

COMMUNITY **INFRASTRUCTURE LEVY (CIL)**
Application for 'Payment in Kind' – Provision of Land and/or Infrastructure

1. Introduction

The 'payment in kind' mechanism is offered at Shropshire Councils' discretion and we reserve the right to refuse any application.

'Payment in kind' is the mechanism introduced within the CIL Regulations that allows Shropshire Council to accept the payment of all or part of a CIL Liability through the **provision of land or infrastructure** to the Council, or a party(ies) nominated by the Council.

Any land provided as 'payment in kind' must be used for the delivery of **infrastructure identified within the CIL Regulation 123 List as suitable for delivery through 'payment in kind', apart from in exceptional circumstances**. For the purposes of CIL, 'land' includes "existing buildings and other structures, land covered with water, and any estate, interest, easement, servitude or right in or over land".

Any infrastructure provided as 'payment in kind' must be **identified within the CIL Regulation 123 List as suitable for delivery through 'payment in kind', apart from in exceptional circumstances**. It should also result in a financial and time saving, compared with the delivery of this same infrastructure by the Council. For the purposes of CIL, 'infrastructure' includes but is not limited to "roads and transport facilities, flood defences, educational facilities, medical facilities, sporting and recreational facilities, and open space".

An application for 'payment in kind' will only be considered acceptable where it demonstrates compliance with the national criteria within the CIL Regulations (2010) as amended, and any local criteria.

2. Application Details

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|---|--|
| Planning Application number (if allocated): | Planning Portal reference (if applicable): |
| <input style="width: 95%;" type="text"/> | <input style="width: 95%;" type="text"/> |
| Site Address: | |
| <input style="width: 95%;" type="text"/> | |
| Description of development: | |
| <input style="width: 95%;" type="text"/> | |

3. Eligibility Criteria

Land and/or infrastructure will only be accepted as 'payment in kind' where the proposed use of the land or the infrastructure offered is **identified within the CIL Regulation 123 List as suitable for delivery through 'payment in kind'**.

| | |
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| Has the offered infrastructure (or proposed use of the land offered) been identified within the CIL Regulation 123 List as suitable for delivery through 'payment in kind'? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
|--|---|

Land and/or infrastructure will not be accepted as 'payment in kind' where it is considered necessary to:

- Meet Planning Policy standards - *this includes open space standards as specified in Appendix 2 of the Developer Contributions Supplementary Planning Document (SPD)*;
- Make the application suitable in planning terms; or
- Represents an intrinsic element of the design of the scheme.

Does the land and/or infrastructure comply with these requirements, please explain:

Land and/or infrastructure will not normally be accepted as 'payment in kind' where:

- It has been promoted as part of the scheme in addition to any CIL contribution to the local community, unless negotiated with the Council in order to meet an agreed community-wide infrastructure need; or
- It represents one of the reasons that the community supported the scheme during the planning allocation/application process, unless proposed instead of CIL or negotiated with the Council in order to meet an agreed community-wide infrastructure need.

Does the land and/or infrastructure comply with these requirements, please explain:

Payment in Kind: Land

4a. Land Offered as ‘Payment in Kind’

Location/address of the land:

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Description of the land (please include relevant plans to support this description):

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Ownership details:

| Personal Details | | Contact Details | |
|----------------------------|--|-----------------|--|
| Name: | | Address: | |
| Position (where relevant): | | Email Address: | |
| Company (where relevant): | | Phone Number: | |

| | |
|---|---|
| Has the landowner(s) assumed liability for the CIL associated with this Planning Application? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
|---|---|

If there is more than one landowner please provide these details as an addendum to this application.

