 30% due within 9 calendar months of commencement of development.	
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The requirements set out in Regulation 70 of the CIL Regulations must be complied with if the persons liable for paying CIL wish to do so by instalment, in accordance with this published Instalment Policy.

This Instalment Policy only applies where:

1. The Council has received a CIL Assumption of Liability form prior to commencement of the chargeable development (Regulation 70(1) (a)), and
2. The Council has received a CIL Commencement Notice prior to commencement of the chargeable development (Regulation 70(1) (b)) and the Council does not challenge the date of commencement specified.

If the above requirements are not met, the CIL liability is payable in full at the end of the period of 60 days beginning with the intended commencement date of the chargeable development.

Where the above requirements have been met, instalment payments must be made in accordance with this Instalment Policy. Where an instalment payment is not received in full on or before the day on which it is due, the unpaid balance of the CIL liability becomes payable in full immediately (Regulation 70(8)(a)).

Surcharges

Any failure to comply with the requirements of the CIL Regulations 2010 (as amended) in any respect could result in Surcharges being applied e.g.

- If nobody has assumed liability to pay CIL prior to the commencement of the chargeable development;
- There has been a failure to submit a Commencement Notice prior to commencement;
- There has been a failure to submit a Notice of Chargeable Development prior to commencement.

Please note this list of circumstances under which surcharges may become payable provides examples only and is not exhaustive.

Payments-in-kind

Where the amount of the levy payable is more than £50,000 the Council may consider an in-kind payment of land or infrastructure.

The CIL Regulations allow for payments-in-kind in the form of land or infrastructure to be offset against the CIL liability where agreed by the Council as more desirable instead of monies. However, this must only be done with the intention of using the land to provide, or facilitate the provision of, infrastructure to support the

development of the area. This could be for example where the most suitable land for the infrastructure project is within the development site.

An agreement to make an in-kind payment must be entered into before commencement of development and provided to the same timescales as cash payments. Land paid in kind may contain existing buildings and structures, and land or infrastructure must be valued by an independent valuer who, in the case of land, will ascertain its open market value, and in the case of infrastructure the cost (including related design cost) to the provider. This will determine how much liability it will off-set.

However, where land is required within a development to provide built infrastructure to support that specific development (as opposed to support growth strategically) , it will be expected that any land transfer will be at no cost to the Council and will not be accepted as a CIL payment in kind.