



Report

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Dartford Borough Council

CIL Economic Viability Study: Errata

19th November 2012

DARTFORD
BOROUGH COUNCIL

ERRATA

GVA notes that its Report entitled 'CIL Economic Viability Assessment, March 2012' contains some errors, which need to be corrected. These are detailed below. It should be noted that we have now produced Addendum Reports that deal specifically with a number of matters include Strategic/Large Sites, Retail and Retirement/Care Homes. We have also included an enlarged commentary on the local residential market.

The original text is set out in blue and the correction in black.

1. On page 22 of the Report (paragraph 2.41):

2.41 "We have assumed the same benchmark land value (EUV of £250,000 per acre + 20% = £300,000 per acre) for the strategic sites as for the other residential development scenarios as we have taken the additional enabling costs associated with the strategic sites into account as part of the appraisal model. The benchmark we have used assumes a site density of 40 dwellings per hectare, and takes into account the Council's requirement for 30% open space".

Correction

The text on page 22 (para 2.41) of the Original March 2012 Report is incorrect. Please see our Addendum Report for the assumptions as to the site area and base value.

2. On page 26 of the Report (paragraph 3.4):

"Strategic Sites"

3.4 "We have set out below in Table 11 maximum CIL values per GIA (private dwellings) our appraisals show can be achieved for the strategic sites. We have taken an average unit size of 93 sq m, and assumed an infrastructure provision cost of £15,000 per unit. We have assumed that the strategic sites are built to Code for Sustainable Homes Level 4".

Affordable Housing	10%		15%		20%		30%	
Affordable Rent: Shared Ownership	50:50	70:30	50:50	70:30	50:50	70:30	50:50	70:30
Estimated CIL / S.106 (Per Sq M / G.I.A.)	£161	£158	£111	£105	£55	£47	-£83	-£95

Correction

The text on page 26 (para 3.4) of the Original March 2012 Report is incorrect. Please see our Addendum Report for the assessed CIL rates.

3. On page 19 of Appendix D in the Report:

Table D.1 Effect of CIL on Residual Land Value Assuming Different Levels of CIL- 2011

Scheme	Nil CIL	Recommended CIL	25% Decrease in Recommended CIL	25% Increase in Recommended CIL
Urban				
1: 1 house	£75,000	£54,000	£59,000	£48,000
2: 14 houses	£900,000	£636,000	£700,000	£570,000
3: 50 houses	£1,200,000	£883,500	£960,000	£805,000
4: 125 flats	£1,800,000	£1,233,800	£1,375,000	£1,090,000
5: 125 mixed	£2,850,000	£2,040,000	£2,240,000	£1,830,000
Riverside				
6: 500 mixed	£7,300,000	£7,030,000	£5,260,000	£3,900,000
Rural				
8: 1 house	£160,000	£136,000	£142,000	£130,000
9a: 4 houses (commuted sum)	£300,000	£255,000	£265,000	£245,000
9b: 4 houses (on site provision)	£335,000	£315,000	£320,000	£305,000
10a: 10 mixed (commuted sum)	£700,000	£610,000	£630,000	£585,000
10b: 10 mixed (on site provision)	£420,000	£375,000	£385,000	£360,000

Correction

The table on page 19 of Appendix D in the Original March 2012 Report is incorrect, and should read:

“Table D1. Effect of CIL on Residual Land Value Assuming Different Levels of CIL- 2011”

Scheme	Benchmark	Nil CIL	Recommended CIL	25% Decrease in Recommended CIL	25% Increase in Recommended CIL
Urban					
1: 1 house	£18,000	£75,000	£54,000	£59,000	£48,000
2: 14 houses	£205,000	£900,000	£715,500	£760,000	£670,000
3: 50 houses	£740,000	£1,200,000	£883,500	£960,000	£805,000
4: 125 flats	£930,000	£1,800,000	£1,233,800	£1,375,000	£1,090,000
5: 125 mixed	£2,000,000	£2,850,000	£2,040,000	£2,240,000	£1,830,000
Riverside					
6: 500 mixed	£4,500,000	£7,300,000	£4,600,000	£5,300,000	£3,900,000
Rural					
8: 1 house	£30,000	£166,000	£136,000	£142,000	£130,000
9a: 4 houses (commuted sum)	£110,000	£300,000	£255,000	£265,000	£245,000
9b: 4 houses (on site provision)	£110,000	£335,000	£312,000	£320,000	£305,000
10a: 10 mixed (commuted sum)	£185,000	£700,000	£606,000	£630,000	£585,000
10b: 10 mixed (on site provision)	£185,000	£420,000	£373,000	£385,000	£360,000

