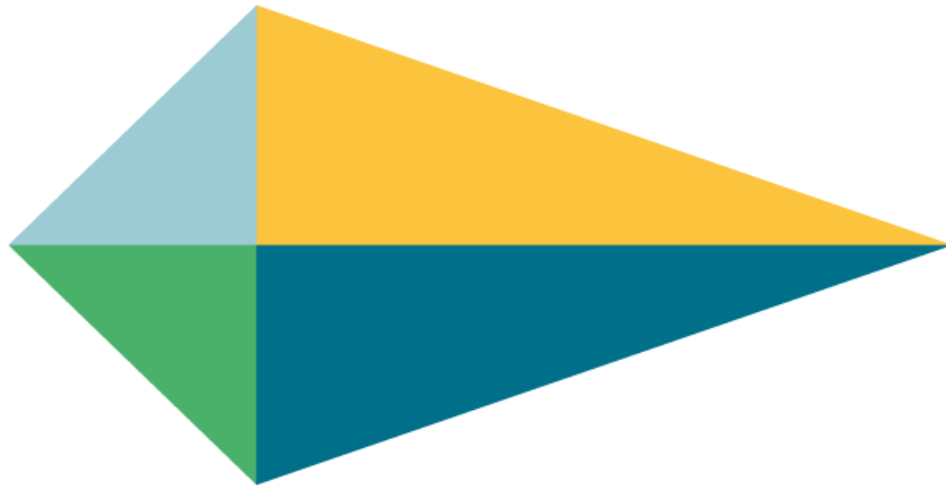


# Community Infrastructure (CIL) Spending Strategy



**EASTSUFFOLK**  
C O U N C I L

***“the right infrastructure, in the right place, at the right time”***

V8 – 5.09.2023

Major Sites and Infrastructure Team

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## 1. Background

- 1.1 The Community Infrastructure Levy (CIL) was adopted in the former Waveney District area on 1st August 2013 and in the former Suffolk Coastal District area on 13 July 2015.
- 1.2 East Suffolk have reviewed their CIL Rates and a new East Suffolk CIL Charging Schedule has been through Examination, adopted by the Council and was implemented with effect from 1 August 2023.
- 1.3 It is important to note that whilst the District CIL fund can be collecting £millions, it can take just a couple of large infrastructure projects, such as expansion of Health or Education provision to empty the funding pot. Spending of District CIL needs to be planned for a number of reasons, namely that the right infrastructure is delivered in the right place at the right time.
- 1.4 CIL is paid on commencement of planning permissions that are CIL liable development, where exemptions or relief from CIL has not been granted. Payments are usually made in instalments and can take up to 2 years to be received in full. Once received the CIL payments are automatically split down into their statutory “pots” or funds: 5% Admin; 15%\* or 25% to parish councils and the remainder to the District CIL Fund. \*Where town or parish councils do not have a made Neighbourhood Plan the 15% is capped at £100 (indexed) per council tax dwelling.
- 1.5 Under the CIL Regulations, the Neighbourhood CIL is passed to the town and parish councils every 6 months; 28 April and 28 October. Only Neighbourhood CIL amounts received in the previous 6 months can be passed on, so areas where there is no new development commencing and thus paying CIL will not receive any Neighbourhood CIL. Parish councils have 5 years from the date of receipt to spend the Neighbourhood CIL. Where there is not a parish council then the funds are held and spent in consultation with the community and under the same terms as the town and parish councils spend.
- 1.6 Currently 21 Neighbourhood Plans have been made which allows these parish councils to receive 25% Neighbourhood CIL from planning permissions that are granted on or after the “made” date. There are a further 22 Neighbourhood Plans in progress with one of currently at referendum stage. This will mean that the amount of CIL passed to parish councils for local infrastructure projects will increase considerably over the plan period. This is excellent news in terms of there being funds passed direct to parish councils for them to deliver their priority projects in their areas, however it does have an impact on the level of District CIL available to deliver larger critical and essential infrastructure projects such as school extensions and extensions to GP services.
- 1.7 Since CIL has been adopted in East Suffolk, approximately £5.6m has been passed to parish and town councils through Neighbourhood CIL Payments. There is greater flexibility for parish councils spending in the CIL Regulations, although any unspent Neighbourhood CIL still held after 5 years from the allocation date must be returned to East Suffolk. Under the CIL Regulations East Suffolk would then spend this CIL to support

the new development in the area of the local council(s).

- 1.8 Parish councils can choose to fund projects collaboratively where local infrastructure priorities are shared with East Suffolk, other parish councils or other infrastructure providers, such as Health, Police, Highways or Education. The CIL Regulations state that parish councils can spend their Neighbourhood CIL on:-
  - (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.
- 1.9 Discussions have commenced to explore how the Council may enable a collaborative funding approach within the Community Partnerships. This would enable more to be achieved with Neighbourhood CIL, together with other grants and funding mechanisms and could address local infrastructure needs which are not confined to parish boundaries.
- 1.10 Where town and parish councils have a Neighbourhood Plan made in their area, the expectation is that Neighbourhood CIL is prioritised and spent to deliver the projects identified in the Neighbourhood Plan. This may mean that in some areas where the Neighbourhood Plan has identified health or education, or other strategic infrastructure as a priority infrastructure requirement, there will be the opportunity to collaboratively fund projects of this nature.
- 1.11 For those town and parish councils receiving 15% Neighbourhood CIL, they should consider the infrastructure needs of their area using a Parish Infrastructure Investment Plan (PIIP) to help understand, evidence and prioritise their infrastructure needs and to focus Neighbourhood CIL spend.
- 1.12 CIL expenditure processes have been under regular review since changes in the CIL Regulations that affect CIL collection, spending and reporting came into effect from 1 September 2019. The Planning Practice Guidance on the GOV.UK website have also been updated to further explain how CIL should be managed under the new CIL Regulations.
- 1.13 The CIL Spending Strategy aims to put in place processes and controls to ensure the effective management and transparency around reporting on CIL, and all developer contributions. The previous CIL spending process related to the formative years for CIL and was an open opportunity to fund local projects, especially during a period where not much Neighbourhood CIL had yet been paid out to town and parish councils. The recent establishment of the Local CIL Fund is a new approach to funding smaller infrastructure projects collaboratively, without putting at risk the delivery of essential infrastructure.

