

	<h2>Policy and Resources Committee</h2> <h3>8 February 2020</h3>
<b>Title</b>	<b>Review of Community Infrastructure Levy (CIL) Eligibility Criteria and Guidance</b>
<b>Report of</b>	Chairman of the Policy and Resources Committee
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	Yes
<b>Enclosures</b>	Appendix A – Area Committee Budgets Applications Guidelines for 2017/18 Appendix B – Area Committee Budgets FAQ's – April 2016
<b>Officer Contact Details</b>	Geoff Mee, Executive Director - Environment <a href="mailto:Geoff.Mee@Barnet.gov.uk">Geoff.Mee@Barnet.gov.uk</a> Andrew Charlwood, Head of Governance <a href="mailto:Andrew.Charlwood@Barnet.gov.uk">Andrew.Charlwood@Barnet.gov.uk</a> Salar Rida, Governance Officer <a href="mailto:Salar.Rida@Barnet.gov.uk">Salar.Rida@Barnet.gov.uk</a>

## Summary

This report outlines the background and current arrangements in respect of Area Committees budgets including the allocations of Community Infrastructure Levy (CIL) funding and requests that the Committee review the position and agree more specific guidance to enable funding applications to be assessed in accordance with local priorities as determined by Members.

## **Officers Recommendations**

- 1. That the Committee note the background and current arrangements in respect of Area Committees allocations of Community Infrastructure Levy (CIL) funding.**
- 2. That the Committee agree that each Area Committees should develop and approve their own CIL funding priorities for each financial year starting in 2021/22.**
- 3. That the Committee agree that the funding limit for each individual CIL funded scheme be increased to £30,000.**

### **1. WHY THIS REPORT IS NEEDED**

#### **Area Committee Budgets – Background and Context**

- 1.1 On 10 June 2014 the Policy & Resources Committee agreed a budget of £100,000 per annum for each Area Committee (Chipping Barnet, Finchley & Golders Green and Hendon) and resolved that the detailed arrangements should be agreed by the Community Leadership Committee. On 25 June 2014 the Community Leadership Committee agreed the framework for the funding which comprised an open grants process for which community groups could apply for funding to deliver projects, schemes or services which sought to improve the quality of life for people who lived or worked in the area.
- 1.2 On 24 June 2015, the Community Leadership Committee undertook a review of area committee's operation and delegated budgets. This report noted that the Policy & Resources Committee had agreed to supplement the existing Area Committees budgets (of £100,000 per annum) with an additional amount of Community Infrastructure Levy (CIL) funding (of up to £150,000 per Area Committee). The report introduced changes to the arrangements for allocating the existing £100,000 budgets – instead of an open grants process Area Committees would instead define local priorities (around March annually) and allocate their budgets on this basis. CIL funding would be restricted to infrastructure in accordance with the statutory definition.
- 1.3 Area Committee Budget arrangements were amended further for 2017/18. A proposal included in the 2017/18 budget report to the Policy & Resources Committee was to make a saving from across the three Area Committees to help balance the council's budget. The proposal was agreed by Full Council on 7 March 2017 and as consequence of the decision, the £100,000 budgets were removed from the Area Committees. CIL funding was retained. From 1 April 2017, Area Committees have been allocating CIL funding only.

## **CIL Funding Arrangements**

- 1.4 Following the decision to reduce the budget CIL funding application guidelines were issued in April 2017 (see Appendix A) and this is the framework that has been used for assessing applications being reported to Area Committees from 2017/18 onwards.
- 1.5 Prioritisation of funding can be an issue for Area Committees as legal definition of infrastructure is broad. Details are set out in section of the guidance titled 'How can CIL be applied?' (see [section 216\(2\) of the Planning Act 2008](#), and [regulation 59](#), as amended). As such, Area Committees have, over several years approved various uses of CIL funding for local matters including (but not limited to):
- CPZ's;
  - one-way systems;
  - yellow lines;
  - 20 mph zones;
  - weight restrictions;
  - width restrictions;
  - speed surveys;
  - repairs to damaged hedges;
  - fencing in parks;
  - benches;
  - providing an access path to a local hospice and allotments;
  - improvements to road junction markings;
  - footway parking reviews;
  - outdoor play equipment;
  - outdoor gym equipment;
  - expansion of a local church facilities;
  - compost bins;
  - forest school;
  - investment in a community hub;
  - all weather table tennis table; and
  - modernisation of a school playground.
- 1.6 During 2017/18, 2018/19 and 2019/20 financial years there has been increasing pressure on the Area Committee CIL budgets, particularly for the Finchley & Golders Green and Hendon Area Committees. Budget reports suggest that the whole funding allocation is used relatively early in the financial year. Details can be accessed in the CIL funding budget reports presented regularly to each committee:  
<https://barnet.moderngov.co.uk/mgListCommittees.aspx?bcr=1>

