

## Community Infrastructure Levy: Draft Charging Schedule

Regulation 16 and 17 of The Community Infrastructure Levy Regulations 2010 (as amended)

### Draft Charging Schedule - Representation Form

Monday 14<sup>th</sup> December 2015 to Monday 8<sup>th</sup> February 2016

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This is your opportunity to comment on the Community Infrastructure Levy (CIL) Draft Charging Schedule. You can access the CIL Draft Charging Schedule and supporting documents online from our website: [www.bradford.gov.uk/planningpolicy](http://www.bradford.gov.uk/planningpolicy). The documents and can also be viewed at the Council Planning Offices and main libraries.

**For further information you can contact the Development Plans team by:**

- **Emailing us at:** [planning.policy@bradford.gov.uk](mailto:planning.policy@bradford.gov.uk)
- **Phoning us on:** (01274) 433679

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**Please make your representation on this form**

**This form has two parts:**

- **Part A** – Personal Details
- **Part B** – Your Representation.

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Please return this completed representation form to the Development Plans Team by either:

- **E-mail to:** [planning.policy@bradford.gov.uk](mailto:planning.policy@bradford.gov.uk)
- **Post to:** Development Plans, City of Bradford Metropolitan District Council,  
2<sup>nd</sup> Floor South, Jacobs Well, Nelson Street, Bradford, BD1 5RW

Comments should be received within the 8 week consultation period which will run from Monday 14th December 2015 until **1.00 pm on Monday 8th February 2016**







## PART B – YOUR REPRESENTATION -

**Q1 Do you consider that the proposed levy rates in the Draft Charging Schedule have been informed by appropriate available evidence?**

(please tick the appropriate box)

**Yes:**       **No:**       See our specific qualifying evidence

***Please provide any relevant evidence to support or justify your comment, or any suggested change(s), below.***

There are limitations to the area specific and site specific viability evidence. In our general comments we have expressed concerns with regard to the lack of clear infrastructure cost information for the three main stages of the plan period and the current lack of data to assist developers/landowners and their advisors in assessing typical combined cost impacts from CIL/Section 106 /Section 278 agreements.

In the draft charging schedule the Council state at page 5 that they have struck an appropriate balance between the desirability of funding infrastructure from the levy and the potential impact on viability. We conclude that while the evidence base available is limited and more research is required that there is sufficient market sales and general area viability information available to be able to establish the rates proposed for residential development in zones 3 and 4 with a sufficient degree of confidence. The revised proposal for a £5/sq m. charging rate rather than a nil charge in zone 4 is not clearly supported by evidence. While we do not object to this in principle some further evidence is needed to justify this.

We generally support the proposed residential charging rate for zone2 but suggest that this is carefully monitored post implementation in terms of the geography of zone 2 and the impact of CIL and other charges.

We object to the residential charging rate for zone 1 at £100sq.m as we consider that this is not fully justified by the limited evidence available and for the reasons set out below. We propose a revised rate of £85/sq.m.

Given the difficulties associated with delivering employment development in the Bradford District we agree with the exclusion of these use classes from the charging schedule.

**CASE FOR A DOWNWARD REVISION OF THE CIL RESIDENTIAL CHARGING RATE IN ZONE 1 – WHARFEDALE:-**

At section 5.5 and paragraph 5.5.1 in the Local Infrastructure Plan the Council state that Wharfedale has positive attributes which bring additional demands on services and infrastructure. The main challenge is stated to be the provision of new infrastructure and maintaining and enhancing existing infrastructure in an affordable and viable way. The introduction to this charging zone in the Local Infrastructure Plan summarises the significant infrastructure challenges under three headings: Education, Flood Risk and Transport. The Plan does not yet give specific financial information on which the balance of public/private investment in infrastructure can be derived or how CIL contributions will be balanced in percentage and other terms against contributions expected from section 106 and 278 contributions. Sample site specific negotiated section 106 and 278 agreements result in much higher figures per dwelling than the general assumption used in the evidence base of £1,000/dwelling.



