



# SUFFOLK COASTAL COMMUNITY INFRASTRUCTURE LEVY SCHEDULE EXAMINATION

Response to Examiners Main Issue and Questions

6th March 2015

I. Introduction

I.1 Following on from our submission in response to the Preliminary Draft Charging Schedule we wish to take the opportunity to readdress in what we hope is a more succinct and exacting way the issues we have with the proposed CIL charging rates. This is necessary to take into account the comments of Peter Brett in response to our previous representation and to address any flaws in our previously applied methodology. We will be addressing the following questions in particular:

- i. Issue 2 c.
- ii. Issue 3 a.
- iii. Issue 3 b.
- iv. Issue 4 a.

I.2 We will address the issues of Density, Benchmark Land Values and BCIS Build Costs used specifically in the case of Small Scale Developments using the Paul Brett Viability Report figures for 1, 5 and 10 houses.

2. Density – Relevant Examiner Questions: 2 c., 3 a., 3 b. and 4 a.

2.1 The figure used for the proposed density of dwellings per hectare in the Peter Brett Viability Report is 35 across the board of all Site Specific Appraisals.<sup>1</sup> The justification for this brush-stroke approach (applied to sites of 1 to 50 dwellings) is that it is in line with the Core Strategy. We do not refute this however there is clear evidence that this high density is simply unachievable when applied to small sites. In the SHLAA, a document produced by Suffolk Coastal for the purposes of identifying possible future land supply (published March 31<sup>st</sup> 2014) the following table is produced at p.7:

<b>Settlement classification</b>	<b>Average density (DPH<sup>1b</sup>)</b>
Major Centres	27
Market Towns	23
Key Service Centres	18
Local Service Centres	11

2.2 This identifies the average density of sites granted planning permission from 2010 to 2014. This is a clear indicator. This is confounded by the Council's own admission at p.3 of the same document where it states:

“Sites of less than 0.25 hectares were removed from the detailed assessment of sites without planning permission, because such sites would be unlikely to yield five dwellings or more, due to the densities which are normally achieved in the

<sup>1</sup> Peter Brett Final Viability Report, Table 5.1, p.18

district’.<sup>2</sup> Although we understand that the SCHLAA is purely indicative as to the potential density of sites the figures in the table above are based on fact.

2.3 This is supported by our own two most recent schemes:

- I. Construction of 2 detached dwellings at Land adjacent to Church Close Wilby  
Planning Ref No 2095/13 – Mid Suffolk  
Site Area: 0.14  
Dwellings: 2  
Per Hectare: 14
  
- II. Construction of 4 detached dwellings The Pit, Middleton Rd, Yoxford  
Planning Ref No 14/3937 – Suffolk Coastal  
Site Area: 0.2  
Dwellings: 4  
Per Hectare: 20

2.4 The vast majority of small schemes will be provided in Key Service Centres. The Council's estimates 780 of the required housing stock to be in Key & Local Service Centres<sup>3</sup>, 14% of the total once Adastral Park is deducted. By the Viability Report's own admission, in reference to Adastral Park, 'this large scale scheme is not typical of development in Suffolk Coastal which generally sees much smaller scale development'.<sup>4</sup> Although we understand that the study cannot 'waste time and cost analysing types of development that will not have significant impact on . . . the overall development of the area as set out in the local plan'<sup>5</sup>, this is not an insignificant amount. Moreover I believe the brush-stroke approach and the density proposed has a direct impact on small specialist developers intent on building quality housing whilst employing local craftsmen and adding not only to the vernacular but also to the local economy. This is in direct contravention of CIL Guidance.<sup>6</sup>

2.5 The 'High Value' zone proposed contains no 'Major Centres' and therefore its density proportion should be omitted from any calculations.

2.6 Densities on small schemes naturally suffer from the proportional increase in infrastructure requirements. Access roads, vehicle turning areas and hammerhead requirements for fire trucks combine to leave less comparative space for residential development on the sites. The plots are often more irregular and awkward in shape which naturally diminishes the massing.

