

Planning Policy Advisory Panel Supplemental Agenda

Date: Monday 18 September 2023

9. **Harrow Community Infrastructure Levy - Update (September 2023) (Pages 1 - 28)**

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**Report for: Planning Policy
Advisory Panel**

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|-------------------------------------|--|
| Date of Meeting: | 18 September 2023 |
| Subject: | Harrow Community Infrastructure Levy – update (September 2023) |
| Key Decision: | No – information only |
| Responsible Officer: | Viv Evans, Chief Planning Officer Mark Billington, Director of Inclusive Economy, Leisure and Culture |
| Portfolio Holder: | Councillor Paul Osborn, Leader of the Council and Portfolio Holder for Strategy Councillor Marilyn Ashton, Deputy Leader of the Council, Planning & Regeneration Portfolio Holder |
| Exempt: | No |
| Decision subject to Call-in: | No – for information only |
| Wards affected: | All Wards |
| Enclosures: | Appendix 1 – progress against Borough CIL spending commitments in the agreed Capital Programme. Appendix 2 – completed and committed Neighbourhood CIL projects |

Section 1 – Summary and Recommendations

This report provides an update on the receipts, allocation and expenditure of Harrow Community Infrastructure Levy (HCIL), disaggregated into Borough CIL ('strategic' infrastructure allocated via the Capital Programme) and Neighbourhood CIL (neighbourhood infrastructure / projects allocated via the process agreed by Cabinet in February 2023).

Recommendations:

The Panel is requested to note and comment on the report.

Reason: (for recommendation)

Consideration of the use of the Community Infrastructure Levy receipts form part of the Panel's Terms of Reference. The report provides an opportunity for the Panel to consider implementation of the revised Neighbourhood CIL process.

Section 2 – Report

1.0 Introduction

- 1.1 This report provides an update on the Harrow Community Infrastructure Levy (HCIL). The report is split into two key sections:
- (a) Borough CIL – the main element of Harrow CIL is used to fund strategic infrastructure and allocated through the Capital Programme (see Section 4).
 - (b) Neighbourhood CIL – the 15% portion of Harrow CIL receipts is allocated in accordance with the approach agreed by Cabinet in February 2023 (see Section 5).
- 1.2 Each section will identify receipts, allocations and expenditure for Borough CIL and Neighbourhood CIL.
- 1.3 The report also provides the funding context for the update to the Infrastructure Delivery Plan (IDP) being prepared to support the new Harrow Local Plan and will be used to inform infrastructure spending plans, including CIL. The update to the IDP is a separate item on the agenda.

2.0 Options considered

- 2.1 The option of not providing an update was considered and dismissed as this would not give the Panel the opportunity to monitor and comment on something within their Terms of Reference.

3.0 Background

- 3.1 The Community Infrastructure Levy (CIL) is essentially a form of taxation on new development that is used to fund the infrastructure required to support development in the borough, and ensure that there is no detriment to infrastructure standards caused by intensified use of an area. It is typically collected as a payment from the site developer (when the development commences), pooled with other CIL receipts and allocated to infrastructure projects by the Council. The levy rates are charged in accordance with the Council's adopted CIL Charging Schedule (Sept 2013) with rates required to be set at levels that don't result in development becoming unviable. CIL charging

rates are subject to indexation annually in accordance with the CIL Regulations.

- 3.2 The allocation of the Borough Community Infrastructure Levy (BCIL) forms part of the Annual Budget Setting process and included in the Capital Programme report which is presented to Cabinet every year in December (draft budget) and February (final budget). The allocation of the Borough CIL is informed by the Harrow Local Plan, Infrastructure Delivery Plan, Corporate Priorities and external funding opportunities and has regard to the criteria outlined in a report considered by the Major Developments Panel and Cabinet in December 2017 (these largely reflect the CIL Regulations and Planning Practice Guidance as to the purpose of CIL and how it should be spent)¹.
- 3.3 Neighbourhood CIL (NCIL) is allocated in accordance with the process agreed by Cabinet in February 2023² (and considered by the Panel in January 2023). The two main elements of NCIL funding (being 15% of total Harrow CIL receipts) are:
- (a) Ward Neighbourhood Community Infrastructure Fund (Ward NCIL) – funded by development activity within each ward and used to fund local infrastructure (10%)
 - (b) Central Neighbourhood Community Infrastructure Fund (Central NCIL) – a pooled NCIL fund open to all wards (5%)

4.0 Borough CIL (BCIL)

- 4.1 As noted above, the main CIL fund ('BCIL') is used to fund the core Capital programme (where projects relate to infrastructure required to support development in the borough).
- 4.2 In the ten years since Harrow CIL was introduced (2013/14), total BCIL receipts total £23.752m. This total was significantly boosted by a receipt (£5.9m) from the former Kodak site in 22/23. The level of CIL receipts is dependent on the level of development activity in the borough (since CIL is only payable upon commencement of development) and also the level of mandatory relief that must be granted under the CIL Regulations (i.e. affordable housing does not have to pay CIL). Past trends have been for Borough CIL income to average around £2m per annum.
- 4.3 The Capital programme report to Cabinet in February 2023³ (covering the period 2023/24-2025/26) identified the total requirement for BCIL

¹ See [Agenda for Cabinet on Thursday 7 December 2017, 6.30 pm – London Borough of Harrow](#) (item 635)

² See [Agenda for Cabinet on Thursday 16 February 2023, 6.30 pm – London Borough of Harrow](#) (item 108)