4. On page 22 of Appendix D in the Report:

"Urban Area, 30% Affordable Housing, 2011, No Grant"

Scheme 7. 1000 Mixed Strategic Regeneration

		Residual			£13,253,971		Land Value: £16,500,000	
		GDV%						
		-10.00%	-5.00%	0.00%	5.00%	10.00%		
Cap Costs	-10.00%	£1,966,188	£8,101,145	£14,236,103	£20,371,060	£26,506,017		
	-5.00%	£1,475,123	£7,610,080	£13,745,037	£19,879,994	£26,014,952		
	0.00%	£984,057	£7,119,014	£13,253,971	£19,388,929	£25,523,886		
	5.00%	£492,991	£6,627,949	£12,762,906	£18,897,863	£25,032,820		
	10.00%	£1,926	£6,136,883	£12,271,840	£18,406,797	£24,541,755		

Correction

Please see our Addendum Report for the assessed CIL rates.

5. On page 25 of Appendix D in the Report:

"Viability by Value Area (2011) With Grant"

"Urban Area, 30% Affordable Housing, 2011, With Grant"

Scheme 7. 1000 Mixed Strategic Regeneration

		Residual			£25,792,348		Land Value: £16,500,000	
		GDV%						
		-10.00%	-5.00%	0.00%	5.00%	10.00%		
Cap Costs	-10.00%	£13,250,727	£20,012,603	£26,774,479	£33,536,355	£40,298,231		
	-5.00%	£12,759,661	£19,521,537	£26,283,413	£33,045,289	£39,807,165		
	0.00%	£12,268,596	£19,030,472	£25,792,348	£32,554,224	£39,316,100		
	5.00%	£11,777,530	£18,539,406	£25,301,282	£32,063,158	£38,825,034		
	10.00%	£11,286,464	£18,048,340	£24,810,217	£31,572,093	£38,333,969		

Correction

Please see our Addendum Report for the assessed CIL rates.

6. On page 30 of Appendix D in the Report:

"Viability by Development Scenario Area (2016) With Grant"
"Urban Area, 30% Affordable Housing, 2016, With Grant"

Scheme 7. 1000 Mixed Strategic Regeneration

		Residual	£38,828,322	Land Value:	£16,500,000	
		GDV%				
		-10.00%	-5.00%	0.00%	5.00%	10.00%
Cap Costs	-10.00%	£24,186,752	£32,030,655	£39,874,558	£47,718,461	£55,562,364
	-5.00%	£23,663,634	£31,507,537	£39,351,440	£47,195,343	£55,039,246
	0.00%	£23,140,516	£30,984,419	£38,828,322	£46,672,225	£54,516,128
	5.00%	£22,617,398	£30,461,301	£38,305,204	£46,149,107	£53,993,010
	10.00%	£22,094,281	£29,938,184	£37,782,087	£45,625,990	£53,469,893

Correction

Please see our Addendum Report for the assessed CIL rates.

