RDC CIL – Background Information

Links to background documents

RDC CIL Webpage:


CIL regulations:


Planning Practice Guidance – CIL:

- https://www.gov.uk/guidance/community-infrastructure-levy

Planning Practice Guidance - CIL Covid-19 update:


Consultant’s reports supporting formal CIL Examination:


CIL Examination - Examiner’s report:


Infrastructure Delivery Plan (IDP) March 2019:


Documents attached:

- Cabinet report adopting CIL – 7 December 2015
- Cabinet report re Funding Decision Protocol, Bid Pro-Forma, Assessment Criteria, Bid Validation Checklist – 3 December 2018
- Cabinet report – The Community Infrastructure Levy – Progress, Update and Review, including Terms of Reference for the CIL Steering Group – 2 December 2019
- Cabinet minutes from above report – 2 December 2019
CIL funding bids approved to date by the Strategic CIL Spending Decision Board:

<table>
<thead>
<tr>
<th>Project</th>
<th>Project description</th>
<th>Amount requested</th>
<th>Amount awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>London Road Improvement project (Bexhill)</td>
<td>London Road Corridor scheme, comprising traffic management improvements at; the London Road/Beeching Road junction; the Sackville Road/Beeching Road/Terminus Road junction and along London Road from Beeching Road to Buckhurst Place. Pedestrian improvements in Buckhurst Place. Public realm and bus stop accessibility improvements within the scheme area</td>
<td>£300,000</td>
<td>£300,000</td>
</tr>
<tr>
<td>Sidley Recreation Ground project</td>
<td>To improve the BMX Track and provide a new skate park, floodlighting, improved accessibility and toilets.</td>
<td>£193,000</td>
<td>£193,000</td>
</tr>
<tr>
<td>Battle Health Pathway</td>
<td>To provide a purpose-built, all-weather path within the grounds of the Battle recreation Ground. The pathway will link all four entrances to the recreation ground and include pathway markings, a cycle skills track, an outside gym, a picnic area, planting and a sensory garden with good disabled accessibility throughout.</td>
<td>£251,894</td>
<td>£75,000</td>
</tr>
<tr>
<td>Ticehurst Village Centre Project</td>
<td>To provide improvements comprising the provision of a pedestrian crossing and the restoration of the historic village centre. The proposed crossing would be situated on the High Street.</td>
<td>£339,000</td>
<td>£125,000</td>
</tr>
</tbody>
</table>

Note: There have been no successful bids from the Bexhill Local CIL fund to date.
Rother District Council

Recommendation to COUNCIL: That:

1) the Community Infrastructure Levy (CIL) Charging Schedule as set out in Appendix 1, together with the Regulation 123 List as set out in Appendix 2 be approved and adopted;

2) the Instalments Policy as set out in Appendix 4 be approved, and that delegated authority be given to the Executive Director of Business Operations in consultation with the Cabinet Portfolio Holder to make future variations of the Instalment Policy in light of the operation of the policy;

3) the CIL effective date of the 4 April 2016 be agreed;

4) up to 5% of total CIL receipts be utilised to finance Levy administration expenses including, subject to a further assessment of staffing implications, the possible appointment of a CIL officer;

5) the Governance arrangements for the spending of income derived from the CIL as set out in Appendix 3 to this report be approved; and

6) the Scheme of Officer Delegations contained within the Constitution be updated as detailed within paragraph 11.

Service Manager: Tim Hickling
Lead Cabinet Member: Councillor G.P. Johnson

Introduction

1. The Community Infrastructure Levy (CIL) is a mechanism, introduced by Government in 2010, to allow local planning authorities to raise funds from some forms of development in order to pay for the infrastructure that is, or will be, needed as a result of that new development.

2. The levy is applied on a £’s per square metre basis. When adopted, new dwellings and new residential development over 100 sq m, extra care homes and retail development will be liable for CIL (excluding exemptions such as affordable housing and self-build development).

3. Since April 2015, CIL is the only significant means by which local authorities will be able to collect and ‘pool’ developer contributions to deliver infrastructure improvements. Alongside CIL, S106 obligations still exist, but
generally as one-off agreements to mitigate the impacts of larger developments and to secure on-site requirements, such as the provision of affordable housing.

4. In the interest of securing funding for infrastructure to mitigate against the impacts of development and in a time of funding constraint, Rother District Council has proceeded to develop its own CIL charging schedule in accordance with the CIL Regulations.

Rother District Council CIL Charging Schedule

5. The Council submitted its Draft Charging Schedule to the Planning Inspectorate for independent examination on 5 May 2015. The Draft Charging Schedule was examined by Planning Inspector Mr Terry Kemmann-Lane and a hearing session was held on the 14 July 2015.

6. The Planning Inspector returned his findings on the 1 September and concluded that, subject to modifications, the Rother District Council CIL Charging Schedule provides an appropriate basis for the collection of the levy in the district. The Council has sufficient evidence to support the Schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.

7. A number of modifications are needed to meet the statutory requirements. These can be summarised as follows:
   - Remove greenfield/brownfield differentiation in the CIL Rates;
   - Add inset maps to show ‘in-centre’ locations;
   - Modify the Map of Zones to show OS grid Lines and add an inset to show the detail of sub-zones of Zone 3;
   - The Rate for Zone 3c should be modified to £75 per sq.m;
   - The Rate for Sheltered/Retirement Homes in Zone 1 should be modified to £140 per sq.m; and
   - Modify the text of the Charging Schedule to improve brevity and clarity.

8. A copy of the revised Charging Schedule can be found in Appendix 1 to this report. The Regulation 123 List can be found in Appendix 2 to this report.

9. The CIL Regulations (2010, as amended) require the CIL Charging Schedule to be formally adopted by Council. Statutory guidance that accompanies CIL requires that the Council give sufficient advance notification to potential developers, specify the date on which CIL will come into effect and provide a transparent approach to CIL expenditure.

10. Leading up to the anticipated ‘effective date’ of the Charging Schedule, work will be progressed in relation to the roll out of the levy. This work relates to two broad areas, namely, the introduction of appropriate operational measures for the day-to-day operation of the levy, and the establishment of new governance arrangements for the subsequent spend of monies collected.

