CIL IN LONDON

February 2019

Quod

What is CIL?

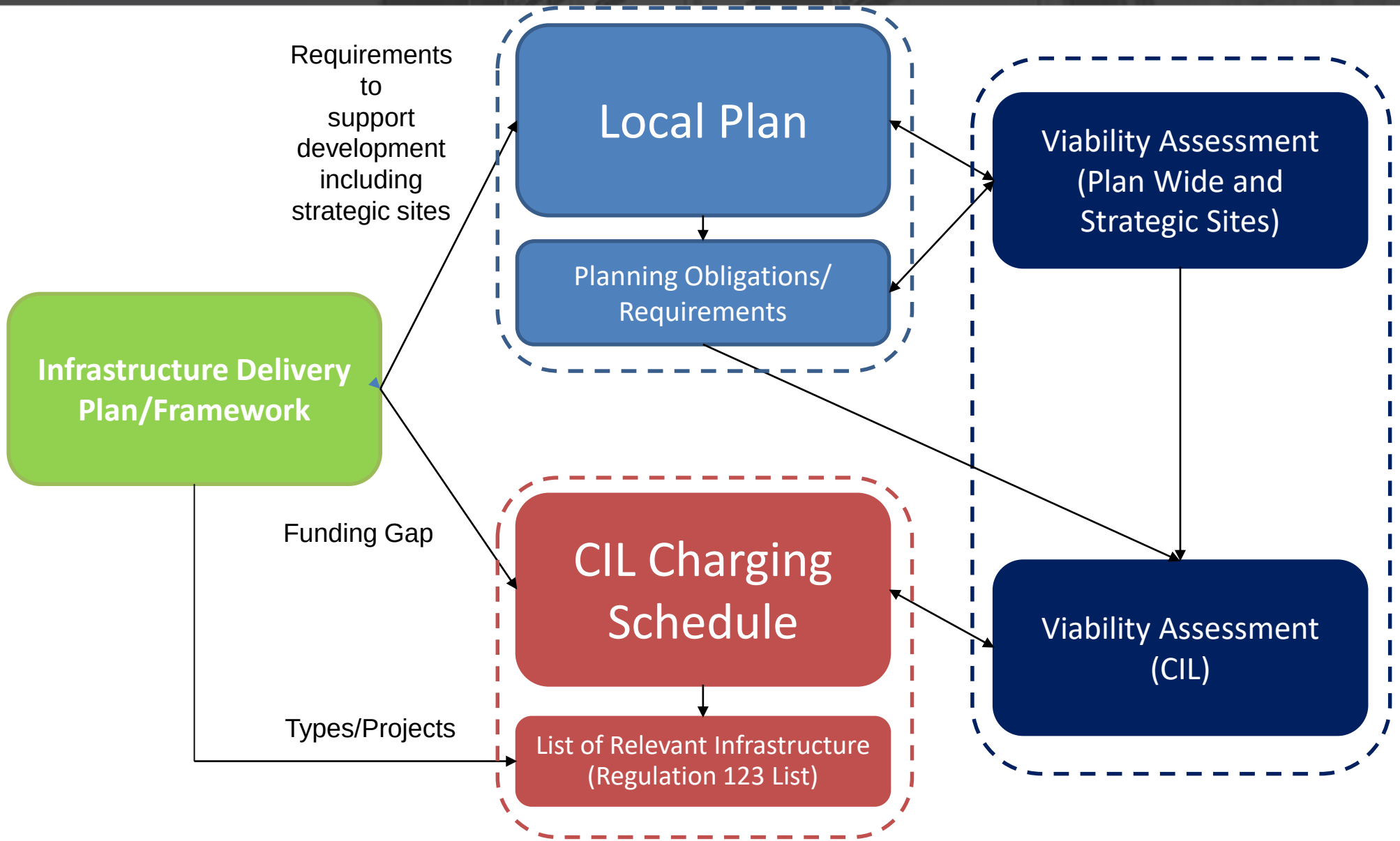
- Tax on Development
- Regulations published 2010
- First London charging 2012
- Now covers 30 of 33 Boroughs and Mayor
- Intended to replace ‘tariff type’ S106

