WEST DORSET COMMUNITY INFRASTRUCTURE LEVY
DRAFT CHARGING SCHEDULE CONSULTATION – REPRESENTATIONS

WYG Planning on behalf of C G Fry & Son Limited

	WYG comment	**BNPPRE response**
2.0	**2.0 July 2012 Representations** WYG reviewed the July 2012 proposed CIL charges within West Dorset and the supporting evidence base produced by BNP Paribas on behalf of C G Fry. The evidence demonstrates that development sites of 250 and 1,500 homes in Chickerell and Crossways would provide a nil return when substituting RLV from Baseline Land Value (BLV) whereas other part of the districts produced a positive return. It was concluded that the evidence base demonstrates a case for a tiered CIL charging schedule within the different study areas but also in the lower value areas for lower or zero CIL rate for urban extensions. Other reported concerns were that a 25% cost for external works should be considered, not the reported 15%. Secondly, a 46% cost (DCLG figures) for Code Level 6 should be considered as this level is proposed in the draft Local Plan, not the assumed Code Level 4. We consider that the additional cost assumption of 25% for external works and 46% for Code Level 6 is likely to have a significant effect on Residual Land Value (RLV) and compound the concerns regarding land values described above.	The non-viable results were based on an assumption that the rented element of the affordable housing is provided as social rent. Our revised analysis, which substitutes the social rented element with affordable rent shows that developments of 1,500 homes are viable in Chickerell and Crossways. The results indicate that such schemes will be able to absorb the proposed level of CIL, leaving a substantial buffer or viability cushion. No evidence has been submitted to support a 25% allowance for external works. 15% external works has been considered elsewhere and has brought support among respondents. There is nothing unusual about the District that would warrant a higher allowance for external works. The timescale and actual definition of CSH level 6 is in a state of considerable flux. At the current time, the cost of meeting the requirement is uncertain and the various CLG studies are based on current costs, disregarding potential improvements in technology that might decrease costs. This matter has been considered by other CIL examinations and the view taken to date is that only current standards should be taken into account. The Council has an ability to review viability if and when CSH level 6 is introduced.
3.0	**The November 2012 Consultation** The current November 2012 CIL draft charging schedule appears to have taken on board some of the above concerns and now proposes a tiered approach to different parts of the districts. In this respect the	

	November consultation document states at paragraphs 4.3 and 4.4 that: *4.3 The response to the consultation the Preliminary Draft Charging Schedule included comment on viability issues. Concerns were raised in particular in respect of the viability of potential strategic site allocations at Chickerell and Crossways in the Draft Local Plan. Comment was also made on the potential to increase CIL charges in other parts of West Dorset in line with the Consultant's recommendations. In Portland, a lower CIL rate was suggested to reflect lower levels of viability. These comments have been taken into account in the Draft Charging Schedule.* *4.4 The viability of major site allocations has been reviewed and adjustment made to affordable housing tenure to reflect the Government's preference for affordable rent. This has enhanced viability of these sites. 'Buffers' have also been used in the modelling to offset additional development costs. The sites in question are considered to be sufficiently viable to withstand the proposed CIL rate of £80/sq.m. for their area.* Paragraph 4.3 appears to take account of the July 2012 representations. Paragraph 4.4 makes references to two adjustments to the viability calculations.	
	The first adjustment is in respect of recent changes to affordable housing tenure. This adjustment is considered appropriate in principle, however the text claims that this has enhanced viability of these sites. There is however no referenced evidence to demonstrate this claim. We would normally expect to see an addendum to the evidence base and further modelling that has either not been carried out or is not published.	This evidence has been supplied by the Council to the representor.
	The second adjustment refers to 'Buffers' ... used in the modelling to offset additional development costs. Again, there is no description or published modelling or evidence to quantify the extent of such buffers and therefore the subsequent claim that sites can withstand an £80/sq.m. charging rate is unfounded.	The extent of the buffer is clear from the appendices to the report and in the additional modelling emailed by Jonathan Smith to WYG on 14 December.
	It is agreed that the changes to affordable housing tenure might assist	In Chickerell, a 1,500 unit urban extension would be able to absorb a CIL

