

Report to Cabinet

Subject: Community Infrastructure Levy (CIL) Annual Report

Date: 2nd August 2018

Author: Mike Hill – Acting Chief Executive

Wards Affected

All

Purpose

To provide Members with information on the monies collected through the Community Infrastructure Levy (CIL), how it is administrated and an update on the Parish and Non-Parish Neighbourhood Funding.

To agree to the publication the CIL Annual Report for 2017/18 attached in Appendix A.

Key Decision

This is not a Key Decision.

Background

- 1.1. The Gedling Borough Council Community Infrastructure Levy Charging Schedule came into effect on 16 October 2015. The amount of CIL liable is dependent on where the development is located within the Borough, the type of use proposed, the amount of floor space being created and the amount that is being lost i.e. through demolition or change of use, subject to legislation-based exemptions as they may be applied from time to time.
- 1.2. The majority of the money collected will be spent on infrastructure defined on the Council's Regulation 123 list. The Regulation 123 list was originally informed by the Infrastructure Delivery Plan which confirmed the infrastructure requirements for the development proposals identified in the Aligned Core Strategy. The four specific projects that the Council proposed to fund, partly or wholly, through Community Infrastructure Levy

receipts, and were submitted as part of the submissions for the Community Infrastructure Levy Draft Charging Schedule examination are:

- the Gedling Access Road,
- secondary school contributions for Gedling Colliery /Chase Farm and Top Wighay Farm strategic sites,
- the Gedling Country Park visitor centre.

- 1.3. It was confirmed at the hearing session that these projects had been prioritised over other infrastructure in the Infrastructure Delivery Plan because of their importance in assisting delivery of two of the strategic sites in the Aligned Core Strategy – Gedling Colliery / Chase Farm and Top Wighay Farm. It was important that projects were strategic in nature otherwise it would be more appropriate to use s106 contributions. In addition, in order to gain the support for the R123 list at examination the guidance the Council received from its consultants and from the CIL front runner authorities was to include a range of different types of infrastructure which was part of the justification for the inclusion of the Gedling Visitor centre.
- 1.4. It was recognised at the time that the Regulation 123 list was not exhaustive and would be subject to further change in the future but the purpose was to provide a useful guide as to the direction the Borough Council envisaged taking in providing for the delivery of infrastructure to support the development plan.
- 1.5. Under the CIL regulations a 'meaningful proportion of CIL receipts are to be passed to local town or parish council for the area where development takes place. This is known as the 'neighbourhood portion'. The neighbourhood portion to be passed to the local council is set at 15% of the relevant CIL receipts (up to a cap of £100 per existing council tax dwelling) or 25% with no maximum cap specified where there is a Neighbourhood Development Plan in place. At this time only Calverton and Papplewick Parish have a Neighbourhood Plan 'made'.
- 1.6. Where there is no Parish Council, Regulation 59A of the Community Infrastructure Levy Regulations 2010 (as amended) ("the 2010 Regulations") places a duty on charging authorities to allocate at least

- 15% (up to a cap of £100 per existing council tax dwelling) or 25% (uncapped) where there is a 'made' Neighbourhood Plan, of CIL receipts to spend on priorities that should be agreed with the local community in areas where development is taking place.
- 1.7. Where the chargeable development takes place in an area where there is no parish council, the charging authority retains the levy receipts but must spend the neighbourhood portion on, or to support, infrastructure in the area where the chargeable development takes place. This must be done in consultation with the local neighbourhood. The first consultation and allocation of Non-Parish neighbourhood funding is currently being undertaken.
 - 1.8. Regulation 61 allows the Council to apply up to 5% of collected CIL receipts towards administrative expenses incurred during the operation of a CIL.
 - 1.9. A Charging Authority is required under Regulation 62 of the 2010 Regulations to prepare a report for any financial year in which it collects CIL. The 2017/18 CIL Annual Report will be published separately and incorporated within the Authority Monitoring Report and will be published on the Council's dedicated CIL webpage (www.gedling.gov.uk/cil). The 2017/18 CIL Annual Report is attached for information.

Proposal

The purpose of this report is to keep Members up to date with information on the current position of CIL monies collected and outstanding monies due to the Council.

