

APPENDIX 9

**Community Infrastructure Levy (CIL) Draft Charging Schedule
& Developer Contributions SPD**

Summary of key CIL elements

1. The previous Executive Report on CIL, February 2016 is still relevant in explaining what CIL is, how it relates to S106s Agreements and for detailed background. Below there is a summary of relevant information in that report.
2. What is CIL:
 - A is planning charge to help fund infrastructure that is needed as a result of development. A CIL Charging Schedule sets the development it applies to and the charge to be applied.
 - It can be applied to all development that creates new floorspace over a specified minimum size.
 - It is implemented alongside, and partly replaces, Section 106 Developer Contributions. Regulations limit the pooling of more than 5 S106s Agreements towards any specific item of infrastructure.
 - It is intended to help fund infrastructure needs arising from future development (not to fully fund it) and can only be sought at an economically viable level.
3. How CIL works:
 - Works as a development tax, to help pay for infrastructure required to facilitate development.
 - The developer/landowner pays a sum of money for new floorspace created by applicable development (set out in the CIL Charging Schedule).
 - The money raised can only be spent on infrastructure supporting development.
 - The items of infrastructure on which CIL monies can be spent are set by the local authority in what is known as a 'Regulation 123 List'.
 - Unlike S106s Agreements, there is no requirement for the CIL collected to be spent on the development from which it arises.
 - The local authority to establishes its own means of prioritising how CIL monies are spent.
 - 15% of CIL receipts are passed directly to Parish or Town Councils from each 'paying' development within their areas and 25% if a neighbourhood plan has been adopted.
4. CIL and S106s Planning Agreements:
 - From April 2015, Local Authorities are no longer able to collect or pool more than five developer contributions (S.106 obligations) towards any specific item of infrastructure.

- Previously funds could be pooled to help pay towards larger items of infrastructure with this scaling-back of S.106 Agreements, CIL is intended to become the primary mechanism through which new development contributes towards the provision of required infrastructure.
- Site specific infrastructure that is directly related to a development, and affordable housing, are the main items that will continue to be delivered through the Section 106 regime.
- With the introduction of CIL, a S.106 planning obligation cannot be sought for any item of infrastructure included on the Regulation 123 List.

5. What would CIL mean for Cherwell:

- The Council will secure 'on-site' infrastructure and affordable housing through S106s agreements (subject to the pooling restrictions).
- The Council will secure funding for more strategic infrastructure through CIL.
- A Regulation 123 list is drafted to ensure Developers are not charged twice for the same item of infrastructure.
- CIL will not cover all infrastructure needs in Cherwell and other sources of funding will need to be sought.