NEW FOREST NATIONAL PARK AUTHORITY - ECONOMIC VIABILITY ASSESSMENT 2017

Whole Plan, Affordable Housing and CIL Viability Assessment

Three Dragons with Rural Housing Solutions – November 2017

FINAL REPORT

Three Dragons

This report is not a formal land valuation or scheme appraisal. It has been prepared using the Three Dragons toolkit and non-residential model and is based on local data supplied by New Forest National Park Authority, consultation and quoted published data sources. The toolkit provides a review of the development economics of a range of illustrative schemes and the results depend on the data inputs provided. This analysis should not be used for individual scheme appraisal.

No responsibility whatsoever is accepted to any third party who may seek to rely on the content of the report unless previously agreed.

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EXECUTIVE SUMMARY

1. The New Forest National Park Authority (NFNPA) is currently reviewing its Local Plan. The new Local Plan will set out the opportunities for development within the National Park and the policies to support that development to 2036. As part of this process, the Authority needs evidence to demonstrate that its draft policies are deliverable, including that the policies are viable. This Viability Assessment provides that evidence. It also indicates whether development in the Park could support a Community Infrastructure Levy (CIL) and potential levy rates.

2. The Viability Assessment has been prepared in consultation with the development industry[1] and has followed the relevant regulations and guidance and is in line with the National Planning Policy Framework.

3. In summary, the Viability Assessment has demonstrated that the Local Plan policies in relation to residential development for allocated and windfall sites are financially viable for the majority of the typologies tested and that a policy requiring 50% affordable housing on sites of 3 or more units is generally achievable. Rural Exception Sites are viable and able to deliver 100% affordable housing, provided there is an element of intermediate affordable housing such as shared ownership or discounted sale (with a local connection).

4. At the draft policy position, there is potential to collect a Community Infrastructure Levy of £200 per square metre on residential development sites, in addition to meeting the policy requirements. The extra care schemes were not able to support a CIL. On convenience retail a CIL of £50 sqm is possible but other non-residential uses are not able to support a CIL.

Testing Principles

5. The testing undertaken uses a standard residual value approach. The residual value of development (total value less all development and policy costs, including planning obligations) is compared to a land value benchmark[2] and the scheme is said to be viable if the residual value exceeds the benchmark.

6. For the testing we used the Three Dragons Toolkit for residential development and the Three Dragons Non-Residential Model for non-residential development.

Residential Development

Types of site tested

7. To test the viability of residential development, we devised a number of case studies which reflect the type of sites likely to be come forward, in light of the policies in the emerging Local Plan and historic patterns of development. Working with the National Park Authority, we drew up three broad types of site for testing:

[1] In addition to the development industry workshop we contacted 11 local (estate) agents, of whom eight provided information.

[2] Note that the benchmark land value is an estimate of the lowest value that a landowner may accept, and does not preclude the possibility that some schemes may have enough value to pay more for land.

- Windfall development, with examples based on past experience. Six examples were identified as being representative of potential windfall schemes, ranging in size from 1 to 15 dwellings;
- Sites considered for allocation in the Submission draft Local Plan including sites allocated for extra care units. The potential site allocations are larger sites, ranging in size from 20 to 60 dwellings;
- Three examples of potential Rural Exception Sites (RES) of 3, 7 and 11 units. The scale and type of site was drawn up in consultation with housing associations with experience of developing in the New Forest, the district council and the Rural Housing Enabler.

Key assumptions used in the testing

8. The New Forest was divided for testing purposes into two value areas; Brockenhurst and the 'Rest of the National Park'. House prices and land values are higher in Brockenhurst than elsewhere in the National Park.

9. The testing has taken account of the policies in the draft Local Plan, in particular

- Policy 27 requiring 50% of units in the defined villages to be delivered as affordable housing and, in order to assist the National Park Authority to set a dwelling threshold at which affordable housing will be required, we have tested at a net threshold of 3 dwellings or more
- Policy 21 requiring that "…*new dwellings permitted in the National Park will have a maximum total internal habitable floor area of 100 square metres* ". In theory 100 sq m would allow for a small 4 bed detached house but this is not a typical of a four-bed house. For comparison, we have also modelled a sample of sites allowing for units of up to 120sqm.

10. Based on the information from the NPA and New Forest District Council (as the housing authority for the vast majority of the National Park) affordable housing was tested at 75% Affordable Rent and 25% shared ownership.

11. All assumptions used in the testing are based on published sources, local research and industry norms. They have been devised in consultation with the development industry and social housing providers. Sensitivity testing has been undertaken on a sample of case studies. A full list of the assumptions used in the testing can be found at Annex 1.

Key findings of residential analysis

12. All of the windfall sites tested and most of the potential site allocations were viable at a full policy position as per the draft Local Plan.

13. Extra care schemes were not viable where tested with a 50% affordable housing requirement. This is a result of the higher costs and sales period associated with extra care homes as well as the low net to gross associated with the location of these particular sites. Schemes became viable when the affordable housing element was reduced to around 20-30% of all units.

14. Rural Exception Sites were able to deliver 100% affordable units where intermediate tenures such as shared ownership or discount market sale were part of the scheme, although not where all units were rented. Unfettered open market housing was not necessary to achieve delivery of Rural Exception Sites.

15. This whole plan viability assessment indicates good general viability across the National Park and suggests that there is some potential to collect a CIL, should the Authority decide to charge a levy. Some of the more straightforward case studies that we tested achieved high residual values and would indicate some viability headroom should further obligations be required from these sites.

Non-residential development

16. The viability of a set of notional office, warehouse and industrial developments has been assessed.

17. The viability testing responds to the planned development by using the following case studies:

- Edge of settlement offices
- Workshop/small light industrial units uses
- Settlement centre comparison retail
- Small convenience retail

18. Of the uses tested, only convenience retail is viable. This type of development is able to come forward subject to the availability of sites.

19. Based on the costs and values in this testing, speculative office and workshop/light industrial developments are unlikely to be brought forward by the market. However, this does not preclude local authorities developing new employment spaces, in order to deliver economic development benefits[3]. In addition, public sector funding from sources such as Enterprise M3 LEP can be used to reduce the costs of providing new employment space. It is also possible that businesses will commission design and build workspace development (as opposed to speculative development), which is a model of workspace development seen elsewhere.

20. High street comparison retail is not viable as modelled here. However, this is in part due to the relatively high existing use value assumed for a settlement centre retail site. If a lower value site is available, then this type of retail may come forward.

21. It is possible to set a CIL rate for convenience retail, if the authority desires. With a 50% buffer to allow for changes in costs and values a charge of £50/sq m would be possible. Other uses tested are not able to support CIL.

[3] This combines a long-term view on returns as well as an ability to borrow cheaply.

1 INTRODUCTION

Purpose of the Economic Viability Assessment

1.1 New Forest National Park Authority (NFNPA) is currently reviewing its Local Plan with a view to publishing a publishing a Submission draft Local Plan in January 2018. Once adopted, the new Local Plan will replace the current Core Strategy and Development Management Policies DPD, adopted in December 2010. A non-statutory draft consultation Local Plan was published in October 2016 with a six-week consultation period. This viability assessment takes account of and will be used to inform the policies contained in the new Local Plan.

1.2 As well as adopting a range of policies to support appropriate development in the National Park, the authority is considering whether to adopt a Community Infrastructure Levy. The viability Assessment discusses the potential for collecting CIL on development in the National Park and includes an assessment using a theoretical maximum CIL with a buffer of 40% as well as giving an indication for potential collection using the method outlined in the report to DCLG by the CIL Review Team, also known as the Peace Review[4].

National planning context

National Planning Policy Framework

1.3 The National Planning Policy Framework (NPPF) places importance on taking viability into account in developing plans and ensuring viability and deliverability. This is set out as follows:

"*Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable*." (Paragraph 173)

1.4 The current DCLG consultation 'Planning for the Right Homes in the Right Places'[5] proposes, in paragraph 113, to make changes to NPPF to strengthen the role of viability assessments in plan making and reduce the number of subsequent re-assessments at the planning application stage.

[4] Published by DCLG February 2017
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/589637/CIL_REPORT_2016.pdf
https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals

[5]

1.5 The NPPF explicitly recognises the need to provide competitive returns to a willing land owner and willing developer, and local planning authorities are to assess the '*likely cumulative impact*' of their proposed development standards and policies.[6]

National Planning Practice Guidance for Plan Making

1.6 Planning Practice Guidance[7] (PPG) provides further detail about how the NPPF should be used. PPG contains general principles for understanding viability (which are also relevant to CIL viability) as well as specific CIL viability guidance[8]. It also notes that a range of sector-led guidance is available[9]. 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 helpful in accessing evidence"[10]. The evidence should be proportionate to ensure plans are underpinned by a broad understanding of viability, with further detail where viability may be marginal or for strategic sites with high infrastructure requirements[11]. However not every site requires testing and site typologies may be used to determine policy[12].

1.7 PPG advises against planning to '*the margin of viability*' but that a buffer should be allowed. Current costs and values should be used (except where known regulation/policy changes are to take place)[13].

"Plan makers should not plan to the margin of viability but should allow for a buffer to respond to changing markets and to avoid the need for frequent plan updating. Current costs and values should be considered when assessing the viability of plan policy. Policies should be deliverable and should not be based on an expectation of future rises in values at least for the first five years of the plan period."[14]

1.8 On retail and commercial development, broad assessment of value in line with industry practice may be necessary[15]. Generally, values should be based on comparable, market information, using average figures and informed by specific local evidence[16]. For an area wide viability assessment, a broad assessment of costs is required, based on robust evidence which is reflective of local market conditions. All development costs should be taken into account, including infrastructure and policy costs as well as the standard development costs[17].

[6] Paragraph 173
[7] DCLG, Planning Practice Guidance
[8] PPG Paragraph: 003 Reference ID: 10-003-20140306
[9] PPG Paragraph: 002 Reference ID: 10-002-20140306
[10] PPG Paragraph: 004 Reference ID: 10-004-20140306
[11] PPG Paragraph: 005 Reference ID: 10-005-20140306
[12] PPG Paragraph: 006 Reference ID: 10-006-20140306
[13] PPG Paragraph: 008 Reference ID: 10-008-20140306
[14] PPG Paragraph: 008 Reference ID: 10-008-20140306
[15] PPG Paragraph: 012 Reference ID: 10-012-20140306
[16] PPG Paragraph: 012 Reference ID: 10-012-20140306
[17] PPG Paragraph: 013 Reference ID: 10-013-20140306

Guidance on plan viability testing

1.9 Guidance has also been published to assist practitioners in undertaking viability studies for policy making purposes - "Viability Testing Local Plans - Advice for planning practitioners"[18] (The Harman Guide)· The advice re-iterates that:

"*The approach to assessing plan viability should recognise that it can only provide high level assurance*."[19]

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 ……. The one exception to the use of current costs and current values should be recognition of significant national regulatory changes to be implemented……"*[20]

CIL and s106 requirements

1.10 NPPF states that "*Where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan*."[21]

1.11 NPPG comments on the role of viability and CIL

"*The levy is expected to have a positive economic effect on development across a local plan area. When deciding the levy rates, an appropriate balance must be struck between additional investment to support development and the potential effect on the viability of developments."*[22]

In addition it requires that, for CIL, there should be specific sampling of strategic sites[23].

1.12 In relation to charging for both CIL and planning obligations, NPPG says that the combined impact should "not threaten the viability of the sites and scale of development identified in the development plan"[24]. Planning obligations can only be requested where they meet the following three tests:

- Necessary to make the development acceptable in planning terms;
- Directly related to the development;
- Fairly and reasonably related in scale and kind to the development .

1.13 It is also relevant that in February 2017, DCLG published a housing white paper "Fixing our broken housing market" along with the report by the CIL Review Team

[18] The guide was published in June 2012 and is the work of the Local Housing Delivery Group, which is a cross-industry group, supported by the Local Government Association and the Home Builders Federation.
[19] P10 Viability Testing Local Plans June 2012
[20] P26 Viability Testing Local Plans June 2012
[21] P175 NPPF
[22] NPPG 25-009-20140612
[23] NPPG 25-019-20140612
[24] NPPG 25-093-20140612

led by Liz Peace "A new approach to developer contributions"[25]. This proposed a more streamlined approach to CIL, based on local values. The white paper referred to the CIL review and stated that the government will make a response at Autumn Budget 2017.

1.14 The key recommendations made by the CIL Review Team were:

- Replacement of CIL with a broad low level tariff known as the Local Infrastructure Tariff (LIT), with an additional Strategic Infrastructure Tariff (SIT) where needed for a small number of major projects to benefit the wider area.
- That the LIT should be based on a simple formula using values, with range of 1.75% to 2.5% of value suggested
- That LIT should be subject to very few exemptions
- That the LIT should be determined by a much simpler examination process than the current CIL examinations
- Small developments (10 dwellings or fewer) should be exempt
- Large/strategic developments may be required to provide additional and specific Section 106 arrangements and that these should be subject to strengthened Regulation 122 tests
- S106 pooling restrictions set out in Regulation 123 should be removed, but standardised s106 obligations should be subject to strengthened Regulation 122 tests[26].

National Policy context relevant to the National Park

1.15 The founding blocks of all policy designed and adopted by the New Forest National Park Authority are the two statutory purposes placed on all National Parks as laid out in the Environment Act 1995:

- to conserve and enhance the natural beauty, wildlife and cultural heritage (of the National Parks); and
- to promote opportunities for the understanding and enjoyment of the special qualities (of the National Parks) by the public.

1.16 The 1995 Act also states that, in pursuing National Park purposes, National Park Authorities have a duty to seek to foster the economic and social well-being of local communities (within the National Park) by working closely with the agencies and local authorities responsible for these matters.

1.17 An expansion of these statutory requirements is provided by the 'English National Parks and the Broads: UK Government Vision and Circular 2010'. It requires that in

[25] CIL Review Team for DCLG, 2016, A New Approach to Developer Contributions https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/589637/CIL_REPORT_2016.pdf

[26] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/589637/CIL_REPORT_2016.pdf

furthering their statutory purposes the Parks give sufficient weight to socio-economic interests to fulfil their duty to sustain strong rural communities. This requires that they provide clear and consistent advice on what are acceptable forms of development. In relation to housing the Government recognises that the National Parks are not suitable locations for unrestricted housing and does not therefore provide general housing targets for them. Instead the expectation is that the National Parks will maintain a focus on affordable housing and that their Local Plans will include policies that that pro-actively respond to local housing needs[27].

1.18 The NPPF reflects these requirements stating that in the National Parks the highest levels of protection for the conservation of the landscape and scenic beauty and that great weight should be given to these matters, along with conserving wildlife and cultural heritage in these areas[28]. In other respects, the NPPF expects National Parks as the local planning authority to adhere to the generic guidance for housing and the provision of affordable housing.

1.19 Recent Ministerial guidance on affordable housing policy (28th November 2015) and associated changes to PPG[29] have made the following changes to site thresholds for affordable housing:

"Contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1000sqm

in designated rural areas, local planning authorities may choose to apply a lower threshold of 5-units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-units in the form of cash payments which are commuted until after completion of units within the development. This applies to rural areas described under section 157(1) of the Housing Act 1985*, which includes National Parks and Areas of Outstanding Natural Beauty."*

1.20 Alongside the Court of Appeal decision[30], the door has been opened to local planning authorities, including National Parks, setting their own thresholds for taking affordable housing contributions where this is supported by evidence of need and viability.

Local Policy Context

1.21 The statutory Park purposes and national policy provide the framework for the consultation draft Local Plan published by the National Park Authority in October 2016. However, as recognised in the draft Local Plan '*Delivering new housing to help address local needs while at the same time ensuring development does not compromise the delivery of the two statutory National Park purposes'* is a key challenge. It meets this through a raft of policies that aim to promote sustainable

[27] English National Parks and the Broads: UK Government Vision and Circular 2010 - paragraphs 78 and 79
[28] NPPF paragraph 115
[29] PPG Paragraph: 031 Reference ID: 23b-031-20161116

[30] Court of Appeal Case No. C1/2015/2559 - May 2016

development[31]. These include setting out where development can take place and measures that through mitigation and design ensure that development meets the statutory framework for the National Parks.

1.22 The Authority's draft Local Plan (October 2016) set out the its strategic objectives for housing to promote affordable housing to meet local needs and to strengthen the well-being and sustainability of rural communities[32]. Informed by the Strategic Housing Market Assessment [33] it is proposed that 700 new dwellings will be provided during the plan period, 2016 - 2036 through a combination of allocated, windfall, and rural exception sites and provision for New Forest Commoners and Estate workers. Of these there is an annual need for 84 new affordable dwellings, with 75% in the form of social/affordable rent and 25% as intermediate housing.

1.23 The National Park Authority proposes two delivery routes for delivering the affordable housing requirement. Firstly a 50% affordable housing contribution from allocated and windfall sites. Secondly, through rural exception sites which whilst primarily for the delivery of affordable housing will allow for some cross-subsidy where necessary to make the scheme viable. NFNPA has requested that the Viability Assessment provide further information on what, if any, cross subsidy would be required for this purpose.

1.24 A further finding of the SHMA was the noticeably older age structure compared with the surrounding county. Between 2002 and 2012 the population aged over 60 increased by 24%. At the same time most age groups up to 59 have declined. The draft of the Local Plan therefore enables the delivery of specialist accommodation for older people in its 4 defined villages.

1.25 A final element of the National Park's approach to providing housing to meet local housing needs has been to encourage a balanced housing stock by limiting the maximum size of new dwellings to 100sq m.

1.26 We have worked with the NPA to identify where local policies may impact upon cost or revenues. Annex III sets out in detail the policies in the Local Plan and demonstrates where these are likely to impact on viability as well as how this has been resolved within the viability testing.

1.27 The Housing White Paper issued for consultation in February 2017 suggests that 10% of homes on sites of 10 dwellings or more may be required to be delivered as some form of low cost home ownership[34]. The proportions of affordable development modelled in this viability assessment would comply with this proposal.

[31] Submission draft Local Plan - Policy 1 Sustainable Development
[32] Submission draft Local Plan - paragraph 7.1
[33] New Forest Strategic Housing Market Assessment 2014
[34] A126/127
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

Research evidence

1.28 The research which underpins the Economic Viability Assessment includes:

- Analysis of information held by the authority, including historic site-specific viability analysis, previous area-wide viability appraisals[35], the concurrent viability study carried out for the New Forest District Council and the National Park Authority on the Fawley Power Station site[36], and a review of historic planning permissions and contributions;
- A stakeholder workshop held with developers, land owners, their agents and representatives from the NPA, held on 13th June 2017;
- Telephone interviews with affordable housing enablers and providers operating in the National Park;
- Follow up discussions with stakeholders and estate agents;
- Discussions with New Forest District Council regarding viability assessments carried out in the district, in particular on costs and values;
- On-going dialogue with NPA officers;
- Analysis of publicly available data to identify the range of values and costs needed for the viability assessment.

All the viability testing uses the Three Dragons Toolkit, adapted for the New Forest, to analyse scheme viability for residential development and the Three Dragons bespoke model for the analysis of non-residential schemes.

