

Shropshire CIL Charging Schedule

Shropshire Council was one of the first local authorities to introduce a CIL Charging Schedule. It came into effect on 1 January 2012 and applies to all eligible development approved after this date.

After deducting a small sum for administration and calculating the payment due to the relevant Parish Council, Shropshire Council ring-fences 10% of remaining CIL monies in a Strategic Infrastructure Fund and places 90% in a Local Infrastructure Fund; the responsible party for the latter is Shropshire Council in conjunction with Town/Parish Councils. The Local Infrastructure Fund is intended to meet the infrastructure needs in the area where development takes place, as identified by Town/Parish Councils within their Place Plans. Shropshire Council has resolved to distribute CIL in this way to allow a direct link between new development and its contribution to the delivery of local community infrastructure needs. A calculator is available that indicates how CIL income from a development or within an area will be distributed. This calculator is for information only. The actual distribution of CIL is determined by the Shropshire Council CIL team. The Council has produced guidance of relevance including a table comparing CIL with section 106 monies⁹.

How can the Parish Council help to safeguard its environment and community?

The Parish (or Town) Council can help by:

- Seeking to include GI requirements and habitat creation in the relevant Place Plan, to ensure that CIL monies are fairly distributed;
- Using the Place Plan to (a) guide the spending of levy receipts by the Parish Council and to (b) guide Shropshire Council's expenditure within the Parish;
- Considering whether local investment not covered by the Place Plan can be justified, and using levy receipts to meet those priorities; and
- Encouraging Shropshire Council to adopt a GI Strategy for the whole of its area, which in turn could encourage Natural Capital management such as restoring wetlands to regulate flooding risks.

⁹ Shropshire Council (2013) Section 106 Planning Obligations and Community Infrastructure Levy – Contributions from Development

ADVICE NOTE – USING CIL MONIES

March 2017

Introduction

The purpose of this and other Advice Notes in the series is to help Parish and Town Councils to respond to development proposals constructively with the aim of maximising the environmental benefits while minimising or, ideally, avoiding harm. Not all development proposals are acceptable even with amendments, though many can be made acceptable and more beneficial.

Background

Please see *About our Planning Advice Notes* for the origins and extent of the Nature Improvement Area, why it is important, and why it is vulnerable. Suggestions for Parish Councils wishing to respond to development proposals can be found in the other Advice Notes in this series. They are concerned with Access, Air, Biodiversity and Water.

The Community Infrastructure Levy (CIL) is a planning charge, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010. Development may be liable for a CIL charge if the local planning authority has chosen to set a charge in its area. Most new development that creates net additional floor space of 100 square metres or more, or creates a new dwelling, is potentially liable for the levy.

Levy receipts can be used for several different purposes, including conserving and enhancing the natural environment.

Why CIL monies are important

Levy receipts can be used for several different purposes, including conserving and enhancing the natural environment. It can secure and fund green infrastructure (GI), a network of multifunctional green space capable of delivering a wide range of environmental and quality of life benefits for local communities.

A position statement by Wildlife and Countryside Link, prepared prior to the introduction of CIL, highlighted the importance of local authorities recognising the importance of GI and habitat creation when costing up infrastructure assessments for new development. It added: "GI has long been seen as the 'forgotten' infrastructure, which either misses out on funding completely or is left until the end of the development process and receives only what funding is left. It is necessary for developers, decision-makers and the public to think of GI and habitat creation in the same way as transport or other infrastructure issues."¹

¹ Wildlife and Countryside Link (2008) Community Infrastructure Levy: Demonstrating the benefits of planning gain to biodiversity and the landscape.



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Environmental assets in the Marches are worth at least £14.7 billion.

Development is one of the causes of habitat fragmentation and loss; our biodiversity is in decline and a 'step change' is required to redress it. Environmental assets in the Marches are worth at least £14.7 billion, according to a report produced by environmental economist Oliver Hölzinger for the Shropshire, Telford & Wrekin Nature Partnership². This can be regarded as the Natural Capital³ value of the area.