4b. Proposed Uses of the Land

Proposed or potential infrastructure provision that could occur on the land:

| | | |
|----|---|---|
| 1. | Is this proposed infrastructure identified within the CIL Regulation 123 List as suitable for delivery through ‘payment in kind’? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| 2. | Is this proposed infrastructure identified within the CIL Regulation 123 List as suitable for delivery through ‘payment in kind’? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| 3. | Is this proposed infrastructure identified within the CIL Regulation 123 List as suitable for delivery through ‘payment in kind’? | Yes <input type="checkbox"/> No <input type="checkbox"/> |

Please identify as many proposed uses of the land as necessary – extra sheets can be attached.

4c. Exceptional Circumstances

Please complete this section if the proposed use of the land offered as ‘payment in kind’ is not identified within the CIL Regulation 123 List as suitable for delivery through ‘payment in kind’.

Are there exceptional circumstances that support the proposed use of the land offered as ‘payment in kind’:

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|---|---|
| Has the Town or Parish Council been consulted on this proposal? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Did the Town or Parish Council support the proposal? | Yes <input type="checkbox"/> No <input type="checkbox"/> |

If yes, please provide details:

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Please Note: this exception for ‘payment in kind’ will normally only apply to major developments (50 or more dwellings) and it must be agreed that the in kind contribution provides the most efficient means of delivering a prioritised community benefit which has been agreed locally and is in accordance with Policy CS9.

4d. Land Constraints

Are there any known constraints to delivering these infrastructure requirements upon this land:

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4d. Valuation of the Land

The determination of the value of the land to be provided as ‘payment in kind’ must be based on the price that the land might reasonably be expected to obtain if sold on the open market on the day of the valuation.

- No hope value should be reflected within this valuation.
- The price should not be assumed to be reduced on the ground that the whole of the acquired land is to be placed on the open market at the same time.

The valuation must be performed by a suitably qualified, experienced and independent person(s) as agreed by Shropshire Council and any other liable parties. The cost of this assessment must be borne by the liable party(ies) as the current landowner.

What is the value of the land?

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|--------|---|----------------------|---|
| Total: | £ | Average per hectare: | £ |
|--------|---|----------------------|---|

Please provide the details of the independent person(s) that have performed this land valuation:

| Personal Details | | Contact Details | |
|----------------------------|--|-----------------|--|
| Name: | | Address: | |
| Position (where relevant): | | Email Address: | |
| Company (where relevant): | | Phone Number: | |

| | |
|---|------------------------------|
| Please confirm that details of this land valuation been included within this application? | Yes <input type="checkbox"/> |
|---|------------------------------|

If this application is accepted, this will be utilised to calculate the value of the land provided as ‘payment in kind’.

Payment in Kind: Infrastructure

5a. Infrastructure Offered as ‘Payment in Kind’

Description of proposed infrastructure:

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|----|--|---|
| 1. | Is this infrastructure identified within the CIL Regulation 123 List as ‘critical infrastructure’ suitable for delivery through ‘payment in kind’? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| 2. | Is this infrastructure identified within the CIL Regulation 123 List as ‘critical infrastructure’ suitable for delivery through ‘payment in kind’? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| 3. | Is this infrastructure identified within the CIL Regulation 123 List as ‘critical infrastructure’ suitable for delivery through ‘payment in kind’? | Yes <input type="checkbox"/> No <input type="checkbox"/> |

Please identify as many proposed infrastructure projects as necessary - extra sheets can be attached.

5b. Exceptional Circumstances

Please complete this section if the proposed use of the land offered as ‘payment in kind’ is not identified within the CIL Regulation 123 List as suitable for delivery through ‘payment in kind’.

Are there exceptional circumstances that support the proposed use of the land offered as ‘payment in kind’:

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|---|---|
| Has the Town or Parish Council been consulted on this proposal? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Did the Town or Parish Council support the proposal? | Yes <input type="checkbox"/> No <input type="checkbox"/> |

If yes, please provide details:

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Please Note: this exception for ‘payment in kind’ will normally only apply to major developments (50 or more dwellings) and it must be agreed that the in kind contribution provides the most efficient means of delivering a prioritised community benefit which has been agreed locally and is in accordance with Policy CS9.