11. The CIL Regulations require officers to carry out administrative procedures within the CIL process to a specified timescale. It is proposed that the Scheme of Delegation be amended so it will enable the Council to effectively
and efficiently fulfill its statutory obligations in respect of the collection and administration of CIL. The delegation would enable officers in the CIL Officers Group to exercise the Council’s powers generally under the CIL Regulations 2010 (amended) and in particular to:

- Determine the extent of chargeable development and appropriate CIL charge;
- Consider applications for exemptions from the CIL;
- Determine the appropriate instalments provisions;
- Issue CIL liability notices and demand notices;
- Issue assumptions of Liability Notices and consider associated appeals;
- Serve notice of commencement as required;
- Receive and consider appeals in relation to liability notices;
- Undertake the service of enforcement notices, including Stop Notices in respect of non-payment of CIL and the subsequent removal of such notices; and
- Institute recovery action and associated surcharges as per the CIL Regulations.
- Amend the Instalment Policy as appropriate.

12. A series of briefings for local agents and for Members will be held in the New Year regarding the introduction of CIL in Rother. There will be further dissemination of information to the wider public through the Council’s website and other social media outlets to ensure an orderly transition. It is anticipated the ‘effective date’ for CIL to be operational is the 4 April 2016.

Implementation and Governance Arrangements

13. Under the CIL Regulations Rother District Council will be a ‘charging authority’ and, through the Local Plan, is responsible for enabling growth and securing infrastructure funding. New responsibilities for the Council as a charging authority include:

- Prepare and publish the CIL Charging Schedule;
- Apply the levy revenue it receives to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support development of its area;
- Report to the local community on the amount of levy revenue collected, spent and retained each year; and
- A ‘meaningful proportion’ be transferred over to the Parishes and Town Councils. 15% of CIL receipts to relevant Parish and Town Councils arising from developments in their areas1. This rises to 25% in areas with a ‘made’ Neighbourhood Plan.

14. The allocation of CIL receipts to fund infrastructure is closely linked with the delivery of growth allocated in the Local Plan and dependent on the delivery of critical infrastructure identified in the Infrastructure Delivery Plan (IDP), which is a living document and can be amended at any time to reflect circumstances.

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1 15% capped at £100/dwelling, paid to Parish Reg. 59A (CIL Regulations 2010 (as amended))
15. The IDP identifies a large number of critical infrastructure projects which require a range of different partners and agencies to deliver them. It should be noted CIL is being introduced to support and complement existing funding streams. This approach should maximise the opportunities to coordinate CIL monies with a wide variety of other funding sources, both within and beyond local government.

16. At present, contributions for County Council services are passed directly to the County Council via Section 106 Agreements. This will no longer be the case with CIL. In the future funds will be distributed from a single centralised pot held by the District Council. This arrangement will require closer working relationships with partners, and in particular, with East Sussex County Council in the delivery of infrastructure improvements as well as agencies and stakeholders such as the Environment Agency, NHS Sussex, Highways England, Sussex Police, Natural England and Parishes/Town Councils.

17. One aspect of CIL is to set up arrangements to ensure that CIL funds raised are allocated and spent effectively in order to secure the timely provision of infrastructure necessary to support growth. Officers have visited Fareham Borough Council and Sevenoaks District Council as well as reviewing arrangements in other authorities in East Sussex.

18. Appendix 3 to this report outlines the proposed arrangements. Central to this will be the development of the Infrastructure Progress Report (IPR). The IPR will set out the development and spending priorities of the Council over the coming year and will assist the Council in the decision making process. The IPR will be taken to Cabinet each year for ratification.

19. A CIL Officers’ Group will be responsible for the practical implementation of the IPR as well as engaging with infrastructure providers on the delivery of critical infrastructure to facilitate growth. It is unlikely that the CIL Officers Group will sit during the first twelve months of CIL implementation, as CIL revenue will need to accrue to £250k before spending decisions can be made.

20. The following summary outlines the key proposed arrangements:

- IPR ratified by Cabinet each year.
- CIL receipts will be put into a single pot.
- In line with the CIL regulations, 5% of annual CIL receipts will be retained to cover administration costs associated with spending, collecting, setting and monitoring of CIL.
- Infrastructure providers will be invited to make a business case for funds via a predetermined pro-forma. The business cases will then be considered by the CIL Officer Group.
- The CIL Officer Group will have in mind the following criteria when reviewing the business cases submitted:
  1. Does the proposal meet CIL Regulations?
  2. Is the proposal identified in the IPR?
  3. Is the proposal or infrastructure identified in the R123 List?
  4. Does the proposal comply with the Core Strategy?
  5. Does the proposal have regard to the Corporate Plan?
  6. Is the proposal financially viable?
  7. Is it deliverable within acceptable timescales?
  8. Is match funding involved?
An annual report on the Council’s CIL expenditure is required to be reported to Cabinet by 31 December each year, for the previous financial year, in accordance with CIL Reg. 62(4).

**Infrastructure Progress Report (IPR)**

21. The IPR will be a working document that draws upon the Infrastructure Delivery Plan (IDP), the Corporate Plan and the adopted Core Strategy. The IPR will be updated every year and will reflect the development priorities and proposed spend of the Council over the coming year with the focus being on the timely delivery of critical infrastructure. The IPR will perform a pivotal part in the decision making process when considering CIL expenditure.

22. It is the intention of the IPR to be the ‘working model’ behind the IDP that provides a formal process to prioritise and unlock development in an orderly manner. This will require close partnership working with infrastructure providers to assess available funding streams, evaluate costs, assess delivery timescales and take account of priorities stipulated in the emerging Development and Site Allocations Plan (DaSA).

23. The IPR will initially focus on the critical and strategic infrastructure required to deliver the Core Strategy vision. In future years however the IPR may consider the delivery of important and desirable infrastructure recorded in the IDP.

24. The IPR will be reported to Cabinet by the 31 December each year alongside the Council’s Annual CIL Expenditure Report for the previous financial year in accordance with Regulation 62(4).

**Instalment Policy**

25. A charging authority has the ability to set out an instalment policy that allows payment of CIL to be made over a longer period of time. This can be particularly important for schemes where phased payments provide the opportunity for managing cash flow as a site progresses, and assists the prospect of development taking place. The Instalment Policy is proposing three bands with payment triggered upon commencement of development and further payments activated as the site progresses. It is proposed that the Instalment Policy is adopted as set out in Appendix 4.

**Administrative Costs and Review**

26. The introduction of CIL and the day-to-day discharge of the Council duties as the ‘Charging Authority’ is resource intensive and recognised by the Government as an additional burden on local authorities. In line with the CIL Regulations (61), the Council will utilise up to 5% of total CIL receipts to finance levy administration expenses.

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2 Regulation 61 allows in years one to three, the total amount of CIL that may be applied to administrative expenses incurred during those three years, and any expenses incurred before the charging schedule was published, shall not exceed five per cent of CIL collected over the period of years one to three. In year four, and each subsequent year, the total amount of CIL that may be applied to administrative expenses incurred during that year shall not exceed five per cent of CIL collected in that year.
27. Administrative expenses associated with the levy include the costs of the functions required to establish and run a levy charging scheme. These functions include levy set-up costs, such as consultation on the levy charging schedule, preparing evidence on viability and the costs of the levy examination. They also include ongoing functions like establishing and running billing and payment systems, enforcing the levy, the legal costs associated with payments in-kind and monitoring and reporting on levy activity.

