

Albrighton LJC meeting May 2012

The Community Infrastructure Levy (CIL) & the Site Allocations and Management of Development Local Plan (SAMDev)

1. Paying the Community Infrastructure Levy

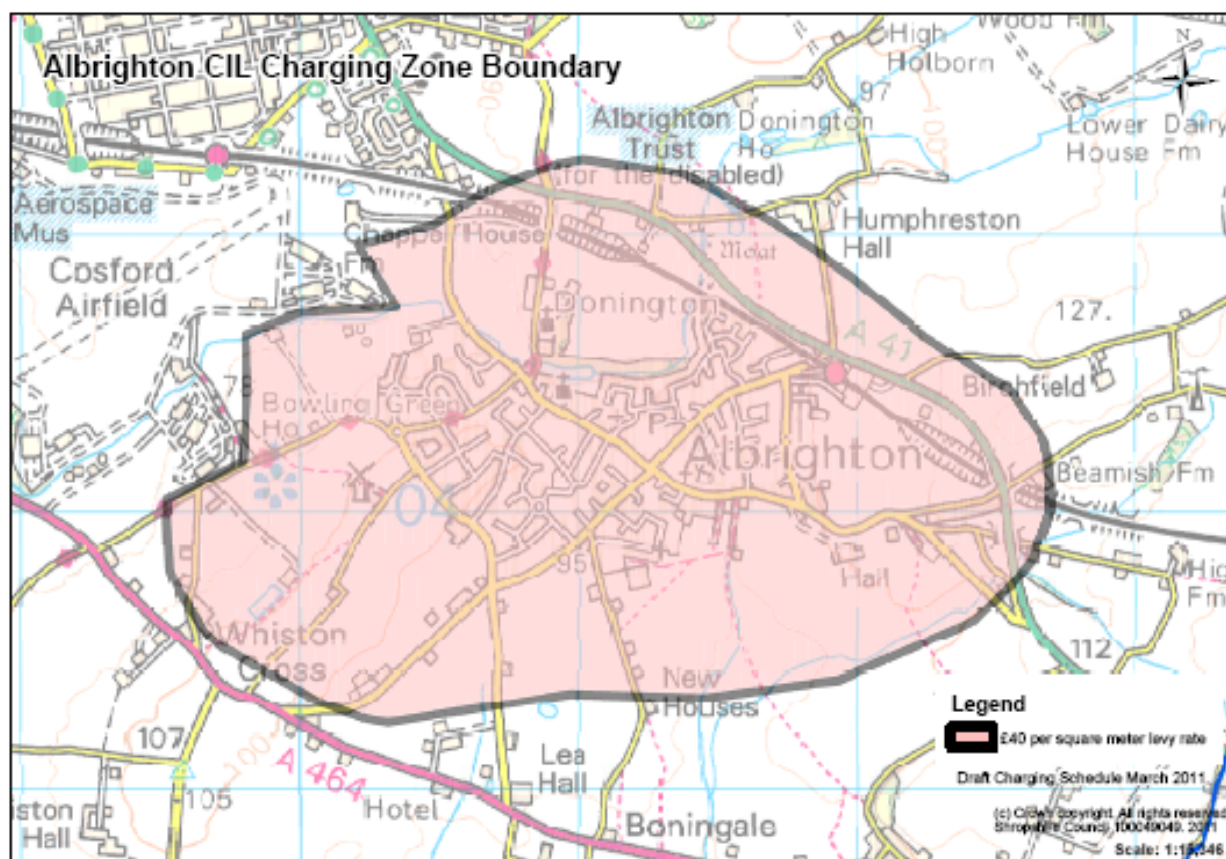
Since 1st January 2012, all residential development in Shropshire must pay a levy towards community infrastructure. The only exceptions are affordable housing and householder extensions of less than 100sqm in size. There are 2 levy rates:

- £40/sqm in the Albrighton area, shown in the map below
- £80/sqm elsewhere (the rural area levy rate)

The levy is calculated on residential floorspace, including the floorspace of ancillary buildings such as garages. For example, in Albrighton a 3-bed property of 90sqm in size would pay $90\text{sqm} \times £40/\text{sqm} = £3,600$.

Existing buildings can be deducted from the levy. For example, a barn conversion of 150sqm plus a new build garage of 20sqm would in most cases be able to deduct the existing barn from the calculation, leaving a floorspace of $20\text{sqm} \times £80/\text{sqm}$ rural levy rate = £1,600.

The levy is payable in full 9-12 months after building work starts, regardless of how long the builder takes to complete the project.



2. Spending the levy

Shropshire Council has committed to the bulk of the levy being assigned to the settlement in which the development occurred. This is currently 90% of the levy. 10% of the net levy will be spent on strategic infrastructure projects across Shropshire.

The Government will shortly be publishing new CIL Regulations (expected July 2012). These will set a “meaningful proportion” of the levy that must be handed direct to the parish council in whose area the development occurred. There is no indication as yet of at what level the “meaningful proportion” will be set.

As an example, *if* the CIL Regulations set the “neighbourhood fund” element of CIL at 20%, then 20% of levy receipts would be passed to the Parish Council to spend on infrastructure or “anything else that is concerned with addressing demands that development places” on their parish area (section 115(6) of the Localism Act 2011).

The rest of the levy will go to Shropshire Council to be spent on the “provision, replacement, operation or maintenance of infrastructure” to support new development. Shropshire Council has committed to assigning the bulk of its share of the levy to the settlement in which the development occurred.

3. Agreeing on local infrastructure priorities

Shropshire Council is working with parish councils to identify with them local priorities for the use of CIL (and other sources of funding) through the annual Place Plan Review. A meeting for all the parishes in the Albrighton Place Plan area is in the process of being arranged for summer 2012 by Cllr Malcolm Pate.

To view the current Albrighton Place Plan see www.shropshire.gov.uk/placeplans. Please note this is currently being updated to reflect last winter’s consultation.

4. The relationship between CIL and SAMDev

CIL will accrue to those places that have development. The levy provides some certainty over how much contribution will be associated with a given level of development. For example, 50 new homes in Albrighton are expected to be accompanied by £200,000 CIL.

In addition to CIL, development will also provide contributions to affordable housing.

Please note: Locations where no development occurs will not benefit from CIL.

5. To find out more about future levels of development (SAMDev)

<p>The SAMDev public meeting for the Albrighton Place Plan area is on Thursday 31st May, 7-9pm, at The Red House, Albrighton</p>

There is also a SAMDev public meeting in Shifnal on Tuesday 22nd May, 7-9pm, in the Shifnal Village Hall.