

ALLOCATION OF COMMUNITY INFRASTRUCTURE LEVY (CIL) TO LOCAL INFRASTRUCTURE PROJECTS

1. RECOMMENDATION

1.1 It is recommended that Cabinet:

- Approve a supplementary budget of £81,100, and subsequently approve the list of projects at Appendix 1 of this report totalling £1,081.104.84; and
- Authorises the Portfolio Holder for Planning and Economy, in conjunction with the Chair of the Executive Advisory Task and Finish Group, to make such amendments as they deem appropriate to the approved project lists within 10% of the total budget. Any such amendments will be reported to Cabinet via the financial monitoring reports.

2. INTRODUCTION

2.1 This report seeks approval for the funding of a programme of **local** infrastructure projects for the financial year 2024/25, in accordance with the Community Infrastructure Levy (CIL) Expenditure Framework as approved by the Council in October 2023.

3. BACKGROUND

- 3.1 New development needs to be supported by physical, social and green infrastructure. Developer contributions are collected to make new developments acceptable in planning terms, providing mitigation that serves to minimise the impacts on the local community and infrastructure.
- 3.2 The Community Infrastructure Levy (CIL) provides funding to help deliver this infrastructure and has been collected by this Council since 2015
- 3.3 In October 2023, Cabinet followed by a meeting of full Council approved a CIL Expenditure Framework (hereafter ‘the Expenditure Framework’). This identified that CIL monies would in future be apportioned into three funds: recreational habitat mitigation, strategic infrastructure and local infrastructure.
- 3.4 At the same meeting of Cabinet, it was agreed to allocate £1 million of CIL funds towards local infrastructure projects, to be funded in the 2024/25 financial year. Bids have subsequently been submitted from across the New Forest area, with the bidding window closing on 8 December 2023. The Council received 61 bids for amounts ranging from £1,000 to £611,000, and the total value of all bids received was in excess of £4m.

4. ANALYSING BIDS RECEIVED

4.1 The format of reviewing the bids took two forms, a desktop review by officers followed by a Task and Finish Group meeting with cross party elected members.

Officer review

4.2 The 61 bids were reviewed by officers, using the three-stage process as set out in the Expenditure Framework

- Validation – to make sure that the basic eligibility criteria has been met.
- Initial Screening – including considering whether alternative funding is available and checking information provided (see paragraph 4.5 of Expenditure Framework)
- Prioritisation – appraising the bids against the criteria as set out in paragraph 4.6 of the Expenditure Framework

4.3 The purpose of this three-stage process was to ensure that all submitted bids included the key information required, met the basic criteria and were therefore eligible for consideration for CIL funding. The criteria for each stage is set out in Appendix 2.

4.4 The summary of bids at the validation stage was as follows:

Process Stage	Bids Received	£ sought from CIL
Total bids received for CIL funding by 8 Dec 2023	61	£4,433,742.97
Bids deferred and not taken forward to screening	14	£674,864.00
Validated bids – taken forward to screening stage	47	£3,768,878.97

4.5 The list of all projects submitted, and passed validation, were published on the Council's [website](#) and relevant ward councillors informed.

4.6 The primary reasons for the 14 bids not being taken forward to screening were due to either a lack of a clear delivery timeframe for the project or information how the project related to the priorities in the New Forest Local Plan Part 1: Planning Strategy (namely supporting housing growth by additional infrastructure and supporting sustainable development).

4.7 At the screening stage, 6 bids seeking £1.4m of funding was not taken forward for validation. One bid withdrew from the bid process as it found alternative funding due to a need implement in late 2023 and the other 5 were removed for reasons including:

- Proposed inclusion in the projects to be delivered as part of the Council's [Recreational Mitigation Programme](#)
- Largely delivered through the United Kingdom Shared Prosperity Funding (UKSPF)
- Further discussions required on the best funding course for the scheme e.g. S106, recreational habitat mitigation or strategic CIL funding.

4.8 For the prioritisation stage, the remaining 41 projects were scored out of 10 in each category as set out in the Expenditure Framework, where a score of 0 does not in any way meet the requirement and 10 was scored as fully meeting. The exception to this

was the first criteria in relation to the Local Plan which was scored out of 20 in recognition of the particular importance of this strategy to the Council. The maximum score available was 180.

- 4.9 If the project was within the New Forest National Park then the views of officers of the National Park Authority were sought and taken into account by officers when scoring.

