

Major Developments Panel AGENDA

DATE: Wednesday 27 February 2019

TIME: 6.30 pm

VENUE: Committee Rooms 1 & 2, Harrow Civic Centre,
Station Road, Harrow, HA1 2XY

MEMBERSHIP (Quorum 3)

Chair: Councillor Keith Ferry

Councillors:

Ghazanfar Ali
Varsha Parmar
David Perry

Marilyn Ashton
Stephen Greek
Paul Osborn (VC)

Reserve Members:

- | | |
|----------------------|---------------------|
| 1. Jeff Anderson | 1. Bharat Thakker |
| 2. Simon Brown | 2. Anjana Patel |
| 3. Niraj Dattani | 3. Norman Stevenson |
| 4. Kiran Ramchandani | |

Contact: Miriam Wearing, Senior Democratic Services Officer
Tel: 020 8424 1542 E-mail: miriam.wearing@harrow.gov.uk

Useful Information

Meeting details:

This meeting is open to the press and public.

Directions to the Civic Centre can be found at:
<http://www.harrow.gov.uk/site/scripts/location.php>.

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When present in the meeting room, silent mode should be enabled for all mobile devices.

Meeting access / special requirements.

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An induction loop system for people with hearing difficulties is available. Please ask at the Security Desk on the Middlesex Floor.

Agenda publication date: Tuesday 19 February 2019

AGENDA - PART I

1. ATTENDANCE BY RESERVE MEMBERS

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) the meeting notes at the start of the meeting at the item 'Reserves' that the Reserve Member is or will be attending as a reserve;
- (iv) if a Reserve Member whose intention to attend has been noted arrives after the commencement of the meeting, then that Reserve Member can only act as a Member from the start of the next item of business on the agenda after his/her arrival.

2. DECLARATIONS OF INTEREST

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Panel;
- (b) all other Members present.

3. MINUTES (Pages 5 - 14)

That the minutes of the meeting held on 20 November 2018 and the Special meeting held on 7 January 2019 be taken as read and signed as a correct record.

4. PUBLIC QUESTIONS *

To receive any public questions received in accordance with Executive Procedure Rule 49 (Part 4D of the Constitution).

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

[The deadline for receipt of public questions is 3.00 pm, Friday 22 February 2019. Questions should be sent to publicquestions@harrow.gov.uk

No person may submit more than one question].

5. PETITIONS

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 47 (Part 4D of the Constitution).

6. DEPUTATIONS

To receive deputations (if any) under the provisions of Executive Procedure Rule 48 (Part 4D of the Constitution).

7. TESCO, STATION ROAD, HARROW

To receive a presentation

8. COMMUNITY INFRASTRUCTURE LEVY (CIL) - PROPOSED AMENDMENTS TO NEIGHBOURHOOD CIL ALLOCATIONS PROCESS WITHIN THE HARROW AND WEALDSTONE OPPORTUNITY AREA (Pages 15 - 28)

Report of the Interim Chief Planning Officer

9. UPDATE ON VARIOUS PROJECTS

10. FUTURE TOPICS AND PRESENTATIONS

11. ANY OTHER URGENT BUSINESS

Which cannot otherwise be dealt with.

AGENDA - PART II - NIL

*** DATA PROTECTION ACT NOTICE**

The Council will audio record item 4 (Public Questions) and will place the audio recording on the Council's website, which will be accessible to all.

[**Note:** The questions and answers will not be reproduced in the minutes.]

MAJOR DEVELOPMENTS PANEL

MINUTES

20 NOVEMBER 2018

Chair: * Councillor Keith Ferry

Councillors: * Ghazanfar Ali * Paul Osborn
* Marilyn Ashton * Varsha Parmar
* Stephen Greek * David Perry

In attendance: Sue Anderson Minute 6 and 7
(Councillors)

* Denotes Member present

1. Attendance by Reserve Members

RESOLVED: To note that there were no Reserve Members in attendance.

2. Appointment of Vice-Chair

RESOLVED: To appoint Councillor Paul Osborn as Vice-Chair of the Panel for the 2018/2019 Municipal Year.

3. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Item 8 Presentation from Transport for London and Redrow Homes, and agenda item 9 Presentation in relation to the proposed scheme at the Safari Cinema

Councillors Ghazanfar Ali, Sue Anderson and Keith Ferry declared a non-pecuniary interest in that they were Greenhill Ward Councillors. They would remain in the room whilst the matter was considered and voted upon.

4. Minutes

RESOLVED: That the minutes of the meeting held on 14 November 2017, be taken as read and signed as a correct record.

5. Public Questions, Petitions and Deputations

RESOLVED: To note that no public questions, petitions or deputations were received at this meeting.

RESOLVED ITEMS

6. Presentation from Transport for London and Redrow Homes

The Panel received a presentation from Transport for London (TfL), Redrow Homes, EPR Architects and Cameo and Partners landscape architects regarding the development of Harrow on the Hill station and installation of step free access. In addition the Transport for London representative updated Members on the timeline with regard to step free access funded by development at Stanmore, Rayners Lane and Canons Park stations.

Harrow on the Hill station site

The Panel was advised that the proposed scheme aimed to improve a well-used, slightly tired area by the development of a modernised capacity bus station, connections to other forms of transport, housing on public sector land, step free access, and enhancement of the retail offer to increase vibrancy and boost the local economy beyond 6pm.

Members were informed that an analysis of the existing bus station would also focus on pedestrian safety. A Metropolitan gateway model was considered appropriate with tall buildings as a marker for the station and to address the western entrance to the town centre. The scheme would also embrace Lowlands recreation ground. Public exhibitions were planned for December 2018, Spring 2019, early May 2019 and the end of May 2019 as the proposals progressed. It was intended to submit the planning application end May 2019.