2.7 At Appendix 5 you will find a breakdown of **all** available plots on [www.rightmove.co.uk](http://www.rightmove.co.uk) (having omitted 4 sites due to lack of information) within Suffolk Coastal. I have analysed the data and worked out the mean Density per Hectare. This give a figure of 19.

---

<sup>2</sup> Strategic Housing Land Availability Assessment, Suffolk Coastal District Council, published March 31<sup>st</sup>, 2014

<sup>3</sup> Peter Brett Final Viability Report para 3.2.3, p. 8

<sup>4</sup> Peter Brett Final Viability Report, para 6.3.20, p.27

<sup>5</sup> Peter Brett Final Viability Report, para 2.5.2, p.5

<sup>6</sup> Peter Brett Final Viability Report, para 2.4.3, p.5

2.8 Taking all of the above into account I have taken what I believe to be a far more realistic potential density figure of 20 dwellings per hectare and applied it to the Site Specific Appraisals at Appendix 1.

2.9 When we apply the revised figures it is clear that there is no overage for CIL when applied to Small Scale Developments. Although there may be an argument that the sites are unviable in the first place and therefore irrelevant to delivering the Plan this is affected by a distorted Benchmark Value figures, distorted Average Floorspaces and distorted Sales Values.

2.10 There is a plethora of evidence available that states that Suffolk Coastal has had very limited residential development over recent years.<sup>7</sup> Any further deterrent, for example an overinflated CIL charging rate, is only going to compound this problem.

3. BCIS Build Costs – Relevant Examiner Questions: 2 c., 3 a., 3 b. and 4 a.

3.1 The Construction costs across the board of all Site Specific Appraisals in the Peter Brett Study are £861 per square metre.<sup>8</sup> The justification for this brush-stroke approach (applied to sites of 1 to 50 dwellings) is that it is in line with BCIS figures. I do not have access to the BCIS figures from December 2013 however please find attached at Appendix 2 the figures updated 4<sup>th</sup> October 2014. I cannot correlate the build cost of £861 with the figures in this document and would ask Peter Brett Associates to clarify and provide evidence of the documentation used to arrive at this figure.

3.2 BCIS figures are broken down into two levels of Development – Estate Housing and 1-3 units. Obviously a scheme of 5 units will not have the economy of scale of 'Estate Housing' and the build costs will be far closer to the £1550 of 1-3 units. Having consulted with a local Quantity Surveyor and explored our own figures we believe realistic figures should be:

1 unit:	£1550 (as per BCIS figures)
5 units:	£1350
10 units:	£1150

I have applied these revised figures to the Site Specific Appraisals at Appendix 3.

3.3 Our local QS considers that the economies of scale that provide the BCIS Estate Housing build costs only kick in at 15-20 units.

3.4 When we apply the revised figures it further compounds the argument that there is no overage for CIL when applied to Small Scale Developments.

---

<sup>7</sup> Peter Brett Final Viability Report, para 5.2.5, p.15

<sup>8</sup> Peter Brett Final Viability Report, Table 5.1, p.19

#### 4. Benchmark Land Values – Relevant Examiner Questions: 2 c., 3 a., 3 b. and 4 a.

4.1 The Benchmark Land Values used throughout the Viability Study are set at a 'minimum' and therefore reduce the benchmark value of the land and over-inflate the average figure. At Appendix 4 I have applied the Benchmark Value to the site and approximated the proposed Benchmark Value of the plots for small developments (1,5 & 10 dwellings). When looked at in the context of land available for sale it is clear that these prices are completely unrealistic. Please see Appendix 5 for further examination of this figure by using all available building plots (as per [www.rightmove.co.uk](http://www.rightmove.co.uk), 5.3.15). All of the plots for sale have outline or full planning permission. I do understand that the sale prices of these plots include the cost of planning and the uplift in value however the disparity between the Benchmark Value used by the Peter Brett Viability Report and the costs of the plots for sale allows for the value attached to this uplift.

