

Chichester District Council

Local Plan & CIL Viability Assessment

Stage 1 (Initial review phase 2019-2020)

Appendix I: Development Appraisal Assumptions Summary

DSP18563

Chichester District Council - Appendix I - Whole Plan Viability Assessment - Residential Assumptions (Sheet 1 of 3)

Scheme Size Appraised	Type	Site type	Applicable Area Based Testing	Density	Net Land Area (ha)	Gross Land Area (ha)	Plus OS Allowance (ha) Policy DM34*	Total Cost of Provision £ Policy DM34*	Total Land Area (ha)	Build Period (Months) (6-month lead-in)	Sales Period (units per month)
1	Houses	PDL	South & North	35	0.03	0.03	n/a - funded through CIL		0.03	6	1
5	Houses	PDL/Greenfield	South & North	35	0.14	0.16			0.16	6	1
6	Houses	PDL/Greenfield	South & North	35	0.17	0.20			0.20	6	1
10	Houses	PDL/Greenfield	South & North	35	0.29	0.33			0.33	12	1
15	Flats	PDL	South & North	75	0.20	0.23			0.23	12	1.3
15	Houses	PDL/Greenfield	South & North	35	0.43	0.49			0.49	12	1.3
25	Houses	PDL/Greenfield	South & North	40	0.63	0.72	0.06	£11,132	0.77	18	1.4
30	Flats (Sheltered)	PDL	South Only	125	0.24	0.28	0.05	£10,039	0.33	18	1.7
50	Mixed	Greenfield	South & North	55	0.91	1.05	0.11	£29,137	1.15	18	2.8
50	Flats	PDL	South Only	125	0.40	0.46	0.09	£23,745	0.55	18	2.8
60	Flats (Extra Care)	PDL	South Only	125	0.48	0.55	0.22	£23,745	0.77	18	3.3
100	Mixed	PDL/Greenfield	South Only	40	2.50	3.25	1.79	£1,113,209	5.04	24	4.2

*based on Quantity and Access Standards for OS as set out in the AH PO SPD (December 2018) and the OS Study (September 2018) - in addition to space allowance, costs assumed within works/CIL at <20 dwellings; variable cost addition at 20+ dwellings, as below.

Notes:
The above scenarios tested at 0%, 20%, 30%, 40%, 50% AH financial contributions on sites of 6-9 and 20%, 30%, 40% and 50% on-site AH on sites of 10+ units. The appraisals have been completed in each case to the point at which a negative results is returned - we consider there to be no merit in extending testing beyond the points where there is a negative residual land value. Affordable Housing tenure split assumed at 66.66% Rented split equally between Affordable Rented and Social Rented (20% of total requirements) and 33.33% Intermediate (10% of total requirements) based on Policy DM2 and as agreed with CDC. 10% Low Cost / Affordable Home Ownership (AHO) of total overall requirements. The above assumes fully applied policy position - actual percentage will necessarily vary due to policy requirement.

Land Area Adjustment - 15% added (30% added on largest sites) plus OS allowance based on Policy DM34.

See Residential Assumptions Sheet 3 for Strategic Site Allocations (SSAs).

Unit Sizes (sq. m)*	Affordable	Private
1-bed flat	50	50
2-bed flat	70	70
2-bed house	79	79
3-bed house	93	100
4-bed house	112	130

*Retirement/sheltered 1-beds @ 55 sq. m
*Retirement/sheltered 2-beds @ 75 sq. m
*Large Houses @ 150sq.m (1 House only)