- Flexibility for Boroughs to spend
- Can be used for capital and operational funding
- Neighbourhood proportion can be used for anything that supports development in the area

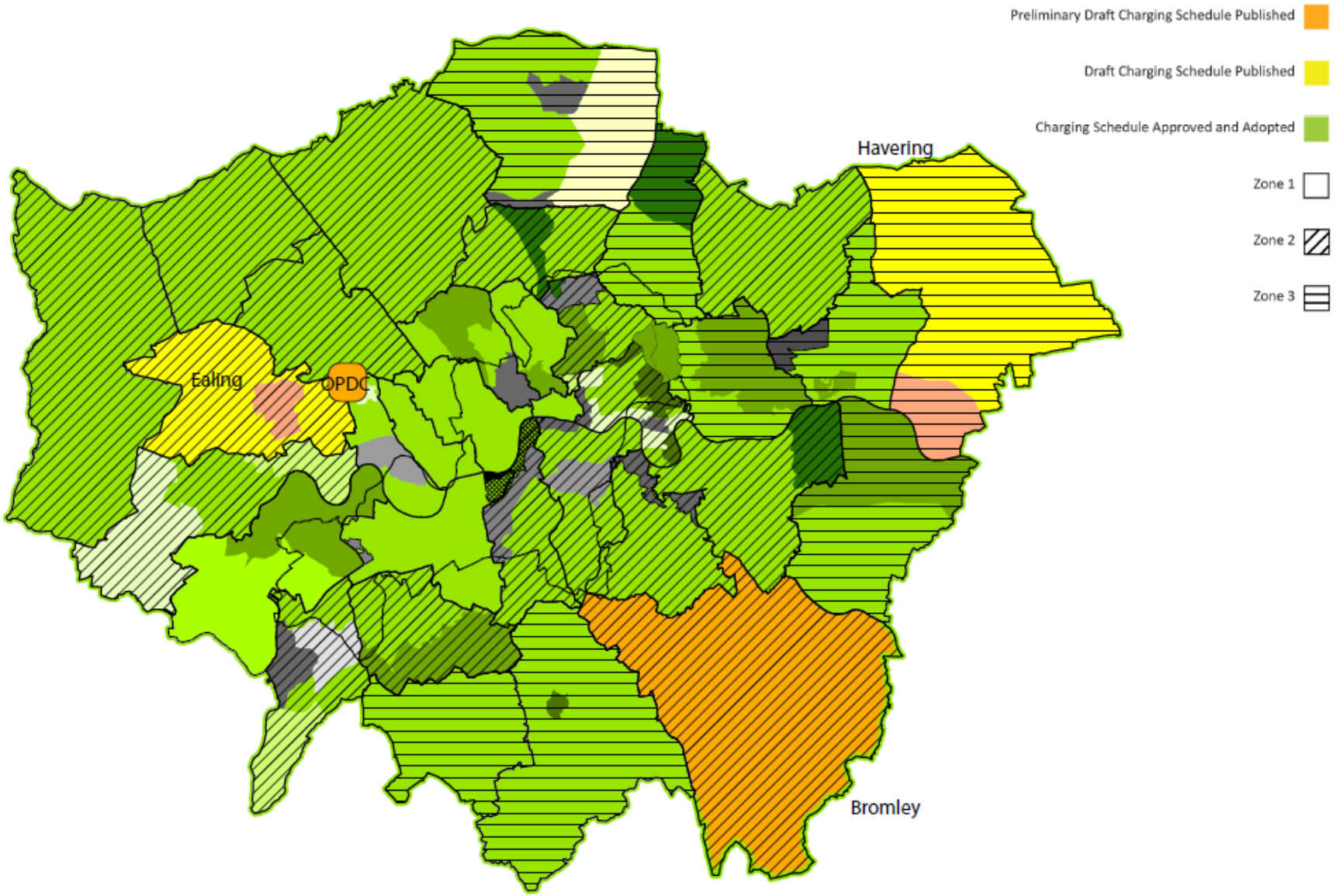
CIL vs S106

- CIL
  - Fixed Levy
  - ‘Cumulative Impacts’ of development across area
  - Can be spent on any infrastructure at Charging Authority’s discretion
  - ‘Local Proportion’ – 15% or more in area local to development
- Section 106
  - Negotiated legal agreement
  - On and off site (if meets tests)
  - Must be necessary, directly related, fair and reasonable (Reg. 122)
  - Limitations on pooling, restricts ‘tariff type’ contributions (Reg. 123)

