

CHRISTCHURCH & EAST DORSET DISTRICT COUNCILS

COMMUNITY INFRASTRUCTURE LEVY STATEMENT OF MODIFICATION: Strategic Sites

On behalf of **Christchurch & East Dorset District Councils**



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For and on behalf of Peter Brett Associates LLP				

To be read in conjunction with PBA CIL Viability Report (June 2013) & PBA Statement of Modification: Strategic Sites (December 2013)

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1 Strategic Site Testing & Approach to Developer Contributions

1.1 Introduction

- 1.1.1 Further to PBA undertaking CIL viability testing on behalf of Christchurch and East Dorset District Councils (the Councils), the Christchurch and East Dorset Core Strategy was adopted (April 2014), setting out the development context and requirements for the area to 2028. The affordable housing policies for the New Neighbourhood / Strategic sites adopted as part of the Core Strategy are different to those assumed in the original PBA viability work, and as such PBA has produced this Statement of Modification setting out its updated viability appraisals for these sites based on the policies now adopted in the Core Strategy.
- 1.1.2 In addition the Councils and PBA received, as part of the CIL consultation process, a number of representations concerning the potential for double-counting of SANGS. This is because in the original viability work SANGS was assumed to be a CIL-able cost - however for the strategic developments it could be provided on site, and hence there was a risk of 'double dipping' contributions. This further testing takes account of the provision of SANGS on site for the strategic sites, rather than through a per sq m charge.
- 1.1.3 CIL guidance emphasises the importance of ensuring that strategic sites remain viable after all policy costs (which includes CIL and affordable housing) are taken into account¹. The guidance also clarifies the point that strategic site infrastructure may be delivered through S106, and that CIL rates charged may be altered on strategic sites to reflect this fact².
- 1.1.4 This chapter aims to pick up these points. Our first objective here is to broadly understand whether there is capacity for a CIL charge on the strategic sites. Secondly we want to establish if development can support the proposed levels of CIL recommended.
- 1.1.5 We would also emphasise that CIL and the notional S106 costs adopted are not a definitive amount for what each site can contribute. The nature of site specific development may require sites to contribute additional sums in addition to those assumed. This needs to be agreed between the site promoters and the local planning authority on a site by site basis with assurance that there is no double counting between CIL and other planning obligations.
- 1.1.6 It is not our objective to make a definitive statement of site viability. This is because there is currently a lack of information about how sites will be developed, and the economic conditions that will prevail at the time of development.
- 1.1.7 This testing is first and foremost a supporting, high level analysis to inform the drafting of the CIL evidence base and planning policy.
- 1.1.8 As per Valuation Standards 1 of the RICS Valuation Standards – Global and UK Edition³, the advice expressly given in the preparation for, or during the course of negotiations or possible litigation does not form part of a formal "Red Book" valuation and should not be relied upon as such.
- 1.1.9 Furthermore, this testing does not substitute for detailed viability work for S106, affordable housing negotiation or other purposes. This work may be undertaken separately when sites come forward.

¹ DCLG (June 2014) *NPPG Community Infrastructure Levy*

² DCLG (June 2014) *NPPG Community Infrastructure Levy*

³ RICS (March 2012) *Valuation – Professional Standards, VS1 Professional and Ethical Requirements*

1.2 Approach to developer contributions

- 1.2.1 With some significant strategic sites allocated in both Christchurch and East Dorset it is important to ensure in each case that, if a CIL charge is to be taken forward across the whole Borough and District, it will enable, in tandem with S106/278 and other sources of funding, key infrastructure to be delivered to make sites acceptable in planning terms. With such strategic sites and their significant site-specific infrastructure requirements, it is sometimes the case that the best approach is to use Section 106 contributions to address these site-specific infrastructure needs, meaning that only a very low or £0psm CIL charge could then be afforded. In addition it is important to ensure that no double-counting is incurred, i.e. developments do not provide infrastructure on site which is also paid for through CIL.
- 1.2.2 The major advantage of such an approach is that delivery of infrastructure needs by way of S106 is straightforward and gives assurance to both developer and the councils that the required infrastructure will be delivered at the appropriate time.
- 1.2.3 The CIL Regulations have significantly restricted the use of S106. Regulation 122(2) states that planning obligations must be:
- (a) necessary to make the development acceptable in planning terms;
 - (b) directly related to the development; and
 - (c) fairly and reasonably related in scale and kind to the development.
- 1.2.4 It is still possible to pool S106 contributions but this is limited. Regulation 123(3b) states that a planning obligation may not constitute a reason for granting planning permission if five or more separate planning obligations which provide for the funding or provision of a 'project or type of infrastructure' have already been entered in to. Moreover, the counting number of S106 contributions towards a project or type of infrastructure applies from 6th April 2010 when the CIL Regulations came into effect.
- 1.2.5 We have therefore tested the strategic sites to see which approach is appropriate and within the requirements of the CIL Regulations.

1.3 Strategic sites

- 1.3.1 As set out above, the June 2014 CIL Statutory Guidance states that additional viability testing should be undertaken 'in particular on strategic sites on which the relevant Plan relies and those sites (such as brownfield sites) where the impact of the levy on economic viability is likely to be most significant'⁴.
- 1.3.2 There are fourteen strategic sites in the Christchurch and East Dorset District:

Christchurch

- Roeshot Hill / Christchurch Urban Extension (CN1) – 950 dwellings
- Land South of Burton Village (CN2) – 45 dwellings

Wimborne

- Cuthbury Allotments & St Margarets Hill (WMC5) – 220 dwellings
- Stone Lane, Wimborne (WMC6) – 90 dwellings
- Cranborne Road, North Wimborne (WMC7) – 600 dwellings

⁴ DCLG (Feb 2014) *The Community Infrastructure Levy (Amendment) Regulations 2014*

- South of Leigh Road (WMC8) – 350 dwellings
- Lockyers School and Land North of Corfe Mullen (CM1) – 250 dwellings
- Land Adjacent to Holmwood House, Ferndown (FWP3) – 150 dwellings
- Coppins Nursery (FWP4) – 40 dwellings
- East of New Road, West Parley (FWP6) – 320 dwellings
- West of New Road, West Parley (FWP7) – 150 dwellings

Verwood

- North Western Verwood New Neighbourhood (VTSW4)– 230 dwellings
- North Eastern Verwood New Neighbourhood (VTSW5) – 65 dwellings

1.3.3 We have discounted the following sites on the understanding that they are imminently anticipated to be subject to signed S.106 agreements, negating the need for CIL testing:

- North Eastern Verwood New Neighbourhood (VTSW5) – 65 dwellings
- Land Adjacent to Holmwood House, Ferndown (FWP3) – 150 dwellings
- Coppins Nursery (FWP4) – 40 dwellings

1.4 Viability Testing of Strategic Sites

1.4.1 We have, taking the above into account, undertaken a review of the viability of the following strategic sites:

- i. Roeshot Hill / Christchurch Urban Extension (CN1) – 950 dwellings
- ii. Land South of Burton Village (CN2) – 45 dwellings
- iii. Cuthbury Allotments & St Margarets Hill (WMC5) – 220 dwellings
- iv. Stone Lane, Wimborne (WMC6) – 90 dwellings
- v. Cranborne Road, North Wimborne (WMC7) – 600 dwellings
- vi. South of Leigh Road (WMC8) – 350 dwellings
- vii. Lockyers School and Land North of Corfe Mullen (CM1) – 250 dwellings
- viii. East of New Road, West Parley (FWP6) – 320 dwellings
- ix. West of New Road, West Parley (FWP7) – 150 dwellings
- x. North Western Verwood New Neighbourhood (VTSW4)– 230 dwellings

1.4.2 We have looked at the strategic sites on a site by site basis. Some of the sites are more advanced than others in terms of the planning process – for example it is anticipated that Gleasons (may submit an outline application on part of the site at South of Leigh Road by Christmas 2014). We would also note that an outline planning application for up to 650 dwellings has been submitted for the North Wimborne site and it is anticipated that the application will be reported to planning committee in early 2015.

