

Meeting date: 26 January 2022

Report to: Cabinet Member for Stronger and Safer Communities

Subject/report title: Summary and Assessment of Bids for funding to the Neighbourhood Proportion of the Community Infrastructure Levy

Report from: Assistant Director - Growth and Development

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Wards affected:

- All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph: Not applicable

1. Purpose of Report

- 1.1 To provide an update on Neighbourhood Community Infrastructure Levy (NCIL) and to agree the allocations for 2021.

2. Decision(s) recommended

- 2.1 (a) To note the current position for allocating NCIL funds;
- (b) That the allocations listed in paragraph 3.13 be approved.
- (c) That further analysis of the bid submitted by the Shirley Sea Cadets be undertaken to establish whether there are alternative funding sources available and/or whether CIL monies can be used in a different manner to support projects that have cross ward boundary benefits; and

- (d) That the outcome of the analysis noted in (c) above be reported to a future Cabinet Decision Session of this portfolio.

3. Matters for Consideration

- 3.1 The Community Infrastructure Levy (CIL) was introduced in 2010 as a more transparent, flexible and fairer way of raising developer contributions as part of the planning process. It is a tariff-based planning charge levied on new development by local authorities to fund infrastructure, to support the development in their area.
- 3.2 The level of CIL contribution is set by the local authority based on the needs identified through infrastructure planning but is also tested to ensure that it will not affect the overall viability of the application. Solihull's levy rates are set out in an adopted Charging Schedule, which was approved by Full Council on 12th April 2016, with the levy being applied to applicable planning approvals from 4th July 2016.
- 3.3 Once funds have been received, at least 15%¹ is apportioned to either a parish fund (if the development was undertaken within a parished area) or a ward fund (if the development is undertaken within an unparished area). In parished areas the monies are paid directly to the parish council and they are responsible for spending or allocating the local proportion of the levy. Where there is no parish council to manage the local funds, the responsibility lies with the Council as the Collecting Authority. This report deals with allocating the local funds for the non-parished wards within the Borough that have accumulated at least £10,000 in local funds.

Background

- 3.4 The Neighbourhood Proportion of the levy in a non-parished area is expected to be used to fund:
 - (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.
- 3.5 The charging authority should engage with the communities where development has taken place and agree how best to spend the neighbourhood funding.
- 3.6 2021 is the third year that funding will be allocated to communities in unparished areas. The process will continue to be carried out as an annual cycle as follows:
 - (a) April – CIL receipts for the previous financial year are analysed to determine how much funding is available in each ward
 - (b) May/June – Publicity and communication to inform communities of what funding is available.

¹ This local proportion is increased to 25% if the CIL liable development takes place within an area covered by a neighbourhood plan.

- (c) July/August – Funding bids are submitted to the Council.
- (d) September/October – Bids are assessed against an agreed framework (as amended in March 2020).
- (e) December/January – the Cabinet Member agrees allocation of funds.

3.7 Any monies not spent in one year will be rolled over into the next funding year.

3.8 In 2021 there is £263,493.15 available for bidding, £180,600 of which was 'rolled over from 2020/21. The total sum available is split into the following wards²:

- (a) Dorridge - £39,040.06
- (b) Knowle - £20,499.61
- (c) Shirley East - £50,406.00
- (d) Shirley South - £81,522.79
- (e) Silhill - £44,403.46
- (f) St Alphege - £27,621.23

3.9 Following consultation with Members, at Stronger Communities and Partnerships Cabinet on the 30th January 2019, the scoring matrix and bidding process was agreed for use in 2019/20. A review was carried out in March 2020 following the first round of allocations in 2019/20. This review aimed to resolve a small number of issues that were encountered in the Neighbourhood CIL's initial round of bidding. A summary of the current scoring matrix and guidance is provided in Appendix A.

3.10 In 2021, 12 bids were received by the 30th September deadline:

Reference	Group	Project	Amount
NCIL21-0001-STA	Marjorie Willis Educational	Outdoor Seating at Alderbrook School	£10,455
NCIL21-0002-SS	Shirley Parish PCC	Restoration of the tower clock in St James's Church	£4,104
NCIL21-0003-KNO	Royal British Legion Knowle (Club) Ltd	Project Jubilee Room	£5,591.90
NCIL21-0004-SE/SS	Shirley Sea Cadets	Unit extension	£45,000
NCIL21-0005-DOR	St Phillips Church Dorridge	Installation of disabled and wheelchair bound person's lift	£20,507
NCIL21-0006-DOR	Dorridge Scout Group	Dorridge Scout Hut Car Park	£7,500

² Ward pots are 'opened up' for bids if they have more than £10,000 available.

