



Author/Lead Officer of Report:

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Report of: Jayne Ludlam - Executive Director for People Services Portfolio/Laraine Manley, Executive Director for Place Portfolio

Report to: Cabinet

Date of Decision: 17th October 2018

Subject: Community Infrastructure Levy Neighbourhood Portion (Local CIL)

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to?		
1. Neighbourhoods & Community Safety		
2. Transport and Development		
Which Scrutiny and Policy Development Committee does this relate to?		
• Safer and Stronger Communities Scrutiny and Policy Development Committee		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? 286		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>		

Purpose of Report:

This report seeks approval for the process for allocating the “**Neighbourhood Portion**” (currently 15%) of the Community Infrastructure Levy (**CIL**) receipts within wards that are not within a Parish Council boundary or an area in which a neighbourhood plan is in place; and delegated authority for decisions on the spending to the Head of Libraries, Community Services & Learning & Skills in consultation with the Cabinet Member for Neighbourhoods and Community Safety.

It is proposed that this authority should be exercised after engagement with communities and Ward Councillors has taken place, ensuring that monies are spent in accordance with agreed Ward Priorities.

Recommendations:

Cabinet is recommended:

- a) to agree that where there is no Parish Council or neighbourhood plan in place in the ward where a chargeable development has taken place, the Neighbourhood Portion is collected into a single Local CIL pot and redistributed using the process set out in this report.
- b) to authorise the Head of Libraries, Community Services & Learning & Skills in consultation with the Cabinet Member for Neighbourhoods and Community Safety, to determine (i) how the CIL Neighbourhood Portion allocated to each ward is spent, following engagement with local communities and Ward Councillors, subject to the proviso that monies are spent in accordance with agreed Ward Priorities and (ii) to determine the terms on which such expenditure is incurred including authorising the completion of any related funding agreement or other legal documentation.
- c) to authorise the Head of Libraries, Community Services & Learning & Skills to produce a Guidance Note for the Councillors and Officers, setting out how decisions on spending the CIL Neighbourhood Portion will be made, based on the details set out in this report.

Background Papers:

Cabinet report: ‘A new approach for engaging and involving communities’ – July 2013

Cabinet report: ‘Implementing the Community Infrastructure Levy (CIL) in Sheffield’ – April 2015

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Paul Schofield <i>HoS Finance & Commercial Services Business Partner Resources and Place. Place Portfolio</i>
		Legal: Andrea Simpson <i>Governance Lawyer, Resources</i> Victoria Clayton and Katy McPhie <i>Planning and Highways Lawyers, Resources</i>
		Equalities: Ed Sexton <i>Equalities & Involvement Officer, People Portfolio</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	Jayne Ludlam - Executive Director for People Services Portfolio/Laraine Manley, Executive Director for Place Portfolio
3	Cabinet Member consulted:	Cllr. Jim Steinke - Neighbourhoods & Community Safety Cllr. Jack Scott – Development and Transport
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Dawn Shaw	Job Title: Head of Libraries, Community Services and Learning & Skills
	Date: 9 October 2018	

1. PROPOSAL

- 1.1 This report seeks approval for the process for allocating the Neighbourhood Portion (currently 15%) of the Community Infrastructure Levy (CIL) receipts within wards that are not within a Parish Council boundary or an area in which a neighbourhood plan is in place; and delegated authority for decisions on the spending to the Head of Libraries, Community Services & Learning & Skills in consultation with the Cabinet Member for Neighbourhoods and Community Safety. It is proposed that this authority should be exercised after engagement with local communities and Ward Councillors has taken place, ensuring that monies are spent in accordance with agreed Ward Priorities.
- 1.2 This report uses the creation of a ward based approach to community engagement and ward based funding scheme agreed by Cabinet on 17th July 2013 (*A new approach for engaging and involving communities*)¹ as the basis for the proposals for distribution of the Neighbourhood Portion. This approach may be subject to a review of neighbourhood working. Any changes will be reported to Cabinet in due course.

What is CIL and the Neighbourhood Portion?

- 1.3 CIL is a national scheme introduced through the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (CIL Regulations) as a way of seeking contributions from developers towards essential infrastructure that is required to support new development. The principles of CIL were explained to Cabinet in a report entitled *Implementing the Community Infrastructure Levy (CIL) in Sheffield* in April 2015, and Cabinet approved the principles for a “Regulation 123 List”, setting out a list of priority infrastructure projects which the Council intends to fund either wholly or partly through CIL receipts, at that meeting. Subsequently full Council approved a CIL Charging Schedule, setting out what rates apply to certain types of development, on 3 June 2015².
- 1.4 The 2015 Cabinet report was focussed on how CIL would be charged and outlined how the majority of it might be spent. It mentioned the concept of a “Neighbourhood Portion” but did not go into detail on how this would be distributed or what it might be spent on. This report describes proposals for the Neighbourhood Portion.

¹ <http://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=5145&Ver=4>
<http://democracy.sheffield.gov.uk/documents/s8564/A%20New%20Approach%20to%20Engaging%20and%20Involving%20Communities.pdf>

<http://democracy.sheffield.gov.uk/mgAi.aspx?ID=6268>

² <http://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=154&MId=5931&Ver=4>
<http://democracy.sheffield.gov.uk/documents/s18534/Community%20Infrastructure%20Levy%20-%20Report%20to%20Council.pdf>

<http://democracy.sheffield.gov.uk/mgAi.aspx?ID=10745>

- 1.5 The Neighbourhood Portion is 15% of CIL receipts (capped to £100 per council tax dwelling) unless a neighbourhood plan³ is in place in the local council's area, or the chargeable development was authorised by a neighbourhood development order⁴; in both such cases the Neighbourhood Portion is increased to 25% and that is uncapped.
- 1.6 To date (October 2018) there have been no neighbourhood plans adopted in Sheffield but three are being developed in Stocksbridge, Dore & Totley and BBEST (Broomhill, Broomfield, Endcliffe, Summerfield & Tapton). Similarly there are no neighbourhood development orders in force as at the time of preparing this report, and no current intentions to introduce any. Consequently in Sheffield the Neighbourhood Portion is currently 15% in all areas of the city.
- 1.7 Where the chargeable development is in an area with a local council (a parish or town council) the Neighbourhood Portion must be passed to that local council. Sheffield has three local councils, Bradfield Parish Council, Ecclesfield Parish Council and Stocksbridge Town Council. In these areas the Neighbourhood Portion is paid over directly to them every 6 months to spend on their infrastructure priorities.

