



CABINET

Tuesday 1 December 2020

COMMUNITY INFRASTRUCTURE LEVY SPENDING AND REPORTING

EXECUTIVE SUMMARY

1. In accordance with the Community Infrastructure Levy Regulations (CIL Regs) any authority that receives a contribution from development through CIL or section 106 planning obligations must prepare an infrastructure funding statement (IFS). This includes county councils. Regulation 121A. of the CIL Regs requires that the Infrastructure Funding Statement is published on the Councils website no later than 31 December in each calendar year. The Infrastructure Funding Statement contains three key documents; The CIL Report, The S106 Report and the Infrastructure List. Cabinet are asked to approve the IFS for publication.
2. The implementation of CIL Spending Strategy (approved by Cabinet in January 2020) contains a recommended approach to CIL Funding. Due to the impact of Covid 19, this will require adjustment and alignment as a result of the delayed 2020 bid round and to allow further focus on funding essential infrastructure delivered by statutory partners during 2021.
3. The CIL Spending Strategy 2020 opened a delayed bid round on 30 September 2020. Cabinet are recommended to approve one collaborative bid from Ipswich and East Suffolk Clinical Commissioning Group to extend the GP Surgery at Little St Johns Street, Woodbridge as an exceptional bid in advance of the full consideration of all 2020 bids.

Is the report Open or Exempt?	Open
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Wards Affected:	All
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Cabinet Members:	<p>Councillor David Ritchie Cabinet Member with responsibility for Planning and Coastal Management</p> <p>Councillor Tony Cooper Assistant Cabinet Member for Planning and Coastal Management</p>
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Supporting Officers:	<p>Ben Woolnough BSc MSc MRTPI Major Sites and Infrastructure Manager ben.woolnough@eastsoffolk.gov.uk 01394 444593</p> <p>Nicola Parrish Infrastructure Delivery Manager nicola.parrish@eastsoffolk.gov.uk 01502 523057</p>
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1 INFRASTRUCTURE FUNDING STATEMENT (IFS)

- 1.1 The September 2019 amendments to the Community infrastructure Levy Regulations 2010 (as amended) placed the requirement on Councils that are directly receiving and spending developer contributions to produce an Annual Infrastructure Funding Statement (IFS) and to publish this Statement by 31 December each year. When published on the website a clear explanation for the public will be provided along with links to our extensive CIL guidance in order to ensure all information can be easily understood.
- 1.2 The IFS reports on CIL, s106 and RAMS (Habitats Mitigation) income and expenditure and its format is prescribed in CIL Regulation 121A.
- 1.3 In compliance with Regulation 121A the annual infrastructure statement includes:
 - (a) “the Infrastructure List” - 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. This Infrastructure List must not include the projects where Neighbourhood CIL that has been subject to clawback or projects where the Council is holding Neighbourhood CIL on behalf of an unparished area;
 - (b) “the CIL Report” - 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 of the CIL Regs; and
 - (c) “the Section 106 Report” - a report about planning obligations, in relation to the reported year, which includes the matters specified in paragraph 3 of Schedule 2 of the CIL Regs and which may also include estimated values of expected contributions where the actual value is not yet known.

2 THE CIL SPENDING STRATEGY

- 2.1 The CIL Spending Strategy, approved by Cabinet on 7 January 2020, sets out the focus of CIL Spending for the first year of the strategy and ongoing years until review.
- 2.2 Due to the Covid-19 pandemic and the subsequent lockdown period it was agreed to defer the bid window from 1 April 2020 to 30 September 2020, closing on 30 November 2020.
- 2.3 As the window in which to approve and allocate funding is very short for 2020 it is suggested the following amendments to the Strategy are agreed. These are set out in full context in Appendix B for Section 8 amendments, in point 3.4 and in summary below:
 - i. Section 8: Operation of the CIL Spending Strategy, the year 2021/22 is treated the same as outlined in year 1 of the strategy, and subsequent phases of the strategy are updated to reflect the addition of a year. Instead of these periods being referred to as a year they are now termed ‘period’ with the period being defined.
 - ii. Where bids are received from statutory partners that are invalid, and are such just because they are awaiting planning permission or a minor element of information, that these bids can seek an approval “in principle” so that CIL funding can be allocated/ringfenced to the draft project. See point 3.4 for recommended additional wording to Section 9 of the CIL Spending Strategy.

