

NON EXEMPT

HAVANT BOROUGH COUNCIL

CABINET

5 February 2020

COMMUNITY INFRASTRUCTURE LEVY: PROPOSED SPENDING Report on behalf of Head of Planning

FOR DECISION

Cabinet Lead: Planning, Regeneration and Communities

Key Decision: No

1.0 Purpose of Report

- 1.1. This report provides detail on the bids received following the Community Infrastructure Levy (CIL) bidding process, using the Community Infrastructure Levy Funding Decision Protocol, which sets out the process for inviting and analysing the bids received. There were 25 bids received for an available CIL Main Pot of £1,651,894 and 23 bids for the Neighbourhood Portion (NP). The Neighbourhood Portion funds available this year have been divided by area and more information is provided in Paragraph 6.7-6.10.
- 1.2. This report also makes recommendations on spending, the decision on which is to be taken at Council on 26 February 2020.

2.0 Recommendations

- 2.1. That the Cabinet recommends to Full Council that it:
- a) **Adopts the amendments to the CIL Funding Decision Protocol (Appendix A2);**
 - b) **Approves a review of the CIL Funding Decision Protocol (Appendix A1);**
 - c) **Invests the available Main CIL Pot funds as at 31 March 2020 in the capital infrastructure projects outlined in Table A1: Bids Recommended for Funding and Table A2: Bids Recommended for funding as at 1/4/2020 contingent upon third party outcomes:**

Title and bid reference number (ordered by project number)	Amount	Cumulative Sum	Categorisation	App. C (page no.)
Re-purposing Hooks Lane/Fraser Road MUGA to Car Parking (1)	£45,059	£45,059	E	3
Warblington Footbridge (3)**	£325,000	£370,059	E	6

Rusty Cutter – Teardrop Link Road Capacity Enhancement and Cycle Improvement (4)	£250,000	£620,059	E	8
Langstone Roundabout (A27/A3023) – Capacity and Safety/Feasibility (5)	£20,000	£640,059	E	12
Havant Park Feasibility Study (6)	£7,000	£647,059	E	14
Future of the Hayling Billy Trail Feasibility Study (7)	£70,000	£717,059	C	16
Waterlooville to A3(M) - Cycle Network Improvement Feasibility (9)	£15,000	£732,059	E	21
Asda Roundabout to Bushy Lease – Footpath/Cycle Track Feasibility (11)	£10,000	£742,059	E	27
Park Lane Bridleway – Feasibility Study (14)	£10,000	£752,059	E	35
Leisure Investment Feasibility Study (17)	£25,000	£777,059	E	42
Re-construction of the Hayling Billy Bridge and Connecting it to Havant Town Centre – Feasibility Study (18)	£70,000	£847,059	C	43
Community Sporting Development at Havant College Feasibility (20)	£30,000	£877,059	E	52

Key:

C – Critical to delivery of Local Plan

E – Essential to delivery of Local Plan

Bracketed numbers refer to the project reference

Table A1: Bids Recommended for funding as at 1/4/2020

Title and bid reference number (ordered by project number)	Amount	Cumulative Sum	Categorisation	App. C (page no.)
Havant and Waterlooville Town Centres – Transforming Cities (2)++	£250,000	£1,127,059	C	4
Brambles Farm Link, Waterlooville (13)	£70,000	£1,197,059	E	32
Havant Shared Pedestrian and Cycle Bridge (Challenge Fund Bid) (23)++	£125,000	£1,322,059	C	59

Key:

C – Critical to delivery of Local Plan

E – Essential to delivery of Local Plan

Bracketed numbers refer to the project reference

Table A2: Bids Recommended for funding as at 1/4/2020 contingent upon third party outcomes

d) (i) Commits future Main CIL funds to the 'Warblington Footbridge' (5) capital infrastructure project as outlined in Table B and that the balance of the CIL Main Pot be retained to contribute to expenditure identified for the future:

Title of Project	Description of Phase	Amount	Notes
Warblington Footbridge (3)	Construction to Project Close Out	£1,600,000 ¹	Divided between 2021 and 2022

Key:

C – Critical to delivery of Local Plan

E – Essential to delivery of Local Plan

Bracketed numbers refer to the project reference

Table B: Future Spending Commitment for Warblington Footbridge

d) (ii) Delegates authority to the Head of Planning, Cabinet Lead and S151 Officer to agree apportionment of funds for Project 3 when the outcome of project costs arising in Table B are known (currently anticipated to be July 2020).

e) (i) Invests the available Neighbourhood Portion Pot funds as at 31 March 2020 in the following capital infrastructure projects outlined in Tables C1, C2 and C3:

Coastal Communities

Title and bid reference number (ordered by project number)	Amount	Cumulative Sum	Category	App. F1 (page no.)
Emsworth Men's Shed (C)	£7,000	£7,000	D	3
Emsworth Maritime and Historical Trust Replacement Display Cabinets (D)	£12,400	£19,400	D	5
Installation of New Non-turf Artificial Cricket Wicket at Emsworth Recreation Ground (J)	£7,363	£26,763	E	12
Early Learning, Community and Youth Centre at Redlands Grange Feasibility (K)	£20,000	£46,763	D	14
Hayling Island Bowls Club Green (L)	£41,000	£87,763	E	16
Theatre Seating Refurbishment (S)	£5,200	£92,963	D	23

¹ Final project costs are expected to be established July 2020

++ Either of these bids could proceed depending on the success of the Transforming Cities Bid.

Updating Hewitt's Community Kitchen (T)	£5,100	£98,063	E	25
Pavement Access between St Leonards Ave and St Margarets Rd, Hayling Island (V)	£3,468	£101,531	D	27

Key

E – Essential to delivery of Local Plan

D – Desirable to delivery of Local Plan

Bracketed numbers refer to the project reference

Table C1: Recommended spends for Coastal Communities Area

West of A3(M)

Title and bid reference number (ordered by project number)	Amount	Cumulative Sum	Categorisation	App. F2 (page no.)
Extension and Associated Works to Waterlooville Bowling Club House (A)	£64,482	£64,482	D	3
Refurbishment of Non-turf Artificial Cricket Wicket at Jubilee Park, Waterlooville (I)	£7,363	£71,845	E	5
Feasibility Study for Rebuilding of Waterlooville Men's Shed (Old Cowplain Pavilion) (U)	£12,000	£83,845	D	11

Key

E – Essential to delivery of Local Plan

D – Desirable to delivery of Local Plan

Bracketed numbers refer to the project reference

Table C2: Recommended spends for West of A3(M) Area

Wider Havant

Title and bid reference number (ordered by project number)	Amount	Cumulative Sum	Categorisation	App. F3 (page no.)
Leigh Park Baptist Church Sports Hall Flooring (B)	£7,500	£7,500	D	3
Storey 'Community' Garden (E)	£40,439	£47,939	E	5
Installation of New Non-turf Artificial Cricket Wicket at Havant Park (H)	£7,000	£54,939	E	9
Leigh Park Bowls Club Extension (N)	£25,000	£79,939	D	11

Key

E – Essential to delivery of Local Plan

D – Desirable to delivery of Local Plan

Bracketed numbers refer to the project reference

Table C3: Recommended spends for Wider Havant Area

- e) (ii) Invests the available Neighbourhood Portion Pot funds as at 31 March 2020 in the following capital infrastructure projects outlined in Table C4. Final decision delegated to the Head of Planning, Cabinet Lead and S151 Officer to agree funding for project delivery outlined in Table C4 once match funding is in place.

All Neighbourhood Areas – Contingent Spends

Title and bid reference number (ordered by project number)	Amount	Cumulative Sum by area	Categorisation	Appendix	Page No.
Refurbishment of Emsworth Recreation Ground Play Area (P)***	£45,500	£147,031	E	F1	21
Refurbishment of Waterlooville Recreation Ground Play Area (O)***	£45,500	£128,345	E	F2	7
Scratchface Lane Park Funding (R)***	£45,500	£125,439	E	F3	13

Key

E – Essential to delivery of Local Plan

D – Desirable to delivery of Local Plan

Bracketed numbers refer to the project reference

Table C4: Bids Recommended for funding as at 1/4/2020 contingent upon third party outcomes

- f) Approves Section106 expenditure from the Provision and Improvement of Playing Space for New Housing Development SPG alongside CIL expenditure as set out in Table C5 below. Further details of the individual spends are provided in the officer commentary in Appendices F1-F3 – Summary of Bids – Neighbourhood Portion by Various Area.