How should the Neighbourhood Portion be allocated where there is no local council in existence?

- 1.8 In areas where there is no local council, Regulation 59F of the CIL Regulations provides that the Council may use the Neighbourhood Portion to support development of the "relevant area", which is the part of the Council's area which is not in the area of a local council (i.e. in Sheffield's case, any part of the city other than Bradfield, Ecclesfield and Stocksbridge) by funding the provision, improvement, replacement, operation or maintenance of infrastructure or anything else that is concerned with addressing demands that development places on an area. This affords the Council a degree of freedom as to what the Neighbourhood Portion can be spent on, and where within the city.
- 1.9 The National Planning Practice Guidance (NPPG) supplements the CIL Regulations and explains what CIL is and how it operates⁵. Paragraph 73 of the CIL section of the NPPG provides guidance on expenditure of the Neighbourhood Portion where there is no local council:

³ A neighbourhood plan is a document produced by a parish or town council, neighbourhood forum or a community organisation, which plans positively to support local development. It should contain policies intended to align with the strategic needs and priorities of a local area. Once adopted it has the same status as the Council's Local Plan and is used in the determination of planning applications.

⁴ A neighbourhood development order grants planning permission for certain types of development in an area to which the order applies, without the need for a planning application to be submitted and approved by the local planning authority.

⁵ <https://www.gov.uk/guidance/community-infrastructure-levy>; In particular paragraph 073
Reference ID: 25-073-20140612

“If there is no parish, town or community council⁶, the charging authority will retain the levy receipts but should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding. Charging authorities should set out clearly and transparently their approach to engaging with neighbourhoods using their regular communication tools e.g. website, newsletters, etc. The use of neighbourhood funds should therefore match priorities expressed by local communities”.

- 1.10 The NPPG states that *“the government does not prescribe a specific process for agreeing how the Neighbourhood Portion should be spent”* but advises that *“Charging authorities should use existing community consultation and engagement processes”* and that *“consultation should be proportionate to the level of levy receipts and the scale of the proposed development to which the neighbourhood funding relates”*.
- 1.11 This report describes the consultation that has taken place so far and explains how it is proposed that communities continue to be engaged.

How the Neighbourhood Portion will be distributed in Sheffield

- 1.12 CIL revenue is received through the planning system and the main priorities for spending it, with the exception of the Neighbourhood Portion, will focus on the strategic requirements of the local plan. Spend will ultimately be approved by Cabinet through the Capital Approval process. However it is clear from the NPPG that the Neighbourhood Portion is purely local money that should be spent at a local level on local priorities. This is why this report recommends that decisions on spending the CIL Neighbourhood Portion are the responsibility of Libraries and Community Services rather than the Planning Service.
- 1.13 Whilst there are no geographical limits prescribed by Government as to what constitutes “a community”, it is proposed that electoral wards are the most appropriate geographies to use to ensure we engage with the communities where development has taken place in order to decide how best to spend the Neighbourhood Portion. To date (October 2018) none of this CIL Neighbourhood Portion has been spent, other than that passed to the three local councils as referred to above.
- 1.14 The NPPG suggests that some of the neighbourhood pot could be used to develop neighbourhood plans. It is proposed that 10% of the Neighbourhood Portion will be retained to support the development of neighbourhood plans. This would form part of a separate neighbourhood planning budget that would be managed by the Planning Service. Decisions on allocating this funding to the delivery of neighbourhood plans will be made on a case by case basis in accordance with the Leader’s Scheme of Delegation and are not considered further in this report.

⁶ Parish and town councils are both “local” councils. A community council is the equivalent of a local council in Wales

- 1.15 The remaining 90% of the Neighbourhood Portion will be pooled to establish a city-wide (except for areas covered by local councils) “Development Investment Fund” which will be redistributed across the wards based on Indices of Multiple Deprivation (IMD)⁷. This is a robust, nationally recognised and independently formulated means of calculating deprivation. It combines information from seven domains to produce an overall relative measure of deprivation. The domains are combined using the following weights:
- Income Deprivation (22.5%)
 - Employment Deprivation (22.25%)
 - Education, Skills and Training Deprivation (13.5%)
 - Health Deprivation and Disability (13.5%)
 - Crime (9.3%)
 - Barriers to Housing and Services (9.3%)
 - Living Environment Deprivation (9.3%)
- 1.16 This will provide an opportunity to close the gap between the richer and poorer parts of the city. Firstly, there will be an initial calculation of the proposed redistribution on the basis of IMD. If it transpires that any ward would receive less than 10% of the Neighbourhood Portion that relates to chargeable developments in that ward on the basis of that initial proposed redistribution, then the amount that ward will receive will be topped up to ensure they receive 10%. The calculations based on IMD will then be rerun accordingly with the remainder of the Neighbourhood Portion once that 10% has been safeguarded in all wards where chargeable development has taken place. Consequently a minimum of 10% of the total CIL Neighbourhood Portion collected within a ward will be retained within the ward where the development takes place.
- 1.17 In accordance with the approach for engaging and involving communities approved by Cabinet in July 2013, each ward has a set of priorities, which have been informed by local community engagement, data and feedback from service providers / partner agencies. These are updated annually in June/July.
- 1.18 Ward councillors (as local community representatives) will consider what the Neighbourhood Portion should be spent on, based on their current ward priorities and the outcome of community consultation and engagement referred to above. The Head of Libraries, Community Services & Learning & Skills will produce a Guidance Note for councillors and officers, setting out how decisions on spending the CIL Neighbourhood Portion will be made and the process to be followed.

