East Hampshire District Council

Addendum report following Consultation into Draft Charging Schedule

Adams Integra
January 2015

Introduction

In March 2014 Adams Integra produced a report for East Hampshire District Council that was designed to support a Preliminary Draft Charging Schedule (PDCS) for the introduction of a Community Infrastructure Levy (CIL). This was followed by an addendum report in November 2014. At that time, the recommended CIL rates were:

Use Class	Proposed EHDC CIL Rate November 2014
Residential other than Class C2, C2A uses and Extra Care Housing	VP2 locations £60 VP3 locations £100 VP4 and VP5 Locations £180
Residential C3A sheltered housing in self-contained houses and flats with communal facilities and an age restriction	£40
Office	£zero
Hotels	£70
High Street / Centre Retail	All Retail £100
Out of Centre Retail	
Industrial and Warehousing	£zero
Student Accommodation	£zero
All Class C2, C2(a), C3(b), C3(c) uses including Extra Care Housing	£zero
Any other development	£zero

The Council submitted the DCS for public consultation over November and December 2014 and responses were received under the following main headings:

- Look at Alton sales values. Should the town be in VP4 or VP3?
- Impact of the contribution to the Alton sports centre.
- Viability buffer
- How were existing use values obtained? How do they relate to geographical areas?
- Explain professional fees and other allowances.
- Net to gross ratios
- Why is there such a difference between northern and southern CIL rates?
- The level of £180 looks high in relation to other authorities.
- Justify s106 costs.

In addition, the Council has asked us to consider appropriate CIL rates for small sites, following the planning guidance of 28th November 2014.

As part of this addendum report, we are including the following appendices:

- Appendix 1 Tables of Alton sales values.
- Appendix 2 Tables of 75 unit sites with different net:gross ratios.
- Appendix 3 Tables of land value outcomes from addendum report of November 2014, including higher build costs.
- Appendix 3A Tables of land value outcomes at January 2015.
- Appendix 3B Table of Alton land value outcomes.
- Appendix 4 Tables of land value outcomes for small sites with no affordable housing or s106 contributions.
- Appendix 5 A special report from Nationwide (December 2014) regarding house prices in and around National Parks.

Alton sales values and CIL level.

Alton is due to provide a significant number of the new homes under the Joint Core Strategy (CP10).

In the consultation responses, there is a question as to whether Alton should be in value point 3, not value point 4. By way of response, we have looked again at the evidence from the March 2014 report and we have also carried out further research into today's values for the town. The outcome of this research is shown at appendix 1, where the tables illustrate both values from September 2014 and sold prices taken over the last year. Where possible, we note both the prices and the floor areas and then adjust the values, as necessary, to reflect the floor areas on which the study is based. We then apply a VP level to this resultant sales value.

From this work, we have concluded that values range between VP3 and VP4, as stated in the previous addendum report. In light of the importance of delivering the expected housing numbers from Alton, we would suggest that the town could take a CIL level greater than VP3, but that VP4 could lead to viability pressure.

We are proposing, therefore, that a separate rate is introduced for Alton, at £150 per square metre. We are attaching, as appendix 3B, a table of land value outcomes that assume this CIL level. The adopted sales values for Alton are:

1 bed flat	46 sqm	£140,000
2 bed flat	65 sqm	£195,000
2 bed house	76sqm	£250,000
3 bed house	90 sqm	£310,000
4 bed house	121 sqm	£400,000
5 bed house	160 sqm	£490,000

Alton Sports Centre

We have been instructed by the Council that there will be no contribution required towards the Alton sports centre, in addition to CIL. We have not, therefore, assumed any additional cost for this.

Viability buffer

Responses sought greater clarification of the buffer that prevents the proposed CIL charges testing viability to the limit. The idea of the buffer is to allow for site specific abnormal circumstances that might arise.

In this connection, we would make two points. First, we have based viability upon an average land value per hectare, arising out of the scenarios at each value point. For example, if we look at appendix 4 of the March 2014 viability report, the table headed 40% affordable, code 4, 70/30 rented:shared ownership and £2,000 infrastructure, there are average land values per hectare at the bottom of each column. These land values are only included in the average where they are above zero. The average for value point 2 is shown as £1,079,015 per hectare. From the figures in the column, the maximum viability level could have been assumed at around £1,400,000 per hectare. In this instance there is, therefore, a buffer of around 30%.

