

# **Community Infrastructure Levy Protocol**

## **The Community Infrastructure Levy**

Dacorum Borough Council (DBC) is the Charging Authority for CIL and is responsible for setting CIL rates, collecting the charge and allocating expenditure for CIL. The Town and Parish Councils, subject to this advice note, are recipients of CIL funds under the CIL Regulations and are responsible for spending and reporting on CIL.

DBC's current policy is set out in 'Community Infrastructure Levy Charging Schedule' February 2015.

Tring is in Charging Zone 2. The CIL rates per square metre at the time of publication are given below. The CIL rates are subject to indexation:

- |  |      |
|--|------|
| ● Residential  | £150 |
| ● Retirement Housing*  | £0   |
| ● Convenience based supermarkets and superstores and retail warehousing<br>(net retailing space of over 280 square metres) | £150 |
| ● Other  | £0   |

\*Retirement housing is housing which is purpose built or converted for sale to elderly people with a package of estate management services and which consists of grouped, self-contained accommodation with communal facilities amounting to less than 10% of the gross floor area. These premises often have emergency alarm systems and/or wardens. These properties would not however be subject to significant levels of residential care (C2) as would be expected in care homes or extra care premises.

The document also details how the charges are calculated.

### **Exemptions:**

- If a charity owns all or part of the land where the development will take place, and the development will be used wholly or mainly for charitable purposes, then CIL will not be owed.
- Likewise, CIL will not be charged on affordable housing development.
- Local planning authorities also have the power to exempt a development from CIL in exceptional circumstances.

Details of how the above apply can be found in the following DBC policies:

- CIL Discretionary Charitable Relief Policy
- CIL Exceptional Circumstances Policy
- CIL Instalments Policy
- CIL Payment in Kind Policy

### **CIL Receipts**

The CIL Regulations (Regulation 59) require the Charging Authority (Dacorum Borough Council) to pass on a meaningful proportion of CIL to Town and Parish Councils in which the development takes place. According to the CIL Regulations (as amended), for areas where there is no neighbourhood plan in place, like Tring, this sum will equate to some 15% of CIL receipts from development within their administrative area up to a maximum of £100 per Council tax dwelling per annum (This rises to 25% where a neighbourhood plan is in place).

The Borough Council makes two payments to Town or Parish Councils covering the following payments periods for CIL:

- 1) For payments made between the 1st April and 30th September, monies will be transferred on or before the 28th October
- 2) For payments made between the 1st October and 31st March, monies will be transferred on or before the 28th April.

It should be noted that the payment of larger CIL sums may be subject to instalments, which in turn will delay payment to the Town or Parish Council.

### **Management of CIL Receipts**

The Town Council must make proper arrangements for the administration of our financial affairs as set out in Section 151 of the Local Government Act 1972. We must have systems in place to ensure effective financial control in accordance with the Accounts and Audit (England) Regulations 2011 or revisions to the legislation. These requirements also apply when dealing with the neighbourhood funding payments under the CIL.

The Town Council 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 Town or Parish Council wishing to hold CIL funds for longer than 5 years the Borough Council should be notified as soon as possible.

### **Transparency**

Town and Parish Councils are required under Regulation 62A of the CIL Regulations to publish via their website or that of the Charging Authority the amount of CIL received and spent within their area, a summary of the projects on which CIL was spent, details of any CIL returned to the Borough Council and any balances brought forward from previous years. This should occur no later than the 31st December following the reporting year (1st April to 31st March). A copy of this report should be sent to the Borough Council. It is good practice to also publish a copy of the report in any Town/ Parish newsletter or on local noticeboards.

Tring Town Council treats CIL receipts as an Earmarked Reserve with separate coding in the Council's Omega Accounting Software. At present the money is not held in a separate account.

### **Use of CIL Funds**

The Building & Assets Committee has the following as part of its Aims and Objectives:

- d) *To fulfil the Council's responsibilities with regard to the use and administration of the Community Infrastructure Levy (CIL)*
- e) *(i) Liaising with the Borough Council over infrastructure projects to be included in the Infrastructure Delivery Plan and*

*(ii) Submitting projects (or supporting projects) upon which we wish to utilise CIL (amongst other funding) for consideration and inclusion in the Infrastructure Business Plan*

*f) For those developments where a Section 106 agreement is deemed more appropriate, liaise with Dacorum Borough Council on the basis of that agreement either specifically or through changes to the Regulation 123 list via the Infrastructure Advisory Group*

As part of the annual budgeting process the Building & Assets Committee will review at its October meeting the CIL funds available, existing commitments of CIL funds and identify any potential application of CIL funds. This will be reported with any recommendations to the November Council meeting.

## **Use of CIL Funds**

*Eligibility.* The CIL Regulations state that a local council must use CIL receipts to support the development of the local council's area, or any part of that area, by funding:

- the provision, improvement, replacement, operation or maintenance of infrastructure; or
- anything else that is concerned with addressing the demands that development places on an area.

### *Identifying Infrastructure Needs*

- Town or Parish Councils should carefully consider whether the proposed expenditure addresses the extra demand on infrastructure and services that are caused by development within the area
- and be clear on the links between infrastructure and growth
- CIL cannot be used as a replacement for every day Town or Parish Council expenditure.

### *Expenditure should be agreed:*

- with full knowledge of both the needs of a local area
- and an understanding of where other strategic investment will be made in the area by DBC and its partners
- With an assessment of on-going costs associated with the provision of new infrastructure and future funding identified
- With evidence of community support

A separate bidding process is provided for Town & Parish Councils to access core CIL funds (DBC has published a guidance note on this process). Bids are expected to be sent to the Infrastructure Officer by the end of May each year (unless otherwise advised).

Reviewed 22<sup>nd</sup> November 2021.

To be reviewed annually