[35] CIL Viability assessment Nov 2011 DTZ; Affordable Housing Viability Assessment 2009 Three Dragons

[36] Fawley Waterside Viability Appraisal – NCS August 2017

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2 VIABILITY TESTING – RESIDENTIAL DEVELOPMENT

Principles and Approach

2.1 The Advice for planning practitioners summarises viability as follows:

2.2 '*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*.'[37]

2.3 As is standard practice[38], 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 development costs. The remainder is the residual value and is available to pay for the land. The value of the scheme includes both the value of the market housing and affordable housing. Scheme costs include the costs of building the development, plus professional fees, scheme finance and a return to the developer as well as any planning obligations.

Figure 2.1 Residual Value Approach

Total development value (market and affordable)

Minus

Development costs (incl. build costs and return to developer)

=

Gross residual value

Minus

CIL + planning obligations (including AH)

=

Net residual value (available to pay for land)

2.4 To assess viability, the residual value generated by a scheme is compared with a benchmark land value, which reflects a competitive return for a landowner.

[37] P 14 Viability Testing Local Plans: Advice for Planning Practitioners Harman 2012

[38] See page 25 of Viability Testing Local Plans: Advice for Planning Practitioners Harman 2012 – "*We recommend that the residual land value approach is taken when assessing the viability of plan-level policies and further advice is provided below on the considerations that should be given to the assumptions and inputs to a model of this type*."

Land Value Benchmarks

2.5 In terms of benchmark land values, Viability Testing Local Plans[39] sets out a preferred approach in the following extract from page 29:

> Consideration of an appropriate Threshold Land Value needs to take account of the fact that future plan policy requirements will have an impact on land values and landowner expectations. Therefore, using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy. Reference to market values can still provide a useful 'sense check' on the threshold values that are being used in the model (making use of cost-effective sources of local information), but it is not recommended that these are used as the basis for the input to a model.
>
> We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values (noting the exceptions below).

2.6 There is no single agreed figure to be used for the benchmark land value in the New Forest National Park and we have arrived at realistic benchmark values through review of a number of data sources, sense checked locally. These include

- Previous viability studies[40].
- Existing use values.
- Review of DCLG published land values[41] against costs of likely obligations[42].
- For plot value for Rural Exception sites, discussion with RPs and District Council (as the housing authority for the Park).
- Consultation with developers, land-owners and agents at a stakeholder workshop and subsequent follow-up discussion.
- Consultation with local estate agents[43].

2.7 Based on the survey of evidence we have used a figure of £2m per hectare as the main benchmark for the National Park, with an alternative/sensitivity test at £2.5m. The latter benchmark takes into account comments of local developers and probably better represents values on small sites in Brockenhurst (less than 10 dwellings), although there is very limited evidence on which to base this judgement.

2.8 The benchmark land values are an estimate of the lowest values that landowners may accept and where development is able to pay more, then land will be transacted at higher prices.

2.9 Where testing took account of a property purchase and demolition, value was based on lower quartile residential resale values 2017[44]. The Lower Quartile figure was

[39] See http://www.pas.gov.uk/c/document_library/get_file?uuid=90fc2589-685a-441f-be9c-1874de4f20b9&groupId=332612

[40] CIL Viability assessment Nov 2011 DTZ; Affordable Housing Viability Assessment 2009 Three Dragons; scheme specific appraisals x 6 dated from 2009 to 2016

[41] Land Values for Policy appraisal DCLG 2015

[42] DCLG land values do not include costs of policy compliance and other costs such as developer profit differ from the costs used in this study

[43] Spencers; Hayward Fox; Austin& Wyatt; Woolley & Wallis – all contacted 20/06/17

used as it is assumed that property purchased for this purpose is unlikely to be in good condition.

Testing approach and assumptions

2.10 To test the viability of residential development, we devised a number of case studies which reflect the type of sites likely to be come forward, in light of the policies in the emerging Local Plan and historic patterns of development. Working with the National Park Authority, we drew up three broad types of site for testing:

- Examples of the types of site likely to come forward as windfall development, based on past experience. Six examples were identified as being representative of potential windfall schemes, ranging in size from 1 to 15 dwellings;
- Sites being considered for potential allocation in the New Local Plan. These are larger sites – ranging in size from 20 to 60 dwellings;
- Three examples of potential Rural Exception Sites (RES) of 3, 7 and 11 units. The scale and type of site was drawn up in consultation with housing associations with experience of developing in the New Forest, the district council and the Rural Housing Enabler.

2.11 Key assumptions in relation to costs and revenues used in the analysis of residual values can be found at Annex I. These have been reviewed at a development industry workshop held on 13th June 2017 and subsequent follow up discussion, with refinement where evidence or further justification was produced. Full details of the workshop can be found at Annex IV.

2.12 The cost assumptions used in the viability testing are based upon a mix of publicly available data, e.g. BCIS for build costs, industry standard practice and information provided by the NPA, for example the value of s106 contributions. We also used as a comparator, the concurrent viability study carried out for the New Forest District Council and the National Park authority on the Fawley Power Station site[45], a small part of which falls within the National Park.

2.13 Details of all s106 costs were provided by the NPA and, based on this, a representative cost of £2,500 per unit has been included for site specific obligations plus a further amount of £4,000 per unit for habitat mitigation.

2.14 House prices are based on Land Registry data, adjusted for new build values. Values were reviewed with local estate agents[46]and a revised set was circulated with the development industry workshop notes for any further comments. Two value areas were identified, Brockenhurst and the 'Rest of the National Park'. These are shown on the map below: Brockenhurst is identified in blue.

[44] Land Registry September 2017

[45] Fawley Waterside Viability Appraisal – NCS August 2017

[46] Spencers; Hayward Fox; Austin& Wyatt; Woolley & Wallis – all contacted 20/06/17

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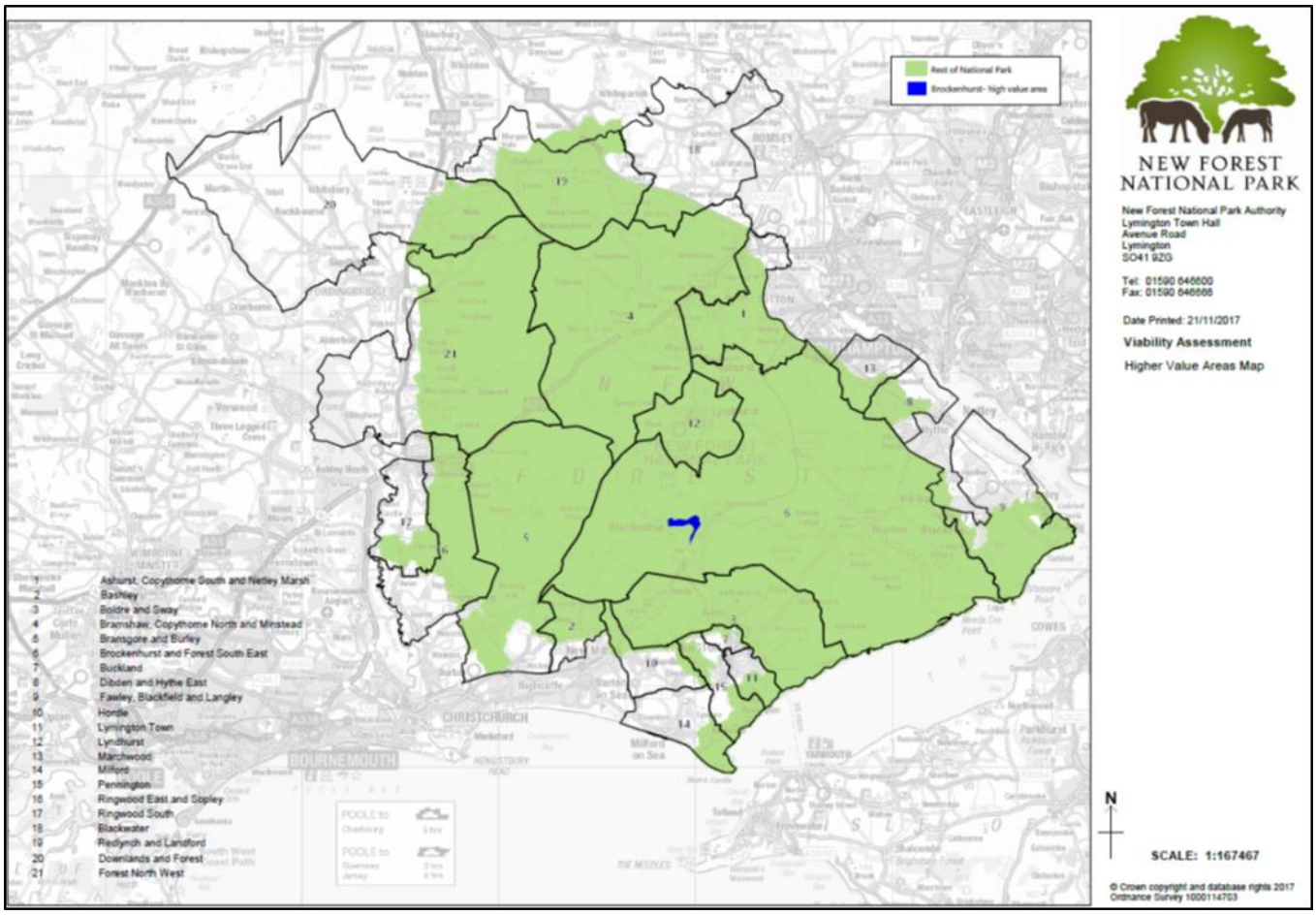
Figure 2.2: Value areas



2.15 Requirements for affordable housing were modelled at 50% as per policy 27. There was some variation to this where sites were less viable, in order to provide full information on any sites where full policy compliance may prove challenging. Other affordable housing assumptions were based on interviews with housing officers and the Rural Housing Enabler. Based on the information from the NPA and the district council (as the housing authority for the National Park) affordable housing was tested at 75% Affordable Rent and 25% shared ownership.

2.16 The other key draft Local Plan policy that has had an impact on the testing is Policy 21 - "*…new dwellings permitted in the National Park will have a maximum total internal habitable floor area of 100 square metres* ". In theory, 100 sq m would allow for a small 4 bed detached house but this is not common for a four-bed house (typically at least 115 to 125 sq m). Dwelling sizes for all units comply with Nationally Prescribed Space Standards[47] and, as a consequence of policy 21, all the detached houses were modelled in the testing at 100 sq m, with the same market value.

2.17 To test each of the case studies we drew up a notional mix of dwellings which best reflected a 'typical development' of that scale and location. The Strategic Housing Market Assessment provided the basis for the dwelling mix but this was tempered with:

[47] Technical housing standards – nationally described space standard, DCLG, 2015

- Information on the affordable housing mix that would best meet housing associations requirements for manageable and viable schemes and that would also meet housing need;
- Views of the development industry (at the workshop) on the mixes they would seek to develop for the market housing;
- Information provided by the NPA on past delivery patterns.

2.18 One of the windfall sites (CS2a) is assumed to be on a previously developed site. An allowance has been made for demolition and site clearance (as well as an increased land value). Site clearance has also been factored in on potential site allocations CS10, CS11/11A and CS12/12A.

3 RESIDENTIAL VIABILITY ANALYSIS

Case Study Characteristics

3.1 In conjunction with the NPA we have identified 17 case studies which reflect typical sites likely to be brought forward in the New Forest National Park. The case studies vary in size from 1 to 60 dwellings and in density from 12 to 100 dwellings per hectare.

3.2 We have divided the case studies into three groups

i) Windfall development – case studies 1-6

Windfall development sites were tested in both value areas and sites of 3 or more dwellings were modelled with 50% of units as affordable housing.

ii) Potential site allocations – case studies 7-12

Sites being considered for site allocation in the Authority's Submission draft Local Plan were tested in the value area to which they were potentially to be allocated (Rest of the National Park in all cases)and were modelled with 50% of units as affordable housing but with some additional tests using a lower percentage.

iii) Rural Exception Sites – RES 1-3

Rural Exception Sites were modelled with 100% of units as affordable rented but with additional testing to ascertain whether intermediate or market tenures are required to ensure deliverability on viability grounds.

3.3 The key characteristics of the case studies are shown in the table below. Annex I provides details of the assumptions used for the testing and Annex V contains the results in tabular format.

Figure 3.1: Case Study Characteristics

Case Study Ref	Total dwellings	Site type	Affordable units as tested	Net Site area (ha)	Gross Site area (ha)	Net to gross	DPH	Additional costs
CS1	1	Windfall	0%	0.025	0.025	100%	40	
CS2	3	Windfall	50%	0.075	0.075	100%	40	
CS2a	4 (3 additional)	Windfall	50% (net)	0.1	0.1	100%	40	£20K demolition
CS3	4 (flats)	Windfall	50%	0.075	0.075	100%	53	
CS4	6	Windfall	50%	0.200	0.200	100%	35	
CS5	11	Windfall	50%	0.315	0.315	100%	35	
CS6	15	Windfall	50%	0.666	0.600	90%	25	
CS7	20	Allocated	50%	0.900	0.900	100%	22	
CS8	30	Allocated	50%	1.000	1.000	100%	30	
CS9	40	Allocated	50%	1.100	1.100	100%	36	
CS10	60	Allocated	50%	2.600	2.000	77%	30	£75K per net ha opening up costs
CS11	30 (flats)	Allocated	0% - 50%	1.400	1.200	86%	25	£50k site clearance costs
CS12	50 (flats)	Allocated	0% - 50%	1.6	0.5	31%	100	£400k site clearance costs + £100K voids
CS11A	30 (extra care)	Allocated	20% - 50%	1.4	1.2	86%	25	£50k site clearance costs + £50K voids
CS12A	50 (extra care)	Allocated	20% - 50%	1.6	0.5	31%	100	£400k site clearance costs + £100K voids
RES1	3	Exception	75% - 100%	0.250	0.250	100%	12	
RES2	7	Exception	75% - 100%	0.500	0.500	100%	14	
RES3	11	Exception	75% - 100%	0.500	0.500	100%	22	

Notional Windfall Sites

3.4 The chart below shows the residual value per hectare for the notional windfall sites. Affordable housing has been modelled at 50% of delivery on sites of 3 or more

additional dwellings and no dwellings exceed 100sqm. Results are scaled up to give residual values on a per hectare basis. The case studies are labelled CS1, CS2 etc.

Figure 3.2: Notional Windfall Sites – residual value per gross ha

3.5 All the notional windfall sites have produced residual values above the £2m benchmark land value. The results vary between case studies[48] but better viability is produced in the Brockenhurst value area than for the Rest of the National Park. In the case of the Brockenhurst sites, residual values are also all above the £2.5m alternative benchmark. For all but one of the case studies (CS6) tested in the 'Rest of the National Park', residual values also exceed the alternative benchmark of £2.5m. The remainder of this section considers the residual value of the different case studies against the main £2m benchmark.

3.6 The highest residual values are produced in the smallest schemes. The 3 unit scheme (CS2) which, without site clearance costs, is £2.453m above the £2m benchmark in the Rest of National Park and over £3.33m in Brockenhurst for the same £2m benchmark. (See figure 3.3 for further analysis of CS2a)

3.7 The 1 unit scheme is between £2.28m and £3.76m above the £2m benchmark. For the single dwelling, the higher build costs associated with this type of scheme are offset by slightly higher selling prices and no affordable housing requirement.

3.8 The 15 unit scheme is the closest to the benchmark land value and is around £0.24m above the £2m benchmark in the Rest of National Park and £0.68m above the £2m

[48] The slightly irregular pattern of results is a consequence of the different dwelling mixes typical of these smaller sites. A full list of the dwelling mixes used can be found in Annex II

benchmark in Brockenhurst. The amount of development land compared with the total site area (the net to gross percentage) in this scheme is relatively low. It takes into account a (notional) open space area which is typical of some sites in the NFNP and so was modelled here to test the impact of more open space in a scheme. It is also assumed to be built out a lower density than the other windfall studies. The poorer net to gross site ratio and the lower density combine to affect the scheme's viability.

3.9 CS2a (4 units, 3 additional), which includes demolition of an existing dwelling is £2.89m above the main benchmark of £2m in the Rest of National Park and £3m above in Brockenhurst. As shown in figure 3.2 above, this scheme produces good viability even taking into account the additional land requirement compared to CS2 (3 units) and the cost of demolition. However schemes such as these involving demolition of an existing dwelling may require the purchase of a property and garden indicating that a different land value benchmark should be used when setting viability and this is shown in table 3.3 below.

Figure 3.3: case study CS2a showing alternative land purchase scenario – National Park

Scheme	Land purchase as detached house[49]	Development costs[50]	Gross development value	Residual value – per scheme (after land purchase)	Residual value per ha[51] (after land purchase)
CS2a – 4 dwellings (3 additional)	£414,000	£908,000	£1,397,000	£75,000	£0.75m

3.10 The analysis in the table above demonstrates that CS2a would be viable on this basis but with a reduced residual value than that shown in figure 3.2. This type of development will be particularly sensitive to the relationship between the existing use value and the scheme gross development value, irrespective of any planning obligations.

Potential Site Allocations

3.11 The sites being considered for potential allocation through the Local Plan were tested in the Rest of National Park area only, where such development is intended to

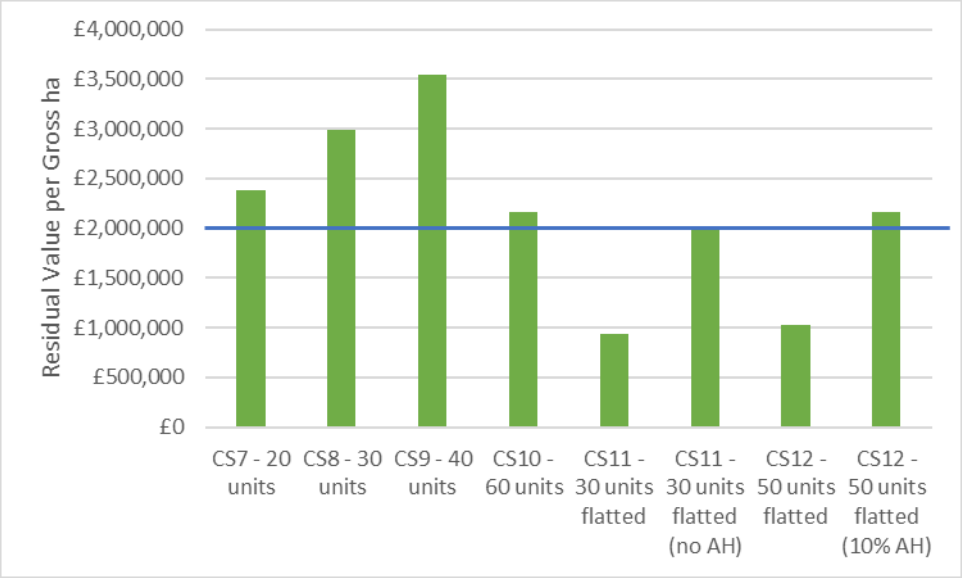
[49] Based on lower quartile (LQ) resale values 2017 (Land Registry): LQ figure used as assumed property purchased for this purpose unlikely to be in good condition. There was not enough data to produce a separate value for Brockenhurst.

