

## City of Westminster

### MCIL Response

#### Issues

- Paucity of evidence re infrastructure planning and viability.
  - Impact of increased rates on delivering sustainable development.
1. When taking into account indexations on Crossrail S 106 the new rates represent increases of 14%, 58% and 98% respectively (offices, retail and hotel).
  2. The impact in Central London for mixed uses schemes (with residential) will be greater because all MCIL, including that on residential, is set off against commercial uses attracting S 106.
  3. The de minimis threshold for CIL is 100m<sup>2</sup> of new floor space (S 106 = 500m<sup>2</sup>)
  4. S 106 is negotiable.

The above points needs to be explicitly covered in evidence.

- MCIL2 rates not adequately tested
- Does not adequately reflect cumulative impact of MCIL rates, Westminster's CIL and ... affordable housing
- More sophisticated viability testing required to reflect the fact that Borough CIL's are in place and Crossrail 2 is a different infrastructure scheme and economic circumstances are less promising.
- Using Westminster's 2014/15 viability evidence to justify current proposals is "idle" – "misunderstanding of the evidence". Westminster adopted a yard stick of 5% of development costs, an approach "unique to the circumstances of Westminster". This approach is 'more prudent'.
- Evidence should include detailed evidence of why the schemes set out in Table 6.1 of the London Plan (and included in the CIL evidence) are 'required to support development in London'.
- Need to demonstrate that the "balance test" between funding infrastructure and viability has been met.
- Evidence is needed that shows that infrastructure will benefit "Central Areas" to justify "balance test" in the Central Area.
- Mixed messages? Cumulative impact of Mayor's CIL, Borough CIL, and other planning policy requirements vs. affordable housing. In particular paragraph 3.9 of the supporting evidence is 'wholly inadequate'
- Changes in this order would impact the Council's ability to increase its own... CIL rates and impede Westminster's ability to fund its own infrastructure.
- There is a need for an inclusive discussion on Crossrail 2 funding without "surprises"
- Options for discretionary reliefs need to be discussed to avoid impacts on affordable housing.