

COUNCIL		
Report Title	Adoption of Lewisham Community Infrastructure Levy Charging Schedule	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director of Resources and Regeneration	
Class	Part 1	Date: 25 February 2015

1. Purpose

- 1.1 This report seeks the Council's formal resolution to adopt the Lewisham Community Infrastructure Levy (CIL) Charging Schedule; the Lewisham CIL Regulation 123 List and the Lewisham CIL Instalments policy.

2. Summary

- 2.1 The Community Infrastructure Levy (CIL) is a levy which the local planning authority may charge against most types of new development in their area. This report sets out the Lewisham CIL Charging Schedule for Adoption by Full Council. A charging authority, that is, the Council, must set out its proposed levy rates in a charging schedule as pounds per square metre. In addition to the charging schedule (Appendix 1) the report recommends adoption of a list of types of infrastructure the Lewisham CIL will be used to fund. This is known as the regulation 123 list (Appendix 2). A policy on Instalment payments (Appendix 3) is also set out. All these documents are required under the Community Infrastructure Levy Regulations 2010 (as amended).

3. Recommendations

- 3.1 The Council formally resolve to adopt:
the Lewisham Community Infrastructure Levy (CIL) Charging Schedule;
the Lewisham CIL Regulation 123 List and
the Lewisham CIL Instalments policy.
- 3.2 The documents listed above should come into effect on 1st April 2015.

4. Policy context

- 4.1 The contents of this report are consistent with the Council's policy framework. The CIL is a discretionary charge that the local planning authority can impose to help pay for local strategic infrastructure. The Core Strategy adopted by the Council in June 2011 is part of the Council's policy framework. The Core Strategy is the spatial implementation plan for the Sustainable Community Strategy.

4.2 The Core Strategy was accompanied by an Infrastructure Delivery Plan (IDP), published in 2010, which set out the types of infrastructure needed to implement the growth strategy set out in the Core Strategy. The IDP was the starting point for the evidence of need for infrastructure that was necessary for producing and justifying the CIL Charging Schedule. The receipts from CIL will help implement the Core Strategy and the Sustainable Community Strategy (SCS).

5. Background

5.1 The full background, policy context and details of the charging schedule, the regulations 123 list and the instalments policy is set out in the report to Mayor and Cabinet dated 14th January 2015 which is included as Appendix 4 to this report.

5.2 The Community Infrastructure Levy (CIL) was introduced by the Planning Act 2008. It is a levy which Local Planning Authorities in England may charge against most types of new development in their area. The money raised is to be used to pay for local strategic infrastructure in order to support the additional demand arising from new development such as schools, hospitals, roads and transport schemes.

5.3 Once in force CIL will largely replace the use of Section 106 planning obligations as a means of funding infrastructure through development. However, the system of using Section 106 agreements for securing affordable housing, local site mitigation measures and non-infrastructure matters, such as, employment and training contributions, will remain. As such the s106 Supplementary Planning Document has been revised to ensure that it is appropriate when CIL is adopted. The S106 SPD is a separate item on this agenda for adoption and provides more detail of the relationship between Planning Obligations and CIL.

6. The CIL Charging Schedule

6.1 The CIL charging schedule for adoption is set out as **Appendix 1** to this report. As is required by the regulations it is the charging schedule approved by the Inspector at Examination. The charging schedule sets out 2 charging zones (Zones 1 and 2) and 3 rates for development (Use class C3; Use Class B & all other uses). The zones are defined by postcode and identified on a map in the charging schedule. Zone 1 is the smallest zone, along the northern edge of the Borough abutting the Thames and Greenwich. The rate in zone 1 for residential development in Use Class C3 is £100 per square metre (psm). The rest of the Borough forms Zone 2 where the residential rate (Class C3) is £70 psm. There is a zero rate across the Borough for all development in use class B which is the business use class. All other development is charged a rate of £80 psm across both zones.

Table 1: Lewisham CIL rates

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Geographical	Use Class C3	Use Class B	All Other Uses

Zone			
Zone 1 (see map)	£100 per square metre	£0 per square metre	£80 per square metre
Zone 2 (see map)	£70 per square metre	£0 per square metre	£80 per square metre
Note: Use class is that set out in The Town and Country Planning (use classes) Order 1987 as amended.			

