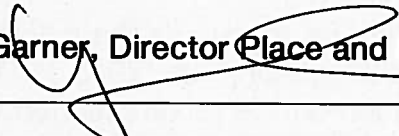


Report for:	Cabinet	Item Number:	
Title:	Community Infrastructure Levy (CIL)-Recommendations on Haringey CIL rates, and next steps to implementation of Haringey CIL		
Report Authorised by:	 Lyn Garner, Director Place and Sustainability		
Lead Officer:	Sule Nisancioglu Team Leader Planning Policy and Transport ext 5562 Gavin Ball-Planning Policy Officer		
Ward(s) affected: All		Report for Key Decision	

1. Describe the issue under consideration

- 1.1 The Cabinet agreed a Preliminary Draft Community Infrastructure Levy (CIL) charging tariff for Haringey in July 2012 for public consultation. This report provides an update on the progress of our work for the introduction of Haringey's Community Infrastructure Levy (CIL), and seeks Members' approval for the public consultation on the CIL Draft Charging Schedule (Appendix1).
- 1.2 CIL revenue will be used to help contribute towards meeting the funding gap that exists for the infrastructure required to support population growth. The infrastructure needs over the next 15 years have been assessed in a Community Infrastructure study (2010) as part of the Local Plan process. Key projects and needs from the Community Infrastructure study are summarised in the Infrastructure Delivery Plan (IDP). An update to the study and the IDP document was subsequently produced in 2011 to support the Examination in Public of the Local Plan: Strategic Policies DPD. The 2013 updates of the community infrastructure needs and the IDP provide further evidence of the aggregate infrastructure gap that exists in Haringey that proves the need for CIL.
- 1.3 These documents are based on the most up-to-date information available at the time of writing, and further updates will be provided before the submission of the Draft Charging Schedule for independent examination in autumn 2013. The current estimated (overall) funding gap that CIL may contribute towards meeting the infrastructure needs is set out in Table 2

(about £230 million over the next 15 years). The level of Investment required is indicative and it includes investment that may need to be undertaken by the Council and partners as well as infrastructure specific grants.

- 1.4 These documents also provide the baseline for the Regulation 123 (Reg123) list. This sets out the list of projects that Haringey will spend CIL revenue on. This is required to be produced by all authorities collecting and spending CIL. It is recommended that a draft Reg 123 list is provided alongside the Draft Charging Schedule for consultation in April/May 2013.
- 1.5 This report recommends that we consult on the following rates as part of our Draft Charging Schedule during April-May 2013 for four weeks. The Draft Schedule includes information on the recommended tariff, exemptions, links between s106 and CIL and other relevant information as required by the CIL Regulations (2010 and revised 2012 regulations).

Table 1- Draft CIL Charging Schedule for Haringey				
Use	West	Central	East*	Mayoral CIL
Residential	£265	£165	£15	£35
Student accommodation	£ 265	£165	£15	£35
Supermarkets	£95			£35
Retail Warehousing	£25			£35
Office, industrial, warehousing, small scale retail (use class A1-5)	Nil Rate			£35
Health, school and higher education	Nil Rate			Nil
All other uses **	£50			£35
* East of the borough comprises of the following wards - Tottenham Green, White Hart Lane, Bruce Grove and Northumberland Park, Seven Sisters, St Ann's and Tottenham Hale				
** It will apply to C1, C2, and C4, and D uses not included above and sui generis. Student housing can fall into multiple use classes, but any privately rented student accommodation will be charged the student accommodation rate set out above.				

- 1.6 The map which shows the proposed charging zones (East/Central/West) is set out in the Draft Charging Schedule in Appendix 1.
- 1.7 The report provides the following information:
- Progress on the development of a CIL Charging Schedule for the Haringey - proposed to be introduced from early 2014 onwards
 - A Draft Charging Schedule with recommendations on the appropriate rates for Haringey CIL for public consultation(Haringey Draft Charging Schedule) in Appendix 1
 - Summary of a BNP Paribas consultants' report setting out the range of CIL that could be applied across the borough in Appendix 2
 - Summary of the Draft Infrastructure Delivery Plan in Appendix 3
 - Summary of July 2012 Preliminary Charging Schedule consultation comments and the Council responses in Appendix 4

2. Cabinet Member introduction

- 2.1 The proposed public consultation on the Draft Charging Schedule is the second stage towards adopting a Community Infrastructure Levy charging tariff and process for the borough. I recommend approval of the Draft Charging Schedule for public consultation as CIL, once adopted, provides the opportunity to collect revenue to support necessary physical infrastructure requirements in our borough across a greater range of development than is collected from under s106.

3. Recommendations

- 3.1 This report recommends that Cabinet:

- Agree to proceed to public consultation in April-May 2013 for four weeks on the Draft Charging Schedule for Haringey's CIL as set out in Appendix 1. The Draft Schedule keeps the CIL tariff levels and boundaries as agreed by Cabinet in July 2012 and adds to two **new** categories into the CIL tariff; student housing and miscellaneous/all other uses.
- Agree the list of priority project categories (Reg. 123 list) that can partially be funded by CIL. This is part of the Charging schedule in Appendix 1.
- Keep the Community Infrastructure Plan and the Reg123 list under review and provide a most up to date version of both documents before submission of the CIL Draft Charging Schedule for independent examination.
- Agree that the Cabinet Member for Economic Development and Social Inclusion to agree the minor changes to the Draft Charging Schedule, if needed, before the public consultation.
- Note and agree the Council's draft response to Preliminary Charging Schedule consultation outcomes in Appendix4.
- Agree that subject to there being no major issues requiring changes to the charging schedule arising from the consultation, Cabinet Member for Economic Development and Social Inclusion sign-off will be sought prior to submission of the schedule to the relevant body responsible for undertaking the Examination in Public.

4. Other options considered

- 4.1 In order to fully assess the potential for higher revenues that CIL may bring towards the cost of essential infrastructure, we have modelled the following options for CIL charging tariff since the July 2012 consultation draft:
- Reassess the level of CIL tariff in certain wards in the east with a view of increasing it, especially south east Tottenham,

- Consider higher rates for employment land which may be subject to change to residential,
 - Include development types in the CIL schedule that we have not considered before- This will require evidence base as to why these developments are included in CIL.
- 4.2 To assess the viability of these approaches, further evidence was sought from our consultants BNP Paribas. They confirmed that the first two options were not viable and therefore are not currently being pursued. The third option yielded two new development types, student accommodation and a miscellaneous rate which are now recommended for inclusion in the draft CIL charging schedule.
- 4.3 We also considered a sliding scale CIL tariff levels against differing percentages of affordable housing. However this option was not pursued further as the option was not considered to be in conformity with current CIL regulations.

5. Background information

What is CIL?

- 5.1 The Community Infrastructure Levy is a charge on new development to contribute towards the infrastructure required to support new development in the borough. The CIL regulations allow local authorities and the Greater London Authority (GLA) (together referred to as charging authorities) to place a £/m² rate on new development. The rate must be based on the viability on development in the charging area (Haringey), and balanced against the need for infrastructure. It will be paid on most developments which involve the creation of new dwelling units and all other developments comprising 100msq or more of new internal floor space. The conversion of single family dwellings will not be liable for CIL.
- 5.2 CIL is non-negotiable and collecting it is an administrative process. This is important as it is expected that developers will factor CIL in as a fixed cost on new development, which will result in infrastructure contributions being one variable less that is required to be negotiated at the planning application stage. The Council may charge a 5% administration cost which can be used to administrate the collection of CIL. Set-up costs can also be claimed back once the tariff system is up and running.

What type of infrastructure will be funded via the CIL?

- 5.3 Under the CIL Regulations (2010 and amendments 2012), the definition of infrastructure includes transport, flood defences, schools, health and social care facilities, play areas, parks and green spaces, cultural and sports facilities, and district heating projects. Maintenance of infrastructure such as highways to serve future growth can also be considered.

- 5.4 Draft regulations that have been laid before parliament in February 2013 may also require local councils to allocate 15% of CIL revenue to neighbourhoods' projects and consult with local communities as to how neighbourhood allocation will be spent. It also includes a requirement to give 25% of revenues to areas in which there is an active Neighbourhood Plan. The government will publish further guidance on this issue in spring/ summer 2013.

The Infrastructure Investment Requirement in Haringey

- 5.5 Recent regulations make it clear that there should be a clear thread between the CIL charging schedule, and infrastructure needs. Estimates of the funding requirement to meet infrastructure need, that CIL can contribute towards is set out in the Infrastructure Delivery Plan (IDP).
- 5.6 The Infrastructure Delivery Plan (IDP) identifies the projects that need to come forward to meet the infrastructure needs of the population growth identified in the Local Plan. An Infrastructure Study for Haringey was carried out in 2010 to pull together information from a range of sources to set out the need for different types of infrastructure in the Borough. Updates to this document have subsequently been produced in 2011 to support the Examination in Public of the Local Plan: Strategic Policies DPD.
- 5.7 Work is ongoing to refine the projects included in the current Infrastructure Delivery Plan (IDP) into a concise list. The latest version of the IDP is attached to this report (Appendix 3). The information represents a summary of updates collated so far from key service providers. The IDP project list will help the council to define the priority projects that will receive CIL funding.
- 5.8 Table 2 below gives a summary of the current estimated 15 year funding gap for infrastructure projects. The level of investment shown in Table 2 is indicative. It includes investment that may need to be undertaken by service providers including the Council and its partners. Investment may also come from infrastructure-specific grant funding such as the investment needed for surface water flood risk mitigation. The investment required will need to be subject to continuous review in light of changes to the funding regimes for both the Council and its partner organisations and changing roles and functions of public sector organisations in years to come. The actual level of investment the Council makes in future years will clearly be subject to Council priorities and available funding and will need to be agreed by Cabinet as appropriate.

Table 2-Summary of Infrastructure Investment Estimates 2013/14-2026/27

Infrastructure (i.e. Transport, green spaces, leisure, health, education)	Infrastructure Investment Required (£m)	Funding Available (£m)	Funding Gap (£m)
Total	£373.5	£143.5	£230

Regulation 123 List

- 5.9 Government's recent statutory guidance for CIL reinforces the need to provide an up-to-date Infrastructure Delivery Plan (IDP) which sets the scene for infrastructure needs and also the funding gap. One new requirement is the public consultation on the draft list for priority projects that will receive CIL funding which is called the Regulation 123 List. We have provided a draft indicative Regulation 123 list as part of the Draft Charging Schedule in Appendix 1.
- 5.10 A final Regulation 123 list will be submitted as part of the examination of the CIL charging schedule. The Council will be required to consult on the changes to the Reg 123 list if it wants to make changes to the list after the adoption of the CIL.

