

MID SUFFOLK DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: MCa/22/51
FROM: David Burn – Cabinet Member for Planning	DATE OF MEETING: 6 th March 2023
OFFICER: Tom Barker Director Planning and Building Control	KEY DECISION REF NO. CAB403

COMMUNITY INFRASTRUCTURE LEVY (CIL) – CIL EXPENDITURE PROGRAMME MARCH 2023

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 Mid Suffolk' s CIL Expenditure Programme – March 2023 which forms Appendix A to this report. This report contains the assessment of six CIL Bids (M22-14, M22-26, M22-17, M22-23, M22-24 and M22-28) including the judgement 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 Mid Suffolk and Babergh approved the changes on the 21st July 2022 and on the 6th October 2022 respectively.

3. RECOMMENDATIONS

3.1 That the CIL Expenditure Programme (March 2023) and accompanying technical assessment of the CIL Bids M22-14, M22-26, M22-17, M22-23, M22-24 and M22-28 (forming Appendices, A and B) and which include decisions on these CIL Bids for Cabinet to make and approve and to note (delegated decisions only) are as follows:-

Decisions for Cabinet to make: - Ringfenced Infrastructure Fund (Haughley Stradbroke and Stowupland) and Local Infrastructure Fund (Hoxne)

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
M22-14 HAUGHLEY Play Area	Amount of CIL Bid £71,000.00 Total costs of the project £102,000 Other funding sources are: Parish Council £20,000 Donations £10,000 Community funding £1,000	Recommendation to Cabinet to approve CIL Bid M22-14 for £71,000.00 from the Ringfenced Infrastructure Fund (Haughley)
M22-26 STRADBROKE Health Centre Improvements	Amount of CIL Bid £29,724.00 Total costs of the project £39,634.00 Other funding sources are: Parish Council £9,910.00	Recommendation to Cabinet to approve CIL Bid M22-26 for £29,724.00 from the Ringfenced Infrastructure Fund (Stradbroke)

<p>M22-17</p> <p>STOWUPLAND</p> <p>New footpath Trinity Meadows to Trinity Walk Bus Stop</p>	<p>Amount of CIL Bid</p> <p>£14,200.00</p> <p>Total costs of the project</p> <p>£14,200</p>	<p>Recommendation to Cabinet is to approve CIL Bid M22-17 for £14,200 from the Ringfenced Infrastructure Fund (Stowupland) for the amended route</p>
<p>M22-23</p> <p>HOXNE</p> <p>Hoxne Church Lavatory Project</p>	<p>Amount of CIL Bid</p> <p>£28,090.88</p> <p>Total costs of the project</p> <p>£37,454.50</p> <p>Other funding sources are:</p> <p>Hoxne Parochial Church Council funding:</p> <p>£9,363.62</p>	<p>Recommendation to Cabinet to approve CIL Bid M22-23 for £28,090.88 from the Local Infrastructure Fund</p>

Decisions for Cabinet to note: - Ringfenced Infrastructure Fund (Barham) and Local Infrastructure Fund (Mendham)

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
<p>M22-24</p> <p>BARHAM</p> <p>Fencing to play area for Kirby Rise Gren</p>	<p>Amount of CIL Bid</p> <p>£3,377.75</p> <p>Total costs of the project</p> <p>£5,037.00</p> <p>Other funding sources are</p> <p>Parish Council £1,659.25</p>	<p>Recommendation for Cabinet to note the delegated decision for CIL Bid M22-24 for £3,377.75 from the Ringfenced Infrastructure Fund</p>
<p>M22-28</p> <p>MENDHAM</p> <p>Renovation of village car park</p>	<p>Amount of CIL Bid</p> <p>£9,733.81</p> <p>Total costs of the project</p> <p>£12,978.41</p> <p>Other funding sources are:</p>	<p>Recommendation for Cabinet to note the delegated decision for CIL Bid M22-28 for £9,733.81 from the Local Infrastructure Fund</p>

	Parish Council £3,244.60	
<p>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 to 9 (September and November 2022 inclusive) – (Appendix A Section B) together with details of emerging infrastructure /CIL Bids (Appendix A Section C).</p>		
<p>REASON FOR DECISION</p> <p>Community Infrastructure Levy (CIL) monies have been collected since the implementation of CIL on the 11th April 2016. The CIL Expenditure Framework was originally adopted in April 2018 and reviewed with amendments adopted in the March 2019, April 2020, 23rd and March 2021. They were further reviewed, and changes were adopted in July 2022 by Mid Suffolk and in October 2022 by Babergh. The CIL Expenditure Framework requires the production of a CIL Expenditure Programme for each District 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.</p>		