- 1.4.3 We have set out in the following section a brief review of each strategic site and the known and anticipated costs associated with each site / the particular site characteristics which may impact on viability. We have then set out the findings of our development appraisal viability analysis for each strategic site. We have set out full development appraisals for each site in Appendix A.
- 1.4.4 We have assumed affordable housing provision for each of the sites in line with the Adopted Core Strategy of up to 50% affordable housing, and site densities as set out within the report text (35 dwellings per ha for the Roeshot Hill site and 40 dwellings per ha for the remaining strategic sites).

1.5 SANGS

- 1.5.1 We are aware that these sites will be anticipated to provide SANGS as part of a site masterplan. However, without a fixed masterplan and/or planning application it is difficult to determine the correct net to gross ratio of land allowance to factor in to the viability appraisal outcome tables.
- 1.5.2 We have therefore assumed that there is a SANGS cost per net developable hectare of £20,000, based upon our understanding of the Dorset Heathlands Planning Framework SPD 2012-2014 (September 2012).

1.6 Threshold Land Values

- 1.6.1 We have assumed threshold land values in line with the Whiteleaf Consulting, who have taken a gross threshold land value at North Christchurch of £125,000 per acre / £308,875 per ha. Allowing for a net to gross of 50% equates to £250,000 per net acre, or £617,750 per net hectare.
- 1.6.2 We have assumed that the sites would be sold fully serviced, so have taken into account a servicing cost of £20,000 per plot in line with the Harman Report (which advises servicing costs of between £17,000 and £23,000 per plot). When applied to the Roeshot Hill site at an assumed density of 35 dwellings per Ha this equates to £700,000 per ha, and when applied to the remainder of the strategic sites at a density of 40 dwellings per ha this equates to £800,000 per ha.
- 1.6.3 Taking the cost of servicing into account on top of the assumed threshold land values for both Roeshot Hill and the remaining strategic sites therefore equates to the following threshold land values, which we have adopted in our viability appraisals (please see table overleaf):

Table 1-1 Adopted Threshold Land Values

Land Cost (per Hectare)	Roeshot Hill	Strategic Sites
Cost of land (gross)	£308,875	£308,875
Cost of land (net) assuming 50% net to gross	£617,750	£617,750
Servicing cost at £20,000 per plot	£700,000 (35 dwellings per ha)	£800,000 (40 dwellings per ha)
Assumed Threshold Land Value <i>(Cost of land per net hectare + Servicing cost)</i>	£1,317,750 Say, £1.3m	£1,417,750 Say, £1.4m

Source: PBA / Whiteleaf Consulting / The Harman Report (2012)

2 Strategic Site Testing: Christchurch

2.1 CN1 Roeshot Hill / Christchurch Urban Extension (950 dwellings)

- 2.1.1 Christchurch Urban Extension is allocated in the Core Strategy Policy CN1 to deliver around 950 dwellings in total with affordable housing provision of up to 35% and densities of between 26 and 46 dwellings per Ha. The strategic housing allocation land will be released from the Green Belt and the development will comprise two neighbourhoods. Further requirements include:
- A local centre and central park area;
 - A river buffer and biodiversity enhancements to the River Mude;
 - The provision of open space and recreation space;
 - Allotment provision - The Roeshot Hill Allotments will be relocated to a suitable site; and
 - Movement of the overhead power cables to underground.
 - Transport requirements including a pedestrian / cycle link through the urban extension site from the bridleway at Roeshot Hill and improvements / potential contribution to improvements of the following:
 - A35 Lyndhurst Road
 - A35 Staple Cross Junction
 - A35 Somerford Roundabout
 - A35 Stony Lane Roundabout
 - A35 Fountains Roundabout
- 2.1.2 Although we have not been able to obtain information from the developer(s) / landowner(s) as to specific site preparation / infrastructure costs, we understand that Christchurch Urban Extension / Roeshot Hill has significant S.106/278 costs (over and above our standard assumption of £1,000 per dwelling as set out in paragraph 5.26 of the CIL Viability Study).
- 2.1.3 Based on the information in the Christchurch and East Dorset IDP and discussions with the Council we have assumed an estimated total cost of £20,000 per dwelling. We have assumed a density of 35 dwellings per Ha.

Scenario Tested

- 2.1.4 S106/278 costs are to be spread across different phases of development. Single phases of development may come forward by more than one developer simultaneously. An appraisal has been undertaken assuming development by a single developer of 100 homes and the estimated S106/278 costs have been proportioned per dwelling at £20,000. All other residential assumptions have remained constant.

Findings

- 2.1.5 Below we detail the viability results for Christchurch Urban Extension, analysing the residual land value against the benchmark land value. Ultimately, if the residual land value is greater than the benchmark land value, there may be capacity for a CIL charge.

Table 2-1 Christchurch Urban Extension – S106 at £20,000 per dwelling & nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset										
Roeshot Hill (CN1)	100	2.86	9,000	5,850	£1,301,442	£413	£1,300,000	£413	£1,442	£1

Source: PBA

- 2.1.6 As shown in the table above, the residual value is similar to the benchmark – and we consider that there is little capacity for a CIL charge as well as an allowance for an appropriate viability buffer when accounting for full affordable housing provision and estimated S106/278 costs of £20,000 per dwelling. We are of the opinion that delivery of this site should therefore require a bespoke planning agreement that is appropriate to phasing and income.

Recommendation

- 2.1.7 The findings indicate that, once site-specific S106 costs, SANGS provision, a policy requirement of up to 35% affordable housing and abnormal costs have been taken into account, there is currently little capacity for a CIL charge within the Roeshot Hill / Christchurch Urban Extension strategic allocation area.
- 2.1.8 A £0psm CIL charge for Roeshot Hill / Christchurch Urban Extension is therefore recommended, and we would advise that the infrastructure required to support the strategic allocation should be delivered through a bespoke S106 Agreement. It is considered that the necessary S106 items comply with the requirements of Regulation 122(2) of the CIL Regulations in that they are necessary to make the development acceptable in planning terms, are directly related to the development and are fairly and reasonably related in scale and kind to the development.

2.2 CN2 Land South of Burton Village (45 dwellings)

Background

- 2.2.1 The land to the west of Salisbury Road and to the south of Burton Village is identified in the Core Strategy to deliver around 45 dwellings in total during the early part of the plan period. The green belt boundary is allocated to be amended to exclude the land now identified for new housing. The Core Strategy sets out that up to 50% of housing on the site will be affordable housing. The layout and design of the development will be consistent in scale and character with Burton Village and the Conservation Area, with the listed barn on the site being retained.