Legal Duty

Where a charging authority such as Shropshire Council⁴ chooses to collect CIL, it must allocate a portion of the levy receipts for expenditure by local councils (see details below). Regulation 59C of the Community Infrastructure Levy (Amendment) Regulations 2013 requires that a Parish Council must use CIL receipts passed to it by the authority to support the development of the Parish 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.

National Planning Policy Framework

The National Planning Policy Framework (NPPF), introduced in 2012, advises that CIL should support and incentivise new development, particularly by placing control over a meaningful proportion of the funds raised with the neighbourhoods where development takes place⁵.

National Planning Practice Guidance

Online Practice Guidance explains how CIL operates, including what types of development are exempt, who pays, and the role of local Charging Schedules. It also considers what CIL can be used to fund. It can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities⁶.

In practice it has been used to fund a very broad range of facilities including parks and green spaces. The Practice Guidance goes on to advise that:

- Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed; and
- The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development.

Of particular interest to Parish Councils is the requirement that local authorities must allocate at least 15% of levy receipts⁷ to spend on priorities that should be agreed with the local community in areas where development is taking place. The monies are paid to the Parish Council where development is taking place. Thus the role of Parish Councils is two-fold: deciding how to spend the relevant portion of levy receipts allocated to it, and seeking to influence the expenditure of the charging authority.

At least 15% of levy receipts must be allocated to spend on priorities agreed with the local community where development is taking place – more where a Neighbourhood Plan has been adopted.

CIL is described as a potential mechanism for securing and funding GI, and the Guidance states: "Green infrastructure is not simply an alternative description for conventional open space. As a network it includes parks, open spaces, playing fields, woodlands, but also street trees, allotments and private gardens. It can also include streams, canals and other water bodies and features such as green roofs and walls." Going on to describe the multiple benefits of green infrastructure, including for conserving and enhancing the natural environment, the Guidance states: "The components of green infrastructure exist within the wider landscape context and should enhance local landscape character and contribute to place-making. High quality networks of multifunctional green infrastructure provide a range of ecosystem services and can make a significant contribution to halting the decline in biodiversity."⁸

Shropshire Core Strategy, SAMDev and Place Plans

The Core Strategy (adopted 2011) Vision includes the following aspiration: "Green infrastructure and areas of recognised environmental quality within towns and villages, with links to the surrounding countryside, will provide enhanced opportunities for recreation, with associated benefits for health and well-being of residents, flood management and improved biodiversity." It refers to the former Shrewsbury & Atcham Borough Council's Green Infrastructure Strategy (TEP 2008), though there is no commitment to prepare such a strategy for the county.

Shropshire Council's Site Allocations and Management of Development (SAMDev) Plan adopted in December 2015 refers to green infrastructure though there is no commitment to prepare a Green Infrastructure Strategy for the county. It makes few references to CIL and how levy receipts might be used.

The 18 Place Plans in Shropshire identify the local priorities and infrastructure requirements for each of Shropshire's communities. They are being developed by Shropshire Council in partnership with local communities, Parish and Town Councils and local infrastructure and service providers. Community-led planning activities often reveal evidence of the local community's infrastructure priorities, which can inform the content of their relevant Place Plan.

² Hölzinger, O., (2016) Marches Ecosystem Assessment - An Assessment of the Natural Capital and Ecosystem Services in Herefordshire, Shropshire and Telford & Wrekin. Shropshire Council on behalf of the Shropshire, Telford & Wrekin Local Nature Partnership. Shrewsbury.

³ Natural Capital is the stock of natural ecosystems that yields a flow of valuable ecosystem services into the future. Costanza 2008.

⁴ See our Supplementary Sheet: Planning Policies in Cheshire, for a summary of the position on CIL in the county.

⁵ NPPF paragraph 175

⁶ For further details, see section 216(2) of the Planning Act 2008, and regulation 59, as amended by the 2012 and 2013 Regulations.

⁷ This can increase to a minimum of 25% where a Neighbourhood Plan has been adopted.

⁸ Paragraph: 030 Reference ID: 8-030-20160211 Revision date: 11 02 2016