

Mr Kieran Wheeler,
Planning Director,
33 Margaret Street,
London,
W1G 0JD

28 September 2026

Dear Kieran,

RE: BUS SERVICE CONTRIBUTIONS - THAKEHAM MUSHROOMS

I understand that the £880k bus service contribution is no longer required, and you have asked for my advice on the viability implications – and in particular, whether the 'saving' can instead go towards "other community benefits".

The first important point to note is that DSP previously concluded that the scheme was some £815k in deficit, whereas my appraisal assessment showed a deficit of approx. £3.7m. There were a number of input differences between us (as illustrated by the c. £2.9m deficit variation) but – for argument's sake - even if one were to accept DSP's viability conclusions, the removal of this contribution would only result in the scheme showing only a notional viability surplus.

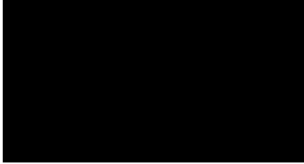
However, Bellway has also agreed to transfer an additional 11.6 hectares of land to the Parish Council to form a new community park, and no cost has yet been attributed to this land within the viability analysis (this land area does not form part of the gross site area included within BLV calculations). From a viability perspective, the agreed Benchmark Land Value of £250k per hectare should be applied to this area, which would increase the BLV by approx. £3m (including SDLT / legals), plus associated scheme finance costs. This land is clearly of considerable value to the scheme and should be reflected as such within the assessment of scheme viability.

It should also be noted that viability conditions have markedly worsened since this viability analysis was undertaken, with a considerable increase in construction costs, no material market revenue growth but a slowing sales rate, a worsening demand and values for s106 affordable housing and an increase to the Future Homes building regulation requirements, which would add at least £300k of additional costs to the scheme. If these factors were reflected within an updated assessment, the £815k / £3.7m deficits would increase - potentially significantly.

Finally, with regard to the suggestion that the 's106 savings' should instead go towards "other community benefits", it is difficult to see how this could be justified from a CIL Regulation 122 perspective, given that these payments were not previously required and (as far as I'm aware) no further justification or evidence has been provided to evidence or explain why these payments could be required in order for the development to be able to 'mitigate its own impact'.

I believe this summarises my position on these issues but please let me know if you need anything further.

Yours sincerely,



Thomas Hegan MRICS