

Revised City of London Community Infrastructure Levy Policy (Nov 2023)

Summary of key changes

1. Key changes to the CLINF Policy proposed in response to comments received through community consultation undertaken in September/October 2023 and suggested improvement to CILNF management and processes are:
 - a. Greater clarity has been provided to potential applicants on the scope of infrastructure improvements that can be funded through the Neighbourhood Fund (Clause 10) and the length of provision of maintenance costs (Clause 11).
 - b. Introduction for provision of funding for Access Audits (Clause 12) and the requirement for an access audit and consideration of its findings within all large funded CILNF infrastructure projects (Clause 57) to better embed equalities and inclusion requirements within the fund's criteria.
 - c. Expanded information for applicants to provide a clearer description of the breadth of activities that can be funded through CILNF (Clause 13).
 - d. Diversification of applications through the introduction of a 12-month fallow period for applicants who have received funding for five years (Clauses 16 and 43) to allow new applicants to be funded as demand for CIL Neighbourhood funding increases.
 - e. Alignment of the CILNF Policy with the updated City of London's Statement of Community Involvement approved by Planning and Transportation Committee in May 2023 (Clauses 18 and 22), the designation of the Barbican & Golden Lane Neighbourhood Area, the replacement of Regulation 123 Lists and the government's introduction of Infrastructure Funding Statements (Clause 26).
 - f. Adoption of eight community priorities to guide CILNF decision-making in line with community concerns and to address community identified challenges (Clause 20).
 - g. Introduction of three cross-cutting criteria endorsed by the City's communities to provide a transparent and equitable mechanism for decision-making between equally strong applications that meet community priorities (Clause 21).
 - h. Greater clarity has been provided to reinforce that only infrastructure projects or activity undertaken within the City of London and which benefit City of London communities are eligible for CILNF funding. This revision acknowledges that many organisations delivering activity and projects in the City of London are not necessarily based in the City of London (Clauses 23 and 34).
 - i. Greater transparency has been provided to potential applicants on the assessment of applications through the provision of a comprehensive list of eligibility and assessment criteria (Clauses 30 to 34, Clauses 38 to 40, Clauses 48 to 54 and Clauses 65 and 66).
 - j. Confirmation that grants can be awarded on the condition of receipt of planning and other consents in order to not unnecessarily delay the development of

important projects whilst retaining mechanisms to assure the successful delivery of funded projects (Clause 49).

- k. Clarification that applications for large infrastructure projects in excess of £100,000 should demonstrate how the project will deliver value for money and how this can be evidenced in terms of environmental value, social value as well as financial value (Clauses 55 and 56).
- l. Increase in the minimum level of funding for which applications can be made to £10,000 (Clause 58), in response to the lack of demand for grants of less than £10,000, to ensure that small applications do not lead to disproportionate administrative cost and to provide a natural progression of applicants from the Stronger Communities Fund (applications to £10,000) to the CILNF (applications from £10,000 to £500,000).
- m. Confirmation that the maximum level of funding for which applications can be made is £500,000 (Clause 59), removing any ambiguity about the maximum level of request.
- n. Introduction of a maximum total level of any grant/s awarded or consecutive grants awarded to the same applicant organisation of £500,000 within any five year period to ensure wide distribution of CIL neighbourhood funding to a diverse range of grassroot, small and well-established organisations (Clause 60).
- o. In line with Members' request, increase to the thresholds for delegated authority to align with those already used by City Bridge Foundation, providing for delegated authority to determine a proportion of applications, whilst retaining the requirement for Committee approval for larger value applications (Clauses 62 to 64):
 - i. Applications under £100,000 – to be determined by officer delegation.
 - ii. Applications for £100,000 and over – determined by the Resource Allocation Sub-Committee, with advice from the CILNF Officers Panel.
- p. Greater accountability has been provided through the inclusion of a comprehensive complaints procedure for applicants (Clause 67).

Draft as at 1 November 2023

City of London

Community Infrastructure Levy

Neighbourhood Fund Policy



Index

Page

CIL introduction and legislative background

CIL Neighbourhood Fund Requirements

Community Definition

What can the City of London's CIL Neighbourhood Fund be used for?