Scenario Tested

- 2.2.2 We have undertaken a high level appraisal of 45 dwellings at Burton Village. As yet there have been no formal pre application discussions surrounding the site, although it is included in the 5 year land supply (2016-2018). Based on discussions with the Council therefore we have assumed that SANG provision for this site will be linked to the Roeshot Hill development outlined above and that a representative proportion of the S106/278 costs from the Roeshot Hill site are transferred to the Burton Village site. We have therefore assumed S106/278 costs of £10,000 per dwelling. We have tested affordable housing at 50% based on Policy CN2 of the Core Strategy.

Findings

Table 2-2 Land South of Burton Village Viability Results – S106 at £10,000 per dwelling & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset										
Burton (CN2)	45	1.13	4,050	2,025	£1,378,830	£383	£1,400,000	£389	-£21,170	-£12

Source: PBA

- 2.2.3 The findings indicate that there is no capacity for a CIL charge at Burton Village assuming site-specific S106 costs of £10,000 per dwelling to address the infrastructure required to support the scheme.

Recommendation

- 2.2.4 Although both costs and potential 106 obligations are indicative at this stage of the promotion of the site, the Council does not wish to have to vary the entire charging schedule if it emerges after further detailed design and costings that the standard CIL charge would prevent delivery. We would therefore recommend that the Burton site should have a NIL CIL charge applied to it, particularly when taking into account its close affiliation with the Roeshot Hill / Christchurch Urban Extension site. We would advise that a bespoke S.106 agreement is entered into which can more subtly reflect the particulars of the site.

3 Strategic Site Testing: Wimborne

3.1 WMC5 Cuthbury Allotments & St Margaret's Close (220 dwellings)

Background

- 3.1.1 Policy WMC5 of the Core Strategy sets out that areas south of Julians Road, at Cuthbury allotments, at Wimborne Town Football Club and to the east of St Margaret's Hill are allocated to provide New Neighbourhoods including 220 homes, open space and 0.4 hectares of land for a future extension to Victoria Hospital, or housing if shown to be not required. To enable this the Green Belt boundary will be amended.
- 3.1.2 We understand from our discussions with the Council that there are no live planning applications for either the St Margaret's Hill or Cuthbury Allotments site, however pre-application discussions have just commenced on the Cuthbury Allotments site and an application is anticipated to come forward in early 2015.

Scenario Tested

- 3.1.3 At 220 dwellings it is likely that the development will not be brought forward in a single phase. Analysis of current new build development suggests that two phases of 110 units would be more appropriate. We have assumed a density of 40 dwellings per ha.
- 3.1.4 The Cuthbury Allotments & St Margarets Close sites have significant S106/278 costs (over and above our standard assumption detailed in Paragraph 5.26 of the CIL Viability report) which may affect viability. They will also need to provide for SANGS. A Stage 2 Master planning report has been produced for the site – however a further Stage 3 report will set out site viability in more detail. As this is currently being produced neither the Council or the developer is in a position to provide concrete costs for the provision of infrastructure etc. on the site, although we understand that some of the current headline site-specific S106 cost estimates that comply with the requirements of Regulation 122(2) of the CIL Regulations 2010 are to include:
- Education contributions
 - New healthcare facilities
 - Transport
 - Sport and play facilities
- 3.1.5 As discussed we are unsure of the cost per dwelling of these requirements. We have therefore made an assumption based on our experience of dealing with strategic sites of a similar size and nature to this elsewhere and the costs associated with the Roeshot Hill site. We have therefore estimated a total S.106 cost of £10,000 per dwelling. This is also the same as the infrastructure and S.106 costs put forward by the developer at the North Wimborne site (discussed at 3.3).

Findings

- 3.1.6 Below we detail the viability results for Cuthbury Allotments and St Margaret's Close, analysing the residual land value against the benchmark land value. Ultimately, if the residual land value is greater than the benchmark land value, there may be capacity for a CIL charge.

Table 3-1 Cuthbury Allotments and St Margarets Close Results – S106 at £10,000 per dwelling & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset										
Cuthbury Allotments (WMC5)	110	2.75	9,900	4,950	£1,328,359	£369	£1,400,000	£389	-£71,641	-£40

Source: PBA

- 3.1.7 The findings indicate that there is not enough capacity for a CIL charge plus appropriate viability buffer at Cuthbury Allotments & St Margaret's Close assuming site-specific S106 costs of £10,000 per dwelling to address the S.106 and infrastructure costs required to support the scheme.

Recommendation

- 3.1.8 Taking the findings into account we would recommend at NIL CIL charge for the Cuthbury Allotments & St Margaret's Close site.

3.2 WMC6 Stone Lane (90 dwellings)

Background

- 3.2.1 The Stone Lane Industrial Estate has been identified as suitable for redevelopment to provide 90 dwellings on the provision that the site is improved (for example access) and landscaping ensures that any new development does not impact on the nearby AONB.
- 3.2.2 We understand that there is no live application for the Stone Lane site and that it is in multiple ownership and anticipated to come forward towards the end of the plan period. Additional costs which might occur over and above the £1,000 per dwelling we had assumed for the generic residential scenario testing include the provision of SANGS, SUDS and open space as well as transport improvements such as pedestrian and cycle access across the River Allen.

Scenario Tested

- 3.2.3 Because little is currently known about potential additional costs over and above generic assumptions at the Stone Lane site we have tested a scenario assuming S.106 costs in line with other sites in the area (£10,000 per dwelling). We have assumed affordable housing provision at 40% (as the site is a brownfield site) and a density of 40 dwellings per ha.

Findings

- 3.2.4 Below we detail the viability results for the redevelopment of Stone Lane analysing the residual land value against the benchmark land value. Ultimately, if the residual land value is greater than the benchmark land value there may be capacity for a CIL charge.

Table 3-2 Stone Lane Viability Results – S106 at £10,000 per dwelling & Nil CIL

No of dwellings	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage		
	Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm	
Christchurch & East Dorset									
Stone Lane (WMC6)	90	8,100	4,860	£1,485,374	£472	£1,400,000	£444	£85,374	£45

Source: PBA

- 3.2.5 We consider, based on the overage set out in the table above, that there is not enough residual value above the benchmark land value to allow for both a CIL and the appropriate S.106 as well as affordable housing at 40% and a considerable viability buffer.

Recommendation

- 3.2.6 We would recommend that a Nil CIL is applied to the Stone Lane site, and that the site specific S106 costs are negotiated as part of a bespoke S.106 Planning Agreement. This will enable both the Council and the developer to ensure that the best outcome for the site in terms of viability, return and infrastructure provision is obtained once more detail on the site costs is known.

3.3 WMC7 Cranborne Road / North Wimborne (600 dwellings)

Background

- 3.3.1 Cranborne Road in North Wimborne has been allocated in Policy WMC7 of the Core Strategy to provide c.16.7ha of new neighbourhood development. The new neighbourhood is to include around 600 dwellings, a First School and a local centre alongside significant areas of green space. In order to enable this the Green Belt boundary will be amended to exclude the land identified for development.
- 3.3.2 Cranborne Road has significant S106/S278 costs (over and above our standard assumption detailed in Paragraph 5.26 of the CIL Viability report) which may affect viability. Some of the current site-specific S106 cost estimates that comply with the requirements of Regulation 122(2) of the CIL Regulations 2010 are:
- A new build First School;
 - A Local Centre;
 - Open space, sports and play areas; and
 - Allotments
- 3.3.3 Based upon the information set out in the IDP and information provided by the developer's agent Savills, and assuming a 100 unit phase, this is estimated to be a total cost of approximately £1,000,000 or £10,000 per dwelling.

