

FAREHAM

BOROUGH COUNCIL

AGENDA PLANNING AND DEVELOPMENT SCRUTINY PANEL

Date: Wednesday, 22 February 2023

Time: 6.00 pm

Venue: Collingwood Room - Civic Offices

Members:

Councillor M R Daniells (Chairman)

Councillor Ms S Pankhurst (Vice-Chairman)

Councillors Ms F Burgess

Mrs T L Ellis

Mrs J Needham

P Nother

N J Walker

Deputies: Ms C Bainbridge

Mrs P Hayre



1. Apologies for Absence

2. Minutes (Pages 5 - 8)

To confirm as a correct record the Minutes of the Planning and Development Scrutiny Panel meeting held on the 27 July 2022.

3. Chairman's Announcements

4. Declarations of Interest and Disclosures of Advice or Directions

To receive any declarations of interest from Members in accordance with the Standing Orders and the Council's Code of Conduct and disclosures of advice or directions received from Group Leaders or Political Groups, in accordance with the Council's Constitution.

5. Deputations

To receive any deputations of which notice has been lodged.

6. Community Infrastructure Levy Review - Consultation (Pages 9 - 190)

To receive a report from the Director of Planning and Regeneration on the Community Infrastructure Levy (CIL) Review. The report is to be considered by the Executive on the 06 March 2023 to approve the consultation on proposed new CIL charges.

7. Planning Obligations Supplementary Planning Documents (SPD) Review (Pages 191 - 236)

To receive a report from the Director of Planning and Regeneration on a Review of the Planning Obligations Supplementary Planning Document (SPD). Consultation on the revised document is required before the Council adopts it, and Executive approval will be sought for that consultation.

8. Planning Strategy Update (Pages 237 - 238)

To consider an update from the Head of Planning Strategy and Economic Development on prevailing planning strategy matters.

9. Executive Business (Pages 239 - 240)

To consider any items of business dealt with by the Executive since the last meeting of the Panel, that falls under the remit of Planning and Development Portfolio. This will include any decisions taken by individual Members during the same time period.

(1) Fareham Quay and Alton Grove to Cadour Drive Flood and Coastal Erosion Risk Management Studies - Award of Contract (Pages 241 - 244)

- (2) **Salterns recreation ground, Fareham - interim sea defence works** (Pages 245 - 246)
- (3) **Fareham Local Plan 2037 Main Modifications** (Pages 247 - 248)
- (4) **The Levelling Up and Regeneration Bill - Planning Policy Consultation** (Pages 249 - 250)

10. Planning and Development Scrutiny Panel Priorities

To provide an opportunity for Members to consider the scrutiny priorities for the Planning and Development Panel.



P GRIMWOOD
Chief Executive Officer

Civic Offices
www.fareham.gov.uk
14 February 2023

For further information please contact:
Democratic Services, Civic Offices, Fareham, PO16 7AZ
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democraticservices@fareham.gov.uk

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning and Development Scrutiny Panel (to be confirmed at the next meeting)

Date: Wednesday, 27 July 2022

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor M R Daniells (Chairman)

Councillor Ms S Pankhurst (Vice-Chairman)

Councillors: Ms F Burgess, Mrs T L Ellis, Mrs J Needham, P Nother and N J Walker

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies received by Panel Members at the meeting.

Councillor S Martin, Executive Member for Planning and Development tendered apologies.

2. MINUTES

RESOLVED that the Minutes of the Planning and Development Scrutiny Panel meeting held on the 08 June 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no announcements made by the Chairman.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. WELBORNE DELIVERY UPDATE

The Panel received a report by the Head of Strategic Sites, updating Members on the delivery of Welborne Garden Village. The Council has a significant strategic leadership role in the development as well as its role as Local Planning Authority. The report provided a detailed overview of various aspects of the Welborne delivery and Members asked questions for clarification.

RESOLVED that the Planning and Development Scrutiny Panel notes the contents of the report

7. PLANNING STRATEGY UPDATE

The Panel received a Planning Strategy Update presentation from Pete Drake, Principal Planner on the Strategy Team. The presentation provided an opportunity to communicate to members of the Panel relevant updates pertaining to Planning Strategy matters.

The focus of the presentation was to update Members of the Panel on the progress of the Council's emerging Local Plan through the Examination process. The recent Inspectors' Post-Hearing Findings letter and the associated technical housing consultation and forthcoming formal Council response were explained. Additionally, the anticipated next steps of Plan modifications to be recommended by the Inspector, associated public consultation and progression of the Local Plan to final adoption were also outlined.

RESOLVED that the Planning and Development Scrutiny Panel note the contents of the presentation.

8. EXECUTIVE BUSINESS

(1) Welborne Forum

Members asked questions pertaining to the public participation of the Welborne Community Forum. The Director of Planning and Regeneration addressed the Panel to explain that the Welborne Community Forum is not a public meeting and therefore, although members of the public are able to attend, they are not able to participate, only observe. The Membership for the forum has been specifically designed to include local authority, community, and business representatives from all interested parties to allow for information sharing and dialogue throughout the delivery of Welborne.

(2) Local Plan Examination Update

No comments were received.

9. PLANNING AND DEVELOPMENT SCRUTINY PANEL PRIORITIES

The Panel considered the Scrutiny Priorities for the Planning and Development Scrutiny Panel.

The Director of Planning and Regeneration addressed the Panel to explain that, as highlighted at item 7, the Panel will be required to pre-scrutinise the Local Plan Main Modifications report before considered by the Executive. This is likely to take place in the Autumn and may require the need for an additional meeting of the Panel to be scheduled.

Members enquired as to when an update may be provided to the Panel on the Fareham Town Centre Masterplan to supplement the Local Plan. The Director of Planning and Regeneration explained that this area of work also falls within the remit of the Policy and Resources Scrutiny Panel given their overview of Fareham Town Centre Regeneration. Due to the overlapping scrutiny priorities, officers will ensure that the Panel are kept informed of any items of interest as the Town Centre regeneration work progresses, with a joint meeting of the two Scrutiny Panels anticipated towards the end of the calendar year.

RESOLVED that Members Panel considered the priorities for the Planning and Development Scrutiny Panel.

(The meeting started at 6.00 pm
and ended at 6.39 pm).

FAREHAM

BOROUGH COUNCIL

Report to Planning and Development Scrutiny Panel

Date: 22 February 2023
Report of: Director of Planning and Regeneration
Subject: COMMUNITY INFRASTRUCTURE LEVY REVIEW – CONSULTATION

SUMMARY

Community Infrastructure Levy (CIL) is a charge levied on new development to help fund infrastructure within the Borough. Fareham Borough Council was an early adopter of CIL in 2013, and to date over £10 million has been collected.

As the examination process into the new Local Plan is anticipated to conclude shortly, there is an opportunity to review the CIL charge in line with current costs and values of development and the infrastructure likely to be required to support the new growth.

Executive approval is to be sought to consult on a new suite of charges.

RECOMMENDATION

It is RECOMMENDED that the Planning and Development Scrutiny Panel: -

- a) note the contents of the Executive report at appendix 1; and
- b) pass any comments relating to appendix 1 to the 06 March 2023 Executive meeting for consideration.

Enquiries:

For further information on this report please contact Gayle Wootton. (Ext 4328)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 06 March 2023

Portfolio:	Planning and Development
Subject:	Community Infrastructure Levy - Consultation
Report of:	Director of Planning and Regeneration
Corporate Priorities:	Providing Housing Choices Protect and Enhance the Environment Dynamic, Prudent and Progressive Council

Purpose:

To seek approval to the content of a consultation on the Borough's Community Infrastructure Levy (CIL) draft Charging Schedule.

Executive summary:

The Council commissioned Three Dragons to undertake a CIL Review Viability Assessment for the Borough, to determine whether a new CIL rate could be applied without negatively impacting on the delivery of housing and other forms of development associated with the emerging Fareham Local Plan 2037.

Following the conclusion of the assessment, the report recommends new rates for residential and some non-residential uses that align to the evidence collected through the CIL Review Viability Assessment.

This report seeks Executive approval to consult on the attached draft Charging Schedule and the proposed rates therein. Secondly, the report seeks delegated authority to commence the examination process following the consultation.

Recommendation:

That the Executive recommends that the Council:

- (a) approves the Community Infrastructure Levy Draft Charging Schedule as set out in Appendix A to this report for public consultation for a period of 6 weeks;
- (b) agrees that the Director of Planning and Regeneration be authorised to make any necessary minor amendments, following consultation with the Executive Member for Planning and Development, and delegates to him the authority to submit the draft Charging Schedule for Examination;

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and

- (c) delegates to the Director of Planning and Regeneration, in consultation with the Executive Member for Planning and Development, the authority to procure and appoint an independent examiner to conduct the examination on the draft Charging Schedule.

Reason:

To consult on a revised Community Infrastructure Levy Draft Charging Schedule that is considered to meet the requirements of the Community Infrastructure Levy Regulations 2010 (as amended) including setting an appropriate rate in relation to Regulation 14.

Cost of proposals:

There will be a cost to the Council to undertake the examination. This will be mainly focused on the cost of the independent Examiner. Depending on the number of days that the Examiner has to work (which depends on the number and depth of comments that are received from the consultation) an estimate of £30,000 for the 2023/24 financial year has been included in the budget.

Appendices: **A:** Draft Charging Schedule for Consultation

B: Three Dragons Fareham CIL Review

Background papers: None

Reference papers:

Fareham Community Infrastructure Levy Review – Viability Assessment 2023

Infrastructure Delivery Plan

Fareham Borough Council Local Plan 2037

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	06 March 2023
Subject:	Community Infrastructure Levy - Consultation
Briefing by:	Director of Planning and Regeneration
Portfolio:	Planning and Development

INTRODUCTION

1. The Community Infrastructure Levy (CIL) is a planning charge on new development that involves a net increase in building floorspace, to fund infrastructure. The ability for a local planning authority to charge the levy came into effect from April 2010.
2. In April 2013, following two periods of consultation and an independent examination, the Council approved its Charging Schedule, effective from 1 May 2013. The Charging Schedule set a rate of £105 per square metre, applicable to all residential development across the borough, with a different rate applied to out-of-town retail developments. These rates are index linked using the RICS CIL index applied each November.
3. With indexation, as of January 2023, the CIL rates are actually £156/sqm for residential £178/sqm for 'out of town' retail, £52/sqm for hotels and £89/sqm for care homes. The schedule excludes Welborne which, as a garden village with substantial on-site infrastructure costs secured through a section 106 agreement, was zero-rated for CIL in 2021
4. The Council has been very successful to date in collecting CIL receipts since adoption and has collected over £10 million from development sites across the borough, which has been used to fund a range of infrastructure projects.
5. It is clear that the infrastructure requirements relating to new development have evolved, culminating in the updated Infrastructure Delivery Plan (prepared to support the emerging Local Plan 2037). On that basis, a review into the level of the future CIL charge has been undertaken to determine whether or not any alterations could and should be made to the CIL rates across the Borough.
6. Whilst the implementation of CIL across the borough has proved successful to date, in undertaking the viability assessment for the Local Plan, it is clear that

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there remains significant headroom in development viability which has significantly increased since the evidence was gathered to set the original charge in 2013.

7. This report presents the outcomes of the Viability Assessment for the CIL review, including proposed charging rates, and seeks approval from Executive to consult on a new Charging Schedule that will better reflect the up to date evidence.

COMMUNITY INFRASTRUCTURE LEVY VIABILITY ASSESSMENT 2023

8. In 2022, following the completion of viability evidence prepared for the Local Plan examination, the Council commissioned Three Dragons to undertake a further viability assessment at a strategic level to provide an assessment of typical development sites, consideration of Local Plan requirements and other costs, to inform the possible setting of new CIL rates in light of positive viability conclusions resulting from earlier viability work to support the emerging Local Plan (undertaken from 2019-2021).
9. The 2023 CIL Review viability evidence is intended to assist Fareham Borough Council in preparing its CIL Draft Charging Schedule for residential and non-residential uses.
10. As set out above, the current Charging Schedule applies a zero rate charge for all development to the whole area defined as Welborne. As the evidence supporting the zero rating of Welborne was submitted in 2021, it is considered that it remains a suitable basis for the charging rate, and so this review proposes to take forward the zero rating of Welborne for all development.
11. The viability testing for the 2023 report was designed to assess the amount of CIL that residential and non-residential development can reasonably support, including whether there are differences in viability across the borough or between different types of development that are sufficient to justify different CIL rates. It draws on a review of the policy requirements in the emerging Local Plan 2037 and information on the types of development likely to come forward throughout the plan period, as well as government guidance that may have implications for development viability, such as future standards on energy efficiency in buildings¹.
12. The Viability Assessment 2023 considers different typologies of development, for example, whether the site is greenfield or brownfield, and the site's size for the following uses:
 - Residential
 - Older person homes
 - Offices
 - Industrial/warehouse
 - Retail
 - Hotels

¹ The requirement, beginning in 2025, will require CO2 emissions produced by new homes to be 75-80% lower than those built to current standards. Homes will need to be 'zero carbon ready', with no retrofit work required to benefit from the decarbonisation of the electricity grid and the electrification of heating. Fossil fuel heating (such as gas boilers) will be banned in new homes, with an expected shift to reliance on heat pumps and heat networks.

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13. Rather than assessing viability on specific sites, the Viability Assessment considers typologies of development that reflect the typical forms of development which are likely to come forward over the plan period. This is common practice for this type of plan-led viability assessments. Thirteen typologies at 3, 8, 15, 30, 50, 120, 600 and 1,000 dwellings for housing led schemes on both brownfield and greenfield sites were tested. Testing of four typologies of 20, 40, 80 and 150 dwellings for flatted schemes on brownfield sites was also undertaken, as well as a range of typologies for other forms of development.
14. Each typology was subjected to a detailed financial appraisal. This included a range of policy costs, such as those that would be expected through a section 106 agreement in order to make the development acceptable in planning terms. The types of policy costs included in the assessment are:
 - accessibility costs
 - affordable homes at the appropriate rates
 - standard s106 (education, transport, open space)
 - the current CIL rates have not been included
 - provision for EV chargers
 - provision for biodiversity net gain
 - nitrate and habitat mitigation
 - allowances for changes to Part L
 - custom and self-build at 10% of homes (on sites of 40 or more homes)
15. As part of the financial appraisal, development costs and land values were factored in, as well as a level of developer profit. This is to ensure that the viability assumptions are reasonable and generate a realistic financial appraisal which can be used to identify whether the development is viable or not, and if so, the amount of 'headroom' on which a CIL charge could be applied.
16. A number of sensitivity tests were also carried out to reflect potential and likely policy or market changes which could affect future viability of developments. These looked at higher costs of financial borrowing, higher section 106 costs in line with the Council's review of the Planning Obligations SPD as well as looking at the new Future Homes Standard requirements¹.

VIABILITY EVIDENCE - SETTING A CHARGE

17. To fulfil relevant legislative requirements of the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), the charging schedule should set an appropriate balance between helping to fund necessary new infrastructure and the potential effects on the economic viability of development across the district. There is no prescribed approach to setting a CIL rate and the preferred method varies across Councils that have implemented CIL. Best practice dictates that the charge should be informed by the evidence on CIL headroom but does not have to follow prescriptively the results of the testing. Setting a CIL rate too high may impact the scheme's delivery or can put pressure on the Council to accept a lower level of

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affordable housing than its policies would require. This situation is best avoided, hence a slightly cautionary approach to not raising the CIL rates too high, which might create 'market shock'.

18. A judgement needs to be made based on a range of factors that are bespoke to Fareham borough including house price data, charging zone simplicity, market shock, local plan objectives (such as regeneration proposals) and impact on delivery, and ultimately the balance between funding infrastructure and delivering the Local Plan.
19. Reasonableness is also an important factor when setting a charge, with an established approach (recommended by Examiners of other recently examined CIL charging schedules) of setting the charge at no more than 5% of Gross Developable Value² (GDV). This level is unlikely to put development at risk.
20. The approach used by Fareham Borough Council considers the viability headroom in each typology and then;
 - a) If the viability headroom is positive, applies a 50% buffer to determine a charge;
 - b) If the 50% value 'feels' unreasonable, then 5% of the GDV of the scheme is considered to set the charge.

PROPOSED CIL RATES

21. The result of the residential testing shows that all the typologies are viable with significant headroom. Flatted development is less viable and given the importance of this form of development in meeting regeneration objectives in Fareham town centre, it is considered appropriate for the Council to consider a zero rate. Assisted and care supported homes for older people are not viable to pay a CIL charge for most types tested and therefore should be zero rated but sheltered retirement living on greenfield sites is considered viable and therefore a charge is applied. Sheltered housing, sometimes referred to as retirement housing, is self-contained housing allowing residents to live independently, but allows for support on hand such as help from a scheme manager (warden), or support staff, 24-hour emergency help through an alarm system, communal areas, such as gardens or lounges and social activities for residents. This differs from Assisted and Extra Care schemes where the facilities may also include; bar/lounge, kitchen/dining room with hot meals available, laundry, crafts room, and 24 hour care services available to all residents from an on-site team.
22. In terms of non-residential rates, the analysis shows that small scale comparison retail is either unviable or barely viable and is therefore unable to support a charge. Speculative out-of-town retail uses are still considered to be viable and able to support a charge. No other non-residential use shows sufficient viability to support a charge if speculatively built, including office or industrial uses. Office, Industrial and Warehousing uses are all considered to be unviable based on local evidence. Land values remain high in the area, and all schemes are struggling to break even. This is reflected locally with there

² an estimate of what the completed development may be worth on the open market once all development works have been completed.

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being no other neighbouring authorities charging for these uses either. A zero rate will contribute to the objective of improving competitiveness in attracting new business and employment, by not adding additional financial burdens.

23. The proposed CIL rates are set out in the table below:

Zone and/or use	Proposed CIL rate
Residential development	£195 m ²
Residential development consisting of flats in Fareham town centre	£0 m ²
Residential development comprising retirement living (sheltered) on greenfield sites	£28m ²
All retail (outside centres)	£80 m ²
Comparison retail (within centres)	£0 m ²
All other development	£0 m ²
Welborne (all uses)	£0 m ² (continued rate)

24. The proposed rates are set out in the Draft Charging Schedule in Appendix A. It is this Draft Charging Schedule which will be the focus of the next step, the process of consultation followed by independent examination.

CONSULTATION ON THE DRAFT CHARGING SCHEDULE 2023

25. As the Council already applies CIL, this review of CIL is technically called a 'revision' within the legislation. A revision to the charging schedule must follow the same process as the preparation, examination, approval, and publication of a new charging schedule.
26. As Charging Authority, it is the Council's responsibility to prepare and publish the evidence base and prepare and publish a draft charging schedule. Representations are then required to be sought on the draft, before submitting the draft schedule for examination.
27. It is for the Charging Authority to decide how they wish to consult, and the regulations do not specify for how long or how many times the authority should consult, however Examiners must consider whether adequate time for consultation has been provided. It is therefore recommended that following approval to progress with the review of the Charging Schedule, a consultation period on the draft schedule will be undertaken for a period of six weeks from mid-March to late April 2023.
28. It is proposed that, similar to previous consultations on CIL matters, the consultation is publicised on the Council's website and emails and letters are sent to all statutory consultees and other relevant individuals and organisations on the Council's Planning Strategy consultation database.

EXAMINATION AND APPROVAL

29. Following consultation, the charging schedule must be examined in public by an independent person appointed by the Council, who is deemed to have appropriate qualifications and experience to fulfil the role.

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30. This report therefore also seeks delegated authority to the Director of Planning and Regeneration following consultation with the Executive Member for Planning and Development, to appoint an Examiner following the consultation.
31. An informal hearing format is usually the most appropriate form of examination for the Community Infrastructure Levy. If no-one has requested the right to be heard, the Examiner also has the option of conducting the examination by written representations. The Examiner must report their recommendations to the charging authority in writing. The Examiner may recommend that the draft charging schedule should be approved, rejected, or approved with specified modifications. The Examiner must give reasons for those recommendations.
32. On receipt of the Inspector's report, and pending a successful outcome, the proposed Charging Schedule will be brought back to the Executive and Full Council for approval and adoption.

CONCLUSION

33. For the reasons set out above, the Executive is asked to approve the Community Infrastructure Levy Draft Charging Schedule for consultation for a six-week public consultation between mid-March and late April, and delegate authority to the Direction of Planning and Regeneration following consultation with the Executive Member for Planning and Development to submit the charging schedule for examination.

Enquiries:

For further information on this report please contact Gayle Wootton, Head of Planning Strategy and Economic Development (Tel. 01329 824328)

Appendix A: Draft Charging Schedule for Consultation

FAREHAM BOROUGH COUNCIL

Community Infrastructure Levy

Charging Schedule

Purpose

This schedule sets out the Community Infrastructure charging rates set by Fareham Borough Council.

Charging Rates

Type of Development ¹	CIL charge per m ²	
	Rest of Fareham Borough	Welborne ²
Residential falling within Class C3(a) & (c) and C4 with the exception of older person sheltered housing.	£195	£0
Residential development consisting of flats in Fareham town centre as shown on figure 2 in the maps annexed to this schedule.	£0	£0
Development falling within Class C3 comprising retirement living (sheltered ³) on greenfield sites.	£28	£0
All retail falling within Class E outside of centres as shown on figure 3 in the maps annexed to this schedule.	£80	£0
Comparison retail ⁴ falling within Class E(a) in the centres as shown on figure 3 in the maps annexed to this schedule.	£0	£0
Standard Charge (applies to all development not separately defined above, for example: offices, warehouses and leisure and educational facilities)	£0	£0

¹ References above to Classes are to the Use Classes as set out in the Town and Country Planning (Use Classes) Order 1987 (as amended).

² For the purposes of this Schedule, the area defined as Welborne is that as set out by Welborne Plan, Part 3 of the Fareham Borough Local Plan. See Figure 1

³ Sheltered housing is self-contained housing, normally developed as flats or other small units, with the provision of facilities not associated with independent accommodation (main entrance, warden, residents lounge, emergency alarm service).

⁴ Reference to "comparison retail" means the selling of clothing and fashion accessories, footwear, household appliances (electric or gas), carpets and other floor coverings, furniture, household textiles, glassware, tableware and household utensils, computers, books, stationary and art materials, recorded music/videos, recording media and equipment, audio-visual equipment, musical instruments and accessories, games and toys, photographic, video and optical equipment, DIY equipment for the maintenance and repair of dwellings, tools, jewellery, clocks and watches, sports equipment, goods for outdoor recreation, telephony equipment and bicycles and accessories. See Figure 3.

Indexation

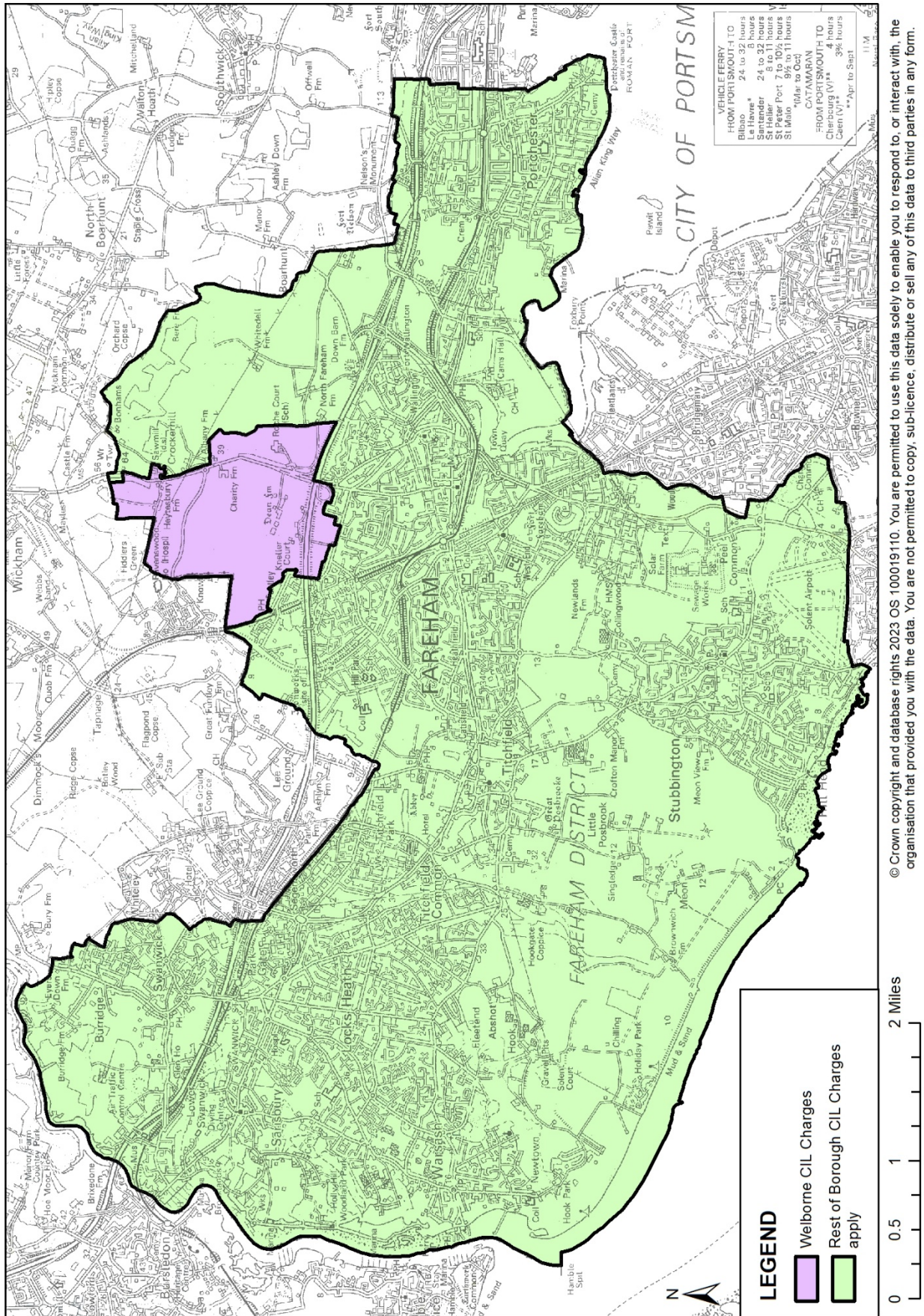
The Community Infrastructure Levy Regulations apply a form of indexation to the relevant rate in the charging schedule. National All-in Tender Price Index published from time to time by the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors; and the figure for a given year is the figure for 1st November of the preceding year. In the event that the National All-in Tender Price Index ceases to be published, the index to use will be The Retail Prices Index.

Calculating the Chargeable amount of CIL

CIL is charged on all new developments which create more than 100m² of floorspace and on those developments, which create 1 or more new dwellings, even where the floorspace is less than 100m². The chargeable amount of CIL is calculated on the gross internal area of the net increase in floor area. The amount to be charged for individual developments will be calculated in accordance with Schedule 1 of the Community Infrastructure Levy Regulations 2010, as amended.

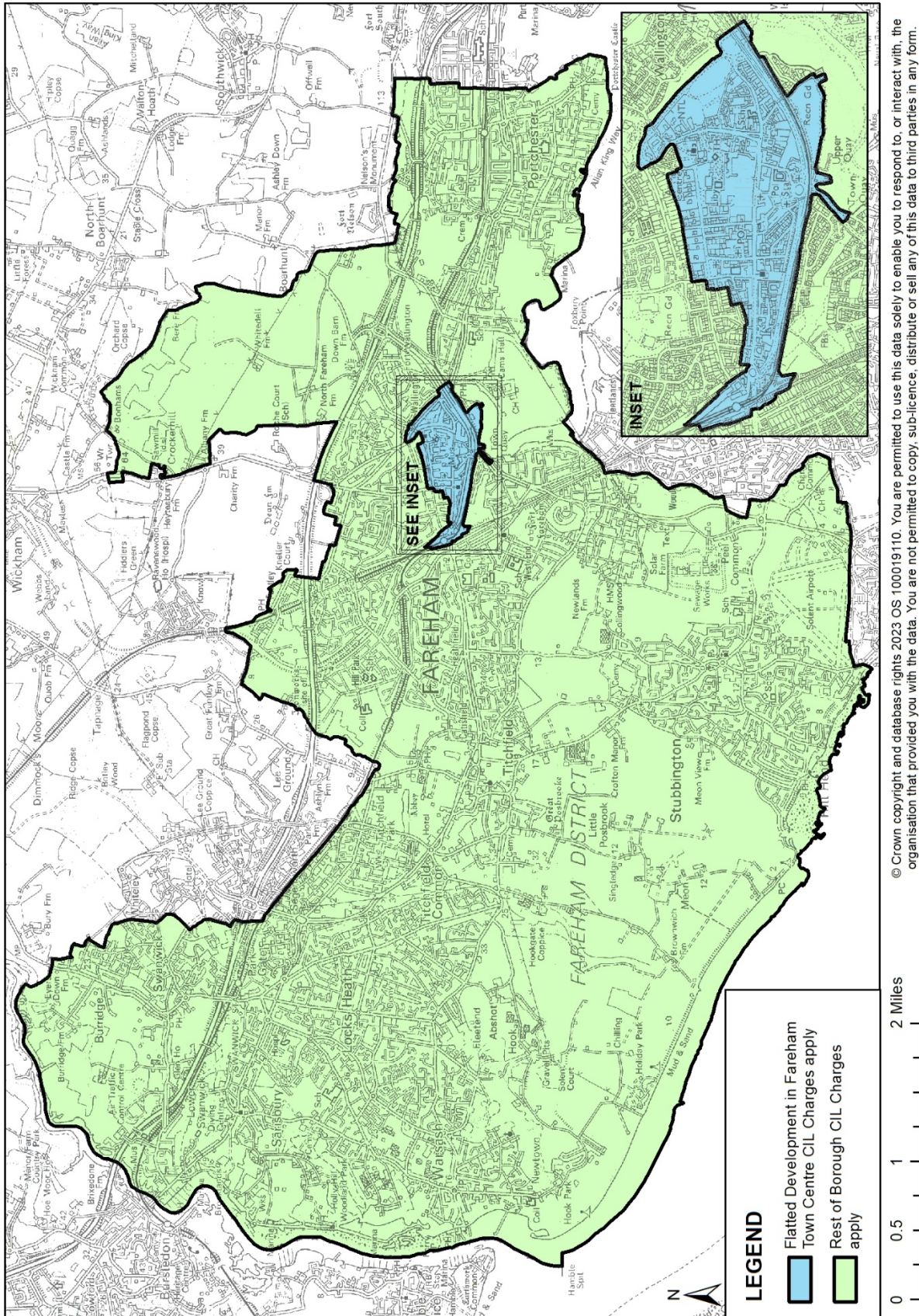
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Figure 1: Welborne and Rest of Borough



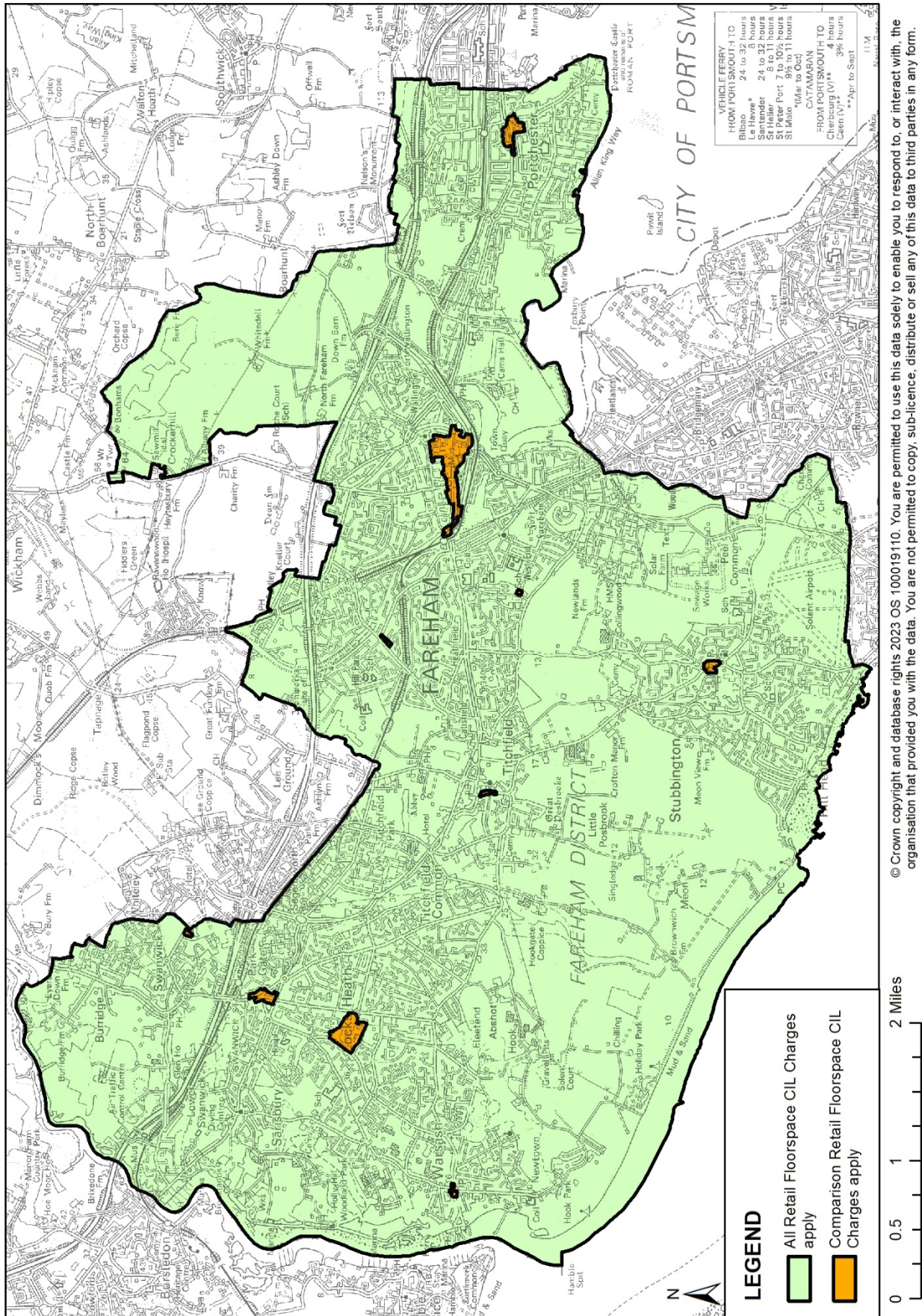
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Figure 2: Fareham Town Centre Flatted Development Area



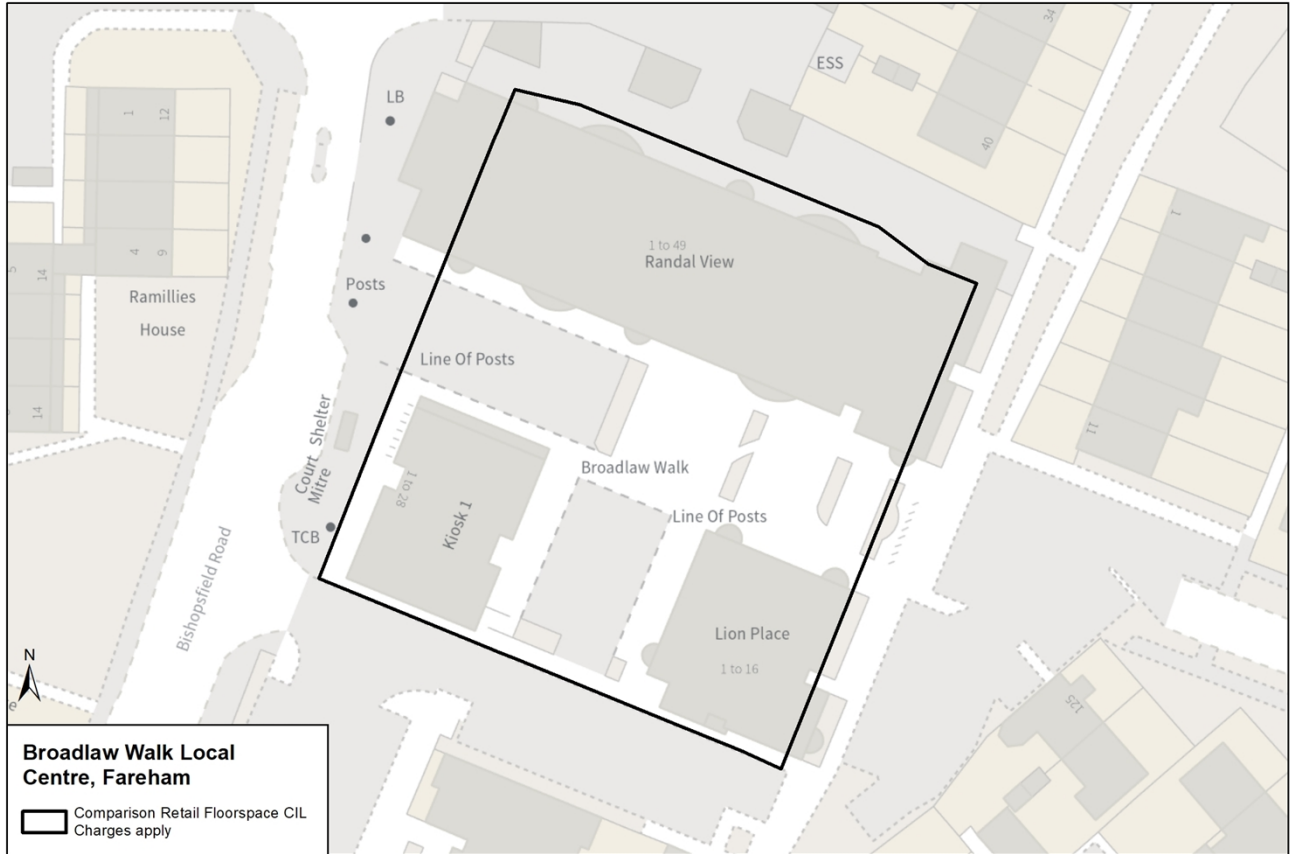
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Figure 3: Comparison Retail Charging Zones

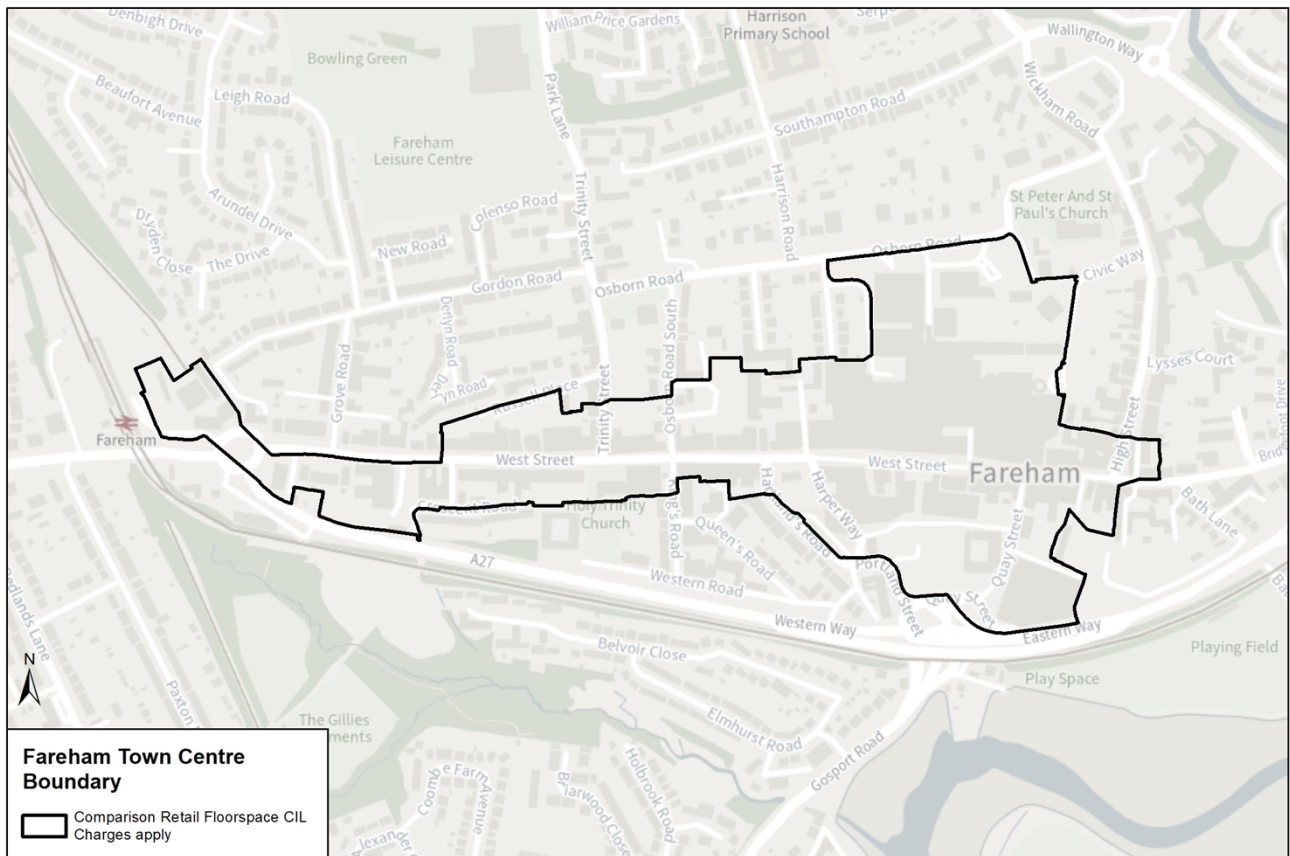


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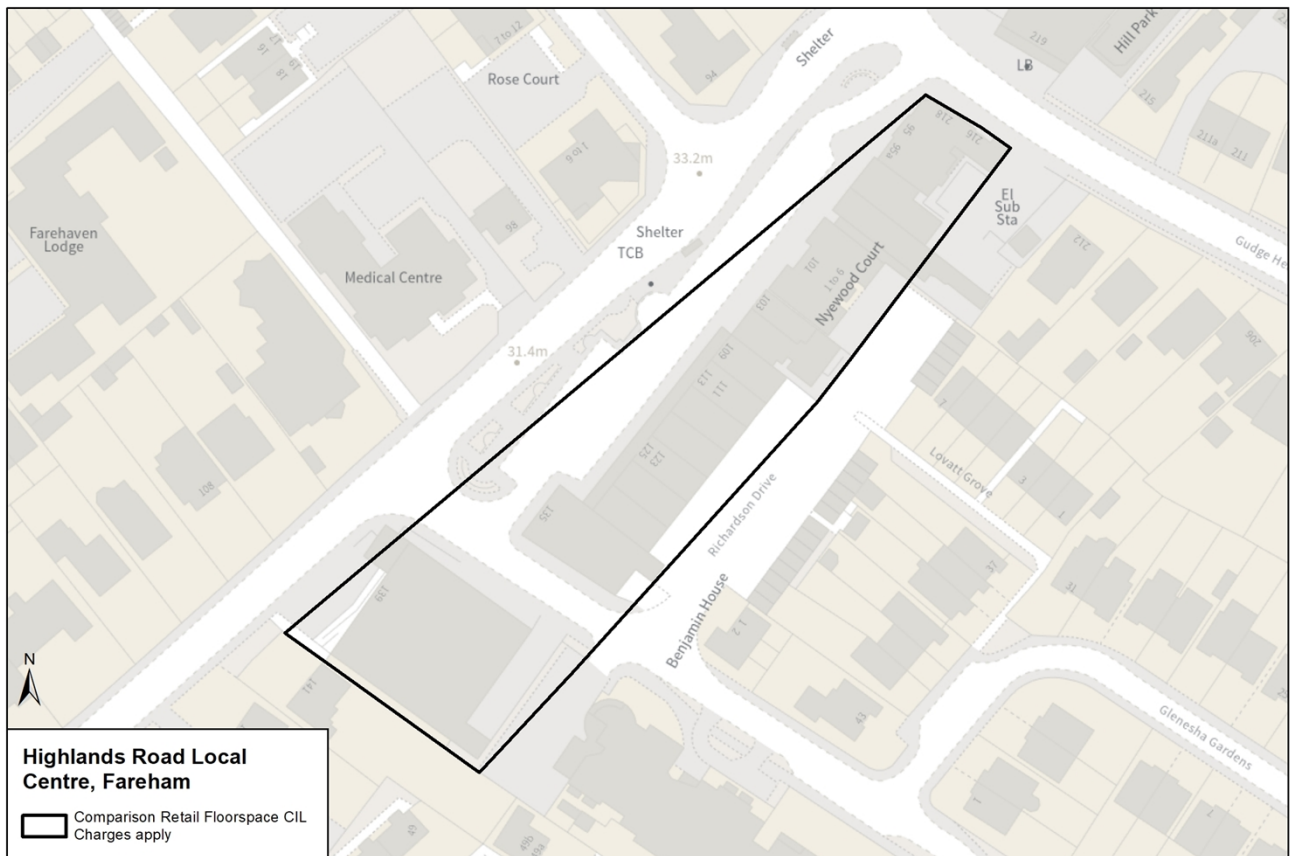
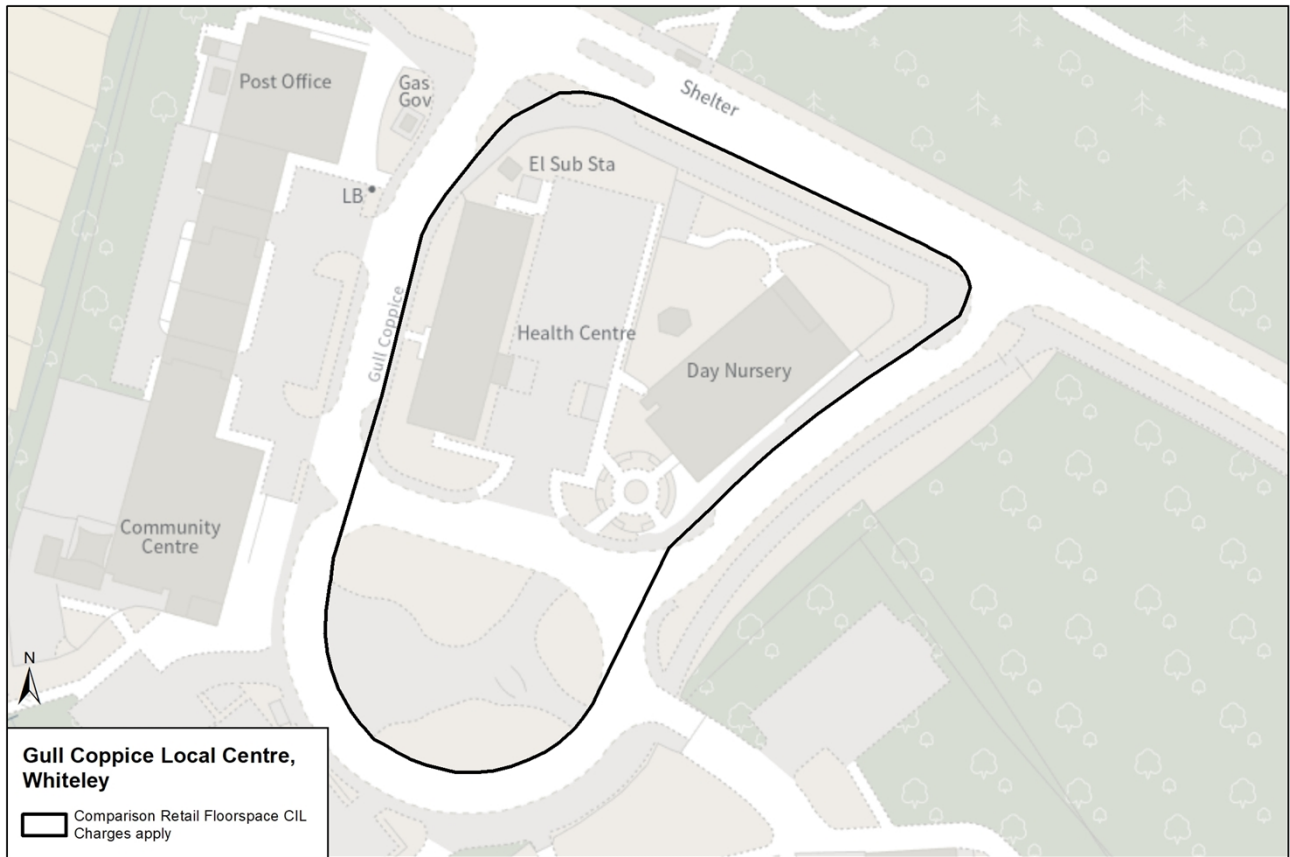


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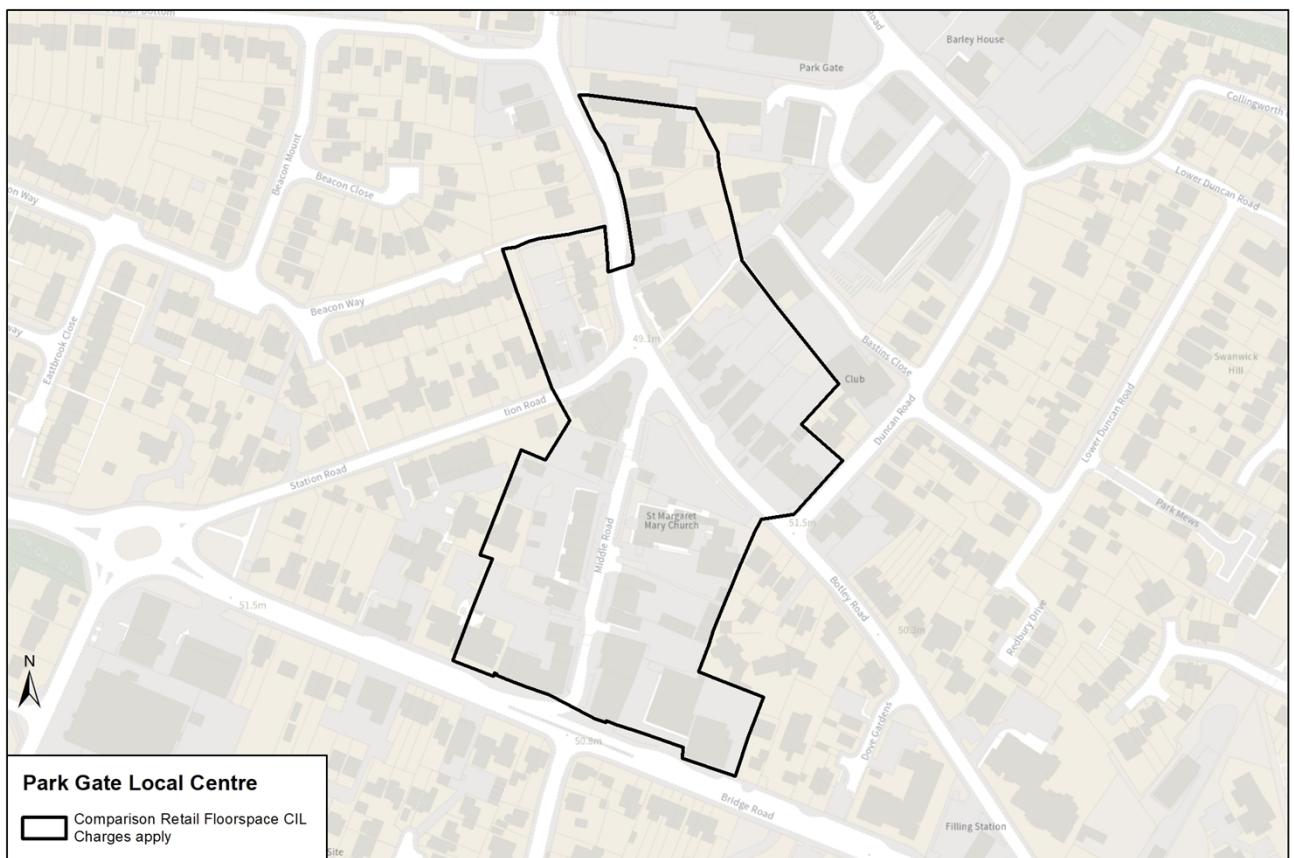
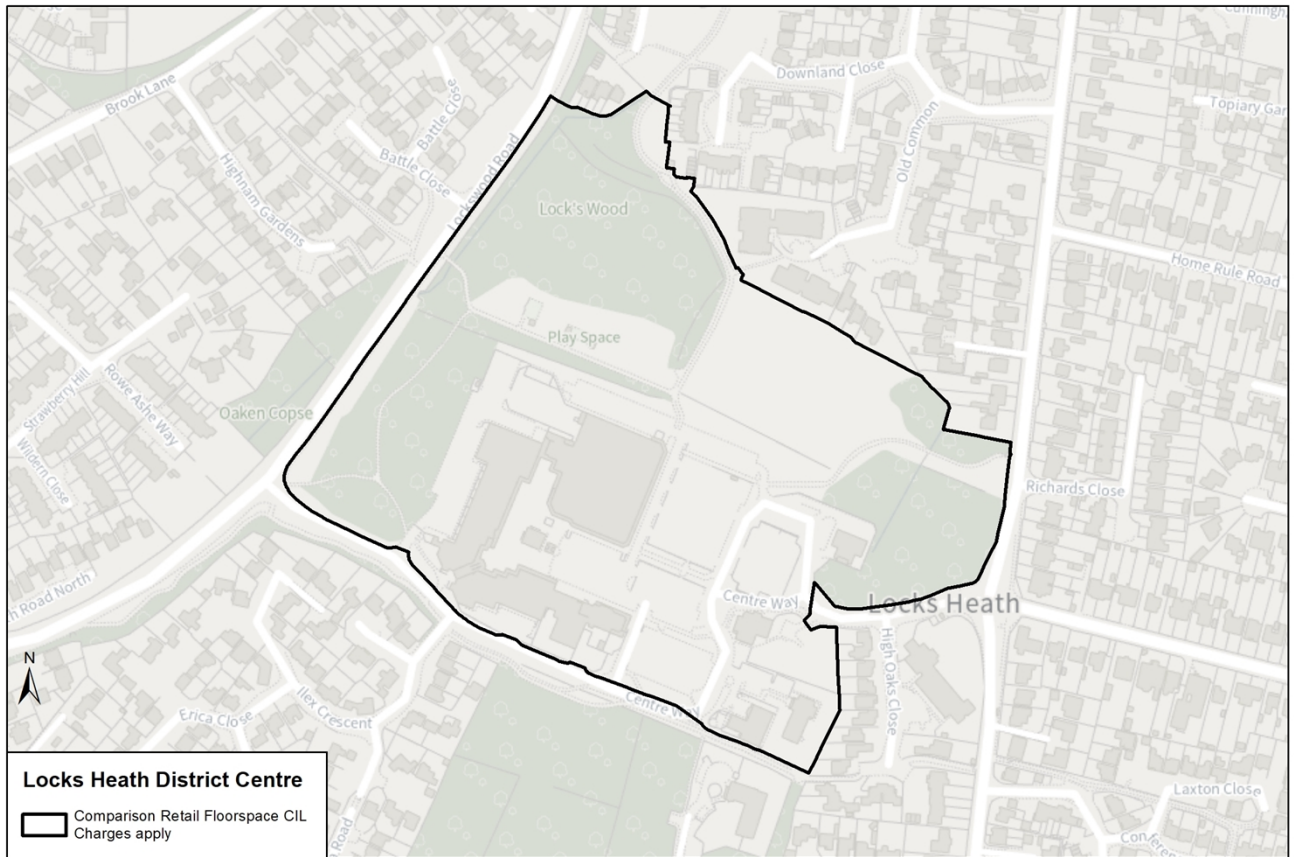