The landscape architect presented proposals to reconfigure the landscape to the south of the station in order to promote high quality public realm and to provide a clear route to St Mary's church linked to Greater London footpaths.

A Member enquired as to the effect of the proposals on the Metropolitan Open Land (MOL). The landscape architect stated that the design was fluid and that there would be no net loss of MOL land as the reduction on the northern boundary would be offset by the removal of the multi storey car park and its replacement as parkland. All existing trees would be retained. Due to the requirement to access the transformer it was proposed to upgrade the 9 metre wide road, which also currently led to the drop off area and car park, to a pedestrian shared space. In addition an improved connection to the college and a roundabout to enable a left turn into the school were under consideration.

Members expressed concern at the proposed shared road space due to the current high volume of traffic. The introduction of step free access would result in the need to drop off a greater number of disabled people in the area. A further Member suggested that traffic movements in Lowlands Road be surveyed during 7-8.30 pm when the area was particularly busy. The TfL representative stated that traffic movement surveys were being undertaken and would continue during the winter and spring for scrutiny as part of the planning process.

A Member stated that the bus station was a constrained site and if one bus was slightly out of place it had an effect on traffic in the area. The Panel was informed that transport consultations were at early stage. There was very little pavement for use by passengers waiting for buses and consideration was being given to more chevron approaches and clear visibility lines.

A Member expressed the view that the multi storey car park was a clear buffer on height and that a tall building would obscure the view of St Mary's church. The Panel was informed that the demolition of the car park would result in a reduction in the number of cars using the road. The car park was mainly used by TfL staff and office users and not commuting passengers. Feedback was that no complaints had arisen following the closure of the surface car park. The shared access option would enable car access closer to the station, otherwise it would result in a longer walk to the station. It was proposed to extinguish the road but retain a small kerb and three stopping bays. Members considered that illumination, particularly of the area between the two green areas, would be crucial at night. It was confirmed that the proposals would include additional lighting.

The Chair thanked the developers for the presentation and suggested that the Panel receive a further presentation on the detailed design and feedback on the public consultations.

Stanmore, Rayners Lane and Canons Park stations

The TfL representative informed the Panel that, in addition to Harrow on the Hill station, a commitment had also been made for step free access at Sudbury Hill Station. There was a strong ambition to fund step free access at Stanmore Station dependant on development and viability. Procurement was underway and it was hoped that a development partner for Stanmore station would be signed up in spring/summer 2019.

The Panel was informed that step free access at Rayners Lane and Canons Park stations was not currently part of the programme and it would be mid 2019 before could any intentions could be confirmed. Twenty-three stations had been named as part of the thirty station programme so it was possible that a further Harrow station could be added to the programme.

A Member sought information from TfL with regard to the parking ambitions of the schemes as feedback from discussions with a Ward Councillor had indicated that there would be a reduction in parking provision at Stanmore Station and no or little parking at Rayners Lane and Canons Park stations. The TfL representative informed the Panel that the Mayor of London's

transport strategy aimed to reduce car use, and although actual figures were not available some reduction was expected.

A Member stated that commuter parking was a significant factor in Stanmore and the station car park was normally full by 7am on working days. Any reduction in parking provision would be a problem due to Stanmore Station being at the end of the Jubilee Line and a hub for people attending events, for example Wembley Stadium. The TfL representative stated that he would consider the data regarding Stanmore station car park.

A Member stated that car parks in Harrow were gradually being closed and that the affect of multiple schemes should be taken into account rather than looking at individual sites. In response to a question regarding development of Rayners Lane car park the TfL representative stated that it would be policy compliant but the affordable housing element was not known.

RESOLVED: That the presentation be noted

7. Presentation in relation to the Proposed Scheme at the Safari Cinema

The Panel received a presentation from EWL Planning and If Architecture on the proposed development of the former Safari cinema, Station Road, Harrow.

Members were informed that the developer had purchased the site and whilst recognising the site constraints was aware of the opportunities it presented, particularly with regard to the removal of the steel cladding on the facade in order to reveal and restore the original. Meetings had taken place with planning officers and two Harrow Design Review Panels.

The Panel was advised of the key points for a proposed development of 80 units with a garden courtyard and a taller element to the rear which was significantly stepped back from neighbouring properties. The proposals included the use of the existing doors and staircases and subtle exterior lighting in the staircase element of the façade.

The consultants and architects responded to questions from Members:

- in response to concern for surrounding residents with regard to the taller element, the Architect advised that being 30 metres from the street it would not dominate the area. He referred to the light and glossy design and stated that it was in accordance with the townscape;
- the majority of the units would have two or three bedrooms and there would be an element of affordable housing;
- proposals under discussion for the ground floor use of about 15000 sq included a flexible space for community use which could have multiple users;
- the scheme included an infill element. A Member stated that this would improve security and preclude the continuation of fly tipping.

The planning consultant advised that discussions with Council traffic officers had indicated PTAL4. Surveys had been undertaken which revealed some parking capacity in the area. Public transport was plentiful in the area and it was recognised that the Council would want to control residents parking and preclude residents of the scheme from parking in the surrounding area. A Member expressed the view that nevertheless there could be car ownership with residents parking elsewhere.

Members welcomed the design of the development, particularly the restoration of the façade, the choice of materials, and the predominately visually attractive design.

RESOLVED: That the presentation be noted.

8. Future Topics and Presentations

RESOLVED: That Members advise the Interim Chief Planning Officer of any suggestions for future topics and presentations.

(Note: The meeting, having commenced at 7.30 pm, closed at 9.25 pm).

