

Committee(s): Resource Allocation Sub (Policy and Resources) Committee – For decision	Dated: 19/07/2022
Subject: Community Infrastructure Levy Neighbourhood Fund – Applications for Approval	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1, 2, 3, 4, 7, 10
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Managing Director of the Bridge House Estate	For Decision
Report author: Jack Joslin, Head of the Central Grants Unit	

Summary

The City Corporation adopted a Community Infrastructure Levy (CIL) in 2014. National CIL Regulations require that 15% of CIL receipts be reserved for neighbourhood funding. Local authorities are required to engage with communities on how this neighbourhood funding should be used to support development of the area. Local authorities are required to report annually on the collection and use of CIL funds, identifying separately the amount of funds allocated to neighbourhood funding.

The Community Infrastructure Levy Neighbourhood Fund (CILNF) application process is managed by the City Corporation’s Central Grants Unit (CGU), with officers assessing applications and providing support to Committee in the consideration of larger applications. The administrative cost incurred in operating the City CILNF is recoverable from the 5% of City CIL funds allowed to cover such costs in Regulations.

Members are asked to approve the second year of funding to the Barbican Centre Trust Ltd after reviewing the comprehensive evaluation of the first year of the project.

Recommendation

Members are recommended to:

1. To note and endorse the evaluation report submitted by the Barbican Centre Trust Limited at **Appendix 1**.
2. To approve the second year of funding of £273,370 to the Barbican Centre Trust Limited, as agreed in principle by the Committee at its meeting 10 May 2021.

Main Report

Background

1. Management of the City CILNF process is aligned with the City's existing grant allocation process, through the Central Grants Unit. The original City CILNF Funding Policy is set out at **Appendix 2**.
2. At the meeting of the Resource Allocation Sub-Committee on 29 June 2021 Members approved an initial grant of £191,067 to the Barbican Centre Trust as the first part of a three-year grant of £737,807 to deliver a Creative Communities Programme in the City of London with a requirement that a comprehensive evaluation was received by the Sub-Committee each year before subsequent year 2 and 3 payments were released. This would ensure maximum benefit from the grant with continued Member oversight. The original assessment report can be found at **Appendix 3**.
3. An additional grant of £39,663 was approved under delegated authority in October 2022 to extend the reporting period for the first year of the grant, with this extension reducing the length and funding ask for the final year of the project.
4. At the meeting of the Sub-Committee in June 2021 it was noted as part of the assessment of the grant to the Barbican Centre Trust Ltd, that accounts for the last financial year were not Charity SORP Compliant. Through grant management and collaboration with the CGU and the BHE Charities Finance Team, accounts for 2021/22 are being prepared in line with the Charity SORP.

Current Position

5. The balance held within the City CILNF currently stands at £4,904,356, this is after the full grant to the Barbican Centre Trust is deducted. Approving the second year of funding today will not impact on the current funding pot.
6. The Barbican Centre Trust Limited has provided a comprehensive report of the first year of activity which can be read at **Appendix 1**. In the first year the Creative Communities programme delivered 8,240 in person engagements plus 74,385 digital engagements across its three programmes. Members are asked to note and endorse this comprehensive report and approve the second year of funding of £273,370.

Corporate & Strategic Implications

7. Corporate Plan Implications: the CILNF can resource community-led infrastructure improvements across the City and contribute towards meeting the 3 aims of the Corporate Plan 2018-23, particularly Contribute to a Flourishing Society and Shaping an Outstanding Environment.
8. Security Implications: the CILNF fulfils a statutory requirement for the spending of CIL. There are no direct security implications, though future funded projects may bring security benefits.

9. Financial Implications: the CILNF makes use of that proportion of City CIL monies which are required by statute to be used to assist in the delivery of new infrastructure to meet community needs (15% of CIL funds). The costs of management of the grant application process will be met through the 5% of CIL funds set aside by statute to cover CIL administration.
10. Equalities and resourcing implications: the CILNF has been subject to an Equality Analysis Test of Relevance. This has concluded that there are no impacts arising from these proposals for protected groups and that a full Equality Analysis is not required.
11. Volunteering programme: Projects funded by the CILNF may provide volunteering opportunities which can be offered to Officers via the Corporate Volunteering programme if and when appropriate.
12. Delivery of the Fund will be through existing staff resources in Departments. Staff resource requirements will be met through allocation of some of the City CIL funds set aside by statute to cover administration costs.

Conclusion

13. Community Infrastructure Levy legislation requires local authorities to reserve between 15% and 25% of CIL receipts for neighbourhood funding. Where there is no recognised parish or town council or neighbourhood forum, the local authority will retain the neighbourhood fund but must spend it on infrastructure which meets community needs. The local authority must consult the community on how these funds will be used.
14. The Neighbourhood Fund application process is managed by the City Corporation's Central Grants Unit, with officers assessing applications and providing support to Committee in the consideration of larger applications. The administrative cost incurred in operating the Fund is recoverable from the 5% of City CIL funds allowed to cover such costs in Regulations.

Appendices

- Appendix 1 – Creative Communities Report Year 1
- Appendix 2 – CIL Neighbourhood Fund Policy
- Appendix 3 – Creative Communities – Original Assessment Report May 2021

Background Papers

Report to Policy & Resources Committee 02/05/2019: City of London Community Infrastructure Levy – Approval of Neighbourhood Fund

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