

Community Infrastructure Levy

The Council has been collecting CIL funding since the Charging Schedule came into effect on the 1st December 2014.

The CIL Regulations require that the Council, as the collecting authority, pay money over to the parishes, decide how to use that money and to publish its CIL income and expenditure.

The Council received a total of £1, 926,672.71 for the reporting period 1st April – 30th September 2018.

A breakdown of the CIL receipts received is shown in Appendix 1, attached to this report.

Portfolio: Finance

Date Portfolio Holder signed off report: 24 October 2018

Wards Affected

All

Recommendation

The Executive is advised RESOLVE

- (i) to note the CIL monies received;
- (ii) that Ward Councillors for the non-parished areas be asked to submit to the CIL Governance Panel ideas for spending CIL generated income within their wards; and
- (iii) that the remaining CIL contributions held by the Council be retained for spending to support key priorities.

1. Resource Implications

- 1.1 CIL includes a contribution toward the cost of administration of the scheme. At this time the monies raised are covering the cost of administration.

2. Key Issues

- 2.1 Section 106 payments are now increasingly being replaced by Community Infrastructure Levy contributions.
- 2.2 In respect of monies collected to date, Appendix 1 lists CIL monies collected from sites by parish and ward in the period 1st April - 30th September 2018. It also sets out how the CIL money is apportioned out according to the priorities in the Section 123 List in particular for SANGs and parishes.

- 2.3 The expenditure of CIL is governed by regulations. Thus payments must be reported half yearly to Executive and payments to parishes must be made half yearly, the Council has no discretion in this. The Council is also required to report on levy income and spending on its website on 31st December each year.
- 2.4 No neighbourhood plans have been adopted and thus no more than 15% of CIL collected within parishes and wards is payable. The payment to parishes, in the absence of a neighbourhood plan, is currently capped at £100 per annum for each existing Council tax dwelling. Payments to parishes' payable on 30th September 2018 were as follows.
 - a. Chobham £18,467.28
 - b. West End £93,351.26
 - c. Windlesham £9,754.08

- 2.5 In March 2015, the Executive agreed that as with the parishes a 15% proportion would be available to spend for non-parished areas according to local priorities. Whilst, the amount of money available to spend remains low at this time there may be small scale projects within these areas that would benefit.

3. Options

- 3.1 The options for the Executive to agree are:

- (i) To agree that Ward Councillors for the non-parished areas be asked to submit to the CIL Governance Panel ideas for spending CIL generated within their wards.
- (ii) To not agree that Ward Councillors for the non-parished areas be asked to submit to the CIL Governance Panel ideas for spending CIL generated within their wards.
- (iii) To agree that that the remaining CIL contributions held by the Council be retained for spending to support key priorities
- (iv) To not agree that that the remaining CIL contributions held by the Council be retained for spending to support key priorities.

- 3.2 The Executive is asked to agree options (i) and (iii).

4. Proposals

- 4.1 4.1 In accordance with the Executive resolution in March 2015, it is suggested that that the Ward Councillors for the non-parished areas now be asked to submit suggestions and bids for projects in their areas to be funded from the 15% of CIL collected in those areas. Ward Councillors can also choose to save the money to roll forward to fund larger projects or combine across wards for jointly beneficial projects. The amount collected in the reporting period 1st April – 30th September 2018 within these areas is as follows:

- Frimley £17,990.96
 - Town £37,122.38
 - Parkside £ 7,587.00
- 4.2 At the time of writing, the current CIL collected and available to each ward is as follows;

Deepcut & Mytchett - £22,977.00
Frimley Green - £0
Frimley - £34,685.06
Heatherside - £38,345.71
Old Dean - £0
Parkside - £77,119.15
St Michael's - £33,129.00
St Paul's - £9,234.00
Town - £149,612.10
Watchetts - £2,781.00

- 4.3 Local projects will then be put forward to the Executive for agreement for funding in 2018/19 in combination with any projects taken forward from any remaining Planning Infrastructure Contributions.

5. Supporting Information

- 5.1 Income from CIL has started to increase since the CIL Charging Schedule was introduced in December 2014. The levy is only payable on development which creates net additional floor space, where the gross internal area of new build exceeds 100 square metres.
- 5.2 It is anticipated that CIL income will continue to increase in the next coming year.
- 5.3 The CIL income received from each development is proportioned as follows:
- 5% - Administration
15% -to local neighbourhood ward or Parish
£125.00 per sqm (charged on net additional floor space created) - to SANG
Balance of income allocated to Surrey Heath BC CIL Main Fund for spending on the priorities, as set out in the Council's Section 123 List.
- 5.4 Surrey Heath Borough Council also operates an instalment policy. The instalment policy requires the SANG element of the charge to be paid on commencement of the development, with the remaining instalment payments allocated, as set out in paragraph 5.3 above.
- 5.5 A total of £1,926, 672.71 has been collected for the reporting period 1st April – 30th September 2018.
- 5.6 Of the total amount collected for this period, £903,718.53 is retained by the Council, with £777, 352.91 payable to SANGS.

6. Corporate Objectives And Key Priorities

- 6.1 PLACE - to make Surrey Heath an even better place where people are happy to live.
- 6.2 PROSPERITY - to sustain and promote the local economy so that our people can work and do business across Surrey Heath by promoting improvements to local transport and infrastructure.

7. Policy Framework

- 7.1 The ability to set a CIL charge is set out in the Planning Act 2008 (as amended) and Community Infrastructure Levy Regulations 2010 (as amended). A CIL charging schedule will sit alongside the Local Plan, although it does not form part of the statutory development plan.

8. Legal Issues

- 8.1 The legislation requires that that 15% of CIL funds received are transferred to a Parish Council where development has occurred in that area. Payment commenced on 28th October 2015 and six monthly periods thereafter.

9. Governance Issues

- 9.1 Governance arrangements surrounding the transfer of CIL revenue to Surrey County Council for those projects prioritised by Surrey Heath BC which are to be delivered by the County will need to be agreed at a future date.

10. Sustainability

- 10.1 CIL will enable the Borough Council to direct funding to those projects which it believes best meet the needs of the local community and to support a sustainable community with the Borough.

11. Risk Management

- 11.1 If the housing targets set out in the Council's Core Strategy are not delivered then this would have financial implications in respect of the amount of CIL which would be raised. In addition the prior consent regime takes development outside of CIL, the government is proposing to extend this regime.

Annexes	Appendix 1 - List of CIL Income 01/04/2018 – 30/09/2018
Background Papers	
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