

# Cabinet Report



Listening Learning Leading

Report of Head of Finance

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To: Scrutiny Committee

Date: 6 December 2020

To: CABINET

Date: 18 December 2023

## South Oxfordshire Community Infrastructure Levy Grant Fund Pilot Scheme Policy

### Recommendation(s)

- a) That Cabinet considers whether or not to approve the pilot scheme policy to award grants for delivery of infrastructure funded by the council's Community Infrastructure Levy (CIL) allocation, attached in appendix one.
- b) If Cabinet supports the pilot scheme policy, that it delegates authority to the relevant head of service in consultation with the relevant cabinet member to make minor amendments to the standard terms and conditions of the scheme.

### Purpose of Report

1. To seek Cabinet approval and relevant delegations for implementation of the South Oxfordshire CIL Grant Fund Pilot Scheme, as set out in the policy in appendix one.
2. To bring to the attention of Cabinet members the benefits, risks and alternative options in relation to the application of CIL funding to allow for an informed decision on the recommendations of the report.

## Corporate Objectives

3. The allocation of CIL retained by the district council must be spent on infrastructure required to support the development of the area. Any infrastructure projects delivered directly by the council are required to gain the necessary approvals to progress and as such, must demonstrate support of the council's corporate priorities.
4. A requirement of the CIL pilot grant scheme is for projects to demonstrate that they support at least one of the council's corporate priorities, as set out in the corporate plan, with a greater score awarded for applications that can demonstrate support of additional priorities or projects identified in neighbourhood plans or the local plan.
5. Further weight is given to projects that support the council's aspirations to tackle the climate emergency. Further information on how the CIL pilot scheme can help support this key aim of the council is addressed in the climate and ecological impact implications section of this report. However, it should be noted that whilst CIL can support green infrastructure projects and the mitigation of environmental impacts relating to infrastructure projects, this is not the primary intention of the funding.

## Background

6. South Oxfordshire District Council started charging CIL in April 2016 which was followed by the introduction of a spending strategy in 2019 and subsequently updated in April 2021. The spending strategy acknowledges a 5 per cent allocation for administration of CIL and a 15 or 25 per cent allocation, depending on neighbourhood plan status, paid to the town and parish councils that have experienced CIL liable development in their area, known as the neighbourhood proportion, as required by regulation. The remaining amount, the strategic proportion, is retained by the district council for the purpose of providing infrastructure that supports development in the district, and is allocated as follows:
  - 50 per cent to Oxfordshire County Council for delivery of the following infrastructure types: education, transport, libraries and household recycling centres
  - 20 per cent for public health care infrastructure
  - 30 per cent retained by the district council for infrastructure that it is responsible for, such as leisure and other community facilities

As the council already allocates a significant amount of its CIL collection to Oxfordshire County Council for education, transport, libraries and household recycling centres and to public healthcare infrastructure supported by the Integrated Care Board (ICB), projects that fall under the responsibility of the county council or the ICB, will not be eligible for funding under the CIL pilot grant fund scheme.

7. As part of the 2023/24 budget setting process, approved in February 2023, an allocation of £750,000 was added to the council's provisional capital programme to support a pilot scheme to enable third party organisations to

apply for funding to enable the delivery of infrastructure projects that meet the CIL spending criteria and support the corporate objectives of the council. The pilot CIL grant fund policy, as set out in appendix one, will bring forward a scheme to open this fund to eligible organisations to seek funding towards infrastructure projects which will be assessed and prioritised against the criteria set out in the policy.

8. The main consideration for the policy is compliance with the CIL spending regulations which state:

*The levy can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities. This definition allows the levy to be used to fund a very broad range of facilities such as play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare facilities, academies and free schools, district heating schemes and police stations and other community safety facilities.*

*Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed.*

*The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure if that is necessary to support development.*

Whilst the policy enables this CIL allocation to be made available for applications by other organisations, the requirements set out above still apply and only projects that fulfil this requirement can be considered under this scheme. Therefore, only projects that deliver new infrastructure or expand the capacity or reach of existing facilities, can be considered for this scheme.

9. Another key consideration for the pilot scheme, as a result of discussion with council's community enablement team, was the need for this to compliment the council's existing capital grants scheme. The capital grants scheme currently allows for applications of up to £75,000 which has helped to inform the minimum funding limit for the pilot CIL grant fund. This will also encourage schemes of a suitable scale that are likely to provide a wider benefit to the community than smaller, more localised schemes for which the strategic CIL allocation is not intended to support. Scheduling of the opening of the scheme will also fit around the capital (and other) grants schemes.

