

Draft Statement of Common Ground

Topic Specific - Viability

Land to the South of Ringwood Road, Alderholt, Dorset

Planning Application Reference: P/OUT/2023/01166



April 2024



SMARTER DEVELOPMENT

Hillview Business Centre
2 Leybourne Avenue
Bournemouth
Dorset
BH10 6HF

Statement of Common Ground - Viability

Appeal Ref: APP/D1265/W/23/3336518

Date of Inquiry: 25 June 2024

Site Address and Description of Development

Land to the South of Ringwood Road, Alderholt, Dorset.

Mixed use development of up to 1,700 dwellings including affordable housing and care provision; 10,000sqm of employment space in the form of a business park; village centre with associated retail, commercial, community and health facilities; open space including the provision of suitable alternative natural green space (SANG); biodiversity enhancements; solar array, and new roads, access arrangements and associated infrastructure (Outline Application with all matters reserved apart from access off Hillbury Road).

Appellant: Dudsbury Homes (Southern) Ltd

Local Planning Authority: Dorset Council

This Statement of Common Ground is topic specific to viability. The viability of the proposed development centres around a residual development appraisal. The resultant residual land value is compared to a benchmark land value to test viability. This statement therefore deals with the key inputs to the residual appraisal and key inputs used to calculate benchmark land value.

This statement addresses the following areas of common ground:

1. Matters Agreed
2. Matters Not Agreed

1. Matters Agreed

- 1.1 Policy LN3 of the CEDLP requires greenfield developments to provide up to 50% of residential units as affordable housing. That 50% affordable housing is required to be provided unless evidence is provided which demonstrates this would not be viable.
- 1.2 Gross Development Area 121.87 hectares (301.46 acres)
- 1.3 Net Developable Area 41.87 hectares (103.46 acres)

- 1.3.1 Residential 38.99 hectares (96.34 acres)
- 1.3.2 Employment 1.70 hectares (4.20 acres)
- 1.3.3 Local Centre 0.88 hectares (2.17 acres)
- 1.3.4 Public House 0.30 hectares (0.75 acres)

1.4 Indicative Housing Mix (1,694 units) as shown below:

House Type (Beds)	%	No.
1 Bed	19%	325
2 Bed	33%	556
3 Bed	30%	507
4 Bed	15%	255
5 Bed	3%	51
	100%	1694

- 1.5 Market Housing Gross Development Value based on £4,205/m² (£391/ft²).
- 1.6 Employment land sale based on £1,000,000 per serviced acre.
- 1.7 Acquisition Costs.
 - 1.7.1 Stamp Duty at prevailing rate.
 - 1.7.2 Agent Fee 0.50%
 - 1.7.3 Legal Fee Allowance PC Sum £100,000
 - 1.7.4 Acquisition Surveys £5,000
- 1.8 Construction costs based on BCIS Lower Quartile with 15% allowance for external works.
- 1.9 Garage Build Cost £484/m² (£45/ft²).
- 1.10 Infrastructure Delivery Plan – total IDP £58,425,000 (subject to update)
- 1.11 Forecast Section 106 Financial Contributions £17,946,019 (subject to change as planning discussions continue between the parties).
- 1.12 Construction Contingency – 5%
- 1.13 Infrastructure Delivery Plan Contingency – 10%
- 1.14 Professional Fees – 10%

1.15 Developer's Profit

- 1.15.1 Market Housing – 20% of GDV
- 1.15.2 Affordable Housing – 6% of GDV
- 1.15.3 Commercial Revenue – 15% of GDV

1.16 Micro Grid Technology – good time to introduce clarification to AV query on this point.

1.16.1 Jason obtaining text from Synergy.

2. Matters Not Agreed

- 2.1 Affordable housing provision. Appellant calculates on site provision at 35% of proposed dwellings. The Council believe the development can afford more.
- 2.2 Affordable housing revenue calculations – more evidence to be provided.
- 2.3 Public House Land Value – evidence to be adjusted.
- 2.4 Local Centre Land Value – evidenced residual appraisal to be provided.
- 2.5 Benchmark Land Value – more evidence to be provided.
- 2.6 Disposal Fees – more evidence to be provided.
- 2.7 Finance rate – more evidence to be provided.

Signed on behalf of Dorset Council

Signed: _____

Company: _____

Date: _____

Position: _____

Signed on behalf of Dudsbury Homes (Southern) Limited

Signed: _____

Company: _____

Date: _____

Position: _____