



AGENDA ITEM:

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
14 SEPTEMBER 2023**

CABINET: 26 SEPTEMBER 2023

Report of: Corporate Director of Place and Community

Relevant Portfolio Holder: Councillor Gareth Dowling

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**SUBJECT: COMMUNITY INFRASTRUCTURE LEVY ('CIL') FUNDING
PROGRAMME 2023**

Wards affected: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To seek authority to conduct public consultation on the draft CIL Funding Programme for 2023/24-2025/26, including options regarding which infrastructure projects might be prioritised to receive CIL funding in 2023/24 -2025/26.

**2.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW & SCRUTINY
COMMITTEE**

2.1 That the Committee note the content of this report and agreed comments be passed to Cabinet for their consideration.

3.0 RECOMMENDATIONS TO CABINET

3.1 That Cabinet, having regard to the content of this report and to the agreed comments of Executive Overview & Scrutiny Committee, approve the public consultation on a Draft CIL Funding Programme for 2023, and that the shortlist of infrastructure projects identified at paragraphs 6.1 and 6.2 of this report be included in that consultation.

3.2 That the public consultation on the spending of Neighbourhood CIL monies in Ormskirk be approved, and that the shortlist identified at paragraph 6.3 of this report be included in that consultation.

3.3 That delegated authority be given to the Head of Planning and Regulatory Services to carry out the public consultations set out in paragraphs 3.1 and 3.2.

4.0 BACKGROUND

- 4.1 The Council has been charging a Community Infrastructure Levy (CIL) on certain new developments in its area since 1st September 2014. A significant portion (70 or 80%, The Strategic Portion) of the revenue that is collected is to be used to fund the provision, improvement, replacement, operation or maintenance of infrastructure to support new development in West Lancashire.
- 4.2 15 or 25% of the revenue collected is handed over to the Parish or Town Council in which the development occurred (the higher percentage is where the Parish or Town Council has opted to make a Neighbourhood Plan) – this is known as the Neighbourhood Portion. In areas where there is no Parish Council, such as Skelmersdale and Ormskirk, any Neighbourhood Portion of CIL is retained by the Council to be spent on projects in the locality.
- 4.3 The Council's Infrastructure Funding Statement sets out the types of infrastructure that will be provided using CIL monies. There are three main types of infrastructure identified:
- Strategic transport and highways improvements – to include cycle network provision and improvements, footpaths, bus stops;
 - Strategic green infrastructure – including improvements to and provisions of: parks, amenity open space, play areas, outdoor sports facilities and playing pitches, semi-natural open space;
 - Community Facilities – including libraries, health facilities, community centres, public realm, leisure centres.
- 4.4 The Council approved a CIL and Section 106 Governance and Expenditure Framework (The Framework) in 2015 that set out the structure of the CIL Funding Programme for the allocation and spending of developer contributions collected through CIL and Section 106 obligations; this document was last updated in 2020.
- 4.5 The Framework explains how the Council will invite stakeholders to submit projects that they want to be funded, either in whole or part, by CIL monies collected by the Council. These projects are then considered against set criteria, shortlisted by Council Officers and added to the Infrastructure Delivery Schedule (IDS).
- 4.6 The IDS is a working document which is regularly updated. The IDS identifies infrastructure projects and improvements which may be needed to support the growth and development set out within the West Lancashire Local Plan. It includes information on infrastructure schemes, projects costs and funding gaps along with timescales and delivery partners.
- 4.7 Of the projects contained within the IDS, further shortlisting takes place to identify suitable projects for inclusion on the draft CIL Funding Programme. The CIL Funding Programme is a shorter list of specific, deliverable projects. If a project is not included in the final CIL Funding Programme, the Council will not spend CIL monies on it.
- 4.8 The shortlisting criteria is:
- a) Does it require CIL funding (value for money)?;

- b) Is the project a type of infrastructure listed under the Council's Infrastructure Funding Statement list?;
- c) Is the project required as a result of new development?;
- d) Is the project deliverable in the short term (1-2 years)?;
- e) Does the project help meet the Council's Corporate Priorities?;
- f) Is the project identified within a relevant strategy or policy document?

