

REPORT TO:	Planning Policy Committee, 8 June 2023
SUBJECT:	Community Infrastructure Levy Light Touch Update
LEAD OFFICER:	Kevin Owen, Planning Policy & Conservation Manager
LEAD MEMBER:	Chair of Planning Policy Committee
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
<p>The recommendations supports:-</p> <ul style="list-style-type: none"> • Improve the Wellbeing of Arun; • Delivering the right homes in the right places; • Supporting our environment to support us; • Fulfilling Arun’s economic potential. 	
DIRECTORATE POLICY CONTEXT:	
<p>The Community Infrastructure Levy receipts and priority spend within the council’s Infrastructure Investment Plan (IIP) will help to deliver infrastructure through working together with agencies and partners investing in delivering facilities. This will promote active healthy lifestyles, including leisure, arts and culture and deliver housing and other needs while enhancing the quality of heritage and the natural and built environments and promoting economic growth, in a sustainable manner.</p>	
FINANCIAL SUMMARY:	
<p>There are no direct financial implications arising from this Infrastructure Investment Plan light touch update. However, there may be implications for allocation of CIL funding priorities.</p>	

1. PURPOSE OF REPORT

This report is a light touch update to the councils Infrastructure Investment Plan 2022-2024 (IIP 2022/24). The IIP 2022/24 sets out the council’s Community Infrastructure Levy funding priorities over 3 years and a light touch update consultation was undertaken in March 2023 to identify any emergent matters that may require amendment to the IIP 2022/24. A full IIP update is schedule for 2024.

2. RECOMMENDATIONS

2.1. Planning Policy Committee resolves:-

That the Infrastructure Investment Plan (IIP) be updated with any new information received for existing projects and new projects that providers would like to be considered following the light touch update consultation;

3. EXECUTIVE SUMMARY

- 3.1. Arun District Council became a Community Infrastructure Levy (CIL) Charging Authority in April 2020 and in 9 March 2022 adopted an Infrastructure Investment Plan setting out the council's CIL project spending priorities over 3 years (i.e. IIP 2022-24). The CIL Governance process (Background Paper 1) which sets out how CIL infrastructure proposals will be assessed and prioritised allows a light touch update in year 2 of the IIP.
- 3.2. Arun District Council has therefore, undertaken consultations with infrastructure providers and Town/Parish Councils, inviting information on changes to existing IIP projects or evidence supporting new projects that meet the definition of infrastructure that could be eligible for funding and prioritisation assessment for inclusion in the IIP.
- 3.3. No changes have been identified for new projects on the IIP short list (i.e. priority list) although West Sussex County Council have requested that the existing Westhampnett Waste Transfer priority project be moved from the priority list to the baseline list (because of delays) but that it is replaced as a switch with the Littlehampton Household Waste Facility Expansion (because of progress).
- 3.4. There are 10 new projects proposed for inclusion on the baseline list (i.e. long list) because project funding and delivery information show that the projects are not yet ready for prioritisation; 8 projects promoted by NHS England for health and GP surgeries; two Arun Green Space projects for Sport Hub and Adventure facility.
- 3.5. Two existing IIP projects have additional information of project status for including on the baseline list.

4. DETAIL

- 4.1. The Community Infrastructure Levy is a financial levy that Arun as a CIL charging authority, applies to new developments (the charge is set out in the council's CIL Charging Schedule for different types of land use and zones in Arun and is calculated based on the amount of new floorspace to delivered).
- 4.2. To spend CIL monies received the authority has approved the IIP 2022/24 which includes infrastructure projects prioritised for funding over the 3 years delivery period of the IIP or if not ready, for adding to a baseline list for future update and prioritisation. Between 3 March and 31 March 2023, a light touch update consultation to the IIP 2022-24 was carried out for a period of 4 weeks with all stakeholders including Town and Parish Councils.
- 4.3. For existing and new project proposals for CIL funding to be assessed under the light touch approach, they must meet the definition of Infrastructure (e.g. provision of footpaths/cycle routes, play areas etc.) and support the delivery of the Local Plan or Neighbourhood Development Plan and mitigate the impacts of development.
- 4.4. Promoters of new or existing projects (with update information) for CIL funding, and assessment must share the information with the relevant project provider(s)

(e.g. West Sussex County Council (WSCC), Town or Parish Council, Fire, Police or Health authority/body). They should then coordinate to put the information correctly into an IIP project pro forma. This was sent out as part of the light touch consultation but is also on the Councils CIL pages.

