

# Community Infrastructure Levy (CIL) Training March 2023

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# Training Agenda

1. CIL Basics
2. Neighbourhood CIL
3. Neighbourhood CIL Compliance Review
4. The differences between spending District CIL and Neighbourhood CIL
5. Exacom PFM
6. Guidance, information and help
7. Questions/chat

# What we are not covering today

- Infrastructure concerns in respect of planning applications
- Concerns about the delivery of infrastructure by infrastructure providers e.g. Schools, Healthcare, Highways
- Matters in respect of communication on planning applications
- The current government consultation on 'Infrastructure Levy'
- The CIL charging review – new rates likely to commence in August

# CIL Basics – calculating CIL

## What do you know about CIL?

- CIL Regulations 2010 - (as amended)
- New buildings or extensions over 100sqm – except where a new dwelling (or Annex) is created
- 2 Charging Schedules - Waveney (Aug 2013) Suffolk Coastal (May 2015)
- East Suffolk Charging Schedule – Examination phase as of March 2023
- Rates updated every Jan – RICS CIL Index – published
- Residential, Convenience Retail, Holiday Lets
- Exemptions and relief from CIL can be applied
- Existing use/demolition credit – phasing and previous pp/OUT – impact CIL

# CIL Basics – receiving CIL

## How and when is CIL paid?

- Takes effect on grant of pp
- BUT – developers generally don't pay CIL until commencement
- CIL Regs – stiff/unforgiving – wrong order, retrospective
- Instalments – usually over 2years (depending on amount/if complied)
- NEW – instalment policy (to be adopted later in 2023) with more instalments – larger amounts are due within 24 months, bulk of smaller amounts due within 12 months (still a lot more generous than most CAs)
- Always paid by BACS or electronic payment processes
- On receipt automatically split – 3 pots: 5% admin, 15% NCIL\*, the rest DCIL
- \*25% NCIL – Neighbourhood Plan “made” – ONLY if pp decided after this date

# Neighbourhood CIL

- **NCIL transferred - 28<sup>th</sup> April/28<sup>th</sup> October**
  - Relates to CIL received in previous 6 months
  - Adjustments: bad debt/refunds/surcharges ....and clawback if agreed by ES)
- **CIL Regulations for Town/parish councils –**
  - Spend within 5 years from date of receipt and in accordance with REG 59c
  - *“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.”*
- **If in doubt about spending.....ask!** we really don't mind 😊
- **ps** – extra support offered from ES in high growth/high NCIL areas
- **REPORTING** – Defined format by 31 December following end of that financial year/website

# Neighbourhood CIL Compliance Review 2023

## Why have a NCIL compliance review?

- Duty (as CIL Charging Authority) to ensure that NCIL is being spent appropriately and the CIL Regulations are being complied with.

## How do we review?

- Checks - Annual CIL reporting and NCIL spending
- Review websites and Annual CIL reports
- Ask questions, challenge and/or clawback

## How do we clawback?

- Formal request (NCIL Clawback Notice)
- If spent, can potentially clawback against future receipts
- If not – paid from Parish Council precept/reserves
- **Must** be reported annually in Infrastructure Funding Statement (CIL Report)

# NCIL Review Outcomes – Parish Annual Reporting Checklist

## Points to remember when submitting Annual Reports:

- **Has NCIL been received?** If so you must submit a report
- **The report must be in financial year format** – it must not be Jan-Dec calendar year format
- **Check the correct Parish is on the report and on it's posted on the correct website** (some Clerks serve multiple Parishes)
- **Ensure the correct report format been used and completed in full** - the current template is on the ESC website
- **Please double check the figures are arithmetically correct** - adding/subtracting/incorrect bfwd figure/NCIL allocations missed
- **The report must be submitted and published by the statutory deadline** – the sooner the better, there are 9 months to do this by 31st December!
- **Please remember any interest should not be included on the report**
- **Remember to include some details on any spend** – e.g. hedges/fencing/play area (whereabouts/what for - new or maintenance?) This information needs to be clear for the public to see and understand
- **Ensure the report is signed off or verification is evidenced** - (second person or RFO checked) You can use printed names and official job titles
- **Please remember GDPR compliance when publishing online** - be careful not to publish signatures- you can redact signatures or type the name and role when confirming the report
- **Ensure the report is easily located on the website** - good practice is a clearly named folder within the Finance Folder
- **Remember to ensure historic reports are till available online** – there should be 6 years plus the current most recently published
- **Please check there is not inappropriate spend** - (Jubilee Mugs/Celebrations) If in doubt, please ask!



