

<b>Report to</b>	Cabinet	<b>Item</b>
	09 October 2019	
<b>Report of</b>	Director of neighbourhoods	<b>5</b>
<b>Subject</b>	Neighbourhood community infrastructure levy – revision to allocation process	

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## **Purpose**

To agree a revised approach for the allocation of neighbourhood community infrastructure level funds to align with issues raised by residents, the new corporate priorities and the council's commitment to reducing inequalities.

## **Recommendation**

To agree the revised allocation process for the neighbourhood community infrastructure levy.

## **Corporate and service priorities**

The report helps to meet the corporate priority Great neighbourhoods, housing and environment

## **Financial implications**

None

## **Ward/s:** All Wards

**Cabinet member:** Councillor Kendrick - Resources

## **Contact officers**

Bob Cronk – Director of neighbourhoods 01603 212373

Kate Price – Neighbourhoods and community enabling manager 01603 213281

## **Background documents**

None

## Report

1. The Community Infrastructure Levy (CIL) is a planning charge paid to Councils by developers of land undertaking new development projects. It must be used by councils to fund improvements to the infrastructure required to support new development or to address the demands that development places on an area. This can include transport, telecommunications, energy, water supply, sewerage and drainage, schools, hospitals, health centres, sports and recreational facilities and open space.
2. 80% of CIL (known as strategic CIL) is pooled and the Greater Norwich Growth Board (GNGB) determines the projects that will receive funding based on the Greater Norwich Infrastructure Plan. 5% of CIL is allocated for the collection of the levy.
3. 15% is allocated as the neighbourhood portion and is used to fund local infrastructure needs. In areas where there are no parish councils, the local authority retains this element. Regulations require that councils engage with local communities on how this fund is allocated and the restrictions on how this fund can be more flexible than the strategic element.
4. Government guidance does not prescribe a specific process for agreeing how the neighbourhood portion should be spent and states that authorities should use existing community consultation and engagement processes. The level of engagement should be proportionate to the amount of funding available. Charging authorities are required by CIL regulations to set out clearly and transparently their approach to engaging with neighbourhoods using their regular communication tools.
5. The process current approach agreed by cabinet for the allocation of neighbourhood CIL funds relied on the previous neighbourhood management arrangements for engaging with local communities, suggesting projects to be considered and prioritised by an officer working group. The specific projects were submitted to cabinet for approval alongside the capital programme for the forthcoming year.
6. Due to changes to the neighbourhood management teams a revised approach is required for which cabinet approval is sought.
7. In addition, the identification of projects over a year in advance has meant that opportunities cannot be realised at short notice and the fund cannot react to the needs of an area quickly.
8. The use of neighbourhood CIL funds as match funding for the Crowdfund Norwich / Pledge Norwich programmes has shown that the Council has an opportunity to make changes to this process to be more responsive, outcome and resident focused and flexible enough to increase our impact with the funds.
9. It is proposed that the council takes the opportunity of the development of the 2040 City Vision and the revision of the corporate plan to maximise the

benefit to residents and businesses when spending Neighbourhood CIL with a clear framework for its allocation and use.

10. This will include:

- more clearly separating the spending and assessment of neighbourhood CIL from the wider strategic CIL spend but maintaining a link between the two
- linkage to the integrated approach across the neighbourhood model
- closer connection with the council's match funding activity
- linking the spend to the *Get Involved* (community enabling) activity which sets out to support residents and communities to be more engaged in the development and ownership of their neighbourhood.

11. If neighbourhood CIL is allocated in this way the council should expect to achieve:

- Greater community engagement into the decision making from the most deprived areas of the city and from more marginalised communities
- More funding from these funds being allocated through VCSE groups, improving social value
- More resident involvement in the delivery and maintenance of improvements, increasing social capital and community cohesion while reducing social isolation
- Increased value generated by matching CIL funds with other internal or external funding
- Increased links to wider projects where council spending on growth issues can positively impact on larger issues such as unemployment, social isolation or preventative health agendas
- Projects based on a clear analysis local growth related priorities across different neighbourhoods.