1.14 To date East Suffolk has formally allocated over £10.6m of District CIL to a variety of local infrastructure projects across the two former district areas. The list of projects that have been allocated District CIL is reported at the start of the Infrastructure Funding Statement, together with information on their progress.

## **2. The CIL Expenditure Review (background to developing this strategy in 2019)**

2.1 CIL should be viewed as a method to mitigate and support growth and therefore its collection and spending is linked to a plan-led approach.

2.2 The CIL expenditure review began by looking at the revised CIL legislation and the emphasis placed within the National Planning Policy Framework (NPPF) and the updated Planning Practice Guidance. There is a golden thread linking the requirements for how CIL can and should be spent with the critical and essential infrastructure identified within the local plan infrastructure delivery frameworks.

2.3 The review summarises the requirements within **Appendix A** and details the actions linked to these requirements. Below are the points learned from the existing approach and from the review of the latest legislative requirements:

a) District CIL is different to Neighbourhood CIL: Firstly, it must be focussed on those critical and essential projects identified in the Infrastructure Delivery Frameworks attached to the Local Plans. If we do not do this the risk is that the development coming forward will not be sustainable in planning terms. Secondly, there is no spending deadline for District CIL and it may take a number of years to collect enough funds for projects as they come forward if they come forward ahead of the growth. The key element to support delivery of timely infrastructure is monitoring commencements and sharing data with infrastructure providers. This is the start of the conversation, once infrastructure needs are identified as part of the local plan, neighbourhood plan and through the planning permission process.

b) The recent changes in the CIL Regulations, supported by the NPPF and Planning Practice Guidance emphasise the need to spend developer contributions (CIL and s106) to ensure that development is **sustainable in planning terms**. There is now a legislative requirement for the Council to produce and publish an Annual Infrastructure Funding Statement which details those projects which the Council is collecting District CIL towards and planning to deliver in the short term, together with details of the expenditure for the financial year in relation to both s106 and CIL. The first Annual Infrastructure Statement must be published by 31 December 2020.

c) Previously CIL was collected and spent in line with Regulation 123 Lists; a list of generic infrastructure types. Some CIL charging authorities took this list a step further through the identification of specific projects to be funded by CIL. The new CIL Regulations remove Regulation 123 and the infrastructure lists which detailed the types of infrastructure which CIL would support and requires all

councils in receipt of any kind of developer contribution to record and report on these in a particular way. The Infrastructure Funding Statement places a greater emphasis towards the projects identified from the growth detailed in the Local Plan, which then feed into the Infrastructure Funding Statement. This ultimately means a greater focus on working with statutory infrastructure providers to work up the projects needed to deliver the critical, essential, and desirable infrastructure indicated through the Local Plan, Neighbourhood Plans and also identified through planning applications. Meetings are held at least quarterly with those responsible for providing the statutory infrastructure, such as with the Integrated Care Board for Health and Suffolk County Council for Education, Highways, Transport and Waste, and Suffolk Police.

- d) At the time of review the Council had formally allocated approximately 35% of the District CIL Pot to local projects, many of which are not identified in the infrastructure Delivery Frameworks of the Waveney Local Plan and the emerging Suffolk Coastal Local Plan and to continue to spend District CIL in this manner would put at risk the delivery of critical and essential infrastructure identified in the Local plan as essential to support new development.
- e) The emerging East Suffolk draft business/strategic plan refers to “evidence led spending of CIL to support growth”. Local plan and Neighbourhood Plan projects are evidence led, but those projects that sit outside of this must be able to demonstrate their link to supporting the sustainability of the Local Plan development.
- f) Where projects have been offered District CIL Funding, many of these have not been “oven ready” schemes and therefore this can tie up District CIL that otherwise could be allocated to critical or essential infrastructure projects that may be delivered in a quicker timeframe and have more urgent and evidenced need.
- g) In the past, District CIL has been allocated to fund feasibility costs of proposed infrastructure. A feasibility study may not always identify a desirable and affordable solution and thus deliver infrastructure. These costs should therefore only form part of a project cost where the project is oven ready and deliverable. The criteria for validating and prioritising District CIL Spending should consider this.
- h) The new CIL Spending Strategy must prioritise and safeguard District CIL for recognised infrastructure to support growth. There is a risk that the past practice of funding local projects diminishes the projected funds and would leave developments without necessary infrastructure.
- i) Some of the historic projects we have allocated District CIL Funds to are not progressing and have not yet been delivered. This means funding is tied up that could otherwise be allocated to a project that is deliverable, is included in the

infrastructure delivery framework and will directly support the new housing developments in the area.

- j) The allocation of CIL to infrastructure projects is not about ‘even geographical share’ but must be proportionate in the way that infrastructure projects are funded where new housing and retail growth has commenced in areas and infrastructure needs have been identified in the Local Plan, Neighbourhood plan and through the planning process.
- k) The new CIL Spending Strategy must prioritise the allocation of District CIL funds to infrastructure projects that will make development within the local plan sustainable in planning terms and be deliverable in the short term. Prioritisation will ensure projects are deliverable in the short term (i.e., “oven ready” or “demonstrably deliverable”) and are ready to be included on the annual Infrastructure Funding Statement (a new requirement of the CIL Regulations). This would mean projects are worked up, fully costed, and have the necessary planning permissions in place before they reach the point of approval for District CIL funding.
- l) At the time of review, East Suffolk had allocated just short of £4m NCIL funds to town and parish councils since April 2016. By ensuring the District CIL is spent as intended, to make development sustainable where developments have commenced in an area, this encourages town and parish councils to look at their local infrastructure needs and to plan delivery of local projects using their Neighbourhood CIL to maximise/benefit from other funding streams such as grants, local funding, and crowd funding. It should be noted that the CIL Regulations give town and parish councils 5 years from the date of receipt in which to spend Neighbourhood CIL.
- m) The new CIL Regulations place new demands in relation to recording developer contributions and reporting on both s106 and CIL. As a result of this, and to meet the Councils business aims of providing information and services more digitally, we need to procure, implement, and deliver a digital solution in order to be an efficient and effective service and to meet the new statutory requirements.
- n) The digital solution for managing developer contributions will enable the council to safeguard District CIL Funds towards projects identified in the Infrastructure Funding Statement as priority projects for the short term. The allocation of funds in this way will require periodic review and annual reporting on the “approved projects” that will be the focus of the Infrastructure Funding Statement. In this way the public, developers, infrastructure providers, local councils and other key stakeholders will be able to understand the infrastructure that is being delivered through developer contributions. The system publicly presents the amount of unspent or uncommitted CIL that the Council holds. It is important to recognise that large infrastructure projects will require CIL to be built up over a period of time and the Council is not unnecessarily “holding onto CIL”.

