

**Bassetlaw District Council Response to
Examiner Initial Questions
(BDC-01)
14 July 2023**



Infrastructure Planning Evidence

6. The PPG¹ advises that, at examination, the charging authority should identify the projects or types of infrastructure that are to be funded in whole or in part by the levy, and that, from December 2020, this should be set out in an infrastructure funding statement (IFS). The submitted IFS dates from 2019/2020. I would be grateful if the Council could provide a copy of their IFS for the most recent calendar year.

BDC Response:

The most up to date IFS for 2021-2022 is attached as BDC-01a.

7. The PPG sets out that as part of the examination of the CIL it is necessary to test that the infrastructure planning evidence demonstrates that there is an aggregate infrastructure funding gap and to confirm the target amount that the charging authority proposes to raise through the levy. As part of the Examination of the Bassetlaw Local Plan I have looked at the proposed list of infrastructure projects in the Infrastructure Delivery Plan (IDP) and I note that this has been updated following the hearing sessions. The updated IDP should be submitted as part of the CIL examination.

BDC Response:

The IDP 2023 updated as part of the Bassetlaw Local Plan Examination is attached as BDC-01b.

CIL Viability Study (CVS)

8. The PPG² expects the viability assessments on which the proposed levy rates are based to be transparent and publicly available and that the proposed levy rates are informed by 'appropriate available' evidence.

9. The CVS does not appear to include copies of the appraisals that were carried out, only extracts from them and details of the variables on which they were based. I would be grateful if the Council could provide the appraisals for each of the residential and non-residential typologies tested in the study.

BDC Response:

The ten appraisals that were undertaken for each of the residential and non residential typologies tested for the CVS are attached as BDC-01c.

The five appraisals undertaken for each of the strategic sites are attached as BDC-01d.

10. The CVS includes assumptions in relation to brownfield land values which appear to be unsupported by sales evidence in relation to commercial sales values (p38). I would be grateful if the Council would confirm what the assumptions were based on and how they were arrived at.

BDC Response:

The CVS uses industrial land value at £425,000 per Ha as the basis for brownfield 'existing use values' when applying the appropriate premium as set out in the land value benchmark methodology.

The £425,000/Ha figure is set out within the Valuation Report at Appendix 1 of the CVS .

The Council's consultants, HEB Chartered Surveyors are RICS Registered Valuers and operate in the local/sub-regional commercial/land market. Based on engagement with landowners, site promoters and developers, in their view, the figure provided is realistic of land transactions in the District and comparable surrounding locations within the sub-region. It is also reflective of transactions that have taken place over the last 10 years, as evidenced by the consultants own commercial database.

Our consultants state that such engagement indicates that commercial land within the District might reasonably be expected to transact at between £250,000 to £700,000 per Ha, depending on location and site specifics.

The figure and the range identified above was benchmarked with data taken from the following nationally recognised data points (CVS, Appendix 1, p7).

- CoStar System – a nationwide subscription database covering commercial property issues
- Zoopla / Rightmove (professional user subscriptions)
- EGI – a further subscription database covering commercial property uses
- RICS Commercial Market Survey (quarterly)
- RICS Rural Land Survey H2 2021

The figure adopted is therefore considered to be a reasonable median “tone” figure, to reflect the varied topography of the District, in which urban, rural and trunk road locations will influence demand / value.

11. The CVS (p26) contains density and floorplate assumptions for commercial development. I would be grateful if the Council would confirm how these been derived.

12. The CVS (p26) contains density and floorplate assumptions for commercial development. I would be grateful if the Council would confirm the source material on which these are based.

BDC Response:

The assumptions are based on the significant experience of our consultants in undertaking development appraisals for various types of commercial development in the East Midlands. The density and floorplate assumptions are considered to be typical of average developments within the use types set out in the CVS.

