

Cabinet

21 April 2026

Strategic Community Infrastructure Levy (CIL) - prioritisation of CIL funded infrastructure projects For Decision

Cabinet Member:

Cllr S Bartlett, Planning and Emergency Planning

Local Councillor(s):

All

Senior Leadership Team:

J Britton, Executive Director for Place Services

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Statutory Authority: Community Infrastructure Levy Regulations 2010 (as amended)

Report status: Public (the exemption paragraph is N/A)

1. Executive summary (maximum of 500 words)

- 1.1 This report presents recommendations for the allocation of uncommitted strategic Community Infrastructure Levy (CIL) funding for the purpose of delivering infrastructure to support new development.
- 1.2 Financial contributions secured through the operation of the Community Infrastructure Levy have reached meaningful levels. This has enabled infrastructure projects to be identified by a range of service areas. Projects including coastal defence and highway infrastructure require multi-million-pound capital investment. In total, the recommendations in this report relate to over £11m of strategic Community Infrastructure Levy investment.
- 1.3 Using strategic CIL will help ensure that many important infrastructure projects come forward. Without it, there would be a greater reliance on borrowing and reduced likelihood of successfully securing external investment opportunities.

- 1.4 Identification of these projects supports ongoing improvement in the use of developer contribution funded infrastructure, particularly in making decisions which directly relate to and support the Council's Capital Programme, ensuring better financial management and outcome for residents.

2. Recommendation(s)

2.1 Cabinet is requested to:

- (a) Agree to allocate strategic CIL based on the projects and values shown in appendix A. Each allocated project is subject to inclusion in the Capital Programme and the development of an appropriate business case, and;
- (b) Commit up to £600,000 of future CIL income in the West Dorset charging area per year to the Lyme Regis Cobb project, for a period of two years (to 2028), and;
- (c) Give delegated authority to the Executive Director for Place in consultation with the Cabinet Member for Planning, to agree a contribution of strategic CIL for the West Parley Link Road project, to be secured from the balance of uncommitted strategic CIL in the East Dorset charging schedule. The contribution is subject to evidence being submitted to the council of the cost of the project and development viability. It is further recommended that future CIL income from the East Dorset charging schedule be considered should it be required.

3. Reason for the recommendation(s)

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

4. The report

- 4.1 Developer contributions secured through legal agreement (s106) and Community Infrastructure Levy (CIL) serve to provide infrastructure to support the needs of development. Financial contributions secured from these mechanisms had a combined value of £16m in 2024/25.
- 4.2 The financial contributions secured through the Community Infrastructure Levy come from four charging schedules operating across the former district/borough areas of West Dorset, Weymouth & Portland, Purbeck and East Dorset. CIL was not adopted or implemented by the former North Dorset District Council and the mitigation required to support the needs of new development is currently secured through section 106 legal agreements. A

new single CIL charging schedule for the whole of the Dorset Council area is being developed and will progress alongside the Dorset Council Local Plan.

- 4.3 Across these charging areas, the CIL regime generates receipts in the region of £5m annually. Receipts are split down into their statutory “pots” or funds: up to 5% is retained by Dorset Council to cover the cost of administering the levy and 15% or 25% is transferred to town and parish councils where development takes place as the ‘neighbourhood proportion’. Since CIL was introduced, Dorset Council has transferred over £5m of neighbourhood CIL to town and parish councils to deliver infrastructure at the local level.
- 4.4 The remainder is retained by Dorset Council as ‘strategic CIL’ to use at its discretion to support the provision of infrastructure needed to support development.
- 4.5 Planning policies in Local Plans, Supplementary Planning Documents and adopted strategies form the basis for spending a proportion of strategic CIL, generating infrastructure commitments as follows:
- Habitat Mitigation (Heathlands + Air Quality, Poole Harbour Recreation, Nutrient Mitigation, New Forest Recreation, Chesil & The Fleet Recreation)
 - Weymouth Town Centre Flood Defences
 - NHS Capital Contributions
- 4.6 Currently, the income from CIL exceeds the value of infrastructure commitment, meaning Dorset Council has accrued an uncommitted balance of strategic CIL funding.
- 4.7 Through governance arrangements introduced by Cabinet in 2020, Dorset Council has used strategic CIL previously to support the delivery of a variety of infrastructure projects (round 1). Spend was guided by the legacy infrastructure priorities of the predecessor councils. A report to Cabinet, in September 2022 (round 2) represents the last action for the delivery of strategic CIL funded projects.
- 4.8 Since then, Dorset Council has continued to collect CIL and the uncommitted balance of strategic CIL has grown again, taking account of any unused monies from rounds 1 and 2. With balances at meaningful levels, action is necessary to ensure the timely use of developer contributions. The recommendations to allocate CIL will feed into the Council’s Capital Programme, with a report coming to Cabinet later in the year relating to this.

