

STROUD DISTRICT COUNCIL

ENVIRONMENT COMMITTEE

8 DECEMBER 2022

Report Title	COMMUNITY INFRASTRUCTURE LEVY (CIL) - SPENDING ALLOCATIONS FOR 2023/2024			
Purpose of Report	Stroud District Council has been collecting CIL payments on planning permissions implemented since 2017. CIL should be used towards providing for any additional demand placed on the local environment and services created by new housing growth. Project bids have been received from infrastructure providers seeking funding support to deliver projects that align with planning policy. This report sets out the officers funding recommendations for projects requesting funding support in 2023/2024 financial year.			
Decision(s)	The Committee RECOMMENDS to Strategy & Resources that funding commitments are agreed according to the report.			
Consultation and Feedback	<ol style="list-style-type: none"> 1. CIL bids were passed to Council Officers with specialist knowledge in that subject field. Officers have provided comment on the contents of bids and quality of proposed projects. 2. An informal members' information session was conducted through Zoom on 12th October 2022 where the CIL process was explained, and the contents of this year's project bids were outlined. Copies of the bids were also placed on the Members Hub. 			
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Options	<p>Options are:</p> <ol style="list-style-type: none"> 1. Approve the proposed CIL spending allocations; or 2. Amend the proposed CIL spending allocations, or 3. Delay the proposed CIL spending allocations for further internal discussion 			
Background Papers	<p>The following papers were made available on the Members Hub:</p> <ol style="list-style-type: none"> 1. CIL Strategic Funding Guidance Notes for applicant organisations 2023/24 2. Copies of bids received in this year's 2022 funding application round 			
Appendices	<p>Appendix A – Summary of Funding Recommendations for 2023/24 Appendix B – List of identified future infrastructure needs Appendix C – CIL funding project progress update information sheet</p>			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	Yes

1. INTRODUCTION / BACKGROUND

- 1.1 The Community Infrastructure Levy (CIL) was introduced by government in 2010 as a mechanism to fund the infrastructure required to deliver new development achieved under Local Plan growth strategies. Stroud District Council adopted and implemented the CIL charge from April 2017. CIL only partially replaces the S106 arrangements which continue to be used only for the very large strategic sites identified in the Local Plan.
- 1.2 Since the Council first started collecting CIL, the 'Strategic Infrastructure' budget has received £1,849,710 (April 2017 to March 2022). The Council invites partner delivery organisations to bid for CIL funding through an annual formal bidding process, the first year of which was in 2019. The funding scheme is explained in comprehensive Guidance Notes and accompanied by a bid Proforma. So far £593,550 of strategic CIL has been formally allocated to eligible infrastructure projects; a summary of their progress to date as attached in Appendix C.
- 1.3 Earlier this year, the council opened its 2022 bidding round. The last financial year's income together with amounts purposefully retained from last year, means the Council have a total available Strategic Infrastructure Budget of £1,126,160 to commit to priority infrastructure projects.
- 1.4 Soon after the bid closing date, copies of this year's bids were uploaded onto the Members Hub with a link sent by email. Officers then held an informal information session for members on the CIL process and the content of this year's bids. Members questions about the project were followed up by officers and reported back to members via the CIL folder on the members hub.
- 1.5 This report covers the results of this year's assessment and sets out a recommended scheme spend for next financial year 2023/24.

2. MAIN POINTS

- 2.1 The projects that CIL can be spent on are broadly grouped into capital infrastructure items such as education, social infrastructure, transport and strategic flood risk. These are outlined in the Councils Infrastructure Funding Statement (IFS) and related Infrastructure Delivery Plan (IDP), copies of which are available on the council webpages. Projects must also strongly align with the strategic planning objectives set out in the Councils adopted Local Plan.
- 2.2 CIL income will not be sufficient to meet all the district's infrastructure needs. Instead, CIL should be viewed as one aspect of a number of infrastructure funding streams available to providers. CIL Strategic funding cannot be used to support current existing funding programmes or deficiencies but instead should mitigate the impact of new development.
- 2.3 Strategic infrastructure providers who deliver these service types are contacted each year with information on the CIL strategic funding opportunity. These providers included GCC (for Education, Highways, and Libraries), the Environment Agency, local colleges, Emergency Services, Wildlife and Environmental organisations, and certain service areas within the District Council especially those known to deliver unique capital infrastructure projects.
- 2.4 The CIL Funding Scheme Guidance Notes provide a comprehensive overview of the scheme's intentions and conditions. They stress the importance of projects being 'strategic' in scope and how they must strongly align with planning policy. Projects are expected to be capital in nature and be well defined and planned for, offering good value for money.

