

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/22/30
FROM: Clive Arthey- Cabinet Member for Planning	DATE OF MEETING: 7th November 2022
OFFICER: Tom Barker Director Planning and Building Control	KEY DECISION REF NO. CAB 363

COMMUNITY INFRASTRUCTURE LEVY (CIL) - CIL EXPENDITURE PROGRAMME NOVEMBER 2022

1. PURPOSE OF REPORT

- 1.1 The CIL Expenditure Framework and the CIL Expenditure Framework Communications Strategy were adopted by Mid Suffolk on the 21st July 2022 and by Babergh on the 6th October 2022. These documents were also accompanied by the CIL Key Dates calendar 2022/23 (see Background Papers).
- 1.2 The processes and governance around CIL expenditure is set out in these documents and the type of infrastructure that CIL monies can be spent on is set out in each Councils Infrastructure Funding Statement – Infrastructure List. (Background Documents refer).
- 1.3 CIL expenditure operates using a process of twice-yearly bid rounds which occur on the 1st - 31st May and 1st - 31st October each year. Once all the Bids have been validated, all valid Bids are then screened for the availability of s106 funds and other funding streams. Following this all valid Bids are prioritised using criteria set out in the CIL Expenditure Framework and recommendations on Valid Bids are included within a CIL Expenditure Programme for each District. The CIL Expenditure Programme for that District will be considered by that Councils Cabinet with decisions on all valid Bids either for Cabinet to make or for Cabinet to note (if the Bid has been determined using delegated powers).
- 1.4 This report seeks to obtain approval by Cabinet for Babergh' s CIL Expenditure Programme – November 2022 which forms Appendix A to this report. This report contains the assessment of 3 CIL Bids (B22-07, B22-08, and B22-09) including the judgements around the prioritisation criteria for those Bids (Appendix B).

2. OPTIONS CONSIDERED

- 2.1 There is a diverse spectrum of approaches to CIL expenditure across the country from Unitary Authorities who have absorbed CIL into their individual Capital Programmes to others who ringfence all funds to be spent locally. A range of different approaches was identified in Appendix A of the Framework for CIL Expenditure report provided to Cabinet's on the 5th and 8th of February 2018 and discussed in full during the workshops with the Joint Member advisory panel. Members adopted the documents set out in paragraph 1.1 above by Council decision in April 2018 which

were subsequently reviewed and adopted on the 19th March 2019 (Babergh) and 18th March 2019 (Mid Suffolk) and then reviewed for the second and third time and adopted by both Councils on the 20th April 2020 and 23rd March 2021(Babergh) and 25th March 2021(Mid Suffolk) respectively. The fourth review took place in June 2022 and the changes were approved by Mid Suffolk on the 21st July 2022 and by Babergh on the 6th October 2022.

3. RECOMMENDATIONS

- 3.1 That the CIL Expenditure Programme (November 2022) and accompanying technical assessment of the CIL Bids B22-07, B22-08, and B22-09 (forming Appendices A and B) which include decisions on these CIL Bids for Cabinet to make as follows: -

Decisions for Cabinet to approve: - Ringfenced Infrastructure Fund

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
B22-08 GREAT WALDINGFIELD Village Hall Car Park Extension	Amount of CIL Bid £30,824.92 Total cost of the project £41,099.89 including VAT Total of other funding Great Waldingfield Village Hall Reserves £10,274.97	Recommendation to Cabinet to approve CIL Bid B22-08 for £30,824.92 from the Ringfenced Infrastructure Fund (Great Waldingfield)

Decisions for Cabinet to approve: - Local Infrastructure Fund

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
B22-07 GREAT CORNARD Upgrade of parking facilities at the Great Cornard Allotment Car Park	Amount of CIL Bid £55,927.50 Total cost of the project £74,870.00 Total of other funding Parish Council £18,942.50	Recommendation to Cabinet to approve CIL Bid B22-07 for £55,927.50 from the Local Infrastructure Fund

