

Community Infrastructure Levy

CIL Annual Report

Reported year 2018-19

Regulation 62

Monitoring Report 2018/19

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Background

The Community Infrastructure Levy (CIL) is a mechanism to allow local planning authorities to raise funds from new development, in the form of a levy, in order to contribute to the cost of infrastructure projects that are, or will be, needed to support new development.

Chorley Council's Community Infrastructure Levy (CIL) charges took effect on 1 September 2013 and the Council is both a CIL Charging Authority and a CIL Collecting Authority.

To ensure that the levy is open and transparent, Chorley Council is required to prepare a short report on the levy detailing CIL income and expenditure, to be published on our website by 31 December each year, for the previous financial year, under the Community Infrastructure Levy Regulations 2010 (as amended), Regulation 62(5).

The [CIL Charging Schedule](#) sets out the charge per square metre that applies to each category of development that is liable. CIL does not replace S106 Agreements. On particular development sites specific mitigation requirements may still need to be provided through a S106 Agreement in addition to CIL for local infrastructure requirements, such as site-specific local provision of open space, habitat protection, access roads etc. The provision of affordable housing lies outside of the remit of CIL and is secured through S106 agreements.

This report focusses on CIL, not S106 funded projects.

The Councils Regulation 123 list sets out the types of infrastructure and projects which may receive funding from CIL.

This is Chorley Councils annual report for the year 1st April 2018 to 31 March 2019.

Allocation of CIL

There are broadly three different categories that CIL income is required to be allocated towards. Chorley Council refers to these three categories as; Administrative CIL, Local CIL, and Strategic CIL.

- Administrative CIL: Up to 5% of the total of CIL receipts can be applied towards its implementation and ongoing administration (years 1-3 are cumulative) and is calculated at no more than 5% of total CIL income (including surcharges and late payment interest) as per Regulation 88.
- Local CIL: 15% (25% in areas that have a Neighbourhood Development Plan in place) of total CIL receipts is passed to the Civil Parish in whose boundary the development that paid the CIL is located, for the provision of local infrastructure improvements or other measures to support the development of the area. Non-Parished areas are also allocated Local CIL.
- Strategic CIL: The remainder of the CIL income is to be applied to strategic infrastructure listed on the Regulation 123 list to support the growth of the CIL Charging Authority's area.

Local CIL - Parish Councils / Town Councils

Chorley Council has 23 Civil Parishes across the Town, excluding the Town Centre itself.

Parish, Town and Community Councils (Local Councils) must make arrangements for the proper administration of their financial affairs ([Section 151 of the Local Government Act 1972](#)). They must have systems in place to ensure effective financial control ([Accounts and Audit \(England\) Regulations 2011](#))

For each year when they have received funds through the levy, Local Councils must publish the information specified in [Regulation 62A](#).

They are required to publish this information on their website, or, if they do not have their own website, on the charging authority's website.

There is no prescribed format. Local Councils may choose to combine reporting on the levy with other reports they already produce. However, Chorley Council has supplied a variety of templates to assist them with this process. It is optional as to whether the Local Councils choose to use one of these templates, amend them for their own ease of use, or use their own current processes to report on their CIL funds (ensuring the information reported is in accordance with Regulation 62A).

The Council has taken the decision to devolve the 15% of Local CIL to the relevant Civil Parishes, and this CIL report also covers the devolved funding.

The Civil Parish is responsible for spending CIL funds within 5 years of their receipt or the Borough Council may recover the charge. In the event of a Civil Parish wishing to hold CIL funds for longer than 5 years the Borough Council should be notified as soon as possible, and agreement will be sought from Cabinet.

Local CIL - Areas Without a Parish Council / Town Council

Under the CIL Regulations, Communities without a Parish, Town or Community Council (Local Council) will still benefit from the 15% neighbourhood portion (or 25% portion, if a neighbourhood plan or neighbourhood development order has been made).

