

# Crawley Borough Council

## Report to Cabinet 31 January 2024

### Allocating Monies Collected Through CIL

Report of the Head of Economy and Planning – PES/426

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#### 1. Purpose

- 1.1. To provide Cabinet with an update on the collection and administration of Community Infrastructure Levy (CIL) monies.
- 1.2. To provide Cabinet with an update as to the outcome of the public engagement exercise for the governance and allocation of the Neighbourhood Improvement Strand. To seek Cabinet approval for further allocations of monies from the Neighbourhood Improvement Strand.

#### 2. Recommendations

The Cabinet is recommended to:

- a) Endorse the CIL funds received to date and the outcome of the public engagement exercise on the amendments to the allocation and governance of the CIL Neighbourhood Improvement Strand monies, agreed by Cabinet in November 2022 [PES/420](#).
- b) Approve that up to £100,000 of CIL Neighbourhood Improvement Strand be allocated and committed to the Three Bridges 3G Synthetic Turf Pitch 3G project, subject to the outcome of a public engagement exercise and subject to submission of sufficient evidence supplied to the Head of Corporate Finance to demonstrate a funding gap.
- c) Delegate the negotiation, approval, and completion of all relevant documentation, including legal paperwork, regarding the Three Bridges 3G Synthetic Turf Pitch 3G project, to the Head of Major Projects and Commercial Services, Head of Governance, People and Performance and the Head of Corporate Finance. (Generic Delegations 2 & 3 will be used to enact this recommendation).
- d) Approve the proposed amendments to the allocation and governance of the CIL Neighbourhood Improvement Strand monies set out in sections 9 and 10 of this report, subject to the outcome of a public engagement exercise.
- e) Delegate authority to Head of Economy and Planning, in consultation with the Cabinet Member for Planning and Economic Development to undertake a public engagement exercise on the proposed amendments to the allocation and governance of CIL Neighbourhood Improvement Strand monies, as set out in sections 9 and 10 of this report.

- f) Delegate authority to the Head of Economy and Planning, in consultation with the Cabinet Member for Planning and Economic Development, to implement any procedural modifications to the CIL Neighbourhood Improvement Strand, including in response to the public engagement exercise.  
(Generic Delegation 7 will be used to enact this recommendation).

### **3. Reasons for the Recommendations.**

- 3.1. To ensure best practice for the ongoing distribution of the Neighbourhood Improvement Strand CIL monies, in line with government regulations.
- 3.2. To unlock CIL Neighbourhood Improvement Strand monies to enable delivery of a synthetic 3G pitch facility at Three Bridges FC as significant new amenity infrastructure for Three Bridges neighbourhood.

### **4. Background – CIL Neighbourhood Improvement Strand**

- 4.1. The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It is an important tool for local authorities to help them deliver the infrastructure needed to support development in their area. The CIL charge is based on a calculation related to £'s per m2 of net additional floorspace and is payable on 'buildings that people normally go into'. The charge applies to development of 100m2 or more, or the creation of a single dwelling, even if under 100m2. There are a number of exemptions to this, including affordable housing, self-build housing. CIL was introduced by the Planning Act 2008 and is governed by the Community Infrastructure Levy Regulations 2010 (as amended). It took effect in Crawley on 17th August 2016, for current £'s per m2 information see: [Annual 20CIL Rate Summary 2024](#).
- 4.2. The CIL Regulations 2010 as amended, part 7 state that 15% of the total CIL contributions collected are to be allocated for spending in agreement with local communities – the Neighbourhood Improvement Strand. The remaining 85% of CIL contributions is for the Strategic Infrastructure Strand.
- 4.3. In October 2017, Cabinet approved a crowdfunding model as the preferred option for the future governance of the CIL Neighbourhood Improvement Strand, and also the implementation of a one year Crowdfunding pilot - report [PES/257](#) refers. Since its inception, community groups using the site have raised a total of £124,501 from 397 backers (incl. CBC contribution £25,395). The Crowdfunding pilot has enabled delivery of 22 community led neighbourhood improvement projects including an accessible swing, outdoor gym, sensory garden, and several COVID recovery related projects.
- 4.4. In March 2022, Cabinet approved the proposed CIL strategic infrastructure spend priorities presented in the Infrastructure Business Plan as a priority for delivery and the funding programme for the period 2021/22 to 2024/25 – report [PES/388](#) refers.
- 4.5. In Nov 2022, Cabinet approved the proposed amendments to the allocation and governance of the CIL Neighbourhood Improvement Strand monies set out in sections 6 and 7 of report [PES/420](#), subject to the outcome of a public engagement exercise.

