

Old Oak and Park Royal Development Corporation – CIL

Examiner's Questions

EQ1 – Planning Obligations Supplementary Planning Document and funding through s106

- 1 The Planning Obligations Supplementary Planning Document (SPD) is not an examination document, but it does feature in the representations made and the Corporation's responses.
- 2 In the Consultation Statement document it is said *"A number of stakeholders sought clarification about the relationship between the Planning Obligations SPD due to be adopted in June 2023 and whether this has been accounted for in the viability evidence that has been used to support the proposed rates in the Draft CIL Charging Schedule. The Planning Obligations SPD will be revised at the same time as CIL is adopted to clarify which major infrastructure contributions will be secured from CIL rather than s106 planning obligations"*.
- 3 It is stated in paragraph 4.57 of the May 2023 CIL Viability Study (VS) (with further references at paragraphs 6.16 and 7.4) that *"To account for residual Section 106 requirements, we have included an allowance of £1,500 per unit for residential schemes and £30 per square metre for commercial schemes. OPDC has undertaken analysis of previous S106 agreements negotiated on schemes in the area, particularly considering the elements that would remain as residual S106 asks (sic) in future. Based on these results, both OPDC and we consider these allowances to be a reasonable proxy to cover the elements that OPDC would seek contributions through Section 106 for such schemes. The actual amounts will of course be subject to site-specific negotiations when schemes are brought forward through the development management process"*. This suggests that there is data that has been considered but not made available to the Examination.
- 4 On the assumption, for the purposes of this question, that I recommend that the Draft Charging Schedule is approved in the submitted form, it would be helpful for the Examination to be told which elements of the SPD would be deleted, and for an explanation to be given that supports the amount allowed for s106 in the VS of £1,500 per residential unit, £30 per commercial square metre.
- 5 The transfer from s106 obligations to CIL clearly has an effect on the calculations of a development's viability, and the VS points out (paragraph 1.10) *"Being the OPDC's first charging schedule, the proposed CIL contributions sought would not be a new cost burden on development. It would largely replace much of the financial contributions currently secured through s106 Agreements. Consequently, CIL is unlikely to be the determining factor in scheme viability"*.

- 6 It seems to me that this is a matter where a degree of transparency as to how these figures have been arrived at will assist the relevant representors and me in evaluating the weight to be put on these statements. In this connection, Planning Policy Guidance states "As background evidence, the charging authority should also provide information about the amount of funding collected in recent years through section 106 agreements. This should include information on the extent to which their affordable housing and other targets have been met." (Paragraph: 019 Reference ID: 25-019-20190901 Revision date: 01 09 2019)". Currently it seems that there is not a document that does this.
- 7 Please let me know how you intend to respond to these matters within 5 working days and how long such response will take.