

# Allocation of Strategic Community Infrastructure Levy (CIL) Funding

Report of the Cabinet Member for Economic Growth, Environment & Development Services:  
Councillor I. Pritchard



Date: 12<sup>th</sup> March 2019  
Agenda Item: 7  
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Key Decision? **YES**  
Local Ward: All  
Members

**CABINET**

## 1. Executive Summary

- 1.1 The report summarises the assessment of applications made for Community Infrastructure Levy (CIL) funding undertaken by Strategic Infrastructure Group (SIG) and Joint Members and Officers Group (JMOG), and makes recommendations on the allocation of £300,000 of Strategic CIL funding.
- 1.2 The report also identifies further work being carried out to improve the procedures around the CIL allocations process and to ensure that recommendations are focused on delivering key strategic infrastructure.

## 2. Recommendations

- 2.1 That Cabinet approves the allocation of £300,000 of Strategic CIL funding to the projects set out within Table 2 of this report.
- 2.2 That Cabinet note the evaluation and development being completed by SIG, following recommendation by JMOG, regarding the process of allocating Strategic CIL funding in the future.

## 3. Background

- 3.1 The Local Plan Strategy adopted in February 2015, sets out the strategic spatial policy context for the development and use of land in Lichfield District. It is recognised that there is a requirement for significant investment in infrastructure to support the level of sustainable development identified through the Local Plan Strategy.
- 3.2 CIL is a planning charge on development, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. On the 19<sup>th</sup> April 2016 following formal public consultation and an examination in public, the District Council adopted a CIL Charging Schedule enabling it to apply charges to qualifying development for the purposes of delivering key infrastructure. Approval was also given to commence charging CIL from the 13<sup>th</sup> June 2016.
- 3.3 CIL Regulation 123 is the requirement for a published list of infrastructure projects or types of infrastructure that the Charging Authority (District Council) intends will be, wholly or partly funded by

CIL. The District Council adopted a Regulation 123 list at the same time as adopting a CIL Charging Schedule on the 19<sup>th</sup> April 2016.

- 3.4 To facilitate the appropriate allocation of CIL funds to those infrastructure requirements identified on the Regulation 123 list in July 2016 the District Council adopted a governance structure and procedural arrangements. Additional guidance (Allocating and Spending: CIL Additional Guidance) for applicants relating to allocating and spending of the strategic element of CIL funding was duly approved by JMOG in April 2018.
- 3.5 This first strategic CIL bidding round opened on 20<sup>th</sup> July 2018 and closed on 16<sup>th</sup> September 2018, with the aim of allocating a first tranche of £300,000 of strategic CIL money to priority infrastructure requirements across the district. Applicants requesting funding for infrastructure projects were invited to complete an Expression of Interest Form and could access direct support in navigating the process from Support Staffordshire. The Council subsequently received 22 applications requesting funding from the first round.
- 3.6 The applications were spread across a broad range of infrastructure needs and included a varied level of funding requests. All of the applications were initially assessed against criteria set out within the Allocating and Spending CIL: Additional Guidance. The majority of submissions failed to meet the eligibility criteria, a number fell outside the requirements set out within the CIL Regulations, others were submitted by organisations that did not have the ability to complete proposed works (e.g. did not own the land or have the necessary consents), a number failed to secure appropriate permissions and some simply did not address infrastructure requirements on the Regulation 123 list.
- 3.7 In the case of 6 applications these either did fully meet the criteria or it was thought potentially could do so with the provision of additional information. These projects were;
- Back the Track
  - Lichfield St Johns Community Link
  - King Edward VI School
  - Netherstowe School
  - Staffordshire Country Explorer
  - Westgate Practice Expansion
- 3.8 JMOG agreed at its October 2018 meeting that SIG should engage with the organisations responsible for the listed 6 applications to facilitate a resubmission for consideration at JMOG’s January 2019 meeting. A resubmission deadline for the 6 applicants was set for the 3<sup>rd</sup> January 2019.
- 3.9 5 re-submissions were made within the stated deadline. Netherstowe School application was submitted after the deadline and as such disqualified from the assessment process.
- 3.10 Table 1 below provides a summary of the eligible resubmitted applications.

Table 1 – Summary of Submitted Proposals

Applicant	Project Title	Project Summary	Total Project Cost	Funding Request
Burntwood Action Group	Back the Track	Cycle walking track between Brownhills and Lichfield along a disused railway line.	£35,000	£35,000
Lichfield & Hatherton Canal	Lichfield St Johns Community	Reinstatement of Lichfield and Hatherton Canal between London Road and Cricket Lane,	£50,000	£35,000

Applicant	Project Title	Project Summary	Total Project Cost	Funding Request
Restoration Trust	Link	Lichfield.		
Staffordshire County Council	Staffordshire Countryside Explorer	Improvements to facilities, access routes and site enhancement within Chasewater Country Park.	£152,000	£44,000
Westgate Practice	Westgate Practice Refurbishment	Revision of existing building to provide additional clinical rooms and improved facilities.	£322,699.	£185,619
Staffordshire County Council	King Edward VI School	The provision of additional secondary school places in Lichfield: King Edward VI School.	£4,700,174	£1,801,850

3.11 SIG at its meeting on 17<sup>th</sup> January 2019 assessed the submissions identified within Table 1 against the following criteria (as set out within the Allocating and Spending CIL Additional Guidance) with a view to identifying projects that could proceed to JMOG for consideration: funding.

