

Community Infrastructure Levy

Guidance for
Parish and Town
Councils



September 2019

Introduction

The information contained within this guide is intended to assist Town and Parish Councils within the district of West Lindsey to understand their responsibilities relating to Community Infrastructure Levy (CIL). In the guide PC is used to refer to both Parish and Town Councils. There is a separate section of information for non-parished areas such as Parish Meetings (PMs). Further information is available on the councils' websites and advice is available from West Lindsey's planning team.

Overview

CIL is a levy that local authorities can charge on developments in their area to ensure facilities and services in the area have capacity to keep up with new homes and to enable further sustainable growth. The adopted CIL Charging Schedule sets out the rate per square meter for charged developments which is payable on commencement of development.

A portion of CIL income is paid to PCs to be spent by the PCs on offsetting the impacts of development in the area. The PC must report on the CIL received and spent each year. The remaining CIL income is spent by the district council.

West Lindsey District Council is responsible for administering the collection of CIL, payments to PCs and district spending. The processes of CIL income generation, payments to PCs and spending and reporting are illustrated in Figures 1 to 3 below.



What Development is CIL liable in West Lindsey?

West Lindsey District Council's Charging Schedule sets out which developments are liable to pay CIL. Developments not included on the adopted Charging Schedule will not be charge CIL.

WEST LINDSEY DISTRICT COUNCIL CIL CHARGE SCHEDULE RESIDENTIAL CHARGING ZONES			
		Charge Per Square Metre (houses)	Charge Per Square Metre (apartments)
Zone 1	Lincoln Strategy Area (LSA)	£25	£0
Zone 2	Non Lincoln Strategy Area	£15	£0
Zone 3	North East Quadrant Sustainable Urban Extension	£20	£0
Zone 4	Gainsborough West (as shown shaded green on the charging schedule map of Gainsborough)	£0	£0

WEST LINDSEY DISTRICT COUNCIL CIL CHARGING SCHEDULE COMMERCIAL CHARGING ZONES (APPLICABLE TO WHOLE DISTRICT)

Convenience Retail*	£40
All other uses**	£0

*Convenience retail is defined as everyday items including food, drink and non-durable household goods
 **All other uses' and the £0 rate include comparison retail and retail warehousing.

When do developments become liable?

Development becomes CIL liable on the approval of a Full Planning Application or in the instance of Outline Applications once the Reserved Matters has been approved.

CIL is payable within 60 days of Commencement of Development or in line with West Lindsey District Council's Installment Policy where the CIL charge meets the defined thresholds.

