



**CORNWALL  
COUNCIL**  
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# Community Infrastructure Levy Guidance for Town and Parish Councils – Neighbourhood Portion

December 2021



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# 1.Introduction

1.1.The Community Infrastructure Levy (CIL) is a charge which allows planning authorities to charge development to fund infrastructure which addresses the cumulative impact of development. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010 (as amended).

1.2.CIL is a fixed rate per square metre of development, and the rates for development in Cornwall are set out in a Charging Schedule. The Charging Schedule came into effect in Cornwall on 1 January 2019. From this date, developments creating one or more dwellings, or new floorspace of 100sqm or more, could be charged CIL. However, CIL will only become payable on commencement of a development (not granting of planning permission), which means there will always be a delay between a development being granted permission and when it has to make a CIL payment.

1.3.CIL will make an important contribution towards financing the infrastructure required to deliver the development strategy for Cornwall as set out in the Local Plan<sup>1</sup>. The money raised through CIL can be used to help fund a wide range of infrastructure that is needed as a result of development; this can include new road schemes, flood defences, schools, health facilities, park improvements, green spaces and leisure centres.

1.4. Within Cornwall Council, the CIL process is managed by the Infrastructure Team within Planning Policy.

## 2.Chargeable Development

2.1.CIL is charged on development that creates one or more dwellings, or new floorspace of 100sqm or more. However, the following types of development are not charged CIL in Cornwall:

- Development granted planning permission prior to 1 January 2019
- Open market element of Rural Exception Sites
- Sheltered or extra care housing, and care homes
- Strategic Sites – defined as residential developments allocated in the Site Allocations Development Plan Document (DPD)
- Housing developments with a holiday occupancy condition
- Residential developments in CIL Charging Zone 5

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<sup>1</sup> <https://www.cornwall.gov.uk/localplancornwall>

- Most types of non-residential development
- Affordable Housing (but exemption from liability to pay must be claimed)

2.2. CIL is triggered when a development is granted planning permission. For developments permitted by way of general consent, CIL is triggered at the point of commencement. The Infrastructure Team send a Liability Notice to the developer setting out how much CIL they need to pay. Payment does not become due until the development commences.

2.3. If appropriate, the developer can claim one of the exemptions and reliefs that are available, but they must do this prior to commencement of the development. Relief is available for self-build housing, residential annexes and extensions, social housing, charitable development, and relief is also offered in Exceptional Circumstances. It is not expected that many developments will be awarded Exceptional Circumstances Relief due to the need to have entered into a planning obligation agreement and undertake a viability assessment to demonstrate inability to pay CIL. If any exemption or relief is granted, a revised Liability Notice is sent out.

2.4. The developer must notify us when they have a commencement date for their development. We then use this date to work out when the CIL payment, or payments, should be made. This is set out in a Demand Notice, which is sent to the developer.

2.5. Only Demand Notices give an accurate indication of what CIL income should be expected. Figures included on initial Liability Notices will not necessarily result in CIL income because relief may be granted or the development may never commence.

## 3. How CIL is calculated

3.1. CIL is calculated by multiplying the net increase in gross internal floor area (GIA), measured in square metres (sqm), by the relevant CIL rate (£ per sqm). Indexation is also applied to take account of any inflation/deflation between the year in which the Charging Schedule took effect (1 January 2019) and the year in which planning permission was granted. The formula is shown below.

$$\frac{R \times A \times I_p}{I_c}$$

Where:

- **R** is the CIL rate in £per sqm
- **A** is the net increase in gross internal floor area
- **I<sub>p</sub>** is the All-in Tender Price Index for the year in which planning permission was granted
- **I<sub>c</sub>** is the All-in Tender Price Index for the year in which the charging schedule started operation

3.2. The CIL rate per sqm is dependent on which CIL Charging Zone the development sits within. There are 5 zones across Cornwall, and each Parish in Cornwall is within one of these zones. Zone 1 sees the highest rate per sqm, sliding down to Zone 5 where residential development is not charged CIL at all. Each zone also has two residential development rates depending on the size of the proposed site. See Appendix 1 for the CIL Charging Zone Parish List and Appendix 2 for the full breakdown of zones and the rates for residential and non-residential development.

