

CC1800/17  
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# Community Infrastructure Levy –

## Neighbourhood Funding

### Parish and Community Councils

Regulation 59A of The Community Infrastructure Levy Regulations 2010 (as amended) identifies that 15% of CIL funds will be passed to the Parish/Community Council where development has taken place, and if a Neighbourhood Plan is in place the sum will be 25%.

CIL payments will be paid in two annual instalments in line with CIL Regulation 59D as follows:

CIL money received between 1 April to 30 September in any financial year will be paid to the Parish/Community Council by 28 October of the same financial year.  
CIL money received between 1 October to 31 March in any financial year will be paid to the Parish/Community Council by 28 April of the following financial year.

#### **Parished areas – no Neighbourhood Plan**

15% of CIL funds will be passed to the Parish/Community Council as detailed above. This is capped at a maximum of £100 per existing council tax dwelling per year. For example, if a parish has 200 existing dwellings, they cannot receive more than £20,000 from CIL neighbourhood monies in a year.

#### **Parished areas – adopted Neighbourhood Plan**

Where an adopted Neighbourhood Plan exists, 25% of CIL funds will be passed to the Parish/Community Council as detailed above. This CIL apportionment does not have an annual cap.

#### **Unparished areas**

In those areas that do not have a parish council the District Council will retain the 15% as the neighbourhood portion.

A full explanation of how the capping process works is set out in the Department of Communities and Local Government (DCLG) – Community Infrastructure Levy Guidance (April 2013) (paragraph 108).

#### **How can the Parish/Community Councils spend CIL?**

CIL receipts must be spent by the Parish/Community Council 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 as identified in Regulation 59C.

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.

The wider definition means that the neighbourhood funding pot can be spent on things other than infrastructure (as defined in the Community Infrastructure Levy regulations). For example, the pot could be used to fund affordable housing where it would support the development of the area by addressing the demands that development places on the area.

## **Restrictions on neighbourhood spending -**

Unless the parish or community council has a General Power of Competence (GPC) as outlined in the Localism Act (ss1 - 8), they will not have the statutory powers or duties to spend CIL money beyond their existing remit (as set out in the various Local Government Acts). The list of infrastructure, or maintenance of infrastructure, which a parish council has the statutory powers or duties to provide is quite extensive, but without the General Power of Competence (GPC) Parish Councils will not be able to spend their CIL receipt on the wider strategic infrastructure.

## **Parish Council with GPC – Spending CIL Funds**

Where a Council has a GPC they will be able to use CIL on those items in Appendix 1 (both infrastructure and non-infrastructure) where they have a statutory power and duty to provide as well as on more strategic/wider infrastructure items, such as providing new or extended schools; new roads; new or extended libraries; doctors surgeries etc. In addition it would be possible for Councils under Paragraph 107 (b) (non-infrastructure) and 116 of the CIL Guidance to spend CIL funds for providing, for example, affordable housing; a village shop; opening a village gym; or village café etc. These potential uses of CIL funds would need to comply with other statutory regulations such as planning, health & safety, employment law etc.

## **Parish Councils without GPC - Spending CIL Funds**

Where a Parish/Community Council does not have a GPC, this will restrict them using their CIL funds to those items set out in Appendix 1 (i.e. where they have a statutory power or duty to provide or maintain the specific infrastructure item - NB this covers not just infrastructure items).

The only way that neighbourhood funds from CIL could be used more strategically would involve the Charging Authority (CA) working closely with the Parish/Community Council to agree infrastructure priorities, and where agreement could be reached, the CA could “retain” the neighbourhood funding to spend on specific agreed infrastructure item/s. This could include infrastructure outside the Parish/Community Council’s statutory remit and/or outside the council’s geographic boundary e.g. supporting schools and roads etc.

## **What is infrastructure?**

Infrastructure for the purposes of CIL is taken from the s. 216 (2) Planning Act 2008 as defined: "infrastructure" includes—

- (a) roads and other transport facilities,
- (b) flood defences,
- (c) schools and other educational facilities,
- (d) medical facilities,
- (e) sporting and recreational facilities,
- (f) open spaces, and
- (g) affordable housing (being social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008 (c. 17) and such other housing as CIL regulations may specify).

NB Affordable housing currently lies outside the CIL Regulations and will need to be delivered through a S.106 agreement.

## **How do Parish Councils identify projects?**

It is important for Parish/Community Councils to consult with the local community and Charging Authority to develop a list of the infrastructure priorities in the area. Publishing these priorities can enable projects to be delivered in a timely and transparent way.

## **What happens if a development spans across two parish areas?**

Where a development crosses parish boundaries, each Parish/Community Council will receive the relevant proportion of CIL funds based on the extra floor space created in their area.

## **How long do Parish Councils have to spend the monies?**

Parish/Community Councils must spend their CIL monies within five years of receipt. Where money is not used to support the development of the area within five years of receipt, or is used for other purposes, CIL Regulations give the Local Authority the power to recover those funds. This is to ensure that money is spent effectively to the benefit of the local community.

## **Do Parish Councils need to monitor anything?**

In line with CIL Regulation 62A Parish/Community Councils that receive CIL money are required to produce a publicly available annual monitoring report on how much CIL money they have received and how much has been spent. This report must be published on the Parish/Community Council website.

## Appendix 1

### Infrastructure that can be provided or maintained by Parish/Community Councils

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	Highways Act 1980 ss.43 & 50
	Power to light roads and public places	Parish Councils Act 1957 s.3; Highways Act 1980, s.301
	Power to provide parking places for vehicles, bikes, and motorbikes	Road Traffic Regulations Act 1984 ss.57,63
	Power to enter into agreement as to dedication and widening	Highways Act 1980 ss.30 , 72
	Power to provide roadside seats and shelters and bus	Parish Councils Act 1957 s.1

	shelters	
	Power to provide certain traffic signs and other notices	Road Traffic Regulations Act 1984 s.72
	Power to plant trees and maintain roadside verges	Highways Act 1980 s.96
	Traffic calming – powers to contribute financially to such schemes	Local Government and Rating Act 1997 s.30
	Community Transport – power to spend money on community transport schemes	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	Public Health Act 1875 s.164
	Power to acquire and maintain land for open spaces	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.	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
	Power to provide a wide range of recreational facilities	Local Government (Miscellaneous Provisions) Act 1976 s.19
	Provision of boating pools	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