### 3. The new CIL spending process

- 3.1 District CIL spend will need to initially focus on the critical and essential infrastructure already identified through the local plan and communicated within the planning process. The spending process ensures that District CIL Funding is secured or ringfenced to deliver these projects in a timely manner. **Diagram 1** indicates the cyclical nature of this review process through to when a project is detailed as ‘funded’ in the Infrastructure Funding Statement and then delivered.
- 3.2 The CIL Spending process will ensure that the priority projects for District CIL funding are identified and communicated within the Infrastructure Funding Statement, which is now a new requirement under the updated CIL Regulations 2010 (as amended).
- 3.3 The first Infrastructure Funding Statement was produced and published by 31 December 2020. Towards the end of each year a new Infrastructure Funding Statement is published.
- 3.4 **Diagram 1** shows the cyclical nature of funding and delivering infrastructure that is required through the Local Plan only. **Diagram 2** depicts the process we would expect all projects seeking District CIL to follow.

**Diagram 1**

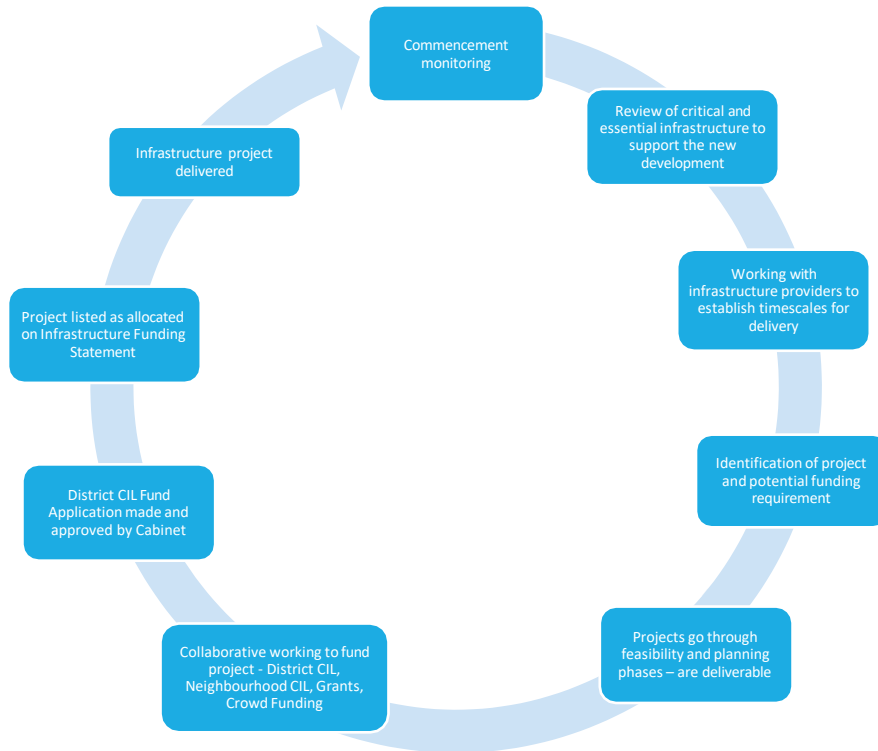
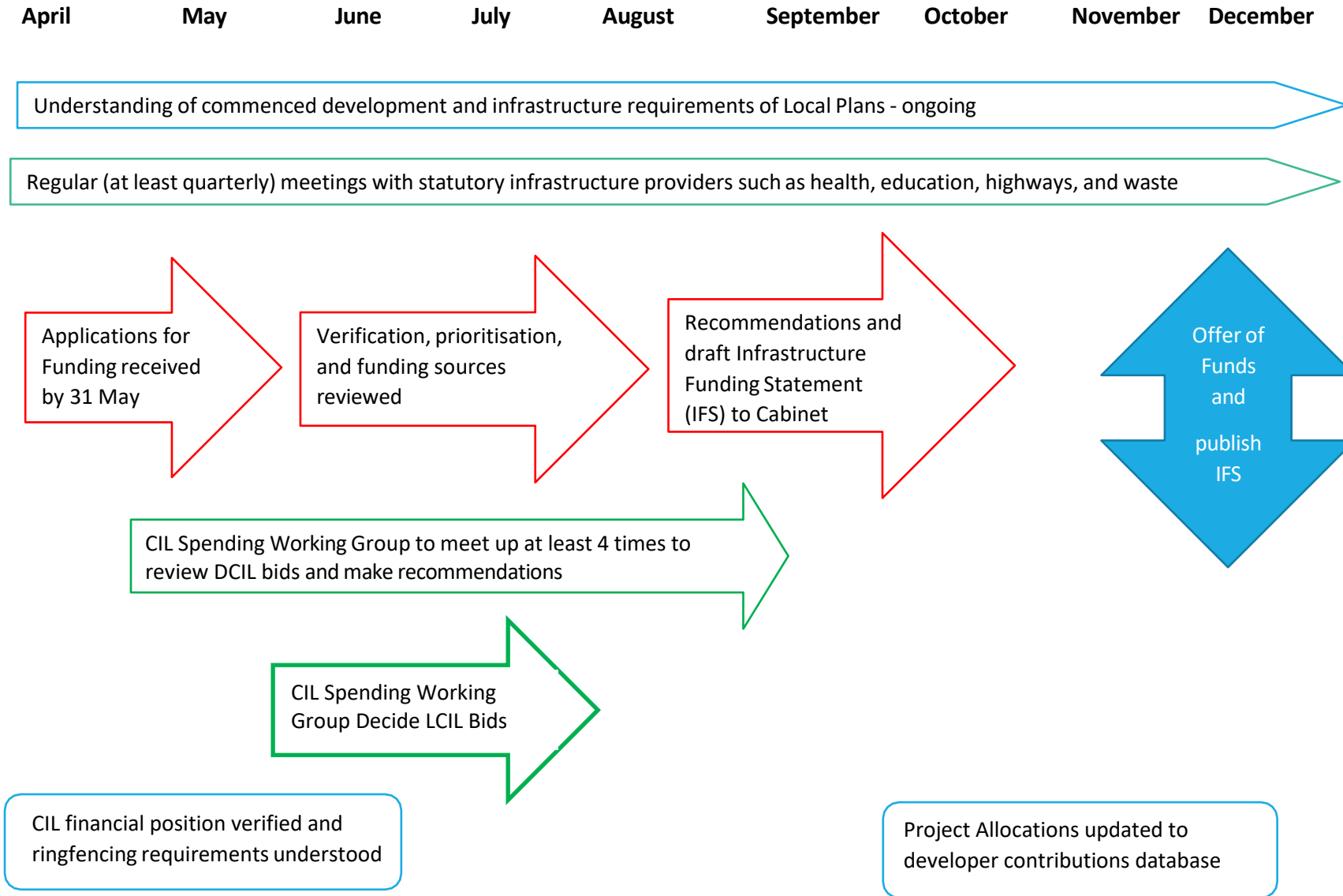