The average for value point 3 is shown as £1,609,586 per hectare, whereas the maximum viability level could have been taken at around £2,000,000 per hectare, giving a buffer of some 24%.

The average for value point 4 is shown as £2,225,220 per hectare, whereas the maximum viability level could have been taken at around £2,700,000 per hectare, giving a buffer of some 21%.

It will be seen from the tables of 75 unit outcomes, attached as appendix 2, that we have applied a specific buffer of 20% to the land values. We have done this, as opposed to relying on the averages, as the outcomes produce similar land values for the different scenarios. In this instance the average would not, therefore, act as a buffer against the highest values.

In addition, it should be borne in mind that we have a buffer in mind when we are considering appropriate sales values for the value points table. For example, in connection with the Alton sales values at appendix 1, there are a number of values that would apply to value points 4 and 5, but we have taken a conservative view that a more appropriate level for Alton would be VP3/4; we have proposed a CIL level accordingly.

How were existing use values obtained?

EUV figures are obtained in a variety of ways. The agricultural figure is intended to reflect the sum that might be typically used in an option agreement, with a developer, to reflect the minimum sum that a landowner would accept. We believe that £450,000 per hectare is also in line with HCA guidelines on Greenfield threshold values, of 10 to 20 times the agricultural land value. The employment thresholds are the result of our own knowledge and experience of such values in the area and take account of different types of employment use, providing a range of values across the area. It is not always the case that a higher value residential location, for example, will also see high value employment uses. It is worth noting that the CIL viability report for SDNP Authority (January 2014) adopted the following thresholds:

Agriculture: £370,000 to £500,000 per ha.

Industrial: £850,000 to £1,500,000 per ha

Residential: £2,000,000 per ha.

The thresholds adopted for the Adams Integra report were within these values, with the exception of the higher residential figure, which was £2,772,000. The original advice was sought in March 2013 from a commercial agent. From this, we assumed two levels of employment thresholds, being £750,000 and £1,100,000 per hectare. We then applied an incentive premium of 20%, before adding a further 5% to reflect improving market conditions to 2014.

Clarify build costs, including allowances for surveys and site preparation.

In response to a representation made on the preliminary draft charging schedule, we ran appraisals with a higher build cost. The outcome of these appraisals is shown at appendix 3, being the table from the addendum report of November 2014. For this current addendum, we have also run appraisals for 75 units, also assuming the higher build costs. The table of these results is at appendix 2.

With regard to surveys and site preparation, if we look at a specific appraisal, say 75 units at 40dph, with 40% affordable housing and code 4 build costs, then the position is as follows:

Base build cost	£8,813,960

Houses	£1,231,per sqm		
Flats	£1,470 per sqm		
Renewables			£ 262,500
Site abnormals			£ 150,000

Architect's fee	£272,294
Other consultants	£363,058
Insurances	£226,912
Surveys	£ 37,500
Planning application	£ 21,924
Total	£921,688 = 10.5% of base build cost.

Net to gross ratios

The response to the consultation states that the larger sites should differentiate between net and gross site areas. The significance of this is that the net area would be used for the number of units at a specific density, while the gross area would be used as the basis of the EUV calculation, since a landowner will part with the gross area of land for a particular development.

We have looked at a number of actual sites to assess the net:gross ratios that might be experienced on the ground. Whilst it is clear that some larger sites will include an area of public open space, including a play area, any greater area of POS would appear to be dictated by the circumstances of individual sites, such that it cannot be assumed that all site areas will be reduced by, for example, buffer landscaping.

For the purpose of the previous addendum report, we increased the area of the 75 unit sites by 10%, ie we added 10% to the net area that was calculated from the proposed densities.

For the current report, we have shown the impact of increasing the net developable area of the 75 unit sites by 20% and then by 30%. The outcome of this is shown at appendix 2. In this connection, it should be noted that we have allowed an additional cost, of £100,000 per site, for the public open space that is assumed to form the difference between the net and gross site areas. This cost arises from recent discussions with a quantity surveyor, who quoted figures of £150,000 to £200,000 per hectare for open space, including paths, landscaping and some play equipment.

