

Harrow Council - Community Infrastructure Levy (CIL) Income and Expenditure Report – 2018/19

This report has been prepared in accordance with Regulation 62 of the Community Infrastructure Levy Regulations 2010 (as amended).

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| The amount of unapplied CIL brought forward from the previous year(s) | £5,562,410 (comprising £3,926,240 borough CIL and £1,636,170 neighbourhood CIL) |
| (a) Total CIL receipts in the reported year | £3,623,409 (comprising £2,898,727 borough CIL and £543,511 neighbourhood CIL) |
| (b) Total CIL Expenditure in the reported year (borough and neighbourhood) | £343,445 (comprising £309,050 borough CIL and £34,395 neighbourhood CIL) |
| (c) and (ca) Summary of CIL expenditure on Council prioritised infrastructure | |
| (c) (i) The items of infrastructure to which CIL has been applied | (a) Public Open Space (public realm, parks) |
| (c) (ii) The amount of CIL expenditure on each item | (a) £309,050 |
| (c) (iii) The amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure that borrowed money was used to provide | N/A |
| (c)(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 | £181,170, 5.0% |
| (ca)(ii) The amount of CIL passed to any person for that person to apply to funding the provision, improvement, replacement, operation or maintenance of infrastructure | N/A |
| (cb) CIL neighbourhood proportion | |
| (cb)(i) Total amount of the neighbourhood proportion of CIL receipts in the reported year, | £543,511 |

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| (cb)(ii) & (iii) The items to which neighbourhood CIL funding has been applied and the amount of expenditure on each item | (ii) Public Open Space (civic space / public realm), (iii) £34,395 |
| (d) CIL receipts retained for expenditure in future years | |
| (d)(i) Total amount of CIL receipts for the reported year retained at the end of the reported year excluding the neighbourhood proportion | £2,898,727 (i.e. all) |
| (d)(ii) Total amount of borough CIL receipts from previous years retained at the end of the reported year excluding the neighbourhood proportion | £3,617,190 |
| (d)(iii) Total amount of neighbourhood proportion CIL receipts for the reported year retained at the end of the reported year | £543,111 (i.e. all) |
| (d)(iv) Total amount of neighbourhood proportion CIL receipts from previous years retained at the end of the reported year | £1,601,775 |
| Total CIL carried forward to 2017/18 and future years | £8,660,803 (comprising £6,515,917 borough and £2,144,886 neighbourhood CIL) |

Commentary

Allocations process

Cabinet agreed to a formal process of allocating Borough and Neighbourhood CIL receipts at its meeting on 7 December 2017. The agreed allocations process can be briefly summarised as follows:

Borough CIL

The allocation of the Borough Community Infrastructure Levy (CIL) is to form part of the Annual Budget Setting process and included in the Capital Programme report which is presented to Cabinet every year in December (draft budget) and February (final budget).

The allocation of the Borough CIL is to be informed by the Harrow Local Plan, Infrastructure Delivery Plan, Corporate Priorities and external funding opportunities and have regard to the criteria outlined in the report considered by the Major Developments Panel and Cabinet (these largely reflect the CIL Regulations and Planning Practice Guidance as to the purpose of CIL and how it should be spent).

Neighbourhood CIL

NCIL represents the allocation of 15% of CIL receipts raised in each Ward back to the respective Ward in which it was generated (except where received from within the geographical definition of the Harrow and Wealdstone Opportunity Area).

For CIL received within the geographical definition of the Harrow and Wealdstone Opportunity Area, NCIL involves the allocation of 15% of CIL receipts into a combined fund to be spent on projects across the entire area, to reflect that the area contains the greater proportion of strategic development sites within the borough.

The broad allocation of Neighbourhood CIL is agreed as part of the Capital Programme (based on available funds at the time and allocated as noted above), and included in the Capital Programme report which is presented to Cabinet every year in December (draft budget) and February (final budget).

Once the broad allocation of NCIL is agreed as part of the Capital Programme, individual projects put forward by the relevant Directorates / Ward Members will be assessed against the criteria outlined in the report to the Major Development Panel / Cabinet (including the extent of consultation and level of community support), with the final decision on what projects were funded from the agreed CIL allocations being delegated to the Divisional Director of Regeneration and Planning, following consultation with the Portfolio Holders for Regeneration and Planning, and Finance and Commercialisation. The Community Engagement Team will administer the NCIL process.

Borough CIL expenditure

In 2018/19, a total of £309,050 of borough CIL was spent on public realm improvements and parks / open space, comprising:

- i. Rayners Lane Triangle - £40,000
- ii. Playground equipment - £219,138 out of a total allocation of £500,000
- iii. Headstone Manor - £49,912 out of a total allocation of £300,000

The capital programme agreed in February 2019 included the following allocations:

- a) Highway drainage £400k - £200k each in 2019/20 and 2020/21
- b) Central Library refit £2.090m – all in 2019/20
- c) Flood Defence £600k - £300k each in 2019/20 and 2020/21
- d) Harrow Arts Centre £1.150m – all in 2019/20
- e) Playground works £600k - £350k in 2019/20 and £250k in 2020/21.

The allocations above total £4.840m. Once previous allocations (but not yet fully spent) are taken into account, there was circa £1.2m of borough CIL un-allocated at the end of 2018/19.

Neighbourhood CIL expenditure

In 2018/19 there was a total of £34,395 of neighbourhood CIL expenditure, comprising:

- i. Rayners Lane Triangle public realm improvements - £7,227 (£6,930 from Roxbourne ward and £297 from West Harrow ward)
- ii. Lyon Road Square - £27,168 out of a total allocation of £75,000 (from the pooled Opportunity Area NCIL fund)

A further £299,000 of neighbourhood CIL has been allocated to the Wealdstone Square project from the pooled Opportunity Area NCIL fund.

Taking into account previous allocations / un-spent amounts, the NCIL balance is circa £1.8m.

CIL infrastructure agreements

As noted in the 2017/18 Income and Expenditure Report, the figures above do not include CIL to be received from the 51 College Road development (i.e. the former Harrow Post Office), as this will be received as an 'in-kind' payment in the form of the shell-and-core / 999 year lease for the new Central Library. This in-kind payment is worth £3,293,518 and is due to be 'received' in early 2019/20 when the library premises are handed over to the Council. The CIL Infrastructure Agreement covering this transaction was agreed 4 August 2016.

Income and Expenditure generally

A total of £14.5m of Harrow CIL has been received since 2013/14. Taking into account the 51 College Road infrastructure agreement, this increases to £17.8m.

Total expenditure or agreed allocation of borough CIL on infrastructure projects is £10.4m, or circa 89.5% of borough CIL receipts (£11.6m). Including the 51 College Road infrastructure agreement / new central library, this increases to £13.7m or 91.7% of total borough CIL receipts (£14.9m).

Total expenditure or agreed allocation of neighbourhood CIL on infrastructure projects is £381,227, or 17.5% of total neighbourhood CIL receipts (£2.2m).

11 June 2019