

Part A

**Report to:** Cabinet

**Date of meeting:** 28 November 2022

**Report author:** Infrastructure and Technical Support Manager

**Title:** Neighbourhood CIL Funding Allocation

## 1.0 Summary

1.1 This report recommends a total of £154,932 from Neighbourhood CIL is allocated and distributed between the 16 local infrastructure projects identified in this report.

## 2.0 Risks

### 2.1

<b>Nature of risk</b>	<b>Consequence</b>	<b>Suggested Control Measures</b>	<b>Response</b> (treat, tolerate, terminate or transfer)	<b>Risk Rating</b> (combination of severity and likelihood)
Failure to deliver any schemes from NCIL income	Reputational harm particularly in areas where new development is taking place.	NCIL funds will be allocated to projects using the agreed spending programme which will be reviewed annually	Treat	4
Negative reaction from unsuccessful bidders for NCIL.	Reputational harm	Hold workshops and webinars to provide guidance to bidders	Treat	4
Timescales NCIL projects will not be delivered within a reasonable timescale	Reputational harm	Approved projects will be reviewed and updated quarterly.	Tolerate	9
Insufficient funds or resources to deliver the project	Project delays	Signed monitoring agreement ensures that the Council can recover any funds.	Tolerate	9

The proposal of CIL to be reformed into a new consolidated infrastructure levy	Change to all existing governance arrangements	Any changes would require a lengthy transition period. This should not affect the Council's approach to spending NCIL or SCIL in the immediate term	Tolerate	4
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### 3.0 Recommendations

#### 3.1 Cabinet is asked to:

a) Agree the Neighbourhood CIL Spend for 2022/23 as set out in paragraph 5.15 of this report.

#### **Further information:**

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**Report approved by:** Ben Martin, Associate Director Planning, Infrastructure and Economic Development

### 4.0 Background

4.1 Watford became a Community Infrastructure Levy (CIL) Charging Authority on 1 April 2015. CIL is the main way in which the council now collects contributions from developers for infrastructure provision to support development across the borough.

4.2 In accordance with the CIL Regulations, the CIL monies collected is divided into three pots – Strategic CIL Pot (80%) Neighbourhood CIL Pot (15%) and the remaining 5% is set aside for the administration of CIL.

4.3 Section 216 of the 2008 Planning Act requires that CIL is used to support 'development by funding the provision, improvement, replacement, operation or maintenance of infrastructure', with infrastructure defined as:

- roads and other transport facilities;
- flood defences;
- schools and other educational facilities;

- medical facilities;
- sporting and recreational facilities; and
- open spaces

4.4 Neighbourhood CIL is defined through Regulation 59 (F) of the CIL Regulations (2010) which enables the council to allocate a portion of CIL receipts to be spent on local priorities, with spending of this portion subject to a wider definition of “The charging authority may use the CIL to which this regulation applies, or cause it to be used, to support the development of the relevant area by funding –

(a) the provision, improvement, replacement, operation or maintenance of infrastructure;

or (b) anything else that is concerned with addressing the demands that development places on an area.”

## **5.0 Neighbourhood CIL**

5.1 The CIL Regulations 2010 stipulate that at least 15 per cent of CIL receipts generated should be spent on neighbourhood projects, that is, infrastructure or anything else that is concerned with addressing the demands that development places on an area. NCIL can be used to fund a very broad range of facilities such as play areas, public realm, cultural and sport facilities and other community facilities.

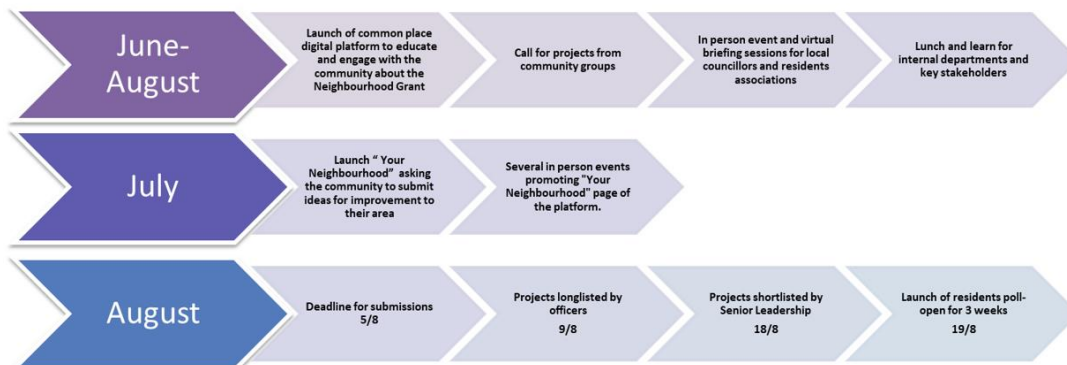
5.2 Whilst the legislation does not prescribe a process for how NCIL is allocated, the expectation is that priorities are decided following engagement and consultation with the local community.

5.3 NCIL seeks to empower local community groups by giving them access to funding to address specific priorities especially in local areas that have experienced development. It also helps residents to see the benefits of accepting new development within their area. NCIL will be used to address the impact of development and support the future needs of the borough.

