



Policy and Resources Committee

24 May 2021

Title

Review of Community Infrastructure Levy (CIL) Allocation, Eligibility Criteria and Guidance

Report of

Chairman of the Policy and Resources Committee

Wards

All

Status

Public

Urgent

No

Key

Yes

Enclosures

Appendix A - Area Committee CIL Funding Guidelines and Funding Application Form
Appendix B – Road Safety & Parking Funding Guidelines and Request Form
Appendix C - Area Committee Priorities 2021-2022
Appendix D – NCIL Schemes approved with funding greater than £50,000

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Summary

This report requests that the Committee review and agree, in respect of the Area Committee budgets, the allocations of Community Infrastructure Levy (CIL), the CIL Funding Policy and Eligibility Guidelines to enable funding applications to be assessed and determined by Members, and to provide CIL funding for a Road Safety & Parking fund to be managed by the Executive Director for Environment.

Officers Recommendations

- 1. That the Committee agree arrangements in respect of Area Committees allocations of Community Infrastructure Levy (CIL) funding of up to £1.2m per annum (£400,000 per Area Committee).**
- 2. That the Committee agree to remove the funding limit for each individual Area Committee CIL funded project.**
- 3. That the Committee agree in respect of the Area Committees the new CIL Funding Application Guidelines and Funding Application Form (Appendix A).**
- 4. That the Committee agree CIL funding for a Road Safety & Parking Fund of up to £300,000 per annum, for schemes to be authorised by the Executive Director, Environment.**
- 5. That the Committee agree the Road Safety & Parking Funding Guidelines and Request Form (Appendix B).**
- 6. That the Committee note that a review of the revised Area Committee CIL funding and Road Safety & Parking CIL Fund will be undertaken after two rounds of Area Committee meetings (i.e. in October/November 2021).**

1. WHY THIS REPORT IS NEEDED

Neighbourhood CIL (NCIL) in Barnet

- 1.1 On the 9th July 2015 the Policy & Resources Committee agreed that Area Committees would spend their CIL Funding on infrastructure as defined under Regulation 59 of the CIL Regulations 2010 (as amended) (“the Regulations”). CIL income can be applied towards the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area.
- 1.2 On 8th February 2021 the Policy & Resources Committee also received a report on Review of Community Infrastructure Levy (CIL) Eligibility Criteria and Guidance which requested that each Area Committee develop and approve their own CIL funding priorities for each financial year starting in 2021/22 (Appendix C). It was also agreed that the funding limit for each CIL scheme be increased to £30,000.
- 1.3 To ensure that Members, officers, residents and community groups, etc. have clarity about how the Area Committee CIL Funding and the Road Safety & Parking Fund will operate in practice, the Committee are requested to review and approve the following supporting documents (Appendices A and B) and funding limit increase:
 - 1.3.1 Revised CIL Funding Application Guidelines and Application Form
 - 1.3.2 CIL Road Safety & Parking Fund Guidelines and Request Form
 - 1.3.3 The removal of the funding limit for a CIL scheme approved by an Area Committee (which will operate within the approved annual budget)
- 1.4 The Committee are requested to note that these revised arrangements will be reviewed after the June and October rounds of Area Committees to ensure that the revised arrangements are working to the satisfaction of Members.

- 1.5 The Committee are also requested to note that further changes to Area Committee and Residents Forum arrangements will be required to give effect to the Ward Boundary changes coming into effect after the borough elections in May 2022. Detailed proposals relating to these changes will be reported to the Constitution & General Purposes Committee and Council in due course.

Current CIL Funding Arrangements

- 1.6 Following the decision in April 2017 to reduce the CIL budget to Area Committees, CIL funding application guidelines were issued and this is the framework that has been used for assessing applications being reported to Area Committees from 2017/18 onwards.
- 1.7 Prioritisation of funding has been an issue for Area Committees as legal definition of infrastructure is broad (see [section 216\(2\) of the Planning Act 2008](#), and [Regulation 59](#), as amended). (Please note that there is no request to change how the statutory and regulatory guidance is currently applied). 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.
- 1.8 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>

Proposed Changes to CIL Funding Guidelines

- 1.9 It is recommended to increase the CIL budget for Area Committees from £450,000 per annum (£150,000 per Area Committee) to £1.2m per annum (£400,000 per Area Committee) for each financial year starting in 2021/22. This enables the Area Committees to consider funding a larger number of projects with the opportunity to unlock greater community benefits.
- 1.10 It is recommended in respect of Area Committees that the Committee agree the new Area Committee CIL Funding Guidelines and Funding Application Form (Appendix A). This clarifies the criteria and process for Area Committees to make decisions and for officers to assist in making recommendations.
- 1.11 It is recommended that the Committee agree that the Area Committee CIL Funding Guidelines and Funding Application Form remove the funding limit per scheme and operate within their annual budget. This enables Area Committees to consider using the increased CIL allocation to fund larger projects with the opportunity to unlock significant community benefits.
- 1.12 For schemes approved by Area Committee for funding above £50,000 these are recognised as more complex to deliver. The relevant Executive Director will ensure the appointment of a senior Council Officer to sponsor the scheme and the coordination of Council services, ensure the appropriate project methodology is adhered to, with the scheme set up for a successful delivery. It is recognised that these schemes may deliver outside of the financial year in which they are approved. Please refer to Appendix D which sets this out.
- 1.13 The Area Committees have considered and agreed their priorities for CIL funding for 2021-22 and these are set out in Appendix C.
- 1.14 It is recommended that the Committee agree that a CIL funded Road Safety & Parking Fund is implemented, with an allocation of £300,000 per annum for each financial year starting in 2021/22. The fund will be managed by the Executive Director, Environment and managed borough wide.
- 1.15 It is proposed that the Executive Director, Environment will receive road safety and parking issues via issues or petitions referred from Residents Forums, or via Members submitted using the form in Appendix B. For clarity, all Road Safety and Parking issues should be referred through this proposed process.
- 1.16 The Executive Director, Environment operating within delegated statutory responsibilities will review the referred issues, consider the options available and make a decision. For clarity, the decision may be a technical solution or a decision to take no action. The Executive Director, Environment will set out the rationale to explain if no resolution is required. The Executive Director, Environment will inform the relevant Member or resident(s) of the decision prior to the implementation of the decision (if action is required).

