The Community Infrastructure Levy (CIL) is a new planning charge, introduced by the Planning Act 2008 and supplemented by a detailed regime contained in the Community Infrastructure Levy Regulations 2010 which came into force on 6 April 2010 and which have been amended on several occasions since then, most recently in February 2014. The Levy comes into operation in a district when adopted by the local authority and once adopted, allows local authorities to raise pre-determined funds from developers undertaking new building projects or changes of use in their area.

The Government believes that CIL, where adopted by local authorities, can in large degree replace the payments made under the previous system of planning obligations agreed between local authorities and developers (known as section 106 agreements). It will allow local authorities to determine how this money should be spent and will provide a more predictable funding stream to plan and deliver the required infrastructure. Scaling back of some section 106 tariff payments is due to operate nationally from April 2015.

CIL provides a transparent means for ensuring that development contributes to the cost of the infrastructure it will rely upon, such as schools and roads. The charge for the levy is set out in a ‘Charging Schedule’ which is drafted by the charging authority. For Oxfordshire, the charging authority is the local district council. CIL charges will be based on the size, type and location of a proposed development. The levy is to be expressed as £ per square metre. Section 106 agreements will continue to be used to deal with site-specific infrastructure requirements and affordable housing post-2015. It is possible in such cases that individual developments will attract both a Levy payment and obligations secured through a section 106 agreement.

Some (but not all) of the Levy will be passed directly to parish and town councils as a “neighbourhood fund”. In January 2013, the Department of Communities and Local Government (DCLG) announced arrangements for the proportion of CIL receipts to be handed over as neighbourhood funds:

- In parishes with adopted Neighbourhood Development Plans (plans that have passed a local referendum and brought into force), the parish council will receive a 25% share of CIL revenue from development in their area.

- Areas with adopted Neighbourhood Development Plans will not be subject to a cap on the potential value of the 25% CIL share they would receive.

- Where a parish does not have a Neighbourhood Development Plan, they will receive a 15% share of the revenue from development in their area, but this will be capped at £100 per council tax dwelling.
• The remainder of the Levy will be the responsibility of the local district council.

• In areas without a parish council (regardless of whether the area has an adopted Neighbourhood Development Plan), the local district council must agree with the local community how the money will be spent.

It is important for communities to realise that in order to deliver the infrastructure to support development brought forward under a Neighbourhood Development Plan, it may be necessary for the county council to recover a proportion of the neighbourhood fund’s CIL receipts to fund the supporting infrastructure for that development.

We advise neighbourhood planning groups when they are preparing their Neighbourhood Development Plan to consider this need to allocate a proportion of CIL receipts within their control to secure the infrastructure services provided by the County Council which will be required to achieve these developments.

Oxfordshire’s District Councils’ current CIL status:

• Oxford City Council has an adopted CIL Charging Schedule which came into effect for planning permissions granted from 21 October 2013 and can be found here: Oxford City Council CIL page

Further information on CIL can be found on the following websites:

Government policy website on Community Infrastructure Levy

Government Community Infrastructure Levy Guidance Documents

Community Infrastructure Levy information on the Planning Portal