## 5. CIL – Current Overall Financial Position.

- 5.1. Total CIL received as of Dec 2023: £3,959,697.59 which must be split between the Strategic Strand (85%) and the Neighbourhood Improvement Strand (15%). The table below provides a more detailed breakdown:

	<b>Strategic Infrastructure Strand (SIS)</b>	<b>Neighbourhood Improvement Strand (NIS)</b>	<b>Combined CIL Contributions</b>
CIL Contributions Received Prior to 2023/24	£2,845,086.70	£492,448.01	<b>£3,337,534.71</b>
CIL Contributions Received 2023/24	£529,752.05	£92,410.83	<b>£622,162.88</b>
<b>Total CIL Contributions Received to Date</b>	<b>£3,374,838.75</b>	<b>£584,858.84</b>	<b>£3,959,697.59</b>
Pre 2023/24 Admin Charge	<b>-£166,876.74</b>	£0.00	<b>-£166,876.74</b>
Admin Charge (5% Total CIL Received 2023/24)	<b>-£31,108.14</b>	£0.00	<b>-£31,108.14</b>
Projects Funded Through Crowdfund Crawley	£0.00	<b>-£25,395.00</b>	<b>-£25,395.00</b>
<b>Total CIL Contributions Held after Spend to Date</b>	<b>£3,176,853.87</b>	<b>£559,463.84</b>	<b>£3,736,317.71</b>
Ringfenced for Neighbourhood Improvement Fund, annual contribution of £25,000 to March 2025 (section 10)	£0.00	<b>-£50,000.00</b>	<b>-£50,000.00</b>
Ringfenced - Unsupervised Play Programme	£0.00	<b>-£409,463.84</b>	<b>-£409,463.84</b>
Three Bridges 3G Synthetic Turf Pitch project (section 9)	£0.00	<b>-£100,000.00</b>	<b>-£100,000.00</b>
<b>Balance Available</b>	<b>£3,176,853.87</b>	<b>£0.00</b>	<b>£3,176,853.87</b>

## 6. CIL Strategic Infrastructure Strand

- 6.1. To date the Council has received £3,374,838.75 of Strategic CIL contributions and from 2018 has attributed £166,876.74 to administration costs in line with the CIL regulations 5% ceiling for the use of CIL funds for administration costs.
- 6.2. A further £31,108.14 will be allocated to administration costs incurred through 2023/24, which equates to 5% of the total funds collected in 2023/24.
- 6.3. The balance available after deducting the above admin charges is £3,176,853.87 of Strategic CIL contributions.
- 6.4. CIL spend priorities for strategic infrastructure are based upon Crawley's Infrastructure Delivery Schedule (IDS) and these priorities have been approved by Cabinet following each CIL report published since CIL became operational. The first of these reports was presented to and approved by Cabinet in October 2017. These priorities were last updated / approved by Cabinet in March 2022.
- 6.5. The IDS identifies the critical, essential, and desirable strategic infrastructure required for Crawley to accommodate sustainably the population, housing and

employment growth forecasts indicated in the Local Plan. The IDS is currently being reviewed due to the Local Plan review - a key reason why there was no report to Cabinet on the CIL Strategic Infrastructure Strand priorities in 2023. The draft Submission Local Plan 2024/25 to 2039/40 was approved at Full Council, 22 February 2023, to go out to Regulation 19 consultation and following submission to the Secretary of State in July, it has been examined in public by government Planning Inspectors in December 2023 and January 2024.

- 6.6. Once written feedback from the independent examiners has been received, a report will be presented to Cabinet during 2024 which maps out the strategic infrastructure priorities required to enable Crawley's sustainable growth and the corresponding CIL funding requirements. That report will seek Cabinet approval for these refreshed strategic infrastructure priorities.

## **7. CIL Neighbourhood Improvement Strand.**

- 7.1. CIL regulations state that 15% of the total CIL contributions collected are to be allocated for spending in agreement with local communities where development is taking place.
- 7.2. To date the Council has received £584,858.84 in CIL for the Neighbourhood Improvement Strand less £25,395 spent by the Neighbourhood Improvement Fund crowdfunding platform. The balance available remaining is therefore £559,463.84.