28. CIL implementation and management could have significant resource implications for the Council. Subject to a future review of administrating CIL this may require the appointment of a CIL officer funded from CIL receipts.

Conclusion

29. The adoption of the Charging Schedule, Instalment Policy, together with the Regulation 123 List will give the Council the mechanism to secure contributions to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support development that impacts on the Rother area. The lead up to the ‘effective date’ of the 4 April 2016 will give the Council enough time to ensure it has all its processes are in place and will give all stakeholders enough time to become familiar with the new regime.

30. Finally the introduction of governance protocols will ensure decisions on how CIL receipts should be spent in an effective and transparent way.

Dr Anthony Leonard
Executive Director of Business Operations

Risk Assessment Statement
The risk of not adopting CIL as soon as it is practical is foregoing receipts that will contribute towards the infrastructure necessary to support sustainable growth. The risk of not approving the governance protocols will be the lack of a transparent and fair process for the distribution of funds towards the cost of priority infrastructure to support the development of the District for the benefit of residents and businesses. Fully resourcing the administrative and governance protocols will minimise the risk of CIL receipts not being collected in a proper manner, maximise opportunities to fund infrastructure and adhere to the CIL Regulations.
Rother District Council

Report to - Cabinet
Date - 3 December 2018
Report of the - Executive Director
Subject - The Community Infrastructure Levy (CIL) Update

Recommendation: It be RESOLVED: That:

1) the Council’s Community Infrastructure Levy Funding Decision Protocol, Bid Pro-Forma, Assessment Criteria, Bid Validation Checklist attached at Appendix 1 be approved; and

2) the bid application in relation to the Community Infrastructure Levy fund commences in February 2019.

Head of Service: Tim Hickling
Lead Cabinet Member: Councillor G.P. Johnson

Introduction

1. The Community Infrastructure Levy (CIL) is a mechanism to allow local planning authorities to raise funds from some forms of development in order to contribute towards infrastructure costs. Cabinet Minute CB15/52 adopted the Community Infrastructure Levy, Regulation 123 List, CIL Instalment Policy and Governance and Implementation Protocols.

2. The purpose of the CIL is to financially assist infrastructure providers in delivering the required infrastructure to support the future planned development of the area in line with the Infrastructure Delivery Plan (IDP). The authority responsible for administering this is Rother District Council (the Charging Authority).

3. The Council’s IDP lists the infrastructure projects necessary to support the development set out in the Core Strategy. The IDP sits alongside the Council’s Regulation 123 List, which is the published list of proposed infrastructure projects or types of infrastructure which could benefit from CIL funding.

4. The Council has been collecting contributions under the CIL since its adoption in Rother on the 4 April 2016 (effective date). It was accepted by Cabinet that at least £250k would need to be accrued before spending decisions could be made in accordance with the approved procedures. That point has now been reached and the Council is now in a position to allocate CIL contributions collected to local and/or strategic infrastructure projects which benefit the Rother District. This report reveals the current value of the CIL contributions available for allocation and sets out the next steps in relation to this.

5. It is noted that a scheme would not need to be located in the Rother District to
qualify for funding. However, the proposal must demonstrate a clear strategic benefit to residents and/or visitors of Rother (Regulation 73).

**Annual Reporting**

6. The Charging Authority is required to produce an annual report (under Regulation 62) in every year the CIL is collected which must be published by the 31 December for the reporting year. The latest Government consultation on revising the CIL Regulations suggests that this and the Regulation 123 lists will be replaced by an annual Infrastructure Funding Statement which sets out how Charging Authorities anticipate using funds from both CIL and section 106 agreements. However, the Government has yet to amend or replace the current regulations.

7. The Council has also committed to produce an Infrastructure Progress Report (IPR) in line with Rother’s CIL Governance Arrangements, in every year the CIL is spent. This report outlines which infrastructure items have been allocated funding as well as outlining the infrastructure priorities for the year ahead. This report will be brought before Cabinet each year for approval. At present, there has been no spend in relation to the CIL; therefore, the first IPR will be produced following the first round of CIL allocation at the end of 2019.

8. Over and above the annual CIL report, it is envisaged that presentation of the IPR to Cabinet will be an opportunity to review infrastructure priorities. It is envisaged that initial consideration will be given to items in the IDP, which include this Council’s corporate projects such as the redevelopment of the former Bexhill High School site.

**Update on CIL Contributions**

9. The adopted CIL procedure acknowledged that there would be a period in which to accrue the minimum £250k in CIL receipts after parishes have received their 15% (or 25% where there is a made Neighbourhood Plan) for development in their area. However, accruing the £250k has taken longer than forecast and is related principally to the delay in housing delivery. Although housing delivery has been generally on the increase it has not met the expected Local Plan targets and fell back last year. The reasons for this are complex and have been considered by the Housing Task and Finish Group leading to a Cabinet report (Minute CB18/14 refers).

10. The following table sets out the total value of CIL receipts collected to date. The information provided is accurate to 1 September 2018:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total CIL Liability</strong> of developments with planning permission (before exemptions are applied)</td>
<td>£7,475,508.76</td>
</tr>
<tr>
<td><strong>Total CIL Exemptions</strong> applied on planning permissions before works start (e.g. affordable housing, self-build)</td>
<td>£1,210,585.15</td>
</tr>
<tr>
<td><strong>Total gross CIL receipts</strong> on commencement of developments with planning permission</td>
<td>£292,677.80</td>
</tr>
</tbody>
</table>
Payment to Towns & Parishes
(15% or 25% of CIL in their area) £29,134.07
Administrative Costs (5% of total CIL receipts) £14,633.89
**Total net CIL receipts** to Collecting Authority (RDC) £248,909.84

\*Figures accurate 1 September 2018

CIL Expenses and Staffing Update

11. In line with Regulation 61 and as approved by Cabinet, the Charging Authority has retained 5% of the CIL receipts to cover administration expenses. Expenses include the initial preparation of the statutory CIL reports, legal costs and the enforcement of CIL.

12. This share of the levy has also allowed for the appointment of a CIL Officer; in post from the 17 September 2018. Key responsibilities credited to this post include:

- To support effective communication liaising with town/parish councils and local partners where appropriate in respect of CIL monies due to them.

- To be the Council negotiator with infrastructure providers on potential bids and report to the CIL Officer Group with recommendations for the CIL spend.