³ See [Agenda for Cabinet on Thursday 16 February 2023, 6.30 pm – London Borough of Harrow](#) (item 105)

funding to cover the total commitment of the existing capital programme and the new bids was £11.011m, as set out below:

| New capital bids as part of 23/24 Budget process with CIL request: | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Total |
|---|----------------|----------------|----------------|----------------|---------------|
| (N.B. Amount shown in the BCIL element only) | £'000 | £'000 | £'000 | £'000 | £'000 |
| Flood Defence and Highway Drainage | 500 | 500 | 500 | 500 | 2,000 |
| Green Grid | 170 | 150 | 150 | 150 | 620 |
| Harrow Arts Centre - refurbishment & new build | 809 | | | | 809 |
| Parks Playground replacement | 46 | | | | 46 |
| HAC Capital Infrastructure | 22 | | | | 22 |
| Flood Defence and Highway Drainage | 97 | | | | 97 |
| Harrow High Street Fund | 1,832 | | | | 1,832 |
| Wealdstone Future High Street Fund | | 1,760 | | | 1,760 |
| Biodiversity Net Gains in Harrow | | 300 | 275 | 250 | 825 |
| BCIL funded projects, subject to business cases | | 1,000 | 1,000 | 1,000 | 3,000 |
| Total BCIL funding requests | 3,476 | 3,710 | 1,925 | 1,900 | 11,011 |

Note: Cabinet and the Department of Levelling Up, Housing and Communities has agreed for funding for the Wealdstone Future High Street Fund to be allocated to Harrow Town Centre.

- 4.4 The February 2023 Cabinet report concluded that by the end of 2022/23 there would be sufficient BCIL funding to fund all the projects included in the table above. Given that the Council generally receives £2m of BCIL income pa, a further estimated £6m could be received in the 3 years from 2023/24 to 2025/26 which would be available to either fund existing projects in the capital Programme or could be used for future Capital Programme additions (such as those identified in the forthcoming Infrastructure Delivery Plan, subject to a separate report on the agenda).
- 4.5 In the case, where schemes currently funded from borrowing could be substituted for BCIL funding instead this would then lead to a reduction in borrowing costs. Similarly, if the estimated level of BCIL is not received, then it would be necessary to fund the schemes from other sources or remove them from the Capital Programme.
- 4.6 As of 31 August 2023, £898.2k of BCIL and £168.4k of NCIL had been received for 2023/24. Based on Demand Notices⁴ issued to-date, it is estimated that a total of £3.2m Borough CIL and £0.6m Neighbourhood CIL will be received during the financial year. Note, NCIL is allocated to individual wards / Central fund at year end.
- 4.7 The table at Appendix 1 provides a more detailed update of progress against Capital projects for 2023/24.
- 4.8 BCIL is a finite resource intended to support new development within the borough. This was reflected in the Cabinet report of December

⁴ Demand Notices are issued when development commences, and CIL becomes payable.

2017 that set the process and criteria for allocating BCIL. A key legal requirement is that 'a charging authority must apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area'⁵. A key means of identifying infrastructure required to support development within the borough is the Infrastructure Delivery Plan (IDP), which is prepared to inform the preparation of a Local Plan. An IDP identifies the infrastructure required to support the level of development identified in the Local Plan; on this basis inclusion of infrastructure / project in an IDP is a key criteria for allocating BCIL. An update to the Harrow IDP is a separate item on the agenda.

4.9 BCIL has proven to be a powerful tool to attract additional investment in the borough by match funding grants. Examples where BCIL has been used as match funding to attract external funding include:

- (a) the Future High Street Fund (to secure capital investment into Harrow Metropolitan Town Centre).
- (b) the GLA's Good Growth Fund to secure funding to bring redundant buildings back into use and fund the new Greenhill building at Harrow Arts Centre.
- (c) The Thames Regional Flood Defence Local Levy and Environment Agency grants to deliver the Headstone Manor Flood Alleviation Scheme & Sports Pitch Improvements
- (d) the Heritage Lottery Fund / GLA Parks for People grants to support the Headstone Manor Recreation Ground project.
- (e) GLA / DEFRA funding to support the Chandos Park regeneration project.

4.10 The success in using BCIL to attract external funding emphasises the opportunities presented by taking a strategic approach to its allocation (informed by work such as the Infrastructure Delivery Plan or other related strategies).

5.0 Neighbourhood CIL (NCIL)

5.1 The neighbourhood portion (NCIL) of the Community infrastructure Levy can be spent on a wider range of things than the rest of the levy, provided that it meets the requirement to 'support the development of the area' (see regulation 59C). The wider definition means that the neighbourhood portion can be spent on things other than infrastructure (as defined in the Community Infrastructure Levy regulations) provided it is concerned with addressing the demands that development places on the area.

5.2 Up until the end of 2021/22, a total of £3.001m of NCIL had been received (excluding NCIL project management top slice). Actual expenditure from 17/18 to 21/22 was £1.189m, leaving a balance of £1.812k, including £0.239m in outstanding commitments.

⁵ Regulation 59(1) of The Community Infrastructure Levy Regulations 2010 as amended

- 5.3 At the end of 2021/22, the overall NCIL balance was £1.354m (excluding outstanding commitments), which after the completion of the NCIL review and re-allocation of balances from the former ward boundaries, comprised a balance of £1.164m in Ward NCIL and £0.190m in Central NCIL.
- 5.4 During 2022/23, a total of £1,018,498.22 of NCIL was received (excluding outstanding invoices and after any credit notes for historic invoices / 'income'), which was split £675,893.18 Ward NCIL and £342,605.03 Central NCIL.
- 5.5 The following NCIL balances were therefore available at Ward NCIL and Borough NCIL levels at the beginning of the 2023/24 financial year (after adjustments were made for underspend against completed projects and credit notes for historic invoices / 'income').

| Ward | NCIL balance at beginning of 23/24 (£) | Ward | NCIL balance at beginning of 23/24 (£) |
|--------------------|--|---------------------|--|
| Belmont | -44,708.64 | North Harrow | -47,331.26 |
| Canons | -10,204.73 | Pinner | -66,093.73 |
| Centenary | -40,645.11 | Pinner South | -102,959.20 |
| Edgware | -32,745.42 | Rayners Lane | -14,138.56 |
| Greenhill | -164,282.47 | Roxbourne | -73,814.01 |
| Harrow on the Hill | -97,537.47 | Roxeth | -108,033.34 |
| Harrow Weald | -25,500.44 | Stanmore | -96,918.98 |
| Hatch End | -14,391.12 | Wealdstone North | -46,995.72 |
| Headstone | -59,269.80 | Wealdstone South | -93,882.18 |
| Kenton East | -6,812.32 | West Harrow | -38,871.80 |
| Kenton West | -3,055.03 | Central NCIL | -532,550.52 |
| Marlborough | -651,513.17 | Total | -2,372,255.02 |

