



# **Hertsmere Borough Council**

## **Community Infrastructure Levy (CIL) Spend Process and Guidance to Applicants**

September 2025

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## 1. Introduction:

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- 1.1 The Community Infrastructure Levy (CIL) is a charge on certain types of development within Hertsmere Borough Council. The money we collect is then used to fund the infrastructure needed to support new development. Hertsmere Borough Council is responsible for making the final decisions on the allocation of funding raised through the Community Infrastructure Levy (CIL) in the borough. The purpose of this procedure and guidance document is to ensure that the decision-making process is transparent and that prospective bidders have the guidance they need to submit bids for funding.
- 1.2 Decisions on how CIL income should be spent within Hertsmere Borough Council lies with Hertsmere Borough Council for the Strategic CIL funding pot and with Town and Parish Councils in relation to the Neighbourhood portion of CIL. In unparished areas, the Council are responsible for spending the CIL on the areas behalf – this relates to the areas of Bushey and Potters Bar, with everywhere else in the borough being covered by either a Town or Parish Council. For further information on the Neighbourhood Portion in those parished areas, please contact the relevant Parish or Town Council directly.

### Allocation of Funding

- 1.3 CIL is paid on commencement of planning permissions that are CIL liable development, where exemptions or relief from CIL has not been granted. Once received the CIL payments are automatically split down into their statutory “pots” or funds. The allocation of funds is as follows:
  - 5% of CIL receipts will be used for administration, to provide a dedicated resource for the monitoring and management required by the CIL Regulations within Hertsmere BC.
  - 15% or 25% of receipts will be allocated to the relevant town or parish council in line with the CIL Regulations (‘Neighbourhood portion’). Town and Parish Councils will receive 15%, capped annually at £100 per existing council tax dwelling within the parish in accordance with the CIL Regulations. If a Town or Parishes Council have an adopted Neighbourhood Plan they will receive 25% of receipts accruing from development within their parish.
  - The remaining receipts are known as ‘Strategic CIL’ and the Council will commit to spending Strategic CIL income on projects that are highlighted in the Infrastructure Funding Statement (IFS) as being of highest priority in the borough, regardless of their geographic location.
- 1.4 Each individual town and parish council can determine how their portion (‘Neighbourhood portion’) of CIL receipts are spent, however it is recommended that they work closely with Hertsmere Borough Council to agree and discuss spending. The Council has also published guidelines in relation to the distribution of the CIL funds to assist Parish and Town Councils.

## What can CIL be spent on?

- 1.5 Hertsmeire Borough Council must spend its CIL funds on the provision, improvement, replacement, operation, or maintenance of infrastructure<sup>1</sup> needed to support the development of the area. Infrastructure is defined in Section 216 of the Planning Act 2008 as:
- Roads and other transport facilities,
  - Flood defences
  - Schools and other educational facilities,
  - Medical facilities,
  - Sporting and recreational facilities,
  - Open spaces
- 1.6 There is more flexibility regarding the use of the Neighbourhood Portion which can also be applied to ‘anything else that is concerned with addressing the demands that development places on an area’. If an organisation would like to apply for funding from the Neighbourhood Portion, they will need to contact the local Parish/Town Council directly.
- 1.7 CIL receipts are intended to provide new infrastructure but can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development. It is important to recognise that CIL receipts can only be spent on capital projects, although associated revenue spending to maintain those capital items is also permissible. It can be used to increase the capacity of existing infrastructure (such as extending a school) or to repair failing infrastructure (such as a community building) if that is necessary to support additional development (assessed on a case by case basis).
- 1.8 Hertsmeire BC sets out its future spend priorities in the annual Infrastructure Funding Statement (IFS). The latest IFS can be found here: [Infrastructure Funding Statement and Annual Reports - Hertsmeire Borough Council](#)

## What isn't eligible for CIL?

- Projects that do not meet the requirements of the CIL Regulations 2010 (as amended)
- Projects that are not defined as ‘infrastructure’
- Projects which aim to remedy pre-existing deficiencies, which will not be made more severe by new development.
- Projects that have commenced prior to a CIL bid application being submitted
- Ongoing revenue costs for existing infrastructure
- Annual maintenance or repair for existing infrastructure
- VAT that bidders can recover

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<sup>1</sup> Infrastructure is defined as including roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreational facilities, and open spaces (S216, Planning Act 2008, as amended by Regulation 63).

