



REPORT OF:	HEAD OF PLACES & PLANNING
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TO:	EXECUTIVE
DATE:	7 January 2016
EXECUTIVE MEMBER:	COUNCILLOR T SCHOFIELD

KEY DECISION REQUIRED:	YES
WARD (S) AFFECTED:	ALL

SUBJECT:	COMMUNITY INFRASTRUCTURE LEVY: APPROVAL AND IMPLEMENTATION
RECOMMENDATIONS:	
<p>(i) The Examiner's Report (Annex 1) be noted and the Community Infrastructure Levy Charging Schedule (Annex 2) be approved and brought into effect from 1 April 2016</p> <p>(ii) The Regulation 123 List, Instalments Policy and Payment In-Kind Policy (Annex 3) be approved and brought into effect from 1 April 2016</p> <p>(iii) The draft Developer Contributions Supplementary Planning Document (Annex 4) be approved for statutory public consultation and the Head of Places and Planning in consultation with the Executive Member for Planning and Development, be authorised to make any necessary minor amendments to the document prior to public consultation</p> <p>(iv) The approach to the allocation and spending of the Community Infrastructure Levy (set out in paragraphs 22-45) be endorsed and the Head of Places and Planning be authorised to establish detailed arrangements and criteria to support the spending process</p> <p>(v) A Community Infrastructure Levy Fund earmarked reserve be established to properly account for the new funding stream</p> <p>(vi) The amendments to the Officer Scheme of Delegation (Annex 5) be approved</p>	
REASONS FOR RECOMMENDATIONS:	
<p>Recommendation (i): The Examiner's Report concludes that, subject to one modification, the Council's Community Infrastructure Levy Charging Schedule can be approved. Approval will enable the Council to begin charging the levy, following a short transitional period, and thus generate funding towards local infrastructure.</p> <p>Recommendation (ii): Approval of the Regulation 123 list is a statutory requirement to enable CIL to be implemented</p> <p>Recommendation (iii): Approval of the Instalments policy and progression of the Developer Contributions SPD will help ensure that guidance is in place to support the smooth operation of CIL and provide clarity to stakeholders. Approval of the payment in kind policy</p>	

will provide flexibility to enable the Council to accept provision of land or infrastructure in lieu of CIL where this would be beneficial.

Recommendation (iv): This will allow for appropriate arrangements and processes to be put in place to ensure CIL is spent in a robust and transparent manner and will ensure that CIL helps deliver projects which support growth and offer the greatest benefit to the borough and its residents.

Recommendation (v): This will ensure CIL monies are held and accounted for in accordance with the relevant Code of Practice for Local Authority Accounting.

Recommendation (vi): This will ensure that the Officer Scheme of Delegation reflects the Council's powers and duties under the 2010 CIL Regulations (as amended) and enable day to day administration of the levy to be carried out in an effective, efficient and proportionate way.

EXECUTIVE SUMMARY:

Following independent examination, the Examiner has concluded that the Council's Community Infrastructure Levy (CIL) Charging Schedule can be approved subject to one modification.

Approval of the Schedule, and supporting policies including the Regulation 123 list, will enable the Council to begin securing contributions to help fund and deliver important local infrastructure.

The Schedule and supporting policies are recommended to take effect as of 1 April 2016, allowing a short transitional period to finalise implementation arrangements and avoid undue delay to planning applications already in the system.

To support the smooth implementation of the levy, updated planning guidance in the form of a Supplementary Planning Document (SPD) is also needed. This would replace existing SPDs which have become out of date following the introduction of CIL and changes to planning legislation. Executive is asked to agree the draft SPD for a period of public consultation, in accordance with local planning regulations.

Through CIL, the responsibility for deciding how money is allocated is placed almost entirely in the Borough Council's remit. The majority of income will be available for strategic projects across the borough; however, a proportion of money collected must be spent on at the neighbourhood level and in consultation with local communities.

