

As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions. Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

<b>Directorate: City Development</b>	<b>Service area: Forward Planning and Implementation</b>
<b>Lead person: Lora Hughes</b>	<b>Contact number: 50714</b>

## 1. Title: Community Infrastructure Levy – Strategic and Neighbourhood Spending

Is this a:

**Strategy / Policy**

**Service / Function**

**Other**

**If other, please specify**

## 2. Please provide a brief description of what you are screening

The Council adopted the Community Infrastructure Levy (CIL) Charging Schedule on 12<sup>th</sup> November 2014, for charging to start on the 6<sup>th</sup> April 2015.

This Screening Report assesses the decision as to how to spend the future CIL income, in terms of proportions to be passed over to the local community and retained for expenses, how structures may be set up to direct and influence local spending decisions, and how the Council will make decisions on its own strategic CIL spending.

Specifically, the report to Executive Board recommends the following:

- 1: The Council will retain 5% of the CIL to cover administration and implementation costs.
- 2: 15% of CIL income to be the neighbourhood fund subject to the cap set in national Regulations, or 25% in areas with an adopted neighbourhood plan.
- 3: Retain default timetable in CIL Regulations for transferring the neighbourhood fund: 1st October to 31<sup>st</sup> March transferred by 28<sup>th</sup> April, and 1<sup>st</sup> April to 30<sup>th</sup> September

transferred by 28<sup>th</sup> October each year.

- 4: Continue to work closely with parish councils and other community groups and infrastructure providers, including through the Site Allocations Plan and Neighbourhood Planning, with the aim of shared infrastructure planning and maximised use of CIL resources.
- 5: Use existing Community Committee structures to direct spending of the neighbourhood fund.
- 6: Guidance/protocols to be established to ensure a consistent approach to defining the locality for spending and consultation purposes. Community Committees may then publish their own parameters for the spending of the neighbourhood fund in their area. This will need to include consultation and joint working with adjoining Committees to determine the approach to CIL spending from development that may occur on or near Committee boundaries, and with parish councils in recognising the control parishes have over the neighbourhood fund for their own parish.
- 7: That priorities for strategic CIL spend are decided on an annual basis as part of the Council's budget setting process, in line with the Regulation 123 List, and taking into account the impact of specific and cumulative infrastructure needs arising from new development.

### 3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	X	
Have there been or likely to be any public concerns about the policy or proposal?	X	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?		x
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> <li>• Eliminating unlawful discrimination, victimisation and harassment</li> <li>• Advancing equality of opportunity</li> <li>• Fostering good relations</li> </ul>	X	

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

#### 4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?**

*(think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)*

In developing the Community Infrastructure Levy (CIL) charge setting process, previous screening reports have already considered equality to ensure that there is equal and fair consultation throughout the charge setting process, and equality for those who will have to pay the charge. This report is concerned with equality as a result of decisions on spending the CIL, and subsequent infrastructure delivery.

Adopting a CIL will help the authority to achieve the vision for sustainable development that is set out in the Core Strategy. The Core Strategy was itself subject to a detailed Equality Impact Assessment Screening that considered the impacts of individual policies on those groups identified as having protected characteristics.

Interest in spending including the balance between local and strategic funds, has previously been expressed by Members (including Scrutiny Board), local communities, and a number of Services and infrastructure providers. Executive Board agreed (9th October 2013) to work in partnership with local councils, Area Committees (now Community Committees), and neighbourhoods to explore opportunities for maximising available resources through governance and implementation of the CIL spending to best meet their local needs. This has to be set against the need to streamline the process by using existing decision making structures where possible, and also the technical requirements of financial administration within the authority.

There are a very wide number of possibilities in how the CIL income may be spent. In narrowing these down to the final recommendations, issues which have been considered include:

- The amount of 'meaningful proportion' which will be passed to local communities via parish or town councils or Community Committees to determine their own spending:
- Issues where no or minimal CIL will be raised, and how this lack of meaningful proportional may disproportionately impact on those communities (and any mitigation required as a result):

Even at the proposed level of 15% or 25% (which is the minimum required by national Regulations), some communities will receive substantial CIL funds from development in their area, especially those in the highest CIL residential charging zone, and/or where there is an adopted Neighbourhood Plan. The need for the sort of infrastructure that CIL is intended to deliver as a replacement for S106 (such as schools and greenspace) will

remain a priority. It is important that the bulk of CIL receipts be retained to direct to these priorities and therefore appropriate that the meaningful proportion to be transferred for community use should be the minimum set in the Regulations. In addition, the neighbourhood fund will not be the only CIL spending in localities. Whilst some strategic spend will be on schemes of city wide significance such as NGT or flood alleviation, many projects will directly benefit the localities in which development generating CIL has taken place, with the funding of a new school being a clear example and therefore for some locations the total percentage spent locally will be higher. Those decisions will be made with due regard to equality impacts. New developments will also as appropriate be subject to policies in the Site Allocations Plan requiring necessary infrastructure on site such as greenspace and drainage/flood alleviation and access. Direct site specific impacts of new developments will therefore be mitigated.

