



How do we collect the money?

Once planning permission has been granted for a new development we will issue a Liability Notice detailing the CIL amount the development is liable for.

When work has commenced on the site a 'Demand Notice' will be issued and the developer will have 60 days to pay the levy.

CIL is usually paid as a cash contribution, but it can also be payment in kind (once agreed by the council) through land or infrastructure. The district council can also introduce an installment policy. However, CIL is a non-negotiable fixed charge.

Ultimately if we have not received payment we can take out legal proceedings to make sure we receive what we are owed.

COMMUNITY INFRASTRUCTURE LEVY (CIL)

A new way to help fund
infrastructure projects



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South Oxfordshire

What is the Community Infrastructure Levy ?

The Community Infrastructure Levy (CIL) is a way the council can raise funds from developers undertaking new building projects within the district. The money can be used to fund a wide variety of infrastructure that is needed as a result of the new development. Infrastructure includes; roads, education, community facilities or open space.

CIL is charged per new home or per square metre (sqm) of office or large retail floorspace. Exemptions exist for residential annexes, extensions, self-build housing, charitable buildings and affordable housing.



Striking a balance

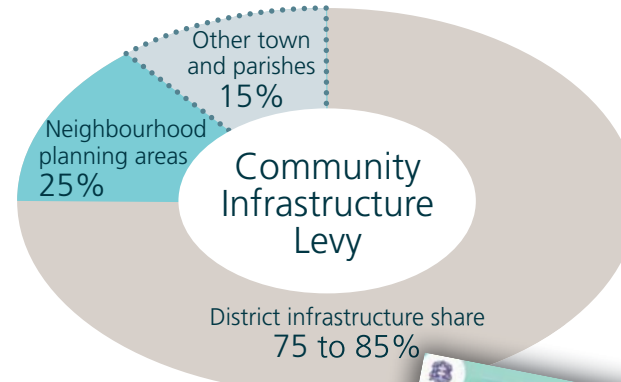
To ensure that we continue to encourage development across the district we need to strike a balance between collecting revenue to fund infrastructure and ensuring that the rates are not set so high that they prevent development happening. We believe our rates achieve this balance, based on the available evidence.

How much is the Community Infrastructure Levy?

We are currently setting our charges. We've published what's known as a charging schedule, which identifies how much a developer has to pay per sqm, depending on the location, size and type of development. You can view our charging schedule by visiting www.southoxon.gov.uk/cil

How does it affect you?

CIL directly and indirectly affects you. We will explain how we spend CIL, however a key part of the process is that a percentage of the money goes back to the local community where new development will be located. This helps ensure that local infrastructure used by you won't be adversely affected by the new development.



Accepting development in Neighbourhood Planning Areas means the parish council will receive 25 percent of CIL revenue for those developments. Towns and parishes without a Neighbourhood Plan will receive a 15 percent share (capped at £100 per home) of CIL revenues from development accepted in their parishes.

In areas where CIL is generated, towns and parishes are able to decide how to spend their percentage of money collected. In certain cases we may look to work with towns and parishes to pool contributions to help fund key infrastructure projects.

As town and parishes are accountable to their local communities it will be important for them to keep transparent records of CIL funding and to have a good understanding of projects that local people are keen to see take place. We will try to provide guidance to towns and parishes on this approach. The important thing to remember is that CIL money must be spent on infrastructure.



How does the district council spend CIL?

The infrastructure projects that we intend to fund using CIL are shown in the full infrastructure list known as a 'Reg 123 list' which is based on information we've obtained from key infrastructure providers and is derived from the Infrastructure Delivery Plan, which is part of our core strategy.

The full version of the infrastructure list is available to view www.southoxon.gov.uk/cil

What is infrastructure?

The government has provided a very wide definition of infrastructure, but typically these are things like:

- **Transportation**
roads, bus routes, rail network
- **Education facilities**
schools, colleges, universities, adult learning centres
- **Utilities**
water, power grids and sewers
- **Communities facilities**
libraries, sports and leisure facilities, community centres
- **Health care**
hospitals, local GP surgeries and other facilities
- **Emergency & essential services**
fire, police and ambulance facilities
- **Green spaces**
playing fields, sports pitches and wildlife areas; and
- **Communication systems**
digital telecommunications, superfast broadband, phone and 4G reception.

There are various agencies responsible for building, maintaining and operating the different types of infrastructure such as Oxfordshire County Council (roads, education), Highway Agency (motorways and trunk roads), private utility companies, developers, the district council and parishes. The funding of this infrastructure comes from different sources. In order to introduce CIL we need to demonstrate that there is a funding gap.

What do we need for CIL?