Scenario Tested

- 3.3.4 S106/S278 costs are to be spread across different phases of development. An appraisal has been undertaken assuming development in six phases in line with the Cranborne Road New Neighbourhood Statement of Common Ground between the LPA, Bloor Homes, Dorset County Council and Natural

England (September 2013) and as such the estimated S106/S278 costs of £1,000,000 have been proportioned per dwelling at £10,000. We have assumed a density of 40 dwellings per Ha and affordable housing provision of 50%.

Findings

- 3.3.5 Below we detail the viability results for Cranborne Road, analysing the residual land value against the benchmark land value. Ultimately, if the residual land value is greater than the benchmark land value there may be capacity for a CIL charge.

Table 3-3 Cranborne Road / North Wimborne Viability Results – S106 at £10,000 per dwelling & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset										
Cranborne Road (WCM7)	100	2.50	9,000	4,500	£1,335,804	£371	£1,400,000	£389	-£64,196	-£36

Source: PBA

- 3.3.6 As shown in the table above there is not enough residual value above the benchmark land value to allow for both a CIL and the appropriate S.106 as well as affordable housing at 50% and a considerable viability buffer.

Recommendation

- 3.3.7 The findings indicate that there is no capacity for a CIL charge at Cranborne Road assuming site-specific S106 costs of £10,000 per dwelling to address the infrastructure required to support the scheme as well as making an allowance for the SANGS required. We would therefore recommend a Nil CIL charge for Cranborne Road.

3.4 WMC8 South of Leigh Road (350 dwellings)

Background

- 3.4.1 Circa 75 hectares of land South of Leigh Road is allocated for a New Neighbourhood to include 350 new homes, a sports village (including a new home for Wimborne Minster Football and Rugby Clubs, 8 hectares of other active sports pitches, changing facilities and an area for teenage activity), new allotments, a local centre, land for a First School and around 37 hectares as a country park to the north and south of the A31.

Scenario Tested

- 3.4.2 We understand that the South of Leigh Road site has S106/S278 costs (over and above our standard assumption detailed in Paragraph 5.26 of the CIL Viability Report) which may affect viability. Through discussions with the Council local service providers the above is estimated to be a total cost of approximately £10,000 per dwelling. We have therefore assumed a cost of £1,750,000 per dwelling for a single phase of 175 units.

Findings

- 3.4.3 Below we detail the viability results for South of Leigh Road, analysing the residual land value against the benchmark land value. Ultimately if the residual land value is greater than the benchmark land value there may be capacity for a CIL charge.

Table 3-4 South of Leigh Road Viability Results – 350 Unit Scheme (175 unit phase) S106 at £10,000 & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset										
South of Leigh Road (WCM8)	175	4.38	15,750	7,875	£1,273,005	£354	£1,400,000	£389	-£126,995	-£71

Source: PBA

3.4.4 As shown in the tables above there is no residual value above the benchmark land value.

Recommendation

3.4.5 The findings indicate that there is no capacity for a CIL charge at South of Leigh Road assuming site-specific S106 costs of £10,000 per dwelling to address the infrastructure required to support the scheme. We would therefore recommend a Nil CIL charge for South of Leigh Road.

4 Strategic Site Testing: Corfe Mullen

4.1 CM1 Lockyers School & Corfe Mullen New Neighbourhood (250 dwellings)

- 4.1.1 Policy CM1 of the adopted Core Strategy sets out that land at the northern end of the main built area of Corfe Mullen is allocated to provide a new neighbourhood including 250 homes, local facilities and services and a new Lockyer's School. In order to facilitate the New Neighbourhood the Green Belt boundary will be changed. A Masterplan has been formulated for the New Neighbourhood, with the original old school buildings to be retained and reused. A new school (Lockyers School) is to be provided on land north of Wimborne Road. The site of the new school is identified in the Plan as safeguarded land for the construction of a new school alone, i.e. if the site is not required for a school during the plan period the site will return to the Green Belt.
- 4.1.2 We understand that formal pre-application discussions with regard to the site have just commenced.
- 4.1.3 The Corfe Mullen site is likely to have significant S106/S278 costs (over and above our standard assumption of £1,000 per dwelling) which may affect viability. Based on our assumptions on the other strategic sites as well as recently signed S.106 Agreements (for example Holmwood House) we have again assumed a S106/S278 cost of £10,000 per dwelling.
- 4.1.4 It is considered prudent to carry out testing for a 50 unit phase of Corfe Mullen to broadly understand whether development has capacity for a CIL charge.

Scenario Tested

- 4.1.5 An appraisal has been undertaken for a single phase of 50 units. We have assumed that S106/S278 costs are to be spread across multiple phases of development. We have assumed 50% affordable housing provision and a density of 40 dwellings per ha.

Findings

- 4.1.6 Below we detail the viability results for the residential element of the New Neighbourhood at Corfe Mullen, analysing the residual land value against the benchmark land value. If the residual land value is greater than the benchmark land value there may be capacity for CIL.

Table 4-1 Corfe Mullen Viability Results – S106 at £10,000 per dwelling & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset										
Corfe Mullen (CM1)	50	1.25	4,500	2,250	£1,374,083	£382	£1,400,000	£389	-£25,917	-£14

Source:PBA

- 4.1.7 As shown in the table above there is no residual value above the benchmark land value.

Recommendation

- 4.1.8 The findings indicate that there is no capacity for a CIL charge at Corfe Mullen assuming site-specific S106 costs of £10,000 per dwelling to address the infrastructure required to support the scheme.

5 Strategic Sites: Ferndown & West Parley

5.1 FWP6 Ferndown & West Parley, East of New Road (320 dwellings)

Background

- 5.1.1 A New Neighbourhood at Ferndown & West Parley is allocated to deliver around 320 homes as well as additions to the village centre which could include a convenience foodstore of 800-900 sq metres. In order to deliver this development the Green Belt boundary will be amended to exclude the land identified for new housing and new commercial and community uses.
- 5.1.2 As part of the New Neighbourhood a SANG strategy will be implemented in order to incorporate the significant areas of open space to the east of Church Lane. New vehicular access is to be provided via a new link road that will join Christchurch Road and New Road (to the south of the existing urban area). The link road will also provide vehicular access to the village centre.

Scenario Tested

- 5.1.3 At 320 dwellings it is likely that the development will not be brought forward in a single phase. Analysis of current new build development suggests that four phases of 80 dwellings per phase would be more appropriate.
- 5.1.4 Based on the IDP and Whiteleaf Consulting 'East Dorset New Neighbourhoods – Viability Overview Report' we understand that, although there will be S.106 infrastructure costs over and above the standard assumption of £1,000 per dwelling, these are not likely to be as high as the costs for say, Holmwood House. We have therefore assumed S.106/278 costs of £5,000 per dwelling to take this into account.

Findings

- 5.1.5 Below we detail the viability results for Ferndown & West Parley, East of New Road. As shown in the table below the residual value is lower than the benchmark indicating that there is little capacity for CIL alongside a suitable viability buffer.

