

South Lakeland District Council (SLDC) Community Infrastructure Levy (CIL)

CIL Governance and Expenditure

March 2019

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Annexes

- A. [CIL Charging Schedule](#)
- B. [CIL Regulation 123 List](#)
- C. [Infrastructure Delivery Plan – Summary \(August 2017\)](#)
- D. [SLDC Cabinet Report, 13 September 2017](#)

1. Introduction

- 1.1 The Community Infrastructure Levy (or CIL) was introduced by legislation in 2010. CIL is a charge that local authorities in England and Wales can, if they wish, levy on new development in their area to help pay for the cost of infrastructure arising from several developments in an area, such as for highways and schools. S.106 agreements continue to be required and used to fund site-specific infrastructure.
- 1.2 SLDC introduced a CIL in South Lakeland (outside the National Parks) on 1 June 2015. This followed a statutory process of consultation and public inquiry, which considered the need for CIL to help fund infrastructure and also the potential impact of the new charge on the viability of development across the district. Key documents approved by SLDC at the introduction of CIL included:
- A **CIL Charging Schedule** (Annex 1) – setting out the types of development on which CIL would be charges and the levy rates (£m2)
 - A **CIL Regulation 123 List** (Annex 2) which sets out the types of infrastructure which may be funded or part-funded from CIL and which may not therefore also be funded from S106 agreements (*'double dipping'*)
 - An **Infrastructure Delivery Plan** (a summary of the latest version at Annex 3) which sets out the types of infrastructure needed to deliver development planned for in the South Lakeland Local Plan. It distinguishes between infrastructure which is critical to the delivery of that development and that, which while important and helpful is not essential.
- 1.3 Since June 2015 the collection of CIL has been administered by SLDC's CIL/S.106 Officer, advised by an officer working group which meets every 6 months. In overview the distribution of CIL income comprises:
- **15%** which must be paid every 6 months to **Parish and Town Councils** where development has taken place. This rises to 25% where there is an adopted Neighbourhood Plan. Presently there are adopted Neighbourhood Plans for (jointly) Heversham and Hincaster parishes, and also for Grange over Sands.
 - **5%** is retained by SLDC to cover part of the cost of **CIL administration**
 - The remaining **80%** is retained and available to help fund the cost of **strategic infrastructure** (or **70%** in areas with adopted Neighbourhood Plans).
- CIL income has increased steadily since 2015 and currently amounts to about £500,950. The fund has been allowed to build up for a period of time, prior to actively considering how it may be best expended.
- SLDC and Parish and Town Councils are required to report annually on their CIL income and expenditure.
- 1.4 The Government has recently consulted on a proposed changes to the approach to developers' contributions and CIL. The current indications are that CIL will remain largely unchanged but possibly with greater flexibility in the way in which both S.106 contributions and CIL can assist with the cost of the same type of infrastructure.

2. Framework and Principles for CIL Governance and Expenditure

2.1 This document sets out procedures for deciding how CIL is spent, for discussion and endorsement by SLDC's Portfolio Holder for Housing and Innovation.

2.2 In September 2017 SLDC's Cabinet agreed the basic framework and principles for the governance and expenditure of CIL. (Annex 4). In summary these are:

- **Partnership:** That SLDC as the CIL spending authority needs to exercise that responsibility in partnership with Cumbria County Council as the main infrastructure delivery partner, other infrastructure delivery partners and stakeholders and community representatives.¹
- **Decision-Making:** SLDC's Cabinet has final responsibility for deciding on any requests for CIL expenditure on strategic infrastructure and also for approving updates to the Infrastructure Delivery Programme (IDP)
- **CIL Technical Officer Working Group (CIL TOG):** The process of deciding how CIL is expended will be supported by an SLDC-led technical officer working group, which will include officers from Cumbria County Council. The CIL TOG will:
 - co-ordinate the regular updating and associated consultation on the Infrastructure Delivery Plan.
 - assess proposals for CIL funding in accordance with the prioritisation criteria below
 - consult on it's recommendations with the SLDC Portfolio Holder, appropriate leading members of Cumbria County Council and other relevant parties before reporting its recommendations to SLDC's Cabinet for decision. Joint member meetings will be arranged, as required.

A proposed Terms of Reference for the CIL TOG is set out at Appendix 5

- **Prioritisation Criteria:** Proposals for CIL expenditure will be assessed by the CIL TOG in accordance with the following criteria:
 - Local Plan: the importance of the project to the delivery of planned development in the South Lakeland Local Plan
 - Infrastructure Delivery Plan (IDP): The prioritisation of infrastructure as set out in the IDP
 - Project Deliverability: An assessment of the project's deliverability, including independent professional assessment where necessary
 - Value for Money: The extent to which the project represents value for money, including the leveraging of matching funding from other sources.

