

REPORT TITLE: COMMUNITY INFRASTRUCTURE LEVY (CIL) FUNDING ALLOCATIONS FOR 2024 BIDS

13 MARCH 2025

REPORT OF CABINET MEMBER: Councillor Jackie Porter, Cabinet Member for Place and Local Plan

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WARD(S): ALL WARDS

PURPOSE

This paper provides an update on the CIL funding programme including the amount of CIL collected and the current value of the CIL funds available to support infrastructure delivery. It covers the council's, transport and active travel and community funds.

It also seeks approval to allocate CIL to the next round of community and council-led projects.

Bids for community projects were received between 1st September and 30th November 2024 as well as bids for schemes directly delivered by the council and county council which can be received throughout the year. The Informal Panel has considered these funding requests, in accordance with the agreed spending protocol and have endorsed the recommendations in this report as to which schemes should be allocated funding and included in the programme of CIL supported projects for this year.

Subject to this funding being approved by Cabinet, the projects detailed in this report will become part of the rolling programme of schemes, wholly or partly funded by CIL, in line with the protocol agreed in September 2018, (CAB3071 refers) and reviewed and updated in July 2023 (CAB3385 refers).

RECOMMENDATIONS:

- 1) Approve an increase of £60,619 to the existing £700,000 budget for CIL funded Community Projects with the total budget to be re-profiled to 2025/26.
- 2) Approve a funding allocation of £760,619 from Winchester City Council CIL income receipts and approve the expenditure under Financial Procedure rule 7.4 for the following community-led projects:
 - a) Badger Farm Community Centre - £21,230
 - b) Colden Common Parish Council - £80,000
 - c) Curdridge Parish Council - £48,000
 - d) Kings Worthy Parish Council - £17,835
 - e) Wickham Community Centre - £31,589
 - f) Allegra's Ambition - £55,000
 - g) Unit 12 - £28,465
 - h) Hampshire County Council - £146,000
 - i) Weeke Primary School - £32,500
 - j) Kings School - £300,000
- 3) Note that three applications were refused.
- 4) Note that £300,000 was previously allocated to the Winchester Upper High Street contra-flow cycle route scheme, which is no longer going ahead, so can be released back to the fund for future allocation.
- 5) Approve a funding allocation and capital budget and expenditure of £150,000 in 2025/26 from the Winchester City Council CIL receipts ring-fenced to support transport and active travel projects, for the provision of a zebra crossing on Winchester Road in Waltham Chase and additional pedestrian measures for other locations in Waltham Chase.
- 6) Delegate authority to the Corporate Head of Economy and Community to approve grant payments (in instalments where appropriate) based on evidence of spend provided by the applicant.
- 7) Delegate authority to the Service Lead Legal to enter into the grant funding agreements in accordance with the council's funding criteria.
- 8) Delegate authority to the Corporate Head of Economy and Community to make procedural improvements to the approved CIL funding process, in consultation with the Cabinet Member for Place and Local Plan.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

1.1 Greener Faster

1.2 Infrastructure and facilities that are eligible for CIL funding include:

- a) Energy and carbon reduction schemes/climate change mitigation
- b) Green and blue Infrastructure
- c) Active travel and movement infrastructure.

1.3 Thriving Places

1.4 Infrastructure and facilities that are eligible for CIL funding include:

- a) Education facilities

1.5 Healthy Communities

1.6 Infrastructure and facilities that are eligible for CIL funding include:

- a) Healthcare facilities
- b) Open space provision
- c) Built facilities, indoor/outdoor sport, recreational and informal leisure and social facilities
- d) Community and cultural facilities.

1.1 Good Homes for All

1.2 N/A

1.3 Effective and Efficient

1.4 N/A

1.5 Listening and Learning

1.6 The use of CIL to support community projects has helped embed effective partnerships by working with Parish Councils and other community groups which represent residents to bring forward much needed community projects and local facilities.

2 FINANCIAL IMPLICATIONS

2.1 At the end of March 2024, the council had collected over £22m of CIL receipts since adopting CIL in April 2014. Deductions have been made for regulatory

allocations of up to 5% of the CIL collected to administer the fund and 15% of CIL collected to the parish council for the area (rising to 25% where a parish council has an adopted neighbourhood plan). A sum of just over £1.5m was paid to HCC in 2018 to deliver transport infrastructure works, meaning the total retained by the council for allocation since the scheme began was £16,569,704.

