

 Brent	Cabinet 19 May 2025
	Report from the Corporate Director of Neighbourhoods and Regeneration
	Lead Member - Cabinet Member for Regeneration, Planning & Property (Councillor Teo Benea)
Allocation and Monitoring of Strategic Community Infrastructure Levy	

Wards Affected:	All, excluding parts of Alperton, Harlesden and Kensal Green, Stonebridge and Tokyngton where the Old Oak and Park Royal Development Corporation (OPDC) is the Local Planning Authority
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	One Appendix 1: SCIL Prioritisation Criteria
Background Papers:	
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1 Executive Summary

- 1.1 This report outlines a series of proposals for updating the governance strategy for the allocation and forward planning of the Strategic Community Infrastructure Levy (SCIL). Key proposed measures include updating the Council's infrastructure delivery plan (which sets out the infrastructure needed to support development), streamlining delegated authority and approval processes, introducing prioritisation criteria, improving project monitoring and management, and enhancing SCIL allocation planning. The proposals also cover procedures for "Infrastructure Payments" and "Payments in Kind." Approval is sought for these changes, which are recommended to be implemented as a whole but could also be adopted separately with minor adjustments.

2 Recommendations

- 2.1 That Cabinet approves the proposed approach for planning, allocating and monitoring of Strategic Community Infrastructure Levy (SCIL) funding and approves the progression of these proposals to Cabinet for final approval.

3 Detail

3.1 Cabinet Member Foreword

- 3.1.1 We have successfully secured the delivery of significant growth in the borough and are one of the few London boroughs currently meeting their housing targets while also securing new jobs and workspace. This puts pressure on local infrastructure. However, this development has also enabled the Council to secure a substantial amount of Community Infrastructure Levy (CIL) funding.
- 3.1.2 The Council is now facing unprecedented financial pressures. We must carefully plan and allocate the available funding in the most effective and efficient way.
- 3.1.3 To achieve this, we have been evaluating how we plan for infrastructure, alongside mechanisms to streamline the Strategic Community Infrastructure Levy allocation and monitoring process. This paper contains several proposals that will help the Council achieve its Borough Plan and Local Plan objectives.
- 3.1.4 The Strategic Community Infrastructure Levy (SCIL) can be used to fund infrastructure to support development and can be used to respond to all five Borough Plan priorities, together with a range of other Council plans and policies including:
- Brent Local Plan
 - Inclusive Growth Strategy
 - Climate and Ecological Emergency Strategy
 - Affordable Workspace Strategy
 - Long Term Transport Strategy
- 3.1.5 Applications for SCIL funding are made by a range of internal services and external partners and must demonstrate how the new infrastructure will meet Borough and Local Plan objectives together with other relevant Council strategies to ensure they will contribute to those priorities.

3.2 Background

- 3.2.1 The Community Infrastructure Levy is a charge that is applied to new development where the amount that is payable is based on the amount of development and the nature of the use of that development.
- 3.2.2 CIL can only be spent on physical infrastructure that supports development. It cannot be used to provide or maintain infrastructure that is not related to development (e.g. potholes, general pavement repairs and other existing infrastructure deficiencies which do not relate to development).
- 3.2.3 Brent Council collects amongst the highest CIL in the country, with Brent CIL receipts totalling £27 m in 2019-20, £16 m in 2020-21, £18 m for 2021-22 and

£26 m for 2022-23, £35 m for 2023-24 and £19 m for 2024-25. However, this is likely to reduce substantially in coming years due to the significant drop-off in new development starts on site. Brent CIL is broken into three distinctive portions – the Strategic CIL (SCIL), the Neighbourhood CIL (NCIL) and the CIL Administration. This paper focuses on SCIL, which comprises between 70 % and 80 % of the Brent CIL that is collected (depending on whether the development is in a Neighbourhood Forum Area).