4.9 A round of public consultation takes place before the CIL Funding Programme is finalised and approved by Cabinet.

4.10 It is of additional note that The Framework was further updated in July 2020 to reflect legislative changes. It was also agreed that the CIL Funding Programme would focus on smaller-scale projects that required CIL funding of £100,000 or less and limit total expenditure on those projects to £200,000 each year. As a result, the majority of the Strategic Portion is saved and allocated towards larger-scale projects.

4.11 In 2022/23 the CIL Funding Programme had to be temporarily suspended pending recommencement in Spring 2023 to cover two full financial years (2024/25 and 2025/26). This was primarily due to the lack of staffing resources within the department at that time. Cabinet ratified this recommendation on the 13 September 2022.

4.12 The CIL Funding Programme subsequently recommenced in March 2023. Authority is therefore sought to publicly consult on the draft CIL Funding Programme in October 2023. There will be a final review and shortlisting of the projects received through the process and recommendations will be made to Cabinet for final decisions on the allocation of funding in November 2023.

5.0 CURRENT POSITION

5.1 A total of £2,944,710.29 had already been collected during the financial year 2021/22 (i.e. financial year prior to suspension of CIL Funding Programme and therefore no CIL allocated/spent from this financial year) and £2,087,342.98 during financial year 2022/23. There has therefore been £3,880,297.50 of strategic CIL collected in the last two financial years that is available to commit to projects that meet the CIL funding spending criteria.

5.2 The Council contacted stakeholders including Members, Parish Councils, internal and external infrastructure service providers on 7th March 2023, with the invitation to provide us with any new or updated information on any existing scheme(s) contained within the IDS.

5.3 Stakeholders were also invited to submit information on new potential specific project(s) and put forward bids for CIL funds that could deliver their suitable projects in the financial years 2024/25 and 2025/26. Bids were to be received by 18th April 2023.

5.4 In total, 22 bids have been received:

- a. 8 bids from other departments/sections within WLBC;
- b. 5 bids from Parish Councils;

- c. 9 bids from external/third party infrastructure service providers.
- 4.5 An overview of all bids and projects is provided at appendix A of this report. The contents of each bid is also available at Appendix B (i – iii) of this report.
- 4.6 The total cost of all projects including match funding amounts is **£3,442,745.12**. Of which, **£1,713,308.41 (50%)** has been requested as CIL funding.
- 4.7 Following initial review, the projects have been broken down into the following categories for consideration.
- Projects where CIL requested is £100,000 or less
 - Projects where CIL requested is more than £100,000
 - Projects where Ormskirk Neighbourhood CIL/Parish portion exists for funding purposes (including the non-parished areas of Ormskirk and Skelmersdale)
 - Projects where other more suitable or alternative source of funding exists e.g. S106 monies;
 - Projects unsuitable for CIL funding/do not meet funding criteria.

6.0 PROPOSALS

6.1 Projects where CIL requested is £100,000 or less

As mentioned earlier in this report, the expenditure on those projects of £100,000 or less is limited to £200,000 each year. However, as the current CIL Funding Programme is to run for two years, this figure is increased to £400,000 to reflect this. In total, £273,100 of CIL funding has been requested.

Nine projects have been identified as requesting £100,000 of CIL funding or less.

