

Epsom & Ewell Community Infrastructure Levy Regulation 62 Statement

Report of the:	Head of Place Development
Contact:	Karol Jakubczyk
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Annexes/Appendices (attached):	Annexe 1: Community Infrastructure Levy Regulation 62 Report October 2017
Other available papers (not attached):	

Report Summary

The Community Infrastructure Levy (CIL) enables a charge to be levied on new development in order to help fund the delivery of new infrastructure across their area which is needed to support new development. We have been collecting CIL from liable developments since July 2014.

The Charging Authority is required under Regulation 62 of the Community Infrastructure Regulations 2010 (as amended) to prepare and publish an annual report that sets out how much CIL has been spent or allocated, and how much remains available. This is to ensure the levy is open and transparent. This report serves as an information item to the Committee, enclosing the CIL annual report, prior to it being published on the Borough Council's website.

Recommendation

This report has been prepared for the Committee's information. Members of the Committee are asked to note the content of the latest Regulation 62 Report for the year April 2016 until March 2017 which will be published on the Borough Council's website before 31 December 2017.

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 The Local Plan provides the spatial planning mechanism for the vision set out in the Sustainable Community Strategy, and it will assist in the achievement of all the Council's Key Priorities. The Community Infrastructure Levy (CIL) is the principle mechanism that will ensure that

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future developments contribute towards the delivery of community infrastructure that is needed to support growth.

2 Background

- 2.1 The CIL is a local levy on new development that local authorities can choose to introduce to help fund the delivery of new infrastructure across their area. The implementation of CIL is closely guided by the Community Infrastructure Levy Regulations 2010 and subsequent Amending Regulations.
- 2.2 We started work on introducing CIL during 2012; publishing our preliminary and draft charging schedules during the second half of 2013. Our draft charging schedule was the subject of an independent examination during the first quarter of 2014. Following the examination we adopted our charging schedule and commenced charging from 1 July 2014. We have responsibility as both the Charging and Collecting Authority for development taking place in the Borough.
- 2.3 The Community Infrastructure Regulations state under Part 7 (Regulation 62 (4)) that a charging authority must prepare a report for any financial year that it collects CIL. The Regulations require that such a report must include the following information:
 - 2.3.1 the total CIL receipts for the reported year;
 - 2.3.2 the total CIL expenditure for the reported year;
 - 2.3.3 summary details of CIL expenditure during the reported year including –
 - i. the items of infrastructure to which CIL (including land payments) has been applied,
 - ii. the amount of CIL expenditure on each item,
 - iii. the amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part),
 - iv. the amount of CIL applied to administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation; and
 - 2.3.4 the total amount of CIL receipts retained at the end of the reported year.
- 2.4 Since introducing CIL we have prepared and published one previous Regulation 62 Report. That Report covered the reporting period during April 2015 until March 2016. Our latest Regulation 62 Report covers the period during April 2016 until March 2017. A copy of our latest Regulation 62 Report is included under **Annexe 1**.

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3 The Regulation 62 Statement

- 3.1 The Regulation 62 Statement notes that during the report period April 2016 until March 2017, we collected monies to the total of £2,097,990.03 from liable developments. The Statement identifies the developments from which we received Levy receipts under Table 1.
- 3.2 The Statement notes that during the reporting period we raised invoices totalling £1,393,214.24. The liable developments which were invoiced are detailed under Table 2.
- 3.3 The Statement further identifies those development proposals from which CIL receipts remained outstanding (at April 2017). These are identified under Table 3. It is noted that not all of these proposal will be implemented, and that some may be superseded by fresh applications. Nevertheless, this does provide an insight into how many additional Levy receipts may be forthcoming in the short-term.
- 3.4 Finally, the Statement sets out the scale and detail of allocated Levy expenditure (under Section 4). This was comprised of £80,000.00 allocated from the 5% administration fee towards Planning Policy Team salaries (directly supporting the implementation of CIL), and £476,009.00 allocated from the 80% main CIL fund as top-up funding for the Plan E Epsom Town Centre Major Highway Improvement Scheme.

4 Financial and Manpower Implications

- 4.1 A staff resource is already in place to ensure the day-to-day implementation of our CIL regime. This resource is directly funded from CIL funds, namely the 5% administrative fee. A proposal to extend this resource further, beyond the current end date of December 2019, is being prepared and may form the subject of a separate report to the Council's Strategy & Resources Committee.
- 4.2 **Chief Finance Officer's comments:** *The Regulation 62 Statement at Annexe 1 details the CIL invoiced, collected and spent during 2016/17. Regulations require CIL to be applied to funding local infrastructure projects, although 5% may be used to fund the revenue cost of administering the CIL scheme.*

5 Legal Implications (including implications for matters relating to equality)

- 5.1 A Charging Authority is required under Regulation 62 of the The Community Infrastructure Levy 2010 (as amended) CIL Regulations require that we produce a report for any financial year that we collect CIL and publish it by 31 December. The publishing of the enclosed Regulation 62 Statement we will meet this requirement.

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6 Sustainability Policy and Community Safety Implications

6.1 None for the purposes of this report.

7 Partnerships

7.1 None for the purposes of this report.

8 Risk Assessment

8.1 As the CIL Charging and Collecting Authority we are required to be open and transparent in our activities associated with the Levy – particularly, in respect of how we distribute and spend collected monies. The publication of the Regulation 62 Statement will demonstrate transparency, fully minimising any risk that may have arisen from this process.

9 Conclusion and Recommendations

9.1 Members of the Committee are asked to note the content of the latest Regulation 62 Report and that it will be published on the Borough Council's website before 31 December 2017.

Ward(s) Affected: (All Wards);