⁷ Indices of Multiple Deprivation is a robust, nationally recognised and independently formulated means of calculating deprivation. See the English Indices of Deprivation 2015 Frequently Asked Questions for additional information - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/579151/English_Indices_of_Deprivation_2015_-_Frequently_Asked_Questions_Dec_2016.pdf

The process will include:

- Every year, the amount of the Neighbourhood Portion available within each ward will be published. This figure may updated in the course of a year, should sufficient development take place across the city to merit this.
- Every year, ward councillors will invite local community and council services to identify, submit and comment on ideas for appropriate projects that could be funded, in line with ward priorities.
- To ensure the appropriate level of community engagement consultation could involve the use of social media, the Council website, public events, surveys, citizens' panels, email correspondence, information held from previous consultations, councillor briefings, discussions with other Council services and relevant stakeholders.

- 1.19 Project ideas will then be assessed by councillors who will also take into account the amounts of money involved, potential match funding, potential for pooling resources with neighbouring wards, timescales, who could deliver the project and whether it can be realistically achieved. They will then put forward proposals for consideration by the Head of Libraries, Community Services and Learning & Skills, who will authorise the spending of the CIL Neighbourhood Portion on a case by case basis, ensuring it is spent on the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area. It is expected that spend will be both internal and external to the Council, and in line with existing protocols for such.
- 1.20 Councillors may recommend that any CIL Neighbourhood Portion in any given year is not allocated immediately, allowing it to 'carry over' and build up until a reasonable amount is accumulated. Councillors may also liaise with the members for neighbouring wards and recommend that the Neighbourhood Portion is pooled.
- 1.21 Public consultation has been carried out on the proposals for distribution of the Neighbourhood Portion and how decisions to spend it will be made. This is described in detail of Section 3 of his report.
- 1.22 The development of annual ward priorities and the subsequent ongoing community engagement activity in wards goes some way in satisfying the requirement of the NPPG set out in paragraphs 1.9 and 1.10 above. In addition, the amount of Neighbourhood Portion available within each ward will be published online as part of the statutory annual CIL report.
- 1.23 The process of community engagement will be kept under review to ensure that account is taken of future developments in the city.

2. HOW DOES THIS DECISION CONTRIBUTE ?

2.1 The allocation of the Neighbourhood Portion within wards across the city will contribute a number of the priorities within the Corporate Plan 2015-18.

2.2 Thriving neighbourhoods and communities

- Sustain high quality parks and green spaces
- Improved leisure and community facilities
- Improved streets and road safety

2.3 Strong Economy

- Attract more visitors to Sheffield

2.4 An in-touch organisation

- Make the best use of public money to have the greatest impact for Sheffield
- Make sure we listen, understand and respond to what people are telling us, treating them with respect at all times

3. HAS THERE BEEN ANY CONSULTATION?

3.1 An online consultation took place between 13th August and 17th September 2018 via the Council's Citizen Space portal seeking views on how the Neighbourhood Portion is allocated in non-parished areas or areas without a neighbourhood plan, as well as how local communities are involved in the decisions on how it is spent. A full report of the results of this consultation, including the Consultation Materials and Questions, can be found in Appendix 1 to this report.

3.2 The three major proposals for use of the Neighbourhood Portion set out in the consultation were

- To promote the development of neighbourhood plans across the city
- To ensure that areas of higher deprivation receive a fairer overall share
- To improve how local communities are involved in the decisions on how it is spent

The consultation asked respondents to reply to questions setting out more detail of these headline proposals and to give any further comments.

3.3 The proposal to promote the development of neighbourhood plans by retaining 10% of the Neighbourhood Portion for this purpose was supported by 51.6% of respondents. The proposal to ensure that areas of higher deprivation receive a fairer overall share by establishing a Development Investment Fund to be pooled and fairly distributed was supported by 45.2% of respondents. The proposal to improve how local communities are involved by detailing the role of ward councillors and the local community was supported by 75.3% of respondents.

- 3.4 The preamble to the questions included the statement *In areas without a local council and without a neighbourhood plan (i.e. the majority of the city), the City Council will hold the Neighbourhood Portion funds and ensure that it is spent within the “communities where development takes place”*

It is acknowledged that the phrase “communities where development takes place” (which is used in the NPPG) could be ambiguous if viewed in isolation, in that it could be read as suggesting that Neighbourhood Portion spend could be restricted to the localities where development had taken place. It is clear however from the questions that this is not what is proposed: to do so would mean that neighbourhood plans could not be promoted in any other parts of the city and that the fairer distribution, based on Indices of Multiple Deprivation (IMD), would not be possible. “Communities” in this context must therefore mean the wider communities of the city of Sheffield. This is also consistent with the definition of “relevant area” in the CIL Regulations as being the part of the Council’s area which is not in the area of a local council.