12. Projects can be put forward for consideration by:

- Residents suggesting improvements which are linked to growth either direct to officers or via ward councillors which would be delivered by the council, by the community or managed by the council through contractors or VCSE organisations
- VCSE groups suggesting projects which are linked to growth, advocating on behalf of residents which that VCSE group would deliver solely or in partnership with others in the community
- Officer developed proposals based on a response to an issue within a neighbourhood which is raised by that community and linked to growth
- Applications from residents or organisations which come via Pledge Norwich or Parish Partnerships programme led by highways

13. Ways in which projects can be funded

- In full, delivered by the council and/or contractors
- In full, delivered by locally based organisations
- In part, with the remainder of the full project cost being met by alternative sources including via *Pledge Norwich* and Parish Partnership applications to Norfolk County Council

14. The assessment of proposals will follow a similar format to those used for the Crowdfund Norwich / Pledge Norwich programmes to ensure they are suitable evaluated.
15. Initial project suggestions will be made by expression of interest (EOI) giving brief details. EOIs will be subject to a brief eligibility test by officers on the neighbourhood CIL steering group to ensure that it meets the legal obligations of CIL (the provision, improvement, replacement, operation, or maintenance of infrastructure/future infrastructure *or anything else* that is concerned with addressing the demands that development places on an area).
16. EOIs which are assessed as suitable for neighbourhood CIL will be further developed on a template project plan which reflects the scoring system (attached as appendices).
17. These project plans will then be scored against clear criteria to determine their suitability and potential impact on residents. This will be undertaken by a minimum of three officers independently from the neighbourhood CIL steering group to ensure the assessment is robust.
18. Projects meeting a minimum threshold on this scoring system will then be reviewed at a neighbourhood CIL steering group to seek to understand if the projects can be improved upon to further meet corporate priorities or to make them more sustainable/suitable.
19. Approval for recommended projects will be requested by the director of neighbourhoods in consultation with the cabinet member responsible for the theme of the project with an assessment from relevant officers who would endorse to the project being actioned.
20. Projects approved will be assigned to a lead officer from an appropriate council team for a full PID to be developed and delivery commenced if internal, or to oversee delivery by a third party if external.
21. Cabinet on an annual basis will be requested to approve the level of funds to be allocated for the forthcoming year. Each individual project will not be detailed in order to allow the fund to remain flexible to needs as they present themselves in neighbourhoods and be more reactive.
22. Officers would review the funding available and how many expected projects they assess may come forward and submit to cabinet an expected allocation. This will be dependent upon the level of neighbourhood CIL funds collected.
23. The working group may also recommend a carry forward of funds to enable larger projects to be funded which might otherwise take all the years' funding from other smaller projects.
24. Projects which are not considered suitable for Neighbourhood CIL funding and have been suggested by residents or via councillors will be contacted

with advice on alternative options for solving issues or guidance on external funding options by the relevant council team if there is a specific skill set or legal understanding required.

25. Projects being implemented will be closely monitored with progress reviewed at each steering group meeting. All project officers will be responsible for making the steering group aware of any key issues in the project delivery if they arise.

## Integrated impact assessment



**NORWICH**  
City Council

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	09/10/2019
<b>Director / Head of service</b>	Bob Cronk
<b>Report subject:</b>	Neighbourhood CIL revised allocation process
<b>Date assessed:</b>	09/10/2019

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Matched funding allows the council to bring more funding into key neighbourhoods affected by or primed for growth.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Use of more local business and VCSE partners increases their capacity in the city
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	For projects delivered in partnership with resident groups
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Allowing residents to directly influence the councils' spending in their area
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Encouraging resident ownership of open spaces and public buildings
Waste minimisation & resource use	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Reducing duplication of effort
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	More opportunity for local VCSE organisations to tender
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments



	Impact			
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment

Positive

Better use of existing council resources; active involvement of local residents; increasing procurement from local VCSE organisations

Negative

None identified

Neutral

Issues