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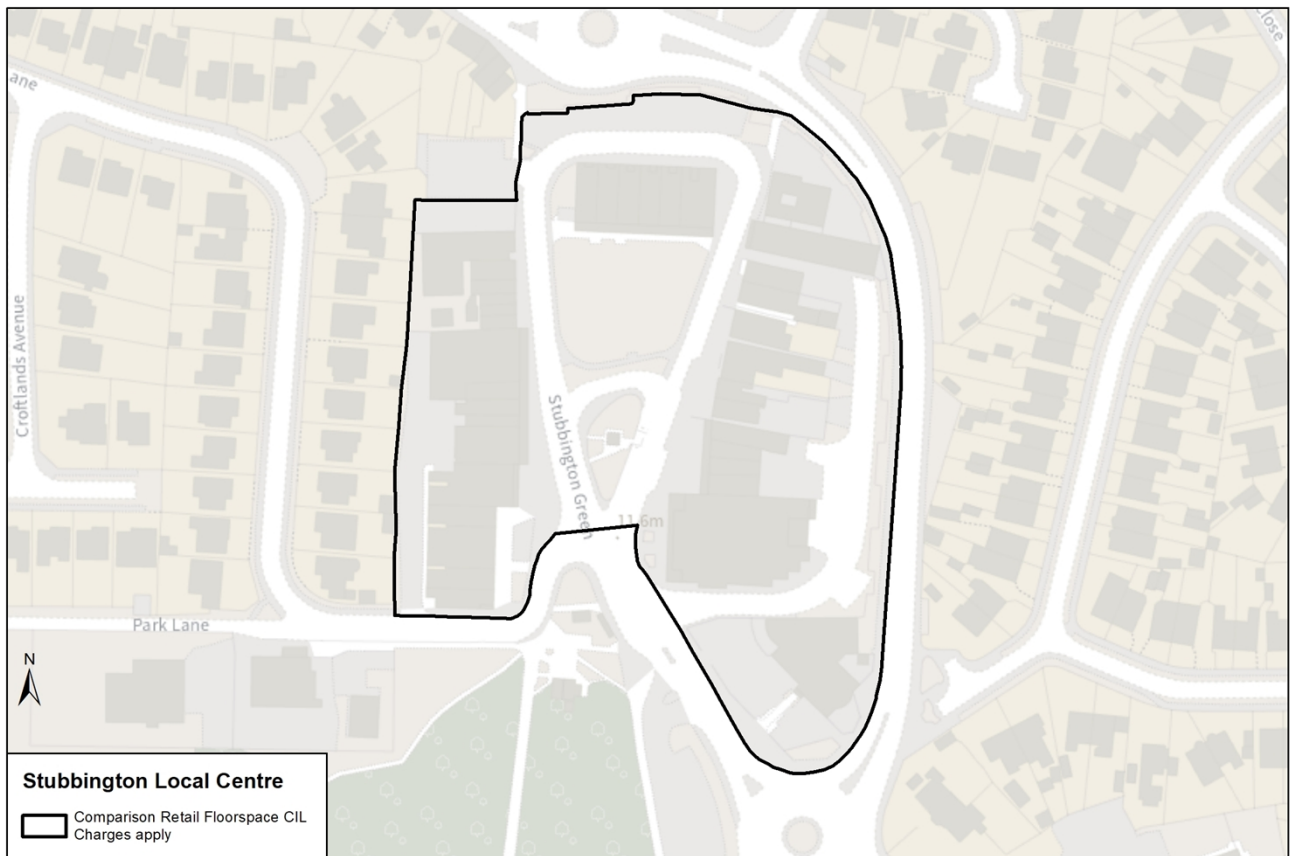
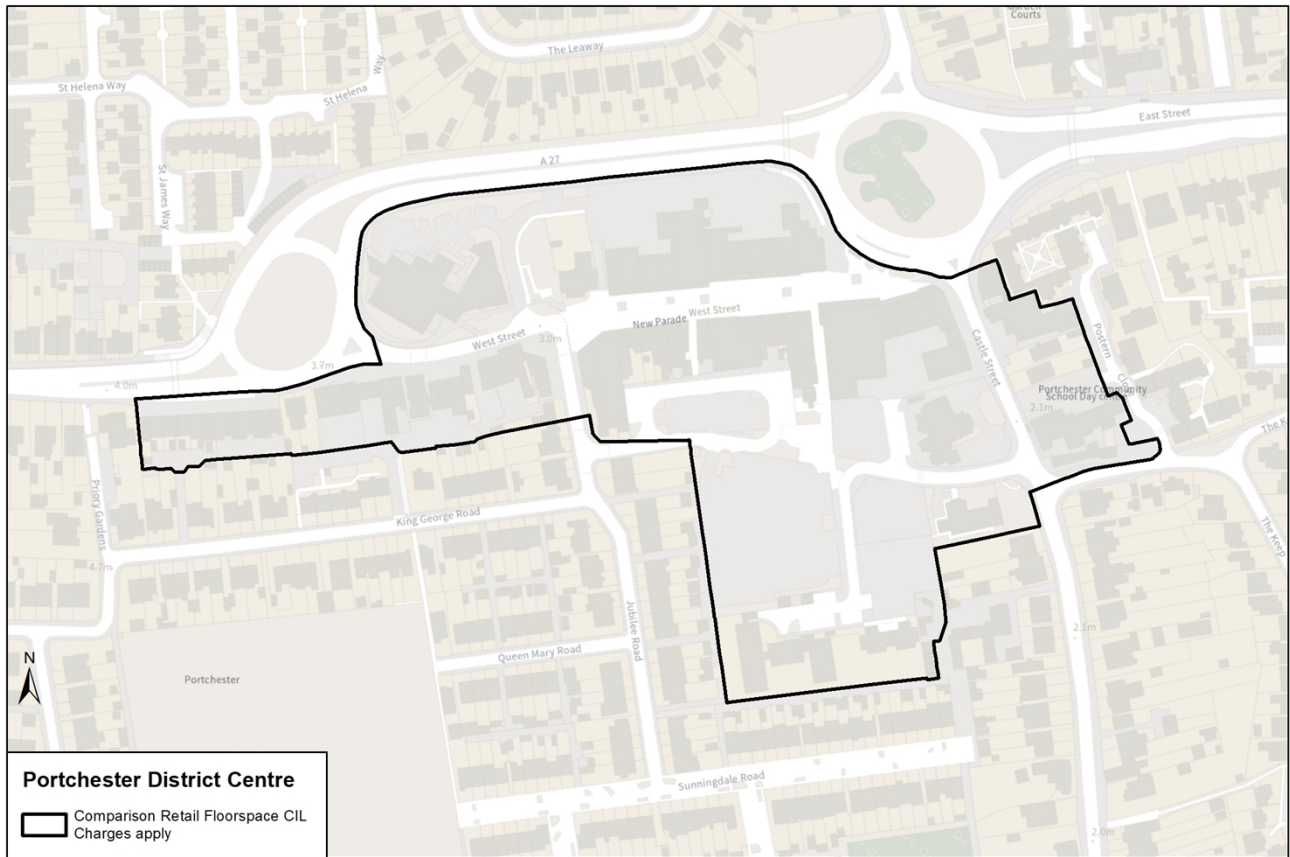
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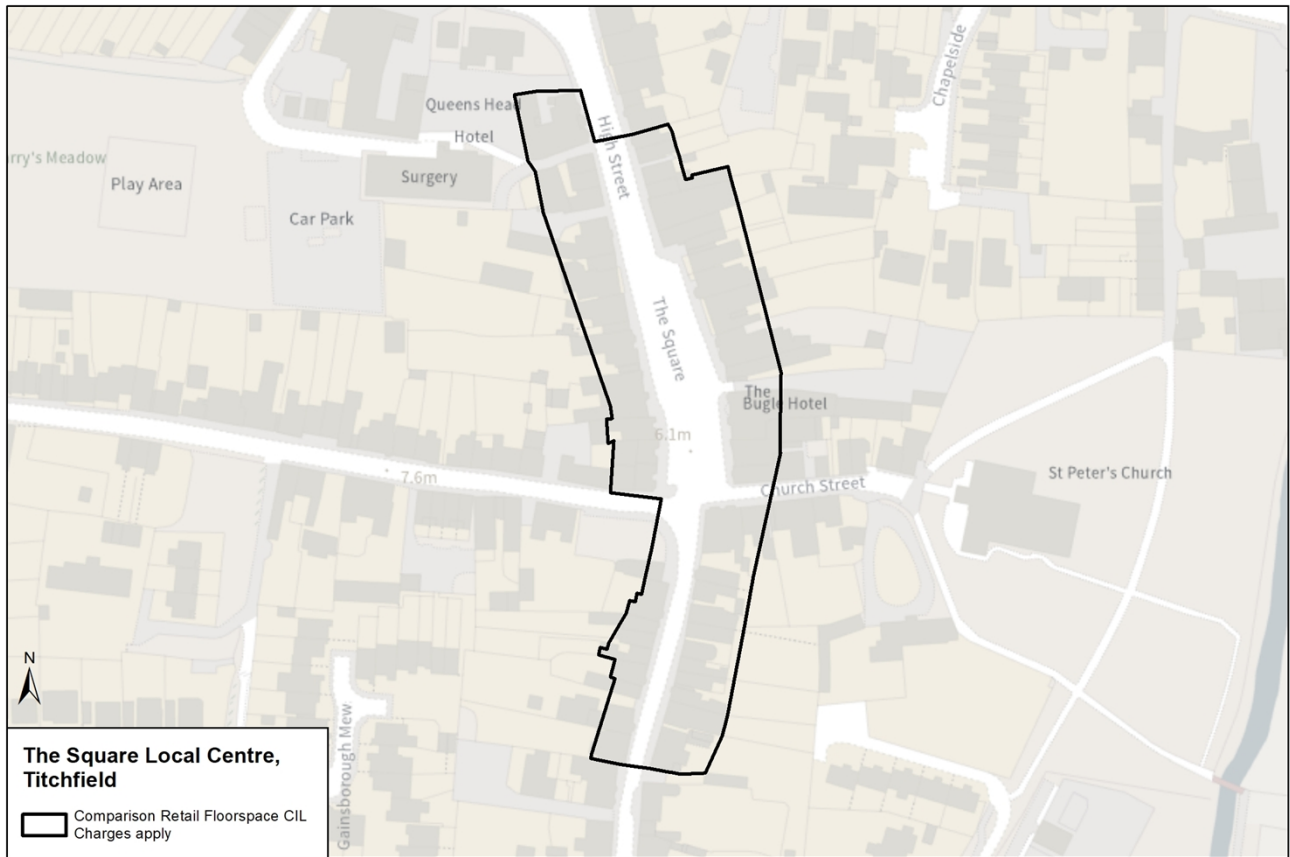
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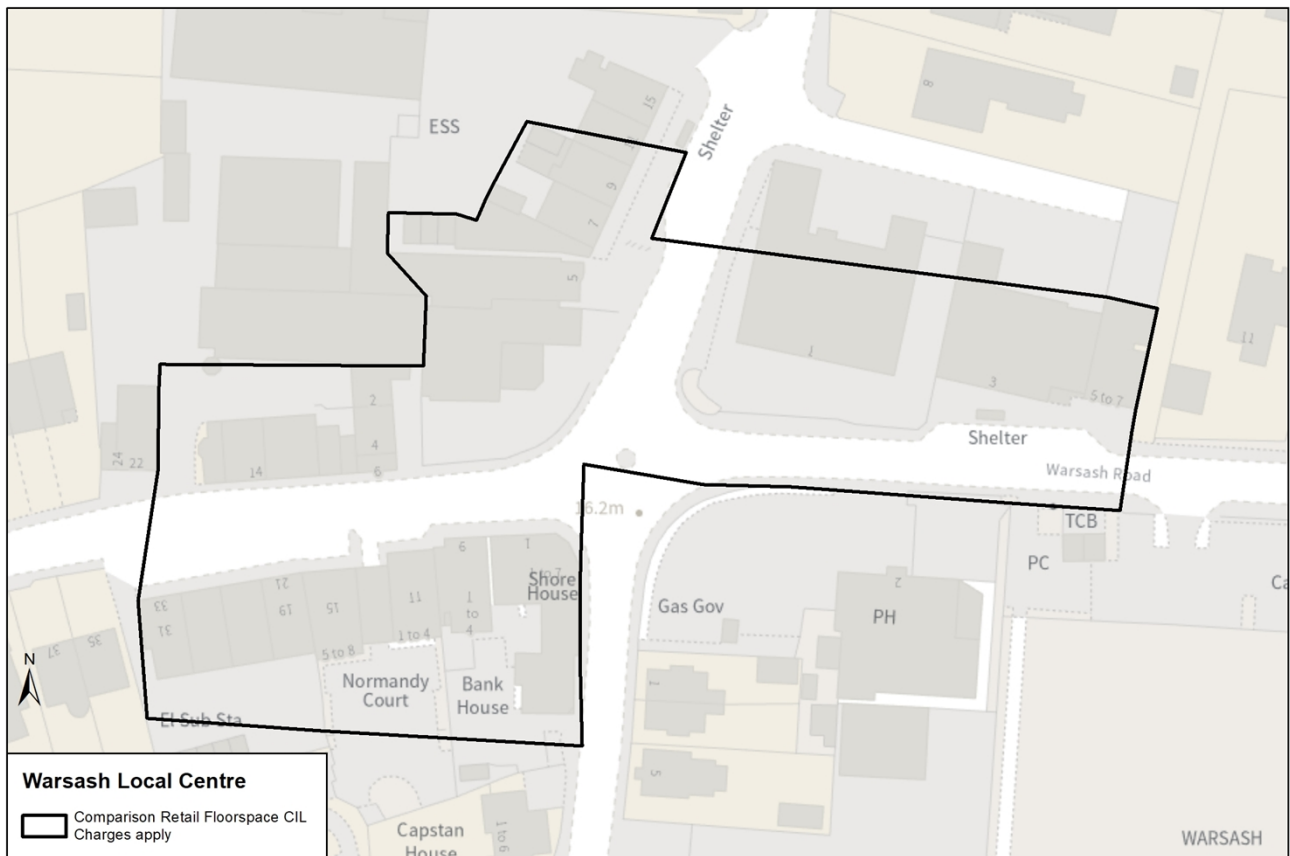
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Appendix B: CIL Review Report, Three Dragons

See attached PDF



Report for Fareham Borough Council

Fareham Community Infrastructure Levy

Viability Assessment – November 2022

Three Dragons



Document control sheet	
Project name	Fareham Borough Council
Project reference	Community Infrastructure Levy
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Quality statement	In preparing this report, the authors have followed national and professional standards, acted with objectivity, impartially, without interference and with reference to appropriate available sources of information. No performance-related or contingent fees have been agreed and there is no known conflict of interest in advising the client group.
Use of this report	<p>This report is not a formal land valuation or scheme appraisal. It has been prepared using the Three Dragons toolkit and is based on borough level data supplied by the Council, consultant team inputs and quoted published data sources. The toolkit provides a review of the development economics of illustrative schemes and the results depend on the data inputs provided. This analysis should not be used for individual scheme appraisal.</p> <p>No responsibility whatsoever is accepted to any third party who may seek to rely on the content of the report unless previously agreed.</p>

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EXECUTIVE SUMMARY

1. Three Dragons, have been commissioned by Fareham Borough Council (FBC) to provide viability advice to inform the setting of Community Infrastructure Levy (CIL) rates.
2. FBC wishes to set a CIL rate that is fair and reasonable and that will contribute to funding infrastructure and meeting the needs of the local community but not set at a level that prevents development coming forward.
3. The approach to assumptions and viability within this viability assessment draws on the policies within the Revised Local Plan 2037 as well as the supporting viability assessment that was prepared to inform that Plan and is anticipated to be found sound.
4. The study, following national guidance, assesses the residual value of development and compares this with a benchmark land value. The residual value of a scheme is calculated as the difference between its total value and costs.
5. For the assessment, a typology approach is used. The typologies selected were identified in discussion with FBC. They are not intended to represent specific development proposals but to reflect typical forms of development that could come forward over the plan period.
6. For each typology a mix of home types was identified, based on the housing market assessment and the viability work that support the Local Plan and a review of a selection of recent planning applications. The testing has included greenfield and brownfield sites with no allowances for offsetting existing floorspace. The percentages and tenures of affordable homes used in the testing are based on discussions with the council and reflect the targets in the Local Plan.
7. The set of the market values used in the study was derived from an analysis of Land Registry and floorspace data for new build homes giving the size and values of homes, for the past five years.
8. A review of property sites, EGi, agent reports and other web based data was used to inform the assumed values for the specialist residential and the non residential uses i.e. older person homes and the non residential typologies (employment, retail and leisure).
9. The information gathered was used to inform a set of viability tests, the results of which were used to help guide the council to a range of potential CIL rates. Guidance is provided as to important considerations for the council in setting rates including, simplicity, avoiding market shock, focussing on most likely future development scenarios and risk to delivery and meeting planning policy.
10. Using this guidance, a range of CIL rates have been recommended for the council, although guidance is clear that whilst the rates should be reasonable there is no requirement for a proposed rate to exactly mirror the evidence and that there is room for pragmatism.

11. The rates set out reflect the viability evidence in terms of residential development, and retail. For older persons FBC has a choice between a set rate for all older persons development of £0/sq m or to set a specific rate for older persons retirement (sheltered) accommodation on greenfield sites of £28/ sq m and all other older persons development at £0/sq m. Other tested uses are not able to support a CIL on a speculative build basis. The following sets out the potential CIL rates:

Zone and/or use	Proposed CIL rate
Standard residential development	£195 / sq m
Flat led development in Fareham town centre	£0 / sq m
Older persons retirement (sheltered) on greenfield sites	£0 / sq m (or £28/sq m)
All other older persons (including 'care/nursing' homes)	£0 / sq m
All retail (outside town centres)	£80 / sq m
All other development	£0 / sq m
Welbourne (all uses)	£0 / sq m (continued rate)

Chapter 1 Introduction

Context

- 1.1** Three Dragons were commissioned by Fareham Borough Council to undertake a viability assessment at a strategic level including an assessment of typical sites, consideration of Local Plan requirements and other costs, to inform the setting of Community Infrastructure Levy (CIL) rates.
- 1.2** The viability evidence provided in this report is intended to assist Fareham Borough Council in preparing its Community Infrastructure Levy (CIL) Draft Charging Schedule (DCS) for residential and non-residential uses. This report, whilst building on previous evidence, does supersede any previous work for the purpose of informing CIL rates.
- 1.3** This report provides assumptions and typologies, reflecting latest available information at time of preparation over Q2 2022.
- 1.4** On 30th September 2021 Fareham Borough Council submitted the Revised Publication Local Plan 2037. The Local Plan Examination Hearings started on Tuesday 8th March 2022 and ended on the 5th April 2022. The Inspector has issued two post hearing letters, the latest being received 7th September. It is anticipated that the full report from the Inspector will be received in Spring 2023. Given the content of the post hearing letters, proposed modifications and further consultation, it is not envisaged that the Inspector will direct any significant changes to policy that impacts on viability assumptions and outcomes. Therefore the approach to assumptions and viability within this viability assessment draws on the policies within the Revised Local Plan 2037 (as updated) as well as the supporting viability assessment that was prepared to inform that Plan and is anticipated to be found sound.

Testing viability for establishing CIL

- 1.5** The viability testing for this report has:
 - been designed to assess the amount of CIL that residential and non-residential development can reasonably support, including whether there are differences in viability across the borough or between different types of development that are sufficient to justify different CIL rates
 - drawn on the following for analysis:
 - a review of the types of sites planned for development in the Revised Local Plan 2037
 - a review of the policies in the Revised Local Plan 2037 and central government guidance that may have implications for development viability.
 - a review of developer contributions agreed by the Council.

- desk research to form initial views on the values and costs of residential and non-residential development in Fareham Borough and how these vary across the borough.
- drawing on consultation with the development industry including Registered Providers, developers and agents active in the area that informed the recently examined Revised Local Plan Viability Assessment. Details of the June 2019 consultation workshop can be found in Appendix G
- with agreement of the Council to the assumptions used, utilised the Three Dragons residential and non-residential viability models to undertake the viability testing set out in this report.

Chapter 2 Policy context

National policy

2.1 National policy and guidance on viability for Community Infrastructure Levy (CIL) (and plan making) is set out in National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG). There is also useful guidance contained within 'Viability Testing Local Plans – Advice for planning practitioners' (Harman). The viability testing undertaken within this study complies with this national policy and guidance, the details of which are set out in Appendix A.

Local policy

2.2 The NPPF is clear that viability testing should take into account the costs of any requirements likely to be applied to development. Therefore, a planning policy review has been undertaken. The new Local Plan 2037, once adopted, will be the main planning document for Fareham. It will set out the overarching spatial strategy and development principles for the area together with more detailed policies to help determine planning applications. It is intended that at adoption stage the new Local Plan will formally replace the existing Local Plan Part 1: Core Strategy (2011) and Local Plan Part 2: Development Sites and Policies (2015). Local Plan Part 3: The Welborne Plan will not be replaced by the 2037 plan, but together with the new Local Plan and further documents, such as Supplementary Planning Documents (SPDs), will make up the suite of planning policies upon which planning applications will be considered. An analysis of the Revised Local Plan policies is set out in Appendix A which provides a summary of each policy, potential impact on viability and implications for viability testing. Policies that have been identified as having implications for viability testing include:

- HP5 - Provision of Affordable Housing, sets out proportion of affordable housing required from qualifying development sites.
- HP7 - Adaptable and Accessible Dwellings, identifies requirements for meeting housing needs for a wider range of occupiers.
- HP9 - Self and Custom Build Homes, requirement to include a proportion of custom or self build homes within qualifying development
- NE1 – Protection of designated sites, with mitigation required from development
- NE2 - Biodiversity Net Gain, requires most development to provide at least a 10% net gain
- NE3 - Solent SPA, mitigation payments within qualifying areas
- NE4 - Water quality, mitigation requirements within qualifying areas
- NE8 - Air quality, requirement for EV charging points¹

¹ Note that the EV requirements have been superseded by changes to Building Regulations Part S and the requirement is now proposed to be removed as part of a main modification.

- TIN4 - Infrastructure delivery

2.3 In terms of Local Plan Part 3: The Welborne Plan, it should be noted that a recent partial review of CIL identified a separate CIL rate for this specifically identified area of £0/sq m across all uses. There is no intention to revisit this rate as it has only been recently examined and will therefore be carried forward and added to the newly revised rates for all areas outside of Welborne Plan area.

Future supply

2.4 An important consideration in terms of the testing and policy choices is the types of development that are likely to come forward over the plan period. Both the current and the Revised Local Plan have a number of sites identified for development, which along with Welborne and contributions from windfall will make up the future supply for Fareham.

2.5 Over half of the housing supply has already been granted consent, has a resolution to grant or consent is being determined. Therefore, whilst it is important that this report demonstrates impact of proposed policies and helps the council inform a review of its CIL rates, it is clear that this is only going to be significantly impacting on under half of the identified supply (circa 4,500 dwellings).

2.6 In terms of the size of site, outside of Welborne, the sites sizes range from smallest at Beacon Bottom East (5 units) and largest proposed allocation at Downend Road (550 units). The proposed typologies will need to cover that range.

Chapter 3 Approach to testing and typologies

Uses included in the testing

3.1 The uses tested are listed below and focus on developer-led forms of development rather than publicly led uses such as new infrastructure facilities or development types that are not common:

- Residential
 - residential for sale and rent
 - older person homes
- Non-residential
 - offices
 - industrial/warehouse
 - retail
 - hotel

Typology selection

3.2 The study uses a typology approach for the testing undertaken. The typologies selected for testing were identified in discussion with Fareham Borough Council and at the development industry workshop. They are not intended to represent specific development proposals but to reflect typical forms of development that are likely to come forward over the plan period. The typologies are the same as those tested through the Revised Local Plan as they best represent future development types. However, during the Revised Local Plan Examination the Inspector indicated that further testing of town centre sites may be useful to inform future work and therefore two additional typologies have been included.

3.3 The typologies are organised in the three broad groups of development types - residential, specialist homes and non-residential.

Welborne

3.4 Please note that this report does not reconsider Welborne Garden Community as that was subject to a partial CIL review in 2021 and approved. The accepted rate of £0/sq m for all development within Welborne Garden Village will be carried forward into the revised charging schedule when approved.

Residential and specialist homes typologies

- 3.5** The **generic** residential typologies are set out in table 3.1. These include a set of small sites which are below the affordable homes threshold as well as some medium, large sites and high density town centre schemes. The proportions of net developable area² reflect policy requirements as well as typical characteristics of this site type.
- 3.6** Typologies are tested on brownfield (BF) as well as greenfield (GF) sites except for flatted only schemes which are only on brownfield sites; and the larger sites (600 & 1,000 homes typology) which are tested on greenfield. On a conservative basis, the brownfield site testing does not assume any existing floorspace to be netted off against the CIL liability although it is likely that this will be the case in practice. Four typologies represent potential higher density flat only development, akin to those most likely to be found in an existing urban setting such as a town centre. Included is a specific build to rent (BtR) typology and whilst these have yet to come forward in Fareham the market is shifting outwards from the larger metropolitan areas to well-connected towns and cities. Therefore there is potential for this form of development in the future. It is not anticipated by the Council that flatted developments will exceed five storeys (which has a bearing on the build costs used in the viability testing).
- 3.7** **Older persons homes**, especially in relation to CIL, need to have a clear set of definitions. It is important to note that CIL regulations and guidance are concerned with 'use' in its normal meaning and not 'use class' as is sometimes wrongly considered. However, in testing viability it is noted that whilst CIL is not bound by use class, other policy wording e.g. affordable housing does describe requirements with 'use class' definitions.
- 3.8** There are a number of different types of older person homes. These are helpfully set out by the older person industry through the Retirement Housing Group:
- Retirement housing - This is often known as "Sheltered Housing" or "Retirement Living". Retirement Housing usually provides some facilities not found in completely independent accommodation. These can include a secure main entrance, residents' lounge, access to an emergency alarm service, a guest room. Extra facilities and services are paid for through a service charge on top of the purchase price or rent. To move into retirement housing residents are assumed to be independent enough not to need care staff permanently on site.
 - Supported Housing - This is often known as "Extra Care Housing" or "Assisted Living". Everyday care and support will be available. Facilities will include those available in retirement housing plus others (such as a restaurant, communal lounges, social space and

² Net developable area is defined as the land within a site that is available for development. The gross site area will also include land for uses such as open space and parks, schools, major distributor roads.

leisure activities, staff on site 24 hours a day). Service charges are likely to be higher than in retirement housing but this reflects the more extensive range of facilities.

- Care Homes - This includes what have traditionally been described as residential care homes or nursing homes and is where integral 24-hour personal care and/or nursing care are provided together with all meals. A care home is a residential setting where a number of older people live, usually in single rooms and people occupy under a licence arrangement.

3.9 In some circumstances various combinations of the different older persons housing categories are combined within retirement villages. Retirement villages can include age-restricted market homes, sheltered/extra care and care home accommodation, as well as a range of communal facilities. Whilst we indicate what a Village might comprise of, it is difficult to develop a typical scheme and the variance could be considerable. Therefore, in terms of potential affordable homes and CIL charging we consider that the main separate uses within a Village have been tested and in terms of CIL, these would each be charged at the prevailing rate for that use e.g. general homes or supported homes.

3.10 For this study, we have tested a Retirement Housing scheme, a Supported (Extra Care) Homes scheme and a Care Home scheme. Retirement and Supported Homes have both been tested without affordable homes provision as per the explanatory text associated with the affordable housing policy of the Revised Local Plan (as submitted).

3.11 The general homes typologies are labelled Res1 through to Res14. The older persons typologies are labelled OP1 through to OP5.

Table 3.1 Residential typologies

Typology	Description	Homes	Density (dwellings/per hectare)	Net site (hectare) ³	Gross site (hectare)
	GF greenfield BF brownfield				
R1	GF small house scheme	3	38	0.08	0.08
R2	BF small house scheme	3	40	0.08	0.08
R3	GF small house scheme	8	36	0.23	0.23
R4	BF small house scheme	8	40	0.20	0.20
R5	GF medium mixed scheme	15	38	0.40	0.40

³ Net and gross figures are based on density of development and adjusted according to site type and size, based on the general principle that as the development gets larger the net to gross decreases to take into account non-residential space required for creating sustainable places, such as open space or education. The adjustment is based on experience and reviewing of submitted applications.

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Density (dwellings/per hectare)	Net site (hectare) ³	Gross site (hectare)
R6	BF medium mixed scheme	15	38	0.40	0.40
R7	BF medium mixed scheme	30	80	0.38	0.38
R8	GF medium mixed scheme	50	36	1.39	1.90
R9	BF medium mixed scheme	50	38	1.32	1.80
R10a	BF town centre flat scheme	80	80	1.00	1.42
R10b	BF town centre flat scheme	40	200	0.2	0.2
R10c	BF town centre flat scheme	20	200	0.1	0.1
R10d	BF town centre BtR scheme	150	300	0.5	0.5
R11	GF large mixed scheme	120	36	3.3	4.8
R12	BF large mixed scheme	120	50	2.4	3.5
R13	GF large mixed scheme	600	40	14.99	25.00
R14	GF large mixed scheme	1000	35	28.77	50.00

Table 3.2 Older persons homes typologies

Typology	Description	Homes	Density (dwellings/per hectare)	Net site (hectare)	Gross site (hectare)
OP1	GF scheme – Retirement (sheltered) homes	60	120	0.50	0.50
OP2	BF scheme – Retirement (sheltered) homes	60	120	0.50	0.50
OP3	GF scheme – Supported (extra care) homes	50	100	0.50	0.50
OP4	BF scheme – Supported (extra care) homes	50	100	0.50	0.50
OP5	Carehome	60 bed	-	3,000sq m	0.38

Affordable homes requirements

3.12 The percentages and tenures of affordable homes used in the testing are based on discussions with the council and reflect the targets in the Revised Local Plan. Affordable housing is not sought from sites under 10 dwellings (or from older person housing), therefore inclusion of affordable housing will only be undertaken for general housing typologies with dwellings of 10 and over. The percentage is as follows:

- Greenfield sites at 40% affordable housing
- Brownfield sites outside Fareham town centre at 35% affordable housing
- Brownfield sites within the town centre (see map in Appendix C for the boundary) at 20% affordable housing

3.13 Sites with affordable housing are tested with a tenure mix of 10% social rent, 55% affordable rent and 35% shared ownership. It is understood from the council that both the percentage and tenure requirements are normally met, with only limited occasions where these have been altered. Affordable housing in the build to rent typology is discount market rent.

3.14 The base testing assumes the 35% affordable homeownership is a shared ownership tenure as preferred by the council. However, the government has published a Ministerial Statement and changes to PPG to encourage the introduction of a new tenure of affordable home ownership, known as First Homes. The statement and guidance suggest the councils should allow 25% of all affordable homes as the new First Homes tenure. Whilst the guidance does provide some broad parameters around First Homes, there is a lack of detail as to how it should be considered in terms of viability testing and as it is a new tenure there are limited examples of how it will operate in practice to help inform any assumptions. Whilst the PPG suggests that when including First Homes development '*should seek to capture the same amount of value as would be captured under the local authority's up-to-date published policy*' again, it is not clear how this applies in practice.

3.15 At the time of writing the council is not actively seeking a First Homes tenure as it was subject to transitional arrangements regarding the local plan process. Therefore, for this stage in developing potential CIL rates, given the uncertainty as to whether the council will support this tenure it has not been included within the base testing. However, the affordable housing policy requirements do not preclude First Homes coming forward and a sensitivity test has been undertaken to illustrate the impact of First Homes. Whilst this will not be used as the basis for any rates it will provide a sense check should this form of development come forward. Experience elsewhere suggests that in terms of viability the differences with shared ownership overall are marginal in most circumstances. Build to rent follows national guidance in respect to affordable housing provision.

Non-residential typologies

- 3.16** As with the residential and older person homes typologies the testing has been conducted on a hypothetical typical site basis. This is because it is impossible for this study to consider viability on a site-specific basis at this stage, given that there will be insufficient data on site-specific costs and values. Site-specific testing would also be considering detail on purely speculative/assumed scenarios, producing results that would be of little use for a study for strategic consideration.
- 3.17 Retail typologies** include convenience and comparison, in and out of town centre locations. Fareham is the highest order centre in the borough, with further centres at Locks Heath, Portchester and Stubbington⁴. The Revised Local Plan (as submitted) Table 7.2 allows for 2,200 sq m (net) of additional convenience retail floorspace and 2,400 sq m (net) of additional food and beverage floorspace in the borough over the Plan period (no requirement for comparison floorspace is identified). Data on town centre retail values has been taken from transactions in locations across the borough, while out of centre retail data has looked more widely on a regional basis to base estimates on sufficient transactions.
- 3.18** In the past leases to the main supermarket operators have commanded a premium with investment institutions. Although there are some small regional variations on values, they are reasonably standard across the country with investors focusing primarily on the strength of the operator covenant and security of income. As a result, it is reasonable to use a broad geographical evidence base across the South of England for convenience retail.
- 3.19** There has been a structural change in convenience retailing in recent years with an end to the expansion of the largest format convenience retailing and more emphasis on smaller supermarket formats (as used by both discount and premium convenience operators) and greater provision of small format stores, often within the Sunday trading threshold (280 sq m display floor area), utilising existing floorspace. These changes reflect the alterations in shopping habits. This trend appears to be continuing even with the recent general downturn in retail due to the pandemic and the typologies chosen reflect these changes.
- 3.20** There is **employment activity** and planned growth across the borough. We have therefore tested office, industrial and warehouse uses in edge of settlement/transport nodes as well as office development in more traditional centres. Whilst potentially office development could be in both in and out of centre, it is anticipated that industrial uses and warehouses will be located only at out of centre locations.

⁴ Maps of the town centre boundaries are on the council's local plan web pages - http://planningpdf.fareham.gov.uk/PDF/planning/local_plan/CD002_Revised_Policies_Map.pdf

- 3.21** Nationally, there has been significant growth in the provision of **budget hotels**,⁵ with relatively few full-service hotels outside the major conurbations. The most likely new-build hotel development in Fareham is a budget hotel⁶ and the testing has used a budget hotel development of 70 rooms over three storeys, this is most likely at transport nodes or near business activity in an out of centre location.
- 3.22** It is important to note that whilst it is likely a range of non-residential uses (e.g. offices, industrial, retail and leisure) will come forward over the lifetime of the plan, experience elsewhere and the review of proposed local plan policies suggests that these will account for a very limited proportion of development and are affected more by market forces than policy requirements. Therefore, whilst it is important to consider the results in terms of any potential CIL it is unlikely that plan policies will have any significant impact.
- 3.23** The following table sets out the non-residential typologies used for testing including the assumed net developable site area for each development type and the amount of floorspace it will accommodate. Non-residential typologies are labelled NR1 through to NR9.

⁵ The British Hospitality Association Trends and Developments Report 2012 indicates that budget hotels are defined as a property without an extensive food and beverage operation, with limited en-suite and in-room facilities (limited availability of such items as hair dryers, toiletries, etc.), low staffing and service levels and a price markedly below that of a full service hotel.

⁶ <https://www.knightfrank.co.uk/blog/2018/07/12/knight-frank-launches-uk-hotel-development-opportunities-2018-report>

Table 3.3 Non-residential typologies

Typology	Use	Description	Gross floorspace (sq m)	Gross site area (hectare)
NR1	Office	Fringe and transport nodes	1,500	0.19
NR2	Office	Town centre	2,000	0.06
NR3	Small employment (industrial/warehouse)	Fringe and transport nodes	1,600	0.40
NR4	Large employment (industrial/warehouse)	Fringe and transport nodes	5,000	1.25
NR5	Retail convenience	Small local store	300	0.03
NR6	Retail convenience	Supermarket	1100	0.31
NR7	Retail comparison	Town centre	200	0.01
NR8	Retail comparison	Out of centre/retail warehouse/park	900	0.23
NR9	Hotel	Budget/business	2,800 (70 rooms)	0.23

Chapter 4 Residential assumptions

Home mix

4.1 For each typology, a mix of homes was devised. These mixes were based on the housing market assessment and the viability work that support the Revised Local Plan and current applications. They were agreed with Fareham Borough Council and also presented at the development industry workshop. The mixes used for the market and affordable homes are set out in the following tables.

Table 4.1 Market home mix

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Flats	2 bed house	3 bed house	4 + bed house
R1	GF small house scheme	0%	32%	48%	20%
R2	BF small house scheme	0%	32%	48%	20%
R3	GF small house scheme	0%	32%	48%	20%
R4	BF small house scheme	0%	32%	48%	20%
R5	GF medium mixed scheme	14%	18%	48%	20%
R6	BF medium mixed scheme	14%	18%	48%	20%
R7	BF medium mixed scheme	14%	18%	48%	20%
R8	GF medium mixed scheme	14%	18%	48%	20%
R9	BF medium mixed scheme	14%	18%	48%	20%
R10a	BF town centre flat scheme	50%	20%	30%	0%
R10b	BF town centre flat scheme	80%	20%	0%	0%
R10c	BF town centre flat scheme	80%	20%	0%	0%
R10d	BF town centre BtR scheme	100%	0%	0%	0%
R11	GF large mixed scheme	14%	18%	48%	20%
R12	BF large mixed scheme	10%	35%	45%	10%
R13	GF large mixed scheme	14%	18%	48%	20%
R14	GF large mixed scheme	14%	18%	48%	20%
OP1	GF scheme – Retirement (sheltered) homes	100%	0%	0%	0%

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Flats	2 bed house	3 bed house	4 + bed house
OP2	BF scheme – Retirement (sheltered) homes	100%	0%	0%	0%
OP3	GF scheme – Supported (extra care) homes	100%	0%	0%	0%
OP4	BF scheme – Supported (extra care) homes	100%	0%	0%	0%
OP5	Carehome	100%	0%	0%	0%

Table 4.2 Affordable home mix

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Affordable - rent				Affordable – shared ownership			
		Flats	2 bed house	3 bed house	4 + bed house	Flats	2 bed house	3 bed house	4 + bed house
R5	GF medium mixed scheme	35%	40%	20%	5%	20%	50%	30%	0%
R6	BF medium mixed scheme	35%	40%	20%	5%	20%	50%	30%	0%
R7	BF medium mixed scheme	35%	40%	20%	5%	20%	50%	30%	0%
R8	GF medium mixed scheme	35%	40%	20%	5%	20%	50%	30%	0%
R9	BF medium mixed scheme	35%	40%	20%	5%	20%	50%	30%	0%
R10a	BF town centre scheme	35%	45%	20%	0%	20%	50%	30%	0%
R10b	BF town centre scheme	100%	0%	0%	0%	100%	0%	0%	0%
R10c	BF town centre scheme	100%	0%	0%	0%	100%	0%	0%	0%
R10d	BF town centre BtR scheme	100%	0%	0%	0%	0%	0%	0%	0%
R11	GF large mixed scheme	14%	18%	48%	20%	20%	50%	30%	0%
R12	BF large mixed scheme	10%	35%	45%	10%	20%	50%	30%	0%
R13	GF large mixed scheme	35%	40%	20%	5%	20%	50%	30%	0%
R14	GF large mixed scheme	35%	40%	20%	5%	20%	50%	30%	0%

Home sizes

- 4.2** Home sizes are based on meeting the nationally described space standards, averages derived from past transactions (taken from Land Registry and Energy Performance Certificates or EPC records) and the previous viability work. These were discussed and agreed with the council and at the development industry workshop in addition to follow up consultation with registered providers.
- 4.3** The size of home affects both their market value (as sale values were assessed on a per sq m basis) and their development costs. Construction costs for flats will include non-saleable circulation and common areas, and for schemes with 3 plus storeys flats, an allowance of 15% on top of the flats 'saleable floor' area in table 5.3 is added for circulation and common areas. For schemes where flats are 1 -2 storeys the allowance is 10%.
- 4.4** An allowance of 25% floor area is added to sheltered homes, and 35% for extra care homes to allow for circulation, common and service areas.
- 4.5** For the build to rent testing it is assumed 100% flats with unit sizes (net and gross) the same as the standard market for sale unit sizes set out in Table 4.3. An additional allowance of 3 sq m per unit for communal space (communal kitchen, lounge, workspace, gym etc) is added to the gross area.

Table 4.3 Market and affordable home sizes

Home type	Market size sq m (net)	Affordable size sq m (net)
1/2 bed flat	-	55.5 sq m
2 bed flat	61 sq m	61 sq m
2 bed house	70 sq m	70 sq m
3 bed house	97.5 sq m	84 sq m
4 bed house	124 sq m	106 sq m
1 bed Sheltered/Extra Care	50 sq m / 65 sq m	-
2 bed Sheltered/Extra Care	75 sq m / 80 sq m	-
Carehome	60 bed (3,000sqm)	

Source: Land Registry/EPC, LCC, NDSS

Values – standard residential market

- 4.6** The set of the market values in Fareham was derived from an analysis of new build Land Registry data for past five years. The Land Registry data was matched to Energy Performance Certificates to enable a value per sq m to be generated for the different house types. This is then grossed up by the home sizes to provide an approximate home value. Sales values are indexed to align with the base date of the build cost information, so cost and values have the same base date. The detailed transactions are set out in Appendix D.

Table 4.4 Standard market values comparison⁷

Transaction type	Flats	Houses
New build transactions £/sq m (£ unit value)	£4,140/sq m (£253,000)	£4,614/sq m (2 bed £300,000, 3 bed £418,000, 4 bed £531,000)

Source: Land Registry/EPC

- 4.7** The previous viability work that supported the local plan and the work preceding that informed the current CIL rates (outside of Welborne) both used one value area for residential sales. This approach is continued as no compelling evidence has arisen to suggest a change. It is accepted that there will always be localised variances on any single scheme but in the interest of meeting PPG guidance and practice amongst existing charging authorities whereby a simple charging schedule is encouraged, it is proposed to continue to use just one value area.
- 4.8** To 'sense' check these values, advertising prices shown on Right Move (summer 2022) for properties in Fareham borough were reviewed. At the time only a limited number of new build properties were being advertised, however these show 4 bed properties ranging from £500,000 - £800,000, 3 bed properties at £420,000 - £620,000 and 2 bed houses at around £370,000.

Table 4.5 Advertised market values by home types

Scheme	Home type	Price advertised
The Avenue	4 bed – detached	£800,000
Friary Meadow	3 bed – detached	£620,000
Wykeham Vale	4 bed – semi detached	£499,995
Bishop's Gardens x5	3 bed – semi detached	£420,000 - £499,950
Earls Place	4 bed – semi detached	£499,950
Bishop's Gardens x4	2 bed – semi detached	£365,000 - £375,000

- 4.9** These advertised prices are generally within the range used in the base testing. Therefore, the assumptions around values, which are driven by an extensive evidence base are considered to be realistic.

Values – older persons residential market

- 4.10 Sheltered** and **extra care** values are based on the Retirement Housing Group (RHG) guidance and consultation with providers. Selling prices for sheltered schemes are based on information from providers and cross referenced with a range of schemes that are selling at the time of reporting in 2022 and as per RHG guidance, Land Registry sales data for semi-detached properties in the Fareham area.

⁷ Figures shown in the table are rounded

- 4.11** The providers contacted suggested values in the range of £250,000 to £275,000 for a 1 bed and £325,000 and £350,000 for a 2 bed sheltered unit in Fareham would be a reasonable expectation. Rightmove and older person provider websites suggest there are only a limited number of schemes active in the local area and surrounding areas of Southampton and Waterlooville. The values of these varied between type of provision of homes from around £220,000 - £500,000. The price history for these new properties showed a varied picture with some units changing by around £50,000 (up and down) over a 12 month period.
- 4.12** As a check, this average price has been cross referenced to second-hand semi-detached properties, which have an average sold price of c.£365,000. RHG guidance suggests that the selling price of a 2-bed sheltered flat is the same as an existing stock 3-bed semi, with the value of a 1 bed sheltered flat set at 75% of an existing stock 3-bed semi. For extra care schemes, selling prices are 125% of the selling prices for sheltered homes.
- 4.13** Therefore, due to price fluctuations in this area shown on advertised prices on Rightmove, uncertainty as to the size and type of these units and that most of the schemes are outside the immediate Fareham area, it is considered that the figures suggested by the providers should be used within this assessment for sheltered housing and that the RHG approach in terms of an uplift on these figures should be used to generate the extra care values. The values to be used are shown in Table 4.6.

Table 4.6 Older person market values

Type	1 bed flat (£)	2 bed flat (£)
Sheltered	£250,000	£325,000
Extra care	£312,000	£406,250

Source: Consultation with providers/RG Guidance

- 4.14 Care homes** are assumed to have a capital value of £75,000 per bedroom based on a review of data from EGi, trade press and market commentary. We have tested a care home of 60 beds with a floorspace of 3,000 sq m.

Values - build to rent market

4.15 Build to rent was not considered in previous viability assessment that supported the Revised Local Plan (as submitted). However, work was undertaken in support of the local plan examination that explored delivery opportunities for the town centre allocation BL1. Values have been drawn from that work (Appendix D, page 13)⁸. This considered that new apartments will often achieve a rental premium over poorer grade flats. A review of newer and higher quality apartments that are currently for rent within a 5-mile radius of Fareham town centre (25 units) show average monthly rents as follows:

- 1 bed: £900 per month
- 2 bed: £1,185 per month
- 3 bed: £1,460 per month

4.16 A blended rate of £1,230 taken from rates these has been used within the testing, resulting in a capitalised value of £230,000⁹.

Values - Affordable homes

4.17 For the previous viability study that informed the Revised Local Plan (as submitted), discussion with the council's housing team, a review of schemes and a survey of local Registered Providers identified a range of transfer values for affordable homes as a percentage of full market value (i.e. an estimate of how much the RPs may pay for the affordable units). These transfer values are used for this assessment.

4.18 In terms of **shared ownership**, the transfer values agreed were 70% of market value. For rented the **affordable rent** is at 57.5% of market value and for **social rent** it is 42.5% of market value.

Table 4.7 Affordable homes values¹⁰

Home type	Affordable rent	Social rent	Shared ownership
1/2 bed flat	£132,000 per unit	£98,000 per unit	£176,000 per unit
2 bed house	£172,000 per unit	£127,000 per unit	£210,000 per unit
3 bed house	£207,000 per unit	£153,000 per unit	£252,000 per unit
4 bed house	£261,000 per unit	£193,000 per unit	£318,000 per unit

⁸ http://planningpdf.fareham.gov.uk/PDF/planning/local_plan/Examination/FBC042BL1PositionStatementMainReportAppendices.pdf

⁹ The capitalised value assumes a discount of 26% of annual rent to account for maintenance, sinking funds and voids and a capitalisation of 4.75% based on the newness of the market in this location (mature markets are likely to be around 3% to 4%).

¹⁰ Figures shown in the table are rounded

4.19 For build to rent typologies, the affordable housing will be in the form of discount market rent at a discount of 20% on 20% of the units as per national guidance¹¹. No affordable housing is included for older person housing.

Development costs

Build costs

4.20 Build costs can vary due to location, development type, proposed tenure type, proposed tenure mix, storey height, and building use. The Build Cost Information Service (BCIS) provides benchmarking information for build costs, adjusted for the location. Residential build costs are based on actual tender prices for new builds over a 5-year period and the tender price data is rebased to Q2 2022 (in line with values) and Fareham prices using BCIS defined adjustments, to give the build costs for different types of schemes.

4.21 We understand from various consultants that volume and regional house builders can comfortably operate within the BCIS lower quartile cost figures, especially given that they are likely to achieve significant economies of scale in the purchase of materials and the use of labour. Many smaller and medium sized developers of houses are usually unable to attain the same economies, so their construction costs may be higher although this will vary between housebuilders and sites. We have worked with BCIS to identify how costs change according to the size of the development. We have used this analysis by BCIS to inform our approach to testing in Fareham. The variable build costs by site size is applied to houses only, as flat build costs do not show the same pattern - instead flat build costs vary by height. In addition to the home build costs, allowances are made of 10-15% on build costs for external works and contingency. For smaller schemes, the higher build costs are combined with higher allowances for external works and contingency, while for larger sites we use lower home costs and external works allowances but with additional allowances for site infrastructure costs. For 50% of 3 beds and 100% of 4 beds, specific allowances are also made for garages at £7,700 to account for a single garage. No allowances are made for garages within the flat led developments, however it is assumed 1 podium parking space per unit is provided to 50% of the units within typologies 10c and 10d at a cost of £12,700 per space. Table 4.8 illustrates the BCIS rates and shows how they are applied to the different typologies in the testing.

Table 4.8 Residential development costs

Type	Base build cost £/sq m	Site sizes (homes)
Estate housing mean +5%	£1,507	2-5
Estate housing mean	£1,435	6-9

¹¹ Definition of Build to Rent is within the NPPF Annex and guidance regarding affordable housing is set out in section 60 para 002 of PPG (RefID:60-002-20180913)

Type	Base build cost £/sq m	Site sizes (homes)
Estate housing mean 95%	£1,363	10-50
Estate housing mean 92%	£1,320	51-100
Estate housing mean 89%	£1,277	101-250
Estate housing lower quartile	£1,234	251+
Flats mean 1-2 storey	£1,657	All
Flats mean 3-5 storey	£1,669	All
Flats mean 6+ storey	£1,800	All
Supported housing mean	£1,870	All
Care home ¹²	£2,099	All

Source: BCIS – see Appendix E for BCIS report

Other residential development costs

4.22 There is a range of other standard costs that need to be applied when undertaking the viability testing. Most of these were all tested at the development industry workshop and/or through the examination process for the Revised Local Plan (as submitted) and are based on PPG, experience of other high level plan making viability testing, local information from Fareham, including site specific discussions. Thus, they are a standard set of assumptions that should not be controversial or subject to any significant challenge given they are based on accepted and examined practice, both local and national. Further information providing background to some of the costs is set out in the following table. Please note R20 Carehomes uses cost assumptions set out in non-residential testing.

Table 4.9 Other residential development costs

Type	Cost	Metric
Site costs		
Plot costs/external works and contingency	1 – 9 homes 15% 10 plus units 10%	build cost
Site development costs (land preparation, site infrastructure)	1 – 9 homes £0 10 – 100 homes £5,000 101 – 499 homes £10,000 500 plus homes £25,000	per home unit
Garages and podium parking	£7,700 per garage £12,700 per podium space	see para 4.22
Fees and finance costs		
Professional fees	1 – 9 units – 10% 10 – 100 units – 8%	of build costs including plot costs/contingency

¹² Please note that for care homes, in common with the non-residential testing, the 15 year default period is used from BCIS due to the limited number of tenders within the 5yr period.

Type	Cost	Metric
	101 plus units – 6%	
Finance	6%	of total development costs including land purchase
Marketing/legal/sales fees	3% 6%	of market GDV of older persons GDV
Affordable home legal fee	£500	per affordable unit
Developer return	17.5% 6%	market GDV affordable homes GDV
Agents and legal	1.75%	land cost (BLV)
Stamp duty	prevailing rate	land cost (BLV)
Policy and mitigation costs		
Biodiversity net gain	£948 £207	per home (greenfield) per home (brownfield)
EV charging points Part S	£865	per charger/unit
Accessibility M4 (Cat2)	£1,400	1 – 100 units - all 101+ units – 98% market 101+units – 95% affordable
Accessibility M4 (Cat3 accessible)	£16,984 - £42,116 £22,261 - £56,354	2% market – variable according to size 5% affordable – variable according to size
Custom & selfbuild		10% of units on sites of 40 homes plus (not flats)
Solent mitigation	£390 - £864	per home - variable according to size
Nitrate neutrality	£2,750	per home
S106 allowance (education, transport etc)	£5,500	per home (typologies 10 units plus)
S106 allowance (open space inc management & maintenance))	£2,700 - £3,200	per home for all typologies (varies according to site type)
Building standards Part L	£45 £35	£/sq m gross houses £/sq m gross flats

National and local policy requirements

- 4.23 Biodiversity net gain** - The allowance for biodiversity gain is drawn from the government's impact assessment¹³ which was published with the consultation on the amendments to the Environment Act. A cross typology allowance, split by greenfield and brownfield is used. However, it should be noted that, as biodiversity net gain is site specific depending on both the existing site characteristic and the ability of development form to both mitigate and provide additional gain, it is difficult to gauge a suitable allowance for meeting the requirements. It is also of note that the NHBC with the RSPB have recently issued guidance on how to achieve net gain within new development. At the launch of the guidance both the authors and one of the major housebuilders (Barratt Homes) emphasised that incorporating measures for biodiversity net gain during the design phase meant additional costs were minimal. This suggests that, whilst an allowance is included, the actual cost could be much lower and therefore the testing allowances are a conservative estimate. Please see table 6.3 for OP5 Carehome.
- 4.24 Part S EV charging** - An allowance for 'fast charge' electric vehicle charging points is made for all dwellings at a ratio of 1 per dwelling. On this basis the total allowance on a site basis is considered sufficient to meet need and more than meets both national and local policy. It is recognised that there is also a desire for rapid chargers, however these are generally operated (and brought forward) on a commercial basis and therefore have not been included within the costs. The EV charger costs are based upon the impact assessment produced by the government¹⁴.
- 4.25** In respect of EV charging there have been comments in the past in terms of the wider electricity network and its capacity for accommodating a high number of chargers and whether development will have to also contribute to those costs. However, it is understood that in general, planned development and any required upgrades or new provision should already be a consideration in terms of the DNOs and their statutory responsibilities. Ofgem's 2022 Significant Code Review also makes it clear that Distribution Network Operators will have to bear a greater proportion of the costs of network reinforcement¹⁵, rather than those connecting to the network. Where development does have to contribute, these will be site specific matters and not possible to quantify in terms of strategic generic site testing and as an abnormal cost should come off land value, rather than a direct impact on viability in terms of meeting policy requirements. Furthermore, the government in its EV smart charging consultation indicated that a new generation of 'smart' charging points could assist with demand and help reduce the need for grid reinforcement. Please see table 6.3 for OP5 Carehome allowance.

¹³ MHCLG, 2019, Biodiversity net gain and local nature recovery strategies impact assessment

¹⁴ DfT/MHCLG, 2021, Residential charging infrastructure provision impact assessment

¹⁵ Ofgem, 2022, The Access and Forward-Looking Charges Significant Code Review

- 4.26 Part M Accessibility** - The accessibility costs are based on the 2020 consultation report¹⁶ for M4(Cat2) and the 2014 impact assessment¹⁷ (with an allowance for inflation) for M4(Cat3b) produced by the government. Whilst the Fareham plan policy only requires 15% of all new homes to meet the M4 (Cat2) standards, an allowance is made for all dwellings as either M4 (Cat2) or M4 (Cat3b), as the government have signalled a change that it (M4Cat2) will apply to all dwellings. The Fareham policy also requires 2% of market units and 5% of affordable units to be M4(Cat3) accessible standard. These costs are a significant allowance and considered a conservative approach as it is likely that M4 (Cat2) in particular are already starting to filter through general build costs prepared by BCIS. It should also be noted that the M4(Cat3b) allowance used is at the highest end of what can be reasonable expected – it is likely that when M4(Cat3b) applies developers will seek to include in the most efficient way, which will be ground floor units, where costs are significantly reduced as the need for lift access will not be required.
- 4.27 Custom and selfbuild (CSB)** – included in all typologies with 40 or more mixed homes (thus excluding schemes comprising 100% flats). 10% of the total homes for each typology is assumed to be 50% 3 bed and 50% 4 bed CSB homes. The CSB homes used build and external works costs associated with a 2-5 home scheme, with selling prices assuming a 10% premium over a standard market 4 bed detached house.
- 4.28 Habitat mitigation** – the Council have a mitigation strategy for the Solent¹⁸ and the costs associated with the mitigation that are sought from development are included within the assessment, with variable costs apply for different sizes of property – 1 bed £390/dwelling, 2 bed £563/dwelling, 3 bed £735/dwelling & 4 bed £864/dwelling
- 4.29** It is noted that there is also an interim solution¹⁹ to address the potential for adverse effects on the New Forest protected sites that has arisen due to Natural England requirements for habitat assessments from all development across Fareham, despite not all of Fareham being within the tested zone of influence. The interim measure is set at a £247/dwelling (April 2021). This is a short-term measure set only to apply until March 2025 and will therefore only be in place for just over a year with any revised CIL rate. Therefore given the potential to challenge the requirements and the medium to long term uncertainty it is not considered necessary to include within the base viability assessment but has been addressed within the sensitivity testing (see Sensitivity test 4 for further details).