## 2. Process for Strategic CIL Bid Funding

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- 2.1 Hertsmere Borough Council invite organisations to submit projects and schemes for Strategic CIL funding throughout the year. Those who have identified a project or scheme should complete the application documentation found at Appendix A and submit to: [cil.monitoring@hertsmere.gov.uk](mailto:cil.monitoring@hertsmere.gov.uk).
- 2.2 The application form (at Appendix A) must be completed if organisations are seeking CIL funding towards an infrastructure project. This requires information to be provided on:
- Need for the project/scheme
  - Public benefit of the project/scheme
  - Funding arrangements
  - Associated costs and maintenance
  - Deliverability
  - Constraints and risks
- 2.3 Organisations can provide supporting evidence associated with the project/scheme including:
- Existing demand and potential demand associated with new development.
  - Capacity of existing infrastructure or services.
  - Estimated costs of infrastructure being provided or improvements to existing to meet additional demands.
  - Costs of the scheme and timeframe for implementation.
- 2.4 More detailed guidance is available on how to apply for CIL funding in Section 4 and it is recommended that any prospective bidder reads that section in detail.

### **Process for Strategic CIL Bids:**

- 2.5 All proposed schemes must be submitted at least 8-weeks in advance of the next Community Infrastructure Levy Investment Panel (CILIP) meeting – the dates are published alongside the deadlines here: [Community Infrastructure Levy: Strategic Fund - Hertsmere Borough Council](#)
- 2.6 All bids will be evaluated through an initial assessment by the Infrastructure and Delivery Team. If a bid meets the criteria the will progress to the CILIP assessment stage.
- 2.7 The diagram below sets out the process from start to finish:

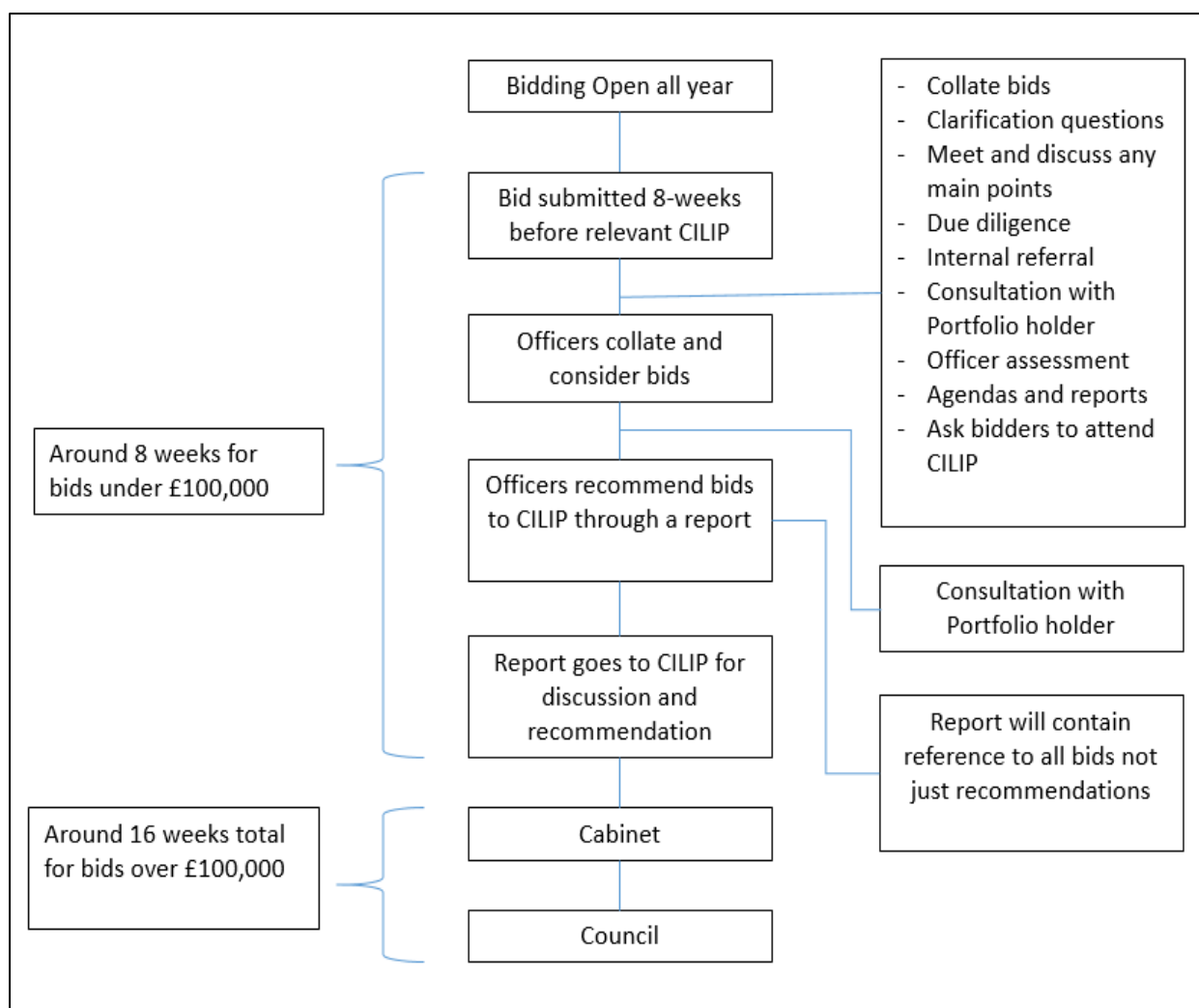


Figure 1: Strategic CIL Bid Process Flow Chart

### Assessment of recommended proposed projects/schemes by the Community Infrastructure Levy Investment Panel (CILIP)

- 2.8 Members of CILIP will be sent the information on the projects/schemes which have passed through the Officer-level assessment to review.
- 2.9 The Panel will consider the eligible bids and officer recommendations. The Panel will make recommendations to the Cabinet setting out its reasons.
- 2.10 If the bids which are recommended by officers are above the funding cap agreed, then CILIP will prioritise the funding. Members will have regard to the Infrastructure and Delivery Plan prioritisation of projects/schemes, with those which are 'Critical' being funded ahead of 'Essential' and 'Important'. In deciding the prioritisation the panel will consider where the borough has experienced the most growth and therefore where the infrastructure is most needed.

### **Formal Decision and Post-decision:**

- 2.11 Once formal approval has been secured at Cabinet, applicants will be notified of the outcome. The promoters of the successful projects/schemes for Strategic CIL funding will be expected to maintain communication with the Council as they progress.
- 2.12 The promoters should continue to provide information until the project/scheme has been completed and all Strategic CIL funding has been spent. The minimum requirement is that an annual return is completed, as the Council will need to provide information on the progress of each scheme that funding has been allocated to in order to fulfil its monitoring requirements under the CIL Regulations.
- 2.13 Project promoters may be required to enter into a legal agreement about the allocation, funding and conditions imposed on the grant.

### **Payment of funds**

- 2.14 Invoices will be paid in arrears after completion of works or stages of work, evidence of this to be provided. If there are any difficulties with this method, with relevant evidence, the Council will work with the organisation on a case by case basis to resolve any issues.
- 2.15 Reports will be provided to Hertsmere Borough Council at regular intervals on the progress of schemes, so that the Infrastructure and Delivery Team can keep up to date on the project/scheme and also inform the finance team for monitoring purposes.
- 2.16 If the project does not progress as stated in the project plan and there are no sufficient mitigating circumstances to justify the carrying forward of funding, then the Council reserves the right to withdraw the funding allocated to the project/scheme. Funding will also be withdrawn if the spend is not in relation to the agreed project/scheme or any conditions imposed.

### **Monitoring**

- 2.17 The Council will report on the amount of CIL that has been received, how it was spent and the sums remaining in the Infrastructure Funding Statement (IFS). It will also be reported to Operations Review Committee.

### 3. Process for Neighbourhood CIL Bid Funding

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#### **Process for Neighbourhood CIL Bids:**

- 3.1 The council awards funding to individuals or organisations to help deliver local, smaller infrastructure projects in the two neighbourhoods of Potters Bar and Bushey that are unparished – this funding is called Neighbourhood CIL. Any Neighbourhood bids that relate to any other areas must be directed towards the relevant Town or Parish Council.
- 3.2 All proposed schemes must be submitted 8-weeks in advance of the next Community Infrastructure Levy Investment Panel (CILIP) meeting – the dates are published alongside the deadlines here: [Community Infrastructure Levy: Strategic Fund - Hertsmere Borough Council](#)
- 3.3 The Neighbourhood CIL process follows a similar process to that set out in Figure 1 for Strategic CIL. In addition there is a consultation step with the relevant Ward Councillor(s) – set out in Figure 2 below; Neighbourhood CIL bids will also have the same decision-making, payment and monitoring requirements as described in section 2 above.
- 3.4 Those who have identified a project or scheme should complete the application documentation found at Appendix C and submit to: [cil.monitoring@hertsmere.gov.uk](mailto:cil.monitoring@hertsmere.gov.uk). Please note that the Neighbourhood CIL application form is different to that of the Strategic CIL form and assessed slightly different officer criteria (Appendix D).