Diagram 2



## 4. Principles of District CIL Allocations

4.1 There are a few key principles to bear in mind when considering applying for funding from District CIL. **In all cases to be considered favorably:**

- a) The infrastructure supports new housing and/or employment growth;
- b) Timeliness (has the new housing the infrastructure is required to make sustainable commenced?);
- c) The benefits of the infrastructure are clear;
- d) The infrastructure is capable of being used by the wider community;
- e) The infrastructure proposed represents value for money;
- f) The infrastructure should be new or if being enhanced there must be some additionality in what facilities and/or services are being provided;
- g) Deliverability can be demonstrated (e.g. feasibility has been completed and planning permission granted);
- h) For local projects, the project has community support demonstrated through evidence of meaningful engagement;
- i) Feasibility studies will only be funded when they form part of a fully costed project that has planning permission in place and is ready to be immediately delivered – feasibility studies alone do not produce infrastructure;
- j) Where the infrastructure is provided by a statutory partner, they agree the project is required and have the project tabled into their delivery plans;
- k) District CIL Funds are applied for by the infrastructure provider where this is delivered by or through a statutory partner such as Highways, Education, Health or Police;
- l) A business case\* is provided where funding over £50k is sought;
- m) A suitable package of measures has been identified which allow for funding of ongoing maintenance of the infrastructure in order to secure continued use;
- n) The timing of delivery of the project is clear and payment stages are defined;
- o) Costings must be clearly defined, and evidence based (3 quotes or quantity surveyors costings provided as applicable);
- p) Where VAT can be claimed back this should be clear and discounted from costings;
- q) All avenues for collaborative spend have been explored – e.g. grants, other government funding (locality monies, LEP, County Council, District, Parish), Neighbourhood CIL, community fundraising, retail shop match funding and crowd funding;
- r) There is certainty around other funding sources;
- s) By releasing District CIL funding we can achieve infrastructure provision through collaborative spend (i.e. other grant funding, Community Partnership and locality funding, LEP/Government funding, Neighbourhood CIL, Crowd Funding/Donations);

- t) State Subsidy considerations do not inhibit the funding (projects where public funding is in excess of £315k or the relevant threshold) where applicable;
- u) Affordability from District CIL funds (all essential and critical infrastructure needs are currently met by the CIL received from commenced developments);

\*In the case of statutory providers, such as Health, SCC Highways, SCC Education, etc – the Project Information Document should be provided

### **Support for £0 CIL Rated Strategic Sites**

- 4.2 In areas where there is significant growth from strategic sites and these sites are Zero Rated for CIL, East Suffolk will work with the affected town and parish councils to understand infrastructure needs and priorities and help them to access District CIL for relevant priority projects.
- 4.3 As is the case already, where local priorities have been identified and Neighbourhood CIL has been received in the area, Neighbourhood CIL should be directed to these projects with District CIL becoming part of this funding equation. Where infrastructure projects accord with the CIL Regulations, the Council is aware this could mean that a project may not be 'match funded' with existing Neighborhood CIL or other funds.
- 4.4 Where several parishes are affected by £0 rated strategic sites all councils should work together to support and fund the delivery of local infrastructure projects.
- 4.5 Additional support will be provided by officers in the production of Parish Infrastructure Investment Plans (PIIPs), where no Neighbourhood plan is being prepared, and where required.
- 4.6 We will meet each Parish annually to review delivery of homes in their area and discuss the infrastructure demands and to assist with making District CIL bids.
- 4.7 Where bids accord with a PIIP or a Neighbourhood Plan, and direct links between the infrastructure in the bid and the strategic growth can be demonstrated, and the project accords with CIL Regulations, there will be a presumption in favor of supporting the bid. This will need to be tracked alongside housing delivery and the cumulative spend in each area will be reviewed and form a key consideration in the bid. It will be essential to demonstrate links with the demands of a growing population and the need for the infrastructure project.