NCIL21-0007-STA	Solihull BID	3D Floor Art – A cultural celebration of local Solihull poet WH Auden. Art For All.	£20,000
NCIL21-0008-DOR	SMBC Bridge Meadow Dr Dorridge	Bridge Meadow Drive Pond Enhancement (part of Newts & Shoots Pond Creation & Enhancement works contract)	£31,505.45
NCIL21-0009-KNO	SMBC Jobs Cl Knowle	Jobs Close Park Pond Enhancement (part of Newts & Shoots Pond Creation & Enhancement works contract)	£20,499.61
NCIL21-0010-SE	SMBC Palmers Rough	Palmers Rough Pond Enhancement (part of Newts & Shoots Pond Creation & Enhancement works contract)	£27,795.75
NCIL21-0011-STA	Ordinary Magic CIC (The Magic Bean Coffee Shop)	Community IT and Communication Infrastructure Project	£2,531.99
NCIL21-0012-KNO	Knowle Park	Knowle Park Basketball Court	£12,000

3.11 Each project bid was assessed against the agreed scoring matrix so that:

- (a) It could be determined whether the bid reached the minimum criteria; and
- (b) In the event that there is insufficient funds within a ward pot to fund all the projects, that the projects could be prioritised based on the scoring matrix.

3.12 Each application's assessment and score is detailed in Appendix B.

Proposed Allocations

3.13 Using scores from the approved matrix, the following 8 bids are recommended for approval and funding:

- NCIL21-0001-STA - Outdoor Seating at Alderbrook School
- NCIL21-0002-SS - Restoration of the tower clock in St James's Church
- NCIL21-0003-KNO - Project Jubilee Room
- NCIL21-0005-DOR - Installation of disabled and wheelchair bound person's lift
- NCIL21-0006-DOR - Dorridge Scout Hut Car Park

- NCIL21-0010-SE - Palmers Rough Pond Enhancement (part of Newts & Shoots Pond Creation & Enhancement)
- NCIL21-0011-STA - Community IT and Communication Infrastructure Project
- NCIL21-0012-KNO - Knowle Park Basketball Court

3.14 A total of £90,485.64 is recommended for allocation this year. Following allocation of funds, £173,007.51 would remain and will 'roll over' into the accumulating pots for bidding in 2022.

3.15 A summary of the scores of each project by ward and in priority order is set out in Appendix C.

4. What options have been considered and what is the evidence telling us about them?

4.1 The options as to how the Neighbourhood Proportion of CIL would be allocated were considered by Cabinet Member for Stronger Communities and Partnerships in January 2019. Following the assessment of bids using approved scoring matrix, the following options still remain:

- (a) The option to part fund a project from adjacent and/or multiple ward pots where the project serves the wider community. For this round of bidding, the Shirley Sea Cadets project (NCIL/21/0004/SESS) falls within this category as the HQ building lies within Shirley West. However, as no funding is available from a Shirley West pot, the bid was submitted on the basis of seeking funds from both the Shirley East and Shirley South wards. This was on the basis that the group serves all of Shirley, not just Shirley West.
- (b) On occasion, there may be opportunities that are more appropriate sources of funding within the Council. In addition, where funding could not be (fully) secured through the Neighbourhood CIL fund, it may be appropriate that these other sources of funding should be pursued.

5. Reasons for recommending preferred option

5.1 The bids recommended for approval were assessed in accordance with the approved scoring matrix, which ensures the ranking of preferred bids is supported by evidence provided in application forms. This seeks to ensure that the scoring of bids is open and transparent, with robust reasoning behind preferred options for funding.

5.2 In relation to the options noted above, the following is recommended:

- (a) The option to part fund a project from two ward pots. In this particular instance, The Shirley Sea Cadets serve areas beyond Shirley West.

To ensure an equitable distribution of NCIL funds, and to avoid an undue reliance on a limited number of ward pots³, where a project has a wider than local benefit an alternative method in using NCIL funds should be explored.

³ Which can be simply because funds are available in any one year in one pot and not another.

The bid by Shirley Sea Cadets shall be held in abeyance pending the outcome of this review which will be reported to a future meeting of this Cabinet portfolio.

- (b) There may be times that there are more appropriate sources of funding within the Council. In addition, where funding could not be (fully) secured through the Neighbourhood CIL fund, it may be appropriate that these other sources of funding should be pursued. A joined-up approach within SMBC is pursued, where officers can direct members of the public to the most appropriate funding sources.