- To produce the required reports in line with the Regulations and report to cabinet in relation to the CIL.

The Neighbourhood Portion

13. The neighbourhood portion of the CIL can be spent by Parish and Town Councils so long as the proposed infrastructure meets the requirement to ‘support the development of the area’ (Regulation 59C). The Charging Authority distributes this neighbourhood allocation to the relevant Parish or Town Council in line with regulations every six months (at the end of October and the end of April). The proportion of neighbourhood allocation is as follows:

- 15% Neighbourhood Allocation up to a maximum of £100 per existing Council Tax dwelling in areas with a Parish or Town Council.

- 25% for Neighbourhoods with a Neighbourhood Plan.

14. Below is a table showing which Parish and Town Councils have benefitted from CIL:

<table>
<thead>
<tr>
<th>Parish</th>
<th>Amount Paid*</th>
<th>Date Paid</th>
<th>Amount Due for Payment October 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Battle</td>
<td>£3,432.00 (15%)</td>
<td>October 2017</td>
<td></td>
</tr>
<tr>
<td>Beckley</td>
<td>£691.85 (15%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>Amount</td>
<td>Date</td>
<td></td>
</tr>
<tr>
<td>------------</td>
<td>------------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td>Bodiam</td>
<td>£2,152.80</td>
<td>May 2018</td>
<td></td>
</tr>
<tr>
<td>Brede</td>
<td>£3,744.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ewhurst</td>
<td>£5,160.00</td>
<td>May 2018</td>
<td></td>
</tr>
<tr>
<td>Guestling</td>
<td>£1,116.18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peasmarsh</td>
<td>£1,137.24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sedlescombe</td>
<td>£11,700.00</td>
<td>May 2017 + May 2018</td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>£22,444.80</strong></td>
<td><strong>£6,689.27</strong></td>
<td></td>
</tr>
</tbody>
</table>

15. The total value collected minus the receipts awarded to the Parish and Town Councils and administration expenses is known as the Strategic Allocation. This balance is retained by the Charging Authority to allocate to strategic infrastructure projects.

16. In the ‘non-parished’ areas, the communities will still benefit from the neighbourhood portion. In the Rother District, the only non-parished area is Bexhill. The Charging Authority will retain the neighbourhood portion of the levy receipts accrued in the Bexhill area to be spent on development to support the area. The allocation role of the Bexhill neighbourhood portion will sit with the CIL Officer Group and the funds may be contributed to the Community Grants Scheme pot to fund community projects in Bexhill. The current amount of available funds in this allocation is £14,907.72 (accurate as of 1 September 2018).

17. If a Parish or Town Council has not applied the CIL in support of local development within five years of receipt or has applied the funding otherwise than in accordance with the Regulations; the Charging Authority may require it to repay some or all of those funds back to the Charging Authority (Regulation 59E).

**The CIL Officer Group (COG)**

18. In December 2015, the governance arrangements for the spending of income derived from the CIL was approved by Cabinet.

19. The CIL Officer Group will be assessing CIL funding applications from both external stakeholders and from Rother District Council. To avoid any conflicts of interests, members of the CIL Officer Group cannot be present at meetings when bids from the service area in which they work are being considered.

20. The CIL Officer group will be responsible for agreeing the projects for CIL spend over the year ahead, noting any potential projects for funding in future years. The decisions will be made in line with the Charging Authority’s Assessment Criteria as adopted by the Council.

**Invitation of Bids**

21. The Charging Authority will be inviting bids in relation to the CIL fund in
February 2019. Bidding is open to local councils, infrastructure providers and other community groups/organisations that wish to deliver infrastructure to the benefit of the residents and businesses of the Rother District.

22. Prior to the opening of the bidding, contact will be made with key infrastructure providers to identify the likely proposals that may be seeking CIL funding in the year ahead. The feedback collected will also inform the Charging Authority as to whether IDP is up to date. The key infrastructure providers to be contacted are identified on page 16 of the current IDP (February 2015).

23. Members are requested to approve the Funding Decision Protocol and supporting documentation at Appendix 1. This locally determined Protocol outlines, on an annual basis, how the Council as the Charging Authority will spend the CIL, ensuring that this decision-making process is consistent and transparent. This Protocol is accompanied by a CIL Bid Pro-forma, Bid Assessment Criteria and Bid Validation Checklist. These documents cover how and when infrastructure providers will be contacted to inform them that there are available CIL funds for bidding; how the CIL Officer will receive and validate bid applications; how the CIL Officer Group will make decisions in relation to such funding applications and how this process will be reviewed and reported.

Conclusion

24. The collection of CIL monies for strategic allocations has almost reached the minimum threshold of £250k (1 September 2018 figures) thus spending decisions can soon be made. The gross CIL receipts currently total: £292k (before admin fees and Parish and Town Council allocations have been taken out).

25. The Charging Authority will be inviting bids from the infrastructure providers at the beginning of February 2019.

26. The Charging Authority will continue to make payments to eligible Parish and Town Councils (where development has started) at the end of April and October each year.

27. The Funding Decision Protocol (Appendix 1) has been developed and is accompanied by a CIL Bid Pro-forma, Bid Assessment Criteria and Bid Validation Checklist. Together, these documents set out the Charging Authority’s annual process in relation to the spending of the CIL income. Cabinet is recommended to approve these documents in order for the Charging Authority to open for bidding in early February 2019 closing at the end of March 2019 (eight weeks).

Dr Anthony Leonard
Executive Director

Risk Assessment Statement
The Council (Charging Authority) has a duty to ensure that the allocation and spending of CIL is in line with the CIL Regulations 2010 (and subsequent amendments). The funding decision protocol assists in mitigating challenges in the CIL allocations.
INTRODUCTION

1. This Protocol has been developed by Rother District Council and outlines, on an annual basis, how the Council as the Charging Authority will allocate the CIL; ensuring that this decision-making process is consistent and transparent.

2. Guidance is provided on how the Charging Authority will engage with infrastructure providers, invite funding bids and make funding decisions.

3. To accompany this protocol, the following documents have been produced:

   a) the *Bid Pro-Forma* document which sets out how applications for CIL funding will be accepted and processed (page 9);
   b) the *Assessment Criteria* document which gives guidance to applicants and the CIL Officer Group on how such bid applications will be considered (page 12); and
   c) the *Bid Validation Checklist* document which sets out the criteria in which bids for CIL will be validated (page 16).

4. A timeline has been produced within this Protocol which summarises the annual process in relation to the spending of the CIL.

