

GUIDANCE FOR PARISH AND TOWN COUNCILS ON RECEIVING AND THE USE OF CIL FUNDS

What is the Community Infrastructure Levy (CIL)?

The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It allows local authorities to collect money from developments to assist with the delivery of infrastructure that is required to support development in and around the district.

How is CIL charged?

Wealden District Council adopted the CIL charge on 25th November 2015. It is therefore known as the CIL Charging Authority. Where parish (s) fall within the South Downs National Park boundary, the South Downs National Park Authority is the CIL Charging authority.

The implementation date for the CIL charge was 1st April 2016 and from this date most new development has been liable to pay CIL.

- The Wealden CIL Charging Schedule 2015 sets out the charge per square metre that will apply to each category of new development where new floorspace is being created.
- CIL may also be charged where planning permission is granted to change the use of existing floorspace.
- The standard charge of £0 per sqm will apply to all new floorspace created unless a different rate is set out in the charging schedule.
- The CIL rate is subject to indexation each year.
- The CIL does not replace previous Section 106 Agreements and these will continue to be used for certain site-specific infrastructure.

What are the WDC CIL Rates?

The Wealden District CIL charging schedule 2015 sets out the charge per square metre that will apply to each category of new development where new floorspace is being created or where floorspace will change use. The WDC CIL rates are set out in the CIL Charging Schedule 2015 as follows:

Development	CIL Charge (£ per sq m)
Residential (higher band)*	£200
Residential (lower band)*	£150
Retail – wholly or mainly convenience	£100
Retail – wholly or mainly comparison	£20
Standard Charge (applies to all development not separately defined)	£0

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*Please refer to figure 1 in the Charging Schedule for the map showing the higher and lower areas.

What is the Town/Parish Councils 'Meaningful Proportion'?

Under the requirements of the Community Infrastructure Levy Regulations 2010 (as amended), 15% of the CIL collected as a result of development in a given town / parish area will be passed to the relevant Town/Parish Council – this is more commonly known as the 'meaningful proportion'.

- Payments will be capped to £100 per council tax dwelling per year, for example, a Town/Parish with 500 dwellings cannot receive more than £50,000 of CIL receipts per year.
- In areas with no Town/Parish Council, the 15% of CIL must be used by the charging authority to support the development of the relevant area.
- For towns / parishes with an adopted Neighbourhood Development Plan the amount to be passed to the Town/Parish Council will be 25% with no cap.

When will the Town/Parish Council receive a payment of the 'Meaningful Proportion'?

The District Council will normally make payment in respect of CIL it receives from 1st April to 30th September to the Town/Parish Council by 28th October of that financial year, and pay the CIL received from 1st October to 31st March by 28th April of the following financial year.

How can the CIL 'Meaningful Proportion' be spent by the Town/Parish Council?

The CIL Regulations 2010 (as amended) require the 'meaningful proportion' to be used to support the development of the local area by funding:

- (a) the provision, improvement, replacement, operation or maintenance of infrastructure; or*
- (b) anything else that is concerned with addressing the demands that development places on an area.'*

This could include sporting and recreational facilities, transport improvements, signage, cycleways, footpaths, village halls, open spaces and lighting.

The CIL regulations provides Town / Parish Council's an element of flexibility in how the CIL receipts can be spent, in comparison to the District Council.

To an extent, what CIL is spent on can be decided by the local community in relation to what may be needed to help mitigate the impacts of development in their area. This may be for a local project, or the Town/Parish Council may decide to contribute their proportion of the funding to the more strategic projects, which are being supported by the District Council, such as an education expansion project or road scheme/improvements that will support their locality.

CIL receipts are needed to deliver many infrastructure items previously funded under Section 106 and, as such, Town/Parish Councils will have important and difficult decisions to make to prioritise infrastructure delivery in their areas. i.e. are smaller infrastructure items needed to be delivered or would the delivery of more strategic infrastructure items benefit the Town / Parish more?

Any spend of CIL funding must fit within the usual powers of the Town/Parish Council and their Powers of Competence. Where the infrastructure to be supported is not permissible due to the responsibilities of the Town/Parish Council then this may still be delivered by agreeing for the money to remain / be passed back to the District Council for them to have spent in accordance with the wishes of the local community.

Decisions on the expenditure of the 'meaningful proportion' funds are at the Town/Parish Council's discretion, provided that it is in accordance with the CIL Regulations.

Should Towns or Parish Council's wish to discuss infrastructure projects or contribute to funding more strategic projects then please contact the Planning Policy team (details below) in the first instance and we can liaise with relevant colleagues and partners, such as East Sussex County Council, as appropriate.

When must the 'meaningful proportion' be spent by?

If a Town/Parish Council has failed to spend CIL funds transferred to them within a period of 5 years from the date of initial receipt, or has not applied the funds in accordance with the Regulations, then the District Council can serve a notice on the Town/Parish Council requiring it to repay some or all of the receipts that had been transferred to them. The District Council will be required to spend any recovered funds in the parish council's area.

Reporting

The new CIL Regulations came into force on 1st September 2019. In accordance with the regulations Town / Parish Council's must submit a report to Wealden District Council setting out the following for the financial year:

- total CIL receipts for the reported year;
- total expenditure for the reported year;
- a summary of what the CIL was spent on;
- details of any notices received from Wealden District Council in relation to unspent CIL or CIL spent outside the scope of the regulations; and
- the total amount of CIL receipts retained at the end of the reported year from that year and previous years.

In accordance with the CIL Regulations, the CIL report must be published on the Town / Parish Council website. The form will also be published on Wealden District Council's website. Where a Town/Parish Council does not have a website then the Wealden District Council website can be relied upon for providing this information.

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The CIL report must be published and sent to the District Council **no later than 31st December each year** following the reported year (the financial year). The report should include the meaningful proportion payments made for the financial year. So the first payment in April and the second payment received in October.

Further Details

More information about CIL can be found on the Wealden District Council Website:
<http://www.wealden.gov.uk/cil>

Please contact the Planning Policy Team if you have any specific questions.

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