
REPORT FOR: CABINET

Date of Meeting:	7 December 2017
Subject:	Community Infrastructure Levy (CIL) – proposed allocations process (in response to Major Developments Panel recommendations)
Key Decision:	Yes
Responsible Officer:	Paul Nichols, Divisional Director of Regeneration and Planning
Portfolio Holders:	Councillor Keith Ferry, Deputy Leader and 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:	All
Enclosures:	Appendix 1 – Minutes of Major Developments Panel meeting on 14 November 2017 Appendix 2 – Report to Major Developments Panel (14 November 2017) Appendix 3 – Map showing Harrow and Wealdstone Opportunity Area and corresponding ward boundaries

Section 1 – Summary and Recommendations

This report responds to recommendations to Cabinet from the Major Developments Panel (MDP) in relation to the proposed allocations process for the Community Infrastructure Levy (CIL). The Community Infrastructure Levy is a levy on new development to ensure that costs incurred in providing infrastructure to support the development of an area is funded by owners or developers of land in a way that does not make development of the area economically unviable.

Under the Community Infrastructure Levy Regulations 2010/948 (“CIL Regulations”), 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.

The report that was considered by MDP on 14 November 2017 is attached at Appendix 2 and the minutes from the meeting are attached at Appendix 1.

The MDP agreed to the recommendations to Cabinet relating to the allocation of ‘Borough CIL’ (Recommendations 1 and 2) as set out in the report to MDP.

The Panel however resolved to amend the recommendations relating to the allocation of ‘Neighbourhood CIL’, specifically Recommendation 3 (i) and (ii). The effect of these amendments was to change the geographic basis by which Neighbourhood CIL receipts relating to the Harrow and Wealdstone Opportunity Area are pooled. The report to MDP recommended that this was done based on the four wards that make up the majority of the Opportunity Area / development potential within the area (i.e. Headstone North, Marlborough, Greenhill and Wealdstone). This would mean that all NCIL receipts within those wards would be pooled and any allocations to projects put forward by the relevant Directorates / Ward members would be agreed under delegated authority by the Divisional Director – Regeneration and Planning (“the Officer”), in consultation with the Portfolio Holders for Regeneration and Planning, and Finance and Commercialisation, having regard to the criteria outlined in section 7 of the MDP report, including the level of member support.

The amended MDP recommendation to Cabinet is that only NCIL receipts from within the actual geographic boundary of the Opportunity Area (as defined in the Harrow Local Plan and the London Plan) are pooled and any allocations to projects put forward by the relevant Directorates / Ward members would be agreed under delegated authority by the Officer in consultation with the Portfolio Holders for Regeneration and Planning, and Finance and Commercialisation, having regard to the criteria outlined in section 7 of the MDP report, including the level of member support across the four wards. NCIL receipts within the four wards but outside the Opportunity Area would be allocated by the Officer to the individual wards in which they

were received (i.e. not pooled) and allocated having regard to the level of support from the three members of that ward.

The amended geography of allocating NCIL within the Opportunity Area is considered to still comply with the requirement that NCIL must be spent on projects that take account of the views of the communities in which development has taken place and supports the development of the area in which the CIL is generated.

The process of allocating NCIL to specific projects [Recommendation 3 (iii) and (iv)] was unchanged by the MDP.

Recommendations:

Cabinet is requested to agree the recommendations of the Major Developments Panel as set out in the minutes of that meeting (Appendix 1).

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. Establishing 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.

The Major Developments Panel is an Advisory Panel to the Cabinet and this report / recommendation responds to the amended recommendations from MDP in relation to the pooling of NCIL received from within the Harrow and Wealdstone Opportunity Area.

Section 2 – Report

1. Introduction and Background

- 1.1 This report responds to the recommendations to Cabinet from the Major Developments Panel (MDP) in relation to the proposed allocations process for receipts from the Harrow Community Infrastructure Levy (CIL). CIL is a levy on new development to ensure that costs incurred in providing infrastructure to support the development of an area is funded by owners or developers of land in a way that does not make development of the area economically unviable.
- 1.2 Under the Community Infrastructure Levy Regulations 2010/948 (“CIL Regulations”), 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’ 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.
- 1.3 The report that was considered by MDP on 14 November 2017 is attached at Appendix 2 and the minutes from the meeting are attached at Appendix 1.

