



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 616200

To: Councillors F Bone, A Bubb, M de Whalley, J Kirk, T Parish and D Whitby

Dear Member

CIL Governance Task Group

You are invited to attend a meeting of the above-mentioned Panel which will be held on **Wednesday, 4th December, 2019 at 2.00 pm** in the **Kempe Room - Town Hall, Saturday Market Place, King's Lynn PE30 5DQ** to discuss the business shown below.

Yours sincerely

Chief Executive

AGENDA

1. **Apologies for Absence**
2. **Members Present Pursuant to Standing Order 34**
3. **Notes from the Previous Meeting** (Pages 3 - 4)
4. **CIL Distribution and Spending**
- a) **Comments from Councillor Parish** (Pages 5 - 8)
5. **Schedule of Future Meetings**

To agree the Schedule of Future Meetings (suggested dates below):

Thursday 9th January at 2pm - CIL Distribution/Spending Option 2nd Meeting
Thursday 23rd January at 2pm - Detailed Processes for Distribution
Wednesday 5th February at 2pm - Selection Criteria
Thursday 20th February at 2pm - Administration and Accounting Processes

6. **Any Other Business**

7. **Date of the next meeting**

Thursday 9th January 2020 at 2pm (subject to the agreement of the schedule of future meetings).

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

CIL GOVERNANCE TASK GROUP

Minutes from the Meeting of the CIL Governance Task Group held on Tuesday, 19th November, 2019 at 4.00 pm in the Meeting Room 2-4 - Second Floor, King's Court, Chapel Street, King's Lynn

PRESENT: Councillors T Parish, F Bone, M de Whalley, J Kirk and D Whitby

OFFICERS: Alan Gomm, LDF Manager and Amanda Driver CIL Officer

PRESENT UNDER STANDING ORDER 34: Councillor Kemp

1 **APPOINTMENT OF CHAIR AND VICE CHAIR OF THE TASK GROUP**

RESOLVED: Councillor Parish was appointed Chair of the Task Group and Councillor Whitby was appointed Vice Chair of the Task Group.

2 **APOLOGIES FOR ABSENCE**

Councillor Bubb.

3 **MEMBERS PRESENT UNDER STANDING ORDER 34**

Councillor Kemp – all items.

4 **TERMS OF REFERENCE OF THE TASK GROUP**

The Task Group considered its Terms of Reference and received a presentation on CIL (as attached). The Task Group thanked officers for their presentation and providing a clear and informative presentation. Officers responded to questions from Members of the Task Group.

The Task Group also considered the information which had been provided by officers to assist in the preparation of a CIL Governance and spending mechanism (attached).

5 **WORK PLAN**

The Task Group considered the scope of work required as set out below:

- How will CIL be distributed and spent?)
- Who can apply for CIL?
- How will projects be selected?

- Should there be match funding?
- How will CIL spending be managed?
- What will happen if CIL is not spent correctly?

It was agreed that further meetings be arranged, with each meeting looking at one of the below topics:

- CIL Distribution/Spending Option (2 meetings)
- Detailed Processes for Distribution
- Selection Criteria
- Administration and Accounting Processes

AGREED: 1. The Democratic Services Officer to bring draft future meeting dates to the next meeting for consideration.
2. The LDF Manager to provide Members of the Task Group with forms which were used for vetting projects.
3. Members of the Task Group to email their thoughts and ideas on CIL Distribution and Spending Options to rebecca.parker@west-norfolk.gov.uk so that these could be co-ordinated and presented to the next meeting for discussion.

6 **ANY OTHER BUSINESS**

There was none.

7 **SCHEDULE OF MEETINGS**

It was anticipated that the Task Group would be required to meet five times before presenting their report to the Regeneration and Development Panel for consideration. The Democratic Services Officer to bring the a draft schedule meetings to the next Task Group meeting for consideration.

8 **DATE OF THE NEXT MEETING**

Wednesday 4th December 2019 at 2.00pm in the Kempe Room, Town Hall.

The meeting closed at 5.05 pm

Community Infrastructure Spending Levy

CIL Governance Task Group

First thoughts on CIL distribution /spending option Nov/Dec 2019, Cllr. Parish

Context

1. CIL monies are being collected as development proceeds. Either 15% or 25% of local CIL is paid direct to Parish Councils where development takes place. In excess of £800K currently remains centrally. This 'pot' will likely rise to an income of around £1M /pa as the current Local plan unfolds and infill construction continues at the present rate.
2. How this residual money is to be spent and distributed is the first question to be addressed by this Task Group. There are interested parties: Parish Councils; Borough Council; County Council; other parties providing infrastructure. I have already suggested that the views and ideas of these groups should be sought, informally, by Task Group members when opportunities present themselves.
3. The money must be spent on either improving or providing Infrastructure but the interpretation of 'infrastructure' is quite broad - Regulation 123 list.
4. CIL income will likely continue for at least 5 years and, perhaps, much longer than that. Monitoring of the spend is a legal requirement but I consider that there will also be a need to review the effectiveness of this Task Group's recommendations (should they be followed through) at the end of the first year. The pattern of spending may then change for the second year and so on. If our recommendations for 2019/2020 are effective it may still be sensible and better to change tack in 2020/2021 and subsequent years. This would enable monies to be focussed in different ways and support emerging infrastructure issues.
5. In consequence of (4) above and, to an extent (3), I suggest that CIL distribution and spending options for 2019/2020 should embrace a range of models so that it can be learnt how 'they work in the field' and how they are perceived by interested parties, including the public.

