

### Regulation 19 Viability Note – November 2024

#### Introduction

- 1.1 HDH Planning & Development Ltd produced the *Local Plan Viability Update* (HDH, August 2023). The 2023 Viability Update was undertaken in line with the requirements of the relevant RICS (Royal Institute of Chartered Surveyors) Guidance and the Harman Guidance (HDH is a firm regulated by the RICS). The 2023 Viability Update built on (and replaced) the Council's existing viability work, specifically the *Chelmsford City Council Local Plan Viability Study, including CIL Viability Review* (HDH, January 2018).
- 1.2 A technical consultation was conducted in December 2022. Representatives of the main developers, development site owners, agents, planning agents and consultants working in the area, and housing associations were invited to comment on an early draft of this report. Their comments fed into the update report.
- 1.3 The data in the 2023 Viability Update was based in March 2023. Over the 18 months since the 2023 Viability Update was completed, the costs and the values, being the main inputs into a viability assessment, have changed and several changes have been made to national policy. The Council has also refined the policies in the emerging Local Plan.
- 1.4 In July 2024 the Government published a draft NPPF for consultation. This includes some major changes to the planning system. The Council plans to submit the Plan for examination before the proposed changes apply. In any event these proposed changes are considered briefly below.
- 1.5 This November 2024 note considers how these changes may impact on viability and whether it is necessary for the Council to fully update the viability evidence before submitting the Local Plan for examination.

#### Changes in House Prices

- 2.1 The residential value assumptions in the 2023 Viability Update were researched and gathered in March 2023. There is a range of data sources that can be referenced, however the Land Registry's is the most complete.

**Table 2.1 Change in Average House Prices**

	Chelmsford CC	Essex	East of England	England & Wales
March - 23	£386,396	£364,514	£339,198	£291,513
July - 24	£385,889	£361,000	£341,160	£301,172
Change	-£507 -0.13%	-£3,514 -0.96%	£1,962 0.58%	£9,659 3.31%

Source: Land Registry (September 2024)

- 2.2 This data shows that average prices are unchanged in Chelmsford, however have decreased by about 1% across wider Essex. This data can be disaggregated and newbuild sales separated out.

**Table 2.2 Change in Average Newbuild House Prices – Chelmsford**

	Newbuild	Existing
March - 23	£412,895	£387,157
July - 24	£471,383	£379,942
Change	£58,488 14.17%	-£7,215 -1.86%

Source: Land Registry (September 2024)

- 2.3 The Land Registry's latest data suggests that the average newbuild sale price has increased by about 14% over the last 18 months in the Council area, whereas the average sale price of existing homes has fallen by about 2%.
- 2.4 The 2023 Viability Update included data on new build Price Paid data sourced from Landmark (Table 4.4 Table 4.5 and Table 4.6, and Figures 4.6 and 4.7). In this note, the Price Paid data from the Land Registry has been married with the floor areas sourced from the EPC Register, for newbuild sales since the start of 2021. As set out in Table 4.4 of the 2023 Viability Update, there was little data available from 2021 or 2022, when that report was being prepared.

**Table 2.3 Newbuild Price Paid Data by Year – Chelmsford CC 2021-2024**

	Detached	Flats	Semi-detached	Terraced	All
<b>Count</b>					
2021	193	97	39	14	<b>343</b>
2022	132	220	43	13	<b>408</b>
2023	38	20	14	6	<b>78</b>
<b>All</b>	<b>363</b>	<b>337</b>	<b>96</b>	<b>33</b>	<b>829</b>
<b>Average of Price Paid £</b>					
2021	£582,046	£300,244	£417,792	£434,327	<b>£477,647</b>
2022	£662,266	£354,981	£455,459	£545,229	<b>£471,048</b>
2023	£660,721	£305,300	£494,857	£522,917	<b>£529,217</b>
<b>All</b>	<b>£619,453</b>	<b>£336,278</b>	<b>£445,902</b>	<b>£494,123</b>	<b>£479,251</b>
<b>Average of £ per sqm</b>					
2021	£4,443	£5,072	£4,759	£4,805	<b>£4,671</b>
2022	£4,317	£4,823	£5,209	£4,601	<b>£4,692</b>
2023	£4,104	£5,199	£5,781	£5,351	<b>£4,782</b>
<b>All</b>	<b>£4,362</b>	<b>£4,918</b>	<b>£5,110</b>	<b>£4,824</b>	<b>£4,691</b>

