

Updated Position on the Community Infrastructure Levy Income and Expenditure - July 2020

Further to Babergh and Mid Suffolk's stated position in April 2020 regarding the impact of coronavirus on the collection and expenditure of Community Infrastructure Levy, the position has now been considered and reviewed by both Councils.

Following the lockdown measures put in place by the Government during March, construction stopped on many development sites across both Districts. The CIL deferment measures introduced by both Councils in April 2020 were welcomed and accepted by almost all of our house builders and it is hoped that this temporary relief has assisted with getting housing delivery restarted. However, with Government measures now easing, it is important for both Councils to strike the right balance both for our housebuilders in economic terms but also so as to continue to collect CIL monies and deliver infrastructure for our communities as they experience growth.

The Government issued its own statement offering guidance to CIL charging Local Authorities on coronavirus and the Community Infrastructure Levy on the 13th May 2020. In summary the Government indicated it was considering amendments to the CIL Regulations 2010 through: -

- "enabling charging Authorities to defer payments, to temporarily disapply late payment interest and to provide a discretion to return interest already charged where they consider it appropriate to do so for developers that have an annual turnover of less than £45 million.
- This may include interest that has accrued in the period between the introduction of the lockdown and the regulatory changes coming into effect.
- It is intended that these easements will not be open-ended and will be removed when the economic situation has recovered".

Whilst no such temporary legislation has yet been enacted, both Councils have decided to await the introduction of any new temporary legislative change and ensure that any changes are responded to effectively within any timescales that are determined.

As such the Councils updated position on coronavirus and CIL is that it will return to normal arrangements for the collection of CIL with a continuation of its expenditure scheme and the original deferred payment arrangements for housebuilders (offered between April and June 2020) will not be further extended at this time.