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5859 Northstowe Phase 2 and 3

Response to Greater Cambridge Shared Planning Consultation on Community Infrastructure Levy

1 Introduction

1.1 This consultation response has been drafted by Tibbalds Planning and Urban Design on behalf of Homes England in response to Greater Cambridge Shared Planning (GCSP) consultation, regarding the proposed introduction of a Community Infrastructure Levy (CIL) for Cambridge City and South Cambridgeshire.

1.2 This response focuses specifically on the possible implications of the proposed CIL Charging Schedule and Instalment Policy for Northstowe Phases 2 and 3. Northstowe New Town benefits from planning permission and is currently being delivered within South Cambridgeshire District Council.

1.3 In summary, Homes England supports the principle of ensuring that development contributes appropriately and proportionately towards the infrastructure required to support growth. However, it is important that the proposed CIL does not undermine the deliverability of strategic sites that are already making substantial infrastructure contributions through Section 106 obligations.

2 Interaction Between CIL and Existing Section 106 Obligations

2.1 Northstowe is a strategic new settlement where significant infrastructure delivery is already secured through comprehensive Section 106 agreements associated with the six outline planning permissions for the development. As a result of the granting of planning permission prior to any adoption of CIL charging, the Northstowe development including subsequent Reserved Matters Applications is not subject to CIL liability. While this is clear in the Community Infrastructure Levy Regulations 2010 (as amended) that RMAs are not liable for CIL (Regulation 9 of the Regulations). This should be reaffirmed in GCSPs published charging schedule and any supporting guidance.

2.2 These obligations include the provision of a wide range of infrastructure and community facilities, including:

- primary and secondary schools;
- local centres and community facilities;
- open space and sports provision;
- transport infrastructure and highway improvements; and
- other community and social infrastructure required to support the new town.

2.3 Given the scale of these commitments, it is essential that the introduction of CIL does not result in double charging developers for infrastructure that is already being provided through Section 106 obligations.

2.4 Across the District, it is important that the introduction of CIL does not add any additional uncertainty to the development industry that will be primarily responsible for delivering the new homes required by SCDC and central government.

2.5 The Greater Cambridge: Community Infrastructure Levy Viability Assessment (Jan 2026) Prepared for Greater Cambridge Shared Planning by BNP Paribas Real Estate advises (para. 1.8):

"We understand that the Authority intends to continue to use Section 106 obligations as the primary mechanism for securing community infrastructure, especially for on-site infrastructure and that CIL will be used primarily to collect contributions towards strategic infrastructure."

2.6 Further, the Cambridge City Council and South Cambridgeshire District Council Community Infrastructure Levy Infrastructure Statement (Jan 2026, pg. 4) refers to 'delivering transport infrastructure' and advises that:

"CIL would be used alongside Section 106 planning obligations which are negotiated agreements used to mitigate the impact of development and will continue to be secured towards localised community infrastructure including schools, libraries, doctors surgeries, village halls, play areas, allotments etc."

And (pg. 41):

"Whilst the Budget includes £230m income for future S106 contributions there is no evidence to suggest this contribution will be realised and in any case the developments that would be asked to contribute through a Section 106 agreement would instead be required to contribute via CIL."

2.7 However, there are instances where this S106 income *will be* realised. Homes England therefore recommends that clear guidance is produced to explain how CIL will interact with existing Section 106 obligations for strategic sites so that there is no duplication between CIL funded infrastructure and site-specific infrastructure obligations that have been secured.

2.8 It is important that strategic sites which are already delivering substantial infrastructure are not placed at a disadvantage relative to other developments. Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended) remains clear that:

a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is—

(a)necessary to make the development acceptable in planning terms;

(b)directly related to the development; and

(c)fairly and reasonably related in scale and kind to the development.

2.9 It is recommended that this is referenced in the Infrastructure Statement.

3 Viability of Strategic Sites and New Settlements

The proposed CIL Charging Schedule sets out a residential levy rate of £60 per square metre across South Cambridgeshire District. Homes England notes that the Community Infrastructure Levy Viability Assessment supporting the proposed charging schedule is based on a range of development typologies. Of the 48 development typologies tested, three relate to new settlements (22, 25 and 26). The Council must be confident that this sample robustly reflects the characteristics the characteristics of large strategic sites and new settlements such as Northstowe which can typically involve:

- significant upfront infrastructure delivery;
- long build-out periods;
- complex phasing arrangements; and
- substantial Section 106 obligations.

3.1 These factors place additional financial pressures on development viability that may not be fully reflected in viability testing scenarios.

3.2 Given the importance of Northstowe as a key growth location within Greater Cambridge, Homes England encourages the Councils to ensure that the proposed CIL rates do not adversely affect the deliverability of large strategic sites. Particularly, it may be appropriate for the Councils to consider whether additional flexibility or site-specific considerations should apply to strategic allocations where substantial infrastructure is already being delivered.

3.3 Specifically, there must be a reference in GCSPs published charging schedule and any supporting guidance that the LPA have the rights to reduce or waive CIL is exceptional circumstance, known as Exceptional Circumstances Relief (ECR). Under Regulation 55 of the Community Infrastructure Levy Regulations 2010 (as amended), one of the tests for allowing ECR is if the collecting authority have chosen to allow ECR in its area.

We request that GCSP / SCDC do elect for ECR to be allowed, provided that it meets the criteria of the CIL Regulations. This must be referenced in the published charging schedule and any supporting guidance.

3.4 Due to new settlements having extensive build out periods, typically the land can be used for temporary uses such as meanwhile uses for example within Northstowe Phase 2 (ref. 25/01182/OUT). As a temporary use this would not be liable for CIL. The published charging schedule and any supporting guidance should make explicit reference to temporary uses not being liable for CIL.

4 Instalment Policy and Phased Development

4.1 The draft CIL charging schedule proposes an Instalment Policy which allows CIL payments to be made in staged instalments depending on the total liability. This approach is strongly supported by Homes England. Large-scale developments such as Northstowe are typically delivered over extended timeframes through multiple development phases. For such developments, it is particularly important that the timing of CIL payments aligns with development phasing and cash flow.

5 Conclusion

5.1 Homes England supports the principle of securing appropriate infrastructure contributions from development and recognises the potential role of CIL in supporting infrastructure delivery across Greater Cambridge.

5.2 However, it will be important that the introduction of CIL does not adversely affect the delivery of strategic growth locations such as Northstowe.

5.3 In particular, Homes England recommends that:

- clear guidance is provided on how CIL will interact with existing Section 106 obligations for strategic sites;
- clear guidance is provided in what is ineligible for CIL, referring back to the CIL Community Infrastructure Levy Regulations 2010 (as amended) where relevant;
- the Council allows for Exceptional Circumstances Relief (ECR);
- duplication between CIL and site-specific infrastructure contributions is avoided;
- the Council ensures it is satisfied that the specific viability and delivery characteristics of large strategic sites are robustly considered in the viability evidence; and
- the proposed instalment policy is retained so that payment triggers go some way towards reflecting the burden.

5.4 Homes England would welcome the opportunity to continue engaging with the GCSP as the CIL Charging Schedule progresses through the consultation and examination process.