



CABINET: 14 January 2020

Report of: Corporate Director of Place and Community

Relevant Portfolio Holder: Councillor David Evans

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SUBJECT: CIL FUNDING PROGRAMME 2020/21

Wards affected: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To report on the consultation held in autumn 2019 on the options for the CIL Funding Programme for 2020/21, and to propose final recommendations for the CIL Funding Programme in 2020/21.

2.0 RECOMMENDATIONS

2.1 That the consultation feedback report provided at Appendix A be noted.

2.2 That CIL monies be allocated to the delivery of the following project in 2020/21:

- £100,000 to the re-build of Hesketh Bank Community Centre

2.3 That Ormskirk Neighbourhood CIL monies be allocated to the delivery of the following project in 2020/21:

- £29,000 to play area improvements at Thompson Avenue, Ormskirk

2.4 That previously saved CIL monies be allocated to the delivery of the following project in 2020/21:

- £225,000 to the play area at Tawd Valley, Skelmersdale
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3.0 BACKGROUND

- 3.1 The Council adopted a CIL Charging Schedule in July 2014, and has been charging CIL since 1 September 2014. In March 2015, the Council approved a CIL Governance Framework which set out how decisions would be made on the spending of CIL monies by the Council, amongst other matters. As a reminder, when CIL monies are collected by the Council in relation to any development it is divided into three parts:
- 80% of the monies are retained by the Council to be pooled with other CIL income from other developments to be spent on infrastructure as the Council sees fit across West Lancashire
 - 15% is passed to the local Parish Council that the development is located within for them to decide what infrastructure the monies should be spent on locally within the Parish. This is known as the "neighbourhood portion". Where there is not a Parish Council, the Borough Council keeps hold of the monies and must decide what infrastructure the monies should be spent on within that unparished area. The portion increases to 25% in those areas with a Neighbourhood Plan (reducing the strategic portion to 70% in those areas).
 - 5% is retained by the Council to help cover the costs of administering CIL
- 3.2 In relation to the 80% of CIL income retained by the Council for spend on infrastructure across the Borough, in January 2018 Cabinet resolved that the vast majority of this CIL income should be saved towards "strategic" infrastructure; that is projects which require more than £100,000 of CIL funding. Decisions on what to spend those saved CIL monies on (and when) will be made by Cabinet as and when a project arises that is considered a suitable use of the saved monies.
- 3.3 As part of that decision to save the majority of CIL income for "strategic" infrastructure projects, it was decided that the annual CIL Funding Programme should instead be focused on smaller projects (requiring £100,000 of CIL funding or less) going forward, and that a maximum of £100,000 of the CIL funds raised in a given financial year will be allocated to such smaller projects through the CIL Funding Programme each year.
- 3.4 A draft of this CIL Funding Programme must be publicly consulted upon before Cabinet make a final decision on it in January of any given year in readiness for spending the monies from April that year. The public consultation on potential smaller projects to be included in the CIL Funding Programme 2020/21 was conducted in autumn 2019.
- 3.5 In addition, CIL monies have been collected by the Council in relation to the unparished area of Ormskirk. In accordance with the CIL Regulations 2010 (as amended) 15% of those monies received in Ormskirk must be retained as the neighbourhood portion by the Council who must then consult with residents and businesses of Ormskirk on how best to spend these "neighbourhood" CIL monies. The Council included consultation on this alongside the consultation on the CIL Funding Programme in autumn 2019.
- 3.6 This report follows up on that public consultation held in autumn 2019 on the above two types of CIL monies. It reports back on the responses received and

recommends which schemes should be incorporated into the 2020/21 CIL Funding Programme. Furthermore, this report also makes a third recommendation in relation to the use of previously saved strategic CIL monies to provide a play area in the Tawd Valley Park, Skelmersdale. As the cost of this proposed project exceeds £100,000, it falls outside of the annual funding programme but must be considered and determined by Cabinet.