7 The Regulation 123 List

- 7.1 The CIL regulations (as amended) require the Council when approving a charging schedule to specify and list those types of infrastructure or projects that it proposes to fund through the levy. This is known as the Regulation 123 List. Government advice is that the List should be based on the draft list that was part of the examination of the draft charging schedule. The Regulation 123 list for adoption is set out as **Appendix 2** to this report.
- 7.2 The Lewisham Regulation 123 list sets out the types of infrastructure on which CIL income would or could be spent. The list includes state education facilities; public health care facilities; strategic transport enhancements; publically accessible open space; strategic flood management; publically owned leisure facilities and local community facilities and public emergency services.

8 The Instalments policy

- 8.1 To aid cash flow for developers in making CIL payments during the construction of a scheme, the CIL Regulations allow for the adoption of a CIL instalments policy. Under Regulation 69B a charging authority which wishes to allow persons liable to pay CIL to do so by instalments must publish on its website an instalment policy containing only the information specified in the Regulations.
- 8.2 Under CIL Regulations (69B), the Council may chose to adopt its own CIL instalments policy. However, if it chooses not to, the London Mayor's CIL instalments policy will apply (Reg 70) . A number of other London Boroughs are already applying the London Mayor's CIL instalments policy. Doing so allows boroughs collecting their own CIL, as well as the London Mayor's CIL, to have a common approach to the collection of both CILs. This is simpler in terms of administration, and allows for the aggregation of money due under the Mayoral and Lewisham CILs to be used in determining the threshold for phased payments.
- 8.3 The Lewisham CIL Instalment Policy for adoption, reflect that adopted by the Mayor of London. The Lewisham CIL Instalment Policy is set out in **Appendix 3**. to this report.

9 Legal implications

9.1 The report recommends that Full Council formally adopt the documents to be effective from 1 April 2015.

9.2 Regulation 123 of the Community Infrastructure Regulations 2010 requires that where planning permission is being granted for development then:

1. a planning obligation may not constitute a reason for granting planning permission to the extent that the obligation provides for the funding or provision of a relevant infrastructure.

2. a condition may not be imposed on the grant that requires a highway agreement for funding or provision of relevant infrastructure to be entered into or prevent or restrict the carrying out of development until a highway agreement has been entered into.

3. a planning obligation may not constitute a reason for granting planning permission to the extent that the obligation provides for the funding or provision of an infrastructure project and five or more separate planning obligations for development within the area of the charging authority; and which provide for the funding or provision of that project have been entered into on or after 6th April 2010 .

In short, planning obligations and or conditions are not to be used to secure the provision of relevant infrastructure. "Relevant infrastructure" means, in this context where a charging authority has published on its website a list of infrastructure projects or types of infrastructure that it intends will be, or may be, wholly or partly funded by CIL those infrastructure projects or those types of infrastructure. This is the Regulation 123 list.

Once the Charging Schedule is adopted and implemented it will not be appropriate to use planning conditions or planning obligations to secure relevant infrastructure.

9.3 Section 213 (2) of the Planning Act 2008 requires that a Charging Schedule be approved at a meeting of the authority and by a majority of votes of members present.

Regulation 25 of the CIL Regulations require that as soon as practicable after the charging authority approves a charging schedule in accordance with section 213 it must—

(a) publish the charging schedule, on its website;

(b) make the charging schedule available for inspection at the places at which the documents mentioned in regulation 16(1)(a) were made available;

9.4 a charging schedule is to take effect at the beginning of the day specified for that purpose in the charging schedule (Regulation 28 of the CIL Regulations)

10 Conclusion

10.1 The Council is asked to resolve to agree and adopt the CIL Charging Schedule (appendix 1); the Regulation 123 List (appendix 2) and the Instalments Policy (appendix 3) as required by the CIL regulations.

Background documents

Short Title Document	Date	File Location	File Reference	Contact Officer	Exempt
Planning & Compulsory Purchases Act 2004 (as amended)	2004	Laurence House	Planning Policy	Brian Regan	No
National Planning Policy Framework	2012	Laurence House	Planning Policy	Brian Regan	No
Local Plan Regulations	2012	Laurence House	Planning Policy	Brian Regan	No
Localism Act 2011	2011	Laurence House	Planning Policy	Brian Regan	No

If you have any queries on this report, please contact Brian Regan, Planning Policy, 3rd floor Laurence House, 1 Catford Road, Catford SE6 4RU – telephone 020 8314 8774.

Appendix 1: Lewisham CIL Charging Schedule

Appendix 2: Lewisham CIL Regulation 123 List

Appendix 3. Lewisham CIL Instalments Policy

Appendix 4: Report to Mayor and Cabinet on Adoption of CIL dated 14th January 2015

This can be viewed at:

<http://councilmeetings.lewisham.gov.uk/documents/s33034/CIL%20Adoption.pdf>