

Issues and Questions to be discussed at the Hearing Session on 6 November 2015

General

Q46. Is the proposed charge of £30 per m² based on the appraisal and assumptions set out in Appendix 4 and Table 12 (rather than those set out in Tables 8, 9 or B)?

The appraisal calculations in Appendix 4, which support the figures in Table 12, have been calculated excluding purchaser costs. There is also an error in the Council's calculations in Appendix 4 Revised Appraisals, for the Cluster Flats model – 500 units scheme. The 5% contingency has not been applied to the right cost figure and is therefore understated.

Also, in checking these appraisals, the Council although stating in paragraph 51 that they would calculate the Developer Return on the interest charge, they have not done so, therefore the figure for residual land worth for all models are overstated.

The Contingency and the Developer Return in all models is applied to the Interest Charge in Tables 8 and 9 and Table B for the 500 Cluster Scheme and appears to be applied to the right figures.

Development Costs

Q62. What assumptions should be made about contingency costs?

Contingency costs should be applied to build costs, infrastructure and abnormals at 5%, in Appendix 4 the contingency for the cluster flats - 500 unit scheme is not correct, as the contingency figure is wrong. When adjusted to be right level the scheme appraisal residual land worth would reduce.

Q67. What assumptions should be made about developer's profit?

The Council accepted at paragraph 51, page 19, Developers Return, which they have calculated the return on the interest charge, yet the models in Appendix 4 which support the figures in Table 12 do not have the Developer Return applied to the interest charge. If adjusted to do so the residual land worth would reduce, thereby making the percentage apportionment of CIL to residual land worth higher.