Source: Land Registry and EPC Register (September 2024)

2.5 The above data compares with that presented in Appendix 5 of the 2023 Viability Update.

**Table 2.4 Newbuild Price Paid Data by Year – Chelmsford CC 2020-2023**

<b>Count of Sale Value</b>		
	<b>Flat</b>	<b>House</b>
Boreham and The Leighs		90
Broomfield and The Walthams		124
Chelmsford Rural West		35
Great Baddow East	8	
Marconi	18	
Moulsham and Central	71	6
Moulsham Lodge	6	
Rettendon and Runwell	6	38
Springfield North	6	53
<b>Grand Total</b>	<b>115</b>	<b>346</b>
<b>Average of Sale Value</b>		
	<b>Flat</b>	<b>House</b>
Boreham and The Leighs		£510,954
Broomfield and The Walthams		£532,161
Chelmsford Rural West		£467,788
Great Baddow East	£237,063	
Marconi	£284,028	
Moulsham and Central	£302,475	£580,021
Moulsham Lodge	£280,833	
Rettendon and Runwell	£320,248	£485,576
Springfield North	£276,682	£602,243
<b>Grand Total</b>	<b>£293,489</b>	<b>£526,582</b>
<b>Average of Price per sq/m</b>		
	<b>Flat</b>	<b>House</b>
Boreham and The Leighs		£4,563
Broomfield and The Walthams		£4,201
Chelmsford Rural West		£4,659
Great Baddow East	£3,481	
Marconi	£5,045	
Moulsham and Central	£5,035	£3,718
Moulsham Lodge	£3,940	
Rettendon and Runwell	£3,128	£3,997
Springfield North	£4,090	£3,937
<b>Grand Total</b>	<b>£4,723</b>	<b>£4,271</b>

Source: Appendix 5, 2023 Viability Update

2.6 In both data sets there are few sales recorded yet in the most recent years due to the lag in the Land Registry publishing data. Having said this, the average price paid, on a £ per sqm basis, over 2020-2022 was about £4,723 per sqm for flats and £4,271 per sqm for houses, and over 2022-2023 is about £4,855 per sqm for flats and £4,563 per sqm for houses. This

is an increase of about 3% for flats and 7% for houses. This data only includes 78 transactions for 2023 and none for the current (2024) year.

- 2.7 A survey of newbuild asking prices was carried out in March 2023, the results of which were presented in Tables 4.9 and 4.10 of the 2023 Viability Update. This has been refreshed. Whilst there were about 100 newbuild homes being advertised in 2022, at the time of this note there were 127, although this includes 6 specialist older people's homes.

