

Title: Community Infrastructure Levy (CIL) Projects List for 2022/23  
Lead Officer: Philip Clarke 01926 456518  
Portfolio Holder: Councillor Cooke  
Wards of the District directly affected: All

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## Summary

This report summarises spending on CIL projects in 2021/22 and sets out the proposed CIL Projects list for 2022/23 as the basis for focusing the distribution of CIL receipts collected during the year.

## Recommendation(s)

- (1) That Cabinet notes the amount spent during 2021/22 on CIL Projects from the current CIL Projects List and the anticipated level of CIL Contributions to be received by the Council over the next five years as set out in the report.
  - (2) That Cabinet approves the CIL Projects List for 2022/23 set out in Appendix 1.
  - (3) That Cabinet approves the proposed distribution of CIL receipts in 2022/23 and, where stated, in 2023/24 as set out in para. 1.4.10 and table 5.
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## 1 Background/Information

1.1 In March 2021, the Council agreed the current list of projects (the CIL Projects List) that is to be funded from anticipated CIL receipts in 2021/22. This has formed the basis on which CIL contributions received have been distributed in the last year. In July 2021, Cabinet agreed that an additional project (Leamington station enhancements) would be added to the 2021/22 list.

### 1.2 Summary of CIL income and spending in 2021/22

1.2.1 The amount of CIL contribution which is available to the District Council to spend by the end of 2021/22 is as set out in table 1. It should be noted that as this report is being prepared before the end of the year, some of these figures are estimates at the present time.

<b>Table 1: CIL contributions available to Warwick District Council in 2021/22</b>		
		<b>Amount</b>
A	CIL income held by WDC and available for distribution to projects at 31/3/21	£3,914,139
B	CIL contributions received April 21 – Jan 22	£2,617,189
C	Estimate of further CIL income to March 22	£564,921 (*)

D	Anticipated total payments to parish and town councils for contributions in 21/22 (estimate)	£503,053
E	Net CIL income anticipated for 21/22 (B + C - D)	2,679,057
<b>F</b>	<b>Total available CIL as at 31/3/22 (A + E)</b>	<b>£6,593,196</b>
(*) This figure is taken from those schemes which are making phased payments however have already started on site. Other schemes will come forward, so this figure can be treated as a minimum.		

1.2.2 Table 2 below identifies all those CIL projects contained within the current CIL Projects List and indicates how much CIL income was allocated to each project in 2021/22,. (It should be noted that the CIL Projects List includes projects which may be delivered between 2021 and 2026 and not all of these require funding in 2021/22.)

<b>Table 2: Current CIL Projects including spending during 2021/22</b>		
<b>Infrastructure Project</b>	<b>Total CIL contributions (21-26)</b>	<b>Agreed CIL spending in 21/22 (£)</b>
Bath Street Improvement Scheme	3,795,000	95,000
Emscote Road Multi Modal Corridor Improvements	1,492,000	126,043
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	6,000,000	3,000,000
Medical facilities - N Leamington (Cubbington/Lillington)	2,740,000	840,000
Wayfinding in Warwick	35,000	35,000
Europa Way bridge link	1,000,000	Nil
St Mary's Land, Warwick	1,343,000	8,000
Newbold Comyn	3,254,430	425,000
Warwick Gates Community Centre	150,600	150,600
Europa way spine road cycleway/ footpath link	1,053,133	Nil
Relocation of athletics facility and creation of Commonwealth Park	1,800,000	Nil
Commonwealth Park bridge	250,000	Nil
Relocation of Kenilworth Wardens	2,500,000	Nil
Leamington station enhancements	500,000	500,000
PLUS CIL Administrative charge	365,000	£73,000
<b>Total</b>	<b>26,278,163</b>	<b>5,252,643</b>

1.2.3 In reading the above table, it should be noted that in some cases, not all the funds allocated for 2021/22 will have been spent by year end. Project sponsors are allowed to ask to carry-over spend from one year to the next and all have requested to do so. For the purposes of the remainder of this report, it will be assumed that all funding allocated to projects in 2021/22 has been spent.

1.2.4 Most importantly, it should be noted that given the CIL receipts currently held by the Council (plus those anticipated to be received by March 2022) as set out in table 1 above, there will be sufficient CIL income to meet all obligations for 2021/22 as set out in table 2.