¹⁶ MDCG, 2020, Raising accessibility standards for new homes

¹⁷ DCLG 2015 Housing Standards Review pg. 38

¹⁸ <https://modern.gov.fareham.gov.uk/documents/s20247/Appendix%20A%20-%20Solent%20Recreation%20Mitigation%20Strategy.pdf>

¹⁹ <https://modern.gov.fareham.gov.uk/documents/s29833/Implications%20of%20Natural%20England%20advice%20on%20New%20Forest%20Recreational%20Disturbance.pdf>

4.30 Nitrate neutrality - Natural England have produced a methodology to enable an assessment of nitrate neutrality for new development. Where developers are not able to demonstrate that their proposals maintain or reduce the levels of nitrates leaving their site, mitigation measures will be required. For the purposes of assessing viability on a strategic basis, using a set of generic case studies it is not possible to identify site specific requirements relating to nitrate neutrality. Therefore, to make an allowance within the viability assessment it is assumed that mitigation is required. On the basis of recent schemes before the council, the mitigation cost including administration fees varies on a per dwelling basis when mitigation is required according to individual site circumstances and location. A figure of £2,750 per unit was agreed at the revised local plan examination²⁰ as a reasonable estimate and therefore this figure is carried forward into this testing. It is noted that since the examination further costs have come forward, however there has also been a proposed change²¹ in approach to funding any necessary mitigation, whereby it will become the water companies' responsibility to upgrade wastewater treatment works by 2030 in 'nutrient neutrality' areas to the highest achievable technological levels, reducing mitigation burdens placed on development²². As the cost used in the testing are 'lifetime' costs for all the mitigation and it is also of note that not all sites will require additional mitigation measures it is considered that inclusion of the allowance is a conservative estimate of likely cost for development over the plan period. For OP5 Carehomes allowance please see table 6.3 reference to NR9.

4.31 Part L Building standards - the government have now introduced new Part L building regulations that need to be applied from June 2022. In time these new standards will be within the base build costs that are taken from BCIS. The BCIS figures will be monitored but, in the meantime, it is appropriate to include an additional allowance to take into account these new costs. The costs set out in the table above are split by houses and flats and are based on the latest government impact assessment²³ which was prepared prior to the introduction of the new regulations.

4.32 Other non-affordable homes s106 requirements - The level of s106 allowed for in the viability testing is based on a review of s106 agreements provided by the council at the time of the previous viability work that informed the Revised Local Plan (as submitted). The total s106 allowances ranges from £8,200 to £8,700, with older person typologies at the lower end of the range and general housing led sites at the other end of the range. The broad split between different requirements is as follows:

- £3,500 towards education requirements

²⁰ See http://planningpdf.fareham.gov.uk/PDF/planning/local_plan/Examination/FBCreply-re-WMSon-nutrients_Redacted.pdf

²¹ <https://www.gov.uk/government/news/government-sets-out-plan-to-reduce-water-pollution>

²² Written Ministerial Statement 21st July 2022 and the Environmental Improvement Plan (EIP) 2023 for England

²³ DHLUC 2021 Changes to the energy efficiency requirements of the Building Regulations for domestic buildings Final Stage Impact Assessment

- £2,000 towards transport related requirements
- £2,700 towards open space, including management and maintenance – older persons typologies
- £2,800 towards open space, including management and maintenance – flat led typologies
- £3,200 towards open space including management and maintenance – house led typologies

4.33 There is a slight difference to the open space requirement following a refining of the costs using the councils planning obligations SPD regarding management and maintenance²⁴ – previously a blended rate was used but this has now been adjusted to take account of the requirements arising from different types of development.

4.34 It should be noted that the current Fareham CIL rate for residential development outside of Welborne (c£156/sq m) has not been included within this testing. This is to allow the Council a fresh look and to clearly review the total headroom and potential for CIL without having to undertake a secondary calculation to net off existing £/sq m CIL rate.

Sales and build cashflow

4.35 The sales and the cashflow is the same as previously tested in support of the Revised Local Plan (as submitted). There were no challenges to this during the examination, so it is continued into this assessment. It is assumed that for all the typologies tested that land is purchased in the first year.

4.36 It is assumed that there is a 5 – 12 month delay from start of construction on sales on all sites, with an average sales rate of:

- 25 dwelling per annum on small sites
- 35 dwellings per annum on site of 10 -100 units
- 50 dwellings per annum for sites of 101 – 250 units
- 100 dwellings per annum for sites of 251 – 500 units (assumes 2 housebuilder flags)
- 150 dwellings per annum for sites of 501 plus units (assumes 3 housebuilder flags)

4.37 It is assumed that build costs are in line with house sales minus 6 months and that site costs, including site infrastructure and preparation are incurred at 25% upfront and the remainder spread in line with sales period. Policy and mitigation costs will be spread evenly in line with build costs.

²⁴ http://planningpdf.fareham.gov.uk/PDF/planning/local_plan/PlanningObligationsSPD.pdf

4.38 Sales periods are typically longer for retirement housing than for general needs housing. In line with the RHG guidance we have assumed that 40% of units are sold at the end of the first year of sales, 30% during the second year of sales and 30% during the third year; with an 18 month build period before sales commence. The care home typology is assumed to have a 12-month build.

Benchmark land values

4.39 The benchmark land values are the same as previously tested in support of the Revised Local Plan (as submitted). There were no challenges to this during the examination, so it is continued into this assessment. For ease the following section and that of Appendix F, taken from the viability report supporting the Revised Local Plan (as submitted), is repeated within this report.

4.40 Benchmark land values (BLV) have been developed in accordance with the guidance discussed in the introductory sections and set out in Appendix A. Previous viability work (done by DSP) in Fareham included a discussion around a wide range of potential BLV including

- 10 to 20 times agricultural land value for bulk greenfield sites (as per the former HCA guidelines)
- Reference to the previous CIL study that a figure of £1.4m per hectare was reasonable, based on data for brownfield sites
- Experience of typical minimum option agreement values of £250,000 per hectare (£100,000 per acre) on larger greenfield sites

4.41 The viability study for the recently permitted Welborne Garden Village scheme also considers land value, largely referring to previous viability study and experiences elsewhere in Hampshire. The agreed figure for use as a benchmark to test viability was just over £270,000 per hectare. However, the characteristics of this site and the delivery mechanism are very different to the generic testing within this study (further explanation is within the separate section on Welborne).

4.42 Land values were discussed at the June 2019 developer workshop. The residential land values discussed were as follows:

- Greenfield sites – £250,000 - £375,000 per gross hectare
- Land in commercial use - £1.25m per gross hectare
- Land in residential use - £2.5m per gross hectare

4.43 The workshop discussion considered these values and suggestion that the values attributed to sites in existing residential use maybe a bit high but the greenfield figures were a bit low, however, no alternative figures or evidence were provided.

- 4.44** In addition to analysing previously accepted figures for BLV a review has been undertaken of market land transactions in Fareham. See Appendix F for details. The land sales cover a broad spread of values, with the values per hectare both above and below the benchmarks discussed in the workshop. Included within this are examples of agricultural land trading at around £20,000 per hectare, which is consistent with previous studies. A review was also undertaken of land titles for development sites (also in Appendix F), and this also provided examples of values per hectare. The land titles evidence suggested that it is not uncommon for land to be worth less than the benchmarks discussed at the workshop, with most of the values/transactions above agricultural values of £20,000 per hectare but less than the benchmarks.
- 4.45** The MHCLG land value for policy guidance suggests that industrial land in the Solent area may be worth in the region of £1.25m - £1.45m per hectare, for serviced and consented unconstrained industrial/warehouse sites that are in a typical out of centre/major transport hub location and £0.865 - £1.68 per hectare in a central business area, with nearby uses likely to include later, modern residential developments. It is likely that industrial land in the less well-connected or sought-after locations in Fareham will be worth significantly less. Details are within Appendix F.
- 4.46** Drawing together this information it is reasonable to assume that a suitable benchmark for large greenfield sites should be £250,000 per hectare, reflecting an existing use of £20,000 per hectare with an uplift of 12.5 times, which is within the range suggested by HCA guidance and is equivalent to the minimum option values suggested in previous viability assessments. Experience elsewhere and general practice suggests that as site size decreases, the land values on a per hectare basis will be higher, therefore a higher premium is attached to smaller (less than 1 hectare) greenfield benchmark land values.
- 4.47** In terms of brownfield sites, the benchmark land value will vary according to existing land use and the size. It was suggested at the workshop that the small brownfield sites should not have such a high value attached to them and whilst an alternative was not suggested, it is proposed to reduce them slightly down to £2.25m per hectare. The larger brownfield sites should reflect an uplift on low value commercial uses, however data on transactions for such uses is limited. If the lower MHCLG figure for the central business district and out of centre figures are used, with a 25% premium, then the resulting benchmark land value would be £1.32m per hectare, similar to the £1.25m per hectare proposed at the workshop and used in the previous study. Therefore, for the purposes of this strategic plan wide testing the assessment is based on the current CIL evidence base BLV of £1.25m. However, it is understood that some of site supply may come from town centre sites, which could potentially have higher existing land values, therefore it is proposed that on those sites a higher brownfield BLV of £2.0m per hectare is included.

4.48 In terms of older persons housing the residential benchmark for brownfield sites is used as a basis for the BLV, however feedback from developers has suggested that older person housing providers often have to bid more for land over residential rates, therefore a premium of 20% has been added to residential BMLV to reflect the potential for a higher land value. Table 5.11 details the benchmarks used for the different residential typologies.

Table 4.10 Benchmark land values

Typology	Description	Land type (Greenfield/ Brownfield)	Dwellings	Benchmark land value per gross hectare
R1	Small infill greenfield	Greenfield	3	£375,000
R2	Small infill brownfield	Brownfield	3	£2,250,000
R3	Small greenfield	Greenfield	8	£375,000
R4	Small brownfield	Brownfield	8	£2,250,000
R5	Medium greenfield	Greenfield	15	£300,000
R6	Medium brownfield	Brownfield	15	£1,250,000
R7	Medium brownfield	Brownfield	30	£1,250,000
R8	Medium greenfield	Greenfield	50	£300,000
R9	Medium brownfield	Brownfield	50	£1,250,000
R10a	Town centre	Brownfield	80	£2,000,000
R10b	Town centre	Brownfield	40	£2,000,000
R10c	Town centre	Brownfield	20	£2,000,000
R10d	Town centre BtR	Brownfield	150	£2,000,000
R11	Large greenfield	Greenfield	120	£250,000
R12	Large brownfield	Brownfield	120	£1,250,000
R13	Large greenfield	Greenfield	600	£250,000
R14	Large greenfield	Greenfield	1,000	£250,000
OP1	Retirement (sheltered) homes	Greenfield	60	£360,000
OP2	Retirement (sheltered) homes	Brownfield	60	£1,500,000
OP3	Supported (extra care) homes	Greenfield	50	£360,000
OP4	Supported (extra care) homes	Brownfield	50	£1,500,000
OP5	Carehome	Greenfield	60 bed	£360,000

Chapter 5 Residential testing and analysis

- 5.1** This chapter summarises results of the residential viability appraisals for Fareham. As noted in the testing assumptions earlier, the modelling includes the standard affordable homes, s106, as well as a base set of additional national and local policy costs. Existing CIL rates are not included. The results are presented as net residual value on a per home basis (market & affordable combined). This net residual value is the theoretical maximum 'headroom' available to support either further policy costs or CIL.
- 5.2** Each typology has been subjected to a detailed appraisal, complete with cashflow analysis. A range of different scenarios are then presented, including residential and older person homes.
- 5.3** In terms of policy costs the base scenario covers:
- accessibility costs
 - affordable homes at the appropriate rates
 - standard s106 (education, transport and open space)
 - the current CIL rates have not been included
 - provision for EV chargers.
 - provision for bio-diversity net gain
 - nitrate and habitat mitigation
 - allowances for changes to Part L
 - custom and selfbuild at 10% of homes (on sites of 40 or more homes)
- 5.4** It should be noted that habitat and nitrate mitigation may not be required on all sites as it is only required when non-nitrate neutral development is proposed within SPA zone of influence or nitrates area and therefore not all residential development (or hotels) will require mitigation. In this context the testing shows worst case scenario, so the council can consider its impact when setting CIL rates.
- 5.5** The results are summarised below, with the full residential testing results and appraisal summary sheet examples (one for each typology) in Appendix I. The results are presented as net viability 'headroom' per typology after all costs including construction and other development costs (fees, return, policy costs and land costs) have been deducted. The same figures are also presented as £/sq m 'CIL headroom' (i.e. the headroom divided by the market homes and garage floorspace. Where the headroom is positive the typology can be considered viable and therefore potential for a positive CIL charge.

Residential testing and analysis

5.6 Thirteen typologies at 3, 8, 15, 30, 50, 120, 600 and 1,000 dwellings for housing led schemes on both brownfield and greenfield sites have been tested. Testing of four typologies of 20, 40, 80 and 150 dwellings for flat led schemes on brownfield sites has also been undertaken. Development costs and land values have varied according to the size of the proposed development as set out in the assumptions chapter (4). Results for this testing are shown in the following table.

Table 5.1 Residential testing

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)
R1	GF small house scheme	3	£293,133	£959
R2	BF small house scheme	3	£142,131	£465
R3	GF small house scheme	8	£847,303	£1,039
R4	BF small house scheme	8	£471,115	£578
R5	GF medium mixed scheme	15	£1,180,871	£1,284
R6	BF medium mixed scheme	15	£848,449	£852
R7	BF medium mixed scheme	30	£2,319,574	£1,164
R8	GF medium mixed scheme	50	£3,890,162	£1,523
R9	BF medium mixed scheme	50	£2,295,493	£817
R10a	BF town centre flat scheme	80	£2,693,190	£514
R10b	BF town centre flat scheme	40	£1,003,059	£439
R10c	BF town centre flat scheme	20	£305,997	£268
R10d	BF town centre BtR scheme	150	-£2,221,487	£0
R11	GF large mixed scheme	120	£9,922,639	£1,619
R12	BF large mixed scheme	120	£6,575,732	£1,062
R13	GF large mixed scheme	600	£42,054,510	£1,372
R14	GF large mixed scheme	1000	£67,719,104	£1,326

Commentary on testing

- The small and medium typologies (R1 – R9) are all viable with significant headroom for contributing to the levy
- The large sites (R11 – R14) are also viable can also contribute towards the levy
- Sites located within the town centre (R10a to R10d) are less viable, with BtR in particular less likely to be able to contribute to the levy.

Older person testing and analysis

5.7 Five typologies were tested in respect of older person homes – these include Retirement Homes (sheltered), supported homes (extra care) on greenfield and brownfield land and care homes. These reflect the types of development the council consider could come forward in Fareham borough over the plan period. All cost assumptions are as set out in the assumptions chapter (4). The results of the testing, indicating maximum viability headroom on a per square metre basis are set out below:

Table 5.2 Older person testing

Typology	Description	Units/bed spaces	Scheme headroom (£/typology)	CIL headroom (£/sq m)
OP1	GF retirement	60	£263,417	£55
OP2	GF supported	50	-£1,580,118	£0
OP3	BF retirement	60	-£403,109	£0
OP4	BF supported	50	-£2,254,553	£0
OP5	BF carehome	60		£0

Commentary on older person homes

- The viability for care homes is poor, which is consistent with elsewhere in the country – whilst new care facilities are developed (and therefore must be a viable prospect for the business), these are not on a speculative sale development model but are tied in with the future business use.
- The retirement typology is viable on a greenfield site but marginally unviable on a brownfield site – any contribution towards the levy would be limited
- The supported typology is not viable on either green or brownfield sites and therefore would not be able to contribute to the levy, if set on the basis of available headroom

Residential sensitivity testing

5.8 Sensitivity testing is often used by development surveyors when undertaking viability appraisals, especially for site specific scenarios. The usefulness of sensitivity testing is less clear for strategic viability assessments, such as CIL setting and it is of note that PPG does not specially advocate the use of sensitivity testing; however it may be helpful to see the impact of an alternative position for some key assumptions to take account of different outlooks, given the period that CIL could be in place. Four sensitivity tests are independently undertaken, as well as testing the cumulative impact. The base case CIL headroom is included in the tables for comparison.

5.9 Sensitivity test 1 - finance rates - following a long period of stable base rates, rates have risen over 2022. Whilst the current finance rate of 6% used within the testing is already considered generous against general borrowing rates at that time, it is acknowledged that this rate could be 'caught up' if the base rate continues to rise. Therefore a sensitivity test is provided that increases the finance rate (of 6%) by the same increase in the base rate as at November 2022 (base rate is 3% compared to 1% Q2 2022, an increase of 2%). Plus an additional 2% to take into account potential further rate rises (this would assume a base rate of 5%, which is what commentators have suggested the height of the rises maybe). Therefore the new sensitivity finance rate is 10%. The sensitivity test will be incorporated into the standard model for typologies with the longest build out rates. The results are set out in the following table:

Table 5.3 Residential testing – sensitivity test 1 finance rates

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)	Base case CIL headroom for comparison
R5	GF medium mixed scheme	15	£1,165,386	£1,267	£1,284
R6	BF medium mixed scheme	15	£834,997	£838	£852
R7	BF medium mixed scheme	30	£2,292,507	£1,151	£1,164
R8	GF medium mixed scheme	50	£3,838,473	£1,503	£1,523
R9	BF medium mixed scheme	50	£2,250,366	£801	£817

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)	Base case CIL headroom for comparison
R11	GF large mixed scheme	120	£9,794,817	£1,598	£1,619
R12	BF large mixed scheme	120	£6,463,886	£1,044	£1,062
R13	GF large mixed scheme	600	£41,405,247	£1,351	£1,372
R14	GF large mixed scheme	1000	£66,641,677	£1,305	£1,326

Commentary on sensitivity test 1

- The brownfield typologies, including those in the town centre do see a reduction in viability and at a greater rate than the greenfield typologies due to the finance on a higher land cost – however the overall viability position remains the same as the base test
- Greenfield typologies also see a reduction but the significance is less than the brownfield typologies

5.10 Sensitivity test 2 – first homes – whilst Fareham Council are not necessarily seeking first homes, developers will have the option to bring them forward. Therefore to help the council set appropriate CIL rates it is considered that it would be helpful to reduce the quantum of shared ownership and replace it with first homes as per the national guidance. The test will assume 25% of affordable housing as first homes with the standard discount of 70% of market value applied. As per discussion between HBF and Three Dragons the standard affordable housing assumptions will be amended for the first homes proportion to allow the same marketing and other fees as applied to market housing and an increase in the level of return to 10% to reflect the greater risk of bringing first homes forward. The sensitivity test will be incorporated into the standard model but only on a limited number of typologies. The results are set out in the following table:

Table 5.4 Residential testing – sensitivity test 2 first homes

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)	Base case CIL headroom for comparison
R5	GF medium mixed scheme	15	£1,165,386	£1,267	<i>£1,284</i>
R6	BF medium mixed scheme	15	£834,997	£838	<i>£852</i>
R7	BF medium mixed scheme	30	£2,292,507	£1,151	<i>£1,164</i>
R8	GF medium mixed scheme	50	£3,838,473	£1,503	<i>£1,523</i>
R9	BF medium mixed scheme	50	£2,250,366	£801	<i>£817</i>
R11	GF large mixed scheme	120	£9,794,817	£1,598	<i>£1,619</i>
R12	BF large mixed scheme	120	£6,463,886	£1,044	<i>£1,062</i>
R13	GF large mixed scheme	600	£41,405,247	£1,351	<i>£1,372</i>
R14	GF large mixed scheme	1000	£66,641,677	£1,305	<i>£1,326</i>

Commentary on sensitivity test 2

- The introduction of First Homes worsens viability. This is apparent across both greenfield and brown field sites
- Whilst the viability is marginally worse the difference between the £/sq m headroom base test and this sensitivity test is less than 2% across each of the typologies, so would have little or no impact on setting CIL rates

5.11 Sensitivity test 3 – future homes 2025 – The government published an update to Part L of the Building Regulations in December 2021. This became operational in June 2022 and is intended to deliver a 31% saving in carbon emissions in new residential development. The testing already includes an allowance for the Part L 2021 (see chapter 4).

5.12 However, it is likely that further changes will take place within the plan period, with the implementation of Future Homes 2025. There is no clarity about how the 2025 standard (of 75% reduction) is to be achieved. It is reasonable to assume another update to the Building Regulations but this has yet to emerge. The Future Homes Standards 2019 Consultation indicated that it will not be until 2024 that there will be 'implementation consultation'.²⁵ Therefore, whilst it is important to consider any potential impact as part of this sensitivity test, this is within the context of yet to be published standards and a development industry that will be responding with the most economically advantageous approach. Indeed, the government's own impact assessment on the costs of implementing the changes to Building Regulations Part L this June, states that:

*".....Over the longer-term, Currie & Brown estimate that the costs associated with both heat pumps and solar PV will fall, as supply chains mature and become more integrated, and learning rates take effect."*²⁶

5.13 This sensitivity testing assumes an allowance of £12,000 per house and £8,000 per flat to meet the uplift costs from Part 2013²⁷ to a Future Homes 2025 standard. Details regarding the approach to costs are set out in Appendix E, which draws upon cost research undertaken by the government and a number of local authorities.

5.14 It also worth noting that £12,000 per unit is around an 8% increase in build cost for a 3 bed house, so this sensitivity test also illustrates the impact of around an 8% increase in build cost. The results of sensitivity test 2 are set out in the following table.

Table 5.5 Residential testing – sensitivity test 3 future homes 2025

Typology	Description GF greenfield BF brownfield	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)	Base case CIL headroom for comparison
R1	GF small house scheme	3	£271,092	£887	£959
R2	BF small house scheme	3	£120,090	£393	£465

²⁵

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1040925/Future_Buildings_Standard_response.pdf

²⁶ Para 7.17, Department for Levelling UP, Housing & Communities, 2021 changes to the energy efficiency requirements of the Building Regulations for domestic buildings, Final Stage Impact Assessment, December 2021,

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1040631/Domestic_Part_L.pdf

²⁷ The uplift is from BR 2013 as at the time of writing this will be the standard to which the BCIS build costs will apply

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)	Base case CIL headroom for comparison
R3	GF small house scheme	8	£788,527	£967	<i>£1,039</i>
R4	BF small house scheme	8	£412,339	£506	<i>£578</i>
R5	GF medium mixed scheme	15	£1,069,149	£1,163	<i>£1,284</i>
R6	BF medium mixed scheme	15	£737,104	£740	<i>£852</i>
R7	BF medium mixed scheme	30	£2,096,843	£1,053	<i>£1,164</i>
R8	GF medium mixed scheme	50	£3,512,708	£1,375	<i>£1,523</i>
R9	BF medium mixed scheme	50	£1,919,279	£683	<i>£817</i>
R10a	BF town centre flat scheme	80	£2,147,106	£410	<i>£514</i>
R10b	BF town centre flat scheme	40	£762,790	£334	<i>£439</i>
R10c	BF town centre flat scheme	20	£179,230	£157	<i>£268</i>
R10d	BF town centre BtR scheme	150	-£3,107,956	£0	<i>£0</i>
R11	GF large mixed scheme	120	£9,019,687	£1,471	<i>£1,619</i>
R12	BF large mixed scheme	120	£5,646,881	£912	<i>£1,062</i>
R13	GF large mixed scheme	600	£37,561,159	£1,225	<i>£1,372</i>
R14	GF large mixed scheme	1000	£60,153,320	£1,178	<i>£1,326</i>

Commentary on sensitivity test 3

- The impact on viability across all the typologies is negative with greatest differences at the town centre sites
- The reduction in £/sq m from the base test to this sensitivity test does vary but is around 7% to 16% outside the town centre and 20% to 40% in the town centre
- The sensitivity of town centre sites suggests caution in setting rates within these areas

5.15 Sensitivity test 4 – open space mitigation and recreation (including New Forest interim mitigation) – the council is currently reviewing its approach to open space and recreation contributions from development and has set out a potential additional per household figure mitigating recreational impact on the New Forest. The approach set out in the base test is explained in para 4.32/3 (open space) and 4.29 (New Forest) and this is included within the base modelling and results.

5.16 The council have undertaken work on options around increasing the allowances for long term management and maintenance of open space and recreation provision. The amounts depend on the length of time envisaged for funding, type of open space and recreational area being managed and the number of bedrooms. Suggested figures by the Council range from c£3,600 for a 1 bed flat up to c£6,700 for a 4 bed house. A typical 3 bed semi would be c£5,800. All assume 50 years of management and maintenance and that open space will be provided according to policy requirements.

5.17 The report to (Fareham) Executive²⁸ on addressing the recreational impacts on the New Forest suggested a figure of £247/dwelling to be indexed each year according to the RPI. To be inline with the base date of this report (Q2 2022) this will have risen to £275/dwelling.

5.18 Given that there is uncertainty regarding the exact allowance to address open space and recreation, as it will be calculated in terms of what is provided (and will be affected by the individual mix and site specific circumstances) a broad allowance is included within the sensitivity testing. The figures used are £6,400/house and £5,600/flat (effectively a 100% increase on the allowance within the base testing). Given the mix of units this is considered a cautious and reasonable response - e.g. a 3 bed semi using the figures outlined above would be just under the average per house figure used in the sensitivity testing. Appropriate finance costs are added and applied to all dwellings. The resultant cost has been deducted from the overall headroom, rather than tested through modelling.

²⁸<https://moderngov.fareham.gov.uk/documents/s29833/Implications%20of%20Natural%20England%20advice%20on%20New%20Forest%20Recreational%20Disturbance.pdf>

Table 5.6 Residential testing – sensitivity test 4 open space and recreation (including New Forest mitigation)

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)	Base case CIL headroom for comparison
R5	GF medium mixed scheme	15	£1,129,991	£1,229	<i>£1,284</i>
R6	BF medium mixed scheme	15	£797,569	£801	<i>£852</i>
R7	BF medium mixed scheme	30	£2,217,814	£1,113	<i>£1,164</i>
R8	GF medium mixed scheme	50	£3,715,549	£1,455	<i>£1,523</i>
R9	BF medium mixed scheme	50	£2,120,879	£755	<i>£817</i>
R10a	BF town centre flat scheme	80	£2,448,730	£468	<i>£514</i>
R10b	BF town centre flat scheme	40	£884,339	£387	<i>£439</i>
R10c	BF town centre flat scheme	20	£246,637	£216	<i>£268</i>
R10d	BF town centre BtR scheme	150	-£2,693,399	£0	<i>£0</i>
R11	GF large mixed scheme	120	£9,491,177	£1,548	<i>£1,619</i>
R12	BF large mixed scheme	120	£6,144,269	£992	<i>£1,062</i>
R13	GF large mixed scheme	600	£39,833,421	£1,300	<i>£1,372</i>
R14	GF large mixed scheme	1000	£63,679,178	£1,247	<i>£1,326</i>

Commentary on sensitivity test 4

- The doubling of open space and recreation costs does have an impact and the reduction in £/sq m from the base test to this sensitivity test does vary but is around 3% to 8% outside the town centre and around 10% to 20% in the town centre
- Again, the sensitivity of town centre sites suggests caution in setting rates within these areas

5.19 Cumulative impact – whilst it is unlikely that all the sensitivity test outcomes will be realised together, a cumulative test has been undertaken for a sample of typologies - R9, R10c²⁹ and R14. These cumulative tests are shown in Table 5.7.

5.20 As expected viability is reduced considerably, especially for town centre typology, but even with the cumulative impact of these additional costs, sites are still viable and in the case of the housing led typologies outside the town centre, with a significant headroom.

Table 5.7 Residential testing – cumulative impact

Typology	Description <i>GF greenfield</i> <i>BF brownfield</i>	Homes	Scheme headroom (£/typology)	CIL headroom (£/sq m)	Base case CIL headroom for comparison
R9	BF medium mixed scheme	50	£1,404,926	£500	<i>£817</i>
R10c	BF town centre flat scheme	20	£83,962	£74	<i>£268</i>
R14	GF large mixed scheme	1000	£50,472,795	£988	<i>£1,326</i>

²⁹ First Homes has not been included within the cumulative test for R10c as that was not included within the First Homes sensitivity testing but as explained in the assessment of First Homes the impact is minimal.

Setting a residential and older person homes CIL charge

- 5.22** In coming to a view over an appropriate CIL charge the council will need to consider what an examiner will be concerned about when reviewing the proposed charges and supporting evidence. The Examiner will consider whether the schedule is compliant in legal terms with the 2008 Act and 2010 Regulations (as amended) and whether it is reasonable, viable and consistent with national guidance in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG). To fulfil relevant legislative requirements the charging schedule should set an appropriate balance between helping to fund necessary new infrastructure and the potential effects on the economic viability of development across the district.
- 5.23** There is no prescribed approach to setting a CIL rate and the preferred method varies across councils that have implemented CIL. As per best practice the council will need to be informed by the evidence on CIL headroom but does not have to follow prescriptively the results of the testing. A judgement needs to be made based on a range of factors that are bespoke to Fareham borough and ultimately the balance between funding infrastructure and delivering the plan. Therefore, there are a number of considerations for the council:
- The data on house prices shows that Fareham commands good values and all standard residential typologies are viable with relatively high theoretical headroom for a CIL.
 - Ensuring planned delivery and windfall homes come forward should be a consideration for the council in setting an appropriate CIL rate.
 - Simplicity of charging zones – the guidance suggests that CIL should be easily understandable and minimise the need for multiple charging zones and development types. Whilst the values do not generally significantly vary across the borough, there will be some localised differences as well some variances around development type – therefore in reaching simplicity, suitable buffers should be in place to account for differences in residential schemes.
 - Market shock - the contributions that could be sought from development based on the viability tests are in excess of those that the council has traditionally collected through s106 and CIL. A large step change could potentially have an effect on future delivery, when the CIL is in place.
 - Market shock – there are some uncertainties across the wider economy at time of writing and whilst economic cycles are expected, the CIL needs to be set with a reasonable buffer to allow for changes
 - Market shock – whilst neighbouring CIL rates are not a factor in viability (as they are based on the individual circumstances of the that authority in terms of market, policy and delivery; as well as the prevailing regulations and guidance at the time of their examination), they do offer a local benchmark in terms of what developers will already be familiar with in terms of making judgments when purchasing land.

- Delivery of local plan objectives – one of the key objectives of the plan is regeneration of Fareham town centre, therefore the Council will need to carefully consider as to what impact the setting of a CIL rate may have on that objective.
- Very large sites - the council need to consider whether addition of CIL on top of a full burden of s106 mitigation on strategic sites would put at risk the delivery of the plan, especially if there is uncertainty regarding the future s106 package, which could be higher than that which is tested.
- Environmental mitigation – mitigation requirements vary both in terms of what is required and also as to what sites it will apply. Whilst typologies have considered the potential cost impacts of mitigation, these are fluid and could go up or down over different periods, however the council should also be mindful when setting rates as to whether this form of policy requirement should require an adjustment to land value and how much development is effected.
- Policy requirements – there is potential to changes at both local and national policy that could increase mitigation costs in the future – in particular open space and recreation and future homes standards have been highlighted
- Buffer – whilst there is no method prescribed to setting the CIL rate, guidance does suggest that the rate should not be at the margin of viability. In other words the CIL rate should not generally be set the same as the total headroom available – a buffer should be incorporated. The buffers used in other CIL studies have varied, but generally fall around 30-50%.
- Reasonableness – some councils (and Examiners) have come to a view that a CIL rate which is set at no more than 5% of GDV is generally acceptable and unlikely to put development at risk whether a site is viable or not and at 1-2% of GDV is deminimus³⁰.

Residential rate setting

5.24 In terms of setting an appropriate rate for residential sites (outside the Welborne area), one approach is to review weighted averages³¹. It is clear in table 5.8 from the viability testing and using a weighted average that use of a 50% buffer would (outside of the town centre) produce a rate far in excess of any current local rates as set out in table 5.9 below – the weighted headroom is split by:

- housing led without affordable housing
- housing led with affordable housing

³⁰ E.g. Planning Inspectorate, 2012, Report on the examination of the draft mayoral community infrastructure levy charging schedule Para 48 ...” 1% is within the margin of error for most valuations and cannot be said to generally represent an intolerable burden.” See also Planning Inspectorate, 2019, Chiltern District Council and South Bucks District Council CIL examination report.

³¹ A weighted average derived CIL rate simply adds up the total GDV, total headroom and total CIL liable floorspace and uses those total divided by each other to arrive at potential £/sq m CIL rates

- flat led schemes:

Table 5.8 Weighted average headroom/CIL rate

Typology	Total GDV (£)	Total CIL liable floorspace (sq m)	Total scheme headroom (£)	Total scheme headroom CIL (£/sq m)	50% buffer CIL rate (£/sq m)	5% GDV CIL rate (£/sq m)
Res1 – Res4 (no affordable housing)	£8,862,480	2,242	£1,753,682	£782	£391	£198
Res5 – Res9 and Res11 – Res14	£727,727,323	103,326	£136,806,534	£1,324	£662	£352
Res 10a to Res10d	£70,330,480	17,634	£1,780,759	£101	£50	£199

Table 5.9 Local comparison CIL rates (residential)

Local authority	Adoption date	2022 CIL rates (range) ³²
Fareham (current)	2013	£156
Gosport	2015	£48 - £120
Havant	2013	£119 - £148
Portsmouth	2012	£79 - £156
Southampton	2013	£104
Winchester	2014	£112 - £168

³² Please note that rates have been rounded and that some authorities do have £0 residential rates for specific locations as well as those stated.

5.25 For residential rates if the weighted average was a maximum of GDV/5% it would mean a CIL rate of **£198/sq m** for all residential development with no variance for location or size. This figures also sits closer to the higher end of ranges used in neighbouring authorities and is only about a 25% increase on the current Fareham CIL. While some typologies potentially may be able to afford more CIL the added headroom may be set against the potential for additional costs in some circumstances (allowing more constrained sites within these typologies to come forward) and the headroom should be considered in the round against all of the other reasonableness factors. This may be particularly important for larger sites that may be expected to provide additional infrastructure on site in some circumstances.

5.26 The following table shows how a rate of £198/sq m would compare with the individual typologies in terms of a proportion of headroom (i.e. the buffer) and GDV. Also set out is a slightly lower CIL rate of £195/sq m to bring under a 5%/GDV target for all sites outside the town centre.

Table 5.8 Weighted average derived CIL rate of £198/sq m & £195/sq m as a percentage of typology headroom and GDV

Typology	Buffer if using £198/sq m CIL rate	% of GDV if using £198/sq m CIL rate	Buffer if using £195/sq m CIL rate	% of GDV if using £195/sq m CIL rate
R1	79%	5.0%	80%	4.9%
R2	57%	5.0%	58%	4.9%
R3	81%	5.0%	81%	4.9%
R4	66%	5.0%	66%	4.9%
R5	85%	3.9%	85%	3.9%
R6	77%	4.1%	77%	4.0%
R7	83%	4.1%	83%	4.0%
R8	87%	3.2%	87%	3.1%
R9	76%	3.4%	76%	3.3%
R10a	61%	4.5%	62%	4.5%
R10b	55%	4.7%	56%	4.7%
R10c	26%	4.7%	27%	4.6%
R10d	-80%	5.4%	179%	5.3%
R11	88%	3.2%	88%	3.1%

Typology	Buffer if using £198/sq m CIL rate	% of GDV if using £198/sq m CIL rate	Buffer if using £195/sq m CIL rate	% of GDV if using £195/sq m CIL rate
R12	81%	3.2%	82%	3.2%
R13	86%	3.2%	86%	3.1%
R14	85%	3.2%	85%	3.1%

5.27 The comparisons set out in Table 5.8 show that for all typologies outside the town centre the CIL rate of £195/sq m would be under 5%/GDV and not result in a negative buffer, indeed in most cases the buffer would be substantially above 50%. The town centre flat led sites however, would in one case be above the 5%/GDV for both rates and be under the 50% buffer for two of the cases for both rates.

5.28 In terms of the impact of the sensitivity testing, given that the cumulative test outside the town centre would still be viable with a CIL rate of £195/sq m (and have a buffer of in excess of 50%), this potential rate would be able to accommodate changes in the market and costs (as sensitivity tested). However the sensitivity testing has shown that within the town centre flat led sites there is more of a viability issue, both with the base testing on one of the typologies and with the sensitivity testing on more of the typologies, that suggest the general rate of £195/sq m may impact delivery. Given the importance of town centre regeneration to the Plan the Council may take the view that securing affordable housing and s106 as well as regeneration benefits outweigh and benefit CIL might bring as well reducing risk that CIL could impact delivery.

5.29 On this basis a CIL rate of **£195/sq m** for housing led sites across the borough and **£0/sq m** for flat led sites within Fareham town centre³³ is recommended.

Older persons rate setting

5.30 The viability for older person homes varies by type and by site.

5.31 In terms of the retirement (sheltered) homes it is noted that on greenfield sites these show a small headroom but not at a level that would be able to accommodate the standard residential proposed rate of £195/sq m. However, for sheltered homes on higher value brownfield land the headroom is negative.

³³ The Council may care to use the existing town centre definition set out in Appendix C.

- 5.32** The assisted (extra care) homes are less viable than sheltered homes due to the higher development costs for this form of older person homes. It would not be viable on the basis of this testing approach with any CIL rate for either greenfield sites or brownfield sites.
- 5.33** The Council could choose to either set a rate for just retirement (sheltered) accommodation and £zero rate all other forms of older person housing or if they wanted a more simplified charging schedule they could have a standard rate across all forms of older person housing which would be set at **£0/sq m** on the basis of most forms of this type of development are shown not to be viable for a positive CIL charge. Either approach is informed by the base evidence on viability.
- 5.34** If the Council is minded to have a charge on just the retirement (sheltered) form of accommodation then with a reasonable buffer (at 50% of the headroom), the CIL rate could be **£28/sq m**. This would represent just under 1% of GDV for the tested scheme, so would be reasonable rate of CIL to apply.
- 5.35** It is clear that care homes as tested are not viable on a speculative build basis and this is also evident in most parts of the country. Nonetheless it is possible that this form of development may continue to come forward based on the operator's business model, when seeking operational returns rather than property development values.

Chapter 6 Non residential assumptions, testing & analysis

- 6.1** A set of non-residential development typologies have been viability tested as part of the study. The proposed policies within the Revised Local Plan (as submitted) are not considered to significantly add to the development costs for non-residential uses in the plan period. Within the testing we have made some allowances for s106 contributions (e.g. minor highways and travel planning) and included costs to account for biodiversity net gain, EV charging and water quality. This section sets out the assumptions used for the non-residential viability testing.
- 6.2** The viability analysis undertaken has been based on a residual value approach in which scheme costs are deducted from scheme revenue to arrive at a gross residual value. Scheme revenue is based on revenue from the property and scheme costs assume a return to the developer and 'development costs' include build costs and other costs such as professional fees, finance costs and marketing fees.
- 6.3** From the 'gross residual value' calculated an allowance for site purchase is deducted based on existing use value plus site purchase costs (agents and legal fees) to assess the 'residual balance' against which a scheme could support any additional costs (or a CIL contribution). This residual balance shows the level of affordability or financial headroom available from which additional contributions can be met.
- 6.4** This report section summarises the non-residential testing and further detail can be found in Appendix H.

Establishing Gross Development Value (GDV)

- 6.5** In establishing the GDV for non-residential uses, this report has also considered historical comparable evidence to inform new values on a local, regional and, for some uses, national, level. The following table illustrates the values established for a variety of non-residential uses, expressed in sq m of net rentable floorspace and yield. The table is based on our knowledge of the market and analysis of comparable transaction data provided by EGi and relevant market reports. The rents and yields are capitalised within the toolkit to provide GDV for all the development types. The rents and yields used are set out in Table 6.1.

Table 6.1 Non-residential typologies

Typology	Use	Description	Rent £/sq m	Yield
NR1	Office	Fringe and transport nodes	£165	8.00%
NR2	Office	Fareham town	£175	8.00%
NR3	Industrial	Fringe and transport nodes	£95	7.00%
NR4	Warehouse	Fringe and transport nodes	£80	7.00%
NR5	Retail convenience	Small local store	£205	5.75%
NR6	Retail convenience	Supermarket	£185	4.25%
NR7	Retail comparison	Town centre	£175	8.00%
NR8	Retail comparison	Out of centre/retail warehouse/park	£225	7.00%
NR9	Hotel	Budget/business	£105,000/room	

Development costs

6.6 Build costs have been taken from the RICS Build Cost Information Service (BCIS) at the time of this study (current build cost values) and rebased (by BCIS) to Fareham prices. The build costs adopted are based on the BCIS mean values shown in the following table.

Table 6.2 Build costs

Type	Build cost £ /sq m* Q2 2022
NR1 Office (Fringe & Transport nodes)	£2,281
NR2 Office (Fareham Town)	£2,256
NR3 Industrial	£958
NR4 Warehouse	£853
NR5 Retail convenience (Small local store)	£1,814
NR6 Retail convenience (Supermarket)	£1,806
NR7 Retail comparison (Town Centre)	£1,830
NR8 Retail comparison (Out of centre / Retail Park)	£1,222
NR9 Hotel	£1,817

6.7 Other costs - there are a range of other costs that are included within the assessment. The costs identified reflect typical/industry-standard costs and appraisal inputs for the typologies tested.

Table 6.3 Other costs

Cost type	Assumption	Notes
Plot externals	10% of build costs	Incorporates costs immediately outside the property such as landscaping, car park provision, lighting, fencing, and external services
Professional fees and contingency	8% of build costs	Incorporates all professional fees associated with the build, including fees for designs, planning, surveying, project managing and contingency
Sales and letting	3% of GDV	Includes any agent and legal costs and inclusive of arrangement fees
Developer return	15% of GDV	General standard in strategic assessments for non-residential development
Interest rates (debit only)	6%	Includes arrangement costs
Stamp Duty Land Tax	As per HMRC rates	A nationally set tax levied on the purchase of property or, in this case, land.
Agents and Legal Fees	1.75% of land value	Costs involved in the acquisition of land through agents and legal fees
Void/rent free	Various allowances -1m to 6m	Various allowances for voids/rent free periods have been made in the testing
S106	£25,000 for NR1, NR3, NR4 and OP5 £100,000 for NR6 and NR8	This would cover planning obligations to fund items such as travel planning, public transport or highway
Biodiversity Net Gain	£14,333/ha	Reflects Environment Act requirement, utilising the government impact assessment central estimate on cost
Policy NE4: Water Quality Effects on the (SPAs), (SACs) and Ramsar Sites	£103,125 per ha (applied to just NR9/OP5)	The residential viability testing includes a cost of £2,750 per residential unit. Based on the assumption of 37.5 residential units per hectare, this figure has been converted to a cost of £103,125 per ha. We understand that this policy applied to 'all new development that would result in a net gain in overnight accommodation' and

Cost type	Assumption	Notes
		therefore just applicable to NR9 (Hotels) and NR10 (Carehomes)
Policy NE8 Air Quality (Electric Charging Provision) <i>(Policy superseded by Building Regulations Part S and likely to be removed as part of a main modification)</i>	NR1, NR2, NR3: 2 spaces (£3,922) NR4: 5 spaces (£9,805) NR5 & NR7: 0 spaces NR6 & 8: 1 space (£1,961) NR9: 3 spaces (£5,883) OP5: 6 spaces – (£11,766)	Cost per EVC space is assumed as £1,961 derived from the Government's Impact assessment and relating to the 'central' figure for full chargepoint provision for multi commercial occupancy properties ³⁴ . To determine the number of EVC points, we have used Policy NE8 which requires one EV fast charge in shared parking area per 10 residential dwellings or 1,000m2 of commercial or leisure space.

Non-residential benchmark land values

- 6.8** The viability testing of the non-residential development uses a standard residual value approach, which considers whether the value of development can meet all the development costs including a benchmark land value. This is a benchmark/threshold value which reflects a value range that a landowner would reasonably be expected to sell/release their land for development.
- 6.9** Establishing the existing use value (EUV) of land, and in setting a benchmark/threshold at which a landowner is prepared to sell, can be a complex process. There are a wide range of site-specific variables which affect land sales (e.g. whether the landowner requires a quick sale or is seeking a long-term land investment). However, for a strategic study, where the land values on future individual sites are unknown, a pragmatic approach is required.
- 6.10** Our starting point for non-residential benchmark land values is to draw from the work undertaken to inform the Fareham residential values. The benchmarks for some retail uses are higher than some residential benchmarks, reflecting the relative lack of suitable sites for some schemes.

³⁴ DfT (Sept 2021) 'Residential charging infrastructure provision' (para 255)
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1040255/residential-charging-infrastructure-provision-final-impact-assessment.pdf

Table 6.4 Non-residential benchmark land values

Typology	Benchmark £/ha
NR1 Office (Fringe & Transport nodes)	£360,000
NR2 Office (Fareham Town)	£2,000,000
NR3 Industrial	£360,000
NR4 Warehouse	£360,000
NR5 Retail convenience (Small local store)	£1,250,000
NR6 Retail convenience (Supermarket)	£1,250,000
NR7 Retail comparison (Town Centre)	£2,000,000
NR8 Retail comparison (Out of centre / Retail Park)	£1,250,000
NR9 Hotel and OP3 Carehome	£360,000

Results of the non-residential testing

6.11 This section summarises results of the non-residential viability appraisals. As described, there are no policies that directly affect the viability of non-residential development, other than those around biodiversity net gain and nitrates (which apply to hotels) - however the council wants to understand the impact of these requirements as well as any scope for CIL.

6.12 The table below summarises the results from the detailed assessments for each non-residential development type, indicating whether the use is viable or not. The assessments can be found in appendices to this report.

6.13 It is important to note that the analysis considers development that might be built for subsequent sale or rent to a commercial tenant. However, there will also be development that is undertaken for specific commercial operators, either as owners or pre-lets. In these circumstances the economics of the development relate to the profitability of the enterprise accommodated within the buildings rather than the market value of the buildings. Therefore, it should be noted that while the testing suggests that some types of development are not viable or marginal, developments of these types may still be brought forward for individual occupiers to meet their specific requirements. In particular, if the required return is reduced to the level of a contractor return, then unviable sites may be marginal or (marginally) positive.

6.14 The current CIL rates (2022) for non-residential uses are as follows:

- Retail (excluding comparison within town centre) - £179/sqm
- Hotel - £52/sqm

- All other - £0/sqm

6.15 It is clear both the market and relative cost base has changed for both retail and hotel since the work supporting the CIL charge was done some 10 years ago and that the yearly index applied which is driven by build cost, is not matched by increases in values for these forms of development. Therefore it is likely that newly derived CIL rates will be lower than those currently used.

6.16 Of the uses tested only 'NR5 Retail Convenience (Small local store)', 'NR6 Retail Convenience (supermarket)' and 'NR8 Retail Comparison (Out of centre)' are viable. The figures shown within Table 6.5 show the scheme headroom and is therefore the theoretical maximum amount that a CIL rate could be. The Planning Policy Guidance warns against charging "at the margins of viability" and advises the use of a buffer or a margin "so that the levy rate is able to support development when economic circumstances adjust"³⁵.

6.17 Table 6.5 shows a similarity in headrooms between NR6 and NR8 but a lower headroom for smaller convenience stores NR5. Whilst the council could set two separate rates based on this evidence, the council could also find merit in setting a single rate for retail outside of the town centre boundary that could be accommodated by all three headrooms.

Table 6.5 Testing results

Typology	Headroom (£/sq m)
NR1 Office (Fringe & Transport nodes)	-£1,527
NR2 Office (Fareham Town)	-£1,682
NR3 Industrial	-£377
NR4 Warehouse	-£422
NR5 Retail convenience (Small local store)	£123
NR6 Retail convenience (Supermarket)	£315
NR7 Retail comparison (Town Centre)	-£891
NR8 Retail comparison (Out of centre / Retail Park)	£287
NR9 Hotel	-£285

³⁵ PPG (2019) Paragraph: 020 Reference ID: 25-020-20190901

Non-residential development recommended CIL rates

6.18 The analysis above indicates that the majority of non-residential development types are not able to support CIL. The exceptions are some of the retail typologies although this does not apply to comparison retail in town centre locations.

6.19 Although there is some variance in the potential for CIL, a rate of approximately £80/sq m may be a suitable balance between funding infrastructure and viability. This rate is affordable for all of the three retail typologies being considered and is below 5% of GDV. The rate is within a 50% buffer for larger convenience and out of centre comparison retail; and is close to a 33% buffer for smaller convenience. A single rate of £80/sq m would avoid undue complexity of varying rates and give greater assurances of delivery of these types of uses over the plan period. Table 6.6 below shows the potential CIL for the three viable retail typologies, buffers and the % of GDV.

Table 6.6 Potential CIL rates

Typology	Headroom (£/sq m)	GDV (£/sq m)	Potential CIL with 50% buffer (£/sq m)	Potential CIL with 33% buffer (£/sq m)	£80/sq m as a % of GDV
NR5 Retail convenience (Small local store)	£123	£3,171	£61.52	£82.44	3%
NR6 Retail convenience (Supermarket)	£315	£3,872	£157.65	£211.25	2%
NR8 Retail comparison (Out of centre / Retail Park)	£287	£2,859	£143.59	£192.41	3%

6.20 It is recommended that there is a CIL rate of £80/sq m applied to retail except comparison retail in town centres, where a rate of £0 should apply. All other non-residential development should have a CIL rate of £0/sq m.

Chapter 7 Summary and conclusions

- 7.1** We have based proposed CIL rates on results achieved separately for residential typologies and separate rates are proposed for the town centre, older person homes and retail uses as well as a continuation of the previously assessed and examined rate at Welborne.
- 7.2** The result of the residential testing shows that all the typologies are viable with significant headroom. Flatted development is less viable and given the importance of this form of development in meeting objectives in the town centre it is appropriate for the council to consider a lower rate.
- 7.3** Retirement and supported homes for older people are not viable to pay a CIL for most types tested and therefore should be £zero rated, unless the Council decides it wants to identify a separate charge for retirement (sheltered) homes on greenfield sites (with all other types of older person homes at £zero).
- 7.4** In terms of non-residential rates the analysis shows that speculative retail uses would be able to support a charge. No other non-residential uses show sufficient viability to support a charge if speculatively built.
- 7.5** Proposed CIL rates are set out in the table below:

Table 7.1 Proposed CIL rates

Zone and/or use	Proposed CIL rate
Standard residential development	£195 / sq m
Flat led development in Fareham town centre	£0 / sq m
Older persons retirement (sheltered) on greenfield sites	£0 / sq m (or £28/sq m)
All other older persons (including 'care/nursing' homes)	£0 / sq m
All retail (outside town centres)	£80 / sq m
All other development	£0 / sq m
Welbourne (all uses)	£0 / sq m (continued rate)

- 7.6** Some of the residential rates proposed could theoretically be significantly higher, although this would be with a reduced buffer (compared to the theoretical maximum that could be afforded) and the potential risk to development coming forward. For standard residential development the proposed rates are already generally an increase on what the Council and national regulation has been seeking as policy requirements in the round, through the combination of CIL, affordable homes contributions, environmental mitigations and s106 requirements. Keeping the increase in CIL to about 25% represents an increase in infrastructure funding but also reflects concerns in terms of market shock.

7.7 The analysis in this report has used current values and costs, as previously promoted in the guidance. But we and the Council are aware that both can change over time. It is important that the Council keeps values and costs under review. We recommend that the main build costs and market and rental values are monitored regularly (at least annually) using published sources and that the development industry is consulted on these and other changes that can affect viability (e.g. interest rates and developer returns). A sustained change in the key variables should trigger a review of CIL and/or the affordable homes policy. In any case, the Council should consider a regular review of CIL (say in 2-3 years' time) but noting that a review does not have to lead to a revised rate.

Appendix A National policy review

National policy context

- i. **National framework** - The National Planning Policy Framework (NPPF) recognises the importance of positive and aspirational planning but states that this should be done 'in a way that is aspirational but deliverable'³⁶.
- ii. The NPPF advises that cumulative effects of policy should not combine to render plans unviable:

*'Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan.'*³⁷
- iii. The government has signalled its desire to simplify the planning process, including development contributions. The NPPF advises that:

*'All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.'*³⁸
- iv. In terms of affordable homes the government has reiterated previous policy on affordable homes thresholds and a desire to increase affordable home products that can potentially lead to home ownership:

*'Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer). To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount'*³⁹

*'Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.'*⁴⁰
- v. With regard to non-residential development, the NPPF states that local planning authorities should:

³⁶ DLUHC, 2021 NPPF Para 16

³⁷ DLUHC, 2021 NPPF Para 34

³⁸ DLUHC, 2021 NPPF Para 58

³⁹ DLUHC, 2021 NPPF Para 64

⁴⁰ DLUHC, 2021 NPPF Para 65

*'set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth...local policies for economic development and regeneration...seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment...be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.'*⁴¹

- vi. However, the NPPF does not state that all sites must be viable now in order to appear in the plan. Instead, the NPPF is concerned to ensure that the bulk of the development is not rendered unviable by unrealistic policy costs. It is important to recognise that economic viability will be subject to economic and market variations over the local plan timescale. In a free market, where development is largely undertaken by the private sector, the local planning authority can seek to provide suitable sites to meet the needs of sustainable development. It is not within the local planning authority's control to ensure delivery actually takes place; this will depend on the willingness of a developer to invest and a landowner to release the land. So, in considering whether a site is deliverable now or developable in the future, we have taken account of the local context to help shape our viability assumptions.
- vii. **Planning Practice Guidance** - Planning Practice Guidance⁴² (PPG) provides further detail about how the NPPF should be applied. PPG contains general principles for understanding viability (also relevant to CIL viability testing). The approach taken reflects the latest version of PPG. In order to understand viability, a realistic understanding of the costs and the value of development is required and direct engagement with development sector may be helpful⁴³. Evidence should be proportionate to ensure plans are underpinned by a broad understanding of viability, with further detail for strategic sites that provide a significant proportion of planned supply⁴⁴.
- viii. For a specific site, values should be based on market evidence (rather than average figures) from the actual site⁴⁵. All development costs should be taken into account, including within setting of benchmark land values, in particular para 012 within the PPG Viability section states that:

'Costs include: build costs based on appropriate data, for example that of the Building Cost Information Service

- *abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value.*
- *site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value.*

⁴¹ DLUHC, 2021 NPPF, para 82

⁴² DLUHC, Planning Practice Guidance

⁴³ PPG Paragraph: 010 Reference ID: 10-001-20180724

⁴⁴ PPG Paragraph: 005 Reference ID: 10-004-20180724

⁴⁵ PPG Paragraph: 011 Reference ID: 10-011-20180724

- *the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value.*
 - *general finance costs including those incurred through loans.*
 - *professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value.*
 - *explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return.'*
- ix. Land values⁴⁶ should be defined using a benchmark land value that is established on the basis of Existing Use Value plus a premium for the landowner. The premium should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The benchmark should reflect the implications of abnormal costs, site specific infrastructure and fees. It can be informed by market evidence including current costs and values but that this should be based on development that is compliant with policies, where evidence is not available adjustments should be made to reflect policy compliance.
- x. PPG states that developer return should be 15 - 20% of gross development value and that a lower figure may be more appropriate for affordable homes delivery⁴⁷.
- xi. **Community Infrastructure Levy (CIL)** - CIL is payable on development which creates net additional floor space, where the gross internal area of new build exceeds 100 square metres (this limit does not apply to new houses or flats)⁴⁸. Custom & self-build is exempt, along with affordable homes, charitable development, buildings into which people do not normally go and vacant buildings brought back into the same use⁴⁹.
- xii. CIL rates should be set so that they strike an appropriate balance between additional investment to support development and the potential effect on the viability of developments⁵⁰.
- xiii. For the purposes of CIL, a charging authority should use an area-based approach, involving a broad test of viability across their area. This should use appropriate available evidence, recognising that the available data is unlikely to be fully comprehensive. A sample of site types should be used, however more fine-grained sampling may be required where differential CIL rates

⁴⁶ PPG Paragraph: 013 Reference ID: 10-013-20190509 and 014 Reference ID: 10-014-20190509

⁴⁷ PPG Paragraph: 018 Reference ID: 10-018-20190509

⁴⁸ PPG Paragraph: 001 Reference ID: 25-001-20190901

⁴⁹ PPG Paragraph: 005 Reference ID: 25-005-20190901

⁵⁰ PPG Paragraph: 010 Reference ID: 25-010-20190901

are set. Rates should be reasonable and include a buffer, but there is no requirement for a proposed rate to exactly mirror the evidence⁵¹.