10. Other key aspects of the pilot scheme are:

- Funding is restricted to projects where the CIL allocation being applied for is the final or only funding element. This is to ensure that funding is only awarded to deliverable projects and is used in accordance with the CIL regulations i.e. for provision of infrastructure. Whilst funding requested can include preliminary costs that can be capitalised as part of the infrastructure project, this must form part of an application for the overall project delivery phase.
- Projects that are already fully funded are not eligible to apply for the scheme.

- The application process is split into two phases. An initial expression of interest (EOI) process will ensure that only eligible projects are invited to progress to the full application stage. This will help to minimise resourcing implications and prevent applications from being fully worked up if they do not meet the basic eligibility criteria of the scheme.
- The EOI process is to be managed directly by the Infrastructure Obligations Team. Full applications are to be submitted through the Community Enablement Team’s grant funding system, but will again be assessed by the Infrastructure Obligations Team prior to recommendations for funding awards being made to the relevant cabinet member for determination.
- Details of all funding awards and subsequent delivery of these projects will be recorded in the council’s statutory annual infrastructure funding statement.

**Options**

11. Other options considered alongside the scheme are set out in the table below:

<b>Option</b>	<b>Reason for rejection</b>
Do not proceed with a scheme to allow third parties the opportunity to benefit from an allocation of CIL funding.	<p>Whilst the council has no obligation to allow for the strategic CIL allocation to be made available to other organisations, this is not excluded by the regulations and funding for this purpose has been included in the provisional capital programme as part of the approved budget.</p> <p>It is also recognised that ability to provide the required infrastructure may not fall within the ability of the district council and working in partnership with other organisations will help deliver such projects.</p>
Use CIL to replace, or add to, the current funding source for the council’s capital grants scheme.	Use of the strategic CIL allocation must be for provision of infrastructure and therefore cannot be considered as available for use on all capital projects. For CIL to be used as a funding source for third parties to apply for, allocation to projects that meet the CIL spending regulations is an essential requirement and the scheme would need to be designed accordingly.
Ringfence funding so that it is only available for schemes that are already	At present, a pre-identified list of schemes does not exist that could be

<p>identified as an infrastructure requirement to support development.</p>	<p>used for this purpose. However, the new Infrastructure Delivery Plan and leisure studies, that will form part of the upcoming Joint Local Plan, or a review of neighbourhood plans, may present a future opportunity for this opinion to be considered.</p>
<p>Proceed with a scheme with lower funding limits</p>	<p>A lower funding limit would be more likely to encourage applications for schemes that do not fulfil the CIL spending regulation requirements or that may achieve a narrower benefit than is intended for the use of the strategic CIL allocation. However, the scheme does allow for applications under the lower funding limit to be considered if it can be demonstrated that the project will deliver the outcome required by the CIL regulations.</p>
<p>Only allow funding to be awarded for projects that are also being funded by the neighbourhood CIL allocation which is paid to town and parish councils.</p>	<p>A requirement for this would be likely to make the scheme too restrictive and preclude organisations other than town and parish councils from applying to the scheme. Also, whilst the level of neighbourhood CIL is a good indication of the scale of development in an area, the infrastructure to support that growth may not necessarily be delivered within that town or parish area or, the neighbourhood allocation may already be fully committed to other meaningful projects.</p> <p>The scheme should not be considered as a means to ‘top-up’ the neighbourhood allocation, unless the intended project can demonstrate that it has a wider reach than its immediate locality.</p>
<p>Agree a longer-term CIL grant fund policy</p>	<p>Whilst every consideration has been given to produce a policy that covers all eventualities and achieves the desired benefits, there are many factors that may affect the overall suitability of the scheme which, by operating a pilot scheme in the first instance, will allow for changes to be made to future policies to improve the</p>

	<p>operation of subsequent schemes.</p> <p>At present, there is also only funding allocated for a pilot scheme and any possible future allocations for subsequent schemes would be dependent on funding availability, changes in regulations and/or priorities and on evaluation of the outcomes of the pilot scheme.</p>
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12. The CIL spending strategy could be reviewed, and the current allocations as set out in point six of this report, be amended to reappropriate the direction of the funding. This option will be considered alongside the new joint local plan to understand if there are opportunities to make closer links between the new Infrastructure Delivery Plans and the spending strategy.

