The Government has published its research into the operation of CIL. It looked at five issues: the operation of CIL compared with Sec 106; how much money is raised; who is paying it; how much of it is passed on to communities; and the impact on viability. Regarding its operation, the research noted concerns about over complexity, bureaucracy and the review process. Average revenue received per CIL authority in 2014-2015 was £0.2m p.a. from retail (residential was £0.7m and other developments £0.6m). Where CIL has been in place for two years or more, revenue received is rising sharply. There is little evidence of expenditure, but transport and environmental improvement projects have been undertaken. The average passed to communities was £50,000 p.a. Regarding impact on viability, the majority developer view was that payments come off land value (unless land as purchased pre CIL).

The view of AR is that retail is a relatively small proportion of CIL at 13%. On the whole, our sector does not landbank, so any new parks and warehouses will reflect CIL in the purchase of land.