

Cabinet

19 January 2021

Recommendations for spending Community Infrastructure Levy funding

For Decision

Portfolio Holder: Cllr D Walsh, Planning

Local Councillor(s): All

Executive Director: [J Sellgren, Executive Director of Place](#)

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Report Status: [Public](#)

Recommendation:

To approve the recommendations for Community Infrastructure Levy (CIL) funding as set out section 10 of this report.

Reason for Recommendation:

To ensure the delivery of important community infrastructure to support growth and development.

1. Executive Summary

On the 28th July 2020, members of this Cabinet agreed governance arrangements that would enable the spend of monies collected through Dorset Councils four Community Infrastructure Levy (CIL) area charging schedules.

The report identified internal groups Property Management Group (PMG) and Capital Strategy Asset Management Group (CSAMG) as vehicles for overseeing the implementation of the governance arrangements.

Property Management Group and Capital Strategy Asset Management Group met during October to consider the arrangements for a first round of CIL spend. It was agreed that the first round would focus on pre 1st September 2019 CIL spending priorities as set out in the Regulation 123 lists with the recommendations reported to this Cabinet to inform budget setting.

Dorset Council is responsible for managing the spend of money collected through CIL. To optimise the funding available, PMG and CSAMG agreed to focus engagement with Dorset Council service areas and those external stakeholders where an existing infrastructure commitment existed, for instance Natural England (nature conservation infrastructure), and the Environment Agency (flood defence infrastructure).

Between 2nd November and 27th November 2020, Expressions of Interest were invited to bid for CIL funding for projects against the infrastructure categories outlined in Appendix A. A total of 42 Expressions of Interest were submitted. The expressions were scored by the CIL Team using the criteria approved by Cabinet in July and the findings were shared with PMG and CSAMG in December for their consideration and recommendation. The value of expressions received and recommended for approval are set out in the financial implications section of this report.

The majority of bids comprise of one infrastructure category. Some bids sought funding from multiple infrastructure categories and have been adjusted for a 'better fit' where appropriate. The residual balances cannot, however, be further reallocated or amalgamated between infrastructure types or areas.

The government has introduced measures to allow developers to defer payment of CIL due to the impact of the Coronavirus pandemic. A residual of £194,680.00 for uncategorised monies in Purbeck has been retained to provide contingency to help meet the pre committed cost of CIL in the Purbeck area during the 2020/21 financial year if required in advance of receipt.

2. Financial Implications

The Community Infrastructure Levy (CIL) together with Planning Obligations (s106) represent an additional source of funding to provide additional infrastructure or services necessary to enable or support development.

Such funding normally only represents a proportion of the total cost of the infrastructure therefore additional funding, from other sources, may be required to deliver the infrastructure necessary.

The total value of CIL funding available for round one was approximately £5.16m. The 42 bids sought a total of £4.47m. Those expressions recommended for approval equated to a total value of £3.01m, leaving a residual of £2.15m to

spend in subsequent funding rounds with the next round likely to be reported to Cabinet in July 2021.

3. Well-being and Health Implications

Provision of infrastructure, such as those which facilitate cycling or walking, or provide health facilities to support development's future needs are important for individuals' and communities' wellbeing and contribute to healthier environments and support people's health and wellbeing.

4. Climate implications

The use of CIL and s106 agreements to help provide supporting infrastructure, commensurate with development is a key component in ensuring there are sustainable integrated spatial plans for housing, infrastructure, employment and the environment at the towns, suburbs and rural areas.

This will also contribute to developing plans which bring together different sectors or local government departments to achieve shared objectives. Examples could include strategies which exploit the connections between active travel and public health.

Without the necessary supporting infrastructure development would be less sustainable thereby having a corresponding effect on Climate change.

5. Other Implications

Infrastructure which is necessary to make development acceptable in planning terms will have implications for, inter alia Sustainability; Property and Assets; Public Health, Community Safety and physical activity depending upon the nature of the development.

Stakeholders need to be alert to the availability of CIL, and S106, funding available towards appropriate infrastructure funding. They need also to be engaged, going forward, in the identification of future CIL, and S106, needs commensurate with the Dorset Local Plan evolution.

CIL is 'top sliced' and paid to neighbourhoods or parish councils proportionate to qualifying development in their area. This CIL must be spent on infrastructure and reported as such. This places an obligation on both the Council and these organisations in respect of the management of these funds

6. Risk Assessment

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

7. Equalities Impact Assessment

An Equalities Impact Assessment scoping report was undertaken to inform the governance arrangements agreed by Cabinet in July. The agreed assessment criteria contained equalities questions. It is expected that funded projects will undertake an EqlA in their own right.

