



## **LOCAL INFRASTRUCTURE FUND APPLICATIONS: PROPOSALS FOR FUNDING**

**Cllr R Tate, Cabinet Member for Finance, Service Delivery  
and Improvement**

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<b>Report to</b>	<b>Portfolio Holder report for decision</b>
<b>Ward(s):</b>	All
<b>Key Decision:</b>	Yes
<b>Appendix 1:</b>	Summary of LIF Awards to Date
<b>Appendix 2</b>	Summary of Applications Received and Recommendations for Funding
<b>Papers relied on:</b>	<b>Local Infrastructure Fund application forms and supporting documentation</b> <b>Local Infrastructure Fund scheme criteria</b>

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### **Foreword - Cllr R Tate, Cabinet Member for Finance, Service Delivery and Improvement**

Applications to the Local Infrastructure Fund continue to highlight the investment requirements to support the wide variety of community facilities that serve people across the borough. While New Homes Bonus continues to provide the source funding, that underpins LIF, the council is able to address some of this need. Investment can be directed where it will make most difference and there is evidence that this impact will be sustained.

I am pleased to support the recommendations made in this report, which will contribute to making this sustained difference. Of particular note are the number of projects that focus on improving access and widening participation and the amount of funding from other sources that has been secured to support these initiatives.

#### **Recommendation to Portfolio Holder**

- **Funding of up to £410,000 is released from available Local Infrastructure Fund monies for the projects recommended as 'Award' in the table in Appendix 2 of this report, subject to the conditions set out in the standard LIF funding agreement.**

- **Funding of up to £168,200 is released from available Local Infrastructure Fund monies for the projects recommended as ‘Conditional Award’ in the table in Appendix 2 of this report, subject to the additional conditions set out in the table.**

## **Background, corporate objectives and priorities**

The Local Infrastructure Fund (LIF) is funded by the New Homes Bonus (NHB). The council has allocated the majority of the NHB received to improving infrastructure, 20% of which supports the LIF grant scheme. This funding is allocated according to procedures agreed by Cabinet on 16 February 2016 (Decision Number KD962 CSDI – link to Cabinet report is [here](#)) and updated in August 2018 (link to Portfolio Holder report [here](#)).

This report accords with the council’s Budget and Policy framework and directly supports the Council Plan priorities through recommendations to support projects that provide sustainable community infrastructure that make the most difference to local residents.

There are currently two LIF application rounds each year and this report considers proposals received in the most recent round, which closed on 16 January 2019.

## **Glossary of terms**

<b>Term</b>	<b>Definition</b>
LIF	Local Infrastructure Fund
CIL	Community Infrastructure Levy

## **Main considerations**

### **1 Executive summary**

- 1.1 This report presents recommendations for funding in response to 17 applications received for the eleventh round of the Local Infrastructure Fund programme, with combined grant requests totalling £1,166,800.
- 1.2 The total fund currently available for allocation, following previous awards made, stands at £1,660,918. For context, a summary of the awards made to date is provided in Appendix 1.
- 1.3 As previously agreed in the Cabinet report referenced above, the funds available are no longer ring-fenced to specific parishes or town centre wards according to the amount of New Homes Bonus generated in those areas between 2009 and 2014. A new system is now in place, as set out in the Portfolio Holder Report referenced above, in which additional points have been added to core criteria scores to reflect the level of housing development in wards over the last five years.
- 1.4 It was also agreed that the Neighbourhood Fund element of any Community Infrastructure Levy (CIL) generated in the unparished, town centre wards

would be drawn down alongside LIF where an appropriate project is approved for funding in the relevant ward. No such sums have been identified on this occasion.

- 1.5 All applications have been assessed according to agreed criteria and recommendations for funding are shown in Appendix 2. If these recommendations are approved in full £578,200 will be released to support 13 projects that will significantly improve a range of community and recreation facilities, play areas and open spaces and lever in £843,050 of partnership funding from a variety of public and private sources.