- The need for the project
- The public benefit of the project
- The deliverability of the project
- The value for money that the project provides.

3.12 After assessment SIG agreed that the following recommendations for funding should be made to JMOG. The recommendations for funding were supported by specific conditions that could be included within particular grant agreements to safeguard against identified risks. SIG agreed that the 'Back the Track' application did not clearly articulate need, benefit or value to enable a meaningful assessment of the submission and therefore did not recommend the allocation of any funding. SIG also recognised that the application received relating to increased educational provision at King Edward VI school was significantly greater than the funding available.

3.13 Table 2 provides the recommended project allocation and relevant specific grant condition.

Table 2 - Recommended Strategic CIL Allocations

Project	Funding Request	Recommended Funding Allocation	Specific Grant Agreement Condition
Back the Track	£35,000	No allocation	No Comment
Lichfield St Johns Community Link	£35,000	£35,000	Planning Permission is secured before allocation of any CIL Funds.
Staffordshire Countryside Explorer	£44,000.00	£44,000	CIL funding to only be allocated if project secures the level of match funding identified within the application.
Westgate Practice Refurbishment	£185,619.00	£120,000	To be allocated to the delivery of 'Phase Three' identified within Section 6 of the submitted application (improvements to

Project	Funding Request	Recommended Funding Allocation	Specific Grant Agreement Condition
			increase clinical provision).
King Edward VI School	£1,801,850	£101,000	CIL funding to be allocated to a project element which will be delivered in the early stages of the project.

- 3.14 JMOG considered SIG's recommendations at its meeting on the 30<sup>th</sup> January 2019. Members noted the recommendation to not allocate funding to 'Back to the Track'. They considered that the project idea could make an effective positive contribution across a number of identified infrastructure needs, but at this time it was agreed that SIG's assessment regarding the currently submitted application was accurate.
- 3.15 The Cabinet is asked to consider the allocations as recommended by JMOG articulated in Table 2 of this report and if agreeable endorse these.
- 3.16 Following the completion of this first round of applications and allocations it is prudent to review the allocation process. There are areas in the current procedures that could be improved to ensure that quality bids come forward and robust and meaningful recommendations can be made in respect of suggested CIL spend. Given some of the learning from this first round, JMOG has therefore requested that SIG develop and evaluate a range of options which singularly or collectively will ensure that the allocation of future strategic CIL funding continues to support the delivery of identified strategic infrastructure needs. Recommendations will be considered by JMOG at its March 2019 meeting and a subsequent report brought to a future Cabinet meeting

Alternative Options	<ol style="list-style-type: none"> <li>1. Cabinet recommends to not allocate funding to one or more identified projects. This would result in a delay in enabling delivery of improvements to strategic infrastructure elements which are identified within the Regulation 123 list.</li> <li>2. Cabinet recommends the application process is reopened to identify alternative strategic infrastructure projects. This would result in a significant delay in enabling delivery of improvements to strategic infrastructure which is required to enable the district to develop in a sustainable way.</li> <li>3. Cabinet recommend alternative funding allocations to those projects that have been recommended for the receipt of CIL funding. Alternative levels would be difficult to justify, further a reduction on funding would risk timely delivery and could result in an erosion of project deliverables.</li> </ol>
Consultation	<ol style="list-style-type: none"> <li>1. Consultation has been undertaken with both SIG and JMOG in line with the CIL Administration and Governance arrangements</li> </ol>
Financial Implications	<ol style="list-style-type: none"> <li>1. Officer time will be needed to transfer funding to projects and monitor project delivery.</li> <li>2. Funding allocations will support the delivery of projects which have secured other external funding, maximise the financial investment in infrastructure within the district.</li> <li>3. There is no impact on District Council budgets.</li> </ol>

Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> <li>1. Supports the priority of a vibrant and prosperous economy as it assists in the delivery of improvements in educational provision.</li> <li>2. Supports the priority of a Healthy and Safe community by supporting projects which will provide increased health provision and improve places where our communities can be active.</li> <li>3. Supports the priority of clean, green and welcoming places to live by assisting in creating and delivering improvements to green spaces within the district.</li> </ol>
Equality, Diversity and Human Rights Implications	<ol style="list-style-type: none"> <li>1. An Equality Impact Assessment has been completed.</li> </ol>
Crime & Safety Issues	<ol style="list-style-type: none"> <li>1. There are no crime and safety issues.</li> </ol>

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Slow or none delivery by projects following allocation.	Grant agreements will included a clawback mechanism in the event of deemed slow progress or non-delivery. Progress with be monitored and managed by officers and reported to both SIG and JMOG.	Yellow
B	Allocated funding supporting investment in elements which are outside the scope of the submitted application.	Through the Grant Agreements funding will be released against individual milestones across the delivery timeline of the approved project.	Yellow

<p>Background documents</p> <p>CIL Governance Administration procedures</p> <p>CIL Expression of Interest Form</p> <p>Allocating and Spending CIL Additional Guidance</p> <p>Community Infrastructure Levy Charging Schedule</p> <p>Local Plan Strategy</p>
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<p>Relevant web links</p> <p><a href="#">CIL Expression of Interest Form</a></p> <p><a href="#">Allocating and Spending CIL Additional Guidance</a></p> <p><a href="#">CIL Governance Administration procedures</a></p> <p><a href="#">Community Infrastructure Levy Charging Schedule</a></p> <p><a href="#">Local Plan Strategy 2015</a></p>
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