*based on nationally described space standards

Dwelling mix principles - for building up assumptions

DSP Overall Mix: 15% 1-beds, 40% 2-beds, 35% 3-beds, 10% 4-beds

Market Housing: 5% 1-beds, 30% 2-beds, 45% 3-beds, 20% 4-beds

Affordable Rented: 25-30% 1-beds, 40-45% 2-beds, 20-25% 3-beds, 5-10% 4-beds

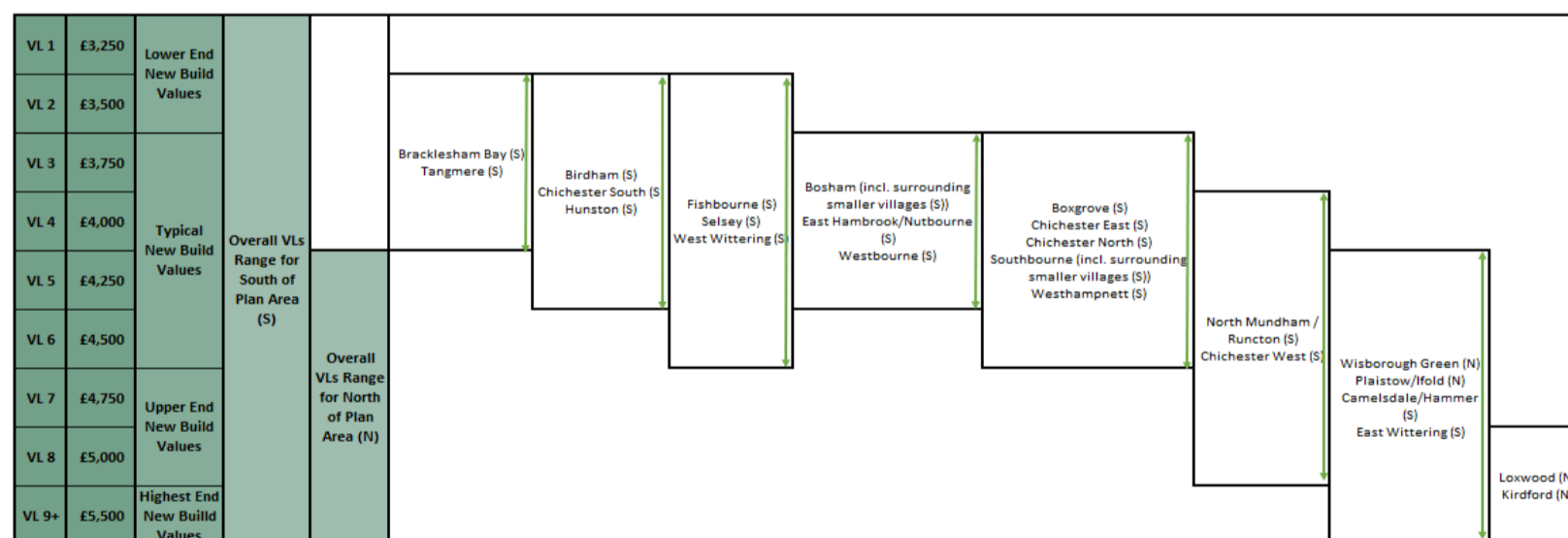
Intermediate: 20% 1-beds, 40% 2-beds, 30% 3-beds, 10% 4-beds

Note: All subject to 'best fit scenario'. Intermediate mix adjusted across 1 and 2-beds only

Value Levels - Chichester DC

Market Value (MV) - Private units	VL1 £3,250	VL2 £3,500	VL3 £3,750	VL4 £4,000	VL5 £4,250	VL6 £4,500	VL7 £4,750	VL8 £5,000	VL9+ £5,500
1-bed flat	£162,500	£175,000	£187,500	£200,000	£212,500	£225,000	£237,500	£250,000	£275,000
2-bed flat	£227,500	£245,000	£262,500	£280,000	£297,500	£315,000	£332,500	£350,000	£385,000
2-bed house	£256,750	£276,500	£296,250	£316,000	£335,750	£355,500	£375,250	£395,000	£434,500
3-bed house	£325,000	£350,000	£375,000	£400,000	£425,000	£450,000	£475,000	£500,000	£550,000
4-bed house	£422,500	£455,000	£487,500	£520,000	£552,500	£585,000	£617,500	£650,000	£715,000
MV (£ / m ²)	£3,250	£3,500	£3,750	£4,000	£4,250	£4,500	£4,750	£5,000	£5,500

Note: Sheltered Housing tested at VL7 £4,750 VL8 £5,000 and VL9 £5,500



Affordable Housing Revenue Assumptions

Unit	Affordable Rent	Social Rent
	LHA Cap	Average across Chichester District
1BF	£134.02	£93.00
2BF	£168.00	£105.00
2BH	£168.00	£115.00
3BH	£198.11	£129.00
4BH	£268.03	£140.00

Note: Social Rent assumptions taken from info on actual rents charged provided by CDC with reference to average/median rents.

Unit	Market Size	Affordable Rent	Social Rent
		Average AH Transfer Price (LHA)	Transfer price
1BF	50	£109,789	£76,188
2BF	70	£137,630	£86,019
2BH	79	£137,630	£94,211
3BH	100	£162,299	£105,680
4BH	130	£219,579	£114,692

Shared Ownership Value assumes an average of 60% of market value

Chichester District Council - Appendix I - Whole Plan Viability Assessment - Residential Assumptions (Sheet 2 of 3)

