

## Appendix B – Draft Citywide CIL Governance Proposals

### Proposed Governance

- 1.1 In order to avoid the creation of a new governance structure and create an unnecessary burden on limited councillor time, the draft proposal (to be set out in the TECC report) recommends that a CIL Officer Working Group will initially scrutinise and make recommendations to the Policy & Resources Committee on scheme bids that should / not receive funding support from Citywide CIL.
- 1.2 It is proposed the split of responsibilities for the Citywide CIL fund would be as shown below:

P&R Committee	TECC Committee
<ul style="list-style-type: none"> <li>• Agree recommendation for Citywide CIL spend proposals</li> <li>• Receive monitoring reports on CIL collection</li> <li>• Review the biennial update of the Infrastructure Delivery Plan to identify projects qualifying for CIL funding</li> <li>• Agree recommendation for Neighbourhood CIL spend proposals made by TECC</li> </ul>	<ul style="list-style-type: none"> <li>• Provide member oversight of the engagement processes with neighbourhoods and others</li> <li>• Recommend the Neighbourhood CIL spend proposals to P&amp;R Committee</li> <li>• Agree and steer the formal reviews of the CIL Charging Schedule (including any ad hoc mini reviews)</li> <li>• Approve the annual Infrastructure Funding Statement</li> </ul>

- 1.3 **CIL Officer Working Group** – The role and functions of the group are set out below:

- Develop and refine the process for the bidding and allocation of CIL – both the City and Neighbourhood portions - including oversight of participation by ward members, neighbourhoods, local partnerships and other stakeholders;
- Consider project recommendations from across all service areas (and, where appropriate, external infrastructure providers); ensure they are consistent with the City Plan, the Corporate Plan, the Circular Economy, Climate Emergency etc.; and prioritise those which would be recommended for funding in line with the allocation policy. To ensure lead councillor oversight of internal bids, proposals will only be considered if they are accompanied by a record of the prior approval of the relevant Policy Committee Chair or Deputy Chair;
- Oversee the engagement and allocation processes for the Neighbourhood CIL for recommendation by the TECC committee;

- Make recommendations to the P&R committee about the allocation of Citywide CIL; and
  - Ensure CIL allocations and expenditure are implemented and reported in line with legislative requirements.
- 1.4 The Officer Working Group will be administered by the council’s Planning and Building Control Service. It will comprise senior representatives from Corporate Finance, Legal Services and “spending directorates”. The working group will, as appropriate, call on external partners and partnerships as required.
- 1.5 The Officer Working Group will work on an annual cycle for estimating likely City Wide CIL spend, overseeing the process of engagement with neighbourhoods, other stakeholders and organising the process for committee approval of CIL. It would report to P&R Committee on (at least) a six-monthly basis. These reports will:
- Submit bids for the Citywide CIL fund to P&R Committee for approval.
  - Review the biennial update of the Infrastructure Delivery Plan to identify projects qualifying for CIL funding prior to submission to P&R Committee for approval;
  - Report on the engagement process; and
  - Provide information about the amounts of CIL collected and prospective future income.

At the end of each financial year the Head of Planning will also prepare the statutory annual Infrastructure Funding Statement monitoring reports on liabilities entered into, amounts collected and what CIL & S106 has been spent on. This report will be submitted to the TECC committee for approval.

- 1.6 **Bidding for citywide CIL** - It is not proposed initially to develop a detailed evaluation model for Citywide CIL bidding, but to establish a simple set of criteria to enable each bid to be compared against each other. The initial draft criteria being recommended are as follows:

Infrastructure Delivery Plan (IDP)	Confirmation the scheme is included in the current version of the IDP (Pass/Fail)
IDP Deficit	% funding deficit for all projects for service area identified in IDP
Committee Support	Confirmation of support from relevant Policy Committee Chair/Deputy (Pass/Fail)

Historic S106 Funding	Value of S106 funds held for use within the service area still to be expended & confirmation that none can be used to support the project bid
Level of CIL Commitment	% of the total estimated CIL resources available the project would consume over its investment timescale
Funding	% of the total scheme costs that are being sought through CIL bid and details of other funding sources
Additionality	Statement setting out how the scheme provides more than is being provided in the current MTFP (either a new scheme or expanded programme of investment.)

These criteria will be further refined and developed as the initial CIL governance processes evolve over time.

- 1.7 It is also important to bear in mind that the greater the disaggregation of CIL, the more difficult it becomes to deliver infrastructure– resources should not be sliced so many ways that meaningful infrastructure delivery is impossible and governance overly complicated.
- 1.8 The other main options that could be considered in deciding how to spend the Citywide CIL are shown below:

Apply to the (non-Housing) Capital Programme	Treat income as a capital receipt to use to support the general programme	Potential issues re legislative compliance and does not meet the additionality criteria
Ringfence for large statement project	Accrue funding over a period of time to support a single, major project	Levels of funding unlikely to be sufficient to provide major multi-million pound infrastructure project
Allocate into pots for service areas (eg schools, parks, transport etc)	Develop formula allocation to services based on number/value of schemes in the IDP	Could be too constrained and inflexible to changing demands
Allocate to wards	Base either on number of electors and/or origin of receipt	Mirrors existing limitations of S106 restrictions