For the CIL to work we need to have some key information in place.

First, we need to have an adopted Local Plan or Core Strategy which guides development in the district and is used to decide planning applications.

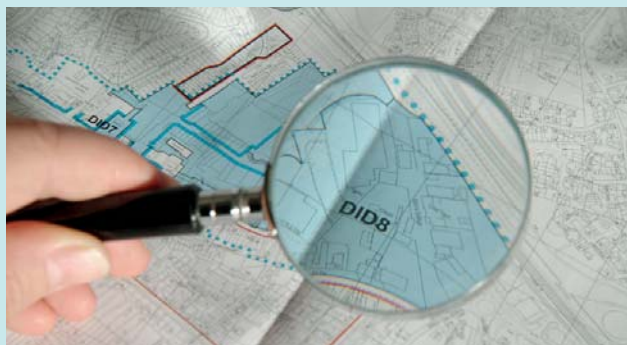
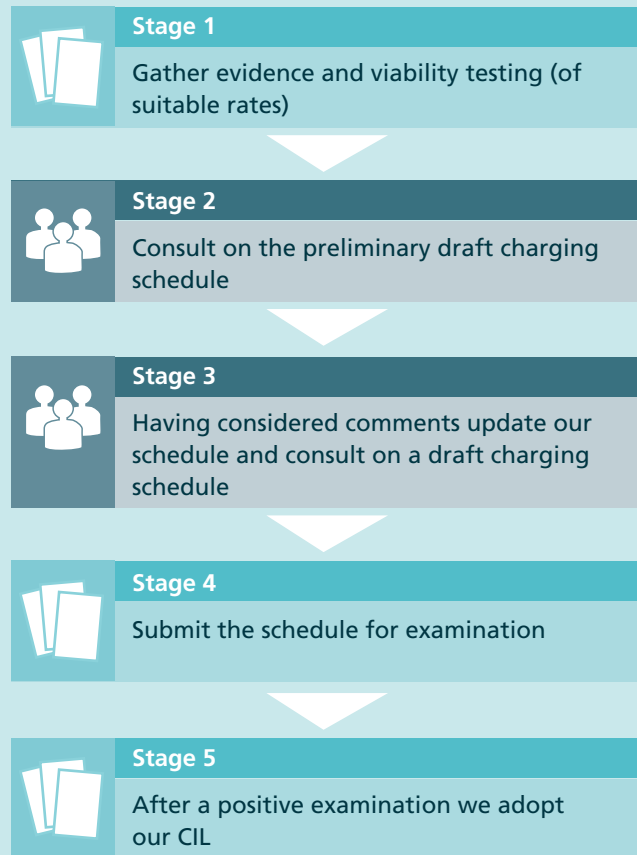
We also need to produce a document called an Infrastructure Delivery Plan which sets out what infrastructure is needed to support the growth that was identified in the Local Plan or Core Strategy. This will allow us to produce the 'Regulation 123 list' of infrastructure we intend to spend CIL money on.

For South Oxfordshire we have our adopted Core Strategy. This will be replaced by our emerging Local Plan 2031. Once adopted we will need to update our CIL to reflect any new growth and required infrastructure.