- 3.5 The responses to the question about the “Fairer Distribution” proposal, in particular, show that the respondents understood what was proposed. The question received a large number of comments, which are set out in the Consultation Report at Appendix 1 to this report. Many of these comments were critical of the proposal because it would mean there would be some distribution of monies away from localities where the development had taken place. Others however supported the proposal, feeling that the areas of greatest need should be prioritised and benefit from development across the city.
- 3.6 In their consultation responses more people agreed with the proposal than disagreed and therefore the proposal has not changed. This means that in order to achieve the principle of fairer distribution there must be some distribution away from the localities where development has taken place; but an element of the Neighbourhood Portion attributable to local development (at least 10%) will always be retained in the ward where the development has taken place, even if that is more than would be allocated on an IMD basis.
- 3.7 The NPPG suggests that local authorities should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding. This consultation has engaged with those communities to formulate proposals for the use and fair distribution of the Neighbourhood Portion. Further consultation and engagement with local communities around the spending of the funding will be embedded in the decision making process (as described in paragraphs 1.18 - 1.22), and will be kept under review to ensure that account is taken of future developments in the city.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 An Equality Impact Assessment (EIA) has been undertaken as part of this report – ref 286. The EIA indicated that the allocation of the Neighbourhood Portion of Community Infrastructure Levy within communities based on the Indices of Multiple Deprivation will have a low level positive impact on people with disabilities, the health of residents and the VCF Sector.

4.2 Financial and Commercial Implications

4.2.1 The proposal has no specific financial or commercial implications, other than ensuring that funding already collected by the Council is spent in an efficient and appropriate way.

4.2.2 The financial implications of any decision on spending the Neighbourhood Portion will be considered when that decision is made.

4.3 Legal Implications

4.3.1 This report proposes that the Head of Libraries, Community Services and Learning & Skills be given delegated authority to determine how the Neighbourhood Portion of the Community Infrastructure Levy (CIL) distributed to each ward in accordance with the recommendations of this report is spent in consultation with the Cabinet Member for Neighbourhoods and Community Safety. The legal implications which arise from specific proposals will be considered when decisions are made about those proposals.

4.3.2 Regulation 59F of the CIL Regulations provides that the Neighbourhood Portion needs to be used to support the development of the relevant area (which is any part of Sheffield which does not have a local council) by funding the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area. The proposals accord with Regulation 59F.

4.3.3 The NPPG, which supplements the CIL Regulations, requires that the Council engages with the communities where development has taken place and states that the Council “*should set out clearly and transparently their approach to engaging with neighbourhoods... the use of neighbourhood funds should therefore match priorities expressed by local communities*”. Again the proposals are considered to accord with the relevant guidance.

4.3.4 There is no statutory duty to consult on the proposals for distribution of the Neighbourhood Portion set out in this report, but whenever the Council chooses to carry out consultation the following principles must be adhered to:

- i) consultation must take place when the proposal is still at a formative stage;
- (ii) sufficient reasons must be put forward for the proposal to allow for intelligent consideration and response;
- (iii) adequate time must be given for consideration and response; and
- (iv) the product of consultation must be conscientiously taken into account.

The public consultation described in Section 3 of this report, and the final proposals as recommended in this report, comply with these principles.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The Council must ensure the Neighbourhood Portion is spent appropriately in accordance with the CIL Regulations and have regard to the NPPG. The options available are alternative methods of allocating neighbourhood CIL, such as different governance mechanisms and/or different geographies.
- 5.2 The entirety of the Neighbourhood Portion could be retained in the ward where the development has taken place but this would remove the opportunity to close the gap between the richer and poorer parts of the city.
- 5.3 Delegations to other officers were considered but the recommendation that the Head of Libraries, Community Services and Learning & Skills in consultation with the Cabinet Member for Neighbourhoods and Community Safety is authorised to make these decisions is considered the most appropriate option and would align the Neighbourhood Portion with other ward based funding.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The recommendations made in this report are considered to be in line with the CIL Regulations and have been made with regard to the NPPG.
- 6.2 The proposals that were consulted upon received broad support and so form the basis of the recommendations.
- 6.3 The allocation of some of the Neighbourhood Portion based on Indices of Multiple Deprivation provides an opportunity to close the gap between richer and poorer areas of the city.
- 6.4 The existing ward based approach to community engagement and funding is an efficient mechanism for these decisions. Adopting a similar approach for decisions on the spending of the Neighbourhood Portion would enable better coordination with other ward based funding.

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Date: October 2018

Appendix 1: Use of the Community Infrastructure Levy Consultation Report

What we did

An online consultation on the decision making process for allocating the Neighbourhood Portion took place between 13th August 2018 and 17th September 2018. The consultation aimed to seek views on how the Neighbourhood Portion is allocated in non-parished areas **or** those areas without a Neighbourhood Plan, as well as how local communities are involved in the decisions on how it is spent. We did this by asking people to what extent they agreed or disagreed with the guiding principles and proposals detailed below. In addition to this respondents were also given the opportunity to comment on the principles and proposals.

Principles

We believe that the CIL Neighbourhood Portion should –

- alleviate the **burden** of development across the city
- provide the opportunity to **close the gap** between richer and poorer parts of the city
- be used to **build** physical and social community infrastructure in a sustainable way
- be allocated to electoral wards and provide local **Councillors** the opportunity to work closely with the community to decide how best allocate the fund
- be allocated in line with Councillors annual ward priorities, which have been informed by local community engagement, data and feedback from service providers / partner agencies
- be pooled with other neighbouring wards for larger projects if appropriate

We believe the CIL Neighbourhood Portion should **not** be spent on –

- Permanent or continuous revenue funding of a project
- Projects that have already secured full funding by the council or other public sector organisations (ie. double funding)
- Single-use or one-off projects (e.g. events/festivals)
- Liabilities for the council (eg. ongoing maintenance of equipment)
- Divisive or controversial schemes

Proposals

- Promote the development of Neighbourhood Plans across the City
- Ensure a fair distribution of the CIL Neighbourhood Portion via IMD redistribution
- Making decisions – the role of ward councillors and the local community

Full text of the consultation material and Flow-Chart to accompany the consultation can be found at the end of this report.