#### 5. Conclusion

5.1 The Government's recent changes in Section 106 agreements, where there is no longer an affordable housing requirement for developments of 10 units or less, were brought in at national level as a response to the burdens placed on small developers. As Eric Pickles stated at the time of making the 106 changes "Small builders are being hammered by charges, which have undermined the building industry, cut jobs and forced up the cost of housing...By getting rid of these five and six figure charges, we will build more homes and help provide more low-cost and market housing".

5.2 It appears on close examination of the figures used in the Viability Report and the reassessment of such that the proposed CIL rates are in complete contradiction to the Government's commitment to boosting Small Scale Development.

5.3 Looking at it from a point of personal experience having conducted numerous site appraisals, it is true that, as a Small Scale Developer in the local area, we struggle without any additional charges (such as CIL) to maintain a viable business model in the current market. The reality of the situation as it stands prior to CIL is that the majority of sites appraised have to be rejected on the basis of viability and we are having to reduce costs in the only area available, that being Developer's Profit, in order to make sites work. The reality of a CIL charge at the proposed rate will mean that Developer's Profit will be reduced further as this is the only area that can accommodate the charge. This will render funding impossible.

5.3 One should be aware that "the district has an economy that supports a high proportion of small and medium sized businesses vital to the local economy (70% of businesses in the district employ 5 people or less)".<sup>9</sup> A CIL charge that will render Small Scale Developments unviable will have a direct impact on the small Property Development Companies in the area and render

---

<sup>9</sup> Suffolk Coastal Core Strategy, July 2013

many businesses obsolete. This would clearly have a major impact on local employment of labour, craftsmen and suppliers.

5.4 We strongly believe that local specific exemptions to CIL should be introduced where the viability of individual schemes can be examined on a case-by-case basis.

5.5 The issues raised by the reassessment of Density Figures, Build Costs and Benchmark Land Values in this study render the Viability Report 'not fit for purpose' in relation to assessing the viability of Small Scale Development and as such should be re-examined in that context before any conclusion is reached as to potential CIL rates within Suffolk Coastal.

## APPENDIX I

Viability Appraisal Table using Peter Brett Report Density figure of 35 Dwellings per Hectare compared with amended figure of 20 Dwellings per hectare for sites of 1, 5 & 10 houses.





## APPENDIX 2

BCIS Figures

Rate per m<sup>2</sup> gross internal floor area for the building costs including prelims

Updated: 4<sup>th</sup> October 2014

## £/m<sup>2</sup> study

**Description:** Rate per m<sup>2</sup> gross internal floor area for the building Cost including prelims.

**Last updated:** 04-Oct-2014 12:19

At 4Q2014 prices (based on a Tender Price Index of 255) and UK mean location (Location index 100).

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m <sup>2</sup> gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
<b>New build</b>							
Housing, mixed developments (15)	983	478	842	956	1,097	2,164	940
<b>Estate housing</b>							
Generally (15)	951	473	816	926	1,051	1,962	1710
Single storey (15)	1,042	554	900	1,016	1,191	1,796	286
2-storey (15)	931	473	809	911	1,021	1,855	1298
3-storey (15)	949	615	767	904	1,045	1,962	125
4-storey or above (25)	1,359	1,037	-	1,236	-	1,804	3
Estate housing detached (15)	1,009	740	835	1,028	1,142	1,335	15
<b>Estate housing semi detached</b>							
Generally (15)	948	490	823	927	1,039	1,796	386
Single storey (15)	1,082	656	924	1,074	1,221	1,796	64
2-storey (15)	923	490	815	913	1,016	1,619	303
3-storey (15)	890	667	734	869	963	1,406	19
<b>Estate housing terraced</b>							
Generally (15)	970	476	812	932	1,086	1,962	381
Single storey (15)	1,025	619	834	977	1,218	1,585	60
2-storey (15)	959	476	814	927	1,068	1,855	267
3-storey (15)	963	615	776	897	1,040	1,962	54
<b>Flats (apartments)</b>							
Generally (15)	1,137	567	951	1,094	1,285	3,038	777
1-2 storey (15)	1,074	630	930	1,050	1,197	2,041	188
3-5 storey (15)	1,123	567	947	1,092	1,282	2,304	518
6+ storey (15)	1,412	842	1,158	1,389	1,565	3,038	67
Housing with shops, offices, workshops or the like (15)	1,339	662	991	1,193	1,550	3,434	60
<b>'One-off' housing detached (3 units or less)</b>							
Generally (15)	1,550	617	1,151	1,357	1,784	4,645	111
Single storey (15)	1,264	617	1,087	1,216	1,417	2,055	46
2-storey (15)	1,577	755	1,198	1,394	1,880	3,196	46
3-storey (15)	1,996	1,222	1,769	1,882	2,110	3,516	14