- 1.17 To ensure transparency relating to decisions taken by the Executive Director for Environment using delegated powers, there will be a report back to every meeting of the Area Committee to update Members and residents on the progress of the various road safety and parking issues.

Review Process

- 1.18 As set out in section 1.4, it is proposed that these arrangements will be reviewed after two rounds of Area Committees to ensure that they are working to the satisfaction of all Members and particularly those who sit on Area Committees. Part of the review will also consider whether a wider definition of infrastructure could be adopted to allow a broader range of schemes and projects to be agreed by Area Committees.

2. REASONS FOR RECOMMENDATIONS

- 2.1 On 8th February 2021 the Policy & Resources Committee set out an expectation of an increase to the amount of CIL funding available to Area Committees which would come into effect during the 2021/22 financial year, and for this to be set out in a report to this Committee in April 2021.
- 2.2 On 8th February 2021, the Policy & Resources Committee discussed a report concerning the CIL funding process. The report highlighted that the only criteria being used to assess CIL funding applications included: the legal definition, a requirement to not incur ongoing revenue costs and a maximum scheme value of £25,000. It was agreed that each Area Committee should consider, develop and approve their own CIL funding priorities for each financial year starting in 2021/22. In addition, it was recommended that comprehensive guidance be developed for CIL Area Committee Budget and the Road Safety & Parking Fund to ensure that Members can make informed decisions when receiving applications for funding.
- 2.3 Policy & Resources Committee were requested by the Finchley & Golders Green Area Committee (3rd February 2020) to review and clarify the current CIL Funding Policy and Eligibility Guidelines.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Guidelines could be retained un-amended. This is not recommended as it does not address the requirement of the Finchley & Golders Green Area Committee request, nor does it support the need to ensure that a clearer guidance process is provided to support the increased funding allocation for the Area Committees.

4. POST DECISION IMPLEMENTATION

- 4.1 Area Committees will be requested to adopt the recommendations for CIL Funding at their next 2021 meetings for the 2021/22 financial year.
- 4.2 The Executive Director, Environment will be requested to implement the recommendation for the CIL Road Safety & Parking Fund for the 2021/22 financial year.

- 4.3 A review of the revised arrangements will be completed after two rounds of Area Committees (i.e. in October/November 2021) with findings and recommendations reported to Members for decision (as required).

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Community Infrastructure Levy funding supports the delivery of the Corporate Plan objectives:

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

- 5.1.2 The Community Infrastructure Levy enables greater engagement and partnership with residents in the improvement of their local areas and see the benefit of development and growth. Communities themselves are often best placed to suggest what the local priorities should be, and the Council's forthcoming Community Participation Strategy will seek to strengthen the routes by which residents can have a say on how local funding is spent. This will include boosting engagement with Resident Forums and building stronger links with other place-based networks such as Town Centre groups.

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.

- 5.2.2 A new role, CIL Project Management Officer (PMO), will support the new processes. This role will be funded through CIL income permitted for CIL administration.

5.3 Legal and Constitutional References

- 5.3.1 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.

- 5.3.2 Additionally, Regulation 59F(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.

- 5.3.3 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.
- 5.3.4 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.
- 5.3.5 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."
- 5.3.6 Under Article 9 of the Council's Constitution, the Executive Director of Environment as a Chief Officer has delegated authority to make decisions in relation to parking and road safety which are not key decisions and where the cost does not exceed £189,330 in accordance with the powers delegated and under the Schemes of Delegation. This authority is provided under Article 10.5 which relates to decision making by Chief Officers. Chief Officer will maintain a list of all decisions over £50,000 as required under Article 9.

5.4 **Insight**

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

5.5 **Social Value**

- 5.5.1 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.
- 5.5.2 CIL is itself a mechanism for providing social value from private sector investment. Improvements to the way CIL is used will be developed in line with the Council's new Social Value Policy which looks at how social value contributions can be claimed through the Council's procurement process.

5.6 **Risk Management**

- 5.6.1 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.
- 5.6.2 To mitigate the risk of the interim, these will be reviewed by officers after a period of around

six months, and an update report will be presented to the Committee. Officers will work on collating key information to assist Members in reviewing priorities including infrastructure needs by constituency area and insight data.

5.7 Equalities and Diversity

5.7.1 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.

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

5.7.3 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.

5.8 Corporate Parenting

5.8.1 Not applicable in the context of this report.

5.9 Consultation and Engagement

5.9.1 Officers have been engaging with the Chairman and Vice-Chairman of the Area Committees to develop draft priorities to present to the Area Committees. These discussions have taken into consideration the needs of the Areas as highlighted in the following Council plans, strategies and surveys:

Barnet Plan
Barnet Resident's Perception Survey
Growth Strategy
Infrastructure Delivery Plan (IDP)
Greenspaces and Leisure strategies

5.9.2 Members have been consulted on the Guidelines and Application/Request Forms set out in Appendices A and B.

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 Policy & Resources Committee, 8 February 2021, Review of Community Infrastructure Levy (CIL) Eligibility Criteria and Guidance
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=10200&Ver=4>