### Climate and ecological impact implications

13. Whilst CIL is not a funding source designed specifically to deliver green infrastructure or enhance other infrastructure, this pilot CIL grant scheme will help the council support nature recovery and deliver its Climate Action target of being a carbon neutral district by 2030. As a result of this, part of the assessment criteria is specifically reviewed against the environmental implications of the proposed project and is weighted accordingly.
14. Any projects which do not minimise energy use and carbon emissions, or have a detrimental effect on nature recovery, may not be appropriate for council funding, and this will be reflected in the scoring.
15. The council is also running a CIL funding pilot scheme for biodiversity infrastructure projects through the Trust for Oxfordshire’s Environment (TOE), where an allocation of £50,000 has been approved to support projects eligible under the CIL spending criteria and recommended by TOE. Larger scale biodiversity projects or projects which improve public access to green spaces may be eligible for this pilot scheme, but recommend any initiative that is put forward for this scheme is aligned with local or county-wide nature recovery strategies and plans.

### Financial Implications

16. Any council decision that has financial implications must be made with the knowledge of the council’s overarching financial position. For South Oxfordshire District Council, the position reflected in the council’s medium-term financial plan (MTFP) as reported to full Council in February 2023 showed that it is due to receive £644,000 less in revenue funding than it plans to spend in 2023/24 (with the balance coming from reserves), with this budget gap expected to continue in future years. However, there is great uncertainty over this caused by a lack of clarity from government.

17. The future funding gap is predicted to increase to over £8.5 million by 2027/28, based on current cautious officer estimates of future funding levels. Whilst it is anticipated that overall funding for the council will remain relatively unchanged in 2024/25, the lack of certainty on future local government funding from 2025/26 onwards means the level of funding, and the resulting estimated funding gap, could be significantly different from current officer estimates in either a positive or negative way. Every financial decision, particularly those involving long-term funding commitments (i.e., those beyond 2024/25), needs to be cognisant of the potential for significant funding gaps in future years.
18. The operation of, and award of the allocated funding through the pilot scheme will not impact on the council's funds received from the taxpayer. The funding allocation is fully funded from CIL receipts and all officer time in delivering the scheme will be covered from the administration proportion. However, award of funding to other organisations will reduce the funding available to the district council for its own future infrastructure projects.
19. Including the £750,000 allocated for the CIL pilot grant fund scheme, the council has allocated CIL funding totalling £7,304,736 across 46 projects. The projected profiled end of year CIL balances of the 30 per cent allocation retained by the district council over the medium term is set out in the table below:

<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
£7,292,266.70	£5,942,266.70	£7,085,266.70	£8,309,266.70	£9,533,266.70

It should be noted that the figures above are based on an estimation of CIL receipts over the stated period and does not include any allocations towards future projects or existing projects that may require additional funding in order to be delivered.

20. Based on CIL receipts for the district council's retained allocation over the previous 12-month period, totalling £1,597,777, the £750,000 allocation for the pilot scheme represents 47 per cent of the annual collection. Consideration for future funding schemes will need to review if an allocation at the same level secured for the pilot scheme would be sustainable.
21. Organisations who do not accept the funding award offer within four weeks, will have the offer withdrawn making the funds available to the next highest scoring application(s) that were not awarded funding at the initial assessment phase. This will also apply to funding awards where the project does not progress, or the funding agreement is not signed. If there are no further qualifying projects, funds will be returned to the allocation for the CIL pilot scheme for consideration for inclusion in future schemes or returned to the wider district council CIL pot.
22. The scheme will have resourcing implications for the Infrastructure Obligations Team and other teams within the council in terms of operating the fund and monitoring projects once funding has been awarded, details of which will be reported in the council's statutory infrastructure funding statement. The resourcing costs will be covered by the five per cent CIL administration allocation.

