



AGENDA ITEM:

CABINET: 10 November 2020

Report of: Corporate Director of Place and Community

Relevant Portfolio Holder: Councillor David Evans

Contact for further information: Peter Richards (Extn. 5046)
(Email: peter.richards@westlancs.gov.uk)

SUBJECT: CIL FUNDING PROGRAMME 2021/22

Wards affected: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To report on the consultation on the draft CIL Funding Programme for 2021/22, and to propose final recommendations for the CIL Funding Programme in 2021/22.

2.0 RECOMMENDATIONS

2.1 That the consultation feedback report provided at Appendix A be noted.

2.2 That CIL monies be allocated to the delivery of the following projects in 2021/22:

- £40,000 – Cheshire Lines improvements
- £30,000 – Long Heyes play area
- £50,000 – Clough Valleys improvements
- £19,000 – Helmsdale play area
- £31,555 – Dial-a-ride transport service

2.3 That Ormskirk Neighbourhood CIL monies be allocated to the delivery of the following projects in 2021/22:

- £58,000 – West End playing field
- £10,000 – Halsall lane play area

2.4 That previously saved CIL monies be allocated to the delivery of the following project in 2021/22:

- £385,000 – Parbold-Appley Bridge towpath improvements

2.5 That it is agreed to allocate £50,000 from Reserves towards a fund for feasibility and design work on potential infrastructure projects in order to increase the number of deliverable and "shovel-ready" projects that are ready to bring forward in the borough through CIL Funding Programmes in future years.

3.0 BACKGROUND

CIL Funding Programme 2021/22

3.1 The Council adopted a CIL Charging Schedule in July 2014, and has been charging CIL since 1 September 2014. In July 2020, the Council approved an update to the CIL Governance Framework which sets out how decisions would be made on the spending of CIL monies by the Council, amongst other matters. As a reminder, when CIL monies are collected by the Council in relation to any development it is divided into three parts:

- 80% of the monies are retained by the Council to be pooled with other CIL income from other developments to be spent on infrastructure as the Council sees fit across West Lancashire.
- 15% is passed to the local Parish Council that the development is located within for them to decide what infrastructure the monies should be spent on locally within the Parish. This is known as the "neighbourhood portion". Where there is not a Parish Council, the Borough Council keeps hold of the monies and must decide what infrastructure the monies should be spent on within that unparished area. The portion increases to 25% in those areas with a Neighbourhood Plan (reducing the strategic portion to 70% in those areas).
- 5% is retained by the Council to help cover the costs of administrating CIL

3.2 In relation to the 80% of CIL income retained by the Council for spend on infrastructure across the Borough, the vast majority of this CIL income will be saved towards "strategic" infrastructure; that is projects which individually require more than £100,000 of CIL funding. Decisions on what to spend those saved CIL monies on (and when) will be made by Cabinet as and when a project arises that is considered a suitable use of the saved monies.

3.3 The annual CIL Funding Programme will therefore focus on smaller projects (each requiring £100,000 of CIL funding or less), with a maximum cap of £200,000 of the CIL funds raised in a given financial year to be allocated to smaller projects through the CIL Funding Programme each year.

3.4 A draft of this CIL Funding Programme must be publicly consulted upon before Cabinet make a final decision on it late autumn/winter in any given year in readiness for spending the monies from April the following year. The public

consultation on potential smaller projects to be included in the CIL Funding Programme 2021/22 was conducted in autumn 2020.