	viability, however these benefits are only marginal. The November consultation paper provides no evidence to demonstrate how viability can be improved from the zero charge, which the evidence base suggests is appropriate, to a £80/sq. m. charge. This significant increase from the evidenced charge rate to the proposed rate is clearly not commensurate with the minor gains made by changes in the definition of affordable housing tenure. Reference to the inclusion of 'buffers' infers that the proposed charge rate has been reduced to take account of additional development costs. It may be that this takes account of C G Fry's experience of a 25% external works cost compared to the 15% cost assumed in the July 2012 consultation. The November 2012 consultation report does not however confirm this to be the case. It is clear however that the additional 46% build cost (DCLG figures) for Code Level 6 has not been taken into account as this would require a much higher 'buffer' that would reduce the proposed charge rate considerably further that proposed. The current proposed charge rate continues to only consider the cost of meeting Code Level 4 when the draft Local Plan requires consideration of Code Level 6.	of over £200 per square metre when benchmarked against former industrial land and greenfield land value (£250,000 to £400,000 per Ha). Even using the 'lower residential land' benchmark of £650,000 per Ha, the scheme could viably absorb a CIL of £140 per square metre. This evidence has now been provided. The enhancement to scheme GDV is not a "minor gain" as WYG suggest (without providing any evidence to support their claim). Moving from social rents to affordable rents enhances the value of the rented element from £762 to £1,156 per square metre. When applied to the 37,461 square metres of rented floorspace, the total increase in GDV equates to £14.74 million. See comments above regarding 15% external works. No evidence provided by WYG to support a higher level. It is possible that WYG have overlooked the inclusion in our appraisals of a £20,000 allowance for greenfield infrastructure costs, some of which they may count as 'external' works. See comments above regarding CSH level 6. It would be wholly inappropriate to include this future cost at this stage. When there is more certainty on the exact standards and the timing of introduction, the Council can review the CIL rates at that time. Other examiners have ruled that charging authorities do not need to reflect future requirements in their current CIL rates.
3.0	**Assessment of CIL charge rate** As the November 2012 consultation appears to provide no new empirical evidence, it can only be assumed that the Council intends to rely on the BNP Paribas Viability Report Feb 2012 as evidence in support of the charging schedule. It is assumed that the Viability Report will be submitted as part of the CIL Examination in Public and will be provided to the Inspector as part of the evidence base. At the Examination in Public, the Inspector will clearly be able to see that the proposed charging rate of £80/sq. m. for Chickerell and Crossways is contrary to the appraisal scenarios described in the Viability Report.	Comments here are superseded following adoption of affordable rents in place of social rents. Both Chickerell and Crossways are viable with the proposed CIL rates.

Section 5 of the Viability Report assesses the appraisal outputs of the various appraisal scenarios. The residual land values (RLVs) from each of the scenarios are compared to the higher and lower residential benchmark land values (BLVs). This comparison demonstrates whether the imposition of CIL would have an impact on development viability. Appendix 2 of the Viability Report shows that even at a zero CIL charge RLV less BLV produces a negative figure in Chickerell and Crossways for site types 6 and 7 even at a reduced affordable housing rate of 20%. This is confirmed in tables 6.10.1 and 6.10.2 that refer to the maximum viable rates of CIL as shown below.

Table 6.10.1: Site type 6 - Maximum viable rates of CIL (£s per square metre)

Area	Resi land value (higher)	Resi land value (lower)	Former Industrial land	G'Field bulk land
Beaminster	£200	£200	£200	£200
Bridport	£40	£120	£200	£200
Chickerell	nv	nv	nv	nv
Dorchester	£80	£180	£200	£200
Lyme	£200	£200	£200	£200
Sherbourne	£200	£200	£200	£200
Charmouth	nv	nv	nv	£70
Crossways	nv	nv	nv	nv

Table 6.10.2: Site type 7 - Maximum viable rates of CIL (£s per square metre)

Area	Resi land value (higher)	Resi land value (lower)	Former Industrial land	G'Field bulk land
Beaminster	£200	£200	£200	£200
Bridport	£40	£120	£200	£200
Chickerell	nv	nv	nv	nv
Dorchester	£90	£160	£200	£200
Lyme	£200	£200	£200	£200
Sherbourne	£200	£200	£200	£200
Charmouth	nv	nv	nv	£70
Crossways	nv	nv	nv	nv

As site types 6 and 7, developments of 250 and 1,500 homes, would provide the bulk of housing in the districts it seems logical that the CIL rate for urban extensions should be significantly lower or even zero in Chickerell and Crossways bearing in mind the evidence suggests they will produce a nil return of RLV less BLV. On the basis of this evidence any significant CIL charge applicable to the urban extensions at Chickerell is likely make delivery of these strategic development sites unviable.