7. Additional Tables & Graphs

The Council has asked that we provide some additional information and analysis of the findings within our main Report. These are as follows:

Table 1A: Summary of the GIA (Sq M) of the Residential Development Typologies

Typology	Land Uses	GIA Sq M
Urban Area		
Scheme 1	1 residential dwelling (house)	105
Scheme 2	14 residential dwellings (houses)	923
Scheme 3	50 residential dwellings (mixed)	3,165
Scheme 4	125 residential dwellings (flats)	5,662
Scheme 5	125 residential dwellings (mixed)	8,105
Scheme 7	1,000 residential dwellings (mixed)	
Riverside Site		
Scheme 6	500 residential dwellings (mixed)	27,230

Typology	Land Uses	GIA Sq M
South of A2 / Greenbelt		
Scheme 8	1 residential dwellings (house)	150
Scheme 9a	4 residential dwellings (houses): commuted sum	450
Scheme 9b	4 residential dwellings (houses): intermediate housing provision	225
Scheme 10a	10 residential dwellings (mixed): commuted sum	940
Scheme 10b	10 residential dwellings (mixed): intermediate housing provision	470

**Table 1B: Maximum CIL Available by Scheme (£ per Sq M per GIA of Private Dwelling).
 2011 and 2016, No Grant**

	Maximum CIL Available (£psm)	Maximum CIL Available (£psm)
	2011	2016
Urban		
Scheme 1	£540	£570
Scheme 2	£750	£820
Scheme 3	£150	£170
Scheme 4	£150	£110
Scheme 5	£100	£150
Scheme 6	£110	£200
Rural		
Scheme 8	£810	£870
Scheme 9 50% Commut Sum	£370	£560
Scheme 9 100% Shared own	£450	£530
Scheme 10 50% Commut Sum	£380	£400
Scheme 10 100% Shared own	£240	£240

Figure 2: Maximum CIL Available by Scheme (£ per Sq M per GIA of Private Dwelling). Current Values & Costs (2011), No Grant