[50] Costs and values are as per toolkit outputs (costs include land costs: fees, legal, stamp duty land tax)

[51] Figure inserted for comparison with scheme on a straightforward land purchase basis (i.e. not as a property) where RV was £2.89m per ha after land purchase. Assumes site of similar size.

occur. These sites are drawn from the draft Local Plan and testing takes account of the different density and net to gross requirements of these sites as well as site remediation costs where appropriate. These assumptions are all set out in Annex II.

Figure 3.4: Potential Site Allocations (general needs) – residual value per gross ha



3.12 With the exception of the CS11 and CS12, the flatted schemes, all potential site allocations produced per hectare residual land values above the benchmark land value (£2m) using a 50% affordable housing level.

3.13 CS9, 40 dwellings, produced the highest value at £1.5m above the benchmark land value per hectare. This is a more straightforward site with a high net to gross development area and without the land remediation or opening up costs incurred by sites CS10, CS11 & CS12.

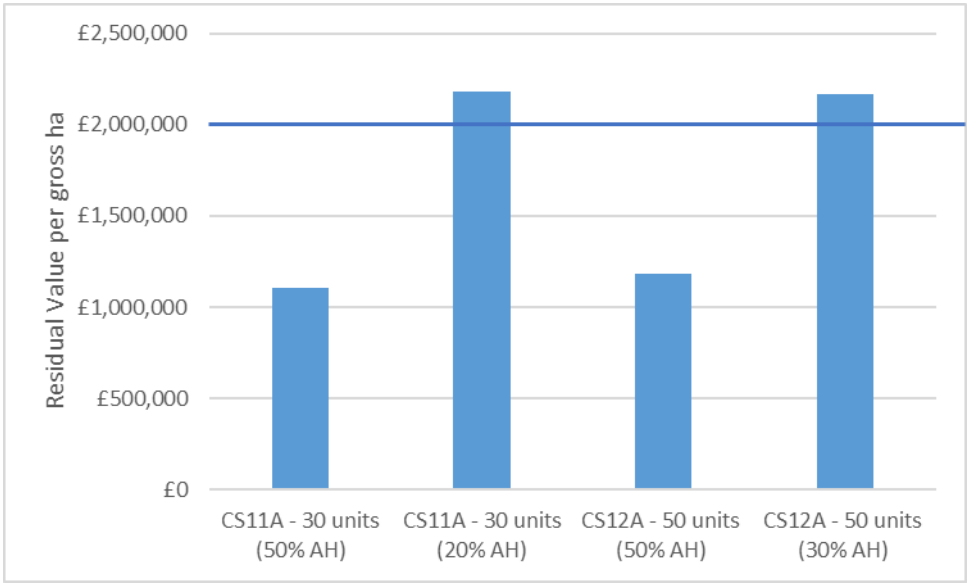
3.14 CS10 is the largest site tested at 60 dwellings. We have allowed an additional cost for the site (£150K or £75K net hectare) to cover site opening up costs (i.e. road access, offsite utilities and drainage etc). The scheme is viable but more marginal than most of the other smaller potential site allocations at £166,670 per hectare above the benchmark of £2m per hectare.

3.15 CS11 and CS12, schemes of 3 storey flats were not viable with 50% affordable housing. CS11 is considered 'marginal' with 0% affordable housing (£6,000 per hectare below the benchmark value of £2m per hectare) and CS12 was viable with a maximum of 10% affordable housing (£164,000 above benchmark land value).

3.16 As well as the additional cost of building out flatted schemes, both schemes have additional circumstances affecting their viability. For a flatted scheme CS11 is very low density (25 dwellings per hectare) and adopting a higher density of around 60 dwellings per hectare (equivalent to a gross area of 0.5ha), would give a residual value per gross hectare of around £2.5m, well over the benchmark of £2m. CS12 has a very low net to gross ratio to take account of the fact that 69% of the site is not suitable for development. In practice this would likely result in a reduction in land value.

3.17 CS11 and CS12 have also been tested as to their suitability for extra care housing (case studies CS11A & CS12A). The figure below shows the results of modelling a 30 and a 50 unit extra care scheme.

Figure 3.5: Potential Site Allocations (extra care) – residual value per gross ha



3.18 Neither of the extra care schemes were viable with 50% affordable housing. Extra care schemes do incur additional costs through larger unit sizes and higher circulation space as well as a longer sales period. Some of this will be recouped through higher selling prices but it has nonetheless had an impact upon viability. These schemes, especially 11A, had a particularly low density and this has impacted on viability. In the case of CS12A the low net to gross allowed to take account of the developable area of the site, has had an adverse effect of viability. Slightly larger schemes, in terms of the number of units, would also likely help viability as would higher densities and a higher net developable area.

3.19 Figure 3.5 also shows the level of affordable housing likely to be required to achieve viability. For CS11A, the 30 unit scheme, the scheme is only brought into viability (£183,943 per ha after deduction for land value) when affordable housing is reduced to 20%. CS12A, 50 units, is viable with 30% affordable housing (£168,155 per ha after deduction for land value).

Sensitivity Analysis – policy related

3.20 The Local Plan includes a policy encouraging water usage to achieve a daily maximum of 110 litres per person in line with government's optional technical standard for water efficiency. The cost of achieving this is minimal per unit[52] and does not affect the outcome of the viability analysis. The table below shows the difference made to a sample selection of viable schemes.

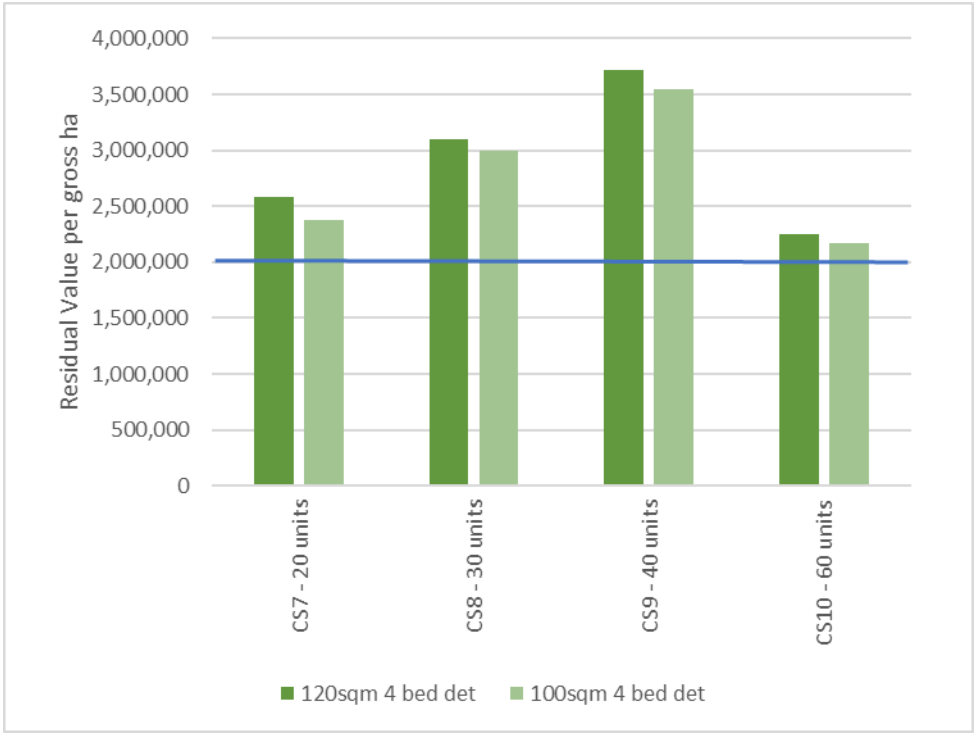
[52] Housing Standards Review EC Harris September 2014 DCLG – assesses the cost at £9 per unit *Three Dragons with Rural Housing Solutions* November 2017

Figure 3.6: effect of higher standard for water efficiency on a sample of schemes

Case Study	Residual Value without Water Efficiency Standard	Residual Value with Water Efficiency Standard	Benchmark Land Value – to be deducted
CS7 - 20 units	£2,375,556	£2,375,376	£2m
CS8 - 30 units	£2,991,000	£2,990,730	£2m
CS9 - 40 units	£3,548,060	£3,547,700	£2m
CS10 - 60 units	£2,166,670	£2,166,130	£2m
CS12 - 50 flats (10% AH)	£2,164,285	£2,163,835	£2m

3.21 In response to comments from stakeholders, we have carried out a series of sensitivity tests to assess the impact of allowing for dwellings above the 100 sq m limit proposed in the draft Local Plan. We have illustrated this using case studies 7 to 10 where we have substituted the 100sqm 4 bed detached house with a 120sq m four-bedroom house. This amendment relates to 20% of the market dwellings. (Full dwelling mixes are discussed in Annex I) The results of using this approach are set out in the figure below. They will have some implication on the potential level of CIL that could be collected in the National Park and this is discussed in chapter 4.

Figure 3.6: Potential Site Allocations CS7 to CS10 – residual value per gross ha – comparing residual value with detached houses increased from 100sqm to 120sqm per unit



3.22 It is apparent that the introduction of larger houses (with associated increase in value but also of cost) has strengthened viability across these case studies. The increases in residual value per gross hectare range from just over £82,000 for CS10, up to £212,000 for CS20.

Sensitivity Analysis – Alternative Costs & Values

3.23 As described in chapter 2, we have used current costs and values for our Viability Assessment. However, in order to give the NPA an overview of how viability may stand up to some of the vagaries of the development market, we have also looked at a number of sensitivity scenarios, using the potential site allocations, case studies 7 – 10, as the base.

- Firstly we have assumed a poorly performing market where building costs rise by 5% but house prices decrease by 5%
- Secondly we have looked at the house price forecasts produced by Office for Budgetary Responsibility[53] alongside the build costs forecasts made by BCIS[54] for the next 4 years.

The results are shown in the table below

Figure 3.7: Residential Viability – sensitivity testing results case studies CS7 – CS10

			RLV - BLV per ha at forecast growth (based on previous year)			
CS	Original toolkit Residual Land Value (RLV) - Benchmark Land Value (BLV) per ha	RLV - BLV per ha with 5% increase build costs & 5% decrease house prices	RLV - BLV per ha for 2018 OBR/BCIS predictions	RLV - BLV per ha for 2019 OBR/BCIS predictions	RLV - BLV per ha for 2020 OBR/BCIS predictions	RLV - BLV per ha for 2021 OBR/BCIS predictions
CS7	£375,556	£3,333	£584,444	£722,222	£774,444	£794,444
CS8	£991,000	£515,000	£1,259,000	£1,440,000	£1,507,000	£1,539,000
CS9	£1,548,060	£1,204,491	1,109,072	2,020,951	2,050,725	2,102,317
CS10	£166,670	-£162,435	£354,277	£484,397	£539,004	£569,777
CS10 larger units	£249,069	-£90,333	£441,723	£578,169	£635,597	£669,917

3.24 The table demonstrates possible impacts on viability of various market scenarios. Published future predictions are shown to increase viability but a scenario where build costs increased and house prices fell (both by 5%) would reduce CS10 (60 unit scheme) to sub-viable and CS7 (20 units) to marginally viable, whilst the other case studies tested remain viable.

Rural Exception Sites

3.25 Rural Exception Sites are described in Policy 28 of the draft Local Plan in the following terms, "*Small-scale affordable housing developments may be permitted as "exceptions" on sites in or adjoining villages to meet the identified needs of local people in these areas.*" The draft Local Plan then explains that, "*An alternative option to this would be to enable an element of open market housing on rural exception sites."* This would be the minimum required to ensure a viable scheme.

3.26 Testing of these sites therefore focuses first on the residual value generated by 100% affordable housing but, if this is not viable, we then identify the minimum market housing required to produce a viable scheme. For RES, the benchmark land value used is typically £10,000 per plot (very approximately £300,000 per hectare). This

[53]P83, table 3.8, Economic & Fiscal Outlook March 2017 OBR
[54] P16, table 17, BCIS Quarterly Briefing September 2017
Three Dragons with Rural Housing Solutions November 2017

benchmark was derived in discussion with local providers and is much lower than the benchmark used for the other case studies and reflects the presumption against unconstrained market housing on these sites. However, it needs to be borne in mind that RES are only permitted when they meet a local need for affordable housing in perpetuity and are not intended to meet wider housing demand.

3.27 The following tests were undertaken for the Rural Exception Sites in the 'Rest of the New Forest'[55]:-

i) As 100% Affordable Rent with a standard affordable housing mix;

ii) 75% Affordable Rent and 25% shared ownership with standard affordable housing mix;

iii) 75% Affordable Rent and 25% as 2 bedroom sale bungalows with a local connection restriction which we have modelled at a 15% discount on open market values. Providing bungalows for local people will help older 'downsizers' remain in their community. We used a standard affordable housing mix for the Affordable Rent element of the scheme.

iv) As 50% Affordable Rent, 25% shared ownership and 25% open market sale. The affordable units are as per the standard affordable mix and the market units are delivered as 2 bed bungalows (without any local connection or re-sale conditions).

3.28 Three rural exception sites (RES) were modelled at 3, 7 and 11 units. The type of dwelling modelled (the dwelling mix) is that shown in Annex I. In practice, the mix would be decided scheme by scheme reflecting local need.

Figure 4: Rural Exception Sites– residual value per plot

			100% Affordable Rent		75% Affordable Rent / 25% Shared Ownership		75% Affordable Rent/ 25% local connection discounted sale		50% Affordable Rent / 25% Shared Ownership / 25% open market sale	
Scheme	Units	Benchmark (£10,000 per plot)	Scheme Residual	*Headroom over Scheme benchmark*	Scheme Residual	*Headroom over Scheme benchmark*	Scheme Residual	*Headroom over Scheme benchmark*	Scheme Residual	*Headroom over Scheme benchmark*
RES1	3	£30,000	-£56,000	*-£86,000*	£68,000	*£38,000*	£132,000	*£102,000*	£209,000	*£179,000*
RES2	7	£70,000	-£94,000	*-£164,000*	£176,000	*£106,000*	£328,000	*£258,000*	£507,000	*£437,000*
RES3	11	£110,000	-£126,000	*-£236,000*	£297,000	*£187,000*	£530,000	*£420,000*	£814,000	*£704,000*

3.29 The RES case studies demonstrate that RES can be delivered in the NFNP but will require an element of intermediate housing, such as local connection discounted sale or shared ownership, to produce sufficient value to pay for the land. We have also modelled RES schemes with an element of open market housing. Although this improves the viability of the schemes tested, it is unlikely that unfettered open market housing would be required to ensure viable RES schemes as 100% affordable options are likely to be viable.

Summary of Residential Case Studies

3.30 The viability testing undertaken results in good general viability and as such support the policies included in the Local Plan. If the NPA so chooses, an affordable housing threshold of 3 or more dwellings is supported by the viability evidence. Viability is more marginal on some of the larger sites and although, with the exception of the 30

[55] It is assumed that RES are not developed relevant in Brockenhurst which has a higher population.

unit flatted scheme, residual value is positive at policy position. Some of the more straightforward case studies (such as CS8 / CS9 as well as some of the notional windfall sites) achieved high residual values and would indicate some viability headroom should further obligations be required from these sites.

3.31 As allocated, the extra care schemes are not able to provide the full level of affordable housing and may need to be assessed on a case by case basis. Flexibility around density and number of units may assist viability.

3.32 The Rural Exception Site testing indicates that it is not possible to provide RES housing without some form of intermediate housing but it appears unlikely that unfettered open market sale would be required to provide viable RES developments.

4 RESIDENTIAL VIABILITY ANALYSIS – POTENTIAL FOR CIL

Introduction

4.1 NFNPA has not decided whether to introduce a CIL for the National Park and the testing in the previous chapter does not include an allowance for CIL. There is however an element of 'viability headroom' and at the request of the authority we have also looked at the potential for introducing a levy and this is discussed below.

4.2 In assessing what level of CIL could be charged we have noted NPPG comments on the role of viability and CIL

"*The levy is expected to have a positive economic effect on development across a local plan area. When deciding the levy rates, an appropriate balance must be struck between additional investment to support development and the potential effect on the viability of developments …… There is room for some pragmatism. It would be appropriate to ensure that a 'buffer' or margin is included, so that the levy rate is able to support development when economic circumstances adjust."*[56]

Potential CIL Rates

4.3 The assumptions used and selection of case studies is discussed in the previous chapter and are commensurate with NPPG and NPPG.

4.4 CIL rates are based upon value per square metre and we have applied market floor areas over the residual value of the scheme, post deduction for benchmark land value.

4.5 We have applied a buffer of 40% to the maximum CIL to allow for the vagaries of the market as suggested in NPPG. In the National Park the buffer will also help account for any variations resulting from the relative paucity of new build market information and the uncertainty about the impact of the 100 sqm threshold.

4.6 In the light of the announcements by the CIL Review Team, NFNPA asked us to also consider what rates of CIL could be collected in the Park should the recommendations be implemented. The CIL Review Team was not specific about exactly how market values should be used to set the new tariff. In this study we have considered the average value per sqm for general new build housing, as shown in Annex I, and used this as the basis for suggesting what the range of new tariff rates might be should the recommendations of the CIL Review Team be adopted.

4.7 The tables below show

- the theoretical maximum CIL that could be collected in each market value area
- the potential for CIL collection applying a 40% buffer to the theoretical maximum
- the additional CIL that could be charged should the maximum unit size in the National Park be increased to 120 sqm
- the potential for CIL applying the principles outlined in the Peace Review and described in chapter 2.

[56] NPPG 25-009-20140612

4.8 The first figure, 4.1, shows the potential for a CIL to be collected in Brockenhurst and includes the potential for collection at both the main and the alternative benchmark land values.

Figure 4.1: Potential for CIL in Brockenhurst

Potential for CIL – Brockenhurst						
Case study reference	**Dwellings**	**Market units GIA - sqm**	**Theoretical Max CIL at main BMLV- sqm**	**Potential for CIL at main BMLV with 40% buffer – per sqm**	**Theoretical Max CIL at higher BMLV - sqm**	**Potential for CIL with 40% buffer at higher BMLV – per sqm**
CS1	1 unit	100.0	£940	£564	£815	£489
CS2	3 units	150.0	£1,667	£1000	£1,417	£850
CS2A	4 units (3 extra)	200.0	£1,500	£900	£1,250	£750
CS3	4 units (flats)	154.0	£766	£460	£523	£314
CS4	6 units	280.2	£1,092	£655	£735	£441
CS5	11 units	513.7	£1,320	£792	£1,013	£608
CS6	15 units	700.5	£642	£385	£167	£100

4.9 Applying a 40% buffer and using the main benchmark land value reveals a range of rates from £385 - £1,000 per square metre. When potential CIL rates are based on the results from the testing using the alternative, higher, benchmark land value, rates range from £100 - £850 sqm.

4.10 Although evidence of higher land values in Brockenhurst is sparse, as a precautionary principle based on the clear evidence that house values are higher in Brockenhurst it would be reasonable to base the recommendation for CIL on the higher, alternative, land value for Brockenhurst. It would also be reasonable to assume that in the instance of case study CS6 there would be some flexibility in land value because this site has a reduced developable area which has affected scheme revenue on a per hectare basis. Taking these two issues into account we would recommend a CIL of up to £300 would be appropriate in the Brockenhurst value area.