<p>B22-09</p> <p>LINDSEY</p> <p>Red Rose Friends Community Farm</p>	<p>Amount of CIL Bid £100,000.00</p> <p>Total cost of the project £141,981.59</p> <p>Total of other funding</p> <p>Portacabin Grant Funding £16,500</p> <p>Colchester Catalyst £10,000</p> <p>Fundraising £3,500</p> <p>The Befriending Scheme Funding £11,981.59</p>	<p>Recommendation to Cabinet to approve CIL Bid B22-09 for £100,000.00 from the Local Infrastructure Fund(subject to the imposition of a claw back provision such that if the use fails within 10 years (at Lindsey) all the monies will be clawed back through a condition on the CIL Bid offer letter)</p>
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3.2 Cabinet are also asked to note and endorse this CIL Expenditure Programme which includes the position in respect of approved CIL Bids from Rounds 1, 2, 3, 4, 5, 6, 7, 8 and 9 (September 2022). (Appendix A Section B) together with details of emerging infrastructure /CIL Bids (Appendix A Section C).

REASON FOR DECISION

Community Infrastructure Levy (CIL) monies have been collected since the implementation of CIL on the 11th April 2016. The CIL Expenditure Framework (originally adopted in April 2018) has been reviewed with amendments adopted in March 2019, April 2020, March 2021, and 21st July 2022 (Mid Suffolk) and by Babergh on the 6th October 2022. The CIL Expenditure Framework requires the production of at least two CIL Expenditure Programmes for each District (per year) and contains decisions for Cabinet to make or note on CIL Bids for CIL expenditure. These decisions relating to the expenditure of CIL monies form one of the ways in which necessary infrastructure supporting growth is delivered.

4. KEY INFORMATION

4.1 Given the determination of “available monies” (paragraphs 6.8 - 6.9 inclusive) Members are advised:

- Bid round 10 opened on the 1st October and closed on the 31st October 2022. All new Bids received to date have been acknowledged. Under the CIL Expenditure Framework all Bids are examined and validated, and where valid they are then screened, consulted upon, and assessed against prioritisation criteria (under the agreed procedures). The decisions are then presented to Cabinet to make and/or note (where delegated decisions have been made). These are included in the CIL Expenditure Programme and the Technical Assessments, and both are presented to Cabinet to consider.

- This CIL Expenditure Programme document focuses on the following 3 CIL Bids (B22-07, B22-08, and B22-09). Further key information about these Bids is set out below (augmented by the Technical Assessments comprising Appendix B) as follows-

- **B22-07 Great Cornard Allotments Car Park from Local Infrastructure Fund**

- By installing a new level, tarmacked/hard surface and improved drainage system within the car park, the potential for accidents and injuries from trips and falls as a result of uneven surfaces and potholes, should be greatly reduce for all car park users. A hard surface, with clearly marked parking bays will also reduce any potential damage to vehicles.
- By extending the boundary of the car park and clearly marking out parking spaces, the capacity of the car park should be increased by 20-25%.
- Installing well marked pedestrian walkways and a new path between the Country Park and the car park (a current pinch point), the car park will be safer for pedestrians to use, and local leisure and sport facilities will be more accessible.
- This proposal represents an “oven ready” scheme with evidence of community support. The project will be funded through collaborative spend, with the CIL fund portion being 75% of the costs funded from Local Infrastructure Fund, together with funding contributions from Great Cornard Parish Council
- In view of the above the amount of CIL funding is regarded as acceptable under the terms of the current CIL Expenditure Framework as this CIL Bid of £55,927.50 represents 75% of the total project costs. It also lies within the current community infrastructure thresholds. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Babergh.

