

Surcharges and Interest Table

<p>Failure to assume liability</p>	<p>Regn 80</p>	<p>Maidstone (MBC) will impose a surcharge of £50 on each person liable to pay CIL in respect of a chargeable development if :</p> <ol style="list-style-type: none"> 1. Nobody has assumed liability to pay CIL in respect of the chargeable development; and 2. The chargeable development has commenced.
<p>Apportionment of liability</p>	<p>Regn 81</p>	<p>When MBC is required to apportion liability to pay CIL between each material interest in the relevant land, it will impose a surcharge of £500 in respect of each of those interests.</p>
<p>Failure to submit a notice of chargeable development *</p>	<p>Regn 82</p>	<p>MBC will impose a surcharge equal to 20% of the chargeable amount payable in respect of the development or £2,500 whichever is the lower amount.</p>
<p>Failure to submit a commencement notice</p>	<p>Regn 83</p>	<p>When a chargeable development has commenced before MBC has received a valid commencement notice MBC will impose a surcharge equal to 20% of the chargeable amount or £2500 whichever is the lower amount.</p>
<p>Failure to notify MBC of a Disqualifying event **</p>	<p>Regn 84</p>	<p>If a person who is required to notify the relevant authority of a disqualifying event, fails to do so before the end of the period of 14 days beginning with the day on which the disqualifying event occurs, MBC will impose a surcharge equal to 20% of the chargeable amount or £2,500, whichever is the lower amount.</p>

Late payment	Regn 85	When the CIL payment due is not received in full after the end of the period of 30 days beginning with the day on which the payment is due, MBC will impose a surcharge of 5% of the monies due or £200 whichever is the greater amount.
Failure to comply with an information notice	Regn 86	When a person fails to comply with any requirement of an information notice before the end of the period of 14 days beginning with the day on which the notice is served, MBC will impose a surcharge of 20% of the relevant amount of £1000 whichever is the lower amount.
Late interest payment	Regn 87 & 88	If the CIL payment due is not received on the date it is due, late payment interest will be added. Late payment interest is calculated from the period starting on the day after the payment was due and ending on the day the unpaid amount is received, at an annual rate of 2.5% above the Bank of England base rate.

***Notice of a Chargeable Development** - CIL is liable on planning permissions granted by the Local Planning Authority and also on permitted development /permission by way of general consent/ applications for certificate of lawfulness (check what's the right terminology)

It is the responsibility of the land owner (liable party) to inform MBC of development via CIL Form 5 (Notice of Chargeable Development) if the development falls into the adopted charging schedule parameters, for example if development is;

- Creating a dwelling
- Increasing the floor area by 100 sqm
- Converting a building that is not in use ^

^ *The definition of lawful use is contained in Regulation 40 (11) of the CIL Regulations 2010 as (amended). This states that an "in use building" is a building which "contains a part that has been in lawful use for a continuous period of at least six months within the period of three years ending on the day planning permission first permits the chargeable development".*

https://ecab.planningportal.co.uk/uploads/1app/forms/form_5_notice_of_chargeable_development.pdf

****Disqualifying Event** – If development commences prior to the submission of Form 6: Commencement of Development, then this would constitute a disqualifying event. For applications that have had relief or an exemption granted, a disqualifying event would be triggered by a change in circumstances contrary to the terms and conditions of the relief/exemption.

If the chargeable development has not commenced then the surcharge is payable on commencement of that chargeable development.

https://ecab.planningportal.co.uk/uploads/1app/forms/form_6_commencement_notice.pdf

Disqualifying events examples include:

- An annex sold separately to the house.
- A Self builder who sells the house within 3 years.
- Social housing is sold on the private market within 7 years. NB In this instance the liable person is the person who benefitted from the exemption and not the occupant of the dwelling
- Charity buildings which are used for non charitable purposes within 7 years.