

REPORT TO:	Planning Policy Committee, 8 June 2023
SUBJECT:	Community Infrastructure Levy – Parish/Town Council Spend
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 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 reporting factual Community Infrastructure Levy (CIL) income and expenditure collated by Parish and Town Councils through published monitoring data. However, the monitoring may identify potential implications for future CIL receipt repayments to the council where CIL money is not being spent in accordance with regulations.</p>	

1. PURPOSE OF REPORT

- 1.1 This report seeks to update members of Planning Policy Committee on the Council’s Community infrastructure Levy (CIL) receipts and the apportionment of CIL payments to Parish/Town Councils for delivering their projects, including how the money is being used and reported (in accordance with the CIL regulations).

2. RECOMMENDATIONS

- 2.1. This report is an information paper for the Committee to note. There are no recommendations to consider.

3. EXECUTIVE SUMMARY

- 3.1. Arun District Council (ADC) became a Community Infrastructure Levy (CIL) Charging Authority in April 2020.

3.2. ADC is responsible for collecting and allocating the 'Neighbourhood CIL' element of CIL receipts to Town & Parish Councils that fall within the Arun District Charging Authority Area. This covers the local planning authority area that falls within Arun District but excludes that part of the district which falls within the South Downs National Park Authority area.

3.3. Regulation 59A (of the 2010 CIL regulations as amended) requires a portion of the CIL income raised from development, within a charging authority area to be paid to the Town & Parish Council (local council) where the development has taken place. This is referred to as 'Neighbourhood CIL' and the percentage will also depend on whether a local council has a 'made' Neighbourhood Development Plan (NDP) in place or not.

3.4. The following table sets out the percentage proportion of CIL that should be paid to local councils depending on whether it has a 'made' NDP or not:

Neighbourhood Plan?	Portion of Levy
Yes	25% uncapped, paid to parish/town council
No	15% capped at £100/dwelling, paid to parish/town council

3.5. There are only four parishes within Arun District Charging Authority Area that the 15% rule applies to:

- Middleton on Sea
- Poling
- Aldwick
- Pagham

3.6. The table shows the cumulative total (£293,360 rounded) and individual CIL funds transferred to each Town and Parish Council's up until March 2023 (i.e. since CIL charging was introduced in April 2020):-

Town/Parish	Totals up to April 2023
Aldingbourne	£55,309.00
Aldwick	£583.00
Angmering	£46,940.00
Arundel	£0.00
Bersted	£3,050.00
Bognor Regis	£4,352.00
Climping	£23,331.00
East Preston	£3,771.00
Felpham	£2,075.00
Ferring	£8,738.00
Ford	£0.00
Kingston	£0.00
Littlehampton	£2,612.00

Lyminster	£0.00
Middleton-on-Sea	£570.00
Pagham	£23,853.00
Rustington	£2,975.00
Walberton	£0.00
Yapton	£47,526.00
Barnham & Eastergate	£67,675.00
Poling	£0.00
Total	£293,360.00

4. DETAIL

- 4.1. CIL receipts are to be spent by local councils within five years of receipt and it must be spent on: providing, replacing, improving, operating or maintaining infrastructure that supports development in the area; or anything else concerned with addressing the demands that development places on the area (see Regulation 59C of the CIL Regulations 2010 as amended).
- 4.2. The CIL Officer will record income from CIL receipts from developments in each local council area and will instruct payment of either 15% (capped) or 25% to each local council as appropriate. Unless agreed otherwise, the Council will make these payments twice a year based on Regulation 59D of the CIL Regulations 2010 (as amended).
- 4.3. CIL income received between 1 April and 30 September is paid by 28 October and CIL income received between 1 October and 31 March is paid by 28 April.
- 4.4. CIL received by local councils **must** be spent within 5 years. This is a requirement of Regulation 59E of the CIL Regulations. Arun District Council may serve a notice on the local council to repay some or all the neighbourhood CIL receipts that are not spent in accordance with the Regulations.
- 4.5. Local councils **must** also record all CIL receipts, expenditure and CIL receipts carried over to the following monitoring year. They **must** prepare an Annual CIL Report for each financial year (1 April to 31 March) they receive CIL. In accordance with Regulation 121B of the CIL Regulations 2010 (as amended).
- 4.6. The further provisions of Regulation 121B of the Community Infrastructure Levy Regulations 2010 (as amended) requires a local council to report total CIL receipts for the reported year; including
- Details and total value of any CIL repayment notices.
 - Total CIL expenditure and a summary of CIL expenditure on each project and the amount.
 - Any retained payments unspent at the end of the reporting year, including from previous years.

