

REPORT TITLE: COMMUNITY INFRASTRUCTURE LEVY (CIL) UPDATE

23 JANUARY 2020

REPORT OF CABINET MEMBER: Not Applicable

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WARD(S): ALL TOWN WARDS

PURPOSE

To update the Town Forum regarding the current position with the Community Infrastructure Levy (CIL) allocated to the Winchester Town Improvement Fund (neighbourhood portion of CIL for the town), and provide an overview of how the agreed allocation protocol (WTF251 refers) is working including the bids which have been received for funding to date.

RECOMMENDATIONS:

1. That the report is noted and Town Forum considers how the Winchester Town Improvement Fund could be promoted moving forwards to encourage the future submission of funding requests for Community Infrastructure Levy income.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 The Community Infrastructure Levy (CIL) can be used to fund infrastructure investment that will contribute to all core outcomes of the new Council Plan 2020-2025.

2 FINANCIAL IMPLICATIONS

- 2.1 To date the City Council has collected over £10m of CIL receipts from developments across the district. 15% of CIL from qualifying developments in the town area is allocated to the Winchester Town Account for expenditure on infrastructure projects in the Winchester Town. The Winchester Town Account currently has approximately £638,000 of CIL funding which can be used to support infrastructure projects within the City area. A further £200,000 is expected to be received in the next 18 months from ongoing developments. To date £50,000 has been allocated.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The legislation governing the allocation 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.

- 3.2 The new updated CIL Regulations came in to force on 1st September 2019. These regulations will eventually see the replacement of the current Regulation 123 List (R123 List) with an Infrastructure Funding Statement which must be in place by December 2020. However, currently the R123 List specifies projects or types of infrastructure that the City Council intends may be fully or partly funded by CIL. However most projects will fit in to one or other of the broad categories identified on the list with the exception of transport projects.

4 WORKFORCE IMPLICATIONS

Allocation of CIL monies is undertaken within existing staff resources. Two dedicated CIL posts are funded from the income received.

5 PROPERTY AND ASSET IMPLICATIONS

Whilst CIL funding cannot be used to fund general maintenance of existing assets, or to remedy existing problems, it may be used to increase the capacity of existing infrastructure or to repair failing infrastructure if that is necessary to support development.

6 CONSULTATION AND COMMUNICATION

- 6.1 The current priorities, protocols and R123 List were all developed in consultation with key partners.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Improved infrastructure can have significant positive impacts on the environment, including open space improvements, investment in community facilities and sustainable transport initiatives. Detailed consideration to environmental impacts can be undertaken on a project specific basis as appropriate.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to: (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and; (iii) foster good relations between those who have protected characteristics and those who do not.
- 8.2 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment must be taken into account through the decision making process.
- 8.3 There is not equality impact assessment required in relation to this report although consideration would be given this requirement at a project level.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None required

10 RISK MANAGEMENT

Risk (Detail in this column specific risks, under each of these headings)	Mitigation	Opportunities
Property N/A		
<i>Community Support – C/L is not allocated to projects that have community support</i>	Protocol requires that requests for funding need to show community benefits and consultation and support to show	To secure investment in city wide infrastructure which may not otherwise occur

	community engagement	
<i>Timescales- None</i>		
<i>Project capacity – No capacity to deliver projects identified for CIL funding</i>	Protocol requires that the requests for CIL funding show how a scheme would be delivered to ensure certainty of delivery of the project	
<i>Financial / VfM – Over reliance on funding arising from development to fund forecast expenditure</i>	Appropriate budget management including monitoring and review. Programme based on CIL funding received.	Approach improved to allocate expenditure from the Town Account
<i>Legal – Failure to comply with regulations for the expenditure of CIL funds</i>	Legal advice provided in relation to applying the allocation protocol	
<i>Innovation – N/A</i>		
<i>Reputation – Failure to use CIL funds could attract criticism as could allocating funds to projects which have no demonstrable community support</i>	Allocation protocol enables funds to be allocated in a transparent way and requests for funding need to show community benefit and support	Demonstrate that accommodating development in the city can have wider benefits
<i>Other</i>		

11 SUPPORTING INFORMATION:

- 11.1 The City Council introduced the Community Infrastructure Levy (CIL) in April 2014, and since that date approximately £10m of CIL has been received district wide. CIL funding can be used to provide the infrastructure required to support the growth planned in the Council's Local Plans. On the 16th December 2016, Cabinet agreed that the Town Forum should administer the neighbourhood portion of the Community Infrastructure Levy collected within the unparished part of Winchester. The Town Forum agreed to the allocation protocol set out in WTF251 on 25th January 2017.
- 11.2 Currently 15% of the CIL received for the Town wards (the neighbourhood portion) are available to the Town Forum to undertake capital improvements in the Town area in particular where these can address the impact of development. Government guidance advises that the neighbourhood portion of CIL should be allocated to projects that will enhance "*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*" Infrastructure typically includes recreational facilities, community and cultural facilities, flood defences, transport schemes

(including those that support sustainable transport and public realm enhancements), green infrastructure and open space provision.

