

Cabinet

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Co-operative Local Investment Plans (CLIPs) and Neighbourhood Community Infrastructure Levy (CIL): Boundaries and Decision-Making

Wards: All

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Portfolio: Cabinet Member for Jobs and Growth - Councillor Jack Hopkins

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Report summary

As part of its commitment to becoming a Co-operative Council, the Cabinet agreed at its meeting on 13 January 2014 to raise the percentage of the neighbourhood funding element of the Community Infrastructure Levy (CIL) to 25% from the statutory minimum of 15%. To give local people a greater say in decisions about local infrastructure, Cabinet agreed that Co-operative Local Investment Plans (CLIPs) would be developed as the mechanisms by which communities will inform priorities for spending the neighbourhood funding. From 1 April to 16 May 2014, the council worked with key business and community networks to help establish the first two elements of a framework for developing CLIPs; examining the most appropriate combination of wards and/or boundary alternatives within which to develop these local investment plans, and how decision-making should operate.

This report recommends 7 CLIP areas, made up of a number of wards. Ward councillors should provide local leadership to develop CLIPs. CLIPs should be developed within a framework that supports the outcomes in the Council's Community Plan 2013-2016 and, as the accountable body, the council should invest in the delivery and administration of CLIPs to ensure fairness, consistency, inclusivity and transparency throughout the process. Within this framework, the identification of projects and priorities should be led by the community both with existing local and business networks and also with the aim of encouraging wider participation. As part of the development of the first CLIP, standards for inclusivity, principles, criteria and evidence required for CLIPs will be co-produced.

With the process for delivering CLIPs agreed, the intention is to prioritise the first CLIP for co-production before the end of the current financial year. The operation of boundaries and governance will be reviewed after 3 years.

Finance summary

An initial budget of £35,000 is required to establish the operational framework. It will be initially funded from existing revenue budgets and repaid when the CIL receipts are received. (5% of CIL receipts are allowable to be used for its administration)

The £35,000 is required to fund a common framework for the local investment plans and for their publication and dissemination. This will include a document suite identifying objectives, community outcomes and providing a template for the plans, a programme and risk register, cost plans etc.

Recommendations

- (1) To approve the decision-making process:
 - a. Identification of proposals and priorities for CLIPs should be led by the community within agreed principles, standards and parameters **(2.11)**.
 - b. Ward councillors should provide local leadership to develop CLIPS **(2.14)**
 - c. The Cabinet Member for Jobs and Growth will agree the operational framework developed for CLIPs **(2.15)**
 - d. The Council, as the accountable body, will be responsible for establishing and managing CLIPs by developing an operational framework setting out principles, standards and parameters using co-operative principles **(2.16)**
- (2) To approve 7 boundaries for the development of Co-operative Local Investment Plans (CLIPs) as set out in **2.30** and listed in Appendix 2.
- (3) To approve the timetable and next steps for developing and agreeing the first CLIP, to cover the Stockwell CLIP area, by the end of the financial year, also noting the budgetary implications. See **2.36**.
- (4) To note that the Strategic Director for Delivery, in consultation with the Cabinet Member for Jobs and Growth, has delegated authority to co-produce the process for developing, establishing and managing the operational process of CLIPs.

1. Context

The Community Infrastructure Levy (CIL) and the CIL Neighbourhood Funding Element

- 1.1 The Community Infrastructure Levy (CIL) is a new charge that local authorities will be able to collect on new development in their area to support growth. It will be used to help fund strategic infrastructure, including; roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting/recreational facilities and open spaces.
- 1.2 CIL will apply to new build floorspace and to some changes of use, subject to various exemptions and reliefs. The rate at which CIL is charged varies depending on the development type and location.
- 1.3 CIL will provide an important resource to deliver the Council's strategic infrastructure plan and to meet outcomes in the Lambeth Community Plan 2013-2016.
- 1.4 To ensure local communities realise the benefits of local growth, the council is required to spend the 'neighbourhood funding element' of CIL in ways that benefit local areas. Guidance states that the statutory 15% of total CIL receipts must be allocated as neighbourhood funding, and there is significant flexibility on what this can be spent on (See 1.13).
- 1.5 In addition Cabinet agreed that an extra 10% of the total CIL arising from the development in a local area should be spent in that local area and this will be in accordance with the broad definition of infrastructure in the Planning Act 2008 which includes:
 - roads and transport facilities
 - flood defences
 - schools and other educational facilities
 - medical facilities
 - sporting and recreational facilities
 - open spaces
- 1.6 The balance of CIL receipts (75%) are required for strategic infrastructure. (Cabinet 13.01.14 – Community Infrastructure Levy Neighbourhood Funding and Co-operative Local Investment Plans.)
- 1.7 To give local people a greater say in decisions about local infrastructure, Cabinet agreed that Co-operative Local Investment Plans (CLIPs) would be developed as the mechanisms by which communities will inform priorities for spending the neighbourhood funding. It was recognised that CLIP areas should be big enough to ensure there is a sufficient quantum of neighbourhood funding to enable meaningful projects, but small enough to be recognisable as community areas. CLIP areas formed of single wards would not be financially nor administratively viable.
- 1.8 Following consultation and public examination by an independent examiner, the Lambeth CIL Draft Charging Schedule is due to be adopted later this year. This is the subject of a separate Cabinet report:– 'Adoption of a Lambeth Community Infrastructure Levy (CIL) Charging Schedule' on this agenda. The council will start collecting CIL with the first receipts likely by the end of the current financial year.

- 1.9 In adopting CIL, the council is proposing to have a 'Regulation 123' list identifying the projects, or types of major strategic infrastructure, which the council intends to fund or part fund with money received from CIL. Work is underway to update existing schedules and they will be brought before Cabinet for endorsement. The next review of the Local Plan is due to start later this year. This information will be available to local communities along with other relevant baseline information.

CIL Income Projections and Current Projections for Distribution across CLIPs

- 1.10 CIL figures will be updated and re-profiled regularly. Current forecasts over the next 5 years are that CIL receipts will be in the region of £32.5m with the neighbourhood funding element of this at 25% being around £8m for the whole borough. Despite this, the council's current analysis shows there is a funding gap of £201.2 million for the delivery of required infrastructure in the borough over the same period which is anticipated to be met, in part, from other public sources eg NHS, Department of Education etc.
- 1.11 The distribution of CIL across proposed CLIP areas will vary significantly, according to the level of development occurring in each area. Over the next 5 years it is estimated that of the forecasted total neighbourhood funding across the borough, approximately £3.4m will be generated in the Waterloo Opportunity Area; £2.6m will be generated in the Vauxhall Opportunity Area and £1.9m will be generated across the rest of the borough. Unless the forecasted amount of development increases, neighbourhood funding may be approximately £20,000 pa averaged over the next five years for some CLIP areas, whilst over £650,000 pa could be available for those CLIP areas experiencing the highest levels of development. This excludes, for example, schemes that have planning permission under the existing S106 agreements. This also does not include forecasts for smaller developments that are likely to come forward to meet the borough's housing targets.
- 1.12 The council's strategic infrastructure plan will inform CLIPs, setting out prioritised infrastructure commitments and identifying funding gaps. These plans can help to forge and foster relationships to deliver public, private and charitable investment both borough wide and on a more local scale. CLIPs can act as catalysts for the local community to leverage such additional investment, especially in CLIP areas with lower levels of neighbourhood funding.