- ***Holmeswood Play Area Fence Replacement, Rufford and Holmeswood Parish Council - £3,000*** – The total cost of this project is £7,000. The Parish Council will provide £4,000 towards the cost. This bid is to replace a perimeter safety fence, in poor state of repair, to the Holmeswood play area. Limited Parish funds are available. The works required supports green infrastructure (play area) and the project can be delivered in financial year 2023/24.
- ***Holmeswood MUGA (Phase 2), Rufford and Holmeswood Parish Council - £13,000*** - This project will provide retractable goal netting, goal posts, basketball court, 2x integrated cricket stumps and thermoplastic court markings. This second phase of the works will complete those works carried out in phase 1 for the provision of the MUGA and perimeter fencing. Limited Parish funds are available therefore CIL funding has been requested to cover the full cost of the project. The project delivers green infrastructure and a community facility (outdoor sports facility) and can be delivered in financial year 2023/24.
- ***Replacement Bus Shelters Rufford Holmeswood, Rufford and Holmeswood Parish Council - £9,900*** – This project seeks to replace three existing bus shelters located at The Hesketh Arms, Cousins Lane and Holmeswood Road, two of which have already been removed as they were in a poor state of repair. The Parish Council will provide £1,500 from it's own reserves towards this project. It is the Parish Council's responsibility to

maintain bus shelters within its own area. The project is a community facility and can be delivered in financial year 2023/24.

- **Rufford Park Play Area, Rufford and Holmeswood Parish Council - £4,500** – CIL funding is requested to fund the full cost of this project. The project involves the replacement of existing play equipment (wooden boat) with similar equipment but better quality and using materials with longevity. The project delivers green infrastructure (play area) and can be delivered in financial year 2023/24.
- **Aughton Surgery, - increase capacity to deliver GP and primary care NHS provision, NHS Lancashire and South Cumbria Integrated Care Board (ICB) - £50,000** – The total cost of this project is £250,000. The ICB propose to provide £200,000 towards the project. The allocation of CIL funding will support this proposal for ICB capital funding. The project involves the redesign, reuse of the existing building and an extension to the existing practice to provide two additional clinical rooms. The project is identified as community infrastructure (health centre) in the IDS and can be delivered in 1-2 years, expected to commence in 2023/24.
- **Hall Green Surgery, Skelmersdale - increase capacity to deliver GP and primary care NHS provision - £25,000** - The total cost of this project is £100,000, £75,000 of which is proposed to be provided by the ICB and Hall Green GP practice. It is envisaged that the allocation of CIL funding will support and ensure these other sources of funding. The surgery has seen an increase in patient numbers in recent years, attributed to new housing development within the area. The project seeks to address this by expanding room availability and providing additional accommodation for clinical services. This project will increase the number of consulting/examination rooms by redesigning existing non-clinical accommodation within the existing facility to create multi-use clinical rooms. The project is identified as community infrastructure (health centre) in the IDS and can be delivered in 1-2 years.
- **Hants Lane Clinic, Ormskirk - increase capacity for the provision of GP and primary care services, NHS Lancashire and South Cumbria ICB - £50,000** – The total cost of this project is £100,000, half of which will be funded by NHS Property Services capital. The project involves internal alterations and reconfiguration of the existing facility to create two additional consultation/examination rooms, in order to increase capacity of the facility. These rooms would be made available to GP practices of Ormskirk Primary Care network. All Ormskirk practices have seen growth in patient list sizes driven as a result of additional housing development within the area. The project is identified as community infrastructure (health centre) in the IDS and can be delivered in 1-2 years.
- **Fairy Glen Green Infrastructure Improvements, WLBC - £55,000** – This project is to improve access points, upgrade existing footpath network, provide interpretation and information signage and additional seating for visitors to this area of public open space/woodland. These improvements will also assist in the protection of woodland flora. Fairy Glen has seen a marked increase in visitor numbers over the last few years, from both Borough residents and beyond. The project is strategic green infrastructure (amenity open space/semi-natural open space) and can be delivered in 1-2 years.