Building function (Maximum age of projects)	£/m <sup>2</sup> gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
4-storey or above (15)	2,734	1,392	-	2,449	-	4,645	4
'One-off' housing semi-detached (3 units or less) (15)	1,083	702	954	1,063	1,205	1,609	120
'One-off' housing terraced (3 units or less) (15)	1,389	839	937	1,010	1,122	5,116	16
Housing provided in connection with other facilities (15)	1,237	1,009	-	1,152	-	1,635	4
<b>Sheltered housing</b>							
Generally (15)	1,199	600	1,030	1,131	1,294	2,569	105
Single storey (15)	1,354	780	1,111	1,240	1,497	2,569	17
2-storey (15)	1,158	600	959	1,083	1,276	1,959	34
3-storey (15)	1,176	901	1,051	1,101	1,278	1,711	31
4-storey or above (15)	1,155	788	1,011	1,143	1,213	1,664	18
Sheltered housing with shops, restaurants or the like (10)	1,103	771	991	1,044	1,149	1,711	16
<b>Fitting out new building</b>							
Flats (apartments) (15)	1,557	452	-	932	-	3,913	4

## APPENDIX 3

Updated Viability Appraisals using updated and amended BCIS figures for sites of 1, 5 & 10 houses.

Updated: 4<sup>th</sup> October 2014

<u>Suffolk Coastal High Value</u>	<u>1 UNIT</u>	<u>@ 90 SQ. M</u>
<b>Build Costs</b>		
Construction	@ 1550/m2	139,500
<b>Additional Costs</b>		
Plot External	@ 15%	20,925
Allowance for Code Level 4	@ £2,004 per unit	2,004
<b>Professional Fees</b>	@ 8%	12,994
<b>Contingency</b>	@ 5%	8,121
<b>Developer Contributions</b>	@ £1,000 per unit	1,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	500
Sales Agent Fees	@ 1.25%	2,925
Marketing Cost	@ £1,000 per unit	1,000
<b>TOTAL DEVELOPMENT COSTS</b>		188,970
<b>Developer's Profit</b>	@ 20%	46,800
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		235,770
<b>Finance Costs</b>	@ 7% APR / 0.565% PCM	2,933
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		238,703
<b>DEVELOPMENT VALUE</b>	@ £2600 per sq. m	234,000
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		- 4,703
<b>BENCHMARK SITEVALUE</b>	@ £1,750,000 @ 0.03	52,500
<b>OVERAGE AVAILABLE FOR CIL</b>		NONE

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

<u>Suffolk Coastal High Value</u>	<u>5 UNITS</u>	<u>@ 90 SQ. M</u>
<b>Build Costs</b>		
Construction	@ 1350/m2	607,500
<b>Additional Costs</b>		
Plot External	@ 15%	91,125
Allowance for Code Level 4	@ £2,004 per unit	10,020
<b>Professional Fees</b>	@ 8%	56,692
<b>Contingency</b>	@ 5%	35,432
<b>Developer Contributions</b>	@ £1,000 per unit	5,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	2,500
Sales Agent Fees	@ 1.25%	14,625
Marketing Cost	@ £1,000 per unit	5,000
<b>TOTAL DEVELOPMENT COSTS</b>		827,894
<b>Developer's Profit</b>	@ 20%	234,000
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		1,061,894
<b>Finance Costs</b>	@ 7% APR / 0.565% PCM	36,857
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		1,098,751
<b>DEVELOPMENT VALUE</b>	@ £2600 per sq. m	1,170,000
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		71,249
<b>BENCHMARK SITEVALUE</b>	@ £1,750,000/H @ 0.14	245,000
<b>OVERAGE AVAILABLE FOR CIL</b>		NONE