- 2.5 Following the closing date for bids in September 2022, the Council received seven formal bids requesting funding for next financial year April 2023- March 2024.
- 2.6 A panel consisting of Planning Managers and CIL Officers then scrutinised the bids according to the assessment matrix previously approved by Council in December 2018. The assessment process also involved consultation with other specialist officers within the Council who were able to further assess the merits of individual applications. Where necessary applicant organisations were contacted with requests for further information.
- 2.7 Seven project bids were received in this 2022 funding round. Of these, four strongly align with planning policy and were good quality projects accompanied by thorough project/business plans, and as such are recommended to receive CIL Funding support as set out in Appendix A attached. One bid (Dudbridge Steps) is being supported by an alternative SDC budget. Two bids were concluded to be insufficiently advanced in their project planning and feasibility phases, so are not favoured for funding support in this year. Key considerations for each bid are summarised below.
- 2.8 **Berkeley Town Improvement Project** - £40,239 is requested towards the preliminary design works to redesign Berkeley town centre. The Public Realm improvements concept supports the delivery of a wide range of important planning policy objectives, particularly improving the functioning and vitality of the town centre as a local service centre for surrounding communities by making it a safer and more pleasant place to visit. Given that the project includes a focus on enhancing pedestrian and cycling provision, SDC's walking and cycling budget will also be contributing towards requested costs.
- 2.9 **Dudbridge to Ryeford Cycle Trail Surface Improvement** - £220,000 worth of resurfacing works are needed to this important strategic route identified in the Sustainable Transport Strategy as part of a wider connecting network. Being a priority low carbon active-travel route, it supports numerous Local Plan policies and it will require investment for it to continue to be a safe and desirable alternative to road use. Officers are recommending a SDC contribution of £150k split across CIL and the Councils walking and cycling budget. Members have asked for clarity on whether GCC would fund the remaining £70k; a response to this query is awaited from GCC at the time of writing this report.
- 2.10 **SGS Stroud College 14-16 Create Centre (toilet provision)**. The '14-16 Create project' provides an alternative education route for young people otherwise excluded from mainstream education, as such it encourages inclusive growth of the District. Alongside core qualifications in Maths and English, young people will receive a high quality vocational education they will be able to take forward into their working lives. To meet safeguarding requirements, toilet provision within the Create Centre will be essential, particularly as many of these school age students have special care considerations and the wider college is also open to adults. Whilst this project is supported by Local Plan policies that promote economic inclusivity, officers feel that the project cannot fully be attributed to housing growth, as such a part funding offer is recommended which would hopefully help attract further inward investment from other sources.
- 2.11 **Wotton Community Sports Foundation – The New Barn**. This will provide a new build recreation pavilion with sports changing, community facilities and a café. It will provide a much-needed addition to a strategic recreation area that attracts users from a large catchment area and currently has no user facilities on site. The project is supported by a range of planning policies and wider SDC service areas. Project feasibility and project planning work has been undertaken to an excellent standard and the group have made impressive advances in securing match-funding. At the CIL information evening, elected members acknowledged the remaining funding gap for the project and, in recognition of the quality of the project and what it will offer residents, they asked that our CIL contribution be

slightly increased to express the councils strong support for the project and better enable delivery. Given the strength of the project, a CIL contribution of £75k is recommended.

