



**COTSWOLD**  
DISTRICT COUNCIL

# Community Infrastructure Levy

## Guidance for Town and Parish Councils

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#### What can CIL be spent on?

Find out how CIL can help to support development in your area by funding community facilities such as village halls, play area... [See Page 2](#)

#### What percentage of CIL funds go to Town and Parish Councils?

CIL is designed to incentivise development in an area. Find out the percentage of CIL funds your Town/Parish Council is entitled to.

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#### Crowdfund Cotswold

You can even use your CIL Neighbourhood Portion to start a Crowdfund Cotswold campaign.

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#### Producing an annual report of CIL funds

Each year, Town/Parish Councils will need to detail what CIL funds they have received and where funds have been spent. [See page 3](#)

### Get in touch

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**The Community Infrastructure Levy (CIL) is the way in which the Council collects financial contributions from developers to help pay for new and improved infrastructure.**

The levy applies to all residential development that creates one or more dwellings or annexes, as well as retail development over 100 sqm.

Affordable housing (i.e. social rented, affordable rented and intermediate housing) and self-build housing qualify for 100% relief from CIL. This means a developer will not pay CIL on affordable housing or a self-build house, provided they claim the relief.

Town and Parish Councils will receive 15% of CIL collected from development in their area. In areas

where a Neighbourhood Plan is in place, the proportion is 25%.

Money raised can be spent on anything that deals with the demands that development places on the area, such as open space, school places, cycle/pedestrian routes, transport infrastructure and community facilities.

Section 106 Agreements will continue to be used for site-specific infrastructure.

Find out more in this guidance and by visiting [www.cotswold.gov.uk/CIL](http://www.cotswold.gov.uk/CIL)

### What are the CIL rates in Cotswold District?

The CIL rates are set out in the adopted Charging Schedule, which can be found on the Council's website. A summary of the rates (£ per sqm) can be found in the table below. Please note that the CIL rates will be index linked from the base year to the date when permission is granted using the 'CIL Index' published by the Building Cost Information Service of the Royal Institute of Chartered Surveyors. The current rates can be found on the Council's website: <https://www.cotswold.gov.uk/planning-and-building/community-infrastructure-levy/calculate-your-cil-charge/>

Development type	CIL Rate
All residential development, including Sheltered Housing and Extra-care Housing but excluding the Chesterton Strategic Site	£80.00
Retail development	£60.00
All other development	£0

[www.cotswold.gov.uk/CIL](http://www.cotswold.gov.uk/CIL)

# Up to 25% of CIL funds will be passed to Town/Parish Councils

The 'Neighbourhood Portion' allows Town/Parish Councils to spend CIL funds on their own priorities.

CIL is not only designed to pay for infrastructure needed to support growth, it is also designed to incentivise communities to welcome and promote new development in their area. As such, the regulations require the District Council to pass a proportion of CIL funds raised in a particular area to the relevant Town/ Parish Council.

The minimum figure is 15%, subject to an annual cap. The cap is equivalent to £100 multiplied by the number of existing council tax dwellings in the Town/Parish. In most cases, the annual cap will not reduce the CIL funds passed to Town/Parish Councils due to the level of development planned.

When development liable for a charge is in an area covered

by a Neighbourhood Plan at the time permission is granted, the relevant Town/Parish Council will receive a higher CIL proportion of 25%. There is no annual cap in the area covered by the Neighbourhood Plan.

The relevant proportion of CIL funds will be passed to the Town/Parish Council every 6 months, in October for all funds received between April and September, and in April for all funds received between October and March.

It should be noted that CIL is paid in instalments upon commencement of development so it may be some time following the granting of planning permission that a Town/Parish Council receives its proportion.



***“Town/Parish Councils are encouraged to work jointly with the District and County Councils to deliver the infrastructure that is needed.”***

## What can Town/Parish Councils spend their portion of CIL on?

**CIL funds must be used to support development.**

The proportion of CIL that a Town/Parish Council receives must be used to support the development of the area.

Funds can be spent on:

- 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.

This gives Town/Parish Councils considerable freedom to spend their proportion of CIL on the things that address the impacts of development on their area.

Examples include:

- Improvements to a village hall
- New or improved play areas
- Provision of affordable housing
- Preparation of a Neighbourhood Plan (providing it addresses the demands that development places on the area).

## Crowdfund Cotswold

As a Town/Parish Council, you could also use your 'Neighbourhood Portion' to start a Crowdfund Cotswold campaign!

Crowdfund Cotswold gives residents with project ideas the ability to attract funding from their communities, the council, local businesses and foundations - all through one portal. The programme brings people across the district together through locally-led ideas that our communities want to help make happen. You can pledge as little as £2 towards a project you want to bring to life.

For more information, please visit the [Crowd Fund Cotswold website](#).

## Illustrative examples

20 market homes (90 sqm each) in Parish A would raise a CIL charge of £144,000 (20 x 90sqm x £80 per sqm). Parish A does not have a Neighbourhood Plan adopted so it would receive 15% of the CIL from this development, which equates to £21,600.

50 market homes (90 sqm each) in Parish B would raise a CIL charge of £360,000 (50 x 90sqm x £80 per sqm). Parish B has an adopted Neighbourhood Plan so it would receive 25% of the CIL from this development, which equates to £90,000.

A retail development of 500 sqm in Parish C would raise a CIL charge of £30,000 (500sqm x £60 per sqm). Parish C does not have an adopted Neighbourhood Plan so it would receive 15% of the CIL from this development, which equates to £4,500.

## IMPORTANT NOTE

CIL cannot be used as a replacement for everyday Town/Parish Council expenditure.

Any funds that are erroneously spent will need to be handed back to the District Council. Additionally, funds that are not spent within 5 years must also be handed back to the District Council.

If the Town/Parish Council has to hand funds back but cannot afford to, the District Council will recover the funds by deducting from future CIL receipts that were due to be passed to the Town/Parish Council.



## Producing an annual report of CIL funds

**Town/Parish Councils that receive CIL must prepare an annual report detailing funds received and spent.**

Town/Parish Councils that have received a proportion of CIL funds have a duty to produce an annual report that details the amount of CIL funds received and spent.

The report must set out the following:

- The total amount of CIL received for the financial year
- The total amount of CIL spent in the financial year
- A summary of expenditure including details of what items CIL was spent on and the amount of CIL expenditure on each item.
- Any CIL that has been handed back to the District Council due to failure to spend or applying CIL funds to inappropriate items.
- The total amount of CIL from the financial year unspent and the total amount of CIL from previous years unspent.

The District Council provides a template report, which the Town/Parish Council can use if they wish.

The report must be published by 31st December following the reported year (i.e. the previous financial year). The report must be published on the Town/Parish Council's website if they have one.

The report must also be sent to Cotswold District Council before 31st December. The District Council will publish all reports on its website as well.

CIL funds are subject to the same requirements for financial management and auditing as all monies Town/Parish Councils receive and spend as detailed in the Local Government Act 1972 and the Accounts and Audit (England) Regulations 2011.

## Further information

- [More detailed information on the CIL process](#)
- [Cotswold District Council Infrastructure Reporting](#)
- [Technical legislative guidance on CIL](#)
- [Support on determining local infrastructure needs](#)
- [More information on neighbourhood and community-led planning](#)