- 5.6 Of the total £2.372m NCIL balance, £1.840m (77.6%) is within Ward NCIL and £0.532m (22.4%) is within the Central NCIL fund.
- 5.7 An information / training session was held for Members on 1 June 2023. The session was run by officers from Planning, and Economic Development. The session outlined the availability of NCIL funding, including the two different NCIL funds (Ward NCIL and Central NCIL), and the criteria and processes for releasing these funds. Just over 20 ward members were in attendance.
- 5.8 An update on each NCIL fund is set out below.

Ward NCIL

- 5.9 Members of all wards have been contacted with respect to their Ward NCIL funding, highlighting the amount in their Ward (£), the new application process and offering support to complete applications. Follow-ups have been targeted at those wards with the largest Ward

NCIL balances as any balances over £100k at year end that have not been spent or allocated will be re-allocated to the Central NCIL fund.

- 5.10 At the time of writing to Members on 23 June 2023, detailing the new Ward NCIL process, a total of £1.840m was available in the entire Ward NCIL pot. The following is an update on projects ideas, bids and approvals since then and associated financial value (as at the end of August 2023):
- (a) Overall, 14 Wards have submitted a total of 54 bids or project ideas.
 - (b) Four bids have been approved, totalling £13,452 [including provisional approval (subject to Service Manager approval) for one project].
 - (c) 28 formal bids have submitted, the value of which is circa £59,781.52. These are being progressed through the project refinement and approval processes.
 - (d) A total of circa 12 project ideas, at the value of circa £630,000, are being worked through with Members from five Wards. A further 14 project ideas are in very early stages. These will be developed into formal bids for approval. This includes Marlborough Ward at circa £550,000.
 - (e) The remaining eight Wards have not requested a follow-up meeting or submitted any project ideas or bids since being contacted in June 2023. The value of the eight Wards' Ward NCIL funds stands at £371,897.
- 5.11 A full list of approved Ward NCIL projects (including those agreed under the previous arrangements) is included at Appendix 2. A sample of potential projects being worked up into formal bids is also included as 'pipeline' projects.
- 5.12 Although a large number of potential Ward NCIL projects have been identified, as part of engagement with members and through members submitting NCIL applications form, to date, this has only translated into a modest number of projects progressing through to approval and implementation. The suggested approach to address this is through continual engagement with Members and offering support, in addition to working through the 26 project ideas to bid submission and delivery.
- 5.13 A review of the project tracker used to manage the project development, application and delivery process has been undertaken to identify issues and potential mitigation; these are outlined below.

| Issue encountered | Mitigation |
|---|---|
| Difficulty in identifying potential projects. | A menu of potential NCIL projects is being developed. This would be based on the types of projects previously funded (both in Harrow and elsewhere), as well as specific projects identified through reports / strategies |

| Issue encountered | Mitigation |
|---|---|
| | and by officers. Examples include: refurbishment of war memorials, refurbishment of heritage assets in parks, improving playing pitches (football, cricket, rugby etc), trees, benches (in parks) |
| Feedback that the NCIL application form was too detailed and difficult for members to complete. | The form has been reviewed and simplified, with a clear delineation between sections that members need to complete (i.e. broad description of the project, level of public support) and those for relevant services areas to complete (i.e. project feasibility, budget, deliverability, corporate priorities etc). |
| NCIL application forms are submitted prior to any consultation / engagement with relevant services resulting in unforeseen delays to projects. I.e. projects require approval from different services, need to follow specific policy guidelines and/or timeframes, time spent liaising with suppliers / receiving quotes | <p>Members to opt for schemes included in the NCIL menu of options which costs have been identified.</p> <p>Members to have engaged relevant officers prior to NCIL submission to the Economic Development team.</p> <p>Economic Development Team to liaise with internal services on the menu of options.</p> |
| NCIL application forms are submitted with the second Councillor's signature in support missing. Additional time spent confirming other members are aware and supportive of the scheme. | Members to ensure application forms are complete prior to submission |
| Project is lacking in public consultation and engagement. | <p>Members to ensure there is public support prior to NCIL application submission, consistent with the NCIL criteria.</p> <p>Undertake consultation on MyHarrow Talk to seek project ideas from the wider community.</p> |
| Some projects require further information to inform a bid and costings, such as designs or a feasibility study. Service areas may not have the budget to undertake / commission the required work. | Costs of undertaking / commissioning required work to develop a detailed project could be met by Ward Priority Funding (WPF) or alternatively a two stage Ward NCIL bid, with the first stage being for the investigative work / surveys etc, and the second stage being for implementing the project (contingent on the first stage confirming the project is feasible and adequate) |

| Issue encountered | Mitigation |
|--|---|
| | budget available in the Ward NCIL fund). |
| Relevant services do not have capacity to undertake projects or incorporate them into existing workloads. i.e. additional CCTV cameras increase the demand of monitoring and this cannot be accommodated within existing staff resources | Budget to include salary costs in the NCIL application form or where a common project time, potentially a Central NCIL bid may be submitted for a borough wide resource. Third party (if applicable) to deliver the project. |
| Project requires freeholder / landowner approval | Councillors to liaise with relevant stakeholders prior to NCIL application submission and reflect this in the form so that officers can follow-up / progress as necessary. |
| Due to the staffing resource issues cited above, Officers / services do not respond to queries in timely manner. Such input however is essential to ensure projects are reviewed by officers with appropriate technical expertise and operational experience to ensure any project is delivered in a way that ensures the long-term functionality and durability. | Economic Development's queries to other services relating to the development of bid ideas and costings, to be submitted via the Member Enquiry process. |
| There are several Wards with no applications or project ideas brought to the Economic Development Team despite being approached on several occasions. | Further reminders to Members whose Wards have not brought any proposals to date |
| A delay of acknowledgement by Councillors of ideas submitted by residents / community groups, when notified by officers. | To escalate to Leader of the relevant political party in the case Councillors are unresponsive |
| The project assistant supporting with the NCIL bid is leaving the Council on 22 nd September 2023 and there will be a gap before a replacement is recruited. This will have a short-term impact on overall delivery. | Recruit staff member |

Central NCIL

- 5.14 The Central NCIL fund was launched on the 1 June 2023 (at the members information session) with a deadline for the first round of funding applications being the 30 July 2023.