## **8. Amendments Previously Approved by Cabinet to Governance of Neighbourhood Improvement Strand (NIS).**

- 8.1. In November 2022, Cabinet approved the implementation of a new "hybrid" model, which retained CIL NIS to maintain the Neighbourhood Improvement Fund with an annual contribution of £25,000, from the CIL NIS, until March 2025. The remaining NIS contributions not committed to the Neighbourhood Improvement Fund were agreed to be used as a contribution to the delivery of a programme of neighbourhood improvement works identified as a priority by Crawley Borough Council, in the first instance Unsupervised Play, subject to public engagement.
- 8.2. A 4-week public engagement exercise has now been carried out, including contacting key stakeholder, Crawley Community Action and allowing members of the community to comment on the proposal, through the Have Your Say site. Crawley Community Action support the amendments to the governance of the CIL Neighbourhood Improvement Strand, no comments were received from the wider community.
- 8.3. Therefore, the proposed amendments have now been implemented, in line with recommendations made in PES420, that delegated authority be given to the Head of Economy and Planning, in consultation with the Cabinet Member for Planning and Economic Development, to implement any procedural modifications to CIL NIS, including any minor amendments in response to the public engagement exercise. The implemented amendments are as follows:

- An annual contribution of £25,000, from the CIL NIS to the Neighbourhood Improvement Fund until 31st March 2025.
  - The remainder of CIL NIS contributions received to date to be allocated in the first instance to the Unsupervised Play Investment Programme (UPIP).
- 8.4. It is anticipated that a report will be brought to cabinet during 2024 identifying the individual play schemes to receive a contribution from CIL NIS.

**9. Additional Scheme to be considered by Cabinet to receive a contribution from the CIL Neighbourhood Improvement Strand.**

- 9.1. By March 2040 it is anticipated that the council will have received a further £2.5m in contributions to the CIL Neighbourhood Improvement Strand.
- 9.2. Currently, to receive a contribution from the Neighbourhood improvement Strand, projects should:
- Be listed in Crawley's Infrastructure Delivery Schedule, which identifies infrastructure required as a result of the growth forecasts indicated in the Local Plan.
  - Be identified in the IDS as being Critical or high scoring essential schemes, when assessed against the agreed criteria.
  - Be delivered at a neighbourhood level, i.e., projects where the impact is most likely to be felt within one neighbourhood.
- 9.3. It is proposed that in addition to the amendments outlined in section 8, to expand the selection criteria for projects eligible to receive a contribution from the Neighbourhood improvement Strand, to incorporate high scoring desirable projects. This amendment would see the Three Bridges 3G Synthetic Turf Pitch project added.
- 9.4. Three Bridges Football Club has been progressing a project to upgrade their main first team pitch from grass to a 3G surface. Alongside hosting first team games, the 3G pitch would be used for TBFC junior team training and matches and for a range of football development activity. Over and above these uses, the pitch would be made available for local football teams to hire.
- 9.5. Three Bridges Football Club has raised approximately £70,000 from fundraising towards the project cost with the bulk of the funding (circa £1m) being applied for from the Football Foundation. Currently there remains an anticipated funding shortfall of £100,000. Given the community benefits and leverage of significant external funding, an allocation of up to £100,000 from the Neighbourhood Improvement Strand would enable the project to be fully funded.
- 9.6. In accordance with CIL guidance, officers propose to undertake a public engagement exercise to obtain feedback and to ensure there is sufficient support for the proposed expansion of eligibility criteria and the inclusion of Three Bridges 3G Synthetic Turf Pitch project, with a contribution from the CIL Neighbourhood Improvement Strand of up to £100,000.
- 9.7. Subject to the outcome of the public engagement exercise, it is proposed that Cabinet delegate authority to the Head of Economy and Planning, in consultation

with the Cabinet Member for Planning and Economic Development, to implement the procedural amendments outlined in section 9.

- 9.8. The inclusion of the Three Bridges 3G Synthetic Turf Pitch project as a recipient of CIL Neighbourhood Improvement Strand monies would also be subject to a contract being agreed between Crawley Borough Council and Three Bridges Football Club.