The consultation was promoted via the Web Blogs and Social Media platforms although a number of concerns were raised that it wasn't widely promoted enough, wasn't open for long enough and was opened over the summer months. However 312 people completed the consultation which is a higher number of

responses than expected and compares favourably to other consultations ran by Sheffield City Council.

Findings: The Principles

All principles received a broad base of support with all but one principle receiving more than 55% support. The principles received such a high level of support that more than twice as many people agreed with each principle than disagreed with them. With two principles the ratio of agree to disagree was over 18:1. Full details can be found in the table 1 below.

Despite this general level of support there was a clear minority of people who disagreed with one or more of the principles.

Table 1: The Principles	Agree	Disagree	Neither agree or disagree	No answer given
Burden of development principle	149 47.76%	74 23.72%	86 27.56%	3 0.96%
Close the gap principle	174 55.77%	77 24.68%	59 18.91%	2 0.64%
Sustainable infrastructure principle	280 89.74%	15 4.81%	16 5.13%	1 0.32%
Allocation principle	212 67.95%	45 14.42%	53 16.99%	2 0.64%
Ward priorities link principle	196 62.82%	37 11.86%	77 24.68%	2 0.64%
Pooling principle	186 59.62%	69 22.12%	53 16.99%	4 1.28%
No revenue funding principle	174 55.77%	52 16.67%	85 27.24%	1 0.32%
No double funding principle	275 88.14%	14 4.49%	21 6.73%	2 0.64%
No one-off projects principle	175 56.09%	67 21.47%	69 22.12%	1 0.32%
No liabilities principle	235 75.32%	25 8.01%	49 15.71%	3 0.96%
No controversial schemes principle	197 63.14%	21 6.73%	90 28.85%	4 1.28%

The majority of comments were broadly in support of the principles however a number of the principles (particularly the principles that proposed limitations on what Local CIL should be spent on). Many people agreed to the principles around no revenue funding, no double funding, no one-off funding and no-liabilities however a number of people raised concerns that been too prescriptive around these may cause difficulties

“This will effectively exclude many worthy projects which would undoubtedly benefit the local community. For instance, provision of a new bus shelter will instantly create an on-going revenue liability for things like maintenance and cleaning.”

Findings: The Proposals

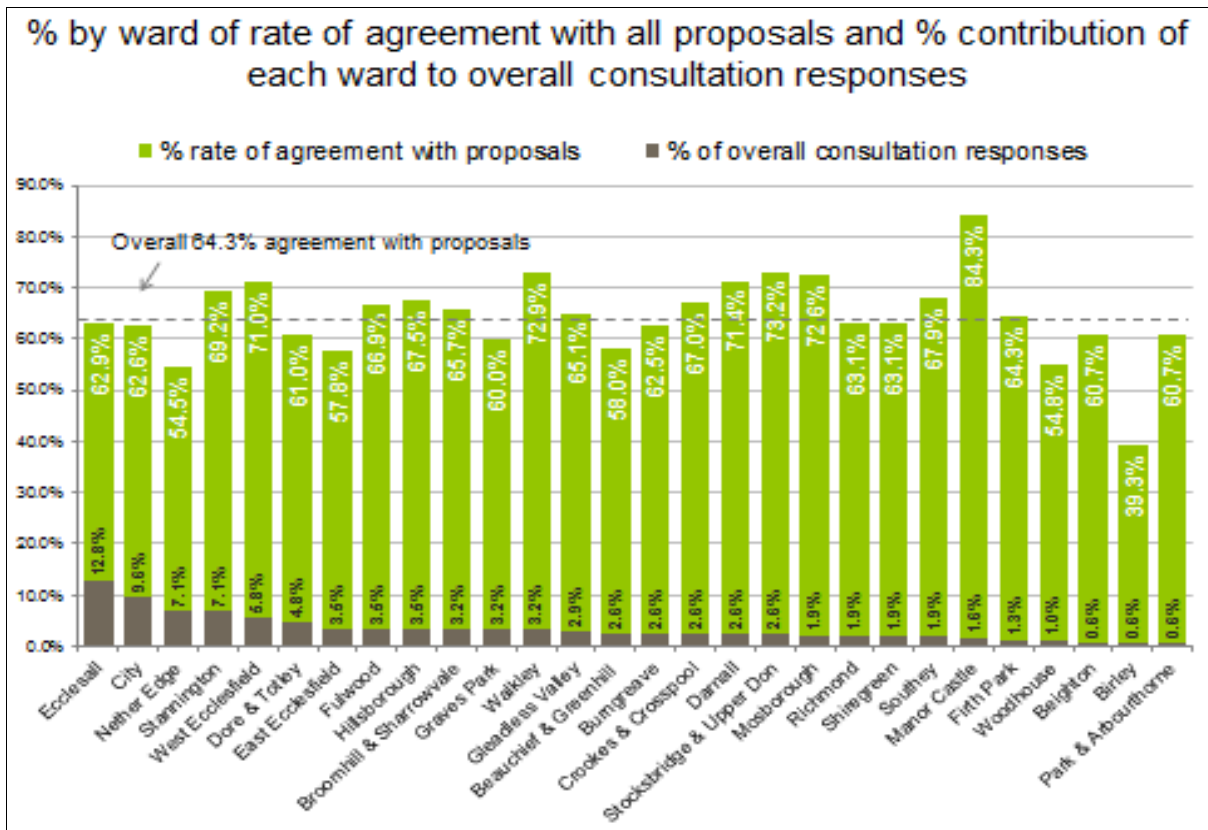
The three Proposals detailed in the consultation all received a broad base of support with two of the proposals receiving more than 50% support (see table 2 for full details). The proposal that received least support was the proposal around Fair Distribution using IMD, however over 45% of people agreed with this principle and the agree to disagree ratio was a touch under 3:2

Table 2: The Proposals	Agree	Disagree	Neither agree or disagree	Not answered
Promoting Neighbourhood Plans Proposal	161 51.60%	61 19.55%	86 27.56%	4 1.28%
Fair Distribution / IMD Redistribution Proposal	141 45.19%	96 30.77%	70 22.44%	5 1.60%
Decision Making Proposal	235 75.32%	32 10.26%	40 12.82%	5 1.60%

125 comments were received related to the proposals. These comments are summarised in the World Cloud below.