## Legal Implications

23. The Government has consulted on a replacement for CIL with a differently formulated Infrastructure Levy which if introduced could necessitate a cessation or change of this proposed CIL pilot scheme.
24. Irrespective that this is proposed to be a grant scheme it is effectively the spending of CIL monies and subject to the same restrictions, with there being some nexus to development in its area. Therefore, it must be ensured that all and any projects to be successful in attracting this grant are for the provision of infrastructure that will mitigate the effect of/supports existing or planned new development in its area. Areas where there has been and is to be no new development will not be eligible for this grant scheme.
25. Due to the nature and type of projects likely to come forward for this funding scheme and the usage restrictions of CIL, award of funding through pre-agreed terms and conditions will not be possible. Instead, funding will be awarded through third-party funding agreements which will set out the terms for the use of the award and process for release of these, which may vary from project to project.
26. The Infrastructure Obligations Team are also responsible for funding awards of Section 106 (S106) contributions to other organisations. Template funding agreements are in place for larger funding awards which will form the basis for the third-party funding agreements for the pilot CIL grant scheme.
27. When submitting the application, applicants must confirm they have their organisation's authority to make the funding application. Applicants will also have to confirm that they have all of the relevant permissions in place such as planning permission, landlord consent etc. Failure to do this will mean the application is not valid and will proceed no further.
28. There may be subsidy control implications of awarding some grants. Subsidy control considerations arise whenever public funds will provide organisations with an 'advantage' over their competitors for example, if an award given to one organisation to expand their business gave them a commercial advantage over another. However, given that only not for profit organisations and town or parish councils can apply to this scheme this is unlikely, but the application will include questions that will enable officers to assess whether subsidy control is applicable and take the appropriate action.

## Risks

29. The main risks associated with proceeding with the pilot CIL grant fund are:
  - a) Whilst every consideration has been given to creating a scheme that will attract and support suitable projects from both a CIL eligibility and corporate priority perspective, there is a risk that the policy be either too open, leading to numerous applications that may not qualify for funding, or too restrictive, leading to very few applications being submitted. This risk is mitigated by introducing the scheme in a pilot format so that revisions can be made based on actual experience should funding be allocated for



future schemes. The policy also allows for minor amendments to the scheme to allow some flexibility whilst in progress.

- b) The scheme has been introduced in a pilot format and is a non-statutory requirement. There is no confirmation that future allocation of CIL will be approved for future funding schemes. If future schemes do not come forward, this may be due to the outcome of the pilot scheme, lack of funding availability based on other district council projects coming forward, a reduction of CIL income or changes to CIL regulations or the councils CIL spending strategy. Implications of the perception of the non-provision of future funding rounds, should be considered when approving the pilot CIL grant scheme.
- c) The intention of the use of the strategic CIL allocation is to provide the infrastructure necessary to support the existing and planned future growth of the district. Whilst the CIL spending regulations do not restrict the use of the strategic allocation to delivery of infrastructure that will support future development as set in the Infrastructure Delivery Plan, there is a risk that if the funds are not used wisely, that planned development may be adversely impacted by lack of the required infrastructure being in place. However, this is mitigated due to the relatively modest allocation for the pilot CIL funding scheme in relation to the overall balance retained by the district council and allocations to the county council and public health care providers, coupled with there being no restriction against such a funding scheme in the regulations.
- d) The funding must be used for provision of infrastructure required to support the development of the area. There is a risk that by awarding funding to third-party projects where the district council has no control over delivery, that funding be spent but the infrastructure projects do not reach completion. Mitigation is in place for this eventuality by restricting funding applications to only the delivery phase of projects and through the terms included in the third-party funding agreements, which will include clawback provisions. Evidence will also be required to be provided to ratify the deliverability of each project. For larger funding awards where a build programme is in place, it is likely that funding will be released in accordance with the programme and in proportion to the funding awarded against the overall project cost.

30. It is acknowledged that other risks may materialise as the scheme progresses. Measures will be put in place to mitigate against these if and when they arise.

### **Other implications**

- 31. We have considered our public sector equality duties under the Equality Act 2010 and the Public Sector General Duty, and have developed the pilot CIL grant scheme policy to actively encourage applications for schemes that can demonstrate that full consideration has been given to inclusivity as part of the project proposals and also for schemes that safeguard and promote the welfare of children and adults with care and support needs.
- 32. Whilst restricting the funding availability to only projects that are eligible for delivery using CIL funding, the scoring criteria prioritises projects that support

the council's aspirations, benefit the whole community and that are both deliverable and sustainable.

## **Conclusion**

33. Amongst the benefits of the proposed CIL Grant Fund Pilot scheme, this will:

- Support increased infrastructure demands placed on the community by growth in the area by allowing approval of funding towards projects that are not within the remit of the district council to provide directly.
- Act upon the council's corporate priorities, in particular, 05 - Homes and Infrastructure that meet the local needs.
- Inform the potential for future CIL funding allocations to be made available to other organisations.

