

Frequently Asked Questions: Community Infrastructure Levy

What is a Community Infrastructure Levy?

The Community Infrastructure Levy (CIL) is a new system of charges that local planning authorities can use to raise funds from developers. The CIL can be charged on most new building projects, to fund a wide range of infrastructure needed to support new development.

Does the South Downs National Park Authority have a Community Infrastructure Levy?

As the local planning authority and 'CIL charging authority' for the area within its boundary, the South Downs National Park Authority ('the Authority') is developing a CIL for the entire National Park. The CIL will be adopted by May 2015.

What will the CIL look like?

The core part of a CIL is a list of charges which are applied to new developments when they are granted planning permission. These charges are adopted by the Authority in a legal document called a **CIL Charging Schedule** and are non-negotiable. The CIL Charging Schedule will contain a list of charges, explanatory text and an Ordinance Survey map showing the areas covered by the charges.

The charges are expressed in pounds-per-square-metre.

How are the charges decided?

The Authority decides on the appropriate charges, also known as 'rates', based on detailed evidence of economic viability and infrastructure planning. The CIL Charging Schedule (containing the charges) must be examined before the CIL can be applied to new developments.

How is the CIL examined?

The Authority will appoint an independent examiner prior to adoption. The examiner will determine if the Draft Charging Schedule complies with the Planning Act and CIL Regulations and that the proposed charges are informed by and consistent with appropriate available evidence. This evidence base includes the Local Plan, Partnership Management Plan, Viability Assessment and Infrastructure Delivery Plan.

The examiner can approve, modify or reject the Draft Charging Schedule. The examiner's recommendations are binding.

What is the Community Infrastructure Levy used for?

Funds raised through the CIL must be applied to infrastructure projects that support the development strategy established in the Partnership Management Plan and emerging Local Plan. These infrastructure projects are set out in the Infrastructure Delivery Plan (IDP).

What is infrastructure?

The definition of 'infrastructure' has a broad scope¹ and can apply to many projects including new road schemes, schools, community services, sports and leisure facilities and green infrastructure necessary to support development. Funds can be applied to the provision, improvement, replacement, operation or maintenance of infrastructure.

¹ "Infrastructure" is broadly defined in paragraph 216 of the Planning Act 2008.

The Authority is committed to working in partnership with local communities, partner local authorities and infrastructure providers to govern expenditure of CIL funds.

What is the Infrastructure Delivery Plan (IDP)

The [Infrastructure Delivery Plan \(IDP\)](#) lists all infrastructure needed to support sustainable growth, as set out in Neighbourhood Plans and the Authority's emerging Local Plan. The IDP will inform future funding decisions through the Community Infrastructure Levy and other funding sources so it is important to include all projects on the IDP.

Projects identified on the IDP are not guaranteed funding: prioritisation and spending decisions are made by the Authority and parish councils, taking into account many other factors.

Can I add a project to the IDP?

Yes. The IDP is a "live document" and is amended over time as infrastructure needs and circumstances change and as more information becomes available. You could discuss any potential infrastructure project with your local parish council who may wish to promote a project on your behalf. Alternatively, you can contact the Authority's CIL Project Manager by email:

cil@southdowns.gov.uk

What are 'differential rates'?

The CIL Regulations allow for differential CIL charges to be applied to different uses of development, for development in different locations, or for development of different sizes. The use of differential rates must be justified on the grounds of economic viability.

If differential rates are used, they will be clearly set out and explained in the Charging Schedule, including on an Ordinance Survey Map.

Which developments will pay a CIL charge?

Subject to criteria in the CIL Regulations, most new development could be liable to pay a CIL charge. Charges apply to the gross internal area of new buildings (or extensions to existing building) over 100 square metres. There is no minimum size threshold for new homes, which will pay a charge, regardless of size. The landowner(s) is liable to pay the CIL charge when development begins. A developer or other interested party can "assume liability" of the CIL charge from the landowner as required through the development process.

Which development won't pay a CIL charge?

The CIL Regulations exempt the following types of development from paying a CIL charge:

- Social (affordable) housing;
- Domestic residential extensions and annexes;
- Self-build houses;
- Charities;
- Changes of use (that do not increase floorspace);
- Buildings without human access
- Buildings with temporary planning permissions.

Will local communities receive any of the CIL funds?

15% of CIL funds collected by the Authority will be passed directly to the parish council in which development takes place (capped at a total of £100 per existing house per year in the parish). As an example, if a parish has 50 existing homes and any number of new homes are built, the parish council will receive 15% of CIL income from the new homes up to a total of £5,000 per year (£100 x 50 homes).

If the parish council has an adopted Neighbourhood Plan, they will receive 25% of CIL funds. The funds are to be spent on locally chosen infrastructure projects.

Does the CIL replace the section 106 process?

Mostly. The CIL will be the main process for collecting infrastructure funding from developers to support growth in the Park. However, it will work alongside a scaled-back section 106 system that

is still used to deliver affordable housing and specific on-site mitigation measures for larger developments.