- xiv. Differential rates may be set in relation to geography, development type and/or scale. However undue complexity and disproportionate impact should be avoided. The charging authority should consider a zero CIL where plan policies require significant contributions towards homes or infrastructure through planning obligations⁵². The guidance for testing viability for plan-making and for setting CIL rates is closely aligned and so testing both together follows the same approach and can use common assumptions.
- xv. **Other guidance on viability testing for development** - Guidance has been published to assist practitioners in undertaking viability studies for policy making purposes - *"Viability Testing Local Plans - Advice for planning practitioners"*⁵³. The foreword to the Advice for planning practitioners includes support from DHCLG, the LGA, the HBF, PINS and POS. PINS and the POS⁵⁴ state that:
- 'The Planning Inspectorate and Planning Officers Society welcome this advice on viability testing of Local Plans. The use of this approach will help enable local authorities to meet their obligations under NPPF when their plan is examined'*
- xvi. The approach to viability testing adopted for this study follows the principles set out in the Advice. The Advice re-iterates that:
- 'The approach to assessing plan viability should recognise that it can only provide high level assurance'*
- xvii. The Advice also comments on how viability testing should deal with potential future changes in market conditions and other costs and values and states that:
- 'The most straightforward way to assess plan policies for the first five years is to work on the basis of current costs and values'. (page 26)*
- xviii. But that:
- 'The one exception to the use of current costs and current values should be recognition of significant national regulatory changes to be implemented.....' (page 26)*

⁵¹ PPG Paragraph: 020 Reference ID: 25-020-20190901

⁵² PPG Paragraph: 026 Reference ID: 25-026-20190901

⁵³ The guide was published in June 2012 and is the work of the Local Housing Delivery Group, chaired by Sir John Harman, which is a cross-industry group, supported by the Local Government Association and the Home Builders Federation

⁵⁴ Acronyms for the following organisations - Department of Communities and Local Government, LGA Environment and Housing Board, Home Builders Federation, Planning Inspectorate, Planning Officers Society

Principles of viability testing

- xix. The Advice for planning practitioners⁵⁵ summarises viability as follows:
- xx. 'An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.' (page 14)
- xxi. Reflecting this definition of viability, and as specifically recommended by the Advice for planning practitioners, we have adopted a residual value approach to our analysis. Residual value is the value of the completed development (known as the Gross Development Value or GDV) less the costs of undertaking the development. The residual value is then available to pay for the land. The value of the scheme includes both the value of the market homes and affordable homes (and other non-residential values). Scheme costs include the costs of building the development, plus professional fees, scheme finance and a return to the developer. Scheme costs also include planning obligations (including affordable homes, direct s106 costs) and the greater the planning obligations, the less will be the residual value.
- xxii. The residual value of a scheme is then compared with a benchmark land value. If the residual value is less than the benchmark value, then the scheme is less likely to be brought forward for development and is considered unviable for testing purposes. If the residual value exceeds the benchmark, then it can be considered viable in terms of policy testing.
- xxiii. PPG paragraph 012 - 015 sets out that benchmark land values should be based on the current use value of a site plus an appropriate site premium in most cases. The principle of this approach is that a landowner should receive at least the value of the land in its *'pre-permission'* use, which would normally be lost when bringing forward land for development. The benchmark land values used in this study are based on the principle of *'Existing Use Value Plus'* which is considered further in other parts of this report.
- xxiv. Note the approach to Local Plan level viability (or CIL) assessment does not require all sites in the plan to be viable. The Harman Report says that a site typologies approach (i.e. assessing a range of example development sites likely to come forward) to understanding plan viability is sensible, a view echoed in CIL guidance. Viability *'...is to provide high level assurance that the policies with the plan are set in a way that is compatible with the likely economic viability of development needed to deliver the plan'*.

⁵⁵ Local Housing Delivery Group, 2012, Viability Testing Local Plans - Advice for planning practitioners

Appendix B Local Plan (as submitted) Policy Review

Policy	Summary of Contents	Cost Impact?	Nature of costs & how it is treated
Strategic Policy DS1: Development in the Countryside	<p>Proposals for development in the countryside, will be supported where the proposal:</p> <ul style="list-style-type: none"> • Is for development associated with an existing lawful dwelling or, • Is proposed on previously developed land and appropriate for the proposed use, or • Is for retail, community and leisure facilities, tourism or specialist housing where it can be demonstrated that there is a local need for the facility that cannot be met by existing facilities elsewhere; or • Is for a new or replacement building, conversion and/or extension within an existing educational facility (as identified on the Policies map) and would not result in the loss of playing fields and/or sports pitches unless it can be demonstrated that these facilities are no longer required or they can be adequately replaced elsewhere on site; or, • Is for housing development / employment development compliant with other relevant policies; or, • Is for a new small-scale employment development to convert or extend an existing building, or replace a redundant or derelict structure, or • Provides infrastructure that meets an overriding public need. <p>Development outside of the urban areas will be strictly controlled.</p>		No direct viability implications, however typologies within countryside locations should demonstrate points noted within this policy.
Strategic Policy DS2: Development in Strategic Gaps	Policy sets out two strategic gaps, 'Fareham / Stubbington and the Western Wards' and 'Fareham / Bridgemary and Stubbington / Lee-on-the-Solent', in order to maintain a separation between settlement areas, and a commitment that proposals will not be permitted where they cause harm to the physical separation.		No direct viability implications.
Strategic Policy DS3: Landscape	<p>Policy covers areas of Special Landscape Quality. Development proposals shall only be permitted in these areas where the landscape will be protected and enhanced. They should also recognise the intrinsic character and beauty of the countryside, with specific points to consider.</p> <p>Major development proposals must include a comprehensive landscaping mitigation and enhancement scheme, proportionate with proposed development.</p>		No direct viability implications.
Strategic Policy H1: Housing Provision & FTC3 – BL1	<p>The Council will make provision for at least 9,560 net new homes across the Borough during the Plan period of 2021-2037, phased as follows:</p> <ul style="list-style-type: none"> • Approx 900 dwellings (averaging 300 per annum) between 2021/22 and 2023/24, • Approx 2,180 dwellings (averaging 545 dwellings per annum) between 2024/25 and 2027/28, 		The range of schemes tested in viability study should be representative of the different scales of delivery likely to come forward across the plan

	<ul style="list-style-type: none"> Approx 6,480 dwellings (averaging 720 dwellings per annum) between 2028/29 and 2036/37. <p>It is also set out how this housing will be provided: sites that already have planning permission / sites where planning permission will be granted / sites allocated in policies / specified brownfield sites or regeneration opportunities in Fareham town centre / unexpected (windfall) development.</p>		period shown in this policy.
HP1: New Residential Development	<p>Residential development within the Urban Area boundary, as shown on the Policies map, will be supported in principle.</p> <p>Residential development in locations outside of the Urban Area boundary will be permitted where one of the following applies:</p> <ul style="list-style-type: none"> It involves a conversion of an existing non-residential building where: <ol style="list-style-type: none"> the building is structurally sound and capable of conversion without the need for significant extension, alteration or rebuilding; and evidence has been provided to demonstrate that no other suitable alternative uses can be found and conversion would lead to an enhancement to the building's immediate setting. It is for a replacement dwelling which is of an appropriate character to the location. 		No direct viability implications.
HP2: New Small-Scale Development Outside the Urban Areas	Promotes small scale development in sustainable locations.		No direct viability implications.
HP3: Change of Use to Garden Land	<p>A change of use of garden land will only be permitted where:</p> <ul style="list-style-type: none"> It is in keeping with the scale, character and appearance of surrounding area It does not detract from landscape <p>It respects views into and out from the site.</p>		No direct viability implications.
HP4: Five-Year Housing Land Supply	Flexible development strategy policy.		No direct viability implications.
HP5: Provision of Affordable Housing	<p>Sites that can accommodate 10 or more dwellings or sites with an area of 0.5 hectares or more shall provide:</p> <ul style="list-style-type: none"> In the case of greenfield sites 40% of dwellings as affordable housing; and In the case of brownfield sites 35% of dwellings as affordable housing; and In the case of sites located within the defined Fareham town centre boundary, 20% of dwellings as affordable housing. <p>The affordable housing must be provided in accordance with the following proportions:</p> <ul style="list-style-type: none"> At least 10% as Social Rent; and At least 55% as Affordable Rent or Social Rent; and The remainder, but no less than 10% as Affordable Home Ownership. The mix of property size and type should reflect the local need and the site characteristics. 		<p>The viability study directly addresses the requirements of this policy.</p> <p>Testing assumptions take account of various potential levels of affordable housing provision taking into account current estimates of costs and values and across a range of different market areas reflecting different viability characteristics in the Borough.</p>

	<p>The Council will only accept affordable housing provision off site or an appropriate financial contribution in lieu where it is robustly justified and where it contributes to the objective of mixed and balanced communities.</p> <p>Viability assessment will be required where viability is an issue, along with a third party review.</p>		
HP6: Exception Sites	<p>Where there is clear evidence that affordable housing delivery is not meeting affordable need, planning permission may be granted for affordable housing on sites outside the existing urban area boundaries.</p> <p>Proposals should be:</p> <ul style="list-style-type: none"> • 100% affordable, with no more than 20% provided as Starter Homes • Small scale (under 20 units) • Sensitively designed • Where affordable rent products are brought forward by not for profit social housing providers <p>Subject to legal agreements that the units will be retained as affordable in perpetuity (excl. Starter homes).</p>		No direct viability implications. 100% affordable and would therefore be exempt for CIL, so no requirement to test.
HP7: Adaptable and Accessible Dwellings	<p>Development proposals for all new dwellings shall provide:</p> <ul style="list-style-type: none"> • at least 15% of all new dwellings at Category 2 standard; and • on schemes of over 100 dwellings (gross), at least 2% of market housing and 5% of affordable housing, shall be provided as wheelchair accessible Category 3 properties. <p>Schemes exclusively for flatted development will be expected to comply with the criteria as much as is physically possible before lifts would be a requirement.</p>		<p>The viability study directly addresses the requirements of this policy.</p> <p>Assumptions to account for the additional costs of meeting these standards are included within this appraisal.</p>
HP8: Older Persons and Specialist Housing Provision	<p>Permission will be granted for new, or extensions and additions to existing, older persons' and specialist housing where:</p> <ul style="list-style-type: none"> • Sufficient parking and services are available • It is in a sustainable location • It provides appropriate provision of amenity space <p>New provision shall be provided within the defined urban area unless significant unmet need exists for the particular specialist use proposed or the nature of the use warrants a more secluded location. In all instances a sequential assessment shall be provided to demonstrate that no other suitable and available sites exist in the urban area.</p>		No direct viability implications but specific typologies for older persons included within assessment
HP9: Self and Custom Build Homes	<p>This policy requires that on sites of 40 dwellings or more (gross), 10% of the overall dwellings shall be provided through the provision of plots for sale to address local self or custom build need.</p> <p>Plots which are marketed appropriately but not sold within 12 months of initial promotion, may be developed for housing other than as self and/or custom build.</p> <p>Plots cannot avoid this policy by subdividing, and it will apply to a cluster of adjoining development sites.</p>		<p>The viability study directly addresses the requirements of this policy.</p> <p>Typologies have been prepared to assess the viability implications for providing self-build plots.</p>

	Where a site's size and density make it unsuitable for self/custom build provision, exemption from the policy will be considered on an individual basis e.g. flatted development or specialist / older persons accommodation.		
HP10: Ancillary Accommodation	This policy sets out guidance on the provision of ancillary accommodation.		No direct viability implications.
HP11: Gypsies, Travellers and Travelling Showpeople	This policy sets out the guidance and conditions on which Gypsies, Travellers and Travelling Showpeople sites may be permitted. It also says that the loss of these sites will not be given planning permission, unless there is no genuine need or likely future needs for these sites in the locality. Notes that this identified need is to be met through the allocation of land to the rear of 77 Burridge Road in Policy HA45.		No direct viability implications.
HP12: Development Proposals within Solent Breezes Holiday Park	The policy provides guidance on planning permissions or proposals relating to the occupation of chalets or caravans at the Solent Breezes Holiday Park.		No direct viability implications.
Strategic Policy E1: Employment Land Provision	Sets out the ambition to provide 121,964 sq m of new employment floorspace. The following sites are allocated for employment uses: <ul style="list-style-type: none"> • Faraday Business Park, Daedalus • Swordfish Business Park, Daedalus • Solent 2, Whiteley • Land North of St Margaret's roundabout, Titchfield • Land at Military Road, Wallington • Little Park Farm, Segensworth West • Standard Way, Wallington 		No direct viability implications, however the range of employment-related typologies should reflect the type and scale that could come forward as described in this policy.
E5: Existing Employment Areas	States the intention that Employment Areas shown on the policy map will be protected within use classes B1, B2 & B8. Proposals for the extension of new buildings and intensification will be supported where it can be demonstrated that: <ul style="list-style-type: none"> • It would facilitate the creation of additional jobs; and • The development complies with Policy TIN1 and provides acceptable levels of parking. Proposals that will result in the loss of land and/or buildings to uses other than employment within an Existing Employment Area will be permitted where policy requirements are demonstrated together with the following: <ul style="list-style-type: none"> • The proposals are not for residential development; and • All appropriate alternative forms of employment use have been dismissed as unsuitable or unviable; and • It can be clearly demonstrated that the land or building is not fit for purpose and modernisation or redevelopment for employment uses would be unviable; and • The proposals are accompanied by details of marketing of the vacant site/building covering a period of not fewer than twelve months; and 		No direct viability implications, however the range of employment-related typologies should reflect the type and scale that could come forward as described in this policy.

	<ul style="list-style-type: none"> Where proposals are for 'main town centre uses', such as retail and leisure facilities, but excluding offices, a full sequential assessment will be required as part of a planning application. 		
E6: Boatyards	Existing boatyards shall be retained for marine related employment, unless no longer financially viable. Sets out guidance for when extensions or intensification might be considered.		No direct viability implications.
E7: Solent Airport	States that Solent Airport will be retained for airport related uses to support aviation activities, unless it can be demonstrated that such uses are no longer financially viability.		No direct viability implications.
Strategic Policy R1: Retail Hierarchy and Protecting the Vitality and Viability of Centres	<p>The policy states that main town centre uses will be permitted within the defined town, district and local centres and small parades, provided that they are designed at a scale and character and contribute to the identified retail floorspace need.</p> <p>The policy sets out the hierarchy as:</p> <ul style="list-style-type: none"> Town Centre – Fareham District Centres – Locks Heath, Portchester, Welborne Local Centres – Broadlaw Walk (Fareham), Gull Coppice (Whiteley), Highlands Road (Fareham), Park Gate, Stubbington, Titchfield, Warsash and Welborne Small Parades – various locations 		No direct viability implications, however the range of retail typologies should reflect the type and scale of uses that could come forward from this policy.
R2: Out-of-Town Proposals for Town Centre Uses	<p>States that main town uses proposed in out of town locations will only be permitted where there is no significant harm, subject to a number of conditions including; being sequentially tested, appropriate parking is provided, the site is accessible particularly by public transport, the scale and design are appropriate to surroundings and that the proposal would not have any unacceptable environment, amenity or traffic implications.</p> <p>Proposals for over 500sq m (or extensions of this figure and above) would require an impact assessment carried out in accordance with the NPPF.</p>		No direct viability implications, however the range of retail typologies should reflect the type and scale of uses that could come forward from this policy.
R3: Local Shops	Policy indicates that the change of use of local shops outside the defined retail centre will be permitted where there is an existing alternative local shop that can conveniently serve the area; or the unit has been vacant for a reasonable period of time.		No direct viability implications.
Strategic Policy R4: Community and Leisure Facilities	Development proposals for new or extended community and leisure facilities will be supported where they meet it is demonstrated that there is a need for the facility that cannot be met by existing facilities elsewhere, and consideration has been given to the shared use, re-use and/or redevelopment of existing buildings in the local community; and the proposals represent the provision of facilities that are of equal or better quality and function to existing facilities being replaced. The site also has to be accessible and inclusive to the local communities it serves.		No direct viability implications.

	<p>Where proposals for community and leisure facilities are considered to be main town centre uses, and are proposed outside of the identified centres, Policy R2 shall apply.</p> <p>Development proposals that would result in the loss of community or publicly owned or managed facilities will be permitted where the facility is no longer needed and no alternative community use of the facility is practical or viable. Or / and if any proposed replacement or improved facilities will be of sufficient equivalent or better in terms of quality, function and accessibility.</p>		
Strategic Policy CC1: Climate Change	<p>This policy sets out how the Council promotes mitigation and adaption to climate change, though their development strategy, ensuring allocations take into account climate change through flood risk assessment and sequential testing of sites, integrating Green and Blue Infrastructure into the design of developments, adopting higher water efficiency standards, and supporting the reuse and use of sustainably sourced materials and supporting the integration of energy efficiency, exceeding Building Regulations requirements, renewable and low carbon technologies into residential and commercial developments of all sizes.</p>		<p>Some viability implications to consider within testing. Associated costs within standard development costs plus implications of higher building standards.</p>
CC2: Managing Flood Risk and Sustainable Drainage Systems	<p>SuD's to be incorporated into new development and reiteration of national policy towards flood risk.</p>		<p>No direct viability implications. Associated costs within standard development costs.</p>
CC3: Coastal Change Management Areas (CCMAs)	<p>The policy guides development in coastal areas, stating it will only be permitted where it will not result in an increased risk to life or significantly increase the risk to any proper. The policy sets out two areas (Hook Spit to Workman's Lane and Hook Park to Meon Shore) where development will not be permitted.</p>		<p>No direct viability implications.</p>
CC4: Renewable and Low Carbon Energy	<p>Proposals for the delivery of renewable and low carbon energy (excluding wind turbines proposals) and the associated infrastructure will be supported provided that there are no severe adverse impacts the character of the surrounding landscape, heritage assets, ecology, surroundings (including air quality, shadow flicker, waste and noise) of local residents and businesses, and traffic.</p> <p>Proposals will need to be accompanied by a feasibility study. Proposals will only be supported where the benefit of the development outweighs the harm and reasonable measures for mitigation can be demonstrated.</p>		<p>No direct viability implications.</p>
Strategic Policy NE1: Protection of Nature Conservation, Biodiversity and Local Ecological Network	<p>Policy sets out certain conditions for where a development might be permitted. This includes where it can be demonstrated that:</p> <ul style="list-style-type: none"> • Designated sites, sites of nature conservation and priority habitats are protected • Protected and priority species and their associated habitats, breeding areas and foraging areas are protected • Proposals would not prejudice the • ecological network 		<p>There are no specific viability implications. The means of complying with the policy are provided within typical assumptions for development costs and professional fees (e.g. ecological surveys). In most cases it is expected that</p>

	<ul style="list-style-type: none"> Alternative layouts or designs have been fully considered Suitable mitigation can be provided <p>Policy encourages that proposals should seek to provide opportunities to incorporate biodiversity within the development.</p> <p>Proposals need to include adequate and proportionate information to enable a proper assessment. And proposals that provide enhancements, local habitat restoration, creation and management, independently on-site and/or off site will be supported.</p>		requirements can be accommodated within typical development sites (e.g. through Masterplanning) and allowances for planning obligations (e.g. open space).
NE2: Biodiversity Net Gain	The development of one or more dwelling or a new commercial/leisure building should provide at least 10% net gain for biodiversity for the lifetime of the development.		Allowances for BNG within cost assumptions
NE3: Recreational Disturbance on the Solent Special Protection Areas (SPAs)	<p>Planning permission for proposals resulting in a net increase in residential units will be permitted where a financial contribution is made towards the Solent Recreation Mitigation Strategy.</p> <p>In the absence of a financial contribution towards the Solent Recreation Mitigation Strategy, proposals will need to avoid or mitigate any 'in combination' negative effects from recreation through a developer-provided package of measures for the lifetime of the development.</p>		Typologies have been tested with appropriate cost assumptions for financial contributions towards the Solent Recreation Mitigation Partnership strategy.
NE4: Water Quality Effects on the Special Protection Areas (SPAs), Special Areas of Conservation (SACs) and Ramsar Sites of the Solent.	Planning permission will be granted where the integrity of the designated sites is maintained, having regard to the effect of nutrients on the designated sites arising from increased wastewater production.		Allowances for mitigation within cost assumptions
NE5: Solent Wader and Brent Goose Sites	<p>Sites used by Solent Waders and/or Brent Geese will be protected from adverse impacts commensurate to their status in the hierarchy of the Solent Wader and Brent Geese Network.</p> <p>In Core and Primary Support Areas, development will only be permitted where the proposal has avoided or adequately mitigated impacts on site, or where it can be clearly demonstrated that criteria is not feasible or practicable, and a suitable replacement site, agreed to be suitable by all bodies, is provided and secured for the lifetime of the development.</p> <p>In Secondary Support Areas, development will only be permitted where adequate on site mitigation is provided, or a suitable replacement habitat is provided, or where these aren't appropriate a smaller replacement area is agreed and secured in perpetuity and a financial contribution is provided.</p> <p>Development on Low Use Sites will only be permitted where on site mitigation is provided, or off site enhancement and / or financial contribution is provided.</p>		No direct viability implications.

	<p>Development on Candidate Sites will only be permitted where consecutive surveys are undertaken to determine the classification of the site and the above requirements are met.</p> <p>Indirect effects to a Solent Wader and Brent Geese site from development proposals shall be avoided or a suitable package of mitigation measures should be secured.</p>		
NE6: Trees, Woodland and Hedgerows	<p>This policy states that development should avoid the unnecessary loss of non-protected trees, hedgerows and woodland, or provide for their replacement.</p> <p>The removal of protected trees, groups of trees, woodland or hedgerows will only be permitted in exceptional circumstances.</p>		No direct viability implications.
NE7: New Moorings	The policy guides development of new moorings.		No direct viability implications.
NE8: Air Quality	Measure to improve air quality including installation of EV charging points at 1 per residential dwelling with off street parking and 1 rapid charge per 10 dwellings or 1,000 sq m of commercial floorspace.		Include allowance for EV points within testing.
NE9: Green Infrastructure	<p>Development proposals are expected to provide Green Infrastructure which is fully integrated into development and maximises opportunities to connect to the wider GI Network.</p> <p>Proposals that reduce the integrity of the existing green infrastructure network will only be permitted, where suitable mitigation is identified and secured.</p> <p>Policy also sets guidelines for proposals that directly impact upon, or are adjacent to, GI projects that are included within the Fareham Borough or PUSH Green Infrastructure Strategy.</p>		<p>There are no specific viability implications.</p> <p>The means of complying with the policy are provided within typical assumptions for development costs and professional fees (e.g. ecological surveys). In most cases it is expected that requirements can be accommodated within typical development sites (e.g. through Masterplanning) and allowances for planning obligations (e.g. open space).</p>
NE10: Protection and Provision of Open Space	<p>Development on open space will be permitted provided:</p> <ul style="list-style-type: none"> • The open space, or the relevant part, is clearly shown to be surplus to local requirements and will not be needed in the long-term; or • The loss of open space is to be replaced by at least equivalent or better in terms of quantity, quality and accessibility and there will be no overall negative impact on the provision of open space; or • The development is for alternative sports and recreational provision, which meets locally identified needs and clearly outweighs the loss of the current or former use. <p>Residential development will be required to provide open and play space to meet the needs of new residents. Where possible, development shall address any additional identified deficiencies in open space highlighted within the most recent Open Space study.</p>		<p>There are no specific viability implications.</p> <p>The means of complying with the policy are provided within typical assumptions for development costs and professional fees (e.g. ecological surveys). In most cases it is expected that requirements can be accommodated within typical development sites (e.g. through Masterplanning) and allowances for planning obligations (e.g. open space).</p>
NE11: Local Green Space	Proposals that protect or enhance Local Green Space designations will be permitted. Appropriate forms of		No direct viability implications.

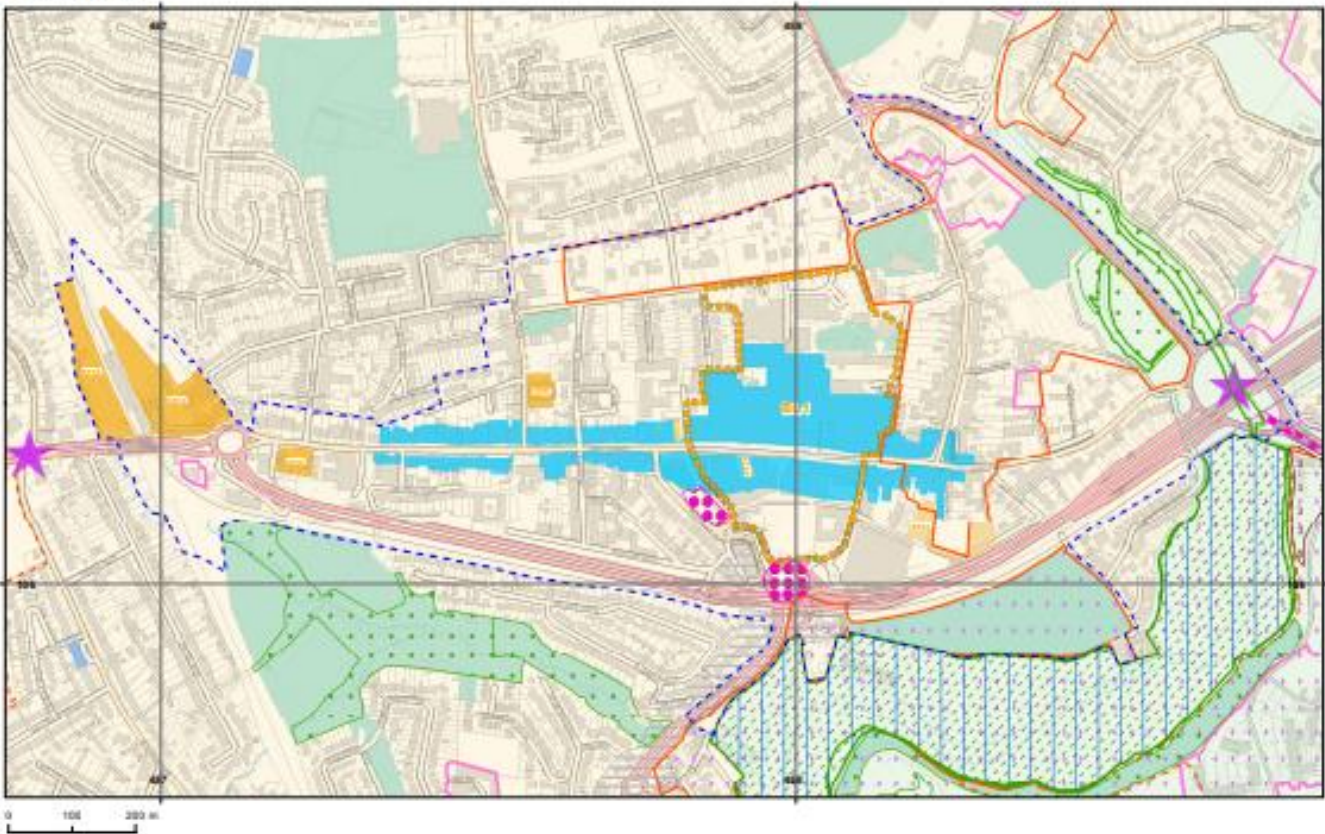
	development what would be permitted within Local Green Spaces are new buildings or facilities for outdoor sport or recreation, allotments, cemeteries and burial grounds or community areas. As long as any extension, alteration, replacement of buildings don't disproportionately impact Local Green Spaces.		
Strategic Policy TIN1: Sustainable Transport	<p>Policy sets out how new development should reduce the need to travel by motorised vehicle through the promotion of sustainable and active travel modes, offering a genuine choice of mode of travel.</p> <p>Development will be permitted where it contributes to the delivery of cycle, pedestrian and other non-road user routes and connects with public transport networks, and facilitates access to public transport services, and provides an internal layout compatible for all users.</p>		No direct viability implications.
TIN2: Highway Safety and Road Network	Development will be permitted where there is no unacceptable impact on highway safety, and the residual cumulative impact on the road networks is not severe, and the impacts are mitigated through a sequential approach, and provision of improvements or contributions.		No direct viability implications.
TIN3: Safeguarding Routes	Development will not be permitted where proposals may compromise the ability of the Highway Authority to deliver public transport highway interventions at the safeguarded locations as shown on the Policy map at: Delme Roundabout, the A27 from Delme Roundabout to Portsmouth boundary, Quay Street Roundabout and Fareham Bus Station.		No direct viability implications.
TIN4: Infrastructure Delivery	<p>Developments (excluding householder applications) will be required to provide and contribute towards the delivery of new or improved infrastructure, or other mitigation, to mitigate the impacts of the development.</p> <p>Where appropriate, the Council will require developers to provide this infrastructure as part of development proposals. Alternatively, this must be secured by planning obligations.</p>		Testing assumptions include allowances for typical planning contributions towards infrastructure requirements.
D1: High Quality Design and Place Making	<p>All development proposals and spaces will be of high quality, based on principles of urban design and sustainability to help create quality places.</p> <p>Development will be permitted where they comply with the following key characteristics of high quality design has been demonstrated, covering: context / identity / built form / movement / nature / public spaces / uses / homes and buildings / resources / lifespan.</p>		No direct viability implications.
D2: Ensuring Good Environmental Conditions	<p>Development must ensure good environmental conditions for all new and existing users of buildings and external space. Development proposals, including changes of use, will be permitted where they:</p> <ul style="list-style-type: none"> Do not have an unacceptable adverse impact on the environmental conditions of future occupiers and users or on adjacent/nearby occupants and users through ensuring appropriate outlook and ventilation and providing adequate daylight, sunlight and privacy; and Do not, individually, or cumulatively, have an unacceptable adverse environmental impact, either on neighbouring occupants, adjoining land, or the wider environment; and 		No direct viability implications.

	<ul style="list-style-type: none"> Can demonstrate that the future occupants and users of the development site will not be unacceptably adversely impacted from existing activities in the surrounding area. 		
D3: Coordination of Development and Piecemeal Proposals	<p>Indicates that where proposals come forward that are part of a wider development site, supporting information will be expected to demonstrate that the proposal will not prejudice the development of the adjoining site(s) and that the proposal maximises place-making opportunities.</p> <p>Applications which seek to evade infrastructure provision by not fully maximising the use of the site or by putting forward piecemeal development will not be supported</p>		No direct viability implications.
D4: Water Quality and Resources	<p>The Council together with its partners will seek to improve water quality and manage the use of water resources by ensuring development proposals provide for the satisfactory supply and disposal of surface and waste water. Development proposals must not be detrimental to the management and protection of river, coastal and groundwater and will take opportunities to enhance these resources.</p> <p>All new dwellings shall achieve as a minimum the Optional Technical Housing Standard for Water efficiency of no more than 110 litres per person per day. Development that achieves a higher technical standard of 100 litres per person per day, incl the use of grey water recycling, will be supported.</p>		No direct viability implications – cost to comply is de minimus
D5: Internal Space Standards	<p>All new dwellings, including subdivisions and conversions shall meet as a minimum the nationally described (internal) space standards (or future equivalent) as set out in the government's housing technical paper: 'Technical housing standards – nationally described space standard' (2015).</p>		No direct viability implications. But all viability testing will meet these standards.
Strategic Policy HE1: Historic Environment and Heritage Assets	<p>All development should seek to conserve and enhance the historic environment and heritage assets, in line with local and national policy. The Council will take appropriate positive steps to conserve and enhance the Borough's historic environment and heritage assets.</p>		No direct viability implications.
HE2: Conservation Areas	<p>Policy sets out how development affecting a Conservation Area should preserve or enhance the special architectural, historic character or appearance of the Conservation Area. By taking into account the Character and Management Strategy, retaining details which make a positive contribution to the area, ensuring the design of all development is appropriate to the area, and protecting open spaces and views which are important to the character of the area.</p> <p>Proposals which would cause substantial harm to the significance and character of a Conservation Area will not be permitted unless it is demonstrated that the harm would be outweighed by substantial public benefits.</p> <p>Proposals which would cause less than substantial harm to the significance and character of the Conservation Area will be considered against the public benefits to be gained.</p>		No direct viability implications.
HE3: Listed Buildings and Structures and/or their Settings	<p>Policy sets out how development affecting a listed building/structure and/or its setting should preserve or enhance any features of historic interest they possess, and how they must demonstrate sufficient understanding of and respond to the historic environment. By accompanying any proposals to</p>		No direct viability implications.

	<p>alter or extend with a Heritage Statement, ensuring that proposals have well-considered design, any changes should be compatible with and respect the special architectural or historic interest of the asset or its setting, and the demolition of structures within the curtilage of a listed building are supported by robust evidence that demonstrates that the structure is beyond meaningful use / repair or is not of any interest to the principal listed building.</p> <p>Proposals which would cause substantial harm to or the total loss of the listed building/structure will be refused unless it can be demonstrated that such a proposal would provide substantial public benefits which would outweigh the harm caused to the listed building/heritage asset.</p> <p>The policy also sets out the requirements of where total or partial loss of a listed building/structure is to be permitted.</p> <p>Proposals which would cause less than substantial harm to the significance of the heritage asset will be considered against the other public benefits to be gained.</p>		
HE4: Archaeology	Development which would result in harm to the significance of a Scheduled Monument or other nationally important archaeological site will not be permitted unless the tests set out in the NPPF are met. The policy sets this out.		No direct viability implications.
HE5: Locally Listed Buildings and Non-designated Heritage Assets	<p>Non-designated heritage assets recorded on the Council's list will be protected from development that would unacceptably harm their architectural and historic interest, and/or setting taking account of their significance.</p> <p>Development proposals which would affect the significance of one, must include a description and assessment of the significance of the asset, a description of the impact the proposed works would have on the significance and special character of the asset, and justification for the works.</p> <p>Where development would demonstrably harm the significance and/or setting of a non-designated heritage asset, consent will be refused unless it can be demonstrated that this harm is outweighed by public benefits. The Council will consider whether spot-listing is warranted, as appropriate.</p>		No direct viability implications.
Policy HE6: Heritage at Risk	Development affecting heritage assets that are deemed at risk by national heritage at risk registers will be supported where the proposals constitute the optimum viable use, consistent with the conservation of the heritage asset. Where a proposed development would conflict with other policies in the Plan, but would secure the conservation of a heritage asset, the Council will consider whether the benefits of conservation would outweigh any harm caused from departing from other policies. The extent of any such enabling development should be no greater than necessary to make the conservation of the heritage asset viable.		No direct viability implications.

Appendix C Fareham Town Centre inset map

INSET MAP



Appendix D Residential sales transactions

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
FLAT 24	BOTLEY ROAD	SO31 1EZ	51	£304,950	£341,616	£6,698
FLAT 27	BOTLEY ROAD	SO31 1EZ	79	£434,950	£489,255	£6,193
9	GOLD CLOSE	PO14 1FP	65	£320,000	£393,508	£6,054
FLAT 19	BOTLEY ROAD	SO31 1EZ	54	£299,950	£311,821	£5,774
58	AGINCOURT DRIVE	SO31 7PG	71	£352,000	£449,134	£6,326
FLAT 8	BOTLEY ROAD	SO31 1EZ	54	£292,450	£333,083	£6,168
FLAT 18	BOTLEY ROAD	SO31 1EZ	54	£292,700	£325,222	£6,023
FLAT 4	BOTLEY ROAD	SO31 1EZ	54	£286,950	£315,607	£5,845
56	AGINCOURT DRIVE	SO31 7PG	71	£340,000	£402,356	£5,667
FLAT 31	BOTLEY ROAD	SO31 1EZ	81	£425,950	£447,505	£5,525
FLAT 3	BOTLEY ROAD	SO31 1EZ	54	£287,950	£323,901	£5,998
FLAT 33	BOTLEY ROAD	SO31 1EZ	54	£283,950	£316,052	£5,853
FLAT 2	BOTLEY ROAD	SO31 1EZ	54	£296,950	£330,742	£6,125
FLAT 6	BOTLEY ROAD	SO31 1EZ	54	£280,950	£311,210	£5,763
FLAT 20	BOTLEY ROAD	SO31 1EZ	54	£295,950	£337,069	£6,242
FLAT 21	BOTLEY ROAD	SO31 1EZ	54	£270,000	£306,002	£5,667
FLAT 21	TRINITY STREET	PO16 7SJ	58	£289,995	£326,202	£5,624
9	SAPPHIRE CLOSE	SO31 6BT	62	£280,000	£348,226	£5,617
24	COMPASS WAY	SO31 7PS	87	£384,995	£485,446	£5,580
FLAT 42	BOTLEY ROAD	SO31 1EZ	56	£281,950	£314,585	£5,618
FLAT 28	BOTLEY ROAD	SO31 1EZ	56	£279,950	£311,159	£5,556
55	AGINCOURT DRIVE	SO31 7PH	120	£520,000	£621,935	£5,183
FLAT 32	BOTLEY ROAD	SO31 1EZ	54	£289,950	£317,029	£5,871
FLAT 57	HAMILTON ROAD	SO31 7PU	66	£325,000	£341,447	£5,173
FLAT 51	HAMILTON ROAD	SO31 7PU	66	£315,000	£344,419	£5,218
FLAT 5	BOTLEY ROAD	SO31 1EZ	54	£276,450	£297,332	£5,506
FLAT 7	HAMILTON ROAD	SO31 7PU	66	£325,000	£361,442	£5,476
5	SAPPHIRE CLOSE	SO31 6BT	62	£275,000	£337,783	£5,448
53	AGINCOURT DRIVE	SO31 7PH	120	£520,000	£605,668	£5,047

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
FLAT 8	HAMILTON ROAD	SO31 7PU	66	£320,000	£354,466	£5,371
FLAT 32	HAMILTON ROAD	SO31 7PU	66	£315,000	£345,975	£5,242
FLAT 7	BOTLEY ROAD	SO31 1EZ	54	£260,950	£289,056	£5,353
26	NORMANDY ROAD	PO14 1FJ	88	£365,000	£425,229	£4,832
FLAT 63	HAMILTON ROAD	SO31 7PU	66	£315,000	£332,220	£5,034
FLAT 2	HAMILTON ROAD	SO31 7PU	66	£315,000	£345,975	£5,242
FLAT 18	HAMILTON ROAD	SO31 7PU	94	£445,000	£498,504	£5,303
FLAT 15	BOTLEY ROAD	SO31 1EZ	82	£386,950	£427,423	£5,212
21	JUNO CLOSE	PO14 1FN	88	£372,500	£479,531	£5,449
FLAT 67	HAMILTON ROAD	SO31 7PU	94	£443,950	£494,099	£5,256
25	COMPASS WAY	SO31 7PS	87	£370,000	£442,531	£5,087
19	JUNO CLOSE	PO14 1FN	79	£332,000	£387,087	£4,900
1	UTAH CLOSE	PO14 1FT	88	£365,000	£455,376	£5,175
FLAT 20	HAMILTON ROAD	SO31 7PU	89	£418,000	£463,328	£5,206
FLAT 14	HAMILTON ROAD	SO31 7PU	66	£305,000	£341,672	£5,177
FLAT 9	HAMILTON ROAD	SO31 7PU	90	£422,500	£477,177	£5,302
28	COMPASS WAY	SO31 7PS	112	£450,000	£469,593	£4,193
59	AGINCOURT DRIVE	SO31 7PH	143	£585,000	£689,637	£4,823
3	MONTEFIORE DRIVE	SO31 7PJ	148	£599,000	£741,056	£5,007
14	COMPASS WAY	SO31 7PS	112	£459,995	£578,164	£5,162
FLAT 28	HAMILTON ROAD	SO31 7PU	66	£305,000	£328,039	£4,970
FLAT 8	MONTEFIORE DRIVE	SO31 7PJ	61	£275,000	£304,745	£4,996
22	JUNO CLOSE	PO14 1FN	88	£372,500	£460,841	£5,237
19	COMPASS WAY	SO31 7PS	112	£449,995	£540,945	£4,830

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
FLAT 66	HAMILTON ROAD	SO31 7PU	90	£422,500	£478,106	£5,312
FLAT 33	HAMILTON ROAD	SO31 7PU	66	£295,000	£321,814	£4,876
60	AGINCOURT DRIVE	SO31 7PG	120	£479,995	£601,531	£5,013
FLAT 45	HAMILTON ROAD	SO31 7PU	90	£412,000	£455,243	£5,058
5	JUNO CLOSE	PO14 1FN	65	£260,000	£281,118	£4,325
24	NORMANDY ROAD	PO14 1FJ	79	£320,000	£341,638	£4,325
15	COMPASS WAY	SO31 7PS	82	£359,995	£450,558	£5,495
7	WILLOW BROOK CLOSE	PO14 4GE	71	£280,000	£347,478	£4,894
8	NORMANDY ROAD	PO14 1FJ	79	£320,000	£398,115	£5,039
6	NORMANDY ROAD	PO14 1FJ	79	£320,000	£390,236	£4,940
12	COMPASS WAY	SO31 7PS	112	£449,039	£509,008	£4,545
15	JUNO CLOSE	PO14 1FN	65	£260,000	£321,621	£4,948
FLAT 38	HAMILTON ROAD	SO31 7PU	66	£299,000	£332,526	£5,038
3	JUNO CLOSE	PO14 1FN	65	£262,500	£321,824	£4,951
7	SAPPHIRE CLOSE	SO31 6BT	62	£255,000	£325,215	£5,245
10	GOLD CLOSE	PO14 1FP	65	£260,000	£322,658	£4,964
26	CAVENDISH DRIVE	SO31 6BP	79	£312,000	£379,808	£4,808
8	COMPASS WAY	SO31 7PS	82	£330,000	£349,948	£4,268
16	JUNO CLOSE	PO14 1FN	65	£257,500	£318,136	£4,894
20	JUNO CLOSE	PO14 1FN	79	£315,000	£376,089	£4,761
28	NORMANDY ROAD	PO14 1FJ	88	£345,000	£426,071	£4,842
FLAT 15	HAMILTON ROAD	SO31 7PU	87	£385,000	£433,032	£4,977
16	COMPASS WAY	SO31 7PS	87	£375,000	£411,774	£4,733
2	THISTLE CLOSE	PO16 9FL	58	£224,995	£246,212	£4,245
51	AGINCOURT DRIVE	SO31 7PH	120	£475,000	£594,156	£4,951

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
62	SOUTHFIELDS	PO16 9FG	69	£262,995	£305,504	£4,428
100	SOUTHFIELDS	PO16 9FG	112	£439,995	£550,684	£4,917
12	THISTLE CLOSE	PO16 9FL	58	£229,995	£282,319	£4,868
FLAT 12	HAMILTON ROAD	SO31 7PU	90	£422,500	£470,579	£5,229
4	JUNO CLOSE	PO14 1FN	65	£255,000	£313,012	£4,816
7	PEWIT VIEW	PO16 9FF	84	£329,950	£407,646	£4,853
10A	WHITE HART LANE	PO16 9BS	75	£295,000	£317,999	£4,240
2	JUNO CLOSE	PO14 1FN	65	£265,000	£310,175	£4,772
4	UTAH CLOSE	PO14 1FT	65	£255,000	£280,026	£4,308
10	PEWIT VIEW	PO16 9FF	84	£327,950	£405,208	£4,824
6	WHITE HART LANE	PO16 9BS	75	£295,000	£366,881	£4,892
3	THISTLE CLOSE	PO16 9FL	58	£224,995	£273,897	£4,722
4	WILLOW BROOK CLOSE	PO14 4GE	95	£364,950	£449,221	£4,729
5	MONTEFIORE DRIVE	SO31 7PJ	165	£640,000	£765,459	£4,639
15	PEWIT VIEW	PO16 9FF	84	£327,950	£406,245	£4,836
64	SOUTHFIELDS	PO16 9FG	69	£262,995	£327,168	£4,742
7	UTAH CLOSE	PO14 1FT	84	£325,000	£396,110	£4,716
57	AGINCOURT DRIVE	SO31 7PH	165	£650,000	£757,257	£4,589
4	PEWIT VIEW	PO16 9FF	84	£323,950	£399,618	£4,757
16	PEWIT VIEW	PO16 9FF	87	£339,950	£427,099	£4,909
6	UTAH CLOSE	PO14 1FT	79	£300,000	£343,485	£4,348
7	COMPASS WAY	SO31 7PS	82	£329,995	£416,499	£5,079
10	NORMANDY ROAD	PO14 1FJ	88	£365,000	£397,019	£4,512
FLAT 9	MONTEFIORE DRIVE	SO31 7PJ	68	£285,000	£316,588	£4,656
2	WILLOW BROOK CLOSE	PO14 4GE	95	£374,950	£478,594	£5,038
FLAT 2	MONTEFIORE DRIVE	SO31 7PJ	61	£259,000	£290,092	£4,756
FLAT 7	MONTEFIORE DRIVE	SO31 7PJ	68	£285,000	£321,747	£4,732
8	WILLOW BROOK CLOSE	PO14 4GE	71	£275,000	£338,171	£4,763
FLAT 1	FIRECRACKER DRIVE	SO31 6BU	46	£203,000	£225,556	£4,903

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
20	BERRY CLOSE	PO16 9FJ	84	£304,995	£334,904	£3,987
17	PEWIT VIEW	PO16 9FF	84	£315,000	£385,905	£4,594
1	THISTLE CLOSE	PO16 9FL	69	£254,995	£314,523	£4,558
11	THISTLE CLOSE	PO16 9FL	69	£258,995	£319,221	£4,626
18	JUNO CLOSE	PO14 1FN	65	£260,000	£321,251	£4,942
66	SOUTHFIELDS	PO16 9FG	80	£289,995	£350,403	£4,380
3	UTAH CLOSE	PO14 1FT	79	£300,000	£378,142	£4,787
69	SOUTHFIELDS	PO16 9FG	89	£332,995	£394,860	£4,437
9	THISTLE CLOSE	PO16 9FL	89	£322,995	£366,131	£4,114
29	SOUTHFIELDS	PO16 9FG	69	£259,995	£293,713	£4,257
4	THISTLE CLOSE	PO16 9FL	69	£252,995	£292,792	£4,243
4	MAGNOLIA VIEW	SO31 7PW	87	£322,500	£398,934	£4,585
14	THISTLE CLOSE	PO16 9FL	58	£229,995	£293,325	£5,057
18	SWORD DRIVE	PO14 1FS	140	£500,000	£621,581	£4,440
12	PEWIT VIEW	PO16 9FF	87	£339,950	£367,561	£4,225
27	COMPASS WAY	SO31 7PS	112	£469,995	£574,929	£5,133
18	COMPASS WAY	SO31 7PS	138	£499,995	£524,043	£3,797
FLAT 4	MONTEFIORE DRIVE	SO31 7PJ	68	£279,995	£305,445	£4,492
FLAT 26	HAMILTON ROAD	SO31 7PU	66	£285,000	£317,220	£4,806
45	SOUTHFIELDS	PO16 9FG	69	£262,995	£308,101	£4,465
6	THISTLE CLOSE	PO16 9FL	89	£322,995	£399,081	£4,484
47	SOUTHFIELDS	PO16 9FG	91	£332,995	£398,272	£4,377
30	NORMANDY ROAD	PO14 1FJ	84	£327,500	£398,676	£4,746
FLAT 5	MONTEFIORE DRIVE	SO31 7PJ	61	£249,995	£280,170	£4,593
6	JUNO CLOSE	PO14 1FN	79	£309,000	£331,425	£4,195
9	PEWIT VIEW	PO16 9FF	87	£337,950	£415,581	£4,777
43	SOUTHFIELDS	PO16 9FG	69	£264,995	£333,599	£4,835
2	BERRY CLOSE	PO16 9FJ	91	£332,995	£349,011	£3,835
18	BERRY CLOSE	PO16 9FJ	84	£304,995	£318,275	£3,789
61	SOUTHFIELDS	PO16 9FG	84	£304,995	£334,904	£3,987
2	UTAH CLOSE	PO14 1FT	116	£425,000	£490,444	£4,228
68	SOUTHFIELDS	PO16 9FG	80	£289,995	£355,821	£4,448
84	SOUTHFIELDS	PO16 9FG	84	£304,995	£359,549	£4,280
19	SOUTHFIELDS	PO16 9FG	112	£399,995	£423,743	£3,783
4A	WHITE HART LANE	PO16 9BS	94	£340,000	£396,414	£4,217

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1	BERRY CLOSE	PO16 9FJ	91	£324,995	£406,522	£4,467
6	SWORD DRIVE	PO14 1FS	140	£495,000	£538,423	£3,846
5	UTAH CLOSE	PO14 1FT	65	£260,000	£317,799	£4,889
65	SOUTHFIELDS	PO16 9FG	84	£304,995	£377,205	£4,491
67	SOUTHFIELDS	PO16 9FG	84	£304,995	£380,328	£4,528
72	SOUTHFIELDS	PO16 9FG	80	£292,995	£359,153	£4,489
8	PEWIT VIEW	PO16 9FF	87	£339,950	£410,642	£4,720
2	HOPE LODGE CLOSE	PO15 6FH	150	£540,000	£667,849	£4,452
12	BERRY CLOSE	PO16 9FJ	91	£339,950	£417,879	£4,592
12	SWORD DRIVE	PO14 1FS	140	£500,000	£504,267	£3,602
6	WILLOW BROOK CLOSE	PO14 4GE	86	£339,950	£396,356	£4,609
5	WILLOW BROOK CLOSE	PO14 4GE	86	£339,950	£427,888	£4,975
21	PEWIT VIEW	PO16 9FF	84	£325,000	£378,543	£4,506
45	CAVENDISH DRIVE	SO31 6BN	103	£370,000	£473,772	£4,600
6	WILDWOOD CLOSE	PO14 4GB	120	£435,000	£547,914	£4,566
1	WILLOW BROOK CLOSE	PO14 4GE	119	£430,000	£538,877	£4,528
20	SWORD DRIVE	PO14 1FS	130	£475,000	£585,950	£4,507
6	SOUTHFIELDS	PO16 9FG	80	£284,995	£341,206	£4,265
3	WILLOW BROOK CLOSE	PO14 4GE	119	£425,000	£508,313	£4,272
1	SOUTHFIELDS	PO16 9FG	91	£349,995	£366,829	£4,031
23	COMPASS WAY	SO31 7PS	155	£565,000	£699,951	£4,516
4	WHITE HART LANE	PO16 9BS	75	£265,000	£299,367	£3,992
3	SOUTHFIELDS	PO16 9FG	89	£314,995	£401,299	£4,509
17	COMPASS WAY	SO31 7PS	155	£570,000	£685,204	£4,421
18	PEWIT VIEW	PO16 9FF	84	£299,950	£369,700	£4,401
29	COMPASS WAY	SO31 7PS	112	£449,995	£476,712	£4,256
FLAT 9	WEST STREET	PO16 0EN	45	£185,724	£205,813	£4,574
3	NORMANDY ROAD	PO14 1FJ	140	£500,000	£619,426	£4,424
14	BERRY CLOSE	PO16 9FJ	84	£307,995	£361,477	£4,303
5	PEWIT VIEW	PO16 9FF	84	£315,000	£384,603	£4,579

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76	SOUTHFIELDS	PO16 9FG	130	£449,995	£530,484	£4,081
4	SOUTHFIELDS	PO16 9FG	89	£314,995	£325,438	£3,657
20	PEWIT VIEW	PO16 9FF	84	£319,000	£373,381	£4,445
20	NORMANDY ROAD	PO14 1FJ	88	£365,000	£467,330	£5,311
5	SWORD DRIVE	PO14 1FS	140	£490,000	£603,195	£4,309
10	SOUTHFIELDS	PO16 9FG	89	£316,995	£385,956	£4,337
11	PEWIT VIEW	PO16 9FF	84	£327,950	£399,230	£4,753
24	CAVENDISH DRIVE	SO31 6BP	80	£290,000	£364,040	£4,550
2	COMPASS WAY	SO31 7PS	62	£245,000	£269,468	£4,346
11	UTAH CLOSE	PO14 1FT	116	£415,000	£528,704	£4,558
10	WILLOW BROOK CLOSE	PO14 4GE	71	£280,000	£309,286	£4,356
5	SOUTHFIELDS	PO16 9FG	80	£284,995	£351,564	£4,395
20	COMPASS WAY	SO31 7PS	138	£500,000	£543,862	£3,941
23	PEWIT VIEW	PO16 9FF	87	£299,950	£338,849	£3,895
25	PEWIT VIEW	PO16 9FF	87	£299,950	£373,140	£4,289
24	PEWIT VIEW	PO16 9FF	87	£299,950	£370,888	£4,263
11	GOLD CLOSE	PO14 1FP	65	£262,500	£319,554	£4,916
70	SOUTHFIELDS	PO16 9FG	80	£292,995	£341,610	£4,270
22	NORMANDY ROAD	PO14 1FJ	79	£320,000	£403,884	£5,112
22	PEWIT VIEW	PO16 9FF	87	£297,950	£368,415	£4,235
FLAT 4	TRINITY STREET	PO16 7SJ	36	£136,500	£157,382	£4,372
2	NORMANDY ROAD	PO14 1FJ	122	£425,000	£462,282	£3,789
14	SWORD DRIVE	PO14 1FS	140	£490,000	£582,337	£4,160
2	PEWIT VIEW	PO16 9FF	87	£296,000	£366,004	£4,207
7	THISTLE CLOSE	PO16 9FL	85	£289,995	£355,045	£4,177
27	SOUTHFIELDS	PO16 9FG	91	£324,995	£381,428	£4,192
14	PEWIT VIEW	PO16 9FF	87	£339,950	£420,035	£4,828
19	PEWIT VIEW	PO16 9FF	84	£299,950	£369,063	£4,394
FLAT 1	MONTEFIORE DRIVE	SO31 7PJ	69	£265,000	£283,036	£4,102
22	BERRY CLOSE	PO16 9FJ	89	£324,995	£404,022	£4,540
9	SYMPHONY CLOSE	SO31 6DB	125	£450,000	£464,919	£3,719
21	COMPASS WAY	SO31 7PS	138	£495,995	£620,418	£4,496

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
2	WHITE HART LANE	PO16 9BS	75	£260,000	£305,064	£4,068
FLAT 6	MONTEFIORE DRIVE	SO31 7PJ	68	£259,995	£288,667	£4,245
12	SOUTHFIELDS	PO16 9FG	89	£319,995	£319,995	£3,595
25	SOUTHFIELDS	PO16 9FG	112	£384,995	£482,476	£4,308
42	SOUTHFIELDS	PO16 9FG	85	£287,995	£363,641	£4,278
44	SOUTHFIELDS	PO16 9FG	85	£287,995	£358,298	£4,215
FLAT 1	GLOUCESTER DRIVE	SO31 7PF	67	£250,000	£262,651	£3,920
17	JUNO CLOSE	PO14 1FN	65	£260,000	£311,064	£4,786
7	SOUTHFIELDS	PO16 9FG	80	£284,995	£359,853	£4,498
74	SOUTHFIELDS	PO16 9FG	130	£439,995	£516,398	£3,972
80	SOUTHFIELDS	PO16 9FG	85	£289,995	£364,073	£4,283
21	SOUTHFIELDS	PO16 9FG	85	£289,995	£307,525	£3,618
23	SOUTHFIELDS	PO16 9FG	85	£289,995	£340,258	£4,003
16	BERRY CLOSE	PO16 9FJ	122	£409,995	£481,188	£3,944
17	BERRY CLOSE	PO16 9FJ	112	£375,000	£465,922	£4,160
31	SOUTHFIELDS	PO16 9FG	69	£259,995	£317,444	£4,601
4B	WHITE HART LANE	PO16 9BS	94	£343,000	£410,652	£4,369
82	SOUTHFIELDS	PO16 9FG	84	£299,995	£358,803	£4,271
15	BERRY CLOSE	PO16 9FJ	122	£404,995	£477,435	£3,913
8	SWORD DRIVE	PO14 1FS	116	£420,000	£456,844	£3,938
26	COMPASS WAY	SO31 7PS	155	£560,000	£627,331	£4,047
6	MAGNOLIA VIEW	SO31 7PW	119	£417,500	£501,882	£4,218
FLAT 14	TRINITY STREET	PO16 7SJ	36	£140,000	£161,418	£4,484
5	HOPE LODGE CLOSE	PO15 6FH	156	£500,000	£566,775	£3,633
8	UTAH CLOSE	PO14 1FT	88	£345,000	£400,764	£4,554
2	SWORD DRIVE	PO14 1FS	116	£385,000	£481,854	£4,154
10	SWORD DRIVE	PO14 1FS	128	£440,000	£559,811	£4,374
5	THISTLE CLOSE	PO16 9FL	112	£384,995	£480,088	£4,287
41	CAVENDISH DRIVE	SO31 6BN	102	£325,000	£376,867	£3,695
22	COMPASS WAY	SO31 7PS	138	£529,995	£658,497	£4,772
FLAT 4	FIRECRACKER DRIVE	SO31 6BU	46	£170,000	£187,781	£4,082

