



Report To: Planning Portfolio Holder
Lead Officer: Director – Planning and New Communities

12 January 2016

Communities and Local Government Community Infrastructure Levy (CIL) review

Purpose

1. To agree the Council's response to a Government consultation seeking views on a review of the Community Infrastructure Levy (CIL).
2. This is not a key decision because it is securing the Portfolio Holder's endorsement as to the Council's consultation response, rather than creating new policy itself.

Recommendations

3. It is recommended that the Portfolio Holder approves the draft response as per Appendix B and further provides delegated authority to the Director of Planning and New Communities to submit the response on behalf of the Council.

Background

4. The Government confirmed in November 2015 would task an independent group with conducting a review of the Community Infrastructure Levy.
5. The group (which first met on 12 November 2015) will assess the extent to which CIL does or can provide an effective mechanism for funding infrastructure, and to recommend changes that would improve its operation in support of the Government's wider housing and growth objectives.
6. On 19 November 2015 CLG launched a consultation seeking views from a wide range of people.
7. The closing date for responses is 15 January 2015.
8. The group is independent and chaired by Liz Peace pro bono. The other members of the CIL review group are Andrew Whitaker (Home Builders Federation), Gilian MacInnes (Planning Advisory Service), Tom Dobson (Quod Planning), Steve Dennington (LB Croydon) and Michael Gallimore (Hogan Lovells) and Councillor John Fuller, Leader of South Norfolk District Council. Secretariat is being provided by DCLG.
9. By the end of March 2016, the Group will prepare a report for the Minister for Housing and Planning to consider. The report will include:
 - I. an assessment of whether CIL is meeting its objectives and any recommendations for future change;
 - II. an assessment of the relationship between CIL and Section 106, and how this is working in practice;
 - III. an analysis of the operation of the CIL system and specific recommendations of how it could be improved;

- IV. an assessment of how CIL is deployed by local authorities both to deliver infrastructure and to support community engagement

Considerations

10. The Community Infrastructure Levy was introduced in April 2010. It sought to provide a faster, fairer, more certain and transparent means of collecting developer contributions to infrastructure than individually-negotiated Section 106 planning obligations.
11. Many aspects of the consultation relate to issues that charging authorities face. As such many questions simply do not relate to South Cambridgeshire District Council, as this Council has so far been prevented from introducing a CIL.
12. South Cambridgeshire District Council submitted its draft charging schedule to the Planning Inspectorate for examination in October 2014, following several years of evidence gathering with regards infrastructure and viability. Unfortunately as a result of delays to the local plan examination the Council has been told it is unable to undertake the examination and therefore adopt a CIL charge.
13. Although there have been suggestions (including from the Planning Advisory Service) that the adoption of a CIL is not necessarily predicated on an up to date development plan being in place, this is not clearly expressed in Government guidance and the Local Plan inspector has herself raised concerns about the Council's ability to introduce CIL ahead of the Local Plan.
14. The consequence is that the Council is continuing to rely upon the use of planning obligations (i.e. section 106 agreements) to secure necessary infrastructure. From April 2015 CIL Regulation 123 has prevented the Council from securing more than 5 contributions towards a type or piece of infrastructure and as such the experience of this Council is that service providers are simply unable to respond fully to planning application consultations in desired timescales. This issue is exacerbated having regard to the high number of windfall applications the Council is currently facing.
15. The thrust of the Council's response is on the basis of the inability to introduce a CIL at this time, despite being an area of high growth, and the challenges that service providers are facing in light of pooling restrictions.
16. Any new legislation or guidance introduced by Government will have an effect on the Council's decision making process (regarding CIL) and resourcing.
17. The key points highlighted in the draft response to the consultation are:
 - (a) Expectation that s106 Agreements will continue to remain significant sources of funding for infrastructure because the submitted Local Plan includes three new settlements and other strategic growth sites, which are proposed to be CIL exempt.
 - (b) CIL is expected to generate £16m over the period 2017 – 31
 - (c) The contribution of City Deal and other funding to infrastructure requirements
 - (d) The impact of the CIL regulations upon s106 funding for parish council and County Council schemes
 - (e) The potential impact of CIL exemptions for affordable and self-build housing schemes
 - (f) The complexity of the CIL Regulations
 - (g) Developing interest in Neighbourhood Plans from parish councils.
 - (h) Delays to the Local Plan affecting implementation of CIL

Options

18. (i) To approve the consultation response as currently drafted
(ii) To propose an alternative response to the consultation

Conclusion

19. The Council has not yet introduced CIL, and therefore the consultation response is based upon our submitted CIL Schedule and its approach rather than direct experience of CIL in practice.
20. The proposed response highlights the issues that are faced by the Council, our partners and parish councils; and the approach we have taken towards both CIL and s106 Agreements.

Background Papers

APPENDIX A: CLG Consultation

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478123/151118_CIL_questionnaire_template_final.pdf

APPENDIX B: DRAFT SOUTH CAMBRIDGESHIRE RESPONSE

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