The neighbourhood fund is not the total amount of the CIL which could be spent by LCC in local communities with new development, as the Council could choose to ringfence further amounts (but control spending rather than pass over to a parish council). Although it is clearly the Government's intention to reward/encourage neighbourhood plans LCC could also choose to give 25% of the CIL across all communities, because it's important that communities preparing neighbourhood plans are doing so for the right reasons and at the right time and not just to gain more CIL income. Equally, many communities may have good reasons not to prepare neighbourhood plans, especially in the non-parished areas where it is more difficult or where demographic groupings mean there is less interest to do so. However, given the disparity in CIL rates across the District this would still leave some areas at a considerable disadvantage in terms of CIL receipts. This option was considered at earlier stages but on balance it is considered more appropriate to retain the presented local CIL proportions and leave the bulk of the money with the Council, to then determine the balance between local and strategic matters. Even giving 100% of the CIL to local communities would not generate much CIL in some areas (and a lot in others, although it is not possible to be more specific about the geography of this) but that would leave no surplus which could be re-distributed towards the areas where it is needed and therefore would be less equal than the proposal for 15% / 25%. The Government's intention for the CIL is to specifically break the link between a specific development, and the infrastructure it funds, in order to provide pooled funds for strategic infrastructure necessary as a cumulative result of development.

It is difficult to ascertain where any impact on people with protected characteristics may lie. The inner area has a low CIL rate of £5 psm for residential development compared to £90 psm in the north. However, the exemptions from paying the CIL relating to whether a scheme includes affordable housing, existing buildings on site to be demolished, or self-build, are non-geographic and vary on a site by site basis. In addition, some areas in the £90 zone may have little development anyway. Both of these points may alleviate to some extent the range of the charges. The 15% zone i.e. areas without emerging neighbourhood plans covers the majority of the main Leeds urban area which contains a very wide range of communities and therefore will not impact solely on certain protected characteristics, plus new neighbourhood plans may be progressed in those areas which would then increase the CIL rate to 25%. The majority of the outer rural areas including most of the major towns, are currently progressing neighbourhood plans. However, this doesn't correlate to where the majority of development is likely to occur and therefore again it is difficult to ascertain whether there will be a disproportionate benefit for those communities receiving 25% in terms of the overall sums generated in each area. It

should also be noted that currently there are no adopted neighbourhood plans and so everywhere in the District will receive 15% for the early months of CIL charging.

- How the meaningful proportion will be spent in areas where there are no parish or town councils:

This is directly addressed through the recommendations in the report relating to Community Committees. The Local Government Act 2000 provides for the Executive to make arrangements for functions which are the responsibility of the Executive to be discharged by Community Committees. As such, the Committees must comply with the Executive and Decision Making Procedure Rules in Part 4 of the Constitution, and incorporate the wider Council requirement to give due regard to equality. There are 10 Community Committees providing a forum for local people to have their say about what happens in their area. They were set up in mid-2014 to build on previous work by Area Committees, and is the start of a new commitment to listen to local people, and to seek their involvement and engagement with local civic life and act as local representatives. They are an important part of the Council's decision making process and each committee has elected members as voting members. Attending the meetings allows local people and councillors to get to know groups and organisations that work in the area. Similarly, the role of parish councils as democratically accountable bodies means they offer a way of shaping the decisions that affect their communities. Parish and town councillors and officers possess local knowledge to make informed decisions, including on the equality needs and impacts of their communities.

- How infrastructure priorities will be decided, based on the Council's Infrastructure Delivery Plan and input from the capital programme, Strategic Investment Board, DPP/Executive Board etc:

The balance of CIL spending will be a matter of priorities for the Council taking account of its decisions on other sources of funding for local infrastructure projects, and the different challenges and aspirations across the District. Infrastructure spending by the City Council through the Capital Programme already requires identification of priorities as informed by a range of aspects including the Infrastructure Delivery Plan, Strategic Investment Board, and Member views (e.g. Executive Board, Community Committees and Ward Members). The decision making bodies are representatives of the communities and give consideration to the protected characteristics and due regard to equality in their decision making. There also needs to be a joined up approach to best maximise spend of extant S106 funds alongside the CIL.