- **B22-08 – Great Waldingfield Village Hall – Car Park Extension from Ringfenced Infrastructure Fund (Great Waldingfield)**

- This project will increase the number of parking spaces by 10 spaces inside the village hall boundary, providing dedicated disabled parking spaces, which will help to improve the access to the building and potentially increase the level of use and number of bookings and activities.

- By increasing the size of the car park and clearly marking out parking spaces, more cars will be able to park on-site and reduce the need for village hall users to park on the road and reduce the level of disruption to residents and road users.
- This proposal represents an “oven ready” scheme with evidence of wide community support that would provide additional car parking facilities within the village and enhance accessibility to the Village Hall. The project will be funded through collaborative spend, with the CIL fund portion being 75% of the costs funded from the Ringfenced Infrastructure Fund for Great Waldingfield, together with funding contributions from Great Waldingfield Village Hall Management Committee.
- In view of the above the amount of CIL funding is regarded as acceptable under the terms of the current CIL Expenditure Framework as this CIL Bid of £30,824.92 represents 75% of the total project costs and lies within current community infrastructure thresholds. This project will be delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Babergh.
- **B22-09 – The Befriending Scheme – Red Rose Friends Community Farm, Lindsey from the Local Infrastructure Fund**
- The Befriending Scheme Care Farm has been operating from a site in Assington since 2019 and has provided placements and opportunities for people with learning disabilities, mental health difficulties, early on-set dementia and other life limiting conditions, to engage in services and activities that help to develop new skills and interests, but also help people to enhance their levels of self-confidence, self-esteem and improve their mental health and wellbeing.
- Currently the Assington Care Farm is the only facility of its type in Babergh and due to the combination of a breakdown in the relationship between The Befriending Scheme/Care Farm and their previous landlord and due to the need for the organisation to expand its Care Farm provision, the Care Farm needs to relocate to a new site. A site in Lindsey has been found, that will enable the Care Farm to expand the range of activities, services and training courses it can provide and provide more placements for people in urgent need of support. The relocation of the Care Farm to Lindsey will carry forward all portable equipment funded from the original project including all previously erected fencing from the original site. Movement of the operation and its expansion will also ensure the long-term future of the provision.
- By increasing access and availability to a wide range of care farm activities for vulnerable people and their families, the Care Farm at Lindsey will be

able to help and support people address their issues, before they reach crisis point and require greater levels of intervention and support. This will help reduce pressure on statutory services and support Babergh and Mid Suffolk District Council's to achieve its own mental, physical health and wellbeing targets and objectives.

- All the checks and balances for this new CIL Bid have been undertaken and the scheme meets the Framework requirements with all the necessary evidence for costings as a CIL Bid. However, there are confidence and longevity issues around the operation given that the site at Assington has effectively failed and this is a second request for investment from CIL for a relaunch of the venture at Lindsey
- Although planning permission has been granted for the Befriending scheme use in Lindsey there were local objections on highway and traffic grounds which were looked at by Highways and ultimately the use was accepted by Highways. Consultation has occurred on this CIL Bid which have brought forward objections from the Parish as follows:- supportive of the change of use but objections raised to the siting of the portacabins and the storage containers due to their appearance and their impact on the landscaping. Concerns also raised in terms of impact on highway safety given the increase in vehicle movements along a classified road which is narrow. The Ward Member is currently undecided
- These localised objections are important and should be given weight in any decision but it is important to emphasize that this Befriending scheme would have significant widespread benefits for Babergh residents and users of the facility (there are no other such schemes across the whole of the Babergh District) and these positives must be weighed up against the negatives.
- This is a very difficult situation upon which to base a recommendation. The earlier CIL investment has to some extent been safeguarded by the proposed transfer of the portacabin and fencing from Assington to Lindsey but similar circumstances of this CIL Bid also relate to the CIL Bid in Assington if they are compared
- The Lindsey land - the land is leased for 25 years and is not public land. The first break clause hits at year 5 compared with the Assington land which was similarly leased
- CIL costs are greater for the start up at Lindsey than compared with Assington (£100,000 rather than £26,043)