- 3.5 In addition, CIL monies have been collected by the Council in relation to the unparished area of Ormskirk. In accordance with the CIL Regulations 2010 (as amended) 15% of those monies received in Ormskirk must be retained by the Council as the neighbourhood portion who must then consult with residents and businesses of Ormskirk on how best to spend these "neighbourhood" CIL monies. The Council included consultation on this alongside the consultation on the CIL Funding Programme in autumn 2020.
- 3.6 Whilst Skelmersdale has received some Neighbourhood CIL monies, they are currently at insufficient levels to be able to fund any of the shortlisted schemes in that area, and so it was recommended through the draft CIL Funding Programme that those funds are allowed to build up over time and strategic CIL monies should instead be used to fund any deliverable infrastructure projects in Skelmersdale in 2021/22.
- 3.7 This report follows up on that public consultation held in autumn 2020 on the above two types of CIL monies. It reports back on the responses received and recommends which schemes should be incorporated into the 2021/22 CIL Funding Programme. This report also makes a third recommendation in relation to the use of previously saved strategic CIL monies to provide towpath improvements between Parbold and Appley Bridge. As the cost of this proposed project exceeds £100,000, it falls outside of the annual CIL funding programme but is still a matter to be considered and determined by Cabinet. The project was also included in the public consultation for the draft CIL Funding Programme 2021/22 in order to garner public feedback on the proposal.

The Infrastructure Delivery Schedule and scheme assessments

- 3.8 A key document that informs the process of preparing a CIL Funding Programme is the Infrastructure Delivery Schedule (IDS). The IDS is a database of infrastructure projects that are planned or desired to take place during the current Local Plan period. It originally formed part of the evidence base for the Local Plan and the CIL Charging Schedule but has become more of a "live" document now, allowing monitoring of all infrastructure projects in the Borough and concurrent measuring of how the Local Plan is performing in delivering this key aspect of sustainable development.
- 3.9 Many projects on the IDS have a connection to new development in that they are needed or demanded because of the new development proposed and being delivered through the Local Plan. However, other projects are not necessarily linked to new development in this way, but are still needed to upgrade existing infrastructure provision or reflect aspirations that infrastructure providers have and which, in some cases, may enable further new development in the future.
- 3.10 In relation to CIL, therefore, the IDS provides the basis for assessing which infrastructure projects CIL monies should be spent on. Not all projects on the IDS will be eligible for and / or need CIL monies.
- 3.11 Residents and businesses, infrastructure providers, ward councillors, parish councils and relevant council officers have all been given opportunity to input

ideas and suggestions on schemes that could go into the latest version of the IDS, and to update details of schemes that are already in the IDS. This is a vital part of the process and the more specific and detailed the information provided, the better the Council can assess the projects. If the information is inadequate or incorrect, this will inevitably affect the assessment, particularly in relation to deliverability of a project. To this end, all contributors are invited to comment on the draft CIL Funding Programme when it is published for public consultation and can update the information provided as they see necessary.

4.0 CONSULTATION FEEDBACK

4.1 Public consultation plays an important part in helping to identify those schemes with the greatest priority for local people. As such, a significant investment of funds (for publicity) and officer time is made each year into the public consultation on the CIL Funding Programme. The draft CIL Funding Programme was put out to public consultation between 24 September and 23 October 2020. The consultation was advertised in the Champion and via the Council's social media platforms, with respondents able to respond online. It sought views on the following shortlisted projects:

CIL monies:

- £40,000 – Cheshire Lines improvements
- £30,000 – Long Heyes play area
- £50,000 – Clough Valleys improvements
- £19,000 – Helmsdale play area
- £31,555 – Dial-a-ride transport service

Ormskirk Neighbourhood CIL monies:

- £58,000 – West End playing field
- £10,000 – Halsall lane play area

The consultation also raised the prospect of investing in the canal towpath improvements at Appley Bridge / Parbold, using saved strategic CIL monies, and invited the public to suggest further infrastructure schemes which they think are needed to support new development.

4.2 66 responses to the consultation were received from the public and stakeholders, and all their comments have been considered in making the final recommendations regarding CIL funding in 2021/22. A summary of the feedback and the full set of comments is provided at Appendix A.

CIL monies

4.3 Support was received for all of the shortlisted projects, and no comments were received that raised any concerns with regard the use of CIL funds on those projects. A small number of project suggestions were received, and relevant proposals will be first explored with appropriate partners, such as Lancashire County Council, as to their feasibility / suitability for inclusion on the IDS.