- 2.2 Of the CIL retained by the council to the end of March 2024, £9,912,793 had been allocated to support infrastructure schemes in the town and wider district, leaving £6,656,911 remaining to be allocated.

Total CIL Collected (April 2014 to 31st March 2024)		£22,755,636
Less:	Admin (up to 5%)	£1,102,986
	Parish council share (15/25%)	£3,523,998
	HCC allocation prior to SEP 2018	<u>£1,558,948</u>
		£6,185,932
CIL retained by WCC		<u>£16,569,704</u>
Of which:	CIL previously allocated to projects	£9,912,793
	CIL remaining to be allocated	<u>£6,656,911</u>
		<u>£16,569,704</u>

- 2.3 Further allocations during 2024 have committed an additional £557,983, leaving £6,098,928 remaining for allocation at this time. This is split into three funds, as described in section 12.4, with the financial details of each fund summarised in appendix 3.

- 2.4 The recommendations contained in this report would allocate the following:

Fund	Grant allocations	Remaining Fund
Health & community	£100,000 towards 3G pitch at Kings School £282,119 in other community grants	£293,122
Transport & active travel	£146,000 for an off-road footpath between the Worthies and Winchester £32,500 for bike shelters at Weeke Primary School £150,000 for a zebra crossing on Winchester Road in Waltham Chase	£1,998,723
District / strategic projects	£200,000 towards 3G pitch at Kings School	£3,196,464

- 2.5 CIL receipts have continued to be collected during 2024/25 but are not reconciled until the end of the financial year. These are reflected in appendix

3 to give a truer representation of the funds that will remain for allocation in 2025 and beyond, which currently total a combined £7,632,085.

- 2.6 A provisional budget of £700,000 (£350,000 in 25/26 and 26/27) has been approved in the capital programme for CIL funded community projects. The allocation in this paper requires the total budget to be increased by £60,619 and the total to be reprofiled to 2025/26. An additional budget of £150,000 for the zebra crossing is also required. The existing budget of £300,000 allocated to the Winchester Upper High Street contra-flow cycle route scheme, which is no longer going ahead, will be removed from the capital programme and the CIL funding released for future allocation.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 allow charging authorities to collect funding from qualifying developments in their area, which must be used to support or mitigate the effects of development. It can be used flexibly to fund any infrastructure as defined within the regulations.
- 3.2 To ensure transparency and accountability, a mechanism to identify and prioritise schemes on which spending is required to support development in the district was agreed by Cabinet in June 2016 (CAB2807). This spending protocol was updated in September 2018 (CAB3071) and again in March 2021 (CAB3292) to reflect the updated CIL Regulations and Government guidance. A further review of CIL was conducted in 2023, which resulted in a recommendation to ring-fence the district CIL into 3 distinct funds to reflect the priorities of the Council Plan,
- 3.3 Approved council-led schemes will be procured in accordance with the council's Contract Procedure Rules and the Procurement Act 2023 (PA23) with guidance from Procurement, Finance and Legal as required.
- 3.4 The CIL funding which is allocated to community schemes constitutes a capital grant and as such is not subject to the council's Contract Procedure Rules or PA23.

4 WORKFORCE IMPLICATIONS

- 4.1 The collection and Implementation of CIL receipts is funded using the 5% of CIL which can be used for administration of the scheme under the CIL Regulations. Two posts are currently funded through the CIL administration provision, with the CIL Officer identifying CIL liability and collection of funds and the CIL Implementation Officer monitoring the CIL project programme and the bidding process, liaising with Members regarding funding priorities and updating the annual Infrastructure Funding Statement. Other officers who spend significant time working on CIL can recharge the Levy for their time.
- 4.2 The 5% can only be applied for one financial year, with any surplus retained to fund infrastructure. However, if CIL receipts are low in any particular year

and 5% is insufficient to cover the administration costs, this shortfall has to be met from the General Fund.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None directly from this report, although CIL supports several other council infrastructure projects.

