



**WEST OXFORDSHIRE
DISTRICT COUNCIL**

DOCUMENT REF: WO CIL 04A

WEST OXFORDSHIRE COMMUNITY INFRASTRUCTURE LEVY (CIL) EXAMINATION

JOINT STATEMENT OF COMMON GROUND - BUILD COSTS

PARTIES:

- West Oxfordshire District Council (WODC)
- Edgars on behalf of West Oxfordshire Developer Consortium (WDEV)
- Savills on behalf of the North Witney Land Consortium (NWLC)

DATE: 21 December 2015

This updated joint statement of common ground has been prepared in the context of the West Oxfordshire Community Infrastructure Levy (CIL) examiner's request for statements of common ground set out in a note circulated on 8 October 2015 (IN CIL 02) and a subsequent post-hearing housekeeping note (IN 014) circulated on 3 December 2015.

10. Did all the residential typologies include a 25% uplift in build costs to take account of the anticipated zero carbon requirements? (AV paragraphs 5.84 -5.90 and Table 5.23 discuss this issue, but I want to be clear what was finally included in the appraisals.)

The parties agree that the AV viability study (VIAB1) included a sensitivity analysis which considered the impact of an increase in build costs in increments of 5% up to a maximum of 30% (130% where 100% is the base) but that the recommendations of the study were based on the 'base' build costs that took no account of anticipated zero-carbon requirements.

Irrespective of the zero-carbon issue, WDEV and NWLC both consider that the base build costs used in the AV study are too low for the reasons set out in their respective representations.

11. Is it agreed that no such adjustment is now required given the Government's announcement in the National Productivity Plan Fixing the Foundations: Creating a more prosperous nation 10 July 2015 which states that the government does not intend to proceed with the zero carbon Allowable Solutions carbon offsetting scheme, or the proposed 2016 increase in on-site energy efficiency standards....(9.17)?

The parties agree that the Government has no current plans for any further increases in energy efficiency standards or for zero carbon homes and that Building Regulations Part L which came into force in April 2014 will remain for the foreseeable future.

As such the parties agree that no adjustment to build costs is necessary for meeting zero carbon requirements.

Irrespective of the zero-carbon issue, WDEV and NWLC both consider that the base build costs used in the AV study are too low for the reasons set out in their respective representations.

If a 25% uplift in build costs had previously been incorporated in the appraisals, does this now represent an additional buffer for any higher than assumed build costs and/or higher site infrastructure costs?

The parties agree that recommendations of the study were based on base build costs that took no account of anticipated zero-carbon requirements. As such there is no additional 'buffer'.

Would any further increase for such costs now be justified?

The parties agree that given the Government has no current plans for any further increases in energy efficiency standards or for zero carbon homes and that Building Regulations Part L will remain for the foreseeable future, there is no justification for further increasing the base build cost assumptions to take account of this issue.

Irrespective of the zero-carbon issue, WDEV and NWLC both consider that the base build costs used in the AV study are too low for the reasons set out in their respective representations.

Signed:



Name:

Chris Hargraves

Position:

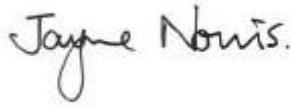
Planning Policy Manager

Date:

21 December 2015

West Oxfordshire District
Council

Signed:



Name:

Jayne Norris

Position:

Director

Date:

21 December 2015

Edgars on behalf of the
West Oxfordshire
Developers Consortium

Signed:



Name:

Elizabeth Foulkes

Position:

Associate

Date:

21 December 2015

Savills on behalf of the
North Witney Land
Consortium