## 4. Neighbourhood Portion of CIL

4.1. Of the CIL income received, 5% can be retained by the Charging Authority (Cornwall Council) for administering the process, 15-25% is paid to the Town or Parish Council in which development takes place (the 'Neighbourhood Portion'), and the remaining 70-80% (the 'Strategic Share') must be spent on infrastructure to support the development of the area.

4.2. Town and Parish Councils will receive 15% of any CIL raised from development within their area. This is capped at £100 per existing Council Tax paying dwelling. Where there is an adopted Neighbourhood Development Plan, the Town or Parish Council will receive 25% (uncapped) of any CIL raised in their area.

4.3. As Zone 5 residential developments have no CIL charge and will, therefore, not receive any CIL income from development in their area, Cornwall Council has made the decision to pay parishes in Zone 5, where development has taken place, a Neighbourhood Portion from the remaining 'Strategic Share'. The amount paid will be equivalent to the development being charged at the appropriate Zone 4 rate. These payments will be made to the Zone 5 parishes at the same time as the Neighbourhood Portion is paid to the other Town and Parish Councils.

4.4. The CIL Strategic Share that is retained by Cornwall Council is going to be made available to communities, organisations, and other Council services, via a bidding process. Further guidance on how parishes may bid for funds from the Strategic Share will be provided separately.

4.5. If a liable party does not pay the amount of CIL when it becomes due, then surcharges and late payment interest may be applied. Where this happens, the relevant proportion - 15 or 25% - of any late payment interest received by Cornwall Council will be passed to the local council along with any CIL receipts. Income from surcharges will be wholly retained by Cornwall Council.

## 5. When will the Neighbourhood Portion be paid?

5.1. Town and Parish Councils will receive their Neighbourhood Portion twice a year. For CIL that Cornwall Council receives from 1 April to 30 September (in any financial year), payment must be made to Town and Parish Councils by 28 October of that financial year. For CIL that is received from 1 October to 31 March (in any financial year), payment must be made by 28 April of the following financial year.

5.2. The Neighbourhood Portion is paid based on CIL income received rather than anticipated income as, if the development were not to commence, for instance, then the CIL amount anticipated would never become due and would never be paid.

## 6. What can the Neighbourhood Portion be spent on?

6.1. CIL Regulation 59C sets out that a local council must use CIL receipts passed to it to 'support the development of the local council's area, or any part of that area, by funding:

- a) *the provision, improvement, replacement, operation or maintenance of infrastructure: or*
- b) *anything else that is concerned with addressing the demands that development places on an area'.*

6.2. The Town or Parish Council can pass back CIL to the Charging Authority to support the delivery of infrastructure projects and/or maintenance of infrastructure that the local council does not have jurisdiction or responsibility for, e.g., extensions to schools. Local councils may also wish to pool their CIL receipts with other neighbouring local councils to deliver some infrastructure that will be mutually beneficial.

6.3. Unlike the Strategic Share, local councils can spend their Neighbourhood Portion on the provision of affordable housing.

6.4. CIL payments to Zone 5 areas will be made from the Strategic Share, and so those parishes must spend the CIL they receive in line with the rest of the Strategic Share, as set out in CIL Regulation 59(1):

*'...must apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area'.*

## 7. Spending responsibilities

7.1. Town and Parish Councils have five years from receipt to spend their Neighbourhood Portion on infrastructure projects within their area that meet the criteria set out in CIL Regulation 59C (see section 6).

7.2. Under CIL Regulation 59E, if a Town or Parish Council fails to spend the CIL Neighbourhood Portion within the set timescales, or has spent it on something which is not in accordance with Regulation 59C, some or all of the unspent CIL may be required to be repaid to Cornwall Council. If a Town or Parish Council is unable to repay the full amount, Cornwall Council will recover the rest of the amount out of that local councils future CIL payments.

7.3. Cornwall Council will then have a duty to spend that recovered money in the area from which they have recovered it, in line with the criteria set out for local council spend.

