

# **SUBMISSIONS TO THE PLANNING INSPECTORATE**

**In connection with Inspector's Draft Matters,  
Issues and Questions for Examination of the**

## **CRANBROOK LOCAL PLAN**

**Prepared by**

**Richard Sturt, MRICS, FRGS, MSc, BSc (Hons)  
and  
Malcolm Barber DipArb MRICS MCIArb**

**On Behalf Of**

**Cranbrook LVA LLP (Respondent Number 145)**

**7th January 2020**

UNLOCKING VALUE FROM LAND

STURT & COMPANY LTD, THE COACH HOUSE, UPHAM FARM, UPHAM, HAMPSHIRE. SO32 1JD  
Tel 01489 860721 [office@sturtandco.com](mailto:office@sturtandco.com) [www.sturtandco.com](http://www.sturtandco.com)

Company No 07990266 VAT No: 132 6808 20

## **1.0 INTRODUCTION**

1.1 Sturt & Company has been requested to provide formal representations on the Independent Examination and specifically the Inspector's Draft Matters, Issues and Questions for Examination of the Cranbrook Local Plan on behalf of Cranbrook LVA LLP.

### **Qualifications**

1.2 This report has been prepared by Richard Sturt MRICS, FRGS, MSc, BSc (Hons) and Malcolm Barber DipArb MRICS MCI Arb who are both Chartered Surveyors and Registered Valuers under the RICS.

## **2.0 METHODOLOGY**

2.1 Sturt & Company attended the Working Group in July 2017 and made written submissions concerning viability at the time.

2.2 Further submissions were made in the spring of 2019 regarding both the CIL Review and Cranbrook Plan DPD submissions. Many of the issues raised in these earlier submissions are directly relevant to the East Devon Affordable Housing SPD as it relies on the appraisals and methodology contained in the CIL review.

2.3 All these submissions include commentary on a number of areas which have a direct impact on the viability and workings of the residential development in East Devon.

2.4 Our major concerns include the following:

- Refusal of East Devon or Three Dragons to release their Excel Toolkit
- The Three Dragons Viability Appraisal does not reflect the proposals made in the Draft Affordable Housing SPD
- Outdated BCIS Costs that are now 16 months out of date
- GDVs that do not reflect current market sales and size of units
- Inappropriate BCIS Index used. Lower quartile figures rather than the more commonly used mean or median
- Ambitious housing trajectory figures and implications for cash flow
- Insufficient profit margins to take into account the high infrastructure and utilities costs and risk of major schemes such as Cranbrook
- Insufficient Benchmark Land Value to provide a landowner's and promoter's proper return

2.5 Due to the continued refusal to co-operate by not providing a copy of the electronic Excel Three Dragons Toolkit, we reserve our position on making further

representations on all the key residual inputs, calculations and their impact on the viability of development and affordable housing in East Devon.

### **3.0 QUESTIONS**

3.1 Set out below are our responses to the questions posed by the Inspector. For ease of reference, we have answered each question in turn.

<b>MATTER 14 – INFRASTRUCTURE DELIVERY</b>	
<b>Issue 20</b> <b>Are the Infrastructure delivery provisions justified and effective in the light of previous delivery?</b>	
<b>Q163</b>	<p><b>Question</b></p> <p>Delivery of facilities to date have been slower than anticipated – what certainty is there around the delivery of further infrastructure and how will this influence future phasing? How realistic is it that all infrastructure would be delivered via contributions from new housing?</p>
	<p><b>Response</b></p> <p>Having reviewed the matter, we are of the view that the Three Dragons Residual Appraisal is not sound. Based on the planning requirements, the level of infrastructure and other community facilities is too high and unsustainable by the scheme.</p> <p>Consequently, an amendment to the proposal and in particular, the infrastructure costs or affordable proportion/tenure mix will need to be made in order to bring the scheme forward in a timely manner.</p>