



AGENDA ITEM:

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE: 13
January 2022**

CABINET: 25 January 2022

Report of: Corporate Director of Place and Community

Relevant Portfolio Holder: Councillor Gaynar Owen

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SUBJECT: CIL FUNDING PROGRAMME 2022/23

Wards affected: Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 To report on the consultation on the draft CIL Funding Programme for 2022/23, and to propose final recommendations for the CIL Funding Programme in 2022/23.

2.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE

- 2.1 That the Committee consider the content and final recommendations of the CIL Funding Programme 2022/23 report and that the agreed comments of Executive Overview and Scrutiny Committee be passed to Cabinet for their consideration.

3.0 RECOMMENDATIONS TO CABINET

- 3.1 That the consultation feedback report provided at Appendix A be noted.
- 3.2 That CIL monies be allocated to the delivery of the following projects in 2022/23:
- £31,555 – Dial-a-Ride service (Year 2)
 - £37,650 – Creation of an active hub, Skelmersdale Ecumenical Centre
- 3.3 That Skelmersdale Neighbourhood CIL monies be allocated to the delivery of the following project in 2022/23

- £12,760 – Track and trim-trail at St James' Primary School, Ashurst
- 3.4 That Ormskirk Neighbourhood CIL monies be allocated to the delivery of the following project in 2022/23:
- £60,000 – Improvements to Whittle Drive changing facilities
- 3.5 That the underspend (c.£6835) from the previously approved Burscough towpath improvement scheme be transferred to the previously approved Parbold towpath scheme to increase the available funding for that project.
- 3.6 That delegated authority is granted to the Director of Place and Community, in consultation with the Portfolio Holder for Planning, to consider and authorise any reasonable changes to the details of the Cabinet approved schemes contained within this report, including minor changes to CIL funding or delivery timescales, that may be necessary to facilitate the subsequent delivery of an approved project, and that this delegation level is updated in the Council Constitution.
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4.0 BACKGROUND

CIL Funding Programme 2022/23

- 4.1 The Council adopted a CIL Charging Schedule in July 2014 and has been charging CIL since 1 September 2014. In July 2020, the Council approved an update to the CIL Governance Framework which sets 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
- 4.2 In relation to the 80% of CIL income retained by the Council for spend on infrastructure across the Borough, the vast majority of this CIL income will be saved towards "strategic" infrastructure; that is projects which individually 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.

- 4.3 The annual CIL Funding Programme will therefore focus on smaller projects (each requiring £100,000 of CIL funding or less), with a maximum cap of £200,000 of the CIL funds raised in a given financial year to be allocated to smaller projects through the CIL Funding Programme each year.
- 4.4 A draft of this CIL Funding Programme must be publicly consulted upon before Cabinet make a final decision on it late autumn/winter in any given year in readiness for spending the monies from April the following year. The public consultation on potential smaller projects to be included in the CIL Funding Programme 2022/23 was conducted in autumn 2021.
- 4.5 In addition, CIL monies have been collected by the Council in relation to the unparished areas of Ormskirk and Skelmersdale. In accordance with the CIL Regulations 2010 (as amended) 15% of those monies received in those non-parished areas must be retained by the Council as the neighbourhood portion who must then consult with residents and businesses of those areas on how best to spend these "neighbourhood" CIL (NCIL) monies. The Council included consultation on this alongside the consultation on the CIL Funding Programme in autumn 2021.
- 4.6 This report follows up on that public consultation held in autumn 2021 on the above types of CIL monies. It reports back on the responses received and recommends which schemes should be incorporated into the 2022/23 CIL Funding Programme.

The Infrastructure Delivery Schedule and scheme assessments

- 4.7 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.
- 4.8 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.
- 4.9 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.
- 4.10 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.

5.0 CONSULTATION FEEDBACK

- 5.1 Public consultation 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 23 September and 22 October 2021. The consultation was advertised in the Champion, online and via mailouts to the consultation database, with respondents able to respond online. It sought views on the following shortlisted projects:

CIL monies:

- £31,555 Dial-A-Ride (Year 2)
- £37,650 Creation of an active community hub at Skelmersdale Ecumenical Centre

Skelmersdale Neighbourhood CIL monies:

- £10,760 Installation of a mile-long track and trim-trail at St James' Primary School, Ashurst, Skelmersdale

Ormskirk Neighbourhood CIL monies:

- No projects were shortlisted, although people were invited to submit suggestions of infrastructure schemes that could be suitable for delivery in the future.