(Signed) COUNCILLOR KEITH FERRY
Chair

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MAJOR DEVELOPMENTS PANEL (SPECIAL) MINUTES

7 JANUARY 2019

Chair: * Councillor Keith Ferry

Councillors: * Ghazanfar Ali * Paul Osborn
* Marilyn Ashton * Varsha Parmar
* Stephen Greek * David Perry

* Denotes Member present

9. Attendance by Reserve Members

RESOLVED: To note that no Reserve Members had been nominated to attend the meeting.

10. Declarations of Interest

RESOLVED: To note that there were no declarations of interests made by Members.

11. Deputations

RESOLVED: To note that no deputations were received at the meeting.

RESOLVED ITEMS

12. Presentation by the Developers on the remainder of the Harrow View East (Kodak) Site

The Panel received a presentation from Martin Scholar, Head of Planning at Barratt London, and architects and consultants working with the company, on

the emerging proposals for parts of the development site at Harrow View East (former Kodak site). Mr Scholar outlined the context of the significant increase in housing targets for the Borough and explained that, compared with the 800 units proposed in the 2015 planning permission, the new proposal envisaged some 1,350 homes. The presentation focused on the layout and design of the development, including the height of buildings, routes and views through the site, measures to promote a greater community “feel” and arrangements for landscaping and green spaces.

A Member asked about the extent of employment uses on the site. It was explained that part of the site to the east was explicitly designated for commercial uses; there were as yet no definitive proposals, but the expectation would be that these would be smaller-scale, “maker”-style enterprises. In addition, there would be some smaller-scale retail units offering local employment opportunities. In response to the Member’s further query about community uses, reference was made to meetings with Council officers and representatives of the local voluntary sector about community benefits arising from a Section 106 agreement; discussions were continuing to establish the most effective use of these resources. It was also mentioned that a community medical facility had been proposed for Block A3, the L&Q Housing Association site.

In response to a Member’s question about the pedestrian tunnel through to the station, it was confirmed that Section 106 funding to look at options for securing improvements had been secured through the original Masterplan. The Member also asked about the provision of smaller food shopping units for residents of the development; while there would be “doorstep shopping” opportunities, there would be a limit on this due to the possible adverse impact on the town centre. It was explained that Block A1 included a local store.

A Member asked about the heights on the buildings in the new plan as they appeared to have increased substantially since previous proposals. It was reported that the taller buildings would be in the centre of the site and on the “knuckle” of the park as had been proposed in the outline planning permission.

The Member also asked about the likely overflow of parking demand into local streets without controls and the suggestion in the presentation that some parking provision in similar developments elsewhere had not been taken up. Mr Scholar advised that housing schemes in inner London were typically car-free developments while there was understandably some flexibility on outer London sites; nevertheless, there was evidence that parking capacity was not fully used in schemes where provision was made, particularly where there was a significant proportion of one and two-bedroomed properties involved. It was suggested that the risk of overflow parking would be low; the developers would contribute both to the monitoring of parking demand and the implementation of schemes to control parking by non-residents. Another Member argued that it was unrealistic to expect parking demand to be low; she considered that while residents would use public transport for commutes into central London for work, other journeys would cause demand for car use and parking in a borough such as Harrow.

A Member asked about the adequacy of school provision given that some of the homes would be family properties. The 2015 Masterplan had envisaged a demand of approximately 1.5 forms of entry while in the new proposals, this had increased to 3. In addition, there were Section 106 contributions towards the provision of additional secondary school places. The appropriate investment would be made through the school expansion programme; while this would involve a new local primary school, the capacity for secondary school places would be added to existing schools.

In response to a query about whether “park” was the correct term for the open area outlined in the presentation, it was acknowledged that this would be green space among the residential blocks, but it could be reasonably described as a substantial linear park offering similar opportunities for leisure and activities as it a more traditional park. There would be other amenity space on the “podiums”, gardens which would be easy to spot and access, and the apartments would have balconies. The Member also queried the status of the new “square” described in the presentation; it was underlined that the design and uses of ground floor units would have to attract people to the square ensuring that it “worked” as a public space.

It was confirmed that the tallest building would be up to 18 storeys high, although the exact height had yet to be finalised, with the chimney to be retained as a central feature being a little higher than this. A Member was concerned that the tall blocks would obscure the chimney feature and that the preponderance of tall buildings in this area would be create a sense of overdevelopment. It was suggested that the chimney would still be the dominant feature in this part of the site and it was reported that the overshadowing impact of the tall blocks was being assessed so that the design and layout minimised any adverse effects. Another Member agreed that the proposals amounted to a significant intensification of the residential development on the site and he did not see how it fitted with the existing character of nearby residential areas or the Borough more generally.

Returning to the issue of parking, a Member referred to the assessment by the highway authority at the time of the outline application of the likely significant impact of the number of homes then proposed. This number had now increased substantially yet there had been no compensating increase in parking provision. It was reported that discussions had been held with highway authority officers who had accepted in principle the parking ratios proposed under the new plan. It was argued that planning policy had changed significantly since the time of the outline application and there was now much greater emphasis on the encouragement of other modes of transport than car use through the restriction of parking provision. Transport for London (TfL) would also seek lower parking ratios in accordance with the developing policies in the new draft London Plan. The Member acknowledged that this reflected the view of the Mayor of London and TfL, but he considered it inappropriate for a borough such as Harrow. It was pointed out that the Council had already accepted a parking ratio below 0.5 in previous decisions on Harrow View East.

The Chair underlined the challenging context of the emerging London Plan housing targets which would amount to a requirement of about 1,400 additional homes for each year of the plan. He considered that it would be difficult to find ways of achieving these figures without taller buildings on residential developments.