Overall respondents were happy to support both the principles and the proposals made within the consultation. The graph on the next page demonstrates the variance in overall agreement rates with the principles and proposals across the each ward in Sheffield against an all-ward average of 64.3% agreement. The graph also shows each ward contribution to the overall consultation response numbers. So, for example, Nether Edge contributed 7.1% of the total responses and there was a 54.4% agreement rate in that ward.



Graph 1: Variance in overall agreement rates by Ward

Proposal 1: Promoting Neighbourhood Plans

Although the proposal around promoting Neighbourhood Plans received more than 50% support there was comparatively few comments related to Neighbourhood Plans. Some supported the promotion of plans across the city

“Neighbourhood plans should be promoted more to allow for a cohesive strategy across the city as well as investment in local priorities.”

“the City Council should proactively raise the profile of and help disadvantaged communities prepare neighbourhood plans.”

Whereas others were more negative toward the idea

“Arrangements for Ward priorities and local community plans should be scrapped. They add a time consuming layer of bureaucracy, are not well managed, and not good value for money.”

However the majority of comments that mentioned Neighbourhood Plans focused on the challenges around setting them up and the lack of clarity about them.

“Not all communities have the resources to produce a neighbourhood plan and should not be disadvantaged because of this.”

“We need more help with developing neighbourhood Plans”

“I feel there needs to be more clarity on these neighbourhood plans. What would a good plan look like? How comprehensive would they be? Are they just about projects or could

they be about service delivery improvements? Who would develop them? Who would own them? How often would they need to be refreshed? How would we know whether the plans have worked? What would the outcomes be?"

The proposal in itself should ensure areas who want to set up a Neighbourhood Plan are able to get support to do so, however one suggestion added that

"We should enlist the Universities to help locals draw up neighbourhood plans thus removing from the political playground."

Proposal 2: Fairer Distribution

The principle was supported by over 45% of respondents while 31% disagreed. Despite this split the majority of comments related to this issue were negative toward the proposal. The IMD split was particularly contentious with a large number of people demonstrating their unhappiness with the suggestion.

"The proposal to provide only 1.5% funding to alleviate infrastructure problems near developments in the south west is outrageous."

"To spend the CIL in another ward is morally bankrupt. It is not a tax to be used for city-wide schemes."

"We disagree with the proposal to take CIL funding away from the neighbourhoods most affected by the negative impacts of development."

"The CIL should stay within the area that it was levied. Anything else is day light robbery."

Another portion of responses questioned the fairness of the proposal suggesting that if a tangible investment was not made in the communities where the development took place it would increase resentment in the impacted neighbourhoods and put them at a disadvantage.

"The whole point of the fund is to compensate those areas that have had development taking place. Although I can appreciate believe it may be nice to help out other communities, it's not a fair use of this particular fund."

"There is a principle of fairness in ensuring that local communities that have had the disruption of development, and the impact associated with this, enjoy some benefit afterward"

"Not enough is spent by the Council in areas which are regarded as well off, and too much responsibility is put on to volunteers."

"Sometimes the more affluent areas have very run down facilities but struggle to get funding for projects because they are not in deprived areas."

However there were also a number of people in support of the IMD redistribution including from residents who lived in areas that would be negatively impacted by this redistribution.