- 5.2 59 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 2022/23. The full set of comments is provided at Appendix A, with a summary below.

Dial-a-ride

- 5.3 A number of comments were received supporting the Dial-A-Ride service, on the basis it provides an important transportation service across the Borough.

Active hub at the Ecumenical Centre

- 5.4 There was wide support for the active hub because of its role in supporting the community, providing opportunities for volunteering, encouraging more people to get involved in health activities and addressing local needs. Respondents stated that its central location means it can offer its services across the town, and there

has been significant development in the surrounding area to justify the allocation of CIL funds. It was considered that the project meets the Council's vision of creating empowered, engaged and inclusive communities and supports improvements to health and wellbeing, whilst the innovative cycle scheme supports transportation, leisure and active travel ambitions.

Installation of a mile-long track and trim-trail at St James' Primary School

- 5.5 There was a significant amount of support received for the project at St James' Primary School, Ashurst. A number of the comments noted that the project would support the school pupils and promote their physical and mental health, with benefits extended into the local community and organised groups (cubs, scouts etc) to provide outdoor activity facilities.

Other

- 5.6 Through the consultation, a number of additional schemes were suggested but will not be taken forward at this time, either because they are not infrastructure items listed on the Council's Infrastructure Funding Statement and/or a need for them does not arise from new development (e.g. wildflower verges, filling of potholes), or they have not been assessed as suitable for shortlisting at this current time (St James' MUGA). Further suggestions, including improvements to a play area in Inglewhite, Skelmersdale and the installation of Speed Indication Devices (SpIDs) in Ormskirk have been sent to the responsible service providers to consider and advise on the feasibility of their inclusion on the IDS.
- 5.7 Support was therefore received for all the shortlisted projects, and no comments were received that raised any concerns with regard the use of CIL funds on those projects. A small number of additional project suggestions were received, and appropriate proposals are being explored in more detail.
- 5.8 It is therefore considered appropriate that the shortlisted projects for the use of CIL monies are carried forward into final recommendations for the CIL Funding Programme 2022/23.

6.0 RECOMMENDATIONS OF THE CORPORATE DIRECTOR OF PLACE AND COMMUNITY

CIL monies

- 6.1 Given the feedback from the consultation and the positive assessment of the projects by officers, I recommend at 3.2 above that Cabinet should allocate CIL monies to the following projects:

- ***Dial-a-Ride, Borough-wide (Year Two) – demand responsive transport service for West Lancashire (£31,555 of CIL sought to help fund the service for one year, with c.£154,700 of match funding)***

- 6.2 This already established scheme provides accessible transport, particularly for elderly and disabled residents, covering those areas of the borough not well-served by public transport.

- 6.3 Dial-a-Ride's original bid sought CIL monies to help fund the service for three years. However, it was decided that the project should be considered for funding as a one-year scheme on the basis that it could be supported in the immediate future whilst still keeping CIL monies available for use on other projects. Should further monies be required in future years, new bids for CIL monies could be submitted. Subsequently, the Dial-a-Ride scheme was awarded CIL monies through the 2021/22 funding programme to help finance the service in year 1.
- 6.4 It follows that this bid relates to year 2 and seeks the same amount of funding to support this valued transportation service during 2022/23. As with year 1, Dial-a-Ride have already secured the majority of funding from Lancashire County Council (LCC) and other assured sources and raise further significant income through fares and subscriptions for the service.
- 6.5 In consideration of this project, it has been acknowledged that CIL monies must be used to support new, not existing, development. Therefore, whilst CIL monies will go some way to supporting the continuation of the Dial-a-Ride scheme, and preventing cuts to the existing service, any award of funding will also be able to support changing needs and increased demand for the scheme that may be created as a result of new development.
- ***Creation of an active community hub at Skelmersdale Ecumenical Centre, Skelmersdale (£37,650 of CIL sought)***
- 6.6 This bid is to develop the Ecumenical centre's hall into a multi-functional sport and recreation facility to enable leisure projects / activities to meet local demand; to create a small bike hire station at the centre using second-hand bikes; and to publicise the hub via a new website and social media presence. The project would provide health improvement opportunities, particularly to disenfranchised groups, as well as provide low cost and active/sustainable transport opportunities. Skelmersdale is undergoing significant residential and retail development, both in and around the town centre, which this project would help support. Whilst the Council have their own ambitions for sports centres, this active hub would provide an alternative, community-based health improvement opportunity, deliverable in the immediate short-term.
- 6.7 That being the case, the total cost of funding all those projects is £69,205, which falls below the £200,000 annual cap and means the two projects can be funded in 2022/23 and there will still be a remaining amount (£130,795) to carry over into the strategic CIL pot to enable those funds to accumulate further.