- ***Environmental site enhancements at Kiln Lane and Tongbarn playing fields, Skelmersdale, WLBC - £62,700*** – The areas of open space at Kiln Lane and Tongbarn playing fields are geographically close. Funding has already been secured for the improvements to the Tongbarn area (Phase 1) through the Council's Housing Environmental Improvements Fund (£40,000), however the Kiln Lane area (Phase 2) cannot be funded by this source. The project seeks to combine these areas in order to deliver a co-ordinated approach to habitat creation, improved path network, seating and development of natural play features. This current bid is to enable improvements in the Kiln Lane area to enhance and add value that to be delivered in Tongbarn area. There has been significant housing development in Skelmersdale in recent years. The project is strategic green infrastructure (amenity open space/semi-natural open space) and can be delivered in 1-2 years.

All of these projects comply with the CIL spending criteria. It is therefore recommended that all nine projects outlined above be put forward for public consultation for further consideration.

6.2 Projects where CIL requested is more than £100,000

Four projects have requested more than £100,000 of CIL funding. In total, £1,076,795.14 of CIL funding has been requested.

- ***Halsall-Scarisbrick Canal Towpath Improvements, Canal and River Trust - £175,095.14 CIL requirement*** – A new bid has been received from the Canal and River Trust to resurface the canal towpath between Summerwood Lane, Halsall and Scarisbrick Marina. This bid also seeks to utilise £15,000 of existing S106 monies received from planning permission 2013/0994/FUL for development of land at 114 Summerwood Lane, Halsall are available. This amount has been identified within this bid as part-match funding.

The S106 amount is to be used for the provision of sustainable transport measures within this area and is therefore deemed appropriate for match funding purposes. If this project is shortlisted and Cabinet is minded to approve the use of CIL funding in November 2023, Cabinet will then be requested to consider the allocation and approval of the S106 funding in conjunction with its decision for CIL funding.

- ***UK Shared Prosperity Fund (UKSPF) Community Grant Scheme Match Funding, WLBC - £355,000 CIL requirement*** - A bid has been received from the Economic Development and Regeneration team to use CIL as 50% match-funding for eligible projects seeking to access the Council's UKSPF Community Grant Scheme (CGS).

It is anticipated that there will be a number of projects that wish to access the CGS that may also be eligible for CIL. The supporting documentation that accompanied the Council's UKSPF bid identified a range of interventions that are aligned to the infrastructure types that CIL is used to fund in the Borough. Whilst this is a 'blind bid' so the detail behind each project is not known, Officers between Planning and the UKSPF team will work closely together to advise on the ability to use of CIL as match-funding on individual projects that come forward once the CGS is open for bids.

The CGS was provisionally allocated £1m and the CIL bid was for 50% match-funding of £500,000. However, Council approved a revised investment plan for the UKSPF funding which included a reduction in the CGS to £710,000. Therefore, a revised CIL bid has been prepared for up to £355,000 to reflect the 50% match-funding originally sought.

- **Beacon Country Park Play Area Improvements, WLBC - £346,500** - A bid has been received from the Wellbeing and Place team at WLBC to relocate, upgrade and increase the provision of play facilities at Beacon County Park as part of the wider Beacon Park Strategic Improvements Project.

It is acknowledged that match-funding might be available from the UKSPF for the wider, more strategic project of improvements at Beacon Country Park. At this stage, the costs and timeframes for delivery are unknown, nor whether there will be a request for CIL funding or the UKSPF money used to deliver this.

The CIL bid explains that the relocation and enhancement of the play equipment is required notwithstanding the Beacon Park Strategic Improvements Project. Costings are known for this element of the project identified as strategic green infrastructure and can be delivered within the next 1-2 years.

The detailed master-planning work for the Beacon Park Strategic Improvements Project is underway and currently subject to a separate public consultation. This wider, more strategic project has been added to the IDS and identified as appropriate strategic green infrastructure and a community facility.

These projects comply with the CIL spending criteria. It is therefore recommended that the three projects outlined above be put forward for public consultation for further consideration.