## **Request to Review CIL Funding Guidelines**

- 1.7 At the Finchley and Golders Green Area Committee on 3 February 2020, the Committee considered a Member's Item for CIL Funding in the name of Councillor Anne Hutton which requested funding for the refurbishment of a Community Hall (Stephens Hall) in North Finchley which is owned and administered by Christ Church in North Finchley. The Members Item sought funding of £25,000 towards the refurbishment of toilets, the kitchen and glazing. Following debate, the Committee decided to defer the item subject to

further clarification on the CIL criteria and Area Committee policy. The detailed minute extract is as set out below:

**“Refurbishment of Stephens Church Hall at Christ Church, High Road, North Finchley N12 to improve capacity for community use**

Cllr Hutton introduced her Member’s Item. Mr Will Hawks, Stephens Parochial Church Council Member made a verbal representation.

Cllr Zinkin reported that he had asked officers prior to the meeting on clarification on the Council’s policy on CIL funding as applications for buildings may set a precedent and criteria needed to be set.

Cllr Hutton noted that she had been advised by officers that this was appropriate for CIL. She agreed that policy should be clear.

The Chairman moved a motion to defer the item subject to further clarification on CIL criteria and the Area Committee policy, and was duly seconded.

**RESOLVED that the Committee unanimously agreed:**

- 1. that the Area Committee consider the request as highlighted in Section 1 of the report.**
- 2. that the Area Committee decides to defer the decision for funding for further information.”**

1.8 Due to the impact of the Covid-19 pandemic on committees and their business, the request made at the 3 February 2020 meeting to clarify the funding criteria was not taken forward. Councillor Hutton’s Members Item was re-presented to the Committee at their meeting on 8 October 2020 and the following was minuted:

“The Chairman welcomed the item noting that the Committee at its meeting on 3 February 2020 had requested clarification on the Council’s policy on CIL funding. Councillor Hutton spoke about the Member’s item for CIL funding in her name and stated that the Committee may also potentially consider partial funding if the Committee deem this appropriate.

It was **RESOLVED** that:

**The Committee agreed to defer and to urgently seek formal clarification and review of CIL funding Policy and eligibility guidelines from the Policy and Resources Committee in respect of the application.**

Pending the outcome, the Member’s CIL Funding application can be listed for consideration at the next F&GG Area Committee.”

This report has been prepared pursuant to that request.

## **Proposed Changes to CIL Funding Guidelines**

- 1.9 Officers have consulted with Members and the senior officers who support Area Committees and manage the CIL funding process. It is proposed that the current CIL funding guidelines and FAQ's attached at Appendices A and B remain in place, but each Area Committee be requested to develop and approve their own CIL funding priorities for each financial year starting in 2021/22.
- 1.10 In addition, it is recommended that the funding limit for each CIL scheme be increased to £30,000 as this limit has not been increased to reflect inflation since the arrangements were introduced in 2015/16.
- 1.11 The Committee are requested to note that any revisions to the CIL funding guidelines will be an interim measure. Area Committee and Residents Forum arrangements will be comprehensively reviewed as part of the ward boundary changes coming into effect in May 2022. In addition, it is expected that there may be some increase to the amount of CIL funding available to Area Committees which will come into effect during the 2021/22 financial year and this is expected to be subject of a report to this Committee in April 2021.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Policy & Resources Committee have been requested by the Finchley & Golders Green Area Committee to review CIL guidelines as is considered that the current criteria are too broad and require amendment to focus on local priorities. Clarification of the criteria will assist officers in making recommendations to Area Committees regarding whether proposals are compliant with the criteria or not.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Guidelines could be retained un-amended. This is not recommended as it will not support the request from the Finchley & Golders Green Area Committee.
- 3.2 Policy & Resources Committee could agree some additional borough-wide criteria for Area Committee CIL funding. This approach is not recommended as it doesn't allow for the Area Committees to discuss and agree their own local priorities which could be different for each area.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Area Committees will be requested to consider and agree local priorities at their March and April 2021 meetings for the 2021/22 financial year.
- 4.2 The Finchley & Golders Green Area Committee will decide the CIL Members Item referred to in sections 1.6 and 1.7 in accordance with the CIL Area Committee Applications Guidelines set out in Appendix A.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

5.1.1 Community Infrastructure Levy funding enables supports delivery of the following Corporate Plan's objective:

A pleasant, well maintained borough that we protect and invest in:-

Getting the best out of our parks and improving air quality by looking after and investing in our greenspaces

Investing in community facilities to support a growing population, such as schools and leisure centres

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 As set out in section 1. a proportion of the Council's CIL income is allocated to Area Committees to spend on local priorities.