- 3.7 A key document that informs the process of preparing a CIL Funding Programme is the Infrastructure Delivery Schedule (IDS). The IDS is a database of infrastructure projects that are planned or desired to take place during the current Local Plan period. It originally formed part of the evidence base for the Local Plan and the CIL Charging Schedule but has become more of a “live” document now, allowing monitoring of all infrastructure projects in the Borough and concurrent measuring of how the Local Plan is performing in delivering this key aspect of sustainable development.
- 3.8 Many projects on the IDS have a connection to new development in that they are needed or demanded because of the new development proposed and being delivered through the Local Plan. However, other projects are not necessarily linked to new development in this way, but are still needed to upgrade existing infrastructure provision or reflect aspirations that infrastructure providers have and which, in some cases, may enable further new development in the future.
- 3.9 In relation to CIL, therefore, the IDS provides the basis for assessing which infrastructure projects CIL monies should be spent on. Not all projects on the IDS will be eligible for and / or need CIL monies.
- 3.10 Residents and businesses, infrastructure providers, ward councillors, parish councils and relevant council officers have all been given opportunity to input ideas and suggestions on schemes that could go into the latest version of the IDS, and to update details of schemes that are already in the IDS. This is a vital part of the process and the more specific and detailed the information provided, the better the Council can assess the projects. If the information is inadequate or incorrect, this will inevitably affect the assessment, particularly in relation to deliverability of a project. To this end, all contributors are invited to comment on the draft CIL Funding Programme when it is published for public consultation and can update the information provided as they see necessary.

4.0 CONSULTATION FEEDBACK

- 4.1 Public consultation also plays an important part in helping to identify those schemes with the greatest priority for local people. As such, a significant investment of funds (for publicity) and officer time is made each year into the public consultation on the CIL Funding Programme. The draft CIL Funding Programme was put out to public consultation between 10 October and 8 November 2019. It sought views on the following shortlisted projects.

CIL monies:

- £100,000 towards the re-build of Hesketh Bank Community Centre
- £40,000 towards improvements to the Cheshire Lines, Downholland

Ormskirk Neighbourhood CIL monies:

- £40,000 towards improvements to the play area at Thompson Avenue

The consultation also invited the public to suggest further infrastructure schemes which they think are needed to support new development.

- 4.2 Over 120 responses to the consultation were received from the public and stakeholders, and all their comments have been considered in making the final recommendations regarding CIL funding in 2020/21. A summary of the feedback and the full set of comments is provided at Appendix A.

CIL monies

- 4.3 Significant proportions of the responses were in support for improvements to Cheshire Lines, Downholland and the re-build of Hesketh Bank Community Centre, Hesketh Bank. However, it should also be noted that there were a relatively large number of objections to the community centre which were typically received from people affiliated with Hesketh Bank Silver Band. Based on the objections received, there appears to be a private dispute between the Trustees of the Community Centre, and the Silver Band, regarding the loss of the existing facilities and the non-exclusive use of new facilities, which is the responsibility of those two parties to resolve and not an issue for the Council to intervene in. Objections also related to the potential relocation of the community centre to an adjacent site, but the community centre trustees have confirmed that this proposal is no longer to be pursued. A number of objections focused on the lack of public consultation to date from the trustees, but the project is still in its relative infancy and the trustees will be required to obtain all necessary planning permissions, with its own consultation processes, as a condition of any funding. Consequently, it is not considered that any of the objections present sufficient grounds for the Council to cease consideration of the proposal for CIL funding.
- 4.4 Through the consultation, Network Rail resubmitted proposals seeking CIL monies to use on rail station facility improvements across the Borough. However, the Council would expect Network Rail to either fund wholly, or partly, the improvements themselves as those works fall within their remit and no details of any match funding were provided.
- 4.5 West Lancashire Light Railway submitted a proposal for new toilets at their site, but, as this is a private enterprise and not freely publicly accessible, it is not considered appropriate to include this within the IDS as community infrastructure or a scheme required to support new development.

Ormskirk Neighbourhood CIL monies

- 4.6 With regard Ormskirk neighbourhood monies, 38 comments were received from Ormskirk residents who all supported the play area improvements at Thompson Avenue.
- 4.7 Respondents also suggested a number of other schemes, including:
- *Linear parks* – these are already recorded on the IDS, but are not yet sufficiently advanced to be deliverable in the next two years

- *Pedestrian and cycle infrastructure in and around the town* – these suggestions will be forwarded to Lancashire County Council, as highways authority, for their consideration. Should LCC identify appropriate schemes (for example through the Town Centre Movement Strategy), these will be recorded on the IDS for future assessment.
- *Removal of planters on Aughton Street and re-planting of trees in the ground* – this is not a need which arises as a result of new development and so is unsuitable for inclusion on the IDS or to receive CIL funding.