- 3.2.4 Since the adoption of CIL on 1st July 2013 to the end of the 2024/25 financial year, the council has collected £190 m of SCIL, the majority of which has been allocated to projects already. When taking into account the projects that are currently progressing to cabinet for the approval of SCIL funding and projects that are in the pipeline (such as the Hillside Corridor Project including the Bridge Park Leisure Centre, the St Raphael's Estate improvements and the future delivery of the West London Orbital line), the total amount of SCIL that's required for these projects exceeds the amount that is currently available.

Current SCIL Allocation and monitoring process

- 3.2.5 The current SCIL governance arrangements were agreed by Cabinet on 7th September 2020. Services or partner organisations (e.g. the NHS / ICB) who wish to bid for funding must submit details of the project to the Infrastructure Officer Working Group (IOWG), which comprises representatives of Planning, Finance and Legal Services. They must describe the project and demonstrate that it would relate to infrastructure to support development and growth within Brent.
- 3.2.6 The Infrastructure Officer Working Group consider whether the project meets the legal criteria for SCIL eligibility. The project lead must then present eligible projects to the relevant service board followed by the Capital Programme Board (CPB) for approval. For existing projects requiring up to £250k of SCIL, the allocation can be approved by Capital Programme Board. If a new project is requesting use of SCIL or the request is greater than £250k, this would require Cabinet approval.
- 3.2.7 The need to develop a strategic approach to the use of CIL was highlighted by a recent Scrutiny Committee and was a recommendation to Cabinet.
- 3.2.8 The Corporate Peer Challenge team also noted, in its feedback that "A strategic review of CIL investments, aligned to corporate priorities, is overdue. This will be particularly important to consider where investment can be made to have a positive contribution to the General Fund position." One of the recommendations presented stated "The council should also explore strategic approaches to utilising these CIL and capital reserves to deliver a net-positive impact on the council's revenue account position".
- 3.2.9 The following proposals have been developed to respond to this feedback.

Proposals

3.2.10 Five proposals are set out within this paper. It is recommended that all five of the proposals are implemented. It is recommended that the proposals are implemented concurrently, and this report has been drafted to reflect this approach. However, the proposals could be implemented independently with adjustments to each proposal to remove any cross-reference between the proposals.

3.2.11 Should the proposals receive approval, the existing processes would continue to be implemented until such time as the new proposals are ready to come forward. The proposals can be implemented incrementally, with some proposals taken forward shortly after approval.

Proposal 1: Infrastructure Delivery Plan Update

3.2.12 Brent's Infrastructure Delivery Plan (IDP) was published in 2019 to support the Local Plan and contained details of the infrastructure that was required to support the projected development and growth of Brent. It is now over 5 years old and is out of date and no longer serves as a useful resource to assist the identification of priority infrastructure for the borough.

3.2.13 It is proposed that the IDP is updated to capture the infrastructure required to support development and the growth that is expected in the borough, aligning with both Borough Plan and Local Plan objectives. This will help to ensure that infrastructure is forward planned and enable the identification and prioritisation of infrastructure that will deliver the best outcomes. This in turn should help to ensure that the SCIL is used in an effective way that reduces the need for the Council to spend other funding to deliver the infrastructure that is required.

3.2.14 This process would be led by the Infrastructure Team, with infrastructure proposals put forward by the relevant services and partner organisations who are responsible for infrastructure within the borough (such as Transport for London, the Integrated Care Board and National Health Service). The Infrastructure Team will provide information to help those services and organisations understand the location, amount, and type of growth that is expected together with estimates for when it is expected to come forward. Further work is required on the best way in which this information can be presented, but it is likely to include the mapping of the growth that is projected within the Local Plan and Area based Masterplans together with information on those sites which already have planning consent.

3.2.15 This would facilitate closer working with internal and external partners, enabling a collective conversation regarding the pressures that development places on infrastructure and services. This will enable the Council to maximise the opportunities to use SCIL to mitigate those pressures where this can be done through the provision, maintenance or improvement of infrastructure.