### 1.3 Projected CIL income in 2022/23 and to 2026/7

1.3.1 To help the Council understand how much money it is likely to have available from CIL contributions to fund projects over the next five years, it is possible to estimate this using the latest Local Plan housing trajectory, published late last year. If the Housing Trajectory is achieved, CIL is predicted to deliver the following as set out in table 3. It should be remembered that a proportion of CIL receipts (15% or 25%) must be distributed to Town and Parish Councils to spend within their areas and therefore is not available to the District Council to allocate.

<b>Table 3: Estimate of future CIL income to Warwick District Council</b>			
	<b>Total (£)</b>	<b>If 15% passed to parish councils (£)</b>	<b>If 25% passed to parish councils (£)</b>
2022/23	4,167,000	3,542,000	3,125,000
2022 - 2027	29,246,000	24,859,000	21,935,000

1.3.2 To this income should be added an estimated £1,340,553 of CIL income that has been collected but will remain unspent as at 31st March 2022 (taking account of all spending estimates in the 2021/22 CIL Projects List in table 2). Therefore, the amount of money available for projects within the CIL Projects List is predicted to be in the range of £4,465,553 to £4,882,553 for 2022/23 and £23,275,553 to £26,199,553 for the period 2022 to 2027.

1.3.3 It should be noted that the actual amount of CIL received is not easy to predict accurately. CIL is payable within 60 days of developments starting on site and so is entirely dependent upon the rate at which new development comes forward. Nevertheless, the above figures are the best estimate the Council can provide at the present time for likely future level of CIL income.

1.3.4 It should also be noted that Council's latest projections for CIL income show a marked difference to those predicted a year ago. CIL payments are triggered when a development commences on site and a number of factors, notably the the pandemic, have impacted upon this as development rates have slowed down. This will delay when the Council will receive CIL payments. For 2021/22, levels of actual CIL income received have matched those predicted a year ago very closely. However, looking ahead over the next two years (22/23 and 23/24) we are now projecting lower levels of income from that which we modelled last year. Last year, the Council predicted £5.492m of CIL income in 2022/23 (assuming 25% payment to parish councils). The prediction now, as shown in table 3, is for £3.125m. This pattern is also seen in 2023/24.

1.3.5 In understanding these figures, it should be noted, however, that whilst this relates to when the Council will receive CIL income, the overall amount the Council expects to receive will remain broadly the same. This is because it is based on the amount of development allocated for in the Local Plan. The rate at which the council is anticipating to receive CIL income is relevant, however, because it impacts on how we propose to distribute anticipated CIL income in

2022/23.

#### 1.4 Proposed distribution of projected CIL income in 2022/23

- 1.4.1 In previous years, the Council has sought to update its CIL Projects List annually, and identify those projects to which it wishes to prioritise CIL spending in the next year, though a process whereby infrastructure providers are invited to bid to have their projects included in the CIL Projects List.
- 1.4.2 We have not followed this process this year. This is principally because when the 2021/22 CIL Projects List was agreed in March 2021, members agreed to also fund a number of projects over two years, both in 2021/22 and 2022/23. The reason for this was because some of the projects that were supported in 2021/22 entailed the awarding of contracts by the infrastructure provider which may run over more than a single year. The infrastructure provider needed the assurance of funding from the District Council over the lifetime of the project in order to be able to commit to letting the contract. This did not affect all projects on the CIL Projects List, only those in table 4 below. (Please note that this table has been updated following recent discussions with infrastructure providers and reflects their current estimates of spend requirement in 2022/23. (In the case of the Emscote Road corridor this is a lower figure than that contained in the March 2021 Executive report.))

<b>Table 4: Projects included in the 2021 CIL Projects List for which funding was also agreed for 2022/23</b>	
<b>Infrastructure project</b>	<b>Amount committed</b>
Emscote Road Multi Modal Corridor Improvements	318,400 (*)
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	3,000,000
Medical facilities - N Leamington (Cubbington/ Lillington)	1,900,000
PLUS CIL Admin charge	73,000
<b>Total</b>	<b>5,291,400</b>
* As noted above, this is a revised figure based on recent discussions with the County Council. In March 2021, the County Council was anticipating spending £1,365,957 in 22/23 on this project.	

- 1.4.3 As can be seen from table 4 and para 1.3.2 above, the Council is anticipating to have **£4,465,553** of CIL contributions available to spend in 2022/23 (taking a more conservative assessment that 25% of CIL income will be passed to parish councils), against commitments to projects of £5,291,400 in 2022/23. There is therefore a notional shortfall of £825,847. Two comments can be made about this.
- 1.4.4 Firstly, all infrastructure providers are made aware from the outset that any "commitments" of CIL income from the Council are wholly reliant on the Council receiving CIL payments from developments. If a slowing of the rate of development means that payments slow down, then the Council is not required to make up the shortfall from other means. This is a risk that all projects that

are seeking CIL funding must bear.