5.0 RECOMMENDATIONS OF THE HEAD OF GROWTH & DEVELOPMENT SERVICES

CIL monies

- 5.1 Given the feedback from the consultation and the positive assessment of the projects by officers, I recommend at 2.2 above that Cabinet should allocate CIL monies to the Hesketh Bank Community Centre project.
- 5.2 Cabinet are reminded that they have previously agreed a protocol to only allocate up to £100,000 of CIL monies to small-scale projects in any financial year (excluding any CIL monies allocated from the neighbourhood portion in unparished areas). Officers consider that both projects considered for this allocation (the re-build of the Hesketh Bank Community Centre and the improvements to the Cheshire Lines) are appropriate to receive CIL funds in 2020/21, but this would total £140,000 and exceed the annual cap of £100,000.
- 5.3 Given this constraint, my suggestion would be to use the CIL monies to fund Hesketh Bank Community Centre because there is a greater urgency to secure funding for this project given their simultaneous bid to the National Lottery Communities Fund (which would be dependent on the match funding from CIL). Should that funding not be secured, or should planning permission not ultimately be granted, this allocation of CIL monies would be withdrawn and the sum would return to the pot of saved CIL monies to be used on a different project in the future. Should Cabinet agree with this suggestion, Cheshire Lines would then, again, be shortlisted for funding through the 2021/22 CIL Funding Programme and Cabinet may choose to allocate CIL monies to it next year instead.

- **Re-build of Hesketh Bank Community Centre**
£100,000 CIL / £360,000 of match funding

This proposal will replace three existing halls with one single, multi-use building on the existing site at Station Road, Hesketh Bank. The proposal will be able to provide a more modern, environmentally sustainable building, with improved space and facilities, which is able to better support increasing community needs.

Hesketh Bank is currently home to significant levels of new residential development, most notably from the redevelopment of the Alty's site. It is accepted that this scheme will help to address infrastructure needs arising from new development, and so is in accordance with CIL expenditure requirements.

This project is located in a parish which does have, and will receive, significant amounts of CIL funding through the neighbourhood portion. However, whilst the Parish Council have already agreed to award £50,000 of their neighbourhood CIL monies to fund the re-build of the community centre, they have awarded the majority of their neighbourhood monies to the delivery of the River Douglas Linear Park, which aligns with this Council's aspirations in the adopted Local Plan and the Green Infrastructure & Cycling Strategy. As such, there is insufficient neighbourhood CIL monies remaining to entirely fund the CIL contribution needed toward the re-build of the community centre.

The project has also secured, or is in the process of securing, £120,000 of funding from other sources, including other community grants, and a further £200,000 from the sale of land. The Trustees are seeking further match funding of £100,000 from the National Lottery Communities Fund, and it is hoped that an allocation of CIL funding would help lever in this additional funding. A decision from the Lottery is expected early 2020 but, if successful, will mean that delivery of the scheme will become more pressing.

- **Improvements to Cheshire Lines**
£40,000 CIL / no match funding

This proposal will improve access, signage, surfacing and interpretation at the Cheshire Lines Path, in Great Altcar/Downholland, which is part of a national cycle route. Whilst these areas themselves have not seen sufficient levels of development, the Cheshire Lines form part of a strategic route which accommodates tourism and use from residents from wider, outlying areas and is therefore accepted to meet a local need or demand arising from new development. As strategic green infrastructure, improvements to the cycling/walking facilities would help to improve access and encourage use by residents from across West Lancashire, with the potential to create health benefits for all users.

The project is not located in an area with any significant neighbourhood CIL monies available, or which are expected to be available in future, and so would be an appropriate project to fund using CIL monies. However, given the financial cap constraint and the fact that the Hesketh Bank Community Centre project has more pressing delivery constraints in relation to available match funding, it is thought to be more appropriate to consider the Cheshire Lines scheme through next year's CIL Funding Programme.

Ormskirk Neighbourhood CIL monies

- 5.4 Given the feedback from the consultation and the positive assessment of the projects by officers, I recommend at 2.3 above that Cabinet should agree to allocate CIL monies to play area improvements at Thompson Avenue, Ormskirk.

- **Play area improvements at Thompson Avenue, Ormskirk**
£29,000 of CIL / £11,000 of Section 106 monies

The proposal is in keeping with the Council's Play Strategy, as it would bring the existing play area from low to high quality to create a 'high quality, high value' site for local residents. The scheme has received high levels of support through the public consultation.

This project is located in the non-parished area of Ormskirk which has a significant sum of CIL funding available to spend from the neighbourhood portion from developments in the town. In addition, there is also £11,000 of S106 monies available to be spent in Derby Ward. As these S106 monies are currently unallocated, it is recommended that the S106 monies available in Ormskirk should be used to match fund the CIL. A separate Cabinet report will be presented in relation to approving the use of those S106 monies.