4.11 The table below shows the potential for CIL in Rest of National Park. Where sites were also tested with larger (120sqm) units, the outcome is shown below the corresponding Policy 21 compliant scheme. In the Rest of National Park and based on evidence, the main benchmark land value is the most appropriate.

Figure 4.2: Potential for CIL in Rest of National Park

Potential for CIL – Rest of National Park				
Case study reference	**Dwellings**	**Market units GIA - sqm**	**Theoretical Max CIL – per sqm**	**Potential for CIL with 40% buffer – per sqm**
CS1	1 unit	100.0	£570	£342
CS2	3 units	150.0	£1227	£736
CS2A	4 units (3 extra)	200.0	£1445	£867
CS2A – alternative land scenario	4 units (3 extra)	200.0	£375	£225
CS3	4 units (flats)	154.0	£383	£230
CS4	6 units	280.2	£682	£409
CS5	11 units	513.7	£915	£549
CS6	15 units	700.5	£233	£140
CS7	20 units	1,067	£352	£211
	20 units – scheme units up to 120sqm	1,778	£499	£299
CS8	30 units	1,406	£705	£423
	30 units - scheme units up to 120sqm	1,466	£753	£451
CS9	40 units	1,875	£908	£544
	40 units- scheme units up to 120sqm	1,975	£955	£573
CS10	60 units	1,083	£154	£92
	60 units - scheme units up to 120sqm	1,129	£221	£132

4.12 With a buffer of 40%, the CIL range is shown as between £92 and £867 per square metre overall. Potential rates are between £28 sqm and £115 sqm higher where larger units have been modelled.

4.13 As per our comments relating to case study CS6 (15 units) in Brockenhurst and taking into account that case study CS10 incurs additional opening up costs which are not typical of sites in the New Forest National Park (as they are not usually this large), we consider it reasonable that land values would flex in these circumstances. Bearing this in mind, we would suggest a CIL rate of £200 sqm for Rest of National Park value area. Taking the lower case study differential (and rounding down), this could rise to at least £225 if the maximum unit size increased to 120sqm.

4.14 CS11A and CS12A are not shown in the table as we do not consider that, at the current allocation details, extra care schemes have potential for a CIL without reducing the threshold for affordable housing. Equally, the flatted schemes have not demonstrated potential for a CIL unless the affordable housing contribution is reduced.

4.15 If the recommendations of the Peace Review are adopted into planning policy then the National Park Authority may choose to introduce a Local Infrastructure Tariff (LIT), although from the information provided by the Review Team we consider scope for the introduction of a Strategic Infrastructure Tariff (SIT) is limited in the National Park. The range for collection for a LIT would be between 1.75% and 2.5% of current values which we have modelled based on the house prices used in this viability assessment. A sample of case studies (numbers 7-10) has been modelled, showing potential LIT collection alongside the current approach.

Figure 4.3: comparison of potential CIL collection with recommendations of Peace Review Team for a LIT

Potential for CIL per scheme – comparison with recommendations of Peace Review					
Case study reference	**Dwellings**	**Market units GIA - sqm**	**Potential for CIL per scheme @ £200 sqm**	**Peace Review CIL @ 1.75% of £4,650 sqm = £81**	**Peace Review CIL @ 2.5% of £4,650 sqm = £116**
CS7	20 units	1,067	£213,400	£86,427	£123,772
	20 units – scheme units up to 120sqm	1,778	£355,600	£144,018	£206,248
CS8	30 units	1,406	£281,200	£113,886	£163,096
	30 units - scheme units up to 120sqm	1,466	£293,200	£118,746	£170,056
CS9	40 units	1,875	£375,000	£151,875	£217,500
	40 units- scheme units up to 120sqm	1,975	£395,000	£159,975	£229,100
CS10	60 units	1,083	£216,600	£87,723	£125,628
	60 units - scheme units up to 120sqm	1,129	£225,800	£91,449	£130,964

4.16 The table shows comparison CIL collection for potential site allocations, our case study numbers CS7-10. We understand that for these sites in the Rest of National Park value area, the CIL rate implied by the CIL Review Team is between £81 and £116 sqm, as shown above. Clearly, this is below the potential for CIL collection based on current guidance, as modelled in this Viability Assessment.

4.17 For smaller schemes below 10 units, no LIT would be chargeable therefore the funds collected would be nil. (CIL is collectable on all schemes with some exceptions such as self-build.)

4.18 In Brockenhurst the potential for LIT on schemes over 10 units would rise to between £89 per sqm and £127 per sqm, depending on the rate at which it was charged.

Summary & recommendations - CIL Options

4.19 Based on the range of sites tested, we would recommend one of two options should the NFNPA wish to effect a CIL:

- A rate of £300 sqm in Brockenhurst and £200 sqm in Rest of Nation Park – this would maximise the amount of CIL that could be collected
- A single rate of £200 across the National Park – this would be a simpler option which accounts primarily for the sites on which the Local Plan will rely – if larger units are allowed under Policy 21 then the rate could be increased to £225 sqm.

4.20 If the recommendations made in the Peace Review are adopted then no CIL would be collected on sites of 10 or fewer units and a rate of between £81 and £116 could be collected, rising to between £89 and £127 in Brockenhurst.

5 NON-RESIDENTIAL DEVELOPMENT

Introduction

5.1 This section of the report provides viability analysis of the non-residential development planned to come forward under the new local plan.

5.2 The October 2016 Local Plan Consultation Draft notes that the Park's economy is very diverse with the leisure, tourism, agriculture, health, and the professional, scientific and technical sectors all playing a role. However, the National Park is surrounded by local employment centres, such as Lymington, Ringwood and Totton, and large urban areas that provide significant employment opportunities. As a result, it is likely that some of the employment needs will continue to be met beyond the Park's boundaries. Following on from this, the draft Local Plan considers that the economic well-being of the Park's communities will be best served by focusing on small businesses, and that the appropriate requirements for business space are likely to be of modest scale. This approach does not require the allocation of new land specifically for employment development, although there is a recognition that there will be new small business spaces created. Policy 42 states that small scale employment development will be permitted within the four defined villages of Ashurst, Brockenhurst, Lyndhurst and Sway. The draft Local Plan welcomes proposals for small scale starter units/offices, rural business units and easy in/out units, but not redevelopment of existing employment sites for general storage and warehousing purposes.

5.3 Tourism is an important part of the economy and the plan supports small scale development of visitor facilities and accommodation using new or existing buildings in the four defined villages, or outside these villages through the re-use or extension of existing buildings. Surrounding settlements are likely to perform as centres for visitor accommodation.

5.4 In terms of retail, the draft Local Plan supports small scale development for the four defined villages (Ashurst, Brockenhurst, Lyndhurst and Sway). Outside the defined villages small-scale convenience shops within rural settlements that serve local needs, will be permitted.

Case studies and testing assumptions

5.5 The viability testing responds to the planned development by using the following case studies:

- Edge of settlement offices
- Workshop/small light industrial units uses
- Settlement centre comparison retail
- Small convenience retail

5.6 The characteristics for each case study are set out in table 10.2 below.

5.7 Build costs are drawn from BCIS, using median values rebased to this location. Build costs are higher than the national average[57]. Revenues have been based on transactions listed by Co-Star Suite (lettings and investments), supplemented by market commentaries[58]. Where possible we have based our values on local data but the characteristics of the National Park have mean that for all of the uses tested, the majority of the transaction evidence comes from outside the boundaries.

Retail Values

5.8 Retail case studies include convenience[59] and comparison shopping. The main locations with data available for high street comparison retail values are in the areas surrounding the National Park (such as Ringwood, Lymington, New Milton etc., although there is some transactions evidence for Brockenhurst and Lyndhurst.

5.9 In relation to convenience retail we note that in the past leases to the main supermarket operators have commanded a premium with investment institutions, although there has been a structural shift with the historic pattern of developing large stores now replaced with development of 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[60] (280 sq m display floor area), also often in existing floorspace. These changes reflect the alterations in shopping habits. Although there are some small regional variations on convenience retail 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 for convenience retail. We have reviewed evidence on convenience stores for transactions across the South Coast sub-market.

Office values and Industrial and Warehouse values

5.10 We have used data for the areas surrounding the National Park for office and workshop/light industrial values.

Land values for non-residential development

5.11 Benchmark land values are an estimate of the lowest value that land may be released for development as opposed to the highest values seen in market transactions. The benchmark land values have been developed based on existing use values, with a premium where the use is expected to change. We have used the DCLG/VOA industrial land value[61] for offices and industrial units. For convenience retail uses we have used the higher residential benchmark as this may be an alternative use. For Settlement centre comparison retail where we have assumed

[57] BCIS notes that build costs are 8% higher than the UK average

[58] CoStar Suite is a national database which offers a full market inventory of properties and spaces, available as well as fully leased, searchable by market and submarket

[59] Convenience retailing is defined as the provision of everyday essential items, including food, drinks, newspapers/magazines and confectionery; and within this larger stores provide the range required for weekly shops and smaller stores provide more of a 'top-up' function. Comparison retail relates to other consumer goods.

[60] Sunday Trading Act 1994

[61] DCLG, 2015, Land value estimates for policy appraisal

that the site will have an existing retail use but with lower values and less floorspace. Here we have used this as the basis for generating value estimates along with an allowance for demolition and associated costs[62]. This approach produces a higher benchmark than the ones used for convenience retail or offices and industrial.

Figure 10.1 Benchmark land values

Type	£ per gross hectare
Prime settlement centre retail	Site EUV - £0.2m for 0.01ha
Convenience retail	£2.0m
Office and light industrial	£1.1m

Figure 10.2 Case study characteristics

	Offices	Workshop/ light industrial/ units	Settlement centre comparison shops	Small convenience store
Floorspace sqm	200	600	200	300
Storeys	2	1	2	1
Site coverage	40%	40%	80%	65%
Rent/sqm	£161	£75	£215	£187
Yield	7.50%	7.00%	7.00%	5.75%
Purchaser costs % GDV	5.80	5.80	5.80	5.80
Build costs/sqm	£1,372	£854	£1,048	£1,306
External works % of base build costs	10%	10%	10%	10%
Professional fees	10.00%	12.00%	12.00%	12.00%
Sales and letting costs % of GDV	3%	3%	3%	3%
Allowance for s106	£20,000	£20,000	£0	£50,000
Finance costs	6.0%	6.0%	6.0%	6.0%
Build and void period (months)	22	20	24	6
Developer return % GDV	20%	20%	20%	20%
SDLT & agent fees/sqm (if viable)	£0	£0	£13	£8

Summary viability assessments

5.12 The tables below summarise the results from the detailed assessments for each non-residential development type. They provide the following information

[62] We used a 100 sq m retail unit on two floors with 50% site coverage, with rents from the lower end of the range recorded and weaker yield; along with an allowance for demolition and a 20% incentive for the landowner.

- Net value per square metre.
- Net costs per square metre - including an allowance for land cost and s106 to deal with site specific issues (e.g. On-site highways, travel plan etc. to make development acceptable).
- Residual value per sq m (i.e. Value less costs).
- The land value benchmark for that use - presented £s per sq m of development to take into account differences in site coverage and the number of storeys for the notional developments.
- The viability headroom – for uses that are viable, this is the residual value over and above the benchmark land value.

5.13 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 design and build 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.

5.14 Public sector economic development priorities may also result in funding being used to deliver some forms of development or provide infrastructure that reduces the cost/risk of private sector development. This might include making use of local authorities' ability to borrow cheapy or use capital budgets to create income earning assets, as well as programmes such as the Enterprise M3 LEP's Growth Deal 3rd Tranche which plans to invest over £70m 2017-20, or the Growing Enterprise Fund, which has a total value of £21.7m (available to help support economic growth by addressing the infrastructure and site constraints that may be impeding development). The Wiltshire LEP (covering the northern part of the National Park) has a similar set of funding opportunities.

B Class Uses – Offices and workshop/light industrial

5.15 The viability assessments indicate that both of these B class uses produce a negative residual value. The lack of viability for B class uses is common across many areas of the country.

Figure 10-3: Offices

	Offices	Workshop/ light industrial/ units
Value per sq m	£1,932	£966
Costs per sq m	£2,405	£1,419
Residual per sq m	-£472	-£453
Land benchmark per sq m	£138	£275
Viability 'headroom' per sq m	-£610	-£728

Retail uses

5.16 Both of the retail uses tested produced a positive residual value, but because the settlement centre retail is assumed to be on a site in existing use, the residual is less than the benchmark.

Figure 10-4: Settlement centre comparison retail and convenience

	Settlement centre comparison	Small convenience store
Value per sq m	£2,760	£2,920
Costs per sq m	£2,104	£2,512
Residual per sq m	£656	£409
Land benchmark per sq m	£1,086	£308
Viability 'headroom' per sq m	-£430	£101

5.17 Because the settlement centre retail does not meet the benchmark it is considered not viable, although it is sensitive to the site value assumptions. As discussed above, we have tested against a site with less valuable retail uses but if sites with a lower existing use value were available, it may be possible for this form of development to be viable.

Other Uses

5.18 The viability testing has been based on the development expected to come forward. It is acknowledged that there are other uses that could arise and it is recommended that the following approach is taken:

- A2 Financial and Professional Services – treat as A1 in viability terms as many of these uses are likely to occupy the same sorts of premises as some settlement centre retail.
- A3 Restaurants and Cafes – again treat as A1 in viability terms as many of these uses are likely to occupy the same sorts of premises as some settlement centre retail.
- A4 Drinking Establishments - again treat as A1 in viability terms as many of these uses are likely to occupy the same sorts of premises as some settlement centre retail.
- A5 Hot Food Takeaways - again treat as A1 in viability terms as many of these uses are likely to occupy the same sorts of premises as some settlement centre retail.
- Selling and/or displaying motor vehicles - sales of vehicles are likely to occupy the same sorts of premises and locations as some B2 uses and therefore the viability will be covered by the assessment of the viability of B2 uses.

- Nightclubs – these uses are likely to be in the same type of premises as A1 settlement centre retail uses and covering the same purchase or rental costs.
- Scrapyards – there may be new scrapyard/recycling uses in the future, particularly if the prices of metals and other materials rise. These are likely to occupy the same sorts of premises as many B2 uses and therefore the viability will be covered by the assessment of the viability of B2 uses.
- Taxi businesses – these uses are likely to be in the same type of premises as A1 settlement centre retail uses and covering the same purchase or rental costs. Therefore, they are covered by this viability assessment.
- Amusement centres – these uses are likely to be in the same type of premises as A1 settlement centre retail uses and covering the same purchase or rental costs. Therefore, they are covered by this viability assessment.

Summary

5.19 Of the uses tested, only convenience retail is viable. This type of development is able to come forward subject to the availability of sites.

5.20 Based on the costs and values in this testing, speculative office and workshop/light industrial developments are unlikely to be brought forward by the market. However, this does not preclude local authorities developing new employment spaces, in order to deliver economic development benefits[63]. In addition, public sector funding from sources such as Enterprise M3 LEP can be used to reduce the costs of providing new employment space. It is also possible that businesses will to commission design and build workspace development, which is a model of workspace development seen elsewhere.

5.21 High street comparison retail is not viable as modelled here. However, this is in part due to the relatively high existing use value assumed for a settlement centre retail site. If a lower value site is available, then this type of retail may come forward.

5.22 Figure 10.8 below summarises the viability of the different non-residential uses.

[63] This combines a long-term view on returns as well as an ability to borrow cheaply.

Figure 10-8: Non-residential Development Viability Summary - £/sq m viability 'headroom'

5.23 Sensitivity testing indicates that only when values increase by 20% settlement centre retail be viable enough to meet the benchmark. A 5% increase in costs will render small convenience retail unviable.

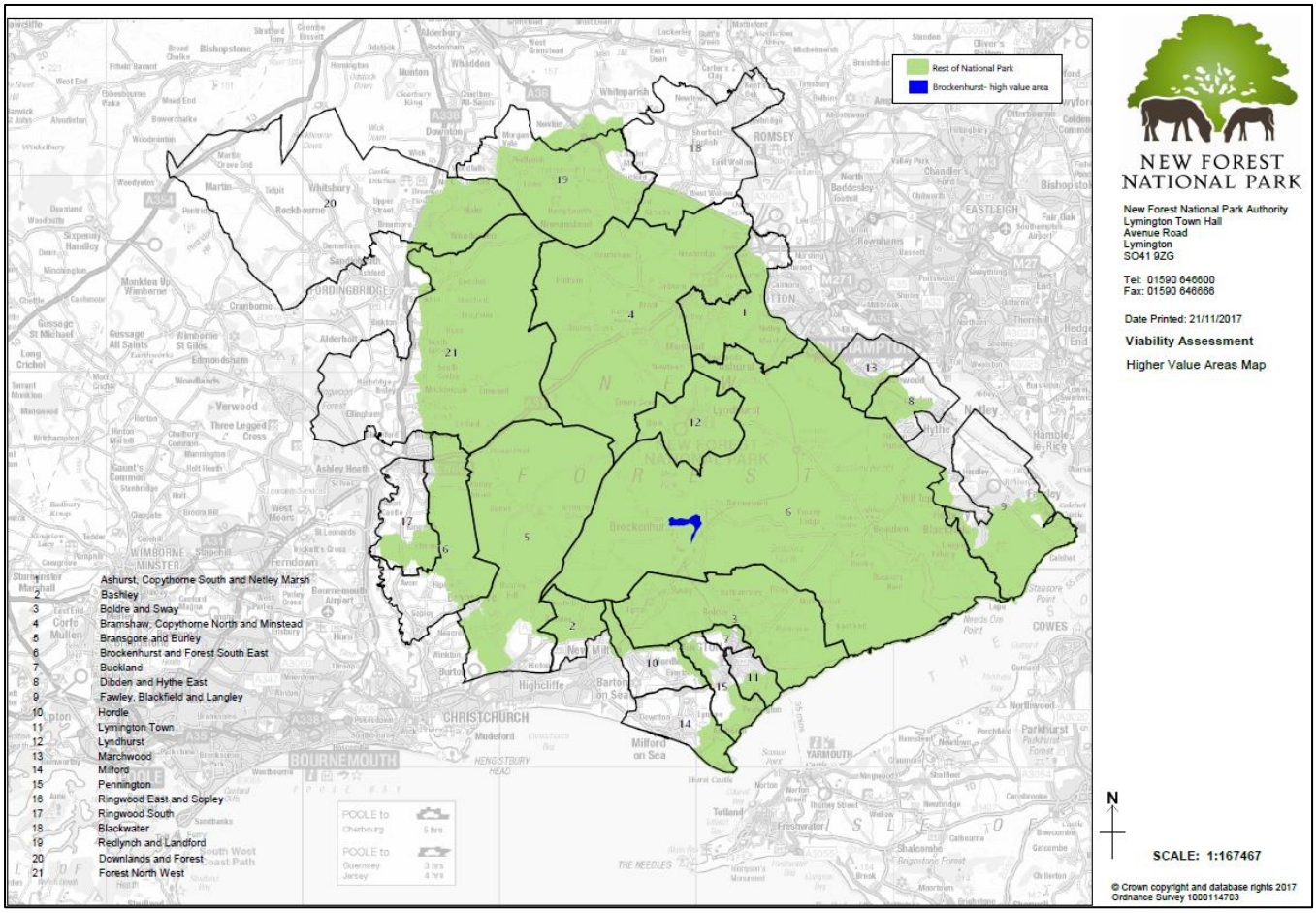
Potential for CIL on non-residential sites

5.24 It is possible to set a CIL rate for convenience retail, if the authority desires. With a 50% buffer to allow for changes in costs and values a charge of £50/sq m would be possible. Other uses tested are not able to support CIL.