- We have requested accounts for Assington from the operator but they are not available as the only accounts that are accessible are for the Befriending scheme in totality
- We are trying as Officers to contact the farmer who ended the Assington lease to find out why the relationship broke down. This has not yet occurred.
- To conclude this CIL Bid is a second CIL Bid for a more extensive care farm facility and project (than Assington) together with movement of the facility to a different location at Lindsey. There are localised objections to this CIL Bid and yet strong benefits for the wider District. Confidence could be low around longevity and risks could be argued to be high based on the already ceasing operation at Assington.
- On balance given the widespread benefits that would accrue to the District of Babergh by continuing to support this scheme, the CIL Bid is recommended for approval as an exception to the normal approach to CIL bid offer letters by making the recommendation for approval subject to the imposition of a claw back provision such that if the use fails within 10 years (at Lindsey) **all** the monies will be clawed back through a condition on the CIL Bid offer letter (financial accounts show that the general Befriending scheme have sufficient current reserves in their funds to cover this – e.g. £500K at present). Our Shared Legal Service have confirmed this claw back provision can occur in these circumstances but would need input from Contract lawyers as any CIL Bid offer letter would constitute a contract.(as do all CIL Bid offer letters)

4.2 This CIL Expenditure Programme also provides an up-to-date progress position on all those CIL Bids which have previously been approved in Bid rounds 1, 2, 3, 4, 5, 6,7 8 and 9 (September 2022) together with a section which outlines the progress of emerging CIL Bids which are being discussed at pre submission stage (Appendix A section C).

5. LINKS TO JOINT CORPORATE PLAN

5.1 The effective spending of CIL monies will contribute to all the three priority areas that Councillors identified in the Joint Corporate Plan. Economy and Environment Housing and Strong and Healthy Communities.

6. FINANCIAL IMPLICATIONS

6.1 The adopted CIL Expenditure Framework is critical to the funding of infrastructure to support inclusive growth and sustainable development.

6.2 The CIL Regulations stipulate that CIL monies which are collected must be spent on Infrastructure. Before 1st September 2019, each Council was required to publish a list of infrastructure that they will put the CIL monies towards. These lists were known as

the “Regulation 123 Lists”. However, on the 1st September 2019, new CIL Regulations were enacted, with the CIL 123 Lists being abolished, and in order to provide clarity given this changing situation, each Council adopted a CIL Position Statement containing a list of infrastructure that it would spend its CIL monies on. The authority for this was provided by a Council decision in March 2019 when the first review of the CIL Expenditure Framework was undertaken, and a revised scheme was agreed (by both Councils). The CIL Position Statements were identical for both Councils.