Decisions on the spending and allocation of CIL need to be taken in a robust manner. This report proposes the approach to be taken to the identification, selection and agreement of projects for both the neighbourhood element and strategic element in order to maximise the benefits of CIL for infrastructure delivery at the local level and ensure transparency. Executive is requested to endorse these arrangements.

Introduction of CIL brings with it a number of new obligations, duties and powers for the Council. This includes responsibility for determining liability, serving notices, collecting funds and enforcing non-payment, the process for which is prescribed in the CIL Regulations. To ensure the levy can be administered effectively, efficiently and properly, delegation of a number of the Council's duties and powers to officers is sought.

Executive has authority to approve recommendations (ii), (iii) and (iv).

Recommendations (i) and (v) are subject to approval by Full Council.

STATUTORY POWERS

1. The Council has discretionary powers under the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended) to introduce a levy on new development for the purpose of funding infrastructure.
2. The Council is a charging authority and a collecting authority as defined by regulation 10 of the Community Infrastructure Levy Regulations 2010 (as amended) ('the CIL regulations').
3. Powers exist under section 101 of the Local Government Act 1972 to enable the Council to arrange for the discharge of its functions by officers.

BACKGROUND

4. The Community Infrastructure Levy (CIL) is a standardised charge, levied at the local level, on new development. Its purpose is to help fund and deliver the infrastructure needed to support growth in the borough.
5. CIL will not replace individual legal agreements on planning applications (such as section 106 agreements). Legal agreements will still have an important role in securing infrastructure which is critical to the grant of planning permission for, or the release of, a specific development site(s) (such as a new road connection or play areas) and for affordable housing.
6. However, the CIL regulations have restricted the Council's ability to use legal agreements to secure funding for general infrastructure needs since April 2015. In practice, this has prevented the Council from securing tariff style contributions – such as in Horley – and has meant the Council has secured little in the way of infrastructure contributions since April.
7. Once adopted, CIL is non-negotiable and cannot be challenged on individual planning applications through the planning appeal process. It can also be spent in a more flexible way subject to it being used to fund the provision, improvement, replacement, operation or maintenance of infrastructure to support development.
8. The Council agreed in principle to introduce a CIL in the borough in May 2011. Consultation was initially carried out on a preliminary draft charging schedule (PDCS) in late 2012 and again on a revised version in late 2014. The Draft Charging Schedule (DCS) was agreed for consultation and submission in March 2015.

KEY INFORMATION

Charging Schedule Examiner's Report – TO BE CONFIRMED

9. The Draft Charging Schedule was submitted to the Planning Inspectorate for independent examination in June 2015. Ms Louise Nurser BA (Hons.) Dip UP MRTPI was appointed to conduct the examination and a public hearing was held for one day on 8 September 2015.
10. The Examiner's Report (Annex 1) was formally received by the Council on 2 December 2015. The report concludes that, subject to one modification, the Schedule is an appropriate basis for collection of the levy in the borough and can be approved.

11. The modification recommended by the Examiner is to reduce the proposed residential charge in Zone 1 (i.e. covering Redhill and Horley town centres) from £20 per sqm to £0 per sqm to reflect the viability evidence. This change will have only a modest impact on potential income from CIL and is considered to be acceptable.
12. Approval of the Charging Schedule (Annex 2) taking account of this modification is therefore recommended to enable the Council to begin implementing and collecting the levy.
13. It is proposed that the Charging Schedule takes effect at 1 April 2016, thus applying to relevant planning applications determined thereafter. A transitional period is common practice as it allows time to ensure implementation arrangements are in place and fully operational and also avoids delay and unnecessary complication for planning applications already in the system. The planned implementation date also aligns with the beginning of the new financial year.

