



## **Report – Planning and Transportation Committee**

### **Adoption and Implementation of the City of London Community Infrastructure Levy**

*To be presented on Thursday, 1st May 2014*

*To the Right Honourable The Lord Mayor, Aldermen and  
Commons of the City of London in Common Council assembled.*

#### **SUMMARY**

This report seeks approval for the adoption and implementation of the City of London Community Infrastructure (CIL) Levy.

#### **RECOMMENDATIONS**

We therefore recommend that the Court -

- i) notes the Inspector's report supported the proposed City CIL and recommended its approval;
- ii) approves the proposed 'correctable errors' to the City of London Community Infrastructure Levy Charging Schedule and approve the Charging Schedule for adoption, with implementation from 1<sup>st</sup> July 2014;
- iii) approves the Regulation 123 List, concerning infrastructure to be funded by the City CIL, which sits alongside the City CIL Charging Schedule;
- iv) delegates to the City Planning Officer and/or Development Director and/or Director of the Built Environment authority to approve scaled back s106 Agreements in place of the full form of s106 Agreements in cases where the planning application has been approved subject to a full s106 Agreement, and where it has not been possible to complete the s106 Agreement prior to implementation of the City CIL, and where the delegated officer considers it appropriate to do so; and
- v) agrees as a transitional measure to honour proposed expenditure in s106 Agreements, where it has not been possible to complete the Agreements, and where the specific s106 expenditure was relied upon in determining that applications were acceptable.

## MAIN REPORT

### Background

1. The CIL replaces s106 planning obligations and is a statutory fixed charge on new development intended to help fund the provision of new infrastructure to support development.
2. CIL can be used to fund the provision, improvement, replacement, operation or maintenance of infrastructure but cannot be used to fund affordable housing and revenue schemes as these are still to be sought through scaled back s106 planning obligations.
3. The City CIL will not put the growth of the City at risk, whilst continuing to deliver capital funding to help deliver necessary infrastructure improvements.
4. Two rounds of public consultation on the draft CIL were undertaken: -
  - i) Preliminary Draft Charging Schedule - 25 March and 13 May 2013; and
  - ii) Draft Charging Schedule Consultation - 24 July and 4 October 2014.
5. Following the consultation, which generated a total of 16 responses (of which 6 were objections), the comments received and the evidence base supporting the City CIL were submitted to the Planning Inspectorate on 7 November 2013 for Public examination by an independent planning inspector.
6. The Inspector's report was received by the City Corporation on 23<sup>rd</sup> January 2014 and is available on the City Corporation's website: [www.cityoflondon.gov.uk/cil](http://www.cityoflondon.gov.uk/cil). The Inspector's summary is below -

*"This report concludes that the City of London Community Infrastructure Levy Draft Charging Schedule provides an appropriate basis for the collection of the Levy in the City of London. The report is very brief, reflecting the thoroughness of the City Corporation's approach, the comprehensiveness of the evidence that supports the Schedule, and the relatively few objections to it. It is convincingly demonstrated that the Levy is set at a level that will not put the growth of the City of London at risk. I recommend that the Schedule be approved in its published form, without amendment."*
7. Setting a City CIL will ensure that contributions from developers can continue to be pooled to fund capital investment in new infrastructure. CIL Regulations also allow the City Corporation to retain up to 5% of annual CIL charges to cover CIL preparation and administrative costs making it self-financing on a regular basis.
8. The City CIL rate is set so that it does not impact on the overall viability of development in the City or its attractiveness as an office location.

### Conclusion

9. The City of London Community Infrastructure Levy has undergone public examination by an independent planning inspector. The Inspector has concluded that the proposed City CIL rates are appropriate and set at a level which will not put the growth of the City at risk, whilst continuing to deliver capital funding to help deliver necessary infrastructure improvements. Your Planning and Transportation Committee recommends the adoption of the City of London CIL with implementation taking place from 1<sup>st</sup> July 2014.

All of which we submit to the judgement of this Honourable Court.

DATED this 25<sup>th</sup> day of February, 2014.

SIGNED on behalf of the Committee

**DEPUTY MICHAEL WELBANK, MBE, Chairman**