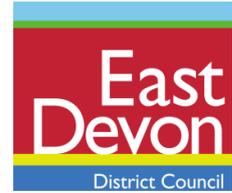


East Devon District Council
Community Infrastructure Levy
Funding Decision Protocol and Application for
Funding Form (August 2017)



Introduction

1. The Community Infrastructure Levy (CIL) is a charge required from new development, based upon its use and amount of floor space. The money raised by this levy must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of East Devon. Although there is not a comprehensive national definition of “infrastructure” in the context of town planning, the Planning Act 2008 states that infrastructure includes:
 - a) Roads and other transport facilities,
 - b) Flood defences,
 - c) Schools and other educational facilities,
 - d) Medical facilities,
 - e) Sporting and recreational facilities, and
 - f) Open spaces.¹
2. In addition to the above, guidance suggests that the levy can be spent on district heating schemes, police stations, and other community safety facilities.² A ‘Regulation 123’ list of infrastructure that can be funded by CIL has been adopted by East Devon District Council (EDDC), which is set out in figure 2.
3. The levy is intended to focus on the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision, unless those deficiencies will be made more severe by new development.³
4. EDDC began charging CIL on 1 September 2016, and is responsible for deciding how money raised by the levy will be spent. Initial estimates suggest that a total of £30.8m of CIL income will be available to EDDC to spend on infrastructure up to the year 2031 (end of Local Plan period). However, £3.5m of this needs to be spent on habitats mitigation leaving approximately £27.3m for other infrastructure projects. It should be noted that this falls a long way short of the total infrastructure costs required to deliver the Local Plan, so difficult decisions will need to be made in terms of prioritising projects. It is likely that other funding sources will be required to deliver projects. For the first year (2018/19) only a small proportion of the total funds up to 2031 will be available, but we will also consider whether commitments should be made now for spend in future years.
5. This Protocol outlines the process for how EDDC will spend CIL, and seeks to ensure that decision making is transparent. Guidance is provided on how the council will invite funding bids from a range of infrastructure delivery organisations and other infrastructure stakeholders, and how such bids will be considered. The CIL application for funding form is set out in appendix one.

¹ Section 216 of the Planning Act 2008, as amended by CIL Regulation 63.

² Planning Practice Guidance Reference ID: 25-071-20140612.

³ Ibid.

6. As this is the first year of using this Protocol and the accompanying application for funding form, we will apply any lessons learnt and amend as appropriate for future years – we welcome any comments to inform a review of the Protocol and application form for subsequent years.

Summary of Process and Timetable

7. The annual process for considering bids for CIL funding begins in the summer when officers at EDDC will identify infrastructure priorities and funding. The latest Infrastructure Delivery Plan will provide evidence of infrastructure priorities. Consultation will be undertaken with infrastructure delivery partners, who will identify their priority projects through an invitation to submit funding bids. The council will give infrastructure delivery partners 6 weeks to submit funding bids. An initial estimate will be made of the likely CIL income that will be available (see paragraph 4 for this years' estimate), to encourage realistic bids.
8. Assessment of the projects for CIL funding will initially be undertaken by EDDC officers, who will compare and score projects and make recommendations as to the prioritisation of funds for the coming year. An EDDC officer / Member working group will consider these recommendations. The working group will comprise five Members from Strategic Planning Committee, and appointed by the Council. This group will then agree the projects for CIL spend over the year ahead, noting potential projects for funding in future years.
9. These CIL funding recommendations will be put forward for discussion and final decision at Strategic Planning Committee and Cabinet later in the autumn (November / December). If funding gaps remain for infrastructure projects, funding from other council sources (i.e. new homes bonus, business rates retention, and the capital programme) may be requested, where appropriate. Alongside this, it may be necessary to approve revisions to the IDP and/or Regulation 123 list. The full Council budget setting meeting will be asked to confirm the recommendations for projects that receive funding from CIL (and other council sources if appropriate).
10. It is important to note that CIL funding decisions are subject to the receipt of monies from liable development. Whilst an estimate can be made for the forthcoming year, infrastructure that requires funding in future years will be dependent upon projections from CIL income that are subject to the rate of new development. The Government are considering possible changes to the CIL system; and EDDC are at the early stages of reviewing the amount of CIL – both of these factors could change the amount of CIL income available to spend in future years.
11. The table below summarises the annual process and overall timetable for considering how to spend CIL.⁴

Figure 1: Summary of Process and Timetable

Date	Headline Task	Actions
June – September	Officer identification of priorities and funding	<ul style="list-style-type: none"> • Consultation with infrastructure delivery partners (e.g. Devon County Council, Highways England, health authorities etc) and

⁴ The process and timetable is based upon the governance structure agreed at Strategic Planning Committee on 29 March 2017.

