



Committee and Date

Council

16 July 2020

Item

Public

COMMUNITY INFRASTRUCTURE LEVY – SPENDING UPDATE

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1. Summary

- 1.1 The purpose of this report is for Council to agree the spending of £8,142,487 of Community Infrastructure Levy (CIL) funds on two infrastructure projects within the County. Both projects outlined here are over £1 million.
- 1.2 Both of the projects are requesting CIL local funding for schemes which have been previously approved by Council and are within the Shrewsbury and Oswestry Place Plans.

2. Recommendations

That Council agree:

- 1) That £8,142,487 of CIL local funds are allocated to the two projects outlined within Section 6 of this report.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 As Local Planning Authority, Shropshire Council is charged with ensuring that new development is accompanied by the local facilities, services, and infrastructure which are needed to support a sustainable community. The Council receives contributions from new development through various mechanisms to help mitigate its impact and to deliver infrastructure to support the development of the area. The effective management of these revenue collection mechanisms and appropriate use

of the resultant revenue is essential for compliance with national legislation and to manage the impact of new development by providing the infrastructure required.

4. Financial Implications

- 4.1 New development can impose a significant burden on existing facilities, services and infrastructure, including those which are the responsibility of Shropshire Council. Whilst substantial sums are collected annually from developer contributions, including CIL and Section 106, these amounts are highly unlikely to be able to support all identified infrastructure improvements. It is therefore essential that this revenue is prioritised and used effectively for investment in infrastructure for which no other funding sources are available.

- 4.2 Below is a table which sets out the CIL that has been collected at the 31st March 2020.

TOTAL CIL COLLECTED AT 31 MARCH 2020	
ADMIN	£1,813,299
NEIGHBOURHOOD	£5,278,506
STRATEGIC	£2,919,611
LOCAL	£26,276,499
TOTAL	£36,287,915

- 4.3 Of the £36million of CIL which has been collected across the County, over £5 million of this has been passed to Town and Parish Council's as Neighbourhood Fund to support projects in their areas.
- 4.4 Within the Councils current Capital Strategy for 2020/21 to 2024/25 the following projects are committed against CIL funds as a result of previously approved schemes and Expressions of Interest which have been approved for schemes to date.

	CIL Strategic £	CIL Local £
Opening Balance	2,919,611	26,276,499
CIL spend 2012 to 31 March 2020		2,340,723
Projects approved/ in delivery:		
Shrewsbury Integrated Transport Project		1,743,997
Oxon Link Road – Churncote Roundabout	300,000	
Whitchurch Medical Practice	474,899	
Education Place Planning – Phase 1		847,090
Expression of Interest, Technical Checks and Highways approved allocations	332,474	3,901,398
Balance available to allocate	1,812,238	17,443,291

- 4.5 The recommendation to Council is to part fund the following key projects as identified in previous Council reports from these available funds:

	CIL Strategic £	CIL Local £	Place Plan Area
Opening Funds	1,812,238	17,443,291	
Projects to be funded:			
Highways Infrastructure		2,192,487	Oswestry
Education		5,950,000	Shrewsbury
Balance remaining	1,812,238	9,300,804	

- 4.6 This would leave a total of £11,113,042 of CIL strategic and local available.

- 4.7 CIL Local available in Oswestry and Shrewsbury Place Plan areas:

Place Plan	CIL Local collected at 31.03.20	CIL Local Approved Allocations	CIL Local Available
Oswestry	£2,937,882	£302,500	£2,635,382
Shrewsbury	£11,317,451	£2,805,808	£8,511,643

5. Background

- 5.1 In Shropshire CIL is a charge on new housing development to help fund supporting infrastructure across the County.
- 5.2 Shropshire Council took a decision in 2012 to distribute CIL receipts in the following way and this remains the current arrangement:
- Administrative Expenses – up to 5% of total, as set out in national regulations
 - Neighbourhood Fund – 15%, or 25% where there is a Neighbourhood Plan or Neighbourhood Development Order, as set out in national regulations

Of the remainder:

- CIL 'Strategic' – 10%
- CIL 'Local' – 90%

- 5.3 CIL Strategic in Shropshire will be allocated to infrastructure which is vital to the delivery of Shropshire's development strategy and which will have County-wide importance, as well as to infrastructure required in order to fulfil the Council's statutory functions. This infrastructure has the highest level of priority.
- 5.4 Place Plans form a key part of the decision-making process for allocation of CIL funds, as they provide us with a comprehensive record of infrastructure requirements in each Place Plan area. There are 18 Place Plans across the county, with the most recent versions published in October 2019. These Place Plans are considered to be 'live' documents, which communities can update on an ongoing basis by working with their local Place Plan Officer.

6. Project detail

Project	CIL funds required
<p>School Places in Shrewsbury</p> <p>As per the previous report to Council (dated 19 December 2019) CIL funds are required to part-fund the provision of additional school places as part of three projects within Shrewsbury. These are:</p> <ul style="list-style-type: none"> increased primary provision in north Shrewsbury, centred on the Haughmond Federation of schools, with the proposal to re-locate Sundorne Nursery and Infant School to the Harlescott Junior School site on Featherbed Lane; a new mainstream school in west Shrewsbury on a site in Bowbrook, which will be co-located with a new special school with the construction of the latter being funded by the Department for Education; and additional secondary provision in the town, with the construction of a new 5 classroom teaching block at Meole Brace School. <p>The total project cost of the projects is £27.2m</p>	<p>£5,950,000</p>
<p>Mile End roundabout and Oswestry Innovation Park enabling infrastructure Oswestry</p> <p>As per the Council report (dated 27 February 2020), CIL funds are required to fund part of this project, as match funding to external funding secured. This project will help unlock housing and employment land.</p> <p>Highways Infrastructure funds secured £9,321,963 LEP funding secured £5 million</p> <p>The total project cost is £16,514,449</p>	<p>£2,192,487</p>

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List of Background Papers

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| <ul style="list-style-type: none">• Cabinet Paper – 14 August 2019 – Community Infrastructure Levy Update• Council Paper – 19 December 2019 – Shrewsbury School Place Planning• Exempt Council Paper – 27 February 2020 – Mile End Infrastructure |
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Cabinet Member (Portfolio Holder)
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Cllr Gwilym Butler – Portfolio Holder for Communities, Place Planning and Regulatory Services

Local Member – All

Appendices – None