- 5.15 No applications were received for the first round of bidding for the Central NCIL fund. Whilst disappointing, it is noted that this was the first opportunity for bidding and the launch of the process of light-touch as the emphasis was on Ward NCIL funding. It is also noted that a small minority of Wards had low Ward NCIL balances (Central NCIL is focused on such boroughs, as well as projects benefitting more than one ward). However, to give an opportunity for bids to be submitted and if successful, delivered in 2023/24, the deadline for submitting bids in the first round has been extended to September 2023 and all members notified of this.
- 5.16 A further member information session will be held and online engagement (via MyHarrow Talk) will be undertaken to promote the opportunity to bid for Central NCIL funds, the deadline for the second round is at the end of December 2023. This will also help set broad priorities for NCIL spend for consideration by members when considering bids. Direct promotion to community groups will also be considered. The revised NCIL form will also be promoted, as it clarifies the level of input from members (mainly focused on describing the project and its broad benefits / levels of community support), with more detailed sections (delivery, costs, compliance with criteria) generally being completed by officers.

6.0 London-wide context

- 6.1 Transport for London (TfL) administers the Mayoral Community Infrastructure Levy (MCIL), which is used to fund strategic transport projects in London (i.e. the Elizabeth Line). MCIL is collected by all London boroughs / development corporations on behalf of the Mayor. In this context, TfL facilitates a pan-London CIL collecting authority group.
- 6.2 In terms of Mayoral CIL collected, Harrow ranks 24th out of 35 collecting authorities, with circa £17m of MCIL collected by Harrow to the end of 2022/23. This reflects the level of development activity within the borough compared to other boroughs. It also reflects the MCIL charging rate for Harrow is the 'middle' band (£60 per square metre) in the Mayor's Charging Schedule.
- 6.3 In terms of CIL collected by boroughs according to their own borough charging schedule, a recent TfL assessment of all the Infrastructure Funding Statements for the year 2021/22 published by London boroughs / development corporations enables Harrow's CIL income to be considered in a wider context.
- 6.4 In terms of CIL charged by boroughs (including both Borough and Neighbourhood CIL, but excluding administration top-slice), cumulative CIL receipts across London were £1.43bn at the end of 2021/22. Harrow's share of this was £26.94m. The following table depicts this in relative terms:

| Cumulative CIL income received by boroughs (to 2021/22) | Number of boroughs |
|---|-----------------------|
| >£100m | 4 |
| £80-100m | 1 |
| £60-80m | 0 |
| £40-60m | 7 |
| £20-40m | 10 (including Harrow) |
| £10-£20m | 7 |
| £0-10m | 4 |
| No borough charging schedule | 2 |
| Total | 35 |

- 6.5 CIL income will depend on the rate at which CIL is charged (higher rates are generally only viable in areas with higher land values), the level of development activity within a borough, and the extent of mandatory relief that must be given (i.e. affordable housing benefits from relief from paying CIL).
- 6.6 In terms of CIL spent, many boroughs continue to not spend large proportions of CIL receipts. As noted above, Harrow's Borough CIL (the main strategic funding pot) was fully committed as part of the current three-year Capital Programme.

7.0 Conclusions

- 7.1 In terms of Borough CIL (the main strategic infrastructure element of Harrow CIL), current receipts have been largely committed as part of the current Capital Programme, with £2.8m remaining to be allocated subject to receipt of Business Case and agreement from the administration. Progress of spend of allocated BCIL is through the capital programme monitoring process; Appendix 1 provides the current position on BCIL spend.
- 7.2 There remains a significant proportion of NCIL that remains unallocated, both within individual Ward NCIL funds and the Central NCIL fund. Allocating NCIL and progressing NCIL projects remains below desirable levels and a number of strategies to address this are identified in section 5.

Ward Councillors' comments: None- for information only.

Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below.
Yes

The following key risks should be taken into account when agreeing the recommendations in this report:

| Risk Description | Mitigations | RAG Status |
|---|--|-------------------|
| Allocation and spending of BCIL / NCIL does not meet statutory requirements for CIL | <ul style="list-style-type: none"> ▪ Potential allocations / spend are reviewed by Planning to ensure they meet the statutory requirements. | Green |
| Spending of BCIL does not occur in a timely manner | <ul style="list-style-type: none"> ▪ Continued monitoring as part of the capital programme monitoring process. ▪ Reports on spending progress to senior members of the administration and PPAP (i.e. this report) | Green |
| There is poor take up of NCIL funding opportunities | <ul style="list-style-type: none"> ▪ Continued refinement of process and ongoing engagement with Ward Cllrs (see section 5) | Green |
| There are insufficient resources to deliver NCIL projects | <ul style="list-style-type: none"> ▪ Continued refinement of process and explore Central NCIL bid submissions for frequently asked for Ward NCIL projects, such as staffing resource for CCTV team to monitor additional cameras. (see section 5) | Green |
| There are insufficient ongoing resources to support NCIL projects once delivered. | <ul style="list-style-type: none"> ▪ Continued refinement of process and relevant Head of Service approval required (see section 5) | Green |

Legal Implications

CIL is a planning charge that was introduced by the Planning Act 2008 Part II to help deliver infrastructure to support the development in an area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010 as amended (“the Regulations”). Section 216(2) of the Planning Act 2008 lists some examples of infrastructure which CIL can fund. i.e. roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreation facilities and open spaces.