4. KEY INFORMATION

4.1 Given the determination of “available monies” for the 6 CIL Bids M22-14, M22-26, M22-17, M22-23, M22-24 and M22-28 which are the subject of this report - (paragraphs 6.8 – 6.9 inclusive) Members are advised:

- Bid round 10 opened on between 1st - 31st October 2022. All new Bids received 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 6 CIL Bids. Further key information about these Bids is set out below (augmented by the Technical Assessments comprising Appendix B):-

➤ **M22-14 Haughley Play area**

➤ Haughley Parish Council, after consultation with residents, are proposing to upgrade their current play area provision. This will provide greater choice and diversity for outdoor play provision and exercise for the children of the parish and surrounding areas who visit the site. The new apparatus will help in the development of the children's social and physical skills and provide an outdoor space for families and social groups to meet.

- The project will provide new play equipment including a pyramid climbing frame, metal combination swing set, new multiplay unit, new roundabout, and new ground surfacing to enable the site to be used all year round. The new apparatus will increase the diversity of the equipment and overall footfall to the play area site.
- The project will use sustainable materials to ensure longevity and easier maintenance for the site.
- The amount of District CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £71,000.00 represents 70% of the total project costs. It lies within the community infrastructure thresholds of not exceeding £100,000 and 75% of the total costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Mid Suffolk.
- **M22-26 – Stradbroke Health Centre Improvements**
- Stradbroke Parish Council who owns part of the Stradbroke Health Centre. Are proposing to develop a multi-phase project to extend and improve the current Health provision in Stradbroke. The first phase will provide an extension to the current Health Centre building. CIL will assist with the energy improvement second phase of the project.
- This phase will be looking to deliver new Solar Panels, Roof Lighting and overall improvement of systems that heat the Centre. The works will enhance the energy efficiency of the site, overall decreasing the carbon footprint of the centre whilst also improving the user experience of the site for staff and patients who visit the health centre in Stradbroke.
- This project has support from the local Health organisation (ICB) and residents.
- The amount of CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £29,724.00 represents 75% of the total project costs. It lies within the community infrastructure thresholds of not exceeding £100,000 and 75% of the total costs. Albeit this CIL Bid has been submitted by the Parish Council as they own the building, the project has been collaboratively worked on and agreed with the Integrated Care Board and has their full support. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Mid Suffolk.

- **M22-17 Stowupland new footpath Trinity Meadows to Trinity Walk Bus Stop**
- When determining the planning application for an uplift in numbers by 19 units, which subsequently became known as Phase 1 [175 dwelling development]t on land south of Gipping Road [now known as Trinity Fields], the Planning Committee required a condition connecting the development by path to the bus stop on land to the south-west of the development [outside the application site].That condition was not added to the eventual decision notice following a prolonged period of negotiation around the S106 that was also required. This was an oversight.
- Subsequently the submission, by Bloor Homes, of an 80 dwelling proposal on land immediately to the east of Phase 1 afforded an opportunity to negotiate a new section of path within phase 1 to extend linkage from within Phase 1 and its link to Gipping Road . [as well as connecting the new Phase 2] Phase 1 came with a crossing point to a footpath on the other side of Gipping Road to the section of open space owned by the Council over which any path to the bus stop would have to pass. Bloor Homes agreed to bridge the ditch between the two sites but they would not agree to extend the path beyond this point as they did not own or control the land necessary to complete the link; the District Council owns this land.
- Following the failure to secure a link from the new development to the bus stop over Council land as part of the planning process. the Development Management Service and Estates service discussed the potential for allowing access over the Council owned land to secure the completion of the link.
- It was agreed that as the land had little development value access would be allowed but that any path should be diverted around the perimeter of the land rather than diagonally across it so as to retain its amenity value. The open space continues to provide generous visibility splays at the entrance to the estate that was built to its south-east. It also enhances the appearance of the approach to the estate.
- The issue for residents of the new development as rightly identified by both Stowupland Members was that in order to access the bus shelter on the south side of Gipping Road they are currently required to cross north over Gipping Road, walk a few yards along the north west side of it on a path and then cross back south to access the shelter. This is not particularly convenient or desirable from a safety perspective. A direct link is the solution.
- The Development Management service supports the initiative as it will be important to encouraging sustainable travel.
- **District CIL is collected for the provision of infrastructure to support new housing growth and in this case, it is entirely appropriate to allow the use**

of District CIL to address the provision of a required footpath as set out above. This footpath is a vital piece of overall active travel and multi-modal connectivity within Stowupland and was identified/included within an LCWIP ambition to provide infrastructure for several 'missing links' within the active travel connectivity around the village. This ambition was identified as a short term LCWIP priority, and so funding this scheme will help to progress a wider LCWIP ambition, as well as provide significant pedestrian benefits to local residents.

