

Borough Council of
**King's Lynn &
West Norfolk**



**Borough Council of King's Lynn and West Norfolk
Community Infrastructure Levy (CIL)**

Instalments Policy

March 2016

Borough Council of King's Lynn and West Norfolk - Community Infrastructure Levy - Instalments Policy

Introduction

The CIL charge for liable developments will be calculated at the time planning permission is granted. Payment is due upon the commencement of development. Depending on the amount of the charge, payments may be phased in accordance with the Council's Instalment Policy below.

This policy has been prepared in accordance with CIL regulations.

The CIL instalments policy will only apply where conditions of Regulation 70 (CIL 2010) are met:

- Council received Assumption of Liability prior to commencement
- Council received CIL Commencement Notice prior to commencement

The Council will allow payment of CIL by instalments according to the total amount of the liability as follows:

CIL Instalments Policy

The Community Infrastructure Levy **for residential development** will be payable by instalments as below.

Commercial developments by their nature do not lend themselves to the same approach used for residential development. Therefore it is proposed that phasing will be based on timescales and still related to the size of the development. The charge will be payable by instalments as in the following table.

Total CIL liability	Number of instalments	Payment period and amount
Residential development		
Where the chargeable amount is less than £50,000	1	Full payment will be required within 60 days of the commencement date
Where the chargeable amount is £50,001 - £250,000	3 (over 2 years)	First instalment representing 25% of the chargeable amount will be required within 60 days of commencement date; and Second instalment representing 25% of chargeable amount will be required within 365 days of the commencement date; and Third and final instalment representing 50% of the chargeable amount will be

		<p>required within 730 days of the commencement date</p> <p>But The full balance is payable on occupation/opening of the development if this is earlier than the due instalment dates set out above.</p>
Where the chargeable amount is between £250,001 and £1m	4 (over 3 years)	<p>First instalment representing 20% of the chargeable amount will be required within 60 days of commencement date;</p> <p>Second instalment representing 20% of the chargeable amount will be required within 365 days of the commencement date; and</p> <p>Third instalment representing 20% of the chargeable amount will be within 548 days of the commencement date; and</p> <p>Fourth instalment representing 20% of the chargeable amount will be required within 730 days of the commencement date; and</p> <p>Fifth and final instalment representing 20% of the chargeable amount will be required within 1095 days of the commencement date.</p> <p>But: The full balance is payable on occupation/opening of the development if this is earlier than the due instalment dates set out above.</p>
Where the chargeable amount is over £1m	4, but with the potential for a longer negotiated period.	In principal, as set out above for amounts over £250,001, but instalments for this scale of development will be open to negotiation on an individual basis.
Commercial development		
Where the chargeable amount is less than £50,000;		Full payment will be required within 60 days of the commencement date
Where the chargeable	2	First instalment representing 50% of the

amount is £50,001 - £250,000;		chargeable amount will be required within 60 days of the commencement date; and Second and final instalment representing 50% of the chargeable amount will be required prior to the opening of any part of the development
Where the chargeable amount is over £250,000;	3 (over 1 year)	First instalment representing 25% of the chargeable amount will be required within 60 days of the commencement date; and Second instalment representing 25% of the chargeable amount will be required within 120 days of the commencement date; and Third and final instalment representing 50% of the chargeable amount will be required within 365 days of the commencement date, or prior to the opening of any part of the development, whichever is sooner.

Exceptionally the Council will consider bespoke instalment arrangements.

This will ONLY apply where the conditions of Regulation 70 are met AND the submission for bespoke instalments is based upon a robust site viability appraisal that has been independently audited by a person agreed by both the landowner/developer and the Council and the costs for this are met by the landowner/developer.

In calculating individual charges for the levy, the Council will be required by the Regulations to apply an annually updated index of inflation to keep the levy responsive to market conditions. The index will be the national 'All-In Tender Price Index' of construction costs published by the Building Cost Information Service of the Royal Institution of Chartered Surveyors.