Table 5-1 Ferndown & West Parley, East of New Road Viability Results – S106 at £5,000 per dwelling & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset										
East of New Road (FWP6)	80	2.16	7,200	3,600	£1,435,336	£431	£1,400,000	£420	£35,336	£21

Source: PBA

Recommendation

- 5.1.6 The findings indicate that there is little capacity for a CIL charge and the necessary viability buffer allowance at Ferndown & West Parley, East of New Road. We would therefore recommend a Nil CIL charge (£0psm).

5.2 FWP7 Ferndown & West Parley, West of New Road (150 dwellings)

Background

- 5.2.1 A New Neighbourhood at Ferndown & West Parley – to the west of New Road is allocated to deliver 150 homes alongside facilitating major improvements to the village centre.

Scenario Tested

- 5.2.2 We have undertaken viability testing of the development assuming it is delivered in a single 150 unit phase. Some of the current headline site-specific S106 cost estimates that comply with the requirements of Regulation 122(2) of the CIL Regulations 2010 include a new link road that will join Christchurch Road and New Road.
- 5.2.3 Based on the IDP and Whiteleaf Consulting 'East Dorset New Neighbourhoods – Viability Overview Report' we understand that, although there will be S.106 infrastructure costs over and above the standard assumption of £1,000 per dwelling, these are not likely to be as high as the costs for say, Holmwood House. We have therefore assumed S.106/278 costs of £5,000 per dwelling to take this into account.

Findings

- 5.2.4 Below we detail the viability results for Ferndown & West Parley, West of New Road. As shown in the table below the residual value is higher than the benchmark, however it is our opinion that it is not high enough to allow for both a CIL charge and an appropriate allowance for a viability ceiling.

Table 5-2 Ferndown & West Parley, West of New Road Viability Results – S106 at £5,000 per dwelling & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Affordable Housing Commuted Sum	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per sq m	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset											
West of New Road (FWP7)	150	3.75	13,500	6,750	-	£1,482,916	£412	£1,400,000	£389	£82,916	£46

Source: PBA

Recommendation

- 5.2.5 The findings indicate that there is little capacity for a CIL charge and the appropriate viability buffer at Ferndown & West Parley, West of New Road. We would therefore recommend a Nil CIL charge (£0psm).

6 Strategic Sites: Verwood

6.1 VTSW4 Verwood, North West Verwood (230 dwellings)

- 6.1.1 Policy VTSW4 of the adopted Core Strategy sets out that land at North West Verwood is allocated to bring forward 230 dwellings, including an allowance for SANGS.
- 6.1.2 Little specific details about the infrastructure required to bring forward the site are currently known, however it is included in the 5 year land supply from 2015, and it is likely that the site will have S106/S278 costs over and above our standard assumption of £1,000 per dwelling which may affect viability. Based on the Core Strategy some of the likely headline site-specific S106 cost estimates that comply with the requirements of Regulation 122(2) of the CIL Regulations 2010 will include vehicular access from Edmondsham Road and new pedestrian and cycling links. We understand that pre-application discussions are to start imminently, with the submission of a planning application envisaged in 2015.

Scenario Tested

- 6.1.3 We have undertaken viability testing of the development assuming it is delivered in two phases of 115 units. We have assumed that although there will be S.106 infrastructure costs over and above the standard assumption of £1,000 per dwelling, these are not likely to be as high as the costs for say, Holmwood House. We have therefore assumed S.106/278 costs of £5,000 per dwelling to take this into account. We have assumed 50% affordable housing and a density of 40 dwellings per ha.

Findings

- 6.1.4 Below we detail the viability results for development at North West Verwood, analysing the residual land value against the benchmark land value. If the residual land value is greater than the benchmark land value there may be capacity for CIL.

Table 6-1 North West Verwood Viability Results – S106 at £5,000 per dwelling & Nil CIL

	No of dwellings	Net site area ha	Total Floor Space per sq.m	CIL Chargeable Floor Space per sq.m	Affordable Housing Commuted Sum	Residual land value after policy contributions		Benchmark		Overage	
			Floor Space	Floor Space	Per sq m	Per Ha	Per £psm	Per Ha	Per £psm	Per Ha	Per £psm
Christchurch & East Dorset											
NW Verwood (VTSW5)	115	2.95	10,350	5,175	-	£1,473,974	£420	£1,400,000	£399	£73,974	£42

Source:PBA

- 6.1.5 As shown in the table above there is little residual value above the benchmark land value.

Recommendation

- 6.1.6 The findings indicate that there is very little capacity for a CIL charge at North West Verwood assuming site-specific S106 costs of circa £5,000 per dwelling and a viability buffer in order to address the infrastructure required to support the scheme. We would therefore recommend a Nil CIL charge for North West Verwood.

7 Strategic Sites Summary

7.1 Summary & Recommendation

- 7.1.1 As shown in the viability testing tables set out above it is evident that, taking the known S.106/S.278 costs per unit into account for the strategic sites, there is little scope for a CIL charge across any of the sites. This becomes more evident when taking into account the need for a viability buffer as set out in the residential testing methodology.
- 7.1.2 The above findings, as well as our experience that strategic sites are typically schemes which need bespoke Planning Agreements, would lead us to advise the Council that these sites should be dealt with through S.106, rather than through a CIL charge, which by default cannot be tailored to the individual needs of each site. Further, should a generic CIL charge which cannot be negotiated be applied to the strategic sites there may be a risk that if any of the sites has any as yet additional unknown preparation / enabling costs the planning policies which can be negotiated might suffer (for example affordable housing provision).
- 7.1.3 In order that this approach does not contravene Regulation 123(b) of the CIL Regulations it must be ensured that no more than five contributions towards these individual infrastructure items are pooled. Therefore it will be important, in order to ensure that the limit of five contributions is not breached, to clearly identify each individual item that is to be excluded from the Regulation 123 list (pertaining to the infrastructure that the charging authority intends to spend CIL on).
- 7.1.4 It is also important that the CIL zone of £0psm does not relate to just a single site as such an approach would contravene State Aid regulations relating to the provision of state support to a single landowner/developer. It would need to be verified that the strategic sites consist of multiple phases involving more than one landowner. On this basis it could be considered that the recommended approach would not contravene State Aid regulations and would, therefore, comply with the CIL Regulations.
- 7.1.5 We would therefore recommend that a nil CIL charge is applied to the strategic sites identified in this Report.

