

# Community Infrastructure Levy

CIL Annual Report

Reported year 2016-17

Regulation 62

Monitoring Report 2016/17

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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 1<sup>st</sup> April 2016 to 31 March 2017.

## 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).
- 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 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 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, Parish, Town and Community 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. Parish, Town and Community Councils may choose to combine reporting on the levy with other reports they already produce.

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 run the risk of the Borough Council recovering 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 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 Parish, Town or Community 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 2016/17 was £1,048,458.06. 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 CIL) during 2016/17.

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	£1,887.32
Anderton	1	£789.75
Anglezarke	1	£1,281.99
Charnock Richard	1	£3,758.31
Chorley (Unparished)	3	£76,676.11
Clayton-Le-Woods	1	£19,076.70
Coppull	1	£39.98
Croston	1	£11,342.22
Eccleston	1	£6,647.06
Euxton	1	£20,471.60
Mawdesley	1	£2,817.81
Ulnes Walton	1	£5,402.16
Whittle-Le-Woods	3	£4,358.62
Withnell	1	£2,091.86

## Strategic CIL Expenditure

There was no Strategic CIL Expenditure in previous years.

There was no Strategic CIL Expenditure in 2016/17.

### Strategic CIL Allocation

There has been, however, an allocation of Strategic CIL in 2016/17.

This will not be considered as Expenditure until the funds are either transferred to any person under regulation 59(4), or physically spent.

£1,300,00.00 of Strategic CIL has been allocated to the Chorley Town Centre & Flat Iron Enhancement projects, listed under the Green Infrastructure/Public Realm section within the Regulation 123 list (version update 07 April 2016).

These projects have now been removed from the Regulation 123 list.

## Administrative CIL Expenditure

Administration is calculated at no more than 5% of total CIL income (including surcharges and late payment interest) as per Regulation 88.

As years 1 - 3 are cumulative in regards to CIL collection / spend for administration, the Administrative CIL percentage share is retained for administration spends from 01 September 2013 to 31 March 2017. The total Administrative CIL collected for years 1 - 3 of £111,061.72 has been fully applied to the costs of administration of CIL within years 1 - 3.

## Strategic CIL Receipts carried forward to 2017/18

Retained Strategic CIL receipts from previous years (excluding unspent Administrative CIL)	£940,015.77
Retained Strategic CIL receipts from 2016/17	£839,393.67
<b>Total Strategic CIL Receipts carried forward to 2017/18</b>	<b>£1,779,409.44</b>

## 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 2016/17 are listed in the [‘CIL Income’](#) section of this report.

Local CIL receipts devolved from previous years	£174,121.67
Local CIL receipts devolved in 2016/17	£156,641.48
<b>Total Local CIL Receipts devolved from 01 Sept 2013 to 31 Mar 2017</b>	<b>£330,763.15</b>

## 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	£3,381.73
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 2016/17	£76,676.11
Local CIL receipts expenditure in 2016/17	£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
<b>Total Local CIL Receipts devolved under Regulation 59F</b>	<b>£80,057.84</b>
<b>Total Local CIL Receipts Expended as per Regulation 59F(3)(a) and (b)</b>	<b>£0</b>

## Appendix A

### Receipt and Application of Community Infrastructure Levy 2016/17

Reporting Criteria		Value
Reg 62 (4) (a)	<b>Total CIL receipts for the reported year<sup>1</sup></b>	<b>£2,221,234.32</b>
Reg 62 (4) (b)	<b>Total CIL expenditure for the reported year<sup>2</sup></b>	<b>£0.00</b>
Reg 62 (4) (c)	<b>Summary details of CIL expenditure during the reported year other than in relation to CIL to which regulation 59E or 59F applied:</b>	
Reg 62 (4) (c) (i)	The items of infrastructure to which CIL (including land payments) has been applied.	<b>None</b>
Reg 62 (4) (c)(ii)	The amount of CIL expenditure on each item.	<b>£0</b>
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)	<b>£0</b>
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 <sup>3</sup>	<b>£111,062.00</b> <b>5%</b>
Reg 62 (4) (ca)	<b>The amount of CIL passed to:</b>	
Reg 62 (4)(ca)(i)	Any local council under regulation 59A or 59B	<b>£79,965.38</b>
Reg 62 (4)(ca)(ii)	Any person under regulation 59(4)	<b>£0</b>
Reg 62 (4)(cb)	<b>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:</b>	
Reg 62 (4) (cb) (i)	The total CIL receipts that regulations 59E and 59F applied to.	<b>£76,676.11</b>
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.	<b>None: £0</b>
Reg 62 (4) (cc)	<b>Summary details of any notices served in accordance with regulation 59E (recovery of funding passed to parishes) , including:</b>	
Reg 62 (4) (cc) (i)	The total value of CIL receipts requested from each local council	<b>£0</b>
Reg 62 (4) (cc) (ii)	Any funds not yet recovered from each local council at the end of the reported year.	<b>£0</b>
Reg 62 (4) (d)	<b>The total amount of:</b>	
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.	<b>£839,393.67</b>
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.	<b>£942,644.59</b>
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.	<b>£76,676.11</b>
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.	<b>£3,382.00</b>
Reg 62 (4) (e)	<b>In relation to any infrastructure payments accepted by the charging authority:</b>	
Reg 62 (4) (e) (i)	The items of infrastructure to which the infrastructure payments relate	<b>None</b>
Reg 62 (4) (e) (ii)	The amount of CIL to which each item of infrastructure relates	<b>None: £0</b>

See next page for key to annotations

## 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.