## **5. Priorities for Funding Infrastructure Projects**

- 5.1 In order to understand which infrastructure should be prioritised for funding from District CIL it is necessary to develop a prioritisation framework. In this way the council will be able to consider those projects that have not been captured in the Local Plans or Neighbourhood Plans. Where town or parish councils have a 'made' Neighbourhood Plan and they receive 25% of the CIL collected from commenced development, this funding should be prioritised towards the infrastructure highlighted within the Neighbourhood

Plan and should also support the infrastructure in the Local Plan where this is a shared priority, for example for Health and Education infrastructure.

- 5.2 **Local infrastructure projects**, meeting the Local Infrastructure criteria will only be able to apply for District CIL within the Bid Window period. It should be noted that the 3% District CIL amount is allocated as a ceiling level of funding to put into the Local CIL Fund and project allocations outwards will reduce the available Local CIL Fund quickly. Allocations will therefore be made on a first come, first served basis. The 3% ceiling value of Local Infrastructure funding will be kept under annual review and the Local CIL Fund could be withdrawn or reduced where demands for CIL funding of statutory, critical, and essential infrastructure are high for that period.
- 5.3 Where the Local CIL Fund has not all been allocated in that funding period, any remaining funds will be ringfenced and added to the 3% available for the next bid round.
- 5.4 Where levels of District CIL are diminished, and where with large, planned for Essential Infrastructure projects coming in the pipeline, the CIL Spending Strategy allows for the Ringfencing of District CIL Funds to ensure adequate District CIL is available at the point a formal allocation decision is required to be made.
- 5.5 The following infrastructure types will be assessed accordingly together with the 'in all cases criteria' in the Principles of District CIL Spending section:

**Essential Infrastructure – will be planned for in CIL forecasting and will be considered first in bids**

- It is infrastructure necessary to support an approved development (proposed developments with planning permission granted) in order that development carried out is sustainable
- Is identified in the Infrastructure Delivery Framework of the Local Plans or is identified in the Neighbourhood Plan as a priority
- It represents key infrastructure (i.e. it is classified as critical or essential within the Infrastructure Delivery Framework of the Local Plan or the Neighbourhood Plan)
- The bid/identification of need must demonstrate that the time of delivery for funding is correct.

**It represents infrastructure detailed in the Infrastructure Funding Statement. Desirable Infrastructure – Will continue to be recognised in CIL spend forecasting and will be considered for bids on a case-by-case basis:**

- The provision of this infrastructure addresses a current inadequacy in infrastructure terms and the benefits of the infrastructure are clear
- The infrastructure is identified as 'desirable' or a 'priority' in the Local Plan or

Neighbourhood Plan or recent Parish Infrastructure Investment Plan (PIIP)

- Neighbourhood CIL funding has been formally allocated to fund the project
- It would allow infrastructure to be delivered through collaborative funding with District CIL being 'the last piece of the jigsaw'
- The parish council could request forward funding of the NCIL element of a project where it is clear that development is approved and due to commence in the area and it would be beneficial to deliver the infrastructure in advance of receiving the full amount of CIL.

**Beneficial Infrastructure – considered on a case-by-case basis and must meet one of the following:**

- By provision of infrastructure it would unlock ***further opportunities*** within the district for housing and employment growth – e.g. the relocation of a Community Centre or similar infrastructure to a new building which would be mostly funded through the sale/re-use of the land as residential or business use and there are adequate facilities in the area to serve the development.
- It is infrastructure which has not previously been identified as critical, essential, or desirable in the Infrastructure Delivery Frameworks (of the Local Plans) or within a Neighbourhood Plan, but a clear link can be identified in supporting the sustainability of the Local Plan.
- It is infrastructure which addresses a recently unexpected shortfall in infrastructure or community provision accounted for as having an influence on the sustainability of a community in the Local Plan. - e.g. *closure of a pre-school facility and the need for a replacement, or the more rapid adoption of the use of electric vehicles or other beneficial environmental infrastructure or technologies.*

**Local Infrastructure – considered on a case-by-case basis and must meet all of the following:**

- Be located in or close to areas where new developments are coming forwards (granted permissions have commenced or are about to commence)
- Increase provision/capacity or provide additionality of function
- Be deliverable in the short term (within 2/3 years)

- Projects should be partly funded through Neighbourhood CIL or have a minimum of 50% match funding guaranteed
- Be identified through a Parish Infrastructure Investment Plan or Neighbourhood Plan
- Have written support of the Ward Member(s)
- Be seeking a maximum of £50,000 Local CIL Fund or District CIL Fund

## **6. District CIL does not fund**

6.1 As well as being clear about what CIL could be used for, it is equally as important to be clear about the project costs that District CIL cannot fund. The following should no longer be considered appropriate spend from District CIL:

- Up front funding for feasibility studies and professional fees where there is no guarantee that the infrastructure would be delivered;
- Infrastructure replacement or improvements in areas where there are no major developments commencing and there is limited growth;
- Infrastructure that is not supported by lead statutory bodies, for example, traffic calming or pedestrian crossings if these are not considered as required infrastructure by the Highways Authority, projects within education settings (including Academy and other school or early years settings) that are not supported by Suffolk County Council;
- Ongoing operational or maintenance costs; and
- VAT where this can be reclaimed.

## **7. Governance Arrangements**

7.1 A representative group from across the council will work with Major Sites and Infrastructure Officers to review applications for District CIL and to ensure that the CIL Spending Strategy operates in line with the processes further detailed. The following key points relate to this group.

- Meetings will be held at least 4 times per year and District CIL funded projects will be recommended to Cabinet for approval in September each year;
- Additional attendance at meetings of this group will be at the sole invite of the Chair;
- The CIL Spending Working Group is not a forum for presentations from potential funding applicants, promotion of local projects by either members of the group or substitute or other invited member attendance;
- The CIL Spending Working Group is not a forum for appeals against District CIL funding decisions.
- All District CIL funding decisions are final.

A copy of the updated Terms of Reference for the CIL Spending Working Group are held as **Appendix B**.