Title and bid reference number (ordered by project number)	Application Number	Amount of S106 'Sports Pitch' Funds requiring approval (rounded up)	Appendix	Page No.
Installation of New Non-turf Artificial Cricket Wicket at Havant Park (H)	07/71455/002	£7,000	F3	8
Refurbishment of Non-turf Artificial Cricket Wicket at Jubilee Park, Waterlooville (I)	07/50614/007	£6,638	F2	5
Installation of New Non-turf Artificial Cricket Wicket at	08/71508/004 &	£6,638	F1	12

Emsworth Recreation Ground (J)	08/72055/002			
Hayling Island Bowls Club Green (L)	APP/12/00966	£46,650	F1	16

Key

E – Essential to delivery of Local Plan

D – Desirable to delivery of Local Plan

Bracketed numbers refer to the project reference

Table C5: Recommended S106 spends

3.0 Executive Summary

- 3.1 To review CIL spending position in view of funds currently available and the updated CIL Funding Decision Protocol.
- 3.2 Recommend that this report be passed on to Full Council, for a decision on the bids and updated CIL Funding Decision Protocol presented in this report.
- 3.3 That the CIL Funding Decision Protocol be revised before the next round of CIL spending commences.

4.0 Additional Budgetary Implications – Spending the Community Infrastructure Levy

- 4.1 The CIL Funding Decision Protocol was approved by Full Council on 23 July 2014. The Protocol sets out a process for assessing projects that are eligible for CIL funding and to decide the best way of investing this money for the greatest benefit of the borough. It enables decisions on spending to be clear, transparent and fair. It also allows officers, members, residents and the development industry to understand which schemes are critical, essential and desirable to the delivery of the local plan.
- 4.2 This Protocol was updated 18 February 2015, 22 February 2017 and 27 February 2019. It is currently under revision and amendments are proposed to the definitions of critical, essential and desirable infrastructure, with additional categories for unsuccessful bids. The changes in definition are proposed principally to take account of the fact that the Council's priorities materially changed with the publication of the Regeneration Strategy². The new definitions prioritise schemes that are intended to deliver that strategy. The proposed changes are set out in Appendix A2.
- 4.3 It is anticipated that a further full review of the protocol will take place in Spring 2020 to reflect the Council's ongoing experience in the annual CIL bidding process and lessons learned. It would also enable the protocol to reflect the Council's aims and aspirations particularly with regards to the Regeneration Strategy. Finally, changes would be required anyway to reflect the Emsworth Neighbourhood Plan, which is currently subject to Examination.
- 4.4 Previous CIL Spending decisions and CIL Annual Monitoring, which shows the CIL sums collected to 31 March 2019, can be viewed online. The budget for the Main CIL

² A Regeneration Strategy for Havant Borough (2018-2036), approved by Full Council on 7 November 2018

Pot this year is £1,651,894 (this is net of funds committed at Council on 27 February 2019, Paragraph 6.6 gives more detail).

- 4.5 For the Neighbourhood Portion, a new area approach is set out, with the funds available by area viewable in Table E later in this document. This approach will be evaluated and considered further in the review of the CIL Spending Protocol in Spring 2020.

5.0 Background and Relationship to the Corporate Strategy and Directorate Business Plan(s)

- 5.1 The CIL helps to deliver infrastructure across all the priority themes/ambitions set out in the Corporate Strategy in respect of economic growth, public service excellence, financial sustainability, environmental sustainability, creativity and innovation.
- 5.2 In respect of the 2018-2019 Business Plan for Planning and Regeneration, CIL investment contributes to the delivery of infrastructure to fulfil the aims of the local plan and enable place shaping. This directly benefits the prosperity of the borough.