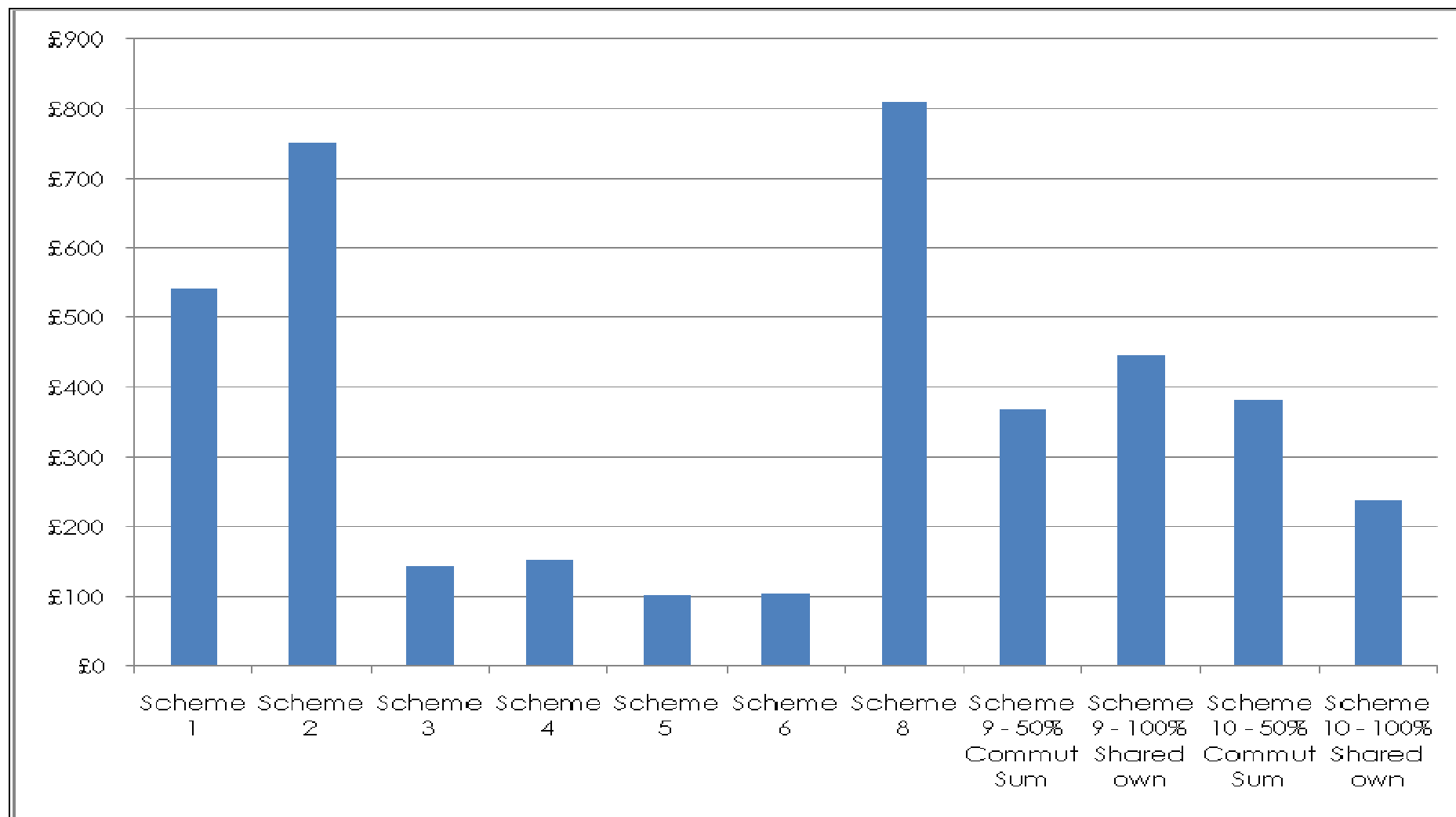
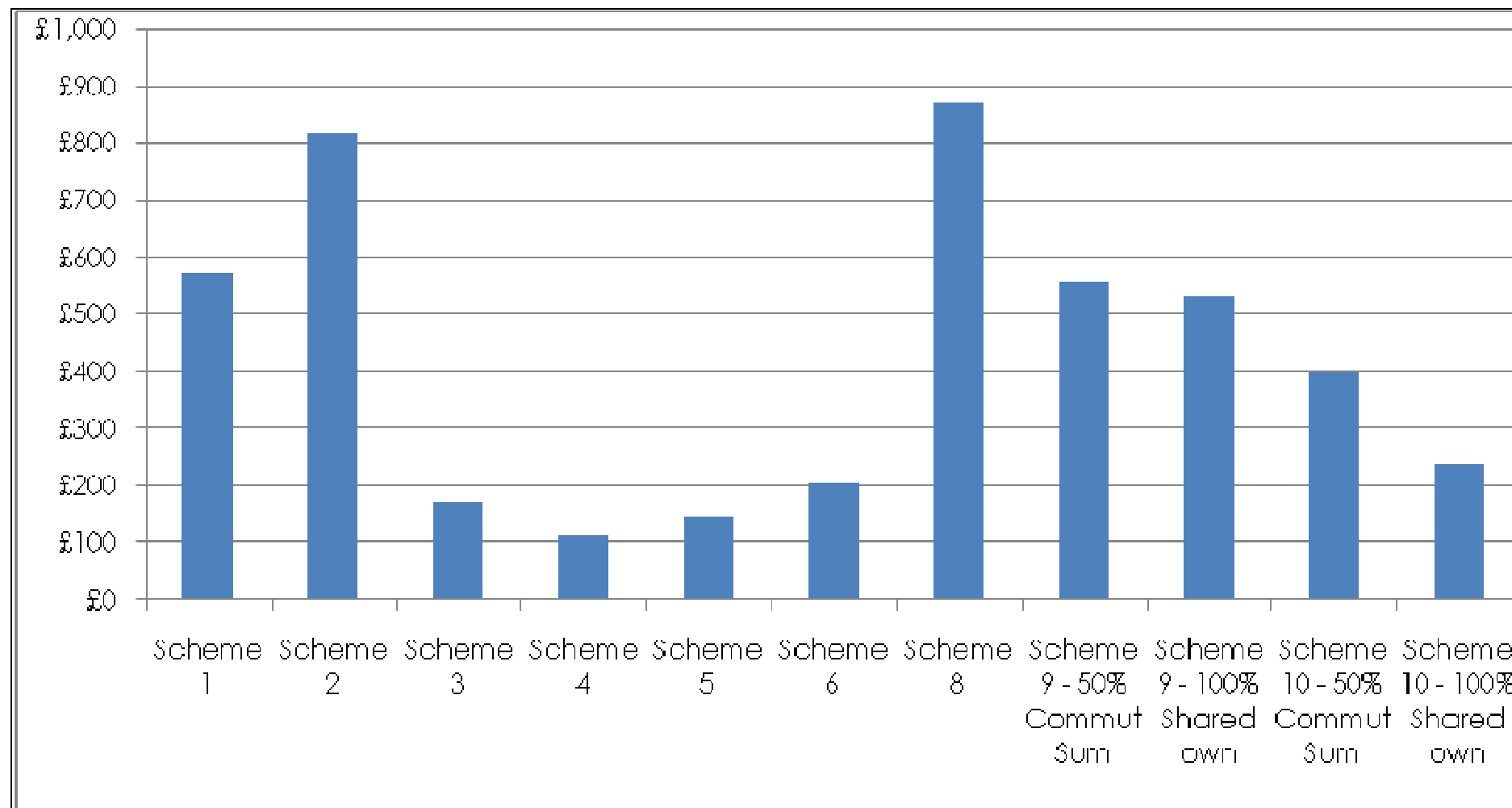