3.2.16 It will also enable cabinet members to engage more closely in relation to SCIL opportunities, with the ability to feed into the work that their services are undertaking to identify infrastructure needs and any associated projects and proposals. It will provide greater visibility of the funding that is available and

projects that have been put forward, so will enable better monitoring of any gaps in infrastructure identification or delivery.

3.2.17 The current IDP is a static, PDF based document. It is proposed that the new IDP comprises a live database that can be kept up-to-date and contain information on both existing and future projects. In relation to content, it is envisaged to capture the information required for the Capital Pipeline including strategic alignment (with the Borough Plan and Local Plan) together with the infrastructure cost, expected funding streams and the timescale for the infrastructure need and delivery. It would be spatially referenced so the projects viewable using GIS.

3.2.18 Submissions would be considered by the Infrastructure Team and Legal for compliance with the CIL regulations. The revised IDP would be subject to approval by the Regeneration board, Capital Programme Board and Cabinet. Following this, subsequent updates would be made quarterly with additional projects to be approved by the Regeneration Board and Capital Programme Board.

3.2.19 If agreed, the IDP update process would commence in the new financial year with the aim to complete that process by the end of the financial year.

Proposal 2 (a) to (c): Governance and Decision Making

3.2.20 The proposed governance measures relate to the SCIL allocation and approval process. A separate paper is being brought forward to Cabinet relating to the allocation of Neighbourhood CIL (NCIL).

Proposal 2(a): Introduction of prioritisation

3.2.21 It is proposed that criteria for prioritisation are introduced to the SCIL allocation process to help ensure better and more informed decisions on SCIL allocations.

3.2.22 At present, SCIL proposals must include sufficient information to describe the project and to demonstrate that it would meet the legal requirements for SCIL eligibility. Allocation bids are expected to be accompanied by information demonstrating how the proposal will address Borough Plan or Local Plan priorities. However, this does not include the full prioritisation framework that is required for Capital Pipeline.

3.2.23 Brent projects that are allocated SCIL already must go through a prioritisation process in order to be added to the Capital Pipeline. However, this takes place after SCIL is allocated. This proposal will bring the full prioritisation process forward for these projects to the point at which funding is initially allocated rather than introducing a new process.

3.2.24 However, external SCIL allocated projects are not currently added to the Capital Pipeline and therefore do not currently require this information. This proposal would therefore align the prioritisation process for external and internal projects.

- 3.2.25 The existing Capital Pipeline prioritisation criteria would be used to ensure that the processes for the allocation of Council funding are aligned (see Appendix 1).
- 3.2.26 There would be an expectation that projects are added to the Infrastructure Delivery Plan prior to be put forward for SCIL bids to ensure that Infrastructure is properly planned and to allow the forecasting of infrastructure costs and funding availability. However, it is recognised that some infrastructure projects cannot be foreseen, and project leads will still be able to bid for SCIL funding if their project is not on the plan.
- 3.2.27 The prioritisation criteria includes an assessment of savings to the revenue budget. It is suggested that, in line with how some other Councils use their SCIL, a sharper focus on some 'business as usual' activities is introduced by service areas to see if they are SCIL eligible.

Proposal 2 (b): Change to allocation approval structure

- 3.2.28 Services or partner organisations who are seeking SCIL funding currently present their projects to the IOWG who consider whether the project meets the legal criteria for SCIL. The IOWG is formed of officers from Planning, Legal and Finance.
- 3.2.29 It is proposed that infrastructure proposals are presented to the Regeneration Board (renamed the Infrastructure and Regeneration Board) instead of the IOWG.
- 3.2.30 Services and partner organisations who are bidding for SCIL funding would need to submit a paper to the Infrastructure Team with input from Finance and Legal Services. The paper will include information on the project including details of how the proposed infrastructure accords with the prioritisation criteria. The Infrastructure and Regeneration Board would consider both the prioritisation criteria and whether they agree that the infrastructure would be eligible for SCIL.
- 3.2.31 Proposals would then be considered by the Capital Programme Board and Cabinet depending on whether it is an existing or new project and the level of SCIL allocation that is required.
- 3.2.32 It should be noted that proposals are considered by the relevant board under the current procedures. This proposal looks to accelerate the process by removing the need for the IOWG to review the proposal for SCIL eligibility, but it introduces a requirement for Legal and Finance to input into the report prior to consideration by the Infrastructure and Regeneration Board to ensure that appropriate safeguards remain in place.