In response to the Chair's question on strategic industrial land on the site, it was confirmed that the Greater London Authority would resist any loss of this floorspace, though they might consider a reconfiguration which allowed for a mix of residential and commercial uses. It was confirmed that a separate and challenging issue would be securing tenants for the commercial units and the developers were looking at the relevant market. Officers clarified how the requirement for no net loss of strategic industrial land would apply on this site.

The Chair also asked about the time it might take to obtain TfL approval to the pedestrian bridge to the station; reference was made to a similar project in Catford which had been approved, though it had taken some time to secure this.

In the context of such a large residential development close to a station with links into central London, a Member referred to the risk of parts of the Borough turning into "dormitory" areas; she underlined the need for the development to achieve an appropriate balance. Mr Scholar concurred and emphasised the efforts being made to secure a mixed-use neighbourhood with appropriate supporting infrastructure for a balanced residential community.

The Chair thanked the developers, architects and consultants, and the Council officers, for the presentation and for answering Members' questions.

(Note: The meeting, having commenced at 7.30 pm, closed at 8.32 pm).

(Signed) COUNCILLOR KEITH FERRY
Chair

REPORT FOR: MAJOR DEVELOPMENTS PANEL

| | |
|-------------------------------------|---|
| Date of Meeting: | 27 February 2019 |
| Subject: | Community Infrastructure Levy (CIL) – proposed amendments to Neighbourhood CIL allocations process within the Harrow and Wealdstone Opportunity Area |
| Key Decision: | No |
| Responsible Officer: | Beverley Kuchar, Interim Chief Planning Officer |
| Portfolio Holders: | Councillor Keith Ferry, Portfolio Holder for Business, Planning and Regeneration Councillor Adam Swersky, Portfolio Holder for Finance and Commercialisation |
| Exempt: | No |
| Decision subject to Call-in: | Yes |
| Wards affected: | Headstone North, Marlborough, Greenhill and Wealdstone (those parts within the Opportunity Area) |
| Enclosures: | None |

Section 1 – Summary and Recommendations

This report proposes a change to the process of allocating the 'neighbourhood portion' of Community Infrastructure Levy (CIL) receipts within the Harrow and Wealdstone Opportunity Area, which was agreed by Cabinet at its meeting on 7 December 2017.

The report also provides an update on CIL receipts and allocations to-date.

Given the significant level of development, the wide-ranging potential impacts of this development and the high level of associated Neighbourhood CIL receipts anticipated within the Harrow and Wealdstone Opportunity Area, the allocations process agreed in 2017 was for these receipts to be pooled across the four wards (Headstone North, Marlborough, Greenhill and Wealdstone), with individual projects to be agreed with 2/3rds support of the ward members (i.e. nine out of twelve). This would also reflect that NCIL receipts would vary from ward to ward in any given year yet the impact of development would be felt across all wards within the Opportunity Area.

Experience since the process was agreed has raised concerns from members and officers seeking funding, namely ward members being requested to support / not support projects outside their ward for which they have limited knowledge and the logistical burden of having to secure agreement of nine ward members out of twelve (in practical terms, requiring 100% support from three wards).

The report recommends that the process is amended so that NCIL receipts are allocated just within the ward in which they are received and these projects only requiring the support of two out of three ward members for the individual ward. This reflects the process elsewhere in the borough. This does not preclude members in one ward agreeing to fund a project outside their ward but which benefits it.

Recommendations:

The Panel is requested to:

- a) Note and consider the CIL receipts from new development in the borough / opportunity area and allocations to-date (section 5).
- b) Note and consider the proposed revised approach to allocating Neighbourhood CIL within the Harrow and Wealdstone Opportunity Area (section 6).
- c) Recommend to Cabinet that Neighbourhood CIL received within the four wards covered by the Harrow and Wealdstone Opportunity Area (Headstone North, Marlborough, Greenhill and Wealdstone) and within the Opportunity Area itself are no longer pooled and instead are allocated to the single ward in which they are received, with any projects seeking that funding needing the support of at least two out of three ward members. All other aspects of the allocations / assessment process would remain as per the Cabinet decision at its meeting on 7 December 2017.
- d) Recommend to Cabinet that greater utilisation of Neighbourhood CIL receipts across the borough is promoted by encouraging those seeking funding within a ward where there are insufficient Neighbourhood CIL receipts to approach Members in nearby wards for funding, provided the project benefits all wards from which Neighbourhood CIL is secured.

Reason: (For recommendations)

The Community Infrastructure Levy Regulations and the National Planning Practice Guidance set a framework in which CIL receipts need to be spent. It is important to establish and maintain a robust mechanism for the allocation of CIL that seeks to ensure these requirements are complied with and links expenditure to supporting new development in the borough to maximise the benefit such expenditure brings. A transparent mechanism also provides opportunity for input from stakeholders. It however needs to not be an administrative burden.

Section 2 – Report

1. Introduction

1.1 The report incorporates the corporate priority concerning:

- Making a difference for communities

1.2 The Community Infrastructure Levy (CIL) is a tool for local authorities to support the development of their area by funding the provision, improvement, replacement, operation or maintenance of infrastructure. However the focus of CIL is on the delivery of new infrastructure to meet and mitigate the impacts of new development.

1.3 By following a considered, robust and transparent approach to the allocation of CIL receipts, the benefits that these can bring will be maximised, thereby making a positive difference to communities. The process however should not be administratively burdensome.

2. Options considered

2.1 This report proposes a revised approach to allocating Neighbourhood CIL receipts within the Harrow and Wealdstone Opportunity Area. Existing and proposed arrangements / options are addressed below.

