



City of Westminster

Cabinet Member Report

Decision Maker:	Cabinet Member for Planning and Economic Development
Date:	15 March 2023
Classification	For General Release
Title:	Westminster Neighbourhood CIL – Winter 2023 Project Allocations
Key Decision:	Yes
Wards Affected:	All
Financial Summary:	This report seeks to allocate a total of £661,244 of funding from the Neighbourhood CIL portion to various infrastructure projects and £53,665 of funding from the Carbon Offset Fund
Report of:	Director of Policy and Projects

1.0. Executive Summary

- 1.1. Westminster City Council's (WCC) Community Infrastructure Levy (CIL) is a charge applied to development to help fund strategic and neighbourhood infrastructure that is required to support the development and growth of the City of Westminster. WCC formally adopted its CIL on 1 May 2016, and as of February 2023 a total of £151.385m has been collected; remaining balances are set out in the report.
- 1.2. Neighbourhood CIL is a proportion of CIL apportioned to the local area in which the development took place. The Council has 22 Neighbourhood Areas all that have their own portion of Neighbourhood CIL accrued. Neighbourhood CIL can be used to fund a variety of community infrastructure to support that neighbourhood area cope with population/demographic pressures. The council encourages organisations and individuals to apply for Neighbourhood CIL to deliver projects that benefit the local community of residents and businesses. As of February 2023 a total of £17.964m of collected CIL has been apportioned to Neighbourhood CIL; £12.315m remains available. This report recommends approval of £661,244 of allocations.
- 1.3. The Carbon Offset Fund is comprised of pooled section 106 contributions and is spent on projects which achieve carbon reductions. As of February 2023 £6.418m remains available. This report recommends approval of £53,665 of allocations.
- 1.4. The purpose of this report is for the Cabinet Member to consider and approve applications for Neighbourhood CIL and Carbon Offset funding.

2.0. Recommendation

- 2.1. The Cabinet Member for Planning and Economic Development is asked to approve the following Neighbourhood CIL bids, details of which are set out in this report:
 - i) St Marylebone CE Bridge School Mini-bus
 - ii) Fitzrovia Community Centre Improvements
 - iii) St Marylebone Parish Church Public Realm Improvements
 - iv) Paddington Arts Development: Design and Preliminary Works
 - v) St Augustine's Sports Hall Flooring
 - vi) National Portrait Gallery Orange Street Improvements
 - vii) Hyde Park Paddington Neighbourhood Plan
 - viii) Victoria Neighbourhood Plan
- 2.2. The Cabinet Member for Planning and Economic Development is asked to defer a decision on the following Neighbourhood CIL bid, details of which are

set out in this report:

i) Holcroft Court Plaques

2.3. The Cabinet Member for Planning and Economic Development is asked to note that the following Neighbourhood CIL applications will be decided at Full Cabinet on 27 March 2023 because the funding requested exceeds £250,000 each:

i) Aldford Street Public Realm Improvements

ii) Temple Roof Artists Gardens

2.4. The Cabinet Member for Planning and Economic Development is asked to approve the following Carbon Offset funding, details of which are set out in this report:

i) St Marylebone CE School Energy Assessment

ii) Diocese of London Net Zero Carbon Church Accelerator

iii) Artists Garden, Temple Station Roof – Solar Panels and other sustainability measures

3.0. Reasons for Decision

3.1. To ensure robust and effective expenditure and reporting in line with the Community Infrastructure Levy Regulations 2010 (as amended) and in accordance with the council's strategic priorities, CIL spending policy statement and its framework for resource allocation and management.

4.0. Background

Neighbourhood CIL

4.1. The Community Infrastructure Levy (CIL) is a charge that local authorities can impose on new development to help raise funds to deliver infrastructure that is required to support the development and growth of their area. WCC's became effective on the 1 May 2016 and applies to liable developments that were granted planning permission on or after this date. CIL is payable when works to implement the development commence.

4.2. All CIL funding decisions are taken with regard to national legislation and regulations. Local policy and priorities, as set out in the Westminster CIL Spending Policy Statement (October 2022), also informs decisions.