Development of Haringey's Draft Charging Schedule

- 5.11 The initial consultation on Haringey's Preliminary Charging Schedule ran from July to end of September 2012. We analysed the outcomes of the CIL public consultation. There are no significant changes required to the proposed CIL tariff on the basis of objections received during the public consultation. The summary of comments and objections received and the Council's response can be found in Appendix 4.
- 5.12 Haringey's draft CIL Charging Tariff is informed by a viability study prepared by BNP Paribas in 2011. This tested the ability of a range of development typologies throughout Haringey to yield infrastructure contributions using a residual land value methodology. In January 2013, BNP Paribas were commissioned to carry out further assessments for inclusion of other types of development in the charging schedule. Based on their assessment, two **new** categories (student housing and miscellaneous) are added to the draft tariff alongside residential, retail warehouse and supermarkets for further assessment.

Draft Charging Schedule

- 5.13 Haringey's Draft Charging Schedule for public consultation is attached in Appendix 1. Taking into account the evidence update summarised above, it is proposed that the Draft Charging Schedule to be taken forward to consultation subject to further assessment of additional categories as in Table 1 above.
- 5.14 The draft Schedule contains the recommended charging tariff, and the Regulation 123 list. It also provides information on the CIL implementation process as required by the CIL Regulations (2010 and revised 2012 regulations). This includes a proposed instalments policy and a proposed exemptions policy. These set out what uses are exempt from payment of CIL, and the timeframe over which CIL payment will be paid. The Draft Charging Schedule will set out a low flexibility for both of these items. These have been designed to maximise simplicity for the Council, and applicants. These are

not examinable matters, but we will listen to consultation responses on these issues in determining our final charging schedule.

- 5.15 The Council will have to consult on the changes to the Reg123 CIL spending list if it wants to make changes to the list after the adoption of the CIL. It will not however, need to go through an examination in public if the Reg123 list is updated.

Section 106 and CIL

- 5.16 Section 106 agreements and CIL will co-exist under the new system and CIL replaces the s106 tariff, although s106 will continue to be used for over ten units of housing and anything that is site specific e.g. a new access road.
- 5.17 The CIL regulations already place restrictions on the continued use of s106 planning obligations, requiring them to be necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind to the development. From 1st April 2014 onwards, the scope for pooling infrastructure contributions via s106 agreements to fund infrastructure projects will be restricted to the revenue accruing from 5 sites.
- 5.18 In line with Government guidance, the Council is required to set out the links between CIL and s106 in order to ensure that there is no "double charging" for infrastructure. The items for which s106 will be collected, and CIL will be charged, need to be discretely set out. Projects on a Regulation 123 List cannot be funded (or even part-funded) by s106 agreements.
- 5.19 S106 agreements will continue to be sought for non-infrastructure projects, and site specific infrastructure improvements required to make the scheme acceptable in planning terms. These will need to be set out before the examination of the CIL tariff and are likely to include the following:
- Affordable housing contributions
 - New access roads/ junction improvements serving the site
 - Connections to a renewable/ decentralised energy network
 - On-site open space requirements
 - Employment and training provision
 - Travel plans / Car clubs / Cycle parking
 - Town Centre management funding

Employment and Jobs

- 5.20 Buildings that are used to provide training and education are considered infrastructure, and CIL may be collected towards them. However funding of training, skills, and helping local people back to work are not considered "infrastructure" under Regulation 123 of the Community Infrastructure Regulations 2010. Therefore the pooling of s106 for non-infrastructure projects can continue post April 2014.

Affordable Housing and CIL

- 5.21 The provision of affordable housing within new developments will still be controlled through negotiated S106 agreements with the developer, in accordance with current Haringey policies.
- 5.22 There is a danger that CIL could be set too high which would make the building of affordable housing unviable. The proposed rates that have been recommended for Haringey take into account the Local Plan policy requirement for affordable housing provision to be delivered within the borough while ensuring that development is still viable, allowing for the overall CIL payment and affordable housing provision. The critical issue was to set a CIL rate(s) across the borough that balances viability and the provision of affordable housing against maximising our receipts for infrastructure. While it may be tempting to set a lower CIL rate to ensure that affordable housing provision is not squeezed, there is equally a need to guard against setting the CIL at a level where we are failing to maximise our CIL receipts.
- 5.23 The rates for the borough have been set at a level which is slightly below the maximum threshold of viability identified in the BNP Paribas report. This "buffer" or safety margin mitigates a number of risk factors (primarily the adverse impact on land supply of setting the rates at a high level and "shocking" the market). It is also important to bear in mind that affordable housing is exempt from payment of CIL, subject to an application by a landowner for 'relief'. An extract from the BNP Paribas report can be found in Appendix 2.

Comparison between s106 and CIL revenues

- 5.24 CIL and s106 are very different processes. While modelling on the difference between the amounts collected for CIL versus the amount collected from s106 can be carried out, such modelling is theoretical and greater certainty will be gathered with increasing numbers of case studies to observe.
- 5.25 Our initial assessments of estimated revenues for Haringey's draft CIL tariffs and current s106 revenues showed that similar revenues will be collected via by Haringey using CIL compared to s106 (approx £32-33m) over the 15 year period starting January 2014. This modelling assumes that the draft CIL tariff rates will stay the same for the next 15 years. The draft CIL tariff is predicated on 2011 (depressed) market conditions. It is therefore important that the Council keeps the viability situation under review so that levels of CIL can be adjusted to reflect any future changes in land values, particularly in the East of the Borough.

Next Steps / Timetable

- 5.26 Below is the estimated CIL charging schedule development timetable to enable the Council to adopt the tariff before the April 2014 deadline.

ACTION	DATE
Cabinet Meeting for public	

consultation on the Charging Schedule	16 April 2013
Consultation 4 weeks (Reg19)	May 2013
Submit for Examination	October 2013
Adoption by the Council	January 2014
Operational	February 2014

6. Comments of the Chief Finance Officer and financial implications

- 6.1 Corporate Finance has been consulted on the drafting of this report and has reviewed the modelling of anticipated CIL revenue receipts. The anticipated annual revenue from CIL receipts is expected to be comparable to current average cash receipts from negotiated S106 agreements, at an average of approximately £2m per annum. These receipts will be available to be spent on new physical infrastructure and the maintenance of existing physical infrastructure within the borough. It is anticipated that the estimated receipts will be included as part of the annual capital budget making process which determines the relative priorities for allocation of all capital resources. The budget setting process will also provide the opportunity to ensure that the CIL Regulation 123 list properly reflects the most update infrastructure investment priorities for the use of CIL receipts.
- 6.2 The Council is allowed to use up to 5% of actual Haringey CIL receipts, and 4% of Mayoral CIL receipts to cover the costs of administration and collection of the levy. This is considered adequate to cover the currently estimated costs of collection.

7. Head of Legal Services and legal implications

- 7.1 The Community Infrastructure Levy Regulations 2012 (as amended) allows councils to introduce CIL, being a charge on new buildings and extensions to help pay for supporting infrastructure and replaces s.106 contributions (except in relation to affordable housing and on site mitigation measures).
- 7.2 The terms and exemptions for CIL are set out in the report. The adoption of CIL by LBH is optional, however if it is not adopted the consequences would be that we would be unable to collect future contributions under s.106 other than for affordable housing and on site mitigation.
- 7.3 The identification process of the necessary sums to meet any funding gaps for future infrastructure projects is set out within the report. It is also necessary to ensure that CIL does not threaten the delivery of Local Plans and the use of differential rates is properly considered.
- 7.4 The need to monitor the impacts of CIL and the exercise of discretion on exemptions are also set out in the report. There are also transitional provisions to cover schemes being granted before CIL but being implemented after its adoption.

- 7.5 There is also clarification that CIL receipts can be put towards the improvement, replacement, operation and maintenance of infrastructure, rather than just its initial provision. Contributions towards employment and training can be collected under s106s as they are not infrastructure.
- 7.6 The period of 4 weeks for consultation is in accordance with the Regulations and the Council is obliged to take into account consultation responses received before deciding to formally adopt the CIL Charging Schedule.

8. Equalities and Community Cohesion Comments

- 8.1 The benefits of growth should be shared across the borough and across all communities, including those covered by the protected characteristics identified in the Equalities Act 2010. Choices around community infrastructure can be expected to affect communities in different ways.
- 8.2 The strategic implications of growth in our borough and the positive and the negative impacts that could arise are considered in the Equalities Impact Assessment (EqIA) that supports the Local Plan Strategic Policies which is adopted in 2013. The CIL is a mechanism to find and provide the infrastructure necessary to deliver the spatial vision set in our Local Plan and so at a policy level the impacts are covered in that EqIA.
- 8.3 The impacts on equality groups and other sectors of the community of specific developments will be considered through the public consultation; the prioritisation of infrastructure associated with those developments will be considered as proposals come forward.

9. Policy Implications

- 9.1 The benefits of growth should be shared across the borough and across all communities, including those covered by the protected characteristics identified in the Equalities Act 2010. Choices around community infrastructure can be expected to affect communities in different ways.
- 9.2 The strategic implications of growth in our borough and the positive and the negative impacts that could arise are considered in the Equalities Impact Assessment (EqIA) that supports the Local Plan Strategic Policies which is adopted in 2013. The CIL is a mechanism to find and provide the infrastructure necessary to deliver the spatial vision set in our Local Plan and so at a policy level the impacts are covered in that EqIA.
- 9.3 The impacts on equality groups and other sectors of the community of specific developments will be considered through the public consultation; the prioritisation of infrastructure associated with those developments will be considered as proposals come forward.

Use of Appendices

- A1. CIL Draft Charging Schedule for public consultation including Draft Regulation 123 list
 - A2. BNP Paribas summary of draft report setting out range of CIL that could be applied across the borough
 - A3-Summary Update on Community Infrastructure and the Draft Infrastructure Delivery Plan document
 - A4- Summary of Preliminary Charging Schedule consultation outcomes and the Council's draft responses
-

Appendix 1- CIL Draft Charging Schedule Consultation (Draft)

Introduction

As part of the changes introduced under the Planning Act 2008, the previous Government introduced the Community Infrastructure Levy (CIL) - a new mechanism to enable infrastructure requirements arising from growth to be funded through developer contributions.

The Community Infrastructure Levy Regulations 2012 (as amended) allows councils to introduce CIL, being a charge on new buildings and extensions to help pay for supporting infrastructure and replaces s.106 contributions (except in relation to affordable housing and on site mitigation measures).

What is CIL?

CIL is a standardised non negotiable local levy that is placed on new development for the purpose of helping to raise funds to support the delivery of the infrastructure that is required as a result of new development. Far from being a new source of funding, CIL provides a more consistent and transparent mechanism to raise financial contributions, currently sought through s106 agreements.

However, under CIL, developers can still be required to directly provide both 'off-site' infrastructure, through s106 contributions, and 'on site' improvements through planning conditions to mitigate the direct impact of the development proposed (e.g. landscaping, access roads).

How is CIL calculated and charged?