		<p>identify their priority infrastructure projects requiring funding in the year ahead.</p> <ul style="list-style-type: none"> • Invitation to submit funding bids. • Cross reference of delivery partner priorities with projected housing and employment delivery. • Assessment of wider funding availability.
September – October	Officer / Member working group	<ul style="list-style-type: none"> • Council officers to compare and score projects, and make recommendations to the Officer / Member working group. • Officer / Member working group to consider and agree recommendations for CIL spend over the year ahead.
November – December	Report to Strategic Planning Committee and Cabinet	<ul style="list-style-type: none"> • Recommendation of revisions to IDP and Regulation 123 List (if necessary). • Request to allocate incoming CIL funds for the year ahead towards specific projects. • If necessary, request to allocate New Homes Bonus, business rates retention and capital programme funds (via the Capital Strategy & Allocations Group who meet in early December) towards specific projects.
February	Report to Full Council	<ul style="list-style-type: none"> • Agreement of Strategic Planning Committee and Cabinet minutes.
1 April onwards	Implementation of recommendations	<ul style="list-style-type: none"> • Inform infrastructure delivery partners of the CIL spending decisions. • Payment of funds to successful bidders.

Making a funding bid

12. Bids for CIL funding should be supported by robust evidence of the need, cost and practicality of delivering the infrastructure project, including an exploration of other sources of funding.
13. CIL funding bids should be made using the application for funding form in appendix one but, in summary, should include the following:
 - evidence of existing demands upon the relevant infrastructure;
 - additional demands upon the infrastructure that are likely to arise from new development (including from: development with planning permission but not complete; sites that have made significant progress through planning but not yet approved; and Local Plan strategic allocations⁵);

⁵ Details on these sites can be seen in the [Housing Monitoring Update](#) (March 2017).

- the extent to which the existing infrastructure is capable (in terms of location, capacity and suitability) of meeting the additional demands from new development;
 - Cost of the infrastructure project required to meet the additional demands, including alternative sources of funding that have been, or are likely to be, obtained;
 - Timescale for implementation of the infrastructure project.
14. Given that CIL is only one source of funding for infrastructure projects, bids that can demonstrate other sources of funding will be looked upon favourably.
15. The following table sets out the 'Regulation 123' list of infrastructure that can be funded by CIL, along with the lead delivery organisation(s) for that infrastructure. EDDC will invite bids for CIL funding from each of the lead delivery organisations identified in the table, and will also issue a press release to publicise the funding bid process more widely. The infrastructure delivery organisations will be given six weeks to submit a funding bid.

Figure 2: Regulation 123 list and lead Infrastructure Delivery organisation(s)

Regulation 123 Infrastructure list	Lead Infrastructure delivery organisation(s)
Education	Devon County Council
Exmouth Regeneration Area Projects	East Devon District Council; Devon County Council
Exe Estuary Mitigation	East Devon District Council; Natural England
Pebblebed Heaths Mitigation	East Devon District Council; Natural England
Clyst Valley Regional Park	East Devon District Council
Health centres	NHS England; Northern, Eastern and Western Devon Clinical Commissioning Group
Emergency service facilities	Devon and Somerset Fire and Rescue Service; South Western Ambulance Service; Devon and Cornwall Police
Library facilities excluding Cranbrook	Devon County Council
Community and Youth facilities	Devon County Council; East Devon District Council; Town/Parish Councils
Capital build costs for indoor sports provision at Cranbrook	East Devon District Council; Sport England
Improvements to sports and leisure provision	East Devon District Council; Sport England; LED Leisure
Open space/ recreation provision excluding on-site provision	East Devon District Council; Devon Local Nature Partnership
Strategic Transport Infrastructure	Devon County Council; Highways England; ⁶

⁶ Whilst the Governments' Planning Practice Guidance (ID 25-107-20140612) states that CIL should not be spent on projects on the strategic road network, Highways England may be interested in projects that relate to this network through their proximity or scale.

