

**AMENDMENT TO COMMUNITY INFRASTRUCTURE LEVY ANNUAL DELIVERY PLAN 2014/15**

Committee: Full Council

Date: 8 January 2015

Author: Corporate Unit Manager

[P158]

1.0 ISSUE

1.1 To consider an amendment to the Community Infrastructure Levy ('CIL') Annual Delivery Plan ('ADP') 2014/15, namely; formal allocation of £250,000 towards the Ely Leisure Centre.

2.0 RECOMMENDATION(S)

2.1 It is recommended that Council approves the draft ADP 2014/15, as set out in Appendix 1.

3.0 BACKGROUND/OPTIONS

3.1 East Cambridgeshire District Council introduced CIL on 1 February 2013. The contributions raised through this levy are used to fund, in whole or in part, the necessary infrastructure required to support growth and development in the District.

3.2 The ADP 2014/15 sets out how the Council will spend contributions raised through CIL. At the time of producing the ADP 2014/15, there were insufficient funds to allocate to projects on the Regulation 123 ('R123') list. For this reason a decision was taken to bank funds in 2014/15 to allow for a meaningful amount of CIL income to build before any allocations would be made.

4.0 CONCLUSION

4.1 The leisure centre is featured on the Council's R123 list and as such is capable of benefiting from CIL funding.

4.2 The leisure centre is a corporate priority. Whilst the leisure centre will be situated in Ely, it will provide a benefit for the District as a whole.

4.3 Income

At the time of writing this report this Council has received £528,696.43 from CIL liable development. The value of raised invoices is £117,154.99. In accordance with the Regulations, CIL income has been divided as follows:

| <b>Amount Received</b> | <b>Administration (5%)</b> | <b>Parish Council (15%)</b> | <b>R123 Projects (80%)</b> |
|------------------------|----------------------------|-----------------------------|----------------------------|
| £528,696.43            | £26,434.82                 | £77,417.24                  | £424,844.37                |

4.4 The Corporate Governance and Finance Committee on 6 November 2014 requested the Corporate Unit Manager 'to bring forward proposals to Full Council for securing additional CIL contributions to fund the leisure centre'.

#### 4.5 Consultation

The Corporate Unit Manager, in consultation with the Chief Executive, proposed a figure of £250,000, to be allocated towards the leisure centre. This figure was proposed following consideration of the other projects that feature on the R123 list and income at the time of the request.

The Corporate Unit Manager consulted the Joint East Cambridgeshire and Cambridgeshire County Council Member and Officer Steering Group on the intention to recommend to Full Council that £250,000 is allocated to the leisure centre. This group consists of Officers from both the Council and the County Council, three Members from the Council; Councillor James Palmer, Councillor Mike Rouse and Councillor Lindsey Harris and three Members from the County Council; Councillor Joshua Schumann, Councillor Ian Bates and Councillor David Brown.

Councillor Mike Rouse and Councillor James Palmer expressed their support for allocating funds to the leisure centre. Councillor David Brown responded with no comment. No other responses were received from Members.

The County Council has not made any representations.

4.6 The leisure centre is a scheme which will benefit the District as a whole. It is a scheme that is supported by the Council through its corporate objectives and is featured in the Council's R123 list. For these reasons it is considered appropriate to amend the ADP 2014/15 to formally allocate £250,000 towards the leisure centre in Ely.

#### 5.0 APPENDICES

5.1 Appendix 1- Draft Annual Delivery Plan 2014/15

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| <b><u>Background Documents</u></b> | <b><u>Location</u></b> | <b><u>Contact Officer</u></b>   |
|------------------------------------|------------------------|---|
| Annual Delivery Plan<br>2014/15    | Room 007<br>The Grange | Emma Grima<br>Corporate Unit Manager  |
| Regulation 123 List                | Ely                    | (01353) 616960<br>E-mail:<br><a href="mailto:emma.grima@eastcamb.gov.uk">emma.grima@eastcamb.gov.uk</a> |

**East Cambridgeshire Community Infrastructure  
Levy**

**(DRAFT)  
Annual CIL Delivery Plan  
2014/15**

## **Contents**

1. Introduction
2. East Cambridgeshire CIL Infrastructure Delivery Plan
3. Local Level Projects
4. Strategic Project Selection Process
5. Forecast CIL funding receipts 2014/15
6. Proposed funding allocations 2014/15
7. Monitoring and Review

## 1.0 Introduction

- 1.1 East Cambridgeshire District Council introduced the Community Infrastructure Levy ('CIL') on 1 February 2013 as a tool to assist in the collection of developer contributions from new developments.
- 1.2 The purpose of collecting developer contributions is to help deliver new and improved infrastructure to meet the needs of a growing population in East Cambridgeshire. Infrastructure is provided and managed by a number of partner organisations as well as the District Council, and it is the Council's responsibility to ensure that the funds raised are allocated to bring maximum benefit and value to local people.
- 1.2 CIL is a mechanism, introduced by the Government in 2010, to allow local planning authorities to seek to raise funds from development in order to pay for the infrastructure that is, or will be, needed to support new development.
- 1.3 The East Cambridgeshire CIL Charging Schedule 2012, which was approved and adopted by Full Council in December 2012 is as follows:

| <b>Development Type</b>   | <b>CIL Rate (per square metre)</b> |
|---|------------------------------------|
| Residential Zone A- Littleport and Soham (C3)   | £40                                |
| Residential Zone B- Ely (C3)  | £70                                |
| Residential Zone C- Rest of the district (C3)   | £90                                |
| Retail development (A1/A2/A3/A4/A5) and sui generis uses akin to retail (e.g. petrol filling stations and motorsales units) | £120                               |
| All other uses (unless stated otherwise in this table)  | £0                                 |

- 1.4 The CIL charge is payable on commencement of development and will be registered as a Land Charge until final payment, or beyond if relief is granted. Income is therefore reliant on development proceeding.
- 1.5 The District Council can continue to negotiate S106 payments for provision of infrastructure and facilities related to specific developments. It is not permissible however, for both CIL income and S106 payments to be made towards the same project as this would be 'double funding'.