34. The key aspects of the policy, associated risks and alternative options are set out in this report. There are identified risks, and other options available to the council and Cabinet are invited to consider if there is sufficient mitigation against the risks and if, on balance, it considers there to be greater benefits overall to approve and progress with the pilot CIL grant scheme in accordance with the appended policy.

35. Cabinet are invited to:

- a) Consider all aspects of this report and the detail of the CIL pilot grant scheme policy in assessing whether it wishes to progress with the scheme.
- b) If in support of the policy, to approve the CIL Grant Fund Pilot Scheme Policy and delegations set out in this report to enable the progression of the scheme.

# Appendix 1



## Community Infrastructure Levy Pilot Grant Fund Policy for Delivery of New Infrastructure or Expansion of Capacity of Existing Facilities

### Overview of Community Infrastructure Levy spending requirements

The Community Infrastructure Levy (CIL) is collected by South Oxfordshire District Council from developers of liable sites and can be used to mitigate the cumulative impact of development on communities. The 'infrastructure portion' is the remaining balance after town and parish councils have received the 'neighbourhood portion' of the CIL income, and the district council, as the CIL charging authority, has retained five per cent for administering the process.

The infrastructure portion of the levy can be used to fund a wide range of infrastructure, including (but not limited to):

- transport
- flood defences
- schools
- hospitals, health and social care facilities
- play areas, parks and green spaces
- cultural and leisure facilities
- district heating schemes
- police stations and other community safety facilities

This flexibility gives local authorities the opportunity to determine which infrastructure they need to deliver, providing that it supports the development in their area. In addition to new infrastructure, the levy can also be used to increase the capacity of existing infrastructure, or to repair existing infrastructure where that is failing, if that is necessary to support development.

The district council allocate the infrastructure portion through its [CIL Spending Strategy](#) as follows:

- 50 per cent to Oxfordshire County Council for transport, education, libraries and household recycling centres
- 20 per cent for public health care infrastructure
- 30 per cent retained by the district council for infrastructure that it is responsible for, such as leisure and other community facilities.

### The CIL Pilot Grant Fund scheme

As part of the 2023/24 budget setting process, South Oxfordshire District Council has allocated £750,000 from its 30 per cent proportion towards a CIL grant fund pilot scheme

to support other eligible organisations deliver projects for provision, expansion or improvement of infrastructure to support the growth the district.

As the council already allocates a significant amount of its CIL collection to Oxfordshire County Council for education, transport, libraries and household recycling centres and to public healthcare infrastructure supported by the Integrated Care Board (ICB), projects that fall under the responsibility of the county council or the ICB, will not be eligible for funding under the pilot CIL grant fund scheme.

The fund may only be used to support the actual delivery of physical infrastructure schemes where the project is for new provision or expansion of the capacity or reach of existing facilities and is not able to cover costs for scoping or pre-planning of projects.

The initial CIL grant fund is a pilot scheme which will be open to town and parish councils and constituted not for profit community groups and organisations. Applicants will be able to submit a bid for between £75,000 and £250,000 and will be required to show what percentage of the overall costs the CIL contribution will represent. In exceptional circumstances, where a project can demonstrate significant benefits to the community, consideration may be given to funding requests above or below the funding thresholds, subject to prior approval by the relevant head of service.

<b>Process Summary</b>
Advance notice publicity and call for Expressions of Interest (EOI) – 6 weeks.
EOIs assessed by officers on receipt. EOIs for approval and rejection checked with CIL Member Working Group in an advisory capacity. Successful EOI applicants invited to submit full application once fund formally launched.
Formal launch – giving 6 weeks to submit application from approved EOI's.
Assessment by officers using scoring criteria. Projects recommended based on best scoring projects, up to the total fund value of the fund.
Individual Cabinet Member Decision (ICMD) to award funding and delegate authority to officers to enter into funding agreements, by the relevant Cabinet member.
Applicants advised outcome of application
South Oxfordshire District Council and successful applicant(s) enter into a third-party funding agreement setting out the process for release of funding and project monitoring, prior to release of funds.

**1. Advance notice**

The funding round will be promoted in advance of the call for applications, and EOI's will be invited during the advance notice period.

Promotion of the advance notice will be through the use of a range of communication channels including:

- Local media press release
- Social media

- Council website
- Town and Parish Council News
- Member Newsletter
- Infrastructure Implementation Officers

Communications will include access to guidance and an EOI template to enable potential applicants to make an early assessment of whether they have a suitable project and help guide the information they provide in their EOI.

