

Community Infrastructure Levy (CIL) - overview

- CIL is a new charge that local authorities in England can place on new development in their area. The money generated through the levy will contribute to the funding of infrastructure to support growth.
- It is designed to contribute towards bridging the 'funding gap' between the total cost of new infrastructure required to support development and the amount of funding available from other sources.
- It is charged in pounds per square metre on the net additional increase in floor space of any given development. This ensures that charging CIL does not discourage the redevelopment of sites.
- It is charged on all new build and any extensions, where the gross internal floor space is 100 square metres or more. CIL is also liable if the development involves the creation of an additional dwelling, or dwellings, even if development is less than 100 square metres. The Government has recently proposed exempting self-build development and residential annexes/extensions from CIL. They have indicated that this will be included in amended CIL regulations to be enacted next year.
- CIL can be charged on most buildings that people normally use, however a number will not be eligible for CIL. This includes buildings into which people do not normally go, changes of use that do not involve an increase in floor area and social housing, amongst others.
- It is charged on new build development granted planning permission on, or after, the date on which CIL is implemented locally. The planning permission identifies the building liable for CIL and defines the land on which these buildings stand.
- CIL is charged on new builds permitted through some form of planning permission. CIL will also apply to the following types of planning consent:
 - a) Permitted development rights under the General Permitted Development Order 1995
 - b) Local Planning Orders
 - c) Acts of Parliament.
- The CIL Regulations introduce three restrictions on the use of Section 106 agreements below:
 - a) Tightening up of Section 106 agreements to make them more directly related to specific development
 - b) No double charging for infrastructure through both CIL and Section 106 agreements
 - c) Limiting pooled Section 106 contributions towards infrastructure capable of being funded by CIL
- The Council will need to maintain a 'Regulation 123 List' which identifies infrastructure projects or types of infrastructure that it proposes to fund through CIL to avoid double charging with s106.
- It is recommended that CIL is kept under review to ensure that the charge remains appropriate over time.