In the principal town of Ilkley and the local service centres of Burley-in-Wharfedale and Menston more work is needed to establish realistic cost parameters of new infrastructure and upgrades to existing infrastructure. Wharfedale has been an area where public sector investment has lagged behind other market sub areas in transport and education investment. The much needed replacement new school for the existing Ilkley Grammar School is a key example. The costs of a replacement, up to 2,000 places, school are known but are not yet programmed despite the proven need for this in the short term. We estimate that a total of at least 10 to 12 residential allocations will be necessary on greenfield and brownfield sites in Wharfedale to meet the current housing needs distributed to this market sub area in the current pre-modifications draft of the CS. All of these sites will fall in the catchment area of the new school and should contribute to the private sector percentage of the total funding cost. There is a need to establish a mechanism and the levels of contribution expected and how this will relate to CIL Regulations on pooling and avoiding double –dipping.

In terms of land values and selling prices the Bradford part of Wharfedale is similar to the neighbouring Leeds section of the valley to the east. Leeds have selected a residential charging rate of £90/sq.m. Significant recent residential development has taken place in the Leeds section while this is not the case in the Bradford section.

For all of these reasons we consider that a cautious approach is required to the residential charging rate in zone 1.



**Q2 Do you consider that the proposed rates are informed by, and consistent with, the evidence on economic viability across the District?**

(please tick the appropriate box)

**Yes:**       **No:**       See our specific qualifying evidence

***Please provide any relevant evidence to support or justify your comment, or any suggested change(s), below.***

[Click here to enter text.](#)

On the limited evidence available we consider that the residential charging rates are appropriate for zones 2-4 but for the reasons stated in response to question 1, backed up by our introductory comments we consider that a lower charging rate is justified in zone1.



**Q3 Do you consider that the proposed levy rates would strike an appropriate balance between securing additional investment to support the development identified in the local plan, and the potential effects on the viability of developments in the Bradford district?**

(please tick the appropriate box)

**Yes:**       **No:**

***Please provide any relevant evidence to support or justify your answer, or any suggested change(s), below.***

[Click here to enter text.](#)

Given the lack of evidence, particularly in the Local Infrastructure Plan, it is difficult to arrive at a clear conclusion on this question. The stage reached on the production of the Local Plan does not assist in answering this question.



**Q4 Do you have any comments to make on whether the council has complied with the legislative requirements set out in the Planning Act 2008 and the Community Infrastructure Levy Regulations (as amended)?**

Yes:       No:

***Please provide any relevant evidence to support or justify your comment, or any suggested change(s) below.***

[Click here to enter text.](#)

We have no specific comments to make on this question.



**Q5 Do you have any comments to make on the Draft Regulation 123 list, and the approach to the continued use of section 106 obligations?**

(please tick the appropriate box)

**Yes:**       **No:**

***Please provide any relevant evidence to support or justify your comment, or any suggested change(s), below.***

[Click here to enter text.](#)

As drafted the section 123 list is lacking in clarity and would be likely to lead to confusion and delay in the negotiation of related obligations. The draft does not deal with the situation where a site for a primary school could be provided as an integral part of a larger development. Is this to be dealt with as a contribution in kind under the Regulations?

It will be difficult, as drafted, to distinguish which aspects of sustainable transport improvement schemes are directly related to the development. Within one of the principal towns for example sustainable transport improvements, if comprehensively and well planned, are likely to take the form of an integrated system which will subsume most of the site generated requirements. It will be very difficult to separate the site related and community-wide components.

Further thought needs to be given to the relationship between on and off-site greenspace provision. In this context we are involved in the master-planning of sites where large areas of strategic greenspace will be contributed from within the site controlled by the developer (i.e. within the blue line, or sometimes the red line boundary of the planning application). These areas will form part of a greenspace network (existing and proposed greenspace linked together) which serves the whole community. In most cases these areas will form a contribution in kind to in the determination of the total CIL charge to be levied. The same points of clarification are required for on and off site habitat mitigation as all provision will result from requirements in CS policies.

It is difficult to see how the provision of cultural facilities will be directly related to a single development. We can envisage situations where this might arise on a very large development say in excess of 1,000 dwellings.

A clear reference needs to be made to the relationship with section 278 highway agreements.