Proposal 2 (c): Changes to SCIL level of delegated authority

- 3.2.33 The Capital Programme Board can currently approve SCIL allocations up to the value of £250k for projects already within the Capital Programme Board through the delegation of authority to the Director of Finance who chairs the board. Bids

that are above this value or new projects are approved by Cabinet. This level of authority does not align with the budget virement process captured within the Constitution and can result in delays to the approval and delivery of infrastructure.

3.2.34 It is proposed that the level of delegated authority is increased to align with the Constitution to streamline the consideration of infrastructure proposals.

3.2.35 For projects that already benefit inclusion within the Capital Programme, it is proposed that the Regeneration Board (renamed the Infrastructure and Regeneration Board) would approve allocations up to £500 k while the Capital Programme Board would approve allocations up to £3 m. As with the existing process, authority would be delegated to the director who chairs the relevant board.

3.2.36 New projects not already within the Capital Programme or SCIL bids above £3 m would continue to be considered by Cabinet. This could be done through the annual budget setting process or through ad hoc requests for approval from Cabinet if the project has not been identified at the budget setting stage (with smaller projects grouped rather than put forward individually).

3.2.37 These changes will also encourage the forward planning of infrastructure projects which will help to ensure that infrastructure spending responds effectively to pressures and demands. It will discourage last minute ad hoc bids but will not prevent them as it is not always possible to forecast the need for infrastructure, and in some instances, match funding may become available which may necessitate an agile decision on infrastructure spending.

Proposal 3: Infrastructure monitoring and management

3.2.38 At present, infrastructure projects are monitored through several different means including financial reporting of the overall project in conjunction with their finance business partner and updates to the relevant board. However, this is not always reported to the Infrastructure Team promptly which hinders monitoring and, in some instances, has resulted in spend on eligible elements of a proposal with the funding then needing to be found from another budget.

3.2.39 It is proposed that infrastructure project managers (both internal and external) will be required to provide quarterly updates on the infrastructure projects on the timescales for the project, costs (including any over / under spends) and other issues. Reminders will be sent to all project managers by the Infrastructure Team. However, the project manager will be responsible for monitoring their own project.

3.2.40 The infrastructure list and updates will be circulated quarterly to the Regeneration Board (renamed the Infrastructure and Regeneration Board) and Capital Programme Board who will have the ability to call the project manager to present an update to the board and respond to questions. Boards will also be able to remove allocations from infrastructure projects (e.g. if it is unlikely that the project will proceed, and it is no longer a priority). The progress updates

will be reported to lead members quarterly, with updates provided to cabinet annually in December to support the Infrastructure Funding Statement process.

Proposal 4: Forward allocation of funding for future projects

- 3.2.41 Funding is currently allocated for projects where at the point at which they are looking to proceed to delivery. This has not resulted in any issues to date as the SCIL pot has been sufficient to accommodate all funding requests. However, some elements of high-cost infrastructure are expected to come forward in future years while SCIL receipts will reduce due to the slow-down in development delivery.
- 3.2.42 It is proposed that SCIL funding can be allocated for future infrastructure delivery to build up a reserve which is available for that infrastructure when required. This would go through the normal prioritisation and approval process (Infrastructure and Regeneration Board, Capital Programme Board, Cabinet), but there would be less certainty regarding the precise amount of funding required and the timescales for delivery. The need for the infrastructure, expected cost and timeframes for delivery would be reviewed and updated quarterly using the monitoring and management processes within Proposal 3.
- 3.2.43 For example, a piece of infrastructure may be known to be required in 4 years' time and expected to cost £40 million. A forward funding allocation may be approved for £10 million per annum to be allocated towards this infrastructure, and the SCIL available within those years reduced accordingly. The lead officer for that project would then continue to monitor the timescales, cost and need for that infrastructure and provide updates in line with the SCIL monitoring regime. Examples of significant infrastructure that may come forward in the future includes the Bridge Park Leisure Centre and the West London Orbital.