6.0 Options Considered and Reasons for the Recommendation

Main CIL Pot

- 6.1 Expenditure available, net of funds committed at Council on 27 February 2019, is £1,651,894. The Main CIL Pot bids received were analysed against the CIL Funding Decision Protocol and were then presented to Councillors on 1 October, with a subsequent consultation inviting Councillors to contribute their written comments on the presented bids concluding 30 October 2019. These are outlined in Appendix E.
- 6.2 The bids being taken forward for consideration for funding from the CIL Main Pot are all considered to be 'critical' or 'essential' to delivery of the local plan. The CIL Funding Decision Protocol gives more information on these definitions (Appendices A1 and A2). The bids are described more fully in the Summary of Bids – Main CIL Pot at Appendix C; where the applicants have described their bids in their own words, along with additional comment by officers (Tables A1 and A2 reference the relevant page numbers in Appendix C and form part of the decision being taken). These bids have been reviewed against the protocol at Appendices A1 and A2. Four of the bids have been assessed as 'critical' (without which development cannot proceed) and there are an additional twelve 'essential' bids, eleven of which are currently recommended for funding (see Tables A1-A3).
- 6.3 Approving one bid would require a funding commitment beyond 2019/20. This is allowed for in the Funding Decision Protocol. In this round of CIL Spending, Warblington Footbridge Bid (3), where a further funding commitment is required beyond 2020. This allows funding to be committed to the capital delivery of the project.
- 6.4 This year it is proposed that three Main Pot bids are agreed in principle subject to third party outcomes. Subject to the third party outcomes, not all funds may need to be spent. See Table A2. Additional information is also provided on these bids in Appendix C.

- 6.5 In respect of the Neighbourhood Portion three bids relating to play area refurbishment are very similar in nature. These bids are recommended for funding as at 1/4/2020 contingent upon third party outcomes. However, the final decision regarding CIL Spending is reliant upon fundraising and/or external match funding and a further delegated decision will be needed on each bid at the appropriate time. Table C4 and Appendices F1-F3 provide additional detail.
- 6.6 Expenditure will also include funds committed at Council 27 February 2019 in respect of spends for the Langstone FCERM Scheme and the Hayling FCERM Strategy totalling £745,700, which were and are still regarded as being 'critical' to delivery of the Local Plan. There are sufficient funds to cover these extant commitments as these funds have been set aside and are held in the Main CIL Pot in addition to the sum of £1,651,894 mentioned in Paragraphs 1.1, 4.4 and 6.1.

Neighbourhood Portion

- 6.7 A more local approach has been set out to assess the Neighbourhood Portion Bids and for this purpose the borough has been divided into three areas as outlined in Table D below:

NP Area	Wards
Coastal Communities	Emsworth Hayling East Hayling West
Wider Havant	Battins Barncroft Bedhampton Bondfields St Faiths Warren Park
West of the A3(M)	Cowplain Hart Plain Purbrook Stakes Waterloo

Table D: Titles and Wards Neighbourhood Portion Areas

- 6.8 The funds available under the Neighbourhood Portion by area are set out in Table E below:

Area	Income by Area since 1/8/2013	Expenditure by Area (including allocated but not yet spent) since 1/8/2013	Left to spend 2013-2019	Proposed expenditure
Coastal Communities	£416,595	£221,612	£194,983	£147,031
Wider Havant	£223,624	£82,704	£140,920	£125,439
West of the A3(M)	£263,136	£83,020	£180,116	£129,345

Table E: NP Funds Available

- 6.9 NP bids recommended for funding after being analysed against the CIL Funding Decision Protocol, relevant workshop and the written consultation are set out in Tables C1 to C3 noted previously. Four of these bids also require a contribution of S106 funds as set out in Table C5.
- 6.10 Table C4 identifies bids for approval subject to the final decision being delegated as set out in recommendation e (ii). Additional information on individual bids can be found in Appendices F1-F3, where the applicants have described their bids in their own words, along with additional comment by officers (Tables C1 to C5 reference the relevant page numbers in the appropriate appendix and form part of the decision being taken).

7 Resource Implications

- 7.1 The collection of CIL is bringing significant funds to the council for capital spending on infrastructure. The CIL Funding Decision Protocol is used to 'sift' the bids received and identifies the infrastructure which will bring most benefit to the borough and its residents. It identifies bid schemes that are deliverable and will bring real improvements in infrastructure.
- 7.2 The CIL Administration Fee of 5% is allowing the management of CIL to be self-funding.