3 APPROVAL OF CIL FUNDING BIDS

- 3.1 The CIL Spending Working Group is a cross party group that aims to be representative in its Governance and consists of members with specialisms that are relevant for the review and approval of CIL Funding. Whilst decisions may be recommended on considerable spending sums, there is a clear approved CIL Spending Strategy that those decisions are aligned to.
- 3.2 During this period, regular meetings have continued with our colleagues who deliver essential infrastructure such as health facilities, education establishments, strategic waste facilities and Police infrastructure and it is likely that a number of bids will come through in April 2021. This is expected to be a considerable demand to the Strategic/District CIL Fund, although some of the projects may not be able to be fully validated in time for approval in September 2021, due to the timing of required planning permissions or other limiting factors.
- 3.3 Where bids are for the most part valid bids but are delayed through the time it takes to get planning permission or other such barrier, the CIL Spending Strategy could be amended to allow the CIL Spending Working Group to recommend approval of/Approve the bid “in principle” and once approved by Cabinet this will result in the ring fencing of CIL Funds towards the project, subject to the planning permission or other barrier being overcome. In principle bid approvals should be approved only where it is likely that the commencement of the project will be within 12 months.
- 3.4 Section 9 of the CIL Spending Strategy would benefit from the addition of the following sentence:

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.

4 HOW DOES THIS RELATE TO THE EAST SUFFOLK STRATEGIC PLAN?

- 4.1 The Infrastructure Funding Statement and the mechanism that provides to support developer contributions and their spending will meet the following council themes and priorities of the Strategic Plan:

Growing our Economy

Support and deliver infrastructure

Enabling Communities

Maximising health, well-being and safety in our District

Delivering Digital Transformation

Digital by default

Effective use of data

Caring for our Environment

Protection, education and influence

5 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 5.1 There are no newly identified financial implications to report on in relation to the production of IFS, the collection of CIL and s106 contributions and the expenditure of developer contributions to deliver infrastructure. Should implementation of sites stop or slow significantly due to Covid-19 restrictions, this would have a knock on effect in relation to the receipt of CIL and the availability of CIL Admin to support the costs of the Major Sites and Infrastructure Team.

6 OTHER KEY ISSUES

- 6.1 This report has been prepared having considered the results of an Equality Impact Assessment EQIA163077948. No further actions are required.

7 CONSULTATION

- 7.1 No consultation has been necessary for this recommendation.
- 7.2 The Infrastructure Funding statement and the updates to the CIL Spending Strategy are to be published on the councils CIL Webpages.

8 OTHER OPTIONS CONSIDERED

- 8.1 The Infrastructure Funding Statement is a statutory requirement and its content is prescribed in legislation, there is no alternative option if the council is to comply with the CIL Regulations 2010 (as amended).
- 8.2 The CIL Spending Strategy could be left as it stands but would then be out of alignment as a result of the Covid-19 pause and information supporting these phases may not be readily available or if it were available it may not be useful in supporting discussions or decisions on funding infrastructure.
- 8.3 Failure to approve funding for infrastructure that is critical or essential to support delivery of the local plans would result in unsustainable development and create unacceptable risks to the delivery of statutory services and the support of healthy communities. No other options have been considered.

9 REASON FOR RECOMMENDATION

- 9.1 To comply with legislation;
- 9.2 To provide transparency in reporting on the receipt and use of all developer contributions; and
- 9.3 To address the urgent primary healthcare infrastructure needs for the Woodbridge Area which are influenced by housing growth in the area and should be funded through CIL.

RECOMMENDATIONS

1. That the Infrastructure Funding Statement be approved for publication.
2. That the amendments to Section 8 of the Community Infrastructure Levy Spending Strategy be approved.
3. That the additional sentence to Section 9 of the Community Infrastructure Levy Spending Strategy to allow for the implementation of “in principle” recommendations by the Community Infrastructure Spending Working Group and decisions by Cabinet be approved.
4. That the Community Infrastructure Levy bid for funding for expansion of and enhancements to Little St John’s Street GP Surgery in Woodbridge be approved.

APPENDICES

Appendix A	The Infrastructure Funding Statement
Appendix B	CIL Spending Strategy Section 8 (extract) – Revised December 2020
Appendix C	Details of valid CIL Bids 2020
Appendix D	Report on the receipt and spending of RAMS funding

BACKGROUND PAPERS

Please note that copies of background papers have not been published on the Council’s website www.eastsuffolk.gov.uk but copies of the background papers listed below are available for public inspection free of charge by contacting the relevant Council Department.

Date	Type	Available From
7 January 2020	Report to Cabinet on 7 January 2020 – Infrastructure Team Service Improvements and CIL Spending Strategy (ES/0245)	ben.woolnough@eastsuffolk.gov.uk