¹ Paragraph 013 of the national Planning Practice Guidance advises that CIL charging authorities must consult and collaborate with County Councils in setting the levy, and should work closely with them in setting priorities for how the levy will be spent in 2-tier areas.

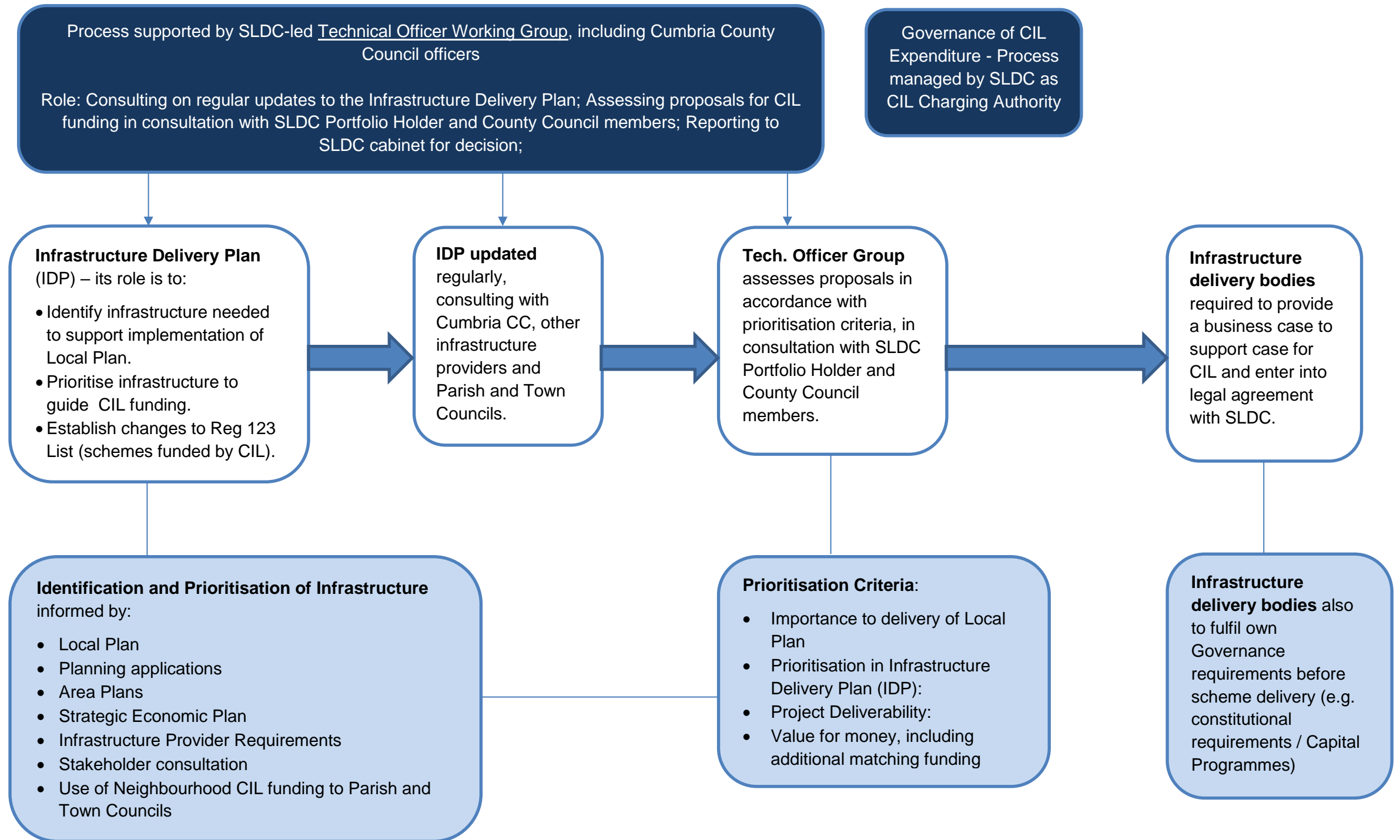
- **Infrastructure Delivery Plan (IDP):** SLDC will regularly update the IDP, in consultation with Cumbria County Council, other service and infrastructure providers, and Town and Parish Councils. The role of the IDP is to identify and prioritise the infrastructure required to deliver development planned for in the adopted Local Plan
- **Requirements for Recipients of CIL Funding:** Infrastructure bodies seeking funding from CIL will be required to:
 - Business Case: Present a business case for CIL funding, taking account of the prioritisation in the IDP and the assessment criteria at 3.16 above
 - Legal Agreement: On approval, enter into a legal agreement with SLDC to make clear:
 - the purpose and expected outcome from the use of CIL funds;
 - the basis on which any changes to the project will be sought and agreed;
 - the monitoring and reporting of progress and outcomes;
 - the provisions for repaying some or all of the CIL funding if this is remains unspent, or spent other than as agreed.
 - Governance Requirements: Fulfil other governance requirements required by the organisation body seeking funding and also those required by any other funders of the project.