Proposal 5: Payments in Kind and Infrastructure Payments

- 3.2.44 The Council is permitted to accept the provision of land from a developer if that land is then used for the provision of infrastructure that forms a part of the Council's Infrastructure List. This is known as a Payment in Kind. If a Payment in Kind is accepted by the Council, then the amount of CIL that a developer must pay for the development is reduced by the value of that land. The value of that land must be determined by an independent person, using the market value of the land on the day the valuation takes place.
- 3.2.45 The Council may also accept an "Infrastructure Payment" from a developer where that developer will deliver infrastructure for which forms a part of the Council's Infrastructure List, and that infrastructure is not necessary to make the development acceptable in planning terms. In such instances, agreement would need to be reached between the council and the developer on the value of the infrastructure and the date by which the infrastructure will be provided. If such agreement is reached, the amount of CIL that the developer must pay is reduced by the value of that infrastructure.
- 3.2.46 The Council's current procedures do not cover Infrastructure Payments or Payments requests for them. However, the Council has been informally

approached by some developers recently in relation to the potential to use the Infrastructure Payment mechanism.

3.2.47 It is proposed that the process is led by the Infrastructure Team and that the approval process is similar to that for SCIL allocations. The developer would propose the use of the mechanism, set out the reason why they consider this mechanism to be applicable, the estimate value of that land or infrastructure and how they demonstrate it would meet the SCIL prioritisation criteria. The Infrastructure Team would prepare a paper on the proposal in consultation with any relevant services which would be considered by the Infrastructure and Regeneration Board, Capital Programme Board and Cabinet for in-principle agreement (depending on the value of the SCIL request and associated level of delegated authority).

3.2.48 Should this be given, the Infrastructure Team would then liaise with the developer in relation to costings / valuation and any associated supporting information that is required. The developer would be expected to cover the cost of commissioning the independent experts, but those experts would be jointly commissioned by the council and developer. The Infrastructure Team would work jointly with the Property and Assets team and Legal Services in relation to any Payments in Kind as the acceptance of this would result in land being transferred to the Council.

3.2.49 Once agreement has been reached on the value of the land or infrastructure, final approval would be sought from the Infrastructure and Regeneration Board, Capital Programme Board and then Cabinet (again, depending on the infrastructure cost and associated level of delegated authority).

Alternatives Considered

Alternative: Do nothing

3.2.49.1 This option would mean maintaining the status quo, whereby requests for SCIL come to the IOWG on an 'as and when' basis, and decisions are made on an individual basis. This is expected to result in the inability to fund some future SCIL requests for large infrastructure proposals with insufficient funding available in the SCIL pot.

3.2.49.2 The absence of forward planning is also likely to result individual infrastructure projects being approved without consideration of whether proposals represents the best use of the funding to respond to borough and local plan objectives, focus on inclusive growth and deliver cost savings for the council.

4 Stakeholder and ward member consultation and engagement

4.1 Engagement and consultation with members, as well as internal and external stakeholders, will take place at various stages as outlined in the proposals. Significant engagement will occur through the Infrastructure Delivery Plan (IDP) process to ensure all stakeholders and members:

- Understand the IDP process and the types of infrastructure SCIL can fund.

- Are informed about expected growth in the borough.
 - Have the opportunity to propose infrastructure projects for consideration.
- 4.2 Further engagement will take place through the SCIL bidding process and the monitoring of both the IDP and SCIL allocations. The proposals also include regular progress reporting on infrastructure allocations to the lead member and Cabinet.