**Table 2.5a Survey of Newbuild Asking Prices – September 2024. Average £**

	Detached	Flat	FOG	Semi-detached	Terraced	All
<b>Bicknacre</b>	<b>£708,750</b>			<b>£500,000</b>		<b>£692,692</b>
Hawthorn Close	£708,750			£500,000		£692,692
<b>Broomfield</b>	<b>£875,000</b>					<b>£875,000</b>
Paglesham Place	£875,000					£875,000
<b>Chelmsford</b>	<b>£784,187</b>	<b>£505,913</b>	<b>£298,500</b>	<b>£496,831</b>	<b>£546,163</b>	<b>£583,584</b>
Banters Lane	£795,000					£795,000
Beaulieu Gate	£560,000	£258,138		£510,500		£354,406
Beaulieu Grange	£630,995	£311,663	£252,000	£510,995	£718,995	£486,206
Beaulieu Heath	£731,665		£345,000	£481,665	£284,995	£506,109
Cathedral View		£673,125				£673,125
Dorset & Victoria House		£293,333				£293,333
Hanningfield Park	£786,667			£447,500	£550,000	£634,167
Larks Lane	£725,000					£725,000
Oakwood Terrace	£970,000					£970,000
Rochester Mews	£800,000					£800,000
Springfield Road		£280,000				£280,000
The Lakes Channels		£778,889				£778,889
Waltham Grange Close	£875,000					£875,000
Wimbush Waters	£787,500	£475,000		£515,000		£703,929
<b>Chignal St James</b>	<b>£1,350,000</b>			<b>£1,850,000</b>		<b>£1,516,667</b>
Kilnfield Barns	£1,350,000			£1,850,000		£1,516,667
<b>Danbury</b>	<b>£1,175,000</b>					<b>£1,175,000</b>
Penny Royal Road	£1,175,000					£1,175,000
<b>Great Baddow</b>	<b>£750,000</b>					<b>£750,000</b>
Longmead Avenue	£750,000					£750,000
<b>Margretting</b>	<b>£1,000,000</b>					<b>£1,000,000</b>
Larcombe Mews	£1,000,000					£1,000,000
<b>Runwell</b>	<b>£705,828</b>					<b>£705,828</b>
St Luke's Park	£705,828					£705,828
<b>Stock</b>	<b>£1,346,667</b>					<b>£1,346,667</b>
Common Road	£1,595,000					£1,595,000
Farrows Farm	£1,222,500					£1,222,500
<b>West Hanningfield</b>	<b>£1,200,000</b>					<b>£1,200,000</b>
Lower Stock Road	£1,200,000					£1,200,000
<b>ALL</b>	<b>£832,701</b>	<b>£505,913</b>	<b>£298,500</b>	<b>£576,616</b>	<b>£546,163</b>	<b>£666,820</b>

Source: Market Survey (September 2024)

**Table 2.5b Survey of Newbuild Asking Prices – September 2024. Average £ per sqm**

	Detached	Flat	FOG	Semi-detached	Terraced	All
<b>Bicknacre</b>	<b>£4,850</b>			<b>£4,545</b>		<b>£4,826</b>
Hawthorn Close	£4,850			£4,545		£4,826
<b>Broomfield</b>						
Paglesham Place						
<b>Chelmsford</b>	<b>£5,247</b>	<b>£5,828</b>	<b>£4,496</b>	<b>£5,290</b>	<b>£5,609</b>	<b>£5,525</b>
Banters Lane	£5,064					£5,064
Beaulieu Gate	£5,138	£5,268		£5,097		£5,210
Beaulieu Grange	£5,172	£4,641	£4,200	£5,836		£5,161
Beaulieu Heath	£4,899		£4,792	£4,828	£6,064	£5,122
Cathedral View		£6,501				£6,501
Dorset & Victoria House		£5,112				£5,112
Hanningfield Park				£4,566	£4,701	£4,611
Larks Lane						
Oakwood Terrace	£6,292					£6,292
Rochester Mews	£5,049					£5,049
Springfield Road	£0	£5,490				£5,490
The Lakes Channels	£0	£6,705				£6,705
Waltham Grange Close	£4,187					£4,187
Wimbush Waters	£4,959	£6,090		£5,421	£0	£5,224
<b>Chignal St James</b>	<b>£7,511</b>			<b>£5,911</b>	<b>£0</b>	<b>£6,977</b>
Kilnfield Barns	£7,511			£5,911	£0	£6,977
<b>Danbury</b>	<b>£4,519</b>					<b>£4,519</b>
Penny Royal Road	£4,519					£4,519
<b>Great Baddow</b>						
Longmead Avenue						
<b>Margretting</b>	<b>£6,329</b>					<b>£6,329</b>
Larcombe Mews	£6,329					£6,329
<b>Runwell</b>	<b>£4,103</b>					<b>£4,103</b>
St Luke's Park	£4,103					£4,103
<b>Stock</b>	<b>£7,517</b>					<b>£7,517</b>
Common Road	£0					
Farrows Farm	£7,517					£7,517
<b>West Hanningfield</b>	<b>£4,301</b>					<b>£4,301</b>
Lower Stock Road	£4,301					£4,301
<b>ALL</b>	<b>£5,176</b>	<b>£5,828</b>	<b>£4,496</b>	<b>£5,282</b>	<b>£5,609</b>	<b>£5,419</b>

Source: Market Survey (September 2024)

- 2.8 In 2023 the average newbuild asking price was £5,168per sqm, the updated equivalent figure is now about 5% higher at £5,419 per sqm.
- 2.9 The value of affordable housing is an important input into the assessment. The Council has engaged with Registered Providers how the prices paid for affordable housing may have changed, and the RPs have commented as follows:

- a. Across tenures recent purchases have been at £3,100 per sqm to the north of Chelmsford.
- b. Affordable Rent 55% to 60% of Market Value, being £2,426 to £2,776 per sqm, depending on the size of the units in question.
- c. Payback period assumptions are based on 30 and 45 year timeframe. Values of Affordable Rent value is in the range of 45% – 55% of market value.