Use of Neighbourhood Funding, CLIPs and the Community Plan

- 1.13 There is significant flexibility in what the statutory neighbourhood funding element can be spent on. This includes:
- 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.
- 1.14 Projects and proposals that come forward for neighbourhood funding will need to first consider local priorities to mitigate the effects of development. In Opportunity Areas, the impacts of high density development may be greater. However, there is also flexibility to interpret mitigation more broadly through the expenditure of the neighbourhood funding element of CIL than under the S106 regime, possibly allowing for a wider geographic distribution of the benefits from development.

- 1.15 Projects and priorities identified through CLIPs will need to demonstrate compatibility with, and be mapped against, the council's Community Plan outcomes. This will ensure that CLIPs also have the potential to become the means through which wider investment decisions can be made, by providing local detailed evidence of outcomes desired by local residents, and demonstrating a link between these and other related council services and processes such as community-based commissioning.

2. Proposal and Reasons

Developing the operational framework for CLIPS: Objectives of initial phase consultation

- 2.1 To lay the foundations of the CLIPs framework, the council commissioned the Waterloo Community Development Group (WCDG) to run a collaborative process with key stakeholders from community and business networks. WCDG'S Executive Summary is attached at Appendix 4 and informs the council's findings and recommendations in this report.
- 2.2 This process ran from 1st April to 16th May, with the objectives of helping:
- to establish how decision-making should operate for agreeing CLIPs and what underpinning principles, standards and parameters are required
 - to establish the most appropriate combination of wards and/or boundary alternatives for neighbourhood funding
 - to bring together initial ideas for how communities can produce Co-operative Local Investment Plans (CLIPs), identifying priorities and projects, in a genuinely participatory, efficient and inclusive way.
- 2.3 The CIL guidance issued by central government states that in areas where there are no Parish or Community Councils, such as Lambeth, the charging authority should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding. Charging authorities are expected to clearly set out their approach to engaging with neighbourhoods through their regular communication channels, and by drawing on existing engagement with community and business networks, including those used by ward councillors.
- 2.4 In this first stage the council worked with existing networks and forums to shape boundaries and governance requirements. Representatives from the neighbourhood forums belonging to the Lambeth Forum Network, Business Improvement Districts (BIDs) and business associations, amenity groups, Young Lambeth Co-operative, Tenants' Council and some Tenants' & Residents' Associations from major estates were invited to contribute their views during this process. In addition to a 1st April meeting attended by representatives from many of these organisations to start the dialogue, a further 14 meetings were attended by WCDG and officers and written representations were received from a variety of organisations. The council is very grateful for the interest, comments and time given by all those who participated. Further information relating to the consultation process can be found in Appendix 3.

CLIPs Operational Framework: Underpinning principles, standards, and parameters: Findings

2.5 The findings from the initial consultation process are summarised below:

- CLIPs should be inclusive, reaching all communities and ensuring coverage of the whole borough. The process to develop CLIPs will need to work within clear, co-produced decision-making parameters and meet fundamental principles and standards across the borough. Inclusivity, fairness and transparency of the process are essential, as is a strong and reasoned evidence base to inform decisions.
- It is difficult to reach every stakeholder and some interests may be squeezed out or harder to hear. Achieving greater inclusivity requires innovative and flexible approaches and greater resources, but these must be proportionate to the amount of neighbourhood funding available; the standards required for a £5k project should be different than those demanded for a £500,000 project. In seeking to ensure inclusivity and transparency in the process, the council should avoid setting thresholds or targets that might be prohibitive. Standards of inclusivity should be realistic and balanced and set out reasonable expectations for representation from the range of stakeholders involved in this first stage, in addition to others who may want to participate.
- Developing a communications and engagement plan, tailored for specific audiences, will be one way of encouraging and enabling the contribution of a wider range of voices to contribute to the CLIPs process. To ensure that these voices are heard, there should be a range of methods to allow people to contribute easily - at meetings, events, by post and using digital channels.
- The availability of relevant, accurate intelligence will be one way of demonstrating fairness and transparency to support decision-making. The council has access to a wide range of data to support the identification and justification of local priorities. As referred to above, this will consist of information about the council's broader infrastructure priorities, funding availability and gaps, and the likely impacts of development on population, environment and existing infrastructure and assets. This information should be provided in an easy to access and concise manner to aid in the preparation of CLIPs.
- This will also be essential to support fundraising as bidders are now required to make significantly more robust cases for funding and good, accurate information is a key requirement of this.
- Foremost amongst the parameters guiding CLIPs is the understanding that CIL is intended to mitigate against the impacts of development. Therefore, the primary purpose of the neighbourhood funding element of CIL is to locally mitigate the impacts of development in the vicinity of the development where they will be felt most keenly. However, neighbourhood funding can potentially also support projects that make a significant contribution towards the Council's Community Plan's Key Outcomes, which may not be located in the immediate vicinity of where development is occurring. CIL guidance is not prescriptive on this matter and it will be important to monitor and

evaluate the use of neighbourhood funding to assess how and whether the principle of mitigation can be applied more widely to meet local evidence-based priorities and outcomes.

- Communities will also need to consider the balance they wish to strike between projects and proposals of scale that would achieve more impact over a more concentrated area, or a greater number of less visible projects where funds would be spread more widely and thinly over a wider area.
- It is essential that proposals are thoroughly costed and identify on-going maintenance costs and budgets at an early stage. The council should provide a finance and budgeting guide as part of its CLIPs framework and support and guidance beyond this is likely to be necessary if CLIPs are to bring forward more complex projects of a more considerable size.

CLIPs Operational Framework: Underpinning principles, standards, and parameters:

Recommendations

- 2.6 As the accountable body the council must ensure consistent governance and due diligence, and should co-produce an operational framework to ensure plans of equal quality that conform to shared principles and standards.
- 2.7 CLIPs provide an opportunity for citizens to realise tangible changes for their communities and benefit from growth. In the next stage of implementation the council will seek to widen participation in the development of CLIPs, setting reasonable expectations for inclusivity and developing a range of methods to enable people to contribute.
- 2.8 The council should establish the operational framework for CLIPs by co-producing and prototyping one CLIP by the end of the financial year. This process should be supported by a wider reference group of community, business, individual residents and councillors from across Lambeth who can:
- help to shape the principles, standards and parameters in the framework so that they apply Lambeth-wide
 - help promote dialogue across CLIP areas and look at how community interests can be addressed across boundaries
 - help review the CLIP framework at the end of the year
- 2.9 The operational framework for CLIPs will be funded through CIL and should include but not be limited to:

- **Inputs:** A directory of evidence, data and community outcomes in the council's [Community Plan](#) against which proposals and priorities can be analysed and decisions reached. CLIPs will need to be informed by and inform the wider resource allocation process of the council to ensure that impacts on revenue services are accounted for.