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43	CAVENDISH DRIVE	SO31 6BN	102	£335,000	£421,657	£4,134
9	WILLOW BROOK CLOSE	PO14 4GE	71	£275,000	£342,008	£4,817
52	AGINCOURT DRIVE	SO31 7PG	126	£405,000	£496,288	£3,939
15	THISTLE CLOSE	PO16 9FL	69	£259,995	£301,963	£4,376
32	NORMANDY ROAD	PO14 1FJ	116	£380,000	£456,803	£3,938
4	FIRECRACKER DRIVE	SO31 6BU	102	£327,500	£386,615	£3,790
12	NORMANDY ROAD	PO14 1FJ	111	£370,000	£392,558	£3,537
9	UTAH CLOSE	PO14 1FT	110	£355,000	£423,847	£3,853
1	COMPASS WAY	SO31 7PS	69	£244,995	£273,353	£3,962
FLAT 3	MONTEFIORE DRIVE	SO31 7PJ	69	£265,000	£294,542	£4,269
63	SOUTHFIELDS	PO16 9FG	122	£404,995	£440,522	£3,611
FLAT 7	WEST STREET	PO16 0EN	45	£160,000	£174,957	£3,888
FLAT 12A	WICKHAM ROAD	PO16 7FR	50	£180,000	£199,387	£3,988
10	UTAH CLOSE	PO14 1FT	110	£350,000	£426,409	£3,876
18	NORMANDY ROAD	PO14 1FJ	111	£360,000	£425,393	£3,832
41	SOUTHFIELDS	PO16 9FG	91	£329,995	£374,066	£4,111
FLAT 22	TRINITY STREET	PO16 7SJ	43	£150,000	£167,069	£3,885
1	FIRECRACKER DRIVE	SO31 6BW	74	£235,000	£293,903	£3,972
1	PEWIT VIEW	PO16 9FF	112	£354,950	£443,919	£3,964
FLAT 7	FIRECRACKER DRIVE	SO31 6BU	60	£211,000	£233,223	£3,887
FLAT 3	FIRECRACKER DRIVE	SO31 6BU	57	£199,950	£225,960	£3,964
FLAT 5	FIRECRACKER DRIVE	SO31 6BU	57	£199,995	£220,986	£3,877
FLAT 9	FIRECRACKER DRIVE	SO31 6BU	60	£212,000	£241,455	£4,024
11	BERRY CLOSE	PO16 9FJ	91	£339,995	£427,337	£4,696
FLAT 12	TRINITY STREET	PO16 7SJ	39	£135,000	£149,169	£3,825

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
FLAT 6	FIRECRACKER DRIVE	SO31 6BU	57	£199,995	£220,986	£3,877
28	CAVENDISH DRIVE	SO31 6BP	69	£235,000	£260,138	£3,770
19	BERRY CLOSE	PO16 9FJ	122	£409,995	£427,846	£3,507
8	HOPE LODGE CLOSE	PO15 6FH	149	£458,000	£484,324	£3,250
FLAT 5	TRINITY STREET	PO16 7SJ	43	£150,000	£166,625	£3,875
FLAT 12	WEST STREET	PO16 0EN	50	£175,000	£184,727	£3,695
3	MAGNOLIA VIEW	SO31 7PW	105	£376,950	£458,880	£4,370
14	NORMANDY ROAD	PO14 1FJ	110	£350,000	£429,446	£3,904
8	SOUTHFIELDS	PO16 9FG	80	£284,995	£334,832	£4,185
FLAT 10	FIRECRACKER DRIVE	SO31 6BU	57	£214,000	£236,383	£4,147
16	SWORD DRIVE	PO14 1FS	140	£505,000	£624,311	£4,459
4	NORMANDY ROAD	PO14 1FJ	110	£350,000	£419,032	£3,809
8	THISTLE CLOSE	PO16 9FL	85	£287,995	£330,993	£3,894
10	THISTLE CLOSE	PO16 9FL	112	£385,995	£491,752	£4,391
6	FIRECRACKER DRIVE	SO31 6BU	102	£322,500	£404,769	£3,968
12	PETERS ROAD	SO31 6EQ	135	£450,000	£471,644	£3,494
FLAT 11	TRINITY STREET	PO16 7SJ	52	£175,000	£193,929	£3,729
FLAT 2	FIRECRACKER DRIVE	SO31 6BU	60	£200,000	£222,426	£3,707
4	SWORD DRIVE	PO14 1FS	140	£497,000	£614,125	£4,387
APARTMENT 5	SOUTHAMPTON HILL	PO14 4GA	81	£267,500	£304,148	£3,755
1	NORMANDY ROAD	PO14 1FJ	122	£415,000	£510,828	£4,187
4	HOPE LODGE CLOSE	PO15 6FH	149	£450,000	£519,293	£3,485
7	MAGNOLIA VIEW	SO31 7PW	119	£392,500	£426,931	£3,588
10	FIRECRACKER DRIVE	SO31 6BU	74	£235,000	£297,569	£4,021

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
3	SAPPHIRE CLOSE	SO31 6BT	69	£225,000	£255,109	£3,697
2	SOUTHFIELDS	PO16 9FG	91	£324,995	£381,428	£4,192
15	FIRECRACKER DRIVE	SO31 6BW	112	£335,000	£413,919	£3,696
FLAT 23	TRINITY STREET	PO16 7SJ	46	£155,000	£173,636	£3,775
1	JUNO CLOSE	PO14 1FN	128	£385,000	£470,070	£3,672
3	PEWIT VIEW	PO16 9FF	87	£300,000	£370,950	£4,264
17	FIRECRACKER DRIVE	SO31 6BW	112	£350,000	£432,489	£3,862
FLAT 6	TRINITY STREET	PO16 7SJ	44	£155,000	£171,808	£3,905
7	FIRECRACKER DRIVE	SO31 6BW	112	£333,000	£364,402	£3,254
60	SOUTHFIELDS	PO16 9FG	85	£289,995	£342,672	£4,031
14	PETERS ROAD	SO31 6EQ	135	£420,000	£517,024	£3,830
FLAT 14	WEST STREET	PO16 0EN	60	£195,000	£214,175	£3,570
8	FIRECRACKER DRIVE	SO31 6BU	103	£330,000	£414,598	£4,025
8	WYKEHAM PLACE	PO16 0FA	179	£545,000	£658,332	£3,678
8	WHITE HART LANE	PO16 9BS	102	£290,000	£336,812	£3,302
FLAT 32	WICKHAM ROAD	PO16 7FP	51	£160,000	£178,520	£3,500
12	FIRECRACKER DRIVE	SO31 6BU	74	£227,500	£244,685	£3,307
7	SWORD DRIVE	PO14 1FS	116	£380,000	£451,608	£3,893
11	WYKEHAM PLACE	PO16 0FA	196	£555,000	£682,881	£3,484
4	COMPASS WAY	SO31 7PS	85	£279,995	£311,624	£3,666
78	SOUTHFIELDS	PO16 9FG	85	£289,995	£314,996	£3,706
10	WYKEHAM PLACE	PO16 0FA	196	£550,000	£652,612	£3,330
10	WHITE HART LANE	PO16 9BS	102	£282,500	£354,565	£3,476
14	WYKEHAM PLACE	PO16 0FA	196	£535,000	£658,273	£3,359

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
9	WYKEHAM PLACE	PO16 0FA	195	£562,500	£676,478	£3,469
98	SOUTHFIELDS	PO16 9FG	130	£394,995	£493,399	£3,795
FLAT 8	FIRECRACKER DRIVE	SO31 6BU	60	£198,000	£218,782	£3,646
FLAT 13	WEST STREET	PO16 0EN	45	£137,000	£144,683	£3,215
FLAT 15	WEST STREET	PO16 0EN	47	£143,000	£149,731	£3,186
FLAT 20	WICKHAM ROAD	PO16 7FR	50	£150,000	£166,156	£3,323
FLAT 28	WICKHAM ROAD	PO16 7FP	50	£150,000	£165,689	£3,314
FLAT 13	TRINITY STREET	PO16 7SJ	58	£175,000	£197,647	£3,408
FLAT 26	WICKHAM ROAD	PO16 7FP	46	£142,000	£158,041	£3,436
12	WYKEHAM PLACE	PO16 0FA	196	£550,000	£681,307	£3,476
16	NORMANDY ROAD	PO14 1FJ	110	£350,000	£441,748	£4,016
17	WYKEHAM PLACE	PO16 0FA	179	£512,000	£598,443	£3,343
2	FIRECRACKER DRIVE	SO31 6BU	102	£330,000	£404,414	£3,965
FLAT 15	TRINITY STREET	PO16 7SJ	58	£170,000	£190,760	£3,289
FLAT 19	TRINITY STREET	PO16 7SJ	52	£155,000	£173,607	£3,339
FLAT 12	WICKHAM ROAD	PO16 7FR	50	£145,000	£161,500	£3,230
8	MAGNOLIA VIEW	SO31 7PW	128	£376,000	£468,979	£3,664
15	WYKEHAM PLACE	PO16 0FA	196	£530,000	£567,409	£2,895
FLAT 11	WEST STREET	PO16 0EN	62	£177,500	£195,436	£3,152
FLAT 8	WEST STREET	PO16 0EN	64	£174,000	£192,263	£3,004
16	WYKEHAM PLACE	PO16 0FA	196	£550,000	£678,564	£3,462
FLAT 29	WICKHAM ROAD	PO16 7FP	62	£170,000	£192,831	£3,110

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
FLAT 34	WICKHAM ROAD	PO16 7FP	65	£180,000	£188,472	£2,900
FLAT 21	WICKHAM ROAD	PO16 7FR	68	£187,000	£205,675	£3,025
FLAT 10	WEST STREET	PO16 0EN	72	£202,500	£225,939	£3,138
FLAT 27	WICKHAM ROAD	PO16 7FP	55	£147,500	£162,404	£2,953
FLAT 15	WICKHAM ROAD	PO16 7FR	71	£187,500	£206,293	£2,906
1	SYMPHONY CLOSE	SO31 6DB	134	£391,984	£501,879	£3,745
FLAT 4	WICKHAM ROAD	PO16 7FR	55	£155,000	£173,028	£3,146
FLAT 14	WICKHAM ROAD	PO16 7FR	66	£170,000	£175,554	£2,660
FLAT 20	TRINITY STREET	PO16 7SJ	39	£107,000	£118,928	£3,049
FLAT 8	WICKHAM ROAD	PO16 7FR	76	£195,000	£215,396	£2,834
FLAT 9	WICKHAM ROAD	PO16 7FR	74	£195,000	£217,571	£2,940
FLAT 18	WICKHAM ROAD	PO16 7FR	69	£175,000	£188,219	£2,728
FLAT 17	WICKHAM ROAD	PO16 7FR	74	£185,000	£193,707	£2,618
FLAT 6	WEST STREET	PO16 0EN	72	£185,000	£202,278	£2,809
FLAT 35	WICKHAM ROAD	PO16 7FP	68	£175,000	£193,304	£2,843
FLAT 33	WICKHAM ROAD	PO16 7FP	56	£140,000	£158,721	£2,834
FLAT 22	WICKHAM ROAD	PO16 7FR	61	£165,000	£187,925	£3,081
FLAT 6	WICKHAM ROAD	PO16 7FR	66	£165,000	£180,425	£2,734
FLAT 2	WICKHAM ROAD	PO16 7FR	73	£182,500	£206,922	£2,835
FLAT 10	WICKHAM ROAD	PO16 7FR	69	£175,000	£195,354	£2,831
FLAT 7	WICKHAM ROAD	PO16 7FR	71	£175,000	£197,564	£2,783

House Number	Street	Postcode	Floorspace Sq m	Price Paid	HPI Adjusted Price	Price per Sq m
FLAT 7	TRINITY STREET	PO16 7SJ	52	£129,500	£144,140	£2,772
FLAT 23	WICKHAM ROAD	PO16 7FR	71	£175,000	£196,008	£2,761
FLAT 5	WICKHAM ROAD	PO16 7FR	74	£180,000	£200,333	£2,707
FLAT 19	WICKHAM ROAD	PO16 7FR	69	£172,500	£192,130	£2,784
FLAT 30	WICKHAM ROAD	PO16 7FP	51	£130,000	£143,597	£2,816
FLAT 11	WICKHAM ROAD	PO16 7FR	69	£164,000	£181,784	£2,635
FLAT 31	WICKHAM ROAD	PO16 7FP	76	£177,000	£198,248	£2,609
FLAT 16	WICKHAM ROAD	PO16 7FR	76	£175,000	£193,720	£2,549
FLAT 3	WICKHAM ROAD	PO16 7FR	75	£164,000	£184,027	£2,454
FLAT 1	WICKHAM ROAD	PO16 7FR	73	£147,000	£152,806	£2,093

Appendix E BCIS build costs and Part L build costs



The results contained on the page are as published on 19-Aug-2022

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 13-Aug-2022 05:50

> Rebased to 2Q 2022 (361) and Fareham (107; sample 19)

Maximum age of results: 5 years

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810. Housing, mixed developments (5)	1,462	818	1,309	1,425	1,571	3,162	356
810.1 Estate housing							
Generally (5)	1,435	805	1,234	1,389	1,576	2,986	206
Single storey (5)	1,597	1,007	1,304	1,578	1,771	2,986	42
2-storey (5)	1,389	805	1,218	1,359	1,498	2,590	162
810.11 Estate housing detached (5)	1,252	-	-	-	-	-	1
810.12 Estate housing semi detached							
Generally (5)	1,457	882	1,247	1,407	1,577	2,590	53
Single storey (5)	1,521	1,172	1,235	1,446	1,690	2,570	21
2-storey (5)	1,415	882	1,248	1,374	1,486	2,590	32
810.13 Estate housing terraced							
Generally (5)	1,433	957	1,209	1,338	1,567	2,148	11
2-storey (5)	1,361	957	1,205	1,296	1,476	1,922	10
816. Flats (apartments)							
Generally (5)	1,684	934	1,396	1,576	1,890	3,668	188
1-2 storey (5)	1,657	1,031	1,383	1,556	1,971	2,365	32
3-5 storey (5)	1,669	934	1,385	1,561	1,834	3,668	132
6 storey or above (5)	1,800	1,273	1,526	1,794	1,950	2,608	24
843. Supported housing							
Generally (5)	1,870	1,166	1,571	1,695	2,196	3,347	26
Single storey (5)	1,706	-	-	-	-	-	1
2-storey (5)	1,978	1,166	1,595	1,695	2,315	3,347	12
3-storey (5)	1,681	1,214	1,481	1,568	1,696	2,632	7
4-storey or above (5)	1,846	1,283	1,581	1,912	2,017	2,437	5
843.1 Supported housing with shops, restaurants or the like (5)	1,631	1,304	1,436	1,469	1,632	2,313	5



£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 13-Aug-2022 05:50

› Rebased to 2Q 2022 (361) and Fareham (107; sample 19)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
282. Factories							
Generally (20)	1,253	287	696	1,030	1,492	4,702	92
Up to 500m2 GFA (20)	1,587	1,015	1,142	1,344	1,980	2,743	13
500 to 2000m2 GFA (20)	1,352	287	736	1,192	1,466	4,702	39
Over 2000m2 GFA (20)	1,095	512	633	855	1,166	2,725	40
282.1 Advance factories							
Generally (15)	1,079	508	885	1,042	1,298	1,756	22
Up to 500m2 GFA (15)	1,204	1,015	1,031	1,181	1,290	1,591	7
500 to 2000m2 GFA (15)	1,172	508	983	1,255	1,367	1,756	9
Over 2000m2 GFA (15)	793	592	631	776	934	1,041	6
282.12 Advance factories/offices - mixed facilities (class B1)							
Generally (20)	1,459	545	885	1,462	1,772	2,743	19
Up to 500m2 GFA (20)	2,420	1,990	-	2,528	-	2,743	3
500 to 2000m2 GFA (20)	1,374	545	1,228	1,510	1,667	1,828	6
Over 2000m2 GFA (20)	1,220	640	832	951	1,539	2,725	10
282.2 Purpose built factories							
Generally (30)	1,357	287	720	1,155	1,731	4,702	79
Up to 500m2 GFA (30)	1,584	846	1,097	1,353	2,133	2,430	7
500 to 2000m2 GFA (30)	1,466	287	762	1,092	1,647	4,702	28
Over 2000m2 GFA (30)	1,252	390	680	1,164	1,698	2,487	44
282.22 Purpose built factories/offices - mixed facilities (15)	1,065	521	857	1,049	1,158	2,319	23
284. Warehouses/stores							
Generally (15)	1,089	430	659	871	1,259	5,002	46
Up to 500m2 GFA (15)	1,995	722	1,102	1,403	2,369	5,002	8
500 to 2000m2 GFA (15)	1,001	506	729	897	1,143	1,760	17
Over 2000m2 GFA (15)	815	430	603	666	938	1,719	21
284.1 Advance warehouses/stores (15)	879	440	662	893	1,102	1,445	10



Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
284.2 Purpose built warehouses/stores							
Generally (15)	1,152	430	667	871	1,315	5,002	34
Up to 500m ² GFA (15)	2,301	722	1,365	1,790	2,907	5,002	6
500 to 2000m ² GFA (15)	958	506	703	871	1,092	1,760	14
Over 2000m ² GFA (15)	853	430	639	754	1,011	1,719	14
284.5 Cold stores/refrigerated stores (25)	1,393	1,041	-	1,103	-	2,036	3
320. Offices							
Generally (15)	2,284	1,130	1,630	2,158	2,680	5,540	68
Air-conditioned							
Generally (15)	2,339	1,341	1,958	2,271	2,672	3,933	21
1-2 storey (15)	2,281	1,341	1,918	2,135	2,373	3,933	8
3-5 storey (15)	2,256	1,534	1,799	2,163	2,672	3,058	9
6 storey or above (20)	2,834	1,956	2,324	2,511	2,870	5,064	9
Not air-conditioned							
Generally (15)	2,241	1,130	1,580	2,124	2,771	3,910	31
1-2 storey (15)	2,318	1,297	1,618	2,158	2,876	3,622	16
3-5 storey (15)	2,135	1,130	1,576	1,816	2,386	3,910	13
6 storey or above (20)	2,686	2,077	-	2,775	-	3,116	4
341.1 Retail warehouses							
Generally (25)	1,057	529	806	948	1,112	3,129	48
Up to 1000m ² (25)	1,222	842	929	1,010	1,131	3,129	10
1000 to 7000m ² GFA (25)	1,043	529	789	948	1,157	2,240	34
7000 to 15000m ² (25)	817	793	-	-	-	839	2
Over 15000m ² GFA (30)	897	793	-	-	-	1,000	2
344. Hypermarkets, supermarkets							
Generally (30)	1,815	765	1,215	1,604	2,471	3,186	27
Up to 1000m ² (30)	2,323	1,615	-	-	-	3,031	2
1000 to 7000m ² GFA (30)	1,806	765	1,158	1,604	2,471	3,186	23
7000 to 15000m ² (30)	1,544	-	-	-	-	-	1
Over 15000m ² GFA (35)	2,002	-	-	-	-	-	1
345. Shops							
Generally (30)	1,814	880	979	1,467	2,341	4,772	20
1-2 storey (30)	1,830	880	978	1,425	2,365	4,772	19
3-5 storey (30)	1,510	-	-	-	-	-	1
442. Nursing homes (25)	2,203	1,325	1,621	2,155	2,550	3,650	28
442.2 Nursing homes long stay (residential homes) (5)	2,366	2,219	-	-	-	2,513	2

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Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
447. Care homes for the elderly							
Generally (15)	2,099	1,288	1,556	1,985	2,388	4,300	35
Up to 500m ² GFA (25)	2,037	1,954	-	-	-	2,120	2
500 to 2000m ² GFA (15)	2,491	1,360	1,387	2,084	3,458	4,300	7
Over 2000m ² GFA (15)	2,001	1,288	1,654	1,984	2,309	3,006	28
853. Motels (20)	1,817	1,535	-	1,952	-	1,965	3

Changes to Part L 2021 and Future Homes Standards 2025

- 1 The introduction of Part L 2021 came into effect in summer 2022, therefore BCIS data has yet to adjust to the new standards. Whilst the standards are set out there are multiple ways to achieve them, which is acknowledged by the Government, which itself sets out two compliance rates with different approaches and costs.
- 2 In terms of the Future Homes Standard 2025 no formal guidance or impact assessment has been undertaken and therefore there is an even wider range of approaches and costs that could be used to assess impact on viability. This is further complicated as it will also depend on how the Part L 2021 requirements are met as this affects the 'start point' for any extra over cost estimates. As set out in the following table where higher costs are attributed to Part L 21 it can mean lower costs for meeting potential Future Homes 2025 standards.
- 3 The following table sets out potential costs for meeting both Part L 2021 and Future Homes Standard 2025. The information is sourced from a variety of different reports that are supporting local plans and strategies. The approaches and intended use all vary greatly and therefore it difficult to establish any common figure.

Table E1 Sample of costs to meet Part L 2021 and Future Homes 2025

Reference	Unit type	£ cost per unit to meet Part L 2021 from Part L 2013	£ cost per unit to meet Future Homes 2025 from Part L 2013	Notes
Cornwall Council Technical evidence base for policy Sec 1 - new housing Technical appendices	Semi	£7,162	£3,758	Lower Future Homes costs due to reduced PV costs from Part L 2021
	Flat	£1,943	£2,885	
Essex County Council Net zero carbon viability and toolkit study	Semi	£3,000	£16,500	Higher Future Homes costs due to no allowance for scale and approach to meeting standards
	Flat	£1,900	£9,900	
Lancaster Viability Assessment	Semi	£4,100	£11,500	
	Flat	£2,813	£7,938	
Basingstoke and Deane Climate Change Study	Semi	£4,600	£7,000	No figures provided for flats

Isle of Wight Viability Study	Semi	£4,000	£10,000	No figures provided for flats
Dartford Viability Assessment	Semi	£5,142	-	No figure provided for flats or FH. Figure also includes allowance for BNG and EVC.

- 4 For the Fareham allowances it is considered that for meeting the Part L 2021 the Government's impact assessment is used as this approach is used for other requirements and therefore considered reasonable. In terms of Future Homes there are currently no standards and no impact assessment available. A number of councils have undertaken work to consider what the cost impact could be given individual interpretation of both meeting Part L 2021 standards and the guidance to date regarding what the Future Homes 2025 standards may look like. This has given rise to a wide range of costs for meeting Future Homes Standards from just under £4,000 per house to over £16,000 per house. Given the uncertainty a cautious approach is required and therefore it is considered that a figure of £12,000 per house and £8,000 per flat to move from Part L 2013 to Future Homes 2025 is reasonable for high level testing. Therefore:
- Part L 2021 – include the Government impact allowance figures of £45/sq m (for a house and £2,035/sq m for a flat within all the residential testing as applicable.
 - Future Homes 2025 – include £12,000 per house and £8,000 per flat as a sensitivity test (noting that it is assumed that Part L 2021 requirements are also met within this cost)

Appendix F Land values

This appendix is drawn from the evidence used for the Fareham Local Plan Viability Study

Council studies and assessments

Site name	Location	Use	Size (h)	Value	Value ph	Status	Source
Welborne Garden Village	Fareham	Residential land	0.40	£110,000	£271,816	GF BMLV (min option agreement, inc uplift)	Planning application
Welborne Garden Village	Fareham	Serviced residential land (PP)	0.40	£1,388,000	£3,429,820	Serviced Sale rate per net hectare)	Planning application
DSP VA	Fareham	Greenfield residential land	0.40	£100,000	£247,105	GF BMLV (min option agreement, inc uplift)	DSP study
DSP VA	Fareham	Low value commercial use	1.00	£1,250,000	£1,250,000	BF BMLV inc uplift	DSP study
CIL VA	Fareham	Previously developed land	1.00	£1,400,000	£1,400,000	BF BMLV inc uplift	CIL VA study

Land value transactions and advertised - Fareham and wider Hampshire area

Site name	Location	Use	Size (h)	Value	Value ph	Status	Source
Speedfields Park	Fareham	Development land	0.51	£277,000	£543,137	Price paid	EGiRadius
Kites Croft	Fareham	Development land	11.23	£5,000,000	£445,236	Price paid	EGiRadius
Midpoint 27	Fareham	Commercial unit	2.23	£2,475,000	£1,109,865	Price paid	EGiRadius
Barley House BP	Fareham	Commercial unit	0.26	£675,000	£2,596,154	Price paid	EGiRadius
Land at Bridge Road	Southampton	Residential land	3.24	£5,860,000	£1,808,642	Price paid	EGiRadius
Heather Lane	Hook	Residential land (rural) (PP)	0.45	£600,000	£1,347,846	Advertised	Rightmove
Bourne Lane	Southampton	Land (edge of urban area)	2.83	£350,000	£123,553	Advertised	Rightmove

Medstead	Alton	Land (edge of urban area)	2.02	£150,000	£74,132	Advertised	Rightmove
Bourne	Fording	Land (agricultural)	62.73	£1,200,000	£19,131	Advertised	Rightmove
Clements Close	South Downs	Land (edge of urban area) (PP)	0.52	£1,000,000	£1,923,077	Advertised	Rightmove
Scures Hill	Nateley	Land (edge of urban area) (PP)	0.80	£1,000,000	£1,250,000	Advertised	Rightmove
Headley Tyres	Thatcham	Land (edge of urban area) (PP)	1.34	£1,000,000	£748,804	Advertised	Rightmove
Sway Road	Tiptoe	Horticultural land	1.90	£975,000	£512,612	Advertised	Rightmove
Ropley	Hampshire	Residential land (rural) (PP)	0.81	£895,000	£1,105,796	Advertised	Rightmove
Romsey Road	East Wellow	Residential land (rural) (PP)	0.81	£850,000	£1,050,197	Advertised	Rightmove
Three Maids Hill	Hampshire	Agricultural Land	67.99	£1,350,000	£19,857	Advertised	Rightmove
Rockbourne	Hampshire	Agricultural Land	62.73	£1,200,000	£19,131	Advertised	Rightmove

Please note that some of the transactions above have the benefit of planning permission, so command a premium in terms of the values

MHCLG Land value estimates for policy appraisal

Site name	Location	Use	Size (h)	Value	Value ph	Status	Source
Portsmouth	Solent	Industrial/Out of Centre Office	1.00	£1,250,000	£1,250,000	Land value estimate	VOA
Southampton	Solent	Industrial/Out of Centre Office	1.00	£1,450,000	£1,450,000	Land value estimate	VOA
Portsmouth	Solent	Central Business District	1.00	£865,000	£865,000	Land value estimate	VOA
Southampton	Solent	Central Business District	1.00	£1,680,000	£1,680,000	Land value estimate	VOA
Fareham	Hampshire	Unconstrained residential land	1.00	£3,870,000	£3,870,000	Land value estimate	VOA
Solent	Solent	Agricultural land	1.00	£22,500	£22,500	Land value estimate	VOA

Land Registry Titles for allocated sites (where transaction data is clear)

Site name	Location	Title	Size (h)	Value	Value ph	Status	Source
Land at Beacon Bottom II	2	HP684983	4.95	£50,000	£10,097	Price paid	Land Registry
Rookery Farm	46	HP481525	2.74	£478,774	£174,956	Price paid	Land Registry
		HP256913					
		HP798260	1.94	£54,000	£27,821	Price paid	Land Registry
Land at corner of Station Road and A27, Portchester	1002	HP766152	0.19	£9,000	£48,199	Price paid	Land Registry
Heath Road, Locks Heath	1007	HP779760	1.46	£100,000	£68,657	Price paid	Land Registry
		HP673991	0.51	£1,000,000	£1,979,273	Price paid	Land Registry
		HP779751	0.06	£250,000	£3,929,946	Price paid	Land Registry
Hampshire Rose, Fareham	1056	HP424115	0.13	£350,000	£2,751,248	Price paid	Land Registry
		HP784144	0.11	£310,000	£2,884,311	Price paid	Land Registry
Stubbington Lane, Hill Head	1078	HP806114	0.25	£425,000	£1,719,791	Price paid	Land Registry
Newpark Garage, Park Gate	1144	HP150971	0.08	£1,245,000	£15,852,401	Price paid	Land Registry
Swanwick Marina, Bridge Road	1203	HP763034	0.21	£41,000	£198,837	Price paid	Land Registry
16-18 Botley Road, Park Gate	1249	HP189344	0.25	£980,000	£3,849,659	Price paid	Land Registry
		HP391569	0.07	£440,000	£6,618,641	Price paid	Land Registry
Land North of Greenaway Lane, Warsash	1263	HP659694	1.30	£100,000	£76,718	Price paid	Land Registry
69 Botley Road, Park Gate	1349	HP436350	0.11	£650,000	£6,061,284	Price paid	Land Registry
Beacon Bottom West, Park Gate	1360	HP803027	1.31	£96,000	£73,121	Price paid	Land Registry

Land at Brook Lane, Warsash	1382	HP716008	1.73	£10,000	£5,779	Price paid	Land Registry
		HP797609	0.16	£100,000	£607,286	Price paid	Land Registry
		HP592529	0.37	£70,000	£191,596	Price paid	Land Registry
		HP687440	1.29	£500,000	£387,174	Price paid	Land Registry
		HP154594					
		HP772638	1.07	£750,000	£699,320	Price paid	Land Registry
		HP725291	0.80	£100,000	£125,517	Price paid	Land Registry
		HP681241	2.74	£350,000	£127,960	Price paid	Land Registry
Land at Junction of Newgate Lane, Stubbington	1388	HP626020	3.63	£160,000	£44,135	Price paid	Land Registry
Sea Lane, Hill Head	1394	HP806114	0.25	£425,000	£1,719,791	Price paid	Land Registry
Pinks Hill, Wallington	1998	HP530010	0.41	£58,000	£140,198	Price paid	Land Registry
		HP178677	1.04	£107,500	£103,093	Price paid	Land Registry
		HP240763	0.60	£100,000	£166,711	Price paid	Land Registry
		HP633176	1.07	£35,000	£32,783	Price paid	Land Registry
Land East of Brook Lane, Warsash	2849	HP790747	2.68	£150,000	£55,895	Price paid	Land Registry
Egmont Nursery, Warsash	2890	HP631878	1.96	£200,000	£101,863	Price paid	Land Registry
Delme Court, Fareham	2956	HP63472	0.11	£15,000	£138,311	Price paid	Land Registry
Land at Hope Lodge, Fareham	3118	HP818197	0.39	£200,000	£514,827	Price paid	Land Registry
		HP789015	0.02	£830,000	£47,702,246	Price paid	Land Registry
North and South of Greenaway Lane, Warsash	3126	HP716008	1.73	£10,000	£5,779	Price paid	Land Registry
		HP524851	0.03	£25,000	£800,851	Price paid	Land Registry

		HP797609	0.16	£100,000	£607,286	Price paid	Land Registry
		HP592529	0.37	£70,000	£191,596	Price paid	Land Registry
		HP687440	1.29	£500,000	£387,174	Price paid	Land Registry
		HP154594					
		HP772638	1.07	£750,000	£699,320	Price paid	Land Registry
		HP725291	0.80	£100,000	£125,517	Price paid	Land Registry
		HP681241	2.74	£350,000	£127,960	Price paid	Land Registry
		HP790747	2.68	£150,000	£55,895	Price paid	Land Registry
		HP725291	0.80	£100,000	£125,517	Price paid	Land Registry
		HP681241	2.74	£350,000	£127,960	Price paid	Land Registry
		HP739954	1.40	£705,000	£503,877	Price paid	Land Registry
		HP823935	0.37	£1,400,000	£3,803,077	Price paid	Land Registry
		HP712453	4.80	£300,000	£62,503	Price paid	Land Registry
		HP348407	0.72	£100,000	£138,191	Price paid	Land Registry
		HP789425	0.19	£450,000	£2,310,738	Price paid	Land Registry
		HP674566	0.77	£285,000	£371,222	Price paid	Land Registry
		HP752617	0.77	£50,000	£65,194	Price paid	Land Registry
		HP809419	0.07	£650,000	£9,155,071	Price paid	Land Registry
Southampton Road, Titchfield Common	3128	HP158435	0.45	£3,300,000	£7,314,689	Price paid	Land Registry
		HP594125	0.18	£350,000	£1,945,828	Price paid	Land Registry
		HP599840					
		HP71017	0.78	£120,000	£154,764	Price paid	Land Registry
		HP537742	0.29	£35,000	£119,238	Price paid	Land Registry
Newgate Lane South, Peel Common	3133	HP782021	4.70	£100,000	£21,265	Price paid	Land Registry

1 Station Industrial Park, Duncan Road, Park Gate	3142	HP652743	0.29	£1,200,000	£4,185,049	Price paid	Land Registry
Former Wavemar Electronics Building, Middle Road, Park Gate	3146	HP22742	0.12	£330,000	£2,656,171	Price paid	Land Registry
Land West of Lockwood Road	3162	HP716008	1.73	£10,000	£5,779	Price paid	Land Registry
Land East of Brook Lane	3164	HP524851	0.03	£25,000	£800,851	Price paid	Land Registry
		HP592529	0.37	£70,000	£191,596	Price paid	Land Registry
		HP687440	1.29	£500,000	£387,174	Price paid	Land Registry
		HP154594					
		HP772638	1.07	£750,000	£699,320	Price paid	Land Registry
		HP681241	2.74	£350,000	£127,960	Price paid	Land Registry

Appendix G Development industry workshop

Fareham Borough Council

Local Plan and CIL Review Viability Assessment

Attendees:

- Bargate Homes
- Land Quest UK
- Persimmon Homes
- DLA/Buckland Development
- Hallam Land Management
- Reside
- Savills
- Miller Homes
- Raymond Brown Group
- Fareham Borough Council (FBC) – Gayle Wootton (GW)
- Three Dragons – Mark Felgate (MF) and Dominic Houston

Introduction

GW introduced the workshop and provided an update on the progress of the emerging Local Plan – draft Local Plan with new housing figures due soon for consultation, plus consultation for site allocations late 2019/early 2020 (with any new plan policies).

Introductions were undertaken and attendees were told that there would be a circulation of presentation slides and notes after the meeting for further comment.

Guidance

New viability guidance

- ▶ NPPF - Paragraph 173 has gone, reliance on PPG through Paragraph 57:

“all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available“

- ▶ NPPG - Ever changing but some key elements from the past year:

- ▶ Standardised inputs
- ▶ Clearer approach to land value
- ▶ Accountability and monitoring

Role of the evidence base in national policy and guidance

► Principles:

- Evidence-based judgements informed by relevant available facts
Collaboration with LPAs, landowners, RPs, agents, developers, community
- Understanding past performance and historic trends
- Current values and costs
- Area wide, broad testing

MF explained changes in NPPF and PPG, and the likelihood of further PPG changes - changes in: profit, land values, accountability and monitoring.

MF explained overall approach to the viability testing, which would be based on generic typologies (in line with guidance) plus more detail for large strategic sites.

Comments

No comments were made on the overall approach.

Process

Plan viability and CIL review process

► Establish testing parametres:

- Reference proposed local & national policies
- Past delivery & planned delivery
- Costs and values assumptions
- Published sources e.g. BCIS and EGi
- Stakeholder workshop & individual consultations

► Viability testing

- Iterative process seeking balance between delivery, policy requirements and infrastructure provision

► Report

- To inform plan making and CIL setting

MF explained that the viability testing is structured around the emerging plan policies (with an iterative process alongside the plan making, in order to ensure deliverability).

Testing will include review of CIL rates – noting that they have been indexed up since adoption.

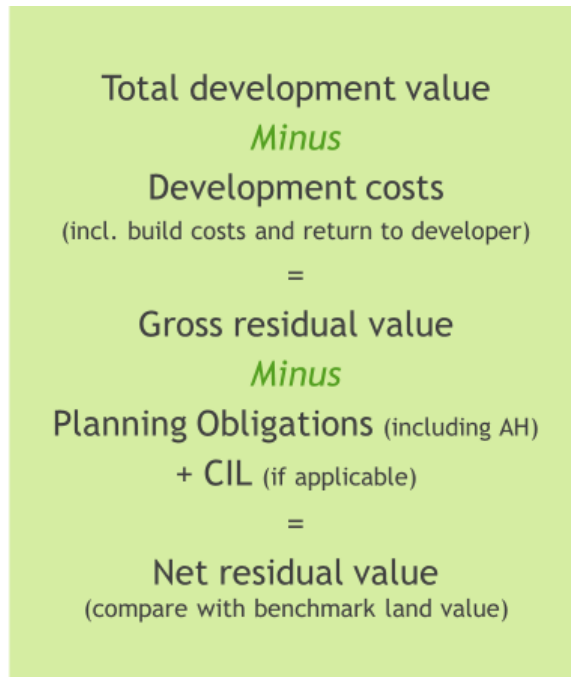
Comments

Attendees commented that it was important that all policy costs are included within the viability testing.

Approach

Approach to viability testing

- ▶ Residual value approach



Comments

There were no comments on the standard residual approach to viability testing.

Residential typologies and case studies

Residential typologies and case studies

- ▶ Separate viability work carried out for Welborne
- ▶ All testing will take account of policy, obligations & infrastructure costs
- ▶ Average 35 DPH on greenfield with higher density for brownfield
- ▶ Rural Exception Sites will be tested to see whether any low cost market housing required to ensure delivery

Ref	Dwellings	Type	Density	Developable land
1	1000	GF	30-40dph	55%
2	300	GF	30-40dph	65%
3	100	GF	30-40dph	75%
4	80	BF Flatted	80 dph	100%
5	50	GF/BF	30-40dph	80%
6	30	BF Flatted	80 dph	100%
7	15	GF/BF	30-40dph	100%
8	8	GF/BF	30-40dph	100%
9	3	GF/BF	30-40dph	100%
10	50-60 units	Older person (sheltered/supported)	100dph	100%

MF explained that the choice of typologies has been informed by a review of allocated sites and potential new sites to form the suggested typologies list. MF explained that Welborne being handled separately, particularly in relation to CIL.

Comments

There is a gap between the 300 dwgs and 1,000 dwgs typology and it was suggested that a 600 dwgs typology was added.

Fareham town centre is expected to deliver 400 dwgs on car park and it would be important to ensure that this type of development is included in the testing. Discussion around the characteristics of urban infill sites included a 100 dwelling scheme at 50dph with a mix of flats and houses (*Post meeting note: flats 40%, almost all AH; 55% market two and three bed houses plus 5% market four bed houses*).

Non-developable needs to include SuDs and informal open space – so even 30 dwgs needs adjustment (say 90%/95% gross to net), and also the flatted schemes will have some non-developable area.

Discussed flats build height – 3 storeys suburban, 5 storeys in an urban setting e.g. Fareham town centre.

Benchmark Land Values

Benchmark Land Value

Greenfield sites circa £250,000 - £375,000 per gross hectare

Land in commercial use circa £1,250,000

Land in residential use circa £2,500,000

- ▶ Do these figures seem reasonable for Fareham?
- ▶ Should they vary according to size of site as well as existing use?

- ▶ Figures based on previous studies
- ▶ Developable area is low on medium & large sites
- ▶ Benchmark Land Value - enough to enable transaction but not the same as best price. Land will transact above this value

MF noted that the genesis of some of these figures predates the current PPG and therefore they may be a bit high. In addition the testing may also need to include a separate additional benchmark for sites in low value existing use.

Comments

Residential benchmarks may be too high – especially land in current residential use. It was explained that some of the small residential sites may vary in value substantially and that the easiest to re-develop sites may come forward first.

Greenfield land values may be higher. In Dorset it was suggested that greenfield land may be £250k/acre and will be higher in Fareham. But the discussion also acknowledged the issue that landowners can have high expectations based on reported prices achieved for other sites in the locality; and that some of the prices paid for land may be for schemes that are not policy compliant as landowners will not always accommodate the costs of compliance. MF explained that government is re-dressing balance through the clarifications in PPG. The question is how low can the value be pushed before the site is withdrawn – some sites are negotiated some way in advance of the new policy requirements and there may be a lag in changing expectations as new policies introduced. However, as Fareham was one of the early adopters of CIL (2013) and the current adopted Local Plan requires 40% AH it seems reasonable to expect that these significant policy requirements are already factored in to site negotiations.

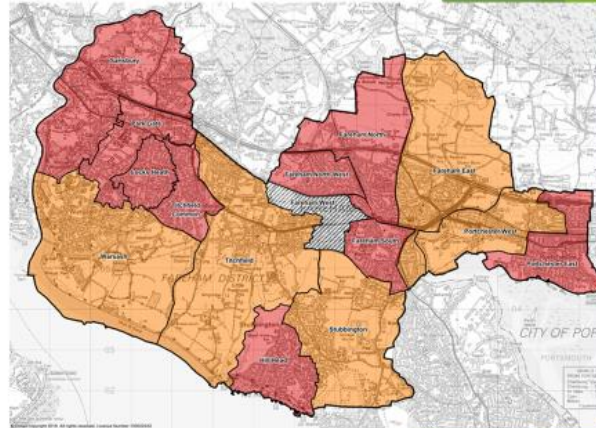
It was suggested that values for agricultural land is higher – more than £10-12 k acre – maybe £15k/acre+. Supporting evidence was requested to verify these figures.

Attendees were asked to provide any further information on examples of policy compliant land value benchmarks.

Sales Values and Market Areas

Sales values and market areas

- ▶ Previous CIL work concluded one residential charging area
- ▶ Values derived from Land Registry and EPC records, indexed
- ▶ Data on flats more limited
- ▶ There may be some higher value pockets e.g. in NW
- ▶ But not significantly different or with large enough contiguous boundaries to suggest multiple value areas
- ▶ £3,835 per sqm for houses
- ▶ £3,375 per sqm for flat
- ▶ Would you agree with this broad conclusion?



MF explained the source of the value data, and that the difference between the value areas was minimal and it is proposed to use one value area. Attendees were asked whether the values should be amended or whether there should be different value areas within the borough.

Market values- Fareham Borough

Market GIA SQ M	124		102		106		93		84		70		61	
	Detached		Semi-detached		Terraced		Flat							
	4 Bed	3 Bed	4 Bed	3 Bed	3 Bed	2 Bed	2 bed							
Per SQM														
£3,835 hse	£475,540	£391,170	£406,510	£356,655	£322,140	£268,450	£205,875							
£3,375 flat														

All dwellings meet Nationally Described Space Standards - is this what you would expect?
 An allowance of 10% of floor area will be added to the flats for circulation and common areas

Comments

Discussion included whether large scale development may support higher or lower values than the Borough average. Whilst there may be some circumstances generally where this may be the case (such as values from small infill being used to drive estimates for large scale sites) there was no clear suggestion that this needs to be factored into the typologies

for Fareham. It was acknowledged that there will be localised variations on a street by street basis but there was no suggestion that values differed significantly across the Borough.

NDSS – has an impact on flats and smaller dwellings in some circumstances, as parts of the market are at a certain value point and will not extend to a premium in price for a larger dwelling. For two and three bed houses there is a buyer’s budget ceiling – but these are particularly short term impacts. This is important when drawn out consent process for some sites means that the NDSS hasn’t been taken into account in the metrics for the site. FBC noted that in the main, most development has been at or nearly at NDSS standards already and so it is unlikely that standards would have a systematic impact.

Dwelling Mix

Residential Testing - market dwelling mix

Type	35 dph Average (HMA)	35% Average (MM)	80 dph
1/2 bed flat	20%	14%	100%
2 bed terrace	36%	18%	
3 bed terrace	12%	18%	
3 bed semi	15%	18%	
4+ bed semi	1%	8%	
3 bed detached	15%	16%	
4+ bed detached	1%	8%	

- ▶ Mix takes into account need to provide smaller market dwellings to meet a local need (HMA)
- ▶ On Rural Exception Sites - mix may vary
- ▶ Sheltered housing will be 1 & 2 bed apartments

Some housebuilders focus on smaller dwellings so HMA based mix may not cause problems. But discussion suggested that there were doubts about whether a mix should be in a policy or not, and whether it is best used as an overall monitoring tool to check delivery of different dwelling types across the Borough.

There was a comment that the market mix has too many three bed dwellings and not enough four bed dwellings. The proportion of two bed dwellings is about right and there is no market for sale single bed dwellings.

Note earlier comment about the dwelling mix for a higher density urban infill development (50dph) - flats 40%, almost all AH; 55% market two and three bed houses plus 5% market four bed houses.

Affordable Housing Dwelling Mix - Mixed Tenure Sites

Affordable Housing Development Mix House Type	Social/ Affordable Rent	Intermediate
1 bed	30%	20%
2 bed	30%	50%
3 bed	30%	30%
4+ bed	10%	0%

- ▶ Affordable threshold of 10 dwellings
- ▶ Policy for mix is based on need identified by FBC
- ▶ There may be some adjustments to mix following further planned consultation with Councils and Registered Providers
- ▶ This basic mix will be used for Rural Exception Sites but in practice we acknowledge it will be based on local need

MF explained that the AH mix reflects housing need. Noted that discussion with RPs may adjust this.

Comments

It was noted that on some sites the Council has been requiring social rented affordable housing – and this has a significant impact on viability. The lack of clarity about what is required and the suggestion that different affordable housing tenures are required in different Parts of the Borough make it difficult to plan development and negotiate sites. MF explained that the Council’s requirements would be confirmed with the Housing Enabling Officer and that the testing would reflect these requirements – including varying this by areas if this is what the Council required.

It was also suggested that the proportion of three bed rented units was higher than what is normally provided (would generally be 2 beds and 1 beds), and that generally 4 beds are not provided.

In terms of tenure it was reported that RPs will sometimes prefer intermediate tenures rather than rented.

Build Costs

Type	Cost/sq m GIA	
Flats (1-2 storeys)	£1,544	sq m mean BCIS plus 15% for external works & contingency
Flats (3-5 storeys)	£1,549	sq m mean BCIS plus 15% for external works & contingency
Houses 2-5 dwellings	£1,466	sq m 105% mean BCIS plus 15% for external works & contingency
Houses 6-10 dwellings	£1,396	sq m mean BCIS plus 15% for external works & contingency
Houses 11-50 dwellings	£1,326	sq m 95% mean BCIS plus 15% for external works & contingency
Houses 51-100 dwellings	£1,284	sq m 92% mean BCIS plus 15% for external works & contingency
Houses 101-250 dwellings	£1,242	sq m 89% mean BCIS plus 10% for external works & contingency
Houses 250+ dwellings	£1,158	sq m lower quartile BCIS plus 10% for external works & contingency
Older persons	£1,715	sq m BCIS plus 15% for external works & contingency

MF explained BCIS generous and that scale adjustments are drawn from BCIS

Comments

It was suggested that in the 51-100 range that both volume and smaller housebuilders will be active; and that the smaller housebuilders will not enjoy the same economies of scale. However it was also suggested that the national volume housebuilders would not be pursuing this scale of site, and that the national volume housebuilder's cost were not included within BCIS figures.

Costs are current day and the indications are that labour market costs may rise in the short term. MF confirmed that the testing would primarily be based on current values and costs, but that the CIL rates are not set at the margins and will therefore accommodate some changes in values and costs. Over the long term values have increased more than costs although there will be different economic cycles that will affect development. However, the viability testing is around the impact of the policies in the new Local Plan and if there is a serious economic downturn then based on events after 2008, the main issue will be lack of consumer demand rather than policy impacts.

There was some discussion about whether it might be useful to model some higher cost sensitivity tests although it was noted that it can be difficult to set policy on sensitivity tests.

There was concern about the impact of NDSS on values particularly. It was discussed whether there might be impact on costs but on a per sq m this seemed unlikely.

Other Development Costs

Type	Cost	
Professional fees	6% of build costs	
Finance	6% of development costs (net of inflation)	
Marketing fees	3% of GDV	
Developer return	17.5% of GDV	
Contractor return (affordable housing)	6% of build costs	
Residual s106/278	TBC	Per dwelling for children's play/informal greenspace/minor local transport/education?
Site infrastructure costs	Range TBC	Per dwelling
Large site s106 costs	£TBC	Balance with CIL
Custom & self build	£TBC	5% dwellings 100 plus
Agents and legal	1.75%	
Accessibility	M4(2) 1-2% on build cost M4(3) 6/9% f/h on build cost	M4(2) 15% dwellings M4(3) 7% dwelling 100 plus
Solent Mitigation	£564	Average per dwelling (sliding scale/per bedroom)
Biodiversity net gain	£500	Based on other studies
Other policy costs?		health/energy/water/education/nitrogen?

Attendees were asked to provide site infrastructure and s106 information for their sites, as well as any other policy costs.

Comments

Education identified as an issue – how will this be factored into the viability costings? It was noted that it was originally on the r123 list and paid by CIL but then was put in s106. This has increased s106 costs substantially in recent developments. Attendees asked for the r123 list changes to be impact tested as this has a substantial impact on development. MF noted that the new Infrastructure Funding Statements may clarify some aspects of this process.

Discussion included transport requirements and other costs. Attendees were asked to provide any further details on recent or planned schemes. Attendees were also asked to consider how atypical costs may have an impact on site value.

Agents fees may need to be higher – say 2%-3%. This can be because sometimes sites take multiple attempts to get allocated in the plan process. This is particularly for larger sites, but can include small sites, which can take as much to promote as some large sites. Appeal costs can make an impact including professional fees. But – it was noted that some site promotion costs are with the land value uplift allowances and therefore there does not necessarily need to be an increase in agents' fees.

Also costs of appropriate assessments – a recent planning inquiry decision has increased these costs. Locally, the nitrates issue has led to higher costs as housebuilders determine what course of action to take.

There have been some calls by health authorities for contributions but generally these have been refused by developers and housebuilders. However a Winchester consent may be quashed because of a lack of health contribution and a decision is expected shortly.

There may be higher costs per unit for small sites for professional fees – potentially schemes up to 100 units.

Biodiversity net gain costs may be higher for greenfield sites than brownfield sites although currently there is no set response to this issue.

The viability testing needs to include Brent geese mitigation costs – applies to sensitive sites (*Post meeting note this specific area is to the south of Fareham Town and this may apply to a variety of typologies*).

Attendees noted that SANGS may also be required and should be included in the testing; and this may need to be considered in the net to gross site area.

Affordable Housing

Affordable housing

- Tested at different proportions
- Tenure also tested at different proportions, with at least 10% social rent
- Capitalised rents will be compared with RP transfer values

1 bed	2 bed	3 bed	4 bed
£120	£149	£178	£240

Affordable rent	
Management and maintenance	1,000 pa
Voids/bad debts	3%
Repairs reserve	£600 pa
Capitalisation	6%
Shared ownership	
Rental factor	2.75% of share
Share size	50%
Capitalisation	6%

MF explained capitalised net rent approach, cross checked with RPs active in the area.

Comments

It was reported that the Rental factor requested by the Borough has been 1%. Three Dragons/FBC undertook to check and adjust the modelling inputs if necessary.

Older Persons Housing

Older person housing

- ▶ Two typologies
 - ▶ 60 bed sheltered scheme
 - ▶ 50 bed supported scheme
- ▶ Include tests for both CIL and affordable housing
- ▶ Use Retirement Housing Group viability note to guide form of development, costs and values



Comments

No comments were made on this approach to viability testing older persons' housing.

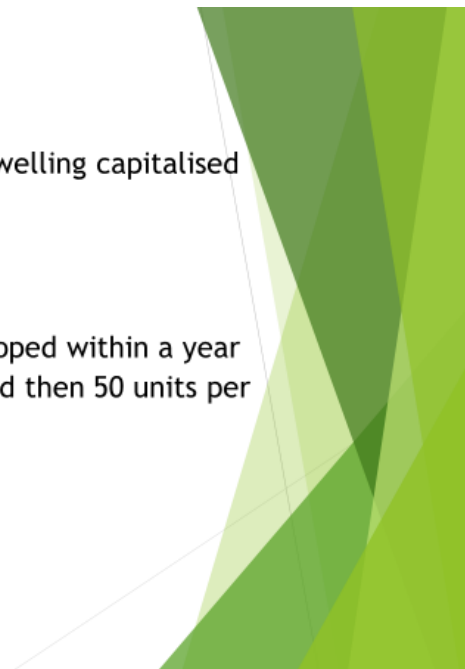
Ground rents and Delivery Rates

Ground rents

- Market flats ground rent at £250/dwelling capitalised at 5%

Delivery rates

- Smaller sites (up to 40 units) developed within a year
- Larger - year to first completion and then 50 units per annum per housebuilder



It was confirmed that the delivery rates included market and affordable housing.

Comments

It was suggested that the smaller sites will be delivering at a lower rate - say 25 completions per year, with a lag to start.

Biodiversity net gain + SPA issues will delay large site starts – maybe sensitivity test?
Survey windows easily missed.

CSB was raised in relation to delivery rates. Providing CSB is not seen as a good option on large sites or for volume housebuilders. However, it was acknowledged that this is more of a policy issue than a straight viability issue.

Next Steps

NEXT STEPS

- Workshop notes/slides to be circulated - another opportunity for input to the study
- Follow up interviews with RPs
- Follow up interviews with other stakeholders if appropriate, or if need for confidential discussion
- Testing undertaken
- Discussion / presentation of findings to FBC
- Produce report based on findings of testing

MF emphasised the importance of engaging with the process in order to ensure that the viability testing is as locally realistic as possible, and attendees were urged to provide evidence to assist with the viability testing.