Development / Policy Costs	Chichester DC	Notes / variances
RESIDENTIAL BUILDING, MARKETING & S106 COSTS		
Build Costs 'One-off' housing detached (3 units or less) - generally (£/sq.m)	£2,115	BCIS figures are exclusive of external works
Build Costs Mixed Developments - generally (£/sq. m) ¹	£1,238	
Build Costs Estate Housing - generally (£/sq. m) ²	£1,394	5 and 6 Houses only. Increased by 14% based on FSB report.
Build Costs Estate Housing - generally (£/sq. m) ¹	£1,223	>10 units
Build Costs Flats - generally (£/sq. m) ¹	£1,385	>10 units
Build Costs (Supported Housing - Generally) (£/sq.m) ¹	£1,527	
External Works	10% (Flats) 15% (Houses)	added to build costs
Site Works	£300,000/net developable ha	Additional cost allowances for larger site typologies <i>Note: DSP to Assume Harman costs at £17,000 - £23,000/dwelling equivalent - larger scale development (500+ dwellings) where applicable unless specific infrastructure costs available.</i>
Contingencies (% of build cost)	5%	
Professional & Other Fees (% of build cost)	10%	
Sustainable Design / Construction Standards (% of build cost) ³	4% / 7%	Latest data suggests allowances in the range of 1% to 1.5% to meet building regulations. Test at 4% assumes achieving the zero carbon standard through a combination of on-site renewables and off-setting. A further sensitivity test at 7% has also been tested based on further enhanced requirements for on-site renewables only.
Adopted CIL rate	Tested at £0 - £300/sq. m at £25/sq/ m intervals	Adopted rates of £120 and £200 have been indexed: uplifted by TPI in accordance with Regulation 40 to £141.25 (South of the NP) and £235.42 (North of the NP) and as confirmed by CDC.
Water Efficiency Standards	110 litres per person per day	
Potential Building Regs M4 (2) Compliance (£ per unit) ⁴	£1,646 (Flats) £2,447 (Houses)	per unit (applicable units only) 97% of units. Base cost assumption included in all appraisal sets.
Potential Building Regs M4 (3) Compliance (£ per unit) ⁴	£15,691 (Flats) £26,816 (Houses)	per unit (applicable units only) - tested at 3% on all sites. Base cost assumption included in all appraisal sets. Sensitivity Test at 5% combined with 95% M4(2).
Chichester & Pagham Harbour SPA mitigation (£ per unit)	£337 (1-beds) £487 (2-beds) £637 (3-beds) £749 (4-beds)	Assume Chichester SPA mitigation costs only as fully applied base position - majority of planned development identified to come forward within that zone. Potential sensitivity testing for the increased Pagham SPA mitigation of £1,153/unit depending on relevance to housing delivery and strength of results.
Public Open Space and Sport and Recreational Facilities Allowance (£ per person)	See Residential Assumptions Sheet 1	Assume cost of provision as set out in the draft PO SPD (Dec 2018) and the Chichester Open Space Study (September 2018). On-site allowance also included - see Residential Assumptions Sheet 1. SSAs assume forms part of overall site/infrastructure works.
Residual s.106 /non-CIL costs (£ per unit) - small scale PDL / Greenfield sites	£3,000	Includes A27 mitigation for development areas excluding the SSAs (range of additional testing).
Residual s.106 /non-CIL costs (£ per unit) - larger scale greenfield sites	n/a	s106 scope explored through running appraisals as s106 surplus residual above BLV.
SSA A27 Chichester Bypass Junction Improvements	Sensitivity tested at £nil, £5,000, £10,000 and £20,000 per unit	Specific range of sensitivity tests for the SSAs.
Marketing & Sales Costs (%of GDV)	3%	
Legal Fees on sale (£ per unit)	£750	
DEVELOPER'S RETURN FOR RISK AND PROFIT		
Open Market Housing Profit (% of GDV)	15% - 20%	
Affordable Housing Profit (% of GDV)	6%	
FINANCE & ACQUISITION COSTS		
Agents Fees (% of site value)	1.50%	
Legal Fees (% of site value)	0.75%	
Stamp Duty Land Tax (% of site value)	0% to 5%	HMRC scale
Finance Rate - Build (%)	6.5%	
Finance Rate - Land (%)	6.5%	

Notes:

¹ Build cost taken as "Median" figure from BCIS for that build type unless otherwise stated - e.g. flats ; houses storey heights etc. and then rounded. Median figure gives a better figure than the Mean as it is not so influenced by rogue figures that can distort the mean on small sample sizes. The BCIS figure for Chichester has been used and averaged across the area. Includes allowance for uplift to build costs based on BCIS / FSB research for sites of 10 or fewer dwellings. External added separately at 10-15%. Site works added separately.

² BCIS report for the Federation of Small Businesses - Housing development: the economics of small sites - the effect of project size on the cost of housing construction (August 2015)

³ The above costs are based on the DCLG Housing Standards Review Impact Assessment costings assuming equivalent CfSH L4 energy costs only base. Appraisals assume cost uplift in line with figures above assuming average cost uplift from each unit type (£1,932 per unit average, equating to the 2% assumed above).

⁴ EC Harris DCLG Housing Standards Review Cost Impact indicate average extra over cost to be £1,646 (Cat.2) and £15,691 (additional space cost (Cat. 3)) for flats and £2,447 (Cat.2) and £26,816 (additional space cost (Cat.3 adaptable)) for houses.

Chichester District Council - Appendix I - Whole Plan Viability Assessment - Strategic Site Allocations - Residential Assumptions (Sheet 3 of 3)