## 2. Assessment of EOIs

EOI's will be assessed on submission. This will be undertaken by officers in the Infrastructure Obligations Team using pre-determined assessment criteria.

The EOI assessment criteria is based on:

- a) Ensuring the applicant body is eligible, i.e., constituted community groups, not for profit organisations.
- b) Ensuring the proposed project will provide physical infrastructure that supports development, as required by the CIL Regulations and defined by the Planning Act 2008, through new provision or expansion of the capacity or reach of existing facilities.
- c) Eligible costs, which may include materials, labour, specialist and inspection fees and project management costs.
- d) Support one or more of the council's corporate priorities as set out in the [corporate plan](#).
- e) Confirmation that the project will be fully funded if the CIL application is approved including details of any other funding sources. EOIs will need to set out what other funding resources are being explored in support the project and whether an approach has been made. Further detail and confirmation of secured match funding will be required at full application stage. Projects will not be eligible if they are already fully funded.
- f) Relevant permissions are in place, or in the process of being sought, including planning and landowner permission if required.
- g) Project due to commence within 24 months of the proposed funding approval timeline.
- h) Projects that make a positive contribution to the climate and ecological emergency, and supports the delivery of the district council's net-zero emissions target and inclusivity requirements.

If there is any uncertainty around a projects' fit with any of the criteria, the Infrastructure and Development Team Leader will consult the CIL Member Working Group in order to make a decision on whether the project should be invited to progress to full application stage or not.

The list of projects to be rejected, or invited to submit a full application, will be shared with the CIL Member Working Group.

The Infrastructure Obligations Team will write to the EOI applicants at the end of the EOI stage, either inviting them to submit a full application (once launched) or explaining the reason why an application will not be accepted.

EOI forms and guidance can be made available in accessible formats and support be given in the completing the EOI process.

### 3. Application process

Successful EOI applicants will have six weeks to submit a full application for which, a deadline date will be given.

A standard application form will be used, and guidance notes provided to assist applicants in completing the form. This online form will be submitted and recorded through the council's grants system. Application forms and guidance can be made available in accessible formats and support be given in submitting applications.

### 4. Decision making process

As applications will only be received for projects successful at the EOI stage, all applications should pass the basic eligibility checks. However, further eligibility checks will be undertaken again to ensure no fundamental changes have been made to the project since submission of the EOI. The following will be considered invalid:

- Projects which did not go through the EOI process or where the details of the project vary significantly to what was provided at the EOI stage.
- Projects for which an application has not been submitted in the correct format, i.e. on the formal application form with any supporting information, as set out in the guidelines.
- Projects where the applicant does not have the legal right to carry out the proposed activity, including confirmation of land ownership or, where applicable, formal landowner or planning permission for the project to be delivered.
- Projects that cannot be defined as infrastructure to support development, or where the funding sought is not for the project delivery phase.
- Projects that have a negative impact on the climate and ecological emergency, and do not support the delivery of the district council's net-zero emissions targets. Projects that do not meet the council's climate emergency action or inclusivity criteria.
- Applications where funding is unable to be awarded due to subsidy control regulations.

All valid applications will be assessed by officers against the full application criteria. Applicants will have one opportunity to answer any queries officers have or provide further clarification where required.

The following criteria will be used to assess full applications:

- Supporting the Local Plan / neighbourhood plans and corporate priorities – projects will be scored more favourably the clearer they can demonstrate local engagement and support for the project, including partnership working, fit with the South Oxfordshire Local Plan, Neighbourhood Plans (if applicable) and the council's corporate priorities.
  - Evidence of need – economic, social, environmental
  - Fit with adopted neighbourhood plans and/or Local Plan
  - Partnership Working – evidence of working with other groups/organisations with the relevant expertise, where this would be necessary to successfully deliver the scheme
  - Local support – Local member, parish/town council, public engagement and other groups/organisations.
- Project reach, impact and inclusivity:

