**WARWICK CIL – ADDITIONAL INFORMATION FOR EXAMINER**

During the examination in public on 6 July 2017, the Examiner requested additional information to assist him in his consideration of Warwick District Council, as follows:

1. Justification for the assumed level of residual Section 106 obligations
2. Additional appraisals of 150 and 250 units on greenfield and brownfield land
3. Expanded version of Table 4.4.3
4. Viability model for older persons’ housing (30 to 50 units)
5. Review of definitions of retail use

This note addresses points 2 to 4.

**2. Additional appraisals of 150 and 250 units on greenfield and brownfield land**

The results of our additional appraisals are attached as Appendix 1. These appraisals reflect the inputs adopted in the main Viability Study, with the exception of the following:

* Extended build period of 30 months for 150 unit schemes and 36 months for 200 unit schemes;
* Extended sales period of 30 months for 150 unit schemes and 36 months for 200 unit schemes;
* Unit mix of 30% two beds, 50% three beds and 20% four beds for greenfield sites, with a density of 35 units per hectare;
* Unit mix of 20% one bed flats, 40% two bed flats, 35% three bed houses and 5% four bed houses, with a density of 40 units per hectare.

These appraisals indicate that the capacity of sites of this scale to absorb the proposed CIL rates is no different to that of the other sites tested in the Viability Study.

**3. Expanded version of Table 4.4.3**

We provide the ranges of achieved sales values (maximum, average and minimum) in the table below.

**Expanded Table 4.4.3**

|  |  |  |  |
| --- | --- | --- | --- |
| Area | Maximum | Average | Minimum |
| Warwick & East Leamington Spa | £5,198 | £3,073 | £2,319 |
| Most of Leamington Spa | £4,120 | £3,971 | £3,936 |
| Kenilworth | £5,006 | £3,584 | £2,304 |
| Rural - higher value | £6,279 | £4,236 | £4,032 |
| Rural - lower value | £3,815 | £3,262 | £2,599 |

**4. Viability model for older persons’ housing (30 to 50 units)**

We have run additional appraisals of a development for occupation by older people, typical of the types of scheme developed by McCarthy & Stone and Churchill Living. The main differences between this type of development and ‘general purpose’ residential schemes are as follows:

* A building gross to net ratio of 70% to 80%, compared to a more typical 85% for a general purpose development;
* Slightly slower sales rates (we have assumed the sales period will extend from 12 months to 18 months;
* Increased marketing costs (budget increased from 3% to 6%);
* Higher density of development due to reduced car parking and private amenity space (100 dwellings per hectare compared to 60 dwellings per hectare for general purpose residential developments;
* Premium values achieved (we have assumed a 15% uplift in line with the guidance produced by the Retirement Housing Group[[1]](#footnote-1)

The results of our appraisals are attached as Appendix 2. These results show that retirement housing schemes are marginally more viable in comparison to general purpose flatted developments (please see Table 6.7.9 in the main Viability Study).