8. Appendices

Appendix A - Expression of Interest summary and analysis

9. Background Papers

- 9.1 Meaningful levels of developer contribution funding have been secured through CIL for a variety of different infrastructure types. Prior to September 2019, these infrastructure types were set out published infrastructure lists (Regulation 123). National reforms to the planning system which came into effect on the 1st September 2019 have given Councils greater freedom to spend CIL money on infrastructure of their choosing. This and the meaningful income prompted the need for Dorset Council to introduce governance arrangements for commencing the spend of CIL money.
- 9.2 On the 28th July 2020, Cabinet approved a framework for governing the spend of CIL funds. The arrangements included the use of internal officer groups (Property Management Group (PMG) and Capital Strategy and Asset Management Group (CSAMG)) to help implement and oversee the spend of the levy.
- 9.3 Although there is now greater freedom to spend CIL, Cabinet resolved to honour the legacy infrastructure commitments set out in previously published infrastructure lists up until the point at which the regulations changed. Furthermore, Cabinet resolved to spend CIL money within the charging area from which it originated. That principle will apply to CIL monies collected from the 1st September 2019 onwards which will be subject to a separate periodic spending rounds starting in Summer 2021.

- 9.4 CSAMG agreed and recommend that the ring-fenced CIL money would be the focus for a first round of CIL spend. Future rounds would consider new infrastructure priorities as well as any unspent CIL monies from this first round.
- 9.5 Table 1 below sets out how the agreed governance framework has been implemented in the intervening period since July Cabinet.

Table 1

Agreed arrangement	What had taken place
1. CIL value apportioned to each typology and relevant stakeholder advised of the value	CIL values set out in Appendix A were shared with Service Areas and external stakeholders via SharePoint platform.
2. Each stakeholder to provide (in a time scale) a case identifying specific projects to which the service would use CIL to fund (partially or fully). The case would include Proposal details, how the project supports development, Costs / Expenditure / sources of funding, Consents, Delivery Timescale	Projects submitted to CIL team through Expression of Interest 'application form' hosted on SharePoint platform between the 2 nd November and the 27 th November. Expression of Interest includes fields matched to agreed scoring criteria.
3. All cases are scored in line with the scoring criteria by the CIL Team and PMG, to ensure compliance with the CIL Regulations, fit to purpose of supporting development and Corporate priorities. If there is more than 1 project in each infrastructure type these will be assessed / scored against each other optimise the benefit within the typology. (Scoring Matrix – Appendix A) The amount of money apportioned to a single project will be capped for fairness and balanced spend. Scored projects will be considered annually by this gives wider corporate sight and context and opportunity for combining projects.	Expressions of Interest assessed by CIL Team and findings reported to Property Management Group on the 10 th December. 42 Eols received, CIL team recommended 37 for approval, 5 for rejection, with alternative developer contribution funding streams suggested for 2 of 5. PMG agreed with recommendations.
4. Final selection reported to CSAMG	Recommendations reported to CSAMG on the 21 st December. CSAMG agreed with

	recommendations
5. Recommendations to Dorset Council Cabinet	Recommendations as agreed by PMG and CSAMG set out in this report.
6. Operational decisions delegated to CIL team / Executive Director	To include sign off and transfer of payment, to be undertaken by CIL Team / Executive Director once recommendations approved.
7. Funds transferred to project for delivery.	Expected February 2021 onwards.
8. Delivery agency reports back October each year for Infrastructure Funding Statement (IFS) timing to ensure project is delivered on time and budget. This information would be needed as part of the Infrastructure Funding Statement.	Expected October 2021.

9.6 Guiding the spend of CIL are three key principles:

1. The levy must be used to fund the provision, improvement, replacement, operation or maintenance of infrastructure needed to support development.
2. Infrastructure is defined as meaning roads and other transport facilities, flood defences, schools and other education facilities, medical facilities, sporting and recreational facilities and open space – it doesn't include affordable housing.
3. The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development.

9.7 Service areas were encouraged to work together when responding and engage with external partners as necessary who also had access to the SharePoint platform. This was particularly important where collaborative work is already underway for specific types of infrastructure, such as nitrate mitigation, heathland mitigation and flood defence.

