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Representations to the Draft CIL Charging Schedule

On Behalf of:

Handforth Parish Council

November 2017

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For and on behalf of GVA Grimley Limited

1. Introduction

- 1.1 GVA have been commissioned by Handforth Parish Council to prepare representations to the Draft Cheshire East Community Infrastructure Levy (CIL) Charging Schedule on their behalf.
- 1.2 Specific concern was noted by Handforth Parish Council regarding the conclusion drawn within the Draft CIL Charging Schedule of a £0 levy within the Handforth area generally, but also specifically in relation to the North Cheshire Growth Village (referenced as LPS 33 within the Draft CIL).
- 1.3 By way of context to these representations, the Cheshire East Local Plan was adopted in July 2017 covering the period 2010 to 2030. The Local Plan sets out the overall vision and planning strategy for development in the borough and contains planning policies to ensure that new development addresses the economic, environment and social needs of the area. It identifies the scale of growth envisaged over the plan period, and identifies strategic sites and strategic locations in that context.
- 1.4 Cheshire East is generally characterised by its many smaller towns, each with its own distinctive history, character and form. The Local Plan clearly identifies these settlements as being critical to the prosperity of the borough as a whole. These towns serve as Key Service Centres including a good range of facilities including shops, schools, and cultural and leisure provision. The Key Service Centres across Cheshire East include Handforth, along with Alsager, Congleton, Knutsford, Middlewich, Nantwich, Poynton, Sandbach and Wilmslow.
- 1.5 As a Key Service Centre the Local Plan anticipates Handforth to accommodate in the order of 22 hectares of employment land and 2,200 new homes (Policy PG7). Highways improvements are also proposed for the A34 and A55 corridors.
- 1.6 The Local Plan identifies two major development sites / strategic locations in Handforth – North Cheshire Growth Village (Handforth East) and 'Land between Clay Lane and Sagars Road'.
- 1.7 In summary, the North Cheshire Growth Village is envisaged as a sustainable village with ability to deliver 1,500 new homes across a range of types and tenures, up to 12 hectares of employment land, and a new mixed-use local centre(s).
- 1.8 The land between Clay Lane and Sagars Road is identified to have the potential to deliver 250 dwellings.
- 1.9 This report has been prepared by GVA drawing on expertise across our development, valuation and quantity surveying business units as required. The scope of work undertaken has included:

- Review of documents out for consultation including:
 - Cheshire East Council CIL Draft Charging Schedule including the draft list of items to be funded via CIL (the regulation 123 list)
 - Relevant evidence to support the CIL Draft Charging Schedule
 - Other Cheshire East Council Local Plan evidence base where appropriate
- Review of methodology followed within the Draft CIL, and the extent to which we consider it to be appropriate and aligned with national guidance and best practice.
- Critique of the geography assumed within the Draft CIL, in particular the basis for the grouping of settlements into strategic areas and the specific impact that that has within the evidence base on the treatment of Handforth.
- Due diligence of the cost and value analysis included within the Draft CIL, with specific regard to: the latest position based on comparable evidence, and the impact of geographical grouping on the specific noted values within Handforth including significance in relation to the conclusions drawn within the Draft CIL for Handforth (lack of viability).

1.10 The remainder of this document is structured as follows:

- Section 2 – Summary of Proposed CIL Charging in relation to Handforth
- Section 3 – Findings of Review and Analysis
- Section 4 – Summary of Representations

2. Summary of Proposed CIL Charging

2.1 Cheshire East Council is out to consultation on their proposed CIL Charging Schedule. This main document is supported by a suite of supporting evidence base. In summary the key documents considered and forming the focus of these representations include:

- Cheshire East Council Community Infrastructure Levy Draft Charging Schedule (September 2017)
- Cheshire East Council CIL Draft Charging Schedule Report (August 2017)
- Cheshire East Council Preliminary Draft Charging Schedule Draft Viability Assessment (Updated) (August 2017)
- Cheshire East Council Preliminary Draft Charging Schedule Draft Viability Assessment (February 2017)

2.2 As noted within the Draft Charging Schedule (Sept 2017) (referred to in the remainder as 'Draft CS'), CIL is a planning charge on new development established to enable the delivery (via funding) of infrastructure. A planning charge, once adopted, is levied on development based on scale, type, and by area (depending on local circumstances and the nature of CIL adopted). Once adopted CIL is mandatory and non-negotiable for all development over 100sqm in size or for any single house or flat of any size unless built by a self-builder.

