

CIL Strategic Project Fund GUIDANCE NOTES

for infrastructure projects delivering from April 2021

Introduction

These guidance notes are intended for organisations considered to be strategic infrastructure delivery partners, who wish to undertake capital infrastructure projects after April 2021 with funding support from CIL.

SDC are keen to receive both Project Bids for 2021-22 funding and 'Expressions of Interest' (EOI) for future years. Whilst we can only make funding decisions on 2021-2022 expenditure, EOI's help us to forward plan for future priority infrastructure needs and this may well influence how we make expenditure decisions for this current bid round for 2021-2022. Both bids and EOI's should be presented to SDC using the same form.

Please ensure that you have read these Guidance Notes in full before completing and submitting the bid pro forma. The deadline for this year's CIL strategic bid submissions is **Friday 25th September 2020**.

These Guidance notes cover the following question areas:

1. What is the CIL Strategic Fund?
2. What exactly is 'Strategic Infrastructure'?
3. What kinds of strategic projects is CIL looking to support?
4. Who can apply?
5. What makes a good bid / application?
6. How much funding can we apply for?
7. When must projects be delivered?
8. Can we have CIL funding for more than one year running?
9. What happens next? What are the decision making timescales?
10. What if Covid-19 has impacted on our ability to meet CIL deadlines?
11. Who can we contact for more information?
12. Sources of supporting information

The Covid-19 pandemic is sure to have had an impact on everyone's work programmes. If you are worried about the timescales for bid submissions, please refer to Item 10.

We would encourage you to discuss project proposals with a CIL Officer before completing an application. Telephone appointments with a CIL Officer are available between 3rd-21st September by prior arrangement.

All CIL correspondence and completed forms should be sent to the CIL team's email address: cil@stroud.gov.uk

1. What is the CIL Strategic Fund?

The Community Infrastructure Levy (CIL) is a planning charge, introduced by the Government through the Planning Act 2008. It provides a fair and transparent means for ensuring that development contributes to the cost of the infrastructure it will rely on, such as schools, social infrastructure, strategic flood risk works, transport and roads.

SDC has created the 'CIL Strategic Project Fund' to enable the organisations tasked with delivering this infrastructure an opportunity to bid for CIL funding to help support the financing of those projects.

SDC implemented CIL on liable planning applications granted from April 2017. CIL payments are collected from most new buildings and conversions where new residential floorspace is being created, this also applies to supermarkets and retail warehouses. The amount of CIL charged for any one development is calculated according to the amount of new floorspace created. It partially replaces the S.106 arrangements which would have secured contributions using legal agreements.

- **The importance of Local Planning Policy**

CIL provides a mechanism to fund the infrastructure required to support the delivery of the adopted Stroud District [Local Plan, SDC's Regulation 123 list](#) and related [Infrastructure Delivery Plan](#). Projects applying for CIL funding will be expected to demonstrate how the proposed works directly align with the growth strategies identified within. Links to these documents are given at the end of these Guidance Notes.

The adopted Stroud District Local Plan offers planning guidance that aims to shape the way in which the Stroud District is developed in the future and provides a positive planning policy framework for the area up until 2031. A new Local Plan is currently in development.

It is worth noting for next year's projects, that both the Infrastructure Delivery Plan (IDP) and the Regulation 123 List are subject to revision during 2020, although this will not impact on this years (2020) bid submissions. As required by legislation, the

Regulation 123 List will be replaced with an Infrastructure Funding Statement (IFS) in December 2020. The IDP is being fully revised by an external consultancy.

More information on this work can be found on SDC's 'Planning Strategy' webpages.

2. What exactly is 'Strategic Infrastructure'?

The funding collected through CIL can be used towards providing the basic physical and organisational structures and facilities needed for the operation of a sustainable society. It will help provide for any additional demand placed on the local environment and services created by new growth.

CIL provides funding for infrastructure provision in two routes;

1. CIL Neighbourhood Portion
2. CIL Strategic Project Fund

It is important that applicants to the 'CIL Strategic Project Fund' note the purpose and difference of the Neighbourhood Portion so that they can understand the eligibility of their project.

- Neighbourhood Portion

Of all the CIL monies collected, either 15% or 25% goes to local Town and Parish Councils as a 'neighbourhood portion' (depending on whether they have an adopted Neighbourhood Development Plan).

The "Neighbourhood Portion" should be used to support local social infrastructure projects such as improvements to community halls, local open space or parish sports provision. It is the responsibility of the relevant Town or Parish Council to decide how they use their CIL allocation, but this cannot be used to purchase land. Organisations wishing to seek funding support from the "Neighbourhood Portion" should direct their enquiries to the local Town & Parish Council specific to that project delivery area. The contact details for local Town and Parish Clerks can be found on SDC's website.