'Previously Saved' CIL monies

5.5 I further recommend at 2.4 above that Cabinet should agree to allocate CIL monies to the provision of a play area in the Tawd Valley, Skelmersdale.

- **Tawd Valley Park play area, Skelmersdale**
£225,000 of CIL

This project will provide high quality play facilities for all ages and abilities to complement the development of Skelmersdale town centre and provide a large, central attraction for facilities in the town. The project is an integral part of the plans to redevelop the town centre, providing an important recreational space and supporting development across Skelmersdale and surrounding areas.

St Modwen Developments, as part of the public realm works for the Skelmersdale Town Centre developments, will be putting the necessary infrastructure in (drainage, paths, etc.) to enable this CIL funding to be used solely on the play area itself and any contingencies should the infrastructure costs for the Play Area be greater than anticipated.

Whilst the Tawd Valley Park has already received funding from CIL and other sources, those monies have been allocated towards the implementation of a wide range of other projects. This additional funding would allow the play element of the scheme to be delivered.

This project requires over £100,000 of CIL and so would need to be funded through the saved strategic CIL funds that the Council holds, as it exceeds the annual cap allocated to 'smaller' projects through the annual CIL funding programme. Cabinet are invited to consider this project separately as to whether to allocate any of the saved strategic CIL monies to fund this project.

CIL receipts

5.6 In terms of available monies, it is anticipated that the Council will collect £2.8million of CIL in 2019/20, with the relevant strategic portion standing at £2.2 million for that year. There will therefore be sufficient funds to allocate to 'smaller' infrastructure schemes in 2020/21 through the CIL Funding Programme and still save £2.1 million for 'larger', more strategic and costlier projects in the future.

5.7 As of April 2019, the Council had a cumulative strategic CIL balance of £3.4million, which by April 2020 should stand at £5.3 million (excluding any monies to be allocated to new schemes through the recommendations in this report). There will therefore be sufficient funds to allocate to 'larger' infrastructure

schemes, in addition to the Tawd Valley Park Play Area, in 2020/21 and beyond when an appropriate project is identified.

Table 1: CIL Receipts received / anticipated since September 2014-2020

Collected in:	Total receipts	Strategic portion (80%)	CIL Funding allocated to Infrastructure Projects	Cumulative Strategic CIL balance
2014/15	£45,703	£36,562	£43,000	£110,083
2015/16	£144,959	£116,521		
2016/17	£603,834	£483,660	£173,000	£420,743
2017/18	£2,257,038	£1,805,877	£425,000	£1,801,620
2018/19	£2,150,247	£1,734,107	£91,000	£3,444,727
Sub-Total 2014-2019	£5,201,781	£4,176,727	£732,000	£3,444,727
2019/20 Received	£824,692	£661,552	£325,000	
2019/20 Expected	£1,997,358	£1,581,886		
Total 2014-2020	£8,003,832	£6,420,165	£1,057,000	£5,363,165

- 5.8 By April 2020, the Council expect the neighbourhood CIL portion to have been collected in Ormskirk in 2019/20 to be £66,858, so there will therefore be sufficient funds to allocate to the recommended scheme at Thompson Avenue in 2020/21, without even counting the more than £200,000 of neighbourhood CIL in Ormskirk saved from previous years.

Table 2: CIL Receipts received / anticipated since September 2014-2020 in Ormskirk

Collected in:	Total receipts	Neighbourhood portion (15%)	CIL Funding allocated to Infrastructure Projects	Ormskirk Neighbourhood CIL balance
2014-2019	£2,094,075	£314,111	£103,000	£211,111
2019/20	£445,720	£66,858	£29,000	£37,858
Total 2014-20	£2,539,796	£380,969	£132,000	£248,969

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

6.1 The delivery of new infrastructure funded by CIL monies will have positive implications for sustainability and contribute to the delivery of the development allocated in the West Lancashire Local Plan 2012-2027 in a sustainable manner.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 There is no additional cost to Council resources of preparing and consulting on a CIL Funding Programme given that any projects prioritised for funding will be funded by CIL monies and, in some cases, match-funding identified by the infrastructure provider from other sources. The administration of CIL (including the CIL Funding Programme) is covered by the 5% administration fee retained by the Council from CIL receipts together with the Planning Services revenue budgets.

8.0 RISK ASSESSMENT

8.1 There are no significant risks related to this report.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore, an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report.

Appendices

Appendix A – Consultation Feedback Report on the draft CIL Funding Programme
2020/21

Appendix B – Assessment of Shortlisted Projects

Appendix C – Equality Impact Assessment