2.3 Under the CIL regulations, local authorities are asked to identify a list of projects and types of infrastructure that are to be funded in part or wholly through CIL – known as the 'Regulation 123' list.

2.4 Cheshire East Council are proposing to retain their existing Section 106 (S106) system to continue to apply for affordable housing and for site-specific measures including e.g. open space and play areas, not identified to be collectable through CIL to ensure that development is acceptable in planning terms.

2.5 The Draft CS identifies Handforth to fall within Zone 1, with a £0 proposed rate of CIL on all Residential (Use Class C3) development. It notes a charge of £66 per square metre for retail uses within Zone 1 including Handforth Dean in Handforth, and £0 across all other uses including B Use Class employment activities (B1, B2, B8 – offices, industrial, storage and distribution) across Cheshire East.

2.6 In addition, the Draft CS notes that a number of strategic development sites should be subject to a zero CIL – these sites, listed at Page 10 and 11, include LPS 33 North Cheshire Growth Village.

- 2.7 The CIL allows for a portion of monies raised to be portioned off for local neighbourhood spend. Where Neighbourhood Plans are in place 25% of monies will be put in place. Where there is no Neighbourhood Plan, 15% of monies raised or a maximum of £100 per existing dwelling, will be spent on local priorities. These monies can be spent, by Parish and Town Councils, on items that 'support the development of the area'. For Parish Councils such as Handforth this can be a critical source of funding to invest in the local area – particularly given the scale of development envisaged in the area and the likely need for supporting infrastructure locally.
- 2.8 It is the opinion of the Handforth Parish Council that the conclusions drawn around both Handforth generally and LPS 33 North Cheshire Growth Village – specifically the zero CIL charge proposed – are not reflective of the local market. The basis of this opinion is documented in the following section.
- 2.9 The Parish Council notes and supports the identification of a levy on proposed development at LPS 34 'Land between Clay Lane and Sagars Road', but aligned with the previous point and evidence presented in Section 3 assert that this charge should be reviewed in light of evidence of local values and increased accordingly.

3. Findings of Review and Analysis

3.1 GVA have undertaken a review of the evidence base submitted as part of the suite of documents underpinning the Draft CS. This has focused primarily on the following two documents:

- Cheshire East Council CIL Draft Charging Schedule Report (August 2017)
- Cheshire East Council Preliminary Draft Charging Schedule Draft Viability Assessment (Updated) (August 2017)

3.2 In addition the review has drawn upon wider existing Cheshire East Council evidence base including:

- Cheshire East Strategic Housing Market Assessment (SHMA) (2013)

3.3 The findings of the review as undertaken are summarised in the remainder of this section.

3.4 It is noted that consultation has previously been undertaken by Cheshire East Council on the methodology outlined in the Preliminary Draft Charging Schedule (PDCS) and as such no significant representations are made around general methodology within this document.

3.5 No concerns are noted generally on review by GVA around the process followed including the preparation of Residual Land Value appraisals and specifically the identification of Very Low – Low – Medium – High – Prime market locations, testing of different sized sites, and Brownfield and Greenfield scenarios. However, on review a number of assumptions built into the methodology are questioned, with direct implications for the conclusions drawn around potential supportable CIL as a result.

3.6 Specifically these relate to:

- The application of a per square foot value of £225 for residential development within Handforth (as an identified 'High' value zone) relate to identified comparable values being achieved;
- Concerns noted with a number of cost and delivery assumptions within the residential land value appraisals;
- The shift in conclusions around the ability of 'High' value zone locations to support CIL from the February 2017 Preliminary Draft Charging Schedule viability report to the Draft CS; and
- The ambiguity of assumptions applied within the LPS33 Cheshire Growth Village Residual Land Value appraisal.

3.7 It should be noted that the evidence compiled and conclusions presented within these representations may relate to more than one location across Cheshire East, but they are presented in the context of Handforth only in the remainder of this representation.

Value Assumptions

3.8 The Draft CS is based on assumptions around both the grouping of wards into value zones, and then the application of a per square metre / per square foot net sales price within Residual Land Value appraisals.

3.9 Handforth has been grouped within the 'High' value zone. Whilst GVA note that based on the latest available average house price data from Rightmove (based on data sourced from HM Land Registry) (October 2017), there are examples within this group which underperform compared to Handforth as demonstrated in the table below, the grouping is not challenged in general.