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Appendix H Non residential values data

Table H1 Offices, industrial & retail rents (Fareham & Hampshire)

		Fareham		Hampshire	
		Count	Average rent per Sq m	Count	Average rent per Sq m
Office	Office - Business Parks (B1b)	3	£139	81	£171
	Office - Office - Business Park (B1a)	2	£113	47	£157
	Office - Office (B1a)	65	£149	877	£179
Industrial	Industrial - Distribution Parks (B8)	0	n/a	0	n/a
	Industrial - Garage / Workshop (B1c)	0	n/a	4	£97
	Industrial - General Industrial (B2)	4	£91	151	£104
	Industrial - Industrial Park (B1/2/8)	58	£88	262	£96
	Industrial - Light Industrial / Business Units (B1c)	2	£100	54	£107
	Industrial - Mixed Industrial (B1/2)	0	n/a	8	£79
	Industrial - Mixed Industrial (B1/2/8)	72	£87	554	£93
	Industrial - Storage and Distribution (B8)	1	£82	22	£81
Retail	Retail - Betting Shop	0	n/a	4	£238
	Retail - Financial & Professional Services (A2)	2	£120	22	£180
	Retail - Financial (A2)	0	n/a	0	n/a
	Retail - General Retail (A1)	31	£145	565	£202
	Retail - Hairdressers (A1)	0	n/a	7	£215
	Retail - Hot Food Take Away (Food & Drink) (A5)	0	n/a	8	£192
	Retail - Mixed-use Retail (A1/2/3/4/5, B1 or D1)	3	£132	17	£157
	Retail - Restaurants and Cafes (Food & Drink) (A3)	1	£83	25	£187
	Retail - Shopping Centre (A1/2/3/4/5)	10	£160	27	£248

Table H2 Retail parks rents (locally)

Scheme	Date of transaction	SQ M	£ per SQ M
1, Hedge End Way, Hedge End, SO30 4DD	07/02/2020	2,092	£229

Table H3 Retail parks rents (nationally)

Scheme	Date of transaction	SQ M	£ per SQ M
Retail Unit, Angouleme Retail Park, Angouleme Way, Bury, BL9 0BZ	01/02/2022	1,484	£135
Unit 3, Darnell Court, Moulton Park, Northampton, NN3 6RW	25/10/2021	93	£215
Unit 2, Darnell Court, Moulton Park, Northampton, NN3 6RW	06/09/2021	111	£516

New Retail Units, Trowell Road, Nottingham, NG8 2DH	13/08/2021	116	£194
St Michaels Retail Park, Eastern Green, Penzance, TR18 3FH	24/06/2021	613	£199
Unit 8 Astle Retail Park, West Bromwich, West Midlands, B70 9NS	27/01/2021	472	£74
Wren Nest Retail Park, Glossop Brook Road, Glossop, SK13 8GN	25/12/2020	836	£120
Unit 3, Jelbert Way, Long Rock, TR18 3RG	14/12/2020	1,486	£89
Unit C, Maybird Retail Park, Birmingham Road, Stratford-upon-avon, CV37 0HZ	11/12/2020	987	£233
Solartron Retail Park, Solartron Road, Farnborough, GU14 7QJ	11/12/2020	1,659	£244
Exeter Retail Park, Marsh Barton Road, Exeter, EX2 8LH	03/12/2020	1,864	£215
Ravenhead Retail Park, 10, Milverny Way, St Helens, WA9 1JF	03/12/2020	372	£538
Ravenhead Retail Park, 2, Milverny Way, St Helens, WA9 1JF	03/12/2020	747	£375
Unit 11a Cambridge Retail Park, Newmarket Road, Cambridge, CB5 8WR	20/11/2020	338	£385
Chalfont Square Retail Park, The Square, Reading, RG6 5HJ	02/11/2020	453	£88
Solartron Retail Park, Solartron Road, Farnborough, GU14 7QJ	13/10/2020	1,891	£317
Unit 8, Castle Vale Retail Park, Birmingham, B35 6HB	12/10/2020	325	£169
Unit 1a Westgate Retail And Leisure Park, Ings Road, Wakefield, WF2 9SD	06/10/2020	929	£167
14, Lockheed Close, Banbury, OX16 1LX	06/10/2020	836	£215
Unit 23b, Grand Junction Way, Crewe, CW1 2RP	22/09/2020	407	£172
Orpington Trading Estate, Sevenoaks Way, Orpington, Br5 3	14/09/2020	184	£484
Sundorne Retail Park, Battlefield Road, Shrewsbury, SY1 4YA	14/09/2020	3,407	£91
Cambridge Retail Park, Newmarket Road, Cambridge, CB5 8JL	11/09/2020	918	£269
Warwickshire Shopping Park, Kynner Way, Coventry, CV3 2SB	11/09/2020	492	£102
10, Grand Junction Way, Crewe, CW1 2RP	10/09/2020	1,161	£199
Unit 1, Olympus Park, Quedgeley, Gloucester, GL2 4NF	04/09/2020	1,781	£118
Staples Corner Retail Park, Geron Way, London, NW2 6LW	01/09/2020	462	£325
Sprowston Retail Park, Salhouse Road, Norwich, NR7 9AZ	27/08/2020	1,854	£194
Centrum Park, Tewkesbury Road, Cheltenham, GL51 9FD	15/07/2020	3,530	£301
Unit 2a Jasper Retail Park, Tunstall, Stoke On Trent, , ST6 6AN	02/07/2020	275	£140
9 Newbury Retail Park, Pinchington Lane, Newbury, RG14 7HU	30/06/2020	1,819	£247
1a, Charter Way, Braintree, CM77 8YJ	23/06/2020	673	£301
Unit 1a, Forest Retail Park Forest Street, Sutton-in-ashfield, Nottinghamshire, NG17 1BE	10/06/2020	212	£92
Unit 3, Yew Tree Retail Park, Yardley, Birmingham, B25 8YP	14/05/2020	162	£185

Clifton Moor Retail Park, Hurricane Way, York, YO30 4XU	01/04/2020	764	£144
Unit J1 Maybird Retail Park, Birmingham Road, Stratford-upon-avon, CV37 0HZ	18/03/2020	466	£296
Warwickshire Shopping Park, Kynner Way, Coventry, CV3 2SB	04/03/2020	183	£219
Greyhound Retail Park, Greyhound Park Road, Chester, CH1 4QG	03/03/2020	482	£296
Longwater Retail Park Car Park, Alex Moorhouse Way, Costessey, NR5 0JT	28/02/2020	911	£210
Westway Cross Shopping Park, Greenford Road, Greenford, UB6 0UW	20/02/2020	889	£34
Unit B, Aldermoor Way, Longwell Green, BS30 7TX	20/02/2020	1,368	£219
1, Hedge End Way, Hedge End, SO30 4DD	07/02/2020	2,092	£229

Table H4 Convenience retail rents (nationally)

Scheme	Date of transaction	SQ M	£ per SQ M
36, High Street, Crediton, EX17 3JP	23/09/2022	286	£122
5, Market Place, Burton Upon Trent, DE14 1HA	23/09/2022	29	£311
Barton Marina, Barton Turns, Burton-on-trent, DE13 8DZ	24/08/2022	79	£251
Riverside Office Centre, Century House, North Station Road, Colchester, CO1 1RE	26/04/2022	91	£198
Parade Green Hollow Way Oxford	25/02/2022	194	£140
68, High Street, Sunninghill, Ascot, SL5 9NN	16/02/2022	354	£254
129-131, Exning Road, Newmarket, CB8 0EL	25/10/2021	173	£121
141-143, The Gardens, Southwick, BN42 4AR	12/10/2021	136	£153
121-125, Villa Road, Birmingham, B19 1NH	01/10/2021	98	£122
150, Frimley Road, Camberley, GU15 2QN	22/07/2021	378	£215
132-152 Broad Street, Chesham, HP5 3ED	21/06/2021	380	£237
72, Trafalgar Street, Brighton, BN1 4EB	14/05/2021	41	£339
77-81 Connahs Quay Precinct, High Street, Connahs Quay, CH5 4DD	04/05/2021	208	£120
Green Oaks Shopping Centre, Green Oaks Way, Widnes, WA8 6UD	22/04/2021	67	£231
Locking Service Station, Locking Moor Road, Weston-super-mare, BS24 7BE	02/04/2021	395	£608
92=94, Church Street, Marple, SK6 7AY	01/01/2021	335	£157
5-9, Broadstone Road, North Reddish, Stockport, SK5 7AE	26/11/2020	299	£110
1 Market Place, Market Rasen, Lincolnshire, LN8 3HJ	09/11/2020	52	£115
20, Western Road, Hove, BN3 1AE	03/11/2020	82	£304
Millar Court - Unit 6 Station Road, Kenilworth, Warwickshire, Cv8	01/11/2020	53	£140

21 Sincil Street, Lincoln, LN5 7ET	01/11/2020	38	£329
21-24, St James Place, Mangotsfield, BS16 9JB	31/10/2020	281	£169
91-93, Commercial Road, Portsmouth, PO1 1BQ	22/10/2020	416	£156
Retail Unit, Bristol Road, Selly Oak, Birmingham, B29	19/10/2020	358	£224
23 Sincil Street, Lincoln, LN5 7ET	16/10/2020	93	£187
Sainsburys, Billet Street, Taunton, TA1 3NE	29/09/2020	433	£243
95a, Upper St. Giles Street, Norwich, NR2 1AB	15/09/2020	50	£301
5, Greenway Parade, Chesham, HP5 2DA	01/09/2020	105	£172
Londis Convenience Store Wellington Avenue, Meon Vale, Stratford-upon-avon, Warwickshire, Cv37	28/08/2020	344	£161
1a Augusta Place , Leamington Spa, Warwickshire, Cv32	01/08/2020	63	£177
16a Trelawney House, Queen Elizabeth Road, Lincoln, LN1 3PA	07/07/2020	25	£173
Co-operative Food, Knightthorpe Road, Loughborough, Leicestershire, LE11 4JX	12/06/2020	404	£151
Hatch House, Station Road, Sway, SO41 6BA	01/06/2020	300	£217
Sainsburys Plc, Crowborough Hill, Jarvis Brook, TN6 2EG	01/06/2020	391	£205
Retail Unit, 7/7a, Heather Ridge Arcade, Camberley, GU15 1AX	28/04/2020	389	£231
2-3, Little East Street, Brighton, BN1 1HT	17/03/2020	131	£190
Bishop Gate Retail Park, Tower Street, Coventry, CV1 1AA	13/02/2020	378	£185
Shiney Row Branch Library, Chester Road, Houghton-le-spring, DH4 4RB	11/11/2019	353	£120
2, Sandringham Place, Stourbridge, DY8 5HP	01/10/2019	302	£172
Convenience Store, Ivy Road, Macclesfield, SK11 8NA	01/10/2019	431	£139
Co-op Convenience Store, Waddington Road, Sleaford, Lincolnshire, NG34 6AR	30/09/2019	418	£203
Former Library, Chester Road, Shiney Row, Houghton-le-spring, DH4 4RB	01/09/2019	353	£120
28-30 Markesbury Shopping Centre, Larkholme Parade, Fleetwood, FY7 8NE	30/08/2019	110	£146
Longford Local Centre West, Horsbere Drive, Longford, Gloucester, GL2 9DH	24/06/2019	362	£186
6, Cromwell Road, Ellesmere Port, CH65 4DD	28/05/2019	261	£113
Old Polegate Station, Station Road, Polegate, BN26 6EH	15/05/2019	294	£129
Holywell Convenience Store, Laurel Terrace, Whitley Bay, NE25 0ND	01/03/2019	106	£915
362 Aspley Lane, Nottingham NG8 5GB	25/02/2019	334	£114
390-396, Hollins Road, Oldham ,OL8 3BE	21/02/2019	392	£77
131, Ainsworth Road, Bury, BL8 2RT	21/02/2019	327	£77
26a, Park Street, City Centre, Bristol, BS1 5JA	02/01/2019	146	£178

Table H5 Supermarkets rents (nationally)

Scheme	Tenant	Date of transaction	SQ M	£ per SQ M
2, Timberley Lane, Birmingham, B34 7EH	Tesco	697	28/09/2022	£110
Ground 1st & 2nd, 33-34, High Street, Colchester, CO1 1DH	Tesco	593	10/03/2022	£169
Lidl, Warstock Road, Birmingham, B14 4ST	Lidl	2,125	29/09/2021	£175
Asda, Tweed Road, Clevedon, BS21 6RR	ASDA	2,479	12/09/2021	£171
Unit 1, 1581 Pershore Road, Stirchley, Birmingham, B30 2JF	Aldi	1,839	18/09/2020	£173
Retail Unit, 300 London Road, High Wycombe, HP11 1LJ	Lidl	2,513	29/06/2020	£210
M&s, Beehive Business Park, Thomas Way, Ulverston, LA12 7NJ	Marks & Spencer	1,157	13/03/2020	£195
Unit 2 - 24/26 Bridge Street, Stratford-upon-avon, CV37 6AD	Tesco	595	13/01/2020	£294
Unit 5, Broadway Plaza, Ladywood Middleway, Birmingham, B16 8SN	Lidl	1,748	04/02/2019	£151
Unit 1, 1-41, Sutton Road, Birmingham, B23 6QH	Lidl	2,125	04/02/2019	£188

Table H6 Care Homes sales (locally)

Scheme	Date of transaction	Sales Price	Number of Beds	Sales Price per Bed
Colbury House Nursing Home, Hill Street, Southampton, SO40 2RX	25/05/2021	£1,650,000	51	£32,353
Saxby Lodge Rest Home, 124, Victoria Drive, Bognor Regis, PO21 2EJ	08/02/2021	£750,000	19	£39,474
The Lindsay, 47a, Lindsay Road, Poole, BH13 6AP	30/10/2020	£10,780,176	62	£173,874
Burwood Nursing Home, 100, Dunyeats Road, Poole, BH18 8AL	05/03/2020	£5,200,000	58	£89,655
Heron Manor Care Home, Reading Road North, Fleet, GU51 4AN	28/02/2020	£3,000,000	51	£58,824
Belford House, 93, Lymington Bottom, Alton, GU34 5AH	01/02/2020	£4,500,000	31	£145,161
St Denis Lodge, Salisbury Road, Shaftesbury, SP7 8BS	13/12/2019	£1,000,000	21	£47,619
Riverside House Nursing Home, Westbury, Sherborne, DT9 3QZ	19/11/2019	£2,000,000	39	£51,282
Great Oaks Care Home, Poole Lane, Bournemouth, BH11 9DP	08/11/2019	£13,320,000	80	£166,500
James Burns House, Greenways Avenue, Bournemouth, BH8 0AS	09/08/2019	£801,942	21	£38,188
Anning House, Cross Road, Weymouth, DT4 9QX	16/12/2020	£8,404,887	70	£120,070
Flowerdown Nursing Home, 50, Harestock Road, Winchester, SO22 6NT	07/04/2020	£7,059,697	53	£133,202

Ancasta Grove Care Home, 123, Barnes Lane, Sarisbury Green, Southampton, SO31 7BH	15/01/2020	£4,835,708	75	£64,476
106, Lowther Road, Bournemouth, BH8 8NS	10/05/2019	£527,000	7	£75,286

Table H7 Hotels sales (locally)

Scheme	Date of transaction	Rooms	Sales Price per Room
Epsom Premier Lodge, 272 Kingston Road, Ewell, KT19 0SH	23/04/2021	29	£30,843
Heathrow Marriott, Ditton Road, Slough, SL3 8PT	19/03/2020	376	£20,920
Travelodge & Costa Coffee, ducklington Lane, Witney, OX28 4TT	20/12/2019	63	£133,968
Holiday Inn Maidstone, London Road, Wrotham Heath, Sevenoaks, TN15 7RS	05/11/2019	106	£62,264
Great Western Hotel, Vyne Road, Basingstoke, RG21 5ND	17/06/2019	9	£80,556
Travel Lodge, 156, Winchester Road, Four Marks, Alton, GU34 5HZ	15/06/2019	31	£114,516
Premier Inn, Letcombe Street, Reading, RG1 2HN	08/05/2019	151	£87,020
Grosvenor Hotel, High Street, Stockbridge, SO20 6EU	25/03/2019	34	£44,118
Travelodge, 8-17b High Street, Gosport PO12 1BX	15/01/2019	70	£94,286
Travelodge, Ringwood Road, Lyndhurst, SO43 7GN	28/11/2018	26	£105,115
Hilton St Annes Manor Hotel, London Road, Wokingham, RG40 1ST	26/03/2018	170	£135,294
Holiday Inn London-shepperton, Felix Lane, Shepperton, TW17 8NP	02/03/2018	185	£80,541
Travelodge, Guildford Street, Chertsey, KT16 9AU	13/11/2017	73	£98,630
Travelodge, West Street, Brighton, BN1 2RL	02/11/2017	159	£176,101
Premier Inn, Park Street, Camberley, GU15 3PL	29/09/2017	95	£89,105
Mercure Castle Hotel, 18, High Street, Windsor, SL4 1LJ	01/07/2017	108	£278,796
Jury's Inn, 1, Charlotte Place, Southampton, SO14 0TB	30/01/2017	270	£111,111
Hilton Portsmouth, Eastern Road, Portsmouth, PO6 1UN	24/01/2017	150	£87,000
Travelodge, St Peters Wharf, Maidstone, ME16 0SR	01/10/2016	113	£80,531
Travelodge, 34, Chapel Street, Chichester, PO19 1DL	15/09/2016	76	£130,263
Best Western, Bath Road, Reading, RG31 7QN	29/07/2016	80	£65,400
Hampton By Hilton, Longbridge Gate, Gatwick, RH6 0PJ	15/03/2016	194	£113,402
Travelodge, Hanworth Road, Sunbury-on-thames, TW16 5DA	01/01/2016	131	£88,550
Jurys Inn, 101, Stroudley Road, Brighton, BN1 4DJ	16/11/2015	234	£120,513

Travelodge, Western Avenue, Chatham, ME4 4NT	15/10/2015	90	£63,833
Premier Inn, Victoria Street, Basingstoke, RG21 3BT	27/07/2015	81	£93,827

Table H8 Offices, industrial & retail yields (Fareham & Hampshire)

		Fareham		Hampshire	
		Count	Yield	Count	Yield
Office	Office - Business Parks (B1b)	0	None	7	7.69%
	Office - Office - Business Park (B1a)	0		2	
	Office - Office (B1a)	0		36	
Industrial	Industrial - Distribution Parks (B8)	0	7.05%	1	6.46%
	Industrial - General Industrial (B2)	0		9	
	Industrial - Industrial Park (B1/2/8)	1		20	
	Industrial - Heavy Industrial (B1/2)	0		2	
	Industrial - Mixed Industrial (B1/2)	0		7	
	Industrial - Mixed Industrial (B1/2/8)	1		27	
	Industrial - Storage and Distribution (B8)	1		5	
Retail	Retail - Betting Shop	0	7.42%	4	6.77%
	Retail - Department Stores (A1/2/3)	0		1	
	Retail - General Retail (A1)	1		61	
	Retail - Hot Food Take Away (Food & Drink) (A5)	0		2	
	Retail - Non Food Retail Warehouse (A1)	0		3	
	Retail - Restaurants and Cafes (Food & Drink) (A3)	0		6	
	Retail - Shopping Centre (A1/2/3/4/5)	0		1	
	Retail - Showrooms - General (A1)	0		1	

Table H9 Retail parks yields (locally)

Scheme	SQ M	Date of transaction	Yield (%)
Chestnut Avenue Retail Park, Chestnut Avenue Retail Park, Chestnut Avenue, Eastleigh, SO53 3TF	4,366	22/02/2019	5.2
Chestnut Retail Park, Chestnut Avenue, Eastleigh, SO53 3LE	4,380	01/11/2018	5.17

Table H10 Retail parks yields (nationally)

Scheme	SQ M	Date of transaction	Yield (%)
Galleries Retail Park, Washington, NE38 7RW	8,831	30/04/2022	6.85
Currys & Dunhelm, Apex Retail Park, Conybere St, Highgate Middleway, B'ham B12 0EB	3,716	16/02/2022	7.8
Go Outdoors, Coventry Business Park, Canley Road, Coventry CV5 6RN	4,535	15/10/2021	7.51
Hayes Bridge Retail Park, Uxbridge Road, Hayes, UB4 0RH	9,738	05/10/2021	4.37
Chester Road Trade Park, Chester Road, Erdington, Birmingham, B24 0QY	1,709	01/10/2021	4.59
Augustin Retail Park, St Augustin Way, Grantham, NG31 6TN	3,029	15/09/2021	8.5

Queens Drive Retail Park, Queens Drive, Liverpool, L13 0DL	2,694	06/09/2021	4.65
Arrow Point Retail Park, Brixton Way, Shrewsbury, SY1 3GB	1,154	05/05/2021	8.7
Lindis Retail Park, Tritton Road, Lincoln, LN6 7QY	4,157	01/04/2021	9.26
Kingsthorpe Centre, Harborough Road, Northampton, NN2 7BD	5,821	01/04/2021	7.52
New Hall Hey Retail Park, New Hall Hey Road, Rawtenstall, BB4 6HH	7,450	01/02/2021	7.65
Bromsgrove Retail Park, Birmingham Road, B61 0DD	5,007	01/01/2021	6.21
Beechdale Park, Nottingham, NG8 3LH	864	03/12/2020	6.82
Droitwich Spa Retail Park, Kidderminster Road, Droitwich, WR9 9AY	2,523	01/12/2020	7.95
Goldstone Retail Park, Newtown Road, Hove, BN3 7PN	7,615	28/11/2019	5.1
St Oswald's Park, St Oswald's Road, Gloucester, GL1 2UE	20,900	19/11/2019	8.5
The Podium Shopping Centre, The Podium, Bath, BA1 5AL	16,916	03/10/2019	4.07
Poole Retail Park, Redlands, Poole, BH12 1DN	19,324	12/09/2019	8
Units A, B & C, Coypool Retail Park, Coypool Road, Plymouth, PL7 4TB	3,674	01/09/2019	8.81
Bell Green Retail Park, Bell Green, London, SE6 4HD	13,274	04/04/2019	5.9
Weston Lock Retail Park, Lower Bristol Road, Westmoreland, Bath, BA2 1EP	2,705	28/03/2019	5.15
Barker And Stonehouse, Marsh Street, Middlesbrough, TS1 5JH	1,681	01/03/2019	7.6
Chestnut Avenue Retail Park, Chestnut Avenue Retail Park, Chestnut Avenue, Eastleigh, SO53 3TF	4,366	22/02/2019	5.2
Binhamy Retail Park, Binhamy Retail Park, Stratton Road, Bude, EX23 8AF	4,023	14/01/2019	7.5
Central Retail Park (Rochdale), Oldham Road, Rochdale, OL11 1BU	6,389	17/12/2018	8.58
Jubilee Retail Park, Radipole Park Drive, Weymouth, DT3 5EZ	5,574	04/12/2018	6.97
Warehouse, Worcester Road, Evesham, WR11 4AB	3,930	03/12/2018	6.01
Martlesham Heath Retail Park, Anson Road, Ipswich, IP5 3RX	4,459	19/11/2018	5.2
Darlington North Retail Park, Albert Road, Darlington, DL1 2PD	3,902	17/10/2018	6.2
Chestnut Retail Park, Chestnut Avenue, Eastleigh, SO53 3LE	4,380	01/11/2018	5.17
Whitwick Retail Park, Whitwick Road, Coalville, LE67 3FA	5,036	24/09/2018	6.9
Junction 9 Retail Park, Axletree Way, Wednesbury, WS10 9QY	42,921	31/07/2018	5.07
Octagon Retail Park, Etruria Road, Stoke-on-trent, ST1 5RR	10,498	19/07/2018	8.3
Crystal Retail Centre, Platts Road, Stourbridge, DY8 4YR	1,392	13/06/2018	8.92
Saltash Industrial Estate, Gilston Road, Saltash, PL12 6TW	3,716	01/06/2018	4.45
Slough Retail Park, Twinches Lane, Slough, SL1 5AD	14,165	31/05/2018	5.36
Selly Oak Shopping Park, Bristol Road, Birmingham, B29 6SN	17,187	31/05/2018	5

The Stirling Centre, Tye Road, Fradley, Lichfield, WS13 8ST	1,760	30/03/2018	7.33
Coppins Bridge Retail & Leisure Park, Coppins Bridge, Newport, PO30 2BX	5,470	05/03/2018	7
Keighley Retail Park, Hard Ings Road, Keighley, BD21 3NJ	6,092	15/02/2018	6.89
Rishworth Centre, Railway Street, Dewsbury, WF12 8EQ	8,593	15/02/2018	7.9
Riverside, South Walls, Stafford, ST16 3AA	9,482	08/01/2018	6.8
Horizon Shopping Park, Solartron Road, Farnborough, GU14 7QL	7,410	08/01/2018	5.25

Table H11 Convenience yields (national)

Scheme	SQ M	Date of transaction	Yield (%)
12, Montpellier Walk, Cheltenham, GL50 1SD	95	09/09/2022	6.08
132-152 Broad Street, Chesham, Buckinghamshire, HP5 3ED	396	08/04/2022	5.17
Glyn Square, Milton Keynes, MK12 5JQ	188	17/02/2022	5.55
143, St Johns Hill, Sevenoaks, TN13 3PE	353	14/02/2022	4.5
171/173 Newcastle Street, Burslem, Stoke-on-trent, Staffordshire, ST6 3QJ	214	24/01/2022	6.27
Co-operative Food, 169 Walsall Wood Road, West Midlands, WS9 8HA	421	01/12/2021	4.97
9 Silver Hill, Winchester, SO23 8AQ	190	01/11/2021	3.91
390-396, Hollins Road, Oldham, OL8 3BE	393	06/08/2021	6.3
166 Dean Road, Meldon Terrace, South Shields, Tyne & Wear, NE33 4AQ	301	29/04/2021	6.47
104 Astley Street, Dukinfield, SK16 4JU	380	02/02/2021	6.31
2, Oldfield Road, Sheffield, S6 6DT	415	29/09/2020	5.7
5-9, Broadstone Road, North Reddish, Stockport, SK5 7AE	300	02/09/2020	5.71
57-59, St Peters Avenue, Cleethorpes, DN35 8HF	426	15/08/2020	7.17
Angel Inn, 76 Load Street, Bewdley, Worcestershire, DY12 2AW	374	21/07/2020	6.17
132-152, Broad Street, Chesham, HP5 3ED	449	02/07/2020	5.79
18-20, Roundhill Road, Torquay, TQ2 6TH	292	01/07/2020	6.4
Clipper Way Inn, Mongleath Road, Falmouth, TR11 4PN	285	01/05/2020	5.25
15-17, Mill Road, Kirby Cane, NR35 2EZ	227	13/03/2020	7.44
170, Heathcote Street, Stoke-on-trent, ST3 5SN	391	15/12/2019	5.18
54-56, Southbourne Grove, Bournemouth, BH6 3RB	154	16/10/2019	6.34
Showroom Unit, Chandos Road, Buckingham, MK18 1AL	419	04/09/2019	5.16
5, Foregate Street, Worcester, WR1 1DB	348	07/08/2019	6.57

Co-op, Queen Alexandra Road, North Shields, NE29 9AL	423	31/07/2019	5.35
83, Braunston Road, Oakham, LE15 6LE	479	29/04/2019	5.54
Co-operative Group Food Limited, Barker Street, Worcester, WR3 8NP	337	28/02/2019	5.25
222, Congleton Road, Stoke-on-trent, ST7 3HF	256	06/02/2019	5.45
169a, Ditchfield Road, Widnes, WA8 8RF	302	18/01/2019	6.5

Table H12 Supermarkets yields (national)

Scheme	SQ M	Date of transaction	Yield (%)
Sainsburys Supermarkets Ltd, Winchester Road, Bishops Waltham, SO32 1BA	852	16/05/2022	3.8
Sainsbury's, Park Hill Road, Garstang, Preston, PR3 1EL	2,148	15/03/2022	3.89
Tesco Store, Broad Piece, Littlehampton, BN17 5RA	6,464	14/02/2022	4.26
Tesco Development, Savile Street, Sheffield, S4 7UD	8,196	20/12/2021	4.5
Orbital Retail Centre, Voyager Drive, Cannock, WS11 8XP	10,004	01/12/2021	4
Sainsbury's, Orbital Retail Centre, Voyager Drive, Cannock WS11 8XP	6,799	01/12/2021	4
Asda, Borough Road, Paignton, TQ4 7EP	2,186	17/08/2021	5.2
Waitrose & Partners, 31-37 Station Road, Gerrards Cross SL9 8ES	2,282	10/06/2021	5.95
Lidl, Northern Tower, London Road, Retford, DN22 6HG	1,944	03/03/2021	5.03
Sainsbury's, Etherstone Avenue, Newcastle Upon Tyne, NE7 7JW	6,333	29/10/2020	4.1
Lidl, Warstock Road, Birmingham, B14 4ST	2,130	01/09/2020	4.17
Lidl Store, Woodbridge Road, Guildford, GU1 1EE	3,891	01/06/2020	3.25

Appendix I Results and summary appraisal examples

Summary of residential testing results

Typology	Greenfield/ Brownfield	Dwgs	Net ha	Gross ha	%AH	CSB Dwgs	Residual value post BMLV/ SDLT & Fees	Market developer	CSB Return	AH contractor	Net residual	m (exc self build)	Potential for CIL - scheme	Potential for CIL /sq m
								17.50%	17.50%	6%				
R1	Small infill greenfield	3	0.08	0.08	0%	0	504,624	211,491	0	0	293,133	306	293,133	959
R2	Small infill brownfield	3	0.08	0.08	0%	0	353,622	211,491	0	0	142,131	306	142,131	465
R3	Small greenfield	8	0.23	0.23	0%	0	1,411,279	563,976	0	0	847,303	815	847,303	1,039
R4	Small brownfield	8	0.23	0.23	0%	0	1,035,091	563,976	0	0	471,115	815	471,115	578
R5	Medium Greenfield	15	0.40	0.40	40%	0	1,846,978	624,110	0	41,997	1,180,871	920	1,180,871	1,284
R6	Medium Brownfield	15	0.40	0.40	35%	0	1,561,314	676,119	0	36,746	848,449	996	848,449	852
R7	Medium Brownfield	30	0.38	0.38	35%	0	3,745,305	1,352,237	0	73,494	2,319,574	1,992	2,319,574	1,164
R8	Medium Greenfield	50	1.39	1.90	40%	5	6,199,541	1,733,638	435,750	139,991	3,890,162	2,554	3,890,162	1,523
R9	Medium Brownfield	50	1.32	1.80	35%	5	4,760,736	1,907,001	435,750	122,492	2,295,493	2,810	2,295,493	817
R10a	Town centre	80	1.00	1.42	20%	0	6,294,393	3,493,280	0	107,923	2,693,190	5,237	2,693,190	514
R10b	Town centre	40	0.20	0.20	20%	0	2,531,602	1,469,440	0	59,103	1,003,059	2,285	1,003,059	439
R10c	Town Centre	20	0.10	0.10	20%	0	1,077,273	741,300	0	29,976	305,997	1,141	305,997	268
R10d	Town centre	150	0.50	0.50	20%	0	804,958	2,760,000	0	266,445	-2,221,487	8,971	-2,221,487	-248
R11	Large greenfield	120	3.27	4.80	40%	12	15,450,518	4,160,730	1,045,800	321,349	9,922,639	6,130	9,922,639	1,619
R12	Large brownfield	120	2.35	3.45	35%	12	12,193,537	4,290,825	1,045,800	281,180	6,575,732	6,191	6,575,732	1,062
R13	Large greenfield	600	14.99	25.00	40%	60	69,657,240	20,803,650	5,229,000	1,570,080	42,054,510	30,650	42,054,510	1,372
R14	Large greenfield	1,000	28.77	50.00	40%	100	113,723,655	34,672,750	8,715,000	2,616,801	67,719,104	51,083	67,719,104	1,326
R16	Greenfield - Sheltered	60	0.50	0.50	0%	0	3,282,167	3,018,750	0	0	263,417	4,800	263,417	55
R17	Brownfield - Sheltered	60	0.50	0.50	0%	0	2,615,641	3,018,750	0	0	-403,109	4,800	-403,109	-84
R18	Greenfield - Extracare	50	0.50	0.50	0%	0	1,565,507	3,145,625	0	0	-1,580,118	5,800	-1,580,118	-272
R19	Brownfield - Extracare	50	0.50	0.50	0%	0	891,072	3,145,625	0	0	-2,254,553	5,800	-2,254,553	-389

Please note R10c Town Centre is a BtR scheme at 10% market return

Three Dragons

Summary Results										
Site Details	Fareham - Viability Testing August 2022 - updated November 2022			Site Address	R1 - CS1, Greenfield, 0%AH, 3 dwellings			Site Reference	BLV1	
Scheme Description				Notes				Application No		
								Date Saved	01/11/2022	
Site Details						Dwellings		GIA (sq m)		
Gross Area	0.08	ha		Total	3.00			282.0		
Net Area	0.08	ha		Market Housing	3.00			282.0		
Net to Gross Ratio	100.0%			Affordable Housing	-			-		
Density	37.50	dwgs per net ha		% Affordable Housing	0.00%					
Scheme Revenue										
			Affordable Housing							
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Equity Share	Shared Ownership			
Total No of Dwellings	3.00	3.00	-	-	-	-	-			
Total GIA (sq m)	282.0	282.0	-	-	-	-	-			
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Total Revenue	1,208,520	1,208,520	-	-	-	-	-			
Average Revenue per unit	402,840	402,840	-	-	-	-	-			
Average Revenue per sq m GIA	4,286	4,286	-	-	-	-	-			
Total Capital Contributions	-									
Total Commercial Elements	-									
Total Scheme Revenue	1,208,520									
Scheme Development Costs										
			Affordable Housing							
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Equity Share	Shared Ownership	Per dwelling	per sq m	
Build Cost (inc external works)	488,638	488,638	-	-	-	-	-	162,879	1,733	
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-	
Professional Fees	48,864	48,864	-	-	-	-	-	16,288	173	10.0% build costs
Marketing Costs (market housing)	36,256	36,256	-	-	-	-	-	12,085	129	3.0% market revenue
Marketing Costs (aff housing)	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0! affordable revenue
Land & Development Costs	58,914	58,914	-	-	-	-	-	19,638	209	
Planning Obligations Costs	41,906	-	-	-	-	-	-	13,969	149	
Commercial Elements Costs	-	-	-	-	-	-	-	-	-	
Community Infrastructure Levy	-	-	-	-	-	-	-	-	-	0.0% CIL as %Revenue £0.00 per market sq m 0.0% CIL as %Dev Costs
Total Development Costs	674,578									
Total Operating Profit	533,942									
								224,859	2,392	
								177,981	1,893	
Finance Costs and Residual Value										
	Period	No CF	years							
	Debit Interest Rate	6.0%								
	Credit Interest Rate	0.0%								
	Annual Discount Rate	0.0%								
Revenue and Capital Contributions	1,208,520									
Total Development Cost	674,578									
Finance Cost	29,318									
Annual Discount Rate Cost	-									
Total Dev Cost, Finance Cost & ADR Cost	703,896									
Gross Residual Value	504,624									
Notes: (use Alt+Enter to start a new line)										

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R2 - CS2, Brownfield, 0%AH, 3 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	0.08 ha	Total	3.00	282.0
Net Area	0.08 ha	Market Housing	3.00	282.0
Net to Gross Ratio	100.0%	Affordable Housing	-	-
Density	37.50 dwgs per net ha	% Affordable Housing	0.00%	

	Total	Market	Affordable Housing				
			Social Rent	Affordable Rent	Intermediate Rent	Equity Share	Shared Ownership
Total No of Dwellings	3.00	3.00	-	-	-	-	-
Total GIA (sq m)	282.0	282.0	-	-	-	-	-
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Revenue	1,208,520	1,208,520	-	-	-	-	-
Average Revenue per unit	402,840	402,840	-	-	-	-	-
Average Revenue per sq m GIA	4,286	4,286	-	-	-	-	-
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	1,208,520						

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Equity Share	Shared Ownership		
Build Cost (inc external works)	488,638	488,638	-	-	-	-	-	162,879	1,733
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	48,864	48,864	-	-	-	-	-	16,288	173
Marketing Costs (market housing)	36,256	36,256	-	-	-	-	-	12,085	129
Marketing Costs (aff housing)	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
Land & Development Costs	212,139	212,139	-	-	-	-	-	70,713	752
Planning Obligations Costs	39,683							13,228	141
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	825,580							275,193	2,928
Total Operating Profit	382,940							127,647	1,358

10.0%	build costs
3.0%	market revenue
#DIV/0!	affordable revenue
0.0%	CIL as %Revenue
£0.00	per market sq m
0.0%	CIL as %Dev Costs

Finance Costs and Residual Value	
Period	No CF years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	1,208,520
Total Development Cost	825,580
Finance Cost	29,318
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	854,898
Gross Residual Value	353,622

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R3 - CS3, Greenfield, 0%AH, 8 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	0.23 ha	Total	8.00	752.0
Net Area	0.23 ha	Market Housing	8.00	752.0
Net to Gross Ratio	100.0%	Affordable Housing	-	-
Density	34.78 dwgs per net ha	% Affordable Housing	0.00%	

	Total	Market	Affordable Housing					Shared Ownership
			Social Rent	Affordable Rent	Intermediate Rent	Equity Share		
Total No of Dwellings	8.00	8.00	-	-	-	-	-	
Total GIA (sq m)	752.0	752.0	-	-	-	-	-	
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total Revenue	3,222,720	3,222,720	-	-	-	-	-	
Average Revenue per unit	402,840	402,840	-	-	-	-	-	
Average Revenue per sq m GIA	4,286	4,286	-	-	-	-	-	
Total Capital Contributions	-							
Total Commercial Elements	-							
Total Scheme Revenue	3,222,720							

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Equity Share	Shared Ownership		
Build Cost (inc external works)	1,240,988	1,240,988	-	-	-	-	155,124	1,650	
Additional Dwelling Standards	-	-	-	-	-	-	-	-	
Professional Fees	124,099	124,099	-	-	-	-	15,512	165	
Marketing Costs (market housing)	96,682	96,682	-	-	-	-	12,085	129	
Marketing Costs (aff housing)	-	-	-	-	-	-	#DIV/0!	#DIV/0!	
Land & Development Costs	163,463	163,463	-	-	-	-	20,433	217	
Planning Obligations Costs	111,750						13,969	149	
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	1,736,981						217,123	2,310	
Total Operating Profit	1,485,739						185,717	1,976	

10.0% build costs
 3.0% market revenue
 #DIV/0! affordable revenue
 0.0% CIL as %Revenue
 £0.00 per market sq m
 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	No CF years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	3,222,720
Total Development Cost	1,736,981
Finance Cost	74,459
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	1,811,441
Gross Residual Value	1,411,279

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R4 - CS4, Brownfield, 0%AH, 8 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	0.20 ha	Total	8.00		752.0
Net Area	0.20 ha	Market Housing	8.00		752.0
Net to Gross Ratio	100.0%	Affordable Housing	-		-
Density	40.00 dwgs per net ha	% Affordable Housing	0.00%		

	Total	Market	Affordable Housing				
			Social Rent	Affordable Rent	Intermediate Rent	Equity Share	Shared Ownership
Total No of Dwellings	8.00	8.00	-	-	-	-	-
Total GIA (sq m)	752.0	752.0	-	-	-	-	-
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Revenue	3,222,720	3,222,720	-	-	-	-	-
Average Revenue per unit	402,840	402,840	-	-	-	-	-
Average Revenue per sq m GIA	4,286	4,286	-	-	-	-	-
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	3,222,720						

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Equity Share	Shared Ownership		
Build Cost (inc external works)	1,240,988	1,240,988	-	-	-	-	155,124	1,650	
Additional Dwelling Standards	-	-	-	-	-	-	-	-	
Professional Fees	124,099	124,099	-	-	-	-	15,512	165	
Marketing Costs (market housing)	96,682	96,682	-	-	-	-	12,085	129	
Marketing Costs (aff housing)	-	-	-	-	-	-	#DIV/0!	#DIV/0!	
Land & Development Costs	545,579	545,579	-	-	-	-	68,197	726	
Planning Obligations Costs	105,822						13,228	141	
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	2,113,169						264,146	2,810	
Total Operating Profit	1,109,551						138,694	1,475	

10.0%	build costs
3.0%	market revenue
#DIV/0!	affordable revenue
0.0%	CIL as %Revenue
£0.00	per market sq m
0.0%	CIL as %Dev Costs

Finance Costs and Residual Value	
Period	No CF years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	3,222,720
Total Development Cost	2,113,169
Finance Cost	74,459
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	2,187,629
Gross Residual Value	1,035,091

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R5 - CS5, Greenfield, 40%AH, 15 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	0.40 ha	Total	15.00		1,289.3
Net Area	0.40 ha	Market Housing	9.00		848.2
Net to Gross Ratio	100.0%	Affordable Housing	6.00		441.1
Density	37.50 dwgs per net ha	% Affordable Housing		40.00%	

	Total	Market	Affordable Housing				
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership
Total No of Dwellings	15.00	9.00	-	-	-	3.90	2.10
Total GIA (sq m)	1,289.3	848.2	-	-	-	284.5	156.6
Tenure Split (by % dwellings)		60.0%	0.0%	0.0%	0.0%	26.0%	14.0%
Total Revenue	4,654,335	3,566,340	-	-	-	634,395	453,600
Average Revenue per unit	310,289	396,260	-	-	-	162,665	216,000
Average Revenue per sq m GIA	3,610	4,205	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	4,654,335						

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership		
Build Cost (inc external works)	2,001,141	1,301,186	-	-	-	455,444	244,512	133,409	1,552
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	160,091	104,095	-	-	-	36,435	19,561	10,673	124
Marketing Costs (market housing)	106,990	106,990	-	-	-	-	-	11,888	126
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	312,185	187,311	-	-	-	81,168	43,706	20,812	242
Planning Obligations Costs	208,449							13,897	162
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	2,788,856							185,924	2,163
Total Operating Profit	1,865,479							124,365	1,447

8.0% build costs
3.0% market revenue
0.0% affordable revenue
0.0% CIL as %Revenue
£0.00 per market sq m
0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	2 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	4,654,335
Total Development Cost	2,788,856
Finance Cost	18,500
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	2,807,357
Gross Residual Value	1,846,978

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R6 - CS6, Brownfield, 35%AH, 15 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	0.40 ha	Total	15.00	1,304.8
Net Area	0.40 ha	Market Housing	9.75	918.9
Net to Gross Ratio	100.0%	Affordable Housing	5.25	385.9
Density	37.50 dwgs per net ha	% Affordable Housing	35.00%	

	Total	Market	Affordable Housing				Shared Ownership
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	
Total No of Dwellings	15.00	9.75	-	-	-	3.41	1.84
Total GIA (sq m)	1,304.8	918.9	-	-	-	248.9	137.0
Tenure Split (by % dwellings)		65.0%	0.0%	0.0%	0.0%	22.7%	12.3%
Total Revenue	4,815,508	3,863,535	-	-	-	554,995	396,978
Average Revenue per unit	321,034	396,260	-	-	-	162,660	215,984
Average Revenue per sq m GIA	3,691	4,205	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	4,815,508						

	Total	Market	Affordable Housing				Shared Ownership	Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent			
Build Cost (inc external works)	2,022,058	1,409,618	-	-	-	398,432	214,008	134,804	1,550
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	161,765	112,769	-	-	-	31,875	17,121	10,784	124
Marketing Costs (market housing)	115,906	115,906	-	-	-	-	-	11,888	126
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	716,354	465,630	-	-	-	162,947	87,777	47,757	549
Planning Obligations Costs	197,424							13,162	151
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	3,213,507							214,234	2,463
Total Operating Profit	1,602,001							106,800	1,228

- 8.0% build costs
- 3.0% market revenue
- 0.0% affordable revenue
- 0.0% CIL as %Revenue
- £0.00 per market sq m
- 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	2 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	4,815,508
Total Development Cost	3,213,507
Finance Cost	40,688
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	3,254,194
Gross Residual Value	1,561,314

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R7 - CS7, Brownfield, 35%AH, 30 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	0.38 ha	Total	30.00		2,609.7
Net Area	0.38 ha	Market Housing	19.50		1,837.8
Net to Gross Ratio	100.0%	Affordable Housing	10.50		771.9
Density	78.95 dwgs per net ha	% Affordable Housing		35.00%	

	Affordable Housing						
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership
Total No of Dwellings	30.00	19.50	-	-	-	6.83	3.68
Total GIA (sq m)	2,609.7	1,837.8	-	-	-	497.9	274.0
Tenure Split (by % dwellings)		65.0%	0.0%	0.0%	0.0%	22.8%	12.3%
Total Revenue	9,631,025	7,727,070	-	-	-	1,110,176	793,779
Average Revenue per unit	321,034	396,260	-	-	-	162,663	215,994
Average Revenue per sq m GIA	3,691	4,205	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	9,631,025						

	Affordable Housing							Per dwelling	per sq m
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership		
Build Cost (inc external works)	4,044,137	2,819,236	-	-	-	797,016	427,885	134,805	1,550
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	323,531	225,539	-	-	-	63,761	34,231	10,784	124
Marketing Costs (market housing)	231,812	231,812	-	-	-	-	-	11,888	126
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	882,770	573,801	-	-	-	200,830	108,139	29,426	338
Planning Obligations Costs	394,848							13,162	151
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	5,877,098							195,903	2,252
Total Operating Profit	3,753,927							125,131	1,438

8.0% build costs
3.0% market revenue
0.0% affordable revenue

0.0% CIL as %Revenue
£0.00 per market sq m
0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	2 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	9,631,025
Total Development Cost	5,877,098
Finance Cost	8,622
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	5,885,720
Gross Residual Value	3,745,305

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R8 - CS8, Greenfield, 40%AH, 50 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	1.90 ha	Total	50.00		4,380.1
Net Area	1.39 ha	Market Housing	30.00		2,909.9
Net to Gross Ratio	73.2%	Affordable Housing	20.00		1,470.2
Density	35.97 dwgs per net ha	% Affordable Housing			40.00%

	Total	Market	Affordable Housing				
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership
Total No of Dwellings	50.00	30.00	-	-	-	13.00	7.00
Total GIA (sq m)	4,380.1	2,909.9	-	-	-	948.4	521.9
Tenure Split (by % dwellings)		60.0%	0.0%	0.0%	0.0%	26.0%	14.0%
Total Revenue	16,023,150	12,396,500	-	-	-	2,114,650	1,512,000
Average Revenue per unit	320,463	413,217	-	-	-	162,665	216,000
Average Revenue per sq m GIA	3,658	4,260	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	16,023,150						

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership		
Build Cost (inc external works)	6,907,105	4,573,921	-	-	-	1,518,145	815,039	138,142	1,577
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	552,568	365,914	-	-	-	121,452	65,203	11,051	126
Marketing Costs (market housing)	371,895	371,895	-	-	-	-	-	12,397	128
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	1,207,249	724,349	-	-	-	313,885	169,015	24,145	276
Planning Obligations Costs	695,421	-	-	-	-	-	-	13,908	159
Commercial Elements Costs	-	-	-	-	-	-	-	-	-
Community Infrastructure Levy	-	-	-	-	-	-	-	-	-
Total Development Costs	9,734,238							194,685	2,222
Total Operating Profit	6,288,912							125,778	1,436

8.0% build costs
 3.0% market revenue
 0.0% affordable revenue
 0.0% CIL as %Revenue
 £0.00 per market sq m
 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	3 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	16,023,150
Total Development Cost	9,734,238
Finance Cost	89,371
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	9,823,609
Gross Residual Value	6,199,541

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R9 - CS9, Brownfield, 35%AH, 50 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	1.80 ha	Total	50.00	4,432.0
Net Area	1.32 ha	Market Housing	32.50	3,145.5
Net to Gross Ratio	73.3%	Affordable Housing	17.50	1,286.5
Density	37.88 dwgs per net ha	% Affordable Housing	35.00%	

	Total		Affordable Housing				
	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership	
Total No of Dwellings	50.00	32.50	-	-	-	11.38	6.13
Total GIA (sq m)	4,432.0	3,145.5	-	-	-	829.8	456.6
Tenure Split (by % dwellings)	65.0%	0.0%	0.0%	0.0%	22.8%	12.3%	
Total Revenue	16,560,463	13,387,150	-	-	-	1,850,334	1,322,979
Average Revenue per unit	331,209	411,912	-	-	-	162,667	215,997
Average Revenue per sq m GIA	3,737	4,256	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	16,560,463						

	Total		Affordable Housing					Per dwelling	per sq m
	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent Aff Rent	Shared Ownership			
Build Cost (inc external works)	6,976,897	4,935,362	-	-	-	1,328,387	713,148	139,538	1,574
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	558,152	394,829	-	-	-	106,271	57,052	11,163	126
Marketing Costs (market housing)	401,615	401,615	-	-	-	-	-	12,357	128
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	3,010,709	1,956,961	-	-	-	684,936	368,812	60,214	679
Planning Obligations Costs	658,670							13,173	149
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	11,606,042							232,121	2,619
Total Operating Profit	4,954,421							99,088	1,118

- 8.0% build costs
- 3.0% market revenue
- 0.0% affordable revenue
- 0.0% CIL as %Revenue
- £0.00 per market sq m
- 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	3 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	16,560,463
Total Development Cost	11,606,042
Finance Cost	193,685
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	11,799,727
Gross Residual Value	4,760,736

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R10a - CS10a, Brownfield, 20%AH, 80 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	1.42 ha	Total	80.00	6,221.8
Net Area	1.00 ha	Market Housing	64.00	5,064.3
Net to Gross Ratio	70.4%	Affordable Housing	16.00	1,157.5
Density	80.00 dwgs per net ha	% Affordable Housing	20.00%	

	Total		Affordable Housing				
	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership	
Total No of Dwellings	80.00	64.00	-	-	-	10.40	5.60
Total GIA (sq m)	6,221.8	5,064.3	-	-	-	740.0	417.5
Tenure Split (by % dwellings)	80.0%	0.0%	0.0%	0.0%	13.0%	7.0%	
Total Revenue	22,818,480	19,961,600	-	-	-	1,647,280	1,209,600
Average Revenue per unit	285,231	311,900	-	-	-	158,392	216,000
Average Revenue per sq m GIA	3,668	3,942	-	-	-	2,226	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	22,818,480						

	Total		Affordable Housing					Per dwelling	per sq m
	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership			
Build Cost (inc external works)	10,003,966	8,205,247	-	-	-	1,162,654	636,065	125,050	1,608
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	800,317	656,420	-	-	-	93,012	50,885	10,004	129
Marketing Costs (market housing)	598,848	598,848	-	-	-	-	-	9,357	118
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	3,889,750	3,111,800	-	-	-	505,668	272,283	48,622	625
Planning Obligations Costs	1,012,390							12,655	163
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	16,305,272							203,816	2,621
Total Operating Profit	6,513,208							81,415	1,047

- 8.0% build costs
- 3.0% market revenue
- 0.0% affordable revenue
- 0.0% CIL as %Revenue
- £0.00 per market sq m
- 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	3 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	22,818,480
Total Development Cost	16,305,272
Finance Cost	218,816
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	16,524,087
Gross Residual Value	6,294,393

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 -updated November 2022	Site Address	R10b - CS10b, Brownfield, 20%AH, 40 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	0.20 ha	Total	40.00	2,825.5
Net Area	0.20 ha	Market Housing	32.00	2,285.1
Net to Gross Ratio	100.0%	Affordable Housing	8.00	540.4
Density	200.00 dwgs per net ha	% Affordable Housing	20.00%	

	Total		Affordable Housing				
	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Alf Rent	Shared Ownership	
Total No of Dwellings	40.00	32.00	-	-	-	5.20	2.80
Total GIA (sq m)	2,825.5	2,285.1	-	-	-	339.5	200.9
Tenure Split (by % dwellings)	80.0%	0.0%	0.0%	0.0%	13.0%	7.0%	
Total Revenue	9,551,600	8,396,800	-	-	-	659,200	495,600
Average Revenue per unit	238,790	262,400	-	-	-	126,769	177,000
Average Revenue per sq m GIA	3,381	3,675	-	-	-	1,942	2,467
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	9,551,600						

	Total		Affordable Housing					Per dwelling	per sq m
	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Alf Rent	Shared Ownership			
Build Cost (inc external works)	5,005,267	4,020,214	-	-	-	618,821	366,231	125,132	1,771
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	400,421	321,617	-	-	-	49,506	29,299	10,011	142
Marketing Costs (market housing)	251,904	251,904	-	-	-	-	-	7,872	110
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	788,148	630,518	-	-	-	102,459	55,170	19,704	279
Planning Obligations Costs	501,587							12,540	178
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	6,947,327							173,683	2,459
Total Operating Profit	2,604,273							65,107	922

- 8.0% build costs
- 3.0% market revenue
- 0.0% affordable revenue
- 0.0% CIL as %Revenue
- £0.00 per market sq m
- 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	2 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	9,551,600
Total Development Cost	6,947,327
Finance Cost	72,671
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	7,019,998
Gross Residual Value	2,531,602

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R10c - CS10c, Brownfield, 20%AH, 20 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	0.10 ha	Total	20.00	1,415.2
Net Area	0.10 ha	Market Housing	16.00	1,141.1
Net to Gross Ratio	100.0%	Affordable Housing	4.00	274.1
Density	200.00 dwgs per net ha	% Affordable Housing	20.00%	

	Total	Market	Affordable Housing				Shared Ownership
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	
Total No of Dwellings	20.00	16.00	-	-	-	2.00	2.00
Total GIA (sq m)	1,415.2	1,141.1	-	-	-	130.6	143.5
Tenure Split (by % dwellings)		80.0%	0.0%	0.0%	0.0%	10.0%	10.0%
Total Revenue	4,840,400	4,236,000	-	-	-	250,400	354,000
Average Revenue per unit	242,020	264,750	-	-	-	125,200	177,000
Average Revenue per sq m GIA	3,420	3,712	-	-	-	1,918	2,467
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	4,840,400						

	Total	Market	Affordable Housing				Shared Ownership	Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent			
Build Cost (inc external works)	2,489,048	1,989,446	-	-	-	238,008	261,594	124,452	1,759
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	199,124	159,156	-	-	-	19,041	20,928	9,956	141
Marketing Costs (market housing)	127,080	127,080	-	-	-	-	-	7,943	111
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	653,617	522,894	-	-	-	65,362	65,362	32,681	462
Planning Obligations Costs	250,932							12,547	177
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	3,719,801							185,990	2,628
Total Operating Profit	1,120,599							56,030	792

- 8.0% build costs
- 3.0% market revenue
- 0.0% affordable revenue
- 0.0% CIL as %Revenue
- £0.00 per market sq m
- 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	2 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	4,840,400
Total Development Cost	3,719,801
Finance Cost	43,326
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	3,763,127
Gross Residual Value	1,077,273

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R10d - CS10d, Brownfield, 20%AH, 150 dwellings, Build to rent Rent value 3	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	0.50 ha	Total	150.00	11,214.0
Net Area	0.50 ha	Market Housing	120.00	8,971.2
Net to Gross Ratio	100.0%	Affordable Housing	30.00	2,242.8
Density	300.00 dwgs per net ha	% Affordable Housing	20.00%	

	Total	Market	Affordable Housing				Shared Ownership
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	
Total No of Dwellings	150.00	120.00	-	-	-	30.00	-
Total GIA (sq m)	11,214.0	8,971.2	-	-	-	2,242.8	-
Tenure Split (by % dwellings)		80.0%	0.0%	0.0%	0.0%	20.0%	0.0%
Total Revenue	33,120,000	27,600,000	-	-	-	5,520,000	-
Average Revenue per unit	220,800	230,000	-	-	-	184,000	-
Average Revenue per sq m GIA	2,953	3,077	-	-	-	2,461	-
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	33,120,000						

	Total	Market	Affordable Housing				Shared Ownership	Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent			
Build Cost (inc external works)	22,203,720	17,762,976	-	-	-	4,440,744	148,025	1,980	
Additional Dwelling Standards	-	-	-	-	-	-	-	-	
Professional Fees	1,332,223	1,065,779	-	-	-	266,445	8,881	119	
Marketing Costs (market housing)	828,000	828,000	-	-	-	-	6,900	92	
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	
Land & Development Costs	4,331,344	3,465,075	-	-	-	866,269	28,876	386	
Planning Obligations Costs	1,837,875						12,253	164	
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	30,533,162						203,554	2,723	
Total Operating Profit	2,586,838						17,246	231	

6.0% build costs
3.0% market revenue
0.0% affordable revenue
0.0% CIL as %Revenue
£0.00 per market sq m
0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	4 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	33,120,000
Total Development Cost	30,533,162
Finance Cost	1,781,880
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	32,315,042
Gross Residual Value	804,958

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R11 - CS11, Greenfield, 40%AH, 120 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	4.80 ha	Total	120.00		10,512.3
Net Area	3.27 ha	Market Housing	72.00		6,983.8
Net to Gross Ratio	68.1%	Affordable Housing	48.00		3,528.6
Density	36.70 dwgs per net ha	% Affordable Housing	40.00%		

	Total	Market	Affordable Housing				Shared Ownership
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	
Total No of Dwellings	120.00	72.00	-	-	-	31.20	16.80
Total GIA (sq m)	10,512.3	6,983.8	-	-	-	2,276.1	1,252.5
Tenure Split (by % dwellings)		60.0%	0.0%	0.0%	0.0%	26.0%	14.0%
Total Revenue	38,455,560	29,751,600	-	-	-	5,075,160	3,628,800
Average Revenue per unit	320,463	413,217	-	-	-	162,665	216,000
Average Revenue per sq m GIA	3,658	4,260	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	38,455,560						

	Total	Market	Affordable Housing				Shared Ownership	Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent			
Build Cost (inc external works)	15,854,748	10,498,936	-	-	-	3,495,505	1,860,307	132,123	1,508
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	951,285	629,936	-	-	-	209,730	111,618	7,927	90
Marketing Costs (market housing)	892,548	892,548	-	-	-	-	-	12,397	128
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	3,508,479	2,105,087	-	-	-	912,205	491,187	29,237	334
Planning Obligations Costs	1,669,010							13,908	159
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	22,876,070							190,634	2,176
Total Operating Profit	15,579,490							129,829	1,482

6.0% build costs
3.0% market revenue
0.0% affordable revenue

0.0% CIL as %Revenue
£0.00 per market sq m
0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	4 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	38,455,560
Total Development Cost	22,876,070
Finance Cost	128,972
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	23,005,042
Gross Residual Value	15,450,518