- **Ormskirk to Burscough Linear Park, WLBC - £200,200** - It is recognised that this project already exists on the IDS and has been subject to previous public consultation. Members will be aware of a report previously put before it for consideration at this Cabinet Meeting, seeking approval of the use of £164,000 of S106 funding from planning permissions 2012/1224/OUT Abbey Lane, Burscough and 2017/0416/FUL Briars Lane, Burscough and £200,200 of Strategic CIL funding to deliver a phase of the Ormskirk – Burscough Linear Park.

6.3 Ormskirk Neighbourhood CIL

£342,461.77 is currently available and unallocated in Ormskirk Neighbourhood CIL monies collected by the authority.

Five projects have been identified as suitable for allocation of Ormskirk Neighbourhood CIL monies. In total, £151,861.97 of CIL funding has been requested.

- **Whittle Drive Changing Facilities, WLBC - £40,000** - Previous funding approved and allocated by way of Ormskirk NCIL (£60,000). However, the

works now required by this revised project involving the demolition of the existing building and rebuild of a purpose built facility go beyond that already allocated.

- **West End Park Improvements, WLBC - £80,000** - This project was previously brought before Cabinet for shortlisting and approved funding in November 2020. The project was unable to be delivered by the spending deadline (2022/23). This resubmission is an amended bid with an uplift of £22,000.

CIL would provide significant investment to this area of open space to deliver improvements including footpath resurfacing, seating bays, picnic areas, fencing improvements, tree management and signage. The site is within a close enough distance of the housing development at Grove Farm to justify a need for these improvements. The project is now in a position where it can be delivered in financial year 2023/24.

- **Halsall Lane Park Improvements, WLBC - £16,500** - This project was previously brought before Cabinet for shortlisting and approved funding in November 2020. The project was unable to be delivered by the spending deadline (2022/23). This resubmission is an amended bid with an uplift of £6,500.

Halsall Lane Park has been identified within the Council's playground improvement programme as a facility in need of investment. This project requires a relatively small amount of NCIL monies to extend the existing play area to include new swings and access. There has been sufficient development in Ormskirk to justify this need and the project helps improve the health and wellbeing of local residents. The project is now in a position where it can be delivered in financial year 2023/24.

- **Green Lane Rugby Pitch Improvements, Ormskirk Rugby Club - £9,261.97** – This is a new project, not previously identified on the IDS. The project is to improve the playing pitch by verti-drain works, overseeding, fertilising and sand spreading for one season. It is identified as green infrastructure, outdoor sports facilities and playing pitches, has been fully costed and can be delivered at the earliest opportunity if CIL funding is secured.
- **Whittle Drive Pitch Improvements, Ormskirk West End Football Club - £6,100** – This is a new project, not previously identified on IDS. The project is to improve the playing pitch by verti-drain works, overseeding, fertilising and sand spreading for one season. It is identified as green infrastructure, outdoor sports facilities and playing pitches, has been fully costed and can be delivered at the earliest opportunity if CIL funding is secured.

All of these projects comply with the CIL spending criteria.

6.4 Alternative Funding Sources Available

Two projects have been identified for suitable alternative funding from s106 sources.

- **Richmond Park Pitch Improvements, Burscough Richmond FC - £4,551.30** - S106 Obligation dated 28th August 2014 relating to the development of land adjacent to 10 Ivy Close, Burscough (Planning Application reference number 2013/0235/OUT), required the developer to pay an "Off Site Open Space Contribution" to the Council "to be used for the enhancement of existing and/or the creation of new areas of public open space within the locality". £43,507 remains unallocated and unexpended.

Ward Members and Burscough Town Council have been consulted and raised no objection to the proposed spend of these S106 monies on this project.

Expenditure Process for S106 Obligations for non-specific schemes, subject to the details being acceptable, and the value of a project being under the Council protocol limit of £10,000, officers will seek Delegated Authority from the Corporate Director of Place and Community in conjunction with the relevant portfolio holder for Planning, for authorisation to proceed with the project.