- 4.4 It is therefore considered appropriate that the shortlisted projects for the use of CIL monies are carried forward into final recommendations for the CIL Funding Programme 2021/22.
- 4.5 There were mixed responses to the Parbold-Appley Bridge towpath scheme. The scheme was largely supported but with some concerns expressed in relation to the amount of CIL being proposed for a scheme a small number of respondents considered would be underused.
- 4.6 It is acknowledged that those concerns are from a small number of residents, and it is considered that the benefits of this scheme would serve the many. Therefore, it is considered appropriate that this scheme is recommended to Cabinet for allocating CIL funding to.
- 4.7 Through the consultation the Council received an update on the West Lancashire Heritage Park proposal, which is already on the IDS. The updated proposal shows significant progress, and separates off the proposals for a Gateway Visitor Centre which would be free to access and use by the public and would be community infrastructure. CIL funding could be used on this aspect of the project (though not on the Heritage Park as a whole, which it is understood visitors would need to pay to enter and enjoy). The request for CIL funding for this project is now considerably less (£80,000) and so would need to be considered through the annual CIL Funding Programme.
- 4.8 Whilst it is positive to see progress on the Heritage Park proposal, and in particular the Gateway Visitor Centre, at this point in time it is not recommended to include it in the CIL Funding Programme 2021/22, as more detail and consideration is needed of the deliverability of, and match-funding for, the Visitor Centre and the wider Heritage Park, and how these two parts of the proposal would work together. It is also worth noting that £100,000 of CIL funding was granted to the Hesketh Bank Community Centre in the CIL Funding Programme 2020/21. It is unclear whether two such similar facilities are needed so close together, and it would certainly be questionable whether the Council should concentrate so much CIL funding in one village for two similar schemes, given the demand for CIL funding on projects across West Lancashire.

Ormskirk Neighbourhood CIL monies

- 4.9 4 responses were received direct to the Council through the public consultation, with an additional response submitted by Our West Lancashire (OWL) containing comments from a further nine respondents received through OWL's own, separate consultation on the proposed Ormskirk projects. In all cases, support was received for both projects.
- 4.10 It is therefore considered appropriate that the shortlisted projects for the use of Ormskirk NCIL monies are carried forward into the final recommendations for funding in 2021/22.

5.0 RECOMMENDATIONS OF THE CORPORATE DIRECTOR OF PLACE AND COMMUNITY

CIL monies

5.1 Given the feedback from the consultation and the positive assessment of the projects by officers, I recommend at 2.2 above that Cabinet should allocate CIL monies to the following projects:

- **Cheshire Lines Path, Western Parishes** - access and signage improvements to this cyclepath and footpath through the Western Parishes (£40,000 of CIL sought)

This project is not located in an area where there is any significant neighbourhood portion of CIL held by Parish Councils or where Parish Councils are likely to receive some, but the Cheshire Lines path is a strategic green infrastructure and cycling / walking route through the western part of the borough that it would be beneficial to improve access to and encourage use of by residents from across West Lancashire.

- **Long Heyes Play Area, Ashurst** – extension of play area (£30,000 of CIL sought)

This proposal would extend the current play development to allow it to provide play facilities for the under-six age group, with associated seating facilities for parents. The scheme would complement the current play development for six to fourteen years olds which is currently being funded by Council Play Capital and HRA funding. Significant residential development is taking place in Ashurst (Whalleys/Cobbs Clough) which this project would help support. Although NCIL monies are available in Skelmersdale, they are not at sufficient level to be allocated to this scheme and so it is recommended that CIL strategic monies should be used.

- **Clough Valleys, Skelmersdale** – Environmental improvements (£50,000 of CIL sought)

This proposal would seek to upgrade the environment and develop the recreational and ecological potential of the three main valleys – Delph Clough, Elmers Clough and Westheads Clough. Works will include routine cleansing and vegetation clearance using community based volunteers and trainees, managed by the Council's Ranger service. The project will also provide access improvements, woodland management and drainage works to improve public accessibility and use of these natural spaces. Each clough has different works required, but the total cost across all three cloughs is £50,000. There has been development across Skelmersdale, including that at Delph Clough (west of Evenwood Court), and so this scheme would provide central improvements to support that new development. Again, NCIL monies are available in Skelmersdale but are not at sufficient levels to deliver this scheme so use of strategic CIL monies are proposed instead.