Skelmersdale Neighbourhood CIL monies

- 6.8 In relation to the following scheme:
- ***Installation of a mile-long track and trim-trail at St James' Primary School, Ashurst, Skelmersdale (£12,760 of NCIL sought with £20,000 match funding)***
- St James' Primary School has seen pupil numbers increase as a result of surrounding residential developments (including Ashurst Road and Whalleys) (the school report a 22% increase between 2019 and 2021). The school state that they have pupils who struggle with physical and mental health and access to outdoor recreation, which has been exacerbated by pandemic lockdowns. In

response, the mile-long track and adjoining 'trim-trail' would run within the school grounds and provide access to health and sport opportunities for pupils, including less-mobile children, as well as the wider community.

- 6.9 Whilst the school have an existing trim-trail to the east of the school, they have stated that this proposal is for a new trim-trail to connect the existing trail with the proposed mile-long track to the north of the school. Further, they have confirmed that whilst there are existing drainage issues on the school field, the works here will not directly address those issues and will just provide new facilities. Any improvements will be obtained indirectly through the wider, new works.
- 6.10 Many of the consultation respondents supported the project because of its benefits for the school's pupils but to be eligible for CIL funding, the facilities must be accessible by, and available for, the community, albeit this may inevitably be outside of operational school hours. The school have stated facilities will be available to the community at weekends and after school etc. but, as the track and trail would be within the school premises, it would require authorised keyholders (i.e., cubs, scouts, etc.) to take responsibility for supporting access. With appropriate management of access, it is considered the new facilities would help improve the health of pupils and the local community.
- 6.11 It is proposed to fund this project using the available Neighbourhood CIL (NCIL) monies which have derived from the nearby Whalleys development, thereby enabling the monies to directly benefit the area from which they stemmed. In addition, NCIL can be spent more flexibly than strategic CIL because it can also be used to fund "anything else that is concerned with addressing the demands that development places on an area".
- 6.12 Given the feedback from the consultation, the assessment of the project by officers and having addressed previous Member concerns regarding drainage and accessibility, I recommend at 3.3 above that Cabinet should allocate Neighbourhood CIL monies to this project. Due to the spiralling costs of materials and labour at present, the school have said that the costs for the scheme have increased by £2,000 since their original submission, and therefore this bid is now higher than that figure publicly consulted upon. However, the allocation of £12,760 is still a relatively modest sum, against the match funding available, to help deliver this scheme. NCIL funding will be conditioned on the basis that the facilities it provides must be available by the community, for free, outside of the school hours.

Ormskirk Neighbourhood CIL monies

- 6.13 No schemes in Ormskirk had been shortlisted through the draft CIL Funding Programme, and therefore no schemes formed part of the consultation. However, since the draft programme was approved for consultation, internal discussions have brought the following scheme for the consideration of Ormskirk NCIL monies.