1.4.5 Secondly, as noted in para. 1.3.5 above, it can reasonably be expected that any "shortfall" in CIL income in any year against previous projections will be made up in time. The total amount of CIL contributions anticipated to be received by the Council over a number of years is based on the amount of development allocated in the Local Plan. Therefore, if the Council is unable to fund any previously committed CIL projects in any given year, it can reasonably be expected that it will be able to do so in future years. For this reason, there may be the opportunity to "slip" some CIL contributions from one year to the next with the expectation that these commitments can be met in due course.

1.4.6 With this in mind, the Council has revisited those funding commitments outlined in table 4, and spoken to the infrastructure providers in all cases. The following comments can be made in respect of each.

- Emscote road multi modal corridor: This project is being led by Warwickshire County Council. WCC has advised some slippage in this project, with implementation not likely to be completed until 2024/25. It has therefore asked to reprofile when it receives its CIL funding between 2022/3 and 2024/5. It expects to spend £318,400 in 2022/23 on taking the scheme forward.
- Castle Farm Recreation Centre: This project is being led by Warwick District Council. The contract for this project has been let and the project team will require most of the 2022/23 CIL contribution during the year in order to make payments and avoid the Council incurring borrowing costs to complete the project. However, some of the project delivery will run over into 2023/24 and so it would not impact on the overall project if some of the £3m earmarked for this project was to be deferred until 2023/24.
- Medical facility – north Leamington: This project is being led by the South Warwickshire NHS Foundation Trust. The proposal is to deliver a health centre incorporating a new surgery for the current Cubbington road practice which has outgrown its current site. A site for this has been identified on Valley Road incorporating land next to the Catholic Church and also the WDC-owned Valley road car park. A planning application was submitted on this site, but subsequently withdrawn, and revised application has now been submitted. The Foundation Trust has secured a funding package to deliver this project however is relying on existing commitments of CIL funding as part of this. The Trust has confirmed, however, that due to the likely programme for delivering the health hub, and the availability of other funding streams, it would be able to still deliver the project with the CIL funding coming at the end of the project, including during 2023/24.
- CIL Administration charge: CIL charging authorities are entitled under regulations to take up to 5% of CIL income as an administrative charge. In order to implement and deliver CIL, the Council has had to employ a full-time CIL Administrative Officer and has had to invest time and resources changing its systems and procedures. Whilst it is not proposed that the Council takes its full 5%, an administrative charge of £365k (i.e. £73k per year) is considered reasonable. This has been built into the Council's Medium Term Financial Strategy.

1.4.7 Taking all the above into account, it follows that there is predicted to be sufficient CIL income available in 2022/23 to fund the Emscote Road corridor

improvements, the Kenilworth Castle Farm Recreation Centre and £1m toward the Lillington Health hub. The Foundation Trust has confirmed that it could proceed without the remaining CIL funding during 2022/23 PROVIDED THAT the Council commits that this scheme will be prioritised for any remaining funding once these other schemes have been funded. This could be from any surplus funding available during 2022/23 or by prioritising the scheme for CIL funding in 2023/24.

- 1.4.8 The Council has always been keen to use CIL income to enable as many projects as possible to progress in a timely manner. Given that the Kenilworth Leisure Centre project will not require all the £3m previously allocated to it in 22/23 during that year, it is possible to divert some of this £3m to enable other projects to progress, with any final payments to the Leisure Centre project being made in 23/24. It is therefore recommended that £375k is made available from this £3m in 22/23 to support the Europa Way spine road cycleway / footpath link and the relocation of the athletics track, with the final payment to support the Leisure Centre made in 23/24.
- 1.4.9 The recommendation in the above paragraph would prevent a delay in delivering on these two projects which are becoming more vital given the pace of development in the area to the west of Europa Way and the need to invest a significant amount in the foreseeable future if the Edmondscote track is not relocated. The Europa way spine road cycleway/ footpath link (which is now retitled the Myton footpath/cycleway link) would require a further £900k in 23/24 in order to be completed. The relocation of the athletics track will require a further estimated £1.57m between 23/24 and 24/25 to be completed.
- 1.4.10 It is therefore recommended that table 5 below forms the basis for the allocation of CIL receipts in 2022/23 and, in the case of the Lillington Health Hub project and Kenilworth Leisure Centre, in 2023/24. Table 5 also identifies all of the other projects that are proposed to remain on the CIL Projects List for 2022/23. These are all on the current CIL Projects List and it is not proposed to add any new projects to the list at the present time. The only projects that will come off the list are those which have either now been completed or otherwise fully funded from CIL contributions in 2021/22. These schemes are (a) wayfinding in Warwick town centre, (b) Warwick Gates Community Centre and (c) Leamington station enhancements. The proposed new CIL Projects List for 2022/23 is also set out in **appendix 1**.

