

## COMMUNITY INFRASTRUCTURE LEVY FUNDING ALLOCATIONS

**Cabinet Member:** Councillor David Johncock

**Wards Affected:** All

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### PROPOSED DECISION

That:

- (i) the recommended CIL allocations be agreed, as set out in Appendix A, in advance of setting the capital programme; and
- (ii) the release of funds be delegated to the relevant lead service when project plans are in place.

### Reason for Decision

To ensure public transparency regarding the CIL funding programme which are to be implemented in order to address the impacts of developments that have taken place and to improve the infrastructure of the District.

### Corporate Implications

1. The introduction of the Community Infrastructure Levy ("CIL") is provided for by Part 11 of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 as amended ("CIL Regulations").
2. In the context of CIL the Planning Act 2008 (Part 11, 216(2) ) says that infrastructure includes:
  - (a) road and other transport facilities,
  - (b) flood defences,
  - (c) schools and other educational facilities,
  - (d) medical facilities,
  - (e) sporting and recreational facilities, and
  - (f) open spaces
3. The Community Infrastructure Levy Regulations 2010 (as amended) say that:
  - (1) A charging authority must apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area.
  - (3) A charging authority may apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure outside its area where to do so would support the development of its area.
  - (4) any reference to applying CIL includes causing it to be applied, and includes passing CIL to another person for that person to apply to funding the provision, improvement, replacement, operation or maintenance of infrastructure.
4. The District Council is the charging and collecting authority for CIL. The powers to collect CIL largely supersede funding of off-site infrastructure through pooled developer contributions, secured via planning obligations, under section 106 of the Town and Country Planning Act 1990 (as amended), and therefore CIL is vital to the future development and infrastructure provision in relation to the

Council's area.

5. The Council's CIL Charging Schedule was introduced on 1 November 2012 alongside a CIL Instalments Policy and a CIL Infrastructure (R123) List. The CIL Infrastructure (R123) list indicates which schemes may not be funded from 2016 contributions but which are likely to be funded by CIL. (Schemes that are not on the R123 list may still be eligible for CIL funding.)
6. Up to 5% of CIL is retained to fund administration costs. 15% of CIL raised is passed to relevant town and parish councils. This local allocation rises to 25% in areas with adopted Neighbourhood Development Plans, and also in Princes Risborough where the Cabinet has made a discretionary decision to increase the CIL to 25%. Cabinet has previously resolved that the High Wycombe Town Committee will make a recommendation to Cabinet annually on the use of the local allocation in the unparished wards. These must be used to support the development of the local council's area, or any part of that area, by funding:
  - a. the provision, improvement, replacement, operation or maintenance of infrastructure; or
  - b. anything else that is concerned with addressing the demands that development places on an area.
7. Section 274 of the Highways Act 1980 allows District Councils to contribute to the expenses of the Highway Authority when it is satisfied that it is to the benefit of the District.

### **Executive Summary**

8. Cabinet is being asked to agree the projects that are being recommended to be funded from CIL. This follows an assessment of the projects that have been put forward, as outlined in Appendix A. These projects will be included in the capital programme and recommended to Council as part of the budget setting process.

### **Sustainable Community Strategy/Council Priorities - Implications**

9. The "Place" priority of the Council's 2015-20 Corporate Plan includes the ambition to ensure supporting infrastructure is provided alongside new housing. The Council's "Prosperity" priority highlights using urban design to make our town centres better places.

### **Background and Issues**

10. The Wycombe CIL was introduced 1 November 2012 and as at May 2018 the Council has collected £16.4m in total (including 5% administration and local allocations). The Capital Plan is currently based on the expectation of future CIL receipts averaging £4m per annum.
11. At their September 2016 meeting, Cabinet agreed a broad allocation of CIL for the next three financial years (2017/18 – 2019/20). It was agreed that after allowing for administration costs, and the local allocation, 80% of the remaining CIL would be prioritised for the category of physical and green infrastructure and 20% be prioritised for social infrastructure; split 15% for education and 5% for health.

12. September 2016 Cabinet also noted a list of priority projects for implementation over the following three years, together with the anticipated level of funding that was expected to be sought at that time; this is summarised at Appendix B.
13. Based on previous Cabinet decisions funds have been allocated to a number of projects (a list of relevant decisions and minute numbers is set out in the background papers). Appendix C outlines the current list of projects that have previously been allocated CIL (and S106 funding) by the District Council and which were confirmed by April 2018 Cabinet (This includes schemes within the unparished area of High Wycombe).
14. As set out in the Council's CIL Funding protocol and in order to avoid funding being held up on schemes that are not progressing, if projects do not progress in line with the submitted project plan, and there are no mitigating circumstances to justify the carrying forward of funding, then the Council reserves the right to withdraw the funding to allocate to other projects.
15. A small number of previously approved schemes that have not yet progressed are being reviewed using a new corporate project prioritisation tool; the outcome of this and the implications for any CIL funding will be reported to December Cabinet.
16. In addition to projects funded by the Council, and as noted, town and parish councils often have CIL available to fund local priorities. A Table showing the local allocation of CIL funds that have been distributed to town and parish councils is shown at Appendix D to use as described in paragraph 6.
17. By the end of the current financial year, and taking account of existing funding commitments, the Council should have available approx. £4.9M in CIL funding for distribution among infrastructure partners. This is the CIL that has already been received this financial year, and CIL expected during the remainder of the year, based on housing projections. It is the amount that Cabinet is being asked to allocate. Based on the broad allocation agreed in September 2016 this means that with an estimated £4.9 m CIL available the amounts available to allocate in the different categories is as shown in table 1. This is more than was anticipated earlier in the year reflecting higher levels of progress on development than previously estimated and the inclusion of income that is anticipated to be received by the end of the financial year.