If a proposed project mostly serves their local community only, it will not be considered to be 'strategic' and should not apply to this 'Strategic Project Funding scheme'.

- CIL Strategic Project Fund

A 'strategic' item of infrastructure will largely provide for the needs of the population from a much wider geographical area than the settlement in which it is located. A significant proportion of the users or beneficiaries of that infrastructure are unlikely to live within walking distance of it and would have to travel to that facility or rely on its function by proxy.

Infrastructure projects must be able to demonstrate that they will be directly addressing identified additional needs created by recently observed or projected population increases within the district. The strategic project fund cannot be used to compensate for funding deficiencies created historically.

There is a strong preference for CIL to support capital infrastructure projects. Most of the expenditure will therefore be for the delivery of physical works, such as roads, buildings, water channels, etc. A small portion of requested funding for a capital project can be for associated revenue costs (e.g., necessary professional fees) although these will be considered in relation to how essential they are to enabling the proposed project. Projects asking for all revenue funding only are unlikely to be successful, however we may consider such an application in very exceptional circumstances with prior discussion with the CIL Team.

Applications must be for projects where they have a definable start and end to its delivery and provide specific measurable outcomes. Programmes or schemes that run over many years are not eligible and alternative sources of core funding should be sought.

3. What kinds of strategic projects is CIL looking to support?

There is an expectation that project bids made under this funding scheme will be for 'big ticket items' where total project costs are likely to be many tens of thousands of pounds. Capital projects (physical build) are also generally favoured.

Whilst the CIL strategic fund will seek to support large infrastructure projects, our first year of CIL bids showed us that funding requests from the many large infrastructure providers will far outweigh the funds available. It is therefore very important that we all maintain realistic expectations on the amount of funding that can reasonably be requested and what can be achieved. We will only be able to offer funding support to those projects considered to address the priority needs expressed in the supporting planning policy documents.

We have explained above that projects must help mitigate against the additional pressures created by development and housing growth. Applicants are therefore expected to **evidence how** that project is directly responding to how growth places an increased in demand and need on that item or facility.

CIL Strategic funding can support both new projects and the upgrading/ improvement of the types of infrastructure identified in the supporting policy (explained in item 1 above).

Economic infrastructure could include improvements to digital communication technology networks, production of renewable energy, creation of transport routes, flood management, and water and waste treatment.

Projects that contribute to the government's aim of achieving net zero greenhouse gas emissions by 2050 or sooner are also welcomed, along with those that help the community and environment to adapt to changes in the climate.

Large scale open space projects are expected to follow the Governments "places" principle where green infrastructure projects should seek to deliver a net biodiversity gain and enhance local culture and character.

4. Who can apply?

Stroud District Council's CIL strategic funding scheme is only open to recognised 'strategic infrastructure providers'. These are organisations who deliver these large scale service types identified in the Reg 123 List and Infrastructure Delivery Plan (IDP).

The main infrastructure providers we expect to work with include Gloucestershire County Council (for Education, Highways and Libraries), the Environment Agency, local colleges, the Emergency Services and certain service areas within the District Council.

We are expecting that most Town and Parish Council projects will be funded by their neighbourhood portion. There are some rare exceptions to this rule however, so we would suggest that if a Town or Parish Council feel that they have a strategic project and should therefore be eligible for this fund, they should contact the CIL Team to discuss their project needs before making an application.

5. What makes a good bid / application?

We suspect that most organisations applying under this scheme will be familiar with many of the requirements of presenting a good project proposal.

Here are just a few things that we expect to see explained/provided within your bids;

- how you have undertaken the key elements of project planning
- plans or broad design works that have taken place so far
- consideration of any technical requirements
- a satisfactory level of financial feasibility assessments
- where community views have been taken into consideration (if appropriate) and where any consultation is reflected in any design
- other financial support that has been formally sought from other funding sources (match-funding currently being requested or already secured)
- how the project fits/aligns with the priorities of the IDP and SDC's Local Plan
- that the project is realistic and deliverable, especially bearing in mind the limits of available CIL funding
- support from other involved organisations

6. How much funding can we apply for?

Last year 2019 was our first year of inviting CIL Strategic Funding. We received funding requests totalling around £50 million when at that time, we had approximately £500,000 available to be allocated. This year's funding round for 2021/22 has a similar amount available.

Organisations will also be competing to show that their project is high priority against the planning objectives and promises low risk investment / high chance of successful delivery. This hopefully illustrates the importance of keeping bids realistic and proving 'deliverability' of that project. The amount of match-funding promised from other organisations will also be of interest to us.