CIL, S106 & Infrastructure Planning

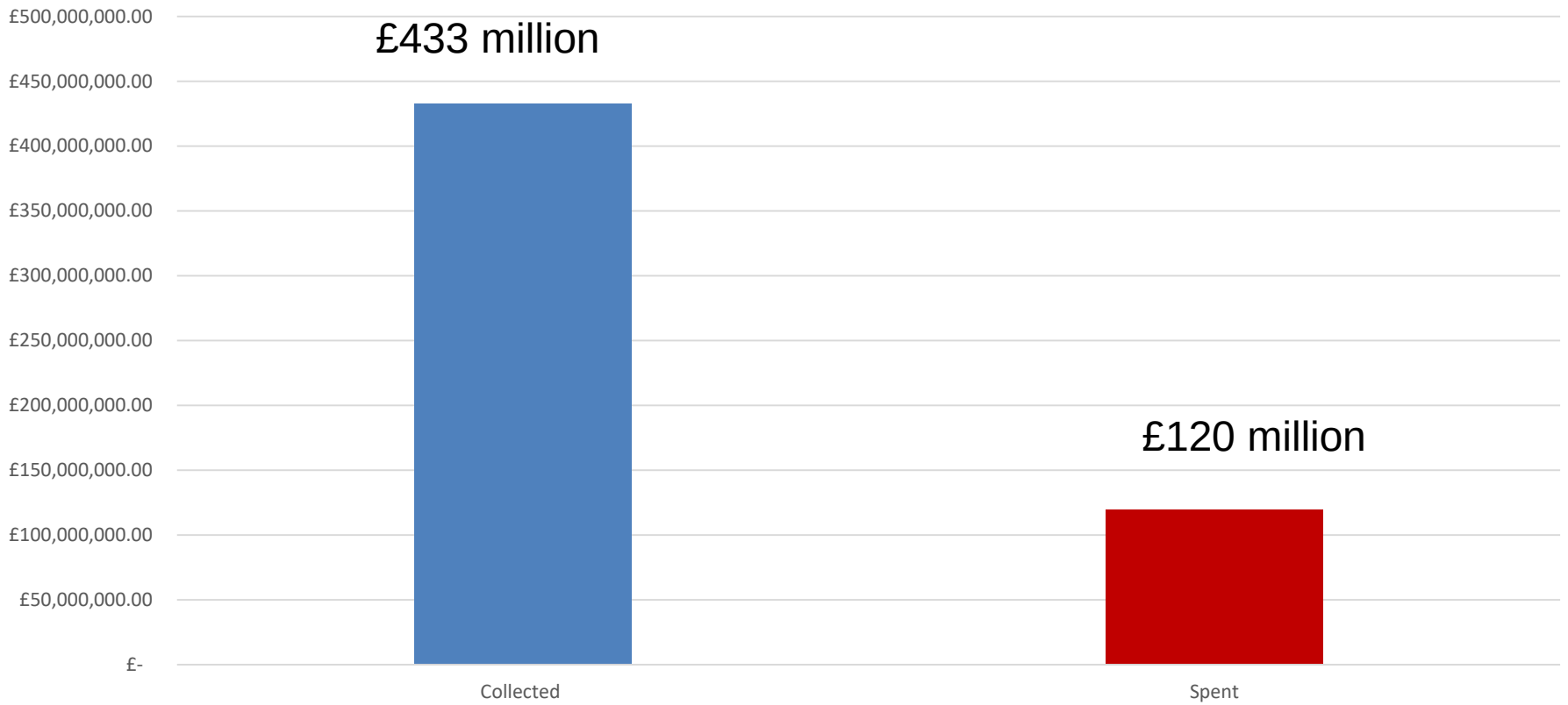


CIL in London



How much has been collected and spent?