Uncommitted CIL balances

- 4.9 The value of uncommitted CIL varies by charging area and depends on the CIL rates in operation, the amount of development that has taken place, and the level of existing infrastructure commitment.

Table 1 – Balance of uncommitted strategic CIL by charging area

	West Dorset	Purbeck	Weymouth & Portland	East Dorset
Uncommitted CIL Funds	£6.07m	£995k	£1.18m	£4.31m

- 4.10 It is important that developer contributions are managed carefully to help reduce budget pressures in areas of infrastructure delivery. With CIL being a well-established regime, there is a high level of interest in the availability of strategic CIL funding. Expectations need to be carefully addressed to ensure there is fair and strategic access to secure best value.
- 4.11 If contributions are used appropriately, CIL can lever investment, reduce council borrowing, unlock stalled projects, support growth and development, all while improving public experience.

Identifying infrastructure projects

- 4.12 Dorset Council has responsibility for delivering many forms of infrastructure needed to support development. Service areas have identified strategic projects where CIL funding can accelerate the delivery of infrastructure and provide other associated benefits. Appendix A provides details of these projects, and they are summarised in table 2.

Table 2 – Strategic CIL projects

Project	Service Area	Contribution (CIL)
Weymouth Museum – fit out of museum premises	Archives & Records	£300k
Dorset History Centre: Past Lives, Future Proofed	Archives & Records	£50k
Lyme Regis Environmental Improvement Scheme Phase 5 (Coastal Protection)	Coast Protection	£5m
Westham Bridge – Water Level Management Improvements	Coast Protection	£280k
Swanage Seafront - Infrastructure Upgrades to support Public Safety	Coast Protection	£97k
Wimborne Community Sports Hub	Leisure	£600k
Penny's Hill, Ferndown – Junction Improvement	Highways	£450k

West Parley Link Road	Highways	Unknown
Westerhall Road / Dorchester Road (Weymouth) active travel link	Highways	£150k
Poundbury Road – Barrack Road (Dorchester) safety and active travel improvements	Highways	£200k
Foundry Lea's walking and cycling link to Bridport Town Centre	Highways	£600k
Purbeck Public Transport Connectivity Programme	Highways	£392k
West Dorset Public Transport Connectivity Programme	Highways	£1.4m
East Dorset Public Transport Connectivity Programme	Highways	£784k
Ferndown Upper School – Provision of 3G artificial pitch	Children's Services	£650k
Extended Public Access for Libraries	Libraries	£185k
Swanage Green - Seafront Stabilisation and Enhancement Scheme	Environment	£500k

- 4.13 Projects range from major coastal flood defence schemes including Lyme Regis Environmental Improvement Scheme (Phase 5, The Cobb), sports pitch provision in Wimborne, active travel improvements in Bridport, Dorchester, Weymouth and Ferndown, the West Parley Link Road, and various public transport enhancements. The value of CIL contribution ranges from £50,000 to £5 million.
- 4.14 Projects are largely capital focused except for three Public Transport Connectivity Programme Projects which require the use of CIL funding to support revenue costs. The contribution from CIL would help initiate the public transport project with other funding sources committed by DC supporting longer term delivery.
- 4.15 All projects have a connection to the Council Plan and support the Communities for All priority. Several projects link to existing commitments in the Council's Capital Programme, while many are contingent on external funding, from which the investment of Strategic CIL would improve likelihood of inward investment, e.g. The Lottery. Importantly, in many cases, investment from Strategic CIL would reduce and, in some cases, remove the need for capital borrowing by Dorset Council.

- 4.16 All projects have been carefully considered against the requirements of CIL including funding principles and criteria. All projects have been assessed as having a positive association, and it is recommended that they all receive allocation of funds as set out in Table 2, subject to the preparation of a detailed business case and inclusion in the Council's Capital Programme.

