



Overview And Scrutiny Business Panel		
Report Title	Update: Community Infrastructure Levy	
Key Decision	YES	Item No.
Ward	All	
Contributors	Head of Planning	
Class	Part 1	Date: 08 October 2018

1. Summary

- 1.2 On the 19 June 2018 the Overview And Scrutiny Business Panel in relation to the decision made by Mayor and Cabinet on 6 June 2018 regarding the Community Infrastructure Levy Preliminary Draft Charging Schedule, resolved that:
- i. the decision of the Mayor and Cabinet be noted.
 - ii. Mayor and Cabinet be requested to ask officers to show how Council Members, and the community are involved in this process.
 - iii. Mayor and Cabinet be requested to ask officers to produce an easy to read diagram to illustrate the process.
 - iv. Mayor and Cabinet be requested to ask officers for information on how the decision making process on the allocation of CIL operates in other boroughs.
- 1.3 This report provides an update and response to the Chair and to the Overview and Scrutiny Business Panel on these items.

2. Update and response to the Chair

- 2.2 The Council is in the process of developing a strategy around the allocation and spending of CIL, including the neighbourhood portion.

CIL collected to date and CIL Regulations

- 2.3 Since the amounts of CIL collected in the first financial years of CIL were initially quite modest compared to the infrastructure funding gap, the Council has been amalgamating CIL contributions so as to have a more substantial reserve of funds from which to draw from for strategic infrastructure projects. The Council has now collected approximately £9 million over the three years that CIL has been in operation and has begun to look at an allocation and spending strategy.
- 2.4 R59 of the Community Infrastructure Levy Regulations (2010) (as amended) restricts CIL spending to "funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area". S216 of the Act identifies 'infrastructure' by way of broad categories, which as amended excludes affordable housing.
- 2.5 Planning Practice Guidance published by the Ministry for Housing, Communities and Local Government (MHCLG) in paragraph 011 states that:

- 2.6 “Charging authorities should think strategically in their use of the levy to ensure that key infrastructure priorities are delivered to facilitate growth and the economic benefit of the wider area... to enable the delivery of strategic infrastructure, including social and environmental infrastructure, and facilitate the delivery of planned development.”

Local Plan context – infrastructure planning and the IDP

- 2.7 At present the Council is in the process of reviewing its Local Plan, with the adopted Local Development Scheme (LDS) programme proposing the first round of formal consultation at the end of 2018/early 2019, with adoption of the new Local Plan programmed for 2020. This new Local Plan will set out the vision and a framework for the future development of Lewisham, including guiding decisions about individual development proposals, and provide allocations of sites for development.
- 2.8 The new Local Plan will be supported by a significant piece of infrastructure evidence called the Infrastructure Delivery Plan (IDP). The IDP is a means of providing a focused and joined-up approach with infrastructure partners, providers, and other stakeholders when planning for Lewisham, and will demonstrate that development proposals in the Local Plan will be supported by the necessary infrastructure across the entire borough.
- 2.9 In meeting the requirements of the Regs (outlined above) and having regard to the PPG advice, the Council has been progressing the IDP as a tool to inform the prioritisation of infrastructure projects necessary to support development, and to inform the allocation of CIL. The IDP will identify the infrastructure necessary to support the delivery on the emerging new Local Plan, including the priorities over the first five years of the plan.
- 2.10 Given the continued financial austerity and pressure on the Council’s capital budget, there will be significant pressure on the CIL funds available, and preliminary work on the IDP has already identified a significant infrastructure funding gap.

Proposed allocation of CIL

- 2.11 The Council is developing a strategy to allocate CIL in line with the new Local Plan, which will be informed by the infrastructure evidence that is emerging from the IDP. This will seek to align infrastructure investment funded through CIL, so that it will support the delivery of development in Lewisham, and to meet the regulatory requirements for CIL spending. This process will be further developed alongside the emerging new Local Plan and as work progresses on the IDP.
- 2.12 In regards to the neighbourhood portion of CIL, the Council is in the process of developing a strategy for allocating these amounts, which will involve work with Members, local assemblies, neighbourhood forums, and other community groups and stakeholders.
- 2.13 At the end of 2016 Sustainable Development Select Committee were briefed on initial ideas around the allocation process for neighbourhood CIL, including the principles of allocating a portion of S106 in closer collaboration with local communities. A pilot of S106 spending with the Ward Assemblies was subsequently trialled in Evelyn ward.
- 2.14 On the basis of this work the Council is developing a borough wide strategy, and will be finalising this over the coming months after briefings with the Mayor. It is planned to take a report to Mayor and Cabinet during 2018. This report will include a flow-chart of decision making and will draw on the review of CIL best practice in London.

Review of best practice

- 2.15 Council officers have reviewed a variety of London CIL processes as part of the development of initial draft proposals, including meeting with colleagues managing the CIL process at Southwark, and an in-depth review of Camden's practices, published guidance, and project portfolio. London best practice has been the focus of this exercise, due to the distinct characteristics of the capital (the CIL Regs provide different mechanisms for areas such as Lewisham/London where parish and town councils do not exist). This review will form part of the material presented to Mayor and Cabinet.

3. Conclusion

- 3.2 The Council is developing strategies around the allocation of CIL and the allocation of the neighbourhood portion of CIL, as outlined above.
- 3.3 Full details of these proposals will be presented to Mayor & Cabinet later in 2018.