Appendix A Strategic Site Viability Appraisals

CN1 Roeshot Hill / Christchurch Urban Extension (950 dwellings)

Houses –	100.0	Units				
ITEM						
Net Site Area	<input type="text" value="2.86"/>					
Yield	<input type="text" value="100.00"/>	Private	Affordable			
		<input type="text" value="65.00"/>	<input type="text" value="35.00"/>			
Development Value						
Private Units	Houses -	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		<u>65.00</u>	90	<u>5,850</u>	£3,052	<input type="text" value="£17,854,200"/>
		65.00		5850		
Social Rent	Houses -	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		<u>0.00</u>	90	<u>0</u>	£1,334	<input type="text" value="£0"/>
		0.00		0		
Affordable Rent	Houses -	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		<u>26.25</u>	90	<u>2,363</u>	£1,334	<input type="text" value="£3,151,575"/>
		26.25		2363		
Intermediate	Houses -	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		<u>8.75</u>	90	<u>788</u>	£1,334	<input type="text" value="£1,050,525"/>
		8.75		788		
		100.00		9000		£22,056,300
Development Cost						
Site Acquisition						
Site Value						<input type="text" value="£3,945,259"/>
	Less Purchaser Costs					5.75%
						£3,718,406
Build Costs						
Private units	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>65.00</u>	5,850	£970	<input type="text" value="£5,674,500"/>	
		65.00				
Social Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>0.00</u>	0	£970	<input type="text" value="£0"/>	
		0.00				
Affordable Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>26.25</u>	2,363	£970	<input type="text" value="£2,291,625"/>	
		26.25				
Intermediate	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>8.75</u>	788	£970	<input type="text" value="£763,875"/>	
		8.75				
		100.00	9,000		£8,730,000	
Additional Costs						
Plot external	10%					<input type="text" value="£873,000"/>
Code Level	£2,004 per unit					<input type="text" value="£200,400"/>
						£1,073,400
Professional Fees						
as percentage of construction costs	<input type="text" value="8%"/>					<input type="text" value="£784,272"/>
						£784,272
Contingency						
as percentage of construction costs	<input type="text" value="5%"/>					<input type="text" value="£490,170"/>
						£490,170
Developer contributions						
S.106			<input type="text" value="£20,000"/>	per unit	<input type="text" value="£2,000,000"/>	
SANGS			<input type="text" value="£20,000"/>	per net ha	<input type="text" value="£57,143"/>	
						£2,057,143
Sale cost						
Legals -	<input type="text" value="£500"/>	per unit				<input type="text" value="£50,000"/>
Sales agents fee -	<input type="text" value="1.25%"/>					<input type="text" value="£223,178"/>
Marketing cost -	<input type="text" value="£1,000"/>	per private unit				<input type="text" value="£65,000"/>
						£338,178
TOTAL DEVELOPMENT COSTS						£17,418,421
Developers' Profit						
Based upon percentage of gross development value			Rate			
Private -	<input type="text" value="20%"/>					<input type="text" value="£3,570,840"/>
Affordable -	<input type="text" value="6%"/>					<input type="text" value="£252,126"/>
						£3,822,966
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£21,241,387
Finance Costs						
		APR	PCM			
		<input type="text" value="7.00%"/>	<input type="text" value="0.565%"/>	<input type="text" value="£814,913"/>		
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£22,056,300

CN2 Land South of Burton Village (45 dwellings)

Houses –	45.0	Units				
ITEM						
Net Site Area	<input type="text" value="1.29"/>					
Yield	<input type="text" value="45.00"/>	Private	Affordable			
		<input type="text" value="22.50"/>	<input type="text" value="22.50"/>			
Development Value						
Private Units	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<input type="text" value="22.50"/>	<input type="text" value="90"/>	<input type="text" value="2,025"/>	<input type="text" value="£3,052"/>	<input type="text" value="£6,180,300"/>
		<input type="text" value="22.50"/>		<input type="text" value="2025"/>		
Social Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<input type="text" value="0.00"/>	<input type="text" value="90"/>	<input type="text" value="0"/>	<input type="text" value="£1,334"/>	<input type="text" value="£0"/>
		<input type="text" value="0.00"/>		<input type="text" value="0"/>		
Affordable Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<input type="text" value="16.88"/>	<input type="text" value="90"/>	<input type="text" value="1,519"/>	<input type="text" value="£1,334"/>	<input type="text" value="£2,026,013"/>
		<input type="text" value="16.88"/>		<input type="text" value="1519"/>		
Intermediate	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<input type="text" value="5.63"/>	<input type="text" value="90"/>	<input type="text" value="506"/>	<input type="text" value="£1,334"/>	<input type="text" value="£675,338"/>
		<input type="text" value="5.63"/>		<input type="text" value="506"/>		
		45.00		4050		£8,881,650
Development Cost						
Site Acquisition						
Site Value						<input type="text" value="£1,645,818"/>
	Less Purchaser Costs					<input type="text" value="5.75%"/>
						£1,551,184
Build Costs						
Private units	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<input type="text" value="22.50"/>	<input type="text" value="2,025"/>	<input type="text" value="£970"/>	<input type="text" value="£1,964,250"/>	
		<input type="text" value="22.50"/>				
Social Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<input type="text" value="0.00"/>	<input type="text" value="0"/>	<input type="text" value="£970"/>	<input type="text" value="£0"/>	
		<input type="text" value="0.00"/>				
Affordable Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<input type="text" value="16.88"/>	<input type="text" value="1,519"/>	<input type="text" value="£970"/>	<input type="text" value="£1,473,188"/>	
		<input type="text" value="16.88"/>				
Intermediate	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<input type="text" value="5.63"/>	<input type="text" value="506"/>	<input type="text" value="£970"/>	<input type="text" value="£491,063"/>	
		<input type="text" value="5.63"/>				
		45.00	4,050		£3,928,500	
Additional Costs						
Plot external	10%					<input type="text" value="£392,850"/>
Code Level	£2,004 per unit					<input type="text" value="£90,180"/>
						£483,030
Professional Fees						
as percentage of construction costs	<input type="text" value="8%"/>					<input type="text" value="£352,922"/>
						£352,922
Contingency						
as percentage of construction costs	<input type="text" value="5%"/>					<input type="text" value="£220,577"/>
						£220,577
Developer contributions						
S.106			<input type="text" value="£10,000"/>	per unit	<input type="text" value="£450,000"/>	
SANGS			<input type="text" value="£20,000"/>	per net ha	<input type="text" value="£25,714"/>	
						£475,714
Sale cost						
Legals -	<input type="text" value="£500"/>		per unit		<input type="text" value="£22,500"/>	
Sales agents fee -	<input type="text" value="1.25%"/>					<input type="text" value="£77,254"/>
Marketing cost -	<input type="text" value="£1,000"/>		per private unit		<input type="text" value="£22,500"/>	
						£122,254
						£7,228,815
TOTAL DEVELOPMENT COSTS						
Developers' Profit						
Based upon percentage of gross development value			Rate			
Private -	<input type="text" value="20%"/>					<input type="text" value="£1,236,060"/>
Affordable -	<input type="text" value="6%"/>					<input type="text" value="£162,081"/>
						£1,398,141
						£8,626,956
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						
Finance Costs	APR <input type="text" value="7.00%"/>		PCM <input type="text" value="0.565%"/>		<input type="text" value="£254,694"/>	
						£8,881,650
						£8,881,650

WMC5 Cuthbury Allotments & St Margaret’s Close (220 dwellings)

