

REPORT TO CABINET

Open/Exempt		Would any decisions proposed:		
Any especially affected Wards All	Mandatory/	Be entirely within Cabinet's powers to decide	YES/NO	
	Discretionary/	Need to be recommendations to Council	YES/NO	
	Operational	Is it a Key Decision	YES/NO	
Lead Member: Cllr J Moriarty E-mail: cllr.James.Moriarty@West-Norfolk.gov.uk		Other Cabinet Members consulted: All		
Lead Officer: Hannah Wood-Handy E-mail: hannah.wood-handy@west-norfolk.gov.uk Direct Dial:01553616734		Other Members consulted: CIL Spending Panel, Regeneration and Development Panel		
Other Officers consulted: Management Team				
Financial Implications YES/NO	Policy/Personnel Implications YES/NO	Statutory Implications YES/NO	Equal Impact Assessment YES/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/NO

Date of meeting: 05 December 2023

Community Infrastructure Levy (CIL) – Revised Governance and Spending arrangements 2024

Summary

The CIL Spending Panel Group, have proposed a scheme for allocating funds collected through the CIL and a final version of the proposed priorities are presented for the Cabinet to agree for 2024.

Recommendation

That Cabinet agree to adopt the arrangements in the CIL Governance and Spending document attached as Appendix 1.

Reason for Decision

1. To ensure the Borough Council meets its legal requirement to administer CIL funds in an appropriate way.
2. To ensure that the benefits of CIL are shared across the Borough to meet the infrastructure demands of a growing Borough.

1 Background

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. The Levy is paid to the Borough Council by developers after their planning permissions are implemented. It is 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. It is charged at a rate per square metre and varies according to land use. CIL is just one funding stream that can be used, in conjunction with others, to fund infrastructure projects. 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.

As a CIL Collecting Authority, the Council has an obligation to:

- Prepare and publish the CIL Charging Schedule
- Determine CIL spend, ensuring it is used to fund the provision, improvement, replacement, operation, or maintenance of infrastructure to support development of its area
- Report publicly on the amount of CIL revenue collected, spent, and retained each year.

The Borough Council as a CIL Collecting Authority is required, to identify the types of infrastructure it wishes to fund in whole or in part by CIL monies. These are outlined in the Council's Annual List of Infrastructure Projects (Infrastructure Funding List). CIL money collected can only be allocated to and spent on these types of infrastructure.

When the Borough Council Cabinet agreed to adopt the CIL Governance arrangements, the CIL Spending Panel was set up. The CIL Spending Panel provides an elected Member oversight of the Community Infrastructure Levy spending on infrastructure across the Borough, having reference to the adopted 'CIL Spending and Governance' Policy Document. It also considers and agrees certain types of projects and recommends action on others.

Following a review of the current Governance Document, against CIL Funding Applications received to date, the Spending Panel have revised the funding criteria, to enable the most effective use of available funds, linked to current Corporate Objectives. This work has now concluded, and a final draft of the proposed scheme is presented at Appendix 1.

It is recommended by the CIL Spending Panel, for adoption by the Cabinet.

2 The proposed funding criteria

The criteria have four main elements:

- The definition of what could be eligible for funding
- Creation of one list, which includes more comprehensive descriptions of projects, that may be considered.
- Amendment to the decision-making process, to enable the Council's Management Team to view project applications and advise the Spending Panel of any links to Corporate Projects or funding.

- Raise the amount of funding the Spending Panel may allocate without Cabinet approval from £30k to £50k - the original amount agreed when the CIL Governance framework was adopted by the Regeneration & Development Panel and Cabinet in August 2020.

Taking each in turn. (All the following elements are explained in greater detail in the document at Appendix 1).

3 Definition of what could be eligible for funding:

These projects will be selected by the Borough Council, with more weight given to projects with the greatest amount of match funding and community backing, to support new residential development in the Borough.

The Borough Council will make the allocations for spending on infrastructure, in accordance with the Council's adopted CIL Infrastructure Funding List.

The Infrastructure Funding List will be reviewed annually and updated to reflect the changing needs within the Borough. (This annual review mechanism applies to all the project categories, as outlined below).

4 The proposed list of Infrastructure Projects eligible for funding in 2024 are:

Green Infrastructure Projects

- Projects relating to public open spaces such as new or improved footpaths and cycleways to support new development
- Installation & improvement of public play areas and equipment
- Open spaces used for education, to support environmental initiatives.
- Improvement of habitats for wildlife and nature, to alleviate the effects of new development.
- Environmental services such as flood defence or absorption of air pollution.