Fig.1 CIL Income Genreation

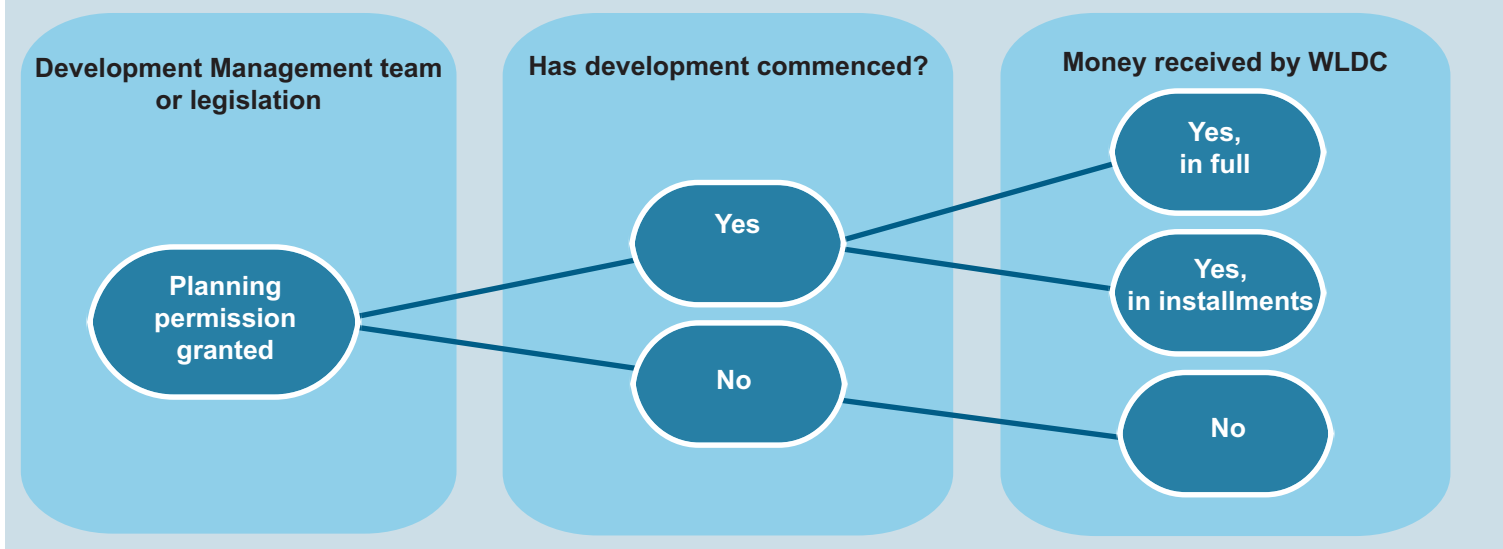


Fig.2 CIL income payments to PCs

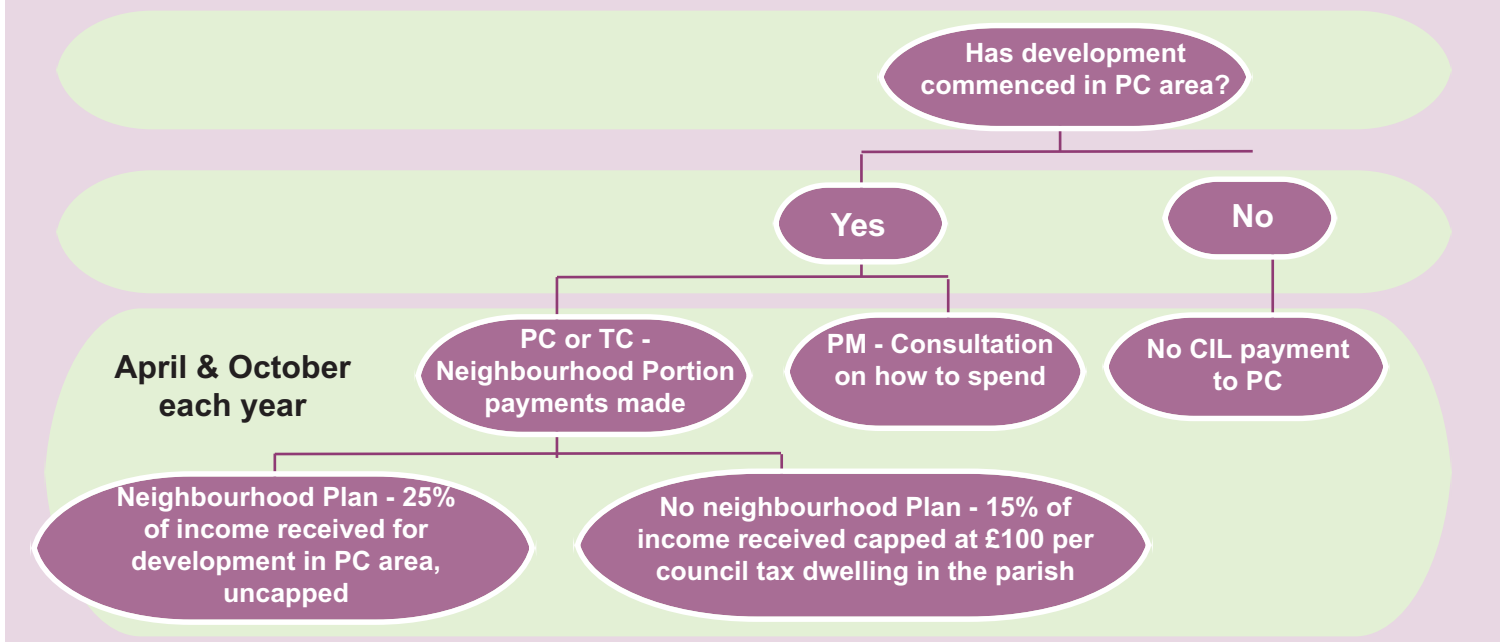
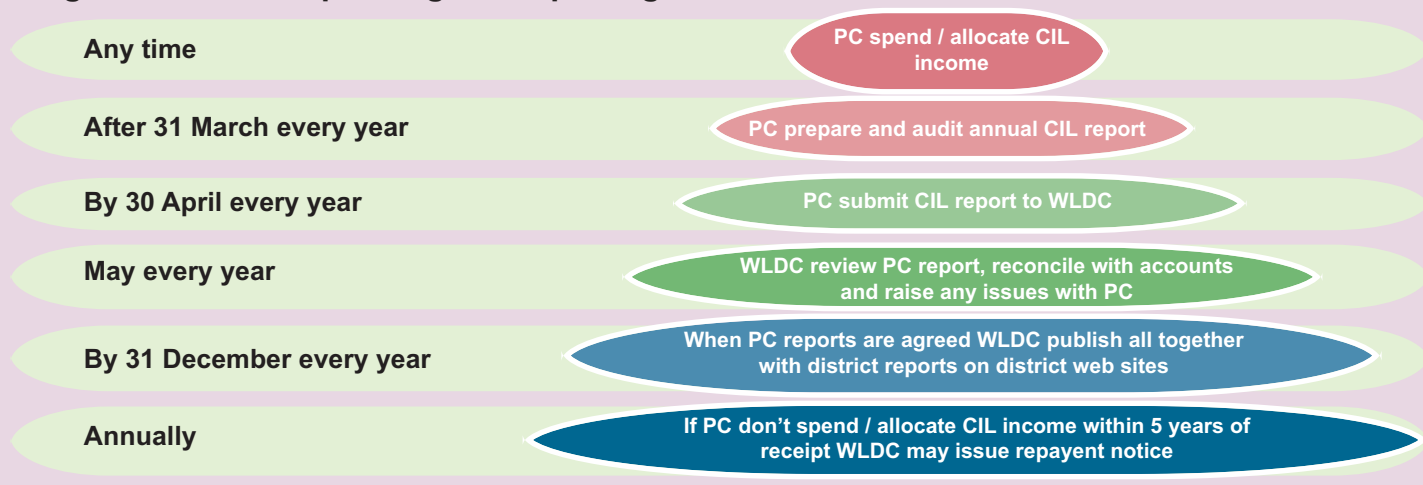


Fig.3 CIL Income Spending and reporting



How does CIL affect the Parish / Town Council?

A proportion of CIL payments collected by the District are passed on to the PC.

The PC have a duty to spend CIL income on providing, improving, replacing, operating or maintaining infrastructure that supports the development of the PC area or anything else concerned with addressing the demands that development places on the area. PC spending is also affected by the General Power of Competence (GPC – see overleaf).

The PC must publish a report on their CIL income and expenditure every year.

The majority of CIL income will be received as cash, however, where the CIL charge for a development is £50k or greater the District may consider accepting land as the CIL payment for a development in lieu of some or all of the CIL charge due if this would help to deliver facilities within parish areas. The PC may be invited to accept ownership of a piece of land on the condition that the land is used for infrastructure purposes.

CIL payments (land and cash) are due on the commencement of development and West Lindsey will monitor commencement using information from Development Management, Planning Enforcement and Building Control teams. The PC may be asked to help with monitoring investigations by answering questions about development in their area. In exceptional circumstances when the CIL charge exceeds £50k West Lindsey District Council has an 'In Kind' Policy which allows some or all of the CIL charge to be paid in the form of land.

