

Title of meeting:	Planning Policy and City Development Portfolio Decision Meeting
Date of meeting:	29 November 2022
Subject:	Neighbourhood CIL spending in Milton Neighbourhood Area
Report by:	Ian Maguire, Assistant Director Planning & Economic Growth, Regeneration
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

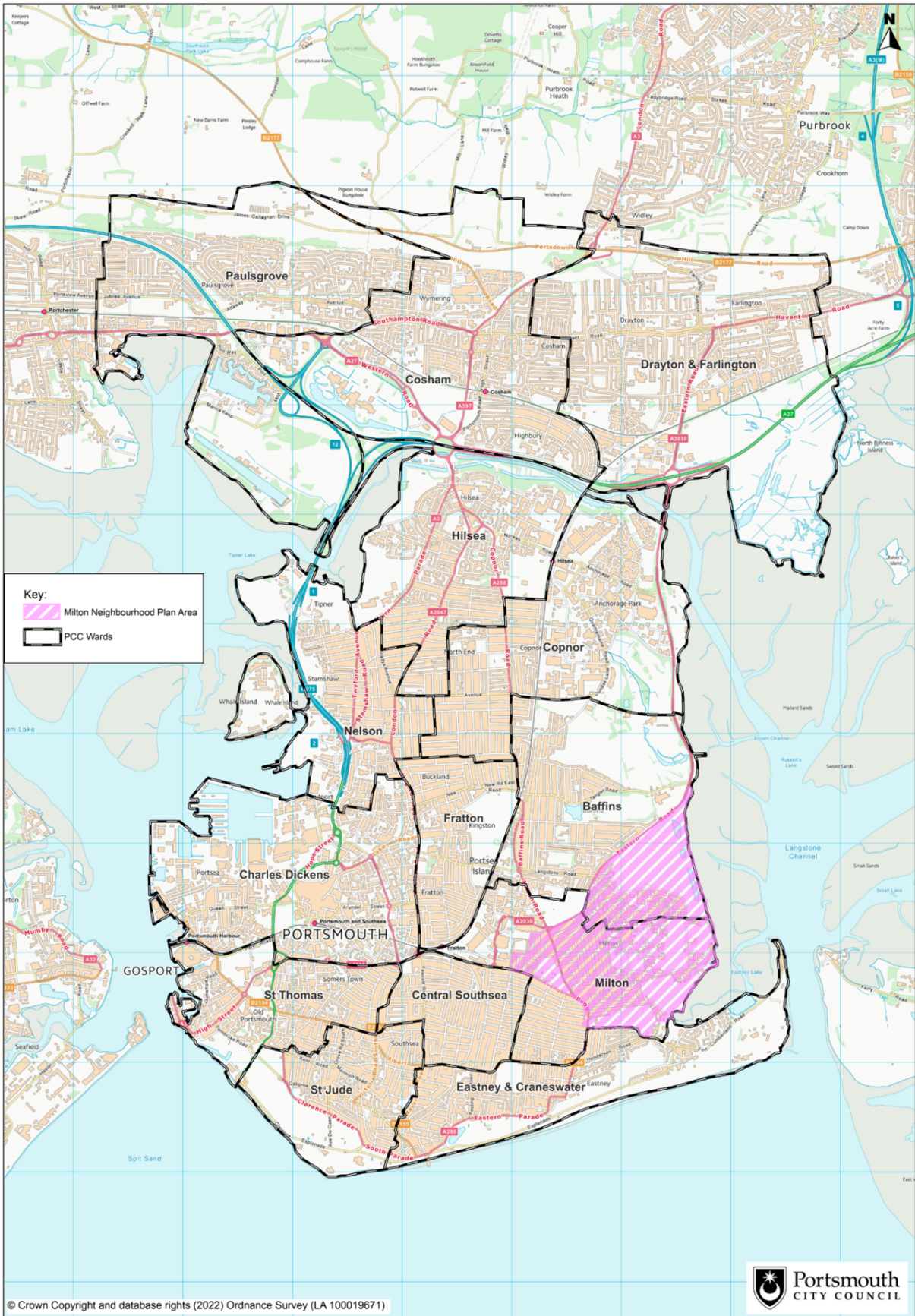
- 1.1. The purpose of this report is seek approval for an amendment to the procedure for spending the neighbourhood portion of Community Infrastructure Levy (CIL) to reflect the adoption of the Milton Neighbourhood Plan (MNP) within the relevant area of Portsmouth.

2. Recommendations

- 2.1 To Resolve: that the updated Draft CIL Neighbourhood Portion Spend Guidance Note (appendix 1) be adopted and applied by Portsmouth City Council.**

3. Background

- 3.1 On the 11th October 2022 Full Council approved the adoption of the MNP as part of the Development Plan for Portsmouth. The MNP has an impact on the allocation and process of CIL spend in respect of the Neighbourhood portion of the collected Levy. 25% of CIL income from affected developments (where planning permission first permits development in the MNP area on or after the 11th October date) will be directed to the CIL Neighbourhood pot for that ward instead of 15%, which was the proportion prior to adoption.
- 3.2 The location of the MNP not only spans a large proportion of the Milton ward, but also extends in a northerly direction into the Baffins ward, namely Milton Common. Below is an illustrative map of the Portsmouth wards and the area spanning the Milton Neighbourhood Plan Area.



