

## **Bradford Council Community Infrastructure Levy (CIL) Consultation**

**February 2016**

1. Bradford Chamber of Commerce recognises that the Council is under increasing funding pressures and that new developments will have an impact on the wider community and infrastructure. However, it is crucial to the future of the city and wider District that any CIL charge is fully justified and does not jeopardise the viability of development. The Council will see economic and financial benefits of new housing and commercial development through additional Council tax/rates and additional spending during the build phase and once the buildings are occupied.
2. The Chamber has reviewed the Council's latest documents including the evidence base from its consultants, Cushman & Wakefield. It is clear that the Council still is not listening to the advice of its own advisors who report that housing development in certain areas of the District cannot support a CIL charge, namely Bradford and Keighley. Bradford Council, though, is continuing with its £5 per sq m in these urban areas. This does not make sense. On the one hand the Council is promoting development in these urban areas yet, at the same time, imposing a charge on these areas that will affect viability and, therefore, the deliverability of these schemes.
3. We have recently seen the Citygate development site on Manchester Road stalled again as the owner went into administration; imposing a CIL charge on development will not help bring this site forward. In addition, Bradford centre has seen a large number of office buildings converted to flats over the last year or so, which will have a zero CIL payment. It is important that we put new-build housing development on a level playing field.
4. The Council has not taken on board Cushman & Wakefield's suggestion relating to potential nominal increase in the charge for Zone 3, or to re-draw the boundaries between Zone 3 and 4, or to sub-divide Zone 4 to better reflect the evidence.
5. The Chamber is also keen to ensure that Bradford remains competitive. It should not set the CIL charge higher than Leeds. The proposed CIL rates for commercial development should be lower in Bradford than Leeds. This approach must be reflected in the housing sector as well.
6. At present, three of the housing rates for Bradford are higher than the equivalent for Leeds and only one is equal. If the Council continues with this approach, there is a real risk that this will further discourage housing development in Bradford District in favour of Leeds.

7. Another key issue for developers will be the Council's instalments policy. This should be fine-tuned, recognising that cash flow on projects is key. The current policy should also be amended to assist cash flow for projects over £100k, as follows:

- Instalment 1: 10% @ 6 months
- Instalment 2: 15% @ 12 months
- Instalment 3: 25% @ 18 months
- Instalment 4: 25% @ 24 months
- Instalment 5: 25% @ 30 months

8. In summary, if the Council consider CIL is necessary, then it is just as necessary to ensure that the level being imposed reflects the evidence. At present, the level proposed for housing development is set too high, making it more difficult to attract investment and secure deliverable schemes. Bradford Chamber of Commerce urges Bradford Council to reconsider the charges to ensure that the city is a viable place to develop.

West & North Yorkshire Chamber of Commerce – Policy Department; [REDACTED]