

Sustainable Development Select Committee		
Title	Section 106 Obligations and Community Infrastructure Levy (CIL) Update	
Contributor	Head of Planning	Item
Class	Part 1 (open)	14 December 2017

1. Purpose

- 1.1 This report is intended to update Members on the work being undertaken in relation to S106 obligations (S106) and the Community Infrastructure Levy (CIL).

2. Recommendations

- 2.1 The Select Committee is asked to note the content of this information report and direct any questions to officers.

3. Background

- 3.1 A report was presented to Sustainable Development Select Committee (SDSC) on S106 and CIL on the 29 November 2016. This was in response to matters raised by SDSC at its meetings on 22 October 2015, 18 April 2016 and 12 May 2016 which led to the consideration of the emerging processes for allocating CIL funds and S106. This was presented in a response to the Mayor and Cabinet (M&C) referral on 25 October 2016. The issue has also been considered before M&C on the 1 June 2016 and 7 September 2016.
- 3.2 An update on this is presented below.

4. S106 Obligations & CIL Update

- 4.1 Officers are in the process of finalising the full review of S106 and CIL processes, following the recently completed migration of its S106 and CIL functions into an integrated software system, managed and operated by the Strategic Planning Team. Working closely with Finance, officers now have access to quarterly reconciled updates, as well as 'real time' funding information for both S106 and CIL, and for project spending. This migration has included a digitalisation of all S106 agreements.
- 4.2 Officers previously updated Members on the proposal to undertake an allocation of S106 and CIL as part of the annual process for agreeing capital and S106/CIL funds for the coming year. This process has been in progress over the summer and as per the previous report to SDSC, these are being evaluated by Regeneration and Capital Delivery Board. These will then be presented for ratification by Regeneration Board and then published as part of the annual budget reported to Mayor and Cabinet in order to ensure greater

transparency and Member involvement in the allocation of S106 and CIL funds.

- 4.3 Officers have already begun work in looking at how the process of community engagement around the neighbourhood proportion of CIL would be run, and have been working with the Evelyn Ward Assembly looking at S106 & CIL allocations in the ward as an initial pilot. This work has involved creating a draft S106 project shortlist for the ward, to inform the allocation of S106 amounts in 2016/17. This was based on a roundtable workshop with the ward assembly run in June 2017 which identified local priorities. Officers are in the process of reviewing how the process functioned, and looking at ways in which it can be improved in the context of allocating the neighbourhood portion of CIL in the future. This will include looking at the resource and time implications, and ways to streamline the process and reduce delays.
- 4.4 Based on the outcomes of this pilot, Officers are in the process of drafting recommendations for the detailed process for the spending of the neighbourhood portion of CIL, aligned to the recommendations made to SDSC in November. It is anticipated that this process will be subject to a wider pilot in early 2018, and rolled out across the borough within the year.
- 4.5 As per the report presented to SDSC in November, the neighbourhood CIL spending strategy will include processes to ensure greater Member and community involvement, greater transparency in process, with greater use of the Council's webpage to publish information. In line with identified aspirations, the process is looking at incorporating participatory budgeting principles where possible.
- 4.6 Alongside this work, the Strategic Planning Team are beginning a partial review of the Local Plan, including a new spatial strategy for the borough. The timetable and scope of the work is outlined within the Local Development Scheme, which is being presented to Mayor & Cabinet on 10 January 2018.
- 4.7 Within the context of this review, an opportunity has been identified to better align the planning and funding of the infrastructure necessary to support development, and the development of the new spatial strategy. Officers are drafting recommendations in this regard that will aim to ensure that essential infrastructure is planned for and delivered alongside emerging Local Plan aspirations for good growth. This will include a more strategic use of S106 and CIL, and better infrastructure planning capacity at a neighbourhood level.

5. Financial Implications

- 5.1 There are no direct financial implications arising from this report.

6. Legal implications

- 6.1 As this is an information item there are no direct legal implications arising from this report.

7. Crime and disorder implications

7.1 There are no crime and disorder implications rising from this report.

8. Equalities implications

8.1 Lewisham's Comprehensive Equalities Scheme (CES) 2012-16 describes the Council's commitment to equality for citizens, service users and employees. The CES is underpinned by a set of high level strategic objectives which incorporate the requirements of the Equality Act 2010 and the Public Sector Equality Duty:

- tackle victimisation, harassment and discrimination
- to improve access to services
- to close the gap in outcomes for citizens
- to increase understanding and mutual respect between communities
- to increase participation and engagement

9. Environmental Implications

9.1 There are no direct environmental implications arising from this report.

10. Conclusion

10.1 The Committee is asked to note the content of this report setting out an update on work being undertaken by officers. If you have any questions about this report please contact Simon Zelestis, Programme and Infrastructure Manager simon.zelestis@lewisham.gov.uk