### **5.3 Social Value**

5.3.1 Clarification of the usage of CIL funding will support future requests for CIL funding. This provides an avenue for Members to consider funding requests which may have added social value.

### **5.4 Legal and Constitutional References**

5.4.1 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

5.4.2 Additionally, Regulation 59 (f)(3) of the Community Infrastructure Levy Regulations 2010 as amended allows the Council, as the Charging Authority to use the CIL to support the development of the relevant area by funding 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.

5.4.3 The Localism Act 2011 introduced requirements that a 'meaningful proportion' of CIL income is allocated to parish councils to support their neighbourhood infrastructure requirements. Under Regulation 59A (5) of the Community Infrastructure Levy Regulations 2010 (as amended) a charging authority must pass 15 per cent of the relevant CIL receipts to the parish council for that area; this is limited by Regulation 59A (7) to a cap of £100 per dwelling in the area of the Local Council.

5.4.4 Regulation 59F enables a similar application of CIL receipts in cases where, as in Barnet, a charging authority does not have a local council structure.

5.4.5 Since the introduction of Area Committee Budgets, reports have been presented to various committees for decision including: Policy & Resources Committee; Community Leadership & Libraries Committee; Environment Committee; and Area Committees. Details are set out in section 6 below. Article 7 states: *“If any report appears to come within the remit of more than one committee, to avoid the report being discussed at several committees, the report will be presented and determined at the most appropriate committee. If this is not clear, then the report will be discussed and determined by the Policy and Resources Committee.”* It is considered that the Policy & Resources Committee is the most appropriate committee in this instance as they delegated the CIL budget to the Area Committees and the report cuts across the remit of several committees.

5.4.6 Under the Council’s Constitution Article 7, the terms of reference of the Policy & Resources Committee includes responsibility for: “Strategic policy, finance and corporate risk management including recommending: Capital and Revenue Budget (including all fees and charges); Medium Term Financial Strategy; and Corporate Plan to Full Council.”

## 5.5 Risk Management

5.5.1 The Finchley & Golders Green Area Committee have requested clarification of the CIL funding criteria as they consider that the current guidance is too wide and could be used on projects that do not benefit the whole community. This is a possible reputational risk to the Council.

## 5.6 Equalities and Diversity

5.6.1 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:

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

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

5.6.3 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.

## 5.7 Corporate Parenting

5.7.1 Not applicable in the context of this report.

## 5.8 Consultation and Engagement

5.8.1 None.

## 5.9 Insight

5.9.1 Members may wish to utilise insight data to inform local priorities for 2021/22 and future years.

## 6. BACKGROUND PAPERS

- 6.1 Policy & Resources Committee, 10 June 2014, Area Sub-Committees – Budget Arrangements, Item 9:  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7856&Ver=4>
- 6.2 Policy & Resources Committee, 10 June 2014, Area Sub-Committees – Budget Arrangements, Item 9:  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7856&Ver=4>
- 6.3 Community Leadership Committee, 25 June 2014, Area Sub-Committees – Budget Allocation Draft Framework, Item 7:  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=694&MId=7874&Ver=4>
- 6.4 Community Leadership Committee, 24 June 2015, ‘Review of Area Committees – operations and delegated budgets’  
<https://barnet.moderngov.co.uk/documents/s24009/Area%20Committees%20%20Community%20Leadership%20Committee%2025%20June%202015%20-%20FINAL.pdf>
- 6.5 Policy & Resources Committee, 9 July 2015, ‘Delegating a proportion of Community Infrastructure Levy (CIL) income to the Council’s Area Committees’  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8346&Ver=4>
- 6.6 Council, 7 March 2017, Report of the Policy & Resources Committee – Business Planning 2017 to 2020:  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8819&Ver=4>
- 6.7 Community Leadership Committee, 8 March 2017, Area Committee Funding – Savings from Non-Community Infrastructure Levy (CIL) Budgets  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=694&MId=8721&Ver=4>
- 6.8 Minutes, Finchley and Golders Green Area Committee, 8 October 2020, Item 9  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=712&MId=10255&Ver=4>
- 6.9 Minutes, Finchley and Golders Green Area Committee, 3 February 2020, Item 10  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=712&MId=9959&Ver=4>
-