ANNEX I – TECHNICAL DETAIL FOR RESIDENTIAL TESTING

1. Market Housing

Value areas - map



Key:

Brockenhurst – High Value area

Rest of National Park

House Prices

Market GIA SQ M	100	100	100	97	97	93	79	58	70	58	80	58
	Detached		**Semi-detached**		**Terrace**				**Flats**		**Bungalows**	
	4 Bed	**3 Bed**	**4 Bed**	**3 Bed**	**4 Bed**	**3 Bed**	**2 Bed**	**1 bed**	**2 Bed**	**1 Bed**	**2 bed**	**1 bed**
NFNPA (except Brockenhurst)	£465,000	£465,000	£465,000	£451,000	£451,000	£432,500	£367,000	£269,500	£325,500	£269,500	£446,500	£323,500
Brockenhurst	£511,500	£511,500	£511,500	£496,000	£496,000	£475,500	£404,000	£297,000	£358,000	£297,000	£491,000	£356,000
Flats - Ground rent @ £250 per dwelling, capitalised at 5% On development of 1-3 units + 5% added to selling price for 'exclusivity'												

Average price per sqm – all houses and flats (except Brockenhurst) = £4,650
Brockenhurst = £5,115

Premium for bungalows – house + 20% = £5,580
Brockenhurst = £6,138

See separate full note on stakeholder workshop for process of arriving at house prices.

Market Housing dwelling mix

Type	General sites	Potential site allocations
1 bed flat or terrace	Only on sites specified	Only on sites specified
2 bed flat	Only on sites specified	Only on sites specified
2 bed bungalow		Only on sites specified (CS7 & CS10)
2 bed terrace	25%	25% (CS10 – 10% of 2bt transferred to bungalows)
3 bed terrace	15%	10%
4 bed terrace		
3 bed semi	10%	10%
4 bed semi	-	-
3 bed detached	35%	35%
4 bed detached[64]	15%	20%

2. Affordable Housing

Testing to start at 50% affordable housing with adjustments down where necessary to improve viability. All affordable housing comprises 75% rented and 25% shared ownership.

- Rented is tested as 100% Affordable Rent
- Thresholds to be tested from 3 dwellings or more
- Rural Exception Site cascade –

1. 100% affordable housing – all Affordable Rent
2. 100% affordable housing made up of 75% Affordable Rent & 25% shared ownership
3. 75% Affordable Rent & 25% local connection discounted sale (to remain as discounted market sale in perpetuity)
4. 50% Affordable Rent / 25% shared ownership / 25% open market sale

[64] In most of the testing, 4 bed and 3 bed detached homes are the same size and value and thus have exactly the same impact upon viability and are in effect interchangeable. Only where we have tested larger dwelling sizes as a sensitivity test, to assess the impact of an amendment to policy 21, does the differentiation between the 3 & 4 bed units make a difference to viability.

Affordable Housing Dwelling mix

Affordable Housing Development Mix House Type	**Affordable Rent (75% of AH)**	**Intermediate SO (25% of AH)**
1 bed flat/house	30%	
2 bed house	35%	50%
3 bed house	30%	50%
4 bed house	5%	

Affordable housing values

Net of service charge of £10 for flats and £5 for houses & based on 100% of LHA rates (rounded)

There are 3 BRMAs – Southampton, Salisbury & Bournemouth. Southampton BRMA is used for rents as this covers most of district where development occurs. It is also the mid-rate apart from 2 beds where it is marginally above Bournemouth (£3.36 pw).

Net of service charges	Net Weekly Rents
1 bedroom flat	£106
2 bedroom flat	£146
1 bedroom house	£111
2 bedroom house/bungalow	£151
3 bedroom house	£179
4 bedroom house	£237

For rental properties.

Management and maintenance	£1,000
Voids/bad debts	3.00%
Repairs reserve	£600
Capitalisation	5%

For shared ownership

Share size	40%
Rental charge	2.75%
Capitalisation	5%

3. General costs and assumptions – all dwellings

Dwelling sizes

House type description	***Affordable sq m***	***Market sq m***
1 bedroom flat	*50 (2p)*	*58*
2 bedroom flat	*70 (4p)*	*70*
1 bedroom bungalow	*55 (2p)*	*58*
2 bedroom bungalow	*70 (4p)*	*80*
1 bedroom terrace	*58 (2p)*	*58*
2 bedroom terrace	*79 (4p)*	*79*
3 bedroom terrace	*93 (5p)*	*93*
4 bedroom terrace	*97 (5p)*	*97*
3 bed semi detached	*93 (5p)*	*97*
4 bed semi detached	*97 (5p)*	*100*
3 bed detached		*100*
4 bed detached		*100*

Affordable & Market Dwelling size compliant with Nationally Described Space Standards

An allowance of 10% of floor area will be added to the 1-2 storey flats for circulation space and common areas.

Other costs

Type	Cost	Comment
Flats (1-2 storeys)	£1,537.6	sq m includes 15% for external works
Flats (3-5 storeys)	£1,579.0	sq m includes 15% for external works
Houses	£1,327.1	sq m includes 15% for external works
2 to 3 houses	£1,393.5	sq m includes 15% for external works (5% increase over standard house build cost)
Single house	£2,205.7	sq m includes 15% for external works
Bungalows	£1,596.2	sq m includes 15% for external works
Sheltered Housing	£1,654.9	sq m includes 15% for external works (assume 3 storeys)
Professional fees	9%-12%	10 units or less – 12% 11 – 50 units – 10% 51 – 100 units – 9%
Finance	6%	of development costs (net of inflation)
Marketing fees	3%	of market GDV – all market units except sheltered / extra care for which a figure of 6% is used.
Developer return	20%	of market GDV
Contractor return	6%	of affordable build costs
s106/278	£2,500	Residual S106 to cover open space & some site specific
Habitat Contributions	£4,000	Per dwelling
Strategic infrastructure costs/ opening up	>55 units 75k/net ha >100 units £100k/net ha	net ha for larger sites
Void costs	£50,000 £100,000	Smaller sheltered and extracare schemes Sheltered / extracare 50+
Agents and legal	1.75%	

<u>Densities</u>

Median density - 30dph

Net to gross ratios: varies between 100% and 77% depending on site specifics

Build out rate / DCF period

2 years CS11

3 years CS10, CS11a

4 years CS12

All other sites 1 year

4. Benchmark Land Values

NFNPA	**Value per gross hectare**	**RES**
All areas	£2m	£10K per plot
Alternative – more likely to be applicable in Brockenhurst on smaller sites	£2.5m	

ANNEX II: CASE STUDIES

	Units	Gross area ha	Net area ha	Net to Gross	DPH	Market Dwelling Mix	Value area	AH (Base)	AR (% of AH)	SO (% of AH)	LCHO	LC Market Sale	Residual S106	Habitat mitigation	Opening up costs	Abnormals	delivery
CS1	1	0.025	0.025	100%	40	1 x 3bd	all	0%					2,500	4,000			year 1
CS2	3	0.075	0.075	100%	40	3x 3bd	all	50%	75%	25%			2,500	4,000			year 1
CS2a	4 (3 additional)	0.1	0.1	100%	40	2 x 4bd (M); 1x2bt; 1x3bt (AH)	all	50%	75%	25%			2,500	4,000		demolish existing unit - allow £20k	year 1
CS3	4	0.075	0.075	100%	53	4 x 2 bf	all	50%	75%	25%			2,500	4,000			year 1
CS4	6	0.200	0.200	100%	35	general mix	all	50%	75%	25%			2,500	4,000			year 1
CS5	11	0.315	0.315	100%	35	general mix	all	50%	75%	25%			2,500	4,000			year 1
CS6	15	0.666	0.600	90%	25	general mix	all	50%	75%	25%			2,500	4,000			year 1
CS7	20	0.900	0.900	100%	22	5 x 4 bed hse, 3 x 3 bed house, 2 x 2 bed bungalow	Rest NP only	50%	75%	25%			2,500	4,000			year 1
CS8	30	1.000	1.000	100%	30	allocated mix	Rest NP only	50%	75%	25%			2,500	4,000			
CS9	40	1.100	1.100	100%	36	allocated mix	Rest NP only	50%	75%	25%			2,500	4,000			
CS10	60	2.600	2.000	77%	30	allocated mix with bungalows	Rest NP only	50%	75%	25%			2,500	4,000	£75K per net ha opening up costs		
CS11	30	1.400	1.200	86%	25	10 x 1bf, 20 x 2 bf	Rest NP only	50%	75%	25%			2,500	4,000	Allow £50k site clearance costs		
CS12	50	1.600	0.500	31%	100	20 x 1bf, 30 x 2bf	Rest NP only	50%	75%	25%			2,500	4,000	Allow £400k site clearance costs	£100,000 void	18mths to 1st LC, 20 in yr 2, 20 in yr 3 and balance in yr 4
CS11A	30	1.4	1.2	86%	25	10 x 1bf, 20 x 2 bf	Rest NP only	50%	75%	25%			2,500	4,000	Allow £50k site clearance costs	Allow void costs £50,000	18 mths to 1st, 15 yr2 & 15 yr 3
CS12A	50	1.6	0.5	31%	100	20 x 1bf, 30 x 2bf	Rest NP only	50%	75%	25%			2,500	4,000	Allow £400k site clearance costs	£100,000 voids cost	18mths to 1st LC, 20 in yr 2, 20 in yr 3 and balance in yr 4
RES1	3	0.250	0.250	100%	12		Rest NP only	100%	75%	25%	tested as part of sensitivity cascade	tested as part of sensitivity cascade	2,500	4,000			
RES2	7	0.500	0.500	100%	14		Rest NP only	100%	75%	25%	tested as part of sensitivity cascade	tested as part of sensitivity cascade	2,500	4,000			
RES3	11	0.500	0.500	100%	22		Rest NP only	100%	75%	25%	tested as part of sensitivity cascade	tested as part of sensitivity cascade	2,500	4,000			

ANNEX III: LOCAL PLAN POLICIES

Policy Number	Title	Policy requirements	Viability Implications
1	Supporting sustainable development	*"The NFPA will support sustainable development proposals that will conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park and its special qualities; promote opportunities for their understanding and enjoyment by the public, and when doing so, will foster the social and economic well-being of local communities*". Sustainable development is defined according to 7 high level principles which are listed. More specific policy requirements are contained within other policies in the plan.	Range of schemes tested in viability study are considered by NFNPA to cover the principles outlined in this policy but there are no specific cost implications.
2	General Development Principles	A list of principles developers must comply with, to "*demonstrate high quality design and construction which enhances local character and distinctiveness.*"	Development costs have been compiled in conjunction with development industry and sites tested reflect the nature of sites allocated in the Local Plan.
3	Major Development in the New Forest National Park	"*major development is defined as development which has the potential to have a significant impact on the National Park and its special qualities due to its scale, character and nature. Planning permission will only be granted for major development within the New Forest National Park in exceptional circumstances and where it can be demonstrated to be in the public interest."* Consideration of applications will be assessed in relation to 6 listed criteria.	No viability implications
4	Spatial Strategy	The Spatial Strategy identifies four 'defined villages' to be the focus for new development. Outside of these only rural exception sites, sites for Estate workers and agricultural dwellings, or reuse of existing buildings will be considered. Exceptional circumstances are listed. "*The principle of development within the settlement policy boundaries as defined on the Policies Map will be supported, provided that it complies with the other*	Range of schemes tested in viability study are considered by NFNPA to cover the principles outlined in this policy and take account of other relevant policies.

		relevant policies and is of a scale and nature appropriate to the character and function of the settlement. In addition to these defined villages, land use allocations are also made in other parts of the National Park to contribute towards meeting local community needs across the New Forest."	
5	Nature Conservation Sites of International Importance	"*Development which may affect the integrity of an internationally important site for nature conservation will not be permitted unless there are imperative reasons of overriding public interest for the development, and there are no alternatives. If this is the case, the Authority will require compensatory measures to ensure the overall coherence of the designated site.* *However, development may satisfy the relevant Regulations if sufficient and effective measures are put in place to avoid or fully mitigate any likely significant adverse effects of the proposal.*"	Sites tested allow appropriate net to gross to ensure integrity of important sites is not breached. Habitat mitigation contribution is allowed for in the viability modelling.
6	The Natural Environment	"*Proposals should protect, maintain and enhance nationally, regionally and locally important sites and features of the natural environment, including habitats and species of biodiversity importance, geological features and the water environment… In addition, opportunities to enhance ecological or geological assets should be maximised, particularly in line with local Biodiversity Action Plan priorities."* If there are any detrimental effects, the development must comply with 3 criteria to satisfy the NFPA.	Sites tested allow appropriate net to gross to ensure integrity of important sites is not breached. Additional 'habitat mitigation' is allowed for.
7	Landscape Character	"*Development proposals will be permitted if they conserve and enhance the character of the New Forest's landscape and seascapes*."	No viability implications.
8	Safeguarding and Improving Water Resources	"*Development will not be permitted if it would risk harm to the quality and yield of water resources, including abstraction sites, groundwater, rivers, streams and still waters*." New residential development should be designed to achieve 110 litres maximum daily allowable usage in line with government's optional technical standard for water efficiency.	No Viability implications Minimal cost per dwelling as per DCLG cost analysis 2014[65]

[65] Housing Standards Review EC Harris September 2014 DCLG

9	Green Infrastructure	Proposals which create, maintain and enhance green space supported, particularly if they conform to listed criteria. "*The Authority will work with other partners and adjoining authorities to develop green infrastructure, and to ensure the impacts of development within and outside the Park's boundary do not affect the landscape character of the Park or the internationally important nature conservation designations.*"	Sites tested allow appropriate net to gross to ensure integrity of important sites is not breached. Additional 'habitat mitigation' is allowed for.
10	Open Space	"*Proposals that result in the loss of existing open space will not be permitted. Development should either provide for the enhancement of existing open space and amenity areas, or provide on-site open space to the minimum provision standard of 3.5 hectares of public open space per 1,000 population."*	Modelling of sites reflects the requirements for open space.
11	Climate change	Criteria listed to help proposals mitigate climate change. Proposals meeting these will be supported.	No specific viability implications
12	Flood Risk	Appropriate developments will require a flood risk assessment. Criteria for proposals listed, developments must conform to these.	No specific viability implications
13	Coastal Development	Criteria for coastal development – small scale proposals accepted.	No specific viability implications
14	Renewable energy	Renewable energy generation permitted as long as there are no visual impacts, plus other listed criteria must be adhered to.	No specific viability implications
15	Tranquillity	"*New development should avoid, or provide mitigation measures, if the proposal will lead to noise, visual intrusion, nuisance and other unacceptable environmental impacts on the National Park and its special qualities. This should include reducing the impacts of light pollution on the 'dark skies' of the National Park and control of development to prevent artificial lighting from eroding rural darkness."*	No specific viability implications – any general mitigation covered by development costs
16	The Historic and Built Environment	"*Proposals should protect, maintain or enhance nationally, regionally and locally important sites and features of the historic and built environment, including local vernacular buildings, archaeological sites and designed and historic landscapes, and, where appropriate, help secure a sustainable future for those heritage assets at risk."*	No specific viability implications
17	Local Distinctiveness	"*Built development and changes of use which would individually or cumulatively erode the Park's local character or result in a gradual*	No specific viability implications

		suburbanising effect within the National Park will not be permitted."	
18	Design principles	"*All new development will be required to achieve the highest standards for new design: including location, layout, massing, scale, details and materiality of new development within the National Park*" A list of points developers should particularly regard is given.	Development costs used are appropriate to development in the National Park.
19	New residential development in the New Forest National Park	"*An additional 800 dwellings will be delivered within the New Forest National Park between 2016 and 2036*." New residential development must conform to a list of criteria, namely that is must be on allocated sites, on sites where permission is already granted, windfall development, rural exception sites (Policy 28), and in accordance with Policies 29,30,31.	A range of sites have been tested including small windfall sites reflective of the sorts of sites likely to come forward as well as sites representative of those allocated in the Local Plan.
20	Specialist Housing for Older People	Proposals which address an identified need or requirement for specialist housing for older people will be permitted within the four defined villages. Outside the defined villages, extensions to existing specialist housing for older people will be permitted subject to set criteria. Occupancy will be confined in perpetuity to a local person and secured through a planning obligation.	This policy relates to Use Class C2 development where affordable housing would not normally be sought.
21	The size of new dwellings	Size restrictions on new dwellings. "*To ensure the dwelling stock of the New Forest as a whole is balanced, new dwellings permitted in the National Park will have a maximum total internal habitable floor area of 100 square metres. Where permission is granted for new dwellings of up to 100 square metres, a condition will be attached removing permitted development rights in respect of extensions."*	All sites tested with a range of dwellings, the maximum GIA no more than 100 sqm. (Some sensitivity testing to show impact of larger dwellings up to 120 sqm)
22 - 26	Allocated land	Policies 20-26 give detail of the sites allocated for development. Policy 25 relates to land to the south of the former Fawley Power Station site and it should be noted that this proposed development has been the subject of a separate viability assessment commissioned by the National Park Authority and New Forest District Council (as the site straddles the Park boundary).	Sites representative of the allocated sites have been included in the testing.
27	Affordable Housing provision within the	"*A target of 50% of all net dwellings developed within the defined village boundaries of Ashurst, Brockenhurst, Lyndhurst and Sway will be provided as*	In the testing, 50% of dwellings are assumed to be affordable.

