

## Allocation of Community Infrastructure Levy (CIL) Contributions to Local and Strategic Infrastructure Projects

### Community Infrastructure Levy (CIL) Spending Board - 9 December 2019

Report of Chief Planning Officer

Status For Consideration

Also considered by Cabinet

Key Decision Yes

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**This report supports the Key Aim of ensuring that Sevenoaks District remains a great place to live, work and visit and that development is supported by the relevant Infrastructure.**

**Portfolio Holder** Cllr. Julia Thornton

**Contact Officers** Claire Pamberi (Planning Standards Manager) Ext. 7221

Simon Taylor (Planning Officer) Ext. 7134

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**Recommendation to the CIL Spending Board:** That the Board consider the report and appendices, and agree the recommendations as set out in Appendix G to the report.

**Recommendation to Cabinet:** That Cabinet ratify the recommendations made by the CIL Spending Board as set out in the minutes of the meeting.

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### Introduction and Background

- 1 As members are aware, Sevenoaks District Council (SDC) adopted their Community Infrastructure Levy (CIL) charging schedule on 18<sup>th</sup> February 2014 and has been charging on all qualifying development since 4<sup>th</sup> August 2014. SDC has therefore been collecting CIL receipts since that date. The District's CIL Charging Schedule sets out the charging rates and what development is charged under CIL.
- 2 Since the introduction of CIL, the Council has held two Spending Boards. The Boards have granted various amounts of CIL to be given a variety of infrastructure projects across the District. Following the meeting of the last CIL Spending Board, the Council has also reviewed the Governance of CIL, to provide further clarification to the assessments of bids, the structure and function of the Board and also to ensure a more consistent and open process.

This is therefore the first meeting of the CIL Spending Board since the change in Governance.

- 3 Since the last Spending Board, there has been a steady income of CIL Receipts resulting in sufficient funds for this CIL Spending Board to allocate to make a meaningful contribution to infrastructure projects in the area.
- 4 An invitation for Bids to this Board was sent out to all statutory infrastructure providers and interested parties. The invitation to Bid was open from 29<sup>th</sup> July through to 5pm on Monday 30<sup>th</sup> September 2019.

### **Update on CIL Legislation**

- 5 Members may be aware that new CIL Regulations came into force on 1<sup>st</sup> September 2019.
- 6 The regulations make a number of important changes to the operation of CIL and also section 106 planning obligations. These include:
  - removing the requirement to consult on a preliminary draft charging schedule;
  - applying indexation when planning permissions are amended;
  - removing the restriction on the number of planning obligations that can be used to fund a single project;
  - introducing new reporting requirements through Infrastructure Funding Statements (from December 2020);
  - allowing authorities to spend up to 5% of levy receipts on administrative expenses; and
- 7 It should be noted that whilst these are considered important they will not impact on the process of the CIL Spending Board and how the money will be spent.

### **Update on CIL Contributions**

- 8 CIL contributions are collected on all qualifying developments. A percentage of these receipts are passed to the Town and Parish Councils to spend on infrastructure and/or anything else that is concerned with addressing the demands that development places on an area.
- 9 This has resulted in over £2.3 million being passed to Parish and Town Councils to date. The most up to date CIL figures in regard to Parish and Town Councils can be found using the Council's interactive tool by using the following link:

[https://www.sevenoaks.gov.uk/info/20075/community\\_infrastrucure\\_levy/285/what\\_is\\_cil\\_and\\_when\\_does\\_it\\_apply](https://www.sevenoaks.gov.uk/info/20075/community_infrastrucure_levy/285/what_is_cil_and_when_does_it_apply)

All information shown on the interactive tool is updated in real-time, meaning that Town and Parish Council, Members and the public are able to

see how much CIL is collected within an area and how much is passed to the respective Town or Parish Council within a given period.

- 10 Furthermore, the District Council may apply up to 5% of CIL to administrative expenses incurred by it in connection with CIL. The remaining proportions of CIL receipts collected are retained by the District Council to be allocated by the CIL Spending Board towards strategic and/or local infrastructure projects. Cabinet must ratify all recommendations made by the CIL Spending Board, before the allocated sum can be passed to the bidding organisation.

The following table summarises the total value of CIL contributions collected and the amount of contributions available for the CIL Board to allocate. Members should note that the information provided is accurate from the commencement of CIL up until 30<sup>th</sup> September 2019, as this was the last payment period to town and parish councils:

<b>Total value of CIL receipts collected by Sevenoaks District Council to date (01.04.2014 - 30.09.2018)</b>	<b>£8,077,449.19</b>
Total value of CIL receipts that have been previously allocated by the CIL Spending Board (to date)	£3,291,724.00
<b>Total value of CIL receipts available for the CIL Board to allocate for local infrastructure projects</b>	<b>£2,029,008.49</b>

- 11 It should be noted that it is not possible to predict when CIL contributions will be collected, as the payments of CIL are dependant on the date of the commencement of development, and any exemptions that the applicant has applied for (i.e. self-build, affordable housing, charitable status).

### Process for Assessing Bids

- 12 The process of assessing applications is made by the Lead Officer using the following two-stage process:

**Stage One:** Bids are discounted from the process either where:

- i) A completed bidding pro-forma has not been submitted;
- ii) The applicant does not have the legal right to carry out the proposed scheme or does not have the support from the statutory authority/provider;
- iii) Schemes that could clearly not be defined as infrastructure to support development.