## **2 The proposal**

- 2.1 It is proposed that the Portfolio Holder considers the information in this report and approves the recommended allocation of funding set out in Appendix 2, Section A, with a total value of £410,000. These nine projects have been assessed as meeting the five key LIF criteria of community need, community support, sustainability, deliverability and value for money, are supported by ward members and, where applicable, parish councils and have full partnership funding in place. Funding is available to support all of these recommendations.

- 2.2 In addition the Portfolio Holder is asked to consider the recommendation of conditional awards set out in Appendix 2, Section B, with a total value of £168,200, for which funding is also available. These have been assessed as meeting the five key criteria and have ward member and parish council support, but with certain issues that need to be addressed:

- In the case of Newnham Clubroom and Ramsdell Village Hall, there is an element of risk due to partnership funding not being fully secured at this stage, although officers believe that council support is likely to unlock additional funding. It is therefore proposed that conditional offers should include a fixed time limit in which partnership funding must be raised;
- In the case of Kingsclere Community Association, it is proposed that a small grant is awarded to allow the Association to carry out a feasibility study to fully cost works that have currently been identified only at a high level and to prioritise them in relation to community need, so that well-developed funding applications can be made to the council and other funders in future;
- In the case of Basingstoke Town Bowling Club it is proposed to award a lower grant to cover only those improvements that are eligible and that will not incur an on-going maintenance liability on the council.

- 2.3 Those projects listed in Appendix 2, Section C have been assessed as not fully meeting the five key criteria and funding is not recommended at this time. Applicants will be given feedback as shown in the table regarding a future application.

### **3 Key issues for consideration**

- 3.1 A total of 19 applications were received and all were eligible for funding under scheme criteria. Two applications were withdrawn during assessment as proposals were not sufficiently well developed; they are likely to be resubmitted by the next deadline. With grant requests totalling £1,168,800 and current LIF allocation standing at £1,660,918 there is sufficient funding available to support all of the remaining requests.
- 3.2 Assessment has been carried out according to published criteria, with additional input from officers across the council to ensure a joined-up approach that evaluated each scheme against policy and identified need as well as identifying potential availability of s106 developers' contributions and CIL in relevant areas. For projects involving council owned property consideration was given to ensuring no additional ongoing maintenance obligations would fall to the council. Final moderation was carried out with the Head of Borough Development and Implementation.
- 3.3 All applications with a final score above the threshold for funding following moderation, and with no issues that might impact delivery, are being recommended for award, as shown in Appendix 2, section A.
- 3.4 Applications with a final score above the threshold for funding, but with issues identified that can be addressed by imposing additional conditions, are recommended for conditional award, as shown in Appendix 2, section B.
- 3.5 Applications with a final score below the threshold for funding are not being recommended for award and further information about the issues identified during assessment is given in Appendix 2, section C. Feedback and further support will be given to these applicants.
- 3.6 Officers have identified £2,800 of s106 developer's contributions that should be available to support Dummer Parish Council's play area improvement project and £19,200 that could support the project at the Lime Pits, Old Basing. Should these LIF awards be approved, release of those s106 funds will be requested and the LIF grants will be reduced accordingly.
- 3.7 No CIL has yet been generated across the borough, so no additional funds are available to support any projects in the unparished town centre wards.
- 3.8 If all the recommendations set out in Appendix 2, Sections A and B are approved, a total of £578,200 will be released from LIF funds to support 13 projects across 10 wards. These grants will enable significant improvements to be made to a wide variety of community and recreation facilities, open spaces and play areas, supported by £843,050 of partnership funding from other sources.
- 3.9 If the recommended grants are awarded, a balance of £1,082,718 will be carried forward to the next application round, with decisions due to be made in September, although this may increase if the s106 sums outlined in 5.3 are released. In addition, the LIF fund will be increased by £377,000 in 2019/20 due to the allocation of New Homes Bonus.