Regulation 123 List

14. Upon adoption of CIL, the CIL regulations require the Council to publish a Regulation 123 list. This sets out the infrastructure which the Council intends to fund using money secured through the levy. Any projects or types of infrastructure on this list cannot subsequently be funded through section 106 agreements. It should be noted that this list is not a commitment to fund the projects identified therein and this list can be amended at any time following a period of consultation.
15. In line with Practice Guidance, the Regulation 123 list (Annex 3) for which approval is sought is consistent with that agreed at Draft Charging Schedule stage, except for one minor amendment to clarify its operation in relation to development outside the current urban area (for example urban extension developments). The Examiner's report also urges the Council to make this amendment to ensure clarity.

Instalments Policy

16. The Council is permitted to allow for CIL to be paid through instalments. The proposed policy (Annex 3) links the number of instalments to the total amount of money due and – in doing so – balances the need to ensure that contributions are received in a timely way with the effect of CIL payments on developer cashflow. The instalments policy has previously been considered, and supported, by the LDF Scrutiny Panel.

In kind payments

17. The CIL regulations also allow for the Council to allow for developers to provide land or a piece of infrastructure in lieu of all or part of their CIL liability. Whilst this is only likely to occur in a small number of instances, most notably on larger sites, it may be beneficial in certain circumstances. Adopting an in kind payments policy now (Annex 3) does not commit the Council to accept payment in kind in every case where it is offered but provides flexibility to consider the benefits of any such offers on a case by case basis.
18. There is also scope for the Council to introduce a number of discretionary reliefs from CIL in addition to the mandatory reliefs set out in the CIL Regulations. This includes exceptional circumstances relief for instances where to pay the full CIL charge would make a development unviable, as well as a range of additional reliefs for charitable developments and discounted market housing. At this stage it is not recommended

that any of the discretionary reliefs are introduced; however, this can be reviewed at any time.

Draft Developer Contributions SPD

19. To support the smooth implementation of the levy, updated planning guidance in the form of a Supplementary Planning Document (SPD) is needed to replace the Council's existing Planning Obligations and Infrastructure SPD (adopted in April 2008) and the Horley Infrastructure SPD (adopted in July 2008), both of which have become out of date as a result of the changes brought about by the CIL Regulations and introduction of the levy.
20. A draft Developer Contributions SPD is included at Annex 4.
21. The purpose of the Developer Contributions SPD will be to provide guidance to developers and stakeholder on the processes which they will be expected to follow when submitting applications where infrastructure contributions are required. It is also proposed that the SPD sets out additional detail as to how the Council will use other developer contributions – such as section 106 agreements – to secure site specific infrastructure once CIL is in place. Much of the content of the draft SPD reflects the Council's existing practice and best practice elsewhere in relation to the use of section 106 agreements post adoption of CIL.
22. As part of the process for preparing a SPD, the local plan regulations¹ require a period of public consultation on a draft document. Following this, the document – incorporating any changes made as a result of consultation responses – will be brought back to Executive for adoption. At this point, it will become a material consideration when determining planning applications.

Approach to the allocation and spending of CIL

23. Traditionally, the Council has secured funding through section 106 contributions for pre-defined infrastructure types or projects. This gave a clear framework for expenditure and also meant that, for a large part, money was passed to Surrey County Council to spend.
24. Unlike s106, CIL income accumulates in a single pot which is not ring-fenced for specific schemes and responsibility for spending is placed almost entirely in the Borough Council's remit. This gives flexibility over spending but requires new arrangements to be put in place to provide a framework for the allocation and spending of funds. These arrangements will ensure CIL spending decisions are taken in a robust and transparent manner.
25. Spending of CIL falls within following three "pots":
 - a. Up to 5% of total income per annum can be retained for administration costs².
 - b. At least 15% of income generated in a particular part of the borough (increasing to 25% in areas where a neighbourhood plan is in place) must be passed to the relevant Parish/Town Council (where one exists) or (where there is no Parish/Town Council) spent by the Council in that area and in

¹ Regulation 12 of the Town and Country Planning (Local Planning) (Regulations) 2012

² Regulation 61 of the Community Infrastructure Levy Regulations 2010 (as amended)

consultation with the local community³. This is referred to in the rest of this report as the “neighbourhood element”.