The regulations require two distinct aspects to be considered. Firstly, a 'charging authority' (the Local Authority) needs to demonstrate that new development necessitates the provision of new, or improved, infrastructure. Secondly, that the rate of the proposed levy does not make development proposals unviable, in particular with regards to expected costs that would be associated with the provision of on-site infrastructure (for the purposes of CIL, affordable housing is regarded as an on-site requirement and will continue to be secured through s106 agreements).

The levy is to be expressed as £ per m² and collected on the commencement of development. CIL is to be charged on the 'gross internal floor space' of any new

development, apart from affordable housing and buildings used for charitable purposes where exemptions have been made.

Whilst the rate of CIL is determined by the charging authority, it is scrutinised by an independent examiner to assess whether the charge has regard to the evidence base and that the level of charge is reasonable and will not impact negatively on the economic viability of development.

The Infrastructure Funding Gap

The Council has produced an Infrastructure Study in March 2010 setting out the likely infrastructure impacts of growth identified in the Council's Local Plan. This has been built on and a draft update document setting out the current anticipated funding requirements to meet infrastructure needs in the Borough has been produced in March 2013. The outcomes of this study indicate that there is a total funding gap that CIL can contribute towards of approximately £230m. This is set out below, and the summary document is included on our website.

The level of Investment required is indicative and it includes investment that may need to be undertaken by both the Council and partners. The investment required will need to be subject to continuous review in light of changes to the funding regimes for both the Council and its partner organisations and changing roles and functions of public sector organisations in years to come. The actual level of investment the Council makes in future years will clearly be subject to Council priorities and available funding and will need to be agreed by Cabinet as appropriate.

Table 1 Summary of Infrastructure Investment Estimates 2013/14-2026/27			
Infrastructure Type	Investment Required (£m)	Funding Available (£m)	Funding Gap (£m)
Education	198.0	120.0	78.0
Health	tbc	tbc	Tbc
Open space/ Leisure	22.3	1.5	20.8
Transport	107.6	19.5	88.1
Emergency Services	--	--	--
Decentralised Energy	25.0	2.5	22.5
Water Management & Flooding	20.6	tbc	20.6
Waste	--	--	--
Total (£m)	£373.5	£143.5	£230

Viability in Haringey

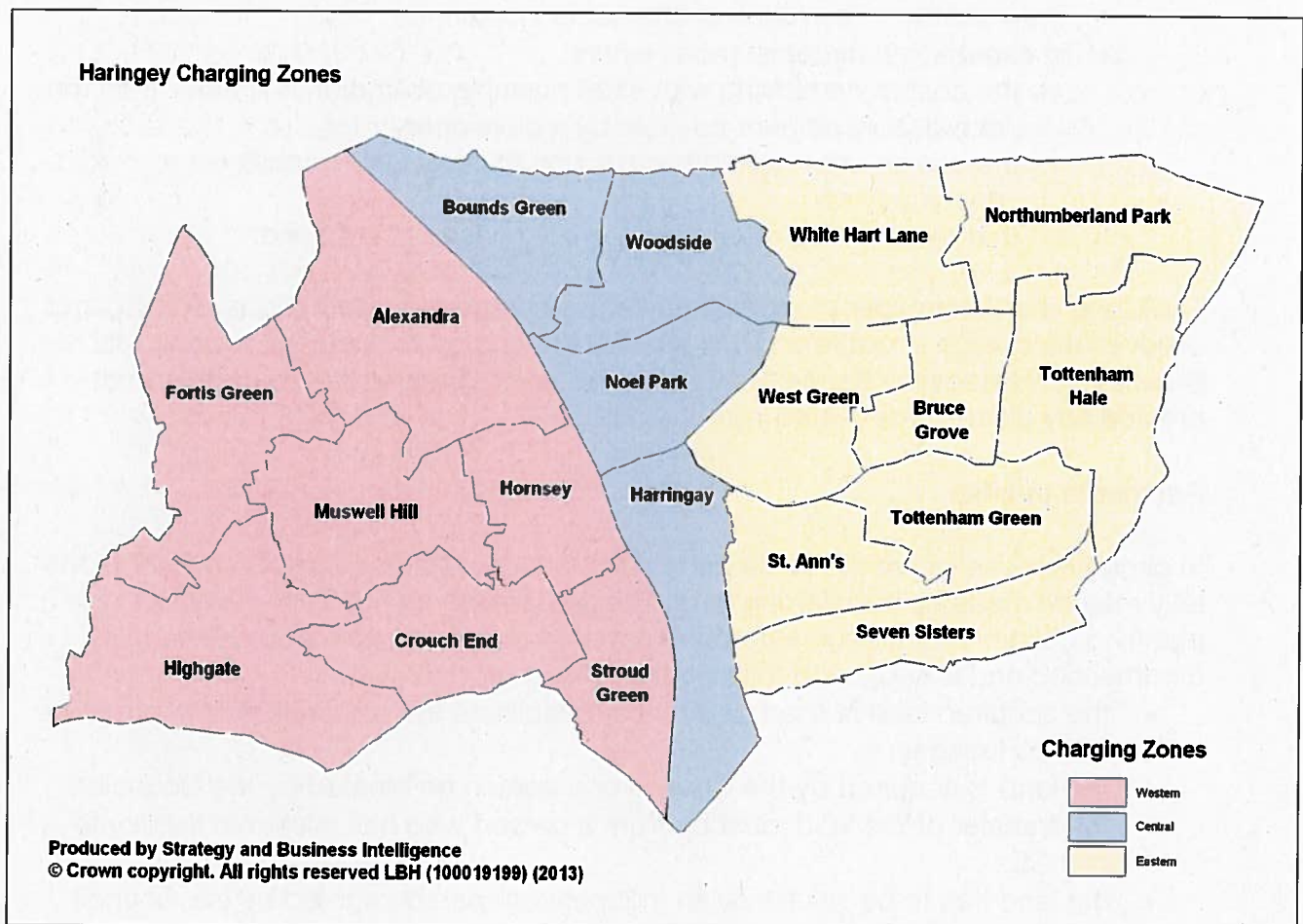
Evidence has been provided by BNP Paribas to identify what CIL rates will be viable in Haringey. A primary study was received in February 2012, and updates to the evidence were provided in February 2013. The full set of evidence will be available on our website during consultation.

The Charging Schedule

The proposed schedule is set out below:

Table 2- Draft CIL Charging Schedule for Haringey				
Use	West	Central	East*	Mayoral CIL
Residential	£265	£165	£15	£35
Student accommodation	£ 265	£165	£15	£35
Supermarkets		£95		£35
Retail Warehousing		£25		£35
Office, industrial, warehousing, small scale retail (use class A1-5)		Nil Rate		£35
Health, school and higher education		Nil Rate		Nil
All other uses **		£50		£35
* East of the borough comprises of the following wards - Tottenham Green, White Hart Lane, Bruce Grove and Northumberland Park, Seven Sisters, St Ann's and Tottenham Hale				
** It will apply to C1, C2, and C4, and D uses not included above and sui generis. Student housing can fall into multiple use classes, but any privately rented student accommodation will be charged the student accommodation rate set out above.				

The map shows the charging zones:



Exemptions

CIL charges will not be levied on:

- Development that creates less than 100m² of new build floor space measured as Gross Internal Area (GIA) and does not result in the creation of one or more dwellings.
- Buildings into which people do not normally go, or only go to perform maintenance.
- Buildings for which planning permission was granted for a limited period.
- Affordable housing, subject to an application by a landowner for CIL relief (CIL regulation 49).
- Development delivering projects identified in the Infrastructure Delivery Plan.
- Development by charities for charitable purposes subject to an application by a charity landowner for CIL relief (CIL regulation 43).

The CIL Regulations 2010 set out the situations for both mandatory and discretionary exemptions. Mandatory exemptions include affordable housing and developments occupied solely for the purpose of charitable activity by a registered charity. However, the charging authority has discretionary powers to provide relief on:

- the investment activities of charitable institutions
- in exceptional circumstances where:
 - the cost of complying with s106 planning obligation is greater than the chargeable amount payable by a developer;
 - there is an unacceptable impact on the economic viability of a development
 - that the granting of relief would not constitute state aid.

The Council will not expect to implement any discretionary exemptions. The Council believes the charge is viable and will monitor the charge to ensure it remains viable. Should circumstances change the Council will seek to revise the levy rather than provide any discretionary relief from the charge.

Payments in kind

In circumstances where the liable party and Haringey Council agree, payment of the levy may be made by transferring land. The agreement cannot form part of a planning obligation, must be entered into before the chargeable development is commenced and is subject to fulfilling the following:

- the acquired land is used to provide or facilitate the provision of infrastructure within Haringey;
- the land is acquired by the Council or a person nominated by the Council;
- the transfer of the land must be from a person who has assumed liability to pay CIL;
- the land has to be valued by an independent person agreed by the Council and the person liable to pay CIL;
- 'Land' includes existing buildings and other structures, land covered with water, and any estate, interest, easement, servitude or right in or over the land.

Collection of CIL

London Borough of Haringey is the collecting authority for the purpose of Part 11 of the Planning Act 2008 and CIL Regulations 2010 (as amended by Regulations 2011 and 2012).

When planning permission is granted, Haringey Council will issue a liability notice setting out the amount payable, and the payment procedure.

In the case of development enabled through permitted development orders, the person(s) liable to pay will need to consider whether their proposed development is chargeable, and to issue Haringey Council a notice of chargeable development.

Payment Instalments

Where the payable amount of CIL is £500,000 or less, the whole amount shall be paid in a single installment not more than 60 days after commencement of the development.

Where the payable amount is more than £500,000, developers should have the option to pay two installment payments:

- The greater of £500,000 or half the value of the total payable amount 60 days after commencement, and
- The remainder 240 days after commencement.

Appeals

A liable person can request a review of the chargeable amount by the charging authority within 28 days from the issue of the liability notice. CIL Regulations allow for appeals on:

- the calculation of the chargeable amount following a review of the calculation by the Council.
- disagreement with the Council's apportioned liability to pay the charge.
- any surcharges incurred on the basis that they were calculated incorrectly, that a liability notice was not served or the breach did not occur.
- a deemed commencement date if considered that the date has been determined incorrectly.
- against a stop notice if a warning notice was not issued or the development has not yet commenced.

A person aggrieved by the levy (or attempt to levy) of a distress can appeal to the Magistrates Court.

Spending CIL revenue

CIL revenue will be spent on infrastructure needed to support development in Haringey. This need is assessed as part of the Local Plan making process and an Infrastructure Delivery Plan is included in the adopted Local Plan: Strategic Policies. This infrastructure needs and delivery plan are updated regularly.

The Council includes as part of this consultation a draft list of the types of infrastructure CIL will contribute towards. This list is known as the Regulation 123 list. The list is draft and will be further reviewed and updated. Other infrastructure such as health facilities can be included when future health infrastructure plans have sufficient clarity.