# The differences between spending DCIL and NCIL

## Spending Neighbourhood CIL

- NCIL should be prioritised towards the Neighbourhood Plan(NP) identified priority projects and in line with Reg 59c
- Where no NP in place – then use the PIIP document to work with your parish population to identify local priorities (Note – some ideas generated may not be a good use of NCIL).
- Check with us if this is considered appropriate spend – for example School Running Tracks or GP Equipment (there may be good reasons why not!)
- **Good Examples Include** – New Play Equipment, Allotment extension (or new) Foot/cycle tracks, community spaces, improvements/extensions to Village Halls, new Early Years buildings – remember the word **additionality**
- **Bad Examples Include** – Laptops for the Parish Clerk, Jubilee or Coronation Mugs, Parties or local celebrations and basic things that should be met through using your precept.

## Spending District CIL

- CIL Regulations for spending are tighter – eg cannot spend DCIL on Affordable Housing

[Community Infrastructure Levy - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

- Spending must be in line with the CIL Spending Strategy with prioritisation given to the projects in the Infrastructure List
- DCIL Applications and guidance - [CIL Spending webpage](#)
- **Annual Bid Round April-May** – CIL Spending Working Group make the recommendations to Cabinet (September) along with the new Infrastructure Funding Statement (IFS)
- Projects must be “oven ready” i.e. deliverable in short term
- no feasibility studies, preferably fully costed and with pp, etc
- Preference for partially funded projects, but is not an essential criteria
- If beneficial, desirable or NP project, - should be funded by NCIL with DCIL as a ‘top up’, as required.

# Spending District CIL (cont)

- **NEW – Local CIL Fund #**
- approved by Cabinet 6.09.22 - 3% of previous financial years DCIL income for ‘local projects’ in areas where there’s growth
- Must be for **new/enhanced infrastructure (additionality)** –and be “oven ready projects”
- Local CIL Fund is a very small fund – first come first served basis.
- Applications **must be** “valid” in order to be considered by the CIL Spending Working Group.
- Local CIL Fund applications can be submitted from 1 April 2023 – **will not be held over if unsuccessful.**
- Simpler forms/up to max £50k request
- Needs to be matched funding (approved) - ideally including NCIL, where you have rec’d this.
- Applications submitted must have evidence of the Ward Councillors support.
- **Examples:** EV chargers at Village Halls/other public sites, new allotments/community gardens/open space/play provision, etc
- **Not for:** Feasibility studies, maintenance, private businesses/commercial enterprises or obtaining planning permission.
- **ALSO NEW from 1 April 2023 onwards** – the option to have ‘**forward funding**’ of NCIL where there are projects that could be delivered, but the developments are in still in the process of preparing to commence/just commenced.
- Enter an agreement that East Suffolk retain the parish councils NCIL, relating to the specific developments, once it has been received; and
- East Suffolk must have the certainty that the relevant development(s) are about to commence or have commenced. Applications will be considered on a case by case basis and in line with affordability from DCIL Fund.

# Exacom PFM

The screenshot shows a web browser window displaying the Exacom PFM interface. The browser tabs include 'Sharepoint (Fred) - Home' and 'East Suffolk PFM - Home'. The address bar shows the URL 'https://pfm.exacom.co.uk/eastsuffolk/'. The page features the East Suffolk Council logo at the top left. A prominent red banner across the top of the content area reads: 'This system is currently undergoing testing. The data may not be accurate.' Below this banner is a navigation menu with 'Home', 'CIL', 'S106', and 'Applications' items. The main heading is 'Welcome to East Suffolk PFM'. The introductory text states: 'This module will allow you to see the planning data from East Suffolk Council in an interface powered by Exacom. All information shown here has been approved by East Suffolk Council, and the extent of the information available to the public is also controlled entirely by the authority. Key features include the local CIL dashboard, the Section 106 dashboard, and the application lookup facility. Below is a message from East Suffolk Council:'. The message from the council reads: 'The system is still being developed for s106 data and therefore please check any s106 information you wish to use with us by emailing us CIL@eastsuffolk.gov.uk'. The page concludes with 'Thank you' and a footer indicating 'Last updated: 09 November 2022 17:16:47 (UK)'. The bottom right corner of the page notes 'Powered by EXACOM (v3.1.0)'. The browser interface includes standard navigation buttons, a search bar, and a sidebar with various application icons.

# Guidance, Information and help

## Parish Support Webpage

- Written guide (about to be updated)
- Training slides
- Downloadable Templates (latest Regs) – CIL Report and Parish Infrastructure Investment Plan (PIIP)

## Other East Suffolk CIL Webpages

- CIL Spending – strategy and DCIL application forms/guidance
- CIL Reporting – detail about NCIL income/DCIL spend
- CIL Rates/Annual Reports/interactive reports –
- CIL & S106 Advice Service (not for you!)
- Working on new FAQs on CIL

## Direct Contact

[CIL@eastsuffolk.gov.uk](mailto:CIL@eastsuffolk.gov.uk)

01502 523059 (Team number)

## Government CIL Webpages

[www.gov.uk/guidance/community-infrastructure-levy](http://www.gov.uk/guidance/community-infrastructure-levy)