

# 2016/17 Community Infrastructure Levy (CIL) Report

## 1. Introduction and Background

- 1.1 The London Borough of Newham (LBN) is a Community Infrastructure Levy (CIL) charging authority and collecting authority in accordance with the Planning Act 2008 (as amended) and the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) ('CIL Regulations'). This enables a charge to be levied on new development in order to fund infrastructure that is needed to support development across the borough.
- 1.2 LBN's CIL Charging schedule was adopted by full Council on 30 September 2013 and came into effect on 1 January 2014.
- 1.3 Pursuant to Regulation 62 of the CIL Regulations a charging authority is required to report on the CIL receipts and expenditure for a reported year, which for the avoidance of doubt is the LBN financial year from April 2016 to March 2017.
- 1.4 The types of infrastructure that may be funded by Newham's CIL are outlined in Newham's Infrastructure List or 'Regulation 123 List' which is published on the LBN's website, an extract of which is appended to this report (Appendix 1).
- 1.5 The LBN has an adopted instalment policy for the payment of CIL which can be found on the LBN's website.
- 1.6 The LBN has made no provision for a policy for accepting infrastructure payments in lieu of financial contributions which is a reporting requirement of the CIL Regulations.

## 2. CIL receipts and expenditure

- 2.1 This report reflects the monies received and expended in the 2016/17 financial year.
- 2.2 Regulation 62(4) provides that the report by the charging authority on CIL must include:
  - (a) the total CIL receipts for the reported year;
  - (b) the total CIL expenditure for the reported year;
  - (c) 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

2.3 Table A below provides the details required by Regulation 62(4):

Regulation requirements	2016/17 (£)
(a) total CIL receipts	2,262,331.22
(b) total CIL expenditure	2,000,619.00
(c) summary details of CIL expenditure;	
(i) the items of infrastructure to which CIL (including land payments) has been applied	see par 2.4 of this report.
(ii) the amount of CIL expenditure on each item	see par 2.4 of this report.
(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)	NIL
(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	113,116.56 5%
(d) the total amount of CIL receipts for the reported year retained at the end of the reported year.	148,595.66

Table A: Overview of CIL 2016/17

2.4 The total LBN CIL receipts in the reported year amounted to £2,262,331.22. The CIL Regulations allow for 5% of the total receipts, in this case equalling £113,116.56 to be applied to administrative expenses which facilitate the collection of CIL receipts in 2016/17.

2.5 In March 2017, an officer key decision by the Director of Regeneration and Planning authorised the allocation of £2,000,619.00 of CIL receipts which was applied towards the following:

Infrastructure Project	Expenditure
Leisure and Sports (Operation of <i>community public sports and leisure</i> facilities throughout the borough)	£200,736
Leisure and Sports (Facilitating London Youth Rowing on Royal Victoria Dock)	£87,000
Leisure and Sports (Community use of sports/leisure facilities within LBN Schools)	£154,000
Physical Regeneration (projects such as the Leaway and associated bridge connections; Royal Docks Infrastructure works)	£171,811
Education Programme Team (Provision / Operation of	£337,072

<i>community infrastructure</i> throughout the borough)	
Active Newham (Operation / maintenance of <i>community public sports and leisure</i> facilities throughout the borough)	£1,050,000
<b>TOTAL EXPENDITURE</b>	<b>£2,000,619.00</b>

Table B: CIL Expenditure 2016/17

- 2.6 Table provides an overview of the CIL Expenditure in the reported year 2016/17. The monies have been allocated towards improvement and maintenance of a range of schools, investment in leisure centres to enhance the health and wellbeing of Newham’s residents and staff costs to facilitate the provision of infrastructure. Further details of the officer key decision can be found on the LBN’s website.
- 2.7 In addition to the allocations as detailed above, the balance of £148,595.66 in net CIL receipts has been carried forward to the current financial year 2017/18.
- 2.8 The LBN does not have a policy to enable infrastructure payments, therefore this cannot be reported on.
- 2.9 The requirement set out by Regulation 59A and 59C that the charging authority must allocate at least 15 per cent of CIL (Neighbourhood CIL) on priorities agreed in consultation with the local community relates primarily to charging authorities that have a parish, town or community council. The LBN does not have a parish, town or community council or any adopted neighbourhood plans. Instead, the charging authority’s approach is that the entire borough is considered as one single neighbourhood area for the purpose of Neighbourhood CIL. This means that all decisions on CIL expenditure will be made on a borough-wide basis.

### 3. Summary of CIL

- 3.1 Payment of LBN’s CIL is due in line with the adopted instalment policy but is dependent upon development commencing in the borough. This report establishes that the LBN CIL is a source, but not a reliable one, to be applied towards the provision, improvement, replacement, operation or maintenance of a range of infrastructure across the borough which will help support the growth and development in the area.
- 3.2 The total CIL receipts for the financial year 2016/17 are £2,262,331.22. The balance of £148,595.66 has been carried forward to the current financial year 2017/18 which will be allocated based on the LBN’s discretion and the approach to allocate funding on an annual basis.

## Appendix 1

Extract of Newham's Regulation 123 List

**Table 1: London Borough of Newham – Regulation 123 list**

<b>Infrastructure projects or types that will or may be wholly or partly funded by CIL</b>
Provision, improvement, replacement, operation or maintenance of infrastructure within or enabling access to Strategic Sites identified in Newham's Core Strategy ( <i>with the exception of the infrastructure specified in the section 106 table below</i> ), and to meet the strategic objectives of the Council.
Provision, improvement, replacement, operation or maintenance of community infrastructure (as defined by Core Strategy Policy INF8) outside Strategic Sites identified in Newham's Core Strategy.
Provision, improvement, replacement, operation or maintenance of public open space outside Strategic Sites identified in Newham's Core Strategy
Provision, improvement, replacement, operation or maintenance of public sports and leisure outside Strategic Sites identified in Newham's Core Strategy.
Provision, improvement, replacement, operation or maintenance of local transport infrastructure outside Strategic Sites identified in Newham's Core Strategy.

**Table 2: Indicative list of infrastructure which may be secured through a section 106 agreement for Core Strategy Strategic Sites**

<b>Infrastructure the Council will seek to be secured by section 106 agreement include:</b>
Core Strategy Site S10 Abbey Mills - bridge connection over Manor Road to West Ham station
Core Strategy Site S11 Parcelforce – bridge connection over Manor Road to West Ham station
Core Strategy Site S15 Canning Town East - bridge connection over A13 to Barking Road
Core Strategy Site S18 Limmo - bridge connection from Limmo site to Canning Town station and access to station
Core Strategy Site S22 Minoco Wharf – provision of education facilities to serve developments within the site and hinterland
Core Strategy Site S19 Royal Albert Basin - provision of education facilities to serve developments within the site and hinterland