

Community Infrastructure Levy

The Community Infrastructure Levy (CIL) is a new levy that local authorities can charge on developments in their area. The purpose of CIL is to encourage local development and make sure the infrastructure in the region can keep up with new homes and businesses that are built.

CIL is payable on Permitted Development as well as Planning Permission development when the development is commenced.

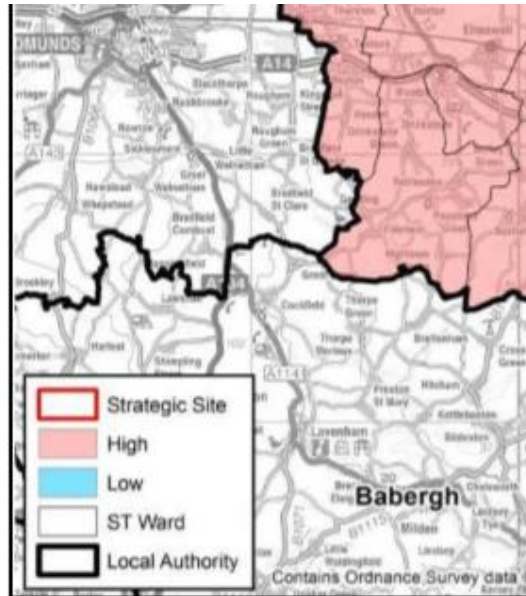
Babergh and Mid Suffolk District Councils' charging schedules have been approved by the Planning Inspectorate. Members voted to adopt CIL charging at Full Council meetings in January 2016 and CIL charging started on 11th April 2016. Any CIL liable planning permission granted, and any CIL liable permitted development commenced, on or after this date must pay CIL.

All new build development over 100sqm (internal), including residential extensions and annexes, and all new dwellings regardless of size must pay CIL. Mid Suffolk and Babergh are proposing to charge for residential including residential development (including extensions, annexes and outbuildings) and convenience retail development (see below).

Some developments may be eligible for exemptions or relief from CIL or a reduction in the CIL payable, for example:

- Self-build dwellings and residential annexes and extensions.
- Affordable housing.
- Development by registered charities for the delivery of charitable purposes and buildings owned by charities used for a charitable purpose.
- Developments that include the re-use or demolition of buildings currently in lawful use and vacant buildings brought back into the same use where there is no increase in floor space.

Drinkstone parish is in a Falls within a high charging zone (see below) and the proposed CIL rate that applies for Residential development (Babergh and Mid Suffolk) (Use Class C3, excluding 'specialist older persons housing') is £115 (per sqm).



When CIL is collected the District Council delivers the **neighbourhood portion** of the money – for Drinkstone PC this is 15% of the Councils CIL receipts (this will rise to 25% when a Neighbourhood Plan is adopted).

CIL payments to PCs are paid twice a year for the preceding 6 months' income in the same way as precepts. CIL income received between 1st April and 30th September will be paid by 28th October and CIL income received between 1st October and 31st March will be paid by 28th April.

It is important to note that CIL only becomes calculated at the point when development is approved and only becomes payable at the point when development commences. With larger developments the CIL Regulations allow for staged payments.

There is a useful detailed guidance document at <https://www.midsuffolk.gov.uk/planning/community-infrastructure-levy-and-section-106/community-infrastructure-levy-cil/parish-support/>.

The CIL Expenditure Framework also encourages collaborative spend (the provision of infrastructure projects with monies from different funding sources). On this basis if a Parish or its Community groups have some existing funds but there are insufficient funds to allow the project to be delivered, a Bid to secure CIL funds for the remaining monies to deliver the project could be made (for example, the October bid round which was announce by MSDC and reported to the October meeting of Drinkstone Parish Council.

There are reporting obligations which fall on the Parish Council when spending CIL funds, and where funds are not spent by a Parish Council within five years, the District Council may ask for the funds to be repaid.