SUMMARY OF PROCESS

5. Prior to the opening of the bidding, in December of every year, contact will be made with key infrastructure providers outlining the intended CIL timetable for the year ahead. The key infrastructure bodies to be contacted are identified on page 16 of the 2014 Infrastructure Delivery Plan. This opportunity will also be posted on Rother’s website. An estimation of the likely amount of CIL funding available for the period will also be revealed to encourage representative bids.

6. The process for considering CIL funding will be held on an annual basis with the bidding opening at the beginning of February each year. The Charging Authority will give infrastructure providers eight weeks from the date of opening to submit bid applications. Applications made after the closing date will not be considered but may be held for a later review.

7. CIL funding bids will be made using the bid pro-forma. The Charging Authority has also developed an Assessment Criteria Document which will be published to assist applicants and the CIL spending board in considering bid applications. These assessment criteria are read alongside the bid pro-forma and provide guidance on a question by question basis for applicants when preparing their bid application. The Assessment Criteria identify six key areas of consideration; the *strategic case; local benefits case; equality and fairness; delivery; financial case and timescales* (please refer to Assessment Criteria Document for further details).

8. The CIL Officer will validate bid applications as and when they are received using the Validation Checklist. This process is required to filter out
applications which are incomplete or unsuitable. For example, applications where a pro-forma has not been completed or has been completed incorrectly; proposals where the bidding organisation does not have the legal right to deliver the proposed infrastructure; proposals which are clearly inconsistent with the aims of CIL; proposals which would have no benefit to the residents and visitors of the Rother District (please refer to the validation checklist for full requirements).

9. For the applications which do not pass the validation stage, a written response will be provided to the applicant explaining why the bid will not be considered and may suggest a revised submission for a future review.

10. In the ‘non-parished’ areas; the communities will still benefit from the neighbourhood portion. In the Rother District, the only non-parished areas are located within Bexhill. The Government does not prescribe a specific process for agreeing on how the neighbourhood portion should be spent in this context. Therefore, the charging authority will retain the neighbourhood portion of the levy receipts accrued in the Bexhill area and applicants, such as local community groups, can apply for the Bexhill portion of the CIL in a similar way to the strategic allocation; this will be through the CIL Officer Group.

11. Following the validation Process, the CIL Officer will make an initial assessment of the applications in order to present the strengths, weaknesses, opportunities and threats (SWOT) of the proposal to the CIL Officer Group. These papers will then be circulated to the Group prior to the meeting.

12. The CIL Officer group will be responsible for agreeing the projects for CIL spend over the year ahead, noting any potential projects for funding in future years. The decisions will be made in line with the Charging Authorities Assessment Criteria. The members of the CIL Officer Group will not be involved in submitting bidding applications on behalf of their service, to avoid any conflicts of interests.

13. Following the CIL Officer Group’s decisions, the CIL Officer will contact the successful/unsuccessful applicants and where appropriate will provide feedback on the unsuccessful bid applications.

Funding Considerations

14. The Charging Authority must be satisfied that value for money is being achieved. It is therefore advised that all bid applications should contain quotations for the proposed works and evidence provided of any other funding sources. CIL funding is conditional upon this requirement and an application may fail the validation process if the Council is not satisfied that the scheme represents value for money.

15. Bids for smaller projects may be more appropriately funded through alternative schemes such as the Community Grants Scheme or through the neighbourhood portion of the CIL. Consequently, bids for schemes which have a total cost of less than £100,000 will not be allocated CIL funding; this is to ensure the funds are reserved for significant strategic infrastructure. There

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3 This is to be read in conjunction with the Bid Assessment Criteria
is no minimum bid amount for schemes which have a total value in excess of £100,000.

16. The Charging Authority recognises that large-scale projects seeking funding that is greater than the current amount available for CIL may be an issue. However, greater weight can be given to well-prepared large-scale projects accompanied by a project plan evidencing how much CIL is needed and how much should be set aside over successive periods.

17. It should be noted that the value of CIL contributions available for the CIL Officers’ Group to allocate is difficult to forecast and is subject to deductions and exemptions. Furthermore, CIL contributions are dependent on the commencement of the chargeable development which is also difficult to predict. Therefore, the allocation of future funding will always be considered subject to availability.

18. Bids for infrastructure items found on the Regulation 123 list will be prioritised.

19. Section 106 agreements are usually site specific contributions which make individual planning applications acceptable in planning terms. Whereas, the CIL levy is wider and is intended to provide infrastructure to support the development of the area due to the intensity of localised development. The Regulation 123 list sets out the items that will be charged to section 106 and to CIL to avoid ‘double charging’.

20. It must be reasonably demonstrated in bidding applications that all other funding options have been explored. It is unlikely that CIL will be granted unless this can be demonstrated.

21. A scheme would not need to be located in the Rother District to qualify for funding. However, the proposal must demonstrate a clear strategic benefit to residents and/or visitors of Rother. The proposal would need to demonstrate a clear link between the proposed infrastructure and new housing or retail development in Rother.

22. There is a perceived risk that the CIL receipts may be spent on smaller less critical infrastructure schemes on a ‘first-come’ basis. However, the CIL Regulations state that funds must be spent on ‘infrastructure necessary to support growth’. Therefore the Charging Authority is responsible for identifying infrastructure required to support strategic development and should avoid using CIL receipts to address the current insufficiencies in infrastructure provisions.

**Scoring of Proposals**

23. There are a total of 10 ‘scored’ questions on the bid pro forma, alongside other questions which are for informative purposes only (such as the location of the proposed infrastructure). The maximum total of points which can be awarded per proposal is 36 points. The final score will fall into one of the following categories:

- 0 – 12 – Recommendation that no CIL is allocated
- 12 – 24 – Allocation of CIL is a low priority
- 24 – 36 – Allocation of CIL is a priority
24. A proposal scoring 12 or above does not signal a guarantee of funding. The scoring guidance is for internal discussion purposes only and assists the CIL Officer Group in grading and prioritising proposals. Whether a project does, in fact, receive CIL funding will depend on the Council’s infrastructure priorities, the application for funding being made and the amount of CIL available at that time.

25. The Charging Authority recognises that whilst it may wish to secure the delivery of all infrastructure items, prioritisation is required. The Infrastructure Delivery Plan (2015) classifies infrastructure requirements into three categories; desirable, important or critical. The CIL Officer Group is advised to give extra weight to proposals that are considered important – critical.