5c. Timescales for Infrastructure Delivery

If infrastructure is to be accepted as 'payment in kind' it must result in time saving, compared with the delivery of this same infrastructure by Shropshire Council.

Shropshire Council therefore requires details of the anticipated timescales for the delivery of any infrastructure to be provided as 'payment in kind'.

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| Please confirm that details of the anticipated infrastructure delivery timescales have been included within this application? | Yes <input type="checkbox"/> |
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If this application is accepted, this will be utilised to determine and agree the delivery timescales for the infrastructure 'payment in kind'.

5d. Land Ownership

Please provide ownership details of any land to be used for infrastructure provision:

| Personal Details | | Contact Details | |
|----------------------------|--|-----------------|--|
| Name: | | Address: | |
| Position (where relevant): | | Email Address: | |
| Company (where relevant): | | Phone Number: | |

If there is more than one landowner associated with the land to be used for infrastructure delivery please provide these details as an addendum to this application.

5e. Location of Proposed Infrastructure Provision

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|--|----------------------------------|-----------------------------------|--|
| Where will the infrastructure be provided? | On site <input type="checkbox"/> | Off site <input type="checkbox"/> | Both on & off site: <input type="checkbox"/> |
|--|----------------------------------|-----------------------------------|--|

If the proposed infrastructure is to be provided off site or through a combination of on and off site, please specify the other locations where infrastructure will be provided:

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Details about the location of the proposed infrastructure delivery:

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| Will the land upon which this infrastructure is to be provided be transferred to the Council, or a party(ies) nominated by the Council? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Are the landowner(s) the liable party(ies) for the CIL associated with this Planning Application? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If not, please confirm that the landowner(s) have agreed in principle for this infrastructure to be delivered on their land? | Yes <input type="checkbox"/> |

5f. Valuation of Proposed Infrastructure

If infrastructure is to be accepted as 'payment in kind' it must result in a cost saving, compared with the delivery of this same infrastructure by Shropshire Council.

The determination of the value of any infrastructure to be provided as 'payment in kind' must be based on the actual construction cost of the proposed infrastructure and fees related to the design of the infrastructure. These costs and fees must be realistic and agreed with Shropshire Council.

If the cost of the provision of this infrastructure is less than anticipated, the infrastructure provider/applicant must notify Shropshire Council. The value of the 'payment in kind' will then be reduced by the same amount, therefore increasing or requiring a financial CIL payment for the development.

If the cost of the provision of this infrastructure is greater than that agreed, it is the responsibility of the infrastructure provider/applicant to bear these additional costs.

The cost of providing this infrastructure will be incorporated within the legal agreement required to allow the 'payment in kind' of the CIL liability.

The determination of the costs and fees associated with infrastructure delivery must be performed by a suitably qualified, experienced and independent person(s) as agreed by Shropshire Council and any other liable parties. The cost of this assessment will be borne by the liable party(ies) as the current landowner.

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| Total cost of infrastructure proposed: | £ |
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Please provide a breakdown of these costs by infrastructure type:

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| 1. | £ |
| 2. | £ |
| 3. | £ |
| 4. | £ |
| 5. | £ |

Please identify as many proposed infrastructure projects as necessary - extra sheets can be attached.

Please provide the details of the independent person(s) that have performed this land valuation:

| Personal Details | | Contact Details | |
|----------------------------|--|-----------------|--|
| Name: | | Address: | |
| Position (where relevant): | | | |
| Company (where relevant): | | Email Address: | |
| | | Phone Number: | |

This must be a person appointed by the liable party(ies) with the agreement of Shropshire Council and any other liable parties. The cost of this assessment will be borne by the liable party(ies) as the landowner.