Member Task and Finish Group

- 4.10 Following this a cross-party Task and Finish group, chaired by Cllr Keith Craze, was held in February 2024. The terms of reference were agreed with Members, who were also provided with all necessary information on the bids including:

- The project summary
- Location
- Total cost of project and CIL requested
- Officer scoring of bids against prioritisation criteria
- Officer recommendation

- 4.11 Following the conclusion of the Task and Finish group sessions, the 26 top scoring projects were identified to be taken forward for inclusion in the 2024/25 capital programme with an anticipated allocation of £1,081,104.84. In combination with the match funding identified in the bids, this will enable delivery of projects totalling £5,288,610.34.

- 4.12 Whilst the geographical location of the projects were not directly taken in to account for scoring purposes, the resulting projects do provide a good mix of projects across the New Forest. However officers and the Task and Finish group are aware that there are no direct proposals for local CIL funded infrastructure projects in Lymington included in this 2024/25 list.

- 4.13 Only 4 projects were submitted for projects in Lymington. Whilst not included in the 2024/25 programme, officers will be working with those bidders to either secure funding from other sources and/or firm up a project programme ready for a further round of funding. Like many areas across the New Forest, officers are also working with colleagues at Hampshire County Council to develop sustainable transportation projects in Lymington utilising developer contribution monies, as well as continuing to implement recreational mitigation projects within the area.

5. NEXT STEPS

- 5.1 Subject to this paper being signed off, all parties who bid for monies will be notified in writing immediately after the decision. Those whose bid was not successful on this occasion (15 in total) will be offered a chance to speak to officers to discuss and explore whether the reasons for not proceeding at this time can be addressed.
- 5.2 Successful bidders will be asked to sign a grant award letter and officers will work with them to agree the programme for delivery and to agree future communication protocols and publicity for the project
- 5.3 Monies will only be released to the successful bidders on submission of paid invoices and satisfactory completion of works, unless other arrangements are specifically agreed with the Council beforehand.

6. RISKS

6.1 There are a number of risks in relation to the spending of CIL. The risks identified closely align with Strategic Risk No.1 – Supporting Communities of the Strategic Risk Register 2020-2024.

6.2 The key risks are set out below:

Risk Description	Likelihood	Impact	Risk	Mitigation Measures
Failure to allocate expenditure such that if we do not secure investment in infrastructure (schools, health, broadband, transport etc.), then development is stifled and/or unsustainable.	Unlikely (2)	Major (3)	Medium (6)	Adopted Community Infrastructure Levy (CIL) in 2014 to secure investment on infrastructure via planning process (e.g. S106). Production of Infrastructure Delivery Plan as part of the Local Planning processes, with an associated Infrastructure Delivery Strategy ensures that infrastructure across the Council is addressed.
Cabinet decision called in	Moderate (3)	Moderate (3)	Medium (9)	Officers have carried out a robust assessment in accordance with the adopted Expenditure Framework and the scores can be justified. If amendments are required to the proposed list, scores can be scrutinised and amended.
Failure to produce a Regulation 121A report (Infrastructure Funding Statement) would result in non-compliance with the CIL Regulations 2010 (as amended) and may mean that Members and the public are not aware of CIL income and expenditure activities.	Highly Unlikely (1)	Moderate (2)	Low (2)	The Implementation and Monitoring Team Leader produces the required report which is checked and verified by Senior Management. Reminders are set to ensure the report is published by the statutory date. The format of the Regulation IFS is laid out in the CIL Regulations, so there is no risk in relation to the way the information is presented

Failure to monitor expenditure such that CIL expenditure is not effective.	Unlikely (2)	Major (3)	Medium (6)	The software which supports CIL collection will be used to support CIL expenditure. In addition, the Council's Capital Change Board (CCB) will receive details of all allocated and proposed CIL expenditure and this together with the software will be used for effective monitoring.
Grant of CIL is not permitted under the Subsidy Control Act 2023	Unlikely (2)	Low (1)	Low (2)	Officers will continue to work with colleagues in the Council's legal services to ensure that all subsidies are in accordance with the Act to ensure that no unfair advantage has been given to a business.
Projects allocated do not proceed	Unlikely (2)	Low (1)	Low (2)	CIL funds will only be passed to successful bidders on receipt of a valid receipt of spend and notification of satisfactory completion. The recommendation to Cabinet allows for decisions to be made subsequently to reallocate monies during the year.

