

Report title	Developer Contributions Advisory Group establishment & Terms of Reference
Report author	Ashley Smith, Corporate Head of Planning, Economy & Built Environment
Department	Planning, Economy & Built Environment
Exempt?	No

Purpose of report:

- **To recommend to Full Council**

Synopsis of report:

The Council adopted CIL Governance arrangements in January 2023. As part of those adopted arrangements, it was proposed that a Developer Contributions Advisory Group be established at an appropriate time in order to best inform CMC with regards the spending of developer contributions.

It is considered by officers that it is now an optimal time for this group to be established as we are approaching the time when the Council will have sufficient CIL receipt to start making spending decisions.

This report seeks to take the necessary steps to establish the Developer Contributions Advisory Group and progress the terms of reference for the group. As this involves constitutional change it will need to be referred to Full Council.

The Developer Contribution Advisory group does not make final decisions on spending, it makes recommendations for consideration by CMC which is the parent committee.

CMC is the final decision making body for the spending of Developer Contributions.

Recommendation:

That the committee endorses the recommendation and asks full council to:

- 1. Endorse the creation of a Developer Contributions Advisory Group, in accordance with the adopted Developer Contributions Governance Arrangements and as set out in the Corporate Management Committee report of January 2023.**
- 2. Endorse the terms of reference for the group attached at Appendix 1**
- 3. Authorise the Corporate Head of Law and Governance to make any necessary amendments to the Council's Constitution to give effect to the Developer Contributions Advisory Group and the terms of reference.**

1. Context and background of report

- 1.1 The Council agreed the Developer Contributions Governance Arrangements document in January 2023. This document priorities and also how spending decisions would be made for Developer Contributions. The document indicated that an advisory group be established to help make recommendations on spending of infrastructure monies.
- 1.2 This was to be a group that would provide advice and make recommendations to CMC on how best to use infrastructure contributions. The main benefit of such a group is that it ensures member involvement at an earlier stage of decision making, rather than at the end of the process and also that it will lead to joined up strategic thinking with regards infrastructure expenditure.
- 1.3 The Council's CIL receipt is now approaching the point where the Council will be able to commence making spending decisions and as such it is considered to be an optimal time for the group to be established.
- 1.4 It should be noted the group is advisory only. The final decision on spending developer contributions is a matter reserved to CMC.
- 1.5 The original version of the DCAG terms of reference was not accepted by Full Council (in July 2023) this was due to the proposed political membership of the group (it was proposed at the time that the members of the group would be committee chairs rather than being in line with political balance) it was considered in the debate at Full Council that the original proposal was not reflective of the committee nature of the Council and that such a group should be politically balanced.
- 1.6 When originally considered by Full Council there was also some uncertainty over whether Ward Members could attend and partake in with regards the Neighbourhood Proportion of CIL for their ward. It was considered important by Council members that Ward Members should be able to attend and discuss the neighbourhood proportion that affects their ward.
- 1.7 Both of these matters have been addressed in the attached updated proposed terms of reference.

2. Report and, where applicable, options considered and recommended.

- 2.1 The draft DCAG Terms of Reference (appendix 1) differs from the previously considered version, as it no longer proposes committee chair people as the elected member representatives on the Developer Contributions Advisory Group.
- 2.2 It proposes that seven elected members sit on the Advisory Group in line with political balance. It is recommended that these members are drawn from Corporate Management Committee membership (as this is advantageous as CMC will be making final spending decisions), however this is not mandatory and it will be up to relevant political groups to put forward members for the group as they see appropriate.
- 2.3 The ToR also makes it more explicitly clear that Ward Members can attend meetings discussing the Neighbourhood Proportion of CIL that affects their wards. This was always the case under the original recommendation and under the Governance Arrangement document, however has been made significantly more clear in the new/updated Terms of Reference.

3 Risk Implications

- 3.1 No significant risks arise as a result of the establishment of the DCAG or the updated Terms of Reference. The principle of a DCAG was established under the adopted Governance Arrangements. Having a DCAG with appropriate terms of reference in place means that better and more thorough consideration of infrastructure spending will take place. This is considered to increase the chances of more sound spending decisions, therefore reducing risk and improving outcomes.

4 Policy framework implications

- 4.1 The relevant policies and legislation relating to developer contributions are set out in the adopted Developer Contributions Governance Arrangements document.
- 4.2 The document, in particular shortlist and assessment criteria, acknowledge the interdependencies with the Council's Corporate Plan, other strategies and the work of other service areas. The document seeks to ensure strategic thinking and alignment with other work and funding streams that may be available.

5 Resource implications/Value for Money

- 5.1 This paper does not introduce new policy. It simply provides the terms of reference for the previously agreed Developer Contribution Advisory Group. The group will help the Council to make better considered decisions with regards infrastructure spending and therefore optimise the possibility of achieving good value. An officer team has been established within the Planning Service to assist with the running of this group. No additional resource is required at this time to meet the needs of the group or CMC.

6 Legal implications

- 6.1 Legislation governing the administration and governance of CIL is contained in the Planning Act 2008. This came into effect with the CIL Regulations 2010 (as amended). MHCLG has produced statutory guidance that the authority must have regard to. The previously adopted governance arrangements are consistent with the legislation and guidance.
- 6.2 The establishment of the Group and the proposed terms of reference proposed are consistent with the governance arrangements. The Council has the authority to adopt the terms of reference via full Council.

7 Equality implications

- 7.1 An EqIA screening was carried out for the Developer Contributions governance Arrangement Papers which indicated that a full EqIA was not required at that stage. At this stage the Council is predominantly making decisions on its internal processes for how to agree and authorise the spending of developer contributions.
- 7.2 Any processes for inviting or assessing bids for funding will processes will have due regards to equality implications in order to make fair and reasonable decisions and ensure that the process is equally accessible to all groups including those with protected characteristics.

8 Environmental/Sustainability/Biodiversity implications

- 8.1 There are no Environmental/sustainability/Biodiversity implications arising as a result of the establishment of the Developer Contributions Advisory Group of its' terms of reference.

9 HR Implications

- 9.1 No HR implications arise as a result of the paper.

10 Timetable for Implementation

- 10.1 If agreed by the committee the matter will be referred to Full Council on the 18th of July. Should that be agreed by Full Council the constitution will be updated by the Corporate Head of Law and Governance at the earliest opportunity. Meetings of the group will be scheduled as set out in the ToR.

11 Conclusions

- 11.1 The report seeks to ensure that the Council is well placed to make infrastructure spending decisions in line with its adopted Governance arrangements. As such it is recommended that the establishment of the group and the terms of reference are endorsed and that they are referred to Full Council for consideration.

12. Appendices

Appendix 1 – Developer Contributions Advisory Group – Terms of Reference