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

Suffolk Coastal High Value	10 UNITS	@ 90 SQ.M
<b>Build Costs</b>		
Construction	@ 1150/m2	1,035,000
<b>Additional Costs</b>		
Plot External	@ 15%	155,250
Allowance for Code Level 4	@ £2,004 per unit	20,040
<b>Professional Fees</b>	@ 8%	96,823
<b>Contingency</b>	@ 5%	60,515
<b>Developer Contributions</b>	@ £1,000 per unit	10,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	5,000
Sales Agent Fees	@ 1.25%	29,250
Marketing Cost	@ £1,000 per unit	10,000
<b>TOTAL DEVELOPMENT COSTS</b>		1,421,878
<b>Developer's Profit</b>	@ 20%	468,000
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		1,889,878
<b>Finance Costs</b>	@ 7% APR / 0.565% PCM	93,617
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		1,983,495
<b>DEVELOPMENT VALUE</b>	@ £2600 per sq. m	2,340,000
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		356,505
<b>BENCHMARK SITEVALUE</b>	@ £1,250,000/H @ 0.29	362,500
<b>OVERAGE AVAILABLE FOR CIL</b>		NONE

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

<u>Suffolk Coastal Mid Value</u>	<u>1 UNIT</u>	<u>@ 90 SQ. M</u>
<b>Build Costs</b>		
Construction	@ 1550/m2	139,500
<b>Additional Costs</b>		
Plot External	@ 15%	20,925
Allowance for Code Level 4	@ £2,004 per unit	2,004
<b>Professional Fees</b>	@ 8%	12,994
<b>Contingency</b>	@ 5%	8,121
<b>Developer Contributions</b>	@ £1,000 per unit	1,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	500
Sales Agent Fees	@ 1.25%	2,644
Marketing Cost	@ £1,000 per unit	1,000
<b>TOTAL DEVELOPMENT COSTS</b>		188,689
<b>Developer's Profit</b>	@ 20%	42,300
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		230,989
<b>Finance Costs</b>	@ 7% APR / 0.565% PCM	2,933
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		<b>233,922</b>
<b>DEVELOPMENT VALUE</b>	@ £2350 per sq. m	211,500
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		- 22,422
<b>BENCHMARK SITEVALUE</b>	@ £1,250,000 @ 0.03	<b>37,500</b>
<b>OVERAGE AVAILABLE FOR CIL</b>		<b>NONE</b>

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.



<b>Suffolk Coastal Mid Value</b>	<b>5 UNITS</b>	<b>@ 90 SQ. M</b>
<b>Build Costs</b>		
Construction	@ 1350/m2	607,500
<b>Additional Costs</b>		
Plot External	@ 15%	91,125
Allowance for Code Level 4	@ £2,004 per unit	10,020
<b>Professional Fees</b>	@ 8%	56,692
<b>Contingency</b>	@ 5%	35,432
<b>Developer Contributions</b>	@ £1,000 per unit	5,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	2,500
Sales Agent Fees	@ 1.25%	14,625
Marketing Cost	@ £1,000 per unit	5,000
<b>TOTAL DEVELOPMENT COSTS</b>		<b>827,894</b>
<b>Developer's Profit</b>	@ 20%	211,500
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		<b>1,039,394</b>
<b>Finance Costs</b>	@ 7% APR / 0.565% PCM	31,776
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		<b>1,071,170</b>
<b>DEVELOPMENT VALUE</b>	@ £2600 per sq. m	<b>1,170,000</b>
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		<b>98,830</b>
<b>BENCHMARK SITEVALUE</b>	@ £1,250,000/H @ 0.14	<b>175,000</b>
<b>OVERAGE AVAILABLE FOR CIL</b>		<b>NONE</b>