4.3. CIL Regulations require apportionment of CIL receipts between:

- **the Strategic Portion (70-80%)** – spent by the Council according to its strategic infrastructure priorities.
- **a Neighbourhood Portion of receipts from development in each neighbourhood (15-25%)** – spent by the Council in agreement with the

- neighbourhood communities concerned (other than in Queen's Park, where the portion is paid to, and spent by, the Community Council); and
 - **the CIL Administrative Portion (5%)** – spent by the Council on the administrative costs of CIL collection and administration.
- 4.4. Neighbourhood CIL is spent within the local area within which the development took place to provide local infrastructure. Neighbourhood CIL is collected and held by the council and spent by the council in consultation with the local community. The council accepts applications to provide Neighbourhood CIL to deliver projects.
- 4.5. As of February 2023 a total of £17.964m of collected CIL has been apportioned to Neighbourhood CIL; £12.315m remains available.

Carbon Offset Fund

- 4.6. The council secures s106 contributions that can be pooled for purposes including affordable housing, employment and skills, and carbon offsetting contributions. The Carbon Offset Fund is spent on projects which achieve carbon reductions.
- 4.7. As of February 2023 a total of £6.418m remains available.
- 4.8. The purpose of this report is therefore for the Member to consider and approve further allocations of funding for projects from the CIL Neighbourhood Portions.

5.0. Westminster's CIL: The Neighbourhood Portion

Overview of Neighbourhood CIL

- 5.1. A proportion of CIL is apportioned to the area within which the development took place. There are 21 neighbourhood areas throughout Westminster; primarily commercial areas around Victoria are not included within any neighbourhood area. As set out in legislation the neighbourhood portion is set at 15% of CIL receipts in a neighbourhood area capped at £100 per council tax paying dwelling, per annum. Where a neighbourhood area has an adopted neighbourhood plan, the percentage allocated to the neighbourhood rises to 25% uncapped.
- 5.2. The council accepts applications for Neighbourhood CIL funds from organisations and individuals through quarterly application rounds. Applications are assessed with regards to national legislation and regulations, principally Planning Act (2008) and the Community Infrastructure Levy Regulations 2010 (as amended) and the associated National Planning Practice Guidance, and with regards to local policy, criteria and priorities as established by the Westminster CIL Spending Policy Statement. Ward members, Neighbourhood Forums, and Business Improvement Districts, where they exist, must be consulted on all applications within their area. Applications are processed and reviewed by Infrastructure Planning and

Delivery officers, with insight sought from relevant officers across the council and the Infrastructure Governance Group.

- 5.3. Applications that are recommended for **approval “in principle”** means that the proposal is eligible for Neighbourhood CIL Funding and is considered viable, however further engagement with council’s departments is needed prior to allocation of funds. An in-principal allocation does not mean the project is being refused for Neighbourhood funding, but rather that outstanding issues must be addressed prior to the formal allocation of funds. Applications recommended for **approval** means that the project is considered viable by officers and is ready for implementation.

Winter 2023 Neighbourhood CIL Applications

- 5.4. **St Marylebone CE Bridge School Mini-bus (Marylebone):** It is recommended to approve £72,861 for St Marylebone CE Bridge School to fund purchase an electric minibus to replace the old diesel one which is no longer fit for purpose due to age and increasing need. The new bus will increase capacity to 16 to cover the school’s growing attendance and reduce carbon compared to the existing diesel bus.
- 5.5. The project helps to meet the growing demand for special education needs by increasing provision at the Bridge School. The Bridge School is run by Marylebone Church of England school as their Special Educational Needs school, which is the only education type with growing need in the City. The Bridge School is growing, from 60 student places to 64 in September 2022 and again to 70 places in September 2023.
- 5.6. The Marylebone Neighbourhood Forum and local Councillors Karen Scarborough and Barbara Arzymanow confirmed their support for the scheme by email.
- 5.7. **Fitzrovia Community Centre Improvements (Fitzrovia West):** It is recommended to approve £22,583 to Fitzrovia Community Centre (FCC) to fund further developments and refurbishments to the community centre. The project will cover the laying of new flooring, increased security and health and safety measures, and small furnishings. The total project cost is £23,455 with the remaining funding being paid by the FCC for staffing costs. This project is part of a wider programme to make the community centre more accessible and welcoming, to meet the growing need for community centres and programmes in the local area.
- 5.8. The funding will assist the centre to better meet the growing needs for services offered. Fitzrovia Community Centre has observed a significant increase in the need for its services since the start of the pandemic, and have been at the forefront of responding through increased services targeted to the needs of local people. The centre continues to meet changing needs, such as by providing a warm place for those who are increasingly unable to heat their homes during the day. Services are offered on a ‘pay what you can basis’, meaning people are never turned away.