- **Parameters** setting out reasonable expectations for governance and the use of neighbourhood funding
- **Principles and standards** detailing reasonable expectations for inclusive representation, fairness and transparency
- **Format:** A standard template for CLIPs with a simple format that is easy to complete, explains the local context, lists partners, summarises community assets and needs and lists proposals and priorities against evidence. It should be in a form that makes it easy to update as priorities and circumstances change, and that is flexible and scalable according to the amount of neighbourhood funding available for the CLIP area.
- **Governance:** Roles and responsibilities of ward councillors, participating community bodies, and the Council
- **Timetable** for the production, review and evaluation CLIPs. Flexibility will be key to ensure plans can be updated easily as and when circumstances change.

Decision-Making: Findings and Recommendations

- 2.10 **Decision-making process.** Decisions required (including proposals for inclusion and priorities for funding) may be more effective if arrived at by consensus. Views and opinions should be sought widely, and decisions should be reached by majority agreement, achieving widespread approval within the CLIP area. Testing opinion through a voting mechanism may also be appropriate in some instances. Decision-making processes can be developed further and tested through the development of the first CLIP.
- 2.11 **Community-led.** Identification of proposals and priorities for CLIPs should be led by the community within co-produced principles, standards and parameters (see 2.6). There is a wealth of expertise and knowledge within existing community and business networks in Lambeth, incorporating both place specific and non-geographic interests¹. This is clear from the many emerging or existing community-based plans frequently detailing and evidencing local aspirations and priorities for infrastructure, such as:
- Loughborough Junction Action Group (LJAG) – Loughborough Plan
 - inStreatham BID – Streatham Street Manual
 - Stockwell Partnership – The Stockwell Neighbourhood Action Plan
 - Southbank and Waterloo Neighbours (SoWN) – SoWN are developing a Neighbourhood Plan under new rights granted by central government. The council has accepted the designation of the neighbourhood area. If adopted after a public ballot and external examination, this would automatically confer an allocation of 25% CIL

¹ Non-geographic groups include, but are not limited to, Tenants' Council, Lambeth Parks and Green Spaces Forum, Lambeth Governors' Forum (schools), Lambeth Multi-Faith Action Group, the Young Lambeth Co-operative, the Lambeth Youth Forum, primary and secondary schools, religious organisations and healthcare providers. The input of the Safer Neighbourhood Panels will also be sought during the process of proposing and prioritising projects for CLIPs. This is not an exhaustive list and the CLIPs process will seek to be as inclusive as possible to all groups and organisations that exist within the borough, in addition to individual citizens.

- Tenants' Residents' Association projects
- Lambeth's 'Digi-Buddies' scheme using volunteers to help residents get on- line
- Young Lambeth Co-operative – Lambeth Children's Play Initiative programme

2.12 The council should not seek to create new structures; the process of developing CLIPs should be managed in co-operation with existing and new networks, forums and by encouraging the wider participation of citizens and under-represented groups. There are differing levels of capacity within existing organisations and across CLIP areas. By co-producing the framework, it is hoped that there will be parity of process and of plans produced, and where there is capacity, forums or networks can lead the management and administration of a CLIP in their area with support and resource from the council. Responsibilities would include publicising and managing meetings, widening representation, preparing the evidence base, and leading the identification of proposals and projects.

2.13 As discussed earlier, the council is ambitious to use CLIPs to encourage wider participation of citizens and effort will be directed in the early stages of implementation to achieve this.

Councillor-Supported

2.14 It is recommended that a lead ward Councillor is appointed to oversee and support the CLIP process in each area on behalf of all wards that the CLIP area covers; this could be the responsibility of those Councillors that have already been appointed to the role of Neighbourhood Lead by the Leader of the Council. The lead Councillor in each CLIP area will ensure the involvement and input of their colleagues with support from council officers. Councillors may wish to rotate lead roles at intervals and where the CLIP area lead is a Councillor that holds the position of Neighbourhood Lead they may wish to appoint another ward Councillor from the CLIP area to act as their deputy.

Role of the Cabinet Member

2.15 It is recommended that the Cabinet Member for Jobs and Growth will:

- Agree the operational framework developed for CLIPs and underpinning principles, standards, and parameters which will emerge as a result of the process of the co-production of the first CLIP.
- Review individual CLIPs to ensure they conform to the above, and assess potential wider implications for the council's strategic infrastructure plan on a bi-annual basis to coincide with CIL reporting.

Role of the Council

2.16 The Council is responsible and accountable for developing the strategic infrastructure plan and for developing the framework for CIL. As detailed above, it is recommended

that the council should invest in co-producing an operational framework for developing Co-operative Local Investment Plans, flexible enough to accommodate large or small projects.

2.17 The Council's own resources are constrained but, funded by CIL, the Council will provide relevant supporting information and resource including:

- evidence base
- approximate costings of capital projects/items including cost of maintenance
- professional and technical expertise from officers
- advice and guidance on other potential sources of match funding to increase the impact of neighbourhood funding in real terms
- support for ward councillors and community bodies to support the development of CLIPs
- marketing, communications and engagement to encourage wide participation

2.18 **Operational Framework & Decision-Making: Summary Recommendations for CLIPs**

- Chaired and supported by ward councillors
- Identification of proposals and priorities led by communities
- Utilises existing community and business organisations and encourages participation on a much wider basis
- To aid this, a communication and co-production plan will be developed to raise awareness, and a variety of both online and offline mechanisms will be utilised to ensure the flexibility to allow for differing levels and methods of participation
- The council is the accountable body so will ensure that the process is inclusive and transparent, adhering to co-produced parameters and supporting the delivery and evaluation of CLIPs
- Projects will address or contribute to addressing at least one of the main outcomes within the Community Plan
- Projects will primarily mitigate the effects of development in areas where they are felt most keenly
- Management and maintenance of projects must be evaluated to ensure that they are sustainable and affordable
- CLIPs will maximise opportunities to secure match funding and leverage funding from external sources
- In terms of external additional funding, there may be more potential sources or projects in town centres so CLIPs may focus on the wider neighbourhoods outside of town centres
- A period of 6 months allowed for the preparation of each CLIP
- CLIP project lists reported bi-annually as part of main CIL reporting

