

Council's Opening Statement – CIL Examination Hearing 25 May 2021

Lambeth last adopted a CIL charging schedule in 2014. Since then, development pressures have increased further within the borough and land values and viability have changed markedly during that time, reflecting significant growth seen in Lambeth during that period. This has led us to undertake a thorough review of our CIL charging schedule with a view to fulfilling government requirements to capture a reasonable value uplift from new development in the borough to enable continued investment in the infrastructure required to deliver sustainable and inclusive growth.

The process of reviewing the CIL charging schedule has been coordinated carefully with the preparation of a revised Lambeth Local Plan in order to ensure that the new CIL charges proposed will enable the successful delivery of the objectives and policies in the revised plan and the new London Plan. We have been careful to ensure that charges are set at a level which will incentivise land and development to come forward whilst enabling development to fulfil the other obligations placed on it through development plan policy. This work has been undertaken alongside updating our Infrastructure Delivery Plan which has demonstrated the funding gap that exists in meeting the borough's infrastructure needs and which in turn fully justifies the approach Lambeth is taking in seeking a reasonable and proportionate uplift in the levy charges within the new schedule. We look forward to Mr Kemmann-Lane's views in due course and are happy to deal with any further questions arising from the examination papers.

The Council's Submission Statement LCX 03 sets out the entire process that has been undertaken to review Lambeth's current CIL Charging Schedule and explains how the regulatory requirements have been met.

In the summer of 2018, the Council commissioned BNP Paribas Real Estate to produce a Viability Review to test alternative CIL rates after considering the cumulative impact of:

- Emerging London Plan policies
- Lambeth's emerging new Local Plan policies
- The combined Mayoral and Council requirements for planning obligations
- The new levels of Mayoral CIL that the Mayor of London was proposing

BNP Paribas Real Estate completed the viability review and recommended a Preliminary Draft Charging Schedule proposing new CIL rates across various types of development and across four charging zones in Lambeth.

In October 2018, the Cabinet of the Council authorised public consultation on the Preliminary Draft Charging Schedule (PDCS) between 22 October to 17 December 2018. This was concurrent with public consultation on the Draft Revised Lambeth Local Plan.

Having considered the consultation responses to the public consultation on the PDCS 2018, in January 2020, the Cabinet of the Council resolved to proceed with public consultation on a Draft Charging Schedule between 31 January to 13 March 2020. This was concurrent with the pre-submission publication of the Draft Revised Lambeth Local Plan Proposed Submission Version 2020. No change was proposed to the CIL rates set out in PDCS 2018.

Twenty-seven representations were received in response to the public consultation on DCS 2020. These representations are published in full on the CIL examination webpage.

At the end of March 2020, shortly after the end of the second round public consultation, the country went into lockdown because of the global Covid-19 pandemic. The Council decided to proceed with submission of the Draft Revised Lambeth Local Plan for examination. However, submission of the CIL Charging Schedule was postponed until there was greater clarity about the impact of the lockdown on the development industry.

BNP Paribas Real Estate provided advice to the Council about the impact of the Covid-19 pandemic on the development industry in Lambeth in January 2021. On the basis of this advice, the Cabinet Member for Planning, Investment and New Homes decided in February 2021 to authorise submission of a Modified Draft Charging Schedule, having also considered the DCS 2020 representations.

The modifications to the DCS set out in the Statement of Modifications comprise:

- A reduction in the proposed CIL rates for hotels in Zones B, C and D from £200 per m² to £75 per m²;
- A minor amendment to the definition of 'retail' to ensure clarity about the uses included without reference to the Use Classes Order, which is subject to change from time to time.

The Statement of Modifications was published on the Council's website on 8 March 2021, the date in which Lambeth submitted the Modified Draft Charging Schedule 2021 for examination. At the same time, an email was sent to the same set of consultation bodies and persons who were invited to make representations on the Draft Charging Schedule in 2020. These persons were invited to make a request to be heard by the Examiner in relation to these modifications and had until 6 April 2021 to make this request to the CIL Examination Programme Officer.

Three responses to the Statement of Modifications were received by the Programme Officer but none took up the invitation to make a representation on these modifications for this hearing.

On the basis of the process I have outlined, the Council considers it has complied with all the requirements of the Planning Act 2008 and the CIL Regulations 2010 as amended. We are pleased to submit the Modified Draft Charging Schedule for consideration of the Examiner.