

GUIDANCE FOR PARISH AND TOWN COUNCILS ON RECEIVING AND THE USE OF COMMUNITY INFRASTRUCTURE LEVY FUNDS

The Community Infrastructure Levy (CIL)

East Cambridgeshire District Council introduced CIL on 1 February 2013. CIL is a levy that is charged on most new development in the District. The money raised through this levy will be used to pay for strategic infrastructure required to support development in the District.

The District Council is required to pass to the relevant Town/Parish Council 15% of CIL receipts that arise from development in their parish area.

In areas with a Neighbourhood Plan the amount to be passed to the Parish/Town Council will be 25%.

How the funds must be spent

The Regulations state that this proportion of funds must 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

The Regulations have provided the local Town/Parish Council with a much more flexible approach for spending their CIL receipts in comparison to the powers conferred to the District Council to spend CIL income. These 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. This may be for a local project, or the Parish may decide to contribute their proportion of the funding to the strategic projects which are being supported by the District Council (see the East Cambridgeshire CIL Infrastructure List for details of these projects on the ECDC website). Decisions on the expenditure of the funds are at the Parish Council's discretion, provided that is in accordance with the CIL regulations.

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 then be required to spend any recovered funds in the Town/Parish Council's area.

Payment Periods

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 in any financial year by 28 April of the following financial year. The District Council may come to an alternative agreement with a Town/Parish Council on when CIL funds may be transferred where appropriate (for example to facilitate the cash flow of a project).

Reporting

To ensure transparency Town/Parish Councils must publish each 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.

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. Where a Parish/Town does not have a website the District Council can publish this information on its website on the Town/Parish Council's behalf.

Further Details

More information about CIL and the Council's CIL Infrastructure List can be found on the East Cambridgeshire District Council Website <http://www.eastcambs.gov.uk/planning/community-infrastructure-levy> or please contact the CIL Team, email CIL@eastcambs.gov.uk or telephone 01353 665555.