Draft Regulation 123 List based on information collated by March 2013
Infrastructure that can be fully or partly funded by CIL
State funded education facilities
Transport projects and safety and quality improvements of existing networks
Public open space improvements, leisure facilities
Enhancements to local libraries and museum
Contribution towards decentralised/renewable energy networks
Surface Water Management

The Council will publish annual reports showing, for each financial year:

- How much has been collected in CIL;
- How much has been spent;
- The infrastructure on which it has been spent;
- Any amount used to repay borrowed money;
- Amount of CIL retained at the end of the reported year.

It is the Government's intention to allow for a proportion of CIL to be passed to Local Councils and Neighbourhoods.

Administrative costs

An additional 5% will be added to all contributions to pay for the costs of administering the Community Infrastructure Levy. This charge would support the Council in monitoring and enforcement of the charge as well as providing infrastructure planning support to manage and co-ordinate the delivery of infrastructure improvements that address the impacts resulting from development.

CIL and Section 106 agreements

Unlike s106, the levy is to provide infrastructure to support the development of an area, not to make individual planning applications acceptable in planning terms. It breaks the link between a specific development site and the provision of infrastructure and thus provides greater flexibility for delivery of infrastructure when and where it is needed.

Section 106 agreements and Section 278 Highways Agreements will continue to be used to secure site-specific mitigation and affordable housing. In some instances, S106 agreements may be used in large development sites needing the provision of their own specific infrastructure for which delivery may be more suitably dealt with through s106s. Type of s106 requirements may include the following:

- Specific infrastructure requirements that directly arises from five or fewer developments, section 106 arrangements may continue to apply if the infrastructure is required to make the development acceptable in planning terms
- Affordable housing contributions
- New access roads/ junction improvements serving the site
- Connections to a renewable/ decentralised energy network
- On-site open space requirements
- Employment and training provision
- Travel plans / Car clubs / Cycle parking
- Town Centre management funding

The Council is required to publish a list of the infrastructure intended to be funded by CIL (Regulation 123 list). The Council will not be able to secure Section 106 contributions for infrastructure that they propose to fund through CIL. This is to avoid double charging and provide confidence on infrastructure funding to the community, developers, investors and infrastructure providers.

Mayoral CIL

The Mayoral CIL has been in effect since April 2012 in accordance with Regulation 25 (a) of the Community Infrastructure Regulations 2010 (as amended). The Mayor published his CIL charging schedule on the GLA's website, and it is intended to contribute towards the funding of Cross Rail, and the Mayor has in effect declared his aim of raising £300m from Mayoral CIL towards this project. The Mayor's target is expected to be achieved by 2019. It is very likely that further London wide infrastructure funding will be required in the future and the revision and required collection of Mayoral CIL will now form a permanent feature of the planning and development policy framework operating in London.

The London boroughs collect the Mayor's CIL on his behalf. Haringey falls within Zone 2 of the Mayor's Charging Schedule which means that Haringey is required to collect £35/m² on behalf of the Mayor for any development that falls within scope of the regulations.

Appendix 2: Extract from BNP Paribas Draft Haringey Viability Report for Community Infrastructure Levy (CIL)

Our recommendations on levels of CIL are therefore summarised as follows:

- The results of this study are reflective of current market conditions, which are likely to improve over the medium term. It is therefore important that the Council keeps

the viability situation under review so that levels of CIL can be adjusted to reflect any future changes.

- The ability of **residential schemes** to make CIL contributions varies depending on area and the current use of the site. Viability of development is very different in the west of the Borough to the east. Having regard to these variations, residential schemes should be able to absorb a CIL rate of between £0 to £300 per square metre, leaving a margin in many areas for site-specific factors that might affect viability. Suggested ranges of rates (which include the mayoral CIL of £35 per square metre) are as follows:
 - Highgate and Hornsey - £100 - £300 per square metre;
 - Muswell Hill - £60 - £300 per square metre;
 - Finsbury Park - £100 - £300 per square metre;
 - Wood Green - £100 - £20 per square metre;
 - Seven Sisters – nil - £50 per square metre;
 - Tottenham Hale – nil - £50 per square metre; and
 - Tottenham – nil - £50 per square metre.
- Whilst the maximum rates are significantly higher than the proposed rates in some areas, the buffer will help to mitigate a number of risk factors (primarily the potentially adverse impact on land supply of setting the rates at a high level and 'shocking' the market).
- At current rent levels, **Office development** is unlikely to come forward in the short to medium term as the capital values generated are insufficient to cover development costs. We therefore recommend that the Council sets a nil rate for offices.
- Residual values generated by **Retail developments** vary significantly between high street retail (which is just marginally viable or unviable) on the one hand, and supermarkets and retail warehouse developments (which generate sufficient residual values to enable the payment of CIL). If the Council anticipates major supermarket or retail warehouse developments to come forward, then it might wish to consider adopting a CIL for these types of retail only (our appraisals indicate that supermarkets could absorb a CIL of up to £130 per square metre and retail warehouses £60 per square metre, both inclusive of Mayoral CIL).
- Our appraisals of developments of **industrial and warehousing floorspace** indicate that these uses are unlikely to generate positive residual land values. We therefore recommend a zero rate for industrial floorspace.
- D1 and D2 uses often do not generate sufficient income streams to cover their costs. Consequently, they require some form of subsidy to operate. This type of facility is very unlikely to be built by the private sector. We therefore suggest that a nil rate of CIL be set for D1 uses.
- Student Accommodation(TBF)

- All other Uses(TBF)
-

Appendix 3: Summary Update on Community Infrastructure Plan (CIP) and the Infrastructure Delivery Plan (IDP) March 2013

The information below represents a summary of updates collated so far from key service providers.

1. Introduction

- 1.1 The infrastructures that will be needed to support future growth in Haringey over the next 15 years have been assessed in a Community Infrastructure Study (2010) as part of the Local Plan making process. Key projects and needs from this study are set out by infrastructure type in the Infrastructure Delivery Plan (IDP).
- 1.2 Haringey's Community Infrastructure study (2010) has been developed in engagement with officers in Council services and other service providers and stakeholder. Workshops have been held to review current provision, identify current deficits and surpluses, and quantify additional requirements for services associated with population growth and future housing capacity, based on a range of national and regional standards, local models of service delivery, as well as case studies. As part of the study, we have collated information and carried out assessments where practical and relevant on the physical infrastructure areas listed below:
 - Education
 - Social Care
 - Libraries and Museums
 - Open Spaces
 - Leisure and Sport
 - Emergency Services
 - Transport
 - Waste, Water Supply and Sewerage
 - Energy and Telecommunications Infrastructure
 - Community Facilities including youth facilities
- 1.3 The health organisations in the borough prepared a specific Health Infrastructure Plan in 2011 which was reported to the Health and Well Being Board in September 2011. This updates the Health section of the Community Infrastructure Plan.
- 1.4 Key projects and needs from these studies are set out by infrastructure type in the Infrastructure Delivery Plan (IDP). The IDP list is updated in July 2011, and is an appendix to the Local Plan Strategic Policies which is adopted in March 2013. This list will be kept under review and the delivery of the infrastructure will be reported through the Annual Monitoring Report.

2. Education

CIL funding is required.

Early Years

- 2.1 The Local Authority has to ensure sufficient early education places are provided for all 3&4 year olds and from September 2013 eligible 2 year olds. The present provision of places for 2 year olds needs to be expanded from 300 to 700 in 2013 and 1600 in 2014. This will mean providing capital funding for the improvement and development of buildings to suit the needs of 2 year olds and developing and expanding systems for admissions, allocations and payments.
- 2.2 Our children's centres provide a range of services for children under five and their families including childcare ante & post natal care, community health services, parent support & education, employment and other information and advice and more.
- 2.3 Systems for the collection and use of data for children's centres, admissions systems for 2 year olds and the collection of childcare fees need to be improved and updated, which would include children's centres' population data, the provision of data from partners also developing systems that enable parents to pay fees online. The wider use of children's centres is being considered where services such as libraries could be co-located or used to support residents to for example pay bills. Children's centres are developing as a hub for volunteering parents who are supported to develop and enhance their skills, education and qualifications to support them into employment.

Reception and Primary School Places

- 2.4 Based on the latest available figures (set out in the School Place Planning Report 2012) for primary school places overall (i.e. Reception through to Year 6) the critical date (when there are no surplus places available) was 2011/12 for reception places and is expected to be 2021/22 for overall primary places. Further provision may be required in the Wood Green area to meet demand as a result of Heartlands development. A decision on how school expansion in the Heartlands area will be rolled out will be made following discussion with local schools and an assessment of the available options. The expansion of Rhodes Avenue Primary School in the west of the borough addresses the current high demand in Fortis Green, Muswell Hill and Alexandra wards, and is in addition to the extra provision that will be required as a result of development in Heartlands.
- 2.5 It is anticipated that by September 2014 additional school capacity may be required at Tottenham Hale to respond to new housing developments. The child yield assessment for Hale Village concluded that there is likely to be an increase in demand for up to an additional 60 reception places and 210 primary school places, despite some current surplus capacity across the six local primary schools. Once the number of additional residential units that is likely to result has been established, it will be possible to work out an expected child yield for the development and how this will impact on the current and projected provision of school places in the local area.
- 2.6 Additional primary capacity will be required in the Northumberland Park ward, as the local area is already close to capacity in terms of school places. Detailed work to determine how best to provide this additional provision has been carried out in the past 12 - 18 months, and initial options suggest that a new site for a primary school would be required. In 2012 the Department for Education (DfE) approved a free school, Hartsbrook E-Act Free School, in Northumberland Park ward, providing two forms of entry. Although this has relieved the pressure locally, its proximity to the London Borough of Enfield and residential development being provided as part of the development of the site on which the school will be located, means that, although a 2fe school, it does not meet projected unmet demand as robustly as it might have done. The school opened in September 2012 on a temporary site in Tottenham Green and is expected to move to the permanent site in Northumberland Park by 2015.

- 2.7 It must be recognised that demand for and surplus capacity of school places is not evenly distributed across the borough and Haringey Council will need to continue to monitor areas where there is very little surplus capacity, as well as those where the surplus has potential to place unacceptable pressure on the financial viability of any given school. This monitoring is done as part of the work of the School Place Planning section of Haringey Council and reported annually to the Council's Cabinet.

Secondary School Places

- 2.8 For secondary schools, the borough is projected to run out of overall secondary school places by September 2020 and Year 7 places in 2018 *if* additional provision is not made. A new 6fe secondary school in Heartlands (with capacity to increase to 8fe) opened in 2010. Growth after this period will be accommodated by increasing the Planned Admission Number (PAN) at a number of the existing secondary schools in the borough, and there is capacity in the system to do this.
- 2.9 The Council are also cognisant of the potential for additional free school provision at primary, secondary and special school level as a result of provisions set out in the Academies Act 2010 and The Education Act 2011. The legislation around free schools and academies has a significant impact on the role of the local authority as the strategic commissioner of school places. Academies are responsible for setting their own admissions number and this capacity, with the agreement of the Secretary of State. We seek to work in partnership with existing and new providers to secure a wide range of education options for parents, carers and families whilst ensuring there are sufficient good school places.

