

Report of	Meeting	Date
Director of Partnerships, Planning and Policy (Introduced by the Executive Member for LDF and Planning)	Executive Cabinet	12 September 2013

COMMUNITY INFRASTRUCTURE LEVY – INSTALMENTS POLICY

PURPOSE OF REPORT

- To adopt an instalments policy associated with the implementation of CIL.

RECOMMENDATION(S)

- That the Instalments Policy as set out in Appendix 1 of this report be adopted by the authority with CIL charging commencing from 1st September 2013.

EXECUTIVE SUMMARY OF REPORT

- This report discusses and recommends an instalments policy be adopted and implemented in accordance with Regulation 69(b) of the CIL (Amendment) Regulations 2011 on the 1st September 2013 which will align with the commencement of CIL charging.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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Reason Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

REASONS FOR RECOMMENDATION(S)

- The DCLG CIL Regulations 2013 allow a charging authority to set its own payment deadlines and/or offer the option of paying by instalments. If it wishes to do this it must publish an instalments policy on its website. The majority of authorities that have adopted CIL have adopted such a policy. The policy will support developers bringing forward new schemes.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- None

CORPORATE PRIORITIES

6. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all	X	A strong local economy	X
Clean, safe and healthy communities	X	An ambitious council that does more to meet the needs of residents and the local area	X

BACKGROUND

7. The Central Lancashire Authorities of Preston, South Ribble and Chorley have worked jointly to progress the Community Infrastructure Levy through the prescribed consultation stages to adoption. Although working collaboratively during this process, each authority is adopting its own Charging Schedule which sets out the charging rates for its own particular area.
8. Members will recall that the Community Infrastructure Levy (CIL) is a new charge on some forms of built development; it allows a charging authority to levy a charge on owners or developers carrying out built development so that they contribute to the costs of providing the infrastructure needed to support development of the area. It will fund infrastructure projects such as transport, education, leisure and health which are set out in a published list known as a Regulation 123 list. The levy will be charged at a rate of pounds per square metre, based upon net additional internal floorspace of any given development for uses identified in the Charging Schedule
9. Although CIL will replace Section 106 in terms of 'off site infrastructure' associated with new built developments, S106 will still apply particularly in relation to larger schemes to mitigate the impacts of that specific development subject to the following tests:
 - a) Necessary to make the development acceptable
 - b) Directly related to the development
 - c) Fairly and reasonably related in scale and kind to the development
10. Section 106 will also continue to apply to the securing of Affordable Housing.

INSTALMENTS POLICY

11. Regulation 69(b) of the CIL (Amendment) Regulations 2011 allows for an instalments policy to be applied to all development which is liable to CIL.
12. This must be published on the website and made available for inspection at its principal offices.
13. The instalments policy included in Appendix 1 is taken from Regulation 70 CIL (Amendment) Regulations 2011. Should the Council wish to vary this policy in the future it can do so by giving at least 28 days notice before the new policy takes effect.
14. There are four amount thresholds and different repayment periods ranging from less than £10,000 to over £40,000 and from a 60 day period to over 240. The larger the threshold, the more the number of instalments and the longer the time period in which to make the payments. This is in order to ensure the viability of the proposed development and not put undue financial burden on the developer.

IMPLICATIONS OF REPORT

15. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	X	Customer Services	
Human Resources		Equality and Diversity	
Legal	X	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

16. The policy is key to ensuring that full recovery of monies due under CIL are billed and collected appropriately.

COMMENTS OF THE MONITORING OFFICER

17. Such a policy is permitted by the legislation.

LESLEY-ANN FENTON
DIRECTOR OF PARTNERSHIPS, PLANNING & POLICY

Background Papers			
Document	Date	File	Place of Inspection
Community Infrastructure Levy Charging Schedules of Chorley Borough Council, Preston City Council and South Ribble Borough Council			Central Lancashire Website

Report Author	Ext	Date	Doc ID
PMcAnespie	5286	23/8/13	***

**Chorley Council
Community Infrastructure Levy
Instalments Policy**

In accordance with Regulation 69(b) of the CIL (Amendment) Regulations 2011 Chorley Council (The Charging Authority) will apply the following Instalment Policy to all development which is liable to CIL.

CHORLEY COUNCIL INSTALMENTS POLICY		
Total CIL Liability	Number of Instalments and amount Payable	Payment Period
Amount less than £10,000	1	100% payable within 60 days of commencement notice
Between £10,000 & £20,000	2 EQUAL INSTALMENTS	1 st instalment 50% within 60 days 2 nd instalment 50% within 120 days
Between £20,000 & £40,000	3 EQUAL INSTALMENTS	1 st instalment 33.3% within 60 days 2 nd instalment 33.3% within 120 days 3 rd instalment 33.3% within 180 days
Amount over £40,000	4 EQUAL INSTALMENTS	1 st instalment 25% within 60 days 2 nd instalment 25% within 120 days 3 rd instalment 25% within 180 days 4 th instalment 25% within 240 days

This instalments policy takes effect from 1ST September 2013

1. Where an Outline Permission permits development to be implemented in phases each phase of the development is a separate development and will be collected in accordance with this instalments.
2. Notwithstanding this Instalment Policy there is nothing to prevent the person who has assumed liability to pay CIL, to pay the outstanding amount in whole or in part in advance of the timescale specified in the policy.
3. Where an amount payable in accordance with this policy is not received in full on or before the day on which it is due the unpaid balance becomes payable in full immediately in accordance with Reg 70 (8).