- 6.3 However, these replacement documents (known as the CIL Position Statement) were replaced by separate Infrastructure Funding Statements (Infrastructure List) for both Councils. They were both approved by each Councils Cabinet in November 2020.
- 6.4 CIL is collected and allocated in accordance with the CIL Regulations 2010 (as amended). Each Council retains up to 5% of the total CIL income for administration of CIL. From the remainder, 15% is allocated to Parish or Town Councils (subject to a cap) but where there is a made Neighbourhood Plan in place this figure rises to 25% (without a cap). For those parishes where there is no Parish or Town Council in place the Council retains the monies and spends the CIL Neighbourhood funds through consultation with the Parish.
- 6.5 Since the implementation of CIL for both Councils on the 11th April 2016 there have been ten payments to Town/Parish Councils; these have taken place in October 2016, April and October 2017, April and October 2018, April and October 2019, April and October 2020 and April 2021. At the time that the Neighbourhood payments are made, the 20% set aside for Strategic Infrastructure fund is also undertaken. The Strategic Infrastructure Fund money is stored separately to the Local Infrastructure Fund at this point. In addition, money is also stored in a Ringfenced Infrastructure Fund (explained in Paragraph 6.7 below). As this accounting requires Finance to verify the figures, daily accounting in this way would be too cumbersome and resource hungry to carry out. There is no adverse impact on the Bid Round process or cycle to this method of accounting. Indeed, these dates work well with the Bid round process. (Paragraph 1.3 refers).
- 6.6 The remaining 80% of the CIL monies comprises the Local Infrastructure Fund (with the exception of the monies held in the Ringfenced Infrastructure Fund - explained in paragraph 6.7 below).
- 6.7 Within the CIL Expenditure Framework, infrastructure provision for major housing developments is prioritised and ringfenced for spend against these housing projects. In this way housing growth occurring within the districts is supported by infrastructure provision. When commencement of these major housing schemes occurs, monies are collected according to the CIL payment plan in place. If the scale of development is large the CIL payment plan could be up to 5 equal payments collected over a two-year timescale. Smaller developments are required to pay the money in less instalments and over a shorter timescale. The monies (accrued from developments of 10 dwellings and above) are held in a Ringfenced Infrastructure Fund account separate from the Strategic and Local Infrastructure Funds to ensure the monies are safeguarded towards infrastructure supporting these developments. The remaining unallocated monies are known as the “available funds” and it is these that can fund the majority of CIL bids.
- 6.8 These available funds are: -

- Strategic Infrastructure Fund (including interest) as of 31st March 2022 = £1,914,481.07
- Total Ringfenced Fund as of 31st March 2022 = £4,333,148.13
- Local Infrastructure Fund available as of 31st March 2022 = £2,516,264.49

6.9 These are expressed as follows:

EXPENDITURE	TOTAL
STRATEGIC INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Rounds 1-9 (including September 2022)	£531,103.56
Total Expenditure de-allocated in Bid Round 1-9 (September 2022) Unspent funds returned	£17,237.50
Percentage of fund allocated to projects	21%
RINGFENCED FUND	
Total Expenditure allocated in Bid Rounds 1-9 (including September 2022)	£364,919.52
Total Expenditure de-allocated in Bid Round 1-9 (September 2022) Unspent funds returned	£1,651.01
Percentage of fund allocated to projects	8%

LOCAL INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Rounds 1-9 (including September 2022)	£1,822,431.89
Total Expenditure de-allocated in Bid Round 1-9 (September 2022) Unspent funds returned	£183,858.89
Percentage of fund allocated to projects	39%
AVAILABLE FUNDS FOR BID ROUND 9 – November 2022	TOTAL
Total amount available for Bid round 9 (November 2022) (Strategic Infrastructure Fund)	£1,914,481.07
Total amount available for Bid round 9 (November 2022) (Ringfenced Infrastructure Fund)	£4,333,148.13
Total amount available for Expenditure for Bid round 9 (November 2022) (Local Infrastructure Fund)	£2,516,264.49

7. LEGAL IMPLICATIONS

- 7.1 The detailed framework for CIL expenditure is legally sound and robust and was designed including a legal representative from the Councils Shared Legal Service (who also attended each of the Joint Member workshop sessions) and agreed the adopted CIL Expenditure Framework documents (prior to consideration by Cabinet and Council of both Districts).
- 7.2 This report and the accompanying CIL Expenditure Programme for Babergh District Council – September 2022 – Appendix A (including the technical assessments comprising Appendix B) have also been endorsed as being sound and legally compliant by the Councils Shared Legal Service.

7.3 Governance arrangements agreed in April 2018 and which have remained largely unchanged as part of the first second and third CIL Expenditure Framework reviews are clear in respect of the determination of these Bids. They are Cabinet decisions.

7.4 Regulation 62 of the CIL Regulations 2010 (as amended) required CIL charging authorities to publish monitoring statistics for collection allocations and expenditure of CIL monies by the 31st of December for each year. The 2017, 2018 and 2019 Monitoring Report for Babergh are published on the website (see below).