2.10 In the 2023 Viability Update the assumptions were that Social Rent would have a value of 50% of market value (4.72), Affordable Rent would have a value of 55% of market value (4.87). In 2023, this would derive a value of about £2,570 per sqm or so on larger greenfield sites around Chelmsford (4.83), and Affordable Home Ownership units would have a value of 70% market value (4.88 and 4.93). These assumptions may now understate the value of affordable housing a little – but only a little – this assumption remains appropriate.

2.11 The development identified in the new Local Plan will be built out over many years and across development cycles. It is useful to consider how values may change in the future. There is a degree of uncertainty in the housing market as reported by the RICS. The August 2024 RICS UK Residential Market Survey<sup>1</sup> said:

*Sales market activity responds positively to the recent easing in mortgage interest rates*

- *New buyer demand rises noticeably over the month*
- *Number of sales agreed also improves, with near-term expectations pointing to further growth*
- *National house price indicator moves out of negative territory*

*The August 2024 RICS Residential Survey results show an improvement in sales market activity over the month, supported by the recent (modest) softening in mortgage interest rates. Moreover, respondents foresee the market gradually gaining further impetus moving forward, even if the near-term outlook for monetary policy remains relatively tight compared to much of the post global financial crisis era.*

*At the aggregate level, a net balance of +15% of survey participants noted an increase in new buyer enquiries during August (up from a figure of +4% beforehand). What's more, this marks the most positive reading for the demand series since October 2021, although it should be emphasised that this pick-up is coming from a low base.*

*Meanwhile, the newly agreed sales indicator posted a net balance reading of +6%, modestly higher than the figure of -1% seen last time. Going forward, contributors anticipate the recent uptick in demand to translate into a more meaningful increase in sales volumes over the coming three months, evidenced by the near-term sales expectations measure recording a net balance of +37%. Further ahead, a net balance of +45% of respondents envisage sales activity strengthening over the next twelve months, extending the recent sequence of firmly positive readings for this indicator.*

*In terms of fresh listings coming onto the market, the new instructions series produced a net balance of +7% in August (compared to +3% previously). As such, this is consistent with a slightly positive trend in the flow of instructions being listed for sale. Similarly, a net balance of +23% of respondents report that the number of market appraisals undertaken during August was higher than that seen twelve months ago. Consequently, it would appear that the near-*

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<sup>1</sup> <https://www.rics.org/uk/news-insight/research/market-surveys/uk-residential-market-survey/>

*term pipeline for supply set to become available on the second hand market is relatively solid at this stage.*

*With regards to house prices, the survey's headline measure returned a net balance figure of +1% this time around, up noticeably from a reading of -18% last month. Importantly, this denotes the first occasion since October 2022 that this series has moved out of negative territory. When disaggregated, while most parts of the UK now show either a flat or modestly positive picture for house prices, there are some exceptions. Indeed, for the time being, feedback around prices remains a little weaker than the national average across Wales, the South East and the South West of England. By way of contrast, house prices continue to rise firmly in Northern Ireland and Scotland according to the latest results.*

*Back at the national level, the near-term price expectations series registered a net balance of +14% in August, consistent with a modest upward trend in house prices coming through over the next three months. At the twelve-month time horizon, a net balance of +50% of contributors are now anticipating an uplift in house prices, signifying the most elevated reading for this metric since April 2022. Furthermore, house prices are seen rising, to a greater or lesser degree, across all parts of the UK over the year ahead.*

*In the lettings market, tenant demand edged up slightly over the month, although the latest net balance of +11% is softer than the +26% recorded in July (part of the non-seasonally adjusted monthly lettings dataset). Alongside this, new landlord instructions once again saw a negative trend, with the net balance slipping to -21% from -9% last time. Going forward, near-term rental price expectations continue to point to a steady increase in the months ahead, returning a net balance of +39% (little changed relative to readings of +38% seen in each of the two previous iterations of the survey).*

- 2.12 HM Treasury brings together some of the forecasts in its regular *Forecasts for the UK economy: a comparison of independent forecasts* report.