9.8 The total value of CIL available for this first funding round is £5,160,040. The total value of expressions received is £4,474,731. The value of those bids recommended for approval totals £3,011,531 leaving a residual balance of £2,148,508 for consideration at the next funding round.

- 9.9 The majority of bids comprised one infrastructure category. Some bids sought funding from multiple categories and have been adjusted for a 'better fit' where appropriate. The residual balances cannot, however, be further reallocated or amalgamated between infrastructure types or areas.
- 9.10 The government has introduced measures to allow developers to defer payment of CIL due to the impact of the Coronavirus pandemic. A residual of £194,680.00 for uncategorised monies in Purbeck has been retained to provide contingency to help meet the cost of CIL in the Purbeck area during the 2020/21 financial year.
- 9.11 Funding recommendations for approval are as follows in section 10 of this report. Appendix A which accompanies this report sets out a short summary of each Expression of Interest, together with assessment score, amount of funding sought, amount of funding recommended and the recommended funding category.
- 9.12 The expressions of interest were considered and are recommended by PMG and CSAMG. Financial transfers set out here will be delegated to the Executive Director for Place to sign-off when the requisite projects are ready for delivery.

10. Funding Recommendations

10.1 Children's Services (schools and educational establishments)

West (£484,116.48). Balance after approved bid(s) £484,116.48

W&P (£303,707.21). Balance after recommended bid(s) £303,707.21

East (£238,397.53). Balance after recommended bid(s) £238,397.53

- No bids submitted by Education Team but PMG confirm bids will be made in round 2.

10.2 Highways / Transport

West (£242,058.24). Balance after recommended bid(s) £0

- Widening of pavement to improve accessibility between Morrisons turn-off from South St to South Mill Lane (supports BBL programme at Flood Lane) £127,656.96 and £40,343.04 Public Realm monies
- Ridgeway Footway Construction (introduction of slabbed footway) £74,401.28 (project part-funded)

- Weymouth Avenue Dorchester Footway Enhancements (replacement of paving) £40,000.00

W&P (£60,741.44). Balance after recommended bid(s) £741.44

- Park Street Connection Project (improving cycling and pedestrian links between railway station and town centre) £60,000.00

East (£536,394.43). Balance after recommended bid(s) £394.43

- Installation of new electric vehicle charge points in East Dorset £65,000.00
- East Dorset Rights of Way Network Enhancement (range of public footpath and bridleway enhancements) £100,000.00
- South East Dorset dockless bike sharing scheme £240,000.00
- Provision of SEND independent travel / Life skill training for residents of East Dorset £131,000.00

10.3 Green Infrastructure & Recreation

West (£80,686.08). Balance after recommended bid(s) £4,719.08

- West Dorset Maiden Newton to West Bay Old Railway Line bridleway shared route £75,967.00

W&P (£60,741.44). Balance after recommended bid(s) £24,101.44

- Weymouth s1/34 surface (installation of stone path) £12,000.00
- Weymouth s1/75 surface (installation of stone path) £4,500.00
- Weymouth s1/112 surface and widening (installation of stone path) £12,000.00
- Weymouth s1/135 surface (installation of stone path) £5,140.00
- Weymouth s1/157 steps (installation of replacement steps) £3,000.00

10.4 Waste Management

West (£80,686.08). Balance after recommended bid(s) £20,686.08

- Sherborne Household Recycling Centre reuse area (covered area where items are reused) £10,000.00
- Dorchester Household Recycling Centre reuse area and associated office (covered area where items are reused) £45,000.00
- Improvement to Bridport Household Recycling Centre reuse area (covered area where items are reused) £5,000.00

W&P (£30,370.72). Balance after recommended bid(s) £370.72

- Weymouth Household Recycling Centre welfare facilities (replacement building with improved accessibility) £30,000.00

10.5 Public Realm

West (£40,343.04). Balance after recommended bid(s) £0

- Widening of pavements to improve accessibility between Morrisons turn-off from South St to South Mill Lane (supports BBL programme at Flood Lane) £40,343.04 and £127,656.96 Transport / Highways

W&P (£30,370.72). Balance after recommended bid(s) £9,370.72

- Weymouth Station Gateway Project – lighting £21,000.00

10.6 Flood Defence

West (£80,686.08). Balance after recommended bid(s) £0

- Lyme Regis Environmental Improvement (LREI) Scheme Phase 5 – The Cobb (scour protection works) £80,686.08

