

Basingstoke and Deane Borough Council  
Community Infrastructure Levy Schedule Examination

Hearing Statement

Matter 3: Residential Levy Rates

Representations on behalf of Basingstoke and Deane Borough Council and Hampshire County Council as joint leaseholders at Manydown in Basingstoke

- 1. What particular part of the schedule is unviable / unrealistic?**
  - 1.1 The proposed £50 / square metre residential levy for Manydown is considered to be unviable and unrealistic. This statement provides further supporting evidence in relation to Matter 3 (issues 13, 15 and 18) of the Examiner's matters and issues from Hampshire County Council and Basingstoke and Deane Borough Council, as joint leaseholders at Manydown in Basingstoke.
  
- 2. Why does it fail?**
  - 2.1 Supplementary information is submitted to assist the Examiner's understanding of the magnitude of, and reasons for, the differences in infrastructure and Section 106 assumptions between the local planning authority and the Councils as leaseholders. These points have been summarised in representations to date and benefit from being a 'live' example with cost consultant advice and which has been submitted as an outline planning application.
  
  - 2.2 Infrastructure Costs
    - 2.2.1 Costs include site preparation and opening up costs, primary access infrastructure, drainage infrastructure and utility works. They are direct costs to the developer(s) or utility provider and include allowances for preliminaries (13%), contractor overheads and profit (7%), surveys, fees and investigations (12%) and risk contingency (10%). Based on inflation-adjusted Q4 2017 prices, the operating totals are as follows:  
  
*Site Preparation*
      - 2.2.2 Costs allowed for include demolition and removal of existing structures, remediation, site clearance, re-profiling the land, construction haul road, tree protection works, archaeological mitigation and ecological mitigation.
      - 2.2.3 Site-specific factors influencing the costs include the presence of significant areas of archaeology, sloping topography and the length of haul road required, due to the size and shape of the site.
      - 2.2.4 The total for this element is in the order of approximately **£16,000,000**.  
*Site infrastructure*
      - 2.2.5 Costs allowed for include the main spine road corridor and associated public realm, plus primary access junctions to land parcels and on-site walking / cycling infrastructure.
      - 2.2.6 Site-specific factors include the length and specification of spine road which serves a strategic function, as well as a strong 'place-making' function as a street, to include generous footways, cycle ways and hard and soft landscape along its route.

2.2.7 The total for this element is in the order of approximately **£32,000,000**.

*Drainage*

2.2.8 Costs allowed for include a comprehensive strategy for Sustainable Drainage Systems and flood management measures.

2.2.9 Site-specific factors include the requirement for a nil detriment solution to the Buckskin Loddon catchment to the south east of the site, requiring a rainwater capture system for all homes and tanked storage of storm water in the southern portion of the site.

2.2.10 The total for this element is in the order of approximately **£29,000,000**.

*Utilities*

2.2.11 Costs allowed for include on-site diversion and off-site reinforcement of utilities and services, including electricity, gas, water supply and foul water drainage.

2.2.12 Site specific factors include extensive off-site upgrades to the Thames Water foul water network across the town to the Waste Water Treatment Works at Whitmarsh Lane and service diversions for electricity and gas infrastructure.

2.2.13 The total for this element is in the order of approximately **£32,000,000**.

*Total*

2.2.14 The combined infrastructure costs are in the order of approximately **£109,000,000**. It is worth adding that these figures are dynamic and represent current estimates.

*Table 1: Infrastructure Cost Summary*

|                     |                     |
|---------------------|---------------------|
| Site preparation    | £16,000,000         |
| Site infrastructure | £32,000,000         |
| Drainage            | £29,000,000         |
| Utilities           | £32,000,000         |
| <b>Total</b>        | <b>£109,000,000</b> |

2.3 Section 106 costs

2.3.1 Section 106 costs include contributions and direct delivery of infrastructure needed to make the development acceptable in planning terms or as otherwise set out in policy requirements, based upon the local planning authority's Infrastructure Delivery Plan (IDP), the adopted Local Plan and consultee responses to the submitted outline planning application. The local planning authority's Infrastructure Delivery Plan (IDP) sets out the broad list of requirements and the Regulation 123 List makes clear that many items related to the development at Manydown are excluded from CIL.

2.3.2 In view of the uncertainty regarding the treatment of CIL, the costs below assume that all items are included within planning agreements or secured through direct delivery. Current areas of overlap with the Regulation 123 List include an indoor sports facility, the country park which is discussed elsewhere and some community uses; however these elements make up less than 10% of the total Section 106 costs below. Formulaic contributions are based upon the current application for 3,200 homes and will increase, taking into account other development within the SS3.10 allocation. Capital items for the developer(s) include allowances for preliminaries (13%), contractor overheads and profit (7%), surveys, fees and investigations (12%) and risk contingency (10%).

#### *Education*

2.3.3 Section 106 costs include secondary land and contributions, primary school land and contributions and early years / nursery land and contributions, based on standard formula set out in the County Council's 'Developer Contributions Towards Children's Services Facilities' (May 2017). Secondary school contributions have not been required for some years however available capacity is forecast to reduce during the Plan period and the education authority has therefore requested contributions from the site.

2.3.4 The total for education is in the order of approximately **£55,000,000**.

#### *Community Uses*

2.3.5 Section 106 costs include a small off-site contribution to upgrading libraries and providing a community development worker. Other community provisions include land and build costs for on-site local healthcare (GP surgery), two community halls and an on-site sports hall with changing facilities. Currently these are estimated as capital costs for the development.

2.3.6 The total for community uses is in the order of approximately **£15,000,000**.

#### *Green Infrastructure*

2.3.7 Infrastructure costs include making provision for a 101 hectare country park which is a requirement of the adopted Local Plan policy and within the outline planning application boundary; provision of allotments; play areas; outdoor sports facilities including a pavilion and car parking; site landscaping; off-site improvements to public rights of way; and a serviced site for gypsy and traveller pitches.

2.3.8 The total for green infrastructure is in the order of approximately **£22,000,000**. This excludes any commuted sums for maintenance.

*Transport*

2.3.9 Construction costs include the primary access junctions to the site from the A339, B3400 and Roman Road. The scale and cost of these junctions has increased significantly since being tested within the Local Plan Transport Assessment. Section 106 / 278 costs include improvements to several off-site junctions as set out in the Transport Assessment submitted with the outline planning application, plus public transport contributions, travel planning measures, off-site walking / cycling routes within the urban area and local traffic calming.

2.3.10 The total transport package is in the order of approximately **£23,000,000**.

*Total*

2.3.11 The combined Section 106 and implementation costs are in the order of approximately **£115,000,000**, equating to approximately £36,000 per dwelling based on the submitted outline planning application for 3,200 homes. Based on 3,400 homes the cost per dwelling would reduce to approximately £34,000 per dwelling but it is worth noting that this does not take account of any consequent increase in formulaic contributions. In any event, there is an unusually large difference between the project example and the local planning authority's assumptions. Whilst there is some overlap with the Regulation 123 List as currently drafted, the overlap represents less than 10% of the estimated total Section 106 costs and does not significantly alter the picture presented.

*Table 2: Section 106 Cost Summary*

|                      |                     |
|----------------------|---------------------|
| Education            | £55,000,000         |
| Community            | £15,000,000         |
| Green Infrastructure | £22,000,000         |
| Transport            | £23,000,000         |
| <b>Total</b>         | <b>£115,000,000</b> |

**3. How could the schedule be made viable / realistic reasonable?**

3.1 The change that is sought is to apply a £0 / square metre residential levy rate for the SS3.10 allocation at Manydown in Basingstoke, consistent with earlier representations.