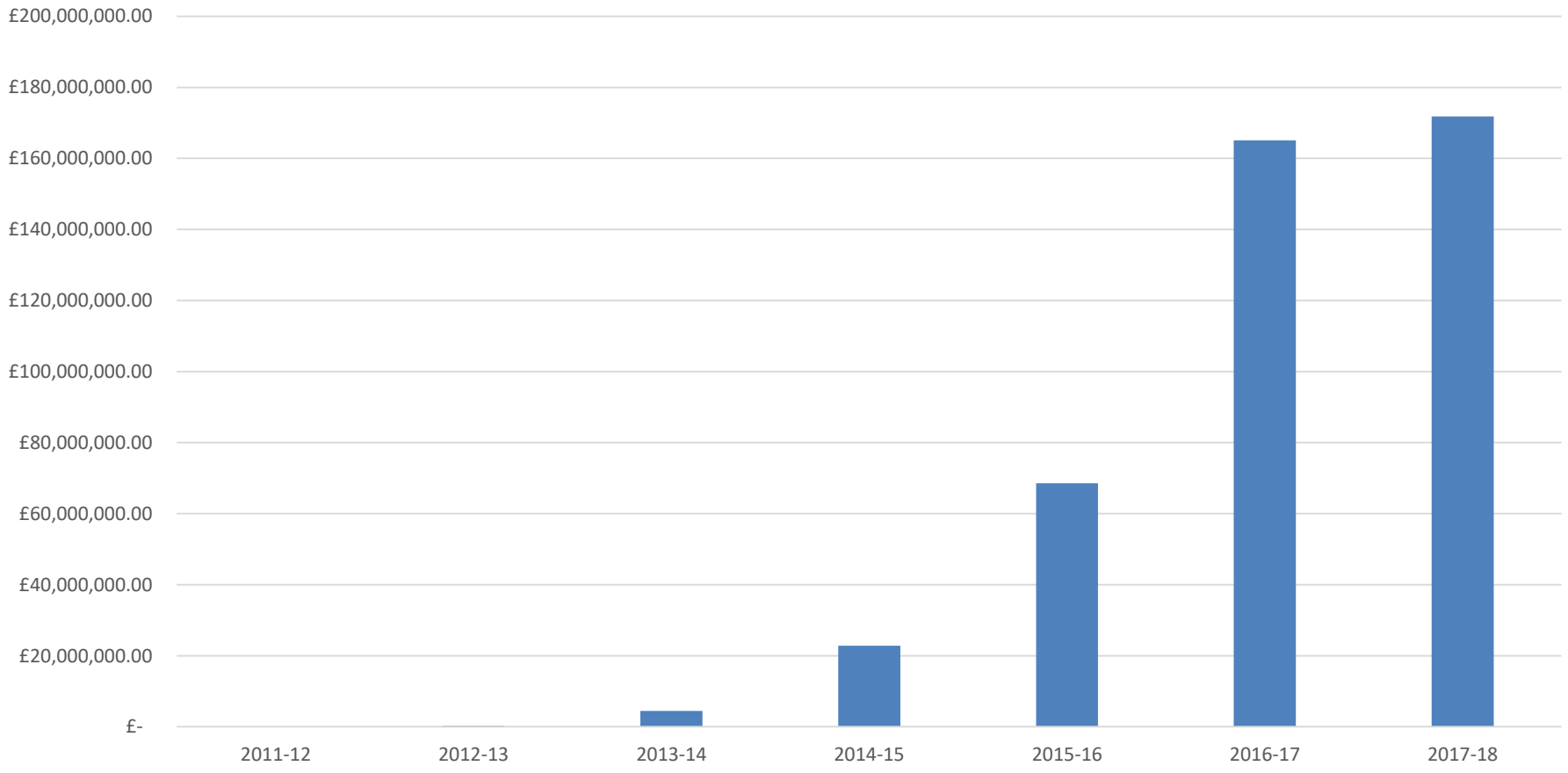
Borough CIL Collection & Expenditure: 2011/12 to 2017/18



Source: Quod review of Borough CIL Annual Reports for Boroughs where available

How much has been collected and spent?