2. Options considered

- 2.1 The report to MDP addressed the options for allocating CIL in detail. This response report responds to the amended recommendation of the MDP in relation to the pooling / allocations process for NCIL received in the Harrow and Wealdstone Opportunity Area. This amended recommendation represents a further option that has been considered.

3. Amended option for allocating Neighbourhood CIL received within the Harrow and Wealdstone Opportunity Area

- 3.1 The MDP agreed to the recommendations to Cabinet relating to the allocation of ‘Borough CIL’ (Recommendations 1 and 2) as set out in the report to MDP.
- 3.2 The Panel however resolved to amend the recommendations relating to the allocation of ‘Neighbourhood CIL’, specifically Recommendation 3 (i) and (ii). The effect of these amendments was to change the geographic basis by which Neighbourhood CIL receipts relating to the Harrow and Wealdstone Opportunity Area are pooled. The report to MDP recommended that this was done based on the four wards that

make up the majority of the Opportunity Area / development potential within the area (i.e. Headstone North, Marlborough, Greenhill and Wealdstone). This would mean that all NCIL receipts within those wards would be pooled and any allocations to projects put forward by the relevant Directorates / Ward members would be agreed under delegated authority by the Officer in consultation with the Portfolio Holders for Regeneration and Planning, and Finance and Commercialisation, having regard to the criteria outlined in section 7 of the MDP report, including the level of member support from the four wards.

- 3.3 The amended MDP recommendation to Cabinet is that only NCIL receipts from within the actual geographic boundary of the Opportunity Area are pooled and any allocations to projects put forward by the relevant Directorates / Ward members would be agreed under delegated authority by the Officer in consultation with the Portfolio Holders for Regeneration and Planning, and Finance and Commercialisation, having regard to the criteria outlined in section 7 of the MDP report, including the level of member support across the four wards. NCIL receipts within the four wards but outside the Opportunity Area would be allocated to the individual wards in which they were received (i.e. not pooled), with specific projects agreed in conjunction with the three members of that ward.
- 3.4 Appendix 3 provides a map of the Harrow and Wealdstone Opportunity Area and the corresponding ward boundaries.
- 3.5 Tables 1 and 2 provide an updated version of the table contained within the MDP that showed NCIL receipts by ward (Table 2 of the MDP report). Table 1 below shows CIL receipts (including NCIL) by ward, excluding receipts from within the geographical boundary of the Opportunity Area. Table 2 shows CIL receipts (including NCIL) within the Opportunity Area.

Table 1: CIL receipts (to nearest £) by ward with Neighbourhood Proportion (as at 31 March 2017) – excluding receipts within the Opportunity Area

Ward	Harrow CIL Collected	Neighbourhood CIL element (15%)	Balance (excluding administration top-slice)
Belmont	£8,864	£1,330	£7,091
Canons	£89,165	£13,375	£71,332
Edgware	£98,955	£14,843	£79,164
Greenhill (outside OA)	£293,243	£43,986	£234,594
Harrow on the Hill	£422,136	£63,320	£337,709
Harrow Weald	£16,675	£2,501	£13,340
Hatch End	£127,080	£19,062	£101,664
Headstone North (outside OA)	£17,051	£2,558	£13,641
Headstone South	£87,369	£13,105	£69,895
Kenton East	£25,489	£3,823	£20,391

Ward	Harrow CIL Collected	Neighbourhood CIL element (15%)	Balance (excluding administration top-slice)
Kenton West	£10,589	£1,588	£8,471
Marlborough (outside OA)	£10,750	£1,613	£8,600
Pinner	£0	£0	£0
Pinner South	£43,772	£6,566	£35,018
Queensbury	£58,881	£8,832	£47,105
Rayners Lane	£13,600	£2,040	£10,880
Roxbourne	£46,200	£6,930	£36,960
Roxeth	£39,927	£5,989	£31,941
Stanmore Park	£64,624	£9,694	£51,699
Wealdstone (outside OA)	£11,560	£1,734	£9,248
West Harrow	£1,980	£297	£1,584
Total	£1,487,910.00	£223,186.00	£1,190,327.00