Initial Proposals for CLIP Boundaries

2.19 Initially, a CLIP area arrangement comprising of 6 CLIP areas was put forward for discussion with stakeholders (Appendix 1). The 6 CLIP areas were formed as below:

- **Waterloo CLIP area:** This CLIP area corresponded to the SoWN Neighbourhood Plan area which has been agreed by the Council. This CLIP area covered the majority of Bishop's Ward, but excluded a small part of the ward to the south of Lambeth Road. Should SoWN's Neighbourhood Plan be adopted, securing the consent of local people in a referendum, they will benefit from 25% of the CIL revenues to be spent in accordance with statutory guidance for the neighbourhood funding element (1.13 above).
- **North Lambeth CLIP area:** Covered the wards of Prince's, Oval, Stockwell and Vassall in their entirety in addition to the small part of Bishop's ward that was not included in the Waterloo CLIP area, as discussed above.
- **Clapham CLIP area:** Encompassed Larkhall, Clapham Town, Clapham Common and Thornton wards.
- **Brixton CLIP area:** Comprised of Ferndale, Brixton Hill, Coldharbour, Tulse Hill and Herne Hill wards.
- **Streatham CLIP area:** Covered Streatham Hill, St Leonard's, Streatham Wells and Streatham South wards.
- **Norwood CLIP area:** Covered Thurlow Park, Knight's Hill and Gipsy Hill wards.

Key considerations when proposing CLIP areas were:

- 2.20 **Size of CLIP areas** and the necessity of ensuring that they were financially and administratively viable whilst being meaningful in terms of community participation
- 2.21 **Ward boundaries:** A lot of standard data is collected on a ward by ward basis, thus an approach based on the grouping of wards will greatly support on-going monitoring and evaluation of successful outcomes.
- 2.22 **Natural boundaries.** Whilst boundaries are a necessity for the administration of CLIPs, communities do not always understand nor recognise boundaries that the Council operates within. No CLIP area geography is going to be perceived as perfect by all stakeholders and there were issues encountered in relation to "split wards" which straddle two town centres or transport nodes.
- 2.23 There are also areas that straddle ward boundaries. For example, the Clapham Park estate, which although largely in Thornton ward, is also partly in Brixton Hill ward (Brixton CLIP area) and Streatham Hill ward (Streatham CLIP area).

CLIP Area Boundaries: Findings

- 2.24 The CLIP areas were broadly supported as an imperfect but practical and pragmatic solution. They were understood as administratively viable, albeit with some caveats:
- 2.25 **Norwood CLIP area:** Supported by the Norwood Forum / Norwood Action Group, who successfully operate within this boundary.
- 2.26 **Streatham CLIP area.** This reflects historic and neighbourhood boundaries around Streatham, with the possible exception of the part of Streatham Hill ward which includes Tulse Hill.
- 2.27 **Clapham CLIP area.** This reflects historic and neighbourhood boundaries around Clapham, with the exception of Ferndale ward (proposed as part of the Brixton CLIP area) where a third of the residents live in a Clapham post code. It is recommended that Ferndale ward is included in the Clapham CLIP area (see 2.28 below). In addition, in the north of the CLIP area, Stockwell Forum favours the separation of Larkhall ward from the other 3 wards in the Clapham CLIP area to form an additional CLIP area with Stockwell ward. This correlates more accurately to the area covered by the Stockwell Partnership and Stockwell Forum, whilst meeting clearer neighbourhood boundaries, and replicating the later version of the Town Centre Forum structure. However, a CLIP area consisting of just Larkhall and Stockwell wards may not generate a meaningful level of neighbourhood funding, and it was proposed that this Stockwell CLIP area should also include Vassall ward (which would otherwise remain in the North Lambeth CLIP area with Prince's and Oval wards with which it shares few meaningful links). The activities of the Stockwell Forum already cover part of Vassall ward, Clapham North tube station would also be contained within this proposed Stockwell CLIP area, which has not been considered by the other Clapham groups.
- 2.28 **Brixton CLIP area.** This is potentially a more challenging area including five wards, some of the most deprived communities in Lambeth and some of the most affluent, a major town centre, and a number of distinct neighbourhood groups. The size of the CLIP area was largely seen as being a viable size and legible entity. However, some were concerned about the difficulties of reaching out to and connecting with all the key stakeholders in the area. Given its size, others were concerned that there was a wider mix of 'natural neighbourhoods' within the proposed CLIP boundary. For example, a third of Ferndale ward residents live in postcode SW4, a Clapham post code, and Clapham Library is in the ward. There is also concern that as a major town centre, Brixton town centre could dominate the neighbourhood funding available in this area over the coming years, to the detriment of other neighbourhoods or communities located outside of the town centre or on the periphery of the CLIP area. Loughborough Junction Action Group (LJAG) have made specific proposals to overcome this: that representatives from each of the existing forums operating in the area (LJAG, SE5 Forum for Camberwell, Brixton Forum, Herne Hill Forum, Tulse Hill Forum, and the Brixton BID) are all included when developing the CLIP so that priorities can be reached by consensus. In order recognise 'natural neighbourhoods'

and to balance the number of wards in a given CLIP more evenly, it is recommended that Ferndale ward be included in the Clapham CLIP area.

- 2.29 **North Lambeth CLIP area.** Alternatives were proposed. Kennington, Oval, Vauxhall Forum's (KOVF) natural constituency falls within Prince's and Oval wards. As detailed above, the Stockwell Forum covers Stockwell and Larkhall wards and a small portion of Vassall ward. Although the Stockwell Forum is pragmatic in relation to which CLIP area arrangement is taken forward, it is more coherent to create a Stockwell CLIP area consisting of Larkhall, Stockwell and Vassall wards. KOVF would support this arrangement as it is in the process of preparing a statutory Neighbourhood Plan which would cover Prince's and Oval wards. The other issue for the North Lambeth CLIP area is the triangle of Bishop's ward that doesn't fall within the Waterloo Neighbourhood Plan designation and which has historically has been excluded from Waterloo and included in KOVF. Whilst this arrangement has fallen away in recent years, KOVF have expressed their willingness to include this part of Bishop's ward within the KOVF / North Lambeth area should it not be included under the Waterloo CLIP area.
- 2.30 **Waterloo CLIP area.** As noted above, the boundary proposed mirrors that approved by the council earlier this year for the Lambeth part of a Neighbourhood Planning Forum for South Bank & Waterloo Neighbours (SoWN), and excludes the triangle south of Lambeth Road in Bishop's ward. The proposed boundary is supported by South Bank Employers Group (SBEG), although other organisations do represent the whole of Bishop's ward, including the Waterloo Community Coalition (WaCoCo), who represent the voluntary and community sector in the ward. The boundary proposed has proved problematic in that it is the only exception to the rule of reflecting ward boundaries, and concerns were raised by various groups across the borough on a point of principle. Many felt that cutting across boundaries sets an unhelpful precedent and is potentially problematic not only in terms of political accountability and democratic representation, but also in allowing anomalies which some saw as unfair and unproductive. There was a widespread perception that deviating from a principle of creating CLIP areas reflecting ward boundaries would undermine the fairness of the process and establish precedent for continuous challenge to CLIP boundaries from the outset.