Site	Indicative capacity (approx. no. of dwellings)	Assumed Gross Site Area	Estimated Net Site Area	Indicative Residential Market Value (£/sq.m.)	DSP Additional Assumptions / Comments / Site Specific Costs <i>Main cost assumptions - Sheet 2</i> <i>(Serviced land = £550,000/ha unless otherwise stated)</i>
AL1 - Land West of Chichester (Greenfield) 30% AH base (Indexed CIL @ £141.25/sq. m.) Note: A27 Mitigation sensitivity tests not required on AL1	850	60	25.0	VL3 £3,750 - VL5 £4,250	<ul style="list-style-type: none"> • 1FE primary school extension only (teaching space) cost @ £6m. Serviced land and core provided as part of earlier phase. • Special Educational Needs at 1FE (8 places) @ £700,000. • Early Years Nurse (45 places) adjacent to school @ £2.25m • Serviced land for community use @ 2ha • Social Infrastructure @ £500,000 • Serviced land for employment use @ 5ha • Transport / infrastructure @ £2,495,400 • Green infrastructure @ £6,669,078 (includes Country Park and therefore SANGS) • SPA Mitigation @£564 per dwelling • Adjust location of Centurion Way and construct bridge over - no further information available at this stage - cost unknown. No allowance made.
AL3 - Land East of Chichester (Greenfield) 30% AH base (Indexed CIL @ £141.25/sq. m.) Includes sensitivity tests for A27 Junction improvements @ £0, £5,000, £10,000 and £20,000 per dwelling	1000	50	25.16	VL3 £3,750 - VL5 £4,250	<ul style="list-style-type: none"> • Serviced land for 1FE school; site capable of expansion to 2FE (Servicing costs only) • Cost of Special Educational Needs at 1FE (8 places) @ £700,000 • Early Years Nursery (50 places) adjacent to school @ £2.5m • Serviced land for community use/local centre @ 4.12ha • Abnormal costs - Landfill restoration - excluded. DSP assume this has already taken place under typical planning scenario for the purposes of our appraisal. • Social infrastructure @ £1,000,000 • Green infrastructure @ £2,236,983 • SPA Mitigation @£564 per dwelling
AL5 - Southern Gateway (PDL) 30% AH base (Indexed CIL @ £141.25/sq. m.) Includes sensitivity tests for A27 Junction improvements @ £0, £5,000, £10,000 and £20,000 per dwelling	350	8.25	6.25	VL3 £3,750 - VL5 £4,250	<ul style="list-style-type: none"> • Contribution to new primary school @ £2.8m (to be constructed on AL6) • Contribution to early years nursery @ £900,000 (s106) (to be constructed on AL6) • Mixed commercial space @ 6.5ha comprising 9,300sq.m. Offices, 7,300sq.m. Retail and 80-bed Hotel • Transport @ £5,300,000 • Social infrastructure @ £1,000,000 • Green infrastructure @ £2,979,906 • SPA Mitigation @£564 per dwelling • 60-75dph - high density development including 265 flats and 100 town houses
AL6 - Land South West of Chichester (Greenfield)	Not tested at this stage due to limited available information. Size and scope of housing (only) part of potential scheme represented by the 100 Mixed typology test as shown in Sheet 1, although only a small element of the overall proposal.				
AL7 - Highgrove Farm, Bosham (Greenfield) 30% AH base (Indexed CIL @ £141.25/sq. m.) Includes sensitivity tests for A27 Junction improvements @ £0, £5,000, £10,000 and £20,000 per dwelling	250	13	7.14	VL3 £3,750 - VL5 £4,250	<ul style="list-style-type: none"> • Assumed single site • Contribution to 2FE expandable to 3FE primary school contributions @ £1,875,000 (s106) in conjunction with AL10 & AL13 (constructed on AL13) • Early Years Nurse @ £650,000 constructed on AL13 • Serviced land for community use @ 1ha • Social infrastructure @ £500,000 • Green infrastructure @ £932,076 • SPA Mitigation @£564 per dwelling
AL8 - Land at Bracklesham Lane, East Wittering (Greenfield) 30% AH base (Indexed CIL @ £141.25/sq. m.) Includes sensitivity tests for A27 Junction improvements @ £0, £5,000, £10,000 and £20,000 per dwelling	265	9.7	7.57	VL3 £3,750 - VL5 £4,250	<ul style="list-style-type: none"> • Assumed single site • Social infrastructure @ £1,000,000 • Green infrastructure @ £1,304,906 (based on Parish-wide IDP figures) • No education works or contributions assumed • SPA Mitigation @£564 per dwelling
AL12- Land North of Park Farm, Selsey (Greenfield) 30% AH base (Nil CIL) Includes sensitivity tests for A27 Junction improvements @ £0, £5,000, £10,000 and £20,000 per dwelling	250	13.9	7.14	VL3 £3,750 - VL5 £4,250	<ul style="list-style-type: none"> • Social Infrastructure @ £500,000 • Green infrastructure @ 932,076 • SPA mitigation @ £882 per dwelling • No education works or contributions assumed
AL14 - Land West of Tangmere (Greenfield)	Not tested due to current planning status.				