<https://www.babergh.gov.uk/assets/CIL-and-S106-Documents/Babergh-District-Council-CIL-Monitoring-Report-2016-17.pdf>

<https://www.babergh.gov.uk/assets/CIL-and-S106-Documents/FINAL-BDC-Reg-62-Report.pdf>

<https://www.babergh.gov.uk/planning/community-infrastructure-levy-and-section-106/community-infrastructure-levy-cil/cil-reporting/>

7.5 Under the new CIL Regulations 2019, each Council has produced and approved an annual Infrastructure Funding Statement (dealing with both income and expenditure for both CIL, s106 developer contributions and Neighbourhood CIL). There is also a requirement for each Council to produce an “Infrastructure List” – a list of infrastructure projects that each Council is /or will be funding going forward. (Under the new CIL Regulations this must be produced annually by both Councils with the first one meeting a deadline of 31st December 2020.

7.6 For Babergh the annual Infrastructure Funding Statement was approved by Cabinet in November 2021. This document (which includes the “Infrastructure List”) was published on the Councils Website in November 2021.(Background Papers refer).

8. RISK MANAGEMENT

8.1 The following have been identified as key risks pertaining to this report.

8.2 Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to allocate expenditure such that if we do not secure investment in infrastructure (schools, health, public transport improvements etc.), then development is stifled and/or unsustainable. Current Risk Score: 6	Unlikely (2)	Bad (3)	Adopted Community Infrastructure Levy (CIL), secures investment on infrastructure via the planning process (which includes S106). Creating the Joint Corporate Plan, the emerging Joint Local Plan with associated Infrastructure strategy and Infrastructure Delivery Plan and Infrastructure Funding Statement will ensure that

			infrastructure across both Councils is addressed. New Anglia LEP Economic Strategy, draft created together with the Councils Open for Business Strategy.
<p>Failure to produce a yearly Regulation 62 report would result in non-compliance with the CIL Regulations 2010 (as amended) and may mean that Members and the public are not aware of CIL income and expenditure activities.</p> <p>Under the CIL Regulations 2019 an annual Funding Statement is required to address CIL and s106 developer contributions and a list of infrastructure projects ("Infrastructure List") with the first one meeting a deadline of the 31st December 2020. Failure to so will also result in non-compliance with the CIL Regulations (as amended)</p>	Highly Unlikely (1)	Noticeable /Minor (2)	<p>The Infrastructure Team produces the required report which is checked and verified by Financial services/open to review by External Audit. Reminders are set to ensure the report is published by the statutory date. The format of the Monitoring report which in future will be known as the annual Infrastructure Funding Statement (IFS) is laid out in the CIL Regulations, so there is no risk in relation to the way the information is presented</p>
<p>Failure to monitor expenditure such that CIL expenditure is not effective.</p>	Unlikely (2)	Bad (3)	<p>The software which supports CIL collection will be used to support CIL expenditure. In addition, it is envisaged that a twice yearly (at least) CIL Expenditure Programme will be produced which will include details of all allocated and proposed CIL expenditure and this together with the software will be used for effective monitoring.</p>