<b>Table 5: Proposed revised CIL Projects List including distribution of CIL contributions in 2022/23 and partial distribution in 2023/24</b>			
<b>Infrastructure project</b>	<b>Total cost (22/3–26/7)</b>	<b>Proposed 22/23</b>	<b>Proposed 23/24 (*)</b>
Bath Street Improvement Scheme	3,700,000	Nil	
Emscote Road Multi Modal Corridor Improvements	1,592,000	318,400	
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	3,000,000	2,625,000	375,000
Medical facilities - N Leamington (Cubbington/Lillington)	1,900,000	1,000,000	900,000
Europa Way bridge link	1,000,000	Nil	
St Mary's Land, Warwick	1,335,000	Nil	
Newbold Comyn	2,829,430	Nil	

<b>Table 5: Proposed revised CIL Projects List including distribution of CIL contributions in 2022/23 and partial distribution in 2023/24</b>			
<b>Infrastructure project</b>	<b>Total cost (22/3–26/7)</b>	<b>Proposed 22/23</b>	<b>Proposed 23/24 (*)</b>
Myton footpath/cycleway (previously the Europa way spine road cycleway/ footpath link)	1,055,000	150,000	
Relocation of athletics facility and creation of Commonwealth Park	1,800,000	225,000	
Commonwealth Park bridge	250,000	Nil	
Relocation of Kenilworth Wardens	2,500,000	Nil	
PLUS CIL Administrative charge	365,000	73,000	73,000
<b>Total</b>	<b>21,326,430</b>	<b>4,391,400</b>	<b>1,348,000</b>
* It should be noted that whilst funding is only being confirmed for the Lillington Health Hub and Kenilworth Leisure Centre at the present time, this does not mean that no further CIL funding will be available during 23/24 to support other projects, only that Cabinet is not being asked to commit to this at the present time.			

1.4.11 It is important to note that there is not anticipated to be any further CIL funding available in 2022/23 to support other projects. In all cases, projects leads have been advised of this. This will impact upon the delivery of projects, many of which are Council-led.

1.4.12 To summarise therefore, the Council is currently projecting and recommending the following:-

Minimum projected income to the Council from CIL between 2022 & 2027 (including any receipts carried forward from 2021/22)	£23,275,553
Total value of schemes on which this income can be spent (2022/27) (including an allowance for a CIL admin fee)	£21,326,430
Total CIL projected income to the Council from CIL during 2022/23 (including any receipts carried forward from 2020/21)	£4,465,553
Total requested spend during 2022/23 from those infrastructure projects on the proposed CIL Projects list.	£4,391,400

## **2 Alternative Options available to Cabinet**

2.1 Cabinet could decide to prioritise the CIL spending in a different way to that set out in this report. This is not recommended. Whilst it would be perfectly possible to do this, the recommendation here is considered to be the one which best continues with the commitments made by Executive in March 2021, allowing all committed projects to progress as previously agreed by the Council.

### **3 Consultation and Member's comments**

3.1 The portfolio holder and all project leads (both within the Council and outside) have been consulted throughout the process of preparing this report.

### **4 Implications of the proposal**

#### **4.1 Legal/Human Rights Implications**

4.1.1 There are no legal or human rights issues raised by this report.

#### **4.2 Financial**

4.2.1 There are no direct budgetary implications associated with the recommendations. As noted in para. 1.4.6, £73,000 of the CIL Administration fee has been built into the Council's Medium Term Financial Strategy.