If there is no Local Council, the CIL Regulations require the charging authority to do the following:

- Retain the levy receipts and engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding.
- Charging authorities should set out clearly and transparently their approach to engaging with neighbourhoods using their regular communication tools e.g. website, newsletters, etc.
- Use existing community consultation and engagement processes.
- The use of neighbourhood funds should therefore match priorities expressed by local communities, including priorities set out formally in neighbourhood plans.

The Government does not prescribe a specific process for agreeing how the neighbourhood portion should be spent. Where the charging authority retains the neighbourhood funding, they can use those funds on the wider range of spending that are open to local councils, as per Regulation 59C and [Can the levy be used to deliver Suitable Alternative Natural Greenspace?](#)

CIL Income

Total CIL income (including surcharges and interest) in 2018/19 was £5,007,578.23. Information on CIL receipts and how they are apportioned are set out in Appendix A.

The Council did not receive any land or infrastructure payments (i.e. the provision of land or infrastructure in lieu of paying cash) during 2018/19.

Total CIL income was generated from various developments in the following areas:

Parish	No. of Developments	Amount Passed to Local Councils Under Regulations 59A, 59B, and 59F.
Adlington	1	£884.68
Brindle	2	£1,621.99
Charnock Richard	2	£2,607.44
Chorley (Unparished)	5	£34,199.07
Clayton-Le-Woods	4	£371,888.37
Coppull	4	£201,063.54
Eccleston	1	£1,841.18
Euxton	5	£46,634.72
Heath Charnock	1	£2,011.81
Heskin	1	£1,560.00
Hoghton	1	£181.91
Mawdesley	3	£2,165.70
Ulnes Walton	1	£2,651.70
Whittle-Le-Woods	4	£66,107.72
Withnell	4	£34,199.07

Strategic CIL Expenditure

Strategic CIL Expenditure in previous years: £1,182,582.00
Strategic CIL Expenditure in 2018/19: £417,418.00

Strategic CIL Allocation

This will not be considered as Expenditure until the funds are either transferred to any person under regulation 59(4), or physically spent. Therefore, these will not be deducted from the "Total Strategic CIL Receipts carried forward" in the next section.

Strategic CIL Allocation in 2018/19: £1,172,250.00

Projects allocated CIL funding have been / will be removed from the Regulation 123 list.

Administrative CIL Expenditure

Administration CIL Expenditure in previous years: £201,590.76
Administrative CIL Expenditure in 2018/19: £150,370.00

Strategic CIL Receipts carried forward to 2018/19

Retained Strategic CIL receipts from previous years	£1,628,149.90
Retained Strategic CIL receipts from 2018/19	£4,106,956.69
Total Strategic CIL Receipts carried forward to 2019/20	£5,735,106.59

Local CIL Income Devolved to Civil Parishes / Non-Parished Areas

The Local CIL is calculated as 15% of total CIL income for that Parish / Non-Parished Area (including late payment interest but **not** surcharges) as per Regulation 88.

The Civil Parishes / Non-Parished Areas that received devolved funding from CIL in 2017/18 are listed in the [‘CIL Income’](#) section of this report.

Local CIL receipts devolved from previous years	£602,074.19
Local CIL receipts devolved in 2018/19	£750,251.54
Total Local CIL Receipts devolved from 01 Sept 2013 to 31 Mar 2019	£1,352,325.74

Local CIL Annual Reports – Civil Parishes

As per Regulation 62A Local Councils must also produce a report for any financial year in which it receives CIL receipts.

These will be published on their own website detailing CIL receipts, expenditure, and retention.

Local CIL Annual Reports – Non-Parished Areas

The annual report regarding Local CIL Receipts / Expenditure in Non-Parished Areas is contained within this section.

