

A new vision for developing Wakefield District



Wakefield Council Community Infrastructure Levy (CIL) Regulation 62 Annual Report 2016/17





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1. Introduction

- 1.1 The Community Infrastructure Levy is a charge per square metre on new development, to help pay for essential infrastructure needed across Wakefield district as a result of growth.
- 1.2 The charge is paid by developers and landowners when new development commences. Without the charge there would be a greater gap in the funding required to deliver this essential infrastructure. A percentage of the charge resulting from new development must be spent on community infrastructure in the neighbourhoods affected by development, in consultation with those communities.
- 1.3 The charges for Wakefield are set out in the [Community Infrastructure Levy Charging Schedule, April 2016](#). The charges apply to new residential development, retail warehouses and large supermarkets. The residential rate depends on the location of development in the district. Supermarket charges relate to the size of development. The charges are based on viability evidence and are set at a rate that is affordable, without impacting on the delivery of development.

2. How the Levy is Spent

- 2.1 Regulations 59A and 59F require a minimum of 15% of the Levy collected within a local area to be allocated for spending on community infrastructure within that local area. This rises to 25% where there is a Neighbourhood Plan in place. Walton is currently the only Parish in Wakefield district with a Neighbourhood Plan in place. On 13 July 2016 the Council agreed to allocate 25% of the Levy to all neighbourhoods where it is raised, in the interest of equity (subject to the legal requirement of an annual cap of £100 per council tax dwelling per year in areas without an adopted Neighbourhood Plan).
- 2.2 The neighbourhood fund can be spent on infrastructure to support the development of the area; or anything else that is concerned with addressing the demands that development places on the area. However, the additional 10% allocated to areas with no Neighbourhood Plan is restricted to being spent on infrastructure to support the development of the area.
- 2.3 The Council has agreed to retain 5% of Levy receipts to put towards the costs of implementing the Charging Schedule and administering the collection process. Council agreed the remaining 70% of the Levy will be prioritised towards strategic infrastructure to support growth, prosperity, new jobs, education, skills and housing.
- 2.4 The Council must apply the strategic funds to the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the district. The Planning Act (2008, as amended by the Regulations) states that infrastructure includes: roads and other transport facilities; flood defences; schools and other educational facilities; medical facilities; sporting and recreational facilities; and open spaces.
- 2.5 Where there is a local council, such as a town or parish council, the neighbourhood proportion of the Levy must be transferred directly to the local council, to spend on local community infrastructure priorities. The Regulations require these to be determined in consultation with the local community.
- 2.6 Where there is no town or parish council, the money will be retained by Wakefield Council, who will engage with local communities to establish their priorities for spending the neighbourhood fund.

3. Reason for the Report

- 3.1 The Council began charging the Levy on 1 April 2016. To ensure the Levy is open and transparent, the Council must prepare a short report on the Levy. The report must be published on the Council's website by 31 December each year, for the previous financial year, covering the period 1 April to 31 March. This report covers the period 1 April 2016 to 31 March 2017.
- 3.2 Regulation 62(4) (as amended) sets out what charging authorities must include in their reports. Where a charging authority holds and spends the neighbourhood proportion on behalf of the local community, this should be reported as a separate item. Town and parish councils must also report on their income and spending, and provide a copy of this to Wakefield Council.

4. Receipts and Expenditure 2016/17

- 4.1 Table 1 overleaf sets out the monitoring statement for Levy receipts and expenditure for the 2016/17 financial year, as required by Regulation 62 of the Community Infrastructure Levy Regulations 2010 (as amended).

Table 1: Community Infrastructure Levy Statement 2016/17

Reporting on Community Infrastructure Levy (CIL) Income and Expenditure 2016/17		
Regulation 62 (4) Ref.	Description	Amount
(a)	Total CIL Receipts for 2016/17	£493,255.49
(b)	Total CIL Expenditure for 2016/17	£0
(c)	Summary of CIL Expenditure for the reported year	
	(i) The items of infrastructure to which CIL (including land payments) has been applied.	n/a
	(ii) The amount of CIL expenditure on each item.	n/a
	(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 including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part).	n/a
	(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.	£24,662.79
(ca)	The amount of CIL passed to:	
	(i) Any local council under regulation 59A or 59B at 31 March.	£15,466.00 (Ackworth)
	(ii) Any person under regulation 59(4).	£0
(cb)	Summary details of the receipts and expenditure of CIL to which regulation 59E (funds recovered from town or parish councils) or 59F (non-town or parish council neighbourhood funds) applied during the reported year:	
	(i) The total CIL receipts that regulations 59E and 59F applied to.	£102,771.98
	(ii) The items to which the CIL receipts to which regulation 59E and 59F applied have been applied.	n/a
	(iii) The amount of expenditure on each item.	n/a
(cc)	Summary details of any notices served in accordance with regulation 59E (recovery of funds passed to town or parish councils) including:	
	(i) The total value of CIL receipts requested from each local council.	n/a
	(ii) Any funds not yet recovered from each local council at the end of the reported year.	n/a
(d)	The total amount of:	
	(i) CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied.	£350,354.72 (including £1,649.77 to be paid to local councils by 28 April 2017)
	(ii) CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied.	n/a
	(iii) CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year.	£102,771.98
	(iv) CIL receipts from previous years to which 59E or 59F applied retained at the end of the reported year.	n/a
(e)	In relation to any infrastructure payments accepted by the charging authority:	
	(i) The items of infrastructure to which the infrastructure payments relate.	n/a
	(ii) The amount of CIL to which each item of infrastructure relates.	n/a

4.2 Table 2 below provides a summary of the income and expenditure for 1 April 2016 to 31 March 2017. The table shows what is retained by the Council for strategic and neighbourhood spending, what has been transferred to town and parish councils, and what has been applied to administrative expenses.

Table 2: Summary of income and expenditure for 1 April 2016 to 31 March 2017

Summary of Income and Expenditure for 1 April 2016 to 31 March 2017	
Total Receipts.	£493,255.49
Amount applied to administrative expenses.	£24,662.79
Amount transferred to town and parish councils.	£15,466.00 (Ackworth)
Amount held for neighbourhoods with no town or parish council.	£102,771.98
Amount retained at the end of 31 March 2017.	£350,354.72 (including £1,649.77 funds to be transferred to town or parish councils by 28 April 2017, and £348,704.95 for strategic infrastructure).
Expenditure on Strategic Infrastructure.	£0
Expenditure in neighbourhoods with no town or parish council.	£0

5. Future Strategic Spending Priorities

- 5.1 On 13 July 2016 the Council agreed that the strategic proportion of the Levy would be prioritised for spending on strategic infrastructure to support growth, prosperity, new jobs, education, skills and housing.
- 1.2 The infrastructure funding gap identified by the Infrastructure Delivery Plan Evidence, 2015 was £178.62 million. As set out above there is £348,704.95 in the strategic fund to 31 March 2017. Therefore, the amount of funding available is minimal in comparison to the identified funding gap. Furthermore, the information surrounding funding of a number of potential projects is incomplete at this time.
- 1.3 Therefore, the Council has agreed to retain the funds collected this year and continue to accumulate them. This will allow any potential strategic projects to be considered at a later date, when more detailed information about them becomes available. When considering any future schemes, the Council will ensure all alternative and complementary sources of funding have been explored and secured before Levy funds will be committed.