PC can publish their CIL reports from end of May each year.

How much CIL money will the Parish / Town Council receive?

The amount passed on depends on the income received by the District which in turn depends on whether there has been development granted and commenced in the PC's area and if all or any part of that development is granted exemption or relief from some / all of the CIL charge. The amount is also dependent on the presence of a Neighbourhood Plan and the number of dwellings in the area. Figure 4 below shows average incomes.

If no income has been received by the Districts for development commenced in the PC's area then no CIL payments are passed to the PC.

If development has been commenced in the area and there is a Neighbourhood Plan 25% of CIL will be passed on, otherwise 15% will be passed on capped at £100 per council tax dwelling in the PC's area, multiplied by the index figure for the year.

Where the CIL charge of a development is £50k or greater or the planning permission is phased the CIL payments may be made in installments in line with West Lindsey's adopted Installments Policy or phases meaning the total charge may be collected over a period of time. On the basis of other authorities' experience it is also likely that CIL income will not become steady until around year 3 of charging. This will all affect the amount of income received within a period and passed on to the PC.

The PC may choose not to receive CIL and must notify West Lindsey District Council of this decision. In such cases the District will spend the CIL income on the PCs behalf and in consultation with the PC.

Fig.4 Average CIL incomes (assuming no exemption or relief)

Type of Development	Average CIL charge	15%/25% PC Payment
1 x average size 3 bed dwelling in Zone 2	£1,350	Up to £192 / £321
1 x average size 3 bed dwelligd in Zone 1	£2,250	Up to £321 / £534
30 x average size 3 bed dwellings in zone 2	£40,500	Up to £5,771 / £9,619
30 x average size 3 bed dwellings in zone 1	£67,500	Up to £9,619 / £16,031
100sqm extension to A1 convenience retail shop	£4,000	Up to £570 / £950

When and how will the Parish / Town Council receive CIL monies?

CIL payments to PCs are paid twice a year for the preceding 6 months' income in the same way as precepts. CIL income received between 1st April and 30th September will be paid by 28th October and CIL income received between 1st October and 31st March will be paid by 28th April.

West Lindsey District Council will record income in each parish as it is received and will in turn pay each PC 15% or 25% respectively of the cumulated amount.

What does the Parish Council / Town Council need to do?

Spending:

The CIL Regulations 2010 as amended state that the PC must spend the CIL income they received from the District on:

- 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.

Providing CIL is spent in accordance with the above CIL monies may be used as match funding with other income streams and / or may be spent collaboratively with other parish councils, community interest companies or other providers to make the most efficient use of funding to benefit the community.

West Lindsey District Council suggest that PCs consider preparing a Parish Infrastructure Investment Plan (PIIP) to inform their spending decisions, this could be contained in a Neighbourhood Plan if applicable or be a stand-alone document. Proportionate to the size of the community and anticipated levels of development within the area a PIIP may help PCs to audit existing facilities within the locality, capture opinion on the needs and wants of residents and identify opportunities for collaborative spending with other groups, PCs, etc. to achieve the best use of funding sources for the benefit of the community.

If shared with West Lindsey District Council, PIIPs will also help the Districts to gather information about how the communities access facilities and to make decisions on securing other funding including s106 contributions to mitigate the impacts of development, improve facilities for the community and enable further sustainable growth where appropriate.

Reporting:

The PC must record all carried over CIL, CIL receipts and expenditure for each year.

The PC must prepare an annual CIL report for each financial year (the 12 months ending 31st March) they receive CIL detailing:

- CIL receipts
- CIL expenditure
- A summary of items on which CIL has been spent
- The amount spent on each item
- The amount of any CIL repaid following a repayment notice
- The amount of CIL retained at the end of the year
- The amount of CIL from previous years retained at the end of the year

The report must comply with accounting and audit procedures as set out in Governance and Accountability for Smaller Authorities in England, NALC (March 2016).

A template for CIL reporting and an example of a completed report are included at Appendix A.