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

<b>Suffolk Coastal Mid Value</b>	<b>10 UNITS</b>	<b>@ 90 SQ. M</b>
<b>Build Costs</b>		
Construction	@ 1150/m2	1,035,000
<b>Additional Costs</b>		
Plot External	@ 15%	155,250
Allowance for Code Level 4	@ £2,004 per unit	20,040
<b>Professional Fees</b>	@ 8%	96,823
<b>Contingency</b>	@ 5%	60,515
<b>Developer Contributions</b>	@ £1,000 per unit	10,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	5,000
Sales Agent Fees	@ 1.25%	26,438
Marketing Cost	@ £1,000 per unit	10,000
<b>TOTAL DEVELOPMENT COSTS</b>		<b>1,419,065</b>
<b>Developer's Profit</b>	@ 20%	423,000
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		<b>1,842,065</b>
<b>Finance Costs</b>	@ 7% APR / 0.565% PCM	78,875
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		<b>1,920,940</b>
<b>DEVELOPMENT VALUE</b>	@ £2600 per sq. m	<b>2,115,000</b>
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		<b>194,060</b>
<b>BENCHMARK SITEVALUE</b>	<b>@ £1,000,000/H @ 0.29</b>	<b>290,000</b>
<b>OVERAGE AVAILABLE FOR CIL</b>		<b>NONE</b>

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

Suffolk Coastal Low Value	1 UNIT	@ 90 SQ. M
<b>Build Costs</b>		
Construction	@ 1550/m2	139,500
<b>Additional Costs</b>		
Plot External	@ 15%	20,925
Allowance for Code Level 4	@ £2,004 per unit	2,004
<b>Professional Fees</b>	@ 8%	12,994
<b>Contingency</b>	@ 5%	8,121
<b>Developer Contributions</b>	@ £1,000 per unit	1,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	500
Sales Agent Fees	@ 1.25%	2,306
Marketing Cost	@ £1,000 per unit	1,000
<b>TOTAL DEVELOPMENT COSTS</b>		188,351
<b>Developer's Profit</b>	@ 20%	36,900
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		225,251
<b>Finance Costs</b>	@ 7% APR / 0.565% PCM	2,063
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		227,314
<b>DEVELOPMENT VALUE</b>	@ £2050 per sq. m	184,500
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		- 42,814
<b>BENCHMARK SITEVALUE</b>	@ £750,000 @ 0.03	22,500
<b>OVERAGE AVAILABLE FOR CIL</b>		NONE

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

Suffolk Coastal Low Value	5 UNITS	@ 90 SQ. M
<b>Build Costs</b>		
Construction	@ 1350/m2	607,500
<b>Additional Costs</b>		
Plot External	@ 15%	91,125
Allowance for Code Level 4	@ £2,004 per unit	10,020
<b>Professional Fees</b>		
	@ 8%	56,692
<b>Contingency</b>		
	@ 5%	35,432
<b>Developer Contributions</b>		
	@ £1,000 per unit	5,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	2,500
Sales Agent Fees	@ 1.25%	11,531
Marketing Cost	@ £1,000 per unit	5,000
<b>TOTAL DEVELOPMENT COSTS</b>		824,800
<b>Developer's Profit</b>		@ 20% 184,500
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		1,009,300
<b>Finance Costs</b>		@ 7% APR / 0.565% PCM 25,678
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		1,034,978
<b>DEVELOPMENT VALUE</b>		@ £2050 per sq. m 922,500
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		- 112,478
<b>BENCHMARK SITEVALUE</b>		@ £750,000/H @ 0.14 105,000
<b>OVERAGE AVAILABLE FOR CIL</b>		NONE