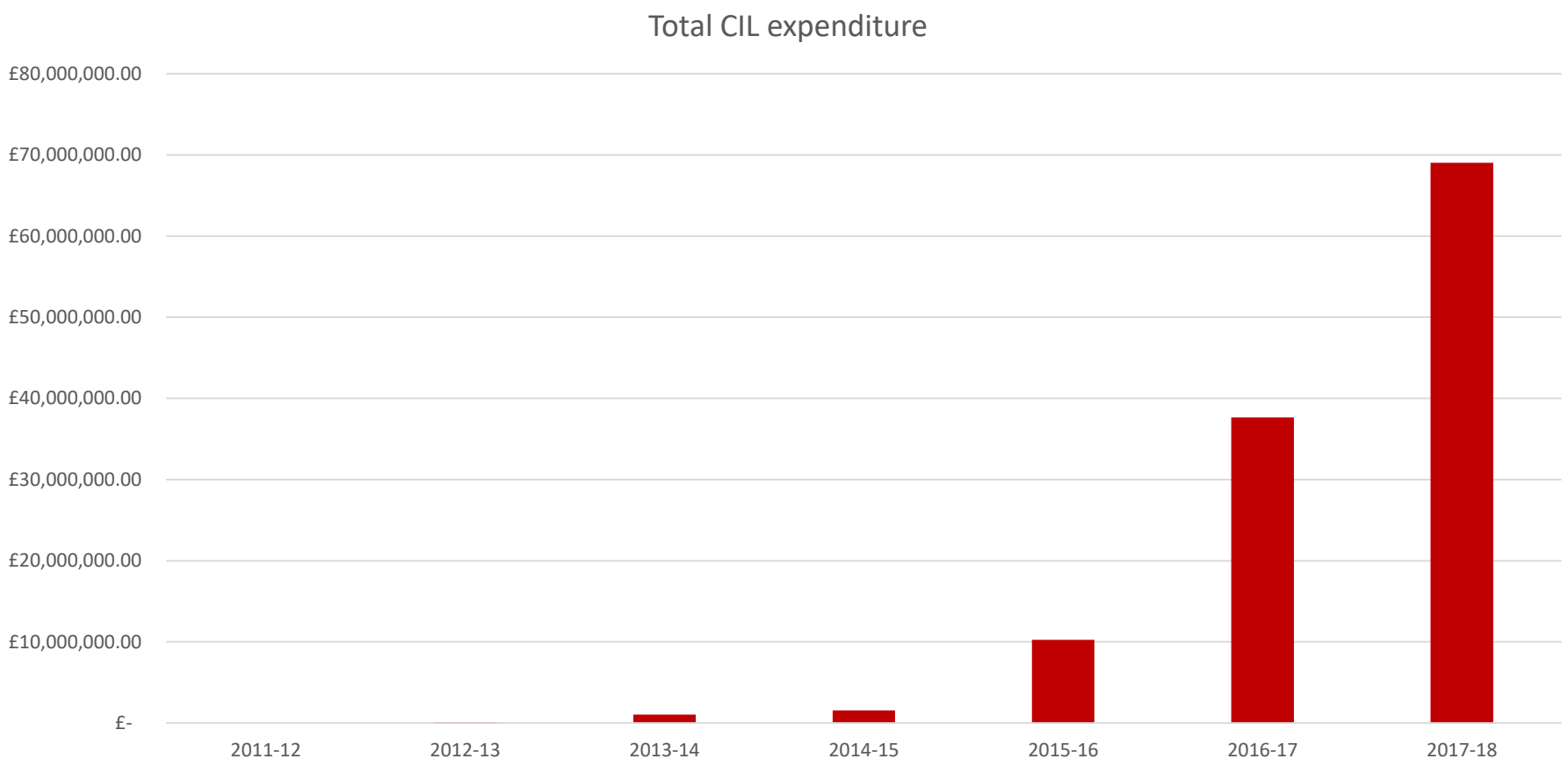
Borough CIL Collection: 2011/12 to 2017/18



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How much has been collected and spent?

Borough CIL Expenditure: 2011/12 to 2017/18



Source: Quod review of Borough CIL Annual Reports for Boroughs where available

Who Has Raised CIL?

4 Authorities, Half of Borough CIL

Wandsworth: £95.7 million
Brent: £50.7 million
Tower Hamlets: £39 million
City of London: £27.5 million

2 £20 million Pus

Lambeth: £20.6 million
Barnet: £20.4

4 £13 plus million

Islington: £18.6 million
Westminster: £17.5 million
Hackney: £16.5 million
Camden: £13.3 million

75% in 10 Boroughs

What has it been spent on?