- The Council agreed to allow access across this piece of land to deliver pedestrian access to the nearest bus stop and complete the Trim Trail within the parish.
- The path need not be adopted by SCC Highways and is understood to be permitted development if the Council completes the work on council owned land
- The amount of CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £14,200 represents 100% of the total project costs. This project has been delivered under the Footpath and cycling section within the Infrastructure Funding Statement (Infrastructure List) for Mid Suffolk
- Satisfactory revisions to the exact route of the path have now been received which address Ward Member concerns. On this basis the recommendation to Cabinet is to approve this CIL Bid for the amended route.

- **M22-23 – Hoxne Parochial Church Council – Hoxne Church Lavatory Project**
- There are currently no other accessible public toilet facilities in Hoxne. When built, these facilities will be open for use to members of the church congregation, local residents and visitors to the village.
- It is hoped that when the project is completed, the church will be able to provide more community events and activities to take place throughout the year.
- It is also hoped that by providing public toilets, the church will help to encourage people visiting Hoxne to stay longer and visit other historic and cultural sites within the parish.
- This proposal represents an "oven ready" scheme with evidence of wide community support. The project will be funded through collaborative spend, with the CIL fund portion being 75% of the costs funded from the Local Infrastructure Fund, together with funding contributions from Hoxne Parochial Church Council.
- In view of the above the amount of CIL funding is regarded as an acceptable exception under the terms of the current CIL Expenditure Framework as this CIL Bid of £28,090.88 represents 75% of the total eligible project costs. It lies within

the community infrastructure threshold of not exceeding 75% of the total project costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Mid Suffolk.

➤ **M22-24 – Barham**

- Barham Parish Council, after consultation with residents, are proposing to install new fencing around the Kirby Rise Green. District CIL has in the past funded the structure of a new play area on the green in 2021. This play area is now in use but safety concerns for the area and wider field have been raised. This project will look to increase the safety of the field for both children and parents who are using the site.
- Using new sustainable materials to ensure longevity and equipment will ensure easier maintenance.
- The amount of CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £3,377.75 represents 75% of the total project costs. It lies within the community infrastructure thresholds of not exceeding £100,000 and 75% of the total costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Mid Suffolk
- This CIL Bid has been determined under delegated powers and is for Cabinet to note only.

➤ **M22-28 Mendham Renovation of Car Park and Increase of spaces**

- The lack of off-road parking facilities and roadside parking are ongoing issues for residents and visitors to Mendham. The Street Car Park is the only car park in the village, but due to time and usage the surface has begun to disintegrate and is riddled with potholes, which are a trip hazard for car park users. By improving the surface, the car park will be safer to use and the car park will continue to help reduce the amount of roadside parking and congestion within the village.
- By clearly defining individual parking spaces, the capacity of the car park should be increased by a minimum of four parking spaces, from approximately 18 to 22 car parking spaces.
- There are few car parking spaces in the vicinity of the school and there are few public footpaths within the village, so parents use The Street Car Park, because of its close proximity to the school and it provides a safe place to park and walk children to and from school.
- The amount of CIL funding is regarded as acceptable under the terms of the CIL Expenditure Framework as the CIL Bid of £9,733.81 represents 75% of the total

project costs. It lies within the community infrastructure thresholds of not exceeding £100,000 and 75% of the total costs. This project has been delivered under the Community Infrastructure section within the Infrastructure Funding Statement (Infrastructure List) for Mid Suffolk.

- This CIL Bid has been approved under delegated powers and is for Cabinet to note only

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 to 9 (inclusive) (including September and November 2022) together with a section which outlines the progress of emerging CIL Bids which are being discussed at pre submission stage (Appendix A to section C).

5. LINKS TO 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 of 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 The last iteration of which were both produced and published in November 2022.

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 of April 2016 there have been thirteen 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, April and October 2021 and April and October 2022. 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 7.7 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 7.7 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 unallocated monies are known as the “available funds” and it is these funds that can fund the majority of CIL bids.