We have noted previously that this fund is aimed at supporting the delivery of 'big ticket items', so we do not expect to receive any funding requests under £15,000. There is no defined maximum amount that can be requested, but clearly requesting such large amounts far beyond that available is going to raise questions as to the bids credibility.

Because of many unknown variables outside of our control (such as when CIL liable permissions are implemented and payments are made) it is difficult to provide forecasts on future CIL income and what may be available in this Strategic Project Fund in years to come. SDC's latest published annual CIL figures can be found on our website www.stroud.gov.uk

Having said that, as you are likely to be aware, the Stroud District is semi-rural area with a number of market towns, so we are and always will be in a completely different league to other CIL Charging Authorities that experience large amounts of development and subsequent CIL income, such as the unitary authorities around London. CIL requests relevant to the Stroud District therefore do need to be realistic.

Please feel free to talk to a CIL Officer if you wish to have an informal view of how your project costs may be viewed by the Bids Assessment Team.

7. When must projects be delivered?

Project bids that are approved for 2021/2022 must be physically delivered and funds claimed for completed works between April 2021 and March 2022.

If your project is unlikely to be delivered and claimed within 2021/2022 financial year, please do not send your proposal in marked as a 'bid' but please clearly show that it is an 'Expression of Interest' (EOI) which will be taken into funding discussions and considerations, but a funding allocation will not be officially awarded.

If the project starts in 2021 but is due to finish in another financial year, please detail the likely funding breakdown over the financial years and the amount that you request specifically for 2021/22.

8. Can we have CIL funding for more than one year running?

Bids are assessed annually for that specific year's allocations. We are expecting bids to be for projects that have a definable start and end to their delivery, so funding requests are expected to be for one specific amount. If a project has to be split across two financial years for project phasing reasons, this could be considered.

Where an application requests a regular allocation over a number of years, this likely to be considered to become core programme funding. This is not a favoured approach, and in these cases we will only be able to assess and agree funding on an annual basis.

9. What happens next? What are the decision making timescales?

The closing date for this year's bids and EOI's is Friday 25th September 2020.

A special group of Officers and Senior Managers will then be held to discuss and assess the merits of individual applications against the planning policy requirements, appear to offer good value, and can be easily accommodated within the available CIL budget.

Council Committee will be presented with a recommendations report in December 2020, where members can approve or vary the recommendations made. The decision making process will be robust and transparent and the committee report will be publically available to view on SDC's website.

SDC may consider it prudent to retain some funding to create a larger fund over time in order to support more significant infrastructure projects in future. This highlights the importance of submitting future project expectations as an Expression of Interest.

Please note that only projects that have been formally agreed by SDC Committee will be eligible to deliver project works and claim for funding within 2020/2021. Applicants will be notified in writing of Stroud District Council's CIL funding decision in January 2020 where they will also receive detailed information on the administration arrangements for claiming the agreed CIL funds.

All of the above dates and timescales are correct at the point of publishing these Guidance Notes, but as we have experienced with this year's pandemic, sometimes events beyond our control can force planning timescales to change. In the event of any necessary amendment to these dates we will advise you at the very earliest opportunity.

10. What if the Covid-19 pandemic has impacted on our ability to meet CIL Deadlines?

This year 2020 has been a challenging year for many of us, and many aspects of the Covid-19 pandemic have impacted on working arrangements, availability of contractors and supplies and even the ability to forward plan has been compromised.

Stroud District Council are fully aware of the pressures that this unprecedented situation has created. If you are concerned that you gather the required data in time to submit your bid or EOI, please contact us. We can arrange telephone appointments to discuss matters with you and we will do our very best to assist you in whatever way we can.

11. Who can we contact for more information

For all enquiries regarding SDC's CIL Strategic Bid Fund, and for the return of completed bids & EOI, please email the CIL Team at cil@stroud.gov.uk

Telephone calls can be arranged by prior appointment.

You are welcome to contact us with any project ideas you may have and we can provide a very informal indication whether your project is likely to be seen as a 'good fit'.

12. Sources of supporting information

- **Stroud District Council Regulation 123 List**
[Regulation 123 List](#)
- **Stroud District Local Plan – November 2015**
[Stroud District Local Plan – November 2015](#)
- **See 'Infrastructure Delivery Plan July 2013' together with 'Infrastructure Delivery Plan refresh Version – November 2014'**
[Infrastructure Delivery Plan 2013 with 2014 refresh](#)

If your browser has problems using the above direct links, all documents can be accessed within the 'Planning Strategy' and 'CIL' pages on www.stroud.gov.uk and going into the 'Planning and Buildings' section.