A template for CIL accounting is included at Appendix B.

The PC must publish the report on their website, or on West Lindsey District Council's website if the PC doesn't have its own website, and the PC must send a copy of the report to the Infrastructure team.

We ask that the PC reports are received no later than 30th April following the reported year to enable West Lindsey District Council to review and publish all PC reports together with the Districts reports by the statutory deadline of 31st December.

Other:

The PC must notify West Lindsey District Council as soon as possible if it decides not to receive CIL.

If the PC receives a repayment notice the PC must respond as required and send the mis/un-spent CIL back to the District as directed. In this instance the District will spend the returned CIL income on behalf of the PC.

When the PC become aware of development having commenced in their area they may want to notify West Lindsey District Council to help with monitoring.

How does the General Power of Competence (GPC) affect CIL spending by the Parish / Town council?

Any Parish Councils who have or in the future become a Council with General Power of Competence (GPC) in the District of West Lindsey, it will be necessary to alert West Lindsey District Council of this as this status gives wider opportunities for spending of CIL.

What can Town and Parish Councils spend CIL on?

PCs are able to spend CIL receipts on all the infrastructure items or other matters which it has a statutory power to provide, maintain or improve, as set out in Appendix C. Although fairly extensive, the only way that CIL receipts in a PC area without a GPC can be used to fund strategic infrastructure, is for the PC to work closely with the District (as the National Planning Policy Framework requires) to agree infrastructure priorities (i.e. as set out in a Local Investment Plan and Programme). The District could then retain CIL receipts to spend on specific agreed infrastructure item/s. This could include infrastructure outside the PCs statutory remit and/or outside the Council's geographic boundary, for example the provision of a new road.

What if the Parish / Town Council mis-spend or do not spend their CIL income?

If the PC mis-spends CIL income, i.e. if it has not spent CIL in accordance with the CIL Regulations the Infrastructure team will send the PC a repayment notice for the mis-spent funds. The PC must repay the amount specified in the notice to the District.

If the PC do not spend their CIL within 5 years of receipt West Lindsey District Council may send the PC a repayment notice and the District will spend the CIL income on their behalf and in consultation with the PC. Exceptions may be made if the PC can show they have allocated their CIL income to a particular project for which they are accumulating funds before spending.

If the PC is unable to repay the amount specified in the repayment notice the Infrastructure team will recover the amount from future CIL income the PC are due to receive.

How does CIL affect non-parished areas?

The CIL Regulations 2010 as amended set out the procedures for payments to 'local councils' which applies to Town and Parish Council's only. In areas where there is no PC (i.e. areas with a Parish Meeting) the District will spend the 15% / 25% 'parish' CIL income collected within the non-parished area on behalf of the community and in consultation with the Parish Meeting, Ward Member and any other relevant parties.

West Lindsey District Council Responsibilities

West Lindsey District Council is responsible for collecting, administering, monitoring and enforcing developer contributions secured through s106 and CIL. This includes calculating the amount of CIL payable on individual developments, monitoring commencement of development and payment of CIL and calculating the amount of CIL to be passed on to PCs.

And there is more information about CIL on our website:

www.west-lindsey.gov.uk/CIL

Specific queries in relation to CIL can be directed to Planning Customer Care:

Planning.customercare@west-lindsey.gov.uk

Appendix A - Parish CIL reporting template and example report

Parish:

Reporting Year 1 April_____to 31 March _____

A	Total CIL income carried over from previous years	£
B	Total CIL income received (receipts)	£
C	Total CIL spent (expenditure)	£
D	Total CIL repaid following a repayment notice	£
E	Total CIL retained at year end (A+B-C-D)	£

CIL expenditure

Item / Purpose	Amount spent
Total spent	£

Signed:_____Position:

Verified:_____Position:

Publish on PC website and send copy to West Lindsey District Council no later than 30th April following the reported year.

