



## Report to Safer and Stronger Scrutiny and Policy Development Committee Thursday 13<sup>th</sup> December 2018

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**Report of:** Policy and Improvement Officer

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**Subject:** Councillors' Guide on spending the CIL Neighbourhood Portion  
(or Local CIL)

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This item is a follow on from this Committee's Call-In of Cabinet Member Decision: Community Infrastructure Levy Neighbourhood Portion. The Committee considered the Call-In at its meeting on 8<sup>th</sup> November and determined it would like to

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**Type of item:** The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	X
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	
Other	

**The Scrutiny Committee is being asked to:**

- Consider and provide comment on Councillor's Guide on spending the CIL Neighbourhood Portion (or Local CIL)

**Background Papers:**

**Category of Report:** OPEN

# **Community Infrastructure Levy (CIL) –**

## **Councillors' Guide on spending the CIL Neighbourhood Portion (or Local CIL)**

Dawn Shaw  
Head of Libraries, Community Services and Learning & Skills  
November 2018

## A. Background to Community Infrastructure Levy and the 'Neighbourhood Portion' (Local CIL)

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The Community Infrastructure Levy (CIL) is a planning charge to help deliver infrastructure that supports development in a local planning authority area. More information can be found via –

<https://www.sheffield.gov.uk/content/sheffield/home/planning-development/local-planning-guidance/community-infrastructure-levy.html>

The Community Infrastructure Levy Regulations 2010 (CIL Regulations) provide for a proportion of CIL receipts collected to be used as a "Neighbourhood Portion". The Neighbourhood Portion is 15% of CIL receipts or 25% if there is a neighbourhood plan in place. There are currently no neighbourhood plans in Sheffield.

If CIL relates to a development in an area with a local council (a parish or town council) the Neighbourhood Portion must be passed to that local council. Sheffield has three local councils, Bradfield Parish Council, Ecclesfield Parish Council and Stocksbridge Town Council.

In other parts of the city the Council retains the Neighbourhood Portion and may use it to support development of the relevant area by funding the provision, improvement, replacement, operation or maintenance of infrastructure, or anything else that is concerned with addressing demands that development places on an area. The "relevant area" is that part of the city which is not in a local council area. This affords the Council a degree of freedom as to what the Neighbourhood Portion can be spent on, and where within the city.

In October 2018 Cabinet<sup>1</sup> took the following decisions

- Agrees that where there is no Parish Council or neighbourhood plan in place in the ward where a chargeable development has taken place, the Neighbourhood Portion is collected into a single Local CIL pot and redistributed via the process explained below.<sup>2</sup>
- delegates authority to the Head of Libraries, Community Services & Learning & Skills, in consultation with the Cabinet Member for Neighbourhoods and Community Safety, to determine: (i) how the CIL Neighbourhood Portion allocated to each ward is spent, following engagement with local communities and Ward Councillors, subject to the proviso that monies are spent in accordance with agreed Ward Priorities and (ii) to determine the terms on which such expenditure is incurred including authorising the completion of any related funding agreement or other legal documentation.

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<sup>1</sup> <http://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=6988>

<sup>2</sup> 10% of the Neighbourhood Portion will be retained to support the development of neighbourhood plans. The remaining 90% of the Neighbourhood Portion is pooled to establish a city-wide (except for areas covered by local councils) "Development Investment Fund" which will be redistributed across the wards based on Indices of Multiple Deprivation (IMD). Protection will be offered for wards which would lose out under this proposal and a minimum of 10% of the total CIL Neighbourhood Portion collected within a ward will be retained within the ward where the development takes place before the redistribution occurs.

## B. Keeping Councillors Informed

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Planning Officers in City Growth will provide ward councillors and the Safer and Stronger Communities Scrutiny and Policy Development Committee with regular information regarding the CIL Neighbourhood Portion. This will be provided in a number of ways –

- **Annual report** - CIL Regulation 62 requires Councils that are charging a CIL to produce an Annual Report on what has been collected and what projects CIL income has been spent on. CIL reporting must cover the financial year that ends on 31 March. It is a public document that can be downloaded via –  
<https://www.sheffield.gov.uk/content/sheffield/home/planning-development/local-planning-guidance/community-infrastructure-levy.html>  
The Annual Report will be sent directly to every councillor.

- **Quarterly Reports** – will be produced setting out CIL covering the previous 3 months up to the end of March, June, September and December. This report will include -
  - Total Receipts and Expenditure to date
  - CIL Receipts by Development
  - CIL Neighbourhood Portion – including the amounts passed to Parish/Town Councils, the amount collected broken down by LAP area/ward and the amount allocated to each LAP area/ward.
  - CIL Neighbourhood Portion expenditure to date
  - Anticipated income from future CIL receiptsThese will also be sent directly to every councillor.

Quarterly Reports up to September 2018 did not contain information about the amount allocated to each LAP area/ward. The figures as they stand in September 2018 will be published as Appendix 1 to this guidance; all updates will be provided via the Quarterly Reports.

- **Email notifications** – ward councillors will receive direct email notification of any CIL receipts in their ward.

## C. Engaging with Local Communities

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The National Planning Practice Guidance (NPPG) states local authorities should engage with communities and agree with them how best to spend the neighbourhood funding. There is no specific process prescribed for agreeing how the Neighbourhood Portion should be spent. The NPPG states that charging authorities should use existing community consultation and engagement processes.