8 Legal Implications

- 8.1 Section 216(1) of the Planning Act 2008 and Regulation 59 of the Community Infrastructure Levy Regulations 2010 requires that CIL receipts are applied to supporting development by funding the provision, improvement, replacement, operation or maintenance of infrastructure.
- 8.2 Infrastructure is widely defined under Section 216 (2) of the Planning Act 2008 and includes roads, flood defences, schools and other educational facilities, medical facilities, sporting and recreation facilities and open spaces.
- 8.3 In developing and implementing procedures for the spending of CIL, regard has been given to ensuring that the infrastructure projects identified fall within the requirements of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 and

further complies with the Council's Community Infrastructure Levy (CIL) Funding Decision Protocol (February 2019).

9 Risks

- 9.1 The protocol sets the framework for ensuring that the CIL is spent effectively and provides or enables the most necessary infrastructure support the local plan and to ensure a prosperous borough. The bids submitted have been analysed against the protocol.

10 Consultation

- 10.1 The bid submission process took place between 28 June and 9 August 2019, aided by significant publicity before then.
- 10.2 This was followed up by a Councillor Workshop for the Main CIL Pot Bids and a further three workshops on the Neighbourhood Portion Bids with the relevant Councillors. Councillors were also given the opportunity to provide written feedback on the all the bids going forward. Their comments and the officer response to the issues raised are provided in Appendices E and H which have been circulated to all councillors.
- 10.3 During all the Councillor Workshops and in response to the written consultations various councillors have sought clarification on the use of feasibility studies. Their written representations are responded to individually in Appendices E and H and a more general paper on this topic has been provided at Appendix I.

11 Communication

- 11.1 Stakeholders were invited to bid and the information was also incorporated in a press release which was distributed through the usual channels including social media. The level of response was unprecedented with increased numbers of bids and a better spread across the borough's communities than in previous years.
- 11.2 Following Council on 26 February 2020 all those who bid for funds will be notified of the outcome of the process and an appropriate press release prepared. Additional press releases may be issued as projects are delivered.

Appendices:

Appendix A1 – Community Infrastructure Levy (CIL) Funding Decision Protocol (Revised February 2019)

Appendix A2 – Proposed Replacement Definitions to Appendix A1

Appendix B – List of Bids Received 2019

Appendix C – Summary of Bids – Main CIL Pot

Appendix D – Assessment of Bids – Main CIL Pot

Appendix E – Summary of Responses to Councillor Consultation – Main CIL Pot

Appendix F1 – Neighbourhood Portion Bid Summaries – Coastal Communities

Appendix F2 – Neighbourhood Portion Bid Summaries – West of A3(M)
Appendix F3 – Neighbourhood Portion Bid Summaries – Wider Havant
Appendix G – Assessment of Bids – Neighbourhood Portion by Area
Appendix H – Summary of Responses to Councillor Consultation Neighbourhood Portion
Appendix I – Feasibility Studies – A Discussion Document

Background Papers:

Community Infrastructure Levy Regulations 2010 as amended
Ministry of Housing, Communities & Local Government – Planning Practice Guidance
The Havant Borough Local Plan (Core Strategy 2011 and Allocations Plan 2014)
Pre-Submission Havant Borough Local Plan 2036: www.havant.gov.uk/localplan
HBC CIL Spending Decisions: www.havant.gov.uk/cil-spending-decisions
HBC CIL Annual Monitoring: www.havant.gov.uk/planning-and-environment/planning-policy/community-infrastructure-levy/cil-monitoring
Provision and Improvement of Playing Space for New Housing Development SPG
A Regeneration Strategy for Havant Borough 2018-2036:
www.havant.gov.uk/sites/default/files/documents/Have%20opportunity%20with%20Havant%20update%20March%202019.pdf

Agreed and signed off by:

Monitoring Officer: David Brown (27/01/2020)
S151 Officer: Lydia Morrison (27/01/2020)
Director: Simon Jenkins (24/01/2020)
On behalf of Head of Planning: David Hayward (24/01/2020)
Cabinet Lead: Cllr Tim Pike (13/01/2020)

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