6 CONSULTATION AND COMMUNICATION

- 6.1 The CIL process was reviewed by the Health and Environmental Policy Committee in December 2022 and was followed by a cross-party working group workshop in January 2023. A key part of the work was to ensure that the priorities of the Council Plan and the supporting strategies were being reflected in the assessment of the bids for CIL funding and subsequent grant allocations.
- 6.2 The working group consisted of cross-party members and was chaired by the Cabinet Member for Place and Local Plan. The working group recommended the following, which have now been implemented:
- a) A change in the bid timetable to invite bids from September to November rather than the first quarter of the year.
 - b) The use of a scoring matrix to inform decisions, with projects which promote active travel and/or improve energy efficiency or carbon reduction being favourably considered.
- 6.3 The bidding window was advertised on the council website and in Parish Connect in advance of opening. Additionally in 2024 there were grant workshops for external organisations to raise awareness of the different grants that were available to, including CIL. The CIL application scheme has been over-subscribed for a number of years now, with the value of applications regularly exceeding the amount of CIL available to fund community projects.
- 6.4 Bidders are required to seek the support of elected members for a ward or parish area and to include confirmation of this in their bid.
- 6.5 Bidders are also required to confirm whether there has been wider public consultation for a particular project, which helps to gauge the support and wider benefits of the project when assessing the bids for funding.
- 6.6 In October 2023 the CIL Informal Panel, attended by three Cabinet Members and two directors, considered a request for funding of a zebra crossing on Winchester Road in Waltham Chase and additional pedestrian measures for other locations in Waltham Chase. The panel considered the detailed scheme proposal submitted jointly by Hampshire County Council and Shedfield Parish Council and felt that the need was clear and that the scheme seemed to be good value for money. Since this panel meeting the project has changed in

scope and outcomes so the CIL Informal Panel has been consulted on the changes and remains supportive of allocating CIL for this purpose.

- 6.7 The community bids were considered by the CIL Informal Panel in a meeting held on the 27 January 2025, attended by three Cabinet Members and two directors. The panel discussed the officer assessment of each application, the sums recommended and the impact of the recommendations on overall CIL fund.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The CIL criteria associated with the bidding process align with the priorities of the Council Plan, particularly in relation to carbon reduction and tackling climate change. Projects which can demonstrate a beneficial impact on the reduction of carbon emissions, a mitigating impact on the effects of climate change or improved energy efficiency are favourably considered within the process of CIL allocation.

8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 The councils' duty under the Human Rights Act 1988 and the Equalities Act 2010 is considered and an equality impact assessment has been completed. There is no identified adverse impact through the allocation of CIL funding to anyone with protected characteristics under the Equalities Act 2010, or with regards to human rights (See Appendix 1).
- 8.2 Many projects allocated CIL funding seek to improve accessibility to facilities and improved infrastructure for all. These will have a positive impact upon the council's duties under the Human Rights Act 1988 and the Equalities Act 2010. Future funding priorities will continue to provide improved facilities at both a local and district wide level to enable more inclusive communities and better health and well-being for all.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 The information supplied by the applicants can sometimes contain personal information, but the application forms are not publicly available and all information is deleted/destroyed in accordance with the council's document retention schedule.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<u>Financial Exposure</u> Schemes allocated CIL funding are not complete or exceed the amount requested.	A fixed amount of CIL is allocated and is not paid until the scheme is	Assessment criteria incentivise applicants to lever in funding from other sources.

	<p>complete or substantially complete.</p> <p>CIL Grant Agreements will include the right of the council to withdraw a funding offer for projects that fail to be implemented in the time agreed for completion of delivery.</p>	
<p><u>Exposure to challenge</u> The schemes prioritised for CIL funding do not provide the infrastructure required to support development or do not meet the CIL Regulations or Government Guidance.</p>	<p>Projects are assessed against approved criteria that reflect CIL Regulations and Government Guidance and scored using a scoring matrix.</p> <p>Larger council-led schemes will require a business case to be agreed by Cabinet to proceed with a bid for CIL funding.</p> <p>Legal advice is sought if required.</p>	
<p><u>Reputation</u> Failure to deliver appropriate schemes using CIL income.</p>	<p>The deliverability of schemes is scrutinised when assessing bids received.</p> <p>The CIL programme is monitored to review the progress of schemes allocated funding.</p>	<p>Positive enhancement of reputation through support of successful schemes.</p>
<p><u>Achievement of outcome</u> Projects to be funded by CIL are not delivered.</p>	<p>The deliverability of schemes is scrutinised</p>	<p>Funding offer can be withdrawn and reallocated if a scheme has not been</p>