## 8. Reporting responsibilities

8.1. CIL Regulation 121B sets out that Town and Parish Councils must prepare a report for any financial year ("the reported year") in which it receives CIL receipts.

8.2. The report must include:

- a) the total CIL receipts for the reported year;
- b) the total CIL expenditure for the reported year;
- c) summary details of CIL expenditure during the reported year including—
  - i. the items to which CIL has been applied;
  - ii. the amount of CIL expenditure on each item;

- d) details of any notices received in accordance with regulation 59E (recovery of unspent CIL receipts), including—
  - i. the total value of CIL receipts subject to notices served in accordance with regulation 59E during the reported year;
  - ii. the total value of CIL receipts subject to a notice served in accordance with regulation 59E in any year that has not been paid to the relevant charging authority by the end of the reported year;
- e) the total amount of—
  - i. CIL receipts for the reported year retained at the end of the reported year;
  - ii. CIL receipts from previous years retained at the end of the reported year.

8.3. The report must be published on the Town or Parish Council's website, or on Cornwall Council's website if the local council does not have a website of its own. The local council must also send a copy of the report to Cornwall Council by 30 June following the reported year.

8.4. The reports should be emailed to the Infrastructure Team at [cil@cornwall.gov.uk](mailto:cil@cornwall.gov.uk) as soon as possible after the start of the new financial year, but no later than 30 June.



# Appendix 1 – CIL Charging Zone Parish List

Value Zone	Towns	Other Settlements	Parishes
1		Rock with Tredrizzick  Gerrans/Portscatho Fowey	Boconnoc CP; Broadoak CP; Cuby CP; Feock CP; Fowey CP; Gerrans CP; Lanhydrock CP; Maker-with-Rame CP; Mawnan CP; Mylor CP; North Tamerton CP; Philleigh CP; Ruanlanihorne CP; St. Anthony-in-Meneage CP; St. Clement CP; St. Just-in-Roseland CP; St. Mellion CP; St. Michael Penkevil CP; St. Minver Lowlands CP; St. Sampson CP; St. Veep CP; St. Wenn CP; Treneglos CP; Veryan CP; Withiel CP
2	St Ives	Padstow, St Merryn/Shop,  Constantine	Constantine CP; Helland CP; Landulph CP; Lanlivery CP; Lanteglos CP; Manaccan CP; Mawgan-in-Pydar CP; Padstow CP; Paul CP; Perranarworthal CP; Sheviocock CP; St. Austell Bay CP; St. Ewe CP; St. Ives CP; St. Merryn CP; St. Minver Highlands CP; St. Winnow CP; Tregoney CP; Zennor CP
3	Falmouth and Penryn  Truro with Threemilestone  Newquay	Lostwithiel  Mevagissey  Marazion	Antony CP; Blisland CP; Boyton CP; Budock CP; Cardinham CP; Carlyon CP; Chacewater CP; Crantock CP; Falmouth CP Grampound with Creed CP; Jacobstow CP; Kea CP; Kenwyn CP; Lanivet CP; Launcells CP; Linkinhorne CP; Lostwithiel CP; Marazion CP; Mevagissey CP; Morvah CP; Morwenstow CP; Newquay CP; Penryn CP; Pentewan Valley CP; Pillaton CP; Poundstock CP; Sancreed CP; Sennen CP; South Hill CP; St. Allen CP; St. Dominick CP; St. Endellion CP; St. Germans CP; St. Goran CP; St. Hilary CP; St. Levan CP; Stokeclimsland CP; Towednack CP; Trewen CP; Truro CP
4	Bodmin  Bude with Stratton and Poughill  Callington  Camelford  Hayle  Launceston  Penzance with Newlyn Heamoor, Gulval and Long Rock  Saltash  Wadebridge  Torpoint	Boscastle  Gunnislake  Kilkhampton  Looe  Mullion  Perranporth  Porthleven  St Agnes  St Blazey/Par  St. Columb Major  St Just  Tintagel	Advent CP; Altarnun CP; Bodmin CP; Botusfleming CP; Breage CP; Bude-Stratton CP; Callington CP; Calstock CP; Camelford CP; Colan CP; Cubert CP; Cury CP; Davidstow CP; Deviocock CP; Duloe CP; Egloshayle CP; Egloskerry CP; Forrabury and Minster CP; Germoe CP; Grade-Ruan CP; Gunwalloe CP; Gweek CP; Gwennap CP; Gwinear-Gwithian CP; Hayle CP; Kilkhampton CP; Ladock CP; Landewednack CP; Landrake with St. Erney CP; Laneast CP; Lanreath CP; Lansallos CP; Launceston CP; Lewannick CP; Lezant CP; Looe CP; Ludgvan CP; Luxulyan CP; Mabe CP; Madron CP; Marhamchurch CP; Mawgan-in-Meneage CP; Michaelstow CP; Millbrook CP; Morval CP; Mullion CP; North Hill CP; North Petherwin; Otterham CP; Penzance CP; Perranuthnoe CP; Perranzabuloe CP; Porthleven CP; Portreath CP; Probus CP; Quethiocock CP; Saltash CP; Sithney CP; St. Agnes CP; St. Blaise CP; St. Breock CP; St. Breward CP; St. Buryan CP; St. Clether CP; St. Columb Major CP; St. Erme CP; St. Ervan CP; St. Gennys CP; St. Gluvias CP; St. Issey CP; St. Ive CP; St. John CP; St. Juliot CP; St. Just CP; St. Keverne CP; St. Kew CP; St. Mabyn CP; St. Martin-in-Meneage CP; St. Mewan CP; St. Neot CP; St. Newlyn East CP; St. Stephens By Launceston Rural CP; St. Tudy CP; Stithians CP; Tintagel CP; Torpoint CP; Tremaine CP; Tywardreath and Par CP; Wadebridge CP; Warleggan CP; WeekSt. Mary CP; Wendron CP; Werrington CP; Whitstone CP
5	Camborne with Pool, Illogan and Redruth  Helston  Liskeard  St Austell	IndianQueens with St Columb Rd & Fraddon  Delabole	Camborne CP; Carharrack CP; Carn Brea CP; Crowan CP; Dobwalls and Trewidland CP; Helston CP; Illogan CP; Lanner CP; Lawhitton Rural CP; Lesnewth CP; Liskeard CP; Menheniot CP; Pelynt CP; Redruth CP; Roche CP; South Petherwin CP; St. Austell CP; St. Cleer CP; St. Day CP; St. Dennis CP; St. Enoder CP; St. Erth CP; St. Eval CP; St. Keyne CP; St. Martin-by-Looe CP; St. Michael Caerhays CP; St. Pinnock CP; St. Stephen-in-Brannel CP; St. Teath CP; St. Thomas the Apostle Rural CP; Tresmeer CP; Trevalga CP; Treverbyn CP; Warbstow CP