Chichester District Council - Appendix I - Whole Plan Viability Assessment - Commercial Assumptions

Use Class / Type	Example Scheme Type	GIA (m ²)	Site Coverage	Site Size (Ha)	Build Period (Months)*	Values Range - Annual Rents £ per sq m			Build Cost (£ per sq m)**	External works cost addition (%)	Total Build Cost (£/sq m excl fees etc)	Notes:
						Low	Mid	High				
Large Retail	Large Supermarket - out of town	2500	35%	0.71	18	£240	£270	£300	£1,458	15%	£1,677	BCIS - Hypermarkets / Supermarkets - generally.
Large Retail	Retail Warehouse	1000	40%	0.25	7	£225	£250	£275	£862	15%	£991	BCIS - Retail warehouses - up to 1,000 sq m.
Town Centre Retail	Comparison shops (general/non shopping centre)	200	60%	0.03	6	£250	£300	£350	£1,147	50%	£1,721	BCIS - Shops - Generally
Small Retail	Convenience Store - various locations	300	75%	0.04	6	£150	£185	£220	£1,147	15%	£1,319	BCIS - Shops - Generally
Business - Offices - Town Centre	Office Building	500	200%	0.03	12	£175	£225	£250	£1,915	15%	£2,202	BCIS - Offices - 3-5 Storey; airconditioned
Business - Offices - Out of town centre /Business Park	Office Building	1000	40%	0.25	12	£175	£225	£250	£1,705	15%	£1,961	BCIS - Offices - 1-2 Storey; airconditioned
Business - Industrial / Warehousing	Smaller / Move-on type industrial unit including offices - industrial estate	500	40%	0.13	6	£90	£105	£120	£1,320	15%	£1,518	BCIS - Advance factories / offices - mixed facilities (B1) - generally
Business - Industrial / Warehousing	Larger industrial / warehousing unit including offices - industrial estate	2000	40%	0.50	12	£70	£80	£90	£894	15%	£1,028	BCIS - Advance factories / offices - mixed facilities (B1) - >2000
Business - Horticultural Glasshouses	Larger unit (Tangmere & Runction HDA)	5000	75%	0.67	6	£50	£60	£70	£424	15%	£488	BCIS - Nurseries (Horticulture), greenhouses etc
Business - Horticultural Glasshouses	Smaller unit (Sidlesham & Almadington HDA)	1500	75%	0.20	12	£65	£75	£85	£424	15%	£488	BCIS - Nurseries (Horticulture), greenhouses etc
Hotel (budget)***	Hotel - edge of town centre / edge of town	2100	50%	0.42	18	£5,000	£6,250	£7,500	£2,008	15%	£2,309	BCIS - Hotels
C2 - Residential Institution	Nursing Home	1900	60%	0.32	16	£180	£240	£300	£1,750	15%	£2,013	BCIS - Care Homes for the Elderly - generally
Student Accommodation	100% Cluster type Accommodation with ensuite (400 rooms)	7384	80%	0.92	18	£150	£180	£200	£1,921	5%	£2,017	BCIS - Student Accommodation
Other / Sui Generis	Variable - considered on strength of values / costs relationship basis for a range of other development uses including community / clinics / fitness/ leisure / nurseries etc. / holiday lets	Value / costs relationship strength considered in report										

Development Costs	
Sustainability Allowance / other enhancements addition contingency (% of cost)	5%
Professional Fees (% of cost)	10%
Contingencies (% of cost)	5%
Planning / Building Regs etc / insurances (% of cost)	2.0%
Site survey / preparation costs / S106	Variable
Potential CIL - trial rates testing	at £25/m ² intervals up to £300/m ²
Finance Costs	
Finance rate p.a. (including over lead-in and letting / sales period)	6.0%
Arrangement / other fees (% of cost)	2.0%
Marketing Costs	
Advertising Fees (% of annual income)	1%
Letting Fees (% of annual income)	10%
Purchaser's costs	5.75%
Developer Profit (% of GDV)	15%
Yields	Variable applicability - sensitivity tested across range at 5.0% to 7.0%
Site Acquisition Costs	
Agents Fees (% of site value)	1.50%
Legal Fees (% of site value)	0.75%
Stamp Duty (% of value - HMRC scale)	0 to 5%

*BCIS Construction Duration Calculator

**BCIS Median - Location Factor for both Chichester

*** equivalent to £5,000 - £7,500 per room per annum based on 6% yield

Chichester District Council - Appendix I - Whole Plan Viability Assessment - Policy Analysis based on the Draft Preferred Plan (2018)

