



WOKING JOINT COMMITTEE

DATE: 13 MARCH 2019
LEAD OFFICER: ERNEST AMOAKO, PLANNING POLICY MANAGER

SUBJECT: COMMUNITY INFRASTRUCTURE LEVY (CIL) –
 ARRANGEMENT ON MANAGING THE PROPORTION OF THE
 CIL INCOME EARMARKED FOR LOCAL COMMUNITY
 PROJECTS

AREA: WOKING

SUMMARY OF ISSUE:

The Council adopted its Community Infrastructure Levy (CIL) Charging Schedule on 24 October 2014 to take effect from 1 April 2015. The Community Infrastructure Levy Regulations 2010 (as amended) imposes a duty on the Council as a CIL Charging Authority to pass on a proportion of its CIL income to local communities where the chargeable development takes place. Where there is an adopted Neighbourhood Development Plan in place for the area, the Neighbourhood Area gets 25% of the CIL income. Where there is no Neighbourhood Development Plan in place, the local community gets 15% subject to a cap of 100 dwellings. Where there is no designated Neighbourhood Area, it is proposed that the Ward boundary will be the basis for earmarking the CIL income.

To date, the Council has received a total of £1,985,478.71 from CIL contributions. A Map showing the amount of CIL receipt earmarked for each Ward or Neighbourhood Area where the chargeable development had taken place is in Appendix 1.

The CIL Regulations prescribe what CIL income earmarked for local community projects must broadly be used on. The money must be used to support 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. It is emphasised that the responsibility for determining how the rest of the CIL receipts, in this case the 85% or 75% is used resides with the Council. In this regard, the report only focuses on how the 25% or 15% that is earmarked for local community infrastructure projects is managed.

The report proposes how local community projects could be identified and how communities can make a request to the Council to secure money to enable the delivery of the projects.

RECOMMENDATIONS:**Woking Joint Committee is asked to agree that :**

- (i) The arrangement for managing the proportion of the CIL receipts earmarked for local community projects as set out in Section 2 of the report be noted and approved;
- (ii) Local Ward Borough Councillors in conjunction with County Divisional Councillors take the leading role in identifying local community infrastructure projects that CIL receipts could be used, and in doing so should work in partnership with designated Neighbourhood Forums and other recognised stakeholders within the Ward or Neighbourhood Area.

REASONS FOR RECOMMENDATIONS:

To enable the effective and efficient management of the proportion of the CIL receipts that is earmarked for local community projects.

1. INTRODUCTION AND BACKGROUND:

- 1.1 Woking Borough Council has adopted the Community Infrastructure Levy as the main means for securing developer contributions towards the provision of infrastructure to address the impacts of development. In this regard, the Community Infrastructure Levy is going to be a significant source of funding for infrastructure provision to support future development. The Council has delegated responsibility to the Joint Committee to consider how Community Infrastructure Levy (CIL) receipts will be expended in Woking, taking into account the approved Infrastructure Capacity Study and Delivery Plan (IDP) for Woking.
- 1.2 The Council's CIL Charging Schedule sets out how much levy will be charged for various types of development in different geographical areas. Based on the projected development requirements of the Core Strategy, it is estimated that by 2025 about £14M could be secured from CIL receipts. The CIL Charging Schedule can be accessed by this link: <http://www.woking2027.info/infrastructure>. To date a total of £1,985,478.71 has been received.
- 1.3 The Government requires the Council to pass on a proportion of its CIL income to local communities where the chargeable development occurred. Given that there are no parishes in Woking, the Government expects the Council to keep the money and ring-fence it for local community projects. If the area has an adopted Neighbourhood Plan based on a defined Neighbourhood Area, the Neighbourhood Area will be entitled to 25% of the CIL income from chargeable development within the Neighbourhood Area. If the area has not got a Neighbourhood Plan, they will be entitled to 15% subject to a cap of 100 dwellings. For the purposes of identifying the geographical scope for allocating the money to areas without a Neighbourhood Plan, it is proposed that the Ward boundary will form the basis for allocating the money.
- 1.4 Appendix 1 is a Map showing the amount of CIL income earmarked for each Neighbourhood Area or Ward. This information has and will continue to be published by 31 December of each year in the Council's Annual Monitoring Report (AMR). The AMR can be accessed by this link:

www.woking.gov.uk
www.surreycc.gov.uk/woking

<http://www.woking2027.info/developmentplan/corestrategy/annualmonitoringreport>.