Half on:



Roads, Pavements & Public Realm
£26.8 million



Transport
£22 million

Half on:



Education
£19.2 million



Indoor & Outoor Sport
£19 million



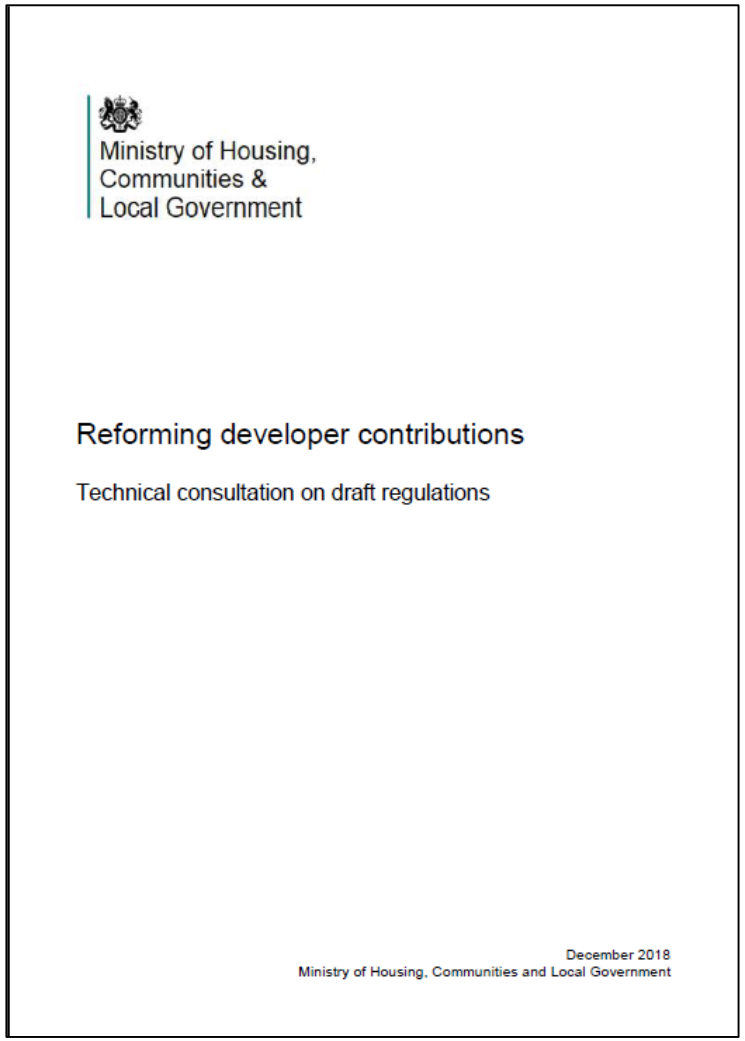
Parks and Open Space
£7.6 million



Everything Else
£22.4 million

Source: Quod review of Borough CIL Annual Reports for Boroughs where available, identified items

CIL Reform


Ministry of Housing,
Communities &
Local Government

Reforming developer contributions

Technical consultation on draft regulations

December 2018
Ministry of Housing, Communities and Local Government

- Closed 31 January
- Likely to be implemented this year
- Removal of Regulation 123:
  - Pooling Restriction
  - R123 list
- More detailed requirements for monitoring and reporting CIL and S106 collection and expenditure

Key Points for Parks and Open Space Officers

- Get involved in infrastructure planning: influence the plan for on and off site requirements;
- Identify specific projects: promote in internal funding allocation mechanisms;
- Reg. 123 list not that important, being on it doesn't mean projects will be funded, internal funding process much more important;
- Think at different scales:
  - Neighbourhood: are their trusts of voluntary organisations who can promote local projects?
  - What strategic sites are coming forward and what can be promoted?
- Be aware of internal processes and expenditure – watch out for underspends or opportunities;
- Be reasonable and flexible in S106 negotiations, developers often like parks and open space so work with the grain, think about specific improvements;
- CIL will be cyclical – receipts tied to market trends so watch out for downturns.