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| Please confirm that the relevant assessment of the cost and associated fees of infrastructure provision has been included within this application? | Yes <input type="checkbox"/> |
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If this application is accepted, this will for the basis of the calculation of the value of any infrastructure provided

6. Disclaimers

- Where CIL is paid by 'payment in kind', the amount of CIL paid is equal to the value of the acquired land and/or the actual construction cost of the proposed infrastructure and fees related to the design of the infrastructure.
- Any agreement for 'payment in kind' must be made in writing and state:
 - The value of the land to be acquired and/or the infrastructure to be provided; and
 - The timescales for transfer of the land and/or delivery of infrastructure – this must be in accordance with the Shropshire Council CIL Payment by Instalment Policy.
- This agreement will be in the form of a contract to transfer the land and/or provide the relevant infrastructure.
- This agreement cannot form part of a planning obligation within a S106 Agreement.
- The cost of this agreement must be borne by the liable party(ies).
- If the agreed timescales within this legal agreement are not complied with, Shropshire Council reserves the right to withdraw the 'payment in kind' and require the equivalent CIL liability to be paid in money.
- The application and legal agreement must be completed for 'payment in kind' of a CIL liability, before commencement of the chargeable development.
- Where the provision of land and/or infrastructure as 'payment in kind' is agreed, payments must take place in accordance with the timescales agreed within the relevant legal agreement, which must reflect the Shropshire Council CIL Payment by Instalment Policy.
- The resultant CIL Demand Notice will therefore specify two categories of CIL instalments:
 - The first will address the timescales for the provision of the land and/or infrastructure as 'payment in kind'.
 - The second will address the timescales for the provision of any financial payments associated with the development.

Both of these instalment categories must be in accordance with the Shropshire Council CIL Payment by Instalment Policy. However they are separated in order to reflect the increased complexity of providing land and/or infrastructure as 'payment in kind'.

- The provision of land and/or infrastructure as 'payment in kind' is deemed to have been received on the day on which the land which is the subject of the payment is acquired or the **infrastructure is completed**.
- If the liable party(ies) overpay the CIL liability associated with the development, the Council is not required to refund this payment if it is as a result of a land and/or infrastructure payment.
- If the liable party(ies) fail to submit **CIL Form 6: Commencement Notice** at least the day before the commencement of development, the CIL levy for the development is due in full (instalments cannot be offered) and the liability must be paid in money (land and/or infrastructure payments cannot be accepted).

7. Declaration

It is an offence for a person to knowingly or recklessly supply information which is false or misleading in a material respect to a collecting or charging authority in response to a requirement under the Community Infrastructure Levy Regulations (2010) as amended (regulation 110, SI 2010/948). A person guilty of an offence under this regulation may face unlimited fines, two years imprisonment, or both.

I/we acknowledge that we have read and understand the above disclaimers and acknowledge its implications for any agreement of 'payment in kind' of a CIL liability.

I/we acknowledge that we have read and understand the declaration and confirm that the details provided are correct.

Signed by Liable Party and Landowner (Compulsory):

Signed by Agent (if applicable):

Contact Telephone Number:

Date (DD/MM/YYYY):

Contact Email Address (please print):

Please Note: A hand written signature is required.

If an email address is provided, we will utilise this as the preferred method of contact for any future CIL correspondence, unless you indicate otherwise.

Once completed and signed, this form can be returned either by email or post.

It can be emailed to: CIL@Shropshire.gov.uk

It can be posted to: Shropshire Council, CIL Team, Planning Policy - 5th Floor, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

For Internal Use Only

Assessment and Justification:

Officer Recommendation

| | |
|---|------------------------------|
| Approve application for 'payment in kind' | Yes <input type="checkbox"/> |
| | No <input type="checkbox"/> |

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| Reason (if applicable): | |
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| Signed: | |
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| Date: | |
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Portfolio Holder Sign-Off

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| Approve application for 'payment in kind' | Yes <input type="checkbox"/> |
| | No <input type="checkbox"/> |

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| Reason (if applicable): | |
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| Signed: | |
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| Date: | |
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