On 1 September 2019, the Regulations were amended under The Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 (“2019 Regulation”). Part 10A of the 2019 Regulation requires the Council to publish “annual CIL rate summary” and “annual infrastructure funding statements”. These statements replaced previous Regulation 123 lists. The “annual infrastructure funding statement” must include a number of matters listed in

the new Schedule 2 including details of how much money has been raised through developer contributions and how it has been spent. Both the “annual rate CIL summary” and the “annual infrastructure funding statement” must be published on the Council’s websites at least once a year.

The Community Infrastructure Levy Regulations and the National Planning Practice Guidance set a framework in which CIL receipts need to be spent. Establishing a robust mechanism for the allocation of CIL seeks to ensure requirements are complied with, and links expenditure to supporting new development in the borough. A transparent mechanism also provides opportunity for input from stakeholders and the community.

The Localism Act 2011 introduced requirements that a ‘meaningful proportion’ of CIL income is allocated to parish councils to support their neighbourhood infrastructure requirements. Regulation 59F enables a similar application of CIL receipts in cases where, as in Harrow, a charging authority does not have a local council structure.

Under Regulation 59A(5) at least 15% of CIL funds received through the levy (subject to a cap of £100 per dwelling in the local area) must be spent on projects that take account of the views of the communities in which development has taken place (‘Neighbourhood CIL’) (NCIL) and supports the development of the area in which the CIL is generated. The percentage is more (25%) if there is a neighbourhood plan or a neighbourhood development order. The balance (excluding administration top slice) is commonly referred to as ‘Borough CIL’ (BCIL) and can be spent anywhere in the borough, provided it supports development within the borough.

Under the Regulations, regulation 59F(3) prescribes how the neighbourhood CIL may be used in these circumstances and provides that it may use the CIL to support the development of the relevant area by funding:

- (1) The provision, improvement, replacement, operation or maintenance of infrastructure: or
- (2) Anything else that is concerned with addressing the demands that development places on an area.

The CIL Regulations are legally binding and set out the framework and processes through which CIL collection and expenditure should take place.

The CIL Guidelines accompany the CIL Regulations and provide further guidance on the processes of allocating CIL. There is statutory requirement that the Council as charging authorities must have regard to the government ‘CIL Guidance’.

The National Planning Practice Guidance states that ‘The law does not prescribe a specific process for agreeing how the neighbourhood portion (NCIL) should be spent. Charging authorities should use existing community consultation and engagement processes. This should include working with any designated neighbourhood forums preparing neighbourhood plans that exist in the area, theme specific neighbourhood groups, local businesses

(particularly those working on business led neighbourhood plans) and using networks that ward councillors use. Crucially this consultation should be at the neighbourhood level. It should be proportionate to the level of levy receipts and the scale of the proposed development to which the neighbourhood funding relates’.

The CIL Guidance provides additional guidance on how neighbourhood CIL funds should be used where there is no local council in place. Paragraph 146 of the CIL Guidance states that the “charging authority...should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding”. Charging authorities should set out clearly and transparently their approach to engaging with neighbourhoods, using their regular communication tools for example, website, newsletters, etc. The CIL Guidance goes on to explain that the use of neighbourhood CIL funds should match priorities expressed by local communities, which should be obtained through consultation undertaken “at the neighbourhood level”. This does not necessarily prevent the Council from allocating neighbourhood CIL funds to borough wide (or larger) projects or initiatives, providing that they meet the requirement in regulation 59F. If the Council decides to depart from the CIL Guidance (i.e. by not allocating funds in accordance with priorities expressed by local communities), it should have and give clear and proper reasons for doing so.

Under Part 3A of the Council’s Constitution, the Terms of Reference and delegated Powers of the Planning Policy Advisory Panel includes the responsibility:

- “3. To give detailed consideration to and make recommendations to Cabinet in respect of:
 - (a) The use of the Community Infrastructure Levies (CIL) funds;
 - (b) Reviewing and commenting upon changes to the CIL Charging Schedule and S106 Supplementary Planning Documents (SPG).
4. To oversee the implementation of the Borough Wide CIL / Infrastructure Delivery Plan (IDP) prepared to support strategic growth in the Borough and to make recommendations to Cabinet where appropriate.”

Financial Implications

Financial implications are set out in the body of the report.

Equalities implications / Public Sector Equality Duty

The Equality Act 2010 outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
2. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
3. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The broad purpose of this duty is to integrate considerations of equality into day-to-day business and keep them under review in decision-making, the design policies and the delivery of services.

Whilst a formal equalities impact assessment was not undertaken for the NCIL review completed in early 2023, due consideration was given to the potential equalities impacts arising from the NCIL review.

The importance of inclusive engagement and engaging with hard to reach groups is recognised in Statement of Community Involvement (SCI).

The potential for NCIL consultations to nominate projects for wards would be undertaken in line with the SCI and council equalities processes if chosen as the preferred option.

The potential equalities implications of individual NCIL projects form part of the NCIL funding criteria. Similarly, potential equalities implications are considered as part of the BCIL / capital programme process.

Council Priorities

Please identify how the decision sought delivers this priority.

1. A council that puts residents first

Both NCIL and BCIL represent opportunities to identify projects that reflect residents' priorities, thereby putting them first.

2. A borough that is clean and safe

Many projects funded by NCIL and BCIL contribute the creating a borough that is clean and safe. There is scope to increase this through allocation of uncommitted balances.

3. A place where those in need are supported

Many projects funded by NCIL and BCIL contribute the creating a borough that is clean and safe. There is scope to increase this through allocation of uncommitted balances.