6.8 These available funds are: -

- Strategic Infrastructure Fund (including interest) as of 30th September 2022 = £4,849,663.23
- Total Ringfenced Infrastructure Fund as of 30th September 2022 = £11,384,481.99
- Local Infrastructure Fund available as of 30th September 2022 = £4,505,459.32

6.9 These are expressed as follows:

EXPENDITURE	TOTAL
STRATEGIC INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Round 1-9 (Strategic Infrastructure Fund only)	£ 2,365,607.07
Total Expenditure de-allocated in Bid Round 1-9	

Unspent funds returned	£23,237.50
Percentage of fund allocated to projects	33%
RINGFENCED INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Round 1-9 (Ringfenced Fund only)	£6,026,087.70
Total Expenditure de-allocated in Bid Round 1-9	£100,000.00
Unspent funds returned	35%
Percentage of fund allocated to projects	
LOCAL INFRASTRUCTURE FUND	
Total Expenditure allocated in Bid Round 1-9 (Local Infrastructure Fund only)	£2,503,265.95
Total Expenditure de-allocated in Bid Round 1-9	£113,878.19
Unspent funds returned.	
Percentage of fund allocated to projects.	36%
AVAILABLE FUNDS FOR BID ROUND 10 – March 2023	TOTAL
Total amount available for Expenditure in Bid round 10 (Strategic Infrastructure Fund)	£4,849,663.23
Total amount available for Expenditure in Bid round 10 (Ringfenced Infrastructure Fund)	£11,384,481.99
Total amount available for Expenditure in Bid round 10 (Local Infrastructure Fund)	£4,505,459.32

7. LEGAL IMPLICATIONS

- 7.1 Both the original and amended CIL Expenditure Frameworks are legally sound and robust. A legal representative from the Councils Shared Legal Service has been directly involved in the majority of the reviews and has reviewed the documentation and changes in the reviews.
- 7.2 This report and the accompanying CIL Expenditure Programme for Mid Suffolk District Council – March 2023 – 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 successive reviews of the CIL Expenditure Framework Review and are clear in respect of the determination of these Bids. They are Cabinet decisions and there is provision for delegated CIL Bid decisions which Cabinet are asked to note.
- 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 both Councils are published on the website (see below).

https://www.midsuffolk.gov.uk/assets/CIL-and-S106-Documents/Mid_Suffolk_-_District-Council-CIL-Monitoring-Report-2016-17.pdf

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

<https://www.midsuffolk.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 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 CIL Regulations 2019 this must be produced annually by both Councils with each yearly document needing to meet a deadline of 31st December each year.
- 7.6 For Mid Suffolk, the current annual Infrastructure Funding Statement (which includes the “Infrastructure List”) was published on the Councils website in November 2022. (See Background Papers).

8. RISK MANAGEMENT

- 8.1 Key risks are set out below (taken from the Strategic Planning Operational Risk Register as follows):

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
Development may be unsustainable if we do not secure investment in infrastructure. Here is a risk that Infrastructure is not delivered where it is needed.	3	2	Infrastructure needs are detailed through a published Infrastructure Delivery Plan (IDP), which is updated periodically.	Strategic Planning Operational Risk register 18
Level of Community Infrastructure Levy (CIL) being charged is low. There is a risk that insufficient funds would be available for critical and essential infrastructure.	3	3	Publish revised CIL Charging Schedules for consultation.	Strategic Planning Operational Risk register 19
Unable to progress CIL Charging Schedules to Examination and Adoption. There is a risk that insufficient funds would be available for critical and essential infrastructure.	2	3	Be clear on the purpose and content of the CIL Charging Schedules prior to consultation.	Strategic Planning Operational Risk register 20
Non payment of CIL or non-collection of s106 payments. There is a risk that Insufficient funds would be available for infrastructure.	3	3	Appointment of a Debt recovery officer in 2021 to ensure improved recovery of CIL and s106 debt.	Strategic Planning Operational Risk register 21

<p>Planning reforms meaning changes to the development plan system and infrastructure delivery resulting in different approaches needing to be followed. There are risks that Changes to the plan-making process and the replacement of CIL with an Infrastructure Levy.</p>	<p>3</p>	<p>3</p>	<p>Ensure prepared for any forthcoming changes.</p>	<p>Strategic Planning Operational Risk register 22</p>
<p>Absence of clarity on where expenditure is to be made as a result of plans and strategies being incomplete or out-of-date. There is a risk that 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.</p>	<p>2</p>	<p>3</p>	<p>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.</p>	<p>Strategic Planning Operational Risk register 33</p>
<p>Failure to produce a yearly Regulation 62 report would result in non-compliance with the CIL Regulations</p>	<p>1</p>	<p>2</p>	<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</p>	<p>Strategic Planning Operational Risk register 34</p>