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R12 - CS12, Brownfield, 35%AH, 120 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	3.45 ha	Total	120.00		10,221.3
Net Area	2.35 ha	Market Housing	78.00		7,133.8
Net to Gross Ratio	68.1%	Affordable Housing	42.00		3,087.5
Density	51.06 dwgs per net ha	% Affordable Housing		35.00%	

	Affordable Housing						
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership
Total No of Dwellings	120.00	78.00	-	-	-	27.30	14.70
Total GIA (sq m)	10,221.3	7,133.8	-	-	-	1,991.6	1,095.9
Tenure Split (by % dwellings)		65.0%	0.0%	0.0%	0.0%	22.8%	12.3%
Total Revenue	38,110,965	30,495,000	-	-	-	4,440,765	3,175,200
Average Revenue per unit	317,591	390,962	-	-	-	162,665	216,000
Average Revenue per sq m GIA	3,729	4,275	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	38,110,965						

	Affordable Housing							Per dwelling	per sq m
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership		
Build Cost (inc external works)	15,342,006	10,655,671	-	-	-	3,058,567	1,627,769	127,850	1,501
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	920,520	639,340	-	-	-	183,514	97,666	7,671	90
Marketing Costs (market housing)	914,850	914,850	-	-	-	-	-	11,729	128
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	6,834,272	4,442,277	-	-	-	1,554,797	837,198	56,952	669
Planning Obligations Costs	1,578,938							13,158	154
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	25,590,587							213,255	2,504
Total Operating Profit	12,520,378							104,336	1,225

6.0%	build costs
3.0%	market revenue
0.0%	affordable revenue
0.0%	CIL as %Revenue
£0.00	per market sq m
0.0%	CIL as %Dev Costs

Finance Costs and Residual Value	
Period	4 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	38,110,965
Total Development Cost	25,590,587
Finance Cost	326,842
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	25,917,428
Gross Residual Value	12,193,537

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R13 - CS13, Greenfield, 40%AH, 600 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	25.00 ha	Total	600.00		52,561.7
Net Area	14.99 ha	Market Housing	360.00		34,918.9
Net to Gross Ratio	60.0%	Affordable Housing	240.00		17,642.8
Density	40.03 dwgs per net ha	% Affordable Housing	40.00%		

	Total	Market	Affordable Housing				
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership
Total No of Dwellings	600.00	360.00	-	-	-	156.00	84.00
Total GIA (sq m)	52,561.7	34,918.9	-	-	-	11,380.4	6,262.4
Tenure Split (by % dwellings)		60.0%	0.0%	0.0%	0.0%	26.0%	14.0%
Total Revenue	192,277,800	148,758,000	-	-	-	25,375,800	18,144,000
Average Revenue per unit	320,463	413,217	-	-	-	162,665	216,000
Average Revenue per sq m GIA	3,658	4,260	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	192,277,800						

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership		
Build Cost (inc external works)	77,463,594	51,295,586	-	-	-	17,106,518	9,061,489	129,106	1,474
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	4,647,816	3,077,735	-	-	-	1,026,391	543,689	7,746	88
Marketing Costs (market housing)	4,462,740	4,462,740	-	-	-	-	-	12,397	128
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	26,851,269	16,110,761	-	-	-	6,981,330	3,759,178	44,752	511
Planning Obligations Costs	8,345,048							13,908	159
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	121,770,466							202,951	2,317
Total Operating Profit	70,507,334							117,512	1,341

6.0%	build costs
3.0%	market revenue
0.0%	affordable revenue
0.0%	CIL as %Revenue
£0.00	per market sq m
0.0%	CIL as %Dev Costs

Finance Costs and Residual Value	
Period	5 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	192,277,800
Total Development Cost	121,770,466
Finance Cost	850,094
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	122,620,560
Gross Residual Value	69,657,240

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R14 - CS14, Greenfield, 40%AH, 1,000 dwellings	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	50.00 ha	Total	1,000.00		87,602.9
Net Area	28.77 ha	Market Housing	600.00		58,198.2
Net to Gross Ratio	57.5%	Affordable Housing	400.00		29,404.7
Density	34.76 dwgs per net ha	% Affordable Housing			40.00%

	Affordable Housing						
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership
Total No of Dwellings	1,000.00	600.00	-	-	-	260.00	140.00
Total GIA (sq m)	87,602.9	58,198.2	-	-	-	18,967.4	10,437.3
Tenure Split (by % dwellings)		60.0%	0.0%	0.0%	0.0%	26.0%	14.0%
Total Revenue	320,463,000	247,930,000	-	-	-	42,293,000	30,240,000
Average Revenue per unit	320,463	413,217	-	-	-	162,665	216,000
Average Revenue per sq m GIA	3,658	4,260	-	-	-	2,230	2,897
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	320,463,000						

	Affordable Housing							Per dwelling	per sq m
	Total	Market	Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership		
Build Cost (inc external works)	129,105,989	85,492,644	-	-	-	28,510,864	15,102,482	129,106	1,474
Additional Dwelling Standards	-	-	-	-	-	-	-	-	-
Professional Fees	7,746,359	5,129,559	-	-	-	1,710,652	906,149	7,746	88
Marketing Costs (market housing)	7,437,900	7,437,900	-	-	-	-	-	12,397	128
Marketing Costs (aff housing)	-	-	-	-	-	-	-	-	-
Land & Development Costs	46,983,074	28,189,844	-	-	-	12,215,599	6,577,630	46,983	536
Planning Obligations Costs	13,908,414							13,908	159
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	205,181,737							205,182	2,342
Total Operating Profit	115,281,263							115,281	1,316

6.0% build costs
3.0% market revenue
0.0% affordable revenue

0.0% CIL as %Revenue
£0.00 per market sq m
0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	8 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	320,463,000
Total Development Cost	205,181,737
Finance Cost	1,557,608
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	206,739,345
Gross Residual Value	113,723,655

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R16 - CS16, Greenfield, 0%AH, 60 dwellings, Sheltered housing	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)
Gross Area	0.50 ha	Total	60.00	4,800.0
Net Area	0.50 ha	Market Housing	60.00	4,800.0
Net to Gross Ratio	100.0%	Affordable Housing	-	-
Density	120.00 dwgs per net ha	% Affordable Housing	0.00%	

	Total	Market	Affordable Housing				
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership
Total No of Dwellings	60.00	60.00	-	-	-	-	-
Total GIA (sq m)	4,800.0	4,800.0	-	-	-	-	-
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Revenue	17,250,000	17,250,000	-	-	-	-	-
Average Revenue per unit	287,500	287,500	-	-	-	-	-
Average Revenue per sq m GIA	3,594	3,594	-	-	-	-	-
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	17,250,000						

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership		
Build Cost (inc external works)	9,873,600	9,873,600	-	-	-	-	164,560	2,057	
Additional Dwelling Standards	-	-	-	-	-	-	-	-	
Professional Fees	789,888	789,888	-	-	-	-	13,165	165	
Marketing Costs (market housing)	1,035,000	1,035,000	-	-	-	-	17,250	216	
Marketing Costs (aff housing)	-	-	-	-	-	-	#DIV/0!	#DIV/0!	
Land & Development Costs	856,090	856,090	-	-	-	-	14,268	178	
Planning Obligations Costs	553,230						9,221	115	
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	13,107,808						218,463	2,731	
Total Operating Profit	4,142,192						69,037	863	

8.0% build costs
 6.0% market revenue
 #DIV/0! affordable revenue

0.0% CIL as %Revenue
 £0.00 per market sq m
 0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	4 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	17,250,000
Total Development Cost	13,107,808
Finance Cost	860,025
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	13,967,833
Gross Residual Value	3,282,167

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R17 - CS17, Brownfield, 0%AH, 60 dwellings, Sheltered housing	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	0.50 ha	Total	60.00		4,800.0
Net Area	0.50 ha	Market Housing	60.00		4,800.0
Net to Gross Ratio	100.0%	Affordable Housing	-		-
Density	120.00 dwgs per net ha	% Affordable Housing	0.00%		

	Total	Market	Affordable Housing				
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership
Total No of Dwellings	60.00	60.00	-	-	-	-	-
Total GIA (sq m)	4,800.0	4,800.0	-	-	-	-	-
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Revenue	17,250,000	17,250,000	-	-	-	-	-
Average Revenue per unit	287,500	287,500	-	-	-	-	-
Average Revenue per sq m GIA	3,594	3,594	-	-	-	-	-
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	17,250,000						

	Total	Market	Affordable Housing					Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	Shared Ownership		
Build Cost (inc external works)	9,873,600	9,873,600	-	-	-	-	164,560	2,057	
Additional Dwelling Standards	-	-	-	-	-	-	-	-	
Professional Fees	789,888	789,888	-	-	-	-	13,165	165	
Marketing Costs (market housing)	1,035,000	1,035,000	-	-	-	-	17,250	216	
Marketing Costs (aff housing)	-	-	-	-	-	-	#DIV/0!	#DIV/0!	
Land & Development Costs	1,455,565	1,455,565	-	-	-	-	24,259	303	
Planning Obligations Costs	508,770						8,480	106	
Commercial Elements Costs	-								
Community Infrastructure Levy	-								
Total Development Costs	13,662,823						227,714	2,846	
Total Operating Profit	3,587,177						59,786	747	

8.0% build costs
6.0% market revenue
#DIV/0! affordable revenue
0.0% CIL as %Revenue
£0.00 per market sq m
0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	4 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	17,250,000
Total Development Cost	13,662,823
Finance Cost	971,536
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	14,634,359
Gross Residual Value	2,615,641

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R18 - CS18, Greenfield, 0%AH, 50 dwellings, extracare housing	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings		GIA (sq m)	
Gross Area	0.50 ha	Total	50.00		5,800.0
Net Area	0.50 ha	Market Housing	50.00		5,800.0
Net to Gross Ratio	100.0%	Affordable Housing	-		-
Density	100.00 dwgs per net ha	% Affordable Housing	0.00%		

	Total	Market	Affordable Housing				Shared Ownership
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	
Total No of Dwellings	50.00	50.00	-	-	-	-	-
Total GIA (sq m)	5,800.0	5,800.0	-	-	-	-	-
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Revenue	17,975,000	17,975,000	-	-	-	-	-
Average Revenue per unit	359,500	359,500	-	-	-	-	-
Average Revenue per sq m GIA	3,099	3,099	-	-	-	-	-
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	17,975,000						

	Total	Market	Affordable Housing				Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent		
Build Cost (inc external works)	11,930,600	11,930,600	-	-	-	-	238,612	2,057
Additional Dwelling Standards	-	-	-	-	-	-	-	-
Professional Fees	954,448	954,448	-	-	-	-	19,089	165
Marketing Costs (market housing)	1,078,500	1,078,500	-	-	-	-	21,570	186
Marketing Costs (aff housing)	-	-	-	-	-	-	#DIV/0!	#DIV/0!
Land & Development Costs	829,890	829,890	-	-	-	-	16,598	143
Planning Obligations Costs	461,025						9,221	79
Commercial Elements Costs	-							
Community Infrastructure Levy	-							
Total Development Costs	15,254,463						305,089	2,630
Total Operating Profit	2,720,537						54,411	469

8.0% build costs
6.0% market revenue
#DIV/0! affordable revenue
0.0% CIL as %Revenue
£0.00 per market sq m
0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	4 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	17,975,000
Total Development Cost	15,254,463
Finance Cost	1,155,030
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	16,409,493
Gross Residual Value	1,565,507

Notes: (use Alt+Enter to start a new line)

Summary Results

Site Details	Fareham - Viability Testing August 2022 - updated November 2022	Site Address	R19 - CS19, Brownfield, 0%AH, 50 dwellings, extracare housing	Site Reference	BLV1
Scheme Description		Notes		Application No	
				Date Saved	01/11/2022

Site Details		Dwellings	GIA (sq m)
Gross Area	0.50 ha	Total	50.00
Net Area	0.50 ha	Market Housing	50.00
Net to Gross Ratio	100.0%	Affordable Housing	-
Density	100.00 dwgs per net ha	% Affordable Housing	0.00%

	Total	Market	Affordable Housing				Shared Ownership
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent	
Total No of Dwellings	50.00	50.00	-	-	-	-	-
Total GIA (sq m)	5,800.0	5,800.0	-	-	-	-	-
Tenure Split (by % dwellings)		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Revenue	17,975,000	17,975,000	-	-	-	-	-
Average Revenue per unit	359,500	359,500	-	-	-	-	-
Average Revenue per sq m GIA	3,099	3,099	-	-	-	-	-
Total Capital Contributions	-						
Total Commercial Elements	-						
Total Scheme Revenue	17,975,000						

	Total	Market	Affordable Housing				Per dwelling	per sq m
			Social Rent	Affordable Rent	Intermediate Rent	Soc Rent & Aff Rent		
Build Cost (inc external works)	11,930,600	11,930,600	-	-	-	238,612	2,057	
Additional Dwelling Standards	-	-	-	-	-	-	-	
Professional Fees	954,448	954,448	-	-	-	19,089	165	
Marketing Costs (market housing)	1,078,500	1,078,500	-	-	-	21,570	186	
Marketing Costs (aff housing)	-	-	-	-	-	#DIV/0!	#DIV/0!	
Land & Development Costs	1,429,365	1,429,365	-	-	-	28,587	246	
Planning Obligations Costs	423,975					8,480	73	
Commercial Elements Costs	-							
Community Infrastructure Levy	-							
Total Development Costs	15,816,888					316,338	2,727	
Total Operating Profit	2,158,112					43,162	372	

8.0% build costs

6.0% market revenue

#DIV/0! affordable revenue

0.0% CIL as %Revenue

£0.00 per market sq m

0.0% CIL as %Dev Costs

Finance Costs and Residual Value	
Period	4 years
Debit Interest Rate	6.0%
Credit Interest Rate	0.0%
Annual Discount Rate	0.0%
Revenue and Capital Contributions	17,975,000
Total Development Cost	15,816,888
Finance Cost	1,267,040
Annual Discount Rate Cost	-
Total Dev Cost, Finance Cost & ADR Cost	17,083,928
Gross Residual Value	891,072

Notes: (use Alt+Enter to start a new line)

OP5

Non-residential viability assessment model					
Care home 60 beds					
	Size of unit (GIA)	3000 sq m			
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	3000 sq m			Produced by model
	NIA as % of GIA	95%			Key results
	NIA	2850 sq m		GEA	Gross external area
	Rooms	60		GIA	Gross internal area
	Floors	3		NIA	Net internal area
	Site coverage	40%			
	Site area	0.25 Hectares			
SCHEME REVENUE					
	Capital value per room	£ 75,000		£ 4,500,000	
	Less purchaser costs	7.00 % of yield x rent			
	Gross Development Value				£ 4,205,607
SITE BENCHMARK					
	Benchmark per ha	£360,000			
	Site benchmark			£90,000	
	SDLT			£0	
	Agents and legal	1.75%		£1,575	
	Total site costs				£ 91,575
SCHEME COSTS					
	Build costs	£ 2,099 per sq m		£ 6,297,000	
	Building standards	0.00% of base build costs		£ -	
	External costs	10% of base build costs		£ 629,700	
	Total construction costs				£ 6,926,700
	Professional fees&contingency	8.00% of construction costs		£ 554,136	
	Sales and lettings costs	3% of GDV		£ -	
	Planning obligations			£ -	
	Electric Vehicle Charging			£ 11,766	
	Policy NE4: Water Quality Effects	£103,125		£ 25,781	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 3,583	
	Total 'other costs'				£ 595,267
	Finance costs	6.0% Interest rate			
	Build period	18 Months			
	Finance costs for 100% of construction and other costs			£ 685,219	
	Void finance period (in months)	6 Months		£ 228,406	
	Total finance costs				£ 913,625
	Developer return	15.0% Scheme value			£ 630,841
	Total scheme costs				£ 9,158,008
RESIDUAL VALUE					
	Residual value	For the scheme			-£ 4,952,400
		Equivalent per hectare			-£ 19,809,600
		Not viable			
Potential for CIL					
	Total potential scheme headroom				-£ 4,952,400
	Headroom per sq m				NONE

NR1

Non-residential viability assessment model					
Fringe & Transport					
	Size of unit (GIA)	1500	sq m		
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	1500	sq m		Produced by model
	NIA as % of GIA	95%			Key results
	NIA	1425	sq m	GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	2		NIA	Net internal area
	Site coverage	40%			
	Site area	0.19	Hectares		
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£165	
	Yield			8.00%	
	Gross scheme value			£ 2,939,063	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 2,751,931
SITE BENCHMARK					
	Benchmark per ha	£360,000			
	Site benchmark			£67,500	
	SDLT			£0	
	Agents and legal	1.75%		£1,181	
	Total site costs				£ 68,681
SCHEME COSTS					
	Build costs	£ 2,281	per sq m	£ 3,421,500	
	Building standards	0.00%	of base build costs	£ -	
	External costs	10%	of base build costs	£ 342,150	
	Total construction costs				£ 3,763,650
	Professional fees&contingency	8.00%	of construction costs	£ 301,092	
	Sales and lettings costs	3%	of GDV	£ 82,558	
	Planning obligations			£ 25,000	
	Electric Vehicle Charging			£ 3,922	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 2,687	
	Total 'other costs'				£ 415,259
	Finance costs	6.0%	Interest rate		
	Build period	12	Months		
	Finance costs for 100% of construction and other costs			£ 254,855	
	Void finance period (in months)	6	Months	£ 127,428	
	Total finance costs				£ 382,283
	Developer return	15.0%	Scheme value		£ 412,790
	Total scheme costs				£ 5,042,663
RESIDUAL VALUE					
	Residual value	For the scheme			-£ 2,290,732
		Equivalent per hectare			-£ 12,217,239
			Not viable		
Potential for CIL					
	Total potential scheme headroom				-£ 2,290,732
	Headroom per sq m				NONE

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NR2

Non-residential viability assessment model					
Office town centre					
	Size of unit (GIA)	2000	sq m		
	Ratio of GEA to GIA	100.0%			
	GEA	2000	sq m		
	NIA as % of GIA	80%			
	NIA	1600	sq m	GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	4		NIA	Net internal area
	Site coverage	80%			
	Site area	0.06	Hectares		
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£175	
	Yield			8.00%	
	Gross scheme value			£ 3,500,000	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 3,277,154
SITE BENCHMARK					
	Benchmark per ha	£2,000,000			
	Site benchmark			£125,000	
	SDLT			£0	
	Agents and legal	1.75%		£2,188	
	Total site costs				£ 127,188
SCHEME COSTS					
	Build costs	£ 2,256	per sq m	£ 4,512,000	
	Building standards	0.00%	of base build costs	£ -	
	External costs	10%	of base build costs	£ 451,200	
	Total construction costs				£ 4,963,200
	Professional fees&contingency	8.00%	of construction costs	£ 397,056	
	Sales and lettings costs	3%	of GDV	£ 98,315	
	Planning obligations			£ -	
	Electric Vehicle Charging			£ 3,922	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 896	
	Total 'other costs'				£ 500,188
	Finance costs	6.0%	Interest rate		
	Build period	14	Months		
	Finance costs for 100% of construction and other costs			£ 391,340	
	Void finance period (in months)	6	Months	£ 167,717	
	Total finance costs				£ 559,058
	Developer return	15.0%	Scheme value		£ 491,573
	Total scheme costs				£ 6,641,207
RESIDUAL VALUE					
	Residual value	For the scheme		-£	3,364,053
		Equivalent per hectare		-£	53,824,848
			Not viable		
Potential for CIL					
	Total potential scheme headroom			-£	3,364,053
	Headroom per sq m				NONE

NR3

Non-residential viability assessment model					
Industrial					
	Size of unit (GIA)	1600	sq m		
	Ratio of GEA to GIA	100.0%			
	GEA	1600	sq m		
	NIA as % of GIA	95%			
	NIA	1520	sq m	GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	1		NIA	Net internal area
	Site coverage	40%			
	Site area	0.40	Hectares		
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£95	
	Yield			7.00%	
	Gross scheme value			£ 2,062,857	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 1,931,514
SITE BENCHMARK					
	Benchmark per ha	£360,000			
	Site benchmark			£144,000	
	SDLT			£0	
	Agents and legal	1.75%		£2,520	
	Total site costs				£ 146,520
SCHEME COSTS					
	Build costs	£ 958	per sq m	£ 1,532,800	
	Building standards	0.00%	of base build costs	£ -	
	External costs	10%	of base build costs	£ 153,280	
	Total construction costs				£ 1,686,080
	Professional fees&contingency	8.00%	of construction costs	£ 134,886	
	Sales and lettings costs	3%	of GDV	£ 57,945	
	Planning obligations			£ 25,000	
	Electric Vehicle Charging			£ 3,922	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 5,733	
	Total 'other costs'				£ 227,487
	Finance costs	6.0%	Interest rate		
	Build period	12	Months		
	Finance costs for 100% of construction and other costs			£ 123,605	
	Void finance period (in months)	6	Months	£ 61,803	
	Total finance costs				£ 185,408
	Developer return	15.0%	Scheme value		£ 289,727
	Total scheme costs				£ 2,535,222
RESIDUAL VALUE					
	Residual value	For the scheme		-£	603,708
		Equivalent per hectare		-£	1,509,270
			Not viable		
Potential for CIL					
	Total potential scheme headroom			-£	603,708
	Headroom per sq m				NONE

NR4

Non-residential viability assessment model					
Warehouse					
	Size of unit (GIA)	5000	sq m		
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	5000	sq m		Produced by model
	NIA as % of GIA	95%			Key results
	NIA	4750	sq m	GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	1		NIA	Net internal area
	Site coverage	40%			
	Site area	1.25	Hectares		
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£80	
	Yield			7.00%	
	Gross scheme value			£ 5,428,571	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 5,082,932
SITE BENCHMARK					
	Benchmark per ha	£360,000			
	Site benchmark			£450,000	
	SDLT			£12,000	
	Agents and legal	1.75%		£7,875	
	Total site costs				£ 469,875
SCHEME COSTS					
	Build costs	£ 853	per sq m	£ 4,265,000	
	Building standards	0.00%	of base build costs	£ -	
	External costs	10%	of base build costs	£ 426,500	
	Total construction costs				£ 4,691,500
	Professional fees&contingency	8.00%	of construction costs	£ 375,320	
	Sales and lettings costs	3%	of GDV	£ 152,488	
	Planning obligations			£ 25,000	
	Electric Vehicle Charging			£ 9,805	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 17,916	
	Total 'other costs'				£ 580,529
	Finance costs	6.0%	Interest rate		
	Build period	18	Months		
	Finance costs for 100% of construction and other costs			£ 516,771	
	Void finance period (in months)	6	Months	£ 172,257	
	Total finance costs				£ 689,029
	Developer return	15.0%	Scheme value		£ 762,440
	Total scheme costs				£ 7,193,373
RESIDUAL VALUE					
	Residual value	For the scheme		-£ 2,110,440	
		Equivalent per hectare		-£ 1,688,352	
			Not viable		
Potential for CIL					
	Total potential scheme headroom			-£ 2,110,440	
	Headroom per sq m				NONE

NR5

Non-residential viability assessment model					
Retail - Convenience					
	Size of unit (GIA)	300	sq m		
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	300	sq m		Produced by model
	NIA as % of GIA	95%			Key results
	NIA	285	sq m	GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	1		NIA	Net internal area
	Site coverage	90%			
	Site area	0.03	Hectares		
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£205	
	Yield			5.75%	
	Gross scheme value			£ 1,016,087	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 951,392
SITE BENCHMARK					
	Benchmark per ha	£1,250,000			
	Site benchmark			£41,667	
	SDLT			£0	
	Agents and legal	1.75%		£729	
	Total site costs				£ 42,396
SCHEME COSTS					
	Build costs	£ 1,814	per sq m	£ 544,200	
	Building standards	0.00%	of base build costs	£ -	
	External costs	10%	of base build costs	£ 54,420	
	Total construction costs				£ 598,620
	Professional fees&contingency	8.00%	of construction costs	£ 47,890	
	Sales and lettings costs	3%	of GDV	£ 28,542	
	Planning obligations			£ -	
	Electric Vehicle Charging			£ -	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 478	
	Total 'other costs'				£ 76,909
	Finance costs	6.0%	Interest rate		
	Build period		9 Months		
	Finance costs for 100% of construction and other costs			£ 32,307	
	Void finance period (in months)	6 Months		£ 21,538	
	Total finance costs				£ 53,844
	Developer return	15.0%	Scheme value		£ 142,709
	Total scheme costs				£ 914,478
RESIDUAL VALUE					
	Residual value	For the scheme			£ 36,914
		Equivalent per hectare			£ 1,107,423
					Go to next stage
Potential for CIL					
	Total potential scheme headroom				£ 36,914
	Headroom per sq m				£ 123

NR6

Non-residential viability assessment model					
Retail - Supermarket					
	Size of unit (GIA)	1100 sq m			
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	1100 sq m			Produced by model
	NIA as % of GIA	95%			Key results
	NIA	1045 sq m		GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	1		NIA	Net internal area
	Site coverage	35%			
	Site area	0.31 Hectares			
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£185	
	Yield			4.25%	
	Gross scheme value			£ 4,548,824	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 4,259,198
SITE BENCHMARK					
	Benchmark per ha	£1,250,000			
	Site benchmark			£392,857	
	SDLT			£9,143	
	Agents and legal	1.75%		£6,875	
	Total site costs				£ 408,875
SCHEME COSTS					
	Build costs	£ 1,806 per sq m		£ 1,986,600	
	Building standards	0.00% of base build costs		£ -	
	External costs	10% of base build costs		£ 198,660	
	Total construction costs				£ 2,185,260
	Professional fees&contingency	8.00% of construction costs		£ 174,821	
	Sales and lettings costs	3% of GDV		£ 127,776	
	Planning obligations			£ 100,000	
	Electric Vehicle Charging			£ 1,961	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 4,505	
	Total 'other costs'				£ 409,062
	Finance costs	6.0% Interest rate			
	Build period	12 Months			
	Finance costs for 100% of construction and other costs			£ 180,192	
	Void finance period (in months)	6 Months		£ 90,096	
	Total finance costs				£ 270,288
	Developer return	15.0% Scheme value			£ 638,880
	Total scheme costs				£ 3,912,365
RESIDUAL VALUE					
	Residual value	For the scheme			£ 346,833
		Equivalent per hectare			£ 1,103,560
					Go to next stage
Potential for CIL					
	Total potential scheme headroom				£ 346,833
	Headroom per sq m				£ 315

NR7

Non-residential viability assessment model					
Retail - High Street					
	Size of unit (GIA)	200	sq m		
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	200	sq m		Produced by model
	NIA as % of GIA	95%			Key results
	NIA	190	sq m	GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	2		NIA	Net internal area
	Site coverage	100%			
	Site area	0.01	Hectares		
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£175	
	Yield			8.00%	
	Gross scheme value			£ 415,625	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 389,162
SITE BENCHMARK					
	Benchmark per ha	£2,000,000			
	Site benchmark			£20,000	
	SDLT			£0	
	Agents and legal	1.75%		£350	
	Total site costs				£ 20,350
SCHEME COSTS					
	Build costs	£ 1,830	per sq m	£ 366,000	
	Building standards	0.00%	of base build costs	£ -	
	External costs	10%	of base build costs	£ 36,600	
	Total construction costs				£ 402,600
	Professional fees&contingency	8.00%	of construction costs	£ 32,208	
	Sales and lettings costs	3%	of GDV	£ 11,675	
	Planning obligations			£ -	
	Electric Vehicle Charging			£ -	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 143	
	Total 'other costs'				£ 44,026
	Finance costs	6.0%	Interest rate		
	Build period	12	Months		
	Finance costs for 100% of construction and other costs			£ 28,019	
	Void finance period (in months)	6	Months	£ 14,009	
	Total finance costs				£ 42,028
	Developer return	15.0%	Scheme value		£ 58,374
	Total scheme costs				£ 567,378
RESIDUAL VALUE					
	Residual value	For the scheme			-£ 178,216
		Equivalent per hectare			-£ 17,821,636
			Not viable		
Potential for CIL					
	Total potential scheme headroom				-£ 178,216
	Headroom per sq m				NONE

NR8

Non-residential viability assessment model					
Retail - Out of centre					
	Size of unit (GIA)	1000 sq m			
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	1000 sq m			Produced by model
	NIA as % of GIA	95%			Key results
	NIA	950 sq m		GEA	Gross external area
	Rooms			GIA	Gross internal area
	Floors	1		NIA	Net internal area
	Site coverage	40%			
	Site area	0.25 Hectares			
SCHEME REVENUE					
	Headline annual rent (in £s per sq m)			£225	
	Yield			7.0%	
	Gross scheme value			£ 3,053,571	
	Less purchaser costs	6.80%			
	Gross Development Value				£ 2,859,149
SITE BENCHMARK					
	Benchmark per ha	£1,250,000			
	Site benchmark			£312,500	
	SDLT			£5,125	
	Agents and legal	1.75%		£5,469	
	Total site costs				£ 323,094
SCHEME COSTS					
	Build costs	£ 1,222 per sq m		£ 1,222,000	
	Building standards	0.00% of base build costs		£ -	
	External costs	10% of base build costs		£ 122,200	
	Total construction costs				£ 1,344,200
	Professional fees&contingency	8.00% of construction costs		£ 107,536	
	Sales and lettings costs	3% of GDV		£ 85,774	
	Planning obligations			£ 100,000	
	Electric Vehicle Charging			£ 1,961	
	Policy NE4: Water Quality Effects	£0		£ -	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 3,583	
	Total 'other costs'				£ 298,855
	Finance costs	6.0% Interest rate			
	Build period	12 Months			
	Finance costs for 100% of construction and other costs			£ 117,969	
	Void finance period (in months)	6 Months		£ 58,984	
	Total finance costs				£ 176,953
	Developer return	15.0% Scheme value			£ 428,872
	Total scheme costs				£ 2,571,974
RESIDUAL VALUE					
	Residual value	For the scheme			£ 287,175
		Equivalent per hectare			£ 1,148,700
					Go to next stage
Potential for CIL					
	Total potential scheme headroom				£ 287,175
	Headroom per sq m				£ 287

NR9

Non-residential viability assessment model					
Budget hotel 70 beds					
	Size of unit (GIA)	2800	sq m		
	Ratio of GEA to GIA	100.0%			User input cells
	GEA	2800	sq m		Produced by model
	NIA as % of GIA	95%			Key results
	NIA	2660	sq m	GEA	Gross external area
	Rooms	70		GIA	Gross internal area
	Floors	3		NIA	Net internal area
	Site coverage	50%			
	Site area	0.19	Hectares		
SCHEME REVENUE					
	Capital value per room	£ 105,000		£ 7,350,000	
	Less purchaser costs	5.50	% of yield x rent		
	Gross Development Value				£ 6,966,825
SITE BENCHMARK					
	Benchmark per ha	£360,000			
	Site benchmark			£67,200	
	SDLT			£0	
	Agents and legal	1.75%		£1,176	
	Total site costs				£ 68,376
SCHEME COSTS					
	Build costs	£ 1,817	per sq m	£ 5,087,600	
	Building standards	0.00%	of base build costs	£ -	
	External costs	10%	of base build costs	£ 508,760	
	Total construction costs				£ 5,596,360
	Professional fees&contingency	8.00%	of construction costs	£ 447,709	
	Sales and lettings costs	3%	of GDV	£ -	
	Planning obligations			£ 25,000	
	Electric Vehicle Charging			£ 5,883	
	Policy NE4: Water Quality Effects	£103,125		£ 19,250	
	Policy NE5: Solent Wader and Brent Goose Sites	£0		£ -	
	Biodiversity Net Gain	£14,333		£ 2,675	
	Total 'other costs'				£ 500,517
	Finance costs	6.0%	Interest rate		
	Build period	12	Months		
	Finance costs for 100% of construction and other costs			£ 369,915	
	Void finance period (in months)	6	Months	£ 184,958	
	Total finance costs				£ 554,873
	Developer return	15.0%	Scheme value		£ 1,045,024
	Total scheme costs				£ 7,765,150
RESIDUAL VALUE					
	Residual value	For the scheme			-£ 798,325
		Equivalent per hectare			-£ 4,276,742
			Not viable		
Potential for CIL					
	Total potential scheme headroom				-£ 798,325
	Headroom per sq m				NONE

FAREHAM

BOROUGH COUNCIL

Report to Planning and Development Scrutiny Panel

Date: 22 February 2023

Report of: Director of Planning and Regeneration

Subject: REVIEW OF THE PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING DOCUMENT (SPD)

SUMMARY

The Council, as a planning authority, has an adopted Supplementary Planning Document which assist planning applicants to understand the financial and non-financial obligations which may be secured via a legal agreement to make their development acceptable in planning terms by mitigating a range of potential impacts.

The SPD was last adopted in 2016 and includes standard charges for various elements of mitigation, such as contributions to the maintenance of open space or playing pitches required as part of the planning permission, when the Council takes on land. Guidance is also required to clarify the Council's position on what obligations it seeks on affordable housing and various environmental mitigation proposals, including Bird Aware.

As part of the wider review of infrastructure costs, these standard charges have been reviewed and a refresh of the SPD has been undertaken. Consultation on the revised document is required before the Council adopts it, and Executive approval will be sought for that consultation at a forthcoming Executive meeting.

RECOMMENDATION

It is RECOMMENDED that the Planning and Development Scrutiny Panel: -

- a) note the contents of the Executive report at appendix 1; and
- b) pass any comments relating to appendix 1 to the 06 March 2023 Executive meeting for consideration.

Enquiries:

For further information on this report please contact Gayle Wootton. (Ext 4328)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 06 March 2023

Portfolio:	Planning and Development
Subject:	Planning Obligations SPD Review
Report of:	Director of Planning and Regeneration
Corporate Priorities:	Providing Housing Choices Protect and Enhance the Environment Dynamic, Prudent and Progressive Council

Purpose:

To seek approval to consult on a review of the Planning Obligations Supplementary Planning Document – setting out the Council’s approach to financial and non-financial obligations on planning applicants, to be secured via legal agreement.

Executive summary:

The Council adopted its current Planning Obligations Supplementary Planning Document (SPD) in 2016, and it is used by planning applicants who are seeking guidance on the types of obligations, financial or non-financial, that the Council, as local planning authority, may require of them to ensure their proposals are acceptable in planning terms.

This report provides a draft of the revised Planning Obligations SPD and seeks approval to progress the draft document to statutory public consultation. It is the intention consult over a six-week period in mid-March to April 2023, following which the approval to adopt the revised SPD will be sought. Once adopted, this SPD will replace the existing Planning Obligations SPD which will in turn be revoked.

The context for the review is the progression of the emerging Fareham Local Plan 2037 which is reaching the end of the examination process and will soon be before Council for adoption. The Local Plan outlines how the borough’s housing and employment targets will be met over the plan period and sets out the scale and type of infrastructure required to support the planned growth.

Developer contributions through planning obligations are one of the most

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significant mechanisms through which this will be funded. The new SPD will provide supplementary planning guidance to developers, planning officers and borough residents as to how the Council will seek developer contributions, the extent and nature of these contributions (both financial and non-financial), the justification for this approach and, in some cases, how these contributions will be spent.

Recommendation:

That the Executive:

- (a) Approve the Draft Planning Obligations Supplementary Planning Document, as set out at Appendix A to the report, for public consultation; and
- (b) Delegate authority to the Director of Planning and Regeneration, following consultation with the Executive Member for Planning and Development, to make any minor amendments to the document following consideration by the Executive, prior to the consultation.

Reason:

To consult on a Planning Obligations SPD which sets out the obligations required in relation to considerations and matters required to make development acceptable in planning terms.

Cost of proposals:

It is not considered that there are any cost implications to the Council of undertaking the consultation on the draft Planning Obligations Supplementary Planning Document.

Appendices: **A: Draft Planning Obligations Supplementary Planning Document**

Background papers: **None**

Reference papers:

Fareham Community Infrastructure Levy Review – Viability Assessment 2023

Infrastructure Delivery Plan

Fareham Borough Council Local Plan 2037

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	06 March 2023
Subject:	Planning Obligations – SPD Review
Briefing by:	Director of Planning and Regeneration
Portfolio:	Planning and Development

INTRODUCTION

1. Supplementary Planning Documents provide guidance on policies set out in a Local Plan, such as site-specific information, or specific matters such as Planning Obligations. They provide a material consideration in planning decisions and are pivotal in helping to shape development in specific areas.
2. The emerging Fareham Local Plan 2037 outlines a target to build 9,556 new homes and 121,000m² of employment floorspace over the next 14 years to 2037. This level of growth will require significant investment in infrastructure, which is outlined in the Council's supporting Infrastructure Delivery Plan alongside the Local Plan.
3. As outlined in Policy TIN4 in Chapter 10 of the emerging Local Plan, the Council and developers have a responsibility, through the planning process, to manage the impact of this growth and ensure that any harm caused by development is mitigated, ensuring that the necessary infrastructure is provided. As such, clear and detailed guidance on developer contributions to achieve this is required.
4. The Executive should note that the Government's new Levelling Up and Regeneration Bill outlines changes to the current CIL and S106 regime in order to bring forward a proposed Infrastructure Levy. This will be kept under review, however, given it is unlikely any new legislation will be come into effect for 1-2 years, it is necessary to press on with the SPD to support the Local Plan and future growth in the borough.

LEGAL FRAMEWORK

5. Planning Obligations are secured through legal agreements. The majority of agreements are secured under Section 106 of the Town and Country Planning Act 1990, and known as Section 106 (S106) agreements, but there are other forms, such as unilateral undertakings or S111 agreements for simple payments to the Council for environmental mitigation.

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6. Negotiated between the Council and applicants, these legal agreements can take the form of works, payments or restrictions on the way a property can be used. The Council uses Section 106 to secure important outcomes such as affordable housing provision and sports pitches and open space. The legal agreements usually define where monies contributed must be spent (usually in the vicinity of the development) and what the money must be spent on, with all of this agreed in the legal document.
7. The legal framework for the use of S106 is set out in the Community Infrastructure Levy Regulations (2010) as amended. This requires that anything the Council asks for is:
 - Necessary to make the development acceptable in planning terms;
 - Directly related to the development; and
 - Fairly and reasonably related in scale and kind to the development.

REVIEWING THE SPD

8. The starting point for reviewing the Planning Obligations SPD is the emerging Fareham Local Plan 2037 which articulates the spatial strategy for achieving inclusive growth. The SPD seeks to provide guidance to applicants on obligations in relation to a number of policy areas, including:
 - Securing onsite policy requirements such as affordable housing onsite or payments in lieu;
 - Securing onsite policy requirements for Public Open Space, Outdoor Sport and Children's Play Equipment, including suitable contributions for long term maintenance where land is transferred to the Council;
 - Securing contributions to long term tree maintenance where they are present on land transferred to the Council;
 - Securing contributions to environmental mitigation projects including biodiversity net gain, Solent recreation mitigation, New Forest recreation mitigation, impact of nutrients on designated water bodies, and Solent Wader and Brent Goose Sites; and,
 - Addressing the transport impacts of development.
9. The notable change is a review of the maintenance charge applied to Public Open Space, Outdoor Sports provision and Children's Play Equipment associated with new development that is to be transferred to the Council. The rate in the current SPD is based on an assessment of costs from 2015, and whilst this is subject to indexation each year, is no longer considered reflective of 2023-based service costs. Officers have therefore undertaken an assessment of the costs involved for both capital and revenue elements of maintaining such land and these form the basis for the proposed updated costs in the new SPD. A summary of this work is included in the appendix to the SPD.
10. In order to derive a total cost for managing and maintaining land that is transferred to the Council, officers looked at the cost of providing the service based on a typical per annum cost for a m² and then multiplied this by the number of years considered appropriate for a developer to 'fund'. It is important to consider the length of time that the Council seeks contributions to cover the liability for the

APPENDIX 1

upkeep of the land and assets transferred to it as once the contribution is used, the Council has to find alternative sources of funding, such as from revenue accounts, to fund the ongoing maintenance. It was previously assumed that financial contributions for maintenance should cover a period of 20 years from the point of adoption by the Council.

11. The provision of these spaces and facilities is a direct requirement of new development. Therefore, given the pressures on Council budgets, this is considered an unsustainable position if the Council is to continue to provide the service. There are now statutory requirements for developers to cover the maintenance liability of environment mitigation in perpetuity. With that precedent (developers liable for the lifetime of development), officers feel that a fairer approach to the management of open space, sports pitches and play equipment is to secure maintenance contributions for a longer period than currently sought.
12. The proposed approach in the SPD is to seek maintenance contributions for a period of 50 years. This would be for all amenity land, play areas, sports pitches, and trees transferred to the Council. The proposed rates, based on a 50 year period, are shown in table 1. For comparison purposes, the equivalent new costs are included for 40, 30 and 20 year maintenance periods. The increase in the maintenance costs for trees reflects only a change in the length of maintenance period as the cost of maintaining a tree is considered up to date, having only been calculated in September 2021. The proposed charges in table 1 also include additional revenue costs such as insurance.

Table 1 Existing and New maintenance costs

Maintenance Contribution	Parks and Amenity Open Space	Outdoor Sports provision	Children's Play Equipment	Trees
Existing rates as per 1 st April 2022 (Based on 20 year maintenance period)	£7.81 per m ²	£22.12 per m ²	£119.73 per m ²	£650.70 per tree
<i>New rates based on a 20 year maintenance period</i>	£15.96 per m ²	£23.41 per m ²	£89.63 per m ²	£650.70 per tree
<i>New rates based on a 30 year maintenance period</i>	£23.94 per m ²	£35.12 per m ²	£134.45 per m ²	£976.05 per tree
<i>New rates based on a 40 year maintenance period</i>	£31.92 per m ²	£46.82 per m ²	£179.27 per m ²	£1,301.40 per tree
New rates based on a 50 year maintenance period: *Proposed approach	£39.72 per m²	£58.53 per m²	£216.86 per m²	£1,626.75 per tree

13. All the costs for maintenance and management in table 1 will be updated annually on 1st April using the February Consumer Price Index plus 1%. This is to reflect inflationary increases to the cost of providing services by the Council.
14. It should be noted that a consequence of the switch to a 50 year maintenance period and associated cost increase could be that developers opt not to transfer land to the Council, rather establish private management companies to provide the maintenance and management service. If this was to occur on a wide scale, it

APPENDIX 1

would represent a change in approach of the Council which has traditionally adopted the majority of land, play areas and sports pitches brought forward alongside development. Where an alternative method of management and maintenance is proposed by the developer, evidence of its long-term management and maintenance will be required by the Council as part of the planning process.

15. Also, of note in this revised Planning Obligations SPD is reference to the introduction of a monitoring fee. Local Authorities are able to charge a monitoring fee through planning obligations, to cover the cost of monitoring and reporting on delivery of that obligation. The SPD includes the expectation that the Council will start charging a monitoring fee. The level of which will be the subject of a separate paper tabled to Executive later in the year.
16. Internal consultation has been undertaken in the development of this draft SPD with relevant officers responsible for a variety of areas including planning policy, development management, leisure, and affordable housing delivery.

NEXT STEPS - CONSULTATION

17. It is proposed to undertake public consultation on the draft SPD in line with the statutory requirements set out in the relevant planning regulations. A six week consultation will take place from mid-March to late April. This will be held alongside the consultation on the Draft Community Infrastructure Levy Consultation.
18. It is proposed that the consultation is publicised on the Council's website and emails and letters are sent to all statutory consultees and other relevant individuals and organisations on the Council's Planning Strategy consultation database.
19. Following the public consultation, the Council will consider responses before moving forwards towards adoption of the new SPD and the revocation of the current.

CONCLUSION

20. It is recommended, for the reasons set out in the above paragraphs, that the Executive approves the draft Planning Obligations SPD for public consultation and delegates authority to the Director of Planning and Regeneration, following consultation with the Executive Member for Planning and Development, to make any appropriate amendments to the document following consideration by the Executive, prior to the consultation.

Enquiries:

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PLANNING OBLIGATIONS SPD

Planning Obligations Supplementary Planning Document for the
Borough of Fareham (excluding Welborne)

Consultation Draft

MARCH 1, 2023

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Status of Document

This document is currently at draft stage. Following consultation, in accordance with the relevant legislation, representations will be considered, where appropriate changes will be incorporated, and providing no substantial alterations are made to the document it will be progressed toward adoption through the Council's democratic process.

When adopted, this Supplementary Planning Document (SPD) will replace the previous Planning Obligations SPD (April 2016), which will be revoked. In accordance with Regulations 15 and 35 of the Town and Country Planning (Local Plan) (England) Regulations 2012, a statement reflecting the formal withdrawal of the 2016 Planning Obligations SPD will be made at the appropriate time.

This document is intended to apply to the whole of the Fareham Borough excluding Welborne. Consultation on this SPD is running concurrently with a review of the Council's Community Infrastructure Levy Draft Charging Schedule.

1. Introduction

- 1.1. In its role as Local Planning Authority, the Council has to balance a broad range of considerations to ensure that the development would be acceptable. Almost all built development (such as residential, commercial and retail development) has some impact on the local environment or amenities, or on the need for infrastructure and services. Sometimes the impacts may be of such significance that development should not be permitted.
- 1.2. There are several ways in which the Council, as planning authority, can secure infrastructure through new development.
- 1.3. Paragraph 55 of the National Planning Policy Framework (NPPF) states that '*Local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition*'.
- 1.4. Both the use of conditions and planning obligations are separate to the Community Infrastructure Levy which is a fixed charge levied on new development to fund infrastructure, irrespective of the direct impacts of the development. This is considered in the scope below.
- 1.5. Planning Obligations¹ are legal obligations to mitigate the impacts of development. They can be used to secure new or improved infrastructure, services, and facilities, and where appropriate their maintenance, to ensure that new development is acceptable. The new or improved facilities may either be provided directly by the developer, or a financial contribution may be paid to the Council, which will arrange for the necessary investment to be made.
- 1.6. Planning obligations can be secured to support the delivery of a wide range of infrastructure, such as the provision of affordable housing, the provision and maintenance of open space, the delivery of transport improvements, or the expansion of schools to create additional places.
- 1.7. Planning Obligations are most commonly entered into under section 106 of the Town and Country Planning Act 1990. As such they are commonly referred to as 'section 106' agreements. The term 'developer contributions' is also commonly used where a financial contribution is required, although non-financial obligations are also common. They are either agreed between the Council, land owners and developers in a legal agreement called a Section 106 (S106) agreement or by land owners in a Section 106 deed without the Council being party and are then called a Unilateral Undertaking.

Purpose of this Document

- 1.8. This Supplementary Planning Document (SPD) has been prepared by Fareham Borough Council (the Council) as part of its planning policy framework and its purpose is to provide further clarity to developers, planners, interested parties and local residents regarding the detail on how Planning Obligations will be sought from development in the Borough. The document provides supplementary guidance to determine planning applications, by providing the detail to establish whether a

¹ [Planning obligations - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

proposal is acceptable and accords with the Local Plan policy, and what is required to make it acceptable. In doing so it will also assist in implementing local objectives in respect of the provision of sustainable development across the Borough by contributing towards the delivery of the Fareham Local Plan 2037 and the Infrastructure Delivery Plan.

- 1.9. The document sets out the most common obligations which may be required as part of any Legal Agreement. These have been identified through Policies set out in the Fareham Local Plan 2037. The Planning Obligations contained within this SPD have been tested through viability work for the Local Plan². This can be found on the Council's website.
- 1.10. Not all the obligation types within this SPD will apply to all types of development, and this guidance will not cover every possible circumstance and/or obligation that may need to be considered. It provides a clear indication of the Council's essential requirements from new development in respect of the provision of infrastructure. This SPD has been produced to apply to varying scales of development, but proposals will be assessed on a site-by-site basis with the individual circumstances of each site being taken into consideration.

Scope of this Document

- 1.11. This document is only concerned with planning obligations. The main mechanisms used to secure planning obligations are Section 106 agreements, secured under Section 106 of the Town and Country Planning Act 1990 (as amended). In addition, Section 111 agreements are also sometimes used to secure some planning related obligations which would not meet the more restrictive provisions of s106. Where off-site highways works are linked to development they are often included within a s106. However, direct works to the highway by the developer, in agreement with the highway authority, are secured under Section 278 of the Highways Act 1980. Direct works secured under Section 278 agreements are not considered to be planning obligations.
- 1.12. The Council also charges Community Infrastructure Levy (CIL) on certain types of residential and commercial development. CIL is a tariff based charge, set on new development in order to raise funds to help fund the infrastructure, facilities and services needed to support new homes and businesses. CIL is not part of the determination of planning applications and as it is common for site-specific mitigation (secured through a planning obligation) to be required to make the development acceptable in planning terms, in addition to the CIL payment. Further information on the Council's CIL charging regime can be found on the website:
https://www.fareham.gov.uk/planning/local_plan/cil.aspx

Section 106 agreements

- 1.13 The Community Infrastructure Levy Regulations 2010 (as amended) sets out the tests that planning obligations (section 106) must fulfil to be lawful. They can only be used:
 - To make the development acceptable in planning terms;
 - Where they are directly related to the development; and

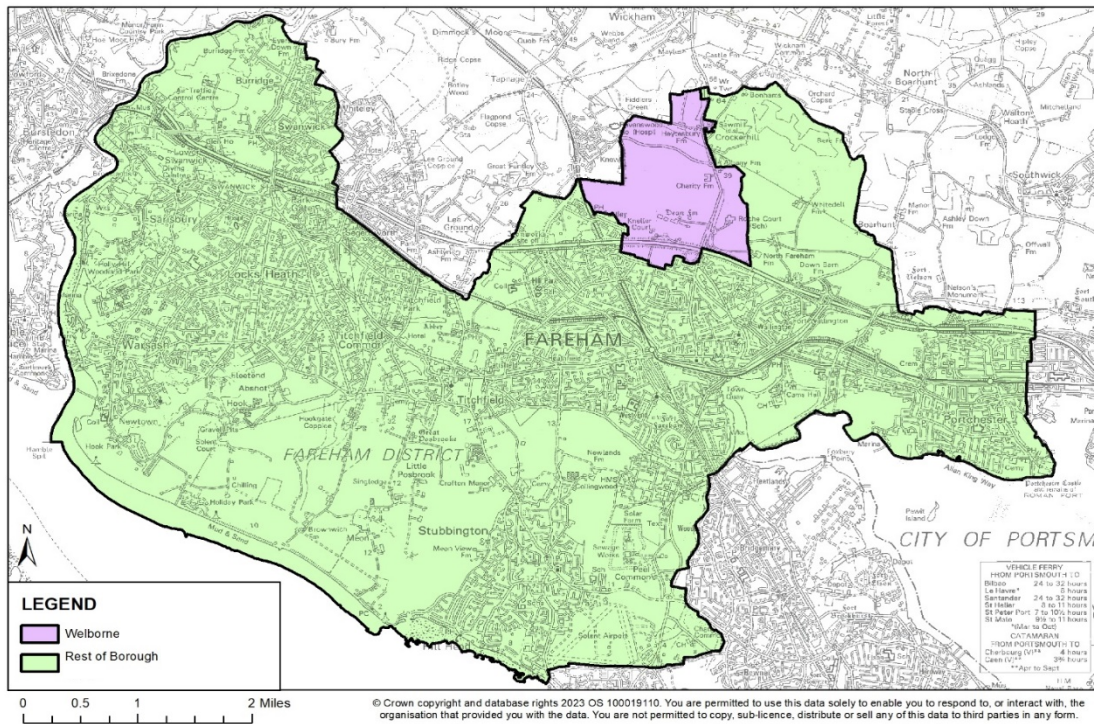
²

http://planningpdf.fareham.gov.uk/PDF/planning/publicationplan/VIA001_Fareham_Local_Plan_Viability_Assessment.pdf

- Are fairly and reasonably related in scale and kind to the development
- 1.14 Section 106 obligations will be negotiated on a site-by-site basis and must be in accordance with Regulation 122 of the Community Infrastructure Levy Regulations 2010. They may:
- Restrict the development or use of the land in any specified way;
 - Require specified operations or activities to be carried out in, on, under or over the land;
 - Require the land to be used in any specified way;
 - Require a sum or sums to be paid to the authority, on a specified date or periodically either indefinitely or for a specified period
 - Be unconditional or subject to conditions; or,
 - Be for an indefinite or specified period.
- 1.15 Financial contributions may be sought to fund a single item of infrastructure or to fund part of an infrastructure item or service and for the initial provision and/or ongoing running and maintenance costs of services and facilities. There is no limit to the number of obligations that can be sought requiring contributions to a single piece of infrastructure, if a contribution to that project is considered necessary to make a development acceptable in planning terms. Local Authorities have been able to pool an unlimited number of financial contributions secured through a planning obligation since 2019³, providing that the obligation meets the three tests set out in paragraph 1.11.
- 1.16 Planning obligations should be identified as early as possible in the planning process. This includes the Masterplan process for strategic scale development, the pre-application process and planning performance agreements to ensure that all parties are clear what is required of them at each stage of the planning process.
- 1.17. This SPD relates to the area of Fareham Borough except the area included within the Welborne Plan policy boundary (Figure 1). The area of Welborne is covered by its own development plan document, the Welborne Plan 2015, which sets out the policy requirements for the site in detail.

³ The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

Figure 1: Area covered by this SPD



Fareham Local Plan

- 1.18 This SPD will support the delivery of the Fareham Local Plan 2037. The Local Plan 2037 and future Local Plan reviews will therefore be an important material consideration.
- 1.19 The Strategic Policy within the Fareham Local Plan 2037 which provides the basis for Infrastructure Delivery is TIN4: Infrastructure Delivery. This provides the strategic framework for seeking planning obligations to fund infrastructure required to make development acceptable in planning terms:

Strategic Policy TIN4: Infrastructure Delivery

Developments (excluding householder applications) will be required to provide and contribute towards the delivery of new or improved infrastructure, or other mitigation, to mitigate the impacts of the development. Planning permission will be granted where:

- a) The new or improved infrastructure will be delivered at a rate, scale and pace taking account of phasing on larger schemes; or
- b) The new or improved infrastructure will be provided on-site as an integral part of the development unless the nature of the provision is better provided off-site through the process of developer contributions.

- 1.20 Policy TIN4 is also supported by a number of other policies within the Plan that provide the policy justification for seeking planning obligations, and where relevant, more detail is provided in the subsequent sections. The policy reference is provided in the case for each. Planning policies seeking planning obligations should be grounded in an understanding of development viability through the plan making process. The impact of policy costs on viability has been considered in the Local Plan 2037 Viability Study and the Community Infrastructure Levy Charging Schedule Review Viability Study.
- 1.21 Given that the provision of infrastructure by proposed developments is a material consideration in the determination of planning applications, all new applications, even for those where permission already exists including applications to vary conditions, will be considered against the Fareham Local Plan 2037 and this SPD will be a material consideration.
- 1.22 The Fareham Local Plan 2037 is supported by an Infrastructure Delivery Plan (IDP). This identifies the key infrastructure required to specifically support development set out in the Local Plan. It is important that the infrastructure is provided in advance of, or at least alongside development. The determination of planning applications and the setting of the obligations and trigger points within the legal agreements will be agreed to reflect timely delivery.
- 1.23 Planning Obligations will be sought for the delivery of projects in the IDP. Financial contributions will be the most likely and appropriate avenue for delivering these projects.

Monitoring of Planning Obligations

- 1.24 The Council monitors all completed planning obligations to ensure compliance by all parties with any covenants, restrictions, and stipulations contained within them. All financial contributions are monitored closely to ensure their spending is wholly in accordance with the terms set out within the agreement and that allocations of contributions are appropriate and in accordance with the tests set out in the National Planning Guidance.
- 1.25 Councils have the discretion to secure contributions towards the monitoring of s106 agreements⁴. Monitoring fees can be used to monitor and report on any type of planning obligation, for the lifetime of that obligation. This ensures that the Council is able to provide a full and comprehensive audit trail of any allocation and spending of planning obligations' monies should any developer require it. The Council will be introducing a monitoring fee in due course.