Table 3.1: Average House Prices (All Houses) by Area

	Detached	Semi-detached	Terrace	Average (all house types)
Macclesfield	£386,525	£211,374	£151,542	£212,259
Congleton	£293,945	£175,399	£140,831	£205,294
Handforth	n/a	£259,879	£194,045	£215,896

Source: HM Land Registry via Rightmove, October 2017

3.10 What is of concern is the specific nature of the market that average house price analysis such as that summarised in Table 3.1 is masking, with particular reference to Handforth.

3.11 It is noted, for example, that the figures included in Table 3.1 do not include sales values of detached houses in Handforth – based on a limited number of transactional activity of properties of this kind.

3.12 It is further noted that the analysis includes re-sale values in addition to new build house price data.

3.13 Further consideration of HM Land Registry data adds further depth to this analysis. Specifically the following is noted:

- No data recorded in relation to new build detached or semi-detached houses in postcode sector SK9 3 since 2013. This single sale in 2013 was for a £455,000 detached house;

- Over 280 instances of re-sale detached or semi-detached houses in postcode sector SK9 3 at an average value of £285,664 since 2013; and
 - Average re-sale values of £232,417 for semi-detached houses and £324,537 for detached houses – outperforming the averages of Alsager, Congleton, Sandbach and others in Table 3.1 above.
- 3.14 In Table 5.5, pg 67, of the PDCS the evidence supporting the per square metre / per square foot assumptions included in the Residual Land Value analysis which ultimately underpins the Council's CIL conclusions.
- 3.15 Commentary around Table 5.4 and 5.5 of the PDCS is extremely limited, particularly in justification for the value groupings presented. It is notable that no commentary is provided around Handforth. The same is true of Appendix 1 of the August 2017 CIL Draft Charging Schedule Report.
- 3.16 Table 5.5 of the PDCS does not include any comparable values for Handforth – most likely based on a lack of comparable evidence (as noted above in terms of new build sales in SK9 3), but is not documented. However, this is not explained in the text, and no specific conclusions drawn in relation to available evidence. The only other location without comparable evidence presented is Poynton, for which text explanation for inclusion within the 'Prime' value area is included at para 5.42 of the PDCS document.
- 3.17 The text at 5.42 states that based on secondary sales values, it is considered appropriate to position Poynton between Hazel Grove (not identified explicitly within Table 5.4) and Woodford (again, not identified explicitly within Table 5.4), and therefore it is considered to be a Prime value location. This is based on an average sales price of £294,715 in Poynton. As noted above, the average sales price for Handforth – critically noted to be re-sale value – benchmarks just below Poynton, and aligns with the same criteria concluding that Handforth could also be viewed as a Prime value location.
- 3.18 This is specifically relevant as even based on the assumptions as applied within the Draft CS, the Prime value locations of Knutsford, Alderley Edge, Mobberley, Prestbury, Poynton and Wilmslow are deemed able to support an initial proposed rate of CIL of £57 per square metre.
- 3.19 Notwithstanding the above, and in effect irrelevant to the zone within which Handforth was concluded to have been grouped, the latest evidence compiled by GVA as part of the preparation of these representations supports the view that the net sales price per square metre has been underestimated in the CIL calculations.
- 3.20 As noted, there is no comparable evidence available from HM Land Registry regarding new build sales values for Handforth based on postcode sector SK9 3. GVA have however

identified a number of new build schemes currently marketing properties within Handforth – as identified through Rightmove. In each case GVA has had direct discussion with the site developer / promoter to ascertain anticipated sales value relative to asking price and/or any information around properties sold subject to contract.

3.21 The following schemes and values have been identified within Handforth, to be benchmarked with the £225 per square foot identified within the CIL evidence base for Handforth (as a 'High' value zone):

- The Race (off Caldly Road) – small development of four semi-detached houses with marketed sales values in excess of £270 per square foot. The agent / developer suggested they are confident of sales of at least 90% of asking price to asking price based on interest to date.
- The Carriages (Station Road) – small development of townhouses by Jones Homes with sales values advertised in excess of £300 per square foot. The developer is confident of achieving close to asking price.
- Wilmslow Road / Kingston Road – small development of semi-detached properties with marketed sales prices in excess of £300 per square foot. The properties marketed sold subject to contract have been confirmed to have been sold close to the asking price by the selling agent.
- Although we don't have access to per square foot data for the scheme, it is also noted that detached properties off Bulkeley Road have sold in the last 2 years for over £450,000.

