

**City of Bradford Metropolitan District Council
Community Infrastructure Levy (CIL)
Draft Charging Schedule**

Statement of Common Ground

21st September 2016

Between:

- 1) City of Bradford Metropolitan District Council (CoBMDC) – the Local Planning Authority and CIL Charging Authority
 - 2) The Planning Bureau Ltd (PBL) on behalf of McCarthy and Stone Retirement Lifestyles Ltd (M&SRL)
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1 Background and Context

- 1.1 This statement has been prepared by the above parties to identify the key common ground between CoBMDC and PBL with regard to the overall approach of testing viability and a number of key viability assumptions.
- 1.2 PBL submitted representations to the Draft Charging Schedule consultation (February 2016) and further viability evidence in an addendum (April 2016) requesting that the viability of specialist older persons' housing be tested. They advised that a number of schemes developed by McCarthy and Stone within Bradford has been deemed as unable to provide policy compliant levels of affordable housing and would have been rendered unviable by CIL.
- 1.3 The PBL's objection to the proposed Charging Schedule was that there was insufficient evidence to support amalgamating specialist forms of older persons' housing into the general residential rates.

2 Matters of Agreement in Principle

- 2.1 The parties have been working together in a constructive manner on the preparation of the CoBMDC CIL. The Council's chosen viability consultant Cushman & Wakefield assessed the viability of a specialist accommodation for the elderly housing development typology. PBL commends the Council for undertaking this assessment, which it considers to be best practice in Charging Authorities with an evident need for older person's housing as part

of their wider housing mix. This is provided in Appendix 2 of the Matters, Issues and Questions Document.

2.2 PBL cannot provide detailed commentary on the methodology or viability assumptions used in viability assessment Appendix 2. It is noted however that the findings of the assessment does correlate with M&SRL's experience of bringing forward development in CoBMDC. These are as follows:

- That the viability of this form of development is very challenging in Value Zones 2, 3, 4 & 5. M&SRL has been unable to bring forward development in these locations recently. It would require significant savings on land or build costs to bring forward development in these areas.
- That these forms of development are viable in Value Zones 1. M&SRL has recently successfully achieved resolution to grant planning permission for a scheme in Ilkley in 2016. The land costs for this site were significantly higher than those used in the Benchmark Land Values to higher competition in town centre locations. This is recognised in paragraph 3.3 of Appendix 2.

2.3 PBL appreciates that CoBMDC has sought to assess the viability of specialist forms of older person's accommodation and seeks to ensure that these forms of development remain viable under the proposed CIL regime. Whilst there are aspects of the methodology that remain unclear, it is considered that the findings of the Council's viability assessment are representative of the viability of this form of development in the Authority.

3 Proposed Modifications

3.1 With PBL's support, CoBMDC Council therefore proposed the following footnote to the Residential Charging rate in the Draft Charging Schedule

Type of Development	Draft Charging Schedule Proposed CIL Charging Rates (per sq. m)
Residential (use class C3) ¹ - Zone 1	£100
Residential (use class C3) ¹ - Zone 2	£50
Residential (use class C3) ¹ - Zone 3	£20
Residential (use class C3) ¹ - Zone 4	£5

1 Excludes specialist older persons' housing (also known as Sheltered/Retirement/ Extra Care) defined as residential units which are sold with an age restriction typically to the over 50s/55s with design features, communal facilities and support available to enable self-care and independent living.

3.2 Whilst it is acknowledged that the current proposed CIL rate could be supported in Value Zone 1 it is considered that the imposition of CIL in this area on these forms of development could impede delivery of this form of accommodation by Registered Social Landlord who rely on the sale of owner occupied apartments to cross subsidise the delivery of affordable housing provision. The nil rate will be of no benefit to M&SRL who have already secured planning permission for a significant level of development in this area and will not be looking to bring forward more development of this nature for the next 7-10 years.

3.3 We therefore respectfully request that the proposed modification be incorporated into the Draft Charging Schedule.

4. Declaration

4.1 The content of this document is agreed for the purposes of the CoBMDC Community Infrastructure Levy hearing 2014.

Signed on behalf of The Planning Bureau Ltd:


ZIYAD THOMAS

Position: Senior Planning Associate

Date: 23rd September 2016

And

Signed on behalf of City of Bradford Metropolitan District Council:



Position

Date

Assistant Director Planning, Transportation and Highways
26.9.16