<p>2010 (as amended) and may mean that Members and the public are not aware of CIL income and expenditure activities. 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"). Failure to do so will also result in non-compliance with the CIL Regulations (as amended).</p>			<p>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 due to an absence of staff undertaking this task. There is a risk that failure to monitor expenditure may result in CIL expenditure not being effective.</p>	2	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>Strategic Planning Operational Risk register 35</p>
<p>If too high a value is allocated into the Strategic Infrastructure Fund, there is a</p>	2	3	<p>The Infrastructure Team will continue to monitor all allocations of CIL Funds and the CIL Expenditure Framework</p>	<p>Strategic Planning Operational Risk register 36</p>

<p>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>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>2</p>	<p>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>Strategic Planning Operational Risk register 37</p>
<p>If commencements of major housing developments</p>	<p>2</p>	<p>4</p>	<p>The Infrastructure Team will continue to monitor all commencements of development through</p>	<p>Strategic Planning Operational</p>

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.			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.	Risk register 38
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Assurances (for collection of CIL monies)

8.2 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 .

8.3 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. 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).

8.4 In May 2018 the results of an investigation by Internal Audit on behalf of the Assistant Director Planning and Communities (post title changed subsequently to Director Planning and Building Control) 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 pro-actively looking for ways to improve where possible.”

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

8.5 In September 2018 Internal Audit conducted a review of CIL 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. Both these matters have been addressed. The first point by including further explanation about Best Value in Appendix A; the second point through resource adjustments.

8.6 Within the first review process, information was captured from a wide array of sources and all feedback was shared with the Joint Member Panel including the recommendations of Overview and Scrutiny who met to discuss and review the operation of the CIL Expenditure Framework on the 19th November 2018. Their recommendations were considered as part of the first review of the CIL Expenditure Framework process by the Joint Member Panel.

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 worked to inform the second review of the CIL Expenditure Framework. Joint Overview asked questions of the witnesses and concluded the following: -

- Joint Overview and Scrutiny Committee endorses the work of the CIL team (and the CIL Member Working Group) and notes that a fit and proper process is in place in respect of the bidding and allocation of CIL funds

8.8 In line with the fourth review, both Councils agreed for the Joint Member Panel to inform a fifth review during Bid round 10 (in October 2022) so that any changes could be in place before Bid round 11 commences in May 2023. This fifth review took place and the outcomes are likely to be considered by both Councils in March 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 Mid Suffolk – March 2023	Attached
(b) Appendix B – Technical Assessment of 6 CIL Bids (M22-14, M22-26, M22-17, M22-23, M22-24 and M22-28) – March 2023	Attached
(c) Appendix C – Screening report for Equality Analysis (EQIA)	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) for Mid Suffolk District Council together with the Key CIL Calendar dates for 2022/23 constitute background papers for this report. The original documents were adopted by both Councils in April 2018. They were reviewed with changes being adopted by both Councils in March 2019, April 2020 and March 2021. The results of the fourth review were considered and approved by Council at Mid Suffolk on the 21st July 2022 and by Babergh on the 20th September 2022. These amended documents comprise the current Framework:-

- The CIL Expenditure Framework (amended July 2022):
[Appendix-A-The-CIL-Expenditure-Framework-Babergh-and-Mid-Suffolk-Final-amended-July-2022-.pdf](#)
- Current CIL Expenditure Framework Communications Strategy (amended by July 2022).
[Appendix-B-CIL-Expenditure-Framework-Communication-Strategy-Final-July-2022.pdf \(babergh.gov.uk\)](#)
- Key CIL Calendar dates 2022/23
[Appendix-C-CIL-Expenditue-Calender-Key-dates-in-bold.pdf \(midsuffolk.gov.uk\)](#)
- Infrastructure Funding Statement for Mid Suffolk (November 2022)
[Appendix-B-MSDC-IFS-21-22-Infrastructure-List.pdf \(midsuffolk.gov.uk\)](#)

14. **REPORT AUTHOR**

Authorship: Christine Thurlow

Tel Number 01449 724525

Professional Lead Key Sites and Infrastructure

Email christine.thurlow@baberghmidsuffolk.gov.uk