

**SCDC Community Infrastructure Levy
Draft Charging Schedule and Viability Report
Consultation Response
by Mrs Janet Elliot [REDACTED]
on behalf of the 4000 supporters of NANT**

SCDC is proposing that the Adastral Park development should be being singled out as the only development in the District that will not be subject to the CIL.

SCDC does not try to argue that its proposal to give this dispensation to Adastral Park alone is because section 106 charges are to be applied to this development instead of the CIL, but argues instead that the “*residual value*” of the land would be below the threshold of “*viability*” described as “*the benchmark land value*” - Draft Charging Schedule **3.20**.

NANT does not agree that a sufficiently robust case has been put forward to justify such a proposal by SCDC. Broad assumptions have been relied upon rather than the specific and factual evidence that is available.

The Viability study, **4.1.2** details what factors are included in the calculation to arrive at a “*residual value, which in a well-functioning market should equal the value of the site with planning permission*”

However in **4.1.3** admits that the calculation includes a wide range of “*assumptions*” and in **4.1.4** concludes “*Therefore our viability assessments are necessarily broad approximations, subject to a margin of uncertainty*”.

In **4.2.1** it states “*Having estimated the residual value, we compare this residual value with the ‘benchmark land value’ or ‘land cost’, which is the minimum land value **the landowner is likely to accept** to release their land for the development specified*” our emphasis. Further it states in **4.2.3** “*Benchmark values will vary to reflect the landowner’s judgements*” and in **5.2.3** “*It is important to appreciate that assumptions on benchmark land values can only be broad approximations, subject to a wide margin of uncertainty*”

So the benchmark figures used are not based on fact but rely on broad assumptions.

Therefore both ends of the viability calculation rely on a number of assumptions and neither is based on the factual evidence that is actually available.

In addition to the assumptions identified above, the study states in **5.2.5** “*Over recent years there has been limited residential development within Suffolk Coastal District, and **a dearth of land transactions**. It was therefore necessary to supplement transactional information through consultation with local property agents and developers*”

6.4.1 states that “*We talked to a range of sources on residential markets, including local agents and local housebuilders active in the area*”

It then gives various comments from these agents and housebuilders none of whom mention market conditions and prices in the areas surrounding Adastral Park ie Martlesham and surrounding areas.

In the study **fig 6.4** shows a map of the district indicating the average price band for houses sold between Jan 2012 and October 2013 within each ward. **Fig 6.5** then uses a very blunt instrument to interpret this into a much more crude (from 8 to 3 price categories) across the whole district thereby eliminating price differences caused by postcode boundaries/main roads etc.

All of the above might, just might, be appropriate if looking in broad general terms across the whole of the district. However, the planning consultants commissioned to conduct the viability study were instructed by SCDC to single out the site-specific strategic allocation at Adastral Park. Therefore the gathering of evidence should have also been site, or at the very least, area, specific in relation to the Adastral Park site.

The general assumptions in the study simply do not reflect the evidence that is available in the local area.

1. It is correct that there are no current or very recent large-scale land transactions. The most recent however is particularly relevant to Adastral Park and yet it has not been taken into account. This is the land for the Grange Farm development – I understand that with planning consent the value of that land was in excess of **£1million per acre** and this was back in the late 1980s/1990s. I am not aware of a significant reduction in land values since that date, quite the reverse. With little or no other hard evidence to hand it should have been included in the mix of evidence when calculating residual values at Adastral Park.
2. Independently of that, 2 surveyors with local knowledge, have valued the land at Adastral Park, with planning consent, at between £1,440,000 per hectare and £1,920,000 per hectare. Both valuations are considerably greater than the figure assumed in the viability study of £842.450 per hectare.

In conclusion NANT would suggest that a review is carried out to determine a more evidence based assessment of the residual land value at Adastral Park.

The available evidence indicates that the revised residual value will be significantly in excess of the benchmark land value of £1m per hectare. If that is the case the CIL should be applied to the Adastral Park development in line with the policy proposed for the rest of the district.

Failing to do so will simply drive an even deeper wedge between the Adastral Park development and the surrounding local communities - precisely the opposite intention of the CIL.