3.22 On this basis it is concluded that the average sale price across Handforth has been underestimated within the CIL evidence base – currently assumed to be just £225 per square foot compared to clear evidence to support new build values between £270 and £300 per square foot. It should be noted that the CIL evidence base only assumes values of £275 for the 'Prime' value areas.

3.23 All other things being the same, the values of £300 per square foot and £325 per square foot have been modelled to understand the impact that they would have on the appraisals as presented within the CIL evidence base. These are summarised in the table below.

3.24 For schemes with affordable the figures have only been modelled for open market units (*).

3.25 It is clear on the basis of this headline analysis, all other things being the same (notwithstanding the comments made on the application of a series of assumptions that increase costs and therefore reduce viability – see subsequent sub-section for commentary), that this one assumption has a material impact on the conclusions drawn around viability.

Table 3.2: Impact of Alternative Value Assumptions on Open Market Net Realisation (Higher Value Areas) - £300psqft

Scheme	CIL Evidence Base Residential Value Assumption	Revised Value Assumption
1 – (5 units)	£1,034,990	£1,379,998
2 – (10 units)	£2,193,715	£2,924,977
3 – (25 units)*	£3,937,419	£5,249,936
4 – (50 units)*	£8,201,067	£10,934,846
5 – (75 units)*	£12,104,750	£16,139,800
6 – (150 units)*	£24,569,464	£32,759,556
7 – (250 units)*	£40,937,861	£54,586,069
8 – (500 units)*	£81,841,985	£109,123,548

Cost and Delivery Assumptions Applied

- 3.26 Notwithstanding the above modelling based on an 'all other things being the same' analysis, on review concern has been raised in relation to a number of key assumptions applied within the Residual Land Value appraisals undertaken for 'High' value areas, i.e. which have been applied for the Handforth area.
- 3.27 This review is based on our experience and assumptions that we would consider are most appropriate in the current market and economic climate.
- 3.28 We have summarised below the findings of this review, presented in no particular order. The implications of these comments have not been modelled, given the number of variables identified, however, each in their own right and cumulatively would result in significant cost savings across all of the appraisals included within the CIL evidence base – thereby supporting the view of an improved viability position in reality compared to that presented currently.
- 3.29 When viewed alongside the previous analysis however, this further compounds the opinion that development is more viable in Handforth than is currently presented, and in turn that CIL is more supportable in this location than is currently concluded – i.e. that Handforth can and should support a CIL charge over the plan period.
- 3.30 In no particular order:

- Construction costs – GVA Quantity Surveyors have assessed the build costs used and have confirmed them to be sound based on application of an allowance above basic BCIS costs (15% allowance for external works).
- Contractors profit – 7% considered to be reasonable.
- Finance – 7% considered to be above market rate based on interest rates at time of applying the assumption. The current base rate is at 0.5% (as of 2nd November 2017), with GVA generally applying a finance cost between 4% and 6% on a high level development appraisal of this kind.
- Professional fees – included within build costs as part of the 7% contractor's profit, considered to be a reasonable high level assumption.
- Sales and marketing costs – 3.5% allowance assumed, considered to be a reasonable high level assumption.
- Profit – Different levels of profit have been assumed depending on the size of scheme considered:
 - 5 and 10 units: 17.65% on cost, 15% on GDV – considered to be a relatively standard high level assumption, in reality on this scale developers are likely to accept profit levels closer to 10-15% on cost.
 - 25, 50, 75, 150 units: 25% on cost, 20% on GDV – again considered to be a standard assumption on schemes of this scale and given these are high level appraisals, in reality developers may accept lower profit levels around 17.5% on cost.
- Development Rate – The modelling assumes a build out rate of 60 dwellings per annum. This is considered to be a reasonable assumption on small to medium sized developments, albeit a relatively conservative assumption. Research undertaken by GVA in 2016 into multiple outlet residential developments suggested a much higher rate of delivery. This assumed the potential for 50-99 dwellings to be built out in 2 years; 100-199 dwellings to be built out in 3 years; and 200-299 dwellings to be built out in 4 years

Inconsistent Consideration of High Value Zone CIL Charging

3.31 It is notable that the view on the ability of Handforth to support a CIL charge has been relatively consistent throughout the production of the relevant documentation, but has not been carried through to the Draft CS document.