3. Background

Purpose of this report

3.1 This report outlines proposed revised arrangements for the allocation and agreement of the 'neighbourhood' portion of Community Infrastructure Levy (CIL) funds received within the Harrow and Wealdstone Opportunity Area.

3.2 The report is presented to the Panel in accordance with its Terms of Reference (extract below):

- 3 To give detailed consideration to and make recommendations to Cabinet in respect of:
- The use of the Community Infrastructure Levies funds;
 - Reviewing and commenting upon changes to the CIL Charging Scheduled and S106 SPG.

4. To oversee the implementation of the Borough Wide CIL / Infrastructure Delivery Plan prepared to support strategic growth in the Borough and to make recommendations to Cabinet, to include:
 - Reviewing and commenting upon the draft IDP's comprising annual and longer term infrastructure delivery programmes and projects;
 - Considering the result of public consultation on such plans and programmes and make recommendations to Cabinet on any proposed changes / revisions;
 - Monitor the delivery of the IDP against budget and delivery provisions;
 - Consider and comment upon reports / presentations on infrastructure innovations and best practice in infrastructure delivery.

Context

- 3.3 The Community Infrastructure Levy (CIL) is a mechanism which enables the Council to raise funds for infrastructure from new development. It is levied on the net increase in floorspace arising from new development and is paid when that development starts.
- 3.4 The Harrow CIL applies borough-wide for certain uses of over 100 sqm gross internal floor space or where a new dwelling is created. Harrow's CIL charges are:
 - (a) Residential (Use Class C3) - £110 per sqm
 - (b) Hotels (Use Class C1), Residential Institutions except Hospitals, (Use Class C2), Student Accommodation, Hostels and HMOs (Sui Generis) - £55 per sqm
 - (c) Retail (Use Class A1), Financial & Professional Services (Use Class A2), Restaurants and Cafes (Use Class A3) Drinking Establishments (Use Class A4) Hot Food Takeaways (Use Class A5) - £100 per sqm
 - (d) All other uses – nil
- 3.5 Harrow's CIL charges are in addition to the Mayor's CIL to fund Crossrail which is £35 per sqm in Harrow for all types of development (excluding health and education).
- 3.6 CIL rates are set locally, having regard to development viability and cannot be set at levels that would make development within the borough unviable. The CIL Charging Schedule is subject to independent examination.
- 3.7 Under the CIL Regulations, at least 15% of CIL funds received through the levy must be spent on projects that take account of the views of the communities in which development has taken place and spent on projects supporting the development of that area. This is subject to a cap of £100 per dwelling. Where Neighbourhood Plans exist these funds are increased to 25% of CIL funds. Neighbourhood funds or 'NCIL' can be spent on a wider range of projects to support development in their areas. This includes those related to infrastructure, but also anything else concerned with addressing the

demands that development places on an area. Harrow does not have any adopted Neighbourhood Plans.

4. Agreed CIL Allocations process

- 4.1 Cabinet agreed to a process of allocating Borough and Neighbourhood CIL receipts at its meeting on 7 December 2017. This followed deliberation by MDP at its meeting on 14 November 2017. The agreed allocations process can be briefly summarised as follows:

Borough CIL

- 4.2 The allocation of the Borough Community Infrastructure Levy (CIL) (i.e. that not comprising the 15% neighbourhood CIL) 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).
- 4.3 The Borough CIL element is being used to fund the core Capital programme and can be considered as a funding source for new capital bids as well as existing projects in the Capital programme.
- 4.4 In addition to the principles previously agreed by Cabinet in December 2017 on how CIL funding should be used to fund the capital programme, in light of the budget gaps in future years, it is intended that CIL should be first be applied to any schemes in the existing capital programme rather than applying it to new schemes. The rationale for this is that if applied to schemes that are currently funded from borrowing, by funding from CIL instead, this will reduce the existing capital financing costs rather than acting as cost avoidance mechanism on new proposals.
- 4.5 The allocation of the Borough CIL is to be informed by the Harrow Local Plan, Infrastructure Delivery Plan, Corporate Priorities and external funding opportunities and have regard to the criteria outlined in the previous report considered by the MDP and Cabinet (these largely reflect the CIL Regulations and Planning Practice Guidance as to the purpose of CIL and how it should be spent).

Neighbourhood CIL

- 4.6 As noted above, NCIL represents the allocation of 15% of CIL receipts raised in each Ward back to the respective Ward in which it was generated (except where received from within the geographical definition of the Harrow and Wealdstone Opportunity Area).
- 4.7 For CIL received within the geographical definition of the Harrow and Wealdstone Opportunity Area (i.e. those parts of Headstone North, Marlborough, Greenhill and Wealdstone wards within the OA), NCIL involves the allocation of 15% of CIL receipts into a combined fund to be spent on projects across the entire area, to reflect that the area contains the greater proportion of strategic development sites within the borough resulting in greater overall level of NCIL receipts but with

corresponding broader / larger cumulative impacts of developments and potential locally-identified projects to address these.

- 4.8 The broad allocation of Neighbourhood CIL is agreed as part of the Capital Programme (based on available funds at the time and allocated as noted above), and included in the Capital Programme report which is presented to Cabinet every year in December (draft budget) and February (final budget).
- 4.9 Once the broad allocation of NCIL is agreed as part of the Capital Programme, individual projects put forward by the relevant Directorates / Ward Members are assessed against the criteria outlined in the report to the Major Development Panel / Cabinet in 2017 (including the extent of consultation and level of community support), with the final decision on what projects were funded from the agreed CIL allocations being delegated to the Divisional Director of Regeneration and Planning (now Interim Chief Planning Officer), following consultation with the Portfolio Holders for Regeneration and Planning, and Finance and Commercialisation.
- 4.10 Projects should have support from two-thirds of the relevant Councillors i.e. two out of three ward Councillors for individual wards outside the Opportunity area. For the Opportunity Area, currently nine out of 12 Councillors need to support projects in order for them to be funded by NCIL receipts, which is subject to change as set out in section 6. Member involvement is considered the bare minimum required under the CIL Regulations to ensure NCIL is 'spent on projects that take account of the views of the communities in which development has taken place'.
- 4.11 The NCIL is administered by the Community Engagement Team.

