



BCKLWN

Community Infrastructure Levy (CIL) Spending Strategy

Version	Date	Amendment Details

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Introduction

1. The Borough Council of King's Lynn and West Norfolk approved the introduction of the Community Infrastructure Levy (CIL) in December 2016 and started charging on 15 February 2017.
2. **CIL is:**
 - a) paid to the Borough Council by developers after their planning permissions are implemented.
 - b) governed by the CIL Regulations 2010 (amended). In the Borough of King's Lynn and West Norfolk, CIL is charged on all residential and retail developments, which add one or more new dwelling(s) or more than 100sqm of floor space.
 - c) charged at a rate per square metre and varies according to land use.
 - d) just one funding stream that can be used, in conjunction with others, to fund infrastructure projects.
3. Alongside CIL, S106 obligations will still exist, but generally as one-off agreements to mitigate the impacts of larger developments and to secure on-site developer requirements, such as the provision of affordable housing.
4. This document details arrangements by the Borough Council of King's Lynn and West Norfolk, for the allocation and spending of CIL.
5. The original parameters for the governance arrangements of CIL were agreed at Cabinet on 17 August 2020.
6. The governance arrangements will be reviewed, to meet the Corporate Objectives and Priorities, by Cabinet.
7. The spending priorities are aligned to the Corporate Business Plan and will be amended accordingly to meet the infrastructure needs of the Council.

Background

8. 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 3 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 Borough 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.

9. 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.
10. 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.
11. 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 13 Neighbourhood Plans in progress. 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 Borough CIL available to deliver larger critical and essential infrastructure projects.
12. Parish councils can choose to fund projects collaboratively where local infrastructure priorities are shared with 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.
13. 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.
14. 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.
15. 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.

16. 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.
17. 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.
18. This 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.
19. 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.
20. **As of July 2025, this Council has formally allocated £6.6m of CIL to 269 local infrastructure projects across the Borough. The list of projects that have been allocated Borough CIL is reported within the Annual Infrastructure Funding Statement, together with information on their progress.**

The CIL Expenditure Review

21. Since CIL has been adopted in this Borough, approximately £2m has been passed to parish and town councils through Neighbourhood CIL Payments up to July 2025.
22. 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 the Council. Under the CIL Regulations the Council would then spend this CIL to support new development in the area of the local council(s).

There is a risk that the past practice of funding local projects diminishes the projected funds and would leave developments without necessary infrastructure.

23. 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.
24. 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.
25. There is a golden thread linking the requirements for how CIL can and should be spent, with the infrastructure identified within the Local Plan.

Borough CIL is different to Neighbourhood CIL.

26. The Borough CIL:
 - a) needs to be focused on infrastructure projects linked to the Local Plans.
there is no spending deadline for Borough CIL.
 - b) 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.
 - c) the key element to support delivery of timely infrastructure is monitoring commencements and sharing data with infrastructure providers.

The 2019 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.

27. 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 CIL toward 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.
28. The Annual Infrastructure Statement is published by 31 December each year.
29. Previously this Council has produced an Annual Infrastructure List, which detailed the types of infrastructure Borough CIL would support, not directly linked to the Local Plan or Strategic Project requirements.
30. The Infrastructure Funding Statement places a greater emphasis towards the projects identified from the growth detailed in the Local Plan. This means a greater focus on working with statutory infrastructure providers to work up projects needed to deliver, as indicated through the Local Plan, Neighbourhood Plans and also identified through planning applications.

The allocation of CIL to infrastructure projects should not be viewed as 'money to support local projects as an even share of funding'.

31. The Borough CIL **must** be proportionate in the way that infrastructure projects are funded:
- a) where new housing and retail growth has commenced in areas;
 - and**
 - b) infrastructure needs have been identified in the Local Plan, Neighbourhood plan and through the planning process.
32. The new CIL Spending Strategy will prioritise the allocation of CIL funds;
- a) to infrastructure projects that will make development within the local plan sustainable in planning terms; **and**
 - b) 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.

If we do not do this, the risk is that the development coming forward, will not be sustainable in planning terms

Principles of CIL Allocations

33. There are a few key principles to bear in mind when considering applying for funding from CIL:

- 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) Borough 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 to support Strategic Funding decisions over £50k;
- 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, County Council, District, Parish), Neighbourhood CIL, community fundraising, retail shop match funding and crowd funding;
- r) There is certainty around other funding sources;

This will mean projects are worked up, fully costed, and have the necessary planning permissions in place before they reach the point of approval for Borough CIL funding.

The New CIL Spending Process

34. Borough CIL spend will need to initially focus on the infrastructure already identified through the local plan and communicated within the planning process.
35. The spending process will ensure:
 - a) Borough CIL Funding is secured or ringfenced to deliver these projects in a timely manner; and
 - b) Priority projects for Borough CIL funding are identified; and
 - c) Project progress will be communicated within the Infrastructure Funding Statement, which is now a requirement under the updated CIL Regulations 2010 (as amended).
36. 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.
37. Where local priorities have been identified and Neighbourhood CIL has been received in the area, Neighbourhood CIL should be directed to these projects with Borough CIL becoming part of this funding equation. This will encourage 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.
38. 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.
39. 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 Borough CIL cannot fund.

