

CIL money must be spent on infrastructure to support development, and can be used for physical, social, or green infrastructure like roads, schools, and parks . Local authorities receive CIL and must allocate it according to specific rules: a portion is for administration (around 5%), a significant percentage (15-25%) goes to local or parish councils for spending in the development area, and the remainder is for broader infrastructure projects in the district. Local councils must spend their portion on infrastructure or other things that address the demands of development, and failure to do so may require them to repay the funds.

CIL spending guidelines

- **Purpose:** CIL funds must be used to provide, improve, replace, operate, or maintain infrastructure that supports the demands of development in an area.
- **Examples of eligible projects:** This can include transport, open spaces, educational facilities, medical facilities, affordable housing, and social/community facilities.
- **Local (Parish) portion:** A percentage of the CIL receipts (typically 15% or 25%) is passed to the local or parish council to be spent in the neighborhood where the development occurred.
 - Parish councils are responsible for determining how to spend their portion, but must adhere to the CIL rules.
 - If parish councils do not spend the money within five years or do not use it to support development, the local authority can reclaim it.
- **Administrative portion:** A small portion (e.g., 5%) of CIL is used by the local authority to cover the costs of administering the CIL scheme.
- **District (Strategic) portion:** The remaining majority of CIL is allocated by the local authority to wider infrastructure projects across the district, based on its [Infrastructure Delivery Plan](#).
- **Reporting:** Local authorities are required to report on their CIL receipts and spending annually.

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Guidance

Community Infrastructure Levy

This guidance explains what the Community Infrastructure Levy is and how it operates.

Spending the levy

What can the Community Infrastructure Levy be spent on?

The levy can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities (for further details, see [section 216\(2\) of the Planning Act 2008](#), and [regulation 59](#), as amended by the [2012](#) and [2013 Regulations](#)). This definition allows the levy to be used to fund a very broad range of facilities such as play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant plan (the Development Plan and the London Plan in London). Charging authorities may not use the levy to fund affordable housing.

Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed.

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.

Should charging authorities pass any of the CIL receipts it receives to parish councils?

Where all or part of a chargeable development is within the area of a parish council, the charging authority must pass a proportion of the CIL receipts from the development to the parish council as explained below (see also [regulation 59A](#)). The parish council must use the CIL receipts passed to it to support the development of the parish council's 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.

Where this development is also within an area that has a neighbourhood development plan in place, or the development was granted planning permission by a neighbourhood development order (including a community right to build order), the charging authority must pass 25% of the relevant CIL receipts to the parish council for that area (see [regulation 59A\(3\)](#)).

A Guide to Community Infrastructure Levy for Parish Council

<https://www.lichfielddc.gov.uk/downloads/file/288/a-guide-to-community-infrastructure-levy-for-parish-councils>

EXTRACT FROM GUIDE

Money raised can be spent on anything that deals with the demands that development places on the area, such as:

- transport infrastructure
- open spaces
- educational facilities
- medical facilities
- sporting and other recreational facilities
- social and community facilities
- affordable housing
- preparation of a neighbourhood plan

Parish councils should work closely with neighbouring parishes and us (the district council) to agree on infrastructure spending priorities.

If the parish council shares our priorities, they may agree that we should keep the parish portion of CIL to spend on that infrastructure. It may be that this infrastructure (e.g. a school) is not in the parish council's administrative boundary, but will support the development of the area.