The result of this is that the land values are assessed across a larger, gross, site area and the land values per hectare are reduced. This reflects, therefore, the fact that a landowner will need to receive a viable land value across the whole of his land area before releasing land for development.

From the tables at appendix 2 it will be seen that all outcomes show viability against Greenfield sites. In those scenarios where the gross area is 20% larger than the net area, there is also viability at the lower employment thresholds for value points 3-5, with value points 4-5 also showing viability at the higher employment threshold.

When the gross area is increased to 30% over the net area, then we see viability for all scenarios against Greenfield thresholds, but sites need to be in value points 4 and 5 before viability is seen against employment thresholds.

It is necessary, therefore, for the Council to consider the weight that it might wish to attach to existing employment uses in connection with the development of larger sites.

Differences in rates across the District.

The CIL rates are derived from the ability of different development scenarios to absorb costs at different value levels, while providing competitive returns to both landowner and developer (see NPPF paragraph 173). The ability to absorb these costs will depend upon a number of factors, not least the differences in sales revenues in different locations. It is common practice for the development appraisals to be carried out on a “residual” basis, where costs are deducted from revenue, to produce a residue for the land element. Whilst build costs will remain similar across the District, sales values will vary; it is this variation that is reflected in the CIL rates.

Section 106 costs

We have consulted with the Council as to the appropriate level of s106 cost, assuming that a number of existing cost headings would be covered by CIL. Once CIL is in place, the only s106 item to be covered would be public open space and it is felt, therefore, that a s106 cost of £2,000 per unit is appropriate alongside CIL.

Given this reduction in the s106 costs, we have revised the CIL rates, as will be seen at the end of the report.

Small sites

Following revisions to national planning policy guidance on 28th November 2014, the Council asked us to consider the impact of zero affordable housing and s106 contributions on sites of up to 10 units and which have a gross internal floor area of less than 1,000 square metres.

The table at appendix 4 illustrates the land value outcomes for sites of 1, 3 and 10 units, at different densities and across the different value locations.

We are, again, comparing land value outcomes with existing use thresholds but, in this instance, we are taking the view that these smaller sites are more likely to be seen in existing residential use. Whilst the lack of affordable housing contributions would improve the revenue from a development, this would be countered by the need to match a higher existing use value, with the result that a higher CIL cannot always be assumed.

In light of the fact that the land value outcomes are within narrow ranges for each value point, we have again applied a buffer of 20% to the average land value per hectare. In practice, this results in a land value per hectare that is between 25% and 39% lower than the highest land value per hectare under each value point.

From this exercise, we have concluded that the CIL rates for value points 2 and 3 should remain as for the larger sites, ie £65 and £110 respectively, since they are not showing viability against residential uses, but that the rates for sites in value points 4 and 5 could be increased to £200 per square metre.

Recommendation

We would recommend that the Council considers the following amendments to the CIL rates:

- A new rate for Alton of £150 per square metre.
- A new rate of £65 per sqm for VP2 locations.
- A new rate of £110 for VP3 locations.
- A new rate of £200 for sites of 10 units and less, being below 1,000 sqm, in the Remaining Areas, as in the table of rates below.
- Moving Headley into VP4, ie to £180 per square metre.

Statement from East Hampshire District Council

The Council has asked us to include a statement from them that sets out the emerging dynamics of the East Hampshire housing market, in justification of a positive attitude towards the future prospects for sales growth in the District. It should be noted, however, that the sales figures adopted for this addendum report are based upon current available evidence, with no assumptions about possible future growth.