Local CIL receipts devolved from previous years	£107,894.04
Local CIL receipts expenditure in previous years	£0
The items of which the Local CIL receipts devolved under regulation 59F have been applied including the amount of expenditure on each item.	None
Local CIL receipts devolved in 2017/18	£34,199.07
Local CIL receipts expenditure in 2017/18	£0
The items of which the Local CIL receipts devolved under regulation 59F have been applied including the amount of expenditure on each item.	None
Total Local CIL Receipts devolved under Regulation 59F	£142,093.11
Total Local CIL Receipts Expended as per Regulation 59F(3)(a) and (b)	£0

Appendix A

Receipt and Application of Community Infrastructure Levy 2018/19

Reporting Criteria		Value
Reg 62 (4) (a)	Total CIL receipts for the reported year¹	£5,735,106.59
Reg 62 (4) (b)	Total CIL expenditure for the reported year²	£1,600,000.00
Reg 62 (4) (c)	Summary details of CIL expenditure during the reported year other than in relation to CIL to which regulation 59E or 59F applied:	
Reg 62 (4) (c) (i)	The items of infrastructure to which CIL (including land payments) has been applied.	1) Flat Iron Car Park 2) Highways Infrastructure (Digital Office Park)
Reg 62 (4) (c)(ii)	The amount of CIL expenditure on each item.	1) £1,300,00.00 2) £300,000.00
Reg 62 (4) (c)(iii)	The amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure items which that money was used to provide including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part)	£0
Reg 62 (4) (c) (iv)	The amount of CIL applied to administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation ³	£150,370.00 3%
Reg 62 (4) (ca)	The amount of CIL passed to:	
Reg 62 (4)(ca)(i)	Any local council under regulation 59A or 59B	£716,052.48
Reg 62 (4)(ca)(ii)	Any person under regulation 59(4)	£0
Reg 62 (4)(cb)	Summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year (i.e. funding for local priorities passed to local councils and recovered or funding for unparished areas) including:	
Reg 62 (4) (cb) (i)	The total CIL receipts that regulations 59E and 59F applied to.	£34,199.07
Reg 62 (4) (cb) (ii) &(iii)	The items to which the CIL receipts to which regulations 59E and 59F applied have been applied including the amount of expenditure on each item.	None: £0
Reg 62 (4) (cc)	Summary details of any notices served in accordance with regulation 59E (recovery of funding passed to parishes) , including:	
Reg 62 (4) (cc) (i)	The total value of CIL receipts requested from each local council	£0
Reg 62 (4) (cc) (ii)	Any funds not yet recovered from each local council at the end of the reported year.	£0
Reg 62 (4) (d)	The total amount of:	
Reg 62 (4) (d) (i)	CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied.	£4,106,956.69
Reg 62 (4) (d) (ii)	CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied.	£1,628,149.90
Reg 62 (4) (d) (iii)	CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year.	£34,199.07
Reg 62 (4) (d) (iv)	CIL receipts for previous years to which regulation 59E or 59F applied retained at the end of the reported year.	£107,894.04
Reg 62 (4) (e)	In relation to any infrastructure payments accepted by the charging authority:	
Reg 62 (4) (e) (i)	The items of infrastructure to which the infrastructure payments relate	None
Reg 62 (4) (e) (ii)	The amount of CIL to which each item of infrastructure relates	None: £0

Appendix A - Annotated Footnotes

1. This value includes:

- CIL Receipts during this financial year
- CIL receipts retained from the previous years.
- The value of land payments (upon commencement of development)
- The value of Infrastructure payments (in accordance with the infrastructure payment agreement pertinent with that development)

And excludes:

- The value of Land payments where the development has not yet commenced.
- The value of Infrastructure Provision that has not hit the instalment triggers within the development specific Infrastructure Payments Agreement.

2. This value includes:

- Actual Strategic Spend (Reg.123 list)

And excludes:

- The amount applied to administration;
- Funds allocated but not transferred to any person under regulation 59(4)
- Funds allocated but not spent
- The value of Local CIL under Reg. 59e & 59f
- The value of Local CIL under Reg. 59a & 59b

3. This is the total spend over years 1 - 3 as the CIL Administration spend is calculated cumulatively for the first three full years of inception.