5. Receipts and Allocations to-date

Overall CIL receipts

- 5.1 Harrow has been charging CIL from 1 October 2013. As CIL is only payable once a development commences, there was a time lag in CIL receipts. The receipts for each financial year since the Harrow CIL was first introduced are set out in Table 1 below.

Table 1 – Overall Harrow CIL receipts by financial year

| Year | Total received |
|--------------|-----------------------|
| 2013/14 | £14,108 |
| 2014/15 | £195,701 |
| 2015/16 | £554,529 |
| 2016/17 | £5,457,774 |
| 2017/18 | £4,685,689 |
| 2018/19 (A) | £2,371,501 |
| Total | £13,279,302 |

(A) To 31 December 2018

- 5.2 The Borough-wide CIL receipts to 31 December 2018 (i.e. once neighbourhood CIL and administration top-slice are taken out) are £10.6m. Agreed allocations to-date are as follows:

Table 2 – Borough CIL allocations to 31 December 2018

| Financial year | Description | BCIL | Actual or Committed |
|----------------|--|--------------|---------------------|
| 2017/18 | Highway projects | £4.8m | Actual |
| 2018/19 | Headstone Manor (Parks for People) | £0.3m | Committed |
| 2018/19 | Rayners Lane Triangle project | £0.04m | Committed |
| 2018/19 | Playground equipment | £0.5m | Committed |
| | Total | £5.6m | |
| | BCIL available (i.e. excluding NCIL and admin top-slice) | £10.6m | |
| | Balance | £5.0m | |

- 5.3 Table 2 shows that after allowing for the allocation of CIL to date of £5.6m, a sum of £5.0m is available as Borough CIL funding that can be used to fund the new or existing Capital Programme.
- 5.4 During the preparation of the draft Capital Programme for 2019/20 – 2020/21, the existing Capital Programme and new capital bids were reviewed against the requirements for CIL expenditure. A total of £4.8m of schemes was identified as being eligible to be funded from BCIL. After applying this sum, £0.2m of BCIL will be available to fund future Capital projects which meet the criteria. The figures in the tables above only account for CIL received to 31 December 2018 and so will be higher by the 31 March 2019 as and when further CIL funding is received.
- 5.5 The approach taken on identifying where CIL funding should be applied has been to maximise the savings in capital financing costs.
- 5.6 Subject to agreement at Cabinet on 21 February 2019 and subsequently Council, the following schemes make up the £4.8m of BCIL funding to be utilised:

Existing Capital Programme

- a) Highway drainage £400k - £200k each in 2019/20 and 2020/21
- b) Central Library refit £1.590m – all in 2019/20
- c) Flood Defence £600k - £300k each in 2019/20 and 2020/21

New Proposals

- a) Additional funding for Central Library refit £500k – all in 2019/20
- b) Harrow Arts Centre £1.150m – all in 2019/20
- c) Playground works £600k - £350k in 2019/20 and £250k in 2020/21.

- 5.7 As further BCIL income becomes available in future years it is intended that it will be applied as a funding source for future Capital Programmes.
- 5.8 The figures above (receipts and allocations) do not include the further £3.3m of Harrow CIL arising from the 51 College Road (former

Harrow post office) development that will be received as an ‘in-kind’ payment through the provision of a new Central Library within the development once it is complete.

Neighbourhood CIL receipts and allocations

5.9 Table 3 below identifies the total NCIL receipts from when Harrow first started charging CIL (1 October 2013) to 31 December 2018. It is broken down into receipts from developments within the Opportunity Area (by ward) and outside (also by ward). Total NCIL receipts to 31 December 2018 are £1.991m.

Table 3 - Neighbourhood CIL – Ward Breakdowns (31 December 2018)

| Ward | Total NCIL receipts | Actual / committed spend | Available Balance |
|---------------------------------|---------------------|--------------------------|-------------------|
| Outside Opportunity Area | | | |
| Belmont | £2,395 | £0 | £2,395 |
| Canons | £247,696 | £0 | £247,696 |
| Edgware | £15,359 | £0 | £15,359 |
| Greenhill (part) | £60,883 | £0 | £60,883 |
| Harrow on the Hill | £70,370 | £0 | £70,370 |
| Harrow Weald | £3,441 | £0 | £3,441 |
| Hatch End | £38,391 | £0 | £38,391 |
| Headstone North (part) | £1,755 | £0 | £1,755 |
| Headstone South | £17,362 | £0 | £17,362 |
| Kenton East | £7,110 | £0 | £7,110 |
| Kenton West | £4,992 | £0 | £4,992 |
| Marlborough (part) | £19,483 | £0 | £19,483 |
| Pinner | £64,494 | £0 | £64,494 |
| Pinner South | £39,491 | £0 | £39,491 |
| Queensbury | £23,720 | £0 | £23,720 |
| Rayners Lane | £5,354 | £0 | £5,354 |
| Roxbourne | £233,410 | £6,930 (1) | £226,480 |
| Roxeth | £28,385 | £0 | £28,385 |
| Stanmore Park | £222,648 | £0 | £222,648 |
| Wealdstone (part) | £4,889 | £0 | £4,889 |
| West Harrow | £9,647 | £297 (1) | £9,350 |
| | £1,121,275 | £7,227 | £1,114,048 |
| Within Opportunity Area | | | |
| Headstone North OA | £2,558 | £374,000 (2) | £495,734 |
| Wealdstone within OA | £9,571 | | |
| Greenhill within OA | £816,348 | | |
| Marlborough within OA | £41,257 | | |
| | £869,734 | £374,000 | £495,734 |
| Total | £1,991,009 | £381,227 | £1,609,782 |