**Q6 Do you have any comments to make on the *Draft Exceptional Circumstances Relief Policy*?**

(please tick the appropriate box)

Yes:       No:

***Please provide any relevant evidence to support or justify your comment, or any suggested change(s) below.***

[Click here to enter text.](#)

We support the policy as drafted.



**Q6 Do you have any comments to make on the *Draft Instalments Policy*?**

(please tick the appropriate box)

Yes:       No:

***Please provide any relevant evidence to support or justify your comment, or any suggested change(s) below.***

[Click here to enter text.](#)

We support the content and approach contained in this policy.



## **Q8 Please provide any other comments below that you wish to make on the Draft Charging Schedule.**

[Click here to enter text.](#)

This response has been prepared on behalf of a consortium of house builders and strategic land developers who we represented at the Core Strategy (CS) Examination in Public (EIP) in March 2015. Additional landowners in Menston and south west Bradford are now also being represented.

We have carefully considered the evidence base for preparing the CIL charging rates and in particular the following documents:-

- Economic viability evidence – June 2015 and Addendum December 2015 produced by Cushman & Wakefield
- Local Infrastructure Plan December 2015 update.

We have also examined the Regulation 123 List and the draft instalments policy.

### **GENERAL COMMENTS OF DIRECT RELEVANCE TO THE SPECIFIC QUESTIONS 1-7 INCLUSIVE IN THE REPRESENTATION FORM**

While we generally support the CIL charging regime proposals, with the specific exception of the proposed charging rates for Wharfedale, we have a number of residual concerns with regard to the future implementation of the scheme in the context of the specific characteristics of the Bradford housing market. We agree with Cushman and Wakefield that the Bradford market and sub markets are particularly difficult to assess due to the following factors (amongst others):-

- Lack of transactions
- Wide variations in transaction details/outcomes
- Differences in socio-economic geography within and between market sub areas and the selected post code areas.
- Weak market delivery persisting in all sub areas. In the lower value areas this is a result of viability, infrastructure requirements and general lack of market attractiveness. In the higher value areas the relative lack of brownfield sites and community resistance to greenfield site delivery are major factors

We consider that the small number of site specific project appraisals for assessing the viability of the CIL residential charging rate largely represent a series of atypical sites which do not give a good representation and fit with typical greenfield development scenarios. We accept that brownfield scenarios are more likely to be atypical.

### **LOCAL INFRASTRUCTURE PLAN**

This is a key part of the evidence base. As acknowledged at page 3 of the Executive Summary it is difficult at present to “establish medium and longer terms plans due to uncertainty over funding and service provision in public and private sectors.” It is also acknowledged that “further work is required to understand how gaps in funding can be resolved and the mechanisms by which the Council can secure public and private financing.”

At the present time the Local Infrastructure Plan can best be described as exploratory and generally aspirational and lacking in programmed financial information, with the possible exception of transport,



where the influence of the West Yorkshire Combined Authority is beginning to bring better programming, costing and prioritisation to the process. It sets out in general terms what will be needed to achieve a clear return to the public sector through CIL and other charging regimes. It does not identify in percentage terms the expected level of contribution from CIL and other funding sources, including within the planning sector section 106 and 278 agreements. There is much work to be done in order to arrive at a set of costed and phased infrastructure investments which have an updated relationship with the quantum of development expected to be delivered via the CS once modified and adopted. The lack of reliable financial cost information in the current version of the Local Infrastructure Plan combined with limited and atypical site viability information make it very difficult to assess the combined impact of CIL/section 106/section 278. This position together with market uncertainties in Bradford necessitates a cautious approach to the CIL charging rates to be applied for the next few years.



## Examination

In order for the Council to introduce a CIL the Charging Schedule must be approved by an independent Examiner.

Please tick the relevant boxes:-

I would like to be heard by the Examiner at the examination.

I would like to be notified that the Draft Charging Schedule has been submitted to the examiner

I would like to be notified of the publication of the recommendations of the examiner and reasons for those recommendations.

I would like to be notified of approval of the charging schedule by Bradford Council.

(Please ensure you have provided your email address, if possible, as this is the Council's preferred method of contact).

3. Signature:

[Redacted Signature]

Date:

8th February 2016

**Thank you for taking the time to complete this Representation Form.**