## **8. Operation and review of the CIL Spending Strategy:**

### **Period 1 of CIL Spending Strategy (April 2020 to March 2022):**

1. In order to understand the scale of developments commencing in this period and the likely CIL receipts from this income, and to focus spend on immediately deliverable essential infrastructure, the first year of the CIL Spending Strategy should not fund “Desirable” and “Beneficial” Infrastructure.
2. Period 1 will also allow time to understand the likely timescales for delivery of essential infrastructure and the impact on current District CIL funds, through close working with infrastructure providers.
3. CIL Spending Group to monitor Neighbourhood CIL Spending and be aware of non-compliance and clawback position and to assist in promotion of spend and reporting compliance and timeliness of spend.
4. CIL Spending Group to monitor completion of the first Infrastructure Funding Statement, setting the template for delivery of this moving forwards.
5. Agreeing the ring-fencing and spend on infrastructure projects put forward for approval that will go into the Infrastructure Funding Statement.

### **Period 2 of CIL Spending Strategy (April 2022 to March 2023):**

1. CIL Spending Group to review types and nature of both Desirable and Beneficial Infrastructure and level of windfall development to understand if amounts in this category are going to put delivery of Essential Infrastructure at risk.
2. CIL Spending Group to consider if a ceiling level of funding or % restriction should apply to amounts allocated to Desirable and Beneficial Infrastructure.
3. Review of progress of projects that have been allocated District CIL.
4. Establish a local projects pot or maximum annual % allocation for Community Projects that would support growth.
5. Recommendation of changes to Cabinet.

### **Period 3 of CIL Spending Strategy (April 2023 to March 2024):**

1. Opening of Local Infrastructure fund from **1 April 2023**.
2. Review of progress of projects that have been allocated District CIL.
3. Review of ringfencing, validation and prioritisation process.
4. Review of affordability and the appropriateness of the CIL Spending approach. \*
5. Recommendation of changes to Cabinet.

#### **Period 4 of CIL Spending Strategy (April 2024 to March 2025):**

1. Review of progress of projects that have been allocated District CIL and Local CIL.
2. Review of the operation of the changes to the CIL Spending Strategy.
3. Review the Local CIL Fund % allocation.
4. Review of affordability and the appropriateness of the CIL Spending approach. \*
5. Recommendation of changes to Cabinet.

\* Where there are changes to legislation and guidance that require an earlier review this will be moved into the relevant period.

#### **Period 5 of CIL Spending Strategy (April 2025 to March 2026):**

1. Review of progress of projects that have been allocated District CIL and Local CIL.
2. Review of the operation of the changes to the CIL Spending Strategy (£0 CIL Areas)
3. Review the Local CIL Fund % allocation.
4. Review of affordability and the appropriateness of the CIL Spending approach. \*
5. Recommendation of changes to Cabinet.

### **9. Documentation, Validation and Bid Review**

#### **For Essential, Desirable and Beneficial Infrastructure projects:**

- 9.1 Where applications are made by statutory infrastructure providers, such as Police, Health, Highways and Education these should not require further evidence of value for money since procurement frameworks are reviewed ensuring best value is achieved. The expectation is that the projects form part of the relevant organisation's Capital Programme. Furthermore, these bodies are also required to report on the use of developer contributions for transparency.
- 9.2 Where applications are made by local councils and other community or charitable bodies, these will have slightly greater information requirements in order to ensure best value is obtained, to be clear on funding sources and to further understand State Subsidy implications.
- 9.3 Downloadable District CIL Fund application forms will be held on the CIL Spending webpages, together with a template for a business plan.
- 9.4 It is important that applications (or bids) for District CIL Funds are robust and relate to projects that are "oven ready" and all avenues for collaborative funding have been explored (this is particularly in the case of desirable and beneficial infrastructure). If further information is required, a failure to provide this in a timely manner may delay the bid from validation and prioritisation. Where information is not provided by deadlines set within this process the likelihood that a bid is rejected will be increased. Occasionally bids may be held over for the next funding year, if the application is likely to meet the prioritisation criteria but lacks a small amount of information. The



decision by the CIL Spending Group to reject or hold over a bid will be final.

- 9.5 Where bids are unsuccessful an explanation will be provided in writing to the applicants.
- 9.6 Application supporting documents relating to invalid applications that have been rejected will only be retained for a 2-year period, with the exception of the application form, validation checklist and decision notes which will be retained for a 7-year period.
- 9.7 The CIL Spending Working Group may recommend that bids submitted by statutory partners be given an approval “in principle” decision to allow CIL funding to be allocated to the project until such times as the project can then progress. This would only apply to bids where planning permission or other minor barrier prevents the bid from being valid and where the project will commence within 6 months of the “in Principle” decision.

**For Local Infrastructure Projects only:**

- 9.8 A separate application form is available to download for local infrastructure projects.
- 9.9 All proposed projects should be match funded and should not be seeking in excess of £50,000 in Local CIL funding.
- 9.10 The application should be supported by a relevant ward member and evidence to confirm the types of match funding.
- 9.11 Neighbourhood CIL should form part of the funding for the project.
- 9.12 Once your application has been confirmed as being a valid application by the Infrastructure Team, the CIL Spending Working Group will review the application.
- 9.13 Confirmation of the decision will be provided in writing. All decisions are final.
- 9.14 Once the 3% local fund has been fully allocated the Fund will close and this will be updated on the CIL Spending Webpage.

**Applications for Forward Funding of Neighbourhood CIL only:**

- 9.15 A separate application form is available to download for requests for forward funding of Neighbourhood CIL for a priority local infrastructure project.
- 9.16 The project must be identified as required in the Neighbourhood Plan or Parish Infrastructure Investment Plan and be deliverable in the short term.
- 9.17 Confirmation of the decision will be provided in writing.
- 9.18 All decisions are final.

## **10. Promotion and Communication of the Strategy**

10.1 The CIL Spending Strategy will be available via the councils Spending CIL webpages.  
The Strategy will be promoted to key stakeholder groups and internal teams.