- c. The remainder of income is retained by the Council to spend on the “provision, improvement, replacement, operation or maintenance of infrastructure”⁴ (Regulation 59 of the CIL regulations). This is referred to in the rest of this report as the “strategic element”.

26. The proposed approach and principles for allocation and spending of both the “neighbourhood element” and the “strategic element” are summarised below.

Administration allowance

27. The Council will be responsible for the administration and collection of CIL: this will have cost implications for the Council.
28. To ensure that CIL administration is self funding in the long-run, it is proposed that the maximum allowance of 5% will be retained each year, subject to monitoring of actual administration spend. In the event the monitoring indicates administration costs fall below 5% of income, the surplus would be re-directed to the strategic element.

Neighbourhood element

29. As set out above, the CIL Regulations require a proportion of CIL to be spent at the neighbourhood level on infrastructure or any other project deemed necessary to address the demand placed on the area by new development.
30. The amount of money available in each area will depend on the scale of development that occurs in each particular area. Based on percentages specified in the Regulations and summarised above, it is estimated that the funding available could range from £1,000 to over £10,000 per year depending upon the ward.
31. In Town/Parish Council areas – in this borough Salfords & Sidlow and Horley – the Regulations require the Council to transfer the neighbourhood element to the relevant council who will then be responsible for spending. Regular engagement between the Council and these bodies will be important to establish shared priorities, ensure spending proposals are complementary and to ensure regulatory compliance around spending and reporting.
32. For non-parished areas, it is proposed that wards are used as the basis for distribution of the neighbourhood element. In these areas, funding will be held by the Council but must be spent in the relevant area and in consultation with the local community.
33. This consultation will take two forms. An up-front targeted consultation exercise – supported by the Corporate Engagement Team – will be used to generate an initial understanding of local priorities for each neighbourhood. This is proposed to be carried out initially in early 2016, but could be repeated subsequently if necessary. On-going engagement with communities on projects and priorities will then primarily be co-ordinated through Ward Councillors.
34. A list of potential projects would be established for each neighbourhood, drawn from those projects suggested directly by the local community or complementary schemes

³ Regulations 59A, 59C and 59F of the Community Infrastructure Levy Regulations 2010 (as amended)

⁴ Regulation 59 of the Community Infrastructure Levy Regulations 2010 (as amended)

identified by the Council or partner organisations. All projects will be reviewed against a number of guiding principles to ensure consistency with the requirements of the CIL Regulations and also evaluate fit with local priorities, the nature of community benefit and deliverability of the project.

35. Ward Councillors would then be jointly responsible for selecting and agreeing which projects they wish to support in their area. Projects could be funded at any point during the year (subject to the availability of funding); however, Ward Councillors would also be approached at the end of each year to confirm whether they wish to spend or roll-over any residual funding which might be available in their neighbourhood.
36. As projects are most likely to be lower value, approval of spending on neighbourhood projects would be subject to appropriate delegation - as proposed in Annex 5 - consistent with existing arrangements for both core funding and spending of section 106 funds. This will ensure decisions can be taken without unnecessary delay and enable the benefit of CIL at the local level to be felt more quickly.
37. The proposed approach to, and principles for, the use of the CIL neighbourhood element aligns with arrangements for the Neighbourhood Improvement Fund which was approved by Executive in December. This effectively provides an opportunity to “pilot” the consultation and governance arrangements around CIL and also means that, in time, there is scope for CIL to become the sustainable long-term funding source for the Neighbourhood Improvement Fund.