The revised results which incorporate affordable rent in place of social rent show improved maximum rates for Chickerell, Charmouth and Crossways:

Site type 7 – results with affordable rent

Area	Resi land value (higher)	Resi land value (lower)	Former Industrial land	G'Field bulk land
Chickerell	£70	£140	£200	£200
Charmouth	£200	£200	£200	£200
Crossways	£70	£140	£200	£200

There is no evidence to indicate that the Council should adopt a lower rate of CIL than the proposed £80 per square metre.

The proposed CIL amounts to 3.2% of total costs, i.e. less than a developer's standard contingency. Given that CIL is such a modest proportion of overall costs, it is inconceivable that it will render developments unviable as WYG suggest.

	A positive return with the imposition of CIL charges for Chickerell and Crossways is only recorded for appraisal site types 1 and 2 for single and two dwelling proposals only. This is in no way comparable to the constraints of urban extensions.	This observation is no longer correct when the social rented element is replaced by affordable rent.
4.0	**Conclusions** The November 2012 CIL charging schedule appears to have taken a step in the right direction by proposing a tiered CIL charging schedule within the different study areas. The updated charging schedule also appropriately takes account of the latest affordable housing tenures and takes account of additional development costs. When the Inspector has regard to the Viability Report at the CIL Examination in Public it will be clear from the evidence base that the starting point for CIL charges for urban extensions in Chickerell and Crossways is a zero tariff. This is based on the fact that the evidence shows a nil return when substituting Residual Lane Value (RLV) from Baseline Land Value (BLV) for development sites of 250 and 1,500 homes in Chickerell and Crossways. The Inspector will be unable to find any evidence to demonstrate the effect that the changes in respect of affordable housing and development cost will have upon land values and the viability for the urban extensions. It is these changes that the charging schedule claim that sites can withstand an £80/sq.m. charge. The Inspector will also see that the CIL charging schedule assumes the build cost of Code Level 4, however the draft Local Plan proposes Code level 6 that will have a significantly higher build cost that is not reflected in the viability modelling. Nonetheless the charging schedule recommends a CIL rate of £80 per sq m in Chickerell and Crossways even though this would return a nil value for the significant majority of housing in these areas. In its current form the Charging Schedule is fundamentally flawed and	This conclusion is no longer valid in light of the revisions to the appraisals, which indicate a CIL of £80 can be charged, leaving a substantial buffer or viability cushion. Again, conclusion is no longer valid. Other examiners have accepted that there is no requirement to test viability with standards that are not yet mandatory. The Local Plan expresses an aspiration for meeting CSH level 6, which is very different from a mandatory requirement. A CIL of £80 per square metre is entirely consistent with the evidence base.

	not compliant with the CIL Regulations. It is therefore recommended that the charging schedule is revised to reflect the following:	
	The starting point of a zero charging rate for urban extensions in Chickerell and Crossways in accordance with the Council's own evidence base.	This would be contrary to the evidence, which indicates the proposed CIL is viable, with a substantial buffer.
	An increase above zero only if further evidence and modelling demonstrates that positive land values are proven when Residual Lane Value (RLV) is substituted from Baseline Land Value (BLV).	Such evidence has now been produced and confirms that the proposed rates are viable.
	Benefits in respect of changes in affordable housing tenure should only be taken into account if further published evidence and modelling is provided to quantify the effect on viability.	This evidence has been made available and the impact summarised earlier in this response.
	Quantified evidence of the assumed benefits of additional development costs should be provided.	It is unclear what information WYG are seeking here.
	Account should be taken across all tiers of the charging schedule of the increased build cost of Code Level 6 proposed in the draft Local Plan compared to the modelled and assumed build cost of Code Level 4.	See earlier comments on this point.
	The Viability Report provides compelling evidence for tiered CIL charging schedule within the different study areas but also in the lower value areas for lower or zero CIL rate for urban extensions. This approach has been adopted by a number of authorities in the south west for the same viability reasons as highlighted in the viability report.	The revised evidence does not provide any justification for deviating from the £80 per square metre rate the Council has proposed in its DCS.
	There is a compelling argument for a range of CIL charges within the identified areas relating to proposals within the existing urban areas and the proposed urban extensions. In Chickerell and Crossways there is a compelling argument for a zero CIL rate for the urban extension.	

