GUIDANCE NOTE 2

Community Infrastructure Levy

The CIL process

Introduction

This guidance note sets out the process involved in the charging and collection of CIL. Norwich City Council's **charging schedule** took effect from 15 July 2013. All relevant consents granted after this date will be liable to pay CIL.

Please read Guidance note 1 - Is my development CIL liable? This will assist in working out if the proposed development will need to pay CIL.

The CIL process

Step 1
Applications for a development that will be, or may be, liable for CIL must submit with their application the CIL form – The additional questions form before a planning application can be validated.
In most cases the CIL form will contain enough information for the Council to calculate the CIL liability. In some cases further information maybe required for large or complex applications such as those including CIL paid for in the form of land.

Please note: from the 15 July 2013 the Council will not validate an application until it receives the above CIL form.

Step 2
When the Council grants planning consent, it will issue a **Liability Notice** along with the Decision notice. In cases where consent is granted following an appeal, the Liability Notice will be issued as soon as possible after the appeal decision is issued.

The Liability Notice sets out the total amount of CIL payment due for the development. It will include all relevant floor space contained in the development including any floor space that may be eligible for affordable housing, charitable or self build relief.

Step 3
Before commencing development, the following forms must be returned to the Council. These are:
* CIL form - Assumption of Liability. This form lets the Council know who is responsible for paying the CIL related to the development. If it is not returned then the charge will default to the registered land owner and additional costs may be applied.
* CIL form - Commencement Notice. This form lets the Council know when the development is going to commence, and will form the basis of the dates that the CIL payments become due. This form must be returned no later than one day before development is to commence.

Please note: If these forms are not returned to the Council prior to commencement of the development, penalty surcharges will be applied and the person liable to pay the CIL relating to the development loses the right to pay by instalments if these were applied.

- CIL form - Claiming exemption or relief. If you are claiming exemption or relief from payment then you must also return this form prior to the commencement of the development.

  Where a development is eligible for affordable housing, charitable or self build relief it can only be claimed once the form is returned and only by the person assuming liability to pay the CIL.
  If a development commences before the Council has determined the amount of relief and issued a revised **Liability notice** then the claim for relief will lapse and no relief will be given.

- At any time before commencement of the development you can withdraw or transfer liability for paying the CIL. This must be done by completing;
  CIL form - Withdrawal of assumption of Liability
  CIL form - Transfer of Assumed liability

- In some cases it maybe more appropriate to transfer land to the Council as payment or part payment of CIL
  In such cases a number of conditions must be met.
  1. The Council must agree to the transfer of land.
  2. The Council must have the intension of using the land to help provide infrastructure to support local development.
  3. The person transferring the land must have assumed liability to pay CIL beforehand.
  4. The land to be transferred must have been independently valued by a suitably qualified person agreed by the Council. Giving a fair market valuation on the day the land is valued.
  5. Development must not have commenced before written agreement is given by the Council. The agreement will state the value of the land being transferred.
  Please read Guidance note 9 for more detail.

Step 4
Once the Council has received the Commencement notice we will issue a **Demand Notice** to the person(s) who have assumed liability to pay the CIL.
The notice sets out the date that the CIL must be paid by, this is normally within 60 days. On larger developments where payment exceeds £60,000 payment can be by instalment
The CIL Instalment policy is laid out in Guidance note 8.

Step 5
Once the Council receives the CIL payment it will acknowledge the payment by receipt. Upon final payment the CIL charge will be removed from the Land Charges register.

Permitted development

In some cases permitted development (that is development that does not require planning permission) may be large enough to be CIL Liable. Permitted development

could include an extension to a domestic property or an extension to a non-residential property. If you intend to commence development under general consent you must submit CIL Form - Notice of Chargeable development on the Council before the development is commenced. The CIL charge will then be calculated and applied as though planning permission had been granted.

Appealing against payment of the CIL levy

Appeals can be made against all aspects of the Community Infrastructure Levy collection and enforcement system, from the levy collection authority's calculation of the amount due to any enforcement actions it may take. Please see Guidance note 11 for further details. There are two exceptions where an appeal system does not exist, social housing, exceptional circumstances and self build extension relief.

Surcharges and penalties

If payment is not made by the due date then penalties and surcharges will apply. The Council does not have the flexibility to defer payment of CIL. The payment of CIL is enforceable through both the courts and planning process.
Notes on CIL penalties and surcharges are laid out in Guidance note 10.