7. FINANCIAL IMPLICATIONS

- 7.1 CIL is collected and allocated in accordance with the CIL Regulations 2010 (as amended). The monies proposed to be allocated are all held by the Council and therefore there will be no direct cost to the Council.
- 7.2 The October 2023 Cabinet decision authorised the release of £1m for Local Infrastructure to be signed off by the Portfolio Holder for Planning and Economy. The proposed allocation is slightly over the £1m permitted by Cabinet but all projects are considered to merit funding for the 2024/25 financial year. To provide the necessary financial authorisation for these projects, further Cabinet approval is now required.
- 7.3 At the time of bids for local infrastructure being submitted, a similar round of funding bids were sought and approved under the Community Grants programme. Some bids submitted through this CIL process also sought funds under through the Community Grants programme. The Task and Finish Group were made aware of these instances during the meetings. Any proposed award under CIL funds has taken account of any

other grants awarded. For future rounds of funding, the Council may consider whether to allow bids from separate funding sources within the Council.

- 7.4 Whenever the Council provides a subsidy, regardless of the form it takes (e.g. grant funds including CIL, loans, land at an undervalue etc) to another organisation, it needs to ensure such subsidies are permitted under the Subsidy Control Act 2022. The council's Legal Services have reviewed the proposed awards and confirmed they do not require further action from the council in respect of the subsidy control regime and it will not be in breach should the decision to award the grants be made.

8. CRIME & DISORDER IMPLICATIONS, EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 None

9. ENVIRONMENTAL IMPLICATIONS

- 9.1 The projects proposed will deliver environmental benefits as well as health and well-being and climate change benefits through enabling greater use of existing open space, the creation of new of sustainable walking routes, enhanced cultural facilities and facilitating sustainable travel for young people.

10. DATA PROTECTION IMPLICATIONS

- 10.1 None

11. PORTFOLIO HOLDER COMMENTS

- 11.1 I am delighted to see a wide variety of important projects being funded across the New Forest, which will be of great benefit to the community. I would like to thank the members of the Task and Finish Group for taking such care in identifying the final projects to go forward from the original 64 bids received.

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Background Papers:

- [CIL Expenditure Framework](#)
- [Communications Strategy](#)
- [CIL guide for Town and Parishes](#)

Appendix 1 – Officer proposed schemes for CIL allocation following Task and Finish Group

Reference	Location	Applicant	Scheme	Proposed CIL allocation
23/FORD/003	Fordingbridge	Hampshire County Council	Avon Valley Path - IFordingbridge 84 Footpath Improvements	£22,100.00
23/DIBD/001	Dibden, Purlieu	Noadswood School	Cycle shelter	£22,180.00
23/DIBD/002	Orchard Infant School, Dibden Purlieu	Orchant Infant School	Provision of secure bike and scooter parking	£5,900.00
23/RING/001	Poulner Junior School	Poulner Junior School	Improving bike and scooter storage and accessibility	£3,000.00
23/BOLD/001	Boldre Recreation Ground	Boldre Parish Council	Play Area: Phase 2	£10,046.00
23/SWAY/002	Jubilee Fields, Sway	Sway Parish Council	Sway Play Area Upgrade	£20,000.00
23/MARC/001	Marchwood C of E Infant School grounds	Marchwood C of E Infant School	Grounds development project	£13,432.80
23/HALE/001	Various locations in Hale	Hale Parish Council	Speed limit reminders	£2,400.00
23/HYTH/002	Various locations in Hythe Parish	Hythe & Dibben Parish Council	Speed Indicator device	£6,290.00
23/MART/001	Entrances to village at south and north end	Martin Parish Council	Traffic Calming in Martin	£2,275.00
23/SOPL/002	Various	Sopley Parish Council	Speed Indicator Device mounting poles	£2,385.00
23/MILT/001	New Milton	New Milton Town Council	Ballard Lake Enhancements	£20,000.00
23/FORD/002	Fordingbridge	Fordingbridge Parish council	Fordingbridge recreation ground circular pathway	£30,000.00
23/FORD/007	Flaxfields End Play Park , Fordingbridge,	Avon Valley Shed	Avon Valley Shed Community Building	£32,345.04
23/FAWL/001	Gang Warily, Fawley	Fawley Parish Council	New Allotments	£28,346.00

