

## Community Infrastructure Levy - the Neighbourhood Portion - Guidelines

### Background

1. Community Infrastructure Levy (CIL) is a charge that councils and the Mayor of London can apply to new developments like new houses or flats, residential extensions of over 100sqm, and commercial development. The money collected is spent on new infrastructures, such as roads, schools and parks. CIL is separate from Section 106 planning obligations, which are used to provide specific infrastructure associated with development.

### Community Infrastructure Levy (CIL) in Kingston

2. In Kingston, developers must pay two types of CIL:
  - **Kingston's CIL** came into force on 1 November 2015. The charge varies from £20 to £220 per square metre depending on the location and type of development. Public service and community facilities do not have to pay the CIL.
  - the **Mayor of London's CIL** has been in force since 1 April 2012. The charge is £35 per square metre of development in the borough, but there are some exceptions. The money collected helps to fund Crossrail. These funds are collected by the council and transferred to Transport for London.

### What can CIL be used for?

#### Strategic Priorities

3. The levy must be spent on infrastructure needed to support development in the borough. For example, transport, social and green infrastructure. We cannot use the levy to fund affordable housing.

#### Neighbourhood Priorities

4. The Localism Act 2011 and the CIL Regulations require that a 'meaningful proportion' of the income raised through CIL in a neighbourhood be spent in the neighbourhood in which the development took place. This is to encourage people to support development in their local area by providing direct financial incentives that can be spent on local priorities. The CIL Regulations (amendment) 2013 sets out that Local Authorities must allocate 15% of levy receipts on priorities that should be agreed with the local communities in which the levy was raised.
5. The 'meaningful proportion' must be spent on schemes that will help support the development of the neighbourhood area by funding either:
  - A. the provision, improvement, replacement, operation or maintenance of infrastructure;
  - B. anything else that is concerned with addressing the demands of infrastructure; or

C. anything else that is concerned with addressing the demands that development places on an area.

6. The Council's Neighbourhood structure is an appropriate way to divide and spend the 'meaningful proportion' of CIL. The amount of Neighbourhood CIL available in each Neighbourhood is based on the amount of development in each Neighbourhood area. As the South of the Borough sees less development than the other Neighbourhoods, it receives less funds than the others. As at February 2019, the amount of Neighbourhood CIL available is as set out in the table below. CIL will be an ongoing revenue stream linked to development as and when it comes forward, and the amounts available in each Neighbourhood will vary over time. Therefore, there will not be a new allocation each year, the funding available below is set until there is a new development in the area.

<b>Kingston Town</b>	<b>Maldens &amp; Coombe</b>	<b>Surbiton</b>	<b>South of the Borough</b>	<b>Borough Total</b>
£85,157	£62,288	£75,901	£15,817	£239,164

7. Neighbourhood CIL can be used to fund a range of community infrastructure including the following examples:
- Community gardens/spaces
  - Local green space improvements
  - Children's play spaces
  - Tree Planting
  - Baby changing facilities
  - Projects to improve the public realm, like boroughwide bulb planting by residents, public artwork
  - The installation of boroughwide defibrillators

### **Proposals for Neighbourhood Committees**

10. Planning guidance on CIL requires the council to engage with communities where development has taken place as to how best to spend the 'meaningful proportion'. The council must clearly and transparently engage with communities, and the use of neighbourhood funds should match priorities expressed by local communities, including priorities set out formally in local Community Plans.

11. Through community engagement, the council should encourage the community to submit ideas for the neighbourhood portion of CIL, and the list of projects would be the primary starting point for the Neighbourhood Community Plan. Other sources of information, e.g. area planning documents, like the draft Tolworth Area Plan can be used by communities to identify infrastructure projects to support development.

12. Selection criteria for projects:

- Anyone can submit a Neighbourhood Community Infrastructure Levy idea
- Projects may be delivered by community organisations, council officers, or third party organisations
- External groups and organisations must be registered with a Regulatory Body (e.g. Charities Commission and/or Companies House)

All projects must:

- Meet the terms of the CIL Regulations (2010)
- Reflect the priorities of the Council and Neighbourhood
- Have community backing (including any adopted Neighbourhood Plan)
- Support, or mitigate the impact of development in an area
- Be a one-off project (or identify and agree longer-term revenue implications)
- Benefit the broadest section of the community
- Provide value for money

13. Communities should be aware that funds will be accessible only once and projects should not have ongoing running costs for the council unless this has been agreed in writing by the Council's relevant Director. Communities are encouraged to support project maintenance and to seek additional forms of funding, e.g. through crowdfunding to match the amount.

### **Neighbourhood Forums and Neighbourhood Planning**

14. Under the Localism Act 2011, communities can create Neighbourhood Forums; made up of groups of people who live or work in a particular area. A Neighbourhood Forum, once created, has the power to prepare a statutory Neighbourhood Plan. These plans, once adopted after independent assessment and if successful at a referendum, set the vision for the neighbourhood and become part of the statutory planning policies for deciding planning applications. In areas with an adopted Neighbourhood Plan, the 'meaningful proportion' of CIL

will rise to 25% of CIL income arising from development that takes place within the confines of the designated neighbourhood area (the area covered by the Neighbourhood Plan).

15. In practical terms, any Kingston CIL required from a planning permission that was subject to an adopted Neighbourhood Plan will contribute 25% of the CIL to that Neighbourhood Area, rather than 15%. The 25% will also apply when the levy is paid in relation to developments which have been granted permission by a Neighbourhood Development Order<sup>1</sup> (including a Community Right to Build Order). The confines of a designated Neighbourhood Area will also define where the 'meaningful proportion' (25%) will be spent, i.e. only 25% of the CIL raised in the Neighbourhood Area will be prioritised for spend within the Neighbourhood Area, regardless of the wider Neighbourhood Committee area.
16. There are currently no adopted Neighbourhood Plans in the Royal Borough of Kingston. However, there is a designated North Kingston Neighbourhood Forum which represents the Tudor and Canbury Wards. The Forum is currently preparing a Neighbourhood Plan and it is expected that this will include priorities for the spending of the neighbourhood portion of CIL.
17. It is proposed that once a Neighbourhood Plan has been adopted, a member of the Neighbourhood Forum will be co-opted onto the relevant Neighbourhood Committee.

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<sup>1</sup> Section 61E of the Town and Country Planning Act 1990 as applied to neighbourhood plans by Section 38 3c of the Planning and Compulsory Purchase Act 2004.