Community Priorities

Governance Process

Application Process

Eligibility Criteria

Application Advice

Assessment Criteria

Value of Bids

Awards Process

Complaints Process

City of London Community Infrastructure Levy

Neighbourhood Fund Policy

CIL introduction and legislative background

1. The Community Infrastructure Levy is a charge levied on new development, introduced by the Planning Act 2008. It is intended to help local authorities deliver the infrastructure needed to support development. The power to set a charge came into effect from April 2010, through the Community Infrastructure Levy Regulations 2010, which have subsequently been amended.
2. The City of London Corporation implemented a Community Infrastructure Levy (CIL) for the City of London from 1 July 2014.
3. Further information on the City of London's CIL is available on the City Corporation's website at <https://www.cityoflondon.gov.uk/services/planning/planning-policy/community-infrastructure-levy-cil-and-planning-obligations-s106>

CIL Neighbourhood Fund Requirements

4. Community Infrastructure Levy Regulations require that 15% of CIL receipts should be reserved to enable the delivery of neighbourhood priorities. These receipts should be passed directly to existing parish and town councils where development has taken place. Where a neighbourhood plan or neighbourhood development order has been made 25% of CIL receipts from development in the plan area is reserved for the delivery of neighbourhood priorities as identified in the neighbourhood plan.
5. Where there is no existing parish, town or community council, neighbourhood plan or development order, then the local authority will retain neighbourhood CIL funds, but should engage with communities where development has taken place and agree with them how best to spend the neighbourhood CIL.
6. Within the City of London, there are no existing parish, town or community councils. There is one neighbourhood forum – the Barbican & Golden Lane Neighbourhood Forum. There are no adopted neighbourhood plans or neighbourhood development orders. Given that the City is little over one square mile in area, the City Corporation

considers that it should be regarded as two neighbourhoods for the purposes of collection and spending of CIL Neighbourhood Funds. The City Corporation therefore retains the CIL Neighbourhood Fund and should seek community views on how this Fund should be used.

Community Definition

7. The City of London has a resident population of approximately 8,000 and a daily working population of approximately 513,000 occupying nearly 9 million square metres of office floorspace. For the purposes of the CIL Neighbourhood Fund, 'community' is defined as local residents, City workers and the owners and occupiers of City buildings.

What can the City of London's CIL Neighbourhood Fund be used for?

8. CIL Regulations 59(C) and 59(F) require that the Neighbourhood Fund be used to support the development of the neighbourhood. The scope of projects that can be funded by the Neighbourhood Fund is wider than that for general CIL funds and comprises:
 - a. The provision, improvement, replacement, operation or maintenance of infrastructure; or
 - b. Anything else that is concerned with addressing the demands that development places on an area.
9. This definition is deliberately wide and allows the City Corporation to work collaboratively with local communities to determine priorities and how the Fund should be used.
10. For the purposes of the CIL Neighbourhood Fund the City Corporation considers infrastructure to include the construction, refurbishment, repair, restoration, repurposing, expansion or fit out of new or existing buildings or open space; lighting; public art; street furniture or other physical improvement that enhances the neighbourhood for the benefit of City of London communities.
11. The CIL Neighbourhood Fund can also fund the reasonable on-going maintenance costs of funded infrastructure improvements for up to a maximum of three years from the completion of the infrastructure provided that the maximum grant award of £500,000 is not exceeded and that the maximum five year length of grant award is not exceeded.