Section 3 - Statutory Officer Clearance

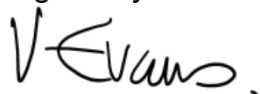
Statutory Officer: Jessie Man

Signed on behalf of the Chief Financial Officer

Date: 5 September 2023

Chief Officer: Viv Evans

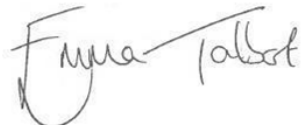
Signed by Chief Planning Officer



Date: 6 September 2023

Divisional Director: Emma Talbot

Signed by Director for Regeneration and Sustainable Development



Date: 6 September 2023

Divisional Director: Mark Billington

Signed by Director for Inclusive Economy, Leisure and Culture

Date: 6 September 2023

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all Wards

EqIA carried out: NO – for information only

If 'NO' state why an EqIA is not required for Cabinet to take a decision

EqIA cleared by: N/A

Section 4 - Contact Details and Background Papers

Contact: David Hughes, Planning Policy Manager,
david.hughes@harrow.gov.uk

Background Papers:

Cabinet report (February 2023) – Neighbourhood Community Infrastructure Levy (NCIL) Review – outcomes and recommendations for Cabinet approval:
[Agenda for Cabinet on Thursday 16 February 2023, 6.30 pm – London Borough of Harrow](#) (item 108)

Cabinet Report - Community Infrastructure Levy (CIL) – proposed allocations process – 2017 - [Agenda for Cabinet on Thursday 7 December 2017, 6.30 pm – Harrow Council](#) (see item 635)

Appendix 1: Progress of BCIL spending commitments in agreed Capital Programme

| Financial year (of funding allocation) | Project Description | BCIL allocation | Outstanding commitment as at 31.03.2023 | Committed / Contracted? | Where the money will be spent | What the money will be spent on |
|--|--|-----------------|---|-------------------------------|--------------------------------------|---|
| 2020/21 | Parks Playground improvements | 250,000 | 45,671 | Contracted | Cedars Park; Headstone Manor Park | Playground equipment |
| 2019/20 | Harrow Arts Centre - refurbishment & new build | 1,150,000 | 209,795 | Contracted (CityAxis Limited) | HAC | New building at HAC |
| 2021/22 | Flood Defence & Highway Drainage | 500,000 | 72,637 | Contracted | Borough-wide | Flooding / drainage works, attracting external funding. |
| 2022/23 | Flood Defence & Highway Drainage | 500,000 | 71,416 | Contracted | Borough-wide | Flooding / drainage works, attracting external funding. |
| 2021/22 | Wealdstone Major Transport Infrastructure projects - Bus Improvement | 900,000 | 233,961 | Contracted | Wealdstone | Wealdstone Town Centre highway improvement |
| 2021/22 | Harrow Arts Centre - refurbishment & new build | 1,177,000 | 427,115 | Contracted (CityAxis Limited) | HAC | New building at HAC |

| Financial year (of funding allocation) | Project Description | BCIL allocation | Outstanding commitment as at 31.03.2023 | Committed / Contracted? | Where the money will be spent | What the money will be spent on |
|--|----------------------------------|-----------------|---|-----------------------------|---|--|
| 2023/24 | Green Grid | 150,000 | 150,000 | Budget Partially contracted | Park Lane (street trees), Stanmore Common, Old Redding and Harrow Weald Common, Pear Wood, Stanmore Marsh, Yeading Brook, Yeading Walk, Pinner Village Gardens) | Street tree planting, green belt / nature reserves and urban parks (footpaths, waymarking, interpretation, seating, biodiversity enhancements and rewilding) |
| 2023/24 | Flood Defence & Highway Drainage | 500,000 | 500,000 | Budget Partially contracted | Borough-wide | Flooding / drainage works, attracting external funding. |
| 2022/23 | High Street Fund | 1,100,000 | 1,015,454 | Budget Partially contracted | Borough wide on High Streets | Feature lights, festive lights, bin stores, CCTV, vinyl shop fronts |

| Financial year (of funding allocation) | Project Description | BCIL allocation | Outstanding commitment as at 31.03.2023 | Committed / Contracted? | Where the money will be spent | What the money will be spent on |
|--|--|-----------------|---|-------------------------|-------------------------------|---|
| 2023/24 | Harrow Town Centre Future High Street Fund | 1,135,000 | 1,135,000 | Committed | Harrow Town Centre | <p>Improving the public realm along St Ann's Road, and routes both around and into the town centre e.g. between Harrow on the Hill Station and the town centre - along Clarendon Road, College Road to encourage movement of pedestrians along an underused part of the town centre. Improvements will also include multi-sensory design/adaptive sensory environments; bollards; lighting and signage.</p> |

| Financial year (of funding allocation) | Project Description | BCIL allocation | Outstanding commitment as at 31.03.2023 | Committed / Contracted? | Where the money will be spent | What the money will be spent on |
|---|--|------------------------|--|--------------------------------|---|--|
| 2024/25 | Flood Defence & Highway Drainage | 500,000 | 500,000 | N/A | TBC - future financial year | TBC - future financial year |
| 2024/25 | Green Grid | 150,000 | 150,000 | N/A | TBC - future financial year | TBC - future financial year |
| 2025/26 | Flood Defence & Highway Drainage | 500,000 | 500,000 | N/A | TBC - future financial year | TBC - future financial year |
| 2025/26 | Green Grid | 150,000 | 150,000 | N/A | TBC - future financial year | TBC - future financial year |
| 2023/24 | Borough CIL funded projects - subject to business case | 1,000,000 | 1,000,000 | Committed | Chandos Recreation Ground, balance of funding yet to be allocated | Drainage, landscaping and biodiversity improvements to Chandos Recreation Ground. Balance of funding yet to be allocated |