10.7 Culture & Leisure (Culture, Leisure, Community Facilities)

West (£282,401.28). Balance after recommended bid(s) £282,401.28

W&P (£121,482.88). Balance after recommended bid(s) £59,812.88

- Rodwell Trail bench replacement £1,925.00
- Rodwell Trail signs £745.00
- Weymouth s1/76 new surface (new compacted stone surface) £6,000.00
- Weymouth s1/133 new surface (new tarmac surface) £3,000.00
- Refurbishment of external changing rooms and pavilion £50,000.00

10.8 Uncategorised

Purbeck (£804,000.00). Balance after recommended bid(s) £194,680.00

- Nitrogen enrichment mitigation £313,320.00 and £18,180.00 of Poole Harbour Nutrient
- Replacement of Gym Equipment, Purbeck Sports Centre £146,000.00
- Huntick Road footway/cycleway £150,000.00

10.9 Flood Defence (With Environment Agency)

W&P (£485,931.53). Balance after recommended bid(s) £0

- Weymouth Harbour & Esplanade Flood & Coastal Risk Management Scheme Phase 1 £485,931.53

10.10 Dorset Heathlands (With Natural England)

West (£80,686.08). Balance after recommended bid(s) £80,686.08

Purbeck (£510,390.00). Balance after recommended bid(s) £210,654.00

- Purbeck Visitor Network Project (network of paths linking SANGS) £240,600.00
- Purbeck Heaths Visitor Management Project (parking infrastructure) £59,136.00

East (£202,195.67) Balance after recommended bid(s) £2,195.67

- BytheWay Field 5 year SANG Maintenance Contribution £74,500.00
- Woolslope 5 year SANG Maintenance Contribution £82,500.00
- Slop Bog Emergency Access £43,000.00

10.11 Poole Harbour Nutrient (With Natural England)

West (£80,686.08). Balance after recommended bid(s) £80,686.08

Purbeck (£18,180.00). Balance after recommended bid(s) £0

- Nitrogen enrichment mitigation £18,180.00 of Poole Harbour Nutrient and £313,320.00 uncategorised funding.

10.12 Poole Harbour Recreation SAMM (With Natural England)

- Purbeck (£21,932.00). Balance after recommended bid(s) £21,932.00

10.13 Healthcare (With NHS)

West (£40,343.04). Balance after recommended bid(s) £6,343.04

- Dorset County Hospital Dermatology Reconfiguration £34,000.00

W&P (£60,741.44). Balance after recommended bid(s) £10,741.44

- Dorset County Hospital CT1 Changing Room Installation
£50,000.00

10.14 Emergency Services (With Dorset Police, SW Ambulance Trust, D&W Fire & Rescue)

West (£80,686.08). Balance after recommended bid(s) £80,686.08

W&P (£30,370.72). Balance after recommended bid(s) £30,370.72

10.15 Utilities (Broadband)

W&P (£40,343.04). Balance after recommended bid(s) £343.04

West (£30,370.72). Balance after recommended bid(s) £370.72

- Fibre Hubs Connectivity in Rural Dorset £70,000.00

10.16 The five rejected bids are:

1. Swanage Town Coastal Protection and Public Realm Improvements Scheme (£804,000) - funding sought towards public realm enhancements. Flood and coastal defence project elements can proceed without funding. Rejection of bid enables three other projects to come forward using funding pot.
2. A351 footway/cycleway enhancement, Wareham – Potential for project to proceed with alternative developer contribution funding source (s106).
3. New 7x7 3G Floodlit Football Pitch, Portland - project requires 100% CIL to meet match funding requirement. Cannot meet costs from funds available.
4. Contribution towards replacement upgraded MRI scanner - Dorset County Hospital - insufficient CIL funding in category to support project.
5. Installation of new electric vehicle charge points in West Dorset - potential for project to proceed with alternative developer contribution funding source (s106).

10.17 35 of the 37 bids recommended for approval have had their funding requirements met in full. The two bids which have been unsuccessful in gaining full funding are:

1. South East Dorset dockless bike sharing scheme - Low assessment score, project could proceed with lesser amount. Doing so enables other (better scoring) transport related projects to be funded.
 2. Ridgeway Footway Construction – insufficient CIL to fully fund project.
- 10.18 Projects benefitting from CIL funding as a result of the recommendations will be required to provide sufficient evidence of delivery and achievability prior to the release of any funding.
- 10.19 The council has an obligation to report on how CIL funding is used in its Infrastructure Funding Statement which is published annually in December.

Footnote:

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.