12. The CIL Neighbourhood Fund can fund the costs of an Access Audit prior to a subsequent application for infrastructure improvements.
13. CIL Regulations allow greater flexibility in the use of the Neighbourhood Fund compared with other CIL expenditure. Neighbourhood Funds may therefore be used to fund revenue expenditure and activities including events, workshops, celebrations, projects or anything else that addresses the impact of development on the neighbourhood.
14. To avoid creating long term commitments on the Neighbourhood Fund, any requests for revenue funding should be clearly justified, showing demonstrable community benefit, and time limited to a maximum of 5 years.
15. Projects should be delivered within the agreed timescale (maximum 5 years from the date of grant awarded) unless a grant extension is agreed.
16. In recognition of the value in providing continuous and consistent support to City communities through work funded via the CIL Neighbourhood Fund, organisations will be permitted to reapply for funding at the end of a grant to provide funding for up to a maximum of 5 years from the date of the initial grant awarded. Applicants in receipt of 5 years of funding will not be eligible to reapply for CIL Neighbourhood Funding for a period of 12 months. Any organisation seeking to reapply to the CILNF will have to demonstrate a successful track record of delivering positive outcomes for City communities in their previously funded work. The CIL Neighbourhood Fund will need to balance a portfolio of existing organisations and new applicants to the CIL Neighbourhood Fund to ensure that the funds available are not concentrated in a small number of returning organisations.

Community Priorities

17. The City of London's Statement of Community Involvement May 2023 as approved by the Planning and Transportation Committee sets out how the City Corporation will engage with City communities to ensure that consultations are effective, inclusive and open and accessible for everyone.
18. The Statement of Community Involvement (May 2023) section 3.30 states that public consultation should be carried out on a regular basis. The CIL Neighbourhood Fund and consultation are managed within the City Corporation by the Central Grants Unit. The Central Grants Unit should undertake occasional consultation on community funding priorities to

inform changes to the CIL Neighbourhood Fund structure and funding regime. This consultation will take place over a minimum six-week period, with information published on the City Corporation website and information sent to consultees on the City Plan consultee database, plus other interested parties identified by the Central Grants Unit.

19. The City Corporation community consultation on priorities for the use of the City's CIL Neighbourhood Fund undertaken in 2019 identified support for the Fund to be used primarily to deliver infrastructure and services that meet local community identified needs.

20. Community consultation on priorities for the use of the City's CIL Neighbourhood Fund undertaken in 2023 identified support for the Fund to be use for the following priorities and identified needs:

- a) Preserving existing and creating of more green space in the City including estate gardens and support for gardening clubs.
- b) Addressing the needs of people from disadvantaged backgrounds, minoritised communities, older people, disabled people, LGBTQIA+ people and those living in poverty.
- c) Sporting, exercise and health activities including promoting walking and cycling.
- d) Activities and services for children, young people and families.
- e) Making public spaces and services fully accessible for disabled people and the elderly.
- f) Proposals and activities that have been co-designed by engaging the community in the development of the proposal and/or proposals that demonstrate community support.
- g) Mitigating climate change & enhancing biodiversity & wildlife.
- h) Improving street cleanliness.

21. When there are too many strong applications for the Neighbourhood Funds available, determination of applications will consider the extent to which the application meets one or more of the following cross-cutting criteria:

- a. Proposals that enable everyone to flourish and reach their future potential regardless of their socio-economic background.

- b. Proposals that create a greener City by addressing climate change and managing our environment for this generation and generations to come.
 - c. Proposals that ensure community engagement and empowerment in decision making about activities and services offered.
22. A full review of the Neighbourhood Fund, including priorities and governance, will be undertaken at least every 5 years.

Governance Process

23. The City Corporation's CIL Neighbourhood Fund will be allocated following the assessment of eligible applications that meet the assessment criteria for infrastructure projects or activities that take place within the City of London and which benefit City of London communities.
24. The determination of these applications will rest with the City Corporation.
25. The City Corporation will publish details of funded applications on the City Corporation's website at: [CIL Neighbourhood Approved Grants](#).
26. The City Corporation will prepare an annual report for the CIL Neighbourhood Fund as a separate item within the wider annual CIL and s106 monitoring report. The Neighbourhood Fund monitoring will include details of:
- Total CIL Neighbourhood Fund receipts for the reporting year;
 - Total CIL Neighbourhood Fund expenditure for the reporting year;
 - Details of CIL Neighbourhood Fund expenditure for the reporting year, including the amount spent on each individual project;
 - Total CIL Neighbourhood Fund monies remaining.