- 5.9. Community uses such as a community centre is identified as a priority infrastructure type in local CIL policy.
- 5.10. Fitzrovia West Neighbourhood Forum confirmed their support for the application. Fitzrovia West BID and local ward councillors were also supportive.
- 5.11. **St Marylebone Parish Church Accessibility and Public Realm Improvements (Marylebone):** It is recommended to approve £101,180 to St Marylebone Parish Church to fund accessibility and public realm improvements and other repairs to improve visual amenity and improve access to health infrastructure. The works will improve the Portico pavement area and the Sacristy Steps to improve access to the health uses within the building, including the Marylebone Health Centre / NHS GP practice, and the Healing and Counselling Psychotherapy Centre in their Crypt.
- 5.12. These improvements will allow the health services to meet the growing need for their services. The Marylebone Health Centre / GP Practice has a patient list of over 10,000 which continues to grow. There is also an unmet need for low-cost psychotherapy in the area, which the Healing and Counselling centre is seeking to address by training additional therapists and offering more group sessions, to better serve its increasing patient list.
- 5.13. The Marylebone Neighbourhood Forum and local Councillors Karen Scarborough and Barbara Arzymanow confirmed their support for the scheme by email.
- 5.14. **Paddington Arts Development: Design and Preliminary Work (Westbourne):** It is recommended to approve £108,000 to Paddington Arts to support the organisation's capital development ambitions. The funding will support a broader scheme to would expand the organisation-owned building to provide additional spaces including café, new studio, consultation rooms and roof terrace. This funding will support preliminary work including design and planning work (£78,000) and technical studies and reports (£30,600) to take place simultaneously; the broader expansion project is exploring a variety of funding opportunities under the direction of a professional fundraiser.
- 5.15. There is growing demand for community arts spaces within the local area and this capital development programme would help meet that demand. There has also been significant development within the vicinity, including three flatted schemes on Woodfield Road alone, including the 74-unit Brick Apartments (formerly Hathaway House).
- 5.16. Community uses such as a community arts centre is identified as a priority infrastructure type in local CIL policy.
- 5.17. The applicant engaged positively with the neighbourhood forum, local ward members, and business improvement district prior to submitting the

application. Paddington Arts has also held several consultation events with the local community, including an exhibition of the plans over three open days/evenings in July 2021, and received encouraging feedback.