Reference	Location	Applicant	Scheme	Proposed CIL allocation
23/FORD/009	Green in the centre of Woodgreen.	Woodgreen Parish Council	Bus shelter refurbishment	£8,000.00
23/LYND/001	Coles Mead Recreation	Lyndhurst Parish Council	Play equipment, fencing and compost toilet	£25,000.00
23/ASHU/001	Ashurst	NHS Hampshire and Isle of Wight ICB	Ashurst Child and Family Centre	£175,000.00
23/HORD/001	Hordle Explorers Nursery, Hordle CE (VA) Primary School, Hordle Lane, Hordle,	Hordle Explorers Nursery	NEST Nursery Outdoor Learning Environment	£27,500.00
23/TOTT/009	Testwood School	Testwood School	FIFA compliant artificial grass pitch	£100,000.00
23/FAWL/002	Recreation Centre, Fawley	Fawley Parish Council	Changing Places Gang Warily	£63,655.00
23/FORD/006	Burgate, nr Fordingbridge	Hampshire County Council	Breamore disused rail line: Phase 1	£125,000.00
23/COPY/002	Whitemoor Lane, SO51 6AJ	Paultons Cricket Club	Pavillion rebuild & net refurbishment	£80,000.00
23/FORD/004	Mill End, Damerham, Fordingbridge SP6 3HU	Western Downland CE VA Primary School	Community Garden	£14,000.00
23/EXBU/001	Lepe Country Park, Exbury, Southampton SO45 1AD	Hampshire County Council	Recreational Play Enhancement	£100,000.00
23/CHRI/001	CODA, Walkford	CODA	Enhanced Cultural Facility	£142,250.00

Total	£1,081,104.84
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Appendix 2 – Scoring Criteria

Validation Criteria

Each bid has been given its own unique reference in the form of 23/TOWN/000 (where the town is a four letter abbreviation of the town or parish).

In order for a project to be considered for CIL funding, the following eligibility criteria needed to be met:

- the application form has been completed satisfactorily.
- all supporting documentation, identified in the application form, has been provided;
- the organisation has the legal right to carry out the proposed project;
- the project is clearly defined as 'Infrastructure' as per the CIL Regulations;
- the project is listed in the Council's Infrastructure Delivery Plan / Infrastructure Funding Statement or is for infrastructure that supports growth of the area; and
- support of the relevant town / parish council has been obtained and, if it is a transport related project, also from Hampshire County Council.

Initial officer screening

Once the application forms requesting CIL funding had been validated, initial officer assessment of the projects took place.

The bids were reviewed at high level to ensure that they met the initial screening criteria set out in the Expenditure Framework, namely:

The screening process was as follows: -

- Could this infrastructure bid be provided in a reasonable timescale using other internal and external funding streams? This could be through the Council submitting bids to external fund, or supporting other such bids. (e.g. LEP Government funding or other external funders) Alternatively are there other internal fundings sources (e.g. s106 or Community Grants?) – if so, can it be delivered using this without complete or any reliance on CIL funds;
- Any incomplete bids are considered, and effort made to get the bid fully complete and capable of then being assessed against the priority criteria;
- Where appropriate, information are checked or sought to verify the information within the bid; and
- Where potential CIL infrastructure needs have been identified in relation to major development sites/projects, these are given consideration in future programmes.

Before any scoring took place, an assessment was made of the extent to which town and parish council's own CIL monies were committed.. If town and parish councils had unspent/unallocated CIL then the bid was not considered further by officers.

Priority Assessment

For the second stage of the assessment, the projects were assessed against the following criteria, as set out in the Expenditure Framework:

- Does it positively score against provisions /objectives of the Local Plan 2016-2036 Part 1: Planning Strategy and the Infrastructure Delivery Plan?
- Does it represent key infrastructure (essential)?
- Does it offer value for money ?
- Are there Clear community benefits?
- Is there community support?
- Is it deliverable?
- Is it affordable?
- Can it be delivered in good time?
- Supports housing and employment growth.
- Positively supports climate change activities.
- Have a package of measures been proposed and submitted which allow for ongoing maintenance of the infrastructure such that its longevity can be assured.
- Does the provision of this infrastructure address a current inadequacy in infrastructure terms?
- Will the infrastructure be capable of being used by the wider community?
- How does the proposal affect green infrastructure principles?
- How does the project address green/sustainability principles/infrastructure?
- Is the project reportable under The Subsidy Control Act 2023 (an act which updated the State Aid requirements)
- How does the project affect security and safety in the community?

Projects were scored out of 10 in each category, where a score of 0 is does not in any way meet the requirement and 10 is scored as fully meeting. **The exception to this is the first criteria in relation to the Local Plan which will be scored out of 20.**

If a project is within the National Park then the views of officers of the National Park Authority have been sought and taken into account by New Forest District Council officers when scoring.