

CIL GUIDANCE NOTE 2

HAMBLETON

DISTRICT COUNCIL

Community Infrastructure Levy (CIL) CIL Process

September 2019

Background

This Guidance Note sets out the processes involved in respect of the charging and collection of CIL. Hambleton's CIL Charging Schedule took effect from 7th April 2015 and all relevant planning consents granted after that date may be liable to pay CIL. *Guidance Note 1* will assist in working out if a proposed development will need to pay CIL.

CIL Process

STEP 1

Applicants for a development that will be, or may be, liable for CIL must submit a **CIL Additional Information Form (CIL FORM 1)** prior to a planning application being validated. In most cases the CIL information Form will contain sufficient information for the Council to calculate the CIL liability. However, further information may be required for large or complex applications.

STEP 2

When the Council grants a planning consent, it will issue a **CIL Liability Notice** along with the Decision Notice. In situations where consent is granted on appeal, the CIL Liability Notice will be issued as soon as the possible after the appeal decision is issued.

The **CIL Liability Notice** sets out the total amount of CIL due for the development. If applicants consider that the amount has been incorrectly calculated, they can request that the Council recalculates it. If, on recalculation, applicants still consider the amount is incorrect they can appeal the decision. Further information relating to CIL appeals can be found on the Planning Portal – CIL Appeals webpage.

The **CIL Liability Notice** will include all relevant floor-space contained in the development, including floor-space that may be eligible for affordable housing or charitable relief.

STEP 3

Prior to commencing development, two forms must be forwarded to the Council. These are as follows:

- **CIL FORM 2 – Assumption of Liability Notice** (This is the form that lets the Council know who will be liable for paying the CIL relating to the development)
- **CIL FORM 6 – Commencement Notice** (This is the form that lets the Council know when development is going to commence, and will form the basis of the dates that CIL payments become due).

continued overleaf

If these forms are not submitted to the Council prior to commencement of development, penalty surcharges apply, and the person(s) liable to pay the CIL relating to the development loses the right to pay by instalments if it were otherwise applicable. The **CIL Assumption of Liability form** may be submitted along with the planning application (or at any time between submission of the application and commencement of the development) once it is known who will be assuming liability to pay CIL.

STEP 4

Where developments are eligible for self-build exemptions, affordable housing or charitable relief, the developer must forward **the appropriate form** to the Council. This relief can only be claimed after the CIL Assumption of Liability form (CIL FORM 2) has been forwarded to the Council, and only by the person(s) who has assumed liability for paying the CIL.

- For self-build new dwelling exemptions please submit a CIL Form 7 (part 1 prior to commencement and part 2 within 6 months of completion)
- For self-build Residential Annex exemptions over 100sqm (under 100sqm not CIL liable – please confirm the size by submitting the CIL Form 1) please submit a CIL Form 8
- For self-build extension exemptions (over 100sqm) please submit a CIL Form 9. Please note that you do **not** need to submit a Commencement Notice for self-build residential extensions.
- For Social Housing Relief and Charitable Relief please submit a CIL Form 10
- For Exceptional Circumstances Relief please submit a CIL Form 11

If the development commences before the Council has received a valid Commencement Notice, a surcharge of 20% of the notional chargeable amount, or £2,500, whichever is the lower amount, will be applied.

STEP 5

Once the Council has received **CIL FORM 6 – Commencement Notice** it will issue a **CIL Demand Notice and an Invoice** to the person(s) that have assumed liability to pay the CIL. This notice sets out the date that the CIL must be paid by. The notice also sets out the amount due in each instalment and the date it must be paid by, if applicable.

The CIL Instalment Policy (see *CIL Guidance Note 6*) sets out the circumstances where payment is allowable.

If payment is not made by the due date, penalty surcharges apply. The Council does not have the flexibility to defer CIL in the same way that it can in respect of planning obligations and payment of CIL is enforceable through both the courts and the planning process. *CIL Guidance Note 8 - CIL Penalties and Surcharges* provides more information about when surcharges apply and the level at which they are set.

In cases where payment is allowed in instalments, and an instalment is missed, the Instalment Policy ceases to apply and the total CIL liability is due for payment forthwith.

STEP 6

Once the Council has received the CIL payment it will acknowledge receipt of the payment. Upon receipt of the final payment due in respect of a development, the CIL Charge will be removed from the Land Charges Register.

This process will apply in the vast majority of cases. However, there are a few situations where the process may be different. For example:

- Where CIL is payable on permitted development, or development granted under a general consent such as a Land Development Order.
- Where someone withdraws or transfers their liability to pay CIL.

In such cases, there are different forms that must be completed. Advice on these cases is available on the CIL webpage at:

https://www.hambleton.gov.uk/info/20172/planning_policy/293/community_infrastructure_levy