

Committee(s): Policy and Resources Committee – For decision	Date(s): 22/02/2024
Subject: Community Infrastructure Levy Neighbourhood Fund – Approval of updated Community Infrastructure Levy Neighbourhood Fund Policy	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
Report of: Managing Director, City Bridge Foundation	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. A consultation with City communities took place in Autumn 2023 and the Policy and Resources Committee approved the related updated Community Infrastructure Levy Neighbourhood Fund Policy (CILNF Policy) at their 14 December 2023 meeting. Following preparations for the implementation of the new policy, members are asked to approve a minor alteration in relation to the minimum grant level to facilitate applications for access audits and approve the delegation of future administrative amendments to the Town Clerk.

Recommendation

Members are recommended to:

1. Approve the removal of a minimum level of grant for applications towards the costs of access audits, set out in **Appendix 1**;
2. Authorise the Town Clerk to approve any future administrative amendments to the CILNF Policy

Main Report

Background

1. Under the 2008 Planning Act and the Community Infrastructure Levy Regulations 2010 (as amended), a local authority may adopt a Community Infrastructure Levy (CIL) setting out how it will require contributions from development towards the cost of providing new infrastructure. CIL regulations allow for up to 5% of CIL receipts

to be used to fund the administrative costs incurred in operating a CIL. Regulations also require that 15% of CIL receipts shall be reserved for neighbourhood funding. Where a neighbourhood plan or neighbourhood development order has been made 25% of CIL receipts from development in the plan area is reserved for the delivery of neighbourhood priorities as identified in the neighbourhood plan.

2. Regulations require that the Neighbourhood Fund must be used to support the development of the local council's area, or any part of that area. CIL Regulations (59C) and 59(F) allows a wider scope of projects to be funded through the CIL Neighbourhood Fund than that allowed for other CIL funding, including:
 - a) the provision, improvement, replacement, operation or maintenance of infrastructure; (the same criteria as for other CIL funds) or
 - b) anything else that is concerned with addressing the demands that development places on an area (additional flexibility for neighbourhood fund).

Current Position

3. The City of London CIL Neighbourhood Fund launched in September 2020. Management of the City CIL Neighbourhood Fund (CILNF) process is aligned with the City's existing grant allocation process, through the Central Grants Unit. The recently updated City CILNF Policy (December 2023) is set out at **Appendix 1**.

Proposals

4. At the meeting of the Policy and Resources Committee on 14 December 2023, members approved a minimum CILNF grant of £10,000 to provide a progression between Central Grants Unit's smaller grant programmes and CLINF. In line with the CILNF's Equalities Impact Assessment, Members also approved that CILNF could specifically fund access audits. However, further research has indicated that the average cost for an access audit is £3,500 which is substantially less than the CILNF minimum grant.
5. Officers are requesting a minor amendment to the CILNF Policy to remove any minimum to grant in relation to access audits, set out in **Appendix 1**.
6. In preparing this report Officers noted that there may be a need to make administrative changes to the funds policy or wording in the future. These changes will include minor policy amendments that support more efficient management of the Neighbourhood Fund, re-wording sections if they are unclear after feedback from applicants or in this instance an amendment to allow for access audits to be funded to ensure capital applications are developed in an accessible and inclusive way. All substantive changes to the Policy will need to be consulted on with all decisions remaining with this Committee. Considering this officers are requesting authorisation for the Town Clerk to approve any future administrative amendments to the CILNF Policy

Corporate & Strategic Implications

7. **Corporate Plan Implications:** the CILNF can resource community-led infrastructure improvements and activities 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 CIL Neighbourhood Fund and revised policy have been subject to a full Equality Analysis. The Equality Analysis has concluded that there are no adverse impacts arising for equality groups and social mobility.

Conclusion

11. 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. Members are asked to approve a minor amendment to the CILNF Policy to allow the funding of access audits and to delegate future administrative amendment decision to the Town Clerk.

Appendices

Appendix 1 – CILNF Policy (Dec 2023) including proposed amendment

Background Papers

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

Report of Policy & Resources Committee 14/12/2023: Community Infrastructure Levy Neighbourhood Fund –Approval of updated Community Infrastructure Levy Neighbourhood Fund Policy

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