



WOKING JOINT COMMITTEE

DATE: 23 JUNE 2021
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 report provides an overview of the arrangement agreed by the Joint Committee to manage the proportion of the Community Infrastructure Levy (CIL) money earmarked for local community projects. This is intended to assist Members of the Joint Committee, in particular, the new Members who joined the Committee after the 2021 local elections to understand the process for securing CIL money for local community projects when they are determining applications to secure CIL money.

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 had been agreed that the Ward boundary will be the basis for earmarking the CIL income.

To date, the Council has received an overall total of £7,092,009.33 from CIL contributions. Of this amount, £1,361,612.92 has been earmarked for local community projects of which £21,227.04 has already been spent. £5,375,798.64 has been allocated to the main CIL fund for borough-wide strategic infrastructure projects. On the last Friday of every month, all Members of the Council are provided with a Map showing the amount of CIL money earmarked for each Ward or Neighbourhood Area where the chargeable development had taken place. All the new Members of the Committee would have already received a copy of the Map at the end of May 2021. It is therefore not intended to attach a copy to this report.

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. The responsibility for determining how the main CIL receipts, in this case the 85% or 75% is used resides with the Council. Ward Members working in partnership with County Divisional Members are responsible for deciding how the 25% or 15% that is earmarked for local community infrastructure projects is managed.

The Joint Committee has agreed a Flowchart that sets out a step by step approach to the entire process for securing CIL money to deliver local community projects and an Application Form that should be completed to secure the CIL money. Both documents are included at Appendix 1. They are also on the website and can be accessed by visiting: <https://www.woking.gov.uk/planning-and-building-control/planning/policies-and-guidance/how-we-spend-income-cil-levy>.

RECOMMENDATIONS:

Woking Joint Committee is asked to note:

- (i) The arrangement for managing the proportion of the CIL money that is earmarked for local community projects as set out in Section 2 of the report.

REASONS FOR RECOMMENDATIONS:

To bring Members up to date on the arrangement for managing the CIL money earmarked for local community projects;

To enable the effective and efficient management of the proportion of the CIL money 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 will continue 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. Based on projected development requirements, it is estimated that CIL would generate an overall total of about £14M by 2025.
- 1.2 The Government requires the Council to pass on a proportion of its CIL income to local communities where the chargeable development occurred. 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 has been agreed that the Ward boundary will form the basis for allocating the money.

- 1.3 Whilst Government Regulations are very prescriptive about 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 Joint Committee agreed an arrangement for identifying local community projects and how communities could secure CIL money to deliver the projects at its meeting on 13 March 2019. This had been reviewed, and has been operating effectively so far.

2. ANALYSIS:

- 2.1 Local Ward Borough Councillors in conjunction with County Divisional Councillors has been given the responsibility to take the lead role in deciding how the CIL money should be used and on what community infrastructure projects. In making these decisions, Councillors are encouraged to work in partnership with designated Neighbourhood Forums and other relevant stakeholders in the community. This is 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 had agreed that it would accept 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.
- 2.2 The 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.
- 2.3 When considering any request for money, Members should 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.
- 2.4 Councillors who wish to secure CIL money for community projects should submit their list to the Planning Policy Manager by completing the Application Form, 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.

- 2.5 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 Planning Policy Manager 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. Invoices must be addressed to Woking Borough Council. 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 is the responsibility of the local communities and not the Council. Officers can provide advice when necessary. Councillors should notify the Planning Policy Manager when the projects are completed. Projects that are approved and completed will be recorded and published in the Annual Monitoring Report (AMR) and the Joint Committee will be notified.
- 2.6 To speed up the process for considering applications, the Joint Committee has set up a CIL Task Group of a small number of Members of the Joint Committee to determine CIL applications up to the value of £10,000. The Terms of reference of the Task Group is in Appendix 2 (this is included in agenda item 9). The Task Group meets on the first Monday of every month.
- 2.1 If Ward Members are dissatisfied with the decision of the Joint Committee or the Task Group on an application, they can request for the application to be considered by Council. An application to appeal should be made to the Director of Planning who will prepare a report for Council to consider. The application should include the name of the project, the date it was considered by the Joint Committee or Task Group and the reason(s) for appealing. An application to appeal should be made within three months from the date the decision was made by the Joint Committee/Task Group.
- 2.2 Woking Borough Council has set up a separate account for each Ward or Neighbourhood Area to manage the CIL money. Requests for money should not exceed the total amount had been 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.
- 2.3 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 had been used on. This will be published in the AMR and put on the Council's website. Monthly updates on how much has been earmarked for the various Wards or Neighbourhood Areas is provided in the Council's Green Book. In addition, updates are provided for Members on the last Friday of every month.
- 2.4 The arrangement agreed by the Joint Committee would be new responsibilities for some of the 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.
- 2.5 A Flowchart that encapsulates all the above in a step by step approach on how community projects could be identified and the CIL money secured to deliver

community projects has been provided. An application Form has also been agreed to guide Members to provide the necessary information needed for a successful application. The Flowchart and the Application Form are in Appendix 1.

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 Colin Kemp - Chair of the Woking Joint Committee;
 - Cllr Gary Elson - Portfolio Holder for Planning (Woking Borough Council);
 - Giorgio Framalico – Director of Planning (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. This money has been set aside before the rest is apportioned for infrastructure projects.
- 5.2 A total of £7,092,009.33 has been received by the Council, of which 1,361,612.92 has been earmarked for local community projects. It is estimated that CIL will generate an overall 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 have an effective and a robust arrangement for transferring the money and ensuring that it is used appropriately. The report will assist Members in exercising this duty effectively. 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 relatively 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 projects 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.

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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:

- 10.1 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 The Flowchart and the Application Form should be sent to all Members for information and reference.
- 11.2 Officers will continue to provide monthly updates on the amount of CIL income received for each Ward or Neighbourhood Area as set out in the report. Councillors should be encouraged to apply for money to be released for community projects based on the conditions set out in this report.
- 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:

Giorgio Framalicco – Director of Planning
 Councillor Colin Kemp - Chair of the Joint Committee
 Councillor Gary Elson – Portfolio Holder for Planning, Woking Borough Council

Borough Portfolio Holder

Councillor Gary Elson – Portfolio Holder for Planning

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Annexes:

Appendix 1 – Flow Chart and CIL Application Form

Appendix 2 – Term of Reference of the CIL Task Group – These are included in the Task groups and membership report, item 9 on the agenda of this meeting

Sources/background papers:

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