

COMMUNITY INFRASTRUCTURE LEVY AND SECTION 106 UPDATE

Committee: Council

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[S147]

1.0 **ISSUE**

1.1 To receive an update on the income, allocation and expenditure of Section 106 and Community Infrastructure Levy contributions.

2.0 **RECOMMENDATION(S)**

2.1 Members are requested to note the income, allocation and expenditure of Section 106 and Community Infrastructure Levy contributions.

3.0 **BACKGROUND/OPTIONS**

Community Infrastructure Levy

3.1 Since 1 February 2013 the Council has collected £4,270,096.38 from CIL liable development. In accordance with the Regulations the income has been split into three categories:

| | |
|-----------------------------|---------------|
| Admin (5%) | £213,504.82 |
| Meaningful Proportion (15%) | £640,514.46 |
| District Proportion (80%) | £3,416,077.10 |

3.2 The admin and meaningful proportion have been spent in accordance with their purposes; the city/town/parish Council's receive their CIL amount twice a year (April/October). £446,429.69 has been transferred to the relevant city/town/parish Council (Appendix 1).

3.3 This report focuses on the District Proportion of CIL. Appendix 2 sets out how the Council has applied the Strategic and Major portions of CIL which reflect the CIL Regulation 123 list and the CIL Governance Arrangements.

| | |
|-----------|---------------|
| Strategic | £2,348,553.01 |
| Major | £1,067,524.10 |

3.4 Strategic Allocations and Expenditure

3.4.1 Under the old CIL arrangements, i.e. those in force prior to the formal governance arrangements adopted by Council (July 2015 Agenda Item 12),

£250,000 was allocated to the District Leisure Centre and £20,000 was allocated to Littleport Schools.

- 3.4.2 Under the adopted arrangements £831,421.20 has been allocated to the District Leisure Centre, £519,638.25 has been allocated to Littleport Schools, £519,638.25 has been allocated to Ely Southern Bypass and £207,855.30 has been allocated to other strategic projects (yet to be identified).

District Leisure Centre

No cap has been placed on the commitment to the District Leisure Centre.

The allocated amount to date is £1,081,421.20.

No CIL allocations have been released for the District Leisure Centre, however, it is expected that all of the allocation will be utilised imminently as the Council is now incurring major expenditure on the District Leisure Centre.

There is also a specific allocation in from the expected North Ely developments which equates to £2,500,000.

Ely Southern Bypass

The Council has committed £1,000,000 to Ely Southern Bypass.

To date the Council has paid £343,353.00 towards this commitment and is holding £176,285.25 in allocated CIL funds. This leaves £480,361.75 to collect to meet the remainder of the commitment. It is anticipated that the commitment will be met in 2018/19.

Littleport Schools

The Council has committed £5,020,000 to Littleport Schools (£3,463,986 will be met specifically from CIL generated by the North Ely Development).

To date the Council has paid £363,353.00 towards this commitment and is holding £176,285.25 in allocated CIL funds. This leaves £4,480,361.75 to collect and meet the remainder of the commitment.

£20,000 of the contribution paid enabled the Council to unlock a barrier to delivering the new Littleport Leisure Centre.

Other Strategic Projects

The Council currently holds £207,855.30 for other strategic projects.

At present there are no other strategic projects that have CIL contribution allocations. The only project on the R123 list that could benefit from the CIL strategic fund is Soham Railway Station. It is too early for the Council to start

making a formal allocation to this project, however, the Council has indicated an intention to make a contribution in the region of £1,000,000.

3.4.3 Major Allocations and Expenditure

Angel Drove Commuter Car Park

At present the Council has allocated up to £500,000 to the Angel Drove Commuter Car Park; now formally known as The Dock, to be funded from CIL contributions. No expenditure has occurred to date, however, financial commitments have been made and it is expected that this allocation will be utilised in 2017/18.

Littleport Station Commuter Car Park

At present the Council has allocated up to £400,000 to the Littleport Station Commuter Car Park to be funded from CIL contributions. No expenditure has occurred to date, however, financial commitments have been made and it is expected that this allocation will be utilised in 2017/18.

Other projects

Other projects that could benefit from CIL funding include Staploe Medical Centre, Lode to Quy Cycle Path, Wicken-Soham-Ely Cycle Path and Witchford Recycling Centre.

None of the project sponsors have come forward to request funds to be formally allocated. A project listed on the R123 list does not signify a formal commitment for funding, it merely presents an opportunity for a project to benefit from CIL funding.

3.5 Future Income

3.5.1 The value of unpaid invoices is currently £1,664,478.12.

Please note that the money to be paid is not overdue, it is simply reflective of the instalment policy that the Council operates.

3.5.2 Appendix 3 illustrates the funding profile for projects based on the value of invoices due to be paid and is provided for illustrative purposes only.

Section 106

3.6 The Council holds £3,191,846.39 in Section 106 contributions. A schedule of Section 106 funds is provided at Appendix 4 (Income) and Appendix 5 (Expenditure).

3.7 Income

In the period of 1 April 2017 to 30 June 2017 the Council received £85,131.52 in contributions secured by Section 106 Agreements.

There are currently no payments that are overdue to the Council.

3.8 Expenditure

In the period of 1 April 2017 to 30 June 2017 the Council spent £113,467.48 from contributions secured by Section 106 Agreements.

3.9 Refunds

The Council has not refunded any Section 106 contributions.

4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

4.1 There are no financial implications arising from this report.

4.2 Equality Impact Assessment (INRA) not required.

6.0 APPENDICES

- 6.1 Appendix 1- Meaningful Proportion Transfers
- Appendix 2- CIL Funding Profile
- Appendix 3- CIL Funding Projections
- Appendix 4- Section 106 Income
- Appendix 5- Section 106 Expenditure

| <u>Background Documents</u> | <u>Location</u> | <u>Contact Officer</u> |
|-----------------------------|-----------------|---|
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