Tetlow King Planning on behalf of South West HARP Planning Consortium (July 2012 rep)

	TK comment	BNPPRE response
	Our main concern is to ensure that the delivery of affordable housing is not squeezed by CIL charges that are set too high. We consider that protecting the delivery of Affordable Housing should be a fundamental consideration for councils when setting the rate of CIL.	Clearly this is a concern shared by the Council. The Council also needs to be mindful of the need to provide infrastructure that will support new development, such as schools. The need to balance the objectives of providing affordable housing and funding infrastructure is not new – this balance is struck currently when considering Section 106 contributions on schemes.
	The starting point should be delivering affordable housing development plan targets…. Our view of the charges as currently proposed is that whilst we appreciate that a simpler rate of CIL will be clear and easy to understand, we are concerned that setting a blanket rate of £93 per sqm does not reflect the clear differences in the housing markets across the two CIL charging areas. The evidence and the recommendations of the viability reports suggest setting two CIL charging areas. We support this recommendation.	The VA reflects the Council's full AH targets in arriving at recommendations on maximum rates. Comment superseded by changes at DCS stage.
	Discretionary relief (paragraph 2.6) Whilst we agree with everything written in this section, the CS does not appear to make a final decision on whether they will allow discretionary relief or not. We recommend that they do allow discretionary relief within the context of the broad parameters set out in para 2.6.	This is not a matter that must be addressed by the CS. The Council will have discretion to turn exceptional relief on and off at will after CIL has been adopted.
	Relationship between CIL and Section 106 The Council need to provide more clarity on the types of scheme that will not be covered by CIL…. We recommend that the Reg 123 list should be as exhaustive as possible and reference should be made in the CS as to what types of infrastructure CIL will not cover.	Agreed, now a requirement of the December 2012 Statutory Guidance.
	Instalments policy (para 2.8) We recommend an instalments policy is included in the DCS.	The CS is not the appropriate place for the instalments policy and is not an examinable matter.
	Viability report *Residential sales values* The VA should clearly state where the sales values have come from.	The Council has drawn upon a number of sources, including Land

	We would expect that they have come from Land Registry over the past three years and are cross-checked with the views of agents. Our concern is that lower value areas may be hidden within the districts because there have not been many sales in these areas.	Registry, existing viability assessments and scheme specific viability assessments. The Council consulted local agents on the sales values and these were agreed. Stakeholders were invited to submit additional evidence on sales values during the PDCS and DCS, but nothing was received. Tetlow King have no provided any evidence to support their speculation that some areas might have lower values than the wider area within which they sit.
	Affordable housing tenure and values The viability reports do not make it clear if affordable rent has been used in the calculations. If it has not been, the report should state why. Any changes to the tenure mix following the current consultation on the Local Plan, or the examination should be reflected in the viability assumptions as the CS is progressed.	Paragraph 4.5 of the viability report makes clear that the appraisal assumed social rent and shared ownership. Between the PDCS and the DCS, the Council has adopted the affordable rent tenure and we re-tested the appraisals with affordable rent in place of social rent.
	Residential build costs An increase in CSH level beyond level 4 should trigger a review of viability.	Clearly the Council will be monitoring the impact of CIL on a regular basis. CSH is only one of a series of factors that may change over time and it would be inappropriate to consider the impact of only one appraisal variable in isolation from changes to others.
	Residential appraisal assumptions The Council should check the residential typologies against those in the SHLAA and check the housing mixes.	Both the typologies and housing mixes used in the viability reports were considered by the Council and considered to be representative of the types of schemes and mixes that come forward.
	Use of a buffer to protect affordable housing There is no mention of a buffer in the report. Do not understand why it has been omitted.	There is no question of the buffer being omitted. Reference to the results in the report show that in many instances, a CIL of over £200 per square metre is viable, while rates have been set at £100 and £80 per square metre. The buffer is 50% in many areas.
	Conclusions (West Dorset) Viability report recommends £80 and £100 per sqm CIL. No justification for Council's chosen rate of £93 per sqm.	Now superseded by DCS changes which adopts split rate approach.
	Conclusions (Weymouth)	

	Advocates a split rate.	
	Other types of development not assessed *Rural exception schemes* VA does not take account of impact of CIL on rural exception schemes that use an element of cross subsidy from market housing to bring them forward. CIL would cancel out the benefit of cross-subsidy and hamper affordable housing delivery in rural areas. *Older person care and accommodation* Welcome Council's decision not to levy CIL on housing for older people. VA does not consider extra care.	CIL would account for a very small proportion of development costs in these situations. If market housing constitutes say 30% of floorspace, the CIL liability would amount of considerably less than the 3.2% of development costs for standard schemes. This will not impact on the ability of private housing to cross-subsidise affordable. VA does consider extra care.