Table 2.2 Consolidated House Price Forecasts

Table 2 - 2024: Growth in prices and monetary indicators (% change)									
Forecasters and dates of forecasts		CPI (Q4 on Q4 year ago, %)	RPI (Q4 on Q4 year ago, %)	Average earnings (Q4 on Q4 year ago, %)	Sterling index (Jan 2005=100)	Official Bank rate (level in Q4, %)	Oil price (Brent, \$/bbl)	Nominal GDP	House price inflation (Q4 on Q4 year ago, %)
City forecasters									
Barclays Capital	Sep *	2.3	3.9	-	-	4.50	87.0	-	-
Bloomberg Economics	Sep *	2.7	-	-	-	4.75	-	-	-
Capital Economics	Sep *	2.7	3.9	5.2	82.9	4.75	80.0	3.7	1.7
Citigroup	Aug'23	1.7	3.1	2.5	-	3.75	-	-	1.8
HSBC	Sep *	2.9	4.0	5.5	-	4.75	-	-	-
JP Morgan	Sep *	2.6	-	-	-	4.75	-	710.7	-
KPMG	Sep *	2.8	-	-	-	4.75	79.3	-	-
Morgan Stanley	Dec	2.4	3.7	3.1	-	-	-	-	-
Natwest Markets	Sep *	2.5	3.7	4.5	-	4.75	82.0	3.6	1.3
Nomura	Sep *	3.1	-	4.9	-	4.75	-	-	-
Pantheon	Aug	2.7	4.2	-	-	4.75	-	-	-
Societe Generale	Sep'23	3.3	3.8	4.5	-	4.00	97.3	4.2	-
UBS	Sep *	2.5	3.7	4.3	-	4.75	-	3.7	-
Non-City forecasters									
British Chambers of Commerce	Sep *	2.6	-	4.0	-	4.93	-	-	-
Beacon Economic Forecasting	Sep *	2.3	2.5	4.4	84.5	4.75	81.7	4.7	-
CBI	June	2.3	2.6	4.4	82.0	4.50	86.6	3.0	0.8
CEBR	Sep *	2.4	3.4	5.3	83.9	4.83	-	-	1.8
Experian Economics	Aug	2.7	3.6	4.7	89.5	4.92	84.8	4.0	3.4
EIU	Oct	-	-	-	-	5.25	81.5	-	-
Heteronomics	Sep *	2.6	3.6	5.2	82.7	4.75	84.2	-	3.2
ICAEW	Sep *	2.6	-	-	-	4.75	-	-	-
ITEM Club	Feb	2.0	1.4	2.8	81.7	4.25	-	-	-0.2
Liverpool Macro Research	Sep *	2.0	3.0	3.6	81.5	4.00	-	-	-
NIESR	Aug	2.8	4.4	4.6	-	5.08	-	-	-1.2
Oxford Economics	Sep *	2.5	3.9	4.9	84.2	4.75	81.6	3.8	3.8
OECD	May	2.8	-	3.1	-	4.75	84.6	-	-
IMF	Jan	-	-	-	-	-	-	-	-
Average of forecasts made in the last 3 months (excludes OBR forecasts)									
Independent		2.6	3.7	4.7	84.2	4.70	84.2	92.3	2.0
New (marked *)		2.6	3.6	4.7	83.3	4.70	82.3	121.7	2.4
City		2.7	3.9	4.8	82.9	4.66	85.1	145.2	1.5
Range of forecasts made in the last 3 months (excludes OBR forecasts)									
Highest		3.3	4.4	5.5	89.5	5.08	97.3	710.7	3.8
Lowest		2.0	2.5	3.6	81.5	4.00	79.3	3.6	-1.2
Median		2.6	3.8	4.7	83.9	4.75	82.0	3.9	1.8
OBR	Mar	1.4	2.1	3.4	-	4.15	77.0	2.3	-2.7

Source: Forecasts for the UK economy: a comparison of independent forecasts No 446 (HM Treasury, September 2024).