	defined villages	*affordable homes to meet local needs.*" The viability assessment has informed (a) the proportion of affordable housing sought on development sites in the Park; and (b) the site size threshold above which on-site affordable housing will be sought.	On consultation with the authority, a threshold of 3 or more dwellings was adopted for the testing
28	Rural Exceptions Sites	"*Small-scale affordable housing developments may be permitted as 'exceptions' on sites in or adjoining villages to meet the identified needs of local people in these areas…The expectation is that 100% of the housing on rural exception sites will be affordable housing*."	Rural Exception Sites were tested at 100% affordable housing and scenarios included • 100% Affordable Rent • 75% Affordable Rent / 25% affordable shared ownership • 75% Affordable Rent / 25% affordable low-cost home ownership • 50% Affordable Rent / 25% affordable shared ownership / 25% open market sale
29	New Forest Commoners dwellings	"*Exceptionally dwellings to meet the specific needs for New Forest Commoners may be permitted outside an existing settlement. Proposals for commoners' dwellings must fulfil the requirements of the Commoners' Dwelling Scheme.*"	Not tested / No specific viability implications
30	New Forest Estate Workers Dwellings	Development proposals within larger Estates of the NFNP will be supported where they conform to a list of criteria given and other policies in the Plan.	Not tested / No specific viability implications
31	Agricultural and Forestry Workers Dwellings	Dwellings permitted as long as no other building could fulfil the need.	Not tested / No specific viability implications
32	Removal of Agricultural Occupancy Conditions	Occupancy conditions "*will not be removed unless the Authority is satisfied that the long term need for the dwelling has ceased*".	Not tested / No specific viability implications
33	Gypsies, travellers & travelling	Existing site at 'Forest View' in Landford to be allocated for 2 permanent gypsy pitches, a net gain of 1. The policy also sets out the criteria to assess other	Not tested / No specific viability implications

	showpeople	applications that may come forward.	
34	Residential Character of the Defined Villages	"*development proposals within the villages must be informed by consideration of the character of the local area. The four defined villages are rural areas often characterised by spacious residential plots set within mature landscapes, and development densities should reflect the strong built heritage of the villages and their location within a nationally protected landscape*."	Development densities commensurate with site allocations and/or typical windfall development in the National Park.
35	Replacement Dwellings	Replacement dwellings permitted subject to certain criteria, including restrictions on size.	Not tested / No specific viability implications
36	Extensions to Dwellings	"*Extensions to existing dwellings will be permitted provided that they are appropriate to the existing dwelling and its curtilage*." Extensions must conform to other policies in the Plan, and must not increase the floorspace by more than 30%.	Not tested / No specific viability implications
37	Outbuildings	Permitted as long as they conform to listed criteria.	No specific viability implications
38	Infrastructure Provision and Developer Contributions	"*Development proposals shall make provision for the infrastructure necessary to ensure that the development is acceptable in planning terms in the context…In implementing this policy regard will be had to economic viability considerations at the site specific level*." If appropriate, financial contributions through CIL or S106 may be sought.	External works accounted for in build costs; extra opening up costs allowed on larger sites; S106 of £2.5K on all dwellings + £4K habitat mitigation
39	Local Community Facilities	"*The Authority will support the retention of existing community facilities throughout the National Park and prevent their loss or redevelopment where they contribute to the sustainability of local communities. The Authority will support the development of essential local community facilities where the proposal is of clear and direct benefit to the local village or rural community*."	No specific viability implications.
40	Change of use from retail in the Defined Villages	The change of use of ground floor premises from retail to other uses within the defined local shopping frontages will only be supported subject to certain criteria.	No specific viability implications
41	Retail Development outside the Defined Villages	"*Outside the defined villages small-scale convenience shops within rural settlements that serve local needs, and farm shops that are part of a farm diversification will be permitted, together with small scale extensions of existing shops."*	No specific viability implications
42	Business and	"*Small scale employment development will be permitted within the four*	Non-residential testing based upon

	Employment Development	*defined villages of Ashurst, Brockenhurst, Lyndhurst and Sway*." Outside the defined villages small scale employment development will be permitted through the re-use or extension of existing buildings; the redevelopment of existing business use employment sites; farm diversification schemes and through home working.	sites likely to be delivered over plan period
43	Existing Employment Sites	"*Existing employment sites will be retained throughout the National Park.*"	No specific viability implications
44	Redevelopment of Existing Employment Sites	The redevelopment of established employment sites for industrial, office, and business uses will be permitted based on listed criteria.	Non-residential testing forms part of this viability study
45	Extensions to Non Residential Buildings and Uses	The limited extension of existing non-residential buildings and uses will be permitted where it will not materially increase the level of impact of the activity on the site and is contained within the existing boundary.	Not tested / No specific viability implications
46	Tourism Development	"*Tourism development will be supported where it provides opportunities for the understanding and enjoyment of the special qualities of the National Park in a way that either enhances, or does not damage the special qualities."* Specific points relating to tourism development listed.	No specific viability implications
47	Holiday Parks and Camp Sites	"*New campsites and extensions to existing holiday parks, touring caravan or camping sites will only be permitted to enable the removal of pitches from sensitive areas by the relocation of part of a site to a less sensitive area adjoining an existing site*."	Not tested / No specific viability implications
48	The Land-based Economy	Supporting the land based economy by conforming to a list of points, including working to ensure viability of commoning, and supporting farming and forestry.	No specific viability implications
49	Re-use of Buildings outside the defined villages	Permitted provided that the proposal will not result in the loss of an employment use and would not result in residential use.	No specific viability implications
50	Agricultural and Forestry Buildings	Permitted in relation to listed criteria and other policies.	No specific viability implications
51	Recreational Horse	Permitted but may not impact on land or conservation interests.	No specific viability implications

	Keeping		
52	Field Shelters and Stables	Permitted as long as small and unobtrusive.	No specific viability implications
53	Maneges	Permitted but may not impact on land or ecology, and no lighting.	No specific viability implications
54	Transport Infrastructure	Development of strategic transport network only supported if it is part of a longer term strategy to address traffic congestion on the A31.	Para 9.11 reads *"Only a relatively limited amount of small scale housing and associated development is proposed for the National Park. Additional new or improved transport infrastructure is not needed to service this level of development."* Infrastructure relative to development size has been accounted for through external works/opening up costs & S106.
55	Access	"*The Authority will promote safer access and more sustainable forms of transport to and within the National Park for enjoyment, health and wellbeing*." Support given to improvements in public transport and non-motorised transport.	Accounted for within typical S106 contributions.

ANNEX IV: STAKEHOLDER WORKSHOP

New Forest National Park Authority
Whole Plan and CIL Viability Workshop
13th June 2017
Note of main points discussed at the workshop
Attendees

- Flaxton Engineering
- Savills
- Pegasus
- Graham Davis Project Management Ltd
- Concept Design & Planning
- Exbury Estate
- HARAH
- Brockenhurst Parish Council
- Wiltshire Council
- Custom Build Funding Ltd
- Stratland Developments
- Pegasus Life
- New Forest District Council
- Steve Avery – New Forest National Park Authority
- Dominic Houston – Three Dragons
- Lin Cousins – Three Dragons
- Jo Lavis – Rural Housing Solutions

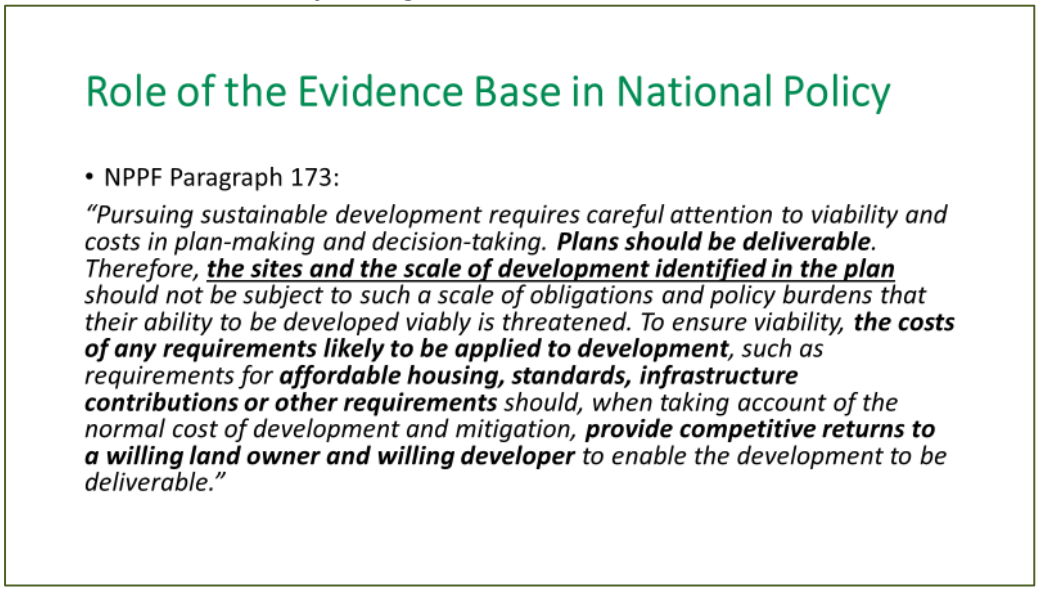
This note provides a copy of the slides used for the workshop presentation with a following commentary on the points raised under each slide.

1. **Introductions and purpose of workshop**

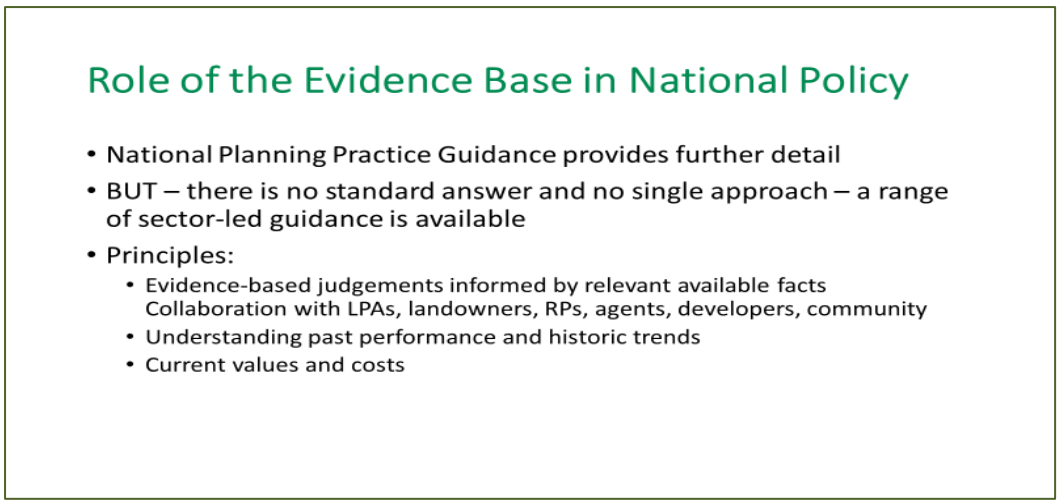
Steve Avery (SA) from New Forest National Park Authority (NFNPA) introduced the workshop. He stated that the purpose of the workshop is to inform the viability testing in support of the new Local plan and the Authority's decisions about introduction or otherwise of a Community Infrastructure Levy (CIL) for the New Forest. The workshop is an opportunity to consult with the development industry in the New Forest about local development costs and values.

SA provided an update on progress with the local plan with a draft published in Autumn 2016 (update on the 2010 Local plan). The consultation produced 400 reps, mostly about housing policies. The plan will go to examination in early 2018. The plan introduces some limited new greenfield housing sites and takes forward policies for 'rural exception' sites – including a new tenure for estate workers' housing – to complement agricultural/commoners/foresters' dwellings and affordable housing. Also proposed is a 100 sq m limit on all types of new housing. SA explained that this size limit is in response to local concerns about an imbalance in the market housing stock and new developments which have been focused on larger (four and five bed dwellings) while the need is for smaller and cheaper homes. Providing smaller dwellings will help in delivering less costly market housing. This imbalance in the housing stock is also reflected in the Strategic Housing Market Assessment (2014).

2. Process of viability testing



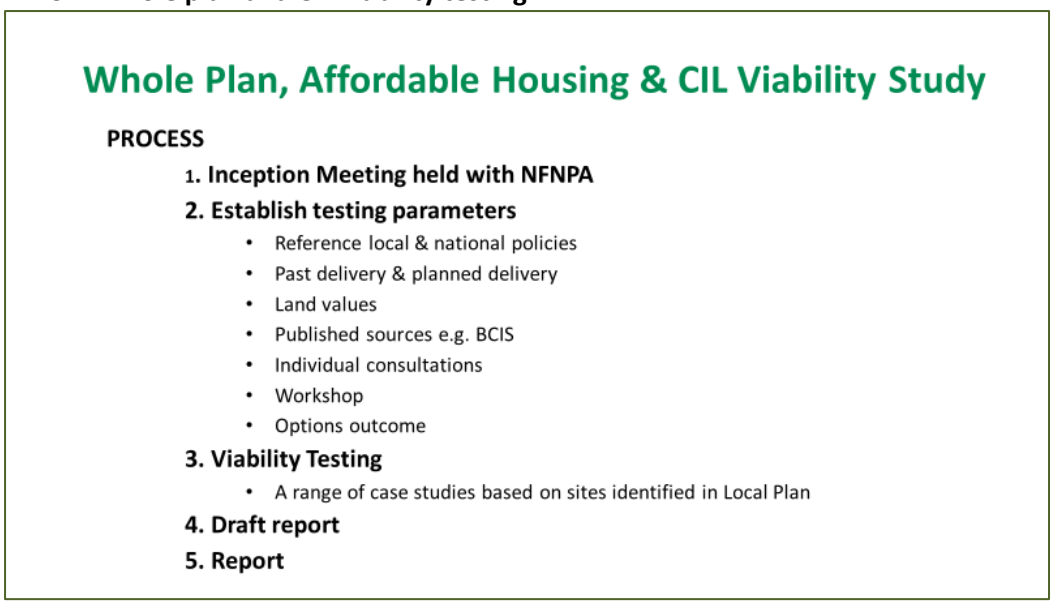
Lin Cousins (LC) drew attention to the importance of testing the viability impacts of the range of local plan policies, to be consistent with national policy set out in the NPPF. It was noted that this testing should be based on proportionate evidence, and uses current costs and values.
Responses: No comment.



LC noted that there is no single prescribed approach to viability testing but there is now an established set of approaches which have been accepted at examination by planning inspectors and will be adopted for this study. However, it is recognised that detailed assumptions for the viability testing will vary by location.

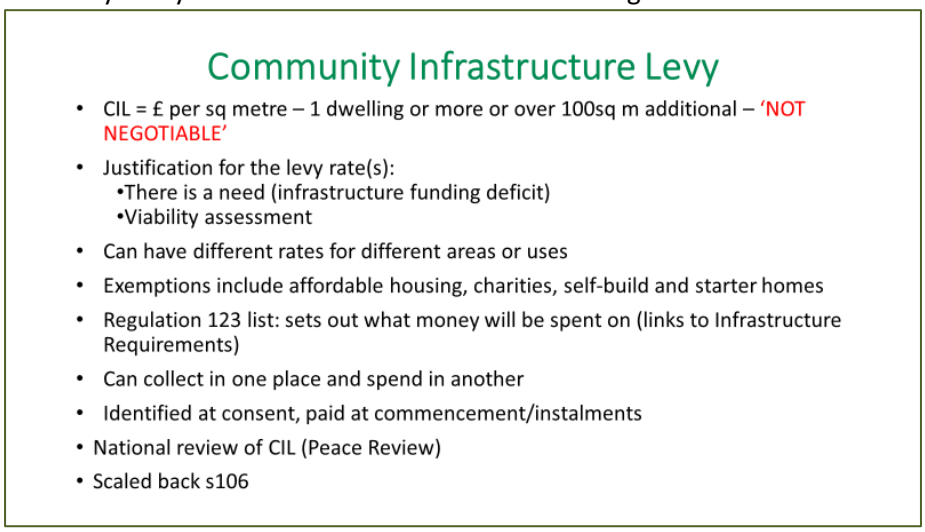
The assumptions to be used in the testing will make use of publicly available data where possible, along with some industry standard approaches. LC noted the important role of public data but that professional judgement and consultation with the development industry (as at the workshop) would also be taken into account.
Workshop attendees were invited to contact the study team if they had specific issues they wished to discuss. It was made clear that comments made at the workshop and other inputs would be anonymous with only organisations represented at the workshop (rather than individual names) shown in the workshop notes and that the workshop notes would be included in the published report.
Responses: No one objected to this approach.

3. Whole plan and CIL viability testing



LC clarified that study is testing the whole plan (i.e. all policies) and would help inform the Authority's decision about the introduction or otherwise of CIL.

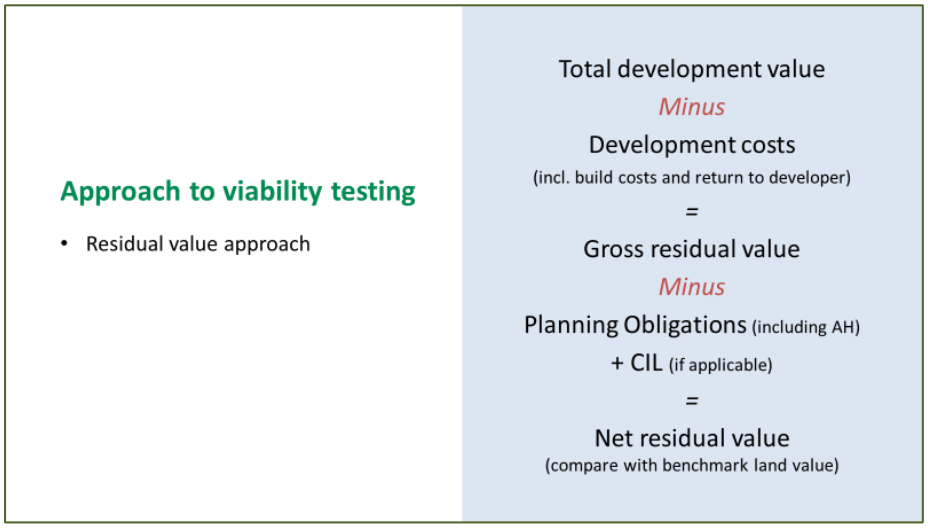
SA noted that NFNPA had not pursued CIL to date as have been giving priority to affordable housing delivery. However, with the new national guidance on the size of sites on which affordable housing can be sought, consideration of introducing CIL is now relevant. Also, there will now be an up to date development plan which is a requirement for introducing CIL. SA, though, emphasised that the Authority had yet to decide whether it will be seeking to introduce CIL or not.



(Slide updated to correct typo)

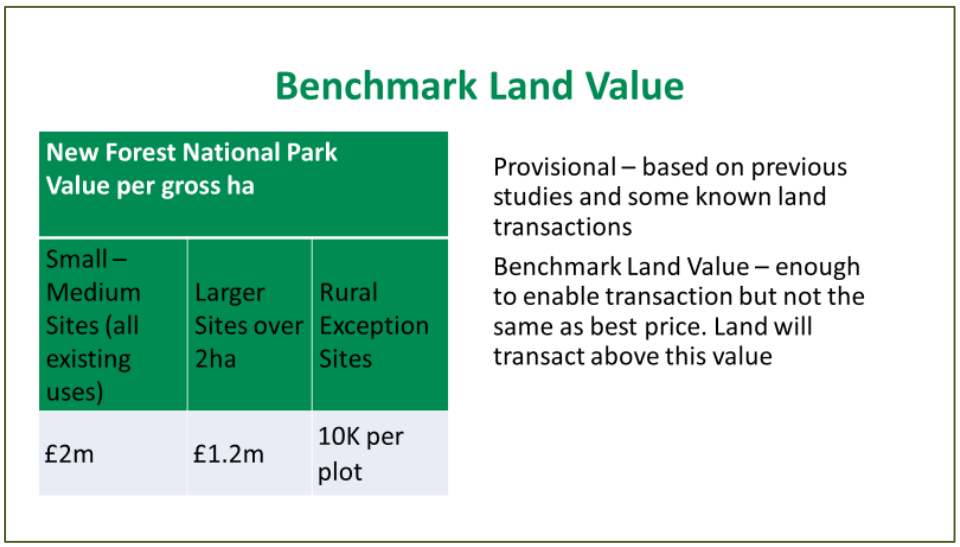
LC ran through CIL principles including operation alongside s106. SA confirmed contributions for habitat mitigation relating to the Special Protection Area (SPA) would be charged separately.