<table>
<thead>
<tr>
<th>IMMATERIAL</th>
<th>Proposal does not support development taking place and does not accord with the overall spatial strategy objectives.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DESIRABLE</td>
<td>The infrastructure proposed does not support significant development taking place but will facilitate the delivery of the overall spatial strategy objectives.</td>
</tr>
<tr>
<td>IMPORTANT</td>
<td>The infrastructure proposed is required to support the planned development as well as overall spatial strategy objectives but does not need to be prioritised.</td>
</tr>
<tr>
<td>CRITICAL</td>
<td>The infrastructure proposed is critical to the delivery of planned development as well as the overall spatial strategy objectives and should be identified as a priority at the appropriate stage in relation to the implementation of the Core Strategy.</td>
</tr>
</tbody>
</table>

Allocation of Funds

26. It is not necessary for the CIL Officer Group to allocate the entire available spending balance at any one time. If schemes are not deemed important enough, the money shall not be allocated and reserved for schemes that are.

27. The release of funding payments will be agreed on a case by case basis; although payments of CIL will normally be made following the substantial completion of the works. The Charging Authority recognises that for larger projects instalments may be more appropriate, or on some occasions, may agree to upfront funding. However, all funding is conditional and subject to satisfactory works.

28. Following the allocation of funds, the CIL Officer will continue to liaise with the infrastructure providers to ensure that the projects are delivered. The Charging Authority will require updates reflecting the key milestones of the proposal as outlined by the applicant in the bid application form, as well as every six months (end of April and October). If the Charging Authority is not satisfied with the progress, this may delay payment or see the funding withdrawn.

Annual Reporting

29. The regular infrastructure updates will then feed into the Annual CIL Monitoring Report (Regulation 62) and Infrastructure Progress Report (Rother’s Governance Arrangements). These reports set out the income,
expenditure and progress of the funded projects. The Infrastructure Progress Report will be presented to Cabinet to note the funded proposals and to approve the infrastructure priorities for the year ahead. The Annual CIL Monitoring Report will not be brought before cabinet but will form part of the Core Strategy Annual Monitoring Report. Both reports will be prepared and published before the 31 December each year.

Annual Timetable

30. The table below summarises the annual process in relation to the spending of the CIL. This timetable runs from December – December each year.

<table>
<thead>
<tr>
<th>Month</th>
<th>Funding Protocol Key Milestones</th>
<th>Other CIL Responsibilities</th>
</tr>
</thead>
</table>
| December  | * Consultation with infrastructure delivery partners. Send a letter advising that bidding will open early in the New Year and the accompany guidance documents will also be published in the New Year. Ask the infrastructure providers to identify any projects that may be seeking CIL funding for the year(s) ahead. This feedback will inform the Infrastructure Delivery Plan. This letter will be more weighted from a Planning Policy position.  
  * CIL Officer Group first meeting and training session.                                                                                                           | Planning Policy to consider update of the IDP.     |
| January   | * Approved CIL Bid Pro-Form, Validation Checklist and Assessment Criteria are published on the website.                                                                                                                              |                                                  |
|           | * Bidding will open for eight weeks at the end of January/ the beginning of February.                                                                                                                                                |                                                  |
|           | * Send ‘opening for bidding’ letter to infrastructure delivery partners and outline timetable for year ahead.                                                                                                                       |                                                  |
| February to March | * Bidding open.                                                                                                                                                                                                                     |                                                  |
|           | * Available CIL pot froze at the end of the financial year.                                                                                                                                                            |                                                  |
|           | * Validation to take place as and when applications are received by the CIL Officer.                                                                                                                                                 |                                                  |
|           | * Rejected applications to be agreed with CIL Officer Group Chair.                                                                                                                                                                  |                                                  |
|           | * Applicants to be informed as to whether their bid has been validated and whether it will be discussed by the CIL Officer Group.                                                                                            |                                                  |
- **Bidding closed.**

**April**
- Website updated.
- CIL Officer to make an initial SWOT analysis for qualifying bid applications. Prepare papers to be circulated to the CIL Officer Group.
- CIL Officer Group meeting scheduled for the following month.

| Neighbourhood portion of the funds released (end of April) |

**May**
- CIL Officer Group meet to compare and score bid applications and make decisions in relation to funding applications.
- Agree conditions to be attached to those awarded funding.

**June**
- CIL Officer to contact applicants and advise on the successful/unsuccessful funding decisions.
- Provide feedback on unsuccessful bid applications.
- Arrange funding to be released

| Bidding for Bexhill Neighbourhood portion will open. |

| Neighbourhood portion of the funds released (end of October) |

**October**
- Contact the successful applicants and require progress updates.

**November**
- CIL Officer to draft annual CIL Monitoring Report and Infrastructure Progress Report.

**December**
- Infrastructure Progress Report presented to December Cabinet.
- Ask for Cabinets approval for re-opening the bidding in the following January.
- The process restarts for the top.

**Review**

31. This Protocol is the first of its kind for the Charging Authority and thus the monitoring and review of this process will be prudent in order to apply any lessons learnt and best practice techniques in future years. An internal review will take place after two full cycles of the process. If there are significant
changes proposed this will be presented to Cabinet for approval. It will not be necessary to seek Cabinet approval for minor or legislative changes.

32. The Charging Authority continues to engage with other local authorities in relation to the implementation and spend of the CIL in the Rother District.

33. The CIL Funding Decision Protocol and accompanying documents are not statutory documents and therefore have not been subject to a statutory consultation.
## Organisation

| Name of organisation including any partners |  |
| Key contact(s) and roles |  |
| Postal address |  |
| Phone Number |  |
| Email Address |  |

## Project Overview

| Project name |  |
| Brief project description (no more than 100 words) |  |
| Location of proposed development (please provide a site location plan) |  |
| Amount of CIL Funding Requested |  |

## Strategic Case

<table>
<thead>
<tr>
<th>No.</th>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Is the need for the scheme identified in any adopted strategy or plan?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>How does the proposal demonstrate that it supports development for the area?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>What is the evidence of need for the proposed infrastructure?</td>
<td></td>
</tr>
</tbody>
</table>
## Local Benefits Case

<table>
<thead>
<tr>
<th>4</th>
<th>What are the direct and indirect benefits to the proposal?</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Please provide details of any consultation undertaken with the community or other stakeholders.</td>
</tr>
</tbody>
</table>

## Equality and Fairness

| 6 | In regards to the project, please explain how you have given consideration to the different needs of people and describe the steps that have been taken to minimise the potential for discrimination and maximise equality of opportunity. |

## Delivery

<table>
<thead>
<tr>
<th>7</th>
<th>Are there any risks associated with the delivery of the scheme?</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>What would be the implications of CIL funding not being available?</td>
</tr>
</tbody>
</table>

## Financial Case

| 9 | Please provide a breakdown of the project costs and provide quotes to substantiate your figures where possible. Please outline the forecasted total cost of the project. |
Please provide a detailed summary of the total CIL funding required, including phasing.