The statement:

"*The analysis of CIL rates contained in this report use the latest and best available information on sales and cost values in the different parts of East Hampshire. The issue for the Local Planning Authority is that the CIL rates will be being applied to future housing and there needs to be a recognition that houses that have been and are currently being built in the District have been born out of a historical planning position that created specific market circumstances.*

There are now new dynamics to the housing market created by:

- *The Adoption of the Joint Core Strategy in May 2014 setting an increased housing target*
- *Increased recognition of the distinct planning and housing markets within the district between the South Downs National Park and the rest of the district.*

- *Increasing importance of the A3 & Portsmouth/Alton – Waterloo road and rail corridors relative to the London market.*

The increased housing targets in East Hampshire are focused outside the South Downs National Park (SDNP), which is a protected area under the National Planning Policy Framework (NPPF). The JCS sets a target of 3,200 new homes up to 2028 on greenfield sites in the district the LPA already has applications in excess of this number. East Hampshire LPA is currently considering the most significant major planning applications in its history. This scramble for development is being driven by a range of market factors including government incentives but most importantly the sea change in the housing targets and the relationship with The SDNP. The SDNP is extremely attractive to homeowners and investors. The market signals highlighted in A Special Report from the Nationwide (December 2014) are that National Parks generally have an average 21% premium on values and the SDNP is the most expensive of all the National Parks. The Nationwide Report estimates that areas within 5km of the Park boundaries will see an 8% premium. The impact of this on East Hampshire outside the SDNP boundary is that prices will increase as existing residents of the Park 'cash in' on the premiums and move nearby but outside the Park and new residents who cannot afford the premiums will look to the large number of new developments being planned that are just outside the Park ,e.g. Windmill View Clanfield, Oaklands Rowlands Castle, East of Horndean, various sites in Alton and Four Marks and in the longer term Whitehill & Bordon.

East Hampshire has a unique relationship to the SDNP premium market in that it is one of the most accessible parts of the SDNP. The A3 with the new Hindhead Tunnel, excellent rail links to Petersfield and Liss two of the largest settlements in the Park and within an hour to central London. Marrying this with the significant housing development opportunities which are not so strong elsewhere on the edge of the Park means that East Hampshire's market will continue to become stronger. Build costs will be no different than other areas and whilst landowners will expect to gain from the premium prices the trend for the buffer between costs and sales values will be for it to increase.

The dynamics of Alton are that its market will improve as its reputation for good schools, an increasing supply of new stock and located on the end of a mainline Waterloo bound rail line adjoining the SDNP make it immediately attractive.

Clanfield, Horndean and Rowlands Castle enjoy proximity to the SDNP, easy access to the A3 and a mainline Waterloo rail station at Rowlands Castle, with the additional *attraction of the Solent coastline. All these are locational benefits that the market is increasingly aware of.*

Whitehill and Bordon shows the lowest values and consequently the lowest CIL rates. However, those historical values are set to change significantly as the town is transformed from a garrison town to a regenerated modern town with new education, shopping and leisure facilities within a Heathland environment on the edge of the SDNP. Accepting that the lack of direct rail and A3 access is not as strong a market offer as the rest of the district the investment in transformation new infrastructure will mean that values will rise over the medium to long term.

Therefore there is a strong narrative for the LPA to propose an increase to the CIL charges based on likely increased values as the unique market signals in EHDC outside the SDNP start to have an impact over the next 2-5 years."

Summary of Proposed Revised CIL rates

See the table below:

Table of Proposed CIL rates January 2015

Use Class	**Proposed CIL rate January 2015**
Housing 6 units and above	Whitehill Bordon: Outside regeneration area: £65 Inside regeneration area: £0 Clanfield, Horndean, Rowlands Castle: £110 Alton: £150 Remaining Areas: £180
Housing 5 units and below	Whitehill Bordon Outside regeneration area: £65 Inside regeneration area: £0 Clanfield, Horndean, Rowlands Castle: £110 Alton: £150 Remaining Areas: £200
C3A sheltered housing in self-contained houses and flats with communal facilities and an age restriction	£40
Offices	Zero
Hotels Hotels in the Whitehill and Bordon Regeneration area	£70 Zero
High St/Centre retail Out of centre retail Retail in the Whitehill and Bordon Regeneration area	£100 Zero
Industrial and warehousing	Zero
Student Accommodation	Zero
All class C2, C2A, C3B, C3C uses including extra care	Zero

