

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/23/9
FROM: Councillor David Busby, Cabinet Member for Planning	DATE OF MEETING: 5 th September 2023
OFFICER: Tom Barker Director Planning and Building Control Interim Director Communities and Wellbeing	KEY DECISION REF NO. CAB434

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

1. PURPOSE OF REPORT

- 1.1 The CIL Expenditure Framework and the CIL Expenditure Framework Communications Strategy were adopted by Mid Suffolk and Babergh on 20th March 2023 and 22nd March 2023 respectively. These documents were also accompanied by the CIL Key Dates Calendar 2023/24 (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 – September 2023 which forms Appendix A to this report. This report contains the following eight CIL Bids including the judgements around the assessment of 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 original Framework documents set out in paragraph 1.1 above by Council decision in April 2018. These were subsequently reviewed and adopted by both Councils on:-

- First Review - March 2019
- Second Review – April 2020
- Third Review – March 2021
- Fourth Review – 21st July 2022 (Mid Suffolk) and 6th October 2022 (Babergh)
- Fifth Review - March 2023.

3. RECOMMENDATIONS

3.1 That the CIL Expenditure Programme (September 2023) and accompanying Technical Assessments of the following CIL Bids (forming Appendices, A and B) be approved (including decisions on these CIL Bids for Cabinet to make/or note) as follows: -

Decisions for Cabinet to approve: - Ringfenced Infrastructure Funds (Acton)

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
B23-10 ACTON Improvements to Acton Play Area	Amount of CIL Bid £20,403.57 Total cost of the project £27,204.76 Total of other funding is split between S106 Funding and Acton Parish Council	Recommendation to Cabinet to approve CIL Bid B23-10 for £20,403.57 from the Ringfenced Infrastructure Fund

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
B23-05 BOXFORD Improvements to Boxford Pavilion Changing Rooms	Amount of CIL Bid £29,565.35 Total cost of the project £39,420.47 (including VAT) Total of other funding	Recommendation to Cabinet to approve CIL Bid B23-05 for £29,565.35 from the Local Infrastructure Fund

	<p>S106 funding - £3,009.60</p> <p>Parish Council Contribution: £5,000</p> <p>Fund Raising: £1,115</p> <p>Groton Educational Trust: £300</p> <p>Boxford Rovers FC: £430.52</p>	
<p>B23-06 FLATFORD</p> <p>Flatford National Trust</p> <p>Installation of a Changing Places Facility within Flatford National Trust</p>	<p>Amount of CIL Bid £16,155.00</p> <p>Total eligible costs of the project £59,155.00</p> <p>Total of other funding</p> <p>Changing Places Fund DLUHC £42,500.00</p> <p>National Trust £500.00</p>	<p>Recommendation to Cabinet to approve CIL Bid B23-06 for £16,155.00 from the Local Infrastructure Fund</p>
<p>B22-15 STANSTEAD</p> <p>Improvements to Stanstead Play Area</p>	<p>Amount of CIL Bid £27,677.31</p> <p>Total eligible costs of the project £36,903.08</p> <p>Total of other funding</p> <p>Stanstead Parish Council £ 9,225.77</p>	<p>Recommendation to Cabinet to approve CIL Bid B22-15 for £27,677.31 from the Local Infrastructure Fund</p>
<p>B23-11 – SUDBURY</p> <p>The Bridge Project (TBP) – Water and electrical connection element of The Triangle Project</p>	<p>Amount of CIL Bid £100,000</p> <p>Total eligible costs of the project £146,000</p> <p>Total of other funding</p> <p>£46,000</p> <p>(Total Net Cost of The Triangle Project £935,460.66)</p>	<p>Recommendation to Cabinet to approve CIL Bid B23-11 for £100,000 from the Local Infrastructure Fund</p>

