



Cabinet
17th August 2020

Report from the Assistant Chief Executive

Brent Neighbourhood Community Infrastructure Levy (NCIL) Recommendations for Funding Strategy 2020-2023

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	Three: Appendix One: Analysis of Project Types and Outcomes Appendix Two: Summary of Consultation Appendix Three: Boundaries Map
Background Papers:	None
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1.0 Purpose of the Report

- 1.1 The Neighbourhood Community Infrastructure Levy (NCIL) was formally approved by cabinet on 13 February 2017 and agreed that the approach would be reviewed every 3 years following community consultation on the neighbourhood priorities.
- 1.2 This report recommends a revised approach to the NCIL funding strategy based on the review of the 2017 - 2019 Projects and the consultation completed in December/January 2020.
- 1.3 The council collects money from new eligible developments in the Borough through the Community Infrastructure Levy (CIL). CIL is a charge used to help local authorities to deliver the infrastructure needed to support development. It is a charge levied on floor space arising from development in order to fund infrastructure that is needed to support development in an area. Brent's CIL was formally introduced on 1 July 2013.

- 1.4 The CIL Regulations 2010 (as amended) stipulate that at least 15 per cent of CIL receipts generated must be spent on Neighbourhood Projects. Whilst the legislation does not prescribe a process for how Neighbourhood CIL is allocated, the expectation is that priorities for spend are agreed with the local community. Further, Government Guidance (2014, as amended) states that the Council must engage the community where development has taken place and accordingly, agree with them how best to spend the funding.
- 1.5 A CIL Neighbourhood may also contain a Neighbourhood Forum with an adopted Neighbourhood Plan. In this case, up to 25 per cent of CIL funds collected from liable developments within the Neighbourhood Forum boundary may be spent on priorities identified by the Neighbourhood Forum. There are currently three Neighbourhood Forums in Brent: Harlesden, Kilburn and Sudbury Town Residents Association (STRA). The Kilburn Neighbourhood Forum falls within both the boroughs of Brent and Camden. STRA and Harlesden Neighbourhood Forums have adopted a Neighbourhood Plan (STRA, July 2015 and Harlesden, July 2019). Neighbourhood Forum priorities will be outlined in their Neighbourhood Plan and set for the duration of the Plan once adopted.
- 1.6 The Analysis of Project Types and Outcomes for 2017 – 2019 can be found in **Appendix 1**
- 1.7 The Consultation Summary can be found in **Appendix 2**

2.0 Recommendations

- 2.1 This report recommends Cabinet agree the funding strategy for 2020-2023, which will be used for decisions on expenditure of the neighbourhood element of the Community Infrastructure Levy (NCIL) to ensure all risks to the council are mitigated and the best outcomes for residents of Brent are achieved.

3.0 NCIL Detail

- 3.1 NCIL can be used to fund a very broad range of facilities such as play areas, parks and green spaces, public realm improvements, cultural and sports facilities, healthcare facilities, and other community facilities as stated in the CIL regulations.
- 3.2 Once Neighbourhood Priorities have been agreed, community organisations, residents, businesses, and other stakeholders are invited to submit proposals for funding that align to locally set priorities.
- 3.3 The CIL Regulations state that Local authorities must allocate at least 15% of levy receipts to spend on priorities that should be agreed with the local community in areas where development is taking place. This can increase to a minimum of 25% in certain circumstances.
- 3.4 A scheme will not be funded unless it meets all seven essential criteria.

All shortlisted projects must demonstrate that they:

- Meet the CIL Regulations (2010) as amended
- Evidence community backing
- Address the demands that development places on an area
- Reflect the priorities of the council & CIL Neighbourhood
- Be one-off projects that do not require additional revenue funding in their delivery or operation (or identify how additional revenue funding may be met)
- Benefit diverse Brent communities
- Value for money

4.0 Summary of NCIL Spend 2019/20

4.1 The Total amount of NCIL money allocated from 2017 to date is £12.2M covering 201 projects.

4.2 Please note Appendix 2 relates to 2017-2019 projects only.

4.3 The total number of allocated projects from 2019/20 is 94, which equates to £7.36M NCIL money allocated.

4.4 The Next round of NCIL will currently have available £6.4M this may increase depending on further development schemes and money collected.

4.5 A short term NCIL round has been opened focusing on addressing inequalities linked to development around Covid 19. This round has been capped at £2M and is open for one month. This is to ensure we have monies available to implement this funding strategy in September/October 2020.

5.0 Proposed Funding Strategy

5.1 Evidence gathering

5.1.2 Assessments of impacts of any development on the local community of Brent will be completed twice yearly looking at planning applications agreed, completions and pending. This will provide greater evidence of impacts of specific developments in the different neighbourhoods and enable the council to provide more accurate criteria for outcomes to be achieved by the funding applicants.

5.1.3 It is a requirement of CIL funds that at least 15% of CIL's income is spent on priorities agreed in consultation with the local community. These priorities must be aligned with the needs of the local community. The 3 yearly public consultation results carried out in December/January 2020 are in **Appendix 2**. It was noted that whilst these neighbourhood priorities should be considered further neighbourhood engagement with communities most likely to be impacted would be needed.

5.1.4 The priorities identified through the public consultation will be used to help inform funding decision rather than act as the key criteria on which decisions

are made. These in turn must link to local development within that area to meet the CIL legislation, which is a requirement of the funding. A proportion of the NCIL funding will be ring fenced for participatory budgeting within each neighbourhood. This will be an additional local and real time consultation of neighbourhood priorities. We will use the relaunch of the Brent Connects to engage the community with the local plan to identify local projects that help to mitigate the impact of development.