Lyme Regis Phase 5

- 4.17 The Lyme Regis Environmental Improvement Scheme Phase 5 is the highest value capital project under consideration. Delivery of Phase 5 marks the final stage in a longstanding series of environmental improvements that serve to reduce erosion and flooding along the town's seafront. Without it, long-term development within and around the harbour would be unfeasible if uncertainty surrounding the stability of The Cobb structure persists. Phase 5 will stabilise and strengthen the Cobb protecting multiple connected assets. Project costs are estimated at £6.5m, and the proposed contribution of £5m from strategic CIL would strengthen the securing of external funding from government.
- 4.18 Meeting the required level of contribution would exceed the balance of funds available in the West Dorset charging area by c.£1.2m. To address this demand, analysis of previous income and future CIL income has been undertaken. Forecasting of CIL income for the West Dorset Charging Area would support a future financial commitment of £600,000 per year toward Lyme Regis Cobb project. That level of funding commitment would see the shortfall of £1.2m over two years and within the lifespan of project delivery.

Table 3 – budget summary

	Uncommitted CIL	Value of Projects	Difference
West Dorset	£6.07m	£7.27m	-£1.2m
Weymouth & Portland	£1.18m	£803k	£377k
East Dorset	£4.31m	£2.56m	£1.75m
Purbeck	£995k	£1m	-£5k

West Parley Link Road

- 4.19 The West Parley Link Road project is a further major infrastructure scheme which serves to bypass traffic on the busy Parley Cross Junction which has been identified as a network capacity constraint. Delivery of the link road is contingent on associated development coming forward through the planning

process, and delivery of the road has placed a longstanding expectation on the use of strategic CIL funding to meet any funding shortfall and ensure development viability. Further work is required by the developer to establish an accurate cost, with transport modelling work also required by Dorset Council to explore the potential highway impact of this and development proposals nearby.

- 4.20 With the cost of the West Parley Link Road unclear and the level of developer contribution undetermined, this report cannot identify a dedicated allocation of strategic CIL funding. Under the delegated authority of the Executive Director for Place in consultation with the Cabinet Member for Planning, it is recommended that a contribution is secured from the balance of uncommitted strategic CIL in the East Dorset charging schedule, subject to evidence of the cost of the project and development viability accepted by Dorset Council. It is further recommended that future CIL income from the East Dorset charging schedule be considered should it be required.

5. Alternative options considered

- 5.1 Three options are provided.

a) Limiting spend to what CIL funding is currently available

- 5.1 Not to commit future CIL income to the Lyme Regis Cobb project. This alternative would place a greater burden on other funding sources and potentially reduce the likelihood of internal investment.

b) Pausing spend

- 5.2 Not to pursue the spend of strategic CIL at this moment in time, and continuing to accrue strategic CIL funding, would place a greater burden on other funding sources and potentially reduce the likelihood of internal investment. The resultant delay in using strategic CIL could see opportunities pass, or project costs rise, reducing value for money from the investment of CIL.

c) Extending the availability of strategic CIL to third parties

- 5.3 This alternative would reduce the spending capability of strategic CIL funding to support the capital programme. The neighbourhood proportion of CIL exists as a mechanism for town and parish councils to receive funding for the delivery infrastructure of their choosing.