- 2.12 **Dudbridge Steps Cycle Link Feasibility Study** - This requests funding support for the development of an options report, to either replace or provide an alternative to the Dudbridge Steps barrier on the cycle link along the old railway alignment; a key corridor route within the Stroud Local Cycling and Walking Infrastructure Plan (LCWIP). Whilst this is considered to be a valuable project, its relative location means it is considered to be a more suitable fit within the councils walking & cycling budget which is intended to support initiatives with a more local focus. This has been discussed and agreed with the walking and cycling budget holders, therefore no strategic CIL funding is required.
- 2.13 **Stroud EV Taxi Scheme** - The bid requests funding to install 'fast-charge' EV points for Taxi use within Stroud Town Centre, the precise locations are not yet identified. Consultation has taken place with senior officers in SDC's Property Services and Licensing Services, and concerns have been raised about how this proposal links in with the Urban Realm concept works planned for the Town Centre. Proposed EV charge locations need to be fully researched before project deliverability can be assured. This bid is therefore considered to be premature, and no CIL funding recommendation is made in this year's bid round although the applicant is invited to continue constructive working relations with SDC Officers and a revised bid can be made in future funding rounds.
- 2.14 **Stroud Community Fire & Rescue Station** - Stroud Fire Station submitted a bid for the creation of a 'community hub' in last year's funding round 2021. This concluded that the 'project need' could not be evidenced and project planning work was considered to be inadequate, and as such funding was not recommended. SDC officers subsequently provided constructive feedback, especially with regards to the importance of consulting with potential user groups and partners. This year's bid is very similar to that of 2021 and does not illustrate any advancement in project planning, and particularly shows no regard to the OPE (One Public Estate) works taking place. Members have also questioned whether this project relates to 'providing for the pressures created by growth in the district' (a requirement of CIL funding), and whether works outlines should be provided within existing GCC Asset Management & Property Services budgets. GCC have been contacted with these questions and a response is awaited.
- 2.15 **Expressions of Interest (EOI)**. The following 'expressions of interest' for subsequent funding years were also received. These have been noted in the 'List of identified future infrastructure needs' in Appendix B, these were for
- Education Places in Cam & Dursley (£257,159)
 - Education Places at Leonard Stanley (£1,400,000)
 - Kingswood Primary School relocation and expansion (£3,200,000)
 - Rodborough–Stroud Cycle Link design and implementation (£150,000)
- 2.16 Members are asked to note the considerable level of funding interest expressed by GCC Education for increased school provision. The 'Education Places for Cam and Dursley' EOI was originally submitted as a bid for 23/24 funding, however at this time GCC are not able to fully detail a CIL bid and instead requested that it be considered as an EOI for future financial years funding instead.
- 2.17 GCC have also indicated a significant need for highways improvements and sustainable travel provision. The IDP expresses a need to further provide for strategic waste treatment sites, flood risk management infrastructure, social infrastructure, the canal and health and wellbeing services and facilities. A list of known future project investment areas is given in

Appendix B. The ability for CIL to accommodate forthcoming priority infrastructure projects will be an important consideration in deciding CIL funding allocations.

- 2.18 Whilst these future infrastructure needs are supported in principle through the Councils Infrastructure Funding Statement (IFS) and Planning Policies, the level of financial requests is likely to be more than can be collected by Stroud District Council's CIL alone. Organisations must understand the limitations and Government intentions of CIL income and the need for them to seek additional funding from other sources.

3. CONCLUSION

- 3.1 It is proposed that payments are made to infrastructure providers in accordance with the recommendations made at Appendix A. The suggested CIL project investment for 2023/24 is **£195,239**, which will come from the secured CIL strategic budget of £1.26 million.
- 3.2 The walking and cycling infrastructure projects are either funded, or part funded, by SDC's walking and cycling budget which is managed separate to and outside of the CIL funding remit.
- 3.3 Projects not recommended for funding in this current funding round were considered slightly premature in that the project feasibility and project planning needed further preparation work. Representatives of these project are invited to continue to work positively with SDC officers and resubmit a revised funding bid next year.
- 3.4 Not all of the available funding is proposed to be spent this year; instead, it is considered prudent to retain £930,921 in recognition of the strategically important projects that have expressed an interest in CIL funding but are not yet in a position to deliver. SDC CIL Officers welcome the opportunity to work with infrastructure organisations on the development of infrastructure projects and advise on the potential for CIL funding support.

4. IMPLICATIONS

4.1 Financial Implications

There are financial implications associated with this report. The suggested CIL investment figure of £195,239 can be funded from existing CIL receipts. Any match funding referred to in the body of the report and appendices will need to be brought back through Committee and recommended to Council to approve. This will also have to be reflected in the current Capital Programme

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4.2 Legal Implications

CIL contributions may only be spent on infrastructure projects in accordance with the Community Infrastructure Levy Regulations 2010 (as amended). The levy can be used to fund a wide range of infrastructure, including transport, flood defences, schools hospitals and other health and social care facilities pursuant to Section 216(2) of the Planning Act 2008 and Regulation 59 of the Regulations.

The levy can, therefore, be used to fund a very broad range of facilities such as play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives the Council the ability to choose what infrastructure it needs to deliver the Local Plan.

Charging authorities may not use the levy to fund affordable housing.

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.

Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed in line with adopted policy.

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4.3 Equality Implications

CIL funding is based on growth and infrastructure requirements set out in the Local Plan, which has been subject to EIA. Consequently, there are no actions in or as a result of this report that will have a negative impact on Equalities, or any groups recognised in an EIA.

4.4 Environmental Implications

The recommended projects invest in infrastructure that promise to bring significant positive benefits to the Environment. Facilities that reduce the need for motorised travel, supporting public transport and promoting clean travel (walking and cycling) and flood management schemes.

There are no perceived negative implications that would directly result from supporting any of the projects and environmental considerations are promoted throughout the scheme.