- Projects that demonstrate the benefits the project will cover a wide geographical area and demographic will score higher than more localised projects that support a narrower sector of society.
  - All projects must demonstrate that full consideration has been/is to be given to inclusivity.
  - Where the project is for built infrastructure, an accessibility audit, that ensures that buildings and services are accessible to everyone and help organisations address accessibility barriers and create inclusive environments, will be required. The costs of which can be included as part of the funding request.
  - Where appropriate, schemes should safeguard and promote the welfare of children and adults with care and support needs.
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- Delivery timeframe – will achieve a better score for quicker commencement and delivery of the project. The rationale for this is that if a project is not in a position to start delivering relatively quickly, then support from possible future CIL funding rounds or other funding sources may be more appropriate.
  - Project costs – Applications must provide details of quotes and/or tendering process to demonstrate value for money. However, higher costs can be justified if they offer the most environmentally sustainable option. We expect due consideration of the climate and ecological impacts of purchasing decisions, such as the carbon footprint of service delivery, goods manufacturing and provision of works. A justifiable contingency can be considered as part of the funding request.
  - Funding – it is expected that all projects should have some match funding, in order to make the most of the CIL funding available. However, applications requesting 100 per cent support from the CIL fund will not be excluded.
  - Deliverability and sustainability:
    - Are project governance and management arrangements in place and responsibilities clearly set out?
    - Have realistic project risks and constraints, and appropriate mitigation, been identified?
    - Are any permissions required in order to deliver the project, i.e. planning, landowner, building control, and if so, are these in place or in the process of being obtained? Details of this should have been demonstrated through the EOI process.
    - Do the project delivery timescales seem realistic in consideration of certainty of costs, and any permissions or funding applications outstanding?
    - Where there are ongoing maintenance requirements for the project once delivered, are arrangements and/or funding in place for this?
  - Action on the climate and ecological emergency:
    - How is the project minimising energy use and carbon emissions, or generating renewable energy?
    - Has the project chosen the most sustainable materials and climate friendly options for the project?
    - Where the project involves built infrastructure, has this received an energy audit and followed the energy hierarchy to reduce the carbon emissions from the project?
      1. Reduce energy use – for example installing high levels of insulation and efficient glazing.
      2. Use energy efficiently – for example LED lighting or low carbon vehicles.

3. Use renewable energy sources – such as solar energy or other low carbon energy sources.
- Has the project been designed following best practise and in consultation with relevant experts?
  - Has the project got a robust management plan to maintain any climate or ecological interventions in the long term?
  - Does the project fit with recognised county-wide or local strategies towards climate and nature recovery?

With reference to the listed criteria, officers will score all applications using the scoring matrix set out in Appendix A. Projects will then be ranked and funding awarded to highest scoring projects up to the value of the available fund.

Any projects that score '0' in any category or that score less than 21 points overall, will automatically not be recommend for support.

Projects recommended for approval will be selected based on highest to lowest score, until the amount of funding requested totals the amount of funding available.

Where a project is recommended for approval, one of the following three will apply:

- Approve the total amount of money requested in line with the application.
- Approve a smaller amount of money than that requested (provided the applicant has indicated that they could accept a lower amount and the project still be deliverable).
- Approve the application subject to certain conditions.

An Individual Cabinet Member Decision (ICMD) containing a summary of all the projects for approval (and those not recommended for approval) and delegation to officers to enter into a funding agreement to award the funding, will be produced for approval by the relevant cabinet member.

The ICMD will be recorded in writing and published in accordance with Council's usual procedures, including the reasons for approving or declining the recommendations.

Applicants will be informed of the outcome as soon as possible after the decision is made. Unsuccessful applications will be provided with constructive feedback, and invited to reapply at a future funding round, if appropriate.

## **5. Funding Agreements**

A third-party funding agreement will be customised for each successful project, which will set out monitoring and reporting requirements, conditions and arrangements for the release of funding. This could include staged payments to be released on reaching project milestones.

Due to the likely diverse nature of projects to be supported and spending restrictions set out by regulation, it is not possible to award funding through standard terms and conditions.

## **6. Payment**

Payments will be made in accordance with the council's standard payment terms and as set out in the third-party funding agreements.



CIL funding awarded through this scheme must be spent within the timeframes set out in the funding agreement. In very exceptional circumstances where a larger, more complex project is being supported, and it can be clearly demonstrated that it would not be possible to complete the project within the agreed timeframe, an extension to the timeframe may be considered.

### 7. Project Progress Reporting

Project progress reports will be required with successful award but will be dependant of the scale and type of project and will be set out in the relevant third-party funding agreement. Where project development work is still required ahead of project delivery commencing, regular reports will still be required to evidence progression.

The funding agreement will set out the reporting frequency and content for each project. Reports will be submitted to and monitored by, the Infrastructure Obligations Team, with any significant project deviations being reported to the CIL Member Working Group.