Post- 16 pupils

- 2.10 From September 2013 young people will be required to continue to participate in education and training up to the age of 17 under the Education and Skills Act 2008. From September 2015 the participation age will be raised to 18. Pupils will have a choice of how they can continue to participate including by 1) full time education such as school or college, 2) work based learning such as apprenticeships, 3) part time education or training if they are employed, self-employed or volunteering more than 20 hours a week. As a result we can expect that the number of post 16 pupils will increase from September 2013. We are confident that we have sufficient post-16 places up until September 2015 but we will need to continue to track pupil numbers very carefully year on year to monitor this provision. University Technical Colleges (UTC) are a new concept in education offering 14 – 19 year olds the opportunity to take a full time, technically orientated course of study. While there are currently no UTCs in Haringey, provision within the borough in the future may help to relieve the pressure on places created as a result of the raising of the participation age. This may also be the case with Studio Schools which will seek to address the growing gap between skills and knowledge that young people require and they are aimed at ages 14 – 19 year olds of all abilities. Again, there are currently no Studio Schools in the borough.
- 2.11 The Council's annual School Place Planning Report sets out a robust assessment of demand for pupil places in Haringey's Primary, Secondary and Special Schools as well as post 16 places across the borough. The report is informed by data from a number of sources including the Office for National Statistics (ONS) and the Greater London Authority's (GLA) Data Management and Analysis Group (DMAG). DMAG provide close to thirty of the thirty-three London boroughs with school roll and birth rate projections to enable us to ensure that we continue to plan carefully for the continued upward trajectory in the number of children seeking a school place in our borough year on year.

Table 1 - Education Infrastructure and Investment Needs to 2026				
Infrastructure	Type of project	Potential funding source	Target date	Options considered
Early Years The present provision of places for 2 year olds needs to be expanded.	Increase from 300 to 700 in 2013 and 1600 in 2014.	Capital investment	2013/2014 /2015	Increasing the provision
Primary School additional capacity- West of the borough	Phase 3 of Expansion of Rhodes Avenue Primary School	Capital investment S106	2013	Increasing the capacity of existing schools to be considered during the planning phase.
Primary School additional capacity needed in Tottenham Hale, Haringey Heartlands and Northumberland Park	2fe primary in Tottenham Hale area to meet increased demand as a result of new housing.	Sites and capital investment /S106 /CIL	2013-16	Options on new school site(s) and increasing the capacity of existing schools to be considered during the planning phase.
Primary School additional capacity- Across the borough	Provision of additional reception places across the borough	Sites and capital investment /S106 /CIL	2010-ongoing	Increasing the capacity of existing schools to be considered during the planning phase.
Broad Water Farm Inclusive learning Campus –	To establish a primary and secondary learning campus (ILC) in the borough.	Sites and capital investment /S106	2013	To be completed in 2013
Secondary school additional capacity	To meet the demand as a result of rising birth rate and new housing	Sites and capital investment /S106 /CIL	2018-2020	Increasing the capacity of existing schools to be considered during the planning phase.
Further Education College of Haringey, Enfield and North East London	Aspirations of the College to modernise facilities		2017-2020	

Table 2- Funding Gap Estimates for Education Infrastructure and Investment Needs to 2026				
	Age Range	Investment required £m	Funding available £m	Funding gap £m

Early Years	0-5	28.8	15.0	13.8
Primary	5-11	54.0	53.6	0.375
Secondary	11-16	92.5	36.0	56.5
Tertiary	16-19	23.1	15.0	8.1
Totals		198.0	120.0	78.0

3. Health

CIL funding requirements have not yet been identified. We are awaiting updates and further assessment by NHS North Central.

- 3.1 The health organisations in the borough chaired by the Barnet, Enfield Mental Health Trust prepared a Health Infrastructure Plan which was reported to the Health and Well Being Board in 2011. The Community Infrastructure Plan study in 2010 and the Health Infrastructure Plan 2011 indicated that the anticipated population growth of the plan period will generate a need for additional GPs, particularly in the east and south east of the Borough. Whilst the available figures indicate that the Borough as a whole has sufficient GPs to meet existing and forecast population levels, the Council's work shows that the retention or redistribution of existing GPs within the Borough to meet demand is not straightforward. This is clearly a matter to be kept under close review.
- 3.2 The imbalance in supply in the east/ south east, need to modernise some of the GP premises, age profile for GPs, emerging new health models, and predicted housing growth in areas identified in the Core Strategy requires the NHS to plan ahead for this, including encouraging growth in supply in relevant areas.
- 3.3 The planning context for health matters has been, and will continue to be for the foreseeable future, rather dynamic and susceptible to change. It is clear that the assumptions and models promoted in the preparation of the Local Plan, for example the development of polyclinics have altered. Haringey is now part of NHS North Central London cluster which consists of five of Primary Care Trusts (PCTs) which are Barnet, Camden, Enfield, Haringey and Islington. The Cluster arrangements support the changes to the NHS set out in the Government's NHS White Paper - Equity and Excellence: liberating the NHS.
- 3.4 The health infrastructure plans now need updating to reflect the recent changes and challenges to health service delivery in Haringey.
- 3.5 The imbalance in supply in the east/ south east, need to modernise some of the GP premises, age profile for GPs, emerging new health models, and predicted housing growth in areas identified in the Core Strategy requires the NHS to plan ahead for this, including encouraging growth in supply in relevant areas.
- 3.6 Public Health in North Central London is provided by public health directorates located within Barnet, Camden, Enfield, Haringey and Islington boroughs, each led by a Director of Public Health. Public Health works in partnership with local communities, local authorities, clinicians, the voluntary sector and NHS colleagues to

reduce inequalities in health through using evidence to improve the populations' health and wellbeing.

- 3.7 Haringey's Joint Strategic Needs Assessment (JSNA) which is a key, statutory, document for all agencies that have a role in improving health and well-being locally has been updated in 2012. The JSNA provides the evidence and the framework for steering service developments and commissioning new services.

4. Libraries and Museums

CIL funding may be required

- 4.1 Condition survey of Haringey's nine libraries undertaken in 2013 has identified an investment need of £6,136,890 to keep the buildings in good order and fit for purpose up to 2022. This amount is to maintain existing facilities only and does not include works for new facilities or for insulation or energy consumption reduction.
- 4.2 Bruce Castle Museum is the only museum facility directly funded by the Council. A project to undertake restoration and facility enhancement works will be initiated in 2013 with the aim of securing circa £6m. Haringey has committed £1.2m of this funding and will seek external funding for the remainder.

5. Open Space, Leisure and Sport

- 5.1 The Open Space Study 2008 identified areas of open space deficiency where CIL investment may be required. As a focus for new housing in the borough, Haringey Heartlands will create demand for open space in the Noel Park Ward and part of Hornsey Ward. Part of Noel Park Ward is considered to be deficient in access to public open space. Options for increasing access to Alexandra Palace Park from Haringey Heartlands are being considered.
- 5.2 Given the proximity to Lee Valley Regional Park and other local parks, the Tottenham Hale growth area generally has good access to public open space. However, there is a pocket of Tottenham Green Ward which suffers from poor access.
- 5.3 However, there is a very real difficulty in increasing the quantity of public open space in Haringey as this is an urban borough and the focus is therefore, primarily on the function, quality, usage and accessibility of existing public open space. In the east, opening up the access to the Lee Valley regional Park is a key priority. In addition, other measures such as tree planning and improving access to allotments and creation of greenroutes and will help to improve green infrastructure in the borough. The Council currently maintains 40,000 trees in streets and open space. The recent Natural Environment White Paper states the need to create an ecological network which is resilient to changing pressures and local authorities have a statutory duty to take account of the conservation of biodiversity. There are 60 designated Sites of Importance for Nature Conservation in Haringey that form the basis for this ecological network.
- 5.4 Since the development of CIP in 2011, Lordship Recreation Ground major improvements work has been progressed during 2011 and 2012. £5m of improvements (£4m from the Heritage Lottery Fund) have been celebrated in September 2012 with a community festival. Other improvement works to Haringey's parks include a major restoration and improvement work to Finsbury Park. Public consultation on improvements to Hartington Park in North Tottenham was carried out in 2012, outcomes of which will feed into a programme of works in 2013. The Council

is also developing proposals for use of s106 funds for Wood Green Common, Nightingale Gardens and Barratt Avenue open space improvements with plans being finalised for expenditure in early 2013.

- 5.5 The Council has recently secured £14.75m investment in the facilities at Tottenham Green, Park Road and the Broadwater Community Centre as part of a 20-year management contract with Fusion Lifestyle. The Council is further seeking to lease the outdoor facilities at White Hart Lane Community Sports Centre and Finsbury Park Track & Gym in order to remove any ongoing requirements for either revenue subsidy or capital expenditure.
- 5.6 A potential need for a new district level combination swimming pool and leisure centre has been identified to meet the predicted growth. Such a new facility could cost around £11.2m. This is a neighbourhood or district scale model rather than a full service, town centre model, of which larger local authorities typically only provide one. A prime location for this pool would be the central part of the borough. Land availability will be a key issue in securing this provision.
- 5.7 The infrastructure table below summarises the expenditure required in order to adequately maintain the infrastructure of the borough's open spaces, sites of importance for nature conservation play sites, allotment and trees.

Table 3 – Open Space, Leisure and Sports Infrastructure and Investment needs to 2026			
Infrastructure Type	Investment Required (£m)	Funding Available (£m)	Funding Gap (£m)
Parks - Hard surface & paths, Furniture (Bins, benches gates etc), Fencing & walls, Signs	5.8	1.1	4.7
Parks Play Areas (Exc HfH)	0.9	0	0.9
Football Facilities	2.3	0	2.3
Allotments	0.2	0	0.2
Trees	1.9	0.4	1.5
Leisure Centres	1.2	0	1.2
Total	£ 22.3	£ 1.5	£20.8

6. Transport

CIL funding will be required mostly for sustainable transport measures, local maintenance of highways and streetscene. Majority of funding for major transport projects comes from TfL or Network Rail through Department for Transport.

- 6.1 The Mayor's Transport Strategy (2010) identifies key transport issues which are likely to affect the borough over the next 20 years including overcrowding on tube and rail lines serving the borough.
- 6.2 Transport for London and Department for Transport have identified the West Anglia line through Tottenham Hale and Northumberland Park as a key priority for investment to expand capacity. The line is running at capacity during peak periods. Enhancement to capacity on the Lea Valley Line serving Tottenham Hale and

Northumberland Park is key to regeneration in the ULV. Network Rail and TfL are supporting additional track capacity and platforms initially to allow for a 4 trains per hour local service between Angel Road and Stratford.

- 6.3 For the short to medium term, the key transport project in the borough funded by the Transport for London (TfL) is the Tottenham Gyratory project. The gyratory will revert to two-way flow and will establish a bus interchange and public square at Tottenham Hale. The project would support the provision of additional housing in the area by enhancing the environment, improve safety and increase accessibility for bus users, cyclists and pedestrians. The project will be completed by 2014.
- 6.4 Expansion of capacity at Tottenham Hale station is being developed by TfL to cater for planned growth in ULV. This is expected to complete by 2016. Work by Network Rail to create a fully accessible station will be completed by 2014.
- 6.5 Investment in expansion of capacity on Great Northern line is planned by Network Rail. An additional track between Alexandra Palace and Finsbury Park and additional platforms will provide for greater service reliability and potentially additional capacity in the future.
- 6.6 The London Overground service on Barking – Gospel Oak line has seen crowding in peak periods. There are no current proposals for expansion of capacity. However TfL are seeking electrification of the line which will allow longer trains.
- 6.7 TfL are supporting through its Business Plan expansion of capacity on the Victoria, Piccadilly and Northern lines such as from new signalling and new rolling stock. This will meet current and expected demand in the short to medium term, although congestion is expected to recur from approximately 2020 due to predicted growth in housing and employment in London.
- 6.8 TfL has improved the North Circular Road (NCR) between Bounds Green Road and Green Lanes to provide environmental and road safety benefits. One of the objectives of the project is to reduce the level of rat running on local residential roads within Haringey arising from delays to traffic on the NCR. TfL have funded complementary traffic management measures on these roads in advance of the NCR works which completed in 2012.
- 6.9 TfL are planning to invest in cycling through a range of measures such as cycle superhighway and cycle hire scheme. Other investment to promote cycling being led by the Borough includes cycle training, Greenways cycle routes and cycle parking. Such investment is included in the Council's Local Implementation Plan for funding until 2014.
- 6.10 Investment in the Borough's road network would be required. Assessments are carried out for the overall condition of our highways for both carriageways and footways. Currently we are in the bottom quartile compared to other boroughs. More than half our footways require maintenance. The investment will enable us to improve our current conditions and thereby reduce reactive maintenance cost while improving accessibility for pedestrians and encourage more walking and cycling.
- 6.11 Further investment in street lighting will be required. We have around 5,000 lamp columns which need replacing. Better street lighting assists in addressing crime and road safety issues. In addition our progress in converting lamps to LED will provide lower future maintenance costs and support a reduction in CO2 emissions.

- 6.12 The social and economic costs of road accident casualties are high with a fatality costing society in excess of £1m. Although we have been successful in reducing casualties in recent years much more needs to be done to further reduce casualties.

Table 4 - Transport Infrastructure and Investment needs to 2026

Scheme	Investment Required £m	Funding available £m	Funding Gap £m
Tottenham gyratory – partly TfL funded	34	19	15
Tottenham Green Link	15	0	15
Tottenham Hale station	(b)	(b)	(b)
Interchanges – accessibility Tottenham Hale and South Tottenham	(c)	(c)	(c)
Interchanges – accessibility Finsbury Park and Alexandra Palace	(c)	(c)	(c)
West Anglia main line – 3 rd tracking	(c)	(c)	(c)
West Anglia line through Seven Sisters – turnback at Seven Sisters	(c)	(c)	(c)
Station capacity improvements such as Great Northern rail line additional track/platforms and Seven Sisters station capacity	(c)	(c)	(c)
Barking – Gospel Oak line – electrification and longer trains/platforms	(d)	(d)	(d)
Cycle superhighways	(b)	(b)	(b)
Greenways/Quietways	0.5	0.5	0
Cycle parking (a)	(a)	(a)	(a)
Heartlands east-west cycle route	0.5	0	0.5
Car club bays (a)	(a)	(a)	(a)
Borough wide transport improvements (a)	(a)	(a)	(a)
Wood Green town centre (a)	(a)	(a)	(a)
Highway maintenance	42	0	42
Street lighting	13	0	13
Road safety	2.6	0	2.6
Road corridor studies (b) – A10/A1010/A1055	(b)	(b)	(b)
Total	107.6	19.5	88.1
a) to be funded through LIP via TfL b) to be funded by TfL directly c) to be funded by Network Rail d) to be funded by Network Rail and TfL Note- Major investment in underground lines [Piccadilly, Victoria and Northern] and Crossrail 2 excluded as would be led by TfL/DfT/NR and have London-wide benefits and funding regimes.			

7. Waste facilities

CIL funding is not likely to be required for waste facilities

- 7.1 The North London Waste Plan was restarted in February 2013, and will identify where additional capacity for waste and recycling facilities will be delivered in the North London Area. This is a joint strategy by the seven North London Councils, and the North London Waste Authority. It is envisaged that any increase in capacity will be

funded by the NLWA, and will not require CIL revenues. Waste facilities in the borough will not be charged CIL.

8. Surface Water Management Measures

Grant in aid funding for surface water related flooding will be available from DEFRA, subject to scheme scrutiny and a percentage of matched funding. Schemes in deprived areas will receive greater grant aid. CIL funding may be required.

- 8.1 The Infrastructure Delivery Plan (July 2011) does not include specific measures for flood risk alleviation. The Council has been working to develop a Surface Water Management Plan during 2011 and 2012. The Surface Water Management Plan has identified 9 Critical Drainage Areas in the Borough. These CDA's require investment in resilience and mitigation measures to protect those that live and work in these areas from the risks associated with flooding. Met Office predictions indicate that intensities of storms are likely to increase giving rise to greater likelihood of flood incidents in the future.
- 8.2 To implement measures identified in the Surface Water Management Plan to alleviate flood risk in the Borough has been estimated to cost £20.6 million. The expectation of the Environment Agency is that the Borough should fund this work. Grant in aid funding is available from DEFRA, subject to scheme scrutiny and a percentage of matched funding. Schemes in deprived areas will receive greater grant aid.
- 8.3 Progression will be dependent upon securing capital funds. The timetable for works may need to be extended if funding is not available within the timescale indicated.

Table 5- Flood and Surface Water Mitigation Measures from the Surface Water Management Action Plan - Infrastructure and Investment needs to 2026				
Critical Drainage Area ID	Location	Investment Required £m	Funding Available £m	Funding Gap £m (Grant in Aid funding to be applied for. Award outcome is currently unknown)
Group4_010	Bounds Green	2.0	0	2.0
Group4_055	Hornsey	3.0	0	3.0
Group4_056	Hornsey Vale	2.7	0	2.7
Group4_057	Harringay and Sth Tottenham	5.9	0	5.9
Group4_061	Northumberland	2.9	0	2.9
Group4_062	Highgate and Crouch End	0.6	0	0.6
Group4_063	White Hart Lane	2.2	0	2.2
Group4_073	Palace Gates and Dukes Ave	0.2	0	0.2
Group4_075	Ellenborough Road	1.1	0	1.1
Total		20.6	0*	20.6
*Grant in Aid funding to be applied for (award outcome currently unknown)				

9. Water Quality

No CIL funding is required

- 9.1 Thames Water (TW) proposes to continue the Victorian Mains Replacement programme. Alongside measures to reduce demand, TW is also considering new water resource schemes for the medium term to offset the risk associated with a strategy heavily dependent on demand management the outcomes of which are uncertain. These measures are considered at a regional level.
- 9.2 Deephams Sewage Treatment Works (STW) serves part of the Haringey Borough. Deephams STW is situated in Edmonton in the Borough of Enfield and has a catchment that extends across an area of 249km² including the northern part of Haringey and therefore has a strategic role in providing sewage treatment within North London.
- 9.3 Deephams plant requires improvements and upgrade. This upgrade will cater for population growth within Haringey and surrounding Boroughs, and improve the water quality of the Salmon's and Pymmes Brooks and River Lee, through improving the treatment of influent at Deephams STW. Thames Water's preferred option is to build the upgrade on the existing Deephams Sewage Works site (rather than a replacement site).

10. Electricity Network

No CIL funding is required

- 10.1 National Grid is working on a major national infrastructure project called the North the London Reinforcement Project (NLRP). The project comprises of a series of upgrades to an existing overhead line route that runs from Waltham Cross Substation, near Waltham Abbey to Hackney Substation in London. The route consists of two sections, one runs from Waltham Cross to Tottenham, and the other runs from Tottenham to Hackney. The aim of this upgrade project is to ensure that new sources of power generation located in, and supplying the boundaries of, the London region can continue to meet the city's demand for energy.

10. Decentralised Energy Infrastructure

CIL funding is required

- 11.1 Haringey energy studies, energy masterplanning, heatmapping and other feasibility studies for the borough have shown the potential for decentralised energy networks in and around Upper Lee Valley corridor (North and South Tottenham, Tottenham Hale), Broadwater Farm, and Hornsey Town Hall. Other opportunities exist in regeneration and redevelopment areas, including Hornsey High Street, Wood Green East, Haringey Heartlands, Wood Green North, Tottenham Town Hall and St Ann's Hospital site.
- 11.2 This is a long term programme and it is expected that the costs of delivering decentralised energy networks in the borough will be funded by both private and public sectors. At this stage the funding sources are not confirmed, although a capital grant from the Mayor's Regeneration Fund (MRF) has been allocated to developing DE as part of regeneration in North Tottenham (up to £2.5m). This means the potential funding is large; however this should reduce over time as the schemes come forward

and other funding sources are confirmed. Other capital funding sources include connection charges for new developments, and depending on the nature of the project private sector finance, or public sector finance.

- 11.3 The estimated capital cost of the networks is £25.2m, and the MRF grant is up to £2.5m, leaving a gap of £22.7m. A business case would be prepared before each scheme is delivered, clearly identifying the contribution from other funding sources listed above and CIL. A business case is currently being evaluated for the Upper Lee Valley network which includes North Tottenham.

11. Emergency Services

Awaiting Update

- 12.1 During the course of Community Infrastructure study, the Council met with borough commanders or their representatives for emergency services, and also discussed the relevant business plans and asset planning documents for these services where available.
- 12.2 London Mayor's recent announcements (2012) for emergency service provision in London mean that there may be changes to the police services in the borough including the potential reduction in services from Tottenham Police Station.
- 12.3 The Metropolitan Police considers the existing patrol facilities in Western Road N22 to be inadequate, and expensive to maintain. The facility has a temporary planning permission until 2014. The site is within the Haringey Heartlands growth area, and the Council will be keen to see that the land is used efficiently.
- 12.4 Although the draft Assets Plan by the Metropolitan Police (2007) indicated that the Patrol base will be considered as part of the proposed development of the Wood Green Custody Centre, this is no longer the case. Planning permission for the new police custody centre in Wood Green (without the patrol base) was granted in 2011, and the construction work has already started.
- 12.5 The Ambulance Services has an aspiration to identify a small plot to locate one ambulance vehicle in the borough.