4.5. Where the promoter has a new project that they want to be included on the IIP they must:-

- Gather up relevant information for the project as far as they can (the information required is specified in the IIP Proforma (see Background Paper 1));
- Share the information with the relevant infrastructure provider(s) if the project falls within a particular authority function (e.g. WSCC if the project relates to highways) including the relevant Town or Parish Council;
- Carry out consultation/engagement with the public and community affected by their infrastructure project to gauge support.

4.6. A key further assessment consideration includes: -

- Whether an infrastructure project can realistically be delivered within the IIP 3-year programme, given that there is one year remaining, providers will need to include robust evidence on the business case, detailed design stages achieved, contractual arrangements, and delivery timescale.
- Whether there are enough CIL income receipts available to advance or add a new project on the priority list without adversely impacting on existing IIP priorities. The CIL apportionment allows WSCC schemes a 70% pot, ADC and 20% pot and other providers 10%. There is currently a figure of circa £900k of district CIL income available to be spent on projects included in the IIP allowing for recent spends.
- Infrastructure projects must be vetted by the joint 'Arun Member and Officer CIL Liaison Meeting' and recommended for approval by Planning Policy Committee. Those that exceed £25,000 cost will need to be approved as a Planning Policy Committee recommendation to Full Council. The next Arun Member and Officer Liaison Meeting is taking place on 11 May 2023.

4.7. The following table summarises the light touch consultation responses received from stakeholders and town and parish councils:

69NHS	Croft (Eastergate GP Surgery) New Build	£7m
70NHS	Yapton (Avisford GP surgery) New Build	£5.4m
71NHS	Willow Green (GP Surgery)	£230k
72NHS	Littlehampton Health Centre (extension)	£2,26m
73NHS	North Littlehampton Fitzalan (GP Surgery)	£4.5m
74NHS	Angmering (GP Surgery)	£2m
75NHS	Grove House, Bersted (GP Surgery)	£3.6m
76NHS	Bognor Health Centre	£1.25m
ADC GI	Palmer Road Sports Hub, Angmering	£5.08m
ADC GI	Brookfield Adventure Park, Rustington	£80k
Climping PC/CM	Horsemere Green Lane Improvements	TBC

WSSC	Littlehampton Waste Recycling Centre	£3.645m
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- 4.8. It should be noted that the above Table of CIL project bid cost figures are for the total project costs and are not necessarily the CIL amount being sought. This will need to be determined through further work on an appropriate CIL contribution which is net of any existing s.106 contributions (for example, many of the NHS projects are to be funded by significant scale s.106 contributions from strategic developments such as Barnham/Eastergate/Westergate). In addition, there may be other shared contributions from providers (e.g. CIL match funding and or grants etc).
- 4.9. Twelve project bids were received on IIP proforma and assessed in accordance with the agreed Governance procedure (Background Paper 1):-
- 8 x NHS Projects
 - 2 x Greenspace projects
 - 1 x Climping Parish Council (existing project)
 - 1 – WSSC (existing and replacement project)
- 4.10. There are no newly promoted projects for inclusion on the priority list that will be deliverable or fundable within the current 3-year programme. This means that together with the other supporting information supplied, considered against the prioritisation assessment, that these infrastructure projects have all been added to the IIP baseline list (long list) with a Red RAG rating (Red, Amber, Green status).
- 4.11. However, WSSC have requested that the existing Westhampnett Waste Transfer priority project be moved from the priority list to the baseline list (because of delays) but that it is replaced as a switch with the Littlehampton Household Waste Facility Expansion (because of significant progress). This request was reported to Committee in January 2023 (Background Paper 4). This project forms one of the several existing projects forming part of Arun District Council's Waste Transfer Infrastructure delivery to support the Local Plan as is set out in the Infrastructure Delivery Plan 2017. As such this is considered to be an existing project in the IIP priority list. In principle the swap is assumed in terms of the current CIL funding allocation within the WSSC CIL pot.
- 4.12. Therefore, except for the Westhampnett project swap, it is unlikely that any significant changes are to be applicable to the priority list this year. This will, however, need consideration and confirmation following the joint the ADC and WSSC liaison meeting on 11 May 2023.
- 4.13. The outcome of this liaison meeting will be reported verbally as an update to this item although following the liaison meeting, should there be any significant changes that cannot be agreed under group head delegation (e.g. projects exceeding £25,000 need to be approved as a Planning Policy Committee recommendation to Full Council), these will be reported back to this committee in September.