Please indicate why CIL funding is being sought and outline the source of any additional funding that has been secured or is being sought.

**Time Scales**

What is the delivery timescale for the project? Please outline key milestones.

What are the on-going costs of the project, who is responsible for these and how have these been planned for?
Before Rother District Council can reach a decision to release funds from the Community Infrastructure Levy, it needs to be able to consider a range of information. The table below sets out the criteria in which the information provided in the Bid Form will be considered against.

<table>
<thead>
<tr>
<th>Q</th>
<th>BID PRO-FORMA QUESTION</th>
<th>KEY CONSIDERATIONS</th>
</tr>
</thead>
</table>
| 1 | Is the need for the scheme identified in any RDC adopted strategy or plan? | Does the proposal have regard to any of the following?  
- Is the proposal identified in the Infrastructure Delivery Plan?  
- Is the proposal or infrastructure identified in the Regulation 123 List?  
- Does the proposal comply with the Core Strategy?  
- Does the proposal have regard to the Corporate Plan? |
| 2 | How does the proposal demonstrate that it supports development for the area? | The CIL Regulations state that funds must be spent on ‘infrastructure necessary to support growth’. The CIL should not be spent to remedy current insufficiencies in infrastructure provision unless those insufficiencies will intensify through new development. Proposals will score high if the project unlocks sites to enable development and is a catalyst for further development. May be that the project enables other projects to come forward.  
Things to consider  
- Does the proposal meet the CIL Regulations?  
- How does the proposal reflect the aims of CIL in so far as it helps bring forward development in the area? For example, a new access road may unlock a development site which can provide housing for the area.  
- Is the investment required to enable or mitigate the impacts of growth?  
- Are there any secondary effects such as increasing foot fall to local shops or shortens journey times? |
| 3 | What is the evidence of need for the proposed infrastructure? | Does the proposal relate to any published strategies that your own organisation has in place? Proposals will score high if the infrastructure is programmed into the organisations infrastructure plan. |
| 4 | What are the direct and indirect benefits to the proposal? | Proposals that score highly will have a profound positive effect on a wide range of users.  
A scheme would not need to be located in the Rother District to qualify for funding. However, the proposal must demonstrate a clear strategic benefit to residents and/or visitors of Rother. |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Things to consider:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>• Would the project lead to any income generation?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Does the project cover more than one Charging Authority and will the infrastructure serve areas beyond the local area, including neighbouring boroughs?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Does the proposal offer wider as well as local benefits?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Are there any indirect benefits? For example, a new leisure facility would provide a direct benefit to the community. However, an indirect benefit may be that obesity rates in the locality reduce.</td>
</tr>
<tr>
<td>5</td>
<td>Please provide details of any consultation undertaken with the community or other stakeholders.</td>
<td>Proposals will score high if a range of consultation techniques have been used involving a wide range of stakeholders and end users over a sustained period of time and evidence demonstrates engagement has helped build consensus and identifying the needs of the community.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Things to consider:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Is there community support/objection to this project?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Provide evidence of any petitions, campaigns, fundraising initiatives, consultation responses, community engagement techniques, letters of support etc.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• How have any groups with ‘protected characteristics’ been consulted (see next question)?</td>
</tr>
<tr>
<td>6</td>
<td>In regards to the project, please explain how you have given consideration to the different needs of people and describe the steps that have been taken to minimise the potential for discrimination and maximise equality of opportunity.</td>
<td>The Public Sector equality duty covers the nine protected characteristics: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The purpose of identifying equalities issues and assessing the impact is to help make sure that the project reflects the needs of the all sections of the community. Proposals will score high if all opportunities to promote equality have been taken and no potential for discrimination or adverse impact to equality or missed opportunities have been identified.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Things to consider:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Identify which groups will be affected by the proposal.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Identify any positive/negative impacts for the ‘protected’ groups?</td>
</tr>
</tbody>
</table>
|   |   | • Are any ‘protected’ groups more affected by the proposal that others, is so why?
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• How can any negative impacts be mitigated?</td>
</tr>
<tr>
<td>7</td>
<td><strong>Are there any risks associated with the delivery of the scheme?</strong></td>
</tr>
<tr>
<td></td>
<td>List the key risks involved in running the project and how those risks will be managed. Proposals will be awarded greater weight if there is a strong certainty of delivery, costs identified, funding in place planning approved (where relevant) and political and community support for the proposal.</td>
</tr>
<tr>
<td></td>
<td>Things to consider:</td>
</tr>
<tr>
<td></td>
<td>• Are there any physical and environmental impacts (e.g. flood risk, contamination, biodiversity, noise, etc.) that need to be mitigated?</td>
</tr>
<tr>
<td></td>
<td>• Is the project dependent on other projects going ahead?</td>
</tr>
<tr>
<td></td>
<td>• Has a risk assessment been carried out?</td>
</tr>
<tr>
<td></td>
<td>• Does the proposal require any land to be secured? Are there any ownership, acquisition or compulsory purchase order issues?</td>
</tr>
<tr>
<td></td>
<td>• Will the proposal require any statutory approvals or licenses such as planning permission? If so, has advice been obtained?</td>
</tr>
<tr>
<td>8</td>
<td><strong>What would be the risks if CIL funding not being available?</strong></td>
</tr>
<tr>
<td></td>
<td>Where it can be satisfactorily demonstrated that the infrastructure would not otherwise be delivered unless CIL funding can be secured and the absence of CIL will cause significant risks, the proposal will score high.</td>
</tr>
<tr>
<td></td>
<td>Things to consider:</td>
</tr>
<tr>
<td></td>
<td>• Would investment reduce on-going costs placed on the council and local community in the long-term?</td>
</tr>
<tr>
<td></td>
<td>• What would be the impact if investment was delayed (additional cost)?</td>
</tr>
<tr>
<td>9</td>
<td><strong>Please provide a breakdown of the project costs and provide quotes to substantiate your figures where possible. Please outline the forecasted total cost of the project.</strong></td>
</tr>
<tr>
<td></td>
<td>The Charging Authority must be satisfied that value for money is being achieved. It is therefore advised that all bid applications should contain more than one quote for the proposed works. CIL funding is conditional upon this requirement. Projects which are accompanied by a detailed cost plan will be awarded greater weight as it demonstrates that the project has been fully researched and considered.</td>
</tr>
<tr>
<td>10</td>
<td><strong>Please provide a detailed summary of the total CIL funding required,</strong></td>
</tr>
<tr>
<td></td>
<td>The charging authority recognises that large scale projects seeking funding that is greater than the current amount available for CIL may be an issue. However, greater weight can be given to well-prepared large scale projects accompanied by a project plan</td>
</tr>
</tbody>
</table>
including phasing. evidencing how much CIL is needed and how much should be set aside over successive plan periods.