Houses –	110.0	Units				
ITEM						
Net Site Area	<input type="text" value="3.14"/>					
Yield	<input type="text" value="110.00"/>	Private	Affordable			
		55.00	55.00			
Development Value						
Private Units	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		55.00	90	4,950	£3,052	<input type="text" value="£15,107,400"/>
		55.00		4950		
Social Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		0.00	90	0	£1,334	<input type="text" value="£0"/>
		0.00		0		
Affordable Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		41.25	90	3,713	£1,334	<input type="text" value="£4,952,475"/>
		41.25		3713		
Intermediate	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		13.75	90	1,238	£1,334	<input type="text" value="£1,650,825"/>
		13.75		1238		
		110.00		9900		£21,710,700
Development Cost						
Site Acquisition						
Site Value						<input type="text" value="£3,875,848"/>
			Less Purchaser Costs			5.75%
						£3,652,986
Build Costs						
Private units	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		55.00	4,950	£970		<input type="text" value="£4,801,500"/>
		55.00				
Social Rent	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		0.00	0	£970		<input type="text" value="£0"/>
		0.00				
Affordable Rent	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		41.25	3,713	£970		<input type="text" value="£3,601,125"/>
		41.25				
Intermediate	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		13.75	1,238	£970		<input type="text" value="£1,200,375"/>
		13.75				
		110.00	9,900			£9,603,000
Additional Costs						
Plot external		10%				<input type="text" value="£960,300"/>
Code Level		£2,004	per unit			<input type="text" value="£220,440"/>
						£1,180,740
Professional Fees						
as percentage of construction costs		<input type="text" value="8%"/>				<input type="text" value="£862,699"/>
						£862,699
Contingency						
as percentage of construction costs		<input type="text" value="5%"/>				<input type="text" value="£539,187"/>
						£539,187
Developer contributions						
S.106				<input type="text" value="£10,000"/>	per unit	<input type="text" value="£1,100,000"/>
SANGS				<input type="text" value="£20,000"/>	per net ha	<input type="text" value="£62,857"/>
						£1,162,857
Sale cost						
Legals -		<input type="text" value="£500"/>	per unit			<input type="text" value="£55,000"/>
Sales agents fee -		<input type="text" value="1.25%"/>				<input type="text" value="£188,843"/>
Marketing cost -		<input type="text" value="£1,000"/>	per private unit			<input type="text" value="£55,000"/>
						£298,843
TOTAL DEVELOPMENT COSTS						
£17,523,173						
Developers' Profit						
Based upon percentage of gross development value			Rate			
Private -		<input type="text" value="20%"/>				<input type="text" value="£3,021,480"/>
Affordable -		<input type="text" value="6%"/>				<input type="text" value="£396,198"/>
						£3,417,678
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						
£20,940,851						
Finance Costs						
		APR		PCM		
		<input type="text" value="7.00%"/>		<input type="text" value="0.565%"/>		<input type="text" value="£769,849"/>
TOTAL PROJECT COSTS [INCLUDING INTEREST]						
£21,710,700						

WMC6 Stone Lane (90 dwellings)

Houses –	90.0	Units				
ITEM						
Net Site Area	<input type="text" value="2.57"/>					
Yield	<input type="text" value="90.00"/>	Private	Affordable			
		<input type="text" value="54.00"/>	<input type="text" value="36.00"/>			
Development Value						
Private Units	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<u>54.00</u>	90	<u>4,860</u>	£3,052	<input type="text" value="£14,832,720"/>
		54.00		4860		
Social Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<u>0.00</u>	90	<u>0</u>	£1,334	<input type="text" value="£0"/>
		0.00		0		
Affordable Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<u>27.00</u>	90	<u>2,430</u>	£1,334	<input type="text" value="£3,241,620"/>
		27.00		2430		
Intermediate	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		<u>9.00</u>	90	<u>810</u>	£1,334	<input type="text" value="£1,080,540"/>
		9.00		810		
		90.00		8100		£19,154,880
Development Cost						
Site Acquisition						
Site Value						<input type="text" value="£4,052,555"/>
	Less Purchaser Costs					5.75%
						£3,819,533
Build Costs						
Private units	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>54.00</u>	4,860	£970	<input type="text" value="£4,714,200"/>	
		54.00				
Social Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>0.00</u>	0	£970	<input type="text" value="£0"/>	
		0.00				
Affordable Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>27.00</u>	2,430	£970	<input type="text" value="£2,357,100"/>	
		27.00				
Intermediate	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		<u>9.00</u>	810	£970	<input type="text" value="£785,700"/>	
		9.00				
		90.00	8,100		£7,857,000	
Additional Costs						
Plot external	10%					<input type="text" value="£785,700"/>
Code Level	£2,004 per unit					<input type="text" value="£180,360"/>
						£966,060
Professional Fees						
as percentage of construction costs	<input type="text" value="8%"/>					<input type="text" value="£705,845"/>
						£705,845
Contingency						
as percentage of construction costs	<input type="text" value="5%"/>					<input type="text" value="£441,153"/>
						£441,153
Developer contributions						
S.106		<input type="text" value="£10,000"/>	per unit	<input type="text" value="£900,000"/>		
SANGS		<input type="text" value="£20,000"/>	per net ha	<input type="text" value="£51,429"/>		
						£951,429
Sale cost						
Legals -	<input type="text" value="£500"/>	per unit	<input type="text" value="£45,000"/>			
Sales agents fee -	<input type="text" value="1.25%"/>	<input type="text" value="£185,409"/>				
Marketing cost -	<input type="text" value="£1,000"/>	per private unit	<input type="text" value="£54,000"/>			
						£284,409
TOTAL DEVELOPMENT COSTS						£15,258,451
Developers' Profit						
Based upon percentage of gross development value	Rate					
Private -	<input type="text" value="20%"/>	<input type="text" value="£2,966,544"/>				
Affordable -	<input type="text" value="6%"/>	<input type="text" value="£259,330"/>				
						£3,225,874
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£18,484,324
Finance Costs	APR	<input type="text" value="7.00%"/>	PCM	<input type="text" value="0.565%"/>	<input type="text" value="£670,556"/>	
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£19,154,880

WMC7 Cranborne Road / North Wimborne (600 dwellings)

WMC8 South of Leigh Road (350 dwellings)

Houses –	100.0	Units				
ITEM						
Net Site Area	<input type="text" value="2.86"/>					
Yield	<input type="text" value="100.00"/>	Private	Affordable			
		50.00	50.00			
Development Value						
Private Units	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		50.00	90	4,500	£3,052	<input type="text" value="£13,734,000"/>
		50.00		4500		
Social Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		0.00	90	0	£1,334	<input type="text" value="£0"/>
		0.00		0		
Affordable Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		37.50	90	3,375	£1,334	<input type="text" value="£4,502,250"/>
		37.50		3375		
Intermediate	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		12.50	90	1,125	£1,334	<input type="text" value="£1,500,750"/>
		12.50		1125		
		100.00		9000		£19,737,000
Development Cost						
Site Acquisition						
Site Value						<input type="text" value="£3,543,247"/>
			Less Purchaser Costs			5.75%
						£3,339,511
Build Costs						
Private units	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		50.00	4,500	£970		<input type="text" value="£4,365,000"/>
		50.00				
Social Rent	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		0.00	0	£970		<input type="text" value="£0"/>
		0.00				
Affordable Rent	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		37.50	3,375	£970		<input type="text" value="£3,273,750"/>
		37.50				
Intermediate	Houses -	No. of units	Size sq.m	Cost per sq.m		Total Costs
		12.50	1,125	£970		<input type="text" value="£1,091,250"/>
		12.50				
		100.00	9,000			£8,730,000
Additional Costs						
Plot external		10%				<input type="text" value="£873,000"/>
Code Level		£2,004	per unit			<input type="text" value="£200,400"/>
						£1,073,400
Professional Fees						
as percentage of construction costs		<input type="text" value="8%"/>				<input type="text" value="£784,272"/>
						£784,272
Contingency						
as percentage of construction costs		<input type="text" value="5%"/>				<input type="text" value="£490,170"/>
						£490,170
Developer contributions						
S.106				<input type="text" value="£10,000"/>	per unit	<input type="text" value="£1,000,000"/>
SANGS				<input type="text" value="£20,000"/>	per net ha	<input type="text" value="£57,143"/>
						£1,057,143
Sale cost						
Legals -		<input type="text" value="£500"/>	per unit			<input type="text" value="£50,000"/>
Sales agents fee -		<input type="text" value="1.25%"/>				<input type="text" value="£171,675"/>
Marketing cost -		<input type="text" value="£1,000"/>	per private unit			<input type="text" value="£50,000"/>
						£271,675
TOTAL DEVELOPMENT COSTS						
£15,949,907						
Developers' Profit						
Based upon percentage of gross development value			Rate			
Private -		<input type="text" value="20%"/>				<input type="text" value="£2,746,800"/>
Affordable -		<input type="text" value="6%"/>				<input type="text" value="£360,180"/>
						£3,106,980
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						
£19,056,887						
Finance Costs						
		APR		PCM		
		<input type="text" value="7.00%"/>		<input type="text" value="0.565%"/>		<input type="text" value="£680,113"/>
TOTAL PROJECT COSTS [INCLUDING INTEREST]						
£19,737,000						

