

Planning Obligations / Section  
106 (s106) agreements/  
Developers Contributions

**Community  
Infrastructure Levy (CIL)**

# Government's Community Infrastructure Levy (CIL)

- Replaces previous initiatives:
- Planning tariff / Optional planning Charge (2003)
- Planning Gain Supplement (2005)
- CIL - Consultation on draft regulations: was to be autumn 2008 now is likely in autumn 2009. Intention to publish final regulations early 2010

# Background to CIL

- **Government Aim:** delivering right infrastructure is critical to sustainable economic development, in particular housing.
- s106 agreements are used to bring development in line with sustainable development objectives set out in local, regional and national planning policies.
- Government believes s106 performance to be variable and wants significant improvement.
- Private sector benefits from infrastructure.
- CIL aims to increase the contribution from the private sector to investment in vital community infrastructure.
- CIL loosens the relationship between development and contribution

# Stockport's current s106 practice

- Open Space (new or improved sports pitches and children's play facilities) covers capital and maintenance costs
- Transport (include major infrastructure projects, public transport improvements and / or new / improved walking or cycling facilities.)
- Affordable Housing (vast majority of schemes are required to provide actual provision on site, very few schemes pay commuted sums)
- E.g: New Mills, Reddish, Stockport : conversion and new build residential scheme. Proposed 486 units.
  - Existing policy secured
    - Open Space £450K
    - Transport £670K
    - Affordable Housing 61 units

# CIL Arrangements

## Potential New Infrastructures

- CIL part of wider package for Infrastructure delivery to support housing and economic growth.
- Definition of community Infrastructure not yet set out but likely to be broad ranging: Bill lists infrastructure as including:
  - Roads and other Transport
  - Flood defences
  - Schools and other educational facilities
  - Medical facilities
  - Sporting and recreational facilities
  - Open spaces
  - Affordable housing (although recent policy statement say regulations will exclude AH.
  - Env & Highways Agency may be able to receive part of CIL.
  - List may be widened

# Other key features

- Government Considering:
  - Standard charges on all developments
  - Except very small eg: house holders apps
  - Variable/flexible to different types of Devs.
  - Responsive to market conditions
- Use by LPAs is optional, not mandatory
- Not intended to replace s106
  - S106 still required to deal with site specific matters
  - Government still thinking on s106/CIL relationship - causing uncertainty
- No reduction in Affordable Housing

# Issues

- Inclusion of additional items with the existing requirements is likely to raise the need to prioritise owing to the constraints upon schemes (affordability)
- Any priority (either for existing uses or new uses of s106/CIL money) would need to be enabled by policies within the Core Strategy (LDF).
- Timing of payment
- Timing of infrastructure: affected by scale and type of development

# Issues

- CIL is only to be collected for increasing infrastructure capacity.
- Development viability affected by existing s106 requirements + site conditions: demolition & contamination
- Local 'off site' infrastructures can be sought using s106
- Cross boundary - sub regional infrastructures better contributed to through CIL (much work)
- **Scope to broaden the range of infrastructures is likely to be limited and needs to be carefully considered.**



# Next steps

- DC&LG has established group of practitioners to work out best practical arrangements. (met this month, last met last Nov)
- Consultation on draft regulations autumn 2009.
- LPAs should continue policy development reflecting current law and govt guidance. (i.e. s106's)
- Should contact Planners so that any infrastructure needs are taken into account as part of work on Local Development Framework- Core Strategy Preferred Options.
- Don't hold your breath