

POLSTEAD PARISH COUNCIL

COMMUNITY INFRASTRUCTURE LEVY (CIL) POLICY

The aim of this policy is to provide guidance to parish councillors on how the parish council (PPC) will review its plans for and use of the Community Infrastructure Levy (CIL) received from the district council.

CIL Overview

CIL is the levy that local authorities can charge on developments in their area to ensure facilities and services in the area have capacity to keep up with new homes and to enable further sustainable growth. The CIL Charging Schedule sets out the rate per square metre for charged developments which is payable on commencement of Permitted Development as well as Planning Permission development.

A portion of CIL income is paid to PPC to be spent on offsetting the impacts of development in the area. The remaining CIL income is spent by the district council. PPC has a duty to spend CIL income on providing, improving, replacing, operating or maintaining infrastructure that supports the development of the parish's area or anything else concerned with addressing the demands that development places on the area.

The amount passed on depends on the income received by the District which in turn depends on whether there has been development granted and commenced in Polstead and if all or any part of that development is granted exemption or relief from some / all of the CIL charge. The amount is also dependent on the presence of a Neighbourhood Plan and the number of dwellings in the area.

If development has been commenced in the area and there is an adopted Neighbourhood Plan, 25% of CIL will be passed on, otherwise 15% will be passed on capped at £100 per council tax dwelling in Polstead, multiplied by the index figure for the year.

As PPC has adopted the General Power of Competence (GPC) it will also be able to rely on the exercise of the GPC to fund wider strategic infrastructure. For example, providing new roads or new or extended schools, libraries or doctors surgeries or providing affordable housing or village shops, gyms or cafés or funding or part funding a PCSO or a Community Warden etc. - so long as such expenditure can properly be said to relate to the provision, improvement, replacement, operation or maintenance of infrastructure or assists in addressing the demands that development places on Polstead.

CIL payments to PPC will potentially be 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.

If PPC does not spend its CIL within 5 years of receipt the district council may send a repayment notice and the district council will spend the CIL income on PPC's behalf following consultation. Exceptions may be made if PPC can show they have allocated their CIL income to a particular project for which they are accumulating funds before spending.

If PPC is unable to repay the amount specified in the repayment notice the district council will recover the amount from future CIL income that PPC is due to receive.

PPC must publish a report on their CIL income and expenditure every year.

Further guidance on CIL can be found in ***CIL Guidance for Parish and Town Councils, Babergh District Council (April 2016)***.

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PPC will develop a Parish Infrastructure Investment Plan (PIIP) which will provide an audit of existing facilities within the locality, capture opinion on the needs and wants of residents and identify opportunities for collaborative spending with other groups, PC's, etc. to achieve the best use of funding sources for the benefit of the community. This will be reviewed annually at the May meeting.

PPC will review any proposed expenditure of its CIL money against the PIIP and ensure that the expenditure is for:

- 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.

PPC will share the PIIP with the district council in order to help the district council gather information about how the community access facilities and to make decisions on how best to spend the district council's portion of CIL income to mitigate the impacts of development, improve facilities for the community and enable further sustainable growth where appropriate. A copy of the PIIP will be forwarded to the district council at the start of June each year.

PPC will record in its accounts, all carried over CIL, CIL receipts and expenditure for each year. It will also prepare an Annual CIL Report for each financial year (the 12 months ending 31st March) they receive CIL detailing:

- CIL receipts
- CIL expenditure
- A summary of items on which CIL has been spent
- The amount spent on each item
- The amount of any CIL repaid following a repayment notice
- The amount of CIL retained at the end of the year
- The amount of CIL from previous years retained at the end of the year.

The report will comply with accounting and audit procedures as set out in ***Governance and Accountability for Smaller Authorities in England, JPAG (March 2019)***.

The Annual CIL Report will be sent to the district council and published on the Polstead website by the start of June.

This Policy was adopted on 17th October 2019.

This Policy will be reviewed annually.