4. Residual value approach



LC explained the standard residual value approach to viability testing and that this process would be used for the viability assessment for the NFNPA. In response to queries it was clarified that the viability testing provides a residual value net of s106 available to pay for land and to support a CIL payment. The figures are expressed as £/ha (in order to consider as a return to the land owner on a consistent basis) and as £/market housing sq m (in order to consider what level of CIL may be supported). LC noted that many sites in the New Forest were smaller than 1 ha but explained that using equivalent per ha figures, allowed for comparisons of residual value to be made between different sites.

5. Benchmark land values



LC explained that the benchmark land value is an important part of the viability testing. A scheme is said to be viable if its residual value exceeds the benchmark. LC also noted that there is a limited evidence base upon which to estimate benchmark land value(s) in the New Forest.

Responses:

The discussion indicated that the benchmark land value for plots in Rural Exception Sites (RES) in the table may be low because of the paddock current use values on many of the potential RES. Based on 30dph this would be equivalent to £0.3m/ha and paddock land was said by some attendees to have a higher value. However, SA provided examples of land sales for RES at £10k/plot. *Post meeting note – a review of paddock land currently for sale in the New Forest suggest that the going rate for paddock land is c.£100,000 per ha i.e. well below the equivalent £10,000 per plot presented by LC at the workshop*.

Housing associations report that they can find it difficult to secure sites in the New Forest, and that this is a wider problem across Hampshire, even with parish support.

There was discussion about the value of plots for development released through use of existing gardens and/or intensified replacement of existing dwellings. Workshop attendees explained that in these cases most sites demolish a single dwelling and replace it with two (or more), or take space from large gardens. In the former, the site value is the existing residential use, while for the latter it will be the difference in value between the existing house with a large garden and with a smaller garden. This intensification has typically provided very large detached dwellings (4 bed +) and there was concern that the new 100 sq m upper limit would mean that the only way it may be viable in the future would be to have rows of terraces or blocks of flats; and that this may not be acceptable to NFNPA on environmental/design grounds .

It was agreed that the consultant team will test some smaller case studies (say 1-5 dwellings) with higher land values to take account of this (and noting that schemes of 3 dwellings or fewer will not be required to provide affordable housing and that NFNPA has asked the consultant team to test the impact of introducing a threshold for inclusion of affordable housing at 3 dwellings).

SA noted that the majority of the 30 dwgs delivered per annum are on small sites.

It was agreed that the study team would undertake further contact with local (estate) agents about land values being achieved in the National Park.

In addition, participants were invited to share information with the study team, and some workshop participants indicated that they had information they would supply.

Dominic Houston (DH) noted that national planning guidance did not indicate that land value assumptions for viability testing must take account of the maximum price paid for land but should review land values in terms of values that reflect adopted plan policy and that the benchmarks that

will be adopted will be based on an uplift against existing use value. The workshop acknowledged that RICS guidance is at odds with National Planning Practice Guidance.
No specific alternative land values were proposed in the workshop.

6. Market values

MARKET AREAS – NEW FOREST NATIONAL PARK

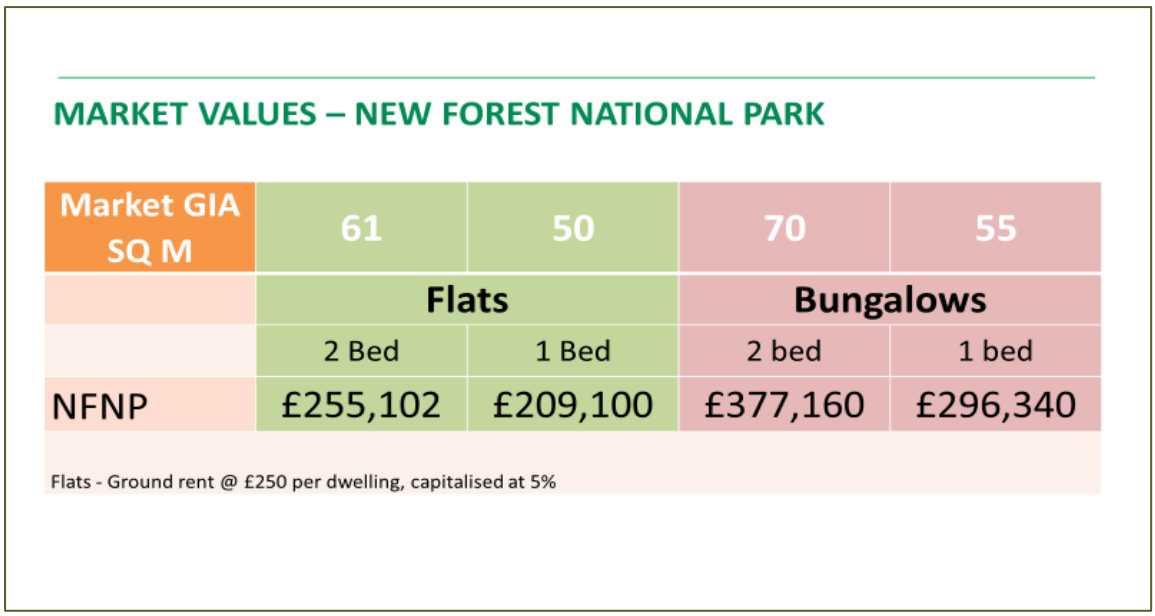
- Data is limited – we have started by assuming one market area for NFNPA
- Is there evidence of a separate value area for Brockenhurst?
- Is there a higher demand or premium on detached properties?

LC explained that analysis of market values for new properties in the New Forest indicated that values across the Park were broadly similar but with evidence that Brockenhurst achieved higher values. The discussion suggested that there may be higher values in the middle of the New Forest, which would include Brockenhurst but no specific uplift was identified. Discussion also suggested that that the explanation for this was access to the rail service and also proximity in the middle of the New Forest. Dwellings on the coastal strip will also have higher values (proximity to water).

MARKET VALUES – NEW FOREST NATIONAL PARK AUTHORITY

Market GIA SQ M	100	97	100	93	97	84	70	58
	Detached		Semi-detached		Terrace			
	4 Bed	3 Bed	4 Bed	3 Bed	4 Bed	3 Bed	2 Bed	1 bed
	£449,000	£435,530	£449,000	£417,570	£435,530	£377,160	£314,300	£260,420

On development of 1-3 units + 5% added to selling price for 'exclusivity'



MARKET VALUES – NEW FOREST NATIONAL PARK

Market GIA SQ M	61	50	70	55
	Flats		Bungalows	
	2 Bed	1 Bed	2 bed	1 bed
NFNP	£255,102	£209,100	£377,160	£296,340

Flats - Ground rent @ £250 per dwelling, capitalised at 5%

LC then presented the above market values for discussion and clarified that the market values were for new build only. DH confirmed that on a £/sq m basis the values varied considerably and that as expected, there is relatively little data available.

Responses:

The discussion suggested that these values may be too high. Further evidence was offered, and would be sent to inform the study. During discussion, an example of a new 150 sq m detached 4 bed house for £0.5m was put forward. However, some separate responses from workshop participants suggested that values may be about right or even too low in some circumstances.

Study team agreed to review the market values through discussion with local agents and include an updated set of values.

Post workshop update

Following comments from those attending the workshop, Three Dragons reviewed benchmark land values and sale prices for new build market housing including contacting 11 local (estate) agents, of whom eight provided information. Their views have been taken into account in putting forward the following post workshop updates.

On benchmark land values – no change

On market values for newbuild sale housing – revised data set out in the tables below.

MARKET VALUES – NEW FOREST NATIONAL PARK AUTHORITY

Market GIA SQ M	100	100	100	97	97	93	79	58
	Detached		Semi-detached		Terrace			
	4 Bed	3 Bed	4 Bed	3 Bed	4 Bed	3 Bed	2 Bed	1 bed
NFNPA (except Brockenhurst)	£465,000	£465,000	£465,000	£451,000	£451,000	£432,500	£367,000	£269,500
Brockenhurst	£511,500	£511,500	£511,500	£496,000	£496,000	£475,500	£404,000	£297,000
On development of 1-3 units + 5% added to selling price for 'exclusivity'								

MARKET VALUES – NEW FOREST NATIONAL PARK

Market GIA SQ M	70	58	80	58
	Flats		Bungalows	
	2 Bed	1 Bed	2 bed	1 bed
NFNPA (except Brockenhurst)	£325,500	£269,500	£446,500	£323,500
Brockenhurst	£358,000	£297,000	£491,000	£356,000
Flats - Ground rent @ £250 per dwelling, capitalised at 5%				

Above are based on a value per sq m with a 10% uplift for Brockenhurst village. By using £s per sq m, the limit on size of 100 sq m is taken into account; so properties of the same size, irrespective of number of bedrooms, have the same assumed sale price.
Comments on the above revised assumptions about market value will be welcomed as will any new evidence that can be provided.

7. Size of dwellings

Residential Testing – dwelling sizes

- *Affordable units compliant with national space standards*
- *Market dwellings compliant with policy 19 – that maximum internal habitable floor area is 100 square metres – and compliant with national space standards*

House type description	Affordable sqm	Market sq m
1 bedroom flat	50 (2p)	50
2 bedroom flat	70 (4p)	61
1 bedroom bungalow	55 (2p)	55
2 bedroom bungalow	70 (4p)	70
1 bedroom terrace	58 (2p)	58
2 bedroom terrace	79 (4p)	70
3 bedroom terrace	93 (5p)	84
4 bedroom terrace	97 (5p)	97
3 bed semi detached	93 (5p)	93
4 bed semi detached	97 (5p)	100
3 bed detached		97
4 bed detached		100
An allowance of 10% of floor area will be added to the flats for circulation and common areas		

LC explained that the above dwelling sizes are consistent with the national space standards but capping the dwelling sizes for all units at 100 sq m.

Responses:

There was concern that 100 sq m 4 bed wouldn't be delivered – not considered possible. Also that 100 sq m terrace rows would not be allowed by development management in the NFNP, nor blocks of flats. SA explained that there are examples of models of smaller development not just the garden intensification, and that in many locations it would be possible to provide terraced/flatted development.

Workshop participants considered that the dwelling size limit at 100 sq m would preclude development of 4 bed and larger dwellings and that viability testing should reflect this.

8. Dwelling mixes in new schemes (notional for testing purposes) - market

Residential Testing – market dwelling mix

Type	15 – 30 dph
1 bed flat	5%
2 bed flat	5%
2 bed bungalow	5%
2 bed terrace	25%
3 bed terrace	15%
4 bed terrace	
3 bed semi	10%
4 bed semi	
3 bed detached	20%
4 bed detached	15%

- Mix is compatible with SHMA – but are flats saleable? What about 4 bed houses?
- Tempered by known information about delivery
- If any high density sites, mix will be adjusted
- More information to come from council so there may be further amendments

It was noted that the 4 bed 100sq m in this table would be re-allocated following previous discussion. LC asked whether 40% would be two and three bed terraced, or would it be different?
Responses:
Responses included that in the middle of settlements it would be one and mainly two bed flats (but noted that the market for flats is limited except perhaps on the coast where very high values /sq m have been achieved) and that the main market currently is as 4 bed detached on the outskirts of settlements. No real evidence of terrace style developments as few of them provided. The Meadow development in Lyndhurst was cited as an example (detached family housing).
Other responses suggest that there is a need for more housing for local residents and that this is for less costly, smaller dwellings - focusing on 2 and 3 beds (including for older downsizers and young families). Even so, a number of participants highlighted the issue of affordability, which included the costs of high priced smaller dwellings.
It was noted that it was possible to get good values on age restricted flats, and that there were examples of open market flats (Boltons) proving difficult to sell.
It was agreed that the consultant team would discuss the mix on the allocated sites with the NFNPA to reflect the limit on floorspace of new dwellings.

9. Dwelling mixes in new schemes (notional for testing purposes) – affordable housing

Affordable Housing Dwelling Mix – Mixed Tenure Sites

Affordable Housing Development Mix House Type	Affordable Rent 75%	Intermediate 25%
1 bed flat / house	30%	
2 bed house	35%	50%
3 bed house	30%	50%
4 bed house	5%	

- Current policy target of 50% on market led sites but different levels to be tested
- In practice mix for Rural Exception Sites will be based on local need
- Affordable thresholds will be tested from 3 dwellings and above
- Mix is based on need identified in SHMA
- There may be some adjustments to mix following further planned consultation with Councils and Registered Providers

LC explained that the modelling would include 50% AH split 75% rent and 25% intermediate.
Responses:
There was discussion about sub-division of larger dwellings but it was explained that the viability testing was not able to directly address this issue.
Some participants argued that there was an over-expression of demand for single bedroom affordable dwellings and that most real affordable demand was 2+ bedrooms.

10. Rural exception sites

Rural Exception Sites

- Small sites within or edge of settlement used for affordable housing that would not normally be used for housing (NPPF)
- Homes for people with housing need and local connection by residency or employment
- Value reflects:
  - not a development site
  - that costs are not met by income from rent /sales of affordable housing
- Typical value = £10k a plot (£100k - £120k per acre)
- NPPF allows market housing where where essential to enable the delivery of affordable units without grant funding
  - not expected to increase land cost as this reduces amount of affordable housing

Jo Lavis (JL) explained the basis of Rural Exception Sites (RES) and their potential lack of viability, and that a small amount of market housing on RES could be introduced to achieve a viable scheme but not to add to land values (as noted earlier at £10k per plot was being proposed as a benchmark land value for RES).

Responses:

One participant commented that the Local plan should be used to allow conversion of derelict agricultural buildings. SA responded that this is already part of the existing and new Plan.

SA noted that RES schemes were not common in the Forest and that only four had come forward in the last few years.

11. Build costs

Build Cost (BCIS median 5 yr) and new Building Regs

Type	New Forest	
Flats (1-2 storey)	£1,538	sq m includes 15% for external works
Flats (3-5 storey)	£1,579	sq m includes 15% for external works
Houses (estate housing general)	£1,327	sq m includes 15% for external works
2-3 houses (general)	£1,393	sq m includes 15% for external works
One-off houses - detached	£2,205	Sq m includes 15% for external works
Bungalows	£1,596	Sq m includes 15% for external works
Sheltered flats	£1,654	includes 15% for external works 3 storey
S106/278	£2,500	Per unit – residual – TBC - based on council information
Delivery Rates – any comments?		

LC asked whether the above costs are appropriate for viability testing in NFNP.

Responses:

Discussion suggested that some (smaller) schemes had build costs of £150-£170pswft.

Agreed that estate housing categories too low for this area – partly as a result of the NPA requirements; and partly because the higher value market required higher specification.

It was suggested that sheltered flats build costs should be higher, as well as market flats. Participants were invited to provide evidence from recent schemes to demonstrate the higher costs put forward.

12. Other development costs

Other costs		
Professional fees	10%	Of build costs
Finance	5%	Of development costs
Marketing fees	3%	Of Market GDV
Developer return **Contractor return (for affordable)**	20% 6%	Of GDV Of affordable build costs
Agents & Legal **SDLT**	1.75% Per HMRC figures	
S106	£2,500 per unit – residual £4,000 per unit - habitat	Residual – TBC Current level around 5K + habitat mitigation
Opening up	£55k/net ha	larger sites over 50 units

LC explained that these are fairly standard assumptions used for this type of viability testing.

Responses:

The discussion suggested that

- Finance should be 6% (interest only excluding inflation).
- £55k/ha opening up may be too light for larger sites and that a higher rate should be used for the New Forest larger sites.

13. Factors to be used in calculating revenue from affordable housing

Gross to Net Rental Factors - Affordable

For rental properties

• Rents	100% LHA
• Service Charges	£10 flats / £5 houses
• Management and maintenance	£1,000
• Voids/bad debts	3.00%
• Repairs reserve	£600
• Capitalisation	5%

For shared ownership

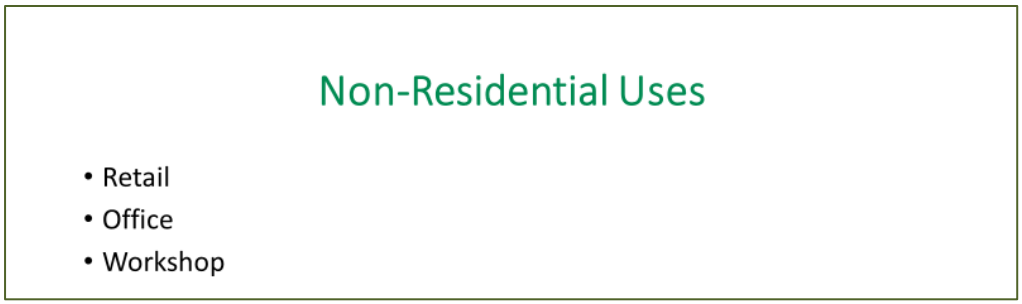
• Share size	40%
• Rental charge	2.75%
• Capitalisation	5%

Other affordable options?

Responses:

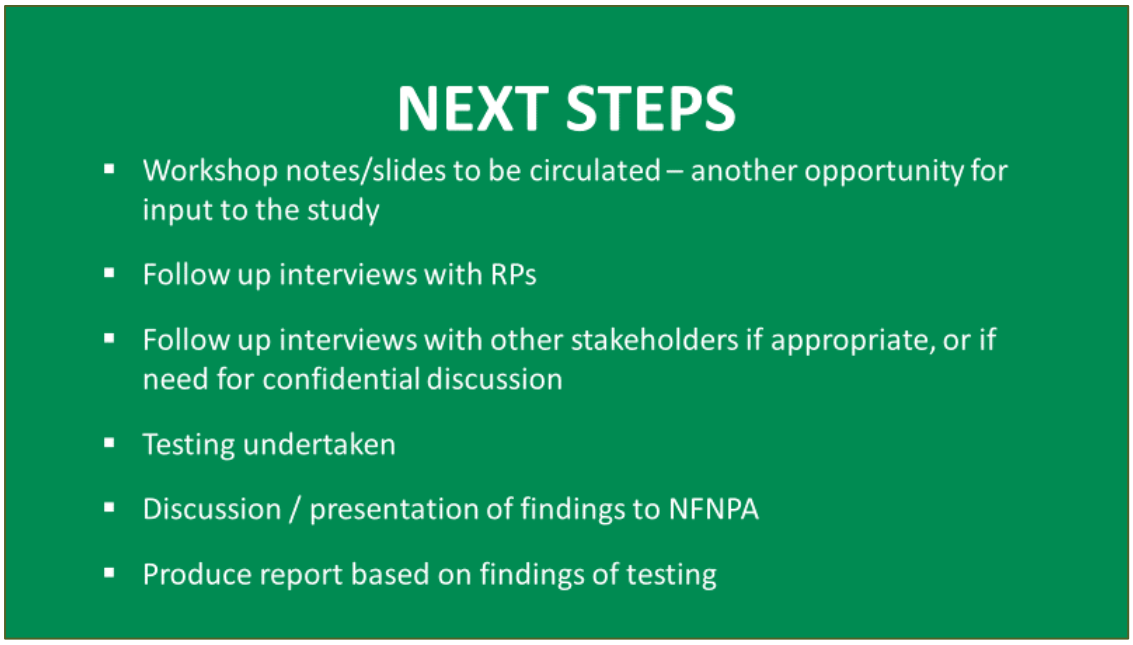
No comments from the workshop on the assumptions set out in the above slide but comment that the viability testing should include Starter Homes (80% OMV) as well as discounted sale in perpetuity and community led self-build. Consultant team agreed to discuss further with the housing authority (i.e. the district council).