Notes:

- (1) NCIL allocation to Rayners Lane triangle project
- (2) NCIL allocation to (a) Good Growth Fund – Lyon Road project (£75,000) and (b) allocation to Wealdstone Square project (£299,000)

5.10 To date only £381k of NCIL has been allocated, which means that £1.6m of NCIL remains unapplied (80.8% of receipts). There are

assumptions that a number of schemes (existing and proposed) in the 2019/20 to 2020/21 Capital Programme that will proceed on the basis that they can be funded from NCIL (in their entirety or in part and subject to relevant ward member engagement and agreement) and have only been included in the programme on that basis. The schemes are as follows:

- a) Green Grid Programme - £75k assumed to be funded from NCIL out of a total of £150k. (In the existing Capital Programme)
- b) Refurbishment of 3 libraries (Pinner, Roxeth and Wealdstone) - £150k requirement in 2019/20 and 2020/21 is assumed as being funded from NCIL. (New proposals)
- c) High Street Fund – the total scheme is in the programme at £1.75m of which £200k of Council funding is included. The rest will be funded from a combination of external funding, mainly NCIL and future BCIL, subject to eligibility. (New proposals)

5.11 For some of the above projects it is likely that there will be insufficient Neighbourhood CIL within the ward in which the project is located. However, the nature of the projects is such that it would be appropriate to also use Neighbourhood CIL receipts from other nearby wards to help fund the project. For example, there are six libraries in the borough and 23 wards. A library therefore serves more than just the ward in which it is located and so it would be reasonable for NCIL funds from more than one ward to be used for the proposed library refurbishments. Similarly, many centres that may benefit from the High Street Fund cover more than just ward, so NCIL receipts from all of the wards covered by the centre could be used to fund a project. Such an approach would promote better utilisation of Neighbourhood CIL receipts [see section 7 below and recommendation (d)].

5.12 The above reflects proposals for the Capital Programme 2019/20 – 2020/21, subject to Cabinet on 21 February 2019 and Council.

6. Proposed amendment to Neighbourhood CIL allocations process – Harrow and Wealdstone Opportunity Area

6.1 Feedback from ward members within the Opportunity Area, relevant Portfolio Holders and officers seeking to utilise Neighbourhood CIL have raised concerns regarding the current ‘pooling arrangements’ as follows:

- a) Members concerned that they are being asked to support / not support a project outside their ward for which they have limited knowledge.
- b) The large number of members that need to agree any given project (two-thirds of members from four wards means nine need to agree to a project – effectively every ward member in three of the four wards).

6.2 Given these concerns, it is proposed for NCIL receipts within each ward that is included in the Opportunity Area be treated as any other ward, with funds allocated to the ward in which they are received and

proposed projects requiring support from 2 out of 3 members for that ward. This will replace the current pooling arrangements across those parts of the four wards within the Opportunity Area.

- 6.3 The revised process will in part diminish the incentive for the NCIL receipts within the Opportunity Area to be considered more broadly (i.e. the Wealdstone Square project was funded using NCIL although NCIL receipts within the Wealdstone Ward itself on their own were insufficient) and will increase pressure on borough CIL which to-date has been almost 100% allocated. It is likely that projects in some wards will not be able to go ahead due to insufficient NCIL receipts within that ward whilst NCIL receipts in other wards in the Opportunity Area remain unallocated / unspent.
- 6.4 The revised approach however does not preclude these funds being agreed to be spent in another ward (i.e. on a park in the immediately adjoining ward) should ward members of the ward in which it the NCIL funds were generated consider that appropriate and the ward benefits from the project.
- 6.5 Table 4 shows the revised NCIL allocations within the four wards should the proposed approach be agreed. These have been calculated by re-apportioning the current Opportunity Area balance based on receipts to date in each ward (that part within the OA) and then added to balances from developments within those parts of the wards outside the Opportunity Area:

Table 4 - NCIL – potential post-pooling balances (31 December 2018)

| Ward | NCIL balance (OA – apportioned) | NCIL balance (outside OA) | Combined NCIL balance |
|-----------------|---------------------------------|---------------------------|-----------------------|
| Headstone North | £1,458 | £1,755 | £3,213 |
| Wealdstone | £5,455 | £4,889 | £10,344 |
| Greenhill | £465,305 | £60,883 | £526,188 |
| Marlborough | £23,516 | £19,482 | £42,998 |
| Total | £495,734 | £87,009 | £582,743 |

7. Neighbourhood CIL expenditure to-date

- 7.1 As noted above, to date only £381k of NCIL has been allocated, which means that £1.6m of NCIL remains unapplied (80.8% of receipts). Whilst mechanisms are now in place for requests for NCIL funding to be considered, uptake has been limited. Officers within Planning Policy and Community Engagement Teams will continue to promote the NCIL funding opportunity to ward members and work proactively with officers across the Council to identify projects suitable for NCIL funding (subject to relevant ward member support).
- 7.2 It is also considered that there is greater scope for NCIL from nearby wards to be used to fund projects where there are insufficient funds in the ward in which the project is located (see paragraph 5.11 above for examples). Whilst this would require approval from Members in the other wards, it would increase the chances of projects going ahead given other potential sources of funding (i.e. Borough CIL, Harrow capital) are already under pressure. The option of Neighbourhood CIL

from nearby wards should be pursued in the first instance and this is reflected in recommendation (d) above.