Policy No. / Name	Cost / Other Impact for Viability Testing Purposes? Yes/No		Type of Development Applicable	Addressed where applicable through specific study approach / assumptions - associated commentary / Cost allowance
		Yes		
		Potential		
		No		
Strategic Policies				
Policy S1 Presumption in Favour of Sustainable Development			All Development	Reflected within overall build cost assumptions and location of development. Assumed development appropriate in terms of general design / layout etc. as would be permitted under the range of development management criteria.
Policy S2 Settlement Hierarchy			All Development	Considered through the agreed development scenarios for testing and the range Value Levels adopted being representative of the variety relevant in different areas of the District.
Policy S3 Development Strategy			All Development	Considered through the agreed development scenarios for testing and the range Value Levels adopted being representative of the variety relevant in different areas of the District.
Policy S4 Meeting Housing Needs			Residential	Considered through the agreed development scenarios for testing and the range Value Levels adopted being representative of the variety relevant in different areas of the District.
Policy S5 Parish Housing Requirements 2016-2035			Residential	Considered through the agreed development scenarios for testing and the range Value Levels adopted being representative of the variety relevant in different areas of the District.
Policy S6 Affordable Housing			Residential	Subject to the results of this study, CDC require 30% AH on all new dwellings with sites of 6-10 to be sought via financial contribution as set out in the AH SPD. Tenure split also tested as part of the study as set out in Policy DM2. Costs reflected in the selection of scheme scenarios, range of AH % and tenure split %s tested together with the interpretation of appraisal results and their influence on CIL rates.
Policy S7 Meeting Gypsies, Travellers and Travelling Showpeople' Needs			Residential	N/A - more of a planning and land use implication than for viability consideration.
Policy S8 Meeting Employment Land Needs			Commercial	A variety of commercial development scenarios of various types have been tested at an appropriate high level for the study purpose, covering a range of values representing the variety relevant in different areas and across different scheme/site types.
Policy S9 Retail Hierarchy and Sequential Approach			Commercial	A variety of retail development scenarios of various types have been tested at an appropriate high level for the study purpose, covering a range of values representing the variety relevant in different areas and across different scheme/site types.
Policy S10 Local Centres, Local and Village Parades			Commercial	A variety of retail development scenarios have been tested at an appropriate high level for the study purpose, covering a range of values representing the variety relevant in different areas and across different scheme/site types.
Policy S11 Addressing Horticultural Needs			Commercial	A representative scenario of horticultural development likely to come forward over the plan period has been tested at an appropriately high level for the study purposes, covering a range of values following extensive research.
Policy S12 Infrastructure Provision			All Development	Ensures growth is supported by appropriate infrastructure provision - policy sets out specific criteria to be met as part of development. Considered through range of s.106/other cost assumptions (in addition to CIL). In practice a range of sites will trigger mitigation requirements (localised works or contributions) but those will vary sites will vary with the site-specific details. DSP consider £3,000/dwelling forms an appropriate sum, effectively as a contingency, for such measures. It follows that for all tests at £3,000 per dwelling, the immediate/essential highways mitigation/s.278 works are assumed to be specifically allowed for. CIL tested at a range of rates.
Policy S13 Chichester City Development Principles			All Development	Planning / design related rather than direct cost impact although some elements of the policy text are addressed through cost assumptions as considered as part of other DM policies e.g. reference to infrastructure requirements, design, historic environment.
Policy S14 Chichester City Transport Strategy			All Development	Funding for these measures are expected through s.106/CIL. In practice a range of sites will trigger mitigation requirements (localised works or contributions) but those will vary sites will vary with the site-specific details. Other implications relate generally to design considered as part of the normal DM process. CIL has been tested at a range of rates and a residual s.106 assumption of £3,000/dwelling is considered an appropriate sum.
Policy S15 Goodwood Motor Circuit and Airfield			All Development	More of a planning and land use implication than for viability consideration. No particular additional viability assumptions apply.
Policy S16 Development Within Vicinity of Goodwood Motor Circuit and Airfield			All Development	More of a planning and land use implication than for viability consideration. No particular additional viability assumptions apply.
Policy S17 Thorney Island			All Development	More of a planning and land use implication than for viability consideration. No particular additional viability assumptions apply.

Policy No. / Name	Cost / Other Impact for Viability Testing Purposes? Yes/No		Type of Development Applicable	Addressed where applicable through specific study approach / assumptions - associated commentary / Cost allowance
		Yes		
		Potential		
		No		
Policy S18 Integrated Coastal Zone Management for the Manhood Peninsula			All Development	Although more of a planning and land use implication than for viability consideration, an indirect cost implication exists in relation to scale and form of development - more of a design, development management related consideration. However could have very site specific impacts and as such would need to be treated as abnormal costs in weighing up the overall viability position on a particular site.
Policy S19 North of the Plan Area			All Development	Considered through the agreed development scenarios for testing and the range Value Levels adopted being representative of the variety relevant in different areas of the District including North of the Plan Area.
Policy S20 Design			All Development	Firstly in respect of the general nature and quality of development expected to come forward and be supportable through the usual planning application and development management process. Therefore reflected in the nature of the build and related costs assumptions used for all appraisals. Secondly, additional cost allowances have been made in relation to sustainability to meet Part M of the Building Regulations as part of sensitivity testing - see Appendix I Residential Assumptions
Policy S21 Health and Wellbeing			All Development	Considered through range of s.106/ other costs assumptions including open space allowance and overall design quality principles.
Policy S22 Historic Environment			All Development	Planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
Policy S23 Transport and Accessibility			All Development	Considered through range of s.106/other cost assumptions (in addition to CIL). In practice a range of sites will trigger mitigation requirements (localised works or contributions) but those will vary sites will vary with the site-specific details. DSP consider £3,000/dwelling forms an appropriate sum, effectively as a contingency, for such measures. It follows that for all tests at £3,000 per dwelling, the immediate/essential highways mitigation/s.278 works are assumed to be specifically allowed for. CIL tested at a range of rates. Specific allowances made where known for the SSAs.
Policy S24 Countryside			All Development	Although more of a planning / design implication than for viability consideration, a variety of scenarios and locations have been tested including the consideration of rural exception sites.
Policy S25 The Coast			All Development	Although more of a planning and land use implication than for viability consideration, an indirect cost implication exists in relation to scale and form of development - more of a design, development management related consideration. However could have very site specific impacts and as such would need to be treated as abnormal costs in weighing up the overall viability position on a particular site.
Policy S26 Natural Environment			All Development	Although more of a planning and land use implication than for viability consideration, an indirect cost implication may exist in relation to scale and form of development if permitted - more of a design, development management related consideration. The areas of the District within the South Downs National Park are excluded from this study - CIL collected in those areas by the SNP Authority. Linked to policy DM19, DM20, DM28, DM29.
Policy S27 Flood Risk Management			All Development	Allowed for within overall build costs and fees so far as normal works extent is concerned. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
Policy S28 Pollution			All Development	More of a planning and land use implication than for viability consideration. However, any potential mitigation costs allowed for within the general build cost and fee assumptions
Policy S29 Green Infrastructure			All Development	Generally within build costs and externals / Planning obligations cost assumption. Linked to DM32.
Policy S30 Strategic Wildlife Corridors			All Development	More of a planning and land use implication than for viability consideration. No particular additional viability assumptions apply.
Policy S31 Wastewater Management and Water Quality			All Development	Allowed for within overall build costs and fees so far as normal works extent is concerned. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site. No particular additional assumptions apply
Policy S32 Design Strategies for Strategic and Major Development Sites			All Development	Considered generally through the nature and quality of development expected to come forward and be supportable through the usual planning application and development management process. Therefore reflected in the nature of the build and related costs assumptions used for all appraisals. Secondly, additional cost allowances have been made in relation to sustainability to meet Part M of the Building Regulations as part of sensitivity testing - see Appendix I Residential Assumptions

