

Report to Portfolio Holder for Growth and Regeneration

Subject: CIL and the Neighbourhood Portion in Non-Parish Areas: Guidance Note

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Wards Affected

Calverton (part), Carlton, Carlton Hill, Cavendish, Colwick (part), Coppice, Daybrook, Ernehale, Gedling, Netherfield, Phoenix, Plains, Porchester, Redhill, Trent Valley (part) and Woodthorpe

Purpose

To seek approval from the Portfolio Holder for Growth and Regeneration for the proposed 'CIL and Neighbourhood Portion in Non-Parish Area: Guidance Note' which sets out the governance framework in relation to engagement and consultation with the local community in relation to the allocation and expenditure of the neighbourhood portion of Community Infrastructure Levy receipts in the non-parish areas of Gedling Borough. This Guidance Note will then be published on Gedling Borough Council's website at www.gedling.gov.uk/cilneighbourhoodfunding .

Key Decision

This is not a key decision

Background

- 1.1. The Community Infrastructure Levy ("CIL") is a planning charge that local authorities in England and Wales can require of most types of new development in their area (based on £s per square metre) in order to pay for the infrastructure needed to support development. CIL charges are based on the size, type and location of the proposed new development
- 1.2. Following an independent examination in March 2015 and approval at full council on 15 July that year, the Gedling Borough Council Community

Infrastructure Levy Charging Schedule, including the associated instalment policy, came into effect on 16th October 2015. Only developments granted planning permission after this date are CIL liable developments.

1.3. CIL can be spent on both capital projects and revenue projects, such as maintenance of infrastructure. CIL cannot be spent on addressing current deficits in infrastructure provision unless those deficits will be made worse by new development in the area.

1.4. A broad definition of 'infrastructure' for the purposes of CIL is set out in section 216(2) of the Planning Act 2008 and includes:

- Road and other transport facilities;
- Flood defences;
- Schools and other education facilities;
- Medical facilities;
- Sporting and recreational facilities; and
- Open spaces.

1.5. The Community Infrastructure Levy Regulations 2010 (as amended) ("the 2010 Regulations") provides that local authorities must allocate at least 15% of CIL receipts to spend on priorities that should be agreed with the local community in areas where development is taking place. This is known as the 'neighbourhood portion'.

1.6. The 2010 Regulations require 15% of CIL receipts to be passed directly to parish councils where the development has taken place. Gedling Borough Council has 11 parishes that will be in receipt of varying degrees of the neighbourhood portion of CIL receipt for expenditure on infrastructure. The parishes cover the following areas:

- Bestwood St Albans
- Calverton
- Lambley
- Newstead
- Ravenshead
- Stoke Bardolph
- Burton Joyce
- Colwick
- Linby
- Papplewick
- Woodborough

1.7. The extent of the parishes does not cover the majority of the urban area of Gedling Borough (with the exception of Colwick).

1.8. Regulation 59F of the 2010 Regulations states that where no parish

council exists the charging authority may use the neighbourhood portion of CIL, or cause it to be used to support the development of the relevant area by funding:-

- 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.”

1.9. The Government’s Community Infrastructure Levy Guidance issued on 12 June 2014 emphasises the requirement for charging authorities to engage with the local community where the development has taken place and agree with them how best to spend the neighbourhood portion of CIL receipts. The Guidance goes on to state that the consultation should be at local level and charging authorities should utilise existing community and consultation and engagement processes.

1.10. The Guidance states that local authorities should set out clearly and transparently their approach to engaging with local communities.

Proposal

1.11. Gedling Borough Council does not currently have a policy or procedure as to how the Council will engage with local communities in non-parish areas where development is taking place.

1.12. To ensure transparency the Council propose to publish a guidance note, which is attached at Appendix 1, which sets out:

- How the Council will consult and engage with local communities in non-parish areas regarding how the Council will use the neighbourhood portion of CIL receipts, including a mechanism to identify and assess local infrastructure projects and an appropriate consultation process;
- How the Council will decide how the neighbourhood portion of CIL will be invested; and,
- How the Council will monitor and review the process to ensure that expenditure is in accordance with the CIL Regulations 2010 (as amended).

Alternative Options

1.13. The Government does not prescribe a specific process for agreeing how the neighbourhood portion should be spent. The 2010 Regulations allow the Council to decide its own approach. However the Government’s

statutory Guidance suggests that existing community consultation and engagement processes should be used.

- 1.14. Alternative options include not producing and publishing a guidance note setting out the Council's approach to engaging and consulting with local communities with regards to expenditure of the neighbourhood portion of CIL receipts in non-parish areas. This would mean that the Council would not be in accordance with statutory guidance.
- 1.15. A further alternative option would involve changing various elements of the process that have been identified. The way the framework has been developed is considered the most proportionate, effective and efficient method of allocating non-parish CIL neighbourhood funding.
- 1.16. The approach taken ensures that the Council meets its legal obligations to work with the community on the expenditure of the neighbourhood portion of CIL receipts in the non-parish areas and to have a clear and transparent approach engagement and consultation with the community as to how this proportion of CIL will be spent.

Financial Implications

- 1.17. The operation of the non-parish neighbourhood funding process will not require additional resources to manage and would come under the current remit of the Council's Community Infrastructure Levy Officer.
- 1.18. Local Infrastructure Projects identified for funding would only be funded using 15% of collected receipts from development in the non-parish areas of the Borough as per CIL Regulation 59F.
- 1.19. Once projects are allocated funding, budgets would be required to be established using 15% of the receipts collected from development in the non-parish area in accordance with usual budget processes.
- 1.20. No allocations will be released to projects unless the CIL monies have been collected.

Appendices

Appendix 1 – Approach to Neighbourhood Funding and CIL in Non-Parish Areas

Background Papers

Gedling Borough Council CIL Charging Schedule

[http://www.gedling.gov.uk/media/documents/planningbuildingcontrol/cils/Charging%20Schedule%20\(Adoption%20July%202015\).pdf](http://www.gedling.gov.uk/media/documents/planningbuildingcontrol/cils/Charging%20Schedule%20(Adoption%20July%202015).pdf)

Planning Practice Guidance - Community Infrastructure Levy
<http://planningguidance.communities.gov.uk/blog/guidance/community-infrastructure-levy/>

Recommendation(s)

It is recommended that the Portfolio Holder for Growth and Regeneration:

- a) Approves the proposed guidance note 'CIL and the Neighbourhood Portion in Non-Parish Areas' at Appendix 1 which sets out the governance framework in relation to the allocation of neighbourhood portion of CIL income in the non-parish areas of Gedling Borough which will be published for the public to view on Gedling Borough Council's website at www.gedling.gov.uk/cilneighbourhoodfunding.

Reasons for Recommendations

- a) To ensure that the Council complies with its legal obligations to engage with the local community and be clear and transparent in how it will work with the community on the spend of the neighbourhood portion of CIL receipts in the non-parish areas of the borough of Gedling.