

**COMMUNITY INFRASTRUCTURE LEVY STEERING GROUP**

8 February 2021

Minutes of the Community Infrastructure Levy Steering Group meeting held at the Remote Meeting on Monday 8 February 2021 at 2:00pm.

Committee Members present: Councillors J. Vine-Hall (Chairman), C.A. Bayliss, K.P. Dixon, D.B. Oliver and S.M. Prochak (MBE).

Other Members present: Councillors G.S. Browne (in part), T.J.C. Byrne (in part), P.C. Courtel, B.J. Drayson, P.J. Gray, K.M. Harmer, L.M. Langlands (in part), C.A. Madeley, A.S. Mier and H.L. Timpe.

Advisory Officers in attendance: Head of Strategy and Planning, Planning Policy Manager, Principal CIL Officer and Democratic Services Officer.

Also Present: 12 members of the public, via the YouTube live broadcast.

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CIL20/17     **APOLOGIES FOR ABSENCE**

(1)

There were no apologies for absence.

CIL20/18     **DECLARATIONS OF INTEREST**

(2)

There were no declarations of interest.

CIL20/19     **MINUTES OF THE LAST MEETING - 5 OCTOBER 2020 - MATTERS ARISING**

(3)

It was clarified there were no further matters arising.

In agreement with the Community Infrastructure Levy Steering Group, the Chairman re-ordered the Agenda to consider Agenda Item 5 next.

CIL20/20     **COMMUNITY GRANTS AWARDED IN THE PAST TWO YEARS**

(5)

At the last meeting, the Community Infrastructure Levy Steering Group (CILSG) considered the differences between the Strategic Community Infrastructure Levy (CIL) and Community Grants Scheme (CGS) criteria. As a result, Members requested that officers carried out a comparison exercise on how many projects in the past two years had been awarded funding from the CGS which might have also met the criteria for funding from Strategic CIL.

The Council's CGS supported the development of community facilities, community activities and sustainable local action and applications were welcomed from voluntary or community organisations with an annual

budget of £130,000 (funded from Earmarked Reserves). The CGS was split into three levels of funding, from small grants under £500 up to a maximum grant of £30,000. A scoring template was used to ensure that all applications were fairly assessed, with the CGS Grants Panel recommending to Cabinet which projects should be supported.

Appendix 1 to the report detailed the community grants awarded from 1 April 2018 to 31 March 2020. It was noted that potentially six projects might have been suitable for Strategic CIL funding (one was below the current CIL threshold of £100,000); and seven projects might have been suitable for Local CIL funding (subject to consideration by the respective parish/town council).

Analysis of CGS projects which might have qualified for Strategic CIL identified that projects with a total value of above £30,000 totalled £506,115 and projects with a total value under £30,000 totalled £164,957.

Strategic CIL that was retained by the Council could be used to fund a wide range of infrastructure such as transport, flood defences, schools, hospitals and other health and social care facilities, but not affordable housing as set out in the relevant regulations. The Council must spend CIL on infrastructure needed to support the development of the district which would be informed by the Infrastructure Delivery Plan.

Where all or part of a chargeable development was within the area of a parish or town council, the Council would need to pass on a proportion of the CIL receipts, this was known as Local CIL. CIL receipts must be used to support the development of the Parish or Town Council's area by funding the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that was concerned with addressing the demands that development placed on the area. Provided that it met requirements, Local CIL could be spent on a wider range of projects than that of Strategic CIL e.g. affordable housing or environmental improvements etc. Similar projects would fall within the scope of the CGS.

During the debate the following key issues were noted:

- Members were reminded that £130,000 from Earmarked Reserves was not sustainable. Important to source other funding opportunities to ensure that this level of funding was retained in the future.
- It was considered important to retain the CGS, as it not only supported larger projects but also supported smaller community non-strategic projects e.g. local scout and guide groups etc.
- All organisations would be required to match-fund CGS grants.
- As part of the criteria / process, it was requested that training be arranged for councillors, parish and town councils on CIL and the Council's CGS, as well as application processes. The Chairman confirmed that this would form part of the new decision and governance arrangements for CIL.

**RESOLVED:** That the report be noted.

**STRATEGIC COMMUNITY INFRASTRUCTURE LEVY (CIL) - PROPOSAL FOR APPORTIONMENT OF FUNDS AND MEMBERSHIP OF THE STRATEGIC CIL ALLOCATIONS PANEL**

(4)

At the last meeting, the Chairman of the Community Infrastructure Levy Steering Group (CILSG) proposed several changes to the current governance arrangements and Funding Decision Protocol for the allocation of funds from Strategic Community Infrastructure Levy (CIL). Officers were tasked with considering the Chairman's proposals and the report detailed the response. It was also suggested that the Membership of the CIL Officer Group include Members.

Strategic CIL retained by the Council could be used to fund a wide range of infrastructure such as transport, flood defences, schools, hospitals and other health and social care facilities, but not affordable housing. The Council must spend CIL on infrastructure needed to support the development of the district which would be informed by the Infrastructure Delivery Plan (IDP).

Appendix 1 to the report illustrated the new proposal for the sub-division of the Strategic CIL funds into three specific allocation areas, as follows:

- **Special Projects Fund (SPF):** To apportion 55% of the Strategic CIL to fund projects across the district (those areas outside the parish of Bexhill) where the Council considered an infrastructure improvement or project. Applications must demonstrate how their infrastructure proposal met the Council's Local and Corporate Plan objectives and be identified as critical infrastructure within the IDP.
- **Distribution Fund (DF):** To apportion 40% of the Strategic CIL to fund projects across the district (anywhere outside of the parish of Bexhill) and the amount requested be match-funded and only used in parishes or towns where housing was allocated. In addition, projects that could demonstrate wider infrastructure impact could receive between 75% and 100% of funding. Applicants must demonstrate a prioritised infrastructure plan and allocated funding would not be greater than the total Strategic CIL generated by the parish or town.
- **Climate Change Fund:** To apportion 5% of Strategic CIL in support of the Council's commitment to be a carbon neutral district by 2030 and fund climate change projects across Rother.