Leisure Time Activities Infrastructure -

- Infrastructure projects, to support accessible leisure time activities such as new facilities, improvement of existing facilities or upgrade of facilities to enable an increase of usage, to support new development of an area

These Projects are in line with the Borough Council's Corporate Business Plan and meet Corporate Priorities and Objectives:

- **Promote growth and prosperity to benefit West Norfolk** - Encourage housing development and infrastructure that meets local need and promote West Norfolk as a destination.

- **Protect our environment** - To create a cleaner, greener, and better protected West Norfolk by considering environmental issues.

5 Amendment to the decision-making process

To enable Management Team to view projects giving a Corporate overview, and advise the Spending Panel of any additional funding streams available to support project applications. This will allow the panel to make informed decisions on the allocation of funding, taking into consideration the Councils strategic priorities and other available funds.

6 Raise the amount of funding the Spending Panel may allocate

To allow the Spending Panel to allocate funding up to £50k, in line with the original framework adopted by Cabinet in 2020. This will reduce the impact on Cabinet, by reducing the project applications that will need to be considered by Cabinet and reduce the timescale for applicants relating to the smaller scale projects up to £50k. The Cabinet will only be required to consider projects, which the Spending Panel have recommended allocation of funding over £50k.

7 All Projects:

- must commence within 1 year of being allocated CIL,
- and must be completed within 5 years.
- CIL will be paid on completion of the project.

8 Application processes

The 'CIL Governance and Spending 2024' policy document is at Appendix 1 to this Report. The proposed Annual Infrastructure Funding List 2024, the statutory document providing details of the projects to which CIL funding will be applied, is at Appendix 2.

9 Options

There is a legal duty to spend CIL in accordance with Regulations, but the priorities can be determined to suit local circumstances within the overall framework.

The CIL Spending Panel have debated and reported options to the Regeneration and Development Panel previously.

The options around the following items have been considered:

- The creation of a list of project criteria, that could be supported, taking into consideration previous application submissions and the current Corporate Objectives.
- More detailed descriptions relating to the criteria of projects that could be supported, to provide more clarity for applications, and to support the decision-making process.
- The democratic accountability for spending is agreed

10 Policy implications

CIL legislation gives significant scope for individual councils to direct CIL spending to reflect the local situation, as long as it conforms to general principles set out regarding 'infrastructure'.

Proposals for assessing bids in the current period are aligned to the Borough Council Corporate objectives.

In supporting extra growth across the Borough, consideration should be given to those locations experiencing the most obvious pressures.

The assessment criteria refer to this.

11 Financial implications

None specifically. CIL is collected and administered by Borough Council as the CIL Collecting Authority. The costs of administration are met from receipts. The available funds can be spent on the schemes / types of projects suggested.

12 Personnel implications

The creation of one funding list, will reduce the burden on officers when scoring and presenting the projects to the Panel..

13 Statutory implications

Our spending and governance need to conform to the relevant Regulations.

14 Equality impact assessment implications

None.

15 Risk Management implications

Monitoring of spending and more particularly delivery is important to ensure money is directed to improved infrastructure in the Borough.

16 Corporate priorities

The proposals in the document are firmly referenced back to the Corporate priorities.

17 Conclusion

A scheme for the spending of CIL receipts, according to the relevant Regulations is proposed.

The CIL Spending Panel and Regeneration and Development Panel have considered the various aspects and recommends the attached proposal (Appendix 1).

18 Background papers

- Borough Council CIL Spending Panel agendas outline the development of the proposals.

CIL Spending and Governance Document 2024

CIL Infrastructure Funding List 2024

Pre-Screening Equality Impact Assessment

Borough Council of
**King's Lynn &
West Norfolk**



Name of policy/service/function	CIL Governance and Spending				
Is this a new or existing policy/ service/function?	New / Existing (delete as appropriate)				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>	<p>Amendment to regulations on processes to spend CIL</p> <p>The CIL service is constrained by Regulations. The Governance Document 2023, is in line with current CIL Regulatory requirements.</p>				
Question	Answer				
<p>5. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			x	
	Disability			x	
	Gender			x	
	Gender Re-assignment			x	
	Marriage/civil partnership			x	
	Pregnancy & maternity			x	
	Race			x	
	Religion or belief			x	
	Sexual orientation			x	
Other (e.g. low income)			x		

Question	Answer	Comments
<p>2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?</p>	Yes / No	
<p>3. Could this policy/service be perceived as impacting on communities differently?</p>	Yes / No	
<p>4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?</p>	Yes / No	
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions?</p> <p>If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	Yes / No	<p>Actions: N/A</p>
		<p>Actions agreed by EWG member:</p>
<p>If 'yes' to questions 2 – 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary:</p> <p>Decision agreed by EWG member:</p>		
<p>Assessment completed by:</p> <p>Name</p>	<p>Hannah Wood-Handy</p>	
<p>Job title</p>	<p>Planning Control Manager</p>	
<p>Date</p>		