- 5.1.5 Development in certain areas can disproportionately affect different communities in different ways. This could be financial, cultural, and physical and class related. Development has an impact on the overall borough as well as particular local neighbourhoods. A greater emphasis will be placed on evidence demonstrating the impact of development on particular communities. This will be done through equality impact assessments to help determine better outcomes. This will ensure that the most important criteria around development and the CIL regulations are met. This in turn will ensure organisations; officers and the NCIL panel have a high proportion of bids that meet local need and are likely to succeed.
- 5.1.6 It is proposed that the strategy of the NCIL fund is made more directive around specific borough wide outcomes to meet one of the five specific Borough Plan Objectives taking into account the communities priorities.

1. A borough where we can all feel safe, secure, happy and healthy
2. Strong Foundations
3. Every opportunity to Succeed
4. A future built for everyone, an economy fit for all
5. A cleaner, more considerate Brent

5.2 **Grant Applications**

- 5.2.1 The Partnerships and engagement team are currently scoping a new grants portal to be developed in house and improve accessibility for applicants. This will standardise conditions of grant aid to be met by the organisations reducing administrative burden and making the process more accessible for local people. The new grants portal will facilitate online monitoring with all details in a central database.
- 5.2.3 The decision making panel has been reviewed to ensure decisions better reflect wider Brent Council's strategies, plans and evidenced needs. In the new iteration the Head of Strategy and Partnerships will continue to act as the panel Chair, the Head of Planning and Development Services will provide expert advice on CIL and planning policy. In addition, senior officers from across Council departments will be consulted by the panel and the panel will seek their advice and comments on the project applications. This will support the evidence for need and ensure alignment of department priorities with local resident priorities. The panel will also have on it both the Lead member for Regeneration, Property and Planning and for Community Safety and Engagement and they will have an advisory role on the new panel in line with their Cabinet role and responsibilities. To ensure there is a leadership role from

the wards a backbench councillor will be also be invited to the panel as an advisor. All members will have no decision-making powers.

5.2.4 Brent Council's Grants Team will be responsible for providing the secretariat for the NCIL panel meeting. The Grants Team will undertake due diligence on all applications for example ensuring that there is evidence of community consultation and organisations are financially stable.

5.2.6 Assistant Chief Executive has delegated authority to approve projects at a value of 100K or below. All Projects over £100K will go to Cabinet for approval.

5.2.8 Following any provisional offer, the final stage will be to agree the long-term outcomes to be in the signed funding agreement.

5.2.9 A funding agreement needs to be signed and in place before a project can start. Organisations must start their project within 6 months of the funding agreement start date.

6.0 Financial Implications

6.1 This report presents the funding strategy for 2020-2023, which will be used for decisions on expenditure of the neighbourhood element of the Community Infrastructure Levy (NCIL) to ensure risks to the council are mitigated and the best outcomes for residents of Brent are achieved.

6.2 At least 15 per cent of CIL receipts must be spent on local projects that mitigate the impact of development and are identified in consultation with local communities (capped at £100/dwelling each financial year). Where a Neighbourhood Forum has an adopted Neighbourhood Plan, 25 per cent of CIL receipts may be spent on local projects.

6.3 The value of CIL funds available to fund neighbourhood projects is dependent on the number and value of CIL liable developments in each CIL Neighbourhood. However Neighbourhood CIL is one of a range of funding streams that may support Neighbourhood Improvement projects and so, during the project submission stages, projects are also encouraged, where appropriate, to also seek funding from other sources to support their proposals.

6.4 Assistance Chief Executive has delegated authority to approve projects at a value of 100K or below. All Projects over £100K will go to Cabinet for approval.

6.4 Each projects will be required to sign a funding agreement to confirm project milestones, outputs and payment instalments. Brent's Grants Team will conduct regular project monitoring.

7.0 Legal Implications

7.1 The Planning Act 2008, and CIL Regulations 2010, provide for local authorities to apply the CIL to infrastructure to support development. The Neighbourhood element may be used to fund the provision, improvement, replacement,

operation or maintenance of infrastructure, or anything else that is concerned with addressing the demands that development places on an area (Reg. 59F).

7.2 CIL spend is governed by Part 7 of the CIL Regulations. For any financial year in which CIL receipts are received, a report outlining receipts and expenditure must be prepared and published on the council's website. (Reg. 62).

7.3 Government Guidance (2014, as amended) states that the Council must engage the community where development has taken place and accordingly, agree with them how best to spend the funding. The use of neighbourhood funds should match the priorities expressed by the local communities.

8.0 Equality Implications

8.1 In compliance with the Equality Act 2010 and the Public Sector Equality Duty (PSED), the Council must, in the exercise of its functions, have "due regard" to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

8.2 The duty covers the following nine protected characteristics: age, disability, gender reassignment, marriage & civil partnership, pregnancy & maternity, race, religion or belief, sex and sexual orientation.

8.3 An Equality Analysis (EA) of the NCIL programme was completed in December 2018. The overall assessment is that Brent's NCIL programme has a positive impact on equality. Each project also completes an initial screening of the likely impact of their plans on the protected characteristics. No negative impacts were identified.

8.4 A summary of the equalities data collated from the NCIL consultation is in **Appendix 2**. There appears to be some areas of under representation. For ethnicity, there is under representation from black and minority ethnic (BME) groups and this is more prominent in Willesden and Kilburn. Further, there is a lack of representation for those under 25 and over 65 years old although some applicants selected 'prefer not to say' and some demographic information was not captured. These findings suggest that more consideration should be given to ensure that future consultations target these groups and to ensure that future projects proposals adequately represent these groups.

8.5 An equalities impact assessment will be completed each round to review the impact of development. This will feed into the outcomes requested for projects to meet

9.0 Any Other Implications

9.1 None.

Report sign off:

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