The new CIL Spending Strategy, needs to prioritise and safeguard Borough CIL, for recognised infrastructure to support growth.

CIL will NOT fund

40. The following will no longer be considered appropriate spend from Borough CIL:
- a) Up front funding for feasibility studies and professional fees, where there is no guarantee that the infrastructure would be delivered;
 - b) Infrastructure replacement or improvements, **in areas where there are no major developments commencing and there is limited growth;**
 - c) 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 Norfolk County Council;
 - d) Ongoing operational or maintenance costs; and
 - e) VAT where this can be reclaimed.

Priorities for Funding Infrastructure Projects

41. In order to understand which infrastructure should be prioritised for funding from CIL, it is necessary to develop a prioritisation framework.
42. In this way the council will be able to consider those projects that have not been captured in the Local Plans or Neighbourhood Plans.
43. 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.

By releasing Borough CIL funding, we can achieve infrastructure provision through collaborative spend

(i.e. other grant funding, Community Partnership and locality funding, Government funding, Neighbourhood CIL, Crowd Funding/Donations)

Borough CIL Allocations

44. The CIL Fund is separated into 2 specific project types, to enable the funding to meet wider borough infrastructure requirements and to support local community infrastructure needs.
45. Each project group is allocated a percentage of the CIL Income as follows:

Local CIL Fund 20% - Local Infrastructure Projects, through an application process:

- Project funding between £10k and £50k
- Applications reviewed and selected by the CIL Spending Panel

Strategic CIL Fund 80% - Large Scale Infrastructure Projects, selected by the Council:

5 Year Project Forecast based on specific Criteria; Essential, Desirable & Beneficial.

Support for £0 CIL Rated Strategic Sites

46. In areas where there is significant growth from strategic sites and these sites are Zero Rated for CIL, the Borough Council will work with the affected town and parish councils to understand infrastructure needs/priorities, and help them to access Borough CIL for relevant priority projects.
47. 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 Neighbourhood CIL or other funds.
48. 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.
49. Additional support will be provided by officers in the production of Parish Infrastructure Investment Plans (PIIP), where no Neighbourhood plan is being prepared, and where required.
50. Where projects accord with a PIIP or a Neighbourhood Plan, and direct links between the infrastructure and the strategic growth can be demonstrated, and the project accords with CIL Regulations, there will be a presumption in favour of supporting the project. This will need to be tracked alongside housing delivery and the cumulative spend in each area will be reviewed and form a key consideration.

To ensure transparency—it will be essential, to demonstrate links with the demands of a growing population and the need for the infrastructure project.

Commented [AD1]: This practice is not currently in place

Commented [AD2]: Following a review of approved Neighbourhood Plans - no Parish has provided any details relating to infrastructure requirements to support development. Only 1 Parish has given details of 'Community Works' However, no weight will be given to this project under the current Governance arrangements.

Local infrastructure Projects

Infrastructure Projects seeking funding: no less than £10k, but no more than £50k

Commented [AD3]: To allow smaller 'community' projects

51. The Council will publish details of when the application window will open and close; and
52. Applications will be reviewed and allocated funds by the CIL Spending Panel.
53. 20% of the Borough CIL amount is allocated as a ceiling level of funding, to put into the Local CIL Fund.
 - a. The 20% ceiling value of Local Infrastructure funding will be kept under annual review; and
 - b. 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.
54. Where the Local CIL Fund has not all been allocated in that funding period, any remaining funds will be ringfenced and added to the 20% available for the next bid round.
55. **Where levels of CIL income are diminished and planned for Essential Infrastructure projects are required, the CIL Spending Strategy allows the use of the Local Infrastructure Fund to be used.**

CIL Local Funding Application

56. The CIL Funding Application, is an online process— details relating to how to apply will be published on the CIL Webpages.

Local Infrastructure Requirements:

Will be considered on a case-by-case basis and MUST meet ALL of the following:

- a) Be located in or close to areas where new developments are coming forwards (granted permissions have commenced or are about to commence)
- b) Increase provision/capacity or provide additionality of function
- c) Be deliverable in the short term (within 2/3 years)
- d) Projects should be partly funded through Neighbourhood CIL or have a minimum of 50% match funding guaranteed
- e) Be identified through a Parish Infrastructure Investment Plan or Neighbourhood Plan
- f) The application must be supported by the submission of evidence to confirm the finance arrangements (quotes or procurement process and match funding).
- g) Have written support of the Ward Member(s)

Please note, the application SHOULD:

- a) The proposed project should have an element of be match funding
 - b) Neighbourhood CIL should form part of the funding for the project
57. If your application has been confirmed as being valid by the CIL Team, the CIL Spending Panel will review and allocate funding at their calendared meeting.
58. Once the CIL Local Fund has been allocated, the results will be published on the Council public facing digital platform (Exacom).
59. Written confirmation of the CIL Spending Panel decision will be provided to applicants.
60. All decisions are final.