housing	
Any other uses	Zero

End of Report

Appendix 1

E Hants
Alton sales evidence
Values assume a discount of 5% from asking prices

Values from September 2014 for the addendum report

Location	New / second hand	Type	Area sqm	Value of comparable	Area of proposed	Value of proposed	Value Point
Gilbert White Way	New	3 bed link detached	84	£299,250	90	£305,000	VP3/4
Vicarage Hill	New	5 bed detached	174	£536,750	160	£500,000	VP3/4
Princess Louise Square	2nd hand	3 bed terrace	71	£270,750	90	£320,000	VP4
Plumpton Way	2nd hand	2 bed semi	63	£251,750	76	£275,000	VP4
York Mews	2nd hand	2 bed flat	70	£237,000	65	£225,000	VP4
The Lamports	2nd hand	2 bed flat	66	£189,953	65	£189,000	VP4
Ashdell Road	2nd hand	1 bed flat	45	£151,525	46	£151,000	VP3
Waterside Court	2nd hand	1 bed flat	46	£137,750	46	£138,000	VP2
Barley Fields	New	1 bed flat	43	£137,750	46	£142,000	VP2/3
Holybourne							
	New	3 bed semi	unknown	£247,000	90	£250,000	VP2
				£252,000			
	New	4 bed detached	unknown	£357,200	121	£357,000	VP2
Grange Gardens	New	3 bed house	87	£319,000	90	£319,000	VP4
Prices from Strutt and				sold price			
Parker							
	New	3 bed house	87	£320,000	90	£320,000	VP4
				sold price			
	New	2 bed house	72	£275,000	76	£275,000	VP4
				sold price			
	New	4 bed house	155	£525,000	121	£425,000	VP4
				sold price			

Appendix 1

Alton sales evidence
Values assume a discount of 5% from asking prices

Values from January 2015.

Location	New / second	Type	Area sqm	Value of	Area of	Value of	Value
	hand			comparable	proposed	proposed	Point
Barley Fields	New	Maple 3 bed semi	83	£285,000	90	£292,000	VP3
Holybourne							
Hunters Mews							
Normandy St	2nd hand	3 bed detached	90.5	£394,250	90	£394,000	VP5
Hunters Mews	2nd hand	3 bed terrace	89	£313,500	90	£313,500	VP3/4
Normandy St							
Mount Pleasant Road	2nd hand	3 bed detached	unknown	£332,450	90	£332,000	VP4
Anstey Road	2nd hand	2 bed 2 storey terrace	84	£265,950	76	£250,000	VP3/4
Ackender Road	2nd hand	3 bed 3 storey terrace	93.4	£309,000	90	£305,000	VP3/4
Florence Way	2nd hand	2 bed end terrace	64.4	£249,800	76	£265,000	VP4

Sold prices from Rightmove January 2015
All are sales within the last 12 months

Location		Type	Area sqm	Sold Price	Area of	Value of	Value
					proposed	proposed	Point
						(estimates)	
20 Ascot Close		1 bed flat		£125,000	46	£125,000	VP1
4 Ascot Close		3 bed detached		£325,000	90	£325,000	VP4
Orchard Lane		1 bed flat		£131,000	46	£131,000	VP2
5 Plumpton Way		2 bed end terr + garage	58	£272,500	76	£300,000	VP5
10 Plumpton Way		2 bed mid terrace	60*	£235,000	76	£260,000	VP4
15 Kings View		1 bed flat	46	£156,500	46	£156,500	VP3
Kings View		2 bed flat	70	£250,000	65	£235,000	VP5
22 Kings View		4 bed semi	140*	£460,000	121	£410,000	VP3
24 Huntsmead		4 bed detached	152	£462,000	121	£400,000	VP3
Gilbert White Way		3 bed link detached	84	£310,000	90	£320,000	VP4
8 William Way		2 bed terrace	56.8	£220,000	76	£250,000	VP3/4
7 Goodwood Close		4 bed detached	93	£353,000	121	£400,000	VP3
3 Marshal Close		4 bed detached	125	£490,000	121	£485,000	VP5
21 Fontwell Drive		4 bed detached	105	£375,000	121	£400,000	VP3
16 Fontwell Drive		4 bed detached	107	£435,000	121	£450,000	VP4
1 Shipley Close		4 bed detached	125	£400,000	121	£395,000	VP3

*estimated

Appendix 2

Land value outcomes for 75 unit sites with gross area 20% and 30% larger than net area.
40% affordable, code 4, s106 at £2,000 per unit.
Higher build costs. Includes £100,000 per site for POS.