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

<b>Suffolk Coastal Low Value</b>	<b>10 UNITS</b>	<b>@ 90 SQ. M</b>
<b>Build Costs</b>		
Construction	@ 1150/m2	1,035,000
<b>Additional Costs</b>		
Plot External	@ 15%	155,250
Allowance for Code Level 4	@ £2,004 per unit	20,040
<b>Professional Fees</b>		
	@ 8%	96,823
<b>Contingency</b>		
	@ 5%	60,515
<b>Developer Contributions</b>		
	@ £1,000 per unit	10,000
<b>Sale Costs</b>		
Legal	@ £500 per unit	5,000
Sales Agent Fees	@ 1.25%	23,063
Marketing Cost	@ £1,000 per unit	10,000
<b>TOTAL DEVELOPMENT COSTS</b>		<b>1,415,690</b>
<b>Developer's Profit</b>		
	@ 20%	369,000
<b>TOTAL PROJECT COSTS (EXCLUDING INTEREST)</b>		<b>1,784,690</b>
<b>Finance Costs</b>		
	@ 7% APR / 0.565% PCM	61,185
<b>TOTAL PROJECT COSTS (INCLUDING INTEREST)</b>		<b>1,845,875</b>
<b>DEVELOPMENT VALUE</b>		
	@ £2050 per sq. m	1,845,000
<b>RESIDUAL LAND VALUE LEFT FOR SITE PURCHASE</b>		<b>- 875</b>
<b>BENCHMARK SITEVALUE</b>		
	@ £500,000/H @ 0.29	145,000
<b>OVERAGE AVAILABLE FOR CIL</b>		<b>NONE</b>

I need explanation of how this figure is achieved. I have used existing figure from Peter Brett Viability Study for ease of reference however please note this is not representative.

## APPENDIX 4

Approximate site values using Peter Brett Report  
Benchmark Values.

	No of dwellings	site area	Peter Brett Plot Value @ 35 dwellings per hectare
Suffolk Coastal - Low Value			
Houses	1	0.03	£22,500
Houses	5	0.14	£105,000
Houses	10	0.29	£145,000
Suffolk Coastal - Mid Value			
Houses	1	0.03	£37,500
Houses	5	0.14	£175,000
Houses	10	0.29	£290,000
Suffolk Coastal - High Value			
Houses	1	0.03	£52,500
	5	0.14	£245,000
	10	0.29	£362,500

## APPENDIX 5

Study of development plots available for sale in Suffolk Coastal.

Approximation and comparison of revised Benchmark Value and Density.

Search date: 5<sup>th</sup> March 2015



Property	No of dwellings	Charging Zone	Plot Price	Size / Hectares	Density	Value as compared to Benchmark plot price on Viabilty Study	Proportional Price per hectare
Blaxhall, Nr Snape	1	High value	£115,000	0.04	25/h	2.2 times	£2,875,000
Thebarton, Heritage Coast	1	High value	£130,000	0.05	20/h	2.4 times	£2,600,000
Sweffling, Nr Framlingham	1	High Value	£150,000	0.04	25/h	2.9 times	£3,750,000
Witnesham, Nr Ipswich	1	High value	£150,000	0.06	17/h	2.9 times	£2,500,000
Dennington, Nr Framlingham	2	High value	£175,000	0.13	15/h	1.6 times	£1,346,153
Upper St, Witnesham	1	High value	£175,000	0.05	20/h	3.33 times	£3,500,000
Sibton Croft, Sibton	7 (2 affordable)	High value	£550,000	0.4	17.5/h	1.8 times	£1,375,000
<b>MEAN</b>					<b>20</b>		<b>£2,563,736.14</b>
Eyke, Nr Woodbridge	1	Mid Value	£175,000	0.07	14/h	4.7 times	£2,500,000
Near Bell Lane, Kesgrave	2	Mid Value	£250,000	0.125	16/h	3.33 times	£2,000,000
<b>MEAN</b>					<b>15</b>		<b>£2,250,000</b>