**Stage Two:** Bids are considered against criteria in order to make a recommendation to the CIL Board. The criteria for the assessment of bids

was discussed with members of the CIL Spending Board and agreed by the Development and Conservation Advisory Committee and Cabinet in July 2019. In this case lead officer has assessed the bids in accordance with the criteria agreed and ranked them accordingly. Bids with the highest scores are shortlisted and presented to the Board.

- 13 A summary of the criteria used in Stage Two is included in the CIL governance arrangements and Council's constitution.

### **Consideration of Shortlisted Bids**

- 14 The following reports set out the shortlisted bids. Each report sets out the application proposal and indicates the strengths and weaknesses of each bid against the key considerations of the Board.
- 15 The CIL spending board's key considerations will be whether there is a community benefit of the proposed scheme for residents in Sevenoaks District and whether the scheme constitutes value for money. In determining this, the spending board will consider the following issues in making its recommendation:
- a) Whether sufficient evidence has been provided to demonstrate a strong social, environmental or economic justification for the scheme.
  - b) Whether sufficient evidence has been provided to demonstrate a strong link between new development and the scheme.
  - c) Whether sufficient evidence has been submitted to show that the project involves partnership working.
  - d) Whether the scheme forms part of a planned, local, economic or community strategy to address the need for local or strategic infrastructure.
  - e) Whether sufficient evidence has been provided to show the clear public benefit to the scheme.
  - f) Whether sufficient evidence has been provided to show that funding has been maximised from other funding sources.
  - g) Whether there is sufficient certainty that the scheme will be delivered, including considering whether the project has all the necessary permissions in place and evidence has been provided to demonstrate that there are sufficient maintenance arrangements in place.
  - h) Whether the scheme has local support.
  - i) Whether the project has already benefited from CIL funding through the CIL Spending Board or the Parish and Town Councils.

j) Whether overall the scheme provides a strong community benefit.

- 11 The board may also take into account other factors that it considers relevant.
- 12 It is important to note that there is limited CIL funding available for the Board to allocate on this occasion. For this Board the CIL money requested to support all the projects is more than the total amount available to spend.

<b>Total value of CIL receipts available for the CIL Board to allocate for local infrastructure projects</b>	<b>£2,029,008.49</b>
<b>Total value of CIL requested through all the projects put forward to this CIL Board</b>	<b>£2,428,232.98</b>
<b>Shortfall</b>	<b><u>£399,224.49.</u></b>

- 13 As part of the reports on each item (see Applications A to F), Officers have provided information to the Board to indicate which criteria they consider each of the bids performs strongly under and also the criteria that they perform weaker under. It is therefore for the Board to determine which applications they consider closely meet the criteria listed above and should be granted CIL receipts towards their infrastructure projects.

#### **Additional Item**

- 14 Members will also find attached a separate report regarding Swanley Station Improvements. In this case, Sevenoaks District Council, working in partnership with a number of organisations were awarded £750,000 towards the improvements to the station. The award was approved on the following grounds:
- i. strong economic, social and environmental benefits to the community;
  - ii. partnership working with other organisations;
  - iii. majority of project cost secured through match-funding.
  - iv. subject to disabled access from both sides of the station detailed as part of the scheme, listed support of at least one local member, views of the Town Council obtained and ongoing arrangements with Network Rail.
- 15 SDC, working with other organisations wish to amend condition iv and details of this are provided in the report.
- 16 Members should note that as the money has already been allocated for this project, this would not impact upon the spending summary provided

previously. It is purely the role of Members on this occasion to agree whether the condition can be amended or not.

## **Key Implications**

### Financial

It is the duty of the Council as the Charging Authority to meet its obligations in relation to the CIL Regulations 2010 (and subsequent amendments). There are no financial implications with regards to this report.

### Legal Implications and Risk Assessment Statement

The Council has a duty, as the charging authority, to ensure that the allocation and spending of CIL is in line with the CIL Regulations 2010 (and subsequent amendments). In addition, this report has been drafted in line with the Council's CIL Governance Arrangements.

### Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## **Conclusion**

The Council has been collecting contributions under the Community Infrastructure Levy (CIL) since August 2014, following its adoption in February 2014. Over the last year, the Council is now in a position to allocate the contributions collected towards local and/or strategic infrastructure across Sevenoaks District. The report sets out the value of CIL contributions available to the Board to allocate, and sets out the process of how applications to the CIL Board have been assessed in accordance with the CIL governance arrangements. It is now the responsibility of the Board to determine which bids should be granted.

## **Appendices**

Application A - Re-provision of White Oak Leisure Centre (Sevenoaks District Council)

Application B - Bradbourne Lakes Landscape Improvements (Sevenoaks District Council)

Application C - Swanley Transport Interventions Fund (Kent County Council Highways)

Application D - Westerham Parking Project (Westerham Town Council)

Application E - Kemsing Surgery Extension (West Kent Clinical Commissioning Group)

Application F - "go 2" A Demand Responsive Bus

Service (Go-Coach Limited and Go-Taxi Limited)

Appendix G - Key Considerations & Recommendations

**Background Papers**

[Community Infrastructure Levy Regulations 2010 \(as amended\)](#)

CIL Governance Arrangements (Cabinet [July 2019](#))

**Richard Morris**

**Chief Officer Planning & Regulatory Services**