In Sheffield, each ward has a set of priorities, which have been informed by local community engagement, data and feedback from service providers / partner agencies. These are updated annually in June/July. The development of annual ward priorities and the subsequent ongoing community engagement activity in wards goes some way in satisfying the requirement of the NPPG.

In addition, the amount of CIL Neighbourhood Portion available within each ward will be published online as part of the statutory Annual CIL Report and also provided to Members as part of the Quarterly CIL Reports. In advance of any allocation of the CIL Neighbourhood Portion Ward Councillors will consult with the local community on ideas for appropriate projects that could be funded.

It is proposed that this is done proportionately to the amount available and on at least an **annual** basis. Consultation could be done via:

- Online channels – SCC website, Citizen Space, local blogs and social media
- Email correspondence
- Information held from previous consultations
- Meetings
- Councillor briefings
- Discussions with other Council services

The community should be kept informed and engaged throughout the process and Ward Councillors with the support of Council Officers from the Locality Management Team should ensure this happens at each stage.

## D. The Decision Making Process

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### ***Stage 1: Councillors Briefing***

Ward Councillors will use information supplied in Annual Reports, Quarterly Reports and Email Bulletins to consider whether to allocate any CIL in the current financial year, discuss initial ideas based on ward priorities and decide on the most appropriate consultation processes. Councillors may also liaise with the Members for neighbouring wards and recommend that the Neighbourhood Portion is pooled.

After consultation with the local community, if Councillors wish to carry over their Neighbourhood Portion into the next financial year this should be noted and recommended to the Head of Libraries, Community Services & Learning & Skills for approval.

### ***Stage 2: Consultation***

Ward Councillors will consult with the local community to identify and comment on ideas for appropriate projects that could be funded. There are no specific requirements for how this consultation should take place, but it is recommended that local authorities should use existing consultation mechanisms (see Section C). For example the community engagement that informs the setting of ward priorities each year could be a means to ensure this consultation takes place each year.

Any proposals for spending the Neighbourhood Portion must receive community support and take into account current ward priorities but it is important to remember that this is not simply extra money in the Ward Pot. The Neighbourhood Portion can only be used, as prescribed by the CIL Regulations, to fund the provision, improvement, replacement, operation or maintenance of infrastructure, or anything else that is concerned with addressing demands that development places on an area.

### ***Stage 3: Developing ideas***

Officers from the Locality Management Team will maintain an up to date list of suggested projects and results from any community consultation / engagement. They will then develop the projects with Ward Councillors and the local community exploring feasibility, cost, timescales and delivery methods of the proposed projects.

### ***Stage 4: Councillors Briefing***

After community consultation project ideas will be assessed by Ward Councillors who will also take into account the amounts of money involved, potential match funding, potential for pooling resources with neighbouring wards, timescales, who could deliver the project and whether it can be realistically achieved.

They will then put forward their final proposals to the Head of Libraries, Community Services & Learning & Skills. Any decisions on recommendations will be recorded by the Locality Management Team for audit purposes.

In order to make an informed recommendation Councillors will need –

- Regular ward briefing meetings
- Up-to-date CIL allocation for their ward

- Up-to-date ward priorities
- An understanding of the local infrastructure requirements of their ward's residents
- Advice from appropriate service providers and partner agencies
- List of possible projects submitted by the local community
- Results from any community consultation / engagement
- Regular updates on progress of CIL Neighbourhood Portion funded projects

***Stage 5: Final decision***

The Head of Libraries, Community Services & Learning & Skills in consultation with the Cabinet Member for Neighbourhoods and Community Safety, will authorise the spending of the CIL Neighbourhood Portion on a case by case basis, ensuring it is spent on the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area.

## Appendix 1: Local CIL Allocation by Ward (30 September 2018)

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Ward / LAP	Final Allocations
Broomhill & Sharrow Vale Ward	£19,980
City Ward	£40,006
Hillsborough Ward	£31,786
Walkley Ward	£40,849
<b>Central LAP</b>	<b>£132,621</b>
Darnall Ward	£71,117
Manor Castle Ward	£72,282
Park & Arbourthorne Ward	£55,780
Richmond Ward	£36,868
<b>East LAP</b>	<b>£236,047</b>
Burngreave Ward	£90,998
Firth Park Ward	£79,578
Shiregreen & Brightside Ward	£58,000
Southey Ward	£67,014
<b>North East LAP</b>	<b>£295,590</b>
Beauchief & Greenhill Ward	£44,581
Gleadless Valley Ward	£53,263
Graves Park Ward	£13,897
Nether Edge & Sharrow Ward	£35,271
<b>South LAP</b>	<b>£147,013</b>
Beighton Ward	£23,004
Birley Ward	£23,998
Mosborough Ward	£22,573
Woodhouse Ward	£34,757
<b>South East LAP</b>	<b>£104,332</b>
Crookes & Crosspool Ward	£8,877
Dore & Totley Ward	£12,337
Ecclesall Ward	£6,223
Fulwood Ward	£8,360
<b>South West LAP</b>	<b>£35,797</b>
East Ecclesfield Ward (Part) *	£9,894
Stannington Ward (Part) *	£12,245
<b>North LAP</b>	<b>£22,139</b>
<b>TOTAL</b>	<b>£973,539</b>

\* East Ecclesfield and Stannington have been proportioned on the basis of the parts of these wards that are not in the Parish Council areas..