⁴ <https://www.legislation.gov.uk/uksi/2010/948/contents>

2. Housing

Affordable Housing

Policy Basis: Fareham Local Plan 2037 – Policy HP5 (Provision of Affordable Housing)

- 2.1 The definition of affordable housing is set out in Annex 2 of the National Planning Policy Framework. Affordable housing includes housing for rent, starter homes, discounted market sales housing and other affordable routes to home ownership.
- 2.2 Applicants will be expected to provide onsite affordable housing as defined by Policy HP5: Provision of Affordable Housing in the Fareham Local Plan 2037. Affordable housing will be expected at the following levels for all new residential development sites that can accommodate 10 or more dwellings or have an area of 0.5 hectares or more:
 - In the case of greenfield sites 40% of the total number of residential units should be provided and maintained as affordable housing.
 - On brownfield sites this percentage should be 35%.
 - In the case of sites located within the defined Fareham town centre boundary, 20% of dwellings as affordable housing.
- 2.3 Applicants will be expected to provide a schedule outlining the tenures, type of accommodation (e.g. 3-bed house, etc.), the square meterage of individual units of accommodation, and percentage of units of each or specific numbers of each type. Applicants must comply with Policy HP5 which requires at least:
 - 10% as social rent
 - 55% as affordable rent
 - 10% of the overall housing provision on site to be provided on site to be provided as affordable home ownership.
- 2.4 Applicants will also be required to provide details of the phasing of the provision of the Affordable Units in comparison with the Open Market Units.
- 2.5 Applicants should engage with the Council's Housing Team as early as possible to establish the affordable housing size and mix requirements on site.
- 2.6 There are a small number of scenarios where an off-site contribution might be appropriate. An off-site contribution will be used to provide affordable housing elsewhere in the borough. The starting point and preference should be on-site affordable housing provision rather than off-site contributions. Some scenarios where an off-site contribution might be acceptable are included in the following cases:
 - For a partial unit (i.e. the decimal place of affordable housing requirement).
 - For sites over 0.5ha, but fewer than 10 dwellings.
 - On a case by case basis. For example, in the case of conversions of buildings to flatted development, where the flats would all share the same access would not necessarily suit a mixed tenure approach.
- 2.7 Where this is the case and agreed with the Council, an off-site commuted sum of broadly equivalent value in lieu of part or all of the affordable housing provision on a site will be expected. As off-site financial contributions will be few in number, or for

smaller amounts, it is appropriate that this sum will be agreed in liaison with Fareham Housing in accordance with the Affordable Housing Supplementary Planning Document.

- 2.6 Any off-site contribution that is due will be secured through a Section 106 agreement. The point at which the amount would be payable will be dependent on the scale of the development and the contribution applicable. When smaller amounts apply (such as when the contribution is to make up a decimal point of a whole unit), this should be payable at start of development. In other instances, a payment plan could be agreed with a proportion payable at start of the development and further payments at stages toward completion. In such cases, the last payment should be paid well in advance of the site completing, typically when the development is 50% complete.
- 2.7 Where affordable housing is to be provided through Policy HP6: Exception Sites, the development and occupancy of the site will be controlled through a S106 agreement, between the developer and the Council prior to the issue of the planning application decision notice. The agreement will ensure that the houses developed on the site remain affordable in perpetuity, once the first occupiers have moved on. It will also stipulate any requirements regarding eligibility of potential occupants and any occupancy clauses.

3. Recreation and Leisure

Public Open Space, Outdoor Sport & Children's Play Equipment

Policy Basis: Fareham Local Plan 2037 - Policy NE10: Protection and Provision of Open Space

- 3.1 In line with Policy NE10: Protection and Provision of Open Space of the Fareham Local Plan 2037, 'Residential development will be required to provide open and play space to meet the needs of new residents'.
- 3.2 Open space is therefore considered to be a requirement to make development acceptable in policy terms and will be secured through a Section 106 obligation.
- 3.3 In each case, the determination of what is required to be delivered on and off-site will be based upon the contents of the latest available and published evidence base including the Fareham Local Plan 2037 Playing Pitch Strategy⁵ and Open Space Study⁶).
- 3.3 For all on-site open space, the Council will need to be satisfied suitable arrangements have been made for the long-term maintenance of the asset to ensure that it will be kept as public open space in perpetuity. Where it is agreed with the Council that the land will be transferred to its ownership, a commuted sum will be required to provide long term management for a period of at least 50 years. The Council maintains the right to decline to take on land and require the developer to seek and evidence alternative arrangements. This will be the case for assets such as sustainable drainage systems and small amenity areas.

On-site Open Space Standards

- 3.4 The Council uses the following Open Space standards (derived from the Fareham Open Space Study 2018). The overall standard is divided into the different categories of provision as summarised below:

Parks & Amenity Open Space 1.5 hectare per 1,000 population

Children's Play Equipment 14 pieces of equipment per 1,000 1-12 year olds

Outdoor Sport 1.2 hectare per 1,000 population

- 3.5 The Open Space study sets out a clear definition of 'Parks and Amenity Open Space', but in short it contains urban parks, buffer zones around children's play equipment, informal recreation spaces, incidental space, village greens and green paths between developments. This type of space is not laid out for defined sport, recreation or as a play space but is accessible, available and safe for all purposes. It is largely comprised of the sort of areas that people think of as "typical" public open space, for everyday activities such as dog-walking or a "kickabout".

⁵ http://planningpdf.fareham.gov.uk/PDF/planning/local_plan/TOI001_Playing_Pitch_Strategy_Revised.pdf

⁶ http://planningpdf.fareham.gov.uk/PDF/planning/publicationplan/NE010_Open_Space_Study.pdf

- 3.6 These types of spaces are vital to the success of new developments as they not only provide a pleasant backdrop to the urban environment, but they also play an important function in the health and wellbeing of all residents. In order to provide a useable space, which is of true value to its users, the minimum size of any on-site open space should be 0.1 hectare (Ha) based on an area of approx. 35m x 30m, with no single dimension less than 10m.
- 3.7 Outdoor sport is made up of playing pitches, courts, greens, athletics tracks or training areas. Playing pitches should be grass, artificial or synthetic surfaces marked out for team sports including football, rugby, cricket, hockey etc. This also includes areas around pitches required for “run-off” or player safety purposes. Appropriate ancillary facilities, including changing rooms can count towards this standard. Whilst the total quantum of provision is derived through this SPD, the precise nature of the provision (type of pitch i.e. for rugby or for football etc) will be agreed with the Council based on the evidence from the Playing Pitch Strategy. This will be secured through the planning obligation.

What Types of Development Generate an on-site Open Space and Sports Provision Requirement?

- 3.8 All residential development is likely to create some need for open space. However, individual dwellings and small developments will only create a limited demand and are unlikely to be able to deliver a practical on-site solution. Therefore, the Council will require the provision of on-site open space in line with the thresholds in table 1 below.

Table 1: On site Open Space and Outdoor Sports Provision Thresholds

Net increase in dwellings	Parks and Amenity Open Space	Outdoor Sport
Less than 20	Not normally required	Not required
20-49	May be required depending on circumstances and location	Not required
50-299	Will be required	Not normally required
300+	Will be required	Will be required

- 3.9 Different age groups will have different requirements for open space; however, all the residents of a community will make some use of their local open spaces, whether it is for walking, sitting, sports or play. Therefore, in general, all types of new residential development above the threshold are considered to generate demand for on-site parks and amenity open space.
- 3.10 For specialist accommodation (such as hostels, student accommodation and accommodation for those with special needs) the Council will consider the need for on-site open space on a case-by-case basis.
- 3.11 For sites yielding between 20 and 49 dwellings the Council will normally only seek to secure the provision of on-site parks and amenity open space where the proposed development will exacerbate or create a deficiency in provision. The determination will be based upon the contents of the latest available survey of open space⁷ in the Borough. However, on sites of 50 or more dwellings on-site parks and amenity open space will be expected to be delivered on-site, regardless of local provision in order to serve new residents’ needs as locally as possible.

⁷ [Open Space Study \(fareham.gov.uk\)](http://fareham.gov.uk)

- 3.12 In large developments there may be a requirement to provide on-site outdoor sports facilities to serve the needs of the new residents. For sites of 300- 599 units the need for pitches will be determined by taking into consideration the local provision of sports pitches as evidenced through the Playing Pitch Strategy⁸, including their accessibility in relation to the development site. On sites of 600 or more units the provision of on-site playing pitches will almost always be required.
- 3.13 Where development proposals come forward on a piecemeal basis, but as part of a larger cluster (i.e. the individual application is below the 'threshold' but the overall scheme to be delivered is in excess) the Council will determine the need based on the cluster of sites in question. A proportionate approach will then be taken towards provision and contributions.

Calculating the Requirement for Open Space and Outdoor Sports Provision

- 3.14 Table 2 provides a tool to determine the level of open space and outdoor sports provision required in new developments (using the site thresholds set out in Table 1). Table 2 is derived from Sports England Playing Pitch Space⁹ standards, multiplied by the average number of people per dwelling type. (Based on occupancy figures derived from Hampshire County Council).

Table 2: Calculating the Requirement for Open Space and Outdoor Sports Provision

Dwelling Type	Average Occupancy (persons)	Parks & Amenity Open Space	Outdoor Sports Provision	Children's Play Equipment
		Total area of required provision per dwelling type		
		= 15 m ² per person	= 12 m ² per person	= 2 m ² per person
1 Bed	1.38	20.70 m ²	16.56 m ²	n/a
2 Bed	1.96	29.40 m ²	23.52 m ²	3.92 m ²
3 Bed	2.58	38.70 m ²	30.96 m ²	5.16 m ²
4 Bed	3.09	46.35 m ²	37.08 m ²	6.18 m ²
5+ Bed	3.32	49.80 m ²	39.84 m ²	6.64 m ²
Studio	1	15.00 m ²	12.00 m ²	2.00 m ²
Elderly 1 Bed	1	15.00 m ²	12.00 m ²	n/a
Elderly 2 Bed	1.2	18.00 m ²	14.40 m ²	n/a

Calculating the Requirement for Children's Play Equipment

- 3.15 Children's play equipment should be provided on new development to serve the needs of the children on that development. The Council has two different types of play areas for children's play equipment: "LEAP"s (Local Equipped Areas for Play) and "NEAP"s (Neighbourhood Equipped Areas of Play), their definitions are below. The Council will seek children's playing areas for the site size thresholds site out in Table 3.

⁸ [Fareham Borough Playing Pitch Strategy](#)

⁹ [Planning for sport | Sport England](#)

Table 3: Children’s Play Equipment Thresholds

Net increase in dwellings	Children’s Play Equipment
Less than 20	Not normally required
20-49	LEAP may be required depending on circumstances and location
50-199	LEAP
200 +	NEAP

LEAP’s are designed to provide equipment for younger children and should be located where they are easy and safe to access. Ideally this means they should serve a catchment area within 5 minutes’ walk or 400m. They should be a minimum 400sq.m in size, include at least 5 pieces of equipment on safety surfacing and be surrounded by dog-proof safety fencing. Given the Council’s experience to-date regarding the impact of LEAP’s and the likely form of housing layouts in the future, the distance between the equipped area and the nearest residential boundary should be a minimum 20m. Therefore, a LEAP (0.04Ha), including buffer zone (0.46Ha), extends to a minimum 0.50Ha.

NEAP’s are designed to provide equipment mainly for older children and should be located where they are easy and safe to access. Ideally this means they should serve a catchment area within 15 minutes’ walk or 1Km. They should be a minimum 1,000 sq.m in size, include at least 8 pieces of equipment on safety surfacing and a hard surfaced multi-purpose area and surrounded by dog-proof safety fencing. Given the Council’s experience to date regarding the impact of NEAP’s and the likely form of housing layouts in the future, the distance between the equipped area and the nearest residential boundary should be a minimum 30m. Therefore, a NEAP (0.1Ha), including buffer zone (0.90Ha), extends to a minimum 1.00Ha.

- 3.16 For sites of less than 50 dwellings, children’s play equipment may be required on site if there are no accessible areas of children’s play within a reasonable walking distance. However, for sites yielding over 50 dwellings, children’s play equipment will normally be expected to be delivered on site regardless of local provision in order to serve new resident’s needs as locally as possible. The Open Space Study recommends the provision of 14 pieces of equipment per 1,000 1-12 year olds. This would be expected to be made up of a combination of play areas (LEAPS and NEAPS). For example, a site of 200+ dwellings will be expected to provide a LEAP and a NEAP.
- 3.17 1 bed units and older person’s accommodation are not considered to create a demand for children’s play equipment and therefore the delivery of children’s play equipment is not required. Where older person’s accommodation forms part of a wider scheme, those units proposed for that use should not be included in the dwellings total used to determine what form of children’s play area is required.

Outline Applications & Amended Permissions

- 3.18 Where outline or other planning applications contain insufficient detail to allow the calculation of the open space requirement, applicants will be required to enter into a planning obligation in order that any open space required may be calculated and provided in accordance with Policy NE10 of the Fareham Local Plan 2037 and this SPD at the appropriate time in the future.

Off-site contributions 'in-lieu'

- 3.19 The Council expects open space and sports provision to be provided on-site to meet the needs of those residents of the development. Where open space and sports provision is a requirement, based on the thresholds, proposals will need to have regard, in liaison with the Council, to the most recent Open Space Study and Playing Pitch Strategy to determine the specific requirements for that area.
- 3.20 Where the provision of on-site open space or sports pitches is clearly shown to not be possible due to, for example, insufficient space to meet the requirements, financial contributions in lieu of onsite provision may be considered, in consultation with the Council. In such cases evidence and justification as to why onsite provision is not considered deliverable will be required by the Council along with proposal for how the needs of new residents will be met by financial contributions to existing and new open space and sports provision in the vicinity without adversely impacting on the needs of existing residents in those areas.
- 3.21 The level of contribution will be agreed with the Council based on a proportionate approach using the latest evidence of cost of provision on a case by case basis. The Council has identified in Appendix 1, what it will expect to be delivered for each type of provision and indicative costs. Please note that these are indicative at time of writing and will be considered the starting point for negotiations when establishing the cost of provision where necessary.

Maintenance of Open Space

- 3.22 The long term maintenance of open space, sport and recreation and play facilities is critical to ensure that they achieve and maintain their maximum potential benefit and value. Developers will be required to make provision for the maintenance of open space they supply and retain on or off-site for a period of at least 50 years, or in perpetuity where this is a legal requirement¹⁰.
- 3.23 Where the developer proposes to procure a management company to manage and maintain the public open space going forward, the Council will require evidence of long term contractual arrangements for a period of 50 years, performance criteria and monitoring and funding as well as detailed management plan and maintenance schedule as part of the application.
- 3.24 Where it is agreed and the land ownership and future maintenance responsibilities are transferred to the Council, a section 106 agreement will be used to secure the ongoing maintenance of the public and open space on the site through a commuted sum. The developer will be required to transfer the land to the Council along with the commuted sum towards its maintenance.
- 3.25 In such cases where the land is to be transferred to the Council, the developer will be required to maintain the approved open space to the Council's satisfaction for a period of 12 months following its completion. After this period, the land will be transferred to

¹⁰ In some other cases, for example mitigation provided for sites or species protected under the Habitats Regulations, the requirement may be for management and maintenance of habitats 'in perpetuity'. It will be up to the planning authority to determine the length of time that it is appropriate and reasonable to require ongoing management and maintenance of habitats as part of the grant of planning permission, considering the range of policy and legislative requirements.

the ownership of the Council for an agreed fee set out in the planning obligation and subject to the payment of the commuted sum.

- 3.26 Where the maintenance is secured by means of a commuted sum, the amount due will be calculated using table 4. The figures in this table will increase on 1st April annually in line with inflation (the Council will use the published Consumer Price Index (published February annually) plus 1%), unless otherwise justified, for example, by a greater than average rise in the costs associated with replacing children's play equipment.

Table 4: Calculating Maintenance Contributions

	Parks and Amenity Open Space¹¹	Outdoor Sports Provision	Children's Play Equipment
Rate per m²	£39.72 m²	£58.53 m²	£216.86 m²
Dwelling Type			
	Total maintenance contribution per dwelling type		
1 Bed	£822.20	£969.26	£598.53
2 Bed	£1,167.77	£1,376.63	£850.09
3 Bed	£1,537.16	£1,812.09	£1,119.00
4 Bed	£1,841.02	£2,170.29	£1,340.19
5+ Bed	£1,978.06	£2,331.84	£1,439.95
Studio	£595.80	£702.36	£433.72
Elderly 1 Bed	£595.80	£702.36	Not Applicable
Elderly 2 Bed	£714.96	£808.27	Not Applicable

- 3.27 The costs for maintenance reflect the need to provide management and maintenance of open spaces for an extended period of time. The costs proposed have been tested through the viability evidence prepared to support a CIL Charging Schedule review. The costs reflect the maintenance regimes set out in Appendix 2 of this SPD.

¹¹ Where there are trees on land to be adopted by the Council, an additional contribution will be sought towards the costs of maintenance.

Trees

Policy Basis: Fareham Local Plan 2037 – Policy NE6 Trees, Woodland and Hedgerows

- 3.28 The cost of maintaining land does not include any contribution to maintaining trees included in the open space costs in the preceding section. It is therefore a requirement that for any land containing trees being transferred to the Council for management and maintenance, that an additional contribution is secured to cover that cost.
- 3.29 Management and maintenance of trees includes regular inspect and maintenance by the Council, with those within proximity to people and property requiring more regular inspection and maintenance.
- 3.30 Trees on land adopted by the Council can range from fully mature trees to recently planted saplings, which have been agreed as part of a development scheme.
- 3.31 Where the Council adopts land containing trees that it will be required to actively manage, a maintenance contribution of £1,626.75 (revised as of 1 April annually in line with inflation using the published February Consumer Price Index plus 1%, unless otherwise justified) should be secured for each tree with immediate effect. This assumes the annual cost of maintenance per tree for a period of 50 years. The maintenance regime relates to trees considered to be in proximity to people or property. Where trees to be managed are away from such receptors, an alternative appropriate management regime will be agreed with the Council.
- 3.32 This cost is per tree and is in addition to the maintenance cost for parks and amenity open space.

4. Natural Environment

Flood Risk and Drainage Strategy

Policy Basis: Fareham Local Plan 2037 – Policy CC2 (Managing Flood Risk and Sustainable Drainage Systems)

- 4.1 Policy CC2: Managing Flood Risk and Sustainable Drainage Systems requires all development to comply with national policy and guidance in relation to flood risk. This guidance includes site-specific flood risk assessments or drainage strategy in accordance with the Environment Agency's standing advice. Details of when to follow the standing advice is available online¹².
- 4.2 Hampshire County Council is the Lead Local Flood Authority (LLFA) for Fareham, and it has a responsibility to work with other Risk Management Authorities to mitigate flood risk. More detail is provided on Hampshire County Council's website¹³.
- 4.3 Policy CC2 of the Fareham Local Plan 2037 requires SuDS on all major developments, and also encourages SuDS to be incorporated on minor developments.
- 4.4 The Council does not adopt SuDS. The design should therefore demonstrate how they are segregated (in management and maintenance terms) from other areas of open space that the Council might take on. Development proposals should include a drainage strategy to include provisions for the long-term future maintenance of these systems as well as details on agreed step-in rights with the appropriate authority. This will need to include monitoring, maintenance, and replacement arrangements.

¹² [Flood risk assessments if you're applying for planning permission - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

¹³ [Reducing flood risk in planning | Hampshire County Council \(hants.gov.uk\)](http://hants.gov.uk)

Biodiversity Net Gain

Policy Basis: Fareham Local Plan 2037 – Policy NE2 (Biodiversity Net Gain)

- 4.5 Policy NE2: Biodiversity Net Gain of the Fareham Local Plan 2037 requires all relevant development to deliver at least 10% net gain for biodiversity from the existing baseline value of the site and should be maintained for a minimum of 30 years (as set out in the legislation).
- 4.6 Relevant development where Biodiversity Net Gain will be required include applications for the provision of:
- One or more new dwelling; or
 - Commercial building (including redevelopment).
- 4.7 Permitted development and householder applications such as extensions are exempt from the mandatory requirement for providing net gains for biodiversity. There are also exemptions for brownfield sites that meet a number of criteria including that they can clearly demonstrate to the Council that they:
- Do not contain any priority habitats¹⁴; and
 - Face genuine difficulties in delivering viable development
- 4.8 Biodiversity Net Gain shall be provided onsite in the first instance before a combination of partial onsite and offsite or total offsite solutions within Fareham Borough are identified. Habitat creation outside of the Borough either nationally or within the subregion shall only be considered where direct onsite or offsite BNG within Fareham Borough cannot be achieved. The Council expects that a biodiversity calculation tool, such as the Defra Biodiversity Metric¹⁵, should be used to assess and demonstrate that a biodiversity net gain outcome can be achieved. To achieve net gain, a development must have a sufficiently higher biodiversity unit score after development than before development. The Council will require a costed management and maintenance plan to be provided as a planning condition to ensure gains remain in place.
- 4.9 Where it can be shown that it cannot be adequately achieved on-site, off site measures will be deemed acceptable, where agreed with the Council. The developer can choose to either secure an agreement with a third party to achieve a net gain outcome or by entering into a section 106 agreement with the Council to make a financial contribution to secure the actions for habitat creation, enhancement, maintenance and monitoring using land identified by either the Council or the applicant. The section 106 agreement will secure the actions set out in the Biodiversity Gain Plan and the sums to cover this work are transferred from the developer to the Council; ensuring BNG is delivered and subsequently managed and monitored for at least the minimum period of time required (30 years).
- 4.10 Where developers have provided their own offsite Biodiversity Net Gain solution, evidence of a legal agreement showing the landowner and/or provider of the offsite solution agrees and are able to manage and maintain BNG on their land for at least

¹⁴ Such as those identified in the UK Biodiversity Action Plan (BAP) <https://jncc.gov.uk/our-work/uk-bap>

¹⁵ <http://nepubprod.appspot.com/publication/6049804846366720>

the minimum period of time required will be required before planning permission is granted. The planning obligation may also include a provision for the responsibility of undertaking the works to achieve BNG to be passed on to any subsequent landowner(s).

- 4.11 The Council has committed within the Local Plan 2037 to produce a Biodiversity Net Gain Supplementary Planning Document which will provide further guidance on the delivery of these scenarios.

International Nature Conservation Designations – The Solent Recreation Mitigation Strategy

Policy Basis: Fareham Local Plan 2037 – Policy NE3 (Recreational Disturbance on the Solent Special Protection Areas SPAs)

- 4.12 The Council, working with neighbouring authorities, is part of the Solent recreation Mitigation Partnership. This partnership was established to identify and implement a programme of mitigation measures to counteract the likely significant effects of recreation disturbance (either alone or in-combination) associated with residential development within a 5.6 km zone of influence on The Solent Special Protection Area (SPA).
- 4.13 The Solent Recreation Mitigation Strategy (SRMS) sets out the requirements based on the Conservation of Habitats and Species Regulations 2017 (as amended). Development proposals resulting in a net increase in residential units will need to demonstrate that the negative effects can be avoided or mitigated, or they must contribute towards the strategic mitigation measures put in place by the Partnership.
- 4.14 Where a financial contribution is required, this will be required for every net additional dwelling. These charges came into effect from December 2017 and are updated each year in line with the Retail Price Index. The contributions from 1st April 2022¹⁶ (with applied RPI) are as follows:
- 1-bedroom property £390
 - 2-bedroom property £563
 - 3-bedroom property £735
 - 4-bedroom property £864
 - 5-bedroom property £1014
 - Flat rate (where size of property is not known) £652
- 4.15 Contributions will be required from development comprising student accommodation, hotels and for additional dwellings provided through Permitted Development. Developments comprising residential institutions (within Use Class C2) for the elderly or disabled, including sheltered accommodation and nursing/rest homes, may also need to provide mitigation and will be assessed on a case-by-case basis based on an analysis of the likely impact of the residents and the level of care. In some cases, larger developments may be required to provide additional bespoke mitigation measures.
- 4.16 The Council provides an option for applicants to make a direct payment through a 'Section 111 agreement'. Section 111 agreements are sometimes used to secure some planning related obligations which do not meet the more restrictive provisions of a section 106. However, for development where a Section 106 agreement is required for other contributions, then the SPA disturbance mitigation package could be included as part of the agreement and there will be no need for a separate Section 111 agreement.

¹⁶ <https://birdaware.org/solent/about-us/our-strategy/developer-contributions/>

International Nature Conservation Designations – The New Forest Recreation Mitigation Strategy

Policy Basis: Fareham Local Plan 2037 – Policy NE1 (Protection of Nature Conservation, Biodiversity and the Local Ecological Network) and Policy NE3 (Recreational Disturbance on the Solent Special Protection Areas SPAs)

- 4.19 As with the Solent, parts of the New Forest are also designated as a Special Area of Conservation (SAC), an SPA, and a Ramsar site. Under the advice of Natural England the Council developed a programme of mitigation measures to counteract the likely significant effects of recreation disturbance (either alone or in-combination) associated with residential development within a 13.8km straight-line zone of influence from the protected sites in the New Forest. The mitigation measures have been formed into an interim mitigation solution¹⁷. The Interim Mitigation Solution, adopted by the Council in December 2021, covers the borough of Fareham and deals specifically with recreational impact on the New Forest habitat protected sites (SAC/SPA and Ramsar).
- 4.20 Where impacts cannot be mitigated on site, a financial contribution will be sought towards the provision of new green spaces or the enhancement of existing green spaces including provision for their long-term maintenance and management costs. These enhancements are designed to deter people from visiting the New Forest and mitigate any adverse effect on integrity of the habitat sites in that location.
- 4.21 The Council has developed a list of projects to cover three years from December 2021 to December 2024, and including new features at flagship country parks, such as Holly Hill Woodland Park, Abbey Meadows, Park Lane recreation ground and measures such as tree planting, wildflower meadow creation and interpretation panels at sites throughout the Borough. The interim solution also includes arrangements for monitoring, and access management and wardening in the New Forest. The total annual cost of the scheme is £126,000.
- 4.22 To ensure that the programme of projects is responsive to changing circumstances and opportunities, the programme of specific projects will be maintained separately and reviewed on a regular basis to ensure that they are deliverable in the agreed timeframe.
- 4.23 Where a financial contribution is required, this will be expressed as a cost per new dwelling. The cost has been calculated using the total cost of the scheme divided by the anticipated number of dwellings within the zone of influence.
- 4.24 This equates to £247.05 per net new house¹⁸.
- 4.25 This figure is subject to indexation and will be revised in April each year in line with the Retail Price Index (RPI), with April 2021 being the base year. It will be collected on developments that are unable to provide on-site mitigation, via either a section 106 or

¹⁷

<https://moderngov.fareham.gov.uk/documents/s29833/Implications%20of%20Natural%20England%20advice%20on%20New%20Forest%20Recreational%20Disturbance.pdf>

¹⁸ This figure is subject to change following adoption of the full Strategy in 2023.

through a direct payment through a 'Section 111 agreement' where this contribution would be the only obligation in a section 106 or where it does not meet the more restrictive provisions of a section 106.

Impact of Nutrients on Internationally Designated Water Bodies

Policy Basis: Fareham Local Plan 2037 – Policy NE4 (Water Quality Effects on the Special Protection Areas, Special Areas of Conservation and Ramsar Sites of the Solent)

- 4.26 The Solent coastline provides feeding grounds for internationally protected populations of overwintering waders and wildfowl. Natural England has advised that there is likely to be adverse effects on the integrity of Habitat Sites (formerly European Protected Sites) resulting from new housing around the Solent unless mitigation is carried out.
- 4.27 New housing schemes and other proposals which include a net gain in overnight accommodation necessitates the provision of new connections to the foul water drainage network. This causes an increase in the amount of sewage influent at Wastewater Treatment Works (WwTW). The increase in wastewater effluent from WwTWs in The Solent region is causing nutrient enrichment and is causing significant effects on the internationally designated sites.
- 4.28 Applications for residential development within the Borough therefore need to identify the measures to mitigate the direct impacts of their development upon the Habitat Sites in The Solent. The Council requires all development which will lead to an increase in overnight accommodation to provide a Nitrate Mitigation Statement.
- 4.29 The following key pieces of information should be submitted as part of any Nitrate Mitigation Statement:
- Confirmation of the way in which the site has been used during the 10 years preceding the submission of the application. If the land has had more than one land use (as specified in Natural England's guidance) a plan is required to confirm the location of each land use. Each parcel of land must have the area annotated and be provided with a detailed chronology confirming when each parcel of land was used for each separate use.
 - The land uses and areas must be used to complete a Nutrient Budget using Natural England's Solent Nutrient Calculator.
 - The mitigation statement should also confirm the form of mitigation proposed, for example, the provision of a financial contribution (credits) towards a strategic project off-site, or on-site mitigation.
- 4.30 Where developments require off-site mitigation measures to be identified, full details of the mitigation will be required for the case officer to undertake an appropriate assessment prior to the determination of the application.
- 4.31 A number of potential mitigation schemes have now come forward, and the Council has entered into legal agreements with a number of landowners who are willing to make their land available for nitrate mitigation, and credits can be purchased directly from the land owners. Proposals that secure off-site credits through such an agreement with a third party land owner, will be required to evidence details of this agreement to the Council. Details of schemes with legal agreements can be found on the Council's website¹⁹.

¹⁹ <https://www.fareham.gov.uk/planning/nitratepositionstatment.aspx>

Solent Waders and Brent Goose Sites

Policy Basis: Fareham Local Plan 2037 - Policy NE5 (Solent Wader and Brent Goose Sites)

- 4.32 The Solent also supports a significant overwintering population of Solent Waders and Brent Geese (SWBG) and there are several Special Protection Areas (SPAs) designated throughout the region due to their legal protection.
- 4.33 Policy NE5: Solent Wader and Brent Goose Sites sets out a hierarchical approach to protecting the SWBG network. As a matter of course, applicants for sites with the potential to affect the integrity of the SWBG network sites must consider avoidance as the first approach, with on-site mitigation to be provided, if that is not possible. An off-site solution will only be considered if there is clear justification that onsite mitigation cannot be achieved.
- 4.34 Policy NE5 sets out a mitigation hierarchy which can be broadly summarised as follows. This is consistent with the approach identified in the Solent Wader and Brent Goose Strategy (2020)²⁰:

Avoidance	Any identified impacts to sites within the SWBGS network shall be avoided in the first instance where possible. Clear justification is needed if impacts cannot be avoided and onsite and/or offsite mitigation is required.
On-site	On-site mitigation should be explored if avoidance measures cannot be achieved. On-site mitigation shall be proportionate to the level of impact and be entirely consistent with the approach described within the Solent Wader and Brent Goose Guidance on Mitigation.
Off-site	If there is clear justification that on-site mitigation cannot be achieved, off-site enhancement measures to an existing site or group of sites within the SWBG network shall be provided. Existing network sites should be selected first before consideration is given to the creation of brand-new sites because existing sites are already proven to be used in some capacity by the relevant species giving greater certainty that mitigation and enhancement measures will be successful. Despite this, it is accepted that with sufficient evidence gathering, planning and implementation, new network sites can be created and act as successful off-site mitigation.

- 4.35 Where proposals are being made for mitigation and/or compensation measures, information to support those proposals will be needed. Any offsite enhancements will need to be consistent with the approach set out in the 'Guidance on Mitigation and Off-setting Requirements' (SWBG Steering Group, October 2018) and Policy NE5 of the Fareham Local Plan 2037.
- 4.36 Where an off-site mitigation measure is identified, the Council will need to be provided with full details of the mitigation proposed including how it will be secured in perpetuity and confirmation of its suitability from Natural England. It will also need to be

²⁰ <https://solentwbgs.files.wordpress.com/2021/03/solent-waders-brent-goose-strategy-2020.pdf>

accompanied by an Ecological Management Plan to demonstrate how the long term management of the land will be provided for.

- 4.37 Where on-site mitigation is agreed, and the land is to be transferred to the Council, it is expected that it will be accompanied by a suitable and appropriate commuted sum for the long term (in-perpetuity) management of the site. This will be in accordance with the Ecological Management Plan and based on the maintenance figures set out for public open space and amenity land, considering the specific case by case ecological requirements of the site.

5. Highways and Transport

Sustainable Transport Site-Specific and off-site Transport and Access Infrastructure Improvements

Policy Basis: Fareham Local Plan 2037 – Strategic Policy TIN1 (Sustainable Transport), Policy TIN2 (Highway Safety and Road Network)

- 5.1 Proposals for new development that cause a severe impact on the local highway network will be required to provide for appropriate specific highway works and improvements, both on-site and off-site, to mitigate the direct impact of the development scheme on the transport network.
- 5.2 Transport Assessments (TA) are required for residential schemes over 50 units, commercial schemes over 2,500 sqm and retail over 1,000 sq.m²¹. However, one may be required for schemes below the threshold if it generates a lot of traffic, or due to potential cumulative effects. The TA should illustrate accessibility to the site by all modes of transport, and the likely modal split of journeys to and from the site. It should also give details of proposed measures to improve access by public transport, walking and cycling such, to reduce the need for parking associated with the proposal, and to mitigate transport impacts.
- 5.3 Proposals meeting the thresholds set out above will be required to submit a TA as part of a planning application to detail the estimated impact of the development on the highway network. The TA will be expected to model the existing transport infrastructure and the current traffic situation and provide a future traffic scenario based on the effect that the proposed development would have.
- 5.4 Where the TA shows works required on site, or adjacent to the site, developers will be expected to enter into section 278 agreements with the highway authority to undertake the works. These may include but are not limited to:
 - Provision of works to ensure safe access and egress from the development site to the adjoining public highway network;
 - Measures to facilitate safe pedestrian and cyclist access to and from the site;
 - Provision of internal roads to appropriate (adoptable) standards;
 - Street lighting or street furniture required to mitigate the impact of a development; and
- 5.5 Where the impacts identified are off-site, it is expected that a section 106 will be used to collect the relevant contributions as agreed with the Highway Authority.
- 5.6 In line with the Local Plan Strategic Transport Assessment, all applications will be required to show how they will contribute to the delivery of modal shift away from the private car. Applications will be expected to reference and identify how they contribute to the delivery of the Fareham Local Cycling and Walking Infrastructure Plan (LCWIP)

²¹ <https://www.hants.gov.uk/transport/developers/transportassessments>

to raise the profile of cycling and walking. Financial contributions will be sought by the Highway Authority towards these schemes.

- 5.7 Further guidance on this process is available by contacting the County Council's Highways team²². In the case of both options, agreements will be signed with the Highway Authority, in liaison with the Borough Council.

²² <https://www.hants.gov.uk/transport/developers/section-278>

Traffic Regulation Orders (TROs)

Policy Basis: Fareham Local Plan 2037 – Policy TIN2 (Highway Safety and Road Network)

- 5.8 Where the case for a Traffic Regulation Order (TRO) is identified, these will be required through a section 106 agreement. A TRO prohibits, restricts, or regulates the use of roads by vehicles or pedestrians.
- 5.9 The section 106 will be used to secure a contribution towards the cost of making and implementing the TRO. In most cases, the TROs are likely to be ones imposing parking restrictions but could also be used for restricting or controlling vehicular use of or vehicle speeds on a particular stretch of highway.

6. Utilities Infrastructure

Policy Basis: Fareham Local Plan 2037 – Policy TIN4 (Infrastructure Delivery)

- 6.1 The provision of, and upgrade to appropriate utilities infrastructure is an essential part of developing new communities and delivering new housing. Along with new on-site infrastructure for utilities some larger development may require upgrading to off-site infrastructure, such as wastewater, to ensure that the impacts of the development are mitigated. This includes the provision of future access to the existing underground water and wastewater infrastructure for maintenance and upsizing purposes.
- 6.2 The delivery of, or improvements to the utilities infrastructure throughout the Borough will be secured, on the most part, by agreement between developers and the utilities providers. However, planning obligations may be used where necessary and in taking this approach, the Council will liaise with the utility companies involved.

7. Employment and Skills

*Policy Basis: Fareham Local Plan 2037 – Strategic Policy E1
(Employment Land Provision)*

- 7.1 The Fareham Local Plan 2037 recognises the need to support programmes of recruitment and skills development to assist the local workforce. This can prevent unnecessary commuting and support the economic prosperity of the Borough.
- 7.2 The Council will assess, on a case-by-case basis, the need for a developer to provide a commitment to targeted recruitment and training for local residents. Planning obligations to secure such commitments are likely to be necessary on major developments or significant employment sites.

8. Restriction on the use of land

Policy Basis: Fareham Local Plan 2037 – Policy D3 (Coordination of Development and Piecemeal Proposals)

- 8.1 To ensure the most efficient use of land the Council may require a Section 106 agreement to ensure that development does not prejudice the provision of access to adjacent land, for example through the creation of “ransom strips”. The necessity for the use of section 106 in this regard will be considered on a case-by-case basis.
- 8.2 Planning obligations will, be sought as part of a legal agreement to restrict the use of the land to certain activities or uses or to prevent undesirable outcomes of development. However, in these instances, no developer contributions are sought. To avoid ransoms the Council will require services, carriageways, footpaths to be constructed up to and touching the boundary of the site and applicants will be required to demonstrate how they will link to services, carriageways, and footpaths with those existing or proposed on adjoining land.

Glossary

Community Infrastructure Levy (CIL)	A planning charge on new development. The rate(s) (at pounds sterling per square metre) is set out in a charging schedule, which balances the estimated total cost of infrastructure required to support development and the overall potential effects of the levy on the economic viability of development. The infrastructure required to support new development, which the Community Infrastructure Levy can help to pay for, includes roads, schools and recreational facilities.
Development Plan	The Development Plan sets out the parameters for all development in the Borough. It comprises the adopted Fareham Local Plan 2037, the Welborne Plan, and the Hampshire Minerals and Waste Plan.
European Sites	Defined in Regulation 8 of the Conservation of Habitats and Species Regulations 2010, these include a range of ecological sites designated for the protection of rare, endangered or vulnerable natural habitats and species of exceptional importance within the European Union. Designations include Special Areas of Conservation (SACs) and Special Protection Areas (SPAs), while Ramsar sites, which generally overlap SACs and SPAs.
Green Infrastructure	A network of high-quality multi-functional green (and blue) spaces, urban and rural, capable of providing a wide range of environmental and quality of life benefits for local communities.
Habitats Regulation	Refers to the Habitats and Conservation of Species Regulations 2010, which provide for the designation and protection of Habitat Sites, and the adaptation of planning and other controls for the protection of Habitat Sites.
Hampshire County Council (HCC)	The higher tier local authority in which Fareham is located. Hampshire County Council is the statutory planning authority for highways, minerals and waste development in non-unitary and non-national park local authority areas.
Infrastructure	The facilities and services needed for a place to function. This includes roads and utilities as well as school places, GP surgeries, libraries and a range of other facilities.
Local Plan	Prepared by local planning authorities to set planning policies to facilitate development, economic growth and protection of natural and historic environment.
Local Planning Authority	The public authority that has a duty it is to carry out specific planning functions for a particular area. All references to local planning authority apply to the district council, in this Fareham, this is the Borough Council. But also see the entry for Hampshire County Council above.

National Planning Policy Framework (NPPF)	Introduced in March 2012, this new framework sets out the Government's planning policies for England and how these are expected to be applied. It provides the framework within which local councils can produce local plans, which reflect the needs and priorities of their communities.
Open Space	All open space of public value, including not just land, but also areas of water (such as rivers, canals, lakes and reservoirs), which offer important opportunities for sport and recreation and can act as a visual amenity.
Planning Practice Guidance (PPG)	Introduced in March 2014, this guidance provides further detailed explanation of how the policies within the National Planning Policy Framework (NPPF) should be applied.
Solent Disturbance & Mitigation Project (SDMP)	See Solent Recreation Mitigation Strategy (SRMS).
Sustainable Development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
Solent Recreation Mitigation Strategy (SRMS)	New house-building around The Solent will create additional recreational pressures, which will impact on the three Solent Special Protection Areas unless mitigation measures are put in place. Drawing on extensive research, a partnership of South Hampshire local authorities, including Fareham Borough Council, and other bodies has prepared an interim strategy to implement those mitigation measures.
Special Protection Areas (SPAs)	See European Sites/Habitat Sites.
Transport Regulation Order (TRO)	The legal document required to support a range of measures, which govern or restrict the use of public roads including double yellow lines, one-way streets, banned turns and bus lanes.
Viability	In planning terms relates to the assessment of a development scheme to establish that favourable conditions regarding the financial aspects will enable development to proceed.

Appendix 1 - Public Open Space, Children's Play Equipment and Playing Pitch Capital Costs for off-site Provision²³

Open Space - 10,000 m²

Description	Quantity
Footpath	380m
Boundary Fence	150m
Trees- Sapling	50
Hedge	150m
Shrub borders	256sqm
Grass Rotary	6,500sqm
Grass meadow	2,000sqm
Bench	4
Litterbin	2
Indicative Cost	£30 per m²

Playing Pitches (natural turf²⁴)

Description	Indicative cost	Indicative cost per m ²
<i>Cricket natural turf pitch (8 pitch square and 2 winter pitches)</i>	<i>£330,000</i>	<i>£15.90</i>
<i>Football natural turf pitches (senior)</i>	<i>£105,000</i>	<i>£14.15</i>
<i>Football natural turf pitches (mini)</i>	<i>£30,000</i>	<i>£21.14</i>
<i>Football natural turf pitches youth)</i>	<i>£85,000</i>	<i>£14.36</i>
<i>Rugby natural turf pitch (senior)</i>	<i>£160,000</i>	<i>£15.38</i>
Indicative cost per m2 for sport pitch provision		£16.19

Children's Play Areas

Description	Indicative cost
Local Area of Play (LAP)	£15,000 per area
Local Equipped Area of Play (LEAP)	£100,000 per area
Neighbourhood Equipped Area of Play (NEAP)	£250,000 per area

²³ All costs indicative and to be agreed with the Council on case by case basis on most up to date facilities costs

²⁴ The cost of playing pitch provision is informed by the Sport England Facility Costs [Facility Costs 3Q22](https://sportengland-production-files.s3.eu-west-2.amazonaws.com) (sportengland-production-files.s3.eu-west-2.amazonaws.com).

Appendix 2 - Public Open Space, Outdoor Sport & Children's Play Equipment Maintenance Costs

Open Space²⁵

Description	Frequency	Notes
Rotary Grass Cutting	12 per annum	1x Grade 1 for 6 hours & 1 x Grade 3 for 12 hours
Meadow cut & collect	1 per annum	1x Grade 3 & 1x Grade 2 for 5 hours & 2 tonne green waste
Strimming	8 per annum	2x Grade 2 for 8 hours
Tree maintenance	N/A	Contractor rates labour and materials £32.53 a tree
Hedge maintenance	1 per annum	1x Grade 2 & 1x Grade 3 for 2 hours. + Green waste
Shrub maintenance	2 per annum	2x Grade 2 for 12 hours & 2 tonne green waste
Empty Litter Bin	51 per annum	1x Grade 2 for 13 hours + 102 black bags @ 8p each
Furniture inspection	1 per annum	1x Grade 5 for 0.5 hour. Average 10 mile journey
Overlay Footpath	1 x 10 years	Contractor rates labour and materials £80sqm
Fence Painting	1 x 10 years	Contractor rates labour and materials £10 per 1m
Footpath Inspection	1 per annum	1x Grade 5 for 1 hour. Average 10 mile journey
Full Litter Pick	51 per annum	1x Grade 2 for 26 hours. 51 black bags @ 8p each
Seat Bin Repair	1 x 5 years	2x Grade 3 for 2hrs divided by 5
Bin Replacement	1 x 10 years	2x Grade 3 for 1hr divided by 10
Seat Replacement	1 x 10 years	2x Grade 3 for 18hrs divided by 10

Sports Pitches

Description	Frequency	Notes
Building Maintenance	N/A	
Rotary Grass Cutting	12 per annum	Grade 3 x 9 hours
Fertiliser	annual	Grade 3 x 1 hour & 12 bags fertiliser.
Deep Aeration	2 per annum	Grade 3 x 7.5 hours
Sand Top Dressing	annual	14 hours Grade 2 & 3. 80 tonne rootzone.
Renovation Work	annual	7.5 hours Grade 2 & 3. 5 tonne rootzone & 3x 20kg seed
Take down/Set Up Goal Posts	2x year	Grade 3 & 2 @ 2 hours
Over Marking for Grass Pitches	38 per annum	Grade 3 @ 45mins per occasion
Initial Mark Grass Pitches	1 per annum	Grade 3 x 2 for 3.5 hours
Empty Litter Bin	2x weekly	1x Grade 2 for 26 hours + 204 black bags @ 8p each

²⁵ All costs also include a cost for inflation and insurance.

Footpath Inspection	annual	1x Grade 5 for 1 hour. Av 10 mile journey
Full Litter Pick	weekly	1x Grade 2 for 26 hours. 51 black bags @ 8p each
Seat Replacement	1 per 10 years	2x Grade 3 for 9hrs divided by 10 (2 seats) + 10
Bin Replacement	1 per 10 years	2x Grade 3 for 1hr divided by 10. (2 bins)
Drainage Inspection	annual	1x Grade 5 for 1 hour. Av 10 mile journey
Floodlight Running & Maintenance	N/A	
Repair/Replace Football Equipment	Posts 1 per 5 years	2 sets of posts for each pitch, 4 sets of nets and 20 corner flags = £1,101.80 divided by 10.
Overlay Footpath	1 per 10 years	Contractor rates labour and materials £80sqm x 300sqm divided by 10

Children's Play Area

Description	Frequency	Notes
Rotary Grass Cutting	12 per annum	1x Grade 1 for 12 hours
Meadow cut & collect	1 per annum	1x Grade 3 & 1x Grade 2 for 1 hour & 1 tonne green waste
Tree/ maintenance		Contractor rates labour and materials £32.53 a tree
Shrub maintenance	8 per annum	2x Grade 2 for 16 hours & 1 tonne green waste
Furniture Maintenance	1 per annum	2x Grade 3 for 1/2 hour
Empty Litter Bin	2x per week	1x Grade 2 for 13 hours + 102 black bags @ 8p each
Furniture inspection	annual	1x Grade 5 for 0.5 hour. Av 10 mile journey
Overlay Footpath/Hard surface	1x 10 years	Contractor rates labour and materials £80sqm
Fence Painting	1x 10 years	Contractor rates labour and materials £10 per 1m
Footpath Inspection	annual	1x Grade 5 for 3/4 hour. Av 10 mile journey
Full Litter Pick	weekly	1x Grade 2 for 26 hours. 51 black bags @ 8p each
Play Equipment Inspection	weekly	1x Grade 4 for 26 hours
Play Equipment Repair/Replace	12 per annum	1x Grade 4 @12 repairs per annum av 0.5 hours
Play Equipment Replacement	1x 15 years	Cost to replace divided by 15 years
Seat Replacement	1x 10 years	2x Grade 3 for 9hrs divided by 10
Bin Replacement	1x 5 years	2x Grade 3 for 1hr divided by 5
Replace Impact Absorbing Surface	1x 10 year	Contractor rates labour and materials £70sqm divided by 10

FAREHAM

BOROUGH COUNCIL

Presentation to Planning and Development Scrutiny Panel

Date: 22 February 2023
Report of: Director of Planning and Regeneration
Subject: PLANNING STRATEGY UPDATES

SUMMARY

The presentation will provide an opportunity to communicate to members of the Panel any relevant updates pertaining to Planning Strategy matters, including an update on the progress of the Local Plan through examination, and a presentation of the Government's consultation for planning reform.

RECOMMENDATION

It is RECOMMENDED that Members note the contents of the presentation.

FAREHAM

BOROUGH COUNCIL

Report to Planning and Development Scrutiny Panel

Date: 22 February 2023
Report of: Director of Planning and Regeneration
Subject: EXECUTIVE BUSINESS

SUMMARY

One of the key functions of this Scrutiny Panel is to hold the Executive Portfolio Holder and senior Officers to account in delivery of the service and the Improvement Actions identified in the Council's Corporate Priorities and Corporate Vision.

Members are therefore invited to consider the items of business which fall under the remit of the Planning and Development Portfolio and have been dealt with by the Executive since the last meeting of the Panel. This also includes any decisions taken by individual Executive Members.

The relevant notices for decisions taken are attached for consideration.

RECOMMENDATION

It is recommended that Members consider the items of business discharged by the Executive since the last meeting of the Panel and make any comments or raise any questions for clarification.

FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2375

**Record of Decision by Executive Portfolio for
Planning and Development**

Monday, 22 August 2022

Portfolio	Planning and Development
Subject:	Fareham Quay and Alton Grove to Cadour Drive Flood and Coastal Erosion Risk Management Studies - Award of contract
Report of:	Director of Planning and Regeneration
Corporate Priority:	Protecting and Enhancing the Environment; Dynamic, Prudent and Progressive Council

Purpose:
On the 7th February 2022 an Executive decision was made to approve commencement of the Fareham Quay and Alton Grove to Cadour Drive Flood and Coastal Erosion Risk Management (FCERM) Studies, and give the Director of Planning and Regeneration, delegated authority to procure and deliver the works, subject to the award of contract being made through an Individual Decision by the Executive Member for Planning and Development.

This report considers the tender received for the Fareham Quay and Alton Grove to Cadour Drive FCERM Studies, for the provision of professional services to deliver the studies (consultancy support) and recommends an award of contract for the works for decision by the Executive Member for Planning and Development.

Approvals and funding have been secured from the Southern Regional Flood and Coastal Committee (SRFCC) and Fareham Borough Council (FBC) to undertake Flood and Coastal Erosion Risk Management (FCERM) studies for the Fareham Quay and Alton Grove to Cadour Drive frontages, to assess and develop longer-term coastal management options to reduce flood and erosion risk and address historic landfill issues at both sites.

This report provides the Executive Member with information regarding the evaluation of the tender received to provide professional services support and seeks an award of contract.

Options Considered:
That the Executive Member for Planning and Development considered the report.

Decision:

RESOLVED that the tender submitted by AECOM (as set out in the confidential **Appendix A**) be accepted and the contract awarded to the company.

Reason:

To identify, appraise and design long term coastal management options for Fareham Quay and for Alton Grove to Cadour Drive as recommended in the North Solent Shoreline Management Plan and River Hamble to Portchester Strategy.

Confirmed as a true record:

Councillor S Martin (Executive Member for Planning and Development)
Monday, 22 August 2022

<TRAILER_SECTION>

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FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2379

Record of Decision by Executive

Monday, 5 September 2022

Portfolio	Planning and Development
Subject:	Salterns recreation ground, Fareham - interim sea defence works
Report of:	Director of Planning and Regeneration
Corporate Priority:	Dynamic, prudent and progressive Council; Protect and enhance the environment

Purpose:

This report seeks a decision to fund interim sea defence works at Salterns recreation ground, Fareham. This will reinstate a 27 metre section of failed defences which are situated within Fareham Council owned land, to manage flood, coastal and financial risks to the Council, as a Coast Protection Authority.

Fareham's sea defences are critical to managing flood and erosion risk, as well as providing safe public amenity spaces. Their upkeep and maintenance are a recommendation of the adopted River Hamble to Portchester Coastal Strategy.

An aging Council owned seawall at Salterns recreation ground, Fareham collapsed on 08 December 2021 during Storm Barra, leading to coastal erosion and increased flooding. Left unchecked this damage will likely spread to the adjoining Council owned defences, putting the road and homes at risk. This proposal is to undertake interim Capital Works to reinstate the defences to avoid further deterioration, while a longer-term replacement scheme is considered.

The proposed works are to be funded by FBC capital and are not eligible for central government Grant-in-Aid

Options Considered:

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) approves the proposal to carry out interim sea defence works at Salterns recreation ground, as outlined at paragraph 9 of the report;
- (b) agrees a capital budget of £98,000 to undertake the interim Capital Works once all the necessary procurement and consents have been secured; and
- (c) delegates authority to the Director of Planning and Regeneration to make a direct award of contract for the works.

Reason:

Fareham's sea defences are critical to managing flood and erosion risk, as well as providing safe public amenity spaces. The replacement will reduce the risk of further deterioration, reinstate the flood defence standard and prevent erosion of what is believed to be historic coastal landfill into the sensitive harbour environment.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 5 September 2022

FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2385

Record of Decision by Executive

Monday, 10 October 2022

Portfolio	Planning and Development
Subject:	Fareham Local Plan 2037 Main Modifications
Report of:	Director of Planning and Regeneration
Corporate Priority:	Maintain and extend prosperity; Protect and enhance the environment; Providing housing choices; Strong, safe, inclusive and healthy communities

Purpose:

To seek endorsement and a recommendation to Council to approve the Schedule of Main Modifications to the Local Plan for public consultation, alongside changes to the Policies Map and Additional Modifications, as part of the Examination process into the Fareham Local Plan 2037.

The Fareham Borough Local Plan 2037 ('the Plan') seeks to meet housing and employment needs for the borough on a range of sites whilst tackling congestion, protecting settlement gaps and enhancing biodiversity.

The Local Plan was submitted to the Secretary of State in September 2021 with a Planning Inspector appointed shortly after to conduct the examination. There are three possible findings that an Inspector may make following the examination; an unsound plan, a sound plan or recommendations to make main modifications such that the plan could be found sound. Main modifications are changes that materially affect one or more of the plan's policies.

The examination started after the plan was submitted with hearings conducted in March and April 2022. Following the conclusion of the hearings, the Inspector has written twice to the Council, first in a Post Hearings Letter in June 2022 and subsequently a Further Post Hearings Letter in September 2022. These letters express her views on a range of topics and have requested further work, most notably the production of topic papers and a focussed consultation which was the subject of a report to the Executive in July 2022. During the hearings and in those letters, the Inspector has requested a number of main modifications to the Plan where she feels that are needed to make the Plan sound. These main modifications must be consulted upon as part of the examination process.

Alongside the main modifications, public consultation must take place on any changes to the Sustainability Appraisal (SA) and Habitats Regulation Assessment (HRA) of the plan (see appendix 2 and 3 respectively) as well as any associated

changes to the Policies Map (see appendix 4).

Officers have also identified a series of Additional Modifications which do not materially affect the Plan's policies and are either factual or spelling corrections. There is no requirement to consult on these modifications, but approval is sought to make these changes to the Plan. The schedule of additional modifications can be found in appendix 5.

Options Considered:

As recommendation.

Decision:

RESOLVED that the Executive endorses and recommends to Council for approval:

- (a) the Inspector's proposed Main Modifications to the Local Plan and the supporting Sustainability Appraisal Report and Habitats Regulations Assessment Report for public consultation;
- (b) the proposed changes to the Policies Map;
- (c) the proposed Additional Modifications to the Local Plan;
- (d) that the Director of Planning and Regeneration, following consultation with the Executive Member for Planning and Development, be authorised to submit the responses to the consultation to the Planning Inspector in order for her to conclude that Local Plan examination process; and
- (e) that the Schedule of Main Modifications be a material consideration to be afforded due weight in the determination of planning applications.

Reason:

To publish the Schedule of Main Modifications for consultation, in order to continue the Local Plan examination.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 10 October 2022

FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2405

Record of Decision by Executive

Monday, 6 February 2023

Portfolio	Planning and Development
Subject:	The Levelling Up and Regeneration Bill - Planning Policy Consultation
Report of:	Director of Planning and Regeneration
Corporate Priority:	Maintain and extend prosperity; Protect and enhance the environment; Providing housing choices; Strong, safe, inclusive and healthy communities

Purpose:

To provide the Executive with an overview of the proposals contained within the Government's Levelling Up and Regeneration Bill consultation, and to seek approval for the submission of the consultation response, at Appendix 1.

The Government has launched a consultation on planning policy reforms entitled 'Levelling-up and Regeneration Bill: reforms to national planning policy'. The consultation ranges from discussing proposals that will be brought in as part of the Bill, or subsequent secondary legislation, to changes that the Government hope to bring forward through amendments to the National Planning Policy Framework (NPPF) this spring. The Government further commits to a 'wider review' of the NPPF later this year. Therefore, the consultation contains three sets of proposals to reform the planning agenda, with the most sweeping of changes to the plan-making system being introduced in 2024 onwards. The consultation closes on 2 March 2023 and this report considers the impact of the changes from the perspective of Fareham in its South Hampshire context.

Options Considered:

As recommendation.

Decision:

RESOLVED that, having considered the content of the report, the Executive:

- (a) approves the suggested approach to the Council's response; and
- (b) delegates authority for the final consultation response to the Director of Planning and Regeneration, following consultation with the Executive Member for Planning and Development.

Reason:

To respond to the Government's consultation on planning policy reform, expressing the views of the Council.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 6 February 2023