Strategic element

38. Once the administration allowance and neighbourhood element discussed above have been top-sliced, the remainder of CIL income is retained by the Council to be spent on infrastructure across the borough. Through this strategic element, the Council will in effect become a commissioning body for infrastructure.
39. The key principle for the allocation of the strategic element of CIL is that it should support, and provide certainty about the funding of, those projects which are most critical to support growth or which are otherwise strategically/corporately important. This certainty will also enhance the value of CIL as a “match funding” tool to leverage in money from other sources.
40. To provide a framework for allocating this element, it is proposed that the Council develops and approves a Strategic Infrastructure Programme. This would be a forward looking programme which sets out the specific projects to which the Council will commit CIL funding over the following 5 year period and the amount of CIL funding which it is willing to contribute to them.
41. The Programme will be tightly defined and take account of the anticipated CIL income over the relevant period to ensure it is realistic. Projects would be identified based on evidence in the Council’s Infrastructure Delivery Plan as well as ongoing engagement with infrastructure providers who would be expected to demonstrate the business case for particular projects.
42. As with the neighbourhood element, projects will be reviewed and prioritised against a series of criteria designed to appraise the relative need for, and benefit of the project, as well as its deliverability, including the necessity of CIL as a funding source.

43. As the Programme is likely to include contributions of a higher value, and projects of particular importance to the borough, the Programme will be reported to the Council's Executive for approval. Once agreed, it would then be used as the framework for allocating and releasing monies collected. Appropriate delegated authority would also be sought for officers to release money in accordance with the Programme, enabling key projects to be moved forward swiftly when they become ready for implementation.
44. The release of money for an individual project is proposed to be subject to the provider demonstrating to the Council's satisfaction that the project is ready for imminent delivery. This will ensure the Council remains in control of spending and reduce the risk of money being passed to others and remaining unspent. Additional measures – such as the use of funding agreements – will ensure money is spent on the agreed projects, within a certain timeframe and ensure regular progress reporting by the provider. Arrangements to enable unspent monies to be repaid or reclaimed will also be put in place.
45. It is proposed that the first Strategic Infrastructure Programme will be developed during the second half of 2016 and will be brought to Executive for approval in early 2017. The Programme will thereafter be closely monitored and reviewed annual to ensure it continues to capture high priority and deliverable projects and enable monies to be redirected where it becomes apparent that a project is no longer deliverable or necessary.
46. Any income not needed for projects on the Programme could be made available for infrastructure providers to bid for on an ad hoc basis to fund windfall projects.
47. To enable the CIL funding stream to be accounted for in accordance with the Code of Practice on Local Authority Accounting, it is proposed to establish a specific earmarked reserve within which to hold CIL funds until such time as they are ready to be released.

Changes to the Officer Scheme of Delegation

48. Introduction of CIL brings with it a number of new obligations, duties and powers for the Council. This includes responsibility for determining liability, serving notices, collecting funds and enforcing non-payment as set out in the CIL Regulations.
49. Whilst the current scheme of officer delegation includes a wide range of provisions relating the operation of the Planning and Development function, it does not cover the specific activities set out in the CIL regulatory framework. To enable the levy to be administered effectively, efficiently and properly, delegation of a number of the Council's duties and powers to officers is recommended.
50. Annex 5 lists each of the recommended additions to the Officer Scheme of Delegation to reflect the introduction of CIL. These duties and powers focus on the day-to-day implementation of CIL, particularly:
 - a. Charging, including determination of liability, applications for relief and the issuance of statutory notices
 - b. Collection and enforcement
51. The use of these powers is clearly prescribed by the CIL Regulations and as such the volume of discretion in each case is relatively limited. Additionally, the Regulations require either a response within a set timeframe (e.g. reviews of

chargeable amounts) or decisive action (in the case of enforcement) for a number of the duties proposed for delegation.

52. Powers involving elements of policy discretion, such as whether or not to make various reliefs available, and the Council's responsibilities in relation to submission, approval and review of the Charging Schedule itself, are not proposed to be delegated.
53. To ensure the spending of the neighbourhood element can be managed in a proportionate and flexible manner, a delegation to Officers for CIL spending, consistent with the existing provision for section 106 at line 2.24 of the Scheme of Delegation, is also recommended.