## Appendix 2 – CIL Rates

Type of Development	Planning Use Class	Zone	Rate £psm,	Rate £psm, all
			all sites of 1-5 dwellings, and sites of 6-10 not in a DRA/AONB	sites of 11+ dwellings, and sites of 6-10 in a DRA/AONB
Housing	C3 & C4	1	£400	£200
		2	£200	£100
		3	£100	£60
		4	£100	£35
		5	£0	£0
Sheltered and Extra Care Housing	C3	All	£0	£0
Strategic sites	C3 & C4	All	£0	£0

Type of Development	Planning Use Class	Zone	Rate £psm
Out of town centre convenience retail > 280sqm	A1	All	£100
Out of town centre, non- food retail > 280sqm	A1	All	£100
Restaurant, out of town centre>	A3/A5	All	£100
All other non-residential	All	All	£0

## More information

The Community Infrastructure Levy Charging Schedule, and other information about the levy, can be viewed on the Council's website [www.cornwall.gov.uk/cil](http://www.cornwall.gov.uk/cil)

If you would like this information in another format or language please contact:

Cornwall Council, County Hall, Treyew Road, Truro TR1 3AY

Telephone: 0300 1234 100

Email: [enquiries@cornwall.gov.uk](mailto:enquiries@cornwall.gov.uk)

[www.cornwall.gov.uk](http://www.cornwall.gov.uk)



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