Tetlow King Planning on behalf of South West HARP Planning Consortium (December 2012 rep)

	TK comment	BNPPRE response
	Viability assessment Has not been amended since PDCS. Comments made by TK still stand. We remain concerned that the VA has failed to state whether affordable rent is the social tenure used to calculate the affordable housing viability. In addition, the VA needs to be considered in light of the new CIL guidance and the RICS Financial Viability in Planning guidance which have both been published since the VA was published.	TK's comments are addressed above. Nothing they had said gives rise to any requirements for changes to the VA. As noted above, the report stated very clearly that we had assumed social rent, not affordable rent. Subsequent to the PDCS, we ran further appraisals with affordable rent. The VA considers sites which make a major contribution towards the supply of new housing and is therefore compliant with the Statutory Guidance requirements to test strategic sites. We are somewhat surprised to see that Tetlow King are advocating reference to the RICS guidance. This document is not aimed at testing planning policies; the appropriate guidance for this purpose is the Local Housing Delivery Group guidance 'Viability Testing Local Plan' which was published shortly before the RICS guidance. We are also surprised that Tetlow King advocate use of the RICS guidance, given its preference for using 'Market Value' as a benchmark, which is widely acknowledged as driving down the potential for sites to deliver affordable housing. This should be a major concern to Tetlow King's clients.
	Rural exception schemes [Repeats point made above]	See response above to July 2012 rep.

WEST DORSET CIL

MCCARTHY & STONE REPRESENTATION

Although we note and acknowledge that retirement schemes have higher poorer net to gross ratios than general residential; extended marketing periods; and higher marketing costs, it is also the case that sales values typically outperform those of other residential developments. We would advise McCarthy and Stone to submit sales values evidence from recent schemes (i.e. no older than 6 months) in the area so that a comparison may be made with other schemes.

Similarly, the agent acting for McCarthy & Stone suggest that higher profits may be required to secure funding. Evidence of this higher profit requirement should be submitted for the Council's consideration.

Rate Setting

The Council has no control over the way CIL is levied; this is governed by the CIL regulations. If McCarthy & Stone feels that they are unfairly treated by the application of CIL to the gross area of a building, this should be taken up with the Secretary of State.

Payment by instalments

The CIL regulations require that instalments be set by reference to time from commencement of development. There are no provisions for linking payment of CIL to occupations.

Proportionality

We do not agree with the Respondent's assertion that "CIL becomes a very significant element of development costs". At the rates proposed by the Council, CIL constitutes no more than around 4% of development, which is less than the 5% contingency typically built into an appraisal. The CIL is an even smaller proportion of gross development value, meaning that a 2% to 3% increase in sales values can almost entirely offset the full CIL liability. This of course disregards the reduction in S106 obligations that will be scaled back to site mitigation only.