	<p>when assessing bids received.</p> <p>The CIL programme is monitored to review the progress of schemes allocated funding.</p>	delivered within a reasonable timescale.
<p><u>Property</u></p> <p>There may be insufficient funding available to ensure that council-owned assets have the capacity to cope with the increased pressure from new developments.</p>	Fund are ring-fenced to ensure adequate funding for all.	Investment in community-owned assets reduces pressure and demand on council-owned assets.
<p><u>Community Support</u></p> <p>The community do not support the schemes which are allocated funding.</p>	<p>Funding is allocated for community facilities in areas which have been impacted by significant development so both new and existing residents will benefit.</p> <p>Bidders need to confirm that ward member support has been sought and detail any consultation with the local community that evidences local demand.</p>	
<p><u>Timescales</u></p> <p>Projects are not delivered within a reasonable timescale.</p>	<p>The deliverability of schemes is scrutinised when assessing bids received.</p> <p>Funding can be withdrawn from projects which do not show progress within a reasonable timescale.</p>	Funding offer can be withdrawn and reallocated if a scheme has not been delivered within a reasonable timescale.

<u>Project capacity</u> Lack of resources could hinder the use of CIL funds to support the funding of infrastructure projects.	CIL Regulations allow up to 5% of the CIL collected to be used to support the administration of CIL.	
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11 FUNDING BIDS

Health & Community Fund: Community bids for approval

- 11.1 There were thirteen community bids received for a variety of infrastructure projects across the district. Following input from a working group of councillors, a scoring matrix has been introduced to assess the bids and inform the decisions regarding which projects should be allocated CIL funding (see appendix 2). Projects which deliver benefits for energy efficiency, health and well-being and promoted active travel and a wider community benefit were considered favourably. A summary of the bids received, the scoring assessment and the recommended grant awards are found in appendix 3 to this report.
- 11.2 The total CIL requested was £813,049, which exceeds the £675,241 fund for community projects. Although further CIL has been collected during 2024, there needs to be sufficient kept in reserve for subsequent years to ensure that the increasing costs of providing infrastructure can be met when the next round of bids opens in September 2025. Therefore, in three instances, it is recommended that funding is to be allocated to projects from other, more appropriate, CIL funds to maintain this reserve.
- 11.3 Following consultation with the CIL Informal Panel, the following seven CIL allocations are recommended from the health & community fund:

Applicant	Project	Recommended allocation	Anticipated year
Badger Farm Community Centre	The introduction of acoustic panels to sound-proof various areas of the building, improving usability for the different groups and allowing more of the building to be used at the same time.	£21,230	2025/26

Applicant	Project	Recommended allocation	Anticipated year
Colden Common Parish Council	The improvement of a play area, by replacing wooden play equipment, which has reached the end of its useful life, with modern play equipment including elements that are accessible for all.	£80,000	2025/26
Curdrige Parish Council	The improvement of the only play area in the parish to create a safer and more inclusive experience.	£48,000	2025/26
Kings Worthy Parish Council	The provision of twelve new community allotments.	£17,835	2025/26
Wickham Community Centre	New flooring in much of the community centre building, allowing a greater range of activity such as extra sports, messy play for children and sensory activity for those with learning difficulties.	£31,589	2025/26
Allegra's Ambition	A new outdoor gym and play sculpture in the grounds of Winchester Sport and Leisure Centre.	£55,000	2025/26
Unit 12	The refurbishment of the toilets and conversion from male/female to unisex toilets, freeing up space to also create an additional consulting room.	£28,465	2025/26
Total		£282,119	