Application Process

27. The application process will be managed by the City Corporation's Central Grants Unit. Information about the Neighbourhood Fund and how to apply will be posted on the City Corporation's website at: <https://www.cityoflondon.gov.uk/about-us/working-with-community/community-infrastructure-levy-neighbourhood-fund>

28. Applications can be made at any time and should be submitted via an online application form which will be posted on the City Corporation's website at:
<https://citycorporationgrants.my.site.com/fundingprograms/s/funding-program/a028d00000Bp70V/cil-neighbourhood-fund>

Eligibility Criteria

29. CIL Neighbourhood Fund applications will be accepted from the following types of organisation:
- Constituted voluntary organisations and resident associations
 - Constituted business organisations and associations
 - UK Registered charities
 - Registered community interest companies (CIC)
 - Charitable companies (incorporated as not for profit)
 - Registered charitable incorporated organisations
 - Exempt or excepted charities
 - Registered charitable industrial and provident society (IPS) or charitable community benefit society (BenCom).
30. Applicant organisations should have a clear set of governing rules and governing document appropriate to their legal status.
31. Applicant organisations should have a minimum of three unrelated members on their governing body.
32. Applicant organisations are required to provide at least one year's signed, audited or independently examined accounts for the organisation.
33. Applicants should have robust financial procedures in place to ensure that funds are used appropriately. The applicant must have an ordinary business bank account and all cheques from the bank account must be signed by at least two individual representatives of the organisation who are not related to one another and who do not live at the same address.
34. Applications must be for infrastructure or activities that benefit City of London communities and take place within the City of London. Applications should demonstrate City-based support.

35. Applications cannot be accepted from individuals. Individuals who wish to apply for funding should do so through a City-based constituted organisation or group falling into the above definition.
36. Applications will not be accepted from political parties or organisations involved in political lobbying.
37. Applications from City Corporation service departments will be accepted where they:
 - Have the support of a City-based community group, or
 - Can demonstrate that delivery will meet community priorities, either through consultation with communities, or through an adopted City Corporation strategy which can demonstrate community support.
38. Applicant organisations should have a safeguarding policy that ensures the organisation provides a safe and trusted environment which safeguards anyone who comes into contact with it, including beneficiaries, staff and volunteers. Application organisations seeking funding for activities with or for young people and vulnerable adults must have a robust safeguarding policy in place which outlines procedures, training, incident reporting and safeguarding risks.
39. Applicants in receipt of a rejected application cannot reapply to CIL Neighbourhood Fund for 12 months from the submission date of the rejected application.
40. Applicants may have no more than one active CIL Neighbourhood grant at any time.
41. Applications for infrastructure funding to mitigate the direct impacts of specific development will not be accepted. Such mitigation should be delivered as part of the development process and funded through s106 Planning Obligations.
42. Applications to fund projects which are already in receipt of other City CIL funding, s106, or s278 funding for site specific mitigation will not normally be accepted.
43. Applicant organisations who have received five year's funding will be subject to a fallow period of 12 months before they can reapply for CIL Neighbourhood Funding. The start of funding will be measured from the date of first grant awarded. Continuous funding will be considered as funding in each of the five calendar years from the date of grant awarded irrespective of short gaps between the allocation of

continuation grants. The 12 month fallow period will be measured from the date of approval of the applicant's Year Five Information & Learning End of Project report.

Application Advice

44. The Central Grants Unit provides pre-application advice and support to applicants. The Central Grants Unit will also provide feedback to unsuccessful applicants. Requests for advice should be emailed to grants@cityoflondon.gov.uk
45. The Central Grants Unit cannot provide assistance with project management or delivery of schemes funded through the Neighbourhood Fund.

Assessment Criteria

46. Applications should demonstrate that funding will be used to meet the Regulatory requirements for CIL funding set out in Community Infrastructure Levy Regulations, namely to support the development of the area by:
 - d. the provision, improvement, replacement, operation or maintenance of infrastructure; or
 - b. anything else that is concerned with addressing the demands that development places on an area.
47. Applications should evidence of the feasibility, deliverability and sustainability of the project.
48. Applications should set out clear timescales for delivery.
49. Applications for infrastructure projects should have obtained all necessary planning and other consents prior to the release of funding.
50. Applications should not include expenditure for any spending commitments made before the date of grant awarded.
51. Applicants should not apply to CLINF for any part of a project that is already funded.
52. Applications that include a request for funding towards a post where the post holder will work more than 17.5 hours per week must submit a job description to outline the key roles and responsibilities of the post, the hours, the pay rate/salary.