11 Please indicate why CIL funding is being sought and outline the source of any additional funding that has been secured or is being sought. It must be reasonably demonstrated that all other funding options have been explored. It is unlikely that CIL will be granted unless this can be demonstrated. Greater weight will be given to proposals which are only partly reliant on CIL and the majority of funding has been secured.

Things to consider:

- What other sources of funding have been considered and applied for. Please highlight or explain where other possible funding sources have been considered insufficient.
- Is the proposal expected to see any Section 106 funding?
- Is there a remaining funding shortfall? If so, how much? How will the shortfalls in funding be met?

Present other funding secured in the following or similar format:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conditions Attached</td>
<td></td>
</tr>
<tr>
<td>Use by Date</td>
<td></td>
</tr>
<tr>
<td>Funding Confirmed</td>
<td></td>
</tr>
</tbody>
</table>

12 What is the delivery timescale for the project? Please outline key milestones.

Please outline whether the scheme is:

a) Short term – within five years  
b) Medium term – between five to 10 years  
c) Long term – more than 10 years

13 What are the ongoing costs of the project, who is responsible for these and how have these been planned for?

Things to consider:

- Can on-going costs be covered by warranties?  
- Are on-going costs covered by another organisation?  
- Does the proposed infrastructure provide opportunities to generate income to meet the future costs?
VALIDATION CHECKLIST

To be completed by Community Infrastructure Levy Officer.

<table>
<thead>
<tr>
<th></th>
<th>REQUIREMENT</th>
<th>PROVIDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bid pro-forma completed with the application.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Proposed infrastructure item(s) found on the Regulation 123.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Bidding organisation has the legal right to deliver the proposed infrastructure.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>The proposal meets the requirements to be eligible for CIL funding.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>The proposal is not expected to see Section 106 funding.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Scheme has a total value which exceeds £100,000.</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Quotes for the proposed works have been submitted.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Site location plan with line edged in red for the location of the proposed scheme is provided.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Evidence has been provided which demonstrates the six key areas of assessment have been considered in full; the strategic case; local benefits case; equality and fairness; delivery; financial case and timescales.</td>
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</tr>
</tbody>
</table>
THE COMMUNITY INFRASTRUCTURE LEVY – PROGRESS, UPDATE AND REVIEW

The Community Infrastructure Levy (CIL) was a mechanism to allow local planning authorities to raise funds from some forms of development in order to contribute towards infrastructure costs. Under the CIL Regulations, the Council was a ‘charging authority’ and, through the Local Plan, was responsible for enabling growth and securing infrastructure funding for providers in-line with the Infrastructure Delivery Plan (IDP).

Since April 2016, the Council had been collecting CIL contributions, which totaled £1,058,313. The first round of CIL allocations had been held and the total awarded was £692,901. Four out of 10 applications were successfully awarded funding. It was noted that no CIL was awarded from the Bexhill Local CIL. The report identified the current bidding process, criteria and how strategic CIL was allocated. Rother was one of the first local authorities in Sussex to allocate CIL income through a bidding process.

The Council was required to produce two annual reports namely a CIL Monitoring and Infrastructure Progress Report (IPR). The IPR outlined which infrastructure items had been allocated funding as well as identifying infrastructure priorities for the next year.

The Government had introduced a number of significant legislative changes on 1 September 2019 and had also revised the Planning Practice Guidance. According to new regulations, the Council’s existing ‘Regulation 123 List’ and IPR would be replaced by the Infrastructure Funding Statements (IFS). The IFS would need to be published by the end of the year for the previous financial year; the first year being December 2020. The purpose of the IFS was to improve transparency on how CIL and Section 106 monies were spent. The updated IDP informed the IFS and highlighted the critical infrastructure required to deliver the development quantum detailed in the Local Plan. It was a living document and would be continually updated.

The local CIL or neighbourhood proportion was payable to Parish and Town Councils (P&TC) at 15% (or 25% where a Neighbourhood Plan was made). The Council retained 5% to cover administration expenses. The neighbourhood portion could be spent by P&TCs as long as the proposed infrastructure met the requirement to ‘support the development of the area’. The Council had the authority to claw-back unspent CIL funding from P&TCs, if they had not spent it on development projects within five years of receipt.

It was previously agreed that spending decisions could be made once CIL contributions had reached the minimum requirement of £250,000. This figure was considered too low as it did not allow the Council to consider larger sums of funding to bring forward major projects such as Bexhill Leisure Centre, High Speed Rail or improvements to the A21. It was recommended that the bidding process be delayed until after the
IFS had been published. Critical infrastructure projects identified in the IDP would be given priority for CIL funding.

After deliberation, Cabinet endorsed recommendations 1) to 4) as detailed in the report. It was proposed that recommendation 5) be reworded as follows: a Cabinet Community Infrastructure Levy Steering Group (CILSG) be established to consider draft Terms of Reference for the allocation and spending of the Strategic Community Infrastructure Levy money and report back to Cabinet at the meeting scheduled to be held on 6 April 2020. The initial CILSG to consist of the Leader and Deputy Leader of the Council, the Cabinet Portfolio Holder for Strategy and Planning and the Cabinet Portfolio Holder for Regeneration and Bexhill Affairs. It was also recommended that recommendation 6) be deleted.

Cabinet agreed that CIL receipts enabled the Council to achieve much needed additional funding for key infrastructure projects across the district.

RECOMMENDED: That:

1) the Infrastructure Progress Report be replaced with the Infrastructure Funding Statements from December 2020 in-line with the updated Regulations;

2) the Section 106 collection monitoring be incorporated into the Infrastructure Funding Statements;

3) all new Section 106 Agreements include the provision for a reasonable fee, equating to 5% of the monetary value of each head of term where a financial contribution is secured and a flat fee of £500 for each non-financial head of term, to help provide resources for the new monitoring requirements;

4) bidding for the strategic Community Infrastructure Levy be paused until after the publication of the Infrastructure Funding Statements in December 2020;

5) a Cabinet Community Infrastructure Levy Steering Group (CILSG) be established to consider draft Terms of Reference for the allocation and spending of the Strategic Community Infrastructure Levy money and report back to Cabinet at the meeting scheduled to be held on 6 April 2020. The initial CILSG to consist of the Leader and Deputy Leader of the Council, the Cabinet Portfolio Holder for Strategy and Planning and the Cabinet Portfolio Holder for Regeneration and Bexhill Affairs; and

That the following recommendation not be supported:

6) the Bexhill local bidding process be paused pending the outcome of the Community Governance Review in relation to the creation of a Town Council for Bexhill-on-Sea.