

## Community Infrastructure Levy (CIL)

### Examination in Public -

### Further Viability Analysis

5 October 2016



At the CIL hearing on 20<sup>th</sup> September 2016, the Inspector requested that the Council and its consultants undertake further viability analysis to support the Council's proposed CIL charges. It was agreed that those representors who attended the hearing would then be given the opportunity to provide additional comments to the Inspector before the hearing was reconvened in late November/early December. Stratford-on-Avon District Council would also have the opportunity to respond to any comments raised during the consultation period.

Representors included:

- Cushman Wakefield on behalf of St Modwen
- Turley on behalf of IM Properties
- Savills on behalf of a Consortium of Housebuilders
- Jones Laing LaSalle on behalf of Gateway One
- Nathaniel Lichfield & Partners on behalf of CALA Homes

The purpose of this note is to set out the additional sensitivities that will be subject to further testing.

The proposed timetable is as follows:

| Week | Week Commencing | Task                                                        |
|------|-----------------|-------------------------------------------------------------|
| 1    | 3 October       | Data Sharing                                                |
| 2    | 10 October      | Data Sharing                                                |
| 3    | 17 October      | Analysis                                                    |
| 4    | 24 October      | Analysis                                                    |
| 5    | 31 October      | SDC to consider results                                     |
| 6    | 7 November      | Consultation                                                |
| 7    | 14 November     | Consultation                                                |
| 8    | 21 November     | Consultation                                                |
| 9    | 28 November     | Consultation                                                |
| 10   | 5 December      | SDC comment on representations                              |
| 11   | 12 December     | Inspector to consider representations & SDC response        |
| 12   | 19 December     | Reconvened Hearing Session (11am 19 <sup>th</sup> December) |

## **Sensitivity Testing of Residential Typologies and Strategic Sites**

- BCIS build costs to match date range of sales values
- New-build sales values using Q4 2014 to latest available
- Apply contingency to external works costs
- Apply professional fees to external works costs
- Professional fees costs: 12%
- Finance costs: 7%
- Sales costs applied only to market housing Gross Development Value
- Land purchase costs / fees: Surveyors fees @ 1%, legal fees @ 0.8%, SDLT at latest HMRC rate
- Increase Opening-up costs to £17k, £20k, £23k
- Updated infrastructure/s106 on strategic sites
- CIL included in the cash flow
- Impact of starter homes
- New central brownfield flatted typology of 30 units

## **Actions**

- SDC/PBA to circulate sales value data, affordable housing transfer value sources, and latest version of IDP
- SDC/PBA to explain how strategic sites have been valued.
- Turley to provide missing sales data on a confidential basis
- Cushman Wakefield to provide missing sales data on a confidential basis and evidence of external and contingency costs