Highway improvements, often necessary to make new developments acceptable, will continue to be delivered through section 278 agreements.

Will the CIL generate more money than the section 106 process?

Experience from elsewhere in England suggests that the CIL will generate more income than current section 106 obligations. From April 2015, the government will significantly scale-back the ability of local authorities to collect funds through section 106 obligations and so the CIL will certainly generate more funds.

How does CIL differ from the section 106 process?

Section 106 agreements and unilateral undertakings are negotiated on a protracted case-by-case basis and usually only apply to larger housing developments. Nationally, this results in only 6 per cent of all planning permissions paying towards the cost of supporting infrastructure².

- The CIL is a fixed, non-negotiable charge relative to the size and type of the chargeable development.
- It is fairer, more transparent and less time-consuming than the current system of section 106 obligations which are negotiated on a site-by-site basis.
- Parish councils will receive a proportion of CIL funds and have more control over the process than through section 106.
- Local communities will have a clearer understanding of how new development contributes to infrastructure.
- CIL can apply to more types of development (not just residential) and all sizes of development (not just larger sites) to ensure they contribute towards the provision or enhancement of the infrastructure they rely upon.
- More robust enforcement provisions than the section 106 system, to protect against late payment and non-compliance.

Can the CIL be amended?

Once adopted, the CIL Charging Schedule sets the charges for development in the District. CIL charges are linked to the RPI index to protect against inflation over time and maintain their effectiveness to provide infrastructure. The Charging Schedule can only be significantly amended after further consultation and re-examination.

What is the legal basis for the Community Infrastructure Levy?

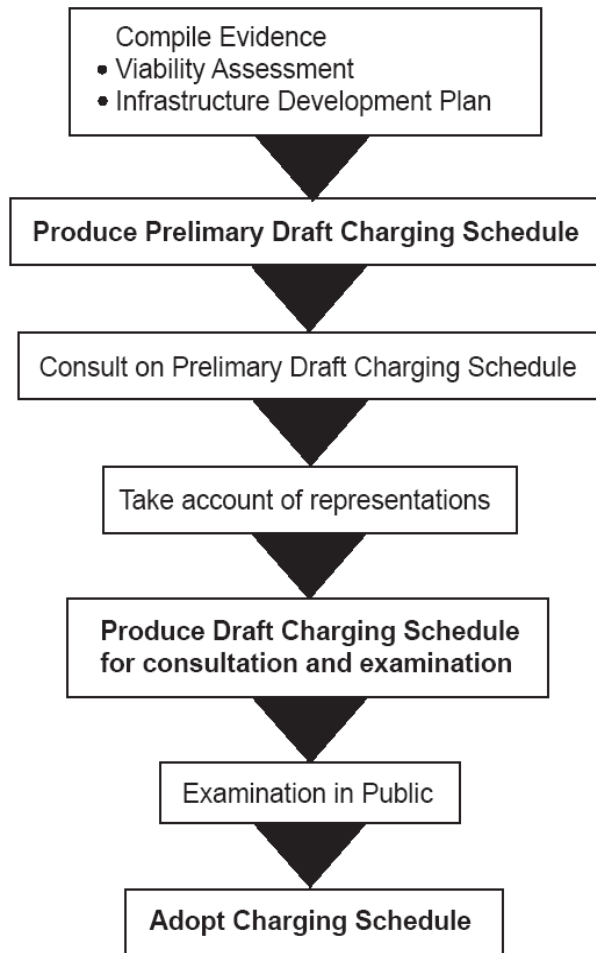
Powers to charge a Community Infrastructure Levy were conferred to the South Downs National Park Authority in the Planning Act 2008 (Part 11 section 206). These powers were amended by the Localism Act 2011.

The Community Infrastructure Levy Regulations 2010 (amended by the CIL Amendment Regulations 2011, 2012, 2013 and 2014) govern the process of introducing CIL charges and spending CIL funds.

What happens now?

Before adopting a CIL Charging Schedule, the National Park Authority will consult on a **Preliminary Draft Charging Schedule** in February 2014. All comments from interested parties will be taken into account before a **Draft Charging Schedule** is produced for a final round of consultation in late 2014. The Draft Charging Schedule is subject to independent examination in early 2015 before the final **Charging Schedule** is adopted in May 2015.

² The Incidence, Value and Delivery of Planning Obligations in England in 2007-08, [University of Sheffield, 2010](#).



Further Reading:

[Statutory Guidance](#) has been published by the Government (May 2013).

Community Infrastructure Levy [Regulations](#) came into force on 6 April 2010. [Amendment Regulations \(2011\)](#) came into force on 6th April 2011. Further [Amendment Regulations \(2012\)](#) came into force on 28 November 2012. Further [Amendment Regulations \(2013\)](#) came into force on 25 April 2013. Further Amendment Regulations (2014) came into force in January 2014.

The Planning Advisory Service has produced a [CIL Resource page](#).

For further information:

Please visit the National Park Authority's CIL web page: <http://southdowns.gov.uk/CIL>

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