

**REPORT TO: SCRUTINY COMMITTEE - COMMUNITY**

**Date of Meeting: Scrutiny Committee Community – 1 March 2016  
Executive – 15 March 2016  
Council – 19 April 2016**

**Report of: Assistant Director City Development  
Title: Exeter Community Strategy - Neighbourhood Portion of the  
Community Infrastructure Levy.**

**Is this a Key Decision?**

Yes

**Is this an Executive or Council Function?**

Council

**1. What is the report about?**

1.1

**3. Reasons for the recommendations:**

3.1 The recommendations are intended to provide for the spend of the neighbourhood portion of the CIL in line with community wishes, and thereby the implementation of the Exeter Community Strategy. The recommendations also reflect the need for the Council to remain accountable for the spend of CIL monies.

**4. What are the resource implications including non financial resources:**

4.1 It is estimated that the neighbourhood portion of the total Community Infrastructure Levy receipts over the next 10 years will be approximately £3.75 million. Executive approved the ring fencing of these funds for implementing the Exeter Community Strategy at its 10 February 2015 meeting. The CIL regulations do not provide for borrowing to be undertaken against CIL receipts, and so sufficient CIL receipts must have accumulated before projects can be funded. There will be administrative and accounting costs in relation to decision-making processes and the implementation of projects funded by the neighbourhood portion of the CIL, and it is anticipated that these staff-related costs will be borne by the Council's Community Involvement and Inclusion work.

4.2 To date, CIL Liability Notices for more than £800,000 have been issued (CIL Demand Notices are subsequently issued when development commences), and over £300,000 has been received. At 15% of total CIL receipts, the neighbourhood portion of CIL receipts therefore currently equates to £45,000.

**5. Section 151 Officer comments:**

5.1 The Section 151 Officer notes the proposals and will work with the Assistant Director City Development and the Community Involvement and Inclusion Officer to ensure that the spend of the neighbourhood portion of the CIL is appropriately administered and accounted for, bearing in mind the decision-making procedures to be put in place and the Council's ultimate retention of accountability.

**6. What are the legal aspects?**

6.1 There are three main issues as follows:

- The ECF is not currently constituted such that the neighbourhood portion of the CIL can be transferred to its control, hence the Council needs to retain accounting and decision-making responsibilities.
- The City Council is currently prohibited from borrowing against future CIL receipts to forward fund infrastructure delivery. Hence, CIL receipts cannot be spent until they have accumulated sufficiently to fund projects. This will affect decisions on spending the neighbourhood portion of the CIL, as it does CIL spend decisions generally.
- The CIL regulations (specifically regulation 59F, as amended) provide for the Council to set aside a proportion of CIL receipts for spend in neighbourhoods, and Council's Executive resolved to set aside 15% of CIL receipts for this purpose on 10 February 2015

## 7. Monitoring officer Comments

The Monitoring Officer has raised no issues beyond those set out in paragraph 6.1 above.

## 8. Report Details:

8.1 The Exeter Community Strategy promotes community-led development. This is about reflecting the importance of the views and actions of communities, when making policy and delivering actions. It is about increasing the capacity of:

- People as active citizens, through their community groups, organisations and networks; and,
- Enabling institutions and agencies (public, private and non-governmental) to work in dialogue with citizens to shape and determine change in their communities.

8.2 Vision and priorities – the Exeter Community Strategy vision is:

*Exeter is a city where communities lead development, helping create a city where everyone has access to places and services which enable them to meet their needs.*

(Note that the reference to 'development' is to community development, not city development, although the two are obviously inter-related)

8.3 The vision has been created from priorities identified by communities, some of which concern places, others people. Some of these are as below:

### Places

- All communities have access to good meeting space and other facilities
- There are exciting and well-used community spaces
- There is suitable social and private housing for everyone.
- There is high quality transport infrastructure

### People

- Communities have a voice and make a difference
- People from different groups feel included
- People from all communities have opportunities to become fitter and healthier.
- Communities know what others are doing

See page 5 of the strategy for more information.

8.4 The Community Strategy recognises the need to address some key issues in the first few years of implementation. These include:

- The need for wider understanding of, and support for, community-led development across the city
- The need for Exeter City Council to work with community and voluntary organisations to agree and implement a single policy and process for transferring land, buildings and other assets to community ownership or management;
- The need to develop partnerships with councils, statutory agencies and other organisations so that community led development is supported, community participation is embedded throughout service planning and delivery and duplication is avoided; and,
- The need to build the capacity of community organisations to lead community development.

See page 8 of the Community Strategy for more information.

## **9 How does the decision contribute to the Council's Corporate Plan?**

- 9.1 Adoption of the Exeter Community Strategy helps us to achieve the Corporate Plan objective of Supporting Exeter's Communities – *Communities in Exeter know best what facilities are needed in their areas and where investment should be prioritised. We recognise that community and voluntary groups have an important role to play in helping us to shape and deliver services in new ways. We will continue to provide support to the community and voluntary sector to achieve a range of positive outcomes for our communities through co-design and co-delivery.*

## **10 What risks are there and how can they be reduced?**

- 10.1 CIL receipts are dependent on development happening on the ground in that CIL Demand Notices can only be issued when development commences. CIL cannot be used to forward fund projects unless a party other than the City Council is willing to borrow against those receipts to deliver the project. In this context, it will take some time for the neighbourhood portion of CIL to accumulate into a more sizeable pot with which to address some of the priorities identified by the ECS. A change for the worse in macro-economic circumstances has the potential to seriously affect the accumulation of CIL receipts in general. There are therefore some risks that community expectations may not be fulfilled because of lack of funding or funding which is slow to materialise.

## **11 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?**

- 1.1 Supporting the capacity of community organisations to take initiatives, including through identifying priorities for the use of CIL, has the potential to support a wide range of groups across the city and thereby address issues such as equality and diversity, health and wellbeing, etc.

## **12 Are there any other options?**

- 12.1 No.

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**Background papers used in compiling this report:-**

None

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