



Audit Findings & Management Action Plan

Finding 1.	Action												
<p><u>There is no overarching governance framework for the comprehensive prioritisation of Community Infrastructure Levy (CIL) receipts</u></p> <p>Although decisions on CIL expenditure are made through the democratic process, the absence of an overarching governance framework for the prioritisation of CIL receipts poses a risk of inconsistent decision-making and potential non-compliance with legislative requirements. The lack of a structured framework may also lead to ambiguity and lack of transparency in the allocation and expenditure of CIL funds.</p> <p>Such a framework should include the following areas:</p> <ul style="list-style-type: none"> • Engagement with stakeholders: Internally and externally (strategic CIL: stakeholders, neighbourhood CIL: community) • Application process, with key information requested to support the application • Specific criteria that must be met • Project scoring and prioritisation • Panel with authority to make recommendations on CIL spend <p>The level of governance set out in the framework should be proportionate to the value of CIL funds granted.</p>	<p>Develop and implement a comprehensive governance framework for the use of CIL receipts, outlining clear decision-making processes, compliance requirements, and expenditure guidelines. This framework should promote transparency, consistency, and accountability in the allocation and utilisation of CIL funds.</p> <table border="1" data-bbox="1131 821 2103 963"> <tr> <td data-bbox="1131 821 1377 869">Priority</td> <td data-bbox="1377 821 1624 869" style="background-color: red; color: white; text-align: center;">1</td> <td data-bbox="1624 821 1870 869">SWAP Reference</td> <td data-bbox="1870 821 2103 869">AP#5020</td> </tr> <tr> <td data-bbox="1131 869 1624 917">Responsible Officer</td> <td colspan="3" data-bbox="1624 869 2103 917">Assistant Service Lead (Local Plan)</td> </tr> <tr> <td data-bbox="1131 917 1624 963">Timescale</td> <td colspan="3" data-bbox="1624 917 2103 963">31 August 2025</td> </tr> </table>	Priority	1	SWAP Reference	AP#5020	Responsible Officer	Assistant Service Lead (Local Plan)			Timescale	31 August 2025		
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Timescale	31 August 2025												



<p>Finding 2.</p> <p><u>There is no one committee or panel with responsibility for assessing, recommending and monitoring project proposals funded from CIL receipts.</u></p> <p>Currently, there is no dedicated committee or panel responsible for the assessment, recommendation and monitoring of project proposals funded by CIL receipts. The only funding that is decided by a panel is that awarded under city grants.</p> <p>We were informed that there is an informal Member Working Party, whose main role included receiving and reaching judgements on requests for CIL spend, and to consider and prioritise CIL spend commitments.</p> <p>The membership for the working party was only made up of Members from the lead party and it last met in November 2022. However, the Member Working Party was not constitutionally established and from the information provided by the council, there is little evidence that the Working Party operated as per its terms of reference.</p>	<p>Action</p> <p>Establish a formal, dedicated cross-party panel to assess and monitor project proposals funded by CIL receipts. This panel would make recommendations on CIL expenditure to the Executive.</p> <p>Clearly and formally define the responsibilities of this panel in a terms of reference which is in alignment with the CIL regulations and guidelines.</p>												
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<p>Finding 3a.</p> <p><u>There is no clear process or set of criteria for the identification, assessment and prioritisation of strategic infrastructure projects in terms of CIL expenditure.</u></p> <p>There is no clear process or set of criteria for the identification, assessment and prioritisation (e.g. through a matrix) of strategic infrastructure projects. Having this in place would ensure that funding is only provided to projects that support development and growth in the city.</p> <p>An appropriate CIL assessment prioritisation matrix should include:</p> <ul style="list-style-type: none"> - Strategic fit with corporate and local plan objectives. - Relationship with strategic development impact - A business plan - Other sources of funding - Partnership working - Delivery time frames - Risk. 	<p>Action</p> <p>Develop and implement a comprehensive scheme identification, assessment and prioritisation process and set of criteria for strategic infrastructure and larger neighbourhood projects, including the creation of a scoring matrix to prioritise projects based on their alignment with development and growth objectives for the city.</p>												
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Timescale	31 August 2025												



Finding 3b.	Action
<p><u>There is no clear process or set of criteria for the identification, assessment and prioritisation of larger neighbourhood CIL projects in terms of CIL expenditure.</u></p> <p>Whilst the smaller organisations funded through the ward grants or city grants have to demonstrate their adherence to a set of criteria, there is no clear process or set of criteria for the identification, assessment and prioritisation (e.g. through a matrix) of larger neighbourhood CIL projects. Having this in place would ensure that funding is only provided to projects that support development and growth in the city.</p> <p>An appropriate CIL assessment prioritisation matrix should include:</p> <ul style="list-style-type: none"> - Fit with corporate objectives. - Relationship with local neighbourhood development impact - A business plan - Other sources of funding - Partnership working - Community engagement/local support - Delivery time frames - Risk <p>Greater understanding also needs to be developed in the local St James community regarding the availability of local CIL receipts. It is understood that the now disbanded St James Neighbourhood Forum made a local decision to pool neighbourhood CIL receipts into the city-wide CIL regime. This needs greater explanation locally.</p>	<p>This is linked to Finding 3a. above, with the same action, responsible officer and timescale for completion.</p>