- 5.18. **St Augustine's Sport Hall Flooring (Outside of Designated Neighbourhood Area):** It is recommended to approve £70,620 to WCC Sports and Leisure to fund replacement flooring of St Augustine's School sports hall. The hall is a school facility that is also used by the community after school, during the weekends and during all school holidays, providing an important place for healthy activities in this part of the city. Although St Augustine's school building is located within Westminster, the sports facility itself is located within the neighbouring London Borough of Brent; however, a Community Use Agreement between the school and WCC allows the use of the facility by Westminster residents, and bookings and activities are managed by the council's Leisure Services contractor.
- 5.19. There is a growing demand for these services within the local area, as evidenced by increasing bookings, with some activities completely booked up. For example, badminton clubs now use the facility seven days of the week, which puts growing pressure on the remaining 'casual spots'.
- 5.20. Officers engaged positively with local ward members on the scheme and have consulted with the Paddington Waterways & Maida Vale Society.
- 5.21. **National Portrait Gallery Orange Street Improvements (Outside of Designated Neighbourhood Area):** It is recommended to approve £190,000 requested by the National Portrait Gallery to WCC for public realm improvements on Orange Street. As part of the three-year transformation project at the gallery, the new rear entrance is framed by a new forecourt at the junction of Orange Street and Charing Cross Road. This funding would support carriage way resurfacing, pavement levelling, and new signage, to enhance the visual appearance of what is currently a neglected public realm, improve pedestrian safety, and increase accessibility for disabled pedestrians. The space will also serve as the gateway to the emerging Arts Quarter plans being implemented by the Heart of London Business Association (HOLBA). The works are currently underway by FM Conway under the direction of WCC and are being paid for by the National Portrait Gallery reserves but the gallery is seeking Neighbourhood CIL given the public realm benefit and to relieve pressure on its reserve accounts.
- 5.22. This public realm infrastructure project is directly related to the development and growth plans of the National Portrait Gallery. The project is also identified as necessary to create a gateway to the HOLBA's Arts Quarter plans, which Arup Economics reported has the potential to create 300 new jobs, more than double net GVA from £200m to £420m, and increase business rates revenue by 44%, by 2040.
- 5.23. This project would increase the accessibility of a public space, which is one of the council's priorities for CIL funding.

- 5.24. All three St James's Ward councillors confirmed their support for the application.
- 5.25. **Hyde Park Paddington Neighbourhood Plan (Hyde Park Paddington):** It is recommended to approve in principle £45,000 requested by Paddington Partnership on behalf of the Hyde Park and Paddington Neighbourhood Forum to fund consultants to support the progress of a neighbourhood plan. The consultant will advise on Regulation 14 requirements, including preparing the basic conditions statement and reviewing consultation, and advising whether a full Strategic Environmental Assessment is required, amongst other technical planning points. A draft consultant has been reviewed by planning policy officers and the applicant is currently working with the Neighbourhood Forum on a revised brief; the final amount and release of the funding will be conditioned on the approval of the final brief by planning policy officers.
- 5.26. Neighbourhood Plans are an important tool for local people to guide development within their communities, to ensure that growth aligns with their vision for their local area.
- 5.27. Hyde Park ward councillors Paul Dimoldenberg and Judith Southern emailed to support the application.
- 5.28. **Victoria Neighbourhood Plan (Victoria):** It is recommended to approve in principle £51,000 to the Victoria Neighbourhood Forum to fund consultants to assist with the production of the Victoria Neighbourhood Plan. The consultants would assist with technical planning knowledge to produce evidence and develop policies to ensure that the Plan meets statutory requirements and fulfils the needs of the local community. A draft consultant has been reviewed by planning policy officers and the Neighbourhood Forum is currently working on a revised brief; the final amount and release of the funding will be conditioned on the approval of the final brief by planning policy officers.
- 5.29. Neighbourhood Plans are an important tool for local people to guide development within their communities, to ensure that growth aligns with their vision for their local area.
- 5.30. Councillors from three local wards were all consulted on the scheme. Cllrs Gillian Arrindel, David Harvey, Louise Hyams, Tim Mitchell, Mark Shearer, and Selina Short all provided positive support. The Victoria BID also wrote a letter in support of the application.
- 5.31. **Holcroft Court Plaques (Fitzrovia West):** It is recommended to defer a decision on £31,000 requested by a resident to fund two mounted sculptures on the Carburton Street gates of Holcroft Court. The sculptures commemorate anti-slavery campaigners Thomas and Fanny Holcroft. The funding would pay for planning permission, the artist and the installation. There are outstanding issues which should be addressed before the application is approved, including the need for planning consent, agreement of the landlord, agreement of the freeholder, and the need for renewed consultation with

residents. It is recommended to defer a decision until these issues are satisfactorily resolved.