<b>Type</b>	<b>Interest</b>	<b>Influence</b>	<b>Action</b>
Cabinet	High	High	Annual update for Infrastructure Funding Statement and periodic update via CIL Spending Group feedback
Ward Councillors	High	High	Promote through member training on CIL
Parish Councillors	High	High	Promote through Parish Liaison Workshops in January 2020 and ongoing CIL Training
Finance Team	High	Low	Promote through internal comms and CIL CPD Training
Planning Teams	High	High	Promote through internal comms and CIL CPD Training
Land Charges	High	Low	Promote through internal comms and CIL CPD Training
Managers	High	High	Promote through internal comms and CIL CPD Training
CEO/Directors	High	High	Promote through internal comms and CIL CPD Training
Solicitors	Medium	Low	Available via Spending CIL webpages
House Purchasers	Medium	Low	Available via Spending CIL webpages
Agents	High	Low	Use Developer Forum to promote
Developers	High	Low	Use Developer Forum to promote
Community Groups, Public	Medium	Low	Available via Spending CIL webpages
Press	Medium	High	Available via Spending CIL webpages – Separate promotion of Projects on delivery

## **11. Key Contacts**

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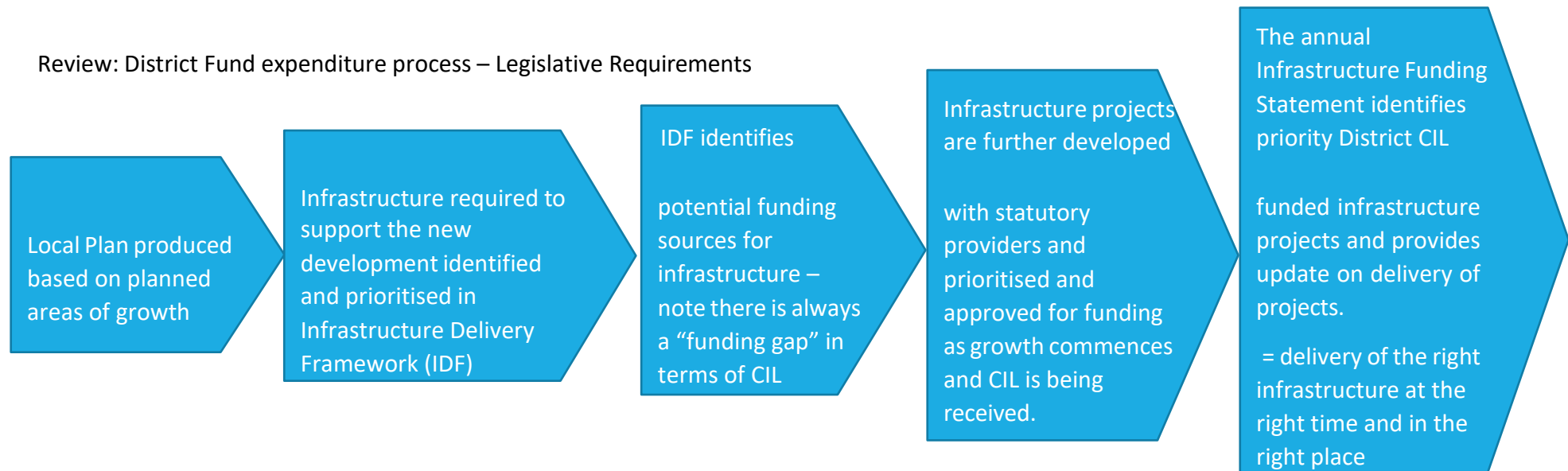
## **12. Appendices**

**Appendix A:** Legislation and Guidance Review: Requirements and actions

**Appendix B:** Terms of Reference: CIL Spending Group

## Appendix A: Legislation and Guidance Review: Requirements and actions

Review: District Fund expenditure process – Legislative Requirements



<p><b>NPPF - 19 February 2019</b></p>	<p><b>2. Achieving sustainable development</b></p> <p>7. ‘The purpose of the planning system is to contribute to the achievement of sustainable development.’</p> <p>8 Achieving sustainable development means that the planning system has three overarching objectives, which are interdependent and need to be pursued in mutually supportive ways (so that opportunities can be taken to secure net gains across each of the different objectives):</p> <p>a) <b>an economic objective</b> – to help build a strong, responsive, and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;</p>	<p><b>Actions:</b></p> <p><b>Planning Services</b></p> <p>Infrastructure needs (including cumulative impact) are identified through the Local Plan and planning consultation process in relation to major development (10 dwellings and over).</p> <p>Systems established to monitor commencement of major developments and to ringfence District CIL to ensure delivery of Key Infrastructure that is critical or essential to support the increase in demand.</p>
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	<p>b) <b>a social objective</b> – to support strong, vibrant, and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities’ health, social and cultural well-being; and</p> <p>c) <b>an environmental objective</b> – to contribute to protecting and enhancing our natural, built and historic environment; including making effective use of land, helping to improve biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.</p>	<p>Infrastructure provided in a timely manner, to support growth and, for example, enable local access to services and open space and cycle routes.</p> <p>Where it is possible to improve existing infrastructure to increase capacity, this must be more energy efficient and sustainable.</p>
<p><b>CIL Regulations 2010 (as amended)</b></p>	<p><b>PART 7. Application to infrastructure</b></p> <p><b>59</b> (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.</p> <p>(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.</p> <p><b>Annual infrastructure funding statements 121A.—</b>  (1) Subject to paragraph (2), no later than 31st December in each calendar year a contribution receiving authority must publish a document (“the annual infrastructure funding statement”)</p>	<p><b>The Infrastructure Team</b></p> <p>It should be noted that CIL Spending priorities will depend on commencements, cumulative impacts, and the delivery timescales of infrastructure partners. Where possible opportunities to maximise the application of CIL will be sought to ensure Neighbourhood CIL and other funding sources help to deliver local infrastructure with a collaborative spend approach. In this way we will be able to deliver more and the benefit from CIL will be wider.</p> <p><b>The Infrastructure Team</b> will produce the annual Infrastructure Funding Statement which will include detail of those infrastructure projects that are considered critical and essential to be delivered in the short term as housing development related to the area commences.</p>

