

Lichfield District Council

CIL Procedure Note: Surcharges and Enforcement

Potential consequences of failing to follow the CIL payment procedure

Where there are problems in collecting the levy, the District Council (as charging authority) has the means to penalise late payment through the use of surcharges

Surcharges will be applied as follows, and in accordance with the CIL Regulations 2010 (as amended).

| Surcharge for | Amount | CIL Regulation |
|---|--|----------------|
| Failure to assume liability , where no-one has assumed liability and chargeable development has commenced | £50 on each person liable to pay CIL | 80 |
| Apportionment of liability . Where the Council is required to apportion liability for CIL between those with a material interest in the land the Council may impose a surcharge in respect of each of these interests. | £500 | 81 |
| Failure to submit notice of chargeable development (Form 5) (i.e. development has taken place under general consent) | 20% of the chargeable amount or £2500, whichever is lower | 82 |
| Failure to submit a commencement notice (prior to development starting) | 20% of the chargeable amount or £2500, whichever is lower | 83 |
| Disqualifying events (where a person fails to notify the Council of a disqualifying event before the end of the period of 14 days with the day being the date on which the disqualifying event occurs). | 20% of the chargeable amount or £2500, whichever is lower | 84 |
| Late payment | 5% of the outstanding chargeable amount or £200, whichever is greater. Payment not received within 30 days | 85 |

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| | of due date. If the sum is not paid in full within 6 months a further surcharge of 5% or of the unpaid amount or £200 whichever is the greater, the same surcharge can be applied at 12 months. | |
| Failure to comply with an Information Notice | 20% of the relevant amount or £1000, whichever is lower | 86 |
| Late Payment Interest | When the CIL liability is not received (in whole or in part) on the day payment is due, late payment interest will become payable on the unpaid amount. Late payment interest is calculated for the period starting on the day after the day payment was due and ending on the day the unpaid amount is received at an annual rate of 2.5 percentage points above the Bank of England base rate. | 87 |

Failure to comply with the CIL requirements may trigger enforcement action by the Council. In cases of persistent non-compliance the regulations allow the District Council to consider more direct action such as the issuing of a CIL Warning Notice and subsequent Stop Notice or applying to the courts for seizure of assets to pay the outstanding monies or for custodial sentences.

It is also possible to appeal to the Planning Inspectorate against a surcharge or enforcement action taken by us taking in relation to the non-payment of CIL.

Please note the above is a summary – please see the CIL Regulations 2010 (as amended) for details.