CM1 Lockyers School & Corfe Mullen New Neighbourhood (250 dwellings)

FWP6 Ferndown & West Parley, East of New Road (320 dwellings)

Houses –	80.0	Units				
ITEM						
Net Site Area	<input type="text" value="2.29"/>					
Yield	<input type="text" value="80.00"/>	Private	Affordable			
		<input type="text" value="40.00"/>	<input type="text" value="40.00"/>			
Development Value						
Private Units	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		40.00	90	3,600	£3,052	<input type="text" value="£10,987,200"/>
		40.00		3600		
Social Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		0.00	90	0	£1,334	<input type="text" value="£0"/>
		0.00		0		
Affordable Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		30.00	90	2,700	£1,334	<input type="text" value="£3,601,800"/>
		30.00		2700		
Intermediate	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		10.00	90	900	£1,334	<input type="text" value="£1,200,600"/>
		10.00		900		
		80.00		7200		£15,789,600
Development Cost						
Site Acquisition						
Site Value						<input type="text" value="£3,292,764"/>
	Less Purchaser Costs					5.75%
						£3,103,430
Build Costs						
Private units	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		40.00	3,600	£970	<input type="text" value="£3,492,000"/>	
		40.00				
Social Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		0.00	0	£970	<input type="text" value="£0"/>	
		0.00				
Affordable Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		30.00	2,700	£970	<input type="text" value="£2,619,000"/>	
		30.00				
Intermediate	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		10.00	900	£970	<input type="text" value="£873,000"/>	
		10.00				
		80.00	7,200		£6,984,000	
Additional Costs						
Plot external	10%					<input type="text" value="£698,400"/>
Code Level	£2,004 per unit					<input type="text" value="£160,320"/>
						£858,720
Professional Fees						
as percentage of construction costs	<input type="text" value="8%"/>					<input type="text" value="£627,418"/>
						£627,418
Contingency						
as percentage of construction costs	<input type="text" value="5%"/>					<input type="text" value="£392,136"/>
						£392,136
Developer contributions						
S.106		<input type="text" value="£5,000"/>	per unit	<input type="text" value="£400,000"/>		
SANGS		<input type="text" value="£20,000"/>	per net ha	<input type="text" value="£45,714"/>		
						£445,714
Sale cost						
Legals -	<input type="text" value="£500"/>	per unit	<input type="text" value="£40,000"/>			
Sales agents fee -	<input type="text" value="1.25%"/>	<input type="text" value="£137,340"/>				
Marketing cost -	<input type="text" value="£1,000"/>	per private unit	<input type="text" value="£40,000"/>			
						£217,340
TOTAL DEVELOPMENT COSTS						£12,818,091
Developers' Profit						
Based upon percentage of gross development value	Rate					
Private -	<input type="text" value="20%"/>	<input type="text" value="£2,197,440"/>				
Affordable -	<input type="text" value="6%"/>	<input type="text" value="£288,144"/>				
						£2,485,584
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£15,303,675
Finance Costs						
	APR	<input type="text" value="7.00%"/>	PCM	<input type="text" value="0.565%"/>	<input type="text" value="£485,925"/>	
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£15,789,600

FWP7 Ferndown & West Parley, West of New Road (150 dwellings)

Houses –	80.0	Units				
ITEM						
Net Site Area	<input type="text" value="2.29"/>					
Yield	<input type="text" value="80.00"/>	Private	Affordable			
		40.00	40.00			
Development Value						
Private Units	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		40.00	90	3,600	£3,052	<input type="text" value="£10,987,200"/>
		40.00		3600		
Social Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		0.00	90	0	£1,334	<input type="text" value="£0"/>
		0.00		0		
Affordable Rent	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		30.00	90	2,700	£1,334	<input type="text" value="£3,601,800"/>
		30.00		2700		
Intermediate	Houses -	No. of units	Size sq.m	Total sq.m	Epsm	Total Value
		10.00	90	900	£1,334	<input type="text" value="£1,200,600"/>
		10.00		900		
		80.00		7200		£15,789,600
Development Cost						
Site Acquisition						<input type="text" value="£3,292,764"/>
Site Value						
	Less Purchaser Costs					5.75%
						£3,103,430
Build Costs						
Private units	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		40.00	3,600	£970	<input type="text" value="£3,492,000"/>	
		40.00				
Social Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		0.00	0	£970	<input type="text" value="£0"/>	
		0.00				
Affordable Rent	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		30.00	2,700	£970	<input type="text" value="£2,619,000"/>	
		30.00				
Intermediate	Houses -	No. of units	Size sq.m	Cost per sq.m	Total Costs	
		10.00	900	£970	<input type="text" value="£873,000"/>	
		10.00				
		80.00	7,200		£6,984,000	
Additional Costs						
Plot external	10%					<input type="text" value="£698,400"/>
Code Level	£2,004 per unit					<input type="text" value="£160,320"/>
						£858,720
Professional Fees						
as percentage of construction costs	<input type="text" value="8%"/>					<input type="text" value="£627,418"/>
						£627,418
Contingency						
as percentage of construction costs	<input type="text" value="5%"/>					<input type="text" value="£392,136"/>
						£392,136
Developer contributions						
S.106		<input type="text" value="£5,000"/>	per unit	<input type="text" value="£400,000"/>		
SANGS		<input type="text" value="£20,000"/>	per net ha	<input type="text" value="£45,714"/>		
						£445,714
Sale cost						
Legals -	<input type="text" value="£500"/>	per unit	<input type="text" value="£40,000"/>			
Sales agents fee -	<input type="text" value="1.25%"/>	<input type="text" value="£137,340"/>				
Marketing cost -	<input type="text" value="£1,000"/>	per private unit	<input type="text" value="£40,000"/>			
						£217,340
TOTAL DEVELOPMENT COSTS						£12,818,091
Developers' Profit						
Based upon percentage of gross development value	Rate					
Private -	<input type="text" value="20%"/>	<input type="text" value="£2,197,440"/>				
Affordable -	<input type="text" value="6%"/>	<input type="text" value="£288,144"/>				
						£2,485,584
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£15,303,675
Finance Costs	APR	<input type="text" value="7.00%"/>	PCM	<input type="text" value="0.565%"/>	<input type="text" value="£485,925"/>	
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£15,789,600

VTSW4 Verwood, North West Verwood (230 dwellings)