- **Key findings**

*(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)*

The Government has already conducted an equalities impact assessment on the general introduction of the CIL, which identified no adverse impact. The Government concluded that it does "not think that CIL will have an adverse impact on any social group. By making communities more sustainable, the CIL will facilitate economic growth and liveability and so create opportunity for all. The infrastructure and services that CIL will provide (such as medical and community facilities and transport networks) will enhance accessibility and liveability for all sectors of society, and could help to deliver new infrastructure that serves different needs within the community, for example, by

increasing mobility and accessibility.”

Adopting a CIL will help Leeds City Council to achieve the vision for sustainable development that is set out in the Core Strategy. The Core Strategy was itself subject to a detailed equality impact assessment screening that considered the impacts of individual policies on those groups identified as having protected characteristics.

Bringing forwards the CIL in Leeds aims to enable the Council to direct spending on necessary infrastructure items, give more choice in priority setting for spending to local communities, and balance out the costs and benefits of growth across the District. It is therefore considered that it is a beneficial mechanism to help promote equality overall. The CIL has never been expected to fund all the necessary infrastructure for Leeds and other sources of funding will continue to be sought.

The introduction of CIL should in principle, benefit all groups by contributing to the delivery of strategic and local infrastructure and helping to achieve more sustainable development. By the Council retaining the maximum available amount of the CIL (rather than passing on more direct to local communities) it should offer a more flexible tool, helping the Council to secure the finances needed to deliver the strategic infrastructure priorities (which are in many cases the same priorities as those of local communities) across the District. The detailed governance of the CIL may have unequal impacts in Leeds, primarily based on a geographical basis (because of concentrations of groupings of people with the protected characteristics in different areas). A higher % could theoretically be given to deprived areas and/or areas without neighbourhood plans, but as these are generally in the lowest CIL rate even if they retained 100% of their CIL to be spent locally they may still end up with less than the outer areas, and there would then be less surplus to ‘top up’ based on strategic infrastructure decisions. Plus this is likely to be contentious and not foster good relations between communities. Communities across Leeds are too diverse and the amount and timing of the CIL which will be generated in each too complex and unknowable to be able to generalise about equality impacts and specify any bespoke CIL %s accordingly. By placing a nominal £5 charge on all types of development in all locations has been an attempt to mitigate to a certain extent the areas which otherwise would receive no CIL funding.

The types of impacts would arise at the point at which money has been secured through CIL and new or improved infrastructure is actually delivered. Such matters will also involve consultation and agreement with a wide range of stakeholders, and equality and cohesion will need to be fully integrated into decision making, including monitoring, to mitigate any disproportionate impacts.

The provision of some of the CIL to be given directly to communities via parish or town councils, or for the Council to spend on communities’ behalf in non-parished areas through Community Committees, will enable communities to determine their own priorities. There is the potential for groups to work together through this and so come into increased contact with each other.

Parish councils have to produce an annual report of their own CIL income and spending. They will therefore have political accountability if there is an urgent need for a particular infrastructure project but their CIL neighbourhood fund has been spent on another project, or for instance if it is spent on a project not identified as a priority in a Neighbourhood Plan or through another community agreed list.

The timetable for passing over the neighbourhood fund is proposed as the default set out in the Regulations. If this is found to be unsatisfactory for any reason in the future it could be altered, but it is considered that passing over the fund more regularly would be too complex and create unnecessary administrative burden for both the City Council and local councils.

There are many options for how strategic CIL spending might be organised and these have been considered. It would for instance be possible to agree at the outset that the strategic fund is split with an agreed percentage to be spent in the locality in which the funds are generated, and the remainder being allocated to strategic schemes of city-wide significance. The problem with this is that it lacks flexibility. The local proportion may be insufficient to fund a key infrastructure need, some areas will have significant development but raise little funding, and the ability to match with other funding sources may be limited. There is also the uncertainty of when funds will be received from a particular planning permission, compounded by the agreement to phased payments.

On the other hand maximum flexibility is achieved if the strategic funds are retained as a central pot. This would enable funds to address needs arising from growth anywhere in the District, subject to compliance with the Reg123 list. The CIL could be used to part fund schemes where funding is available from other sources, including outstanding S106 funds and the CIL neighbourhood fund. With this approach the CIL spend is recommended to be a rolling annual programme as part of the budget setting process. This would enable the CIL spend to reflect corporate priorities and the actual funds available at the time.

In terms of equality impacts there are pros and cons for both approaches. Ultimately, retaining as a central pot would then allow considerations of equality during the budget setting phase, which would encompass the potential situation where some areas may have had development take place which only generated little CIL (due to lower CIL rates or 'exemptions' such as for social housing or existing floorspace). Working closely with parish councils and local communities to identify shared priorities will also be a positive equality action.

