



Community Infrastructure Levy (CIL)

Spending Policy

Responsibility: F & GP committee

Review Cycle: At least every three years, or earlier in the event of legislative changes

<u>Date of Adoption / Renewal</u>	<u>Resolution Number</u>
3 July 2018	8463

COMMUNITY INFRASTRUCTURE LEVY (CIL) SPENDING POLICY

1. Introduction

- 1.1 Wealden District Council (WDC) adopted its CIL Charging Schedule on 1st November 2015 and begun implementing CIL on 1st April 2016. From this date most new development has been liable to pay CIL.
- 1.2 The amount of CIL payable is determined by the Gross Internal Area (GIA) of the development and the applicable CIL rate(s).
- 1.3 There is also the ability to offset existing floorspace on change of use and demolition of existing buildings, subject to meeting certain criteria.
- 1.4 The CIL is collected from development in order to pay for the infrastructure that is, or will be, needed to support new development across the District.
- 1.5 The CIL does not replace previous s.106 contributions which are still used to cover on site infrastructure and affordable housing.
- 1.6 However changes in s.106 legislation mane that many infrastructure needs previously covered by s.106 could now be funded by CIL.

2. How CIL is calculated and paid

- 2.1 The WDC CIL rates are set out in the CIL Charging Schedule 2015, and sets out the charge per square metre that will apply to each category of new development where new floorspace is being created.
- 2.2 In certain circumstances CIL may also be charged where planning permission is granted to change the use of existing floorspace.
- 2.3 The standard charge of £0 per sq. m will apply to all new floorspace created unless a different rate is set out in the charging schedule.
- 2.4 The CIL Demand Notice (the invoice) is issued on commencement of development. The amount of time given for payment to be paid and the provision of payment by instalments are dependent on the chargeable amount and can be further categorised where phasing has been permitted.

3. The Town/Parish Council 'Meaningful Proportion'

- 3.1 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 parish area will be passed to the relevant Town/Parish Council – this is more commonly known as the 'meaningful proportion'.

3.2 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.

3.3 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. In areas with an adopted Neighbourhood Development Plan, the amount passed to the Town/Parish Council will be 25% with no cap.

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

- 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

3.5 This provides Town/Parish Councils with a much more flexible approach for spending their CIL receipts in comparison to the District Council. Such wider spending powers for the Town/Parish Council allow the local community to decide what they need to help mitigate the impacts of development in their area.

4. How the 'Meaningful Proportion' can be spent

4.1 The 'Meaningful Proportion' may be spent on 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.

4.2 Any spend of CIL funding must fit within the usual powers of the Town/Parish Council and their powers of competence.

4.3 Where the infrastructure to be supported is not permissible due to the responsibilities of the Town/Parish Council then this may still happen 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.

4.4 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. All requests for use of CIL funds from committees are subject to confirmation by Full Council.

4.5 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.

5. Reporting requirements

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

5.2 To ensure transparency, Town/Parish Councils must publish each year (the financial year) their:

- Total CIL receipts;
- Total expenditure;
- A summary of what the CIL was spent on; and
- The total amount of receipts retained at the end of the reported year from that year and previous years

5.3 Reports can be combined with other reports already produced by Town/Parish Councils and should be placed on their website and a copy of the report should be sent to the District Council by no later than 31st December following the reported year (the financial year).