Table 1: Estimated CIL funding available for 2019/20

<b>Infrastructure Category</b>	<b>Allocation available</b>
Physical and green infrastructure	£3.92m
Education	£735,000
Health	£245,000
<b>Total</b>	<b>£4.9m</b>

18. On 1 June 2018 an invitation was sent out to service providers inviting applications for CIL by 15 September in accordance with the Council's CIL Funding protocol which was refreshed in July 2018. This was also publicised in the Weekly Planning Bulletin. All Councillors were copied in on the email setting out the process.

### **Proposals for funding.**

19. Twenty seven requests or applications for funding have been received and considered in accordance with the agreed protocol; these are set out in Appendix A together with a recommendation and in the final column a proposed funding award. Reflecting responsibilities for infrastructure delivery many schemes are led by outside organisations. The projects being recommended for funding will support the delivery of the Council's Corporate Plan objectives, the strategic objectives of the infrastructure provider, and improve infrastructure in response to housing growth and development. Where schemes are being led by outside organisations the Council agrees the terms for the expenditure prior to passing the funding onto those organisations.
20. Where the assessment process has given rise to questions, applicants have been given the opportunity to clarify issues. The assessment criteria include funding levered in/value for money, strategic alignment, and linkage to infrastructure delivery. The schemes for Health and Education have not been scored or ranked as funds up to these amounts have effectively been pre-allocated in accordance with the broad allocation agreed in 2016.
21. The other applications have been scored up to a maximum of 15 points. Based on this assessment applications have been ranked. Taking account of the applications submitted this year, applications scoring less than eight points are not being recommended to be funded from the CIL held by the district council. In some cases a partial award of funding is recommended.
22. Applications being recommended for funding include health and education infrastructure, as well as schemes supporting air quality, and proposals to improve opportunities for walking and cycling.
23. It is not recommended at present to allocate all available funding. £3.1m is nominally reserved for further implementation of the High Wycombe town centre masterplan after 2019/20. 17 September Cabinet agreed funding for a new post to develop the business case for the schemes included in the masterplan programme, and formal decisions on allocations to this programme should be made once further work has been done and members have assessed this. This level of funding is higher than has been anticipated reflecting discussions about the appropriate split of funding for this programme between CIL and the Council's own capital funding. This will be considered further as part of the capital programme but may be considered a good indication of requirements. Currently allocated CIL funding is sufficient to enable scheme development work to proceed during 2019/20.
24. A number of bids have been made which do not stem from the service or infrastructure provider – this is not necessarily an obstacle provided the bid has the support of the provider, although it may raise questions as to why a scheme has not been seen as a priority for the provider.
25. A number of projects are essentially local in character and impact, scoring less than eight points, and not considered priorities to be funded from general CIL

but may be considered appropriate to be considered for funding in whole or part by the relevant town or parish, or for consideration by the Town Committee. These projects are being highlighted to the Town Committee on November 13 to consider whether these are projects they wish to consider funding from anticipated CIL income.

### **Consultation**

26. Significant consultation has taken place with infrastructure providers in the drafting of the Council's Infrastructure Delivery Plan which informs the programme. The Infrastructure Delivery Plan forms part of the evidence base for the emerging Local Plan, which has also been subject to extensive public consultation. Prior to implementation of specific schemes further consultation may be held by the scheme promoters.

### **Options**

27. To support the allocation of CIL funds as set out at Appendix A (recommended).
28. To amend the allocation of CIL funds as set out at Appendix A
29. To not support the allocation of CIL funds as set out at Appendix A

### **Conclusions**

30. Cabinet is being asked to confirm the recommended CIL allocations, as set out in Appendix A, in advance of setting the overall capital programme. In parallel a small number of previously approved schemes that have not yet progressed as well as the masterplan proposals for High Wycombe Town centre are being reviewed using a new corporate project prioritisation tool the outcome of which will be reported to December Cabinet.

### **Next Steps**

31. In accordance with the agreed protocol, service providers are being informed of the draft programme and the reasons why any schemes put forward have not been awarded funds. Subject to the comments of Cabinet and the outcome of the parallel corporate prioritisation exercise the projects being recommended for funding will be included in the draft capital programme which will be the subject of a report to December Cabinet.
32. Implementation of the different projects lies with the various services and providers.
33. Progress against spending will be reported at future Cabinet meetings as part of quarterly financial monitoring.

### **Background Papers**

Previous Cabinet decisions that allocated CIL (and S106 Funding) –

- 3 March 2014 – Minute number 97
- 9 February 2015 – Minute number 82
- 7 March 2016 – Minute number 78
- 19 September 2016 – Minute number 32
- 13 March 2017 – Minute number 79
- 16 April 2018 – Minute number 85