OPTIONS

54. The following options are available to the Executive:

Recommendation (i):

- a. Approve the Charging Schedule incorporating the modifications recommended by the Examiner: This will enable the Council to progress to implementation. It is important that the Schedule moves forward quickly as delays will result in lost revenue. **This option is recommended.**
- b. Approve the Charging Schedule with alternative modifications: This option would mean that CIL could still progress to implementation; however, any alternative proposals would need to be within the scope of the existing evidence or may require additional evidence work to be undertaken. Alternative proposals not supported by evidence could attract legal challenge. All of the above would potentially delay implementation and revenue. This option is not recommended.
- c. Do not approve the Charging Schedule: Formal approval is required if the Council is to implement the levy. This option would therefore effectively mean that the Council could not progress any further with CIL, or would need to start afresh with a new Schedule. This option is not recommended.

Recommendation (ii):

- a. Approve the Regulation 123 List, Instalments Policy and Payment in-kind policy: This will ensure that the policies necessary to support implementation are in place in good time and that the Council's approach is clear and transparent. **This option is recommended.**
- b. Do not approve the Regulation 123 List, Instalments Policy and Payment in-kind policy: This option would undermine the transparent and smooth implementation of the levy. Failure to adopt a Regulation 123 list will also prevent the Council from using section 106 obligations at all once CIL is adopted, even if site specific infrastructure and mitigation is required. This option is not recommended.

Recommendation (iii):

- a. Approve the draft SPD for consultation: The SPD will be an important tool in ensuring CIL and other developer contributions are operated in a clear and efficient manner. A statutory period of public consultation must be carried out before it can be adopted. **This option is recommended.**

- b. Do not approve the draft SPD for consultation: The Council's existing guidance on developer contributions is dated and does not reflect current practice or regulations. This could result in delay and confusion for stakeholders. This option is not recommended.

Recommendation (iv):

- a. Endorse the proposed approach to allocation and spending: This will ensure that the Council has a clear approach and framework within which to take decisions on the allocation and spending of CIL. It will enable the Council to move forward with the identification of projects and will support effective delivery of infrastructure, maximising the benefits of CIL at the local level. **This option is recommended.**
- b. Do not endorse the proposed approach to allocation and spend: This would mean that there is no clear overarching framework or principles within which to progress with the allocation and spending of CIL. This option is not recommended.

Recommendation (v):

- a. Approve the establishment of an earmarked reserve for CIL: This will enable CIL income to be held and accounted for in accordance with best practice. **This option is recommended.**
- b. Do not approve establishment of an earmarked reserve: This option would result in a lack of compliance with the Code of Practice for Local Authority Accounting and may prevent CIL receipts being spent on the full range of infrastructure projects envisaged in the CIL Regulations. This option is not recommended.

Recommendation (vi):

- c. Approve the proposed amendments to the Officer Scheme of Delegation: This will enable day-to-day administration of the CIL process to be carried out in an effective, efficient and proportionate manner, avoiding unnecessary delay or legal risk. **This option is recommended.**
- d. Do not approve the proposed amendments to the Officer Scheme of Delegation: This option would effectively mean that even routine day-to-day tasks or powers needed to administer CIL would be subject to approval by Council – this would be impractical, or, where actions are carried out without appropriate delegations, could lead to legal challenge. This option is not recommended.

LEGAL IMPLICATIONS

55. Charging schedules for CIL do not require a Sustainability Appraisal or Habitats Regulations Assessment.
56. Following receipt of an Examiner's Report, the Planning Act 2008 and the CIL Regulations require the Council – as the charging authority – to formally approve the Charging Schedule if it is to take effect.
57. Since April 2015, the Council's ability to use section 106 agreements to secure infrastructure from new development has been restricted. In practice, this has meant the Council has not been able to apply generic tariffs (such as the Horley

Infrastructure Tariff). As a result, contributions towards infrastructure from new development have been limited. Approval and implementation of CIL will address this.