CLIPS Boundaries: Recommendations from July 2014

- 2.31 Following feedback received from stakeholders, as detailed above, the following revised 7 CLIP areas are now recommended for agreement by Cabinet with the principle that every CLIP area will conform to ward boundaries (Appendix 2).
- **Waterloo CLIP Area: Bishop's ward**
 - **North Lambeth CLIP area: Prince's and Oval wards**
 - **Stockwell CLIP area: Larkhall, Stockwell and Vassall wards**

- **Clapham CLIP area: Clapham Town, Clapham Common, Ferndale and Thornton wards**
- **Brixton CLIP area: Brixton Hill, Coldharbour, Tulse Hill and Herne Hill wards**
- **Streatham CLIP area: Streatham Hill, St Leonard's, Streatham Wells and Streatham South wards**
- **Norwood CLIP area: Thurlow Park, Knight's Hill and Gipsy Hill wards**

2.32 In addition to responding to stakeholder concerns, CLIP areas that respect ward boundaries will ensure that democratic representation by ward councillors in the CLIPs process will be uniform and fair. Notwithstanding Neighbourhood Plans, which will follow their own legal process, on balance it was felt that CLIPs should start from this principle.

2.33 Whilst the CLIP areas respect ward boundaries, working across these boundaries may be necessary in some parts of the borough and when this would achieve the optimum results. CLIPs should not be about inter-borough competition but sensible working arrangements that deliver effective results that can be measured. The CLIP areas constructed are necessary boundaries for the administration of the neighbourhood funding element of CIL across the borough, which will aid in assisting the delivery of the Council's key outcomes in the Community Plan, and are not intended to represent limitations or restrictions on how communities view or define themselves or their neighbourhoods in a broader sense.

2.34 CLIP areas should be trialled and reviewed after 3 years, at which point all CLIPs will have been prepared and implemented and meaningful assessment will be possible. This review could be earlier if the levels of CIL warrant it, or if there are operational issues.

Developing the first CLIP by March 2015

2.35 It is recommended that the first CLIP prioritised for co-production by the end the financial should be for the Stockwell CLIP area.

2.36 **Stockwell CLIP area:** The Council is currently refreshing the infrastructure capacity study for the VNEB Area which will be useful in informing the production of the CLIP in the Stockwell Area by providing context and background evidence as to current and projected infrastructure capacity and needs. Community organisations active in the Stockwell CLIP area, such as the Stockwell Forum, have already produced documents such as the Stockwell Neighbourhood Action Plan utilising community mapping exercises, which may further aid in providing an evidence base to support projects put forward for neighbourhood funding and provide a useful reference point. The stakeholders that were involved in the initial CLIPs consultation process from the Stockwell area have an established understanding of the planning and development process and the ways in which planning gains, such as S106 contributions, could be shaped to meet the aspirations of communities in the area.

- 2.37 Through the process of establishing this CLIP, the operational framework for how the CLIPs process can work across the borough will be shaped, with parameters, principles and standards, evidence requirements and governance co-produced.
- 2.38 As discussed in above in 2.8, this process can be supported by a wider reference group who could meet at the start and at the end of the process to guide the development of the operational framework so that it can encompass a wider view of how communities can work across CLIP areas to common standards.
- 2.39 It is recommended that once a number of CLIPs have got underway, the Council facilitates an annual Lambeth-wide meeting, for to share and discuss best practice and working across boundaries.

3. Finance

- 3.1 An initial budget of £35,000 is required to fund the operational framework.
- 3.2 This will initially be funded through existing revenue budgets and later reimbursed from future CIL receipts.
- 3.3 An estimated break-down of the £35,000 expenditure is shown in the table below.

Cost	Amount
Development costs (facilitation, operational framework design, evidence collection & analysis)	£15,000
Community development budget (to enable CLIP development)	£7,500
Communications and engagement (Inc. on and off-line collateral and print, publication, distribution)	£10,000
Staff costs	£2,500
TOTAL	£35,000

- 3.4 There will be estimated future additional running costs of £15,000 pa which will be funded through future CIL receipts. CIL guidelines allow 5% of CIL receipts to be used for the administration of the CIL process.
- 3.5 The Council is required to publish receipts and expenditure of CIL annually by the government.
- 3.6 Expenditure will also be evidenced as part of the July and February finance reviews.

4. Legal and Democracy

- 4.1 The legal context for the neighbourhood funding element of CIL is provided by the Planning Act 2008 (Part 11), the Community Infrastructure Levy Regulations issued

by the Department for Communities and Local Government. The most recent guidance from DCLG was issued in late February 2014 and gives guidance to charging authorities about central government's expectations surrounding the process of community involvement with the neighbourhood funding element of CIL.

4.2 28 days notification of the key-decision was first given in the Forward Plan published on 16 May 2014.

5. Consultation and co-production

5.1 An initial meeting to "kick-off" the engagement process was held on the 1st April at the Karibu Centre in Brixton. Invitees included representatives of LFN groups, BIDs, Business Associations, Tenants' Council, Young Lambeth Co-operative and Amenity Groups from across the borough. (See Appendix 3 for a list of meetings held).

5.2 Follow up meetings with stakeholders were attended by representatives from Waterloo Community Development Group and officers to discuss the CLIPs proposals in more detail, to answer questions and to discuss issues of particular relevance to each group.

5.3 Engagement materials including; a CLIPs briefing note, the PowerPoint presentation given at the kick-off meeting and a map of the proposed CLIP area arrangement were made available on the Lambeth CIL webpage and also circulated to stakeholders.

5.4 When formulating the CLIPs a more wide-ranging engagement process will need to take place across the borough, ensuring that as many stakeholders as possible are reached and included in the process. As the outcomes contained within the Community Plan are quite high level, it may be beneficial to co-produce intermediate outcomes with communities to aid and inform the project proposal and prioritisation processes for CLIPs.

6. Risk management

There are a number of potential risks:

6.1 Development does not progress as expected and income is significantly lower as a consequence, resulting in much lower levels of neighbourhood funding being generated limiting the scale and type of projects that can come forward. CIL receipts will be kept under regular review.

6.2 The CLIPs are influenced by an unrepresentative vocal minority of the community rather than the community as a whole and do not accurately reflect the aspirations of the wider community, therefore failing to achieve more representative outcomes. The council will work with communities to widen representation and participation methods to develop CLIPs.