12. Total Infrastructure Funding Gap by Infrastructure

The table below summarizes the potential cost of providing the infrastructure requirements outlined in this document. Some service providers are yet to provide more definitive information on infrastructure needs. Figures below are forecasts at present, and may change as priorities change and additional funding streams are identified. It is hoped that the implementation of the Haringey Community Infrastructure Levy in 2013 will make a contribution towards bridging the identified funding gap.

Table 6-Summary of Infrastructure Investment Estimates 2013/14-2026/27			
Infrastructure Type	Investment Required (£m)	Funding Available (£m)	Funding Gap (£m)
Education	198.0	120.0	78.0
Health	tbc	tbc	tbc
Open space/ Leisure	22.3	1.5	20.8
	107.6	19.5	88.1

Transport			
Emergency Services	--	--	--
Decentralised Energy	25.0	2.5	22.5
Water Management & Surface water Flooding	20.6	tbc	20.6
Waste	--	--	--
Total (£m)	£373.5	£143.5	£230

APPENDIX 4- CIL Preliminary Charging Schedule Consultation Outcomes and the Council's Draft response

Section A – Introduction

- 1.1 The Preliminary Draft Charging Schedule consultation was held from 30th July-17th September 2012.
- 1.2 14 Responses were received from members of the construction and development industry, infrastructure providers, national stakeholder groups, as well as an interested local resident.
- 1.3 **Summary-** Objectors are mainly seeking exemptions, challenging viability of the levy and lobbying for an instalments policy. The summary of objections the Council's draft response is attached. We are asking the DMT / SMT to agree the officers draft responses. Our assessment of objections indicates that there is no change required to the proposed tariff on the basis of objections.
 - There were a number of representations from the **Retail sector** against Haringey's intention of imposing a levy on supermarket development. Based on the advice from the BNP Paribas- the consultants commissioned to carry out the viability work for Haringey CIL, there is **no further work needed** from this or other consultations/examinations that necessitate a change of this rate. However clarity on the definition of retail warehouse and supermarkets in planning terms will be provided.
 - **Exemptions** were sought from a number of developers, including agents and organisations without a financial imperative such as emergency service providers, and English Heritage. The Council has the option to grant exceptional relief at will, and as such it is recommended that the emphasis should be placed firmly on the applicant to justify any exemption. The Council does not have to set out an exemption policy for the CIL Examination.
 - We will consider the need to set out an **Instalments Policy** as part of CIL documents to be prepared for the Examination. At present the Mayoral instalments policy used to collect Mayoral CIL in Haringey is the default. A more

relaxed method could be considered as suggested by some respondents. This is due to the net present value of the infrastructure contribution decreasing with time with longer instalments.

- **Regulation 123 list – we will publish this as part of our consultation**

Section C - Issues

1. Issue: Potential Exceptions/Exemptions Policy

1.1 A number of representations were made seeking relief from CIL liability when proposing new development. It is the Council's view that exceptions should be kept to a minimum in order to simplify the process of applying for development, and administering the CIL charge, thereby minimizing the planning burden on new developments in terms of time and regulation. There are already exemptions from paying CIL on certain types of new development. The Preliminary Draft Charging Schedule released for public consultation includes exemptions for:

- Sites below 100m², excluding where one or more unit is created (excluding subdivision of a single dwelling);
- Charity landowners;
- Buildings into which people do not normally go, and are principally used for maintaining fixed plant infrastructure;
- Affordable housing.

1.2 Exceptional relief can be claimed by applicants for other types of development, but they must do so at their own cost, and meet the requirements of sections 55-57 in the CIL Regulations. Applicants will apply to the Council for exceptional relief, and the Mayor will decide on the Mayoral CIL element, after this has been passed on by the Council. There are requirements that the applicant must adhere to in order to gain an exemption, and these are summarized as:

- Have an independently prepared viability submission (independent assessor agreed by the Council) and an acceptance by the Council that the imposition of CIL will have a tangible affect on viability;
- The Developer will enter into a Section 106, the cost of which must be equal to or greater than the CIL would have been; and
- The Council is satisfied that granting relief would not constitute state aid.

2. Issue: Exemption for intermediate affordable housing developers.

A representation was received by the Council by an intermediate affordable housing provider, whose development model provides housing for sections of society who don't qualify for subsidised housing, yet can't afford the private rate. Formal affordable housing is exempt from CIL under Section 49 of the CIL regulations. The respondents' developments sell below market rate, but above the legislative threshold at which developments are no longer considered affordable. The representation states that the units produced on sites by this developer do not qualify as affordable, and requests an exemption from CIL to improve viability. This

development methodology necessarily operates with a reduced viability margin compared to other private developments, and a CIL charge risks pushing them into unviability due to the additional financial burden CIL produces.

Council response:

Noted, CIL may adversely impact the viability of these schemes. The Council will not seek to add an additional definition of affordable housing as part of the Draft Charging Schedule. Additionally, there is no evidence provided to suggest this type of development makes a critical contribution to the Council's housing pipeline. As such if a development does not qualify for relief using the CLG definition of affordable housing, it will not be automatically granted relief under section 49 of the CIL regulations.

All development has the right to apply for exceptional relief however, and it is possible that schemes of this type may be eligible. The requirements of sections 55-58 of the CIL regulations will need to be met to achieve this. In the case of intermediate affordable housing, it is likely that an exception would only be granted if a S106 obligation preventing "staircasing" is present in addition to meeting the other criteria of sections 55-59. This model has been achieved on previous development of this type.

3. Issue: the Council should recognize exceptional relief in the Draft Charging Schedule.

Council response:

This is not an examinable matter. The Council has a great deal of flexibility with regards granting exceptional relief, as set out in sections 55-58 of the CIL regulations. The Council will seek to keep exceptions to a minimum, and will not expend resources identifying these during the development of the Draft Charging Schedule. Instead, the onus is on developers to justify an exemption, as set out in sections 55-58 of the CIL regulations.

4. Issue: Properties application of CIL to developments involving heritage assets could be harmful to the preservation of those assets.

Council Response:

It is recognized that heritage constrains certain developments, and the Council has a stake in protecting and improving its built environment generally, and particularly heritage and "at risk" properties.

The CIL regulations set out the conditions for exceptional relief to be granted in sections 55-58, and the Council does not want to set a wide-ranging exemption to all heritage-listed sites. Many of these sites will be viable for development regardless of the heritage listings. Developments involving preservation or restoration of heritage assets will be covered by exceptional relief if the tests in the regulations are met. The Council will help to check that the three tests are met, e.g. by including preservation or restoration works to the heritage asset as a Section 106 obligation. This however does not require a special policy or addition to the Charging Schedule to facilitate.

5. Issue: Community Infrastructure Providers seeking exemptions

Several infrastructure providers have stated that they need to be exempted from CIL in order to provide services, and that indeed they would expect to receive payment from the CIL or another funding source to help achieve this.

Council Response:

The Council recognises that providers in receipt of funds to enable development for infrastructure provision would not, in all likelihood, have the viability to pay CIL. The Council has only set a rate for residential and retail uses, and as such has an effective nil rate for infrastructure providers. One of these responses sought an exemption on any site including a community infrastructure use, potentially opening the door to mixed use developments gaining relief. Mixed use developments by infrastructure providers would be expected to either claim charitable relief, or exceptional relief where necessary.

6. Issues pertaining to the relationship between CIP and CIL

The Community Infrastructure Delivery Plan (IDP) will support the Community Infrastructure Levy and Local Plan by identifying the pieces of infrastructure that will support the development of the Borough over the plan period. The Council must provide evidence that there is an infrastructure funding gap in order to introduce a CIL, and an update to this evidence will be produced in time for the Draft Charging Schedule consultation. CIL revenues cannot hope to bridge the funding gap, and hence viability is the determining factor in setting CIL rates.

There were a number of representations noting the perceived lack of linkage between the CIL rate and the pieces of infrastructure which need to be delivered through the Community Infrastructure Plan. A number of representations wanted there to be a direct link between the cost of infrastructure identified in the CIP, and the cost levied in CIL. Given the prohibitive potential impact on viability on development in the Borough if this model were to be implemented, it is noted that a comparison of the infrastructure gap and potential CIL revenue in the next CIP update may help to clarify the role CIL has in funding local infrastructure.

7. Issue: CIL should be based on a "district-wide" assessment of infrastructure requirements divided between all expected developments.

Council response:

As set out above, the CIL regulations require that rates are based on viability, not the need generated by various types of development.

8. Issue: there is a disconnect between the rates in the CIL charging schedule and the infrastructure requirements.

Council response:

As set out above, the CIL regulations require that rates are based on viability, not the need generated by various types of development.

9. Issue: the supporting (viability) document only considers viability of development, not the infrastructure needs that each type of development generates

Council response:

The objective of the viability report is to provide the Council with an evidence base on the viability of developments within the Borough. The link that existed under Section 106 agreements and specific infrastructure requirements no longer exists under CIL. There is no link between the rate that might be applied to a particular type of development and the infrastructure need that it generates.

Section 106 agreements on large sites will be required in order to make developments acceptable in planning terms. This may exceed the total CIL liability on sites, particularly in the East of the Borough where CIL rates are lower. Consideration will be given to how S106 agreements on large sites in the East of the Borough will be affected by the introduction of CIL.

10. Issue: Seeking clarity on infrastructure funding gap and how gap has influenced the rates.

The update to the CIP will set out the existing and anticipated future gaps in infrastructure funding.

11. Issues: Updates to the CIP

Requests to add projects to the infrastructure schedule were received as part of the consultation. These will be added to the infrastructure schedule that supports both the CIP and the Local Plan. The need for CIL in Haringey is established at the Local Plan EiP and the Inspector's Report. Nevertheless the Council will be updating its CIP/IDP before CIL adoption.

12. Issue: The Council should publish the Regulation 123 list alongside the next formal consultation to clarify how CIL might be spent.

Council response:

The Council will publish a Regulation 123 list alongside the next formal consultation.

13. Issue: Updates to the CIP Infrastructure schedule were submitted as part of consultation responses.

Council response:

The Council will work with infrastructure providers to input these submissions into the CIP Infrastructure Schedule.

Viability Issues

There were, as would be expected, representations pertaining to viability, particularly on the higher rates set for residential development in the West and Centre of the Borough, and regarding the premium rate set for supermarket development. Below is a review of the issues brought up pertaining to viability during the consultation.

14. Issue: Asserts that the Council has not struck an appropriate balance between raising funding for infrastructure and impact on viability, with the impact on viability being too high.

The respondent provides an example to back up their argument. The respondent appears to have taken historic Section 106 agreements and compared the amounts payable under those agreements and the amounts they claim would be payable

under CIL. The respondent reports existing amounts of \$106 per unit (which is charged across the whole scheme) at £2,700 to £9,500 per development. They then suggest that the CIL charge (including Mayoral CIL) will be £14,000.