2.13 Property agents Savills are forecasting the following changes in house prices.

**Table 2.3 Savills Property Price Forecasts**

	2024	2025	2026	2027	2028	5 Year
Mainstream UK	2.5%	3.5%	4.5%	5.0%	4.5%	21.6%
South East	1.5%	3.0%	4.5%	4.5%	3.5%	18.2%
Prime Outer Commute	-1.5%	3.0%	4.5%	6.0%	5.5%	18.6%
Prime Wider South	-1.5%	3.5%	4.5%	6.5%	5.0%	19.1%
Mainstream UK Rents	6.0%	3.5%	3.0%	2.5%	2.0%	18.1%

Source: Savills Mainstream House Price Forecasts (November 2023) and Savills Prime Residential Property Forecasts<sup>2</sup>

2.14 In this context is relevant to note that the Nationwide Building Society reported in August 2024:

***Annual house price growth edged higher in August***





- UK house prices fell 0.2% month on month in August
- Annual growth rate picked up to 2.4%, from 2.1% in July
- Fastest pace of annual growth since December 2022
- Energy efficiency becoming more important in influencing what buyers will pay for a home

Headlines	Aug-24	Jul-24
Monthly Index*	525.4	526.4
Monthly Change*	-0.2%	0.3%
Annual Change	2.4%	2.1%
Average Price (not seasonally adjusted)	£265,375	£266,334

\* Seasonally adjusted figure (note that monthly % changes are revised when seasonal adjustment factors are re-estimated)

2.15 The Nationwide produces regional figures on a quarterly basis. This data (June 2024) suggests, for the Outer South East an annual -1.1% change in Q2 2024 and an annual -1.0% change in the previous quarter.

2.16 Halifax Building Society reported a similar situation in September 2024:

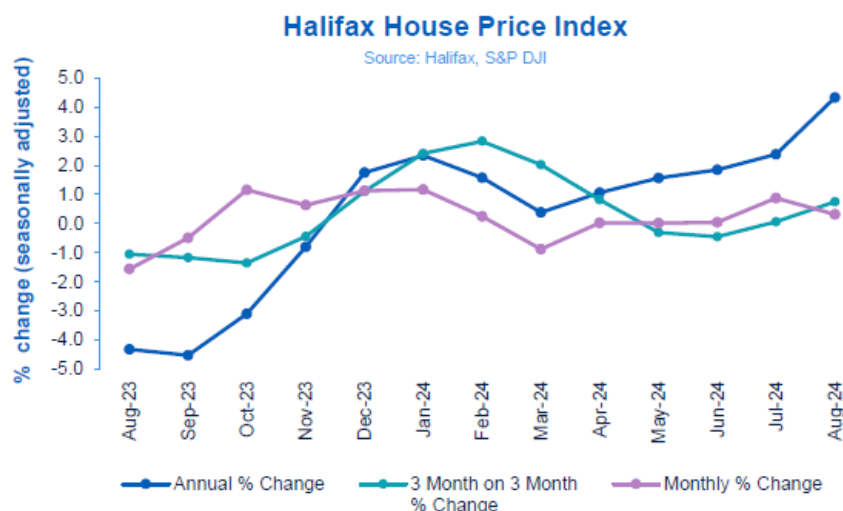
			
Average house price	Monthly change	Quarterly change	Annual change
<b>£292,505</b>	<b>+0.3%</b>	<b>+0.8%</b>	<b>+4.3%</b>

**UK house prices edge up to hit two-year high**

- House prices increased by +0.3% in August, after +0.9% rise in July

<sup>2</sup> [Savills UK | Revised Mainstream House Price Forecasts: 2024–2028](#), [Savills UK | Residential Property Market Forecasts](#)

- Year-on-year prices are up +4.3%, the strongest rate since November 2022
- Higher annual growth largely reflects the base impact of weaker prices a year ago
- Typical property now costs £292,505 (compared to £291,585 in July), highest since August 2022
- Northern Ireland continues to record the strongest annual house price growth in the UK



- 2.17 There is continued uncertainty in the market, however the newbuild residential market is continuing to see increasing values.
- 2.18 The final section of this note includes a further set of appraisals based on the updated policy requirements, price and cost information. Sensitivity testing to changes in values has been carried out.