For example, the same floorplate assumptions successfully informed the viability evidence at the following locally based examinations in the last 5 years:

Newark & Sherwood DC CIL 2017
Newark & Sherwood DC Local Plan 2018
Nottingham CC Local Plan 2019
Rushcliffe BC Local Plan & CIL Examination 2019
Mansfield DC Local Plan 2019

13. The CVS (p27) refers to standard house types. I would be grateful if the Council would confirm the source material on which these are based.

BDC Response:

The standard house types are based on the significant experience of our consultants in undertaking development appraisals for the full range and type of residential development in the East Midlands. To inform the CVS our consultants engaged with site promoters and volume and regional housebuilders active in the District and sub-region. This indicated that the standard house types are appropriate to the local market.

The standard house types assessed are also broadly reflective of the type and mix of housing identified by the Council's Housing and Economic Development Needs Assessment 2020 as being part of an appropriate mix for sites in the District over the plan period.

14. The CVS (p29/30) refers to construction costs. I would be grateful if the Council would confirm the source material on which these are based.

BDC Response:

Construction costs are based on the cost allowances contained within Appendix 2 of the CVS, specifically paragraphs 1-4, page 3 under Basis of Costs.

Detailed construction costs are set out within Appendix 2 of the CVS, Section 3.0 pages 13-14).

15. The CVS (p31) refers to cost assumptions in relation to accessibility standards. I would be grateful if the Council would confirm the source material on which these are based.

BDC Response:

The accessibility standards are based on the same source material as that for the cost allowances within Appendix 2 of the CVS, specifically paragraphs 1-4, page 3 under Basis of Costs.

Further information relating to assumptions is also set out within Appendix 2 of the CVS, specifically under Access Standards Category 2 on page 4.

Detailed construction costs are set out within Appendix 2 of the CVS, Section 3.0 p13.

16. The CVS (p31) refers to costs assumptions in relation to Biodiversity Net Gain (BNG) and Tree Planting. Can the Council confirm that this will be sufficient to include any tree planting required as a result of revised policy ST50?

BDC Response:

The CVS, p31 makes an allowance of £500 per dwelling for 10% biodiversity net gain. This is broadly comparable to the 2018 Defra assessment 'Biodiversity Net Gain' which estimates £17,757 of cost per Ha to achieve the requirement. This allowance is included in the overall per dwelling allowance for S106 contribution and Biodiversity Net gain (set out at para 4.27 of the CVS).

For site allocations of 49 or less the Plan informed by the CVS assumes a £4000 figure per dwelling for developer contributions, with CIL. The Plan proposes that site allocations of 50 or more be CIL exempt. As such, the expectation is that the level of developer contributions that could be sought on the larger sites will be higher than £4000.

The IDP 2023 costs tree planting at £100 per dwelling/1000sqm non residential floorspace. The IDP 2023 also identifies the types of infrastructure expected to be sought by developer contribution, including tree planting.

In our view the level of developer contributions that could reasonably be expected to be required as per the IDP can be accommodated as part of the overall per dwelling allowance for S106 contribution with Biodiversity net gain.

17. The CVS (p39) refers to “industry standard” fee allowances. I would be grateful if the Council would confirm the source material on which these are based.

BDC Response:

These are based on the significant experience of our consultants negotiating an appropriate industry standard allowance with the development industry, including surveying practices such as Savills as well as a range of national volume housebuilders such as Barratt Homes, Persimmon Homes, Bellway Homes, and regional housebuilders including Avant Homes, Rippon Homes. All are currently operating in the District.

The fee allowances were benchmarked with the following nationally recognised data points (within CVS, Appendix 1, p7).

- CoStar System – a nationwide subscription database covering commercial property issues
- Zoopla / Rightmove (professional user subscriptions)
- EGI – a further subscription database covering commercial property uses
- RICS Commercial Market Survey (quarterly)
- RICS Rural Land Survey H2 2021

The industry standard allowances have successfully informed the viability evidence at the following locally based examinations in the last 5 years:

Newark & Sherwood DC CIL 2017
Newark & Sherwood DC Local Plan 2018
Nottingham CC Local Plan 2019
Rushcliffe BC Local Plan & CIL Examination 2019
Mansfield DC Local Plan 2019