5 Financial Considerations

- 5.1 Under the current governance structure for Capital spend, a sub-board can authorise variations to existing Capital schemes of up to £0.5 m. For variations of £0.5 m to £3 m, approval must be sought from the Capital Programme Board. The aim of proposal 2 is to align the approval for use of SCIL to the variations that can be approved by both sub-board and Capital Programme Board.
- 5.2 As at the end of Q3 2024/2025, the Council has a SCIL balance of £62.1 m that is available to currently allocate. Whilst this is a large sum of money, the borough's infrastructure needs (which are set out in the IDP) are much greater than the SCIL funds available. As such a prioritisation process to ensure that only projects which meet agreed criteria are met and where possible other funding streams are considered is good governance.
- 5.3 Applications for SCIL allocation will be accompanied by an assessment of how the project accords with the prioritisation criteria to allow for better consideration by the Regeneration Board, Capital Programme Board and Cabinet. This will allow the Capital Programme Board and Cabinet to consider how projects accord with Council priorities when determining SCIL allocations and therefore allow more informed decisions on infrastructure spending.

6 Legal Considerations

- 6.1 The proposed SCIL governance and prioritisation would produce a more coordinated decision-making process for how the Council prioritises SCIL spend to support growth linked to the Local Plan and IDP, capital programme and other council strategies.
- 6.2 SCIL is a levy that allows the Council to raise funds from developers in recognition of the fact that new development creates pressure on the borough's infrastructure. CIL must be used by authorities for funding infrastructure to support the development of its area as set out in Regulation 59 of The Community Infrastructure Levy Regulations 2010 (Amended) ("The CIL Regulations"). Infrastructure is defined in The Planning Act 2008. It has a broad definition including transport, flood defences, schools, hospitals, health, and social care facilities. As such CIL can be used to fund a wide variety of facilities such as play areas, parks, and green spaces, cultural and sports facilities and district heating. This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant plan.

- 6.3 Regulation 121A of the CIL Regulations require that no later than 31st December (starting from the 31st December 2020), in each calendar year a contribution receiving authority must publish a document ("the annual infrastructure funding statement") which comprises the following:
- (a) a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies) ("the infrastructure list");
 - (b) a report about CIL, in relation to the previous financial year ("the reported year"), which includes the matters specified in paragraph 1 of Schedule 2 ("CIL report");
 - (c) a report about planning obligations, in relation to the reported year, which includes the matters specified in paragraph 3 of Schedule 2 and may include the matters specified in paragraph 4 of that Schedule ("section 106 report").
- 6.4 The statement must be published on the Council's website.

7 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 The public sector equality duty set out in Section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not share that protected characteristic.
- 7.2 The proposed options for SCIL governance and prioritisation would not have a direct impact on EDI. This is related to the implementation of the Brent Local Plan and to that extent has been subject to an Equalities Impact Assessment. The review of the IDP will be subject to a review against EDI requirements. Moreover, each project that comes forward would need to be subject to EDI considerations.

8 Climate Change and Environmental Considerations

- 8.1 Climate change mitigation and climate resilience infrastructure is included in the current IDP, and these inclusions will be reviewed and updated as part of the development of the new IDP. The proposed approach for SCIL governance and prioritisation would not have a direct impact on Council's environmental objectives and climate emergency strategy however, each individual project that comes forward would need to consider these implications prior to applying for SCIL funding. In addition, decisions on SCIL allocation and prioritisation are likely to have an impact on achievement of our climate and environmental objectives and so these objectives will need to be considered alongside competing council objectives and priorities.

9 Human Resources/Property Considerations (if appropriate)

- 9.1 There are no Human Resources/Property implications as a result of this report.

10 Communication Considerations

- 10.1 The updated governance strategy will be noted within the annual Infrastructure Funding Statement which is published each year on 31st December.
- 10.2 Any changes to the processes will also need to be communicated with internal and external infrastructure providers who may feed into the IDP or look to bid for SCIL funding in the future.

Report sign off:

Alice Lester

Corporate Director of Neighbourhoods & Regeneration