

## **Highbury Group on Housing Delivery**

### **Response to MHCLG consultation on London Emergency Housing Package**

#### **Community Infrastructure Levy**

The levying of Community Infrastructure and the rate at which it is levied is a matter for individual planning authorities, and in the case of London , for the Mayor of London. The matter of whether in specific cases CIL liability should be waived in order to facilitate the delivery of other planning policy objectives, such as the delivery of appropriate affordable housing, is a matter for the local authority, who are in the best position to determine the appropriate balance between different and possibly conflicting policy objectives. Local planning authorities already have the discretion to apply Exceptional Circumstances Relief (ECR). We do not therefore support a national policy on CIL which would over-ride local authority powers and policies. MHCLG however could issue guidance on the appropriate application of ECR.

**There is a case for Local Authorities to reduce CIL liability for schemes which provide higher levels of affordable housing, but Local authorities will need to ensure social and community infrastructure to support such developments id funded from other sources.**

**This however is a matter for Local Authority discretion rather than for Government policy.**

It has always been our view that the setting of a CIL rate is inflexible in terms of failing to reflect the different economics of specific development proposals and to respond to changing external factors such as changing costs and market factors such as sales and rental values, and that a much more efficient and flexible system is the negotiation of sq106 agreements on a case by case basis.

Para 4.3 ( contradicting para 2.3) states that emergency CIL relief will be calculated after other CIL reliefs (such as the social housing relief) are calculated first so that in practice the total loss of CIL to the local authority will be greater than 50%. Clarification is required.

We are also concerned that the reduction of CIL liabilities will significantly reduce the ability of local planning authorities to support infrastructure which is critical to the sustainability of a specific residential development and the proposal is seeking to give priority to achieving housing development in terms of units, rather than to the delivery of appropriate and sustainable development. This will have long term impacts and alternative funding would need to be available to local authorities to fill this funding gap.

Para 4.4 requires developers to provide evidence of ' the financial impact of paying the CIL liability in full, to justify their case for relief, but no framework is provided on how this is to be assessed.

The proposed £500,000 threshold discriminates against small schemes and the potential contribution of SMEs, which the Government has otherwise been seeking to encourage.

**No justification is given for the retention of London Mayoral CIL in full, while the reduction will apply to Borough CIL.**

**Proposed changes to the Town and Country Planning (Mayor of London) Order 2008**

We do not support a further extension of the Mayor's call in powers. We consider the current categories for Mayoral call-ins represent an appropriate balance between development proposals which are of a strategic nature and schemes which are appropriate for local decision making. We do not consider it appropriate for the Mayor to be given the power to over-ride the local authority's democratic decision making process for schemes that are essentially local matters or that it is appropriate to give the Mayor specific additional powers in relation to sites which are within the Green Belt or Metropolitan Open Land.

Note: The Highbury Group on Housing Delivery comprises an independent group of specialists from the public, private and independent sectors with a membership drawn from housing, planning and related professions; it offers advice and makes representations to Government and other agencies on a variety of subjects, with the aim of maintaining and increasing the output of housing, including high quality affordable housing. The views and recommendations of the Highbury Group as set out in this and other papers are ones reached collectively through debate and reflect the balance of member views. They do not necessarily represent those of all individual members or of their employer organisations. The group's core membership and previous statements and research presentations are on the group's website:

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