



Environment and Sustainability Committee

25 April 2023

Title	Proposed Strategic Community Infrastructure Levy (CIL) Terms (ToR) of Reference following the dissolving of the Spelthorne Joint Committee
Purpose of the report	To make a decision
Report Author	Joanna Ghazaleh – Infrastructure Delivery Coordinator
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	Community Environment Service delivery
Recommendations	<p>Committee is asked to:</p> <ol style="list-style-type: none"> 1. Agree the proposed Strategic CIL ToR (Appendix A) following the dissolution of the Spelthorne Joint Committee.
Reason for Recommendation	<p>The Spelthorne Joint Committee is currently identified as the final decision-maker with regards to Strategic CIL funding. Once the Committee is dissolved, the Strategic CIL ToR must be amended to reflect a new final decision-maker. It is proposed the Environmental and Sustainability (E&S) Committee is the new final decision-maker, and the Committee is asked to agree the proposed ToR (Appendix A) to reflect this change.</p> <p>In addition to the above, the ToR have also been amended to move from accepting applications for CIL on an ad-hoc basis, to a structured annual spending round, in agreement with the CIL Task Group.</p>

1. Summary of the report

- 1.1 This report seeks agreement of the proposed Strategic CIL ToR (Appendix A) following the dissolution of the Spelthorne Joint Committee.

2. Key issues

Background

- 2.1 The CIL regime was implemented in Spelthorne in 2015. Monies collected via the CIL mechanism can be used in 3 ways, as follows; Administration costs (5%), Local CIL Funding (15%), and Strategic CIL Funding (80%).
- 2.2 This report, and the attached governance relates only to Strategic CIL. Local CIL is decided by Ward Members and has its own, separate governance.
- 2.3 It was under the remit of the Spelthorne Joint Committee to be the final decision maker for Strategic CIL Funding, as reflected in the current Strategic CIL ToR.
- 2.4 In 2022 Surrey County Council (SCC) served notice of their intention to withdraw from all Joint Committees. As a result, Spelthorne Council Standards Committee asked to recommend Council at its meeting on 23 February 2023 to “transfer the existing Council, delegated and advisory functions currently within the remit of the Joint Committee, back to this Council”. This was agreed.
- 2.5 It is understood SCC held a ‘Constitution of the Council’ meeting on 21 March 2023 to ratify the changes at their end.
- 2.6 These changes mean the responsibility of CIL allocation and spending is entirely in the gift of the Borough Council. Ongoing consultation and collaboration with SCC will continue on an Officer level, as with all infrastructure stakeholders.
- 2.7 As of the end of March 2023 the Spelthorne Joint Committee will no longer be in existence. As the Joint Committee is currently the final decision-maker with regards to Strategic CIL bids, the CIL ToR need to be amended to reflect the new final decision-maker will be the E&S Committee.
- 2.8 In exceptional circumstances, CIL decisions can be made by the CPRC Committee, as reflected in the amended ToR. However the default Committee to make final decisions on CIL will be the E&S Committee.
- 2.9 In addition to the above, the ToR have also been amended to move from accepting applications for CIL on an ad-hoc basis, to a structured annual spending round, in agreement with the CIL Task Group.
- 2.10 The Strategic CIL Bidding Round will run between the months of April and June. Where possible, final decisions should be published between September and October.
- 2.11 As Local CIL funding decisions are made by the Local Spending Boards, they are not affected by the dissolving of the Spelthorne Joint Committee. There are no changes to the Local CIL ToR.

3. Options analysis and proposal

Option 1 – Approve amendments to the ToR

- 3.1 In order to progress with Strategic CIL funding, and to avoid any delays on current projects, it is key that the current ToR are amended to remain valid.
- 3.2 CIL is intrinsically linked to the planning system, therefore the E&S Committee is the best placed, and most informed group to take over as the final decision maker with regards to Strategic CIL funding.

- 3.3 The proposed ToR (Appendix A) removes reference to the Spelthorne Joint Committee and replaces it with the E&S Committee.
- 3.4 The ToR have also been amended to reflect a move from accepting bids on an ad-hoc basis, to a more structured, annual spending round. This was agreed by the CIL Task Group as it allows more certainty for both the Council and applicants, allows funding awards to align with long-term strategic goals, and allows the opportunity for CIL receipts to accrue.
- 3.5 It is proposed the Strategic CIL Bidding Round will run between the months of April and June. Where possible, final decisions should be published between September and October.
- 3.6 It is proposed Members agree to these changes in order for the CIL funding process to continue.

Option 2 – Reject amendments to the ToR

- 3.7 This option is not recommended. As the Joint Committee will no longer exist, not reflecting this change to the ToR would make them invalid and would halt the decision-making process.
- 3.8 CIL provides funding towards infrastructure required as a result of development in its area. Should the CIL spending process be halted, this would have an impact on the delivery on infrastructure in the Borough, as well as a knock on impact on residents.

Option 3 – Amended wording to proposed changes

- 3.9 This option would also not be recommended. The proposed changes have been made in consultation with the CIL Task Group.
- 3.10 The move to an annual bidding cycle is proposed in order to better the process and reflects best practice across other Boroughs within the surrounding area.
- 3.11 Any further changes to the ToR would potentially cause a delay in the process, which would have a detrimental effect to the Borough's infrastructure and residents.

4. Financial implications

- 4.1 Due to the move to a more structured spending round, there are unlikely to be any imminent financial implications, however, without a valid ToR, future recommendations and decision may be delayed. For this reason, it is key to update the ToR to avoid any future financial implications.

5. Risk considerations

- 5.1 Should the proposed changes not be made, this will halt the Strategic CIL spending process. CIL provides funding towards infrastructure required as a result of development in its area. A halt to the process would have an impact on the delivery on infrastructure in the Borough, as well as a knock-on impact on residents.

6. Procurement considerations

- 6.1 No identified risks.

7. Legal considerations

- 7.1 No identified risks.

8. Other considerations

- 8.1 Should the amendments to the ToR be accepted, there are a number of changes to be made to the CIL webpages and information available online.
- 8.2 Key stakeholders would be made aware of the changes to the bidding cycle. This will be done both by direct and online communications.

9. Equality and Diversity

- 9.1 None identified.

10. Sustainability/Climate Change Implications

- 10.1 None identified.

11. Timetable for implementation

- 11.1 The Strategic CIL ToR need to be amended in order to delay and future decision making with regards to funding. Therefore should the proposed ToR be agreed, these will take effect immediately.
- 11.2 As the proposed bidding cycle will run from April – June, communications would be made immediately to notify key stakeholders about the change.

12. Contact

- 12.1 Joanna Ghazaleh – j.ghazaleh@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix A – Amended Strategic CIL Governance