Distribution Models Draft One Parish (my opinions)

6. The principle of the scheme should be to mitigate the impact of development both where it occurs and, in those areas, both geographical and social, significantly affected by it.

7. Notwithstanding that Parish Councils experiencing development should be in receipt of allocated CIL monies, this should not stop them receiving more if the impact of development is severe. Nor should it be forgotten that much house building currently underway or in the pipeline was permitted prior to CIL (15/02/17) so Parishes, so affected, have not received it. More recently, some areas may be affected by self-build projects; these do not generate CIL either. And, lest I forget, King's Lynn does not receive CIL, though it does receive the bulk of re-generation funding.
8. I am not minded to look favourably on County requests. Given that a significant proportion of infrastructure problems are likely to be traffic related, due to Highways acquiescence to the requirements of developers; they should bail themselves out. As far as schools are concerned, County is statutorily required to ensure they meet the needs of pupils and will have to do so with or without CIL. They have another source of revenue called local taxation. (But see para 16).
9. I do believe that the CIL 'pot' should be apportioned between strategic level spending and smaller projects. I suggest, at this stage, a three-way split: **strategic projects; community projects; small projects**.
10. I suggest a 60 /20/20 split. 60% for **strategic projects**, all within the remit of BCKLWN or supporting activity the wider public will appreciate. 20% for **community projects** primarily brought forward by Parish Councils, or clusters of them, but with significant advice, guidance and control from BCKLWN. 20% for **small projects** both brought forward and managed by Parish Councils or other local organisations that provide infrastructure. This apportionment is a modified version of the recommendation of the Planning Officer Society which recommends an 80/20 split in favour of strategic projects – **community projects** may be strategic but are initiated locally.
11. I consider all **strategic** projects and **small** projects should be **part funded by** CIL with the balance **provided by the recipient**. The balance should be at least the same as the CIL allocation – match funding. This will not only at least double the money spent on such projects but also ensure commitment by the beneficiary of the CIL allocation which should also foster financial efficiency and probity. There may be unusual exceptions to this rule as it applies to a strategic project which may come forward from an organisation with little access to other funds. There may also be major projects to which CIL makes a less than 50% contribution because the recipient does more than match fund it.
12. **Community Projects** are intended to support infrastructure benefiting either a large Parish or a cluster of Parishes affected by nearby development. The money allocated to them will be significant relative to the budget constraints of Parish Councils. Consequently, councils will not be asked to match fund but, possibly, to contribute what they can budget for.

13. Assuming the CIL 'pot' stands at around £1M by the time any report by this group is acted upon, para 10 means that **Strategic Projects** will have **£600K**, **Community Projects** **£200K**, and **Small Projects** **£200K**. Para 11 means the money spent on strategic and on small projects will at least double whilst **Community Projects** may just be funded from CIL. (All figures ignore 5% admin top sliced from CIL).
14. Given the promises currently being made, prior to the General Election, by all political parties it could be assumed that no area of current public concern will require any funding from local sources in the near future. For example, hospitals and schools are going to have money heaped on them. In consequence, a £100K or so will not mean a lot. Larger projects, of any kind, will have to be very focussed to ensure that the CIL contribution is easily seen and capable of meeting the CIL Annual Infrastructure Funding Statement Requirements.
15. There are three **Strategic Project areas** I would like considered for allocation 2019/2020 (or 2020/2021 I suppose).

Education related to employment and met through college-based education, primarily post 18.

Transport linked to the Lynn Transport Plan.

Environment - green areas - linked to the emerging work on BCKLWN climate change policy but certainly not just focussed on Lynn.

Simplistically, 3 X £200K allocations. 2 in the control of BCKLWN, one in control of a third party but monitored by BCKLWN.

16. This leaves a nominal £200K for **community projects** primarily proposed by Parish Councils or **clusters of councils**, perhaps linked by Ward but, more likely, by proximity. CIL allocation for each project should be in the £10K to £50K range. How many projects are supported would depend on what came forward – maximum 20, minimum 4. Communities which might benefit from this level of local CIL support should primarily be identified through the Local Plan and encouraged to do so by BCKLWN but scope should be left for a Parish or cluster of Parishes to come forward under their own steam.

The scope of such projects could cover all of the CIL infrastructure criteria but, I would suggest, those covering, **Education**, **Health**, and **Economic Development** might be good foci.

Note that **Education** is included which is a **County** matter (see para 8). However, Community Projects are a local initiative so a group of Parishes could decide their local school might benefit from (up to) £50K but it will be their decision.

Whilst Parish Councils benefitting from these larger, local, projects should be encouraged to contribute financially to them, it is unlikely they will be match funded. In addition, if councils were required to provide significant funding, they would need to know prior to setting budgets which is likely impossible prior to the next financial year.

- 17.** A nominal £200K is left for *small, very local, projects*. Each one should be of the order of £1000 - £2000 and should be match funded. They should be open to organisations other than Parish Councils but recognised by BCKLWN. The scope of such projects should be broad but I suggest a focus on **Community Facilities; Green Infrastructure; Open space and leisure**, and **community transport** should be encouraged. Theoretically, there is scope for 200 small projects. Some might come forward in excess of £1000; some councils might apply for several projects; some councils might have difficulty match funding in the first year of the CIL schemes operation. If the £200K is not all taken up then the **surplus should be devolved to the Community Projects fund**.

All the above is for your delectation and delight. My name does appear a lot in it.

Cllr. Terry Parish 24/11/2019