Summary of Parish/Town Council Spend

- 4.7. The table shows that 15 Towns and Parishes have received CIL income to date (March 2023). Only two councils have currently spent from their CIL income received.
- 4.8. Bersted Parish Council's total spend to date is £2,562 on play park repairs in the financial monitoring year 2021-2022
- 4.9. Barnham & Eastergate Parish Council's total spend to date is £9,103 but in the financial year to March 2022. This includes £3,810 the purchase of a vehicle activated sign to monitor vehicle volumes and speeds within the parish due to increased traffic volumes generated by new developments and £5,293 in the on a replacement swing at Eastergate playground – due to increased use from residents from new developments.
- 4.10. Currently 15 Towns and Parishes have received CIL income to date (March 2023). However, based on the reporting years (April 2020- March 21 & April 2021- March 22) only 10 CIL spending reports from the Towns and Parishes who received CIL income within those years are published. The remaining 5 local councils who received income in 2022 to 2023 financial monitoring year, will publish in the next monitoring year so that there will be 15 financial reports.
- 4.11. We expect the CIL spending reports to increase over the coming years as more chargeable development is commenced in other areas and Neighbourhood Plans are 'made', and those Towns and Parishes start to receive their CIL.

5. CONCLUSION

- 5.1. There has been modest CIL expenditure by the Parish/Town councils since the commencement of CIL charging (as described above) and consequently funds are building up in local councils. The key explanation for this is the delay between CIL liability (when planning applications are submitted) and CIL payments triggered when development commences. This gives rise to long lead times for implementing CIL projects through CIL spend in addition to time spent identifying and assessing projects and managing them from inception to design and delivery stage. While modest and local in nature, these reported projects are nevertheless important to local communities addressing the impact of developments in their area. As expertise and CIL receipts accrue, in local councils, it is anticipated that CIL expenditure will increase and include a wider range of local needs.
- 5.2. Further to the above, all local councils must submit their CIL Annual Monitoring Reports to Arun District Council by 1 October following the reported year, so that projects can be checked for compliance with the regulations, and consistency with financial records. The reports can then all be published updated on Arun District Council and the local council's website for ease of reference (please see Background Paper 1).

6. OPTIONS/ALTERNATIVES CONSIDERED

- 6.1. Members can choose not to note the report. However, this is a factual update and is part of the existing monitoring function that is reported through CIL regulations annually by this council and the Parish and Town councils.

7. CONSULTATION

- 7.1. No external consultations were sought for this report which is reporting factual information obtained in accordance with CIL regulations.

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

- 8.1. There are no legal implications arising from this report which is being made in accordance with existing statutory regulations.

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 arising from this update and legal support will be provided throughout the life of the CIL Infrastructure Levy implementation in Arun.

11. HUMAN RESOURCES IMPACT

- 11.1. There are no implications arising for Human Resources.

12. HEALTH & SAFETY IMPACT

- 12.1. There are no direct implications for Health & Safety.

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 however, the improvement of infrastructure provision to address the impacts of development will help to address the need for local community facilities and improve amenity and wellbeing which may also lead to reduced need to travel or increase walking and cycling, carbon and energy efficiency. Climate change and sustainability should

be considered in the future and consultation undertaken to ensure adverse impacts are minimised or removed.

16. CRIME AND DISORDER REDUCTION IMPACT

16.1. There are no direct adverse implications for Crime and Disorder. However, the Council has a legislative obligation to consider the impact on crime and disorder in all development plans and projects within the district.

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:-

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BACKGROUND DOCUMENTS:

Background Paper 1: Town and Parish Council Monitoring Reports:
<https://www.arun.gov.uk/ifs-and-developer-contributions>