2017/18 Update

- 1.10. During the last financial year (2017/18), there has been £417,212.34 collected from 16 developments. Of this £62,581.85 is to be spent in the locality it was collected (parish or non-parish neighbourhood funding), £20,860.61 (5%) is to be set aside to cover the administration costs as permitted under the 2010 Regulations and the remaining £333,769.88 is to be spent on strategic infrastructure projects that are identified on the Regulation 123 List.
- 1.11. The Council issued liability notices in 2017/18 for over £1.3m of which

around £930k is still to be collected from these and historical invoices, which is reliant upon the developments commencing and the applicants complying with the notice. Each individual case for these outstanding monies will need regularly reviewing and officers to follow up where necessary.

Total CIL Collected

1.12. Since 16 October 2015 to 31 March 2018 the Council has received 36 payments across 25 developments totalling £459,331.34. Of this £68,899.70 (15%) is to be spent on the locality it has been collected via Neighbourhood Funding. £22,966.56 (5%) is to be set aside to cover the administration costs as permitted under the Regulations and the remaining £367,465.08 is to be spent on the strategic infrastructure projects that are identified on the Regulation 123 list.

Annual Breakdown of Collected CIL

1.13. Table 1 provides an annual breakdown of CIL monies collected since 15th October 2015.

Financial Year	Strategic Infrastructure Funding (Regulation 123 List)	Neighbourhood Funding	Administrative Costs	Total
2017/2018	£333,769.88	£62,581.85	£20,860.61	£417,212.34
2016/2017	£33,695.20	£6,317.85	£2,105.95	£42,119.00
2015/2016	0	0	0	0
Total	£367,465.08	£68,899.70	£22,966.56	£459,331.34

Allocated Amounts

1.14. At this time only a budget has been agreed in relation to a single Regulation 123 project, the Gedling Access Road. On 16 November 2016, Council approved a maximum contribution of £4.48 million towards the Gedling Access Road to be financed by CIL receipts.

Parish Funding

- 1.15. In the Parish areas a total of £16,026.45 has been collected as Parish Neighbourhood Funding. Of the total amount, £9,996.69 has been transferred directly to the Parish Councils during 2017/18. The remaining £6,029.76 is held by the Council awaiting future claims by the Parishes.

Parish	Amount Transferred as of 31 March 2018
Linby	£483.00
Ravenshead	£6,579.69
Lambley	£2,184.00
Burton Joyce	£750.00

Non-Parish Funding

- 1.16. In the Non-Parish areas of Gedling a total of £52,873.25 has been collected as of 31 March 2018 as Neighbourhood Funding. None of which has been allocated to date.
- 1.17. The Council, in March 2017 prepared a Guidance Note titled 'CIL and the Neighbourhood Portion in Non-Parish Areas' that can be found online at www.gedling.gov.uk/NoParishCILNeighbourhoodFunding. It outlined the approach that the Council will take to allocating this money in Non-Parish Areas of Gedling. The approach provides an annual opportunity to invite council officers, councillors, the local community and statutory organisations to identify appropriate infrastructure projects for expenditure of the neighbourhood portion of CIL receipts.
- 1.18. The available funding has to be used in accordance with Regulation 59F of 2010 CIL Regulations (as amended) to support the development of the 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.
- 1.19. This definition allows the neighbourhood funding to be used to fund a very broad range of facilities including play areas, parks and green spaces, leisure facilities, transport, community and health and social care facilities.
- 1.20. Suitable schemes are currently being assessed by the Council. These will be subject to a 4 week consultation period before schemes can be approved.

Alternative Options

- 1.1. There are no alternative options to pursue.
- 1.2. The Council is required to prepare and publish a report for the financial year under Regulation 62 of the 2010 Regulations before the end of calendar year.

Financial Implications

- 1.3. There are no financial implications.
- 1.4. This report does not alter the amount of money that can be collected from a development, but rather details what monies have been collected and spent.

Appendices

Appendix 1: Community Infrastructure Levy (CIL) 2017/18 Annual Report

Background Papers

Gedling Borough Council CIL Charging Schedule -

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

Recommendation(s)

THAT:

- a) Cabinet notes the report.

- b) Cabinet agrees the publication of the CIL Annual Report for 2017/18 as detailed above.

Reasons for Recommendations

- a) To provide information and make Cabinet aware of the operation of the Community Infrastructure Levy in Gedling Borough.
- b) To ensure that Council prepare and publish an annual financial report required under Regulation 62 of the 2010 Regulations.