- **Helmsdale play area, Skelmersdale** – replacement play area (£19,000 of CIL sought, with £29,000 of match funding)

This proposal is a community project to replace the existing play facility serving the Birch Green area. The play area serves a whole estate and is therefore an important facility to reinstate. There has been sufficient development within Birch Green to justify improvement of the site, which is currently degraded and without play equipment. Friends of Helmsdale Park community group was established by local residents and has sought to secure external funding to provide a new play area but this has proven unsuccessful. WLBC Housing have been working with the community group to try and reinstate and improve the playground, and will provide an additional £20,000 to match fund CIL monies, with a further £9,000 provided from the WLBC Playground Capital programme. The community group would then help deliver and manage it. Whilst NCIL monies are available in Skelmersdale, they are not at a sufficient level to be allocated to this scheme, and so it is proposed that CIL strategic monies are awarded to enable the delivery of the replacement play area.

- **Dial-a-Ride, Borough-wide** – demand responsive transport service for West Lancashire (£31,555 of CIL sought to help fund the service for one year, with £154,700 of match funding)

This already established scheme provides accessible transport, particularly for elderly and disabled residents, covering those areas of the borough not well-served by public transport. Dial-a-Ride have already secured the majority of funding from Lancashire County Council (LCC) and other assured sources, and raise further significant income through fares and subscriptions for the service. West Lancashire Borough Council had been a valued funder of this scheme, but those funding sources had recently stopped and so CIL provides an opportunity to again fund this valued transportation service.

Whilst a bid was originally received from Dial-a-Ride to fund the service for three years, the allocation of CIL monies to fund the scheme for one year would support the future of Dial-a-Ride in the immediate future, whilst still keeping available CIL monies for use on other projects. Should further monies be required in future years, new bids for CIL monies can be submitted. In consideration of this project, it has been acknowledged that CIL monies must be used to support new, not existing, development. Therefore, whilst CIL monies will go some way to supporting the continuation of the Dial-a-Ride scheme, and preventing cuts to the existing service, any award of funding will also be able to support changing needs and increased demand for the scheme that may be created as a result of new development.

- 5.2 Whilst NCIL monies are available in Skelmersdale, they are not at sufficient levels to be able to deliver the shortlisted Helmsdale, Long Heyes or Clough Valleys projects, and therefore it is proposed that those schemes are included within the CIL Funding Programme for funding through strategic CIL, allowing the Skelmersdale NCIL funds to build to higher, more usable amounts and go towards other projects in the future.

- 5.3 That being the case, the total cost of funding all those projects is £170,555, which falls below the £200,000 annual cap and means all five projects can be funded in 2021/22 and there will still be a remaining amount (£29,455) to carry over into the strategic CIL pot to enable those funds to accumulate further.

Ormskirk Neighbourhood CIL monies

- 5.4 Given the feedback from the consultation and the positive assessment of the projects by officers, I recommend at 2.3 above that Cabinet should agree to allocate Ormskirk Neighbourhood CIL monies to the following schemes:

- **West End Playing field, Ormskirk** – access and environmental improvements, (£58,000 of NCIL sought)

CIL would provide significant investment to this area of open space to deliver improvements including footpath resurfacing, seating bays, picnic areas, fencing improvements, tree management and signage. The site is located in the Scott ward, and is within distance of the housing development at Grove Farm to justify a need for these improvements.

- **Halsall Lane Park, Ormskirk** – play area extension (£10,000 of NCIL sought)

Halsall Lane Park has been identified within the Council's playground improvement programme as a facility in need of investment. This project requires a relatively small amount of NCIL monies to extend the existing play area to include new swings and access. There has been sufficient development in Ormskirk to justify this need and the project helps improve the health and wellbeing of local residents.

