

EPSOM AND EWELL COMMUNITY INFRASTRUCTURE LEVY - ANNUAL FUNDING ALLOCATIONS 2024

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Wards affected:	(All Wards);
Urgent Decision?	No
Appendices (attached):	Appendix 1 – Strategic and Neighbourhood CIL Bids recommended to be funded. Appendix 2 – Strategic and Neighbourhood CIL Bids not recommended to be funded.

Summary

The Council undertook its annual funding rounds for strategic and neighbourhood CIL between the 7 May and 18 June 2024. During this funding window 5 strategic CIL bids and 23 neighbourhood CIL bids were received.

In accordance with the Epsom and Ewell CIL Spending Protocol (January 2024), all bids received have been subject to an initial stage 1 assessment. Only the bids that passed the Stage 1 assessment were then subject to a stage 2 assessment by the CIL Member Working Group.

Following this process, three Strategic CIL bids (totalling £1,755,000 of strategic CIL funding) and six neighbourhood CIL bids (£331,966 of neighbourhood CIL funding) are presented to this committee for approval.

As the cumulative value of the CIL bids recommended for approval exceeds £50,000, in accordance with the Council's financial regulations, the recommendations of this committee will be subject to approval of the funding by the Strategy and Resources Committee (S&R).

Recommendation (s)

The Committee is asked to:

- (1) Approve the recommendations of the CIL Member Working Group by provisionally allocating CIL funding to the projects detailed in Appendix 1;**
- (2) Support a request to Strategy and Resources Committee to approve the funding totalling £2,086,966 from CIL as set-out in this report.**

Licensing and Planning Policy Committee

17 October 2024

1 Reason for Recommendation

- 1.1 To ensure the robust and effective expenditure and reporting in line with the Community Infrastructure Levy Regulations 2010 (as amended) and in accordance with the Epsom and Ewell CIL Spending Protocol (January 2024).

2 Background

- 2.1 Epsom and Ewell's CIL Charging Schedule came into force on the 1 July 2014 and applies to all liable developments that were granted permission after this date. CIL is payable when work to implement the development commences.
- 2.2 The Community Infrastructure Levy (CIL) is used to mitigate the cumulative impact of development but is rarely sufficient to fund all of the infrastructure that is required to support development of an area. CIL cannot be used to remedy existing deficiencies (unless those deficiencies will be made more severe by new development) undertake maintenance of existing infrastructure, or remedy demands from population growth driven by other factors such as birth rates.
- 2.3 On the 18 January 2024 this committee approved the Epsom and Ewell CIL Spending Protocol which sets out the governance arrangements for spending CIL funds in the Borough.
- 2.4 CIL Regulations require apportionment of CIL as follows:
 - The Strategic CL Portion (70-80%)
 - The Neighbourhood Portion (15-25%)
 - The CIL Administrative proportion (5%)

Strategic CIL

- 2.5 Strategic CIL funding can be used to fund infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities. Local authorities must spend the levy on infrastructure needed to support development of their area. CIL can be used to increase the capacity of existing infrastructure or provide new infrastructure that is necessary to support development. The clearest way to justify this is to link it to the Council's Infrastructure Delivery Plan that supports the Local Plan. We cannot use strategic CIL to fund affordable housing as this is still dealt with through s106 obligations.
- 2.6 As of the 30 June 2024 there was £7,621,000 of unallocated Strategic CIL funding available in the borough.

Licensing and Planning Policy Committee

17 October 2024

Neighbourhood CIL

- 2.7 The Neighbourhood portion can be used to fund a wider range of spending, including affordable housing but it must still be necessary to support development.
- 2.8 As of the 30 June 2024 there was £1,226,000 of unallocated Neighbourhood CIL funding available.

3 Recommendations for CIL funding

- 3.1 Following the adoption of the CIL Spending Protocol in January 2024, the council raised awareness of the opportunity of CIL funding with strategic infrastructure providers (such as Surrey County Council). During the annual funding round, we received 5 strategic CIL bids and 23 Neighbourhood CIL bids.
- 3.2 The process of scoring and categorisation for strategic and neighbourhood CIL bids is set out in the Epsom and Ewell CIL Spending Protocol (January 2024).

Strategic CIL bids

- 3.3 The CIL Member Working Group has recommended the allocation of Strategic CIL funding to the following projects:
- Ewell Village public realm enhancements - £1,250,000.
 - Priest Hill Football Development – Full size 3G football pitch - £405,000.
 - New Club House at Old Schools lane, Ewell - £100,000.
- 3.4 Further detail on the bids recommended for approval is contained in Appendix 1 – Part 1.
- 3.5 Two strategic bids have not been recommended for funding. These are as follows:
- Epsom Playhouse replacement lighting project – this bid did not pass the stage 1 assessment (the project is maintenance).
 - A project relating to increasing capacity at GP surgeries has not been recommended for funding following a stage 2 assessment as the CIL Member Working Group considered that the scheme was ‘desirable’, whereas the other projects recommended for funding were categorised as essential. Further details on the un-successful bids are contained in Appendix 2 – Part 1.