58. It is not possible for officers to act without correctly delegated powers. Therefore, failure to have a correct scheme of delegation in relation to CIL means that any actions relating to undelegated matters – even for day to day administration, duties and powers, must be approved by the Full Council. This would be impractical. Were action to be taken without satisfactory delegations, the Council could be liable to legal challenge and potentially incur substantial legal costs.
59. The draft Developer Contributions SPD (Annex 4) will form part of the policy framework for the borough once adopted and will be a material consideration in determining planning applications.

FINANCIAL IMPLICATIONS

60. The preparation and examination of the CIL Charging Schedule has been funded from existing Planning Policy budgets. Preparation and consultation on the draft SPD will also be funded from existing Planning Policy budget and resources.
61. Based on the charges proposed in the Charging Schedule and the level of development proposed in the adopted Core Strategy, it is estimated that CIL has the potential to raise approximately £20-24 million towards infrastructure in the period up to 2027.
62. The Council will be responsible for the administration and collection of CIL: this will result in some ongoing revenue costs. In order to ensure that the day to day administration of CIL is adequately resourced, the creation of a new full time equivalent post is proposed. In addition, work is ongoing to procure an IT system to manage and record the CIL charging and collection process in the most efficient and robust way.
63. The Council is permitted to use up to five per cent of annual CIL receipts to cover administration costs: in the long run, it is therefore expected to be self-funding. However, as income from CIL will take time to accumulate, set up costs and administration in the early years of implementation are likely to exceed income. This net cost – approximately £100,000 over the period from 2016/17 to 2018/19 will be the subject of a separate Corporate Plan Delivery Fund bid as set out in the draft business plan for Planning Policy and Economic Prosperity.
64. The Strategic Infrastructure Programme will act as a framework for allocating CIL funding. The need for separate, specific approval through the Capital Programme will remain for capital projects which would be delivered by the Council itself. This will ensure that existing processes are observed and the financial commitment and any risks are acknowledged.
65. The establishment of a Community Infrastructure Levy Fund earmarked reserve to hold CIL receipts until such time as they are ready to be released will ensure compliance with best practice in local authority accounting.

EQUALITIES IMPLICATIONS

66. An equalities impact screening assessment was undertaken to support the PDCS which came before Executive in November and no equalities implications were

identified. This assessment has been reviewed in the context of the DCS and it is considered that there is no change to this conclusion.

RISK MANAGEMENT CONSIDERATIONS

67. The following risk management considerations have been identified:

- a. Strategic – Objective Failure/Governance and Resource Management: Introduction of a CIL is a key outcome of Our Five Year Plan. Formal approval of the Charging Schedule is required to enable to Council to begin charging. Proposing alternative modifications to those recommended by the Examiner risks legal challenge. Any delay in approving the Schedule would result in lost future income.
- b. Reputational/Legal – If CIL is not administered, enforced and spent in transparent way and fully in accordance with the Regulations, there is a risk of legal challenge. Failure to engage local communities adequately in spending of the neighbourhood element could also have adverse reputational risks. A clear and transparent approach and framework within which to take decisions, along with appropriate delegation arrangements, is therefore essential.

OTHER IMPLICATIONS

68. No other implications have been identified.

CONSULTATION

69. The Council's Legal and Finance teams, and the Corporate Governance Group, have been consulted on this report.
70. Subject to Executive approval, a period of public consultation will be held on the draft Developer Contributions SPD in accordance with the relevant regulations. Feedback from this consultation will inform the final version which will be brought to Executive for approval. A consultation statement setting out how this will be conducted (as required by local planning regulations) is included as a background paper.
71. The Charging Schedule has been subject to consultation throughout its preparation.

POLICY FRAMEWORK

72. Delivering planned growth in a way which benefits the borough is part of the Five Year Plan 2015-2020. Securing funding for infrastructure across the borough is a key outcome of this objective, and adoption and implementation of CIL is a specific success measure.
73. CIL is identified as a delivery mechanism for a number of policies within the Council's Core Strategy. Specifically, money collected through CIL will aid the delivery of the infrastructure needed to support planned levels of growth.

Background Papers:

Draft Developer Contributions SPD: Consultation Statement