

Community Infrastructure Levy (CIL) – Elected Members Guidance 2021/22

1. Background

The Community Infrastructure Levy (CIL) is a charge that councils can apply to new development to raise funds for local infrastructure. Rotherham's CIL Charging Schedule was adopted by the Council on 7 December 2016 and came into force on 3 July 2017.

CIL becomes payable when development commences (not when planning permission is granted). The Council has also adopted an instalments policy for CIL payments, to ease concerns about development viability.

The total CIL income received by the Council is divided into three "pots":

- Strategic CIL (80%) - for infrastructure set out in the Infrastructure Funding Statement
- Local CIL (15%) - passed to parishes to spend on local infrastructure priorities
- Admin (up to 5%) - retained by the Council to cover the cost of applying the charge

The Council's CIL Charging Schedule and accompanying CIL Instalments Policy are in line with the regulations. The documents are available at www.rotherham.gov.uk/cil

2. Local CIL (or the 'neighbourhood portion')

a) Parish & Town Councils

Town and Parish Councils are due a "neighbourhood portion" of the CIL income raised from new development within their parish boundary, otherwise known as Local CIL.

The default is payment of 15% of CIL income raised within the relevant area; parishes with an adopted Neighbourhood Plan receive 25% of CIL income.

CIL income is passed on to Town and Parish Councils twice a year in line with the CIL regulations, with payment dates of 28 October and 28 April for the preceding six months.

Town and Parish Councils are encouraged to work with Rotherham Council's Elected Members and the Neighbourhoods Team when considering how to allocate the Local CIL income they receive.

The public sector equality duty applies to parish and town councils in the exercise of their functions.

b) Non-parished wards

Local CIL generated in non-parished neighbourhoods will be devolved to the ward in which the chargeable development takes place and administered by the Neighbourhoods Team. Please contact your Neighbourhood Co-ordinator in the first instance to discuss - [Neighbourhoods Team - Contact List Updated - May21.docx](#)

CIL income is passed on to the relevant wards twice a year in line with the CIL regulations, with payment dates of 28 October and 28 April for the preceding six months.

3. What can be funded?

Whether received by Town / Parish councils or local Elected Members the CIL receipts must be used to support the development of the area by funding the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on the area.

CIL can only be spent on capital projects, although associated revenue spending to maintain those capital items is also permissible

Local CIL **cannot** be used for any proposal which:

- Involves funding activity that is political / religious in nature
- Is contrary to the Council's policies or priorities
- Would be unlawful for the Council to support

In non-parished wards Elected Members (as the local elected community representatives) will consider what the Local CIL should be spent on based on their current ward priorities, the demands that the development has placed on the area and the outcome of any additional community consultation and engagement.

4. Process for spending Local CIL in non-parished neighbourhoods / wards

Elected Members will invite the local community and Council services to identify, submit and comment on ideas for appropriate projects that could be funded, in line with ward priorities and which address the demands that the development has placed on the area.

In order to ensure that there is transparency and clarity an application form must be completed for every project proposal. Every application form will be checked by the Council's Neighbourhoods Team. A centralised administration process will ensure that all allocations comply with legal and financial standing orders and there is consistency across all wards.

The appropriate level of consultation on these projects/ideas will take place but will be proportionate to the level of Local CIL available

The frequency of spending decisions is at Elected Members' discretion. Elected Members can decide not to allocate any of the Local CIL in a given financial year, allowing it to 'carry over' and build up until a reasonable amount is accumulated

5. Minimum and Maximum

There is no prescribed minimum and maximum spend and it will be dependent on the amount of Local CIL generated each year. However, it is advised that Elected Members consider the administration costs of processing a payment when allocating their Local CIL (i.e. in terms of officer/admin. time it often costs as much to process a small payment as it does a large payment).

Elected Members are also asked to note that in spending money the Council will be bound to comply with Financial and Procurement Procedure Rules contained in Appendix 5 of the Council's Constitution that sets out the thresholds and varying procedures that apply.

The Neighbourhoods Team will seek advice from the Corporate Procurement Service where a competitive procedure is required.

6. Making Decisions

Elected Members will assess the submitted project ideas following community consultation. Members are advised to take into account –

- their ward priorities
- the amounts of money involved
- potential for match funding
- potential for pooling resources with neighbouring wards
- timescales
- who could deliver the project
- results of the community consultation
- whether it can be realistically achieved
- an equalities screening or assessment of the project

The allocation of Local CIL can be agreed on a majority vote if a unanimous vote cannot be achieved and evidenced by signing the application form. If a unanimous or majority vote can not be achieved, such as in two member wards, then the Cabinet Member or Leader will be asked to arbitrate. If agreement still cannot be reached in a two member ward then the spend should not be agreed.

If an Elected Member has a conflict of interest in a proposal, then they must declare this to their ward colleagues and will be unable to vote on that particular proposal. In the event that all Elected Members within a ward have a conflict of interest then the application form will be taken to the Cabinet Member or Leader for a decision.

Local CIL passed to Town and Parish Councils must be spent within 5 years of receipt. This restriction does not apply to Local CIL that the Borough Council allocates to non-parished areas. However, for good governance it is advised that Elected Members illustrate that they have allocated/committed their Local CIL budgets by **31st January 2024** in advance of the May 2024 elections and the end of their term in office.

7. Transparency, Scrutiny and Accountability

a) Parish / Town Councils

Parish and Town Councils are duty bound to publish how they have allocated the Local CIL they have received on an annual basis.

b) Non-parished wards

The amount of Local CIL available in each ward will be published by the Neighbourhoods Team in April and October of each year.

An Annual Ward Budget Report will be presented to the Improving Places Select Commission which will include -

- a breakdown of projects supported
- amounts allocated
- how it has mitigated against the impact of the development
- the ward priorities the projects have contributed to
- the benefit to communities with protected characteristics

The Annual Ward Budget Report will be published on the council's website.

The Local CIL process will be internally audited every two years to ensure compliance with legal and financial standing orders.