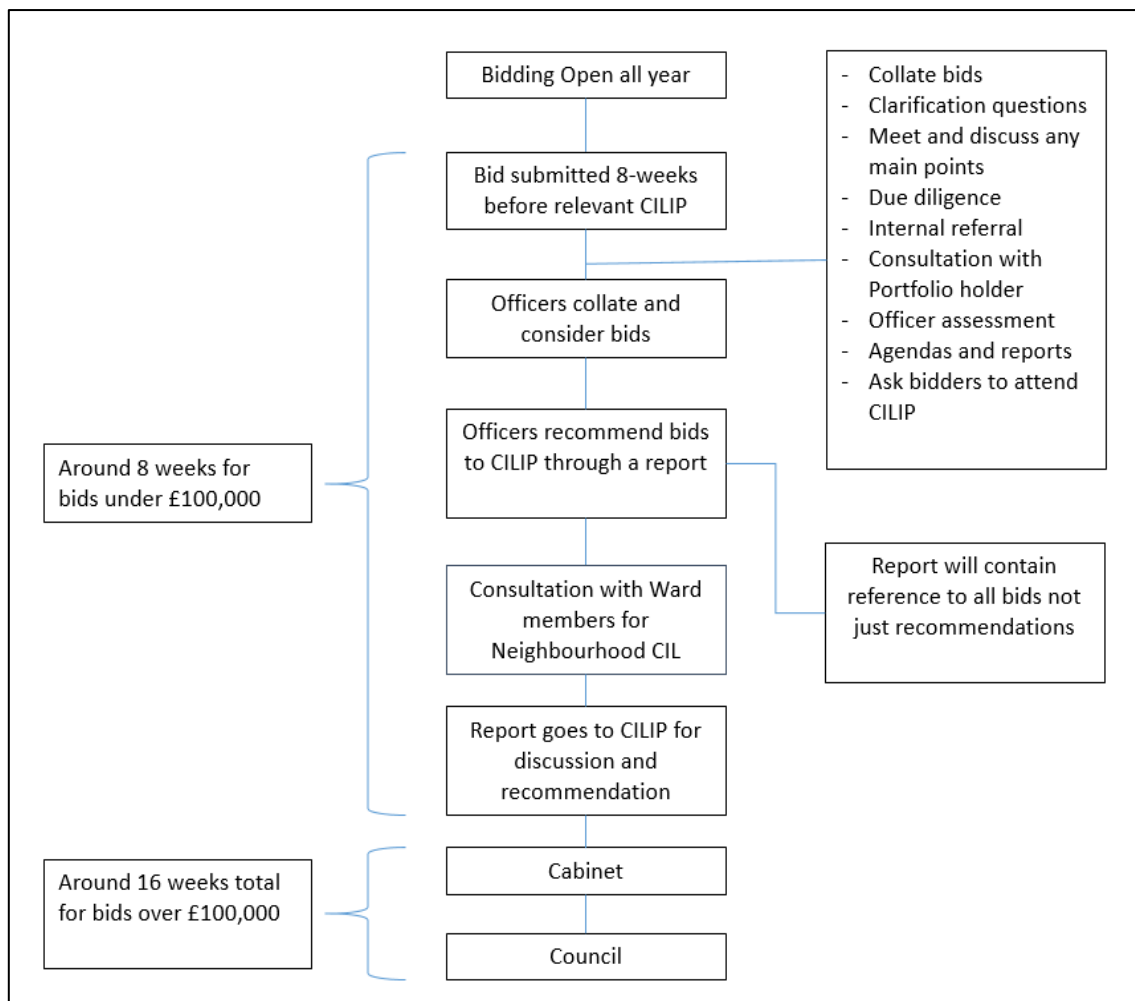


Figure 2: Neighbourhood CIL Bid Process Flow Chart

## 4. Guidance for Strategic CIL Applicants

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- 4.1 Any organisation that can successfully deliver an infrastructure project that supports growth in the Hertsmere Borough Council local authority area can apply for funding. Applications for schemes located outside of the local authority area can also be submitted, if they can adequately demonstrate that they support growth in Hertsmere. Eligibility to apply does not confirm funding will be granted.
- 4.2 Major infrastructure projects are most likely to be delivered by infrastructure providers such as Hertfordshire County Council (HCC), as the Highways Authority and Education Authority, other transport providers and organisations such as the Environment Agency and CCGs and Health Trusts. Hertsmere Borough Council are also likely to apply for funding.
- 4.3 Organisations who have smaller projects and partial funding towards larger projects, should be reminded of the availability of 'Neighbourhood Portion' money in some areas, and should contact Town/Parish Councils to check the availability of money and application process.