<p>If too high a value is allocated into the Strategic Infrastructure Fund, there is a risk that there would be insufficient Local Infrastructure Funding available to deliver the infrastructure required to mitigate the harm, thereby ensuring sustainable development.</p>	<p>Unlikely (2)</p>	<p>Bad (3)</p>	<p>The Infrastructure Team will continue to monitor all allocations of CIL Funds and the CIL Expenditure Framework review will include this risk as a key element of the review to ensure the level set remains appropriate.</p>
<p>If 25% Neighbourhood CIL is automatically allocated to any Parish/Town councils where there is no Neighbourhood Plan in place, there is a risk that there would be insufficient CIL Funding to allocate to the Strategic Infrastructure Fund and also the risk that there would be insufficient Local Infrastructure Funding available to deliver the infrastructure required to mitigate the harm, thereby ensuring sustainable development.</p>	<p>Unlikely (2)</p>	<p>Bad (3)</p>	<p>The Infrastructure Team will continue to monitor all allocations of Neighbourhood CIL and other CIL Funds and the CIL Expenditure Framework review will include this risk as a key element of the review to ensure allocations of CIL remain appropriate and projects to make development sustainable are able to be delivered.</p>
<p>If commencements of major housing developments were not correctly monitored or the incorrect apportionment of CIL monies were to occur such that monies could not be allocated towards major housing developments, inadequate infrastructure provision would result.</p>	<p>Unlikely (2)</p>	<p>Disaster (4)</p>	<p>The Infrastructure Team will continue to monitor all commencements of development through the service of the required Commencement Notice by developers such that correct apportionment of CIL Funds can be undertaken. The CIL Expenditure Framework review will include this risk as a key element of the review to ensure allocations of CIL remain appropriate and projects to make development sustainable are able to be delivered.</p>

Assurances (for collection of CIL monies)

- 8.3 In September 2016 Internal Audit issued a report in relation to CIL governance processes. The Audit Opinion was High Standard and no recommendations for improvement to systems and processes were made. Table 5 provides a definition of this opinion:

Table 5

	Operation of controls	Recommended action
High standard	Systems described offer all necessary controls. Audit tests showed controls examined operating very effectively and where appropriate, in line with best practice.	Further improvement may not be cost effective.
Effective	Systems described offer most necessary controls. Audit tests showed controls examined operating effectively, with some improvements required.	Implementation of recommendations will further improve systems in line with best practice.
Ineffective	Systems described do not offer necessary controls. Audit tests showed key controls examined were operating ineffectively, with a number of improvements required.	Remedial action is required immediately to implement the recommendations made.
Poor	Systems described are largely uncontrolled, with complete absence of important controls. Most controls examined operate ineffectively with a large number of non-compliances and key improvements required.	A total review is urgently required.

- 8.4 On the 18th December 2017 Joint Overview and Scrutiny received a fact sheet on collection and current thinking on CIL expenditure and questions were answered in relation to it. Members of that Committee were advised of the route map towards getting a framework for CIL expenditure formally considered. Members were advised that this would be a key decision for both Councils and would need to go to Cabinet and then full Council. The resulting joint CIL Expenditure Framework, the CIL Expenditure Communications Strategy and the Timeline for the Expenditure of CIL and its Review were adopted by both Councils on the 24th April 2018 (Babergh) and 26th April 2018 (Mid Suffolk).
- 8.5 In May 2018, the results of an investigation by Internal Audit on behalf of the Assistant Director Planning and Communities were produced following complaints regarding the CIL process in place for Babergh and Mid Suffolk. The investigation concluded: -

“The information provided to the public in relation to the CIL process is superior to that found for some other Councils and the team go over and above the requirements when supporting applicants where resources allow them to do so. It is Internal Audit’s opinion that the Infrastructure team, even though working under challenging conditions with increasing numbers of applications, are providing a good service to customers and also pro-actively looking for ways to improve where possible.”

“The audit opinion is therefore high standard” – (paragraph 8.3 Table 5 defines high standard classification).

- 8.6 In September 2018 Internal Audit conducted a review of CIL Expenditure processes and released a written report. It contains a Substantial Assurance audit opinion (with two good practice points needing to be addressed relating to further clarification of “best value” (one of the criteria for assessing CIL Bids) and storage of all electronic communication.
- 8.7 On the 19th September 2019, a report was prepared for consideration by Joint Overview and Scrutiny on CIL expenditure with five witnesses including Infrastructure Providers, Cockfield Parish Council, and a member of the Joint Member Panel; the latter of which informed the second review of the CIL Expenditure Framework. The changes agreed under this review process were adopted by both Councils on the 20th April 2020. The CIL Expenditure Framework documents were reviewed for a third and fourth time with changes being approved in March 2021 by both Councils and in July 2022 by Mid Suffolk and in October 2022 by Babergh.