- 6.3 In areas where neighbourhood funding is low, it may take several years for local projects to be delivered, potentially leading to disillusionment with the process and making it more difficult to ensure wide participation and buy-in to in the process. Therefore expectation management and support for applications for match funding or to leverage funding from external sources will be of prime importance.
- 6.4 Similarly, it will be important to ensure that all 7 CLIPs are co-produced at a pace that maintains the interest and commitment of the community. One aim in prototyping the first CLIP would be to develop a flexible, scalable, standard process to enable the development of subsequent CLIPs efficiently.
- 6.5 CLIP areas act in isolation from each other and fail to discuss common priorities, thus potentially missing the opportunity to pool funding and bring forward more significant schemes or of denying those residing outside a CLIP area, in which development is occurring but in sufficient proximity to it to feel its effects, a voice in influencing local projects to mitigate the effects. This risk will be mitigated by the publication of all plans in a common format and annual meetings to compare and share objectives and best practice.
- 6.6 Communities, councillors and officers across the council are not sufficiently informed of the broader investment context for infrastructure to enable well-informed prioritisation of CLIP projects. In establishing CLIPs, the council will ensure that this essential background information and regular reporting are provided to coordinate service planning and achieve outcomes successfully.
- 6.7 Some of these risks are outside of the Council's control whilst others will need to be managed through the process of preparing CLIPs.

7. Equalities impact assessment

- 7.1 The work undertaken by colleagues for the introduction of the Community Infrastructure Levy was subject to a full Equalities Impact Assessment - <http://www.lambeth.gov.uk/sites/default/files/25EqualityImpactAssessmentReport.pdf>
- 7.2 The recommendations made in this report relate to the first phase of the CLIPs process; establishing the most suitable combination of boundaries for the CLIPs and how decision-making should operate within the process and therefore an EIA will not be required.
- 7.3 An EIA will be produced for each CLIP as they are developed in the next stage.

8. Community safety

- 8.1 If projects developed through CLIPs have an impact on community safety, it is likely to be a positive one. This will be kept under review.

9. Organisational implications

The council will need to structure teams and resources to support the management and administration of CLIPs.

10. Timetable for implementation

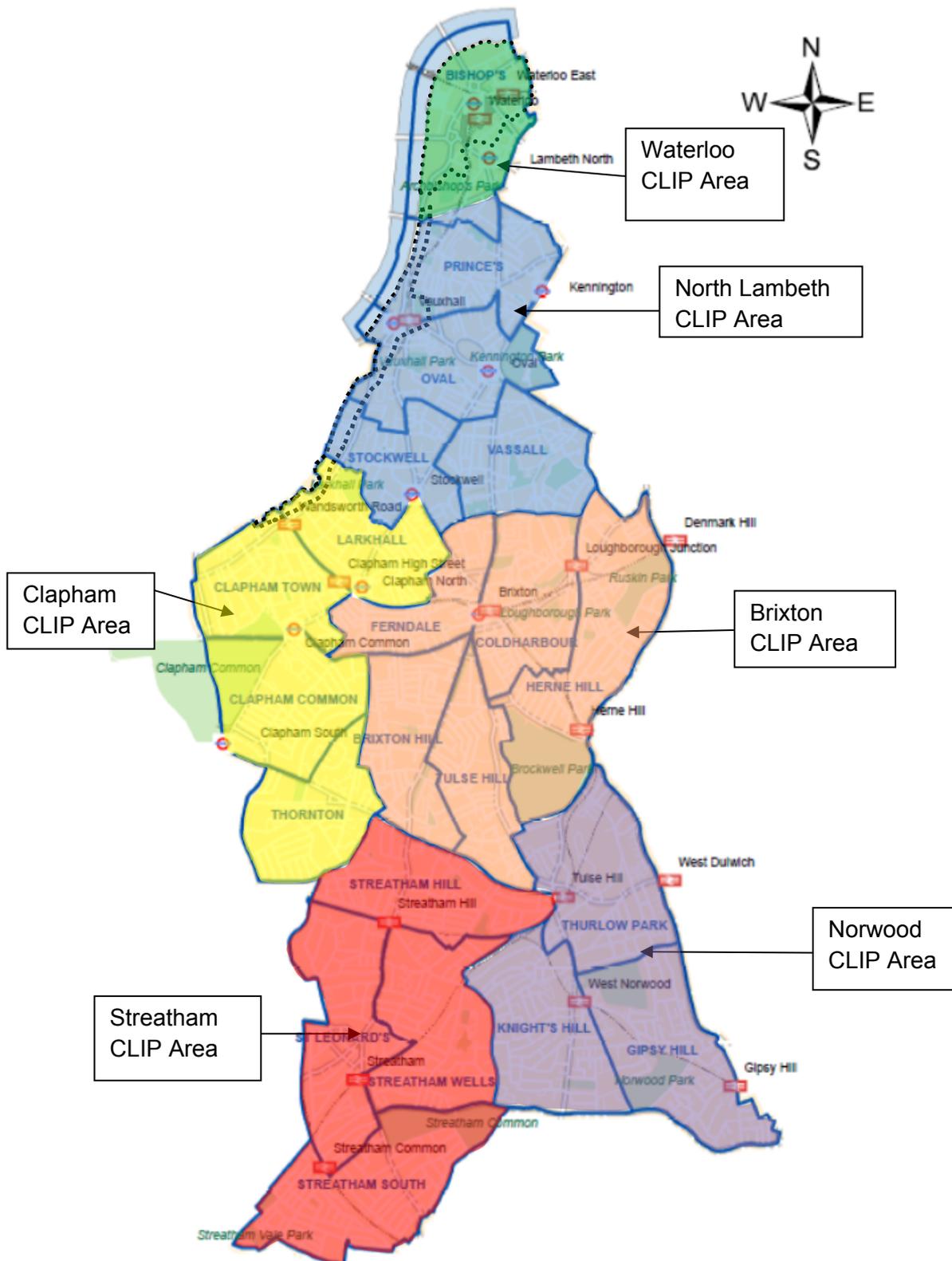
Due Date	Action
August – September 2014	Lambeth develops resourcing plan and materials to support CLIPs
September 2014 – November 2014	First advisory meeting to establish the CLIP Forum for the Stockwell CLIP area.
December 2014 – February 2015	Work undertaken to construct and prioritise projects to be included in the CLIP
March 2014	The CLIP is signed off by the Cabinet Member
April 2015	Neighbourhood funding is available and projects are able to be taken forward