80% Strategic Infrastructure Projects

Projects will be considered on a case-by-case basis.

Commented [AD4]: How will projects be identified? Will this be a political or corporate decision?

61 a). Essential Infrastructure

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

Commented [AD5]: The current IDF will need to be updated.

61 b). Desirable Infrastructure

- i. The provision of this infrastructure addresses a current inadequacy in infrastructure terms and the benefits of the infrastructure are clear;
- ii. The infrastructure is identified as 'desirable' or a 'priority' in the Local Plan or Neighbourhood Plan or recent Parish Infrastructure Investment Plan (PIIP);
- iii. Neighbourhood CIL funding has been formally allocated to fund the project;
- iv. It would allow infrastructure to be delivered through collaborative funding with Borough CIL being 'the last piece of the jigsaw';
- v. 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.

Commented [AD6]: The current LP does not have any identified projects.

61 c). Beneficial Infrastructure

- i. By provision of infrastructure, would unlock **further opportunities** within the Borough 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.
- ii. It is infrastructure which has not previously been identified as essential, or desirable

in the Local Plans or within a Neighbourhood Plan, but a clear link can be identified in supporting the sustainability of the Local Plan.

- iii. 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.*

Decision Making Processes

- 62) The CIL Spending Panel have delegated powers to allocate funding up to £50k.
- 63) Meetings will be held at least 2 times per year;
- 64) Strategic CIL funded projects, over £50k will be recommended to Cabinet for approval;
- 65) Additional attendance at meetings of this group will be at the sole invite of the Chair;
- 66) The CIL Spending Panel 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;
- 67) The CIL Spending Panel is not a forum for appeals against Borough CIL funding decisions.
- 68) **All Borough CIL funding decisions are final.**

CIL Strategic Project Identification & Decision

- 69. **A representative group of officers from across the council will work with Cabinet members** to review the 5 year plan for Strategic Infrastructure Projects and ensure that the CIL Spending Strategy operates accordingly.
- 70. **A copy of the Terms of Reference for the CIL Spending Panel & Strategic Working Group**

Commented [AD7]: Proposed new process - Officers would prefer a rolling 5 year programme of projects. We have a CIL Spending Panel, but no strategic working group.

New Developer Contribution Digital Solution — Exacom

- 71. The revised CIL Regulations place new demands in relation to recording developer contributions and reporting on both s106 and CIL. As a result, information and services must be provided more digitally.
- 72. The Council have therefore implemented a digital solution, using Exacom software, in order to provide an efficient and effective service, and to meet statutory requirements.

73. The digital solution for managing developer contributions will:
- a) enable the council to safeguard Borough CIL Funds,
 - b) 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;
 - c) The system publicly presents the amount of unspent or uncommitted CIL that the Council holds.
74. 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.

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”

Documentation, Validation and Application Review

75. 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.
76. Where applications are made by local councils and other community or charitable bodies, these will have greater information requirements in order to ensure best value is obtained, to be clear on funding sources and to further understand subsidy implications.
77. **It is important that applications for CIL Funds are robust and relate to projects that are “oven ready” and all avenues for collaborative funding have been explored.**
- a) If further information is required, a failure to provide this in a timely manner may delay the bid from validation and prioritisation.
 - b) Where information is not provided by deadlines set within this process, the likelihood that a bid is rejected will be increased.
78. The CIL Spending Panel 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.

79. Where applications are unsuccessful, an explanation will be provided in writing to the applicants.
80. Application supporting documents relating to invalid applications that have been rejected will not be retained.

Commented [AD8]: Should panel only allocated up to £50k and a separate process for Strategic Projects?

The decision by the CIL Spending Panel to reject an application will be final.

Terms of Reference: CIL Spending Panel

Commented [AD9]: For Local Projects up to £50k only?

81. Community Infrastructure Levy (CIL) Spending Panel are required to:
- To work with officers to review and approve applications for Local Infrastructure Funding, 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 CIL 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 the Strategic CIL for approval by Cabinet.
 - Act as a focal point for knowledge and information about the application of CIL to infrastructure projects.
 - Receive progress updates on the delivery of CIL 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 Borough.
 - To review and agree the Annual Infrastructure Funding Statement.

Commented [AD10]: Separate TORs for strategic funds?

Commented [AD11]: More a Policy Requirement - maybe part of Strategic Group?

Commented [AD12]: In my opinion a critical new requirement.

Commented [AD13]: Officers produce the IFS - no member involvement. Not produced as a Corporate Finance Document.

82. The Working Group will meet at least 3 times a year, subject to business.

83. Vice Chairman to be elected at the first meeting of the municipal year.
84. 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.
85. The CIL Spending Panel maintains a standing invite to relevant officers responsible for the delivery of infrastructure and other local authority or representatives and organisations will also be invited as and when appropriate.

Commented [AD14]: This has never happened.

DRAFT EXAMPLE