Delegated decisions for Cabinet to note: - Ringfenced Infrastructure Fund

CIL Bid, Location and Infrastructure Proposed	Amount of CIL Bid and total cost of the infrastructure	Cabinet Decision
B23-07 COCKFIELD MacKenzie Community Open Space Project (Reapplication)	Amount of CIL Bid £4,422.45 Total cost of the project £9,379.74 Total of other funding:- S106 Funding £2,353.08 Parish Council £2,604.21	Recommendation to Cabinet to note this approved CIL Bid B23-07 by delegated decision for £4,422.45 from the Ringfenced Infrastructure Fund
B23-04 LAVENHAM Lavenham Hall Works	Amount of CIL Bid £3,000 Total cost of the project £4,000. Total of other funding:- Lavenham Parish Council - £500 Lavenham Community Council £500	Recommendation to Cabinet to note this approved CIL Bid B23-04 by delegated decision for £3,000 from the Ringfenced Infrastructure Fund
B22-17 ACTON Public Right of Way improvements – Bun Meadow	Amount of CIL Bid £4,590 excluding VAT. Total cost of eligible project costs £4,590	Recommendation to Cabinet to note this approved CIL Bid B22-17 by delegated decision for £4,590.00 from the Ringfenced Infrastructure Fund

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 10 inclusive (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 by both Councils in March 2019, April 2020, March 2021, July 2022 (Mid Suffolk) October 2022 (Babergh) and in March 2023. 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 11 opened on the 1st May 2023 and closed on the 31st May 2023. 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 with the Technical Assessments, and both are presented to Cabinet to consider.
- This CIL Expenditure Programme document focuses on the following eight CIL Bids. Further key information about these Bids is set out below (augmented by the assessments and conclusions contained in the Technical Assessments which justify the recommendations to Cabinet (Appendix B): -

CIL Parish and type of proposed infrastructure	Bid, and of	Key Information and whether CIL Bid falls within the CIL Expenditure framework and is contained within the current Infrastructure Funding Statement – Infrastructure List for Babergh. Recommendation to Cabinet to approve or for Cabinet to note.
B23-10 ACTON Improvements to Play area		Acton Parish Council is proposing to provide improved play areas with more diverse equipment that meet the needs of a wider age group and abilities within the local community and surrounding areas. The proposal is for new pieces of additional play equipment. Falls within the CIL Expenditure Framework and developed under the Community Facilities within the current

	<p>Infrastructure Funding Statement – Infrastructure List for Babergh.</p> <p>Recommendation is for Cabinet to approve CIL Bid for £20,403.57</p>
<p>B23-05 BOXFORD</p> <p>Improvements to Boxford Pavilion Changing Rooms</p>	<p>This upgrade of existing facilities at the Pavilion changing rooms will ensure that the facilities meet the standards required by the Football Association to allow Boxford Rovers FC to continue to participate in the Essex and Suffolk Border League. The benefits to the local community, and those in the surrounding area, in continuing to provide facilities that enhance the health, fitness and wellbeing (both physically and mentally) is important and this project will achieve this.</p> <p>Falls within the CIL Expenditure Framework and developed under the Community Facilities within the current Infrastructure Funding Statement – Infrastructure List for Babergh.</p> <p>Recommendation is for Cabinet to approve CIL Bid for £29,565.35</p>
<p>B23-06 FLATFORD</p> <p>New Changing Places facility at Flatford National Trust</p>	<p>Provision of a Changing Places facility at Flatford National Trust building to provide accessibility for all using the National Trust centre and the surrounding area. Supports Health and Wellbeing inclusively.</p> <p>Falls within the CIL Expenditure Framework and developed under the Leisure and Community Facilities within the current Infrastructure Funding Statement – Infrastructure List for Babergh.</p> <p>Recommendation is for Cabinet to approve CIL Bid for £16,155.00</p>
<p>B22-15 STANSTEAD</p> <p>Improvements to Stanstead Play Area</p>	<p>Stanstead Parish Council is proposing to provide improved play areas with more diverse equipment that meet the needs of a wider age group and abilities within the local community and surrounding areas. The proposal is for the addition of new pieces of additional play equipment. Consultation carried out by the Parish identified that existing equipment is insufficient to meet needs of local children.</p> <p>Falls within the CIL Expenditure Framework and developed under the Community Facilities within the current</p>