Finding 4.	Action												
<p><u>An expressions of interest form or application form is not required for all projects or schemes funded through CIL receipts.</u></p> <p>We have observed that there is inconsistency in the requirement for an expressions of interest form or application form to be completed for projects or schemes funded through CIL receipts.</p> <p>Whilst the smaller ward and city grants require an application form, the remainder of the projects funded through the Neighbourhood CIL, and those funded through the Strategic Infrastructure CIL, do not need to do this.</p> <p>This affects the transparency and fairness of the process.</p>	<p>The council should standardise the process for all projects and schemes funded through CIL receipts, by requiring completion of an expressions of interest or application form. Separate application forms could be established for higher cost, strategic infrastructure projects and smaller neighbourhood CIL projects to ensure process is proportionate to project value. This will ensure consistency, transparency, and fairness in the application process.</p> <table border="1" data-bbox="1137 1300 2098 1447"> <tr> <td data-bbox="1137 1300 1382 1353">Priority</td> <td data-bbox="1382 1300 1626 1353">2</td> <td data-bbox="1626 1300 1861 1353">SWAP Reference</td> <td data-bbox="1861 1300 2098 1353">AP#5174</td> </tr> <tr> <td data-bbox="1137 1353 1626 1401">Responsible Officer</td> <td colspan="3" data-bbox="1626 1353 2098 1401">Assistant Service Lead (Local Plan)</td> </tr> <tr> <td data-bbox="1137 1401 1626 1447">Timescale</td> <td colspan="3" data-bbox="1626 1401 2098 1447">31 August 2025</td> </tr> </table>	Priority	2	SWAP Reference	AP#5174	Responsible Officer	Assistant Service Lead (Local Plan)			Timescale	31 August 2025		
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Finding 5.

There is a lack of formal monitoring and reporting on projects funded through CIL receipts

Formal monitoring and reporting on projects funded through CIL receipts is lacking in some areas. This creates a gap in oversight and accountability for the use of these funds.

Some monitoring and evaluation has been introduced for the small grants funded through the Neighbourhood CIL. In addition, the requirement for progress reports to be provided was set out in the agreement with the Devon Community Foundation for the Wellbeing Exeter project and this is repeated in the new agreement with CoLab. However, the progress reports provided by the Devon Community Foundation did not clearly show an assessment of the achievement against the outcomes, as per the agreement.

The information on projects monitored through the capital programme and funded by CIL receipts is also lacking. Currently only spend is monitored and not the progress of the project itself.

Action

Implement a formal monitoring and reporting framework for all projects funded through CIL receipts. This should include regular progress reports that assess achievement against outcomes, and cover project progress, budget, risks, and issues. This should be proportionate to the value of the funding.

Ensure that this reporting is integrated into the council's governance structures for effective oversight and accountability.

Priority	2	SWAP Reference	AP#5173
Responsible Officer	Assistant Service Lead (Local Plan)		
Timescale	31 August 2025		

Finding 6.

The Exacom system is not fully utilised to monitor infrastructure spend and project delivery.

The council has recently implemented a system, called Exacom, which has the capability to store, monitor and manage developer contributions data, as well as infrastructure spend and project delivery information. Although Exacom is being used to monitor CIL and s106 contributions, it is not currently fully utilised to monitor project delivery.

There are currently some gaps in the financial data within the system; however, this requires considerable time and resource to input and keep up to date. The CIL admin fee could, however, be used to pay for this.

Action

1. Assess the gaps in financial data within the Exacom system and prioritise the data that needs to be input and updated.
2. Allocate resources to ensure the completion of inputting and updating the financial data in the Exacom system to fully utilise its capabilities.
3. Explore the possibility of utilising the CIL admin fee to support the effort of inputting and updating financial data in the Exacom system.

Priority	2	SWAP Reference	AP#5100
Responsible Officer	Assistant Service Lead (Local Plan)		
Timescale	31 August 2025		



<p>Finding 7.</p>	<p>Action</p>		
<p><u>There is no full reconciliation undertaken between Exacom and efinancials for both CIL and s106 payments.</u></p>	<p>Establish a formal reconciliation procedure between Exacom and efinancials for CIL payments. This should include regular reviews and cross-verification of records to mitigate the risk of errors and discrepancies. This will also be established for s106 payments.</p>		
<p>Although monitoring is undertaken to ensure raised invoices are paid, there is currently no comprehensive reconciliation process in place between Exacom and efinancials for CIL payments. This lack of reconciliation increases the risk of errors and discrepancies in the financial records. It is important to establish a robust reconciliation process to ensure the accuracy and integrity of the financial data related to these payments. This will also apply to s106 payments.</p>	<p>Priority</p>	<p>2</p>	<p>SWAP Reference AP#5014</p>
	<p>Responsible Officer</p>		<p>Assistant Service Lead (Local Plan)</p>
	<p>Timescale</p>		<p>31 August 2025</p>