'Previously saved' CIL monies

- 5.5 I further recommend at 2.4 above that Cabinet should agree to allocate CIL monies to the provision of the following project:

- **Parbold-Appley Bridge towpath improvements, Eastern Parishes** – towpath enhancements along the Leeds to Liverpool canal including improved surfacing to aid accessibility for all (£385,000 of CIL sought, with c.£45,000 of match funding)

This project requires over £100,000 of CIL, and so would need to be funded through the saved strategic CIL funds that the Council holds.

The Canal and Rivers Trust were approached to consider if they could increase the amount of match funding towards the project, and so reduce the amount of CIL required but, at this time, there is no further match funding available. However, the Canal and Rivers Trust have also been liaising with Wigan Council and Transport for Greater Manchester (TfGM) with regards to improving the canal towpath from Appley Bridge into Wigan and beyond into Salford/Manchester. As a result, there may be the possibility of procuring works on the towpath via a larger contract which may create savings. Should such savings be realised, some of the CIL funding could be returned to the Council. Similarly, should any further funding

opportunities emerge as the project(s) moves forward, these would be explored.

Identifying more deliverable projects

- 5.6 While the above proposals show that a reasonable number of infrastructure projects, both small and large, are coming forward in the borough, there is a much larger number of projects on the Infrastructure Delivery Schedule which would qualify for CIL (in that they are needed, at least in part, because of increased demand created by new development in the borough) but for which the detail and feasibility of the projects have not been developed far enough to secure relevant match-funding or to satisfy the Council that they are deliverable in the near future.
- 5.7 Given that the Council is now seeking to make £200,000 of CIL available to smaller infrastructure projects each year as a result of the newly adopted CIL Governance and Expenditure Framework, it will become increasingly difficult to allocate that funding if more of those potential projects on the IDS do not move forward and become deliverable. This is often because either the Council or the infrastructure provider does not have sufficient resources to undertake some initial feasibility and design work to get the project to the stage at which it can attract match-funding or provide some certainty of deliverability.
- 5.8 As a result, the recommendation at 2.5 above seeks to make £50,000 of Council funding available from Council Reserves to help some of the more promising of those projects that were not shortlisted to come forward (or any potential future projects that have yet to be identified on the IDS). Where a project is subsequently taken forward for delivery, the costs incurred undertaking a feasibility study / design works can be recouped from CIL or whatever source of funding is used to ultimately deliver it. While this does run the risk that some of the projects may actually turn out to not be feasible (and/or affordable) when that feasibility / design work is undertaken, and so the money spent on the feasibility work will not be able to be recouped, it is anticipated that this will only occasionally happen and the reward from this approach (of bringing more infrastructure projects forward) outweighs the risk. In addition, having developed a feasible proposal, this will also help the Council or a partner to apply for match funding from other sources.
- 5.9 For those projects that are shown to be feasible and are then taken forward to delivery using CIL funding, the funding invested in the feasibility work will be able to be recouped from CIL. This is because the CIL regulations do not allow feasibility studies to be funded from CIL in their own right – CIL funding must deliver tangible improvements. However, feasibility studies can be funded retrospectively as an eligible part of a project when the project they relate to is delivered on the ground – i.e. when they do deliver the tangible improvements.
- 5.10 As a result, while the proposal at paragraph 2.5 will mean the Council potentially incurs costs of up to £50,000 initially, as projects move forward and are delivered, this funding will be able to be recouped and reinvested in more feasibility studies for more projects.

CIL receipts

- 5.11 In terms of available monies, it is anticipated that the Council will collect £3.4million of CIL in 2020/21, with the relevant strategic portion being £2.7 million for that year. These figures take into account any CIL payments from SME developers that have already been deferred due to COVID. As such, there will therefore be sufficient funds to allocate up to £200,000 to 'smaller' infrastructure schemes through the CIL Funding Programme 2020 and still save £2.5 million for 'larger', more strategic and costlier projects in the future.
- 5.12 As of April 2020, the Council had a cumulative strategic CIL balance of just under £5.5 million, which by April 2021 should stand at over £7.6 million (including those monies that would be allocated to new schemes through the recommendations in this report). There will therefore be sufficient funds to allocate to 'larger' infrastructure schemes in 2021/22 and beyond when an appropriate project is identified.