Assurances (for collection and expenditure of CIL Monies)

- 8.8 It is expected that Internal Audit will continue to regularly audit CIL collection allocation and expenditure processes and actual expenditure once any schemes are developed and implemented.
- 8.9 As Members will recall there is a timeline for implementation of CIL and its review which contains key dates for the remainder of the CIL expenditure year cycle (Background papers referred.)
- 8.10 The first review of the CIL Expenditure Framework took place in 2018 following consideration by Joint Overview and Scrutiny in November 2018. The Joint Member Panel also informed the review and the conclusions were presented to both Councils and adopted in March 2019. This decision by both Councils planned for a further review of the CIL Expenditure Framework. This second review of the CIL Expenditure Framework was adopted by both Council in April 2020. In making this decision Members agreed that a further third review would take place amendments were considered and adopted by both Councils in March 2021. a fourth review occurred in June 2022 and these changes were adopted by Mid Suffolk on the 21st July 2022 and by Babergh on the 6th October 2022.
- 8.11 Both Babergh and Mid Suffolk agreed that a further (fifth) review would take place at the same time as Bid round 10 (October 2022) so that it is in place before Bid round 11 occurs (in May 2023).

9. CONSULTATIONS

- 9.1 The CIL Expenditure Communications Strategy contains a requirement for both Councils to consult the following bodies or organisations (for a period of 14 days) where valid Bids for their Wards or Parish have been submitted as follows: -
- District Member(s)
 - Parish Council
 - Division County Councillor

- 9.2 Where appropriate as part of the CIL process and assessment of the Bids, Officers have also taken advice from other Officers within the Council; including the Communities team
- 9.3 Regular Parish events and Member briefings will continue to be held to familiarise all with the Expenditure Framework and how we can continue to work together to provide infrastructure for the benefit of our communities.

10. EQUALITY ANALYSIS

- 10.1 Please see attached Screening report.

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 It is important that appropriate infrastructure mitigates harm which could be caused by new development without its provision. CIL is one way in which infrastructure is provided and the CIL Expenditure Framework requires two bid rounds per year supported by the provision of a CIL Expenditure Programme for each Bid round. There is no EIA Assessment required.

12. APPENDICES

Title	Location
A. Appendix A - CIL Expenditure Programme for Babergh – November 2022	ATTACHED
B. Appendix B - Technical Assessment of CIL Bids (B22-07, B22-08, and B22-09) – November 2022	ATTACHED
C. Appendix C Screening report for Equality Analysis	ATTACHED

13. BACKGROUND DOCUMENTS

- 13.1 The CIL Expenditure Framework, the CIL Expenditure Framework Communications Strategy and the Infrastructure Funding Statement (including the Infrastructure List) together with the Key CIL Calendar dates for 2021/22 constitute background papers for this report. The original documents were adopted by both Councils in April 2018. They were reviewed, amended and adopted by both Councils in March 2019, April 2020 and March 2021. They were further reviewed, amended and adopted by both Councils in July 2022 (Mid Suffolk) and by Babergh in October 2022.

- 13.2 The following documents represent background documents to this report: -

- Current CIL Expenditure Framework
[Appendix A CIL Expenditure Framework.pdf \(moderngov.co.uk\)](#)
- Current CIL Expenditure Framework Communications Strategy

[Appendix B CIL Expenditure Framework Communication Strategy.pdf \(moderngov.co.uk\)](#)

- Current Key CIL Calendar dates - 2022/23

[Appendix C CIL Expenditure Calendar.pdf \(moderngov.co.uk\)](#)

- Infrastructure Funding Statement for Babergh – November 2021.

[IFS-20-21-Appendix-B-Infrastructure-List-Babergh.pdf](#)

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