3.32 Namely the following is noted:

- The original study dated February 2017 identifies Handforth as a 'high' value zone (refer to Table 6.1 page 79). The viability testing for the high value areas is shown in Tables 6.8 (Greenfield) and Table 6.9 (Brownfield). Based on the results the study suggests a

maximum charge of £112psm for Greenfield sites and a zero charge for Brownfield sites (refer to Table 7.2 on page 93).

- The August 2017 update maintains these maximum charges for Zone D (High Value Zone), refer to tables 7.1 and 7.2 (page 92) of the August update, albeit excluding sites sized above 250 units.
- The inclusion of two appraisals for the key strategic sites (LPS33 – North Cheshire Growth Village) and LPS34 (Land between Clay Lane and Sagars Road) within the August 2017 evidence base. The appraisal for LPS 34 North Cheshire Growth Village shows no potential for CIL but this is hardly surprising as there are circa £78m of site wide infrastructure costs (see commentary on this point below). However, the appraisal for LPS34 – Clay Lane and Sagars Road demonstrates a maximum CIL potential of £188psm.

3.33 It would appear based on the above that the £0 CIL charge has been assumed for Handforth based on the appraisal for LPS33 – North Cheshire Growth Village. However, notwithstanding our concerns with this assumption for LPS33 (see text below), this seems a little perverse given that the report clearly identifies that the other strategic site (LPS34) and development of sites less than 250 units clearly have the potential to sustain a CIL charge.

3.34 In this regard it would seem reasonable to consider LPS33 – North Cheshire Growth Village separately, but apply a charge across the rest of the Parish, as the Draft CS assessment clearly demonstrates this to be a viable position.

3.35 As further documented above, we consider this to be an underestimated base – given we consider that values have been underestimated significantly for the area, and costs have in instances been assumed above industry / market norms at the time of writing and forecast for the foreseeable future on that basis.

LPS33 Cheshire Growth Village Assumptions

3.36 It is considered to be appropriate and in line with national guidance and CIL regulations to consider LPS33 Cheshire Growth Village independently of the more general viability analysis. The Regulations permit Charging Authorities to treat major strategic sites as a separate geographical charging zone in recognition of the fact that such sites can result in substantial infrastructure requirements in their own right.

3.37 The following key assumptions are assumed in relation to the Cheshire Growth Village which are questioned based on GVA knowledge and experience:

- Sales values: as noted previously, it is our assertion that the values per square foot assumed within the evidence base is inappropriate based on local market conditions and available comparable evidence base for Handforth.

- Costs (general): as noted previously, it is considered that the cost assumptions provided are relatively high level / over cautious with specific reference to: finance and profit levels assumed.
- Delivery rate: as noted previously, it is considered that the modelling has under-estimated the rate of delivery that could be achieved across the Growth Village. GVA research from 2016 showed that 500+ dwellings can be built out in 8 years via multiple outlets, compared to the flat rate of 60 dwellings per annum assumed by the CIL evidence base. This would have a significant impact on finance costs currently assumed in the model.
- Residential outputs: the appraisal assumes 1,500 units, but the ultimate yield of the site will be determined through future master planning. The adopted Local Plan wording suggests "around 1,500 units" on the site – with flexibility in place to enable delivery above that level if supported through master planning.
- Commercial space: the basis for the 72,000sqm office floor space is not understood based on the land take suggested in policy (reference Site LPS 33 within the adopted Local Plan Strategy page 294). No information is provided in relation to assumptions around vacancy periods, lease breaks, or gross to net rental assumptions. Yield of 8% noted to be cautious in market and based on the fact that the office development would not be delivered speculatively. Retail / food and drink rents considered to be low within current market benchmarks. Similarly to the above, no clarity provided on gross to net rental assumptions, rent free periods or vacancy periods, or lease breaks. It is notable that the viability assessment for LPS 33 includes the delivery of this element, which is clearly observed to be loss-making. In reality it is more appropriate to consider that this element of the allocation would not be delivered until it is viable, utilising grant funding (where available), and/or would be reduced in due course based on viability arguments. Its inclusion at this stage significant skews the view as to whether residential development is viable in this location – by effectively absorbing any profit headroom in the model.
- S106: the modelling assumes S106 contributions in the form of significant allowances of £12,528,000 for education and £15,000,000 for Highways. The source and nature of these assumptions are not known but for the scale of development proposed are considered to be significant and arguably unreasonable. Given their source is not stated and their impact is so significant on overall viability they should have been considered as sensitives in the analysis rather than 'fixes'. Similarly the allowance made for a primary and other substations and services diversions at a cost totalling £4,550,000, allowance of £2525, 000 for pumping station/ rising main, £1500, 000 for restoration of ponds, and an estimated £5,250,000 for enabling works. Costs associated with contributions to a community facility and a health facility at nominal cost – both of which should, in our opinion, have been excluded to be delivered through CIL.

