

## APPENDIX 1: CIL Governance Options

Option	Benefits	Risks
<p>Option 1. Services and potentially other relevant bodies bidding for funds for priority projects as identified in the IDP and the HDC Corporate Plan related to growth. Bids considered by the Huntingdonshire Growth &amp; Infrastructure (HG&amp;I) group to make recommendations to Cabinet.</p>	<ul style="list-style-type: none"> <li>▪ Allows CIL money to be targeted towards highest priority infrastructure in line with Council objectives.</li> <li>▪ Should help ensure CIL money is spent in a timely manner to deliver necessary infrastructure rather than sitting in an account earning little interest.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Education and transport schemes may always be higher priority than other schemes. This could mean some important, but less urgent or lower priority schemes never get to the top of the funding list.</li> <li>▪ Requires service areas to engage in bidding which in some cases may be abortive work.</li> <li>▪ HDC have limited control due to the governance voting via the HG&amp;I. Although ultimately it would fall to Cabinet, the non-acceptance of HG&amp;I recommendations would require feedback, create reputational risk and take further time.</li> </ul>
<p>Option 2. The majority of available CIL funds (amount to be agreed) is allocated through a priority bidding process relating to defined projects in the IDP linked to information on the timing of construction. Bids considered by the HG&amp;I to make recommendations to Cabinet. Of the remaining amount, a smaller agreed proportion is allocated to each service area or other relevant body.</p>	<ul style="list-style-type: none"> <li>▪ Provides flexibility to allocate funds to priority projects for the majority of CIL income.</li> <li>▪ Ensures that some funding is available to all service areas.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Requires service areas to engage in bidding which in some cases may be abortive work.</li> <li>▪ A form of weighting/points system would need to be agreed, which makes the process more complex than other options and could result in recommendations not being in line with HDC aspirations at the time.</li> <li>▪ HDC have limited control due to the governance voting via the HG&amp;I. Although ultimately it would fall to Cabinet, the non-acceptance of HG&amp;I recommendations would require feedback and take further time.</li> </ul>
<p>Option 3. An agreed percentage proportion for each service (e.g. education, libraries, built sports, community facilities) or other relevant body (health, police etc).</p>	<ul style="list-style-type: none"> <li>▪ Each service gets an identified percentage amount of funding relevant to the infrastructure type e.g. education might receive 25% whilst libraries 5%.</li> <li>▪ There is certainty within each service knowing what proportion they are guaranteed.</li> <li>▪ No need for a bidding</li> </ul>	<ul style="list-style-type: none"> <li>▪ Allocation on this basis would be unlikely to reflect the actual needs and spending priorities over a given period.</li> <li>▪ Might take service areas a long time to accrue enough money for their projects, delaying delivery.</li> <li>▪ May not provide sufficient funding for some key service areas such as transport and education that may need larger proportions to reflect the scale and priority of projects to be</li> </ul>

	<p>process.</p> <ul style="list-style-type: none"> <li>▪ Transport and Education get larger proportions of the funds which would better reflect known spending needs</li> </ul>	<p>delivered.</p> <ul style="list-style-type: none"> <li>▪ Once percentage set, HDC could lose control of how that money is then spent within the district on what it feels are the priorities for that infrastructure type.</li> <li>▪ Does not allow flexibility to match spending with changing needs over time.</li> <li>▪ Does not ensure timely delivery if monies issued to the service with no contractual agreement for delivery of specific projects.</li> <li>▪ Does not leave any funding left for specific local priorities or unexpected / changing needs.</li> </ul>
<p>Option 4. Similar to option 2, The majority of available CIL funds is allocated relating to defined projects either in:</p> <p>a) the IDP as an infrastructure type or project, linked to information on the timing of construction; and/or</p> <p>b) relating to projects within the HDC Corporate Plan related to growth. Projects proposals – not bids - to be submitted with project detail, including a Business Plan [ideal to have but to date been difficult to get so probably do not want as a full requirement] where feasible, to be considered by the Implementation Team (Growth) for recommendation to Cabinet. Of the remaining amount a smaller agreed proportion is allocated to enable smaller scale bids, usually with quicker delivery times, to be considered with delegated authority to PSM (Growth) in liaison with portfolio holder.</p>	<ul style="list-style-type: none"> <li>▪ Provides flexibility to allocate funds to priority projects for the majority of CIL income.</li> <li>▪ Ensures that some funding is available to all service areas.</li> <li>▪ Enables HDC to be fully in control over the allocation of funding.</li> <li>▪ Through the submission of a project proposal, rather than a formal bidding round, there is more flexibility on allocation as opposed to it being tied to a set criterion and scoring system.</li> <li>▪ Provides flexibility to respond to local priorities including AGS themes and any additional new areas of work.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Requires service areas to engage in bidding which in some cases may be abortive work.</li> <li>▪ Could cause partnership challenges due to non-allocation of funding to their priorities</li> <li>▪ More complex than option 3.</li> </ul>