

Appendix 1

COMMUNITY INFRASTRUCTURE LEVY

Frequently Asked Questions

A. Does CIL have to be introduced?

CIL is not mandatory. However, the Government's intention is to restrict S.106 to its original role of making developments acceptable in planning terms. This is likely to be rigorously enforced by planning inspectors given recent Government statements on planning and growth. This might have implications for some of the items where the Council currently seeks contributions through S.106.

B. Does CIL have to be introduced by a specific date?

There is no requirement to introduce CIL by a certain date or at all. The date of April 2014 is often quoted as the date by which CIL needs to be introduced. However, the significance of this date is that after April 2014 it will not be possible to pool S.106 contributions on more than five agreements. CIL can be introduced at any time provided the correct procedures are followed.

C. What type of development is eligible to pay CIL?

CIL is charged at a rate of £ per square metre on net additional floorspace on all new developments over 100 sq metres (non-residential) and for all new dwellings (even if under 100 sq metres) but not extensions etc.

CIL will be payable on most new buildings that people normally use. Buildings into which people do not normally go and buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery, will not be liable to pay CIL. Structures which are not buildings, such as pylons and wind turbines, will not be liable for CIL. CIL will not be charged on changes of use that do not involve an increase in floorspace.

D. How much discretion is there in setting CIL rates?

CIL rate must be based on viability issues. The rate cannot be based on policy decisions. However, viability results do not have to be followed slavishly and authorities can exercise judgement in setting the actual rate.

E. Does CIL have to be charged?

Once CIL is adopted it has to be charged on all eligible development. There is provision for exceptions but these are expected to be extremely rare and applied consistently. e.g. exceptional and unpredictable site costs on a strategic site. Affordable Housing is exempt from CIL. A Council can however, decide to stop charging CIL once adopted, on all developments for a specified period if it sees fit.

F. How easy is it to amend CIL?

A CIL charging schedule can be amended at any time but the complete process must be followed each time, e.g. culminating in a public examination. Realistically, it is estimated that every 3 years the most frequently CIL rates are likely to be reviewed as the whole process takes around 18 months.

G. What can CIL be spent on?

A list of what the Council intends to spend CIL on (Section 123 list) must be produced. The main function of this list is to prevent the Council asking for the same items under a S.106 so as to avoid "double counting". It is therefore, important to consider what can most effectively be funded through CIL and what through S.106.

H. If CIL is introduced is there still a role for S.106?

If CIL is charged there is still a role for S.106 in mitigating specific site impacts, but contributions raised through each mechanism (S.106 and CIL) cannot be put towards the same item of infrastructure.