Appendix B

Parish Council - CIL Income Monitoring

* Please complete table B of this form everytime a CIL payment is received (28th Apr & 28th Oct) and table C when CIL expenditure is made, this will make the Parish CIL Report (to be submitted to WLDC by 30th Apr each year) easier to complete.

Reporting year: _____

A CIL income carried over from previous year: _____

B

Date	CIL Income £
TOTAL	

C

Date	CIL Expenditure £	Detail of expenditure
TOTAL		

D CIL retained at year end: _____

Please note - after a period of 5 years from the date CIL income is received, if it is not spent in full then West Lindsey District Council may reclaim back.

Appendix C - Infrastructure items (which can be provided or maintained by Parish Councils (not exhaustive))

Infrastructure Type	Power & Duty	Statutory Provision
Allotments	Provision of allotments	Small Holding and Allotments Act 1908 s.23
Burial Grounds; cemeteries and crematoria	Power to acquire and maintain; Power to provide Power to agree to maintain monuments and memorials	Open Spaces Act 1906 ss.9 & 10; Local Government Act (LGA) 1972 s.214 Parish Councils and Burial Authorities (Miscellaneous Provisions) Act 1970, s.1
Bins	Provision of litter bins	Litter Act 1983 ss. 5,6
Bus Shelters	Power to provide	Local Government (Miscellaneous Provision) Act 1953 s.4
Clock	Power to provide public clock	Parish Councils Act 1957, s.2
Closed Church Yards	Power to maintain	LGA 1972 , s.215
Commons and common pastures	Power in relation to inclosure, regulation and management and providing common pasture	Inclosure Act 1845; small Holdings and Allotments Act 1908, s.34
Conference facilities	Power to provide	LGA 1972 s.144
Community Centres	Power to provide and equip building for use of clubs (sport/social/educational); Power to acquire, provide and furnish community building	Local Government (Miscellaneous Provisions) Act 1976 s.19 LGA 1972, s.133
Crime Prevention	Power to spend money on crime prevention	Local Government and Rating Act 1997, s.31
Drainage	Power to deal with ponds and ditches	Public Health Act 1936 s.260
Entertainment and the Arts	Provision of entertainment	LGA 1972 s.145
Highways	Power to repair and maintain public footpaths and bridleways Power to light roads and public places Power to provide parking places for vehicles, bikes, and motorbikes Power to enter into agreement as to dedication and widening Power to provide roadside seats and shelters and bus shelters Power to provide certain traffic signs and other notices Power to plant trees and maintain roadside verges Traffic calming – powers to contribute financially to such schemes Community Transport – power to spend money on community transport schemes	Road Traffic Regulations Act 1984 s.72 Highways Act 1980 s.96 Local Government and Rating Act 1997 s.30 Local Government and Rating Act 1997 ss.26-29
Land	Power to acquire and dispose of land	LGA 1972 ss.124; 126; 127
Mortuaries and post mortem rooms	Power to provide	Public Health Act 1936 s.198
Open Space	Power to acquire land for public recreation Power to acquire and maintain land for open spaces	Public Health Act 1875 s.164 Open Spaces Act 1906 ss.9 and 10
Public Buildings and village hall	Power to acquire and provide buildings for public meetings and assemblies	LGA 1972 s.133
Public Toilets	Power to provide	Public Health Act 1936 s.87
Recreation	Power to acquire land for recreation grounds; public walks; pleasure grounds and open space; and to manage and control them. Power to provide a wide range of recreational facilities Provision of boating pools	Public Health Act 1875 s.164; LGA 1972 sch.14 para27; Public Health Acts Amendments Act 1890 s.44; Open Spaces Act 1906 ss.9 and 10 Local Government (Miscellaneous Provisions) Act 1976 s.19 Public health Act 1961 s.54
War Memorials	Power to maintain, repair, protect and adopt	War Memorial (Local Authorities' Power) Act 1923, s.1; as extended by Local Government Act 1948 s.133
Water Supply	Power to utilise well or spring and to provide facilities for obtaining water from them	Public Health Act 1936 s.125