6. Implications and Considerations

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
<p>Economy:</p> <ol style="list-style-type: none"> 1. Revitalising our towns and local centres. 2. Deliver UK Central (UKC) and maximise the opportunities of HS2. 3. Increase the supply, quality and energy efficiency of housing, especially affordable and social housing. 	<p>Some of the projects will have a positive contribution towards revitalising towns and local centres.</p> <p>Some of the projects will also contribute towards enhancing Solihull's natural and physical environment through the preservation and refurbishment of heritage assets.</p>
<p>Environment:</p> <ol style="list-style-type: none"> 4. Enhance Solihull's natural and physical environment. 5. Improve Solihull's air quality. 6. Reduce Solihull's net carbon emissions. 	<p>A proportion of the projects that have been recommended for funding have the ability to deliver enhancements the natural environment at a community level.</p> <p>Some projects will actively encourage the use of car sharing, public transport and cycling and walking.</p>
<p>People and Communities:</p> <ol style="list-style-type: none"> 7. Take action to improve life chances and health outcomes in our most disadvantaged communities. 8. Enable communities to thrive. 9. Sustainable, quality care and support for adults & children with complex needs. 	<p>Helping to contribute positively towards the mitigation of the impacts of new development in the Borough.</p> <p>Sustainable, quality, affordable provision for adults and children with complex needs.</p> <p>Take action to improve life chances in our most disadvantaged communities through the provision of wheelchair/disabled accessible facilities</p> <p>Creating the conditions for communities to thrive and allowing to enabling communities to be more self-reliant and working together in local areas to solve problems.</p>

Priority:	Contribution:
	Create an environment in which quality care and support can be provided for adults and children with complex needs, through the utilisation and development of outdoor and indoor environments.
10.Promote employee wellbeing	Enter text.

6.2 Consultation and Scrutiny:

- 6.2.1 As part of the assessment of bids, those seeking funds are encouraged to indicate what support projects have in the community and/or are supported by Members. This process helps to establish what support the projects may have, whilst providing challenge to the effectiveness and deliverability of some projects that have been proposed. SMBC Members for the relevant wards are informed of all of the bids that are received and have the opportunity to comment upon them.
- 6.2.2 As part of the process, the Knowle, Dorridge and Bentley Heath Neighbourhood Forum (as a formally constituted planning neighbourhood forum) were consulted and asked to comment on the bids that lie within the Neighbourhood Plan area. This was specifically to comment on whether and to what extent the bids address any infrastructure priorities identified in the adopted Neighbourhood Development Plan. The KDBH Neighbourhood Forum's position is that they do not support the inclusion of the SMBC pond projects at Job's Close and Bridge Meadow Drive, as they believe that they do not meet the criteria for NCIL funding.
- 6.2.3 The submitted bids were reported to Stronger Communities and Neighbourhood services Scrutiny Board on 6 January 2022. The Board unanimously made the following recommendations:
- (a) That, the Board notes the current position for allocating NCIL funds;
 - (b) That, save for (iii) below, the Board supports the recommended 2021 CIL bids as reported for approval and funding; and
 - (c) That, arising from the debate pertaining to bid NCIL21-0004-SE/SS – Shirley Sea Cadets, the Board expresses concern as to how cross Ward boundary bids are assessed and awarded where the application has clear community benefits far beyond the individual Ward where it originates. The Board would welcome further work to consider the feasibility of a non-Ward specific funding pot for determining CIL applications in those circumstances.

6.2.4

6.3 Financial implications:

- 6.3.1 Up to 5% of funds collected via the levy can be retained by the Charging Authority to recover the cost of the administration and management of the levy. The costs

associated with engagement work with communities, scoring of bids and writing of reports will be recovered by the administration proportion of CIL.

6.4 Legal implications:

6.4.1 Regulation 59A-59C of the Community Infrastructure Levy Regulations 2010 details the Council's responsibility for spending of the neighbourhood proportion of CIL. The preferred option will ensure that the Council allocates funding appropriately and meets its obligations under the Regulations.

6.5 Risk implications:

6.5.1 Without the appropriate spending of the levy, the Council will not be undertaking its statutory duty as a charging authority to spend funds in conjunction with communities.

6.6 Equality implications:

6.6.1 As part for the review of the process for allocating the Neighbourhood Proportion of the Community Infrastructure Levy in non-parished areas a Fair Treatment Assessment has been carried out.

6.6.2 One of the advantages of NCIL allocations being delegated to the Cabinet Member for Stronger and Safer Communities is that it helps set this opportunity in the wider context of funding availability from other sources administered through this portfolio. This allows bids and/or bidders to be redirected towards opportunities that may be more appropriate for that individual project.

6.6.3 In some wards that lie in the North of the Solihull where NCIL in non-parished will not be available due to a zero levy, it is especially import that additional targeting of other sources of funding is carried out.

6.6.4 Overall, it is considered that NCIL should benefit communities within the borough, however it will be important to continually review process for allocating the Neighbourhood Proportion of the Community Infrastructure Levy in non-parished areas over the coming years.

6.7 Linkages to our work with the West Midlands Combined Authority (WMCA), the Local Enterprise Partnership or the Birmingham & Solihull Integrated Care System (ICS):

6.7.1 Not applicable

7. List of appendices referred to

7.1 Appendix A – Scoring Matrix and Guidance

7.2 Appendix B – Individual Project Scores

7.3 Appendix C – Summary of Scores

8. Background papers used to compile this report

8.1 Report to Cabinet Member for Stronger Communities and Partnerships – Spending

Mechanism for Neighbourhood Proportion of the Community Infrastructure Levy, 30th January 2019.

9. List of other relevant documents

9.1 None