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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Part 11 of the Planning Act 2008 (c.29) provides for the imposition of a charge known as the Community Infrastructure Levy (“the Levy”). The Community Infrastructure Levy Regulations 2010 (“the CIL Regulations”) (S.I. 2010/948) implement the detail of the Levy. These Regulations amend the CIL Regulations. The CIL Regulations and these Regulations apply in relation to England only.

This instrument inserts new regulations 72A, 72B and 72C into the CIL Regulations, which make provision to enable a person with an annual turnover not exceeding £45 million, who is required to make a CIL payment during the “material period”, (see new regulation 72A(10)), to make a request to a collecting authority (“CA”) to (i) defer that CIL payment if they are experiencing financial difficulties for reasons connected to the effects of coronavirus (“a deferral request”); and (ii) to credit interest accrued on late CIL payments (“an interest request”).

In addition, these provisions allow for interest and surcharges to be disapplied whilst a CA is considering a deferral request.

New regulation 72A(1) provides that a deferral request may be made to a CA by a person (P) described in that paragraph. Such requests must be made no more than 14 days before, or on or as soon as practicable after, the day payment of the CIL amount is due. Regulation 72A(3) and (4) provide that a deferral request must be decided by a CA as soon as practicable and in any event within 40 days of receipt of the request; and if the request is granted, because the CA considers that is appropriate, the CIL payment may be deferred for no more than 6 months beginning with the date on which the request is received. New regulation 72A(5) requires the CA to serve a revised demand notice if a request to defer is granted and in that case the CIL amount must be paid in accordance with that revised demand notice. In relation to CIL charged by the Mayor, a deferral request may only be granted if the Mayor is of the view that that it is appropriate for any Mayoral CIL payment to be deferred. If a CA refuses to grant a deferral request, the CIL must be paid in accordance with i) the demand notice which was served before that deferral request was made or ii) any other revised demand notice that may be served under paragraph 69, after the request is made.

New regulation 72B(1) provides that no surcharge under regulation 85, or late payment interest under regulation 87, applies in respect of a CIL amount whilst a CA is considering a deferral request. Interest accrued during the period from 21st March 2020 until the time when the CA starts to consider a deferral request, may be credited if the CA considers that is appropriate and a request is made under new regulation 72B(2). In relation to CIL charged by the Mayor, an interest request may only be granted if the Mayor is of the view that that it is appropriate for any Mayoral CIL payment to be deferred and for any late payment interest which has accrued on Mayoral CIL to be the subject of an interest request.

New regulation 72C(1) requires a person who makes a deferral request or an interest request to provide the CA with any relevant information that the CA may require for the purposes of carrying out the authority’s functions under new regulations 72A and 72B, and for assisting the CA in that regard. A CA may refuse to grant a deferral request or an interest request if the authority is not provided with information that it requires in order to decide such a request.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.