8. Specialist CIL software - Exacom

- 8.1 The Council is currently in the process of procuring software (Exacom) designed specifically to administer collection of CIL and S106 planning obligations and managing their allocated expenditure. For CIL, this will cover from the initial identification of liable planning applications, calculation of the CIL liability amounts, administration of the collection of the liability (Liability Notices, Demand Notices, surcharges etc), allocation of NCIL to relevant ward and quarterly reporting arrangements to Transport for London (for the Mayoral CIL).
- 8.2 The cost of the procurement is being funded through the CIL administrative top-slice. It is expected to make the process more robust and maximise the identification and collection of liabilities.

9. Mayoral Community Infrastructure Levy

- 9.1 The Mayor's current Community Infrastructure Levy (MCIL1) was introduced in 2012 to help finance Crossrail. In Harrow the rate is £35 per square metre of net new floor space. It is collected by the Council on behalf of the Mayor (with a 4% administration top-slice retained by the Council). The charge applies to all new development, except for health and education.
- 9.2 The Mayor proposes to introduce a new Mayoral CIL (MCIL2) from 1 April 2019 and will supersede MCIL1. MCIL2 will be used to fund Crossrail 2. The new charge for Harrow (included in 'Band Two' of three) will be £60 per square metre for all new development except for health and education.
- 9.3 Whilst on face value the new charge of £60 per square metre appears to be a significant increase from the current £35 per square metre, the current MCIL1 charge is subject to indexation from when it was first adopted in 2012. The current indexed charge is circa £50 per square metre, so the proposed new rate is only a 20% increase. It should therefore not impact upon viability of development in the borough (as agreed by the independent examiner who considered the proposed charges) nor any future review of the Harrow CIL charging schedule.

10. Performance Issues

- 10.1 Having a robust approach to the allocation of CIL receipts seeks to ensure the CIL Regulations are complied with and spending decisions are made in a manner that maximises the benefit that infrastructure funded by CIL will bring to supporting new development.

11. Environmental Impact

- 11.1 The Council's list of infrastructure types that CIL can be spent on (its 'Regulation 123 list') includes a range of green infrastructure, as well as flood mitigation infrastructure. Provision of this infrastructure

(should CIL be allocated to it) will have a positive environmental impact.

- 11.2 Infrastructure funded by CIL will be subject to the relevant environmental assessments (i.e. planning permission for schools etc).

12. Risk Management Implications

Risk included on Directorate risk register? No
Separate risk register in place? No

Failure to spend CIL in a transparent and appropriate manner that meets the requirements of the CIL Regulations carries a risk of challenge and reputational damage. Under the CIL Regulations the Council is required to report on how CIL is being spent (this is published as part of the 'Authorities Monitoring Report'), as well as on the Council's website. Government also regularly seeks details on the expenditure of CIL.

13. Legal Implications

- 13.1 The Legal requirements for the expenditure of CIL are outlined in the body of the report.

14. Financial Implications

- 14.1 CIL receipts to date and the actual / proposed allocation to projects are summarised in the main body of the report. The proposed revised approach to allocating Neighbourhood CIL within the Opportunity Area will not result in any direct financial implications. The criteria set out in the report agreed by Cabinet in December 2017 will continue to be used to assess individual proposals for their eligibility for CIL funding.

15. Equalities implications / Public Sector Equality Duty

Was an Equality Impact Assessment carried out? No.

- 15.1 Given the nature of the proposed change, being modest and consistent with statutory requirements (which were subject to an Equality Impact Assessment process), a local Equality Impact Assessment was not carried out on the proposed change. As the opportunity area is the focus of existing services / infrastructure and future development within the borough, any impact of the proposed change on age, disability, gender identity and expression, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation is expected to be neutral.
- 15.2 The criteria relating to the allocation of CIL receipts includes a criterion relating to equalities, so the impact of an individual project on equalities will be considered as part of the assessment of the funding application.

16. Council Priorities

- 16.1 Establishing and maintaining an effective and defensible means of allocating CIL will help the Council meet the priority of a making a difference for communities by maximising the contribution that infrastructure funded by CIL makes to addressing the impacts of new development. For Neighbourhood CIL, it will demonstrate that the Council seeks and listens to the views of its residents.

Section 3 - Statutory Officer Clearance

| | | |
|--------------------------|-------------------------------------|---|
| Name: Jessie Man | <input checked="" type="checkbox"/> | on behalf of the Chief Financial Officer |
| Date: 15 February 2019 | | |
| Name: Rosemary Lansdowne | <input checked="" type="checkbox"/> | on behalf of the Monitoring Officer |
| Date: 15 February 2019 | | |

| | |
|----------------------------|--------------------|
| Ward Councillors notified: | N/A |
| EqlA carried out: | NO |
| EqlA cleared by: | See body of report |

Section 4 - Contact Details and Background Papers

Contact: David Hughes, Planning Policy Manager, 0208 736 6082, david.hughes@harrow.gov.uk

Background Papers:

MDP report (14 November 2017):

<http://www.harrow.gov.uk/www2/ieListDocuments.aspx?CId=1041&MId=64184>

Cabinet report (7 December 2017):

<http://www.harrow.gov.uk/www2/ieListDocuments.aspx?CId=249&MId=64137>

Harrow CIL charging schedule:

http://www.harrow.gov.uk/info/856/local_plan/836/community_infrastructure_levy_and_infrastructure_delivery

Call-In Waived by the Chair of
Overview and Scrutiny
Committee

NO