- 11.4 Two of the applications relate to projects that deliver active travel infrastructure which supports walking and/or cycling. It is therefore recommended that following CIL allocations are made from the 30% of CIL ring-fenced for supporting transport and active travel projects that are delivered in collaboration with HCC:

Applicant	Project	Recommended Allocation	Anticipated year
Hampshire County Council	The improvement of an off-road footpath between the Worthies and Winchester, extending for approximately 2 miles. The works will include footpath surfacing, drainage and revetment to support the path alongside the river, and the replacement of a footbridge.	£146,000	2025/26
Weeke Primary School	The provision of four additional bike shelters.	£32,500	2025/26
Total		£178,500	

- 11.5 One of the applications meets a more strategic need for facilities to serve a wider district catchment area, so is recommended for funding from both the district / strategic fund and the health & community fund:

Applicant	Project	Recommended Allocation	Anticipated year
Kings School	The provision of a 3G artificial grass pitch, improved lighting and associated facilities (new fencing, equipment storage).	£100,000 (health & community fund)	2025/26
		£200,000 (district / strategic fund)	
Total		£300,000	

- 11.6 Three applications are recommended for refusal on the grounds of not sufficiently satisfying the assessment criteria.

Waltham Chase zebra crossing

- 11.7 In 2023 HCC applied for £150,000 CIL funding for a series of measures in Waltham Chase that form part of a Safer Routes to School project and would

assist pedestrian movements, especially for students walking to Swanmore College of Technology. HCC indicated a cost of £200,000, of which £50,000 was for design / feasibility and £150,000 for implementation. The scheme included:

- A crossing on Winchester Road;
- Additional pedestrian phases on the traffic signals at the crossroads junction of Winchester Road, Curdridge Lane and Forest Road; and
- Uncontrolled crossings on Winchester Road in the vicinity of Clewers Lane and Lower Chase Road, and on Forest Road in the vicinity of New Road and Forest Close.

11.8 The CIL Informal Panel recognised the need for the scheme and that it represented good value for money.

11.9 HCC subsequently paused to review the scheme, as costs escalated significantly beyond the original £200,000 projection. A revised scheme has been submitted, which sees the removal of the additional pedestrian phases on the traffic signals at the crossroads junction of Winchester Road, Curdridge Lane and Forest Road. The revised scheme remains a £200,000 cost and has been re-assessed (including by the CIL Informal Panel) with a recommendation that the scheme is supported and CIL funding allocating for this purpose.

12 SUPPORTING INFORMATION:

Background

12.1 The CIL is a mechanism available for local authorities to raise money from new qualifying development to fund the provision of new or improved infrastructure to support or mitigate the effect of new development on existing communities. It can be used to fund a wide range of infrastructure including schools, flood defences, transport schemes health and social care facilities, community and cultural facilities, sport facilities and parks and open spaces. Local authorities must spend CIL on infrastructure needed to support development in their area and it is intended to provide new or substantially improved infrastructure rather than to remedy pre-existing deficiencies, unless made more severe by development.

12.2 The city council adopted CIL in April 2014 and is the charging authority for part of the district for which it is the local planning authority. The South Downs National Park Authority is the local planning authority for the part of the Winchester district that falls within the National Park area and administers its own CIL charging and spending.

12.3 In September 2018 Cabinet introduced a community bidding scheme which would allow community groups and parish councils to bid for CIL funding to progress community infrastructure projects in both the district and town area.

£1m was set aside for the community bidding scheme to fund a three-year programme, starting in January 2019, which was subsequently extended with a further £250,000 in 2022 and £300,000 in 2023. In total 51 community schemes have been allocated funding with 37 completed to date, with a further three schemes funded using additional CIL from the district / strategic fund.

12.4 In July 2023, following a review of the CIL charging rates, the Infrastructure List and the CIL criteria for assessing the bids for funding, Cabinet decided to split the CIL fund retained by the city council into three specific, ring-fenced funds to reflect the priorities of the Council Plan. The three ring-fenced funds are:

- 60% to support district / strategic projects led by WCC
- 30% to support transport and active travel projects
- 10% for health / community projects (from bids submitted yearly)

12.5 The timing of the bid window for health / community projects was also changed to 1 September until 30 November and this is the first round of funding bids since the change.