4. Reasons for recommendations

- 4.1 It is important to reflect the adoption of the MNP within the Council's current Neighbourhood Spend application process to ensure that priorities within the MNP are met within future relevant bids and the Milton Neighbourhood Forum (MNF) as a constituted body are part of the decision-making process.
- 4.2 The MNP and supporting evidence document set out the priorities for the future of Milton in general terms, and officers broadly categorised these priorities in an appendix to a Note (Appendix 2) that was shared with the Milton Neighbourhood Planning Forum (MNF) and with Ward Members for Milton and Baffins Wards.
- 4.3 As part of that draft amended to procedure, shared with those local stakeholders, it was proposed to include the MNF as a formal consultee alongside Ward Councillors from the affected wards on relevant bids. As a result of the MNP spanning into the Baffins ward, the MNF will also be consulted on Neighbourhood CIL spend applications located within the Baffins ward.
- 4.4 To reflect the adoption of the MNP, the Council's Draft CIL Neighbourhood Portion Spend Guidance Note (DNPSG) has been updated to reflect the insertion of the MNP. Appendix 1 provides a copy of the proposed updated DNPSG. It is intended that the application process for seeking funding from Neighbourhood CIL itself will remain the same, however, the main amendments are the inclusion of the MNF as a formal consultee as referred to within the application process summary in the DNPSG and the encouragement of decision takers to ensure they have appropriately considered the priorities for infrastructure described in the MNP..
- 4.5 As an illustrative example, if a Neighbourhood CIL application was submitted that was located within either the Milton or Baffins wards, the CIL team would first carry out an initial assessment against the published criteria and also the MNP priorities (as documented within appendix B of the DNPSG). If applications are considered suitable, this will be confirmed in a statement along the lines of *'It is considered that the proposed spend item meets the local priorities as set out within the Milton Neighbourhood Plan'*. That statement can then inform the further consultation stages with Ward Members, the MNF, and the s151 Officer. It will also provide confirmation to the wider Council as part of the MIS publication and to the decision making process following these consultations.
- 4.5 Ward Councillors from the affected ward(s) along with the MNF would then be contacted by email to request confirmation as to their support of the application. In a situation where differing views may be provided, between any of the Ward Members and/or the MNF and an agreement cannot be reached, as per the DNPSG, the Neighbourhood CIL application will be reviewed by Cabinet to arbitrate.
- 4.6 As noted above the proposed amended policy and summary of infrastructure spending priorities, was shared with the MNF and the Ward Members for Milton

and Baffins. In response to this consultation they have provided the following comments for the consideration of the Portfolio Holder:

4.6.1 One Baffin's ward member sought clarification regarding whether the MNF would be included as a consultee on all NCIL spending applications, including those outside of the MNP area.

Officers provided clarification confirming that "the proposed procedure as drafted is indeed to consult the MNF on all NCIL spending applications for Baffins NCIL money whether or not that spending occurs on a site within the MNF area. We frequently see applications for NCIL money from one ward to be spent on an adjacent ward as of course the communities, and the catchments for different types of infrastructure have no regard for where municipal boundaries are drawn. More significantly we want to ensure a process that cannot be criticised by a scenario that a significant proportion/all of Baffins NCIL could be assigned to a project without even the knowledge of the MNF, especially in the future scenarios which may see that NCIL generated from development that occurs within the MNF area of Baffins ward. The procedure is one of consultation with ward members and the MNF, not decision making by ward members or the Forum so checks and balances are built in to prevent unreasonable outcomes as to actual spending, but a process is needed to enable all relevant parties to understand and compare what applications for spending are being brought forward to be funded from budgets that they have a legitimate expectation to have some influence over."

4.7 No other comments in respect of the proposed procedures or the summary categorisations of infrastructure priorities were received as part of the consultation.

5. Equality impact assessment

5.1 An equality impact assessment is not required as the recommendations do not have a disproportionate negative impact on any of the specific protected characteristics as described in the Equality Act 2010.

6. Legal implications

6.1 The spending of CIL receipts is governed by The Community Infrastructure Levy Regulations 2010 as amended ("the CIL Regs"). The Charging Authority has a duty to pass on the neighbourhood portion of the CIL receipts as set out in regulation 59A(3) of the CIL Regs. It states that where all or part of a chargeable development is within an area that has a neighbourhood development plan in place the charging authority must pass 25 per cent of the relevant CIL receipts to the parish council for that area.

6.2 Where there is no neighbourhood plan in place the Charging Authority has a duty to pass on 15% of the relevant CIL receipts to the parish, which is capped at £100 (index-linked) per dwelling in the parish.

6.3 As there are no parish councils in Portsmouth the Charging Authority retains the levy receipts and engages with the ward members, neighbourhood forum (where there is a neighbourhood plan) and local communities where development is taking place to agree with them how best to spend the neighbourhood portion.

7. Director of Finance's comments

7.1 There are no direct financial implications as a result of approving the recommendations within this report.

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Signed by:

Appendices:

Appendix 1 - Amended Draft CIL Neighbourhood Portion Spend Guidance Note
Appendix 2 - Community Infrastructure Levy (Neighbourhood CIL Spend) Procedure Note
(7.10.2022)

Background list of documents: Milton Neighbourhood Plan

The recommendation(s) set out above were approved/ approved as amended/ deferred/
rejected by on

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Signed by: