

# 8.7 Policy & guidance : Planning gain & mitigation

## Key issues

- Policies and guidance relating to the negotiation, collection and defrayal of Section 106 and Community Infrastructure Levy do not relate to a specific theme but are cross cutting. They have been developed by a number of the working groups and a separate group established to consider the defrayal of developer contributions.
- One of the key issues relates to a perceived disconnect between the community and negotiations between the council and developers on how to defray S106 and CIL. Local people assert that they should have a much greater say on how the impact of development should be mitigated since the impact is experienced most locally.
- The London Eye S106 agreement presents an example of the successful local defrayal of revenue S106. A local partnership of businesses, residents and the council determine annually how revenue should be spent according to a set of environmental priorities. A community chest grant fund is managed by a local community organisation and voluntary and community groups can apply for amounts up to £10,000 annually for projects which benefit the neighbourhood. SoWN has proposed a similar mechanism for the defrayal of CIL (see Section 9 - Implementation & Delivery).
- The need for further revenue to maintain infrastructure in the area is paramount. A report prepared by Volterra Consultants for South Bank Employers Group in 2013 and updated in 2016 indicates that declining public investment in management and maintenance of the area has the capacity to limit the economic growth of the area. Consultation with other local delivery groups reflects this view and an appropriate balance must be sought between delivering new infrastructure through capital spend and managing existing through revenue.

## Policy P17: Planning gain & mitigation

No	Policy
P17	Subject to requirements and implications of regulations 122 and 123 of the CIL Regulations, where developments create an ongoing and significant cost implication for the management and maintenance of the neighbourhood area outside the development's demise, revenue Section 106 funding to mitigate the impacts should be secured from the development.

## Rationale for policy

**Policy P17** – Revenue funding is required to protect and maintain capital investment. The London Eye Revenue S106 model is exemplar of local management of services via ongoing funding and a similar mechanism would be appropriate for other developments which significantly increase footfall (and therefore litter, maintenance requirements and security measures).

Revenue funding could be generated either via a commuted sum, proportion of turnover or proportion of service charges on operators occupying new developments. Alternatively developers could provide a revenue generator to the community or Council, such as a retail unit or land.

## Planning gain & mitigation : Other guidance

Obligations included within S106 agreements should be reported clearly and transparently by the local planning authority within the committee or delegated report. The obligations should reflect mitigating measures on which the local community have been fully consulted.