## 2.0 East Cambridgeshire CIL Infrastructure Delivery Plan

- 2.1 East Cambridgeshire District Council has decided to publish an annual CIL Infrastructure Delivery Plan to set out in detail how the funds raised from CIL will be allocated to infrastructure projects, including the amount for each project. The aim of this document is to provide transparency and clarity about the distribution of CIL funding.

- 2.2 The annual CIL Infrastructure Delivery Plan identifies the key infrastructure projects which CIL funding could support. These will be strategic level projects that are currently identified as projects which will have a District wide impact and are likely to involve costs of at least £4 million or more.
- 2.3 It will be necessary for the Council to take a strong and pragmatic approach to prioritising key projects in order for them to be achieved. If the funds are divided across too many different projects, their delivery may well be compromised.
- 2.4 An infrastructure study carried out by the District Council (Dec 2011) identified a significant funding gap of some £670m if all of the required infrastructure to meet growth in the district is to be provided. The Council's delivery strategy recognises that CIL will not be able to fund all of the necessary infrastructure on its own, and that effective and creative partnership working will be required to identify additional funding sources and deliver infrastructure projects.

### **3.0 Local Level Projects**

- 3.1 The Government announced in Spring 2013 that Parish/Town Councils will receive a 'meaningful proportion' of at least 15% of the CIL receipts relating to their Parish. This will enable Parish/Town Councils to fund local level projects directly themselves through this meaningful proportion. As with the District level funding, Parish/Town Councils will need to develop effective and creative partnership working to identify other funding sources which can match and supplement CIL funding and thus maximise the benefit of these monies.
- 3.2 Parish/Town Councils may like to be aware that where the impacts of a development require direct mitigation, for example provision of highways works directly as a result of a development, S106 agreements can still be put in place, but these will be more restricted than previously.

### **4.0 Strategic Project Selection Process**

- 4.1 Strategic projects identified for CIL funding support by the District Council will be reviewed on an annual basis, and details published on the Council's website as a 'Regulation 123' list.
- 4.2 Each review will take into account the District Council's Infrastructure Study, the views of Cambridgeshire County Council, local town/parish councils, the draft East Cambridgeshire Local Plan, local Village Plans and Village Visions, the CIL Governance and Delivery Strategy and other relevant infrastructure strategies. The timing of the review will also align with the District Council's annual budgeting cycle, to enable full consideration of other potential funding which can supplement CIL funding.

4.3 The timings and process will be as follows:

|                  |   |  |
|------------------|---|--|
| August/September | Liaison with Cambridgeshire County Council to advise on CIL funds available and identify potential projects for funding             | Joint ECDC /CCC Growth Delivery Member liaison group |
| August/September | Liaison with other infrastructure providers to advise on CIL funds available and identify potential projects for funding            | Officer meetings                                     |
| October/November | Liaison with parish councils to advise on CIL funds available and to seek their views on District wide strategic project Priorities | Officers – letter and meetings                       |
| November         | Prepare first draft of annual delivery plan   | Officers   |
| January          | Consideration of annual delivery plan by Council Committees   | Development & Transport Committee                    |
| February         | Approval of annual CIL delivery plan  | Full Council   |

4.3 Detailed information on CIL receipts and how these have been allocated to individual projects will be contained in an Appendix to the Annual CIL Delivery Plan. This appendix will be updated quarterly to reflect CIL income, CIL allocations and CIL expenditure. This information will also be published on the District Council's website.

4.4 The District Council, as a charging and collecting authority, is able to take up to 5% of the CIL receipts to offset its administration costs. This will be shown in the CIL allocations details as in paragraph 4.3 above.

## 5.0 Forecast CIL Receipts 2014/15

5.1 The level of CIL receipts in the second year of operation of CIL in 2014/15 is forecast to be approximately £500,000-£800,000. This figure has been provided in a range because of the changes to the Regulations which enabled self-build relief.

5.2 In November 2012, the Development and Transport Committee agreed that the developer contributions collected under the February 2011 Supplementary Planning Document, (which changed the way in which contributions were collected to a model closer to CIL) known as "SPD monies", should be amalgamated with the CIL monies and distributed through the Annual CIL

Delivery Plan. It should be noted however, that these monies are restricted geographically to the area in which the new development took place.

## **6.0 Proposed Funding Allocations for 2014/15**

### 6.1 Allocations:

| <b>Project from R123 List</b> | <b>Amount Allocated</b> |
|-------------------------------|-------------------------|
| Ely Leisure Centre            | £250,000                |
| <b>Total</b>                  | <b>£250,000</b>         |

## **7.0 Monitoring and Review**

7.1 In view of the uncertainty about income levels in the second year of operation, as a result of self-build relief, receipts will be closely monitored and any significant variation from the forecasts will be reported as appropriate.

7.2 A full review will be carried out in September 2014 to enable preparation for the 2015/16 Annual Delivery Plan.