

# **Westmorland and Furness Community Infrastructure Levy (CIL)**

## **Advice Note for Parish/Town Councils outside of the National Parks**

**Revised March 2025 (v6)**

### **1. Introduction**

South Lakeland District Council originally approved the introduction of a Community Infrastructure Levy (CIL) for the district outside the National Parks, with effect from 1 June 2015. While SLDC was superseded by Westmorland and Furness Council on 1 April 2023, the new Council will continue to levy CIL within the former SLDC planning authority area outside the National Parks and continue to make payments due to Parish and Town Councils.

### **2. What is the Community Infrastructure Levy (CIL) and who collects it?**

CIL is a charge on new development that will be collected by Westmorland and Furness Council to provide additional funding to help pay for the cost of infrastructure arising from new development such as highways and schools. CIL is charged on each square metre (sq m) of additional floorspace.

### **3. Will CIL replace Section 106 agreements?**

No, Section 106 agreements will continue to fund affordable housing and essential site specific infrastructure required to enable development to take place.

### **4. What rate of CIL is levied?**

The types of development on which CIL is (and is not) levied, and the latest CIL rates charged, can be viewed on the following Council webpage – [CIL charges, exemption, penalties webpage](#). These rates are index linked annually to build cost inflation.

### **5. Who receives the CIL monies collected?**

15% of CIL receipts will be passed to Parish/Town Councils from development in their area. Where an adopted Neighbourhood Plan is in place this rises to 25%. The District Council will use the remaining CIL receipts to fund strategic infrastructure, working with infrastructure providers. Up to 5% can be used to help meet the cost of setting up and administering CIL.

### **6. When do developers pay CIL?**

CIL is paid in instalments over 2 months to 6 years, depending on the size of development when building works start. Planning permissions can be valid for three years, so it may be a number of years before significant CIL payments are received.

### **7. What can Parish/Town Councils spend CIL on?**

Regulations state that Parish/Town Councils can spend their CIL funds on the following:

- **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 for any reason you are unsure whether a scheme or project falls within this definition please contact the District Council for advice.

### **8. What can Westmorland and Furness Council spend CIL on?**

The District Council must spend CIL on strategic infrastructure that supports development. Infrastructure that might be funded through CIL can be found in the Infrastructure Funding Statement available on our [Infrastructure Planning Policy Documents webpage](#).

## **9. How much CIL can Parish and Town Councils expect?**

The level of CIL received will depend on the amount of development in a parish. For example, a Parish/Town Council would receive £750 of CIL for an open market dwelling of 100 sq m. This is based on a CIL rate of £50 per sq m, resulting in a total CIL payment of £5000, of which 15% amounts to £750. (Affordable and self-build dwellings may be eligible for relief).

## **10. When will Parish/Town Councils receive CIL funds?**

The District Council will pass CIL receipts to Parish/Town Councils on a bi-annual basis.

- CIL receipts from 1 April to 30 September in any financial year will be passed to the Parish/Town Council by 28 October of that financial year
- CIL receipts from 1 October to 31 March in any financial year will be passed to the Parish/Town Council by 28 April in the following financial year.

## **11. How will Parish and Town Councils views on infrastructure priorities be taken into account?**

The Infrastructure Delivery Plan sets out the Council's strategic infrastructure needs over the South Lakeland Local Plan period. The annually-updated Infrastructure Funding Statement, replaces the former Reg. 123 list, and sets out the Council's priorities for spending CIL in the former South Lakeland planning authority area of Westmorland and Furness. Town and Parish Councils will have opportunity to comment on future infrastructure needs in the context of future Local Plan preparation for Westmorland and Furness.

## **12. Can Parish or Town Councils pool their CIL funds?**

Yes, Parish and Town Councils can pool their CIL funds to fund an infrastructure project if they wish, as long as it falls within the definition of what CIL can be spent on.

## **13. I'm in a Parish affected by National Park boundary changes. Will we get any CIL?**

CIL will be payable on chargeable development approved before any boundary changes took effect. The Parish Council will receive its share of this CIL. The National Parks do not currently have a CIL. Following the boundary changes Westmorland and Furness Council will not apply CIL in the expanded National Parks and the affected Parishes will receive no further CIL from the District Council from development in these areas.

## **14. Can Westmorland and Furness Council spend CIL funds for a Parish/Town Council?**

Yes, the District Council can retain and spend CIL monies for Parish/Town Councils if they do not wish to receive CIL. The District Council would then engage with the communities where development has taken place and with the Parish/Town Council to agree how best to spend the 'neighbourhood' proportion of CIL.

## **15. Can a Parish Meeting receive and spend CIL?**

A Parish Meeting is not a Parish Council and cannot receive or spend the 'neighbourhood' proportion of CIL arising from development in that parish. National planning guidance advises that in these circumstances Westmorland and Furness Council as the charging authority should retain the neighbourhood portion in these areas and engage with the communities and agree with them how best to spend the neighbourhood funding.

## **16. Are there any regulations on how Parish/Town Councils involve the local community?**

It is up to you on how to involve the local community. There is currently limited guidance on this except that you should work closely with your neighbouring councils and the Westmorland and Furness Council to agree on spending priorities. Parish/Town Councils are encouraged to consider publishing their priorities for spending highlighting those that align with the District Council. A Community Plan or Neighbourhood Plan will help to identify local priorities.

## **17. What are the Parish/Town Councils reporting requirements?**

You are required by legislation to publish a record each year of:

- total CIL receipts from the District Council;
- total expenditure of CIL receipts;
- a summary of what the CIL was spent on;
- total amount of receipts retained unspent at the end of the reported year from that year and previous years (if applicable).

This information should be placed on your website if possible otherwise you can ask the District Council to display this information on your behalf.

A copy of your annual report should also be sent to the District Council as charging authority, no later than 31 December following the reported year.

### **18. What happens if a Parish or Town Council doesn't spend its CIL receipts?**

If you do not spend CIL funds within five years, or CIL has been spent on anything that does not meet the definition as set out within the CIL Regulations, you may be required to repay some or all of the receipts to the District Council.

### **19. Is there anything that Parish or Town Councils should do to prepare for CIL?**

Although CIL was adopted by the District Council in June 2015, there is still time to consider how you will want to spend your proportion of CIL and to put any legal requirements in place. You may wish to think about the following:

- Do we have effective administrative processes in place that will allow the District Council to pass on CIL funds?
- Do we have effective reporting mechanisms to show how we have spent CIL?
- How will we decide what to spend CIL on?
- How will we engage with the community on how to spend CIL?

### **20. Will future changes to Parish boundaries affect the payment of the 'neighbourhood' proportion of CIL?**

The District Council is required to pay the 'neighbourhood' proportion of CIL to the Parish Council where the CIL-liable development is located. If the location of a CIL-liable development changes from parish A to parish B as a result of parish boundary changes, subsequent payments of the 'neighbourhood' proportion of CIL (including any remaining payments in a series of instalments) will be paid to the Parish or Town Council of parish B.

### **Further information**

Further general information on CIL can be found on the government's [Community Infrastructure Levy Guidance page](#) and on our [CIL webpages](#).

If you have any further questions regarding CIL please contact:

#### **CIL/Section 106 Officer**

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