



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

23 SEPTEMBER 2021

CIL ANNUAL MONITORING

**REPORT OF THE DIRECTOR PROSPERITY AND DEVELOPMENT IN
DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDER
COUNCILLOR ROBERT BEVAN**

Author(s): Jim Bailey, Head of Planning

1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to seek Cabinet's approval in respect of the contents of the CIL Annual Monitoring Report and the proposed changes to the Regulation 123 List.
- 1.2 To advise Cabinet of the pre scrutiny by the Finance and Performance Scrutiny Committee in respect of the Community Infrastructure Levy.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Cabinet:
 - (1) Approve the CIL Annual Monitoring Report (Appendix A).
 - (2) Approve the Regulation 123 List (Appendix B) for publication on the Council website for a period of 28 days and consultation as set out in paragraph 5.8.
 - (3) Approve the subsequent adoption of the Regulation 123 List if no adverse comments are received.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To enable the Council to continue to operate a Community Infrastructure Levy in accordance with the statutory regulations.

4. BACKGROUND

- 4.1 The Community Infrastructure Levy Regulations 2010 (as amended) require the Council to produce an **annual report detailing CIL income and expenditure** (Appendix A). Set out in paragraph 5.2 below is the details of the sixth of these annual reports since the Council introduced CIL in December 2014.
- 4.2 The Community Infrastructure Levy Regulations 2010 (as amended) also require the Council to publish an Infrastructure List (known as the Regulation 123 List). The List should set out the infrastructure, which the Council considers it is likely to apply CIL revenue to.
- 4.3 At the meeting of the Cabinet held on 23 July 2015, Members agreed the process for formulating, monitoring and revising the Regulation 123 list, which includes that the relevant Scrutiny Committee/Group review the operation of the list and consider the annual 123 list and annual CIL financial monitoring report and make recommendations to Cabinet where appropriate.

5. MATTERS FOR CONSIDERATION

CIL INCOME & EXPENDITURE

- 5.1 The Regulations require that CIL income must be split into three parts:
- 80% to be applied to infrastructure to support growth of the Council's area (known as the 'Strategic CIL' and is to be spent on items on the Regulation 123 List).
 - 15% to be passed to the Community/Town Council in whose boundary the development that paid CIL is located for the provision of local infrastructure improvements of other measures that support the development of the area.
 - 5% to be applied towards implementation and ongoing administration.
- 5.2 The total CIL income received in 2020/21 was £176,332.59
- 80% as Strategic income = £24,481.84 *
 - 15% Local income = £150,320.64
 - 5% Administration income = £1530.12

*(*80% Strategic income is less than the 15% Local income due to the amount being off-set against the infrastructure balance until the cost of the new primary school at the Llanilid development has been met.)*

Strategic income carried forward from 2019/20 was £768,195.08
Balance of strategic CIL income £792,676.92

- 5.3 The **annual monitoring report** at Appendix A provides a breakdown of the CIL receipts received and the distribution of 15% of CIL receipts to Community/Town Councils.
- 5.4 There has been no expenditure of Strategic CIL income to date however, Cabinet agreed on 20th September 2018 to spend £395,000 of Strategic CIL on Ffynnon Taf Primary School. The project will include a new build extension (4 classrooms and a hall) and refurbishments to the current school buildings for school and community use. The £395,000 Strategic CIL money was proposed to be spent by end 2020/21, however, due to a delay, the CIL money will be spent by the end of 2021/22.

THE REGULATION 123 LIST

- 5.5 Whilst two amendments are needed to the Council's updated **Regulation 123 List** (considered at Cabinet on 17th November 2020) the broad thrust of the List remains the same as it proposes transportation and education projects that support and mitigate the growth anticipated through the Council's Local Development Plan. The proposed changes to the List are set out in Appendix C.
- 5.6 There is one proposed change to the transportation project part of the List:
- Remove the Mountain Ash Cross Valley Link as it has progressed without the need for CIL funding.
- 5.7 There is one proposed change to the education project part of the List:
- Remove the new/additional education provision to serve Station Road, Church Village as this infrastructure project is to be funded by S106 education contributions
- 5.8 It is recommended that Cabinet approve the updated **Regulation 123 List** (Appendix B) for publication on the Council web-site for 28 days and if there are no adverse comments received then the 123 List can be adopted. It is further recommended that the notification of the consultation be sent to all elected Members, Town and Community Councils and to the Members of the Council's Developers Forum.

6.0 PRE SCRUTINY

- 6.1 As outlined within the Committee's Terms of Reference, pre-scrutiny and Members of the CIL is a role placed on the Finance and Performance Scrutiny Committee.

- 6.2 In light of this role, pre-scrutiny on the CIL was undertaken by the Committee on the 8 September 2021 prior to Cabinet's consideration.
- 6.3 Members of the Finance and Performance Scrutiny considered the contents of the report on the 8 September 2021 and the minutes are shown at Appendix D.

7. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO-ECONOMIC DUTY

- 7.1 There are no direct implications as a result of this financial report, however, the equality and diversity implications of any infrastructure schemes that will be funded by CIL will be considered in the development of those projects.

8. WELSH LANGUAGE IMPLICATIONS

- 8.1 There are no direct implications as a result of this financial report, however, the Welsh Language Impact Assessment of any infrastructure scheme that will be funded by CIL will be considered in the development of those projects.

9. CONSULTATION / INVOLVEMENT

- 9.1 As set out in paragraph 5.8 above.
- 9.2 The CIL Annual Monitoring Report was presented to the Finance and Performance Scrutiny Committee on 8 September 2021 and Members agreed the recommendations as listed above in paragraph 2.1.

10. FINANCIAL IMPLICATION(S)

- 10.1 No additional budget requirements and the CIL receipts and spend for the year 2020/21 is set out at Appendix A.

11. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 11.1 The report and appendices have been prepared in accordance with the Community Infrastructure Levy Regulations 2010 (as amended).

12. LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

- 12.1 Infrastructure funded through CIL will support the Building a Strong Economy and Creating Neighbourhoods Where People are Proud to Live and Work priorities in the Corporate Plan.

13. CONCLUSION

- 13.1 CIL receipts were relatively low during 2020/21 (albeit the Llanilid development continues to generate CIL 'in kind' through the facilitation of a new school as part of the development) which is believed to be as a result of development being curtailed during the Covid-19 pandemic, however, it should be noted that for those significant sites in CIL residential Charging zones 2 and 3 that are not already built or already benefiting from planning permission there are strategic sites that should be forthcoming in the near future. There are also a small number of sites that are unlikely to come forward in the near future due to significant deliverability and viability concerns. It is proposed to undertake a full review of the operation of CIL as part of the forthcoming review of the Council's Local Development Plan.
- 13.2 The Regulation 123 List is considered appropriate to assist in funding schemes that support growth in the County Borough.

Other Information:-

Relevant Scrutiny Committee: Finance and Performance

Contact Officer: Jim Bailey Head of Planning

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

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Item:

Background Papers

Officer to contact: Jim Bailey, Head of Planning