
Lendlease

Community Infrastructure Levy – One Euston

1. This note has been prepared for London Borough of Camden officers to begin discussions in respect of the proposed approach to Camden's Community Infrastructure Levy ("CIL") in relation to the One Euston Master Plan.
2. Camden are currently consulting on a revised charging rate with responses due by 2 December 2019.
3. Lendlease, on behalf of the landowners are proposing that development at Euston to be nil rated for CIL purposes, in order for planning contributions and infrastructure delivery to be dealt with instead under Section 106 of the Town and Country Planning Act.
4. It is important to emphasise that this is not about One Euston seeking a reduction in its development costs or delivery of physical, social and/or environmental infrastructure.
5. Rather, it enables more investment into identified projects and purposes that provide tangible public benefits that are specifically related to One Euston (and in doing so satisfying the tests of Regulation 122), and can be clearly explained as such in the public domain.
6. The full extent of infrastructure delivery through financial contributions and physical delivery will be set out within a very robust open book financial viability assessment which will be independently assessed.
7. The sheer scale and complexity of the One Euston Project, extending over XX hectares, is ideally suited towards a bespoke Section 106 approach to infrastructure delivery for the reasons set out below.
8. By dealing with financial contributions through Section 106, Camden will be able to secure more local targeted benefits than CIL funds which would be Borough wide.

Background Context

9. For large and unique areas of development Authorities have designed development areas as nil rated which effectively creates a development area which has its own differential rate of zero. One Euston is tailor made for this given its Euston Area Plan / Local Plan recognition, it's substantial scale and unique location and circumstances. The project is similar in scale to where this approach has been used elsewhere, and there is certainly nothing comparable in scale in Camden.
10. In October 2016, a report to Government titled "A New Approach to Developer Contributions" , led by Liz Peace, concluded that at paragraph 4.1.5 that CIL has not "worked well for larger sites with complex site specific mitigations", which will aid the argument that CIL is not most effective mechanism to deal with very large development schemes and a bespoke approach based on Section 106 is more appropriate.

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11. Now that Regulation 123 has been repealed, there is more latitude for section 106 to cover infrastructure investment. At One Euston the proposal is that the infrastructure investment would replace CIL. This would enable Camden to apply an infrastructure payment system surgically rather than as a Borough wide policy.
12. Given the complexity which of any planning permission, a bespoke approach to phasing would not be able to be dealt with under CIL. The CIL regulations mandate specific deadlines for payments which are not considered fit for purpose for a scheme which will be implemented over at least 20 years.
13. A bespoke Section 106 based approach will enable investment into identified projects and purposes that provide tangible public benefits that are specifically related to One Euston, and can be readily explained and justified as such to statutory consultees and local stakeholders.
14. Whereas a CIL payment leads to a contribution into a central fund from where a number of projects can be part funded, this creates difficulties in relation to both specifically identifying and explaining how a contribution from a specific scheme can lead to delivery of a specific item of infrastructure.
15. Conversely, Section 106 creates a more transparent and direct relationship between the contribution (whether via payment or physical delivery / in kind) and the infrastructure delivery, which will be critical upon such a strategic scheme as One Euston.