Monthly updates can be provided to Councillors on request.

- 1.5 Whilst Government Regulations are very prescriptive about the process for setting the CIL charge and what the CIL money should be used on, they do not specify the means by which local communities should identify the infrastructure projects they wish to spend the CIL money and/or how that money could be secured from the Council to deliver the projects. These are matters that are left at the discretion of local communities and the Council respectively. The report proposes arrangements for determining these matters. In particular, the report sets out how community projects could be identified, how local communities could request money from the Council to deliver the projects, who should lead on coordinating the above and how decisions would be made when the request to secure the money is made to the Joint Committee.
- 1.6 It is important for local community projects that would benefit from CIL money to have broad community support, acknowledging that sometimes it would be difficult to get everyone to agree on priority projects that would be necessary to benefit the community. The role of Ward Borough Councillors and County Divisional Councillors working with Neighbourhood Forums could be particularly vital in galvanising local support for priority projects and/or ensuring that priority projects are included in Neighbourhood Plans. It should be noted that reference to Councillors in the report means both Ward Borough Councillors and County Divisional Councillors.

2. ANALYSIS:

- 2.1 As indicated in Appendix 1, a significant amount of CIL income has now accrued which local communities could use to deliver local community infrastructure projects.
- 2.2 Given that CIL income is intended for addressing the impacts of development in local communities, it is appropriate that local Ward Borough Councillors in conjunction with County Divisional Councillors take the lead role in deciding how the CIL money should be used and on what community infrastructure projects. In making these decisions, Councillors should work in partnership with designated Neighbourhood Forums and other relevant stakeholders in the community. This will be necessary to ensure that the priority infrastructure projects that would be identified and submitted to the Joint Committee for CIL funding would have broad local community support. Where there is a list of projects already identified in an adopted Neighbourhood Plan, the Joint Committee would consider such schemes as having broad local support given that they would have been through the statutory plan making process and the required public consultation requirements associated with that.
- 2.3 CIL receipts can only be used for:
 - 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.
- 2.4 When considering any request for money, the Joint Committee will seek to make sure that schemes that are submitted for funding meets the above prescribed definition of what the money can be spent on and that the projects have broad community support before the request is approved.