### Changes in Development Costs

- 3.1 The build costs in the 2023 Viability Update, as suggested in the PPG, were derived from the BCIS data. The cost figure for Chelmsford for 'Estate Housing – Generally' was £1,402 per sqm at that time (March 2023). The equivalent figure now (September 2024) has increased to £1,456 per sqm. This data shows that the cost of construction has increased by about 3.8% since the 2023 Update was undertaken.
- 3.2 There has been much coverage in the press around build cost inflation. The BCIS is predicting that, going forward, that the General Build Cost Index will increase by about 3.1% over the next year (from October 2024 – 466.5 to October 2025 – 481.1) and by about 9.3% over the next three years. (from October 2024 – 466.5 to October 2027 – 509.7).
- 3.3 The final section of this note includes a further set of appraisals based on the updated policy requirements, price and cost information. Sensitivity testing to changes in (BCIS based) build costs has been carried out.

## Changing Policy Requirements

4.1 In discussion with the Council, the following policy obligations were suggested in the 2023 Viability Update – although it was stressed that, the plan making process was ongoing so this needed to be kept under review, and in any event there was to be the normal political balance when prioritising and setting Local Plan policies.

- a. Affordable Housing 35%, with 70% Affordable Rent, 25% First Homes and the balance as Shared Ownership.
- b. Design 98% Accessible and Adaptable (M4(2)), 2% (being 5% of the affordable element) Wheelchair Accessible (M4(3)).  
  
Water efficiency standard and rainwater harvesting. Additional steps towards Zero Carbon.  
  
10% Biodiversity Net Gain.

4.2 This was caveated as follows (paragraph 12.95):

*If the Council were to follow this advice it would be necessary to be cautious in assuming flatted development or flatted Build to Rent development would come forward, as these are not likely to be delivered. This is likely to influence the selection of sites for allocation. It is assumed that this suggestion is taken forward – although that should not be taken as read (as that is a decision to be taken through the wider plan-making process).*

4.3 The 2023 Viability update included a review of national policy requirements, including anticipated changes. Changes in national policy are considered further below. A number of policies have been refined, these are also considered below.

### *Updated NPPF 2023*

4.4 The 2023 Viability Update was carried out in line with the then current NPPF. Since then, the NPPF has been updated 3 times.

- 5 September 2023 – Changes around onshore wind development.
- 19 December 2023 – Changes around the implementation of housing targets.
- 20 December 2023 – Minor corrections to the 19 December 2023 NPPF.

4.5 The changes made do not impact on viability assessments that inform the plan-making process.

### *Draft NPPF, July 2024*

4.6 Following the 2024 General Election, the new administration published a draft update to the NPPF in July 2024. The changes were subject to period of consultation and it is anticipated that a new NPPF will be published before the end of 2024, or in early 2025. The changes proposed, would have some significant impacts on the plan-making process, with the main changes being around the Standard Method for deriving the need for housing and in relation to housing targets. The impact on viability would be limited.

- 4.7 The Draft NPPF includes a new Annex that concerns viability in relation to land released from the Green Belt:

**Annex 4: Viability in relation to Green Belt release**

- 1) *To determine land value for a viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a reasonable and proportionate premium for the landowner. For the purposes of plan-making and decision-taking, it is considered that a benchmark land value of [xxxx] allows an appropriate premium for landowners. Local planning authorities should set benchmark land values informed by this, and by local material considerations.*
- 2) *When determining planning applications, if land released from Green Belt is transacted above the benchmark land value and cannot deliver policy-compliant development, then planning permission should not be granted, subject to other material considerations.*
- 3) *Where policy compliant development can be delivered, viability assessment should not be undertaken, irrespective of the price at which land is transacted, and higher levels of affordable housing should not be sought on the grounds of viability.*
- 4) *Where land is transacted below the benchmark land value but still cannot deliver policy-compliant development, it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. Where a viability negotiation to reduce policy delivery has been undertaken, a late-stage review should be conducted to assess whether further contributions are required.*