Stages of CIL

The CIL process follows these main stages

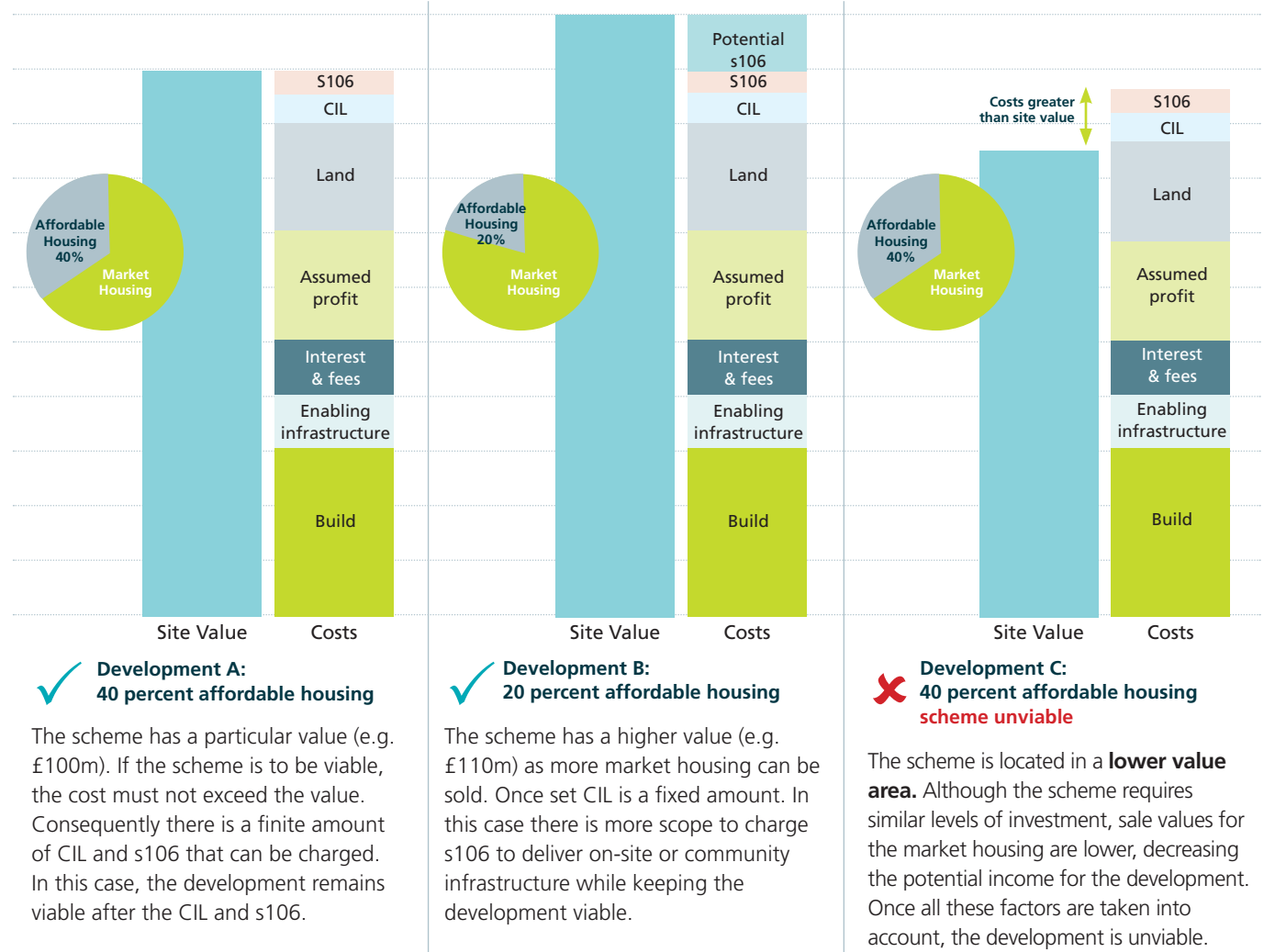


What are Planning Obligations (Section 106)? See table right

They are an alternative means of securing infrastructure funding, but the government is restricting how this approach can be used. Section 106 agreements are legal agreements between the developer, us and sometimes the County Council, which we draw up before granting planning permission. This means the developer is legally bound to deliver the specific infrastructure or funding for what has been identified with their proposals. The table to the right shows the differences between CIL and Section 106.

Development viability and CIL

To make sure that our CIL rates are viable and set at the right levels we commissioned expert consultants to carry out research. They tested different rates in combination of the planning requirements in our Core Strategy and our need for affordable housing. Schemes with a greater proportion of market housing (not affordable housing) will generate more s106/CIL monies for infrastructure, than those with a higher requirement for affordable housing. In some parts of our district, development is only viable if we set a lower rate, which means we generate less CIL income.



What's the difference between CIL and Planning Obligations (Section 106)?

	Planning Obligations (site specific mitigation)	Community Infrastructure Levy
Scope	What type of Infrastructure can it support? Only items justifiable within the three legal tests: • necessary to make the development acceptable in planning terms • directly related to the development • fairly and reasonably related in scale and kind to the development	All infrastructure necessary to support development of the area
	Can it be used to secure Affordable Housing?	No
	Geographic Application	Site specific impacts that may or may not reach beyond the 'red line' of the application site
	What types of development are eligible to pay CIL?	All development (but the time consuming nature of the process means only the largest are charged)
	Eligibility of Capital & Revenue	Capital & Revenue both eligible (Revenue for maintenance & agreed revenue items)
	Can the money be pooled?	No for long. After April 2015 we will not be able to pool more than five obligations
	Once the money is collected how easy is to change what it is spent on?	Items agreed within the s106 Agreement (this is often inflexible). It cannot be spent on items identified for CIL investment
Setting Charging Levels	Is there a need to establish a list of Infrastructure requirements	Yes. Need costed infrastructure list to prove local need (there is no emphasis on prioritisation at the evidence gathering stage and explicit recognition that the list will change over time)
	Setting differential rates	Negotiated proposal taking each development on its merits
	Charging Units	Flexible
	Testing Viability	Case by case basis (leaving room for negotiation)