	<p>Infrastructure Funding Statement – Infrastructure List for Babergh.</p> <p>Recommendation is for Cabinet to approve CIL Bid for £27,677.31</p>
<p>B23-11 – SUDBURY</p> <p>The Bridge Project (TBP) – The Triangle Project</p>	<p>The aim of the Triangle Project is to build a single-story building, that has been designed around the needs of services users. The focus of this CIL funding application to provide funding to enable TBP to connect their new building to the National Grid, mains water supply and sewer system. This funding is also to help address a shortfall in project funding, due to project costs increasing by nearly 30% over the last 12 months.</p> <p>The CIL funding if approved would be spent on connecting the new building to the National Grid, including the trenchwork, cabling and wiring, required to provide power the site. District CIL funding will also be used to connect the building to the mains water and sewer system, including trenchwork, pipework and other associated costs.</p> <p>TBP provides 25 spaces a day through their social enterprise and meal delivery services. When the Triangle Project is completed, TBP will be able to provide 10 additional daily spaces within their social enterprise section, provide 15 spaces working in the horticultural section of the organisation and offer an additional 10 volunteer placements. The building will be surrounded by areas of natural open space, that will be used to create a relaxation garden, natural trails and vegetable gardens/allotments</p> <p>Falls within the CIL Expenditure Framework and developed under the Community Facilities within the current Infrastructure Funding Statement – Infrastructure List for Babergh.</p> <p>Recommendation is for Cabinet to approve CIL Bid for £100,000</p>
<p>B23/07 COCKFIELD</p> <p>MacKenzie Community Open Space Project</p> <p>(Reapplication)</p>	<p>This CIL Bid constitutes a re-application to secure sufficient CIL funds to pay for a project that has now been completed. The circumstances round and justifying this are set out in the Technical Assessment (Appendix B)</p> <p>Given the circumstances the CIL Bid has been treated as an exception to the CIL Expenditure Framework but developed under the Community Facilities within the current Infrastructure Funding Statement – Infrastructure List for Babergh.</p>

	Recommendation is for Cabinet to note delegated decision on CIL Bid for £4,422.45
B23-04 LAVENHAM Lavenham Hall Works Electrical works	<p>Lavenham Parish Council, in a joint project with Lavenham Community Council, is proposing to provide an electrical system on the exterior of the Village Hall. This will be a 3 Phase Manual Switch with all cabling to ensure connection of existing power supply to an external generator. The Village Hall is a designated Emergency Rest Centre and the installation of this electrical system will allow a generator to be hooked up in the event of a power failure so that heat, light and the ability to provide hot food can continue if the mains supply were interrupted.</p> <p>Falls within the CIL Expenditure Framework and developed under the Community Facilities within the current Infrastructure Funding Statement – Infrastructure List for Babergh.</p> <p>Recommendation is for Cabinet to note delegated decision on CIL Bid for £3,000</p>
B22-17 ACTON Public Right of Way improvements Bun Meadow	<p>Longstanding infrastructure project to a Public Right of Way in Bun Meadow. Widespread community support. Project listed in Acton Action Plan 2023. Although this project is not currently listed within BMSDC’s Local Cycling and Walking Infrastructure Plan (LCWIP), the project has the support of BMSDC’s Sustainable Travel Officer, who believes this project will improve local active travel connectivity, which is one of the key aims of the LCWIP.</p> <p>Falls within the CIL Expenditure Framework and developed under the Walking and Cycling section within the current Infrastructure Funding Statement – Infrastructure List for Babergh.</p> <p>Recommendation is for Cabinet to note delegated decision on CIL Bid for £4,590.00.</p>

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 10 (inclusive) together with a section which outlines the progress of emerging CIL Bids which are being discussed at pre submission stage (Appendix A).

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 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 each Council's IFS were 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 April 2016 there have been fourteen 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, April and October 2022 and April 2023. At the time that the Neighbourhood payments are made, the 20% set aside for the 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. These monies are known as the “available funds” and are held in the following accounts, and it is these monies that can fund CIL bids.