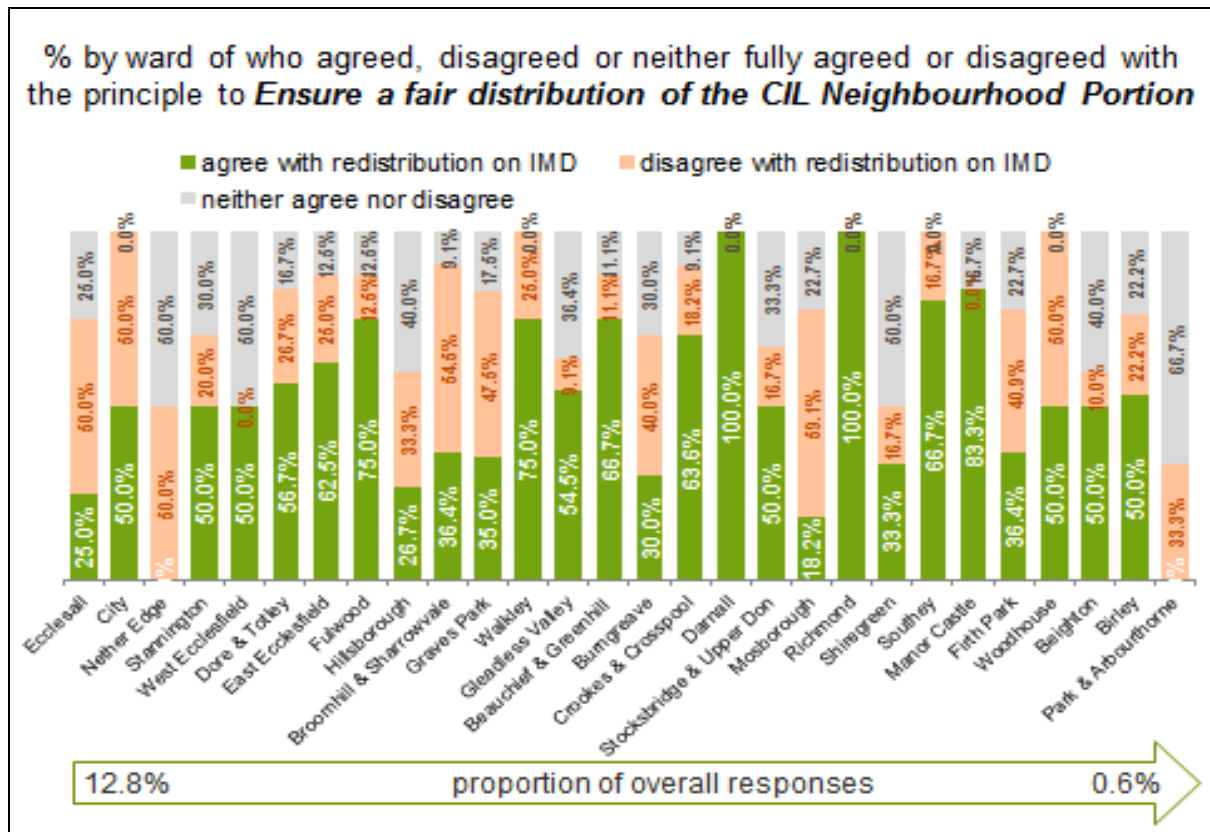
“I feel very strongly that as much of this money as possible should go to the more deprived wards. I am against even retaining 10% in the ward where the development has taken place.”

“I would like this to be prioritised for areas of Sheffield with the greatest need.”

“I believe that any available money should be spent on improving those neighbourhoods where need is greatest, i.e. the most deprived areas of the city. It is irrelevant where the levy was raised as there will be more development revenue in the most affluent areas where this levy is least needed.”

“Essentially, the money should be spread across the city rather than simply used in wards where the money has come from.”

The following graph shows the percentage of people who agreed, disagreed or neither fully agreed or disagreed with the proposal to “Ensure a fair distribution of the CIL Neighbourhood Portion” broken down by Ward (as with the previous graph wards are arranged with the highest contribution to the consultation on the left – Ecclesall to the lowest on the right – Beighton, Birley & Park)



Graph 2: % of responses by ward to the proposal re: Ensure a Fair Distribution

Finally there were a number of people who agreed in principle to redistribution but could not offer full support to the plans. One example of this is the response from the Access Liaison Group who suggested that the “Neighbourhood Component of CIL should be able to be divided between locations to improve disabled access infrastructure and services and not just tied to the vicinity of the development” they expanded on this idea suggesting that “the City Centre is a key “neighbourhood” where disabled access improvements are needed and

where such improvements benefit greater numbers of disabled people” and that “City Centre improvements have the potential to benefit greater numbers of disabled people than neighbourhood projects.” Other comments included.

“Although it's essential for more deprived areas of the city to benefit from improved infrastructure projects, more affluent areas also need to feel included and have a say in improvements to their area.”

“I feel that the percentage of the neighbourhood plan retained by the ward should be larger than 10%. I realise that new developments happen in more well off areas but these developments put pressures on the infrastructures of the areas. A 60/40 split maybe.”

“if the redistributive effect is too blunt this will disadvantage the pockets of poverty that exist even in areas of relative wealth.”

The first call on CIL NP should be to meet needs consequential on the development from which they have been derived. Where no such consequential demands arise then the funds might be used elsewhere to improve community services.”

“Projects in the areas local to development should be given priority for funding and any excess should then be distributed.”

Proposal 3: Decision making and the role of Ward Councillors and the Local Community

Over three quarters of all responses agreed with the proposals around how Ward Councillors and the local community work together to make decisions about how project ideas are identified, submitted and consulted upon and how projects will be assessed by councillors. However despite this there were a number of comments that were unhappy with this proposal

“All to be controlled by councillors and final decisions fed back to the local community! Scandalous hijacking - you should be honest and take the word community out of it all and replace with the word council”

“I am concerned that the PEOPLE do not have a proper say in the way these 'pots are spent or allocated.”

“I do not feel councillors are the right people to lead this. They are often bias with their own agendas.”

“Why can't the final decision rest with the local community? Councillors can be too heavily influenced.”

Overall comments reflected the support for the principle however many people commented that thought should be given on how we involve local people and local communities in the decision making processes.

“The councillors from each ward should be responsible for making decisions on the spending of the Neighbourhood Portion of CIL generated from developments in their wards”

"All the final decisions will be fed back to the local community" - Surely the final decisions should lie WITH the community?"

"Local communities and elected representatives, who are accountable, should determine how money generated locally should be spent."

"Strongly feel that any decisions should be in consultation with local residents or organisations, not just by councillors and the 'feedback' to communities."

"For the scheme to be successful, it will be essential to secure a high level of community involvement."

Consultation Material and Questions

Use of the Community Infrastructure Levy

Overview

The Council receives a payment called a Community Infrastructure Levy (CIL) for new building projects, which is then used to fund necessary improvements in infrastructure.

We are seeking views on our proposals to use the Local CIL (Neighbourhood Portion) in Sheffield to:

- promote the development of Neighbourhood Plans across the city
- ensure that areas of higher deprivation receive a fairer overall share
- improve how local communities are involved in the decisions on how it is spent

Why We Are Consulting

Background

What is Community Infrastructure Levy?