- **Actions**

*(think about how you will promote positive impact and remove/ reduce negative impact)*

It is anticipated that much of the agreed spending would be locality based, reflecting Members' views on priorities at the time, and in turn reflecting views of their local communities. This is expected to reflect where significant development had taken place or was on-going as well as other funding sources. It would also enable Members to balance spend on LCC schemes with pressures for funding in other areas such as public transport or health. Flexibility enables the balance to vary year on year to respond to changing circumstances, and any impacts (real or perceived) on equality.

The governance structure for allocating CIL will be transparent and ensure that the allocation of funds to projects is undertaken in a fair and consistent manner, taking account of the views of stakeholders and local communities for instance through neighbourhood planning. The allocation of strategic CIL income through the Capital Programme would be subject to the similar process as currently undertaken for other income streams including for example the allocation of Section 106 monies, i.e. via

approval process through Council (or delegated authority), including engagement with service providers, Members and the public. Investment decisions and specific proposals would normally be subject to separate equalities analysis at the appropriate time. Any impacts would be dependent on the type of infrastructure to be provided and its location. The Council will monitor the type, location, and value of CIL infrastructure funding.

The Scrutiny report 'Strengthening the Council's relationship with local Parish and Town Councils' (Scrutiny Board Safer and Stronger Communities, May 2013) contained recommendations relating to a commitment from parish councils and Area Committees (now Community Committees) to work closely together for open and meaningful dialogue, and that "Area Leaders proactively work with local councils and Area Committees to identify opportunities for maximising available resources to best meet the needs of their local communities." An action proposed as part of the report's recommendations is therefore that the Council continues to work closely with parish councils and other community groups and infrastructure providers, including through the Site Allocations Plan and Neighbourhood Planning, with the aim of shared infrastructure planning and maximised use of CIL resources.

Given that the Council has already put in place a Community Committee structure to manage activity at a locality level it is proposed that this be used for managing local CIL spend of the neighbourhood fund. What constitutes the locality of the development and the local community is not defined in the Regulations. The Council will need to put in place further guidance to ensure that there is transparency and consistency on these issues. Where neighbourhood plans are in preparation then the designated neighbourhood forum will provide one route for local consultation and it can be expected that the neighbourhood plan will identify local spending priorities.

It is proposed that guidance/protocols should be established to ensure a consistent approach to defining the locality for spending and consultation purposes, whereby Community Committees could publish their own parameters for the spending of the neighbourhood fund in their area including giving due regard to equality. This will need to include consultation and joint working with adjoining Committees to determine the approach to CIL spending from development that may occur on or near Committee boundaries, and with parish councils in recognising the control parishes have over the neighbourhood fund for their own parish.

A number of Services, external infrastructure providers, and local communities will be affected by the CIL spending no matter what parameters are placed on it. No further consultation is proposed on the overall parameters, i.e. recommendations 1, 2, 3, and 7. However, 4, 5, and 6 are directly concerned with ensuring further involvement and influence on local spending, and will include considerations of equality and cohesion within those decisions. The progression towards adoption of the Site Allocations Plan and therefore the increasing certainty on the amount of CIL which individual areas may generate will also help with this process. There is a risk that some types of infrastructure or some areas may result in lower spending than they have received through the S106 system, but can be mitigated through the annual priority setting, which will also consider the balance of other funding sources and development and infrastructure pressures.

Annual monitoring of a number of elements of the CIL will be important in managing and responding to the risks identified above and any other implications on equality which have not been identified or addressed.



<b>5. If you are <b>not</b> already considering the impact on equality, diversity, cohesion and integration you <b>will need to carry out an impact assessment</b>.</b>	
Date to scope and plan your impact assessment:	
Date to complete your impact assessment	
Lead person for your impact assessment (Include name and job title)	

<b>6. Governance, ownership and approval</b>		
Please state here who has approved the actions and outcomes of the screening		
<b>Name</b>	<b>Job title</b>	<b>Date</b>
Lora Hughes	Principal Planner	22/01/15
<b>Date screening completed</b>		22/01/15

<b>7. Publishing</b>	
Though <b>all</b> key decisions are required to give due regard to equality the council <b>only</b> publishes those related to <b>Executive Board, Full Council, Key Delegated Decisions</b> or a <b>Significant Operational Decision</b> .	
A copy of this equality screening should be attached as an appendix to the decision making report:	
<ul style="list-style-type: none"> <li>• Governance Services will publish those relating to Executive Board and Full Council.</li> <li>• The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.</li> <li>• A copy of all other equality screenings that are not to be published should be sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a> for record.</li> </ul>	
Complete the appropriate section below with the date the report and attached screening was sent:	
For Executive Board or Full Council – sent to <b>Governance Services</b>	Date sent: 22/01/15
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent:
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent: