

## For publication

### Community Infrastructure Levy (CIL) – CIL Expenditure 2021 (EG220D)

<b>Meeting:</b>	Cabinet
<b>Date:</b>	21 June 2022
<b>Cabinet portfolio:</b>	Economic Growth
<b>Directorate:</b>	Economic Growth
<b>For publication</b>	

#### **1.0 Purpose of the report**

- 1.1 To set out the progress on managing the Chesterfield Community Infrastructure Levy (CIL).
- 1.2 To seek Cabinet approval for funding awards for the strategic element of CIL expenditure from the bids received in 2021.

#### **2.0 Recommendations**

- 2.1 That Cabinet notes the progress on receipts from the CIL.
- 2.2 That Cabinet approves the awards for strategic CIL funding for 2021, in line with the recommendations in this report.

#### **3.0 Reason for recommendations**

- 3.1 To ensure that CIL expenditure takes place in accordance with the Community Infrastructure Regulations 2010 (as amended) and the council's CIL Expenditure Strategy.
- 3.2 To ensure that CIL expenditure supports planned growth and sustainable development and Chesterfield's continued vitality.

#### **4.0 Report details**

- 4.1 CIL is a mechanism to allow local planning authorities to raise funds from new development, in order to contribute to the cost of infrastructure projects that are, or will be, needed to support new development.
- 4.2 CIL took effect in Chesterfield Borough on 1<sup>st</sup> April 2016. The current charging year, 2021/22 is the sixth financial year in which CIL has been charged and in which CIL payments were collected.
- 4.3 The 2020 round of CIL expenditure was approved by Cabinet in July 2021. Bids for the 2021 expenditure round were invited in Autumn last year.

### **CIL Receipts**

- 4.4 CIL income will build up over time and contributions are dependent on the delivery programmes for individual CIL-liable developments. Full details of CIL income and expenditure for 2020/21 (charging year 5) are set out in the [Infrastructure Funding Statement](#), published in December 2021.
- 4.5 In summary, up to end of financial year 2020/21 and taking into account spending commitments made in the 2020 funding round (confirmed by Cabinet in July 2021), a balance of £710,863 remains available for strategic expenditure.
- 4.6 Further CIL payments have been received during 2021/22 (charging year 6) as CIL-liable development continues to progress, with the final amount to be confirmed and reported in the next Infrastructure Funding Statement, to be published in December 2022.

### **CIL Expenditure**

- 4.7 The CIL Regulations set out the overall breakdown for how monies collected from the CIL are to be distributed. This is illustrated in the table below.

<b>Purpose of Funding</b>	<b>% Allocated</b>
Strategic CIL infrastructure	80% - Remaining CIL receipts collected for the financial year

Neighbourhood portion	15% of CIL collected (capped at £100 per dwelling)
Administration – (Costs of administrating receipt and expenditure of CIL)	5% of all receipts

4.8 This report addresses funding for Strategic Infrastructure.

### **Strategic infrastructure**

4.9 The purpose of CIL is to help to provide the infrastructure needed to support new development. CIL receipts (excluding the neighbourhood and administrative elements) are held in a central pot to be used for funding the delivery of strategic infrastructure across the Borough.

4.10 The infrastructure list (reproduced at Appendix 1) sets out the types of infrastructure which CIL can be spent on. The Infrastructure List is published annually in the Infrastructure Funding Statement (IFS). The IFS sets out details of CIL receipts and expenditure. This provides clarity and transparency to local communities and developers on how infrastructure expenditure is aligned with planned development. The Statement also offers an opportunity to re-assess CIL expenditure priorities in the light of any change in evidence or circumstances since the Infrastructure List was first published. In the absence of evidence to suggest the need for an immediate review of priorities as set out in the Infrastructure List, the original CIL expenditure priorities remain valid and were republished in the most recent IFS published in December 2021.

4.11 Alongside the IFS, the Infrastructure Delivery Plan (IDP) identifies the essential strategic and local infrastructure which will be required at different times over the duration of the plan period to deliver the Plan strategy. It sets out what infrastructure will be needed and when, who will deliver it, and how it will be funded. The IDP was updated in support of the new Local Plan. It will be reviewed as necessary as the future programme develops.

4.12 The IDP has identified major infrastructure items that will be critical to unlocking key sites. In relation to the Staveley and Rother Valley Corridor Strategic Site for example, school capacity has been identified as an

obstacle to the development of a new community in this strategic location and a new school is likely to be needed as part of the wider regeneration proposals. Strategic transport infrastructure, particularly in the form of the regeneration route, is also required in order to improve accessibility. Work is continuing with the County Council (as education authority and highways authority), the landowners, and other key partners to identify the options for funding and delivery of critical infrastructure.

### **Apportioning Strategic CIL Income**

- 4.13 The CIL Expenditure Strategy approved by Cabinet in July 2018, (<https://www.chesterfield.gov.uk/media/759153/cil-expenditure-strategy.pdf>) sets out the process which will be followed to identify specific items of infrastructure upon which CIL revenue will be spent in order to support growth and development across the Borough. The Strategy establishes the key foundations for prioritising CIL expenditure and balancing competing infrastructure requirements, anchored by the Local Plan strategy in order to deliver critical infrastructure necessary to unlock strategic sites, and support positive development in Regeneration Priority Areas.

### **CIL Expenditure - The 2021 Funding Round**

- 4.14 Bids for funding for the 2021 CIL expenditure round were invited in Autumn 2021 from stakeholders who were identified as being in a position to submit projects which would qualify for strategic expenditure.
- 4.15 8 bids were received. These were:
- Chesterfield Borough Council (Leisure) - Renewal of play parks; Tapton Park, Ringwood Park, Highfield Park, Stand Road Park; CIL bid: £71,760
  - Chesterfield Borough Council (Leisure) - Refurbishment of tennis courts: Tapton Park and King George V Playing Fields, Staveley; CIL bid: £61,600
  - Chesterfield Canal Trust Ltd. - Design of Doe Lea Aqueduct- 37m span aqueduct over River Doe Lea; CIL bid: £91,000
  - Chesterfield Canal Trust Ltd. - Construction of towpaths (1) Bellhouse Lane to Norbriggs Cutting; CIL bid: £83,860 (2) Norbriggs Cutting to Hague Lane; CIL bid: £59,430
  - Derbyshire County Council (Public Transport) - Extension of Bus Real Time Information (RTI) system to key bus stops along Chatsworth Rd corridor and Walton Estate; CIL bid: £75,000

- Derbyshire County Council (Countryside) - Resurfacing of Chesterfield Canal towpath - Brimington Road and Station Road section; CIL bid: £38,000
- Barrow Hill Community Trust - Rebuilding of Barrow Hill Memorial Hall to form multipurpose community hub; CIL funding sought for internal fitout of youth & physical activity area and internal fitout of early years education facility CIL bid: £50,000

4.16 These bids for CIL funding have been assessed in accordance with the procedure set out in the CIL Expenditure Strategy. A summary of the assessment and officer recommendations is provided at Appendix 2.

4.17 The CIL Expenditure Strategy acknowledges the need to balance short term and long-term priorities. It recognises the inevitable pressure to seek to utilise CIL funding for purposes which are not central to provision of infrastructure to support growth and development. However this would risk undermining the long term development strategy for the Borough and ultimately the ongoing credibility of the CIL charging scheme, to which developers contribute in the expectation that available funds will support growth and mitigate the impacts of development. To assist in the assessment process and to ensure the protection of CIL to meet longer term ambitions, the table indicates the proportion of available CIL income which would be utilised under the bids received.

Total CIL income received (at Y5 year end)	£1,310,863	
Available strategic CIL income (80%) (at Y5 year end)	£860,864	
Total value of bids received for strategic CIL funding in 2021 round	£530,650	62% of available strategic CIL income
Total value of officer recommended funding awards for strategic CIL funding (See Appendix 2)	£262,360	30% of available strategic CIL income
Total Remaining balance of strategic CIL fund if officer recommendations for strategic CIL expenditure are accepted	£598,504	

## Review of Chesterfield CIL charging scheme

4.18 The Government's Planning White Paper indicated the intention to review the basis of CIL nationally. This intention was reconfirmed in the recently published [Levelling-up and Regeneration Bill](#), although though form that this will take have still to be consulted on and finalised. Whist it remains the intention to review and update the Chesterfield CIL charging scheme, it is not considered that it would be a sensible use of resources to commence a review of the Chesterfield scheme in view of the possibility of wholesale changes to the system of developer contributions nationally.

## **5.0 Alternative options**

5.1 An alternative to supporting the recommended options would be to approve different levels of expenditure. Appendix 2 sets out the reasons behind the recommendations. The recommended funding awards seek to maintain a balance between meeting short term infrastructure requirements and maintaining sufficient CIL resources to meet longer term priorities.

## **6.0 Implications for consideration – Financial and value for money**

6.1 The financial ramifications of introducing a CIL were originally reported to Cabinet when the CIL charging scheme was established, and in subsequent reports. Importantly, CIL regulations permit charging authorities to finance initial set-up and ongoing administration costs from up to 5 per cent of CIL receipts. Therefore, over time, it should be possible to recover the costs of preparing the CIL evidence base and Charging Schedule (including examination costs) and other on-going administration or staffing costs.

6.2 CIL will provide funds to protect, enhance and promote the Borough's infrastructure assets.

## **7.0 Implications for consideration – Legal**

7.1 Proposals for CIL expenditure are in accordance with the requirement of the Community Infrastructure Regulations 2010 (as amended) (Regulation 59) to apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area.

## **8.0 Implications for consideration – Human resources**

8.1 The proposals have no direct implications for human resources.

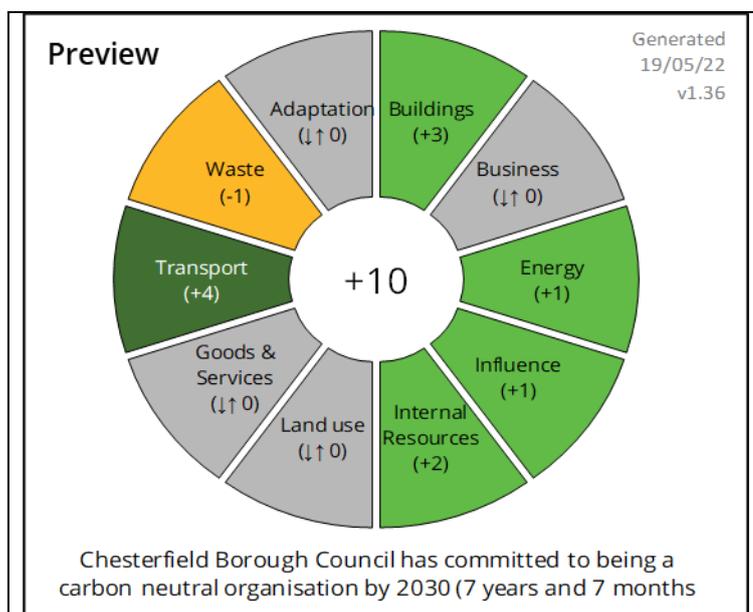
## 9.0 Implications for consideration – Council plan

9.1 The recommendations for CIL expenditure will support planned growth and sustainable development and Chesterfield’s continued vitality, helping to support the local economy and community wellbeing.

## 10.0 Implications for consideration – Climate change

10.1 The report and recommendations have undergone a climate change impact assessment. The assessment results reflect the key benefits of improvement of infrastructure, extension of green infrastructure, securing additional external funding, and promotion of active travel, whilst recognising that the proposals for the refurbishment of tennis courts and renewal of play parks may have potential for a small increase in the total volume of waste.

10.2 The results of the assessment are summarised below:



## 11.0 Implications for consideration – Equality and diversity

11.1 The report and recommendations have undergone a preliminary Equality impact assessment. This indicates that a full EIA is not required.

## 12.0 Implications for consideration – Risk management

12.1 The potential risks of awarding alternative levels of CIL funding are shown below.

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
CIL funding withheld on all submitted bids	L	M	Recommendations are within scope of CIL Regulations and would support planned growth	L	L
CIL funding awarded for all submitted bids	M	M	Recommendations identify those bids which are insufficiently linked to planned growth; Funding all submitted bids would risk undermining ability of CIL fund to support longer term infrastructure priorities.	L	L

### Decision information

<b>Key decision number</b>	1104
<b>Wards affected</b>	ALL

### Document information

<b>Report author</b>	
Rick Long – Infrastructure Planning Officer, Economic Growth	
<b>Appendices to the report</b>	
Appendix 1	Community Infrastructure Levy: Infrastructure List 2022
Appendix 2	Summary of CIL bids received - 2021; Assessments and recommendations
Appendix 3	Equality Impact Assessment
Appendix 4	Climate Change Impact Assessment

**Appendix 1:**  
**Community Infrastructure Levy: Infrastructure List 2022**  
 (From Infrastructure Funding Statement - for Financial Year 2020/21)

<b>INFRASTRUCTURE LIST</b>
<b>Infrastructure Type or Project</b>
<b>Strategic Green Infrastructure</b>
<ul style="list-style-type: none"> <li>• Public Open Space and/or play provision and/or improvements*</li> <li>• Sports and Playing Pitches*</li> <li>• Restoration of Chesterfield Canal</li> <li>• Access improvement to Green Wedges and Strategic Gaps</li> <li>• Biodiversity and habitat enhancement including tree planting*</li> </ul>
<b>Transport Infrastructure</b>
<ul style="list-style-type: none"> <li>• Improvements to A61 Chesterfield Inner Relief Road Junctions*</li> <li>• Chesterfield Staveley Regeneration Route</li> <li>• Hollis Lane Link Road</li> <li>• Implementation of Chesterfield Strategic Cycling Network*</li> <li>• Measures to improve walking, cycling and public transport provision within*:               <ul style="list-style-type: none"> <li>i. The A61 Corridor</li> <li>ii. The A619 Chatsworth Road</li> <li>iii. The A619 corridor through Brimington and Staveley</li> <li>iv. Access to Chesterfield Railway Station</li> <li>v. The proposed Strategic Cycle Network</li> </ul> </li> </ul>
<b>Other Infrastructure</b>
<ul style="list-style-type: none"> <li>• Strategic Flood Defences and alleviation measures*</li> </ul>
<b>Education Provision</b>
<ul style="list-style-type: none"> <li>• Provision of additional pupil capacity in existing schools and contributions to a new school or schools to address shortfalls in capacity arising from new housing growth</li> </ul>

\*Excluding Site Specific measures arising as a result of specific development proposals, subject to statutory tests set out under Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended), which stipulates the following:

*A planning obligation may only constitute a reason for granting planning permission for the development if the obligation is –*

- a) necessary to make the development acceptable in planning terms*
- b) directly related to the development; and*
- c) fairly and reasonably related in scale and kind to the development.*

**Appendix 2: Summary of CIL bids received - 2021;  
Assessments and recommendations**

<b>Applicant</b>	<b>Project</b>	<b>Value of bid (£)</b>	<b>Assessment of bid and Recommendation</b>
CBC Leisure	Refurbishment of tennis courts: Tapton Park and King George V Playing Fields, Staveley	CIL bid: £71,760 (includes £11,960 VAT, potentially refundable).  Total cost £220,800 Match funding identified	Projects would meet need and support planned development with delivery accelerated through matched funding  <b>Recommendation:</b> Approve funding

<p>CBC Leisure</p>	<p>Renewal of play parks; Tapton Park, Ring- wood Park, Highfield Park, Stand Road Park</p>	<p>CIL bid: £61,600 Total cost: £220,000 Match funding identified</p> <p>Tapton Park Toddler &amp; Junior Play Space Total: £60,000 CIL: £16,800</p> <p>Highfield Park Junior Play Space Total: £50,000 CIL: £14,000</p> <p>Stand Road Junior Play Space Total: £60,000 CIL: £16,800</p> <p>Ringwood Park Junior Play Space Total: £50,000 CIL: £14,000</p>	<p>Projects would meet need and support planned development, with delivery accelerated through matched funding</p> <p><b>Recommendation:</b> Approve funding</p>
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<p>Chesterfield Canal Trust Ltd.</p>	<p>Design of Doe Lea Aqueduct; new 37m span aqueduct over River Doe Lea, complete remaining ground investigations, surveys &amp; detailed design of aqueduct &amp; its setting</p>	<p>£91,000 (Funding also sought as part of Staveley TIP bid)</p> <p>Aqueduct works not currently included in initial construction phase to be funded by Towns Fund - a CIL award for design would maximise opportunity for constructing aqueduct alongside Towns Fund works.</p> <p>(CCT has identified this as highest priority bid)</p>	<p>Restoration of Chesterfield Canal is a long-established infrastructure priority in local plan and IDP. CIL funding for this element would form part of wider funding package to enable continuity of project delivery.</p> <p><b>Recommendation:</b> Approve funding</p>
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<p>Chesterfield Canal Trust Ltd</p>	<p>Construction of towpaths</p>	<p>(£143,290 in two packages: Bellhouse Lane to Norbriggs Cutting £83,860  Norbriggs Cutting to Hague Lane £59,430).</p> <p>Included in Towns Fund scope but within current funding gap.</p> <p>The towpath works packages could be funded together or separately to suit available funds</p>	<p>Restoration of Chesterfield Canal is a long-established infrastructure priority in local plan and IDP. CIL funding for this element would form part of wider funding package to enable continuity of project delivery.</p> <p>However, there is a need to manage release of CIL funding to ensure that longer term priorities can be met. Applicant has prioritised each element of the funding bid. Delaying release of funding for lower priority projects would support prudent management of available CIL reserves.</p> <p><b>Recommendation:</b> Withhold funding in 2021 round and invite an application in 2022 round</p>
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<p>DCC (Public Transp ort)</p>	<p>Exten- sion of Bus Real Time Informat ion (RTI) system to key bus stops along Chats- worth Rd corridor and Walton Estate</p>	<p>£75,000</p> <p>No match funding identified.</p>	<p>Proposal is a re-submission of 2020 bid. Unclear how proposed locations have been prioritised and additional information required to demonstrate how proposal would support planned growth and development</p> <p><b>Recommendation:</b> Withhold funding in 2021 round and invite an application in 2022 round which is more clearly related to supporting planned new development and regeneration priorities.</p>
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<p>DCC (Count ryside)</p>	<p>Resurfacing of Chesterfield Canal towpath - Brimington Road and Station Road section</p>	<p>£38,000  Additional funding identified Total cost: £88,000</p>	<p>Proposal will support modal shift towards walking and cycling along Staveley &amp; Rother corridor linked to Strategic Cycle Network.</p> <p>Project will better connect planned development in and around Staveley &amp; Brimington to north and Waterside and town centre to south to green wedges, strategic gaps and the wider countryside. CIL funding would enable upgrade to take place in the next financial year</p> <p><b>Recommendation:</b> Approve funding for the identified section identified</p>
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<p>Barrow Hill Community Trust</p>	<p>Rebuilding of Barrow Hill Memorial Hall to form a multi-purpose community hub.</p>	<p>£50,000</p> <p>Match funding applied for to meet total cost of £2,510,000</p> <p>(Applicant has indicated intention to submit further bids in future rounds, including for £50,000 during 2022/23 as a contribution towards a planned jobs, skills &amp; enterprise zone)</p>	<p>Whilst project would provide a valuable facility for local community, uncertainty about status of proposal as qualifying strategic infrastructure necessary to support planned growth; Project is more suitable for CIL neighbourhood funding and would be eligible to apply to Staveley CIL Neighbourhood Fund, due to be launched by Staveley Town Council in 2022</p> <p><b>Recommendation:</b> Withhold funding in 2021 round. Eligibility for future funding dependent on status as strategic infrastructure and ability to demonstrate need for project to support future planned growth in line with delivery timescales. Advise applicant to explore funding opportunities offered by Staveley CIL Neighbourhood Fund</p>
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