Values are land value per hectare on the gross land area.
CIL levels as shown

Gross = net plus 20%

No. units	Density	Net dev area ha	VP2	VP3	VP4	VP5
	dph	Gross site area ha	£65	£110	£180	£180
75	30	2.5				
		3	£603,242	£1,140,570	£1,595,088	£2,221,396
75	40	1.88				
		2.26	£752,263	£1,171,746	£1,630,333	£2,356,823

Average land value per ha			£677,753	£1,156,158	£1,612,711	£2,289,110
Buffer less 20%			£542,202	£924,926	£1,290,168	£1,831,288

Land values against EUVs	EUV per ha					
Greenfield	£450,000					
Employment	£945,000					
Employment	£1,386,000					
Residential	£2,016,000					
Residential	£2,772,000					

Gross = net plus 30%

No. units	Density	Net dev area ha	VP2	VP3	VP4	VP5
	dph	Gross site area ha	£65	£110	£180	£180
75	30	2.5				
		3.25	£556,839	£1,052,834	£1,472,389	£2,050,520
75	40	1.88				
		2.4	£707,127	£1,103,394	£1,535,230	£2,219,341

Average land value per ha			£631,983	£1,078,114	£1,503,810	£2,134,931
Buffer less 20%			£505,586	£862,491	£1,203,048	£1,707,944

Land values against EUVs	EUV per ha					
Greenfield	£450,000					
Employment	£945,000					
Employment	£1,386,000					
Residential	£2,016,000					
Residential	£2,772,000					

Appendix 3

From addendum report November 2014
Cumulative impact of increased build costs, 10% net:gross for 75 unit sites, s106 at £3,000 per unit.
Build costs increased to £1,231 per sqm for houses and £1,471 per sqm for flats (see Turley response to consultation).
Build costs assume code 4.

Unit number	Density		VP2	VP3	VP4	VP5
	dph					
CIL			£60	£100	£180	£180
10	25	Land Value	£298,693	£629,680	£854,645	£1,157,501
		Land value per ha	£746,732	£1,574,201	£2,136,612	£2,893,752
	35	Land Value	£357,664	£523,751	£666,367	£936,752
		Land value per ha	£1,251,824	£1,833,128	£2,332,286	£3,278,632
	50	Land Value	£200,959	£296,536	£441,275	£592,694
		Land value per ha	£1,004,796	£1,482,678	£2,206,374	£2,963,470
25	30	Land Value	£838,926	£1,398,734	£1,912,318	£2,588,072
		Land value per ha	£1,006,711	£1,678,481	£2,294,782	£3,105,686
	40	Land Value	£709,123	£1,021,677	£1,391,265	£2,000,621
		Land value per ha	£1,134,596	£1,634,683	£2,226,024	£3,200,994
	60	Land Value	£0	£7,927	£187,005	£732,945
		Land value per ha	£0	£19,025	£448,812	£1,759,067
75	30	Land Value	£1,850,927	£3,485,070	£4,808,304	£6,683,231
		Land value per ha	£673,064	£1,267,298	£1,748,474	£2,430,266
	40	Land Value	£1,732,653	£2,700,199	£3,703,594	£5,345,461
		Land value per ha	£841,094	£1,310,776	£1,797,861	£2,594,884
	60	Land Value	£0	£0	£346,055	£1,894,695
		Land value per ha	£0	£0	£251,676	£1,377,960

Av land value per ha excluding £0			£951,260	£1,350,034	£1,715,878	£2,622,746

Land values against EUVs	EUV per ha					
Greenfield	£450,000					
Employment	£945,000					
Employment	£1,386,000					
Residential	£2,016,000					
Residential	£2,772,000					

Av land value per ha excluding high density			£942,337	£1,549,761	£2,089,340	£2,917,369

Land values against EUVs	EUV per ha					
Greenfield	£450,000					
Employment	£945,000					
Employment	£1,386,000					
Residential	£2,016,000					
Residential	£2,772,000					

Appendix 3A

Cumulative impact of increased build costs, 20% net:gross for 75 unit sites, s106 at £2,000 per unit.
Build costs increased to £1,231 per sqm for houses and £1,471 per sqm for flats (see Turley response to consultation).
Build costs assume code 4.