5.4 The following NCIL priorities were agreed as part of the CIL governance in December 2019



- 5.5 The Council has developed a programme for identifying local projects to be funded by NCIL called Neighbourhood Grant. A pilot delivery approach for the allocation of the Neighbourhood Grant, in line with the existing Governance was developed and implemented in June this year.
- 5.6 Due to this being the first year that NCIL funding had been allocated by the Council a total of £200,000 of NCIL was made available with a £20,000 cap for individual projects. The ability to apply for funding was open to non-profit registered organisations including charities, voluntary and community groups to bid for funding for projects that benefit the local community.
- 5.7 The first round of funding was launched on the 7<sup>th</sup> June 2022 and followed this timeline:



- 5.8 The Council secured funding from the Department for Levelling up, Housing and Communities (DLUHC) to adopt a digital solution which would increase the transparency around the allocation of developer contributions. The platform was designed to unify the engagement, application and information components of NCIL into one website.
- 5.9 A number of physical events were held across the borough to raise awareness of the funding and to assist organisations with their application.

- 5.10 Ward members took an active role in supporting residents and community groups with the identification of projects and were present at a number of the physical events.
- 5.11 All projects were assessed against the NCIL criteria by a panel of officers to ensure that they complied with the CIL Regulations and the local criteria for the Neighbourhood Grant programme. .
- 5.12 All shortlisted projects demonstrated that they met the following essential criteria:
- Meets the CIL regulations
  - Addresses one or more of the CIL Neighbourhood Priorities
  - Benefits the local or wider community
  - Is deliverable and capable of being started within the year ahead
  - Is a one-off project that does not require any additional revenue funding in its delivery or its operation (or identifies how additional revenue may be met)
  - Has evidence of community support
  - Is value for money

Projects in areas that had experienced significant development were prioritised for Neighbourhood Grant funding.

- 5.13 The Council received 35 applications for NCIL funding with a least one from each ward. Following a thorough evaluation process 19 applications were found not to be compliant with the CIL Regulations.
- 5.14 Shortlisted projects were then reviewed and finalised in October 2022 by the Mayor, Director of Performance, Executive Director of Place and the Director of Finance and are reflected in this report.
- 5.15 The following 16 applications are proposed to be approved for funding from the NCIL with the amounts allocated indicated.

See **Appendix 1** for a summary of each project

	Ward	Organisation	Project title	CIL funds requested
1	Central	B Dance and seated exercise	Seated exercise for the elderly	£80
2	Tudor	Cathartic C.I.C.	Community Artwork	£8,773

3	Leggatts	Everett Rovers FC	3 G Artificial Grass Pitch	£20,000
4	Tudor	Glen Rovers Hurling & Football Club Ltd	Defibrillator	£2,340
5	Meriden	Watford FC Community Sports & Education Trust	Meriden Community Centre car park	£20,000
6	Leggatts	Friends of Cherry Tree School	Biodiversity garden	£4,500
7	Central	Watford Sheltered Workshop Limited	Watford Workshop - Facilities Refurbishment	£15,000
8	Meriden	Random Cafe Watford	Enhancing Random Café's home at Meriden Gardens	£7,923
9	Holywell	Watford & Three Rivers Trust (W3RT)	Holy wellness	£20,000
10	Woodside	Watford Town Cricket Club	Fully Enclosed Cricket Nets	£20,000
11	Central	New Hope	New Hope Memorial Garden at St Marys Church, Watford	£3,111
12	Park	Friends of Cassiobury Park	Provision of interpretive signs within Cassiobury Park nature reserve	£1,822
13	Central	Pump House Theatre and Arts Centre	Pump House-disability access to the yard	£19,383
14	Callowland	Beechfield School	School Allotment	£5,000
15	Vicarage	Safer Watford	Victoria Passage CCTV	£5,000
16	Woodside	Veterans Support Group Watford & District	Get Active	£2,000

5.16 Organisations that are awarded funding will be required to sign a funding agreement and provide copies of invoices to evidence that the funds are spent appropriately.

5.17 This year was a successful pilot for NCIL spend, the number of bids exceeded expectations and the online platform received over 10,000 visits. A review of the process is ongoing. This will include reviewing the £20,000 project cap, seeking

views from the community and members on the process and exploring opportunities to incorporate non-physical projects.

## **6.0 Implications**

### **6.1 Financial**

6.1.1 The Shared Director of Finance comments that the financial implications are contained within the report and allows for the distribution of existing CIL funding.

### **6.2 Legal Issues (Monitoring Officer)**

6.2.1 The Group Head of Democracy and Governance comments that the legal implications are contained within the body of the report.

### **6.3 Equalities, Human Rights and Data Protection**

6.3.1 The NCIL process complied with the council's Statement of Community Involvement, 2020. The Statement of Community Involvement (SCI) sets out Watford Borough Council's commitments to involving communities, local businesses and other organisations and stakeholders in the planning process. The statement will guide how we consult in the future and provide a benchmark against which community engagement will be measured.

6.3.2 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

### **6.4 Staffing**

6.4.1 Current staff have undertaken the community engagement and support to encourage applications and review applications alongside the support of a social non for profit organisation. The Infrastructure and Technical Support Manager and her team will still continue to deliver the NCIL work. One of the options in the review going forward will be using Groundworks East for community engagement and to support organisations in their applications.

## **Appendices**

### **Appendix 1** Summary of all shortlisted projects

## **Background papers**

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

CIL Governance Cabinet Report 18.01.2016

CIL Governance Cabinet Report

DLUHC Community Infrastructure Levy [guidance](#)

Community Infrastructure Levy [Regulations](#) 2010 (as amended)

Watford Borough Council [Local Plan](#)

Watford Borough Council [Infrastructure Delivery Plan](#)