Table 1: CIL Receipts received / anticipated since September 2014-2021

Collected in:	Total receipts	Strategic portion (80%)	CIL Funding allocated to Infrastructure Projects	Cumulative Strategic CIL balance
2014/15	£45,703	£36,562	£43,000	£110,083
2015/16	£144,959	£116,521		
2016/17	£603,834	£483,660	£173,000	£420,743
2017/18	£2,257,038	£1,805,877	£425,000	£1,801,620
2018/19	£2,150,247	£1,734,107	£91,000	£3,444,727
2019/20	£2,944,857	£2,376,729	£325,000	£5,496,455
Sub-Total 2014-2020	£8,146,638	£6,553,455	£1,057,000	£5,496,455
2020/21 Anticipated	£3,403,705	£2,722,964	£555,555*	£7,663,864*
Total 2014-2021	£11,550,343	£9,276,419	£1,612,555*	£7,663,864*

*If the recommended projects were to be awarded CIL funding

- 5.13 By April 2021, the Council expect the neighbourhood CIL portion to have been collected in Ormskirk in 2020/21 to be £82,076, so there will therefore be sufficient funds to allocate monies to both the recommended schemes in Ormskirk, without even including the £270,000 of neighbourhood CIL in Ormskirk accumulated from previous years.

Table 2: Neighbourhood CIL Receipts received / anticipated since September 2014-2021 in Ormskirk

Collected in:	Total receipts	Neighbourhood portion (15%)	CIL Funding allocated to Infrastructure Projects	Ormskirk Neighbourhood CIL balance
2014-2020	£2,728,563	£409,284	£132,000	£277,284
2020/21 Anticipated	£547,176	£82,076	£68,000*	£291,360*
Total 2014-21	£2,539,796	£380,969	£200,000*	£291,360*

***If** the recommended projects were to be awarded NCIL funding

6.0 SUSTAINABILITY IMPLICATIONS

6.1 The delivery of new infrastructure funded by CIL monies will have positive implications for sustainability and contribute to the delivery of the development allocated in the West Lancashire Local Plan 2012-2027 in a sustainable manner.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 There is no additional cost to Council resources of preparing and consulting on a CIL Funding programme or how to spend NCIL monies given that any projects prioritised for funding will be funded by CIL monies and, in some cases, match-funding identified by the infrastructure provider from other sources. The administration of CIL (including the CIL Funding Programme) is covered by the 5% administration fee retained by the Council from CIL receipts together with the Growth and Development Service's revenue budgets.

7.2 However, the proposal to allocate £50,000 from Council Reserves to fund feasibility work on infrastructure projects would involve the expenditure of Council resources. While it is anticipated that the vast majority of this funding would be recouped over time, given the funding will be recycled, as it is recouped, to investigate further potential projects, this funding will effectively be shown as a spend in Council budgets until such time as no further feasibility work is proposed and all funding that can be is recouped.

8.0 RISK ASSESSMENT

8.1 There are no significant risks related to this report, as CIL funding is being allocated appropriately, in accordance with CIL regulations and will only be transferred to partner organisations delivering the infrastructure when contracts for delivering the works are committed.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 The delivery of any of the projects proposed through this CIL funding programme, will have a positive impact on health and wellbeing. The majority of the schemes propose either improvements to outdoor play areas or improvements to active travel routes (cycling/walking) to support physical activity to improve health, and each of those, in turn, also provides environmental improvements to help boost wellbeing and encourages visitors to the borough. Dial-a-ride provides a demand-led transport service to support resident's access to key facilities, including GPs and hospitals, particularly for those areas currently not well-served by public transport.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore, an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report.

Appendices

Appendix A – Consultation Feedback Report on the draft CIL Funding Programme
2021/22

Appendix B – Assessment of shortlisted projects

Appendix C – Equality Impact Assessment