	Network Rail; Heart of the South West Local Enterprise Partnership; Sustrans
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Evaluation and Approval of Funding bids

16. Funding bids will be evaluated in light of statutory requirements and local development and infrastructure issues. CIL must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area. Proposed development is identified in the [adopted East Devon Local Plan 2013 – 2031](#). As set out in figure 2, EDDC has approved a 'Regulation 123' list of infrastructure that can be funded by CIL.
17. The levy is intended to focus on the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision, unless those deficiencies will be made more severe by new development.⁷
18. It is also important to understand the phasing of new development, so that infrastructure projects are funded and delivered at the appropriate time. Therefore, the latest [Housing Monitoring Update](#) (March 2017), which includes a housing trajectory, will be used when considering funding bids. The timing of infrastructure requirements will be key evidence when evaluating schemes to ensure that CIL funds are made available at the appropriate times.
19. In order to reflect these requirements, and ensure only projects that have a realistic chance of being eligible for CIL funding apply, certain key criteria are a pre-requisite for funding bids. This will ensure that ineligible projects or projects unlikely to score highly enough are filtered out to avoid unnecessary time being spent by the applicant and officers/members. The eligibility criteria⁸ are set out below, and a "yes" will be required for each question in order for projects to be considered for CIL funding:
- Does the project align with an infrastructure type included in the adopted [Regulation 123 List](#)?
 - Is the project specifically identified in the latest [Infrastructure Delivery Plan](#) (March 2015)?
 - Does the Infrastructure Delivery Plan identify the project as potentially being funded in whole or in part by Community Infrastructure Levy?
 - Will the project contribute towards the delivery of the adopted [Local Plan](#) or emerging [Cranbrook Plan](#)?
20. The council is currently finalising a review of the Infrastructure Delivery Plan, which will update the currently published plan from March 2015. Therefore, for the first year only, projects which are not in IDP 2015 will not automatically be ruled out if it can be shown that the infrastructure will support development and is identified on the Regulation 123 list.
21. After filtering out any ineligible projects, the council will evaluate the remaining projects initially through Officers and then through an Officer/Member working group. This group will assess the bids based upon the detail supplied in the application for funding form, and any other relevant information. CIL funds will be prioritised depending upon the degree to which the infrastructure is required to deliver

⁷ Planning Practice Guidance Reference ID: 25-071-20140612.

⁸ The eligibility criteria were agreed at Strategic Planning Committee on 29 March 2017.

development, as proposed in the adopted Local Plan and the emerging Cranbrook Plan;

22. When recommendations for spending CIL are made, it could be decided not to allocate any/all funds; for example, where it is considered desirable to build up the 'pot' for expenditure in the future.

Monitoring

23. EDDC is required to prepare a report outlining how much CIL has been collected, how much CIL has been spent, and on what items, during the financial year. This report must be published by 31st December following the end of the financial year.
24. Details of the progress, completion, evidence and community benefit of successful projects should be sent to East Devon District Council upon request. Any publicity about successful projects must credit how the project has been funded and mention East Devon District Council.
25. If a successful applicant does not spend the CIL money within five years of receipt, or does not spend it as agreed, then EDDC may require the applicant to repay some or all of those funds.

Appendix One – East Devon District Council Community Infrastructure Levy Eligibility Criteria and Application for Funding Form

If you have any queries relating to the protocol or application for funding form, please contact Keith Lane, Planning Policy Officer on 01395 571684 or klane@eastdevon.gov.uk

Please note that only projects which meet each of the four eligibility criteria (although note the caveat in questions 2 and 3) should go on to complete the application for funding form.

ELIGIBILITY CRITERIA

Criteria	Yes / No																										
<p>1. Does the project align with an infrastructure type or project included in the adopted Regulation 123 List?</p> <p>Please identify which category the projects falls under:</p> <table border="1"> <tbody> <tr><td>Education</td><td></td></tr> <tr><td>Exmouth Regeneration Area Projects</td><td></td></tr> <tr><td>Exe Estuary Mitigation</td><td></td></tr> <tr><td>Pebblebed Heaths Mitigation</td><td></td></tr> <tr><td>Clyst Valley Regional Park</td><td></td></tr> <tr><td>Health centres</td><td></td></tr> <tr><td>Emergency service facilities</td><td></td></tr> <tr><td>Library facilities excluding Cranbrook</td><td></td></tr> <tr><td>Community and Youth facilities</td><td></td></tr> <tr><td>Capital build costs for indoor sports provision at Cranbrook</td><td></td></tr> <tr><td>Improvements to sports and leisure provision</td><td></td></tr> <tr><td>Open space/ recreation provision excluding on-site provision</td><td></td></tr> <tr><td>Strategic Transport Infrastructure</td><td></td></tr> </tbody> </table>	Education		Exmouth Regeneration Area Projects		Exe Estuary Mitigation		Pebblebed Heaths Mitigation		Clyst Valley Regional Park		Health centres		Emergency service facilities		Library facilities excluding Cranbrook		Community and Youth facilities		Capital build costs for indoor sports provision at Cranbrook		Improvements to sports and leisure provision		Open space/ recreation provision excluding on-site provision		Strategic Transport Infrastructure		
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<p>2. Is the project specifically identified in the latest Infrastructure Delivery Plan (March 2015)? <i>(nb. although a “yes” is desirable, for the first year only, projects will still be considered if not identified in this IDP as a review is currently being finalised)</i></p>																											
<p>3. Does the Infrastructure Delivery Plan identify the project as potentially being funded in whole or in part by Community Infrastructure Levy? <i>(nb. although a “yes” is desirable, for the first year only, projects will still be considered if not identified in this IDP as a review is currently being finalised)</i></p>																											
<p>4. Will the project contribute towards the delivery of the adopted Local Plan or emerging Cranbrook Plan?</p>																											