- 5.32. **Aldford Street Public Realm Improvements (Mayfair):** The Cabinet Member is asked to note that the Mayfair Neighbourhood Forum request for additional funding to deliver their public realm aspirations in Aldford Street will be considered at the meeting of Cabinet on 27 March 2023. The scheme is phase 1 of their 18 phase 'Green Route', a one-mile green corridor that from Park Lane to Regent Street that aims to bring nature into the streets of Mayfair, promote health, wellbeing and inclusivity whilst mitigating climate change and revitalising the Georgian city plan for the future. The element seeking funding includes a new raised carriageway junction, a small new garden, with planting and trees, proposals for new permeable flooring to mitigate flooding, single permanent seating, renewably powered lighting, and a realigned stair access from the TfL owned underpass. The project is estimated to cost £970,191 although some costs are covered by previously allocated Neighbourhood CIL funding, including NCIL/024 Mayfair Green Route (£119,200 allocated but just over £20k remains) and NCIL/042 Mayfair Green Route Aldford Street Garden (£338,000 allocated).
- 5.33. **Temple Roof Artists Gardens (Outside of Designated Neighbourhood Areas):** The Cabinet Member is asked to note that the CoLab's application for £512,000 for a three year project to continue the Artists garden on the roof of Temple Tube Station area will be considered at the meeting of Cabinet on 27 March 2023. A previous installation turned the hidden and neglected roof terrace above the station into a place for the public to experience a free large-scale installation. The funding would support the continuation of the project for three years with three annual installations and an accompanying programme of exhibitions, residencies and workshops open to the public for free.

6.0. Proposals for funding from pooled Section 106 contribution

Overview of Carbon Offset

- 6.1. Section 106 contributions for carbon offsets are pooled.
- 6.2. The council accepts applications for Carbon Offset funds from organisations and individuals through quarterly application rounds. Applications are assessed with regards to Greater London Authority policy and guidance, and with regards to Westminster's Carbon Offset Fund Guidance (January 2020). Applications are processed and reviewed by Infrastructure Planning and Delivery officers, with views and comments sought from Climate Emergency officers and the Infrastructure Governance Group.
- 6.3. Applications that are recommended for **approval "in principle"** means that the proposal is eligible for Neighbourhood CIL Funding and is considered viable, however further engagement is needed prior to allocation of funds. An in-principal allocation does not mean the project is being refused for Neighbourhood funding, but rather that outstanding issues must be addressed prior to the formal allocation of funds. Applications recommended for

approval means that the project is considered viable by officers and is ready for implementation.

- 6.4. **St Marylebone CE School Energy Assessment:** It is recommended to approve £8,495 for St Marylebone CE School to fund Energy Assessment Reports to be carried out at their Marylebone High Street site and the Sixth Form centre in Blandford Street, to identify opportunities to reduce the school's carbon footprint by decreasing energy use.
- 6.5. **Diocese of London Net Zero Carbon Church Accelerator:** It is recommended to approve £7,200 to the Diocese of London to fund ten detailed parish Energy Audits to inform Net Zero Carbon Action Plans and an overview summary of potential larger decarbonisation projects. The application requested an additional £20,000 for feasibility and development work on up to four carbon reduction projects identified in the Energy Audits, but because these projects have not yet been identified the recommendation is to encourage the applicant to make a subsequent detailed applications to fund decarbonisation projects identified within the Net Zero Carbon Action Plans once these have been produced.
- 6.6. **Artists Garden, Temple Station Roof – Solar Panels and other sustainability measures:** It is recommended to approve in principle £37,970 to the CoLab for solar panels and other carbon reduction and sustainability measures at the Artists Garden on the roof of Temple Station. This funding would support the carbon reduction ambitions of the overall scheme, which turns the hidden and neglected terrace above Temple tube station into a place for the public to experience free large-scale art installations. The overall scheme is the subject of a separate Neighbourhood CIL application subject a decision at Cabinet on 27 March 2023; it is recommended that this funding is conditioned on a positive decision of that application.