“A levy allowing local authorities to raise funds from owners or developers of land undertaking new building projects in their area.”

The Community Infrastructure Levy (CIL) is a planning charge paid to Councils by owners or developers of land undertaking new building projects. It is used by councils to fund improvements to the infrastructure required to support new development. This could include transport, telecommunications, energy, water supply, sewerage and drainage, schools, hospitals, health centres, sports and recreational facilities and open space.

CIL is a flexible fund. Money collected from development in one part of the city can be used to help provide essential infrastructure in another part of the city. Therefore -

- **80%** of CIL goes into a central pot and the Council decides the priority city-wide projects that will receive this funding.
- **5%** of CIL goes to the Council for administration
- **15%** is called the ‘Neighbourhood Portion’ or ‘Local CIL’ and is used to fund local infrastructure needs. Local communities will decide on how this fund is allocated.

The Council started collecting CIL in July 2015. To date (August 2018) the total CIL collected is £7.4m. **£1.1m** of this is the 'Neighbourhood Portion.'

This consultation is focused on the allocation of the Neighbourhood Portion.

The ‘Neighbourhood Portion’ or Local CIL

“Anything that is concerned with addressing the demands that development places on an area”.

Where there are **town and parish councils**, the CIL Neighbourhood Portion will be paid over directly to them and they will spend it on their infrastructure priorities. Sheffield has three local councils - Bradfield Parish Council, Ecclesfield Parish Council and Stocksbridge Town Council.

Where there is a **Neighbourhood Plan** the CIL Neighbourhood Portion is increased to **25%**. A Neighbourhood Plan gives communities direct power to develop a shared vision

for their neighbourhood and shape the development and growth of their local area. This 25% is paid to the local **Neighbourhood Forum** that has developed the Plan. Up to August 2018 there have been no Neighbourhood Plans adopted in Sheffield, although 3 are in preparation.

In non-parished areas without a Neighbourhood Plan (i.e. the majority of the city), the City Council will hold the CIL Neighbourhood Portion funds and ensure that it is spent within the ***“communities where development takes place”***

What we are seeking views on

We now need your views on how the Neighbourhood Portion is allocated in non-parished areas or those areas without a Neighbourhood Plan, as well as how local communities are involved in the decisions on how it is spent.

Please see the [flowchart](#) attached to help you visualise the process we are consulting on.

What Happens Next

We will carefully consider all the feedback we receive and use people's views to inform a final decision on the use of the Community Infrastructure Levy.

Link to electoral Wards in Sheffield

<https://www.sheffield.gov.uk/content/sheffield/home/your-city-council/electoral-wards.html>

Link to electoral ward priorities in Sheffield

<http://www.sheffield.gov.uk/content/sheffield/home/your-city-council/local-area-partnership.html>

Link to Indices of Multiple Deprivation in Sheffield

<http://dclgapps.communities.gov.uk/imd/idmap.html>

1. What is your name?

2. Please tell us if you are responding as a member of a community group or organisation, a resident of Sheffield or someone who works in Sheffield.

3. What is your postcode?

4. The CIL Neighbourhood Portion should alleviate the burden of development across the city.

5. The CIL Neighbourhood Portion should provide the opportunity to close the gap between richer and poorer parts of the city.

6. The CIL Neighbourhood Portion should be used to build physical and social community infrastructure in a sustainable way.

7. The CIL Neighbourhood Portion should be allocated to electoral wards and provide local Councillors the opportunity to work closely with the community to decide how best to allocate the fund.

8. Local community engagement, data and feedback from service providers and partner agencies help to set annual ward priorities. We believe the CIL Neighbourhood Portion should be allocated in line with these ward priorities.

9. The CIL Neighbourhood Portion could be pooled with other neighbouring wards for larger projects if appropriate.

10. The CIL Neighbourhood Portion should NOT be spent on permanent or continuous revenue funding of a project.

11. The CIL Neighbourhood Portion should NOT be spent on projects that have already secured full funding by the council or other public sector organisations (i.e. double funding).

12. The CIL Neighbourhood Portion should NOT be spent on single-use or one-off projects (e.g. events/festivals).

13. The CIL Neighbourhood Portion should NOT be spent on liabilities for the council (e.g. ongoing maintenance of equipment).

14. The CIL Neighbourhood Portion should NOT be spent on divisive or controversial schemes.

15. Do you have any further comments about these principles?

16. Promoting the development of Neighbourhood Plans across the City:

We plan to channel 10% of the Neighbourhood Portion that will be reinvested into those neighbourhoods wishing to develop Neighbourhood Plans.

17. Ensure a fair distribution of the CIL Neighbourhood Portion:

- Establish a Development Investment Fund – the remaining 90% of the CIL Neighbourhood Portion will be pooled and fairly redistributed across the wards that are in non-parished areas or do not have a Neighbourhood Plan. This

redistribution will be based on Indices of Multiple Deprivation (IMD) – [Link to Indices of Multiple Deprivation website](#).

- A minimum of 10% of the CIL Neighbourhood Portion will be retained within the ward where the development takes place

18. Making decisions – the role of ward councillors and the local community:

- Every year, the amount of the CIL Neighbourhood Portion available within each ward will be published.
- Every year, Ward Councillors will invite the local community and council services to identify, submit and comment on ideas for appropriate projects that could be funded, in line with their ward priorities.
- Consultation could involve the use of social media, council's website, public events, surveys, citizens' panels, etc.
- Project ideas will then be assessed by councillors who will also take into account the amounts of money involved, potential match funding, potential for pooling resources with neighbouring wards, timescales, who could deliver the project and whether it can be realistically achieved.
- All the final decisions will be fed back to the local community.

19. Do you have any further comments about what we plan to do?

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