



## **Community Infrastructure Levy (CIL)**

**Neighbourhood Funding Note  
for Gedling Borough Parish Councils**

**December 2016**

## **1. Neighbourhood Portion of CIL (Guidance for Parish Councils)**

**1.1.** The Community Infrastructure Levy Regulations 2010 (as amended) require local authorities (as Charging Authority) to pass a proportion of CIL receipts collected from developments in their areas directly to Parish Councils (Regulation 59A). These receipts are to be spent on infrastructure or anything else that is concerned with addressing the demands that development places on an area.

## **2. How will the Neighbourhood Funding of CIL be paid to Parish Councils?**

**2.1.** Charging Authorities and Parish Councils are free to decide the timing of neighbourhood funding payments themselves.

**2.2.** However, in the absence of such an agreement, Regulation 59D specifies that the neighbourhood portion of levy receipts must be paid every six months, at the end of October and the end of April. The Parish Council will then be required to report on receipts and expenditure from the CIL each year.

## **3. How much of the Neighbourhood Funding will go to Parish Councils?**

**3.1.** Under CIL Regulation 59A Parish Council's will be passed 15% of CIL revenue received by the Charging Authority where development has taken place in that area.

**3.2.** The 15% figure is capped to £100 per existing council tax dwelling (multiplied by an index figure) which can be passed on to a Parish Council to be spent on "local priorities" each year.

**3.3.** Where Neighbourhood Funding exceeds the annual cap for that Parish Council, the remaining CIL monies will go back into the Council's pot for projects listed on the Regulation 123 List.

#### **4. What happens where development takes place in an area not covered by a Parish Council?**

4.1. Where development takes place in an area not covered by a Parish Council, Regulation 59F states that the Charging Authority may use the CIL to support the development of the 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.

#### **5. What happens to the Neighbourhood Funding following adoption of Neighbourhood Plan in Parish Area?**

5.1. Where a Parish Council has an adopted Neighbourhood Plan in place the Neighbourhood Funding element of CIL increases to 25% of receipts received for development in that area following adoption.

5.2. This portion of the Neighbourhood Funding is uncapped.

#### **6. What can the CIL Neighbourhood Funding be spent on?**

6.1. CIL regulation 59C indicates that Neighbourhood Funding can be spent on a wider range of things than general levy funds. It can be spent on supporting the development of the 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.

6.2. The National Planning Practice Guidance (NPPG) suggests that parishes can potentially spend CIL funds on a wide range of infrastructure, including for example local schools, highway/transport infrastructure and other strategic

infrastructure, as well as more traditional parish items such as village halls, allotments, play areas; bus shelters; street lighting; provision of public toilets or provision of litter bins.

## **7. Expenditure of Neighbourhood Funding**

**7.1.** When deciding on spending priorities for Parish Councils for the monies that they may receive, the NPPG and the Borough Council requests that Parish Councils consider whether there are potential projects within or in close proximity to the area, or any beyond Parish boundaries which would bring important benefits to the residents or the local area.

**7.2.** Before any expenditure the Borough Council and the NPPG encourages Parish Councils to discuss the potential infrastructure schemes that are intended to be funded with the Council before taking decisions. This approach would ensure that Parish Councils spend their Neighbourhood Portion on eligible CIL projects, avoiding the Borough Council the need to recover any misspent funds.

**7.3.** The CIL Regulation 59E(10) and National Planning Practice Guidance state that where money is not used to support development of the area within 5 years of receipt, or used for other purposes, the Regulations give Charging Authorities (i.e. Gedling Borough Council) the power to recover those funds. The Borough Council will be then required to spend any recovered funds in the Parish Council's area.

## **8. How will Parishes know what CIL receipts they have?**

**8.1.** In order to assist the Parishes planning future CIL expenditure, quarterly reports (starting 1<sup>st</sup> July) will be produced and circulated to Parishes by the CIL Officer identifying the following information:

### **Liable Permissions**

- Identify which permissions in the Parish are liable for CIL and whether relief has been claimed.

### **Demand Notices**

- Identify where a commencement on site has been registered in the Parish and where payment of the CIL Liability is being sought.

### **CIL Receipts**

- Identify where payments have been received and the specific Neighbourhood Funding share for the Parish.

### **Accumulated Neighbourhood Funding**

- Identify total accumulated sums collected for the Parish.

## **9. How should Parish Councils report on its levy spending?**

**9.1.** For each year a Parish Councils receive Neighbourhood Fund through the CIL they are required to publish the following information specified in CIL Regulation 62A (2):

- A) The total CIL receipts for the reported year;
- B) The total CIL expenditure for the reported year;
- C) A summary of CIL expenditure during the reported year including–
  - a. The items to which CIL has been applied; and
  - b. The amount of CIL expenditure on each item; and
- D) Details of any notices received in accordance regulation 59E, including–
  - a. The total value of CIL receipts subject to notices served in accordance with regulation 59E during the reported year;
  - b. The total value of CIL receipts subject to a notice served in accordance with regulation 59E in any year that has not been

paid to the relevant charging authority by the end of the reported year.

- E) The total amount of-
  - a. CIL receipts for the reported year retained at the end of the reported year; and
  - b. CIL receipts from previous years retained at the end of the reported year.

**9.2.** The Regulations also state that Parish Councils must –

- A) Publish the report-
  - a. On its website;
  - b. On the website of the charging authority for the area if the local council does not have a website; or
  - c. Within its area as it considers appropriate if neither the local council nor the charging authority have a website, or the charging authority refuses to put the report on its website; and
- B) Send a copy of the report to the Charging Authority from which it received CIL receipts, no later than 31<sup>st</sup> December following the reported year, unless the report is, or is to be, published on the charging authority's website.

**9.3.** In preparing this report the Council will be able to assist the Parish Councils through the provision of some of the required information.

## **10. Contact and Further Information**

**10.1.** If Parish Councils have any questions or require further information regarding the Community Infrastructure Levy please contact the CIL Officer Alan Siviter by email at [alan.siviter@gedling.gov.uk](mailto:alan.siviter@gedling.gov.uk) or by phone on 0115 901 3731.