#### **4.3 Council Plan**

4.3.1 In respect of Warwick District Council Business Plan the following comments can be made.

- People - Health, Homes, Communities - Will help co-ordinate the timely provision of infrastructure such as community spaces, sports and medical facilities that are essential to enable the growth required in the Local Plan.
- Services - Green, Clean, Safe - Will help co-ordinate the timely provision of infrastructure such as new parks, play areas and open spaces that are essential to enable the growth required in the Local Plan. See also Environmental/Climate Change Implications below.
- Money- Infrastructure, Enterprise, Employment - Will help co-ordinate the timely provision of infrastructure that are essential to enable the growth required in the Local Plan.
- Services - Maintain or Improve Services - Focusing on our customers' needs; Continuously improve our processes

#### **4.4 Environmental/Climate Change Implications**

4.4.1 As part of the Council's ambitions for a Carbon Neutral District by 2030, the criteria against which CIL Projects are assessed includes how the project supports the Council's objectives as set out in its declared climate emergency. Where projects support transport improvements, this will be to ensure that priority is given to multi modal/active travel. Where projects support other infrastructure (e.g leisure facilities) this will seek to make these zero carbon or as close to this as possible.

#### **4.5 Analysis of the effects on Equality**

4.5.1 None. The relevant impact assessments will be carried out on projects funded through CIL contributions.

#### **4.6 Data Protection**

4.6.1 None.

#### **4.7 Health and Wellbeing**

4.7.1 The timely provision of infrastructure such as community spaces, sports and medical facilities that are essential to enable the growth required in the Local Plan is supported through CIL-funded projects.

### **5 Risk Assessment**

5.1 The predicted CIL income is derived from the Local Plan Housing Trajectory.



There is a risk that housing will not come forward at the rate suggested in the trajectory. If this is to be the case, the actual amount of CIL received between 2022 and 2027 may be lower than predicted. For this reason, CIL income will need to be kept under review during the year and Projects Leads will be kept informed if there is a risk that income levels do not match those expected.

- 5.2 It should be made clear that if there is a shortfall in anticipated CIL income there is no requirement that the Council meets this through other means. When making offers of CIL to infrastructure providers, officers make it clear that any payment will only be made provided the income has been received. The risk that there may be a shortfall in CIL contribution is a risk for that project, not for the Council as part of its obligations to pay CIL contributions arising from this report

## **6 Conclusion/Reasons for the Recommendation**

- 6.1 A summary of the current position in relation to CIL income and projects is set out in section 1.4 above.
- 6.2 For the reasons set out above, it is proposed that the distribution of CIL receipts in 2022/23 is as set out in table 5 above. There is only anticipated to be sufficient CIL income in 2022/23 to fund the further work on the Emscote Road Multi Modal Corridor Improvements and Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre and to make a contribution to the costs of the Lillington Health Hub project. It is not anticipated that there will be sufficient receipts received in 2022/23 to also fund the full amount of this Lillington Health Hub project, however it is also proposed that Council commits that this scheme will be prioritised for funding once these other schemes have been funded. This could be from any surplus funding available during 2022/23 or by prioritising the scheme for CIL funding in 2023/24.
- 6.3 The report proposes a new CIL Projects list for 2022/23 as set out in table 5 and appendix 1.

### **Background papers:**

None.

## Report Information Sheet

Please complete and submit to Democratic Services with draft report

<b>Committee/Date</b>	Cabinet: 10 <sup>th</sup> March 2022	
<b>Title of report</b>	Community Infrastructure Levy (CIL) Projects List for 2022/23	
<b>Consultations undertaken</b>		
<b>Consultee *required</b>	<b>Date</b>	<b>Details of consultation /comments received</b>
<b>Ward Member(s)</b>	N/A	
<b>Portfolio Holder WDC &amp; SDC *</b>	9/2/22	
<b>Financial Services *</b>	9/2/22	
<b>Legal Services *</b>	9/2/22	
<b>Other Services</b>		
<b>Chief Executive(s)</b>	9/2/22	
<b>Head of Service(s)</b>	9/2/22	
<b>Section 151 Officer</b>	9/2/22	
<b>Monitoring Officer</b>	9/2/22	
<b>CMT (WDC)</b>	9/2/22	
<b>Leadership Co-ordination Group (WDC)</b>	21/2/22	
<b>Other organisations</b>		
<b>Final decision by this Committee or rec to another Ctte/Council?</b>		Final decision by Cabinet
<b>Contrary to Policy/Budget framework</b>		No
<b>Does this report contain exempt info/Confidential? If so, which paragraph(s)?</b>		No
<b>Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?</b>		No/Yes, Forward Plan item – 1,262 scheduled for March 2022
<b>Accessibility Checked?</b>		File/Info/Inspect Document/Check Accessibility