6. Legal considerations

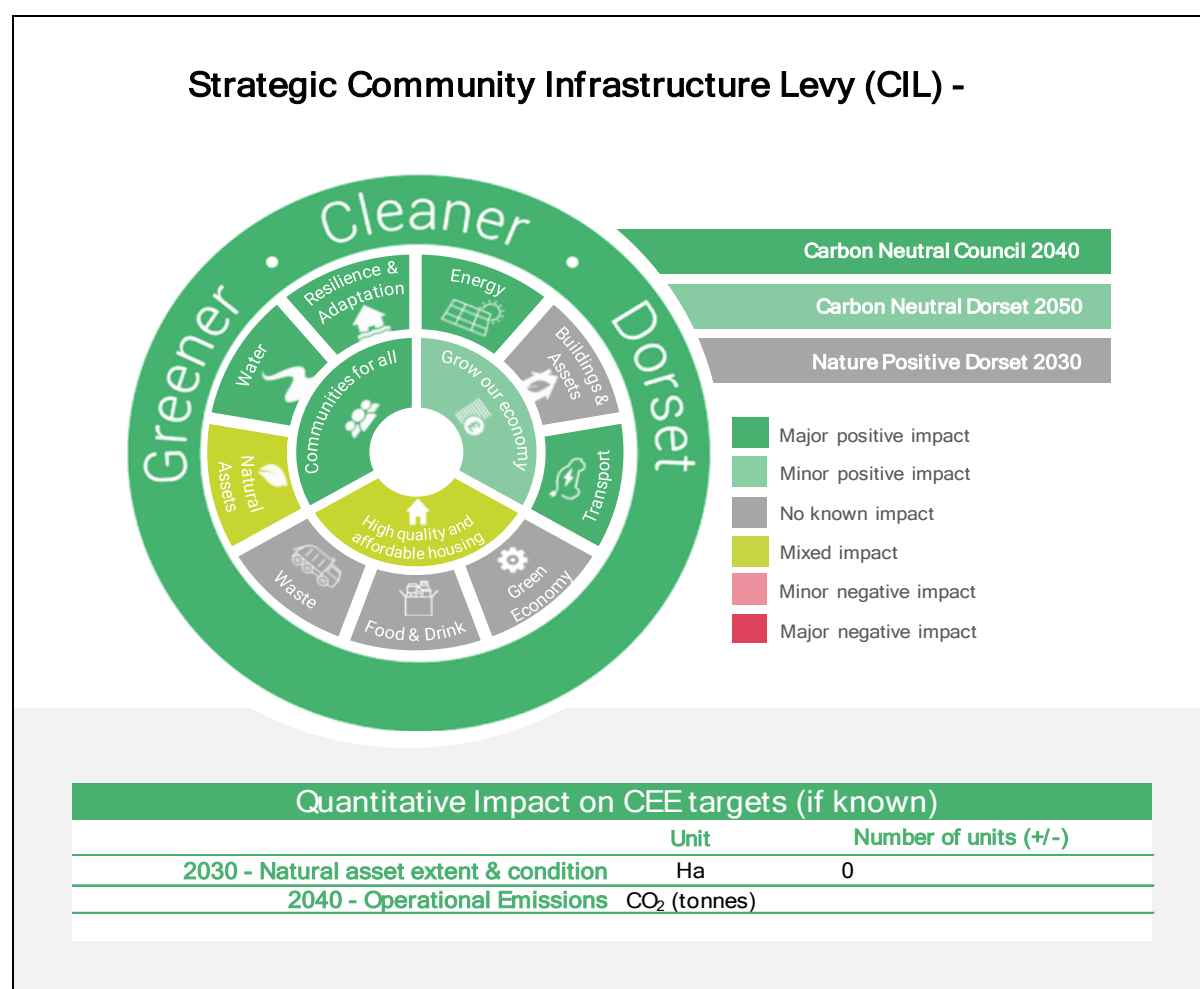
- 6.1 The operation of CIL is governed by the Community Infrastructure Levy (CIL) Regulations 2010 (as amended), which were established under Part 11 of the Planning Act 2008.

7. Financial implications

- 7.1 Funds collected through the Community Infrastructure Levy are paid by persons deemed as the liable party for that development. This is typically the landowner or developer who receives planning consent for CIL liable development. What constitutes CIL liable development varies across the Dorset Council area. Details of income and balances held are included in the main report.
- 7.2 CIL funds are received through the commencement of liable development. Assumptions can be made on the level of future CIL income based on anticipated development and previous income trends.

8. Natural environment, climate & ecology implications

- 8.1 Decision wheel below showing the impacts of this item on the aims of the Natural Environment, Climate & Ecology Strategy. It is considered that the long-term effects of this proposal are positive where they have an impact on the environment.



9. Other implications

9.1 None

10. Risk implications

10.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

11. Equalities

11.1 Equalities will be a consideration of Capital Programme and business cases.

12. Appendices

12.1 Appendix A – Strategic CIL Projects

12.2 Appendix B – Accessible Impact Assessment & Table of Recommendations

13. Background papers

13.1 Community Infrastructure Levy Governance Arrangements – Cabinet 28th July 2020

<https://moderngov.dorsetcouncil.gov.uk/ieListDocuments.aspx?CIId=152&MID=4730#AI5223>

13.2 Strategic Community Infrastructure Levy (CIL) Expenditure 2022 – Cabinet 6th September 2022

<https://moderngov.dorsetcouncil.gov.uk/ieListDocuments.aspx?CIId=152&MID=5358>

13.3 Transforming Public and Community Transport – Cabinet 29th January 2026
(Public Pack)Agenda Document for Cabinet, 29/01/2026 18:30

13.4 Dorset Council Infrastructure Funding Statement 2024/25 -

<https://www.dorsetcouncil.gov.uk/documents/d/guest/infrastructure-funding-statement-2024-2025>

14. Report sign-off

14.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)