Figure 3: Maximum CIL available by Scheme (£ per Sq M per GIA of Private Dwelling) Future 2016 Values & Costs, No Grant



Corrections

On page 20 of Appendix D we have been asked for a table which shows the recommended CIL as a percentage of GDV and Development costs for each scheme.

Table 1C CIL as a % of GDV and Costs. Current (2011) No Grant

	CIL as % of GDV		CIL as % of Development Cost	
	Maximum CIL Charge	Proposed CIL Charge	Maximum CIL Charge	Proposed CIL Charge
Scheme 1	21%	8%	44%	17%
Scheme 2	21%	6%	45%	12%
Scheme 3	5%	3%	8%	6%
Scheme 4	6%	3%	9%	6%
Scheme 5	3%	3%	6%	6%
Scheme 6	3%	3%	5%	4%
Scheme 8	30%	7%	88%	21%
Scheme 9 50% Commuted Sum	13%	8%	26%	16%
Scheme 9 100% Shared Ownership	13%	3%	35%	8%
Scheme 10 50% Commuted sum	17%	9%	59%	32%
Scheme 10 100% Shared Ownership	1%	2%	8%	16%

Table 1D CIL as a % of GDV and Costs. Current (2011), With Grant

	CIL as % of GDV		CIL as % of Development Cost	
	Maximum CIL Charge	Proposed CIL Charge	Maximum CIL Charge	Proposed CIL Charge
Scheme 3	11%	3%	21%	6%
Scheme 4	14%	3%	25%	6%
Scheme 5	12%	3%	23%	6%
Scheme 6	7%	3%	12%	4%

Table 1E CIL as a % of GDV and Costs. Future (2016), No Grant

	CIL as % of GDV		CIL as % of Development Cost	
	Maximum CIL Charge	Proposed CIL Charge	Maximum CIL Charge	Proposed CIL Charge
Scheme 1	21%	7%	46%	16%
Scheme 2	22%	5%	46%	11%
Scheme 3	6%	3%	9%	5%
Scheme 4	4%	3%	6%	5%
Scheme 5	5%	3%	8%	5%
Scheme 6	6%	3%	10%	4%
Scheme 8	30%	7%	87%	20%
Scheme 9 50% Commuted Sum	20%	8%	39%	15%
Scheme 9 100% Shared Ownership	13%	3%	19%	4%
Scheme 10 50% Commuted sum	17%	9%	31%	16%
Scheme 10 100% Shared Ownership	3%	3%	9%	8%

Table 1F CIL as a % of GDV and Costs. Future (2016), With Grant

	CIL as % of GDV		CIL as % of Development Cost	
	Maximum CIL Charge	Proposed CIL Charge	Maximum CIL Charge	Proposed CIL Charge
Scheme 3	12%	3%	22%	5%
Scheme 4	11%	3%	17%	5%
Scheme 5	11%	3%	20%	5%
Scheme 6	12%	3%	20%	4%