A completion assessment will be undertaken by the Infrastructure Obligations team at the end of each project to ensure the project has delivered that which CIL funding was awarded for.

### 8. Illustrative timeline of the process

The scheme is anticipated to commence in January 2024 and follow the indicative timeline below. These timescales are to be considered as a guide and may vary depending on the number and type of EOIs and applications received.

Activity	Duration
Advance notice publicised	2 weeks
EOIs available to be submitted	4 weeks
Assess EOIs	2 weeks from EOI deadline date
Invite applications from agreed EOIs	6 weeks
Assessment of applications, clarifications/missing information sought	8 weeks approx.
Recommendations made and applications determined by Individual Cabinet Member Decision	8 weeks approx.
Applicants advised of decision	With 2 days of decision with acceptance of offer required within 4 weeks
Third-party funding agreement be formally instructed (to be drafted alongside approvals process)	2 days of acceptance of offer
Draft third-party funding agreement to be sent to application	4 weeks from Instruction
Release of funding	In accordance with the third-party funding agreement

## Appendix A – Scoring Matrix

Score	A – Supporting the local plan, neighbourhood plans and the council’s corporate priorities	B - Project reach, impact and inclusivity	C – Project start	D - Costs	E - Funding	F – Deliverability and sustainability	G – Action on the climate and ecological emergency
9	Project supports the infrastructure requirements identified in the Local Plan.	Project demonstrates positive district-wide impact and full consideration for inclusivity. For built infrastructure, an accessibility audit is a statutory requirement.	within 6 months.	Quotes provided for all costs.	Other funding sources of at least 50 per cent of full project cost in place.	Project plan, governance, permissions and self-funding maintenance programme all in place.	An exemplar project which makes significant contributions to local or county-wide strategies, with positive, long-term impacts on climate change or nature recovery.
6	Project supports the infrastructure requirements identified in relevant neighbourhood plan(s).	Demonstration of positive impact in the locality of the project and a wide surrounding area and full consideration for inclusivity. For built infrastructure, an accessibility audit is a statutory requirement.	within 6-12 months.	Quotes provided for some costs, with remainder estimated.	Other funding sources of 25 to 50 per cent of full project cost in place.	Project plan, governance, permissions and funded maintenance programme all in place.	Project takes appropriate steps to minimise carbon emissions through all planning and delivery stages, with some long-term outcomes to tackle climate change and/or nature recovery.
3	Project supports 2 or more of the council’s corporate priorities.	Demonstration of positive impact in the locality of the project and immediate surrounding areas and full consideration for inclusivity. For built infrastructure, an accessibility audit is a statutory requirement.	within 12-18 months.	No quotes but estimates based on industry standard.	Other funding sources of up to 25 per cent of full project cost in place.	Project plan and funded maintenance programme in place, governance and/or permissions in progress.	Project has considered its impact on the climate and ecological emergency and includes some appropriate actions to minimise any negative impact. Focus is not tackling the climate emergency, but outcome provides some benefits to support this challenge.
1	Project supports 1 of the council’s corporate priorities.	Demonstration of positive impact but limited to the immediate locality of the project and full consideration for inclusivity. For built infrastructure, an	within 18 - 24 months.	Estimated costs only (not industry standard).	CIL fund allocation to deliver 100% of the project cost.	Project plan in place and maintenance programme, governance and/or permissions in progress.	Project has a minimal effect on the climate and ecological emergency, and has minor mitigation in place.

## Appendix A – Scoring Matrix

Score	A – Supporting the local plan, neighbourhood plans and the council’s corporate priorities	B - Project reach, impact and inclusivity	C – Project start	D - Costs	E - Funding	F – Deliverability and sustainability	G – Action on the climate and ecological emergency
		accessibility audit is a statutory requirement.					
<b>0</b>	Project does not support the local/ neighbourhood plans or any of the council’s corporate priorities	No demonstration that project supports development of the area or consideration to inclusivity.	longer than 24 months.	No quotes/ estimates or justification for costs.	Not demonstrated the project is fully funded with the requested CIL allocation OR, the project is fully funded without the CIL request.	No evidence of project plan, governance arrangement and ongoing maintenance programme.	No consideration to, or negative effect on the climate and ecological emergency.
<b>Pass / Fail</b>	Is the project for delivery of physical infrastructure that is required to support housing development through new provision or expansion of the capacity or reach of existing facilities.						

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