

Examiner's question ID/CIL/4:

The Examiner is currently considering whether the proposed charges are realistic and proportionate. To this end it may be helpful if he could compare, in general terms, what the charge is projected to generate in a year with the Council's highest annual Section 106 receipts. Could the Council assist by providing the appropriate figures before 11 November?

Portsmouth City Council response:

A table of the council's projected CIL receipts is attached to this note as Appendix A. It should be noted that a number of assumptions underlie these projections. They are set out with the projections.

Below are shown past S106 receipts. These are those collected from tariff style contributions for open space, sustainable transport, education and environmental improvements. Receipts from affordable housing contributions and for site specifics are excluded.

| Year | <u>2006/07</u> | <u>2007/08</u> | <u>2008/09</u> | <u>2009/10</u> | <u>2010/11</u> |
|------------|----------------|----------------|----------------|----------------|----------------|
| Total S106 | £771,732 | £686,379 | £466,572 | £366,591 | £387,204 |

Figures for 2011/12 are naturally not yet available, but it should be noted that payments of over £1 million are expected from one city centre site alone in this period.

Portsmouth City Council
4 November 2011

Appendix A: Projected CIL income 2012- 2027

| Projected CIL Income (from residential floorspace only) | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| Number of Completions | 522 | 556 | 535 | 520 | 598 | 712 | 860 | 667 |
| Total Floorspace (sqm) | 39,672 | 42,256 | 40,660 | 39,520 | 45,448 | 54,112 | 65,360 | 50,692 |
| Floorspace attributable to affordable housing (sqm) | (11,902) | (12,677) | (12,198) | (11,856) | (13,634) | (16,234) | (19,608) | (15,208) |
| Small schemes, conversions etc floorspace (sqm) | (7,934) | (8,451) | (8,132) | (7,904) | (9,090) | (10,822) | (13,072) | (10,138) |
| Remaining CIL chargeable floorspace (sqm) | 19,836 | 21,128 | 20,330 | 19,760 | 22,724 | 27,056 | 32,680 | 25,346 |
| Total Estimated CIL from Residential floorspace | £2,082,780 | £2,218,440 | £2,134,650 | £2,074,800 | £2,386,020 | £2,840,880 | £3,431,400 | £2,661,330 |
| Contribution towards Neighbourhood Projects (estimate) | (208,278) | (221,844) | (213,465) | (207,480) | (238,602) | (284,088) | (343,140) | (266,133) |
| Net Estimated CIL income | 1,874,502 | 1,996,596 | 1,921,185 | 1,867,320 | 2,147,418 | 2,556,792 | 3,088,260 | 2,395,197 |
| | | | | | | | | Plan Period Total |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | |
| Number of Completions | 621 | 526 | 476 | 275 | 269 | 235 | 165 | 7,537 |
| Total Floorspace (sqm) | 47,196 | 39,976 | 36,176 | 20,900 | 20,444 | 17,860 | 12,540 | 572,812 |
| Floorspace attributable to affordable housing (sqm) | (14,159) | (11,993) | (10,853) | (6,270) | (6,133) | (5,358) | (3,762) | (171,844) |
| Small schemes, conversions etc floorspace (sqm) | (9,439) | (7,995) | (7,235) | (4,180) | (4,089) | (3,572) | (2,508) | (114,562) |
| Remaining CIL chargeable floorspace (sqm) | 23,598 | 19,988 | 18,088 | 10,450 | 10,222 | 8,930 | 6,270 | 286,406 |
| Total Estimated CIL from Residential floorspace | £2,477,790 | £2,098,740 | £1,899,240 | £1,097,250 | £1,073,310 | £937,650 | £658,350 | £30,072,630 |
| Contribution towards Neighbourhood Projects (estimate) | (247,779) | (209,874) | (189,924) | (109,725) | (107,331) | (93,765) | (65,835) | (3,007,263) |
| Net Estimated CIL income | 2,230,011 | 1,888,866 | 1,709,316 | 987,525 | 965,979 | 843,885 | 592,515 | 27,065,367 |

Assumptions

- Figures based on completion of dwellings, as opposed to commencements
- Estimated numbers of completions, as per Appendix 3 of the submitted Core Strategy
- Residential dwellings are to be charged the CIL rate of £105 per sqm and are assumed to occupy 76 sqm of floorspace
- In line with policy requirements 30% of the completed residential dwellings are assumed to be affordable housing, therefore exempt from CIL
- 20% of the completed residential dwellings are estimated to have a floorspace less than 100sqm. These 'Small Schemes', including conversions, are exempt from CIL
- The table shows residential floorspace receipts only, as this is the only use where a long term trajectory is available
- As yet, the proportion of CIL income to be contributed to a 'Neighbourhood Fund' is unknown. An estimate of 10% is assumed, until the Government produces the regulations identifying the exact proportion.

| Residential Floorspace | |
|---|------|
| <u>DATA assumptions</u> | |
| CIL Rate (per sqm) | £105 |
| Affordable Housing | 30% |
| Small Schemes under 100sqm floorspace, conversions etc | 20% |
| Sqm per dwelling | 76 |
| Contribution to neighbourhood fund (estimate) | 10% |