- 11.3 The fund is aimed at one-off capital projects which address individual neighbourhood or multi-neighbourhood issues within Winchester Town. Under the agreed allocation protocol which sets out clearly the process for allocating funds to projects priority will be given to proposals which supported the Vision for Winchester Town, local community plans and any other strategies relevant to the Town area. Proposals will have a cost to the Fund of between £1,000 and £50,000.
- 11.4 The protocol allows Members of Winchester Town Forum (Winchester City Councillors representing the Town Wards), Winchester Town community and neighbourhood organisations, residents groups, local non-profit organisations, incorporated groups societies and charities to make proposals for CIL funding. Any group considering submitting a scheme for funding should discuss their idea with ward councillors before submitting a proposal.
- 11.5 The agreed protocol for spending CIL funds allocated to the Town Forum, including guidelines, application form and the assessment mechanism were agreed in WTF251 in January 2017. Schemes submitted for funding from CIL should be assessed against the following considerations:
 - The impact and beneficiaries of the proposal and links to the Vison for Winchester Town, local community plans and other policies and strategies in the Town area.
 - Community consultation and support
 - The scale and location of the proposal and links to development in the area
 - The scope for match or joint funding
 - The scope for funding from another source
 - Any ongoing (revenue) costs such as maintenance
 - The need for planning permission or other consents
- 11.6 The total billed neighbourhood CIL (Town) contributions stood at £844k in September 2019 with approximately £638,000 of this having already been received. Of this £638,000, £50,000 has so far been allocated. The allocation of £50,000 was agreed at the Winchester Town Forum meeting in June 2019 for a project to improve the access to Weeke Community Centre (WTF269 refers) This project is ongoing, with discussion currently taking place between the applicant and the City Council's Engineering Manager regarding the ducting of the public utilities for the building.

- 11.7 Approximately £588,000 remains available for allocation to other projects. The current round of bids for CIL funding, are summarised in Appendix A. They relate to:
- Abbotts Barton and Hyde (6th Winchester) Scout Group – Bid for £50,000. This is for the provision of a Scout facility which would also serve as a wider community facility (£200,000 of District Wide CIL has already been allocated to the project).
 - Highcliffe Community Forum for Action – Bid for £36,412. This is for an environmental enhancements and traffic calming measures to create a more pedestrian friendly environment along Milland Road.
- 11.8 These schemes were due to be considered, and recommendations made as to whether or not to fund these projects, by the Town Forum Accounts (Informal Group) in December 2019 in line with the agreed allocation protocol as part of the budget setting process. However, due to the General Election, any decision making was postponed. The Town Forum Informal Accounts meeting did not take place until 13th January, when both of the bids summarised in Appendix A were considered. The Town Forum Informal Accounts Group were supportive of the bid for £50,000 for a new scout facility from Abbotts Barton and Hyde (6th Winchester) Scout Group. The bid from Highcliffe Community Forum for Action, to fund and environmental improvements of Milland Road was supported in principle; however it was unclear as to what the scheme would actually deliver, so more information will be requested before a final decision can be made regarding allocation the funding requested. WTF279 included elsewhere on this agenda will make formal recommendations regarding the details of the funding decision for both of the schemes.
- 11.9 . Report WTF265 Annual Update on Play Area Improvements identified an additional requirement of £200,000 in 2020/21 for KGV play area and skate park works. CIL funding could be allocated to this scheme at a later date if considered appropriate by the Town Forum.
- 11.10 There is also a request for CIL funding towards the cost of providing a new pavilion at North Walls Recreation Ground, which would require consideration by Winchester Town Forum. It is estimated that additional funding of £295,000 would be required to fully fund delivery given an overall project budget of £800,000. The Town Forum has already allocated £300,000 (non-CIL) towards the North Walls pavilion project.
- 11.11 Report WTF278 details the proposals for a replacement pavilion at the North Walls recreation ground as well as and highlighting the requirement for the replacement of the existing two pavilions at King George V playing fields as well as the provision of toilets at North Walls recreation ground, once the existing leisure centre closes. WTF278 does not however consider the detailed requirements or business case for a replacement of the pavilion at KGV playing fields, but just identifies initial options.

- 11.12 Since the Forum agreed its protocol for allocating CIL funds to schemes in the City (January 2017) only a relatively small number of requests from community groups for support have been received and, to date, only one project has been allocated funding. The neighbourhood portion for the town area now stands at c£638,000 with £50,000 committed. If the Town Forum agrees to fund the other projects identified above (North Walls Pavilion at £295,000 and Abbots Barton Scout facility at £50,000) there would still be some £218,000 available for other schemes.
- 11.13 The Forum may wish to consider how it can better promote this funding stream including ways to encourage community groups and other organisations to develop future requests for CIL funding. Discussions with Communications will take place to help promote the next round of neighbourhood CIL bids. The promotion of the Town Forum CIL funding stream can be included in the wider promotion of neighbourhood CIL.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 None

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

WTF245 – Community Infrastructure Levy and Town Improvement Fund (November 2016).

WTF251 – Up-date of the Community Infrastructure Levy and Town Improvement Fund. (January 2017).

WTF267 – Town Account Budget for 2019/20 (January 2019)

WTF269 - Weeke Community Centre – CIL Application (June 2019)

Other Background Documents:-

None

APPENDICES:

Appendix A – CIL Bids for Funding from Winchester Town Account.