

Review of the Community Infrastructure Levy

Terms of Reference

Background

1. The Community Infrastructure Levy (“CIL”) was introduced in April 2010. It sought to provide a faster, fairer, more certain and transparent means of collecting developer contributions to infrastructure than individually-negotiated Section 106 planning obligations.
2. The Government confirmed in November 2015 that Liz Peace would lead and chair an independent group conducting a review of the Community Infrastructure Levy.

Purpose of the Group

3. To assess the extent to which CIL does or can provide an effective mechanism for funding infrastructure, and to recommend changes that would improve its operation in support of the Government’s wider housing and growth objectives.

Remit

4. Drawing on any appropriate expertise and evidence that they may wish to consult at their discretion, the Group should consider the overarching question of whether CIL is meeting its objectives of providing a faster, fairer, more certain and transparent means of funding infrastructure through developer contributions.
5. In doing so, the Group should consider the following more specific issues:
 - The relationship between CIL and Section 106 in the delivery of infrastructure, including the role of the regulation 123 list and the restriction on pooling planning obligations.
 - The impact of CIL on development viability, including any disproportionate impact on particular types or scales of development.
 - The exemptions and reliefs from CIL.
 - The administrative arrangements and governance associated with charging, collecting and spending CIL.
 - The ability of CIL to fund and deliver infrastructure in a timely and transparent way.
 - The impact of the neighbourhood portion on local communities’ receptiveness to development.
 - The geographical scale at which CIL is collected and charged.
6. Based on its assessment of the issues above, the Group should make specific, prioritised recommendations that provide a clear basis for improving the current system of collecting developer contributions to infrastructure delivery.
7. The recommendations should also take account of the Government’s pre-election manifesto commitment that “*when new homes are granted planning permission,*

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we will make sure local communities know up-front that necessary infrastructure such as schools and roads will be provided”.

Governance

8. The group is independent and chaired by Liz Peace pro bono. The other members of the CIL review group are Andrew Whitaker (Home Builders Federation), Gilian MacInnes (Planning Advisory Service), Tom Dobson (Quod Planning), Steve Dennington (LB Croydon) and Michael Gallimore (Hogan Lovells) and Councillor John Fuller, Leader of South Norfolk District Council. Secretariat is being provided by DCLG.

Output

9. By the end of March 2016, the Group will prepare a report for the Minister for Housing and Planning to consider. The report will include:
 - an assessment of whether CIL is meeting its objectives and any recommendations for future change;
 - an assessment of the relationship between CIL and Section 106, and how this is working in practice;
 - an analysis of the operation of the CIL system and specific recommendations of how it could be improved;
 - an assessment of how CIL is deployed by local authorities both to deliver infrastructure and to support community engagement.