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- 2.5 Councillors should submit their list of projects to benefit from CIL income to the Deputy Chief Executive, who will prepare a report to the Joint Committee to consider. Councillors should include the following details when submitting the list of projects:
- a. Name of the infrastructure/project that the CIL income will deliver;
 - b. A brief description of the project and what it seeks to achieve;
 - c. Evidence of broad community support for the project.
- 2.6 Once the lists of projects have been approved by the Joint Committee, Councillors can work with the relevant providers and stakeholders such as Neighbourhood Forums to procure the contract for delivering the projects. Invoices for the payment of the works should be sent to the Deputy Chief Executive who will process and authorise them for payment. For audit trail and accountability purposes, the Council will only make payment when invoices for the works have been provided. Various Wards or Neighbourhood Areas can pool resources together to deliver common projects that have cross-area significance. The management of the delivery of the projects/contracts to timescales and costs will be the responsibility of the local communities and not the Council. Officers can provide advice when necessary. Councillors should notify the Deputy Chief Executive when the projects are completed. Projects that are approved and completed will be recorded and published in the AMR and the Joint Committee will be notified. At this stage it is expected that decisions on applications to draw on the CIL money will be made by the Joint Committee as a whole. However, this arrangement will be monitored, and if necessary, a Task Group of a small number of Members of the Joint Committee can be set up to consider the applications.
- 2.7 It is hoped that Councillors and their local communities would come to mutual agreement on what priority projects CIL income should be used. However, in the unlikely situation where a broad agreement could not be reached, Councillors could request for the matter to be considered by the Joint Committee.
- 2.8 Woking Borough Council will set up a separate account for each Ward or Neighbourhood Area to manage the money. Requests for money should not exceed the total amount secured for the Ward or Neighbourhood Area at the time the application is made. The Council will not forward fund or pay for the cost of any project that is over the total amount secured for the area. Any such request will be refused.
- 2.9 To manage the administration of the payment of invoices, the Council will make payment for invoices at the following specified times: in respect of CIL income received from 1 April to 30 September in any financial year payment will be made by 28 October of that financial year. The Council will make payments for invoices in respect of CIL income received from 1 October to 31 March in any financial year by 28 April of the following financial year. Councillors should note these prescribed dates when submitting invoices for payment. Obviously, some Wards and Neighbourhood Areas may not wish to spend their CIL money received during a particular payment period or financial year but may wish to carry that forward until sufficient amount of money has been accumulated for their projects. This is most likely to be the case.
- 2.10 For transparency, updates on the total amount of CIL income received each year, spent and on what projects will be published in the Council's Annual Monitoring Report by 31 December of each year. This will include how much money has been earmarked for each Ward or Neighbourhood Area and what the money has been used on. This

will be published in the AMR and put on the Council's website. The ambition is to provide monthly updates on how much has been earmarked for the various Wards or Neighbourhood Areas in the Council's Green Book. In addition, updates will be provided as part of the Agenda for each of the quarterly meetings of the Joint Committee.

- 2.11 The proposals in the report will create new responsibilities for Councillors. Added to this is the complexity of the CIL Regulations that has to be taken into account. The Planning Policy Team will always be willing to facilitate training for Members to help them manage this process effectively and to clarify any concerns they may have. They will also be available to provide advice whenever that is needed.

3. OPTIONS:

- 3.1 The Council has a statutory duty to pass on a proportion of its CIL income to local communities where the development took place. There is therefore no alternative option available in this regard. The means by which local communities identify and prioritise their infrastructure projects is not prescribed and are at the discretion of local communities. It is acknowledged that there would be variations on how various communities may wish to identify their priority projects. The key test should always be whether the projects that are identified has broad community support and meets the definition of what the money can be spent on as prescribed by Government Regulations.

4. CONSULTATIONS:

- 4.1 The following have been consulted and their comments have been incorporated into the report:
- Councillor David Bittleston - Chair of the Woking Joint Committee;
 - Cllr Ashley Bowes - Portfolio Holder for Planning (Woking Borough Council);
 - Douglas Spinks - Deputy Chief Executive (Woking Borough Council); and
 - Leigh Clarke - Financial Services Manager (Woking Borough Council)

5. FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

- 5.1 The cost of administering how much of the CIL income will be earmarked for local community projects, managing the individual accounts for the various Wards and Neighbourhood Areas and providing updates on money received and spent is being met from existing Planning Policy and Finance Service Plan budgets. Members should however note that 5% of the total CIL money received during any given year can be set aside towards the administration of the CIL, and it is proposed that this money should be set aside before the rest is apportioned for infrastructure projects.
- 5.2 A total of £1,985,478.71 has been received by the Council. The specific amounts earmarked for each Ward or Neighbourhood Area is in Appendix 1. It should be noted that at this stage, the amount earmarked for each Ward or Neighbourhood Area does

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not take into account the proposed amount for the administration of CIL. It is estimated that CIL will generate an indicative total income of about £14M across the Borough by 2025.