WEST DORSET CIL REPRESENTATIONS

SAVILLS

Para 1.4 BNP-P indicate they have assumed a 10% increase on house sales prices and a 5% increase in build costs. They have not stated over what period this is. Is it annual or over a 20 year period? This is fundamental to a proper analysis of the residual models. This is not justified by any evidence and is a false assumption in the short term. Savills research and other research bodies identify a flat or even falling house price market for mainstream housing over the next 5 years. Build costs are likely to increase faster than general inflation due to the increasing cost of meeting building regulation and sustainable homes standards. Thus both the cost and sales price assumptions are false unless they can be demonstrated. The Harman Report suggests looking at the CIL calculations in 5 yearly tranches with greater certainty in the early years and a more indicative view later. The application of percentage changes by BNP-P does not meet this recommendation. The sensitivity analysis is welcomed. The Harman report also urges the factoring in of a risk averse cautionary adjustment to ensure viable delivery which can be adjusted in reviews of the schedule as the actual delivery of development unfolds.	This is a sensitivity analysis applied to current day values. The proposed rates do not rely upon this growth. Contrary to what Mr Greenwood may suggest, Savills' forecast for the next five years indicates growth of 15.5% in mainstream markets in the south west compared to 11.5% growth across the UK as a whole. (See Q1 2013 Property Market Report).
Para 2.14 Savills Quarterly Residential Research Bulletin for Q2 2012 states in relation to the mainstream housing market "*With little sign of improvement in the availability of mortgage finance and an increase in the standard variable rate of interest charged by some lenders, there seems little prospect of a sustained improvement in mainstream market activity over the next two years at least, as reflected in our house price forecasts.*" Thus it demonstrates that the allowance of sales price rises of 10% cannot be justified over the first 5 years and erring on the side of caution no inflation should be allowed for in the residual modelling for this period. Figure 2.7.1 shows the significant fall in house prices across Dorset as a whole against peak and also as significantly the sales volume being only around 50% of the peak levels. The rate of sales is critical to any viability analysis and appears not to have been explained by BNP-P. The County of Dorset contains a wide range of markets and figures for the east of the County in the Bournemouth / Poole Housing Market Area will be very different from the west of the county. The standard housing regional data splits at Bere Regis with WDDC and Weymouth and Portland being in the south west. It is therefore more appropriate to base the analysis on the Land Registry data for the District (and perhaps the adjoining districts) not the whole Dorset County figures.	We note that the report Mr Greenwood is quoting from is now a year old. This position has clearly been re-visited by Savills in its more recent reports. We have NOT allowed any inflation in our main testing, upon which the CIL rates are based. The appraisals with 10% growth are merely sensitivity analyses. As noted in our report, the results are indicative only. Furthermore, a sensitivity which reduces values by 5% is also included.

Para 3.4 – 3.12 It is pleasing the requirement for a return for the landowner is identified. Guidance is give at the foot of page 30 and top of 31 of the Harman Report concerning the need for owners of green field land to be provided with a return significantly above existing use value and there is no indication how this is reflected in the viability analysis of BNP-P. This guidance should supersede the case specific circumstances quoted in the study where the context of the detailed considerations is not given.	Benchmark land values are addressed in paragraphs 4.21 to 4.30 of the report.
Para 4.3: BNP-P have adopted sales prices without any analysis or justification for them. This renders them unreasonable assumptions unless they are able to demonstrate the source and rationale for the figures and to advise the assumed date for them. The figures do not reflect the range of values indicated in Para 4.2.	These values were discussed and agreed with developers and other stakeholders held by the Council. If Savills have any additional evidence that they would like the Council to consider, it should be submitted for review.
Para 4.5: BNP-P have referred to the 35% affordable housing policy and an assumed sale value of £900 per sq m which they consider needs to be verified in the absence of grant. They do not however state how this has been used in their residual valuation modelling. The model is not provided so it is not possible to verify if this policy has been properly reflected and the impact of any change in the value of the affordable housing element on viability. CIL is of course not payable in relation to the affordable units.	The report is very clear as to how this figure is derived – it is based on actual offers from RPs on sites in the District. The capital values for social rent and shared ownership are entered as a rate per sq m against the relevant affordable housing floorspace. We do not state anywhere in our report that the assumed sales value of £900 psm "needs to be verified in the absence of grant". Our only reference in relation to grant is the need to keep levels of CIL under review if, in future, grant funding is restored to previous levels. We are entirely comfortable with the £900 per sqm assumption.
Para 4.31: the figures of £400,000 per ha (£162,000 per acre) and £300,000 (£121,500 per acre) are assumed to be on a net developable basis. Greenfield sites generally have a net to gross ratio of around 50 / 50. The non development land has no value and is usually a cost on the development in terms of landscaping and ongoing management. Thus these figures do not reflect an adequate level of return to the landowner given the net receipt will be around £60,000 to £80,000 per gross acre.	After applying a net to gross of 50% to our large green field site (site type 7), the proposed CIL rate remains viable in all cases, generating a value of at least £300,000 per gross acre.
Appendix 2: This appendix of extensive tables and calculations is informative however it is totally flawed because it does not provide the base residual calculations showing how the inputs identified in section 4 of the report have been brought into the basic calculation. Unless the circle developer appraisals or other similar residual model calculation are made available it is not possible to properly test the BNP-P calculations.	All our assumptions and inputs are set out in detail in our report.