	<p>which comprises the following—</p> <p>(a) a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies) (“the infrastructure list”);</p> <p>(b) a report about CIL, in relation to the previous financial year (“the reported year”), which includes the matters specified in paragraph 1 of Schedule 2 (“CIL report”);</p> <p>(c) a report about planning obligations, in relation to the reported year, which includes the matters specified in paragraph 3 of Schedule 2 and may include the matters specified in paragraph 4 of that Schedule (“section 106 report”).</p> <p>(2) The first annual infrastructure funding statement must be published by 31st December 2020.</p>	<p>As new technology is introduced, some of this information will be provided via a dedicated interactive Developer Contributions Database in order to provide transparency of Infrastructure Funding financial information on a “real time” basis.</p>
<p><b>National Planning Practice Guidance</b></p>	<p>Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed.</p> <p>The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure if that is necessary to support development.</p> <p>Charging authorities may not use the levy to fund affordable housing.</p> <p>The Neighbourhood portion of the levy can be spent on a wider range of things than the rest of the levy, provided that it meets the requirement to ‘support the development of the area’. The wider definition means that</p>	<p><b>The Major Sites and Infrastructure Team and the CIL Spending Working Group</b> will ensure that applications for District CIL will be prioritised for funding from District CIL where they can provide timely, deliverable projects that support the growth detailed in the Local Plan. Funding should be focused towards critical and essential projects already identified as required in the Local Plan Infrastructure Frameworks.</p> <p>With the implementation of a Developer Contributions Management System, all stakeholders will be able to see how funding is being allocated and spent to deliver infrastructure to support the area.</p>

	<p>the Neighbourhood portion can be spent on things other than infrastructure (as defined in the Community Infrastructure Levy regulations) provided it is concerned with addressing the demands that development places on the parish's area. For example, the pot could be used to fund affordable housing.</p>	
<p><b>Local Plan</b></p>	<p>As part of each Local Plan there is an Infrastructure Delivery Framework. The tables within this section detail the importance of the infrastructure in terms of local plan delivery and prioritise the infrastructure in terms of being critical, essential, and desirable.</p>	<p><b>Major Sites and Infrastructure Team</b>  Have regard to the critical, essential and desirable infrastructure projects required to support delivery of the Local Plan. Discuss delivery timescales and funding arrangements with key infrastructure providers such as Highways, Education, Police, Health, etc. – adopting the principles of the right infrastructure, in the right place and at the right time.</p>
<p><b>Monitoring CIL and the Infrastructure Funding Statement</b></p>	<p><b>Comprehensive monitoring arrangements</b> established to ensure commencements of CIL liable development (over 10 dwellings) are identified and the infrastructure requirements, put forward and agreed in the planning process) are prioritised for District CIL allocation to ensure timely delivery.</p>	<p><b>Planning Policy &amp; Delivery Team including the Major Sites and Infrastructure Team</b> - Tracking of development delivery to ensure CIL Funded projects are identified and discussed with key infrastructure stakeholders and added to Infrastructure Funding Statement to ensure funds are “safeguarded” to secure imminent delivery.  Meeting regularly (minimum quarterly) with Health, Education, Highways and Waste to understand timing of proposed projects and current costings.  Utilising Exacom system for CIL income forecasting to ensure funds are available where there are a large number of high-cost infrastructure projects planned in any given year.</p>

## Appendix B: Terms of Reference: CIL Spending Working Group

### Community Infrastructure Levy (CIL) Spending Working Group

#### Terms of Reference:

- To act in an advisory/consultative capacity to the Cabinet Member for Planning and Coastal Management and through him/her to Cabinet/Full Council, as appropriate.
- To work with officers to review and prioritise applications for infrastructure funding through District Community Infrastructure Levy (DCIL), and to consider the relevance of applications in terms of the objectives of CIL through making development sustainable in planning terms.
- To work with officers to review and approve applications for infrastructure funding through District Community Infrastructure Levy Local CIL Fund (LCIL), and to consider the relevance of applications in terms of the objectives of CIL through making development sustainable in planning terms. Approvals are at a maximum LCIL funding of £50,000 per project.
- Take into account the wider strategic planning issues and collaboration with other local authorities, particularly those within the same housing market area and functional economic area and those infrastructure providers priorities.
- Consider the findings of evidence base documents to inform the preparation of documents.
- To work with officers to agree and publish issues and options papers and recommendations for infrastructure projects to be funded through DCIL for approval by Cabinet.
- To work with officers to review and support the issue of clawback notices where local town and parish councils have not spent Neighbourhood CIL (NCIL) in compliance with the CIL Regulations and the 5-year spending deadline.
- To agree on NCIL spend in areas not covered by a Parish Council.
- Act as a focal point for knowledge and information about the application of DCIL and Neighbourhood CIL (NCIL) to infrastructure projects.
- Receive progress updates on the delivery of DCIL funded infrastructure projects, as relevant.
- To scrutinise and input to the review of CIL Spending Strategy to ensure compliance with regulatory requirements and the continued delivery of infrastructure to support growth in the area and where necessary outside of the area where strategic infrastructure supports growth in the East Suffolk area.
- To review and agree the annual Infrastructure Funding Statement.

The Working Group will meet at least 4 times a year, subject to business.

Vice Chairman to be elected at the first meeting of the municipal year.

No substitutes. Other Ward Members can only be invited at the discretion of the Chairman of the CIL Spending Working Group to observe and/or answer questions.

The Working Group maintains a standing invite to relevant officers responsible for the delivery of infrastructure and other local authority or Health representatives and organisations will also



be invited as and when appropriate.

**Membership - 8 (Quorum 4)**

Either the Cabinet Member with the responsibility for Planning and Coastal Management, or his/her Assistant Cabinet Member (Chair) (1)

Relevant Cabinet Members (2)

Relevant Planning Committee Chairman/Vice-Chairman from Planning Committee North and Planning Committee South (2)

Conservative Group Member (1)

Labour Group Member (1)

GLI Group Member (1)