53. We are a Living Wage Friendly Funder. Any post paid for in full or part by a grant must be paid the London Living Wage as a minimum.
54. Applications for funding to support infrastructure and projects should specify the activities (outputs) that will be delivered and the differences (outcomes) that will be achieved as a result of delivering the project. Applicants should submit a monitoring framework with measurable targets that sets out how the organisation will track progress against intended outputs and outcomes.
55. Applications for funding in excess of £100,000 should demonstrate how the project will deliver value for money, including through the identification of any contributory or match funding. This can include contributions in time or expertise, for example, where a local community delivers infrastructure improvements themselves, but is not necessary for a successful bid.
56. Applications for infrastructure projects in excess of £100,000 should seek three quotes for all elements of intended work/materials over the value of £10,000. Submission of original quotes may be requested during the assessment process. Applicants should indicate which quote they consider represents best value for money. When assessing value for money the City Corporation will consider environmental value, social value as well as financial value.
57. Applications for the realisation of infrastructure projects of £100,000 or more should usually evidence that an access audit has been undertaken in relation to the proposed project and that its recommendations have informed the submitted proposal.

Value of Bids

58. The minimum value for applications to the CIL Neighbourhood Fund is £10,000. Applicants seeking smaller grants should consider applying to the City Corporation's Stronger Communities Fund:
<https://www.cityoflondon.gov.uk/about-us/working-with-community/central-grants-programme/stronger-communities>
59. The maximum grant awarded from the CIL Neighbourhood Fund is £500,000.
60. The total value of any grant/s awarded or consecutive grants awarded to the same applicant organisation cannot exceed £500,000 within any 5 year (60 month) period measured from the date of grant awarded of the initial grant to the applicant organisation.

Awards Process

61. The determination of applications will be made through a combination of officer delegation and Committee approval, depending on the financial value of the application.
62. Funding applications for under £100,000 will be determined by City Corporation officers under delegated authority. Decisions should normally be made within 12 weeks of the receipt of a valid application.
63. Decisions taken under delegated authority will be reported to the Resource Allocations Sub-Committee.
64. Applications for £100,000 and over will be considered by the City Corporation's Resource Allocation Sub-Committee, normally on a quarterly basis. Applications will be considered as items in the public part of the meeting agenda. Decisions should normally be made within 6 months from the receipt of a valid application.
65. Where a grant has been awarded for revenue expenditure, applicants have up to one year from the date of the grant letter in which to begin to draw down funds. Where a grant has been awarded for capital expenditure, applicants have up to two years from the date of the grant offer letter in which to draw down funds. The grant offer may be revoked where the grant is not drawn down as outlined above unless an alternative timescale has been agreed in writing. The City Corporation will monitor delivery of projects, including taking action to ensure that projects are delivered on time, or seek to recover funds if projects do not proceed within agreed parameters.
66. Applicants who withdraw their application during the assessment process may reapply to the CIL Neighbourhood Fund at any time.

Complaints Process

67. Any applicant wishing to complain or express dissatisfaction about the conduct, standard of service, actions or lack of action by the Central Grants Unit during the assessment of their application should follow the City of London's simple three-stage procedure outlined on the Corporation's website at: [Feedback - City of London](#). At Stage 1 complainants should contact grants@cityoflondon.gov.uk upon which their complaint review will be undertaken by the Head of Central Grants Unit. A full response should be provided within ten working days. At Stage 2 a complaint review will be undertaken by the Chief Officer of the Department or a nominated Senior Officer (Chair of CILNF Officer

Panel). A full response should be provided within ten working days or the complainant will be advised of any delay At Stage 3 complainants should contact complaints@cityoflondon.gov.uk upon which a complaint review will be undertaken by the Town Clerk & Chief Executive or a Senior Officer acting on his/her behalf. A full response should be provided within ten working days or the complainant will be advised of any delay.