7.0. Financial Implications

- 7.1. To date, the council has collected £17.964m in Neighbourhood CIL. £5.65m has been allocated, leaving a balance of £12.315m. This report recommends approving a further £661,244 of Neighbourhood CIL allocations, which would bring the balance to £11.665m.
- 7.2. Pooled section 106 (s106) contributions for city-wide purposes have largely been replaced by CIL. Nevertheless, there are residual amounts collected under historic s106 agreements that remain available to spend provided they align with the provisions of the individual legal agreements concerned.
- 7.3. £53,665 has been requested for approval from the S106 Carbon Offset Fund, which would bring the balance to £6.418 million.

8.0. Legal Implications

- 8.1. The legislation governing the development, adoption, and administration of a Community Infrastructure Levy (CIL) is contained within the Planning Act

(2008) and the Community Infrastructure Levy Regulations 2010 (as amended). The associated government National Planning Policy Guidance is also important in guiding this process. There are other areas of law which should be considered when assessing certain developments for CIL liability and determining the appropriate sum due. These include matters relating to social housing, procurement, charitable institutions, and state aid.

- 8.2. Legal Services (ref Isaac Carter) has reviewed this report, and the proposed Project Allocations, and is satisfied that the measures proposed comply with the relevant legislation and guidance set out in paragraph 8.1 above.

9.0. Consultation

- 9.1. Local policy requires local ward councillors, neighbourhood forums, and business improvement districts, where they exist, be given the opportunity to comment on all proposals within their area. All applications in this report have been subject to Ward Member and community engagement, as well as Cabinet Members where necessary.

10.0. Equalities

- 10.1. Under the Equalities Act 2010 the council has a “public sector equality duty”. This means that in taking decisions and carrying out its functions it must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the 2010 Act; to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it; and to foster good relations between persons who share a relevant protected characteristic and those who do not share it.
- 10.2. The council is also required to have due regard to the need to take steps to take account of disabled persons’ disabilities even where that involves more favourable treatment; to promote more positive attitudes toward disabled persons; and to encourage participation by disabled persons in public life.
- 10.3. The 2010 Act states that “having due regard” to the need to promote equality of opportunity involves in particular having regard to: the need to remove or minimise disadvantages suffered by persons sharing a protected characteristic; take steps to meet the needs of persons sharing a protected characteristic that are connected with it; take steps to meet the needs of persons who share a protected characteristic that are different from those who do not; and encourage persons with a protected characteristic to participate in public life or any other activity in which participation by such persons is disproportionately low.
- 10.4. The courts have held that “due regard” in this context requires an analysis of the issue under consideration with the specific requirements set out above in mind. It does not require that considerations raised in the analysis should be

decisive; it is for the decision-maker to decide what weight should be given to the equality's implications of the decision.

- 10.5. All decisions on spending CIL will themselves be subject to assessment to ensure the 2010 Act duties are complied with. Equality Impact Assessment Screenings are undertaken for every Neighbourhood CIL application, with the exception of applications to fund Neighbourhood Plan consultants because Neighbourhood Plans have been subject to national EQIAs. The council will review its CIL charging schedule on a biennial basis.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Alex Csicsek, Principal Policy Officer

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BACKGROUND PAPERS

Report to Cabinet dated 17 October 2022 on Priorities for the Community Infrastructure Levy (CIL) and update to the CIL Spending Policy Statement and governance arrangements

Westminster CIL Spending Policy Statement

Equalities Impact Assessment Screening documents for Neighbourhood CIL applications recommended for approval

For completion by the Cabinet Member for Planning and Economic Development

Declaration of Interest

I have no interest to declare in respect of this report

Signed:  Date: 15 March 2023

NAME: Councillor Geoff Barraclough

State nature of interest if any

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(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled **Westminster Neighbourhood CIL – Winter 2023 Project Allocations** and reject any alternative options which are referred to but not recommended.

Signed 

Councillor Geoff Barraclough, Cabinet Member for Planning and Economic Development

Date ...15 March 2023.....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:
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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy & Scrutiny Committee to decide whether it wishes to call the matter in.