- **Abbey Lane Toucan Crossing Upgrade, Lancashire County Council Highways - £75,000** - It has been identified that Lancashire County Council's bid for the upgrade of current proposals to implement a toucan crossing adjoining the Ormskirk to Burscough Linear Park has previously been allocated s106 funding for similar/same works. As such officers have discussed the need for its duplicate CIL funding bid.

LCC have since confirmed that it would wish to withdraw this current CIL bid and will utilise the funding already allocated for this project.

6.5 Projects considered unsuitable for CIL funding

It is considered that two bids do not meet the criteria required for CIL funding.

- **Hilldale Junior Play Area, Hilldale Parish Council - £32,000** - It is considered that the bid by Hilldale Parish Council for improvements to the play area at Hilldale Playing Fields, does not meet the CIL criteria as there has been little/no development within the parish area in recent years that can be attributed to impact on this infrastructure. As such, officers will direct this Parish Council towards other sources of funding that may be available.
- **Transformation of Ormskirk Tennis Club into a community health and well-being centre, Ormskirk Tennis Club - £100,000** - Whilst it is recognised that there are proposals to hire out/make the facility available to community groups/providers, this facility would remain on an advance booking basis and only when availability permits. The primary function of the tennis club will remain as a private members club only, therefore it cannot truly be considered as suitable strategic infrastructure.

7.0 Public Consultation

- 7.1 Should Cabinet resolve in accordance with the recommendations at paragraph 3.1 and 3.2 of this report, the projects will be publicly consulted upon through two parallel consultation exercises.
- 7.2 The consultation on strategic CIL monies will include all infrastructure providers, as well as the general public and other stakeholders, and comments on the proposals will be welcomed from all. Officers will consider the responses to this consultation (including any suggested alternative projects) before making a final recommendation on the CIL Funding Programme 2023 to Cabinet later in the year.
- 7.3 With regards to the Ormskirk NCIL monies, the CIL Regulations require local authorities managing such CIL monies in unparished areas to consult with the local community in that unparished area. Therefore, the consultation must be directed at people who live, work or visit Ormskirk in order to ensure that the respondents do have a connection to the local Ormskirk community, as only their responses will be taken into account in the consultation on these NCIL monies. Officers will consider the responses to this consultation (including any suggested alternative projects) before making a final recommendation to Cabinet on whether to spend any of the Ormskirk NCIL monies.
- 7.4 Consultation by the Council on the use of CIL monies is not a mandatory requirement of the CIL regulations, however a commitment to consultation is set within the Council's Statement of Community Involvement, and within the Framework. The Council are keen to encourage digital engagement and therefore consultation will be online-based, with digital publicity and online response forms, and also available in printed form.

The Council will publicise and consult through the following methods:

- Information on the Council's CIL webpages and consultation webpages
- E-mail to all consultees registered on the Council's "electronic" consultation database
- E-mail to all Parish Councils and Members
- E-mail to all infrastructure providers
- Press release / publicity through Councils' social media
- Electronic online response form to complete
- Printed information available at libraries and Council customer service points (where possible)

8.0 SUSTAINABILITY IMPLICATIONS

- 8.1 There are no direct sustainability implications arising from this report because the report is recommending that public consultation takes place.

9.0 FINANCIAL AND RESOURCE IMPLICATIONS

9.1 There is no additional cost to Council resources in the preparation and consultation of a CIL Funding Programme.

10.0 RISK ASSESSMENT

10.1 Whilst there are outline risks relating to the timely collection of CIL monies from developers, there is already sufficient available CIL income to fund the projects set out in this report. Accordingly, the content of this report can be delivered within existing resources.

11.0 HEALTH AND WELLBEING IMPLICATIONS

11.1 Many of the projects contained in this report have direct links to improved health and wellbeing. However, no further comment can be made pending the recommended public consultation.

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 – Overview of all Projects
Appendix B (i – iii) – All Project Details
Appendix C – Infrastructure Delivery Schedule
Appendix D – Equality Impact Assessment