6.8 Available CIL Funds as at the 31st March 2023 for Cabinet decisions/noting in September 2023

INFRASTRUCTURE FUND	AVAILABLE BALANCE
Strategic Infrastructure Fund	£2,747,792.29
Ringfenced Infrastructure Fund	£5,923,781.03
Local Infrastructure Fund	£3,404,243.46

6.9 Total Funds allocated to Infrastructure projects since 2018.

INFRASTRUCTURE FUND	TOTAL ALLOCATION	TOTAL DE-ALLOCATED (UNDERSPEND OR DEADLINE EXPIRY)	PERCENTAGE OF FUNDS RECEIVED ALLOCATED TO PROJECTS
STRATEGIC INFRASTRUCTURE FUND	£531,103.56	£37,769.83	15%
RINGFENCED INFRASTRUCTURE FUND	£626,816.65	£1,651.01	10%
LOCAL INFRASTRUCTURE FUND	£2,109,800.82	£214,596.28	36%

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 these reviews.

7.2 This report and the accompanying CIL Expenditure Programme for Babergh District Council – September 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 all successive reviews of the CIL Expenditure Framework 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 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 to meet a deadline of 31st December each year. This also has to be submitted to the Government as a yearly return.

7.2 For Babergh the current Infrastructure Funding Statement (which includes the “Infrastructure List”) was published on the Councils Website in November 2022.(Background Papers refer).

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	3	2	Infrastructure needs are detailed through a published Infrastructure Delivery Plan (IDP),	Strategic Planning Operational

infrastructure. Here is a risk that Infrastructure is not delivered where it is needed.			which is updated periodically.	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
Planning reforms meaning changes to the development plan system and infrastructure delivery resulting in different approaches	3	3	Ensure prepared for any forthcoming changes.	Strategic Planning Operational Risk register 22

<p>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>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>	2	3	<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>	Strategic Planning Operational Risk register 33
<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. Under the CIL</p>	1	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</p>	Strategic Planning Operational Risk register 34

<p>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>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 risk that there would be insufficient Local Infrastructure Funding available to deliver the infrastructure required to mitigate the</p>	2	3	<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>Strategic Planning Operational Risk register 36</p>

harm, thereby ensuring sustainable development.				
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.	2	3	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.	Strategic Planning Operational Risk register 37
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	2	4	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	Strategic Planning Operational Risk register 38

towards major housing developments, inadequate infrastructure provision would result.			the review to ensure allocations of CIL remain appropriate and projects to make development sustainable are able to be delivered.	
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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 Interim Director Communities and Wellbeing) 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 fifth review, both Councils agreed for the Joint Member Panel to inform a sixth review during Bid round 12 (October 2023) so that any changes could be in place before Bid round 13 commences in May 2024.

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 Bids for their Wards or Parish have been submitted as follows:
- District Members-
 - Parish Council
 - Division County Councillor
- 9.2 Where appropriate as part of the CIL process and assessment of 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 CIL Expenditure Framework and how we can continue to work together to provide infrastructure for the benefit of our communities.

10. EQUALITY ANALYSIS

10.1 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 (at least twice per year). There is no EIA Assessment required.

12. APPENDICES

Title	Location
(a) Appendix A – CIL Expenditure Programme for Babergh – September 2023	Attached
(b) Appendix B – Technical Assessment of CIL Bids – September 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) together with the Key CIL Calendar dates for 2023/24 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, March 2021, July 2022 (Mid Suffolk) and September (Babergh) 2022 and March 2023.

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

- Current CIL Expenditure Framework

[Appendix-A-The-CIL-Expenditure-Framework-Babergh-and-Mid-Suffolk-Final-amended-March-2023-.pdf](#)

- Current CIL Expenditure Framework Communications Strategy.

[Appendix-B-CIL-Expenditure-Framework-Communication-Strategy-Final-March-2023.pdf \(babergh.gov.uk\)](#)

- Current Key CIL Calendar dates – 2023/24

[Appendix-C-CIL-Expenditure-Calender-Key-dates-2023-24.pdf \(babergh.gov.uk\)](#)

- Infrastructure Funding Statement for Babergh – November 2022

[Appendix-B-BDC-IFS-21-22-Infrastructure-List.pdf \(babergh.gov.uk\)](#)

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