12.6 In December 2024 we published the annual Infrastructure Funding Statement, detailing CIL funds collected, allocated and spent during 2023/24, as well as infrastructure delivered via Section 106 planning agreements (see background documents).

District / strategic and transport / active travel project CIL funds

12.7 Appendix 3 provides a summary of the balance of CIL as of January 2025 based on recommended projects for approval and collections for 2024/25. The forecast balance of CIL remaining for allocation in 2025/26 is:

- a) £4.5M district / strategic infrastructure projects (60% of retained CIL) for a number of infrastructure projects arising from our major projects for place making and regeneration.
- b) £2.6M supporting transport / active travel infrastructure projects (30% of the retained CIL) such as the delivery of:
 - (i) City LCWIP and district LCWIP
 - (ii) Winchester Movement Strategy
 - (iii) Other projects which improve active travel and public transport (walking, cycling and using buses) around our district.

12.8 Projects coming forward under these CIL funds will all be authorised through the council's usual governance route.

- 12.9 One of the schemes previously allocated CIL from the fund for supporting transport and active travel projects is not now progressing. In October 2023 (CAB3426), Cabinet approved a contribution of £300,000 to establish a contra-flow cycle route on the Upper High Street in Winchester but costs have escalated and Hampshire County Council has advised that it will not be progressing this scheme. These funds can now be returned to the fund for allocation to other schemes.

Lessons Learned and proposed improvements

- 12.10 This round of community project applications was the first time the new procedures have been used and in the course of supporting bidders with the new application form, assessing projects against the evaluation criteria and the matters to be considered the grant agreement, a number of lessons have been learned. This has highlighted further improvements that should be made to the CIL funding process and include:
- a) Renaming of the “HCC” fund as the “Transport and active travel” fund, to reflect that the fund also supports projects initiated and delivered by WCC;
 - b) Exploration of the option to open more than one application window each year, to enable more community bids;
 - c) Greater clarity to applicants to improve the quality of bids;
 - d) Changes to the membership of the council’s CIL Informal Panel to ensure the most suitable representation of officers and councillors;
 - e) Requirement for applicants to submit a separate application for each distinct element of work, rather than a single application including multiple elements;
 - f) Discretion to apply a quality threshold below which applications may be rejected;
 - g) The withdrawal of approved funding allocations after an agreed period of time, or if the applicant advises the project won’t proceed, or if the full amount is not required; and
 - h) Improved grant funding agreements, including a requirement to have the council’s logo and/or plaque on display to acknowledge the support provided.
- 12.11 It is recommended that the Corporate Head of Economy and Community be given authority to make these and future changes and improvement to the CIL application, evaluation and grant awarding processes, in consultation with the relevant Cabinet Member.

13 OTHER OPTIONS CONSIDERED AND REJECTED

13.1 Various options were considered for the allocation of grant funds to applicants. All applications were assessed against the approved scheme criteria and the recommendations represent the best balance of maximising support for projects while retaining a sufficient level of resilience in case of a reduction in CIL collected in future years.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB3426 – Community Infrastructure Levy (CIL) Funding Allocations for 2023 Bids – 17th October 2023

CAB3385 - Community Infrastructure Levy – 18th July 2023

CAB3360 - Community Infrastructure Levy Community and Winchester Council Projects Approval - 14th September 2022

CAB3310 - Community Infrastructure Levy Spending Programme - 15th September 2021

CAB3292 - Community Infrastructure Levy Future Funding Priorities and Monitoring Update – 10th March 2021

CAB3257- Community Infrastructure Levy Spending Programme – 21st October 2020

CAB3194 - Community Infrastructure Levy Spending Programme - 23rd October 2019

CAB3071 - Community Infrastructure Levy Operational Review - 19th September 2018

CAB2807 - Community Infrastructure Levy (CIL) Spending Protocol – 8th June 2016

Other Background Documents:-

[Infrastructure Funding Statement \(2024\) for Winchester City Council](#)

APPENDICES:

Appendix 1 – Equality impact assessment

Appendix 2 – Assessment criteria

Appendix 3 - Summary of bids received, scoring assessment and recommended grant awards