- ***Whittle Drive changing facilities (£60,000 of NCIL sought with £100,000 match funding)***

- 6.14 Members will recall that, in January 2018, CIL monies were awarded to the creation of improved changing facilities at Whittle Drive, Ormskirk (West End FC). Following that approval, progress began on the project but was subsequently slowed due to a number of factors, including the coronavirus pandemic. Most notably, necessary changes to the scheme's design could not be actioned because the architects faced significant challenges from the pandemic, whilst internal staff resources were redirected to the Council's tactical covid response. These issues were then followed by further delays arising from staff departures and the need to 'handover' the project to new officers. During the time taken to re-establish the project, the time window for the use of the CIL monies expired.
- 6.15 However, the Council's Leisure Services and the football club are still keen to deliver the project and the project still meets the criteria for CIL funding. Leisure Services have provided new assurances that the project can be delivered within two years, including providing a credible two-year programme for the works.
- 6.16 Through the original approval (in January 2018), Cabinet awarded £40,000 to this project with the club providing an additional £40,000 match funding from the Football Foundation (FF). In the interim period, the club have evolved their proposals into a more detailed specification, and have undertaken tendering exercises for the work, which showed costs have increased significantly; for example, building and labour costs have spiralled following the pandemic and Brexit. In response to the increase in scheme costs, the club have now obtained a revised grant of £100,000 from the FF to deliver the scheme but now wish to seek £60,000 of CIL funding from the Council. This increase of £20,000 on the earlier CIL funding approval reflects the revisions to costs set out here.
- 6.17 The principle of the suitability of the project for CIL funding has already been established through the previous Cabinet decision (and its associated public consultation), and the revised scheme has again been favourably re-assessed for CIL. Therefore, a new decision relates to whether the Council are happy to (re-) allocate monies to this project to ensure delivery of the community project. Herein also lies a potential opportunity to achieve better value from available CIL monies - should Cabinet be amenable to re-awarding funding to this project, then it is proposed that Ormskirk Neighbourhood CIL (NCIL) monies should be used in lieu of CIL (as was previously awarded). When the scheme was first granted approval, relatively little NCIL money was available in Ormskirk but the Council now hold a significant amount of NCIL monies which could be drawn from, particularly given no other schemes are currently able to be shortlisted in the Ormskirk area. As the previously allocated and 'expired' £40,000 has been returned to the council 'pot', use of NCIL would then ensure these strategic monies could be used on projects elsewhere in the Borough.
- 6.18 I therefore recommend at 3.4 above that Cabinet should agree to allocate Ormskirk Neighbourhood CIL monies to the Whittle Drive project:

Other CIL funding matters

- 6.19 In 2016, Cabinet agreed to allocate £150,000 of CIL towards funding towpath improvements between Burscough Wharf and Glovers Swing Bridge, to be delivered by the Canal and Rivers Trust (CRT). In 2020, Cabinet approved £385,000 of CIL to fund additional towpath improvements between Parbold and

Appley Bridge, again to be delivered by CRT. Whilst the Burscough towpath scheme has been completed, CRT have advised that they have a resultant underspend from the Burscough project of c.£6,835 and have proposed that the underspend is now transferred to the Parbold scheme. The Parbold scheme is currently in its design stages, and, whilst the Council have made it clear that any subsequent increase in costs arising from that design work would need to be borne by CRT, it does seem reasonable that the underspend on the Burscough project could be transferred across to the Parbold scheme to provide a little more leeway, particularly given ever-increasing material costs. Both towpath improvement schemes are closely related green-infrastructure schemes, designed to improve connectivity between West Lancashire and surrounding areas (including Wigan). The transfer of the underspend to the Parbold project would not have any additional impact on the availability of CIL funds, as they were already taken to have been utilised on the Burscough project. CRT would just be required to reassign the available underspend to the Parbold scheme. Therefore, I recommend at paragraph 3.5 above that the underspend from the Burscough towpath improvement project be transferred to the Parbold towpath improvement scheme to increase the available funding for that project.

CIL receipts

- 6.20 In terms of available monies, it is anticipated that the Council will collect £2.9 million of CIL in 2021/22, with the relevant strategic portion being £2.2 million for that year. As such, there will therefore be sufficient funds to allocate up to £200,000 to 'smaller' infrastructure schemes through the CIL Funding Programme 2021 and still save £2 million for 'larger', more strategic and costlier projects in the future.
- 6.21 As of April 2021, the Council had a cumulative strategic CIL balance of just under £7.8 million, which by April 2022 should stand at over £10 million (including those monies that would be allocated to new schemes through the recommendations in this report). There will therefore be sufficient funds to allocate to 'larger' infrastructure schemes in 2022/23 and beyond when an appropriate project is identified.