Unit number	Density		VP2	VP3	VP4	VP5
	dph					
CIL			£65	£110	£180	£180
10	25	Land Value	£303,442	£630,672	£879,869	£1,165,909
		Land value per ha	£758,605	£1,576,681	£2,199,672	£2,914,772
	35	Land Value	£363,339	£526,576	£674,775	£945,160
		Land value per ha	£1,271,686	£1,843,016	£2,361,714	£3,308,060
25	30	Land Value	£748,933	£1,402,083	£1,932,638	£2,608,392
		Land value per ha	£898,719	£1,682,499	£2,319,166	£3,130,070
	40	Land Value	£723,578	£1,030,268	£1,411,585	£2,020,941
		Land value per ha	£1,157,725	£1,648,429	£2,258,536	£3,233,506
75	30	Land Value	£1,809,727	£3,421,711	£4,785,263	£6,664,190
		Land value per ha	£603,242	£1,140,570	£1,595,088	£2,221,397
	40	Land Value	£1,697,106	£2,648,146	£3,684,553	£5,326,420
		Land value per ha	£752,263	£1,171,746	£1,630,333	£2,356,823

Av land value per ha	£907,040	£1,510,490	£2,060,752	£2,860,771

Land values against EUVs — EUV per ha

Greenfield	£450,000					
Employment	£945,000					
Employment	£1,386,000					
Residential	£2,016,000					
Residential	£2,772,000					

Appendix 3B

Alton at £150 CIL
Cumulative impact of increased build costs, 20% net:gross for 75 unit sites, s106 at £2,000 per unit.
Build costs increased to £1,231 per sqm for houses and £1,471 per sqm for flats (see Turley response to consultation).
Build costs assume code 4.

Unit number	Density		CIL
	dph		
			£150
10	25	Land Value	£652,802
		Land value per ha	£1,632,006
	35	Land Value	£536,615
		Land value per ha	£1,878,153
25	30	Land Value	£1,421,818
		Land value per ha	£1,706,181
	40	Land Value	£1,171,110
		Land value per ha	£1,873,776
75	30	Land Value	£3,523,285
		Land value per ha	£1,174,428
	40	Land Value	£2,906,486
		Land value per ha	£1,286,058

Av land value per ha £1,591,767

Land values against EUVs	EUV per ha		
Greenfield	£450,000		
Employment	£945,000		
Employment	£1,386,000		
Residential	£2,016,000		
Residential	£2,772,000		

Appendix 4

Land value outcomes for small sites following planning guidance of 28th November 2014.

Testing sites up to 10 units, maximum 1,000 sqm, with no affordable housing or section106 contributions.
CIL levels as shown

No. units	Density		VP2	VP3	VP4	VP5
	dph	CIL per sqm	£65	£110	£200	£200
1	25	Land value	£39,121	£88,988	£132,254	£167,546
		Land value per ha	£978,026	£2,224,693	£3,306,359	£4,188,651
3	25	Land value	£135,802	£255,453	£348,437	£449,176
		Land value per ha	£1,131,687	£2,128,776	£2,903,646	£3,743,130
3	30	Land value	£146,794	£233,280	£296,825	£394,205
		Land value per ha	£1,467,941	£2,332,799	£2,968,249	£3,942,051
10	35	Land value	£497,077	£647,256	£788,998	£1,090,047
		Land value per ha	£1,739,768	£2,265,397	£2,761,494	£3,815,163

Average land value per ha			£1,329,356	£2,237,916	£2,984,937	£3,922,249
Less 20% buffer			£1,063,484	£1,790,333	£2,387,950	£3,137,799

Land values against EUVs	EUV per ha					
Greenfield	£450,000					
Employment	£945,000					
Employment	£1,386,000					
Residential	£2,016,000					
Residential	£2,772,000					

NB: For these small sites, we are assuming a greater likelihood that they will be developed on existing residential sites, particularly in more expensive locations. There is, therefore, greater weight given to outcomes against residential existing use values, compared to larger sites.