Audit trail				
Consultation				
Name/Position	Lambeth cluster/division or partner	Date Sent	Date Received	Comments in para:
Sue Foster	Strategic Director Delivery	12.06.14	13.06.14	2.14
Mike Pocock	Delivery Director, Business Growth & Regeneration	12.06.14	13.06.14	2.14
Carolyn Dwyer	Delivery Director, Communities, Housing and Environment	12.06.14		
Sandra Roebuck	Assistant Director – Neighbourhood Investment	12.06.14	20.06.14	throughout
Adrian Smith	Commissioning Director	12.06.14	23.06.14	1.15; 2.9; 6
Julian Ellerby	Director, Business Development, Campaigns and Communication	12.06.14	17.06.14	
David Joyce	Assistant Director - Planning and Development	12.06.14		
Clive Fraser	Team Leader - Regeneration Strategy and Policy	12.06.14	19.06.14	Throughout
Alan Vinall	Team Leader - Planning, Strategy and Policy	12.06.14		
Toby Blume	Co-operative Council Implementation Lead	12.06.14	17.06.14	1.10
Anna Randle	Co-operative Council Implementation Lead	12.06.14		
Rachel Willsher	Head of Procurement	12.06.14	25.06.14	
Finance	Business Partnering	12.06.14	23.06.14	
Legal Services	Enabling: Integrated Support Susan Boucher, Lawyer, Planning	16.06.14	19.06.14	
Democratic Services	Enabling: Corporate Affairs Katy Shaw	10.06.14	12.06.14	
Councillor Jack Hopkins	Cabinet Member:	12.06.14	16.06.14	
Internal Officer Board	Date of meeting – 18.6.14s	13.06.14	13.06.14	2.12, 2.15

Procurement Board	n/a			
External				

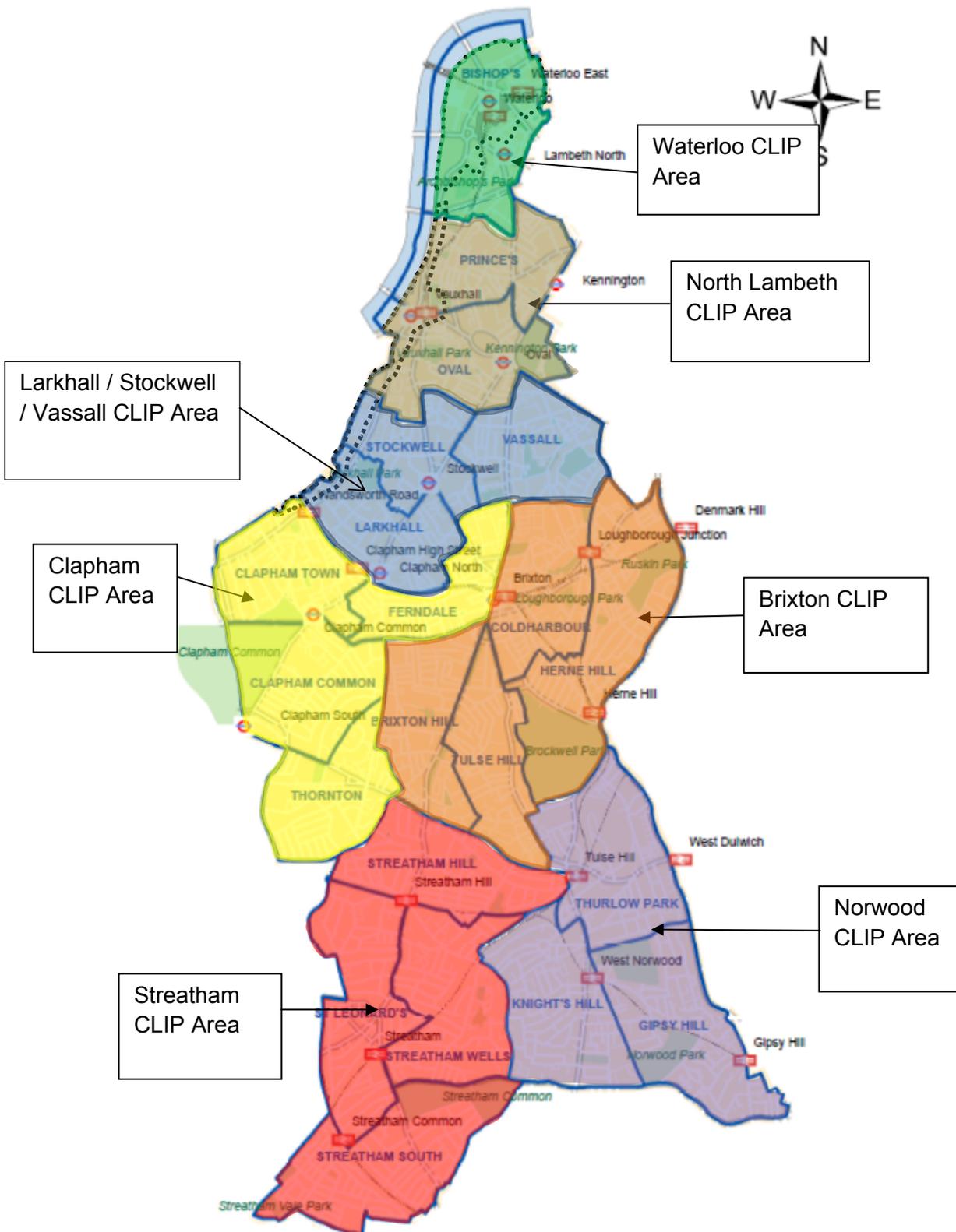
Report history	
Original discussion with Cabinet Member	15.05.2014
Report deadline	XX.XX.14
Date final report sent	XX.XX.14
Report no.	25/14-15
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	XX.XX.14
Key decision reasons	Financial and community impact
Background information	<ul style="list-style-type: none"> • Localism Act 2011 • The Planning Act 2008 • CIL Regulations 2010 amended 2011, 2012 and 2013 • CIL Draft Charging and next Steps in adopting CIL in Lambeth, Lambeth Cabinet 10 June 2013 • CIL Infrastructure Delivery Plan, November 2013 • CIL Viability Study April 2013 • Report on the Examination of the Draft Lambeth CIL Charging Schedule, Planning Inspectorate May 2014 • CIL Guidance 2013
Appendices	<ul style="list-style-type: none"> • Appendix 1: Initial Proposal for Recommended CLIP Area Configuration • Appendix 2: Recommended CLIP Area Configuration from July 2014 • Appendix 3: Engagement Summary Table • Appendix 4: Executive Summary of WCDG Report

Appendix 1: Initial Proposal for Recommended CLIP Area Configuration



NB. Dotted lines outline the Waterloo and Vauxhall Opportunity Areas

Appendix 2: Recommended CLIP Area Configuration from July 2014



NB. Dotted lines outline the Waterloo and Vauxhall Opportunity Areas

Appendix 3: Engagement Summary Table

Organisation	Warm Up Meeting Attended?	Invited to Kick-Off Meeting on 1 st April?	Attended Kick-Off Meeting on 1 st April?	Follow Up Meeting Attended?	Written Representations Received?
WaCoCo		✓		✓	
Kennington Oval Vauxhall Forum		✓		✓	✓
Herne Hill Forum		✓	✓		
Streatham Action		✓			
Norwood Forum	✓	✓	✓		
SE5 Forum for Camberwell		✓	✓		✓
Loughborough Junction Action Group		✓	✓	✓	✓
Brixton Neighbourhood Forum	✓	✓	✓	✓	✓
Clapham Park Forum		✓		✓	
Tulse Hill Forum		✓			
Stockwell Partnership	✓	✓	✓	✓	✓
Brixton BID		✓			
Vauxhall One		✓		✓	
Waterloo Quarter		✓	✓		
inStreatham BID		✓	✓	✓	
Southbank Employers' Group		✓			✓