14. Non-residential uses



DH explained that the draft local plan suggested that retail, office and workshops were the non-residential development most likely to come forward in the National Park and that two of the allocated sites had mixed use proposed.
Responses:
The discussion included live/work, but the workshop then came to the view that this form of development was unlikely to come forward.
Housing for older persons was suggested for inclusion (but sheltered/extracare rather than carehomes), to be confirmed by NFNPA.

15. Next steps



Participants were invited to contact the study team/ NFNPA with further information. Participants were thanked for their time.

ANNEX V: TESTING RESULTS

Key to colours in tables:

Windfall sites
Potential site Allocations
Sites with units up to 120 sqm
Extracare
Rural Exception Sites

Case Study Ref	Type of dev	No of Dwgs	Net Area (ha)	Gross area (ha)	Net to Gross %	Market Dwelling Mix	Market Floor Area (sq m)	Market Floor Area / gross ha	S106/dwelling	Habitat Mitigation/ dwelling	Opening up/ Abnormals costs	DCF Applied	Market Value Area	%AH	%Aff Rent	% Sh Owners hip	Local Conn Sale LCS	Residual Value (£)	Residual Value / gross ha	Benchmark / hectare (£)	Residual value post benchmark (£) per ha	Theoretical Max CIL per sq m	sensitivity benchmark	RV post sensitivity benchmark	Theoretical Max CIL post sensitivity
CS1	Housing	1	0.025	0.025	100%	1 x 3bd	100.0	4,000.0	2,500	4,000	0	No	Rest NP	0%	0%	0%		107,000	4,280,000	2,000,000	2,280,000	570	2,500,000	1,780,000	445
CS1	Housing	1	0.025	0.025	100%	1 x 3bd	100.0	4,000.0	2,500	4,000	0	No	Brockenhurst	0%	0%	0%		144,000	5,760,000	2,000,000	3,760,000	940	2,500,000	3,260,000	815
CS2	Housing	3	0.075	0.075	100%	3 x 3bd	150.0	2,000.0	2,500	4,000	0	No	Rest NP	50%	75%	25%		334,000	4,453,333	2,000,000	2,453,333	1,227	2,500,000	1,953,333	977
CS2	Housing	3	0.075	0.075	100%	3 x 3bd	150.0	2,000.0	2,500	4,000	0	No	Brockenhurst	50%	75%	25%		400,000	5,333,333	2,000,000	3,333,333	1,667	2,500,000	2,833,333	1,417
CS2a	Housing	4	0.100	0.100	100%	1 x2bt AH; 1x3b	200.0	2,000.0	2,500	4,000	£20k demolition	no	Rest NP	50%	75%	25%		489,000	4,890,000	2,000,000	2,890,000	1,445	2,500,000	2,390,000	1,195
CS2a	Housing	4	0.100	0.100	100%	1 x2bt AH; 1x3b	200.0	2,000.0	2,500	4,000	£20k demolition	no	Rest NP	50%	75%	25%		489,000	4,890,000	4,140,000	750,000	375		4,890,000	2,445
CS2a	Housing	4	0.100	0.100	100%	1 x2bt AH; 1x3b	200.0	2,000.0	2,500	4,000	£20k demolition	no	Brockenhurst	50%	75%	25%		500,000	5,000,000	2,000,000	3,000,000	1,500	2,500,000	2,500,000	1,250
CS3	Housing	4	0.075	0.075	100%	4 x 2bf	154.0	2,053.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		209,000	2,786,667	2,000,000	786,667	383	2,500,000	286,667	140
CS3	Housing	4	0.075	0.075	100%	4 x 2bf	154.0	2,053.3	2,500	4,000	0	No	Brockenhurst	50%	75%	25%		268,000	3,573,333	2,000,000	1,573,333	766	2,500,000	1,073,333	523
CS4	Housing	6	0.200	0.200	100%	General Mix	280.2	1,401.0	2,500	4,000	0	No	Rest NP	50%	75%	25%		591,000	2,955,000	2,000,000	955,000	682	2,500,000	455,000	325
CS4	Housing	6	0.200	0.200	100%	General Mix	280.2	1,401.0	2,500	4,000	0	No	Brockenhurst	50%	75%	25%		706,000	3,530,000	2,000,000	1,530,000	1,092	2,500,000	1,030,000	735
CS5	Housing	11	0.315	0.315	100%	General Mix	513.7	1,630.8	2,500	4,000	0	No	Rest NP	50%	75%	25%		1,100,000	3,492,063	2,000,000	1,492,063	915	2,500,000	992,063	608
CS5	Housing	11	0.315	0.315	100%	General Mix	513.7	1,630.8	2,500	4,000	0	No	Brockenhurst	50%	75%	25%		1,308,000	4,152,381	2,000,000	2,152,381	1,320	2,500,000	1,652,381	1,013
CS6	Housing	15	0.600	0.666	90%	General Mix	700.5	1,051.8	2,500	4,000	0	No	Rest NP	50%	75%	25%		1,495,000	2,244,745	2,000,000	244,745	233	2,500,000	-255,255	-243
CS6	Housing	15	0.600	0.666	90%	General Mix	723.0	1,085.6	2,500	4,000	0	No	Rest NP	50%	75%	25%		1,539,000	2,310,811	2,000,000	310,811	286	2,500,000	-189,189	-174
CS6	Housing	15	0.600	0.666	90%	General Mix	700.5	1,051.8	2,500	4,000	0	No	Brockenhurst	50%	75%	25%		1,782,000	2,675,676	2,000,000	675,676	642	2,500,000	175,676	167
CS7	Housing	20	0.900	0.900	100%	5 x 4bd, 3 x 3db, 2 x 2bb	960.0	1,066.7	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,138,000	2,375,556	2,000,000	375,556	352			
CS7	Housing	20	0.900	0.900	100%	5 x 4bd, 3 x 3bd, 2 x 2bb	1,060.0	1,177.8	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,329,000	2,587,778	2,000,000	587,778	499			
CS8	Housing	30	1.000	1.000	100%	Allocated Mix	1,406.3	1,406.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,991,000	2,991,000	2,000,000	991,000	705			
CS8	Housing	30	1.000	1.000	100%	Allocated Mix	1,466.3	1,466.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		3,104,000	3,104,000	2,000,000	1,104,000	753			
CS9	Housing	40	1.100	1.100	100%	Allocated Mix	1,875.0	1,704.5	2,500	4,000	0	Yes	Rest NP	50%	75%	25%		3,902,866	3,548,060	2,000,000	1,548,060	908			
CS9	Housing	40	1.100	1.100	100%	Allocated Mix	1,975.0	1,795.5	2,500	4,000	0	Yes	Rest NP	50%	75%	25%		4,086,236	3,714,760	2,000,000	1,714,760	955			
CS10	Housing	60	2.000	2.600	77%	Allocated Mix	2,815.5	1,082.9	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		5,633,343	2,166,670	2,000,000	166,670	154	1,200,000	966,670	893
CS10	Housing	60	2.000	2.600	77%	Allocated Mix	2,935.5	1,129.0	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		5,847,580	2,249,069	2,000,000	249,069	221	1,200,000	1,049,069	929
CS11	Flatted Scheme	30	1.200	1.400	86%	10 x 1bf, 20 x 2bf (M & AH)	1,089.0	777.9	2,500	4,000	£50,000 site clearance	Yes	Rest NP	50%	75%	25%		1,310,851	936,322	2,000,000	-1,063,678	-1,367			
CS11	Flatted Scheme	30	1.200	1.400	86%	10 x 1bf, 20 x 2bf	2,178.0	1,555.7	2,500	4,000	£50,000 site clearance	Yes	Rest NP	0%	0%	0%		2,791,444	1,993,889	2,000,000	-6,111	-4			
CS12	Flatted Scheme	50	0.500	1.600	31%	20 x 1bf, 30 x 2bf (M & AH)	1,795.0	1,121.9	2,500	4,000	£400,000 site clearance	yes	Rest NP	50%	75%	25%		1,652,922	1,033,076	2,000,000	-966,924	-862			
CS12	Flatted Scheme	50	0.500	1.600	31%	20 x 1bf, 30 x 2bf (M & AH)	2,692.5	1,682.8	2,500	4,000	£400,000 site clearance	yes	Rest NP	10%	75%	25%		3,462,856	2,164,285	2,000,000	164,285	98			
CS12	Flatted Scheme	50	0.500	1.600	31%	20 x 1bf, 30 x 2bf (M & AH)	3,590.0	2,243.8	2,500	4,000	£400,000 site clearance	yes	Rest NP	0%	75%	25%		3,915,340	2,447,088	2,000,000	447,088	199			
CS11A	Extracare	30	1.200	1.400	86%	10 x 1bf, 20 x 2bf (M & AH)	1,520.0	1,085.7	2,500	4,000	£50,000 site clearance and £50,000 voids	Yes	Rest NP	50%	75%	25%		1,543,703	1,102,645	2,000,000	-897,355	-827			
CS11A	Extracare	30	1.200	1.400	86%	10 x 1bf, 20 x 2bf (M & AH)	2,432.0	1,737.1	2,500	4,000	£50,000 site clearance and £50,000 voids	Yes	Rest NP	20%	75%	25%		3,057,520	2,183,943	2,000,000	183,943	106			
CS12A	Extracare	50	0.500	1.600	31%	20 x 1bf, 30 x 2bf (M & AH)	2,500.0	1,562.5	2,500	4,000	£400,000 site clearance and £100,000 voids	Yes	Rest NP	50%	75%	25%		1,897,422	1,185,889	2,000,000	-814,111	-521			
CS12A	Extracare	50	0.500	1.600	31%	20 x 1bf, 30 x 2bf (M & AH)	3,000.0	1,875.0	2,500	4,000	£400,000 site clearance and £100,000 voids	Yes	Rest NP	30%	75%	25%		3,469,048	2,168,155	2,000,000	168,155	90			

Case Study R	Type of dev	No of Dwg	Net Area (ha)	Gross area (ha)	Net to Gross %	Market Dwelling Mi	Market Floor Area (sq m)	Market Floor Area / gross h	S106/dwelling	Habitat Mitigation/ dwelling	Opening up/ Abnormals cos	DCF Applied	Market Value Area	%AI	%Aff Ren	% Sh Owners hip	Local Conn Sale L	Residual Value (£	Residual Value / gross ha	Benchmark / hectare (£	Residual value post benchmark (£) per ha	Theoretical Max CIL per sq m
RES1	Rural Exception	3	0.250	0.250	100%	3 x 3bt	-	-	2,500	4,000	0	No	Rest NP	100%	75%	25%		68,000	22,667	10,000	12,667	
RES1	Rural Exception	3	0.250	0.250	100%	3 x 3bt	-	-	2,500	4,000	0	No	Rest NP	100%	100%	0%		-56,000	-18,667	10,000	-28,667	
RES1	Rural Exception	3	0.250	0.250	100%	2.25 x 3bt, 0.75 x 2bb LCS	-	-	2,500	4,000	0	No	Rest NP	100%	75%		25%	132,000	44,000	10,000	34,000	
RES1	Rural Exception	3	0.250	0.250	100%	3 x 3bt	69.8	-	2,500	4,000	0	No	Rest NP	75%	50%	25%		209,000	69,667	10,000	59,667	214
RES2	Rural Exception	7	0.500	0.500	100%	General Mix	-	-	2,500	4,000	0	No	Rest NP	100%	75%	25%		176,000	25,143	10,000	15,143	
RES2	Rural Exception	7	0.500	0.500	100%	General Mix	-	-	2,500	4,000	0	No	Rest NP	100%	100%	0%		-94,000	-13,429	10,000	-23,429	
RES2	Rural Exception	7	0.500	0.500	100%	General Mix, SO replaced by 2bb LCS	-	-	2,500	4,000	0	No	Rest NP	100%	100%		25%	328,000	46,857	10,000	36,857	
RES2	Rural Exception	7	0.500	0.500	100%	AH - General Mix, M - 2bb	140.0	280.0	2,500	4,000	0	No	Rest NP	75%	50%	25%		507,000	72,429	10,000	62,429	223
RES3	Rural Exception	11	0.500	0.500	100%	General Mix	-	-	2,500	4,000	0	No	Rest NP	100%	75%	25%		297,000	27,000	10,000	17,000	
RES3	Rural Exception	11	0.500	0.500	100%	General Mix	-	-	2,500	4,000	0	No	Rest NP	100%	100%	0%		-126,000	-11,455	10,000	-21,455	
RES3	Rural Exception	11	0.500	0.500	100%	General Mix, SO replaced by 2bb LCS	-	-	2,500	4,000	0	No	Rest NP	100%	100%		25%	530,000	48,182	10,000	38,182	
RES3	Rural Exception	11	0.500	0.500	100%	AH - General Mix, M - 2bb LCS	220.0	440.0	2,500	4,000	0	No	Rest NP	75%	50%	25%		814,000	74,000	10,000	64,000	145

Sensitivity testing results

Case Study Ref	Type of dev	No of Dwgs	Net Area (ha)	Gross area (ha)	Net to Gross %	Market Dwelling Mix	Market Floor Area (sq m)	Market Floor Area / gross ha	S106/dwelling	Habitat Mitigation/ dwelling	Opening up/ Abnormals costs	DCF Applied	Market Value Area	%AH	%Aff Rent	% Sh Owners hip	Local Conn Sale LCS	Residual Value (£)	Residual Value / gross ha	Benchmark / hectare (£)	Residual value post benchmark (£) per ha	Theoretical Max CIL per sq m
Sensitivity tests at 5% increase in build costs and 5% decrease in market values -																						
CS7	Housing	20	0.900	0.900	100%	5 x 4bd, 3 x 3db, 2 x 2bb	960.0	1,066.7	2,500	4,000	0	No	Rest NP	50%	75%	25%		1,803,000	2,003,333	2,000,000	3,333	3
CS8	Housing	30	1.000	1.000	100%	Allocated Mix	1,406.3	1,406.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,515,000	2,515,000	2,000,000	515,000	366
CS9	Housing	40	1.100	1.100	100%	Allocated Mix	1,875.0	1,704.5	2,500	4,000	0	Yes	Rest NP	50%	75%	25%		3,524,940	3,204,491	2,000,000	1,204,491	707
CS10	Housing	60	2.000	2.600	77%	Allocated Mix	2,815.5	1,082.9	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		4,777,668	1,837,565	2,000,000	-162,435	-150
CS10	Housing	60	2.000	2.600	77%	Allocated Mix	2,935.5	1,129.0	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		4,965,135	1,909,667	2,000,000	-90,333	-80

Case Study Ref	Type of dev	No of Dwgs	Net Area (ha)	Gross area (ha)	Net to Gross %	Market Dwelling Mix	Market Floor Area (sq m)	Market Floor Area / gross ha	S106/dwelling	Habitat Mitigation/ dwelling	Opening up/ Abnormals costs	DCF Applied	Market Value Area	%AH	%Aff Rent	% Sh Owners hip	Local Conn Sale LCS	Residual Value (£)	Residual Value / gross ha	Benchmark / hectare (£)	Residual value post benchmark (£) per ha	Theoretical Max CIL per sq m
Sensitivity tests using using forecast growth in house prices and build costs until 2021																						
CS7 2018	Housing	20	0.900	0.900	100%	5 x 4bd, 3 x 3db, 2 x 2bb	960.0	1,066.7	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,326,000	2,584,444	2,000,000	584,444	548
CS7 2019	Housing	20	0.900	0.900	100%	5 x 4bd, 3 x 3db, 2 x 2bb	960.0	1,066.7	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,450,000	2,722,222	2,000,000	722,222	677
CS7 2020	Housing	20	0.900	0.900	100%	5 x 4bd, 3 x 3db, 2 x 2bb	960.0	1,066.7	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,497,000	2,774,444	2,000,000	774,444	726
CS7 2021	Housing	20	0.900	0.900	100%	5 x 4bd, 3 x 3db, 2 x 2bb	960.0	1,066.7	2,500	4,000	0	No	Rest NP	50%	75%	25%		2,515,000	2,794,444	2,000,000	794,444	745
CS8 2018	Housing	30	1.000	1.000	100%	Allocated Mix	1,406.3	1,406.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		3,259,000	3,259,000	2,000,000	1,259,000	895
CS8 2019	Housing	30	1.000	1.000	100%	Allocated Mix	1,406.3	1,406.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		3,440,000	3,440,000	2,000,000	1,440,000	1,024
CS8 2020	Housing	30	1.000	1.000	100%	Allocated Mix	1,406.3	1,406.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		3,507,000	3,507,000	2,000,000	1,507,000	1,072
CS8 2021	Housing	30	1.000	1.000	100%	Allocated Mix	1,406.3	1,406.3	2,500	4,000	0	No	Rest NP	50%	75%	25%		3,539,000	3,539,000	2,000,000	1,539,000	1,094
CS9 2018	Housing	40	1.100	1.100	100%	Allocated Mix	1,875.0	1,704.5	2,500	4,000	0	Yes	Rest NP	50%	75%	25%		3,419,979	3,109,072	2,000,000	1,109,072	651
CS9 2019	Housing	40	1.100	1.100	100%	Allocated Mix	1,875.0	1,704.5	2,500	4,000	0	Yes	Rest NP	50%	75%	25%		4,423,046	4,020,951	2,000,000	2,020,951	1,186
CS9 2020	Housing	40	1.100	1.100	100%	Allocated Mix	1,875.0	1,704.5	2,500	4,000	0	Yes	Rest NP	50%	75%	25%		4,455,798	4,050,725	2,000,000	2,050,725	1,203
CS9 2021	Housing	40	1.100	1.100	100%	Allocated Mix	1,875.0	1,704.5	2,500	4,000	0	Yes	Rest NP	50%	75%	25%		4,512,549	4,102,317	2,000,000	2,102,317	1,233
CS10 2018	Housing	60	2.000	2.600	77%	Allocated Mix	2,815.5	1,082.9	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		6,121,120	2,354,277	2,000,000	354,277	327
CS10 2019	Housing	60	2.000	2.600	77%	Allocated Mix	2,815.5	1,082.9	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		6,459,433	2,484,397	2,000,000	484,397	447
CS10 2020	Housing	60	2.000	2.600	77%	Allocated Mix	2,815.5	1,082.9	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		6,601,410	2,539,004	2,000,000	539,004	498
CS10 2021	Housing	60	2.000	2.600	77%	Allocated Mix	2,815.5	1,082.9	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		6,681,419	2,569,777	2,000,000	569,777	526
CS10 2018	Housing	60	2.000	2.600	77%	Allocated Mix	2,935.5	1,129.0	2,500	4,000	£75,000/net ha	Yes	Rest NP	50%	75%	25%		6,348,480	2,441,723	2,000,000	441,723	391