Delivery

- 4.14. One IIP priority project has received CIL funding in 2023. A master contract was drawn up, sealed and appended with the project pro forma evidencing delivery. The transfer of £5,560 was then sent to Arundel Town Council for their project at Priory Pocket Park that was included on the original 'short list'.

5. CONCLUSION

- 5.1. The level of CIL funding income while increasing year on year is significantly behind previous estimates. It is clear that larger projects are not likely to be 100% fundable without other contributions e.g. s.106 contributions or other external grants or capital programmes. As the number of projects grow this is likely to remain the case and funding allocations will therefore, need to be realistic, proportionated and caveated that CIL project funding is dependant on actually accruing the CIL receipts.
- 5.2. The 8 promoted new projects and the 2 existing project updates will be added to the IIP baseline list and considered at the liaison meeting (under the Governance procedure). The Westhampnett Waste Transfer priority will move to the baseline long list and the Littlehampton Household Waste Facility Expansion will be added to the priority list on the assumption of current CIL apportionment and subject to further liaison meeting consideration.
- 5.3. A verbal update on this item will be made following the liaison meeting and if necessary, a further report to this Committee will be made in September should there be any subsequent matters requiring a recommendation to Full Council.

6. OPTIONS / ALTERNATIVES CONSIDERED

The Council can choose not to address the light touch consultation response changes to the IIP as set out in the report. However, this risks being non-compliant with the Council's Governance procedures.

7. CONSULTATION

- 7.1. The light touch consultation exercise was an informal level of consultation (in accordance with governance procedures). Consultations were undertaken in March 2023 with infrastructure stakeholders and Town and Parish Councils. This ran for 4 weeks.

8. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 8.1. There are no comments.

9. RISK ASSESSMENT CONSIDERATIONS

- 9.1. There are no risk assessment considerations.

10. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

10.1. There are no Governance or legal implications.

11. HUMAN RESOURCES IMPACT

11.1. There are no implications arising for Human Resources.

12. HEALTH & SAFETY IMPACT

12.1. Whilst no direct health and safety impacts have been identified, there is potential for the new projects for inclusion on the baseline list to offer health benefits to the community.

13. PROPERTY & ESTATES IMPACT

13.1. There are no direct implications for Council property.

14. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

14.1. There are no direct adverse implications for Equalities/Social Value.

15. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

15.1. There are no direct adverse implications for Climate Change in the allocation of this funding. However each project should consider how it impacts the environment, both directly and indirectly, when taken forward and ensure sustainability and biodiversity improvements are prioritised. This could include but is not limited to the installation of heat pumps over gas boilers, ensuring building is to a high standard resulting in more energy efficient developments, increase and protection of biodiversity on site, and the provision of facilities to encourage active travel. The installation of renewables on site (where possible) should also be included in developments along with considerations around flooding reductions. Future consultation to ensure impacts are limited and mitigated when required should be taken.

16. CRIME AND DISORDER REDUCTION IMPACT

16.1. There are no direct adverse implications for Crime and Disorder.

17. HUMAN RIGHTS IMPACT

17.1. There are no direct adverse implications for Human Rights.

18. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

18.1. There are no implications for FOI/Data Protection.

CONTACT OFFICER:-

Name: Julie Grieves
Job Title: Community Infrastructure Levy Officer
Contact Number: 01903 737947

BACKGROUND DOCUMENTS:

Background Paper 1: Governance:-

<https://www.arun.gov.uk/cil-adoption>

Background Paper 2: Shortlist:-

<https://www.arun.gov.uk/download.cfm?doc=docm93jjjm4n18288.pdf&ver=19494>

Background Paper 3: Long List:-

<https://www.arun.gov.uk/download.cfm?doc=docm93jjjm4n18481.pdf&ver=19734>

Background Paper: 4: 26 January PPC Report – Infrastructure Investment Plan Update (including WSCC Littlehampton Waste Facility)

<https://democracy.arun.gov.uk/ieListDocuments.aspx?CId=349&MId=1648>