Council response:

The respondent's analysis has overlooked the impact of two key factors; firstly, Social Housing Relief will mean that CIL is not levied on affordable housing; and secondly, CIL is levied on net additional floorspace only. The impact of Social Housing Relief on a scheme providing 50% affordable would mean that the CIL charged on a 70m² private flat would be £7,000, not £14,000 as the respondent suggests. This would be reduced further if there is a legally occupied existing building on the site. This is well within the range that the respondent has identified in existing Section 106 agreements. Thus it is judged that the respondent has not provided evidence that the proposed rates would have a serious impact on the viability of development.

- 15. Issue: Rates in the west are too high; at the top end of the range indicated as viable; and disparity in rates between east and west will have an adverse impact on long term delivery of residential development in Haringey. The three zone approach discriminates against one part of the Borough compared to another.**

Council response:

The £265/m² proposed in the West of the Borough (plus Mayoral CIL of £35/m²) is lower than the maximum rate the Viability Study suggested the Council could set. The rates included in the schedule were not maximum rates, as the respondent suggests. Looking at the appraisals, in many cases schemes could absorb much higher amounts of CIL than is proposed. Indeed LB Camden have recently released a Preliminary Draft Charging schedule with CIL rates for residential development of schemes of less than 10 net units of £500/m² in Highgate and Hampstead, immediately adjoining the West of Haringey.

The CIL regulations require that the Council has regard to viability when setting rates of CIL. The regulations make provision for area based rates, providing these are supported by evidence. In Haringey, sales values vary significantly between the west of the Borough and the east (values in the west are double those in the east). In this context, it is logical that more than one rate should be adopted. This approach has been adopted elsewhere and found sound¹. The rates in Haringey have been determined by viability, not by "discrimination".

The bulk of development is expected to come forward in the east, where the CIL rate is considerably lower than in the West. We therefore fail to understand the respondent's claim that the different CIL rates could have an adverse impact on long term delivery of residential development.

16. Issue: concerns on viability evidence

- change of use and conversion projects not assessed
- omission of planning costs from the appraisals for commercial schemes

¹ Wandsworth has a 'wider Wandsworth' rate of £265/m² in parts of the Borough where values are similar to those in the west of Haringey) and it also has a much higher rate in Nine Elms and a lower (nil) rate in Roehampton.

- omission of Section 106 costs from the financial appraisals

Council response:

Changes of use and conversions that do not generate additional floorspace will not be CIL chargeable. Following consultation with out viability consultants, planning costs are incorporated within the allowance in the viability methodology for professional fees.

S106 has been included within the viability methodology. The bulk of the Council's infrastructure requirements will be sought through CIL. Section 106 will remain, but as a negotiated amount on a scheme specific basis.

17. Issue: Balance between infrastructure funding and impact on viability has not been found.

Council response:

The proposed rates are linked to viability, and will not adversely impact on retail or residential development. The CIL regulations require that rates are based on viability, not the need generated by various types of development.

Overall, our consultants have adopted a very cautious approach on rents (assuming £18/ft²), whereas supermarkets typically pay much higher levels of rent (£25 - £30/ft²). A very cautious yield (6%) has also been used, whereas current investment yields for supermarkets are at 4.75%. If the appraisal was re-run with these two inputs (i.e. £25/ft² rent and 4.75% yield) an additional £6 million of value, which would be more than adequate to address the costs suggested in the respondent's letter. It is also important to note that other examiners have accepted that CIL charging schedules should not be set on the basis that every site will be contaminated and suffer from extensive abnormal remediation costs². These factors will be passed on to the landowner in the form of a lower land value, and would not be borne by the developer.

18. Issue: CIL will place an undue additional risk on supermarket development, and will be an unrealistic financial burden.

Council response:

The proposed CIL of £95 per sq m equates to only 2.36% of development costs, whilst the combined Mayoral and Haringey CIL of £130/m² equates to 3.07% of development costs. It is clearly a very marginal additional cost and is proportionate. It will not threaten the viability of development and is not an unrealistic financial burden. The respondent has provided no evidence that the proposed rate will either increase risk or be an unrealistic financial burden.

19. Issue: regs do not allow different rates with the same intended use of development.

Council response:

² see the Examiner's report on Bristol CIL

There are several adopted or approved CIL charging schedules that include differential rates (Portsmouth, Huntingdonshire and Wycombe).

20. Issue: Poole, Mid Devon, and Elmbridge have all dropped differential rates for supermarket developments.

Council response:

These councils will have their own reasons for withdrawing their proposals. Poole, for example, faced a last minute challenge from Sainsbury's and did not want to derail its whole CIL process. The decision to withdraw the retail rate was taken in part because the Council does not expect any supermarket development in the next five years. It is important to note that the Poole Examiner's report states very clearly that councils *are* permitted to set different rates within intended uses of development.

Since these examinations, the matter of differential rates was considered at Wycombe, where it was found to be a sound approach. Huntingdonshire has an *adopted* CIL charging schedule with a differential rate.

21. Issue: £95 charge on supermarket development is higher than those proposed Newham (£30), Redbridge (£70), Lewisham (£80) and Brent (£80).

Council response:

The £95 rate is based on the viability report's findings. Other authorities are consulting on differential rates for supermarkets/large retail, including Southwark (£250/m²), Lambeth (£115) and Islington (£200 - £300). The Council is not required to peg their proposed rates to those set by other authorities, but regardless it is not anticipated that the proposed rate is unviable.

The Council has determined its rates in accordance with the CIL regulations and, in particular, with the substantial difference in the viability of supermarkets and large retail in comparison to small retail.

22. Issue: disproportionate loading of CIL on supermarkets and residential.

Council response:

CIL rates are higher on these uses because they proved to be more viable than other uses when tested. While the overall requirement for a CIL tariff is underpinned by an identified infrastructure funding deficit, rates of CIL are not set by reference to the need that developments generate; the test is viability. This will result in certain types of development (that are more viable than others) paying a higher rate than other uses, despite the other uses generating more or all of the new infrastructure burden. This is the way the regulations have been written and the Council has to act within the framework set by the Government.

23. Issue: proposed rates do not strike an appropriate balance between raising funding and impact on viability.

Council response:

Regulation 14 of the CIL regulations requires that authorities "*must aim to strike what appears to the charging authority to be an appropriate balance between the desirability of funding from CIL....and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area*". As such it is at the discretion of the charging authority to find the "appropriate balance" between raising funding and impact on viability.

24. Issue: high charges on retail and residential will result in "massive subsidy" to other uses. These high charges will disincentivise investment in these sectors.

Council response:

It is important to note that the proposed charges are proportionate and equate to a very modest proportion of development costs. With regards to other types of development which have nil or low rates, these are reflective of very low development demand for these uses given current market conditions, and it is not considered likely that this will change significantly over the life of the charging schedule. If this changes the charging schedule will be updated to reflect this change. At present retail and residential are the only two likely forms of development to be brought forward in the Borough in the medium term, there is no subsidy to other uses, as they are unlikely to actually come forward.

Additionally, the charges are not "high" and are proportionate in the context of total development costs, as set out in the Viability Report.

25. Issue: Definitions of supermarkets and retail warehouses are 'simplistic and ambiguous'. The Council should clarify the nature of stores and the retailing operations carried out. Council should use PPS4 explanation of retail warehouse.

Council Response:

Noted, there currently is a viability assessment based on the typologies of retail, retail warehouses, and supermarkets. In order to implement the schedule, more detailed definitions will need to be provided of what a supermarket and retail warehouse are in planning terms. Floorspace thresholds and locations in relation to activity centers could be used. Wycombe Council has recently had their charging schedule examined and found sound includes the following definition:

"Convenience based supermarkets and superstores¹ and retail warehousing² (net retail selling space of over 280 sq metres)

¹ *Superstores/supermarkets are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.*

² *Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering for mainly car-borne customers. "*

A definition for supermarket and retail warehouse development will be published in the Draft Charging Schedule.

26. Issue: Insufficient fine grained analysis to support the proposed threshold to differentiate between the different scales of retail uses.

Council response:

General retail development, retail warehouse and supermarkets have been tested in the Viability Study, and this directly informs the rates included in the schedule included in the consultation. The respondent doesn't suggest additional testing that they think might satisfy the regulations, and the Council isn't aware of any additional requirements.

27. Issue: Rate of £15/m² in east of Borough not high enough as most development will take place in this area. This will not raise enough CIL to support growth.

Council response

The CIL regulations require that rates are based on viability, not the need generated by various types of development. If CIL is set too high, such that development is made unviable, then no funding for new infrastructure will be generated. The Council has also had regard to the potential impact on affordable housing, which might be adversely affected if the CIL rate is set too high.

28. Issue: no consideration of the costs of conversion of sites from one use to another, and this was brought up by a respondent as a significant source of developmental costs.

Council response:

There is a demolition cost of £5/ft² included in the viability methodology, as well as Purchaser's costs, which will generally exceed the cost of converting an existing building.

Other Issues

29. Issue: Request for regular updates to the Infrastructure Schedule.

Council Response:

It is envisaged that the Annual Monitoring Report can will be the principal document for reporting on CIL collection and spend. Specific pieces of data it ought to include will be:

- Monies collected through CIL and S106 mechanisms
- Infrastructure Projects completed
- New Infrastructure Projects coming forward

30. Issue: Incorrect reference to discretionary zero rate for infrastructure in para 2.4 of the consultation document, this is a viability-tested nil rate put forward by the GLA.

Council Response:

This section will be reworded to reflect the fact that the Mayor has granted health and education facilities CIL exemption on viability grounds. The nature of how the Mayoral CIL and proposed Haringey CIL differ is that the Mayoral CIL seeks to gain a small amount of value capture on a wide range of developments, while the Haringey CIL has a more targeted approach to high value developments. Consequentially the Haringey CIL only applies to a limited type of developments, and will focus on the uses it **will** charge on whereas the Mayoral CIL applies to more sites, and excludes the sites it **won't** charge on. The Mayoral CIL will therefore be charged on a larger number of sites than the Haringey CIL.

31. Issue: There is no reference to how mixed use will be addressed.

Council response:

Each use will be charged separately for a qualifying development as set out in the CIL regulations.

32. Issue: Perceived disadvantage for developers submitting Full planning applications rather than Outline & Reserved matters due to the need to include detail at an earlier, single stage.

Council response:

This is not an issue regarding the ability to pay the CIL as payment will only be sought at commencement of the development, which is not determined by the application process.

33. Issue: Installments policy – seeks clarification.

Many respondents expressed support for an instalments policy to collect infrastructure contributions in a way that minimised the financial burden on larger, more time consuming developments. Greater detail regarding how the instalments payment system will be operated was sought. The need for flexibility on large schemes involving phasing to commence payments alongside development of phases in order to avoid an adverse frontloading of CIL payment.

Council response:

Ultimately the Council's Installments Policy is not an examinable matter, but reference to an installments policy will be published in the Draft Charging Schedule.