## **Corporate implications**

### **4 Legal implications**

4.1 The provision of grant funding to third parties is a discretionary function and the council must have a statutory power upon which to exercise that discretion. The Localism Act 2011 introduces a power of general competence; providing local authorities with the power to do anything that individuals may generally do. It includes the power for council to make grant payments to third parties. In exercising its discretion, the council must consider all relevant factors, including the grant application forms. In determining whether to agree to award grant funding to a third party the council must also consider, amongst other things, whether the application meets the criteria for funding, value for money of the proposed work to be undertaken, the benefits of the proposal to the area.

All successful applicants will be required to complete a Funding Agreement to ensure compliance with the terms and conditions of the LIF

4.1 In order to ensure that value for money is obtained, the Organisation will be required to obtain four bids for any project above £75,000 which is also in line with the council's own Contract Standing Orders for procurement of Goods Works and Services.

Due to the value and nature of the LIF grants it is not considered to be economic activity that affects trade between member states and therefore does not fall under the State Aid regulations.

### **5 Financial implications**

5.1 The total amount of unallocated LIF funds reported to the Portfolio Holder in September 2018 was approximately £1.66million. Since that report, additional LIF funding of £10,000 has been approved for Sherfield Park Community Association and savings of £10,700 in respect of previous LIF allocations have been transferred back to the unallocated balance, which remains £1.66million.

5.2 The balance includes £1.65million which remains ring-fenced until March 2019 for areas that had housing growth up to October 2014. However, as the grants recommended for approval in this report will not be paid until after April 2019, all remaining LIF funds have been amalgamated into a single fund to support infrastructure needs in all areas.

5.3 If the recommended grants detailed in appendix 2 are approved, a total of up to £578,200 will be released from capital programme provisions into the main capital programme once any specific conditions attached to the projects have been met. However, this amount will be reduced by up to £22,000 if section 106 contributions are released to support Dummer Parish Council's play area improvement project (£2,800) and the Old Basing Lime Pits project (£19,200).

5.4 The unallocated LIF balance (£1.08million to £1.10million depending on use of section 106 funds) will be carried forward to the next application round.

5.5 In addition to the above balance, the LIF fund will be increased by £377,000 in 2019/20 due to the allocation of New Homes Bonus, pending confirmation of the budget at full council.

## **6 Risk management**

6.1 A risk assessment has been completed in accordance with the council's risk management process and has identified no significant (Red or Amber) residual risks that cannot be fully minimised by existing or planned controls or additional procedures.

## **7 Equalities implications**

7.1 When considering the Public Sector Equality Duty and the impact of the proposals on the protected characteristics groups (Equality Act 2010), it can be concluded that they are positive for all groups and no issues have been identified. The projects that are recommended for funding will significantly improve local community facilities and increase access by a wider range of people

## **8 Consultation and communication**

8.1 The LIF application process requires ward councillors to be consulted on their support for the proposals. All projects in this report have been presented to respective ward councillors. In addition, and where relevant, parish and town councils have been asked for their views on the proposals. The decision-making process for LIF involves consultation with the Portfolio Holder for Finance, Service Delivery & Improvement (following, where appropriate, consultation with any relevant ward councillors, Portfolio Holder/s and/or the Leader of the council). Articles on successful applications are included in Basingstoke & Deane Today and on the council's social media channels.

8.2 Assessment of applications has been made following consultation with officers from Community Investment, Community Regeneration, Community Support, Healthy Communities, Parks and Streetscene, Property, Planning, Regulatory Services, Legal Services and Accountancy.

## **Conclusion**

### **9 Summary and reasons for the decision**

9.1 This report presents applications received in the most recent round of the Local Infrastructure Fund and makes proposals for funding. The projects recommended for funding meet LIF criteria, are supported by ward members and, where appropriate, parish councils, and will enhance a range of community facilities across ten town centre and rural wards.

**Date: 6 March 2019**

**Decision taken by: Portfolio Holder**

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<b>Status</b>	Open
<b>Confidentiality</b>	It is considered that information contained within this report (and appendices) do not contain exempt information under the meaning of Schedule 12A of the Local Government Act 1972, as amended, and therefore can be made public.