Policy No. / Name	Cost / Other Impact for Viability Testing Purposes? Yes/No		Type of Development Applicable	Addressed where applicable through specific study approach / assumptions - associated commentary / Cost allowance
		Yes		
		Potential		
		No		
Policy AL1 Land West of Chichester			All Development	Considered as part of the specific SSAs testing / general range of site typologies.
Policy AL2 Land at Shopwyke (Oving Parish)			All Development	
Policy AL3 Land East of Chichester			All Development	
Policy AL4 Land at Westhampnett/North East Chichester			All Development	
Policy AL5 Southern Gateway			All Development	
Policy AL6 Land South-West of Chichester (Apuldram and Donnington Parishes)			All Development	
Policy AL7 Highgrove Farm, Bosham			All Development	
Policy AL8 East Wittering Parish			All Development	
Policy AL9 Fishbourne Parish			All Development	
Policy AL10 Chidham and Hambrook Parish			All Development	
Policy AL11 Hunston Parish			All Development	
Policy AL12 Land North of Park Farm, Selsey			All Development	
Policy AL13 Southbourne Parish			All Development	
Policy AL14 Land West of Tangmere			All Development	
Policy AL15 Land at Chichester Business Park, Tangmere			All Development	
Development Management Policies				
Policy DM1 Specialist Housing			Residential	A variety of development scenarios of various types have been tested at an appropriate high level for the study purpose, including specialist housing, covering a range of values representing the variety relevant in different areas and across different scheme/site types.
Policy DM2 Housing Mix			Residential	A variety of residential scenarios have been modelled, also covering a range of values levels overall representing the variety relevant in the different areas. The specific housing mix (flats/houses) will be informed by the latest HEDNA and agreed reflected in the dwelling mix adopted for both market and affordable housing across all residential scenarios tested. Affordable housing has been tested at a range of %, whilst taking into account the revised NPPF (July 2018).
Policy DM3 Housing Density			Residential	A variety of residential scenarios have been modelled in a variety of areas including assuming urban and rural locations assuming appropriate densities based on our experience and understanding of the area.
Policy DM4 Affordable Housing Exception Sites			Residential	A residential scenario representing an Affordable Housing Exception Site has been modelled and considered covering a range of values levels to test whether 100% AH is viable and potentially what is the optimum amount / proportion of market vs affordable dwellings.
Policy DM5 Accommodation For Gypsies, Travellers And Travelling Showpeople			Residential	More of a planning and land use implication than for viability consideration. No additional assumptions / scenario testing applies.
Policy DM6 Accommodation for Agricultural and other Rural Workers			Residential	More of a planning and land use implication than for viability consideration. No particular additional viability assumptions apply.
Policy DM7 Local and Community Facilities			Commercial	More of a planning and land use implication than for viability consideration. No particular additional viability assumptions apply.
Policy DM8 Transport, Accessibility and Parking			All Development	Considered through range of s.106/other cost assumptions (in addition to CIL). In practice a range of sites will trigger mitigation requirements (localised works or contributions) but those will vary sites will vary with the site-specific details. DSP consider £3,000/dwelling forms an appropriate sum, effectively as a contingency, for such measures. It follows that for all tests at £3,000 per dwelling, the immediate/essential highways mitigation/s.278 works are assumed to be specifically allowed for. CIL tested at a range of rates. Specific allowances made where known for the SSAs.
Policy DM9 Existing Employment Sites			Commercial	More of a planning and land use implication than for viability consideration.
Policy DM10 New Employment Sites			Commercial	A variety of employment development scenarios of various types have been tested at an appropriate high level for the study purpose, covering a range of values representing the variety relevant in different areas and across different scheme/site types.
Policy DM11 Town Centre Development			Commercial	Although more of a planning and land use implication than for viability consideration, a variety of retail development scenarios have been tested.
Policy DM12 Edge and Out of Centre Retail Sites			Commercial	Although more of a planning and land use implication than for viability consideration, a variety of retail development scenarios have been tested. Overall design elements to be assumed as part of overall DM process / general build costs / quality of development.
Policy DM13 Built Tourist and Leisure Development			Commercial	More of a planning and land use implication than for viability consideration.
Policy DM14 Caravan and Camping Sites			Commercial	Planning and land use implication than for viability consideration.
Policy DM15 Horticultural Development			Commercial	A variety of industrial development scenarios of various types including horticultural glasshouses have been tested at an appropriate high level for the study purpose, covering a range of values representing the variety relevant inside and outside the HDA.
Policy DM16 Sustainable Design and Construction			All Development	Specific allowance within overall build costs (equivalent to the former CfSH L4) and fees so far as normal works extent is concerned. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
Policy DM17 Stand-alone Renewable Energy			Commercial	Planning and land use implication than for viability consideration.