West Norwood Business Club		✓			
Kennington Business Club		✓			
Streatham Vale Business Association		✓	✓		
Clapham Business Community (CBC)		✓			
Tenants' Council		✓	✓	✓	
Young Lambeth Co-operative		✓	✓	✓	
Youth Council		✓			
Vauxhall Society		✓			
Brixton Society	✓	✓	✓	✓	✓
Herne Hill Society		✓	✓		
Clapham Society		✓			✓
Streatham Society		✓			
Norwood Action Group	✓	✓	✓		
South Bank & Waterloo Neighbours (SoWN)		✓	✓	✓	
Lambeth Sustainability Forum		✓	✓		
Art4Space		✓	✓		

CO-OPERATIVE LOCAL INVESTMENT PLANS
Consultation Report for Lambeth Council
May 2014

EXECUTIVE SUMMARY

Waterloo Community Development Group



EXECUTIVE SUMMARY

The **Community Infrastructure Levy (CIL)** is a charge that local authorities will be able to collect on new development in their area to help fund infrastructure required to support growth. As part of its commitment to become a Co-operative Council, Lambeth's Cabinet took the decision in January to raise the percentage of total CIL that will be used to support local neighbourhood projects to 25% from the statutory minimum of 15%, releasing around £8m over the next 5 years.

There is an opportunity to use this neighbourhood funding element of CIL to further Lambeth's commitment to give local people a direct say over what happens in their communities. The vehicle for this will be the preparation of **Co-operative Local Investment Plans (CLIPs)** for local areas across the whole of the borough. A CLIP will be a co-produced plan of how and what to spend the CIL neighbourhood funding on and the programme for delivery. CLIPs will include a list of prioritised local infrastructure projects, championed by the community, which conform to both the Council's Outcomes Framework, alongside locally defined objectives.

The **first round of consultation** with existing stakeholder groups in April-May focused on the questions of principles and parameters, geographical boundaries, decision-making, and process to create a prioritised list of projects. A second stage will follow in the autumn to test these processes and produce a first draft CLIP, with the aspiration of having one in place for adoption by March 2015.

Key stakeholders of existing groups were invited to participate at a kickstart event at the beginning of April where the new arrangements for the CIL were explained along with Lambeth's proposed approach, and to hear initial reactions and ideas. Stakeholders were encouraged to work within their networks to consider the questions and respond to the proposals by mid-May. Eight community meetings were held across the borough, and stakeholders were encouraged to send written responses to the questions posed.

Some of the **key issues** to be addressed include the role of stakeholders including businesses and ward councillors; cross-ward and cross-borough areas and issues; the optimum size for a viable process defraying a meaningful quantum of CIL achievable in each area; the capacity of existing and established forums; minimising sectional capture and reaching the hard to reach; the need to focus on a process leading to an outcome (the CLIP itself). **Key findings** included:

- **Principles and Standards:** widespread agreement that the consultative process to develop a CLIP will need to work within certain parameters and will be required to meet certain fundamental principles and standards, such as inclusivity, fairness and transparency. Standards for inclusivity, fairness and transparency need to be established on a borough-wide basis.
- **One size does not fit all** – while standards, principles and parameters need to be uniform across the borough, there are a large variety of forums and consultative bodies which could be brought in to this process, some borough-wide, some specifically local. There is no benefit in seeking identical processes in fundamentally different areas.

- **Accountable body:** the Council remains the accountable body, and the CLIP process needs to be easy to deliver and administer, proportionate to the wide range of CIL funds which could be available.
- **Ward boundaries** rarely reflect neighbourhoods but do provide standardized data, funding and political accountability, and are the most administratively efficient way of distributing CIL and determining CLIPs areas. The principle of working within ward boundaries should be adopted. Nevertheless there are a number of wards which straddle two town centres or transport nodes or are unrelated to any centre: for this reason wider **CLIP areas** (consisting of several wards) need to have **porous boundaries**.
- **CLIPs areas:** to produce viable CLIP areas it is proposed to divide the borough into seven CLIP areas consisting of 3-5 wards in each area: Norwood, Streatham, Clapham, Brixton, Stockwell, North Lambeth, and Waterloo. The CLIPs process for each area needs to be tailored to local capacity and needs, with the potential for existing forums to play an increasing secretariat role, given appropriate support.
- **Representativeness:** the council should support capacity building in a variety of ways to enable the community to play a meaningful role in the CLIPs development process. Some basic criteria should be established about the representative structure of the consultative process to develop a CLIP, ensuring that local residents, representatives from businesses, tenants and resident's organisations, third sector groups, and representatives from identified forums operating within their area are all involved.
- **Ward councillors** should provide key local leadership in the consultative process developing CLIPs with their communities. One lead councillor for each CLIP area should be formally responsible for the process, including chairing meetings as appropriate and signing off decisions below £50k, for example. Larger sums may need to be signed off by the Cabinet member for Regeneration or Communities.
- **Strategic objectives:** there is a widespread lack of knowledge or experience of the benefits and impact on strategic infrastructure of major development, and requests to know more about and be consulted on how the 75% strategic CIL will be prioritised and targeted. Forums and neighbourhood groups need to be more closely involved in the review of the Community Plan and the Infrastructure Delivery Plan.
- **Borough-wide process:** partnership working within CLIPs areas, across CLIPs area boundaries and across borough boundaries should be established through a borough-wide function involving stakeholders from all CLIPs areas from across the borough. This should share best practise and raise standards, and foster a 'porous borders' approach. This borough-wide approach could also look at the wider impact of local decisions on borough-wide investment, as well as being a mechanism to comment on priorities and proposals for the strategic CIL.
- **Intelligence hub:** priorities and proposals in CLIPs need to be based on **reason and evidence**. There is a need for a centralised intelligence hub and for the Council's delivery officers to be available to advise the CLIPs process on needs and opportunities in their area of expertise.

The process is not about creating perfection, and may prove temporary in some areas given the potential for statutory Neighbourhood Forums developing. Therefore it should be trialled for a year, with some targets set down now to measure progress.

The **next steps** will be to identify the key stakeholders and take all parties through the conclusions together, identify any necessary capacity building work and resources, and test drive the process in a planning for real/scenario mechanism in the summer, with the aim of getting one CLIP finalised by spring 2014.