| Financial year (of funding allocation) | Project Description | BCIL allocation | Outstanding commitment as at 31.03.2023 | Committed / Contracted? | Where the money will be spent | What the money will be spent on |
|---|--|------------------------|--|--------------------------------|---|---|
| 2024/25 | Borough CIL funded projects - subject to business case | 1,000,000 | 1,000,000 | N/A | TBC - future financial year | TBC - future financial year |
| 2025/26 | Borough CIL funded projects - subject to business case | 1,000,000 | 1,000,000 | N/A | TBC - future financial year | TBC - future financial year |
| 2023/24 | Biodiversity Net Gains in Harrow | 300,000 | 300,000 | In progress | TBC - net gain opportunities being scoped | Biodiversity improvements to Council land, with costs to be recouped from developers by 'selling' biodiversity units. |
| 2024/25 | Biodiversity Net Gains in Harrow | 275,000 | 275,000 | N/A | TBC - future financial year | Biodiversity improvements to Council land, with costs to be recouped from developers by 'selling' biodiversity units. |

| Financial year (of funding allocation) | Project Description | BCIL allocation | Outstanding commitment as at 31.03.2023 | Committed / Contracted? | Where the money will be spent | What the money will be spent on |
|---|----------------------------------|------------------------|--|--------------------------------|--------------------------------------|---|
| 2025/26 | Biodiversity Net Gains in Harrow | 250,000 | 250,000 | N/A | TBC - future financial year | Biodiversity improvements to Council land, with costs to be recouped from developers by 'selling' biodiversity units. |
| | | 12,487,000 | 8,986,049 | | | |

Appendix 2: completed and committed NCIL projects (as at 31 August 2023)

| Financial year | Description | NCIL | Actual or committed | Ward | 18/19 Actual Exp | 19/20 Actual Exp | 20/21 Actual Exp | 21/22 Actual Exp | 22/23 Actual Exp | Outstanding commitment | Adjustments (A) | Reallocation (B) | Revised Outstanding commitments |
|----------------|--|----------|---------------------|--|------------------|------------------|------------------|------------------|------------------|------------------------|-----------------|------------------|---------------------------------|
| 2018/19 | Good Growth Fund - Lyon Road project mgt | 75,000 | Actual | Greenhill OA | 27,168 | 32,177 | 13,000 | 2,655 | | 0 | | | 0 |
| 2018/19 | Rayners Lane Triangle project | 297 | Actual | West Harrow | 297 | | | | | 0 | | | 0 |
| 2018/19 | Rayners Lane Triangle project | 6,930 | Actual | Roxbourne | 6,930 | | | | | 0 | | | 0 |
| 2018/19 | Wealdstone Square | 299,000 | Actual | Wealdstone OA | | 147,507 | 151,493 | | | 0 | | | 0 |
| 2019/20 | Weald Village playground equipment | 17,871 | N/A | Wealdstone | | | | | | 17,871 | -17,871 | | 0 |
| 2019/20 | Canons Ward - Various infrastructure improvements | £211,424 | Actual | Canons | | 211,423 | | | | 1 | -1 | | 0 |
| 2019/20 | Stanmore Ward - Various infrastructure improvements | £134,642 | Actual | Stanmore | | 108,316 | 6,615 | | | 19,711 | -19,711 | | 0 |
| 2019/20 | Wealdstone - Infrastructure, and streetscene improvements in the in the vicinity of Wealdstone Town Centre | £16,610 | Actual | Wealdstone OA and Marlborough OA (50/50 split) | | 176 | 12,000 | | | 4,434 | -4,434 | | 0 |
| 2019/20 | Roxbourne - Infrastructure and streetscene improvements around the Kings Road / Eastcote Lane junction | 158,360 | Actual | Roxbourne | | 140,072 | 16,364 | | | 1,924 | -1,924 | | 0 |
| 2019/20 | Roxeth - Festive Lighting | 25,966 | Actual | Roxeth | | 13,305 | | | | 12,661 | -12,661 | | 0 |

| Financial year | Description | NCIL | Actual or committed | Ward | 18/19 Actual Exp | 19/20 Actual Exp | 20/21 Actual Exp | 21/22 Actual Exp | 22/23 Actual Exp | Outstanding commitment | Adjustments (A) | Reallocation (B) | Revised Outstanding commitments |
|----------------|---|--------|---------------------|--|------------------|------------------|------------------|------------------|------------------|------------------------|-----------------|------------------|---------------------------------|
| 2019/20 | Greenhill OA - Changing Places toilet | 35,000 | Actual | Greenhill OA | | | 35,000 | | | 0 | | | 0 |
| 2019/20 | Wealdstone - Murals | 60,000 | Actual | Wealdstone OA and Marlborough OA (50/50 split) | | | 48,511 | 2,085 | | 9,404 | -9,404 | | 0 |
| 2019/20 | Stanmore Ward - Safety and infrastructure improvement | 32,431 | Actual | Stanmore | | 8,627 | | 475 | | 23,329 | -23,329 | | 0 |
| 2020/21 | Harrow Town War Memorial | 31,900 | Actual | Greenhill OA | | | 23,559 | | 2,155 | 6,186 | | -6,186 | 0 |
| 2020/21 | Creation and establishment of a Longhorn cattle herd in Bentley Priory | 32,860 | Committed | Stanmore | | | 15,000 | 10,000 | 4,200 | 3,660 | | | 3,660 |
| 2020/21 | Stanmore Ward - Dennis Lane Traffic Calming | 20,000 | Actual | Stanmore | | | | 237 | | 19,763 | -19,763 | | 0 |
| 2020/21 | Stanmore Marsh and Brockley Hill Open Space | 23,000 | Committed | Canons | | | | | 15,504 | 7,496 | | | 7,496 |
| 2021/22 | Stanmore - Improvement of infrastructure in support of biodiversity and public amenity at Harrow's only wildlife Site of Special Scientific Interest (SSSI) – Bentley Priory. | 10,400 | Committed | Stanmore | | | | 2,945 | | 7,455 | | | 7,455 |