3. Detailed Procedures for CIL Governance and Expenditure

3.1 The more detailed procedures for CIL governance and expenditure are set out in the following:

- A **diagram** to help explain the framework and processes for CIL governance and expenditure (Appendix 1)
- A **Terms of Reference** for the **CIL Technical Officer Working Group** (Appendix 2)
- A draft **proposals form** for infrastructure bodies to complete which are requesting funding from CIL (Appendix 3)
- A **score card** (Appendix 4) for use by the CIL Technical Officer Working Group in assessing and scoring proposals for CIL funding.

Appendix 1: Diagram describing the framework and processes for CIL Governance and Expenditure



Appendix 2: CIL Technical Officers' Working Group (TOG)

Terms of Reference

South Lakeland Community Infrastructure Levy (CIL)

CIL Technical Officers' Working Group - Terms of Reference

1. Introduction

1.1 This document comprises a draft terms of reference for the CIL Technical Officers' Working Group

2. Context

2.1 In September 2017 South Lakeland District Council's Cabinet agreed the framework and principles for the governance and expenditure of CIL. This included:

- **Partnership:** That SLDC as the CIL spending authority needs to exercise that responsibility in partnership with Cumbria County Council as the main infrastructure delivery partner, other infrastructure delivery partners and stakeholders and community representatives
- **Decision-Making:** SLDC's Cabinet has final responsibility for deciding on any requests for CIL expenditure on strategic infrastructure and also for approving updates to the Infrastructure Delivery Programme (IDP)
- **CIL Technical Officer Working Group (CIL TOG):** The process of deciding how CIL is expended will be supported by an SLDC-led technical officer working group, which will include officers from Cumbria County Council. The CIL TOG will:

3. Purpose

3.1 The purposes of the CIL Technical Officer Working Group are:

- a) **Infrastructure Delivery Plan (IDP):** to co-ordinate the regular updating and associated consultation on the Infrastructure Delivery Plan, and the overall sequencing and programming of future infrastructure priorities likely to be required and eligible for CIL funding.
- b) **Proposals for CIL funding:** to assess proposals for CIL funding in accordance with the prioritisation criteria below
- c) **Consulting & Reporting on Recommendations for CIL Funding:** to consult on the Working Group's recommendations with the SLDC Portfolio Holder for Housing and Innovation and appropriate leading members of Cumbria County Council (CCC), before reporting it's recommendations to SLDC's Cabinet for decision on projects to receive CIL funding

- d) **Town and Parish Councils:** to ensure appropriate engagement with relevant Town and Parish Councils in regard to a) to c) above.

4. Membership

- 4.1 The membership of the CIL Technical Officer Working Group will comprise:

Attending Meetings²

- Development Strategy and Housing Manager, SLDC (Chair)
- Development Plans Manager, SLDC
- Economic Development Programme Manager, SLDC
- Programme Lead - Infrastructure Planning, Cumbria County Council (CCC)
- South Lakeland Area Manager, Cumbria County Council (CCC)
- Capital Programme Manager, Cumbria County Council (CCC)

Receiving Agendas & Minutes

- SLDC and CCC officers to circulate agendas and notes of meetings to relevant senior officers
- SLDC Portfolio Holder Housing and Innovation

5. Administration and Consultation

- 5.1 Working Group meetings will be held quarterly or as may be required to consider and assess requests for CIL funding
- 5.2 Proposals for CIL funding will be assessed and collectively scored initially by the CIL Technical Officer Working Group. SLDC and CCC officers will seek the views of relevant senior officers, elected members and any other bodies on the proposal and the Working Group's assessment before finalising its recommendations. The final report will be assessed by the SLDC Portfolio Holder prior to reporting to SLDC's Cabinet for decision.
- 5.3 The offer of CIL funding will normally require the receiving organisation to enter into a legal agreement with SLDC to make clear:
- the purpose and expected outcome from the use of CIL funds;
 - the basis on which any changes to the project will be sought and agreed;
 - the monitoring and reporting of progress and outcomes;
 - the provisions for repaying some or all of the CIL funding if this is remains unspent, or spent other than as agreed