### How much Strategic CIL money is available?

- 4.4 For the Strategic CIL bid, the total amount allocated per CILIP will depend on the applications submitted and outcomes. It is important to only apply for money which can be clearly demonstrated to be needed to deliver a project or scheme.
- 4.5 As previously referenced, smaller amounts of the 'Neighbourhood Portion' are available from Town or Parish Councils, which is separate to this application process. Neighbourhood Portion money cannot be applied for through this process.
- 4.6 The Council's CIL will not usually entirely fund a project, funding should be sought from other sources too. Applicants should not rely on CIL to make up the bulk of their full project cost, bids which demonstrate other funding sources will normally be looked upon more favourably than those that are seeking higher percentages of CIL funding.

### What makes a good Strategic CIL Bid?

- 4.7 We advise applicants to carefully consider the 'Strategic CIL Bid Scoring Criteria' included in Appendix B, when preparing a bid alongside the notes within the bid form itself. Other aspects to consider when compiling a successful bid include:
  - Ensuring the application form is fully complete, and all relevant supporting evidence is included with the bid. The Council will only assess a bid using the information provided; any supporting evidence or additional information should be included within the submission.
  - Ensuring that your proposed project meets the definition of infrastructure, as defined by the Planning Act 2008 (see Section 1.5 and 1.7, above). Bids failing to meet this requirement will be assessed as invalid.
  - If landowner consent is required to deliver the project, obtaining this and producing evidence of this within the bid submission is very important.

- Ensuring that you include evidence of existing demand on infrastructure and how your project will address this existing demand. Where the project intends to remedy pre-existing deficiencies, you must evidence how those deficiencies will be made more severe by new development.
- Make clear how much CIL funding is required for the project. Applications left blank or unknown will not be prioritised.
- Carefully considering the timing of your project. Within your application you must include a detailed timeline of the project. Applications that do not have a start date will not be prioritised. We understand that delays can occur, however, extended delays will call into question the deliverability of the project.
- Large-scale projects will be more successful if there are strong communication links between all involved parties and where match funding is successfully utilised.
- It may be that the proposed project could be delivered by means of a lower cost option, alternative proposal, or through a phased approach. If this is the case, we would suggest that you should complete a separate application form which details the alternative approach, this will then be assessed by the Council as a separate bid.
- In order to demonstrate value for money, we would strongly advise that you provide three quotes for the proposed infrastructure.
- If your project needs planning permission or requires other approvals, we would strongly advise that you start progressing these before you apply for funding. Projects that require planning permission, but have not obtained the relevant consents, are likely to score lower overall; this in turn will decrease the likelihood of success in regard to obtaining Strategic CIL funding.
- For large projects or those of high value, your bid should include details of how the project will be managed, who is responsible for its completion and how the CIL funds will be managed to ensure priority.

## 5. Guidance for Neighbourhood CIL Applicants

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- 5.1 Bids for Neighbourhood CIL funding should only relate to the neighbourhood proportion held by HBC for non-parished areas of Bushey and Potters Bar. Funding is only available for projects located within, or which would have a clear benefit to, those non-parished areas.

### What makes a good Neighbourhood CIL Bid?

- 5.2 Applicants should aim to fully answer the questions using the notes contained in the bid form at Appendix C, alongside carefully considering the 'Strategic CIL Bid Scoring Criteria' included in Appendix D. Other aspects to consider when compiling a successful bid include:
- Projects should consider any council plans or strategies which set out guidance for the area, either in whole or in part, including the emerging Local Plan. Projects should support the development plans for Hertsmere as a whole and for the neighbourhood.
  - Projects must have been subject to appropriate levels of engagement and consultation. Local ward councillors and neighbourhood organisations should be given the opportunity to comment on all proposals within their area. Priority is given to schemes shown to have the support of the local community.
  - Relevant infrastructure providers should also be engaged. Projects will not be progressed where relevant infrastructure provider has objected.
  - Applications should articulate how the infrastructure will benefit the local community. New facilities must be publicly accessible.
  - The council must consider that the project represents good value in the sense that it provides high quality infrastructure at the lowest available cost. Applications should be supported by at least three quotes for delivery.
  - For large projects or those of high value, your bid should include details of how the project will be managed, who is responsible for its completion and how the CIL funds will be managed to ensure priority.