Policy No. / Name	Cost / Other Impact for Viability Testing Purposes? Yes/No		Type of Development Applicable	Addressed where applicable through specific study approach / assumptions - associated commentary / Cost allowance
		Yes		
		Potential		
		No		
Policy DM18 Flood Risk and Water Management			All Development	Allowed for within overall build costs and fees so far as normal works extent is concerned. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
Policy DM19 Chichester Harbour Area of Outstanding Natural Beauty (AONB)			All Development	Although more of a planning and land use implication than for viability consideration, an indirect cost implication may exist in relation to scale and form of development if permitted - more of a design, development management related consideration. The areas of the Borough within the South Downs National Park are excluded from this study - CIL collected in those areas by the SNP Authority.
Policy DM20 Development around the Coast			All Development	Although more of a planning and land use implication than for viability consideration, a variety of retail development scenarios have been tested. Overall design elements to be assumed as part of overall DM process / general build costs / quality of development. Specific allowances made for the SPA - see DM30.
Policy DM21 Alterations, Change of Use and/or Re-use of Existing Buildings in the countryside			All Development	Planning and land use implication than for viability consideration.
Policy DM22 Development in the Countryside			Residential	Although more of a planning and land use implication than for viability consideration, a variety of residential scenarios have been modelled in a variety of areas including assuming urban and rural locations whilst assuming appropriate densities based on our experience and understanding of the area.
Policy DM23 Lighting			All Development	Planning and land use implication than for viability consideration.
Policy DM24 Air Quality			All Development	Although more of a planning and land use implication than for viability consideration, any costs relating to Air Quality Assessments will be assumed as part of overall build costs and fees. However, could also have a site specific impacts requiring mitigation measures and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
Policy DM25 Noise			All Development	More of a planning and land use implication than for viability consideration.
Policy DM26 Contaminated Land			All Development	Allowed for within overall build costs and fees so far as normal works extent is concerned. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
Policy DM27 Historic Environment			All Development	Planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
Policy DM28 Natural Environment			All Development	Although more of a planning and land use implication than for viability consideration, an indirect cost implication exists in relation to scale and form of development - more of a design, development management related consideration.
Policy DM29 Biodiversity			All Development	To the extent that the assessment assumptions consider regular design and layout characteristics. Scope of achievable planning obligations packages may be relevant to particular proposals - especially for larger/strategic scale developments where the surplus available to support a planning obligations package is likely to be considered. More of general development management matter and does not inform particular viability assessment assumptions.
Policy DM30 Development and Disturbance of Birds in Chichester, Langstone and Pagham Harbours and Special Protection Areas.			Residential	Specific allowance per dwelling within costs assumptions as set out in March 2018 Guidance. Higher of the two rates adopted representing the mitigation requirement covering both zones of influence - note extra buffering in locations outside the SPA.
Policy DM31 Trees, Hedgerows and Woodlands			All Development	Generally within build costs and externals / Planning obligations cost assumption
Policy DM32 Green Infrastructure			All Development	Generally within build costs and externals / Planning obligations cost assumption
Policy DM33 Canals			All Development	More of a planning and land use implication than for viability consideration.
Policy DM34 Open Space, Sport and Recreation including Indoor Sports Facilities and Playing Pitches			Residential	Considered through range of s.106/other costs sensitivity testing together with general land take % assumption based on DSP experience, providing additional buffering on top of specific policy requirements. In practice a range of sites will trigger mitigation requirements (localised works or contributions) but those will vary sites will vary with the site-specific details. DSP's view and experience is that say £3,000/dwelling forms an appropriate sum, effectively as a contingency, for such measures. It follows that for all tests at £3,000 per dwelling, the immediate/essential highways mitigation/s.278 works are assumed to be specifically allowed for - all in addition the a % allowance of Land take for OS.
Policy DM35 Equestrian Development			Commercial	A variety of commercial development scenarios of various types have been tested at an appropriate high level for the study purpose, covering a range of values representing the variety relevant in different areas and across different scheme/site types.