Licensing and Planning Policy Committee

17 October 2024

Neighbourhood CIL bids

3.6 The CIL Member Working Group has recommended the allocation of Neighbourhood CIL funding to the following projects:

- Glyn Hall – Replacement Community Building - £85,000
- Hogsmill Local Nature Reserve Footpath Improvements - £78,644
- Bourne Hall Woodland Play Area - £68,627
- Gateley Green Playground Improvements - £49,829
- Gibraltar Playground Improvements - £44,866
- Waterloo Road Street Tree Planting - £5,000

3.7 Further detail on the neighbourhood bids recommended to be funded is contained in Appendix 1 – Part 2.

3.8 A total of 17 neighbourhood bids have not been recommended for funding this year. The reasons being:

- 7 bids failed Stage 1 of the site assessment criteria set out in the CIL Spending Protocol. The projects were therefore not progressed to stage 2.
- 7 bids did not score more than six points during the Stage 2 Assessment as required by the CIL Spending Protocol
- 3 bids scored more than six points overall, but scored a 1 or less on the best value criteria.

3.9 Further details on the bids that are not recommended to be funded are contained in Appendix 2 – Part 2.

4 Risk Assessment

Legal or other duties

4.1 Equality Impact Assessment

4.1.1 None

4.2 Crime & Disorder

4.2.1 None

4.3 Safeguarding

4.3.1 None

Licensing and Planning Policy Committee

17 October 2024

4.4 Dependencies

4.4.1 None

4.5 Other

4.5.1 None

5 Financial Implications

5.1 CIL is intended to support the strategic infrastructure that is required to support the development of the local area and spend must be in accordance with our Spending Protocol.

5.2 The Council was in receipt of £7,621,000 unallocated Strategic CIL and £1,226,000 Neighbourhood CIL (as of the 30 June 2024) which are available to fund CIL bids.

5.3 This report requests £1,755,000 of strategic CIL funding and £331,966 of neighbourhood CIL funding be provisionally allocated, subject to subsequent approval of the funding at Strategy & Resources Committee.

5.4 If approved, the remaining balance of unallocated Strategic CIL would reduce to £5,866,000 and the balance of Neighbourhood CIL would reduce to c.£894,000.

5.5 Allocating £2,086,966 of CIL funding would result in an estimated £93,910 per annum reduction in treasury management income, assuming investment returns of 4.5%, which will need to be factored into the Council's future financial plans.

5.6 **Section 151 Officer's comments:** Financial implications are set-out in the body of the report.

6 Legal Implications

6.1 The collection and spending of CIL is governed by The Community Infrastructure Levy Regulations 2010 as amended ("the CIL Regulations"). Part 7 of The Community Infrastructure Levy sets out how CIL may be applied and in particular Regulation 59(1) places a duty on the Council to apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area.

6.2 Charging authorities may not use the levy to fund affordable housing

Legal Officer's comments: None other than as outlined in this report.

7 Policies, Plans & Partnerships

7.1 **Council's Key Priorities:** The following Key Priorities are engaged:

Licensing and Planning Policy Committee

17 October 2024

- Enhance the borough's natural assets, preserving and increasing Biodiversity.
- Work with partners to develop and improve transport and infrastructure with particular emphasis on sustainable travel options.

7.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.

7.3 **Climate & Environmental Impact of recommendations:** None.

7.4 **Sustainability Policy & Community Safety Implications:**

7.5 Allocation of funds is in line with the Council's Spending Protocol and is not introducing new policy. It is considered that there is a wide range of projects recommended for funding, including those which enable greater access and facilities for all.

7.6 **Partnerships:**

8 Background papers

8.1 The documents referred to in compiling this report are as follows:

- Epsom and Ewell CIL Spending Protocol (January 2024) - accessible from the following link:

<https://www.epsom-ewell.gov.uk/sites/default/files/documents/residents/planning/planning-policy/community-infrastructure-levy-cil/EEBC%20CIL%20spending%20protocol%20-%20final.pdf>

- Epsom and Ewell Interim Infrastructure Plan (May 2024) – accessible from the following link:

<https://www.epsom-ewell.gov.uk/sites/default/files/documents/residents/planning/planning-policy/community-infrastructure-levy-cil/Interim%20Infrastructure%20Plan%20May%202024%20%281%29.pdf>