

South Oxfordshire and Vale of White Horse District Councils

Community Infrastructure Levy (CIL) FAQs for Town and Parish Councils

13 July 2017

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1 About CIL

1.1 When will CIL come into effect?

CIL will be implemented from 1 April 2016 in South Oxfordshire. The implementation date in Vale of White Horse is to be confirmed.

1.2 What is CIL and who will collect it?

CIL is a charge on new development that will be collected by the District Council to provide additional funding to help pay for the cost of infrastructure arising from new development such as highways, leisure facilities and schools. CIL is charged per square metre of additional floorspace of new development and is non-negotiable.

1.3 What are the CIL rates for development?

The CIL Charging Schedule sets out the rates of CIL that will be charged, and is available on our websites. CIL rates will be index-linked annually. There is relief from CIL for affordable, self-build and charitable housing.

1.4 Will CIL replace Section 106 agreements?

S106 will be scaled back with the introduction of CIL, but S106 agreements will continue to fund affordable housing and essential site specific infrastructure. S106 will also be used to deliver all infrastructure needed to support development which is zero-rated for CIL.

1.5 Our Planning Obligations SPDs provides more information on how CIL and S106 will work together to deliver infrastructure.

2 Simplified CIL Process for Town/Parish Councils

TIMEFRAME

From CIL Implementation

CIL Liable development permitted

Up to three years from grant of planning permission

Development commences

Up to 2 years from commencement date

CIL paid to District Council in instalments

Within 6 months of receipt by District Council

District passes proportion of CIL received to Town/Parish

Within five years of receipt by Town/Parish Council

Town/Parish delivers local infrastructure

Annually

Town/Parish publishes Annual CIL Report

3 CIL Collection by the District

Council

3.1 When do developers pay CIL to the District Council?

CIL is paid when development commences to the district council in instalments over 2 months to 2 years, depending on the size of the development. Planning permissions can be valid for three years, so it may be a number of years before significant CIL payments are received.

3.2 How can we find out what CIL the District Council has received?

We will publish an Annual Monitoring Report setting out total amounts of CIL received, transferred to town/parish councils, and spent. This will be published on our website.

4 Town and Parish Council CIL Payments

4.1 How much CIL will we receive?

You will receive a proportion of the CIL collected by the District Council in relation to development within your town/parish.

4.2 The amount of CIL you will receive is dependent on:

- Whether you have an adopted Neighbourhood Plan
- How many dwellings are in your town/parish

4.3 If you do not have an adopted Neighbourhood Plan, you will receive 15% of CIL receipts in relation to development within your parish, subject to an *annual* cap on the total amount of CIL you can receive, of £100 x the total number of dwellings in your town/parish. As an example, a town/parish with 500 dwellings could receive a maximum of £50,000 CIL funds in each financial year.

4.4 If you have an adopted Neighbourhood Plan, you will receive 25% of CIL receipts in relation to development permitted after the Plan is adopted, regardless of the number of dwellings within your town/parish.

4.5 You will not receive any CIL funds from development which is exempt from CIL. This includes affordable, self-build and charitable housing.

4.6 How will you calculate the number of dwellings in our town/parish for purposes of applying the cap?

We will use the information we hold on the number of properties liable for Council Tax. All properties with a Council Tax record will be included, regardless of whether any Council Tax exemptions are currently being applied. This information will be updated annually.

4.7 How much CIL could we receive from a typical market dwelling?

The table below shows how much CIL would be collected by the district, and passed to the town/parish, on a typical non-self-build market dwelling of 100m².

Vale of White Horse District

Area	CIL Payments on a 100m ² dwelling	Town/Parish WITHOUT NEIGHBOURHOOD PLAN (15%)	Town/Parish WITH ADOPTED NEIGHBOURHOOD PLAN (25%)
Zone 2 (Faringdon, Grove and Wantage)	£8,500	£1,275*	£2,125
Zone 1 (Rest of District)	£12,000	£1,800*	£3,000

South Oxfordshire District

Area	CIL Payments on a 100m ² dwelling	Town/Parish WITHOUT NEIGHBOURHOOD PLAN (15%)	Town/Parish WITH ADOPTED NEIGHBOURHOOD PLAN
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			(25%)
Zone 1 (District)	£15,000	£2,250	£3,750
Zone 2 (Didcot and Berinsfield)	£8,500	£1,275	£2,125

*Payments to town/parish councils relating to applications permitted when that town/parish was without a Neighbourhood Plan are subject to a cap.

4.8 When will we receive the CIL funds? Do we need to do anything?

We will pass CIL funds (also known as receipts) to town/parish councils twice a year.

- CIL receipts from 1 April to 30 September will be passed to a town/parish council by the following **28 October**.
- CIL receipts from 1 October to 31 March will be passed to a town/parish council by the following **28 April**.

We will send you a letter if we have received CIL funds in your town/parish. You do not need to do anything if you wish to receive the funds, they will be transferred directly to your bank account.

4.9 It is unlikely that we will receive any CIL funds to pass to you in the first year after adoption. This is because CIL is only due on applications granted after CIL is adopted, and once building work starts.

4.10 Do we have to receive the CIL funds?

No, you are not required to receive the CIL funds. If you do not wish to receive the funds write to us and let us know before they are due to be passed to you.