Note: Figures subject to cross-checking of receipts / wards, so £92,041 / £13,806 yet to be allocated to a ward

Table 2: CIL receipts (to nearest £) within Opportunity Area (as at 31 March 2017)

Ward	Harrow CIL Collected	Neighbourhood CIL element (15%)	Balance (excluding administration top-slice)
Greenhill (within OA)	£4,545,168	£681,775	£3,636,135
Headstone North (within OA)	£0	£0	£0
Marlborough (within OA)	£45,207	£6,781	£36,165
Wealdstone (within OA)	£51,784	£7,768	£41,427
Total	£4,642,159.00	£696,324.00	£3,713,727.00

Note: Figures subject to cross-checking of receipts / wards, so £92,041 / £13,806 yet to be allocated to a ward

- 3.6 Under the amended recommendation from MDP, NCIL receipts from Table 1 above would be allocated to specific projects with the agreement of ward members for the respective wards. NCIL allocations from Table 2 (i.e. within the OA) would be 'pooled' and allocated to specific projects in conjunction with ward members of the four wards.
- 3.7 The amended geography of allocating NCIL within the Opportunity Area retains the intention that NCIL received in the vicinity of the Opportunity Area is pooled and allocated across the whole Opportunity Area in recognition of the scale of development anticipated within the area and that the impact of these developments will be felt across several wards. The amended approach is also considered to still comply with the requirement that NCIL must be spent on projects that take account of the views of the communities in which development has taken place and supports the development of the area in which the CIL is generated.

4. Performance Issues

- 4.1 The amended recommendation from MDP is not considered to impact upon the comments made in the Performance Issues section in the report to MDP.

5. Environmental Impact

- 5.1 The amended recommendation from MDP is not considered to impact upon the comments made in the Environment Impact section in the report to MDP.

6. Risk Management Implications

Risk included on Directorate risk register? No

Separate risk register in place? No

The amended recommendation from MDP is not considered to impact upon the comments made in the Risk Management Implications section in the report to MDP.

7. Legal Implications

- 7.1 The Legal requirements for the expenditure of CIL were outlined in the body of the MDP report. As noted above, the amended recommendation relating to the NCIL allocations process for receipts within the Harrow and Wealdstone Opportunity Area is considered to meet the requirements of the CIL Regulations.

8. Financial Implications

- 8.1 Financial implications were outlined in the body of the MDP report and the amended recommendations relating to NCIL are not considered to change these.

9. Equalities implications / Public Sector Equality Duty

Was an Equality Impact Assessment carried out? No.

- 9.1 As noted in the MDP report, the criteria relating to the allocation of CIL receipts includes a criterion relating to equalities.

10. Council Priorities

- 10.1 The amended recommendation from MDP is not considered to impact upon the comments made in the Council Priorities section of the report to MDP.

Section 3 - Statutory Officer Clearance

Name: Jessie Man	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 22 November 2017		

Name: Mrinalini Rajaratnam / Jimmy Walsh	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 23 November 2017		

Ward Councillors notified:	N/A (entire borough)
EqIA carried out:	YES
EqIA cleared by:	See body of report

Section 4 - Contact Details and Background Papers

Contact: David Hughes, Planning Policy Manager, 0208 736 6082

Background Papers:

Report to Major Developments Panel:

<http://www.harrow.gov.uk/www2/documents/s147977/CIL%20Allocations%20-%20November%202017%20Major%20Developments%20Panel%20FINAL.pdf>

Harrow CIL Charging Schedule (including Regulation 123 List):

http://www.harrow.gov.uk/download/downloads/id/1688/charging_schedule

National Planning Practice Guidance (NPPG) relating to CIL (including links to CIL Regulations): <https://www.gov.uk/guidance/community-infrastructure-levy>

Call-In Waived by the Chair of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in applies]</i>
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