Over an agreed period, monies not allocated from the DF would be transferred to a Residual Fund. To be apportioned for use in areas where large Community Land Trusts, exceptions sites or affordable housing schemes had been developed and were exempt from CIL. This fund could also be made available to applications that were eligible for Community Grant Scheme (CGS) funding or considered within the Strategic CIL infrastructure definition and could not be funded through Local CIL or other funding sources.

It was proposed that both the SPF and DFs were only used against agreed priority infrastructure projects as per the Infrastructure List (IL) and that firm funding commitments were only made against actual

funds received by the Council. The minimum allocation would be £30,000. It was also noted that the Council would not have to take out loans to fund CIL projects against reserves.

The IL was a statement of the infrastructure projects or types of infrastructure that the Council intended would, might, wholly or partly be funded by CIL. This was a requirement of the Infrastructure Funding Statement that was reviewed annually and published in December each year. The up-to-date list of infrastructure requirements to support development identified through the Local Plan was identified in the IDP. Much of the infrastructure would be within the district boundary however other elements might cross boundaries e.g. High-Speed Rail etc. The IDP detailed the framework for infrastructure needed to support the development targets in the Council's Local Plan and those infrastructure improvements that were required to resolve existing deficiencies and promote sustainable communities.

It was proposed that parish and town councils (where housing was allocated) and other infrastructure providers be asked to provide a list of infrastructure projects needed to support development through the new Local Plan; discussion would commence later in 2021. The list should identify whether any identified infrastructure proposed would have a local or wider impact in Rother.

The CILSG had the opportunity to ask questions and the following salient points were clarified / noted:

- Strategic CIL retained by the Council could be used to fund a wide range of jointly funded infrastructure projects with outside organisations. The Council would be liaising with many infrastructure providers to ascertain critical infrastructure requirements e.g. East Sussex County Council etc.
- Strategic CIL contributions might need to be made to large infrastructure projects.
- Primary school project on the NE Bexhill development would be delivered from Section 106 funding (on-site infrastructure).
- SPF could support Rother assets where any projects met the Strategic CIL definitions, an example put forward was the Landgate, Rye; it was noted that all applications would be considered by Strategic CIL Allocations Panel.
- IL comprised of key development projects (scored high to low priority); judgement on importance of projects.
- Strategic / Local CIL would not cover the costs of all infrastructure requirements.
- Local CIL allocation must be spent within five years otherwise the District Council could request that the funding be returned. It was understood that the same restrictions did not apply for Strategic CIL; clarity would be sought, and Members advised.
- The District Council would be liaising with parish and town councils later this year to ascertain their infrastructure priority requirements.
- Once the new CIL governance arrangements were finalised and formally approved, CIL Workshops would be arranged and hosted by the District Council (including other infrastructure providers) to

advise parish and town councils how they should spend and account for CIL receipts.

- To improve knowledge and transparency, it was suggested that parish and town councils be provided with 'best practice guidance' on CIL arrangements etc., in due course.
- Unspent / unallocated parish and town council CIL monies could be spent on CGS projects where they met the definition of Strategic CIL.
- Proposed to lower the CIL funding threshold to £30,000. However, CILSG was advised that not all CGS applications would meet CIL criteria. There was some merit in reducing the funding threshold further, however it was thought these projects might not be considered Strategic CIL or meet the definition of infrastructure. Resource implications within the Planning Department would also need to be considered.
- Suggest allocating some CIL money to the CGS to cover applications that qualify. Important to retain CGS and reduce the Council's reliance on drawing monies from reserves.
- Strategic CIL retained by the District Council could be passed to parish and town councils, however spend would be subject to restrictions of Strategic CIL.
- Important to incorporate allocation (percentage split) flexibility within the new arrangements.

After consideration, the CILSG was supportive of the new Strategic CIL funding apportionment arrangements and requested that officers prepared the necessary documents to be considered at the next meeting for onward recommendation to Cabinet and full Council. It was also recommended that the composition of the renamed proposed Strategic CIL Allocations Panel include the Cabinet Portfolio Holders for Strategic Planning, Finance and Performance Management, Economic Development and Regeneration, Chairman of Overview and Scrutiny Committee and Chairman of the Council, and supported by the Head of Strategy and Planning, Planning Policy Manager, Assistant Director Resources, Principal CIL Officer and Environment and Policy Manager.

**RESOLVED:** That:

- 1) the Strategic Community Infrastructure Levy Funding Apportionment Proposals, as set out and attached at Appendix 1 to the report be approved and presented at the next scheduled meeting of the Community Infrastructure Levy Steering Group for onward recommendation to Cabinet and full Council; and
- 2) the composition of the proposed Strategic CIL Allocations Panel include Cabinet Portfolio Holders for Strategic Planning, Finance and Performance Management, Economic Development and Regeneration, Chairman of Overview and Scrutiny Committee and Chairman of the Council, and supported by the Head of Strategy and Planning, Planning Policy Manager, Assistant Director Resources, Principal CIL Officer and Environment and Policy Manager.

CIL20/22 **ANY OTHER BUSINESS**  
(6)

There were no any other business items proposed.

CIL20/23 **DATE OF NEXT MEETING - TO BE AGREED**  
(7)

It was agreed that the next meeting of the Community Infrastructure Levy Steering Group be held in June 2021, date to be confirmed.

**CHAIRMAN**

The meeting closed at 2:46pm.