4.11 If a town/parish council is producing a Neighbourhood Plan, when will its portion of CIL funds increase from 15% to 25%?

The increase in the proportion of CIL paid to a town/parish will only apply to any CIL receipts we receive which relate to applications permitted¹ after the Neighbourhood Plan was adopted (Made).

Planning permission granted ¹	CIL Funds Received by District	% passed to town/parish
Before Neighbourhood Plan adopted	Before Neighbourhood Plan adopted	15%*
	After Neighbourhood Plan adopted	15%*
After Neighbourhood Plan adopted	After Neighbourhood Plan adopted	25%

*Payments to town/parish councils relating to development permitted¹ when that town/parish was without a Neighbourhood Plan are subject to a cap.

4.12 For the purposes of calculating any cap on funds passed to a town/parish, only those CIL receipts which relate to applications permitted¹ before the Neighbourhood Plan was adopted will be included.

¹This refers to when “planning permission first permits the development” in accordance with the CIL Regulations, which may be a later date than that of the decision notice.

4.13 The below table sets out when a development is considered permitted for the purposes of the CIL Regulations.

Type	Phasing	Conditions	Date that “planning permission first permits the development”
Full Planning Application	No phasing	N/A	Date of Decision Notice approving the permission
Full Planning Application	Phased	No precommencement conditions	Date of Decision Notice approving the permission
Full Planning Application	Phased	With precommencement conditions	Date of approval of final precommencement condition for that phase
Outline Planning Application	No phasing	N/A	Date of Decision Notice approving the last Reserved Matter
Outline Planning Application	Phased	No precommencement conditions	Date of Decision Notice approving the Reserved Matters for that phase
Outline Planning Application	Phased	With precommencement conditions	Date of approval of final precommencement condition for that phase
Permitted development	N/A	N/A	Date of Notification of Commencement to the District Council OR Date that the District Council serves the Notice of Chargeable Development.

4.14 If there is no development coming forward in our area, will we receive any CIL?

No, you will not receive CIL if there is no development coming forward in your town/parish.

4.15 Can we apply for CIL funds beyond those passed to us as part of the town/parish portion?

We have not yet determined our spending strategy for the district portion of CIL, however, remaining funds need to fund the delivery of large scale infrastructure projects within the district such as new schools and strategic transport improvements. It is generally unlikely that any further CIL funds will be available for town/parish projects.

4.16 We are a Parish Meeting rather than a Town or Parish Council, what will happen to our CIL funds?

CIL funds can only be passed to a Town or Parish Council. If your area is a Parish Meeting, any funds due to go to your parish (as explained above) will be retained by the District Council on your behalf, to be spent on local infrastructure projects. We expect to work with you and your local community to identify suitable projects on which to spend the funds, and then either fund those projects directly, through the Parish Meeting or through a third party.

5 Town and Parish Council Spending of CIL

5.1 What can a town/parish council spend CIL on?

CIL Regulations² state that a town/parish council can spend CIL funds on the following:

- The provision, improvement, replacement, operation or maintenance of infrastructure; or
- Anything else that is concerned with addressing the demands that development places on an area.

5.2 Please be aware that it is your responsibility to ensure that how you spend CIL monies complies with the definition above.

5.3 How should we involve the local community?

It is up to you on how to involve the local community. You are encouraged to carry out community engagement and consultations, such as those conducted through a neighbourhood plan or community led plan, to ensure that the infrastructure you provide meets the community's needs. You could consider publishing your priorities for spending highlighting those that align with the district council.

5.4 What are the reporting requirements for town/parish councils who receive CIL?

You are required by legislation to publish a record each year of:

- total CIL receipts from the district council;
- total expenditure of CIL;
- a summary of what the CIL was spent on; and
- the total amount of CIL funds unspent at the end of the reported year, from that year and previous years (if applicable).

5.5 This information must be placed on your website and you are required to send a copy of your report to the council. If you do not have a website you can ask us to display this information on your behalf.

5.6 How long do we have to spend our CIL funds?

You should spend CIL funds within five years from the time they are paid to you. If you do not, or CIL has been spent on anything that does not meet the definition as set out within the CIL regulations (see above), you may be required to repay some or all of the receipts to us. Please contact us in advance if you require more than five years to deliver a particular project.

5.7 Can a town/parish council pool CIL funds with another council?

Yes, as long as it falls within the definition of what CIL can be spent on.

6 Getting Ready for CIL

6.1 You may wish to think about the following:

- Do we have a list of projects or priorities for our town/parish?
- If yes, are the projects costed? Could they actually be delivered?
- If no, how will we determine projects or priorities?
- How will we decide what to spend CIL on?
- How will we engage with the community on how to spend CIL?
- Do we have effective administrative processes in place that will allow the district council to pass on CIL funds?
- Do we have effective reporting mechanisms to show how we have spent CIL?

² Guidance on the regulations can be found here: <https://www.gov.uk/guidance/community-infrastructure-levy>

6.2 The level of preparation you undertake should relate to the likely amount of development/CIL receipts within your town/parish.

7 Further information

7.1 Further general information on CIL can be found on our website at www.whitehorsedc.gov.uk/CIL

Contact details

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