BNP Paribas Real Estate

19 July 2017

**Appendix 1: Additional typologies results (150 and 200 units) – maximum CIL rates**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Site type** | **Type 10 - 150 units - greenfield** | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **BLV1** | | | | | **BLV2** | | | | | **BLV3** | | | | | **BLV4** | | | | |
|  | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** |
| Warwick | nv | nv | nv | 20 | 120 | nv | 40 | 180 | 280 | 300 | nv | 120 | 260 | 300 | 300 | 60 | 200 | 300 | 300 | 300 |
| Leamington Spa | 160 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Kenilworth | nv | 80 | 240 | 300 | 300 | 260 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (higher value) | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (lower value) | nv | nv | 20 | 160 | 260 | 20 | 180 | 300 | 300 | 300 | 100 | 260 | 300 | 300 | 300 | 200 | 300 | 300 | 300 | 300 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Site type** | **Type 11 - 150 units - brownfield** | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **BLV1** | | | | | **BLV2** | | | | | **BLV3** | | | | | **BLV4** | | | | |
|  | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** |
| Warwick | nv | nv | nv | 60 | 160 | nv | 20 | 160 | 260 | 300 | nv | 80 | 220 | 300 | 300 | nv | 140 | 260 | 300 | 300 |
| Leamington Spa | 200 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Kenilworth | nv | 120 | 280 | 300 | 300 | 220 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (higher value) | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (lower value) | nv | nv | 60 | 180 | 300 | nv | 160 | 300 | 300 | 300 | 60 | 220 | 300 | 300 | 300 | 120 | 280 | 300 | 300 | 300 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Site type** | **Type 12 - 200 units - greenfield** | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **BLV1** | | | | | **BLV2** | | | | | **BLV3** | | | | | **BLV4** | | | | |
|  | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** |
| Warwick | nv | nv | nv | 0 | 120 | nv | 40 | 180 | 280 | 300 | nv | 120 | 240 | 300 | 300 | 40 | 200 | 300 | 300 | 300 |
| Leamington Spa | 140 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Kenilworth | nv | 60 | 240 | 300 | 300 | 260 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (higher value) | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (lower value) | nv | nv | 0 | 140 | 240 | 0 | 180 | 300 | 300 | 300 | 100 | 260 | 300 | 300 | 300 | 200 | 300 | 300 | 300 | 300 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Site type** | **Type 13 - 200 units - brownfield** | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **BLV1** | | | | | **BLV2** | | | | | **BLV3** | | | | | **BLV4** | | | | |
|  | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** | **40%** | **30%** | **20%** | **10%** | **0%** |
| Warwick | nv | nv | nv | 40 | 160 | nv | 20 | 140 | 260 | 300 | nv | 80 | 200 | 300 | 300 | nv | 140 | 260 | 300 | 300 |
| Leamington Spa | 200 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Kenilworth | nv | 120 | 280 | 300 | 300 | 220 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (higher value) | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Rural areas (lower value) | nv | nv | 40 | 180 | 280 | nv | 160 | 280 | 300 | 300 | 40 | 220 | 300 | 300 | 300 | 120 | 280 | 300 | 300 | 300 |

**Appendix 2: Older persons’ housing – maximum CIL rates**

**Scheme 1: 30 units**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | BLV1 | | | | | BLV2 | | | | | BLV3 | | | | | BLV4 | | | | |
|  | 40% | 30% | 20% | 10% | 0% | 40% | 30% | 20% | 10% | 0% | 40% | 30% | 20% | 10% | 0% | 40% | 30% | 20% | 10% | 0% |
| Warwick | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv |
| Leamington Spa | nv | nv | 160 | 300 | 300 | nv | 60 | 280 | 300 | 300 | nv | 80 | 300 | 300 | 300 | nv | 120 | 300 | 300 | 300 |
| Kenilworth | nv | nv | nv | 60 | 220 | nv | nv | nv | 160 | 300 | nv | nv | 0 | 180 | 220 | nv | nv | 20 | 200 | 300 |
| Rural areas (higher value) | nv | 140 | 300 | 300 | 300 | nv | 280 | 300 | 300 | 300 | 20 | 300 | 300 | 300 | 300 | 40 | 300 | 300 | 300 | 300 |
| Rural areas (lower value) | nv | nv | nv | nv | nv | nv | nv | nv | nv | 60 | nv | nv | nv | nv | nv | nv | nv | nv | nv | 100 |

**Scheme 2: 50 units**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | BLV1 | | | | | BLV2 | | | | | BLV3 | | | | | BLV4 | | | | |
|  | 40% | 30% | 20% | 10% | 0% | 40% | 30% | 20% | 10% | 0% | 40% | 30% | 20% | 10% | 0% | 40% | 30% | 20% | 10% | 0% |
| Warwick | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv | nv |
| Leamington Spa | nv | nv | 160 | 300 | 300 | nv | 60 | 280 | 300 | 300 | nv | 120 | 300 | 300 | 300 | nv | 120 | 300 | 300 | 300 |
| Kenilworth | nv | nv | nv | 60 | 220 | nv | nv | nv | 160 | 300 | nv | nv | 0 | 180 | 300 | nv | nv | 20 | 200 | 300 |
| Rural areas (higher value) | nv | 140 | 300 | 300 | 300 | nv | 280 | 300 | 300 | 300 | 20 | 300 | 300 | 300 | 300 | nv | 300 | 300 | 300 | 300 |
| Rural areas (lower value) | nv | nv | nv | nv | nv | nv | nv | nv | nv | 60 | nv | nv | nv | nv | 80 | nv | nv | nv | nv | 100 |

Note: n/v = not viable

1. ‘*Community Infrastructure Levy and Sheltered Housing/Extra Care Developments: A briefing note on viability prepared for Retirement Housing Group by Three Dragons’* May 2013, amended February 2016 [↑](#footnote-ref-1)