| Financial year | Description | NCIL | Actual or committed | Ward | 18/19 Actual Exp | 19/20 Actual Exp | 20/21 Actual Exp | 21/22 Actual Exp | 22/23 Actual Exp | Outstanding commitment | Adjustments (A) | Reallocation (B) | Revised Outstanding commitments |
|----------------|--|---------|---------------------|---|------------------|------------------|------------------|------------------|------------------|------------------------|-----------------|------------------|---------------------------------|
| 2021/22 | Lowlands - Installation Toddlers play area, Seniors play area and 2 table tennis | 134,229 | Actual | Greenhill | | | | 134,229 | | 0 | | | 0 |
| 2021/22 | Wealdstone – murals, features, festive lighting and artistic bridge improvements | 103,000 | Committed | OA pooled fund (Headstone North, Wealdstone, Greenhill and Marlborough) | | | | 18,725 | 27,434 | 56,841 | | | 56,841 |
| 2022/23 | Wealdstone – murals, features, festive lighting and artistic bridge improvements | 150,000 | Committed | OA pooled fund (Headstone North, Wealdstone, Greenhill and Marlborough) | | | | | | 150,000 | -100,000 | | 50,000 |
| 2021/22 | Wealdstone NCIL – mobile CCTV camera | 9,738 | Actual | Wealdstone | | | | | 6,645 | 3,093 | | -3,093 | 0 |
| 2021/22 | Headstone South - North Harrow Community Library lighting | 2,000 | Actual | Headstone South | | | | | 2,000 | 0 | | | 0 |
| 2021/22 | 15 x Mobile CCTVs (11 wards) | 105,030 | Actual | Various | | | | | 100,390 | 4,640 | | -4,640 | 0 |
| 2021/22 | Wealdstone - Infrastructure, and streetscene improvements in the in the vicinity of Wealdstone Town Centre | £25,310 | Actual | Wealdstone OA and Marlborough OA (50/50 split) | | | | | 25,310 | 0 | | | 0 |

| Financial year | Description | NCIL | Actual or committed | Ward | 18/19 Actual Exp | 19/20 Actual Exp | 20/21 Actual Exp | 21/22 Actual Exp | 22/23 Actual Exp | Outstanding commitment | Adjustments (A) | Reallocation (B) | Revised Outstanding commitments |
|----------------|---|--------|---------------------|--|------------------|------------------|------------------|------------------|------------------|------------------------|-----------------|------------------|---------------------------------|
| 2021/22 | Refurbishment of Chandos Recreation Ground | 18,707 | Committed | Edgware | | | | | | 18,707 | | | 18,707 |
| 2021/22 | Bins in Church Fields | 1,872 | Actual | Greenhill | | | | | 1,872 | 0 | | | 0 |
| 2021/22 | Bins in The Grove | 3,120 | Actual | Greenhill | | | | | 3,120 | 0 | | | 0 |
| 2021/22 | Harrow Arts Centre – Green Belt footpath and biodiversity enhancements | 87,000 | Committed | Hatch End | | | | | 7,083 | 79,917 | | | 79,917 |
| 2021/22 | Opportunity Area NCIL (Harrow Town Centre) - Harrow Town Centre Murals (4 murals) project | 70,000 | N/A | Opportunity Area pooled fund - 100% allocated to Greenhill as advised by David | | | | | | 70,000 | -70,000 | | 0 |
| 2021/22 | Kenton Lane Bridge (1 mural) project | 20,000 | Committed | Greenhill | | | | | 12,266 | 7,734 | | | 7,734 |
| 2021/22 | Pinner Hill Estate – restoration of Children’s Play Area project | 25,000 | N/A | Pinner | | | | | | 25,000 | -25,000 | | 0 |
| 2021/22 | Roxbourne Park – Yeading Brook Path (seats / handrails) project | 3,580 | Actual | Rayners Lane | | | | | 3,580 | 0 | | | 0 |
| 2021/22 | Harrow on the Hill - Churchfields bins | 1,248 | Actual | Harrow on the Hill | | | | | 1,248 | 0 | | | 0 |
| 2022/23 | Renovation of Chandos Recreational ground | 7,218 | Committed | Edgware | | | | | | 7,218 | | | 7,218 |

| Financial year | Description | NCIL | Actual or committed | Ward | 18/19 Actual Exp | 19/20 Actual Exp | 20/21 Actual Exp | 21/22 Actual Exp | 22/23 Actual Exp | Outstanding commitment | Adjustments (A) | Reallocation (B) | Revised Outstanding commitments |
|----------------|---|-------|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------------|-----------------|------------------|---------------------------------|
| 2023/24 | Newton Ecology Park - secure storage | 4,000 | Committed | Roxbourne | | | | | | 4,000 | | | 4,000 |
| 2023/24 | St John's church - boundary fence | 2,700 | Committed | Stanmore | | | | | | 2,700 | | | 2,700 |
| 2023/24 | Weald Village Open Space – flood prevention | 6,000 | Committed | Wealdstone North | | | | | | 6,000 | | | 6,000 |
| 2023/24 | Stanmore Table Tennis Club defibrillator | 752 | Committed | Stanmore | | | | | | 752 | | | 752 |

(A) As part of the NCIL review projects were reviewed as to whether they had been completed with an underspend, or not commenced / decision made not to proceed with the project. In both instances the previously committed funding that was no longer required was allocated back to the balance for the relevant ward. Table also reflects any amendments to NCIL projects reflected in the Q2 Revenue & Capital Budget 2022-23 report presented to Cabinet on 8 December 2022 (see item 74). [Agenda for Cabinet on Thursday 8 December 2022, 6.30 pm – Harrow Council](#)

(B) Further reallocation of NCIL underspend under old ward boundaries

Project pipeline

Examples from the project ideas / bis c:

- Town centre improvements (i.e. hanging baskets, bins, bike racks, benches, interpretation panels, MUGAs, drinking water)
- Rewilding of parks, wildflower meadows, street tree planting
- Children's play areas, funding sport training and free access, support for sporting clubs
- Repair of pavements / footpaths, CPZ reviews, crossings, amenity improvements to underpasses, signage improvements, street lighting
- Community chest (i.e. fund for community groups to bid for)
- Defibrillators