

Committee(s): Policy & Resources Committee - For Decision	Dated: 16/01/2025
Subject: Community Infrastructure Levy Neighbourhood Fund – Administrative Updates	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	Diverse Engaged Community; Vibrant Thriving Destination; Flourishing Public Spaces
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Simon Latham, Interim Managing Director of the City Bridge Foundation	For Decision
Report author: Jack Joslin, Head of Central Funding and Charity Management Team	

Summary

The City Corporation adopted a Community Infrastructure Levy (CIL) in 2014. National CIL Regulations require that 15% of CIL receipts be reserved for neighbourhood funding. Local authorities are required to engage with communities on how this neighbourhood funding should be used to support development of the area. Local authorities are required to report annually on the collection and use of CIL funds, identifying separately the amount of funds allocated to neighbourhood funding. The Community Infrastructure Levy Neighbourhood Fund (CILNF) application process is managed by the Central Funding & Charity Management Team (CFCMT), with Officers assessing applications and providing support to Committee in the consideration of larger applications. The administrative cost incurred in operating the CILNF is recoverable from the 5% of City of London CIL funds allowed to cover such costs in the Regulations.

Members are asked to approve the updated Terms of Reference for the Resource Allocation Sub-Committee (RASC) and to note the findings of the evaluation of the CILNF grant programme to date.

Recommendations

Members are recommended:

1. To approve the updated Terms of Reference for RASC (**Clause 3**)
2. To note the administrative change made to the CILNF Policy under delegated authority (**Appendix 1**).
3. To note the findings of the evaluation of the CILNF grant programme to date (**Appendix 2**).

Main Report

Background

1. Management of the City of London's CILNF process is aligned with the City's existing grant allocation process, through the Central Funding & Charity Management Team (CFCMT). Applications to the CILNF undergo a process of due diligence and assessment by Funding Managers with detailed financial assessment undertaken by the Charity Finance Team before sign off by the Funding Director. Eligible applications are then presented to the CILNF Officer Panel for recommendation or delegated decision. The CILNF Officer Panel comprises of 11 Senior Officers from across the spectrum of CoL Services (Community & Children's Services, Libraries, Environment, Planning, Green Spaces, Town Clerk's, Chamberlain's, EEDI, Destination City) and is chaired by the Assistant Director - Planning. At the Officer Panel consideration is given to each proposal's outputs and outcomes, value for money in terms of social, environmental as well as financial value, equality and equity considerations.
2. As agreed at your Committee on 22 February 2024, CILNF Officer Panel was given delegated authority to approve applications for up to £100,000 with decisions for all applications above £100,000 to be undertaken by the Resource & Allocation Sub-Committee. This delegation was agreed to keep CFCMT decision-making in line with the increased delegations across CoLC. Importantly, it also allows for the quick (12 week) turnaround of smaller grants to community and grassroots organisations to increase the diversity of applicants to the CILNF programme, with the decision-making for grants for over £100,000 taking up to 6 months.

Current Position

3. As a consequence of your Committee's decision on 22 February 2024 to adjust the level of delegated authority to CILNF Officer Panel, RASC's ToR need to be updated accordingly as follows:
's) to consider funding bids in respect of the Community Infrastructure Levy Neighbourhood Fund of over ~~£50,000~~ £100,000;
4. Members are also asked to note for information an administrative change to the CILNF Policy amended by the Town Clerk via delegated authority as outlined in **Appendix 1**.
5. Additionally, Members are asked to note a recent analysis that was conducted by the CFCMT on the CILNF grant funded portfolio. The analysis provides an in-depth review of funded projects and an overview of the significant outreach the team has delivered. Key findings and an analysis of all the CILNF grants awarded to date is included at **Appendix 2** for information. The paper is the first comprehensive analysis of the grants awarded by the CILNF since its launch in 2020. 68 CILNF grants have been awarded over the funding programme's initial 45 months of operation (December 2020 to August 2024 inclusive) - a total of £8,155,330.

6. Grants awarded over this period have ranged in value from £7,885 (St Michael Cornhill) to £774,000 (Barts Heritage). At the request of members, in April 2024 the CFCMT initiated a programme of outreach to increase the diversity of applicants to the CILNF with a particular focus on supporting applications from community and grassroots organisations. Such applicants tend to have a low turnover and often new to grant funding applicants tend to request smaller value and shorter-term initial grants. These initial pilot phase and scoping grants are anticipated to be followed by requests for 3-4 year continuation grants once demand for, and impact of, projects has been evidenced.
7. In response to the CILNF outreach work there is a predicted 56% increase in the total number of grants for 2024/25 compared to the previous year. This correlates to the increase in pre-application advice sessions which have more than tripled each month. The outreach programme is still in its infancy and its outputs are not expected to be fully felt until at least April 2025.

Corporate & Strategic Implications

8. **Corporate Plan Implications:** the CILNF can resource community-led infrastructure improvements and activity across the City and contribute towards meeting the four aims of the Corporate Plan 2024-29 - Diverse Engaged Communities, Providing Excellent Services, Vibrant Thriving Destination and Flourishing Public Spaces.
9. **Security Implications:** the CILNF fulfils a statutory requirement for the spending of CIL. There are no direct security implications, though future funded projects may bring security benefits.
10. **Financial Implications:** the CILNF makes use of that proportion of City CIL monies which are required by statute to be used to assist in the delivery of new infrastructure to meet community needs (15% of CIL funds). The costs of management of the grant application process will be met through the 5% of CIL funds set aside by statute to cover CIL administration.
11. **Equalities and resourcing implications:** the CIL Neighbourhood Fund and revised policy have been subject to a full Equalities Impact Assessment. The Equalities Impact Assessment has concluded that there are no adverse impacts arising for equality groups and social mobility. The CFCMT has developed an Equalities Action Plan outlining the actions it will take to improve the positive equalities impact of the CILNF.

Conclusion

12. The CILNF grant assessment process is managed by the City Corporation's CFCMT in line with IVAR/London Funder's Open and Trusting grant-making principles, with Officers assessing applications and providing support to RASC in the consideration of larger applications. Members are asked to approve the updated RASC Terms of Reference, to note the recent administrative change to the CILNF Policy and to note the key findings of the evaluation of the CILNF grant programme to date.

Appendices

Appendix 1 – CIL Neighbourhood Fund Policy (Nov 2024)

Appendix 2 – Analysis of CILNF grants – Key Findings (Oct 2024)

Background Papers

Report to Policy & Resources Committee 02/05/2019: City of London Community Infrastructure Levy – Approval of Neighbourhood Fund

Report to Policy & Resources Committee 22/02/2024: Community Infrastructure Levy Neighbourhood Fund – Approval of updated Community Infrastructure Levy Neighbourhood Fund Policy

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