If you have answered “yes” to each of the four questions above, then please complete the following form. Please ensure that your proposal contains robust evidence that supports your response to the questions.

APPLICATION FOR FUNDING FORM

Infrastructure delivery partner making the bid:

Project lead officer/person and contact details (postal address, email address and telephone number):

Project title and location/address

Project summary (no more than 150 words)

1. a) Which organisation will deliver the project?

b) Does your organisation have statutory responsibility for the project?

Yes please move onto question 1 d)

No

c) If no, have you sought and gained agreement from all the relevant statutory organisations?

Yes

No

Please note that agreement will be required from the relevant statutory organisation before any CIL funding is agreed.

d) Please give further details below of the names of each of the relevant statutory organisations and whether you have their approval. Please include evidence, such as a supporting letter/email from the organisation.

2. Is the existing infrastructure under pressure in terms of capacity and/or quality? If so, please explain.

3. What additional demands are likely from planned new development? (For example, sites with planning permission but not yet complete; sites that have made significant progress through planning but not yet approved; and Local Plan Strategic Allocations)

4. What are the consequences of not carrying out the project?

5. How will the project support housing and economic development in East Devon, as proposed in the adopted Local Plan 2013-2031? Please refer to specific housing/economic development sites that the infrastructure project will support.

6. Has planning permission been granted?

Yes - planning application reference number:

Not required

No – if no, please tell us why:

7. a) What is the total cost of the project? Please include a detailed breakdown of costs, and evidence to justify the cost

b) What is the amount requested from CIL?

c) How much is your organisation contributing to the project?

d) How much funding from other sources has been obtained?

e) Please state the names of other funders, amounts of funding and whether these amounts are confirmed

f) Is there a remaining funding shortfall? If so, how much?

g) If there is a remaining shortfall, how do you intend to meet any shortfall in funding?

8. a) Have you carried out a risk assessment of the project?

Yes

If yes, please submit this with your application form.

No

b) What are the risks of carrying out the project? (For example, delivery risks, financial risks, reputational risks). Please state whether the impact of each risk that you have identified is low, medium or high.

c) What actions will you take to reduce the likelihood and the impact of each risk?

9. Please identify any equalities issues that your infrastructure project will need to consider and detail how these will be addressed:

10. Please provide an outline of the timescale for delivering the project, including key milestones:

11. Who will be responsible for ongoing maintenance costs? Please specify what those costs will be:

Declaration

The information provided on this application form is correct, to the best of my knowledge. If East Devon District Council agrees to release funds for the specified project, these funds will be used exclusively for the purposes described. When requested, I agree to inform the Council with all necessary information required for the purposes of reporting on the progress or otherwise of the identified project. I recognise the Council's statutory rights as the designated CIL Charging Authority, and that it may reclaim unspent or misappropriated funds.

Signed.....

Name

Position in Organisation.....

Date.....

A typed signature is acceptable.

Thank for completing this form. Please save your completed form and then email it to planningpolicy@eastdevon.gov.uk by Friday 22 September 2017.

If you would prefer to post a copy, send the completed form to Planning Policy, East Devon District Council, Knowle, Sidmouth, EX10 8HL.

As mentioned throughout the application form, please include any relevant evidence with your application to support it – this could include:

- Evidence of need for your project.
- Quotes for project costs
- Details of offers/grants from any other funders/organisations
- Specifications and drawings
- Evidence of support for your projects from local people and organisations