- 3.38 Given the nature of abnormal costs identified for this strategic site – including some £78m of 'other construction' costs allowed for in the model – an alternative appraisal has not been prepared.
- 3.39 Whilst the analysis has identified evidence to support both under-estimated values and over-estimated costs associated with the potential development across the site, it is the abnormal costs identified with the model which have the most material impact on viability. There is, as far as we can see on reviewing all supporting documentation alongside the CIL, no evidence or justification for the figures assumed associated with these abnormal costs. This is hugely significant given these apparent unsubstantiated estimates are the difference between the ability of the site to support CIL or not.
- 3.40 On this basis the Handforth Parish Council assert that without justification or clarity on the basis of the figures provided, these abnormal costs should be at best considered as sensitivities within the analysis enabling a degree of flexibility for the site to support CIL in the event that the costs do not materialise or are not as significant as currently estimated.
- 3.41 This should be considered alongside the noted need to consider and amend current assumptions around values and broad cost assumptions – both of which will enhance viability across this site.

4. Summary of Representations

4.1 In summary the evidence presented as part of this representation has demonstrated the following:

- Values have been underestimated for Handforth generally and sites LPS33 and LPS34 specifically – with direct impact on viability in all cases. The analysis supports the view that a more realistic view on values based on the latest available local data would improve the viability of both sites and any prospective residential development in Handforth this ranges depending on the scale of development proposed, but per unit is summarised as follows:
 - 2 bed value difference of £56,254 per unit;
 - 3 bed value difference of £67,500 per unit; and
 - 4 bed value difference of £97,500 per unit;
- Some cost assumptions are found to have been overestimated across the modelling undertaken, with specific reference to finance (and delivery rates in association) and developer profit levels assumed – again once addressed these will directly impact (improve) on viability in all cases;
- Notwithstanding the above, it is unclear on why the Draft CS has concluded that Handforth cannot support CIL given its own evidence base has consistently demonstrated positive viability. It is concluded that the only basis for the zero charge currently advocated is a mis-application of the conclusion drawn for the LPS33 site. Whilst regulations support the separate consideration of a strategic site within a wider zone and potential for different CIL levels in that context, it does not advocate, suggest or require that the viability identified in relation to the strategic site is representative of the wider area and level of CIL supportable in that context. Notwithstanding the following bullet point, as a minimum the evidence supports the view that Handforth generally can and should have a CIL charge assumption above £0; and
- The £0 CIL assumption for LPS33 is currently being skewed by value and cost assumptions generally (see bullets points 1 and 2 above), but also significantly by unsubstantiated abnormal costs. These costs, included without evidence, result in conclusions around lack of viability. Given the significance of these assumptions on the overall CIL conclusions drawn, they should at best be further evidenced and treated as sensitivities. Given they are uncertain and not fixed or based on definitive information, they should not be the deciding factor in the ability of the site to generate a CIL receipt.

- 4.2 On the basis of the findings of this analysis it is respectively recommended that the conclusions drawn in the CIL around the potential for residential development generally across Handforth be reconsidered and a CIL charge put in place.
- 4.3 In addition it is recommended that a CIL charge is put in place for site LPS 34.
- 4.4 It is further recommended that the process have specific regard to the skewed analysis of viability at LPS 33, with more detailed work and an evidenced basis reported for the assumptions applied around abnormal costs. It is recommended that until this evidence is available and has been consulted on that no conclusions can be drawn specifically around the viability of the site and therefore its ability to support CIL. This should include integration of observations noted within this report around elements which should not be included in the abnormal costs but which would be CIL related, and applying more appropriate evidenced residential values, alongside the wider comments on general cost and delivery assumptions applied.