6. RISK MANAGEMENT:

- 6.1 The Council has a duty to pass on a proportion of its CIL income to local communities where the development occurred. The Council will be failing on this duty if it did not set up an effective and a robust arrangement for transferring the money and ensuring that it is used appropriately. It is important to note that the Regulations give authority to the Council to recover CIL money passed on to local communities under certain circumstances, such as the inappropriate use of the money.
- 6.2 The responsibility to help identify local community projects and using CIL money to deliver them are new responsibilities for both local Ward Borough Councillors and County Divisional Councillors. The tasks involved can also be contentious, in particular, when there is insufficient funding to deliver necessary infrastructure and projects have to be prioritised. Officers can facilitate training, briefing and provide advice to assist Members when needed.
- 6.3 Given that there will be a specified amount of money for local communities to spend, it is critical for Councillors to provide oversight to ensure that there is tight control over the delivery of the project to avoid costs and delays spiralling out of control.
- 6.4 The expectation is that Councillors would normally be able to work with their local residents to identify priority infrastructure projects that have broad support. However, there is a risk that this might not always be the case, and reaching an agreement could be protracted. In such situations, Councillors may refer the situation to the Joint Committee for consideration.

7. LOCALISM:

- 7.1 The report has borough-wide implications given that every Ward or Neighbourhood Area could potential receive a proportion of CIL income for community projects.

8. EQUALITIES AND DIVERSITY IMPLICATIONS:

- 8.1 There are no equalities and diversity implications.

9. OTHER IMPLICATIONS:

Area assessed:	Direct Implications:
Crime and Disorder	No significant implications arising from this report.
Sustainability (including Climate Change and Carbon Emissions)	No significant implications arising from this report.
Corporate Parenting/Looked After Children	No significant implications arising from this report.
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report.
Public Health	No significant implications arising

	from this report.
Human Resource/Training and Development	No significant implications arising from this report.

9.1 Crime and Disorder implications

No implications arising from the report.

9.2 Sustainability implications

No implications arising from the report.

9.3 Corporate Parenting/Looked After Children implications

No implications arising from the report.

9.4 Safeguarding responsibilities for vulnerable children and adults implications

No implications arising from the report.

9.5 Public Health implications

No implications arising from the report.

9.6 Human Resource/Training and Development

No implications arising from the report.

10. CONCLUSION AND RECOMMENDATIONS:

10. The Council has a duty to pass on a proportion of its CIL income to local communities where the chargeable development occurred. The report sets out the arrangement for identifying community infrastructure projects, how requests can be submitted to the Council to secure money to deliver the projects and how the delivery of the projects will be monitored and published. Ward Borough Councillors in conjunction with County Divisional Councillors are asked to take the lead role in managing this process.

11. WHAT HAPPENS NEXT:

- 11.1 All Ward Borough Councillors and County Divisional Councillors should be notified of the recommendations of Joint Committee as soon as it is reasonable after the meeting, in particular, their attention should be drawn to the role they are required to play in managing local CIL income to deliver local community infrastructure projects. Officers will be happy to organise training and briefing for Councillors.
- 11.2 The Council will set up separate accounts for each Ward or Neighbourhood Area to manage the respective CIL contributions. Officers will provide monthly updates on the amount of CIL income received for each Ward or Neighbourhood Area as set out in the report. Councillors can apply for money to be released for community projects based on the conditions set out in this report.

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11.3 Officers will monitor and report to the Joint Committee on how much money has been earmarked for each Ward/Neighbourhood Area and on what projects they have been spent. This will be published in the Council's Annual Monitoring Report by 31 December of each year.

Contact Officer:

Ernest Amoako, Planning Policy Manager and (01483 743427).

Consulted:

Douglas Spinks - Deputy Chief Executive

Leigh Clarke – Financial Services Manager

Councillor David Bittleston - Chair of the Joint Committee

Councillor Ashley Bowes – Portfolio Holder for Planning, Woking Borough Council

Borough Portfolio Holder

Councillor Ashley Bowes – Portfolio Holder for Planning

Annexes:

Appendix 1 – Map showing CIL money earmarked for each Ward or Neighbourhood Area.

Sources/background papers:

- The Community Infrastructure Levy (Amendment) Regulations 2013.
- Community Infrastructure Levy Charging Schedule.