## **10. Neighbourhood Improvement Fund – Further Amendment Proposed**

- 10.1. Spacehive advised that the microsite package could no longer be supported beyond the contracted year, 31/04/23, the alternative did not offer value for money considering the size of the annual fund.
- 10.2. In November 2022 Cabinet agreed that £75,000 from the Neighbourhood Improvement Strand be retained to maintain the Neighbourhood Improvement Fund (NIF) with an annual contribution of £25,000 until the end of March 2025. NIF is now distributed through the Crawley Borough Council website and applicants are no longer required to find match funding contributions to apply for NIF funding, as published in September 2023.
- 10.3. To date there have been no applications to the NIF. Therefore, it is proposed that the £25,000 of CIL NIS monies allocated to the Neighbourhood Improvement Fund for 2022/23 is reallocated to the Unsupervised Play Improvement Programme and as of March 2024, any unspent from the 2023/24 allocation will be reallocated to the Unsupervised Play Improvement Programme.
- 10.4. The Neighbourhood Improvement Fund will continue to be subject to an annual review by the Cabinet to monitor the extent to which the CIL monies are being used and their delivery of neighbourhood improvements which bring community benefits.

## **11. Financial Implications.**

- 11.1. It is proposed that up to £100,000 of CIL Neighbourhood Improvement Strand (NIS) monies be allocated and committed to the Three Bridges 3G Synthetic Turf Pitch project, subject to community engagement.
- 11.2. It is proposed that £25,000 of unspent NIS monies allocated to the Neighbourhood Improvement Fund in 2022-23 is reallocated to the Council's Unsupervised Play Improvement Programme and as of March 2024, any unspent from the 2023/24 allocation will be reallocated to the Unsupervised Play Improvement Programme.

## **12. Legal Implications**

- 12.1. The legislation governing the development, adoption, and administration of a Community Infrastructure Levy (CIL) is contained within the Planning Act (2008) and the Community Infrastructure Levy Regulations 2010 (as amended). CIL charging took effect in Crawley following due process on 17th August 2016.
- 12.2. CIL regulations state that 15% of the total CIL contributions collected are to be allocated for spending in agreement with local neighbourhoods where development is taking place. The government does not prescribe a specific process for how the neighbourhood improvement strand should be spent.

- 12.3. A charging authority may apply CIL to administrative expenses incurred by it in connection with CIL. This is providing that it does not exceed 5% of CIL collected.
- 12.4. Where an authority spends less than its permitted allowance on administrative expenses, it must transfer the remaining allowance for use on capital infrastructure projects. If Crawley BC does not apply the discretionary administrative expenses, then a maximum of 85% of CIL collected in Crawley will be spent on strategic infrastructure.

### **13. Equalities Implications**

- 13.1. The Council must have due regard to its obligations under the Equality Act 2010 and for the public sector equality duty (“PSED”) under section 149 of the Equality Act 2010 in making its decisions and carrying out its functions. The equalities impact and/or the PSED will be addressed as and when CIL funded proposals are developed.

### **14. Background Papers**

Report to Cabinet 2 November 2022 PES/420 [Allocating Monies Collected Through CIL, Neighbourhood](#)

Report to Cabinet 16 March 2022 PES/388 [Allocating Monies Collected Through Community Infrastructure Levy 2022/23](#)

Report to Cabinet 10 March 2021 PES/370 - [Annual Community Infrastructure Levy \(CIL\) Statement](#)

West Sussex County Council - [see Item 6 WSCC Revenue Budget 2021/22, Capital Strategy 2021/22 to 2025/26](#) and [WSCC Cabinet Printed Decision](#).

Report to Cabinet 11 March 2020 PES/335 - [Allocating Monies Collected the Through Community Infrastructure Levy – Infrastructure Business Plan 2020/21](#)

Report to Cabinet 6 February 2019 PES/302 - [Allocating Monies Collected Through Community Infrastructure Levy 2019/20](#)

Report to Cabinet 7 February 2018 PES/264 - [Allocating Monies Collected Through Community Infrastructure Levy - Infrastructure Business Plan and Governance](#).

Report to Cabinet 4 October 2017 PES/257 – [Community Infrastructure Levy - Governance, Prioritisation and Spend Proposals](#).

Report to Cabinet 29 June 2016 SHAP/54 - [Adoption of Crawley Community Infrastructure Levy \(CIL\)](#)

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