#### **MAIDSTONE BOROUGH COUNCIL**

# RECORD OF DECISION OF THE LEAD MEMBER FOR PLANNING AND INFRASTRUCTURE

Decision Made: 23 January 2023

## Governance and procedural arrangements for CIL Ward spend

### **Issue for Decision**

This report proposes the governance and procedural arrangements for spending the CIL neighbourhood portion within the non-parished areas of Maidstone Borough.

#### **Decision Made**

That

- 1. Appendices A and B to the report be agreed;
- 2. The principle that local ward councillors should engage with Local communities directly to agree how best to spend the neighbourhood funds from their area, be agreed;
- 3. Ward councillors should apply directly to the Council for allocation of available local CIL funds to projects, using the application form attached as B to the report; and
- 4. Such applications will be assessed by officers against the agreed funding criteria, as contained within Appendix A to the report.

# **Reasons for Decision**

The report of 11 September 2018 entitled 'Maidstone Community Infrastructure Levy Administration and Governance' (sections 1.27-1.33) your-councillors (maidstone.gov.uk), was approved at the meeting of the former Strategic Planning, Sustainability and Transport Committee. This report highlighted that where there is chargeable development within an area of a parish council, under the CIL regulations, the Council must pass the proportion of receipts on to the parish to spend, even where a parish falls within a ward. Unlike this neighbourhood portion of CIL funds passed to parish councils, non-parished areas such as wards had no prescribed processes for how CIL should be spent in areas that are not a town or parish council.

For wards which have no parishes, neither the Planning Act 2008 nor the Community Infrastructure Levy Regulations 2010 prescribe how local engagement should take place or whether neighbourhood CIL should be allocated to a particular geographic area or what projects it should be spent on within an area. The Council has the discretion as to how it allocates this money. However, it must have regard to government guidance which is contained in the CIL Planning Practice Guidance (PPG) (see - www.gov.uk/guidance/community-

# infrastructure-levy). CIL Planning Practice Guidance (updated April 2022)

The CIL PPG states: Communities without a parish or town council can still benefit from the neighbourhood portion. If there is no parish or town council, the charging authority will retain the levy receipts but should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding.

Charging authorities should set out clearly and transparently their approach to engaging with neighbourhoods using their regular communication tools for example, website, newsletters, etc. The use of neighbourhood funds should therefore match priorities expressed by local communities, including priorities set out formally in neighbourhood plans.

The law does not prescribe a specific process for agreeing how the neighbourhood portion should be spent. Charging authorities should use existing community consultation and engagement processes. This should include working with any designated neighbourhood forums preparing neighbourhood plans that exist in the area, theme specific neighbourhood groups, local businesses (particularly those working on business led neighbourhood plans) and using networks that ward councillors use.

Crucially this consultation should be at the neighbourhood level. It should be proportionate to the level of levy receipts and the scale of the proposed development to which the neighbourhood funding relates. Where the charging authority retains the neighbourhood funding, they can use those funds on the wider range of spending that are open to local councils, for example CIL (Regulation 59) towards;

- the provision, improvement, replacement, operation, or maintenance of infrastructure; or
- anything else that is concerned with addressing the demands that development places on an area

In deciding what to spend the neighbourhood portion on, the charging authority and communities should consider such issues as the phasing of development, the costs of different projects (for example, a new road, a new school), the prioritisation, delivery and phasing of projects, the amount of the levy that is expected to be retained in this way and the importance of certain projects for delivering development that the area needs. Where a neighbourhood plan has been made, the charging authority and communities should consider how the neighbourhood portion can be used to deliver the infrastructure identified in the neighbourhood plan as required to address the demands of development. They should also have regard to the infrastructure needs of the wider area.

The charging authority and communities may also wish to consider appropriate linkages to the growth plans (Infrastructure Delivery Plan) for the area and how neighbourhood levy spending might support these objectives.

# **Proposed Governance and Process**

Specific consideration needed to be given to the consultation process within unparished areas. A remote meeting was held in July 2020 with ward councillors, the Head of Development Management and the CIL Project Officer. The approach of entrusting community engagement to individual ward members was discussed. Ward councillors were keen to take an active role to spend the CIL within their

areas. This would involve local ward councillors going out to their communities to canvas opinions on projects which would benefit the community most. Ward councillors would have an important role to play using their networks and assisting the Council with the consultation process by using their usual forms of engagement with their constituents to inform a wider audience and gauge the priorities.

As most CIL chargeable development in Maidstone is built within parished areas, the CIL receipts have been considerably lower for wards. Due to this, the Council deferred the governance arrangements for the spending of the neighbourhood portion of CIL in wards to allow enough CIL receipts to accumulate.

The Council currently has available for spending a total of £122,995.34 collected from 10 wards in the Borough.

#### Ward CIL Collected

Boxley	£2,761.07
Bridge	£19,355.36
Detling and Thurnham	£1,135.31
East	£13,163.73
Fant	£12,923.84
High Street	£30,273.78
North	£29,643.22
Park Wood	£1,692.29
Shepway North	£10,411.96
Shepway South	£1,634.78
Total	£122,995.34

Appendix A sets out proposed guidance on engagement and governance in the application of the use of non-parished neighbourhood funds to be prioritised. The guidance proposes ward councillors preparing a CIL spending plan to draw up projects which match the priorities expressed by local communities and those projects identified in the Council's Infrastructure Delivery Plan. These would then be consulted upon, and that consultation should be proportionate with the amount of CIL received and the scale of the development to which the neighbourhood funding relates. Using Appendix B, ward councillors could then apply by application form to the Council on behalf of the project provider requesting CIL funds from their ward.

#### Alternatives considered and why rejected

The Council has some discretion on how the process for determining this spend is conducted, numerous alternatives and variations have been considered but the chosen option has been taken for the reasons set out above.

#### **Background Papers**

Appendix 1 for the Governance and procedural arrangements for CIL ward spend. Appendix 2 for the Governance and procedural arrangements for CIL ward spend

I have read and approved the above decision for the reasons (including possible alternative options rejected) as set out above.

Signed:

Lead Member for Planning and Infrastructure

Full details of both the report for the decision taken above and any consideration by the relevant Policy Advisory Committee can be found at the following area of the <u>website</u>

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm 1 February 2023**