² To be updated after Customer Connect programme at SLDC. **Other officers from the District and County Council may attend by invitation.**

Appendix 3: CIL Strategic Infrastructure Proposals Form

South Lakeland District Council Community Infrastructure Levy (CIL)

Strategic Infrastructure Projects

Proposals Form

Proposals are invited for strategic infrastructure projects that may be funded or part-funded from the South Lakeland Community Infrastructure Levy (CIL).

To request consideration of CIL funding, you need to complete the following form and submit relevant supporting material, as necessary. Please ensure the information you provide is correct and complete to the best of your knowledge.

This form may be used to request funding for a detailed project or to seek a commitment in principle for CIL funding for an outline scheme. For outline schemes which receive support in principle, a subsequent application for the detailed scheme will also be required.

Please send your completed application to:

Email: development.plans@southlakeland.gov.uk

Address: Strategy Group, South Lakeland District Council, South Lakeland House, Lowther Street, Kendal LA9 4DQ

Please note failure to answer all the questions on this form could impact on the success of your application.

Contact Information

Applicant name:	
Organisation name:	
Address:	
Tel. No:	
Email address:	

What & Where – Outline description and maps

1) Project Title	
2) Please provide a brief summary of the	

project proposal	
3) Full address of project location (if applicable)	
4) Project partners (if applicable)	
5) Please indicate if you are requesting CIL funding for a detailed scheme or a commitment in principle for CIL funding for an outline scheme .	

Outline Business case and why it should be funded

1) What is the problem that is being addressed and how will the proposal help address the demands of development in the area?
2) What are the expected benefits/outcomes?
3) Is there an alternative project or scheme? What will happen if funding for this scheme is not secured?

Links to Planning Policy

1) Is the scheme included within the Infrastructure Delivery Plan ? If so, is it named as a Critical or Desirable scheme? Is the scheme named within any other policy documents such as the Local Transport Plan or the LEP Strategy for Growth?

2) Does the scheme help to deliver the vision and/or a policy within the South Lakeland Local Plan documents? Please state which policy(s) and how the scheme will achieve this.

Funding

1) Please show in the table below the amount of CIL funding being sought and any other contributions that may have been allocated for this scheme.

£s	2020/21	2021/22	2022/23	2023/24	Total
CIL funding sought					
Applicant's contribution					
Local authority contribution					
Other Third party contributions					
Total cost of project					

2) Please provide any additional information here on cost estimates and expected contributions.

3) Please state if there is a revenue cost to the project and how this will be funded in the long term.

Project Delivery

1) Please set out the envisaged project plan for the delivery of the project including reference to key tasks and milestones (this can be appended to your application).

2) Has the scheme undergone any form of public consultation? If so, what was the general response?

3 If the scheme received funding from CIL, when would be the earliest date the work on the scheme/project could begin?

Additional Information

Please state any additional information that may support your application.

Appendix 4:

Internal Score card for assessing proposals for CIL funding

Applicant	
Project Title	
CIL Amount Requested	

Assessment Criteria – Outline Business Case

Scoring – has the applicant demonstrated:	Fully (10 points)	Less Fully (5 points)	Partly (3 points)	Score	Comments
Identified a problem and how scheme addresses demands of development					
Expected benefits/outcomes					
Shown the project is value for money					

Assessment Criteria – Links to policy

Scoring – has the applicant demonstrated:	Fully (10 points)	Less Fully (5 points)	Partly (3 points)	Score	Comments
That the scheme is included within the Infrastructure Delivery Plan					
How the scheme will help deliver the Local Plan					

Assessment Criteria – Funding

Scoring – has the applicant demonstrated:	Fully (10 points)	Less Fully (5 points)	Partly (3 points)	Score	Comments
Match funding contribution					
If there is a revenue cost how this will be funded long term					

Assessment Criteria – Project Delivery

Has the applicant demonstrated: (please circle)	Fully (10 points)	Less Fully (5 points)	Partly (3 points)	Score	Comments
A project plan is in place with clear delivery milestones					
The project has been designed and any public consultation					
A start and end date					

				Total
Total Points (Maximum 100)				

Recommendation	Yes / No
Amount Recommended (state amount)	
Further Info Required (specify)	Yes / No