Table 1: CIL Receipts received / anticipated since September 2014-2022

| 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 |
| 2019/20 | £2,944,857 | £2,376,729 | £325,000 | £5,556,455 |

| | | | | |
|----------------------------|--------------------|--------------------|--------------------|---------------------|
| 2020/21 | £3,743,047 | £2,770,046 | £555,555 | £7,801,946 |
| Sub-Total 2014-2021 | £11,619,685 | £9,323,501 | £1,612,555 | £7,801,946 |
| 2021/22 Anticipated | £2,949,535 | £2,281,226 | £69,205* | £10,013,967* |
| Total 2014-2022 | £14,569,220 | £11,604,727 | £1,681,760* | £10,013,967* |

*If the recommended projects were to be awarded CIL funding

**Including any monies allocated but since returned as a result of non-delivery

- 6.22 By April 2022, the Council expect the neighbourhood CIL balance in Ormskirk to be £320,766 so there will therefore be sufficient funds to allocate monies. Should the recommendations of this report be approved, then it will leave a balance of £260,766 for the future.

Table 2: Neighbourhood CIL Receipts received / anticipated since September 2014-2022 in Ormskirk

| Collected in: | Neighbourhood portion (15%) | CIL Funding allocated to Infrastructure Projects | Ormskirk Neighbourhood CIL balance |
|----------------------|-----------------------------|--|------------------------------------|
| 2014-2021 | £422,051 | £200,000 | £222,051 |
| 2021/22 Anticipated | £98,715 | £60,000* | £38,715* |
| Total 2014-22 | £520,766 | £260,000* | £260,766* |

*If the recommended projects were to be awarded NCIL funding

- 6.23 By April 2022, the Council expect the neighbourhood CIL balance in Skelmersdale to be £33,295 so there will therefore be sufficient funds to allocate monies to the project identified at paragraph 6.8.

Table 2: Neighbourhood CIL Receipts received / anticipated since September 2014-2022 in Skelmersdale

| Collected in: | Neighbourhood portion (15%) | CIL Funding allocated to Infrastructure Projects | Skelmersdale Neighbourhood CIL balance |
|----------------------|-----------------------------|--|--|
| 2014-2021 | £33,295 | £0 | £33,295 |
| 2021/22 Anticipated | £0 | £12,760* | £20,535* |
| Total 2014-22 | £33,295 | £12,760* | £20,535* |

*If the recommended projects were to be awarded NCIL funding

- 6.24 Recommendations for the use of CIL monies are always made based on the best information available at that time. However, as some projects in the funding programme can take up to two years to deliver, details relating to costs, timescales and specifications can change in that time. This is of particular relevance at present as the repercussions of Brexit and the global pandemic play out on labour availability and material costs. To ensure that the projects presented through this report can be delivered, it is recommended, at paragraph 3.6 above, that delegated authority is granted to the Director of Place and Community, in consultation with the Portfolio Holder for Planning, to consider and authorise any reasonable changes to the details of the Cabinet approved schemes contained within this report, including minor changes to CIL funding or delivery timescales, that may be necessary to facilitate the subsequent delivery of an approved project, and that this delegation level is updated in the Council Constitution.

7.0 SUSTAINABILITY IMPLICATIONS

- 7.1 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.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 8.1 There is no additional cost to Council resources of preparing and consulting on a CIL Funding programme or how to spend NCIL monies 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 Growth and Development Service's revenue budgets.

9.0 RISK ASSESSMENT

- 9.1 There are no significant risks related to this report, as CIL funding is being allocated appropriately, in accordance with CIL regulations and will only be transferred to partner organisations delivering the infrastructure when contracts for delivering the works are committed.

10.0 HEALTH AND WELLBEING IMPLICATIONS

- 10.1 The delivery of any of the projects proposed through this CIL funding programme, will have a positive impact on health and wellbeing. The schemes propose either improvements to outdoor play areas, creation of an active hub and improvements to active travel (cycling/walking) to support physical activity to improve health. Dial-a-ride provides a demand-led transport service to support resident's access to key facilities, including GPs and hospitals, particularly for those areas currently not well-served by public transport.

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
2022/23

Appendix B – Assessment of shortlisted projects

Appendix C – Equality Impact Assessment