- 4.8 The supporting text says:

**Golden rules to ensure public benefit**

23. *The Government has committed to introducing ‘golden rules’ to ensure that major development on land released from the Green Belt benefits both communities and nature. This will build on our wider commitment for exemplary design, so that the following are required where land is released through plans or individual planning decisions:*
- a. *in the case of schemes involving the provision of housing, at least 50% affordable housing, with an appropriate proportion being Social Rent, subject to viability;*
  - b. *necessary improvements to local or national infrastructure, including delivery of new schools, GP surgeries, transport links, care homes and nursery places, to deliver well-designed, connected places, recognising that local leaders are best placed to identify the infrastructure that their communities need; and*
  - c. *the provision of new, or improvements to existing, local green spaces that are accessible to the public – where residential development is involved, new residents should be able to access good quality green spaces within a short walk of their homes, whether through onsite provision or through access to offsite facilities.*

- 4.9 The south and west of the Chelmsford Council area includes extensive areas of Green Belt, so the above would apply to some of the administrative area. The requirement for 50% affordable housing on greenbelt releases is ‘*subject to viability*’. The viability of development both inside and outside the greenbelt has been tested so the development of the Council’s policies is consistent in this regard. All proposed development has been considered through the 2023 Viability Study and previous reports.

- 4.10 In relation to releasing land from the Green Belt, the consultation says:

30. Benchmark land values are generally set as a multiple of agricultural use values, which are typically in the region of £20,000 - £25,000 per hectare, and as a percentage uplift on non-agricultural brownfield use values. We also note that views of appropriate premia above existing use values vary: for agricultural land, a recent academic paper suggested BLVs of three times existing use value; the Letwin Review of Build Out suggested ten times existing use value; Lichfields found that local planning authorities set BLVs of between 10- and 40-times existing use value. These BLVs do not necessarily relate to Green Belt land, which is subject to severe restrictions on development, and **Government is particularly interested in the impact of setting BLV at the lower end of this spectrum.**

- 4.11 The viability assumptions used in the 2023 Viability Update are set out towards the end of Chapter 6.

*In the pre-consultation iteration of this viability assessment, the following Benchmark Land Value assumptions were used applied on a gross site area):*

- Brownfield/Urban Sites: EUV Plus 20%.
- Greenfield Sites: Generally EUV Plus £500,000/ha.  
Strategic Sites EUV times 10.

- 4.12 If a BLV of 10 times EUV was to be implemented through national policy, it may suggest that BLV assumption used in the 2023 Viability update of EUV (£25,000 for agricultural uses) plus £500,000 per ha was overstated, but the approach is consistent on the larger, strategic, greenfield sites.

- 4.13 The 2023 Viability Update was prepared in accordance with the then extant NPPF, but is also consistent with the changes proposed in the July 2024 Draft NPPF and supporting documents.

- 4.14 There are several further changes, that if implemented and applied to the Local Plan may have an impact on viability.

- a. There is a new emphasis on Social Rent, as set out in paragraph 64 of the draft NPPF (and elsewhere). It is clear that some Social Rent is to be provided, and the extent of the need must be assessed.
- b. The dropping of the requirement for 10% of all homes to be Affordable Home Ownership as per paragraph 66 of the draft NPPF.
- c. The dropping of the requirement for 25% of the affordable housing to be First Homes as per paragraph 5 of Chapter 6 of the consultation.

- 4.15 These will not apply to the new Chelmsford Local Plan (due to the transitional arrangements). The final section of this note includes a further set of appraisals based on the updated policy requirements, price and cost information. The affordable housing mix is not altered, however, as set out below, the Council's preference is for all Affordable Home Ownership housing to be delivered as Shared Ownership rather than First Homes. This is commented on below.

### *Accessible and Adaptable Standards*

- 4.16 As set out in the 2023 Viability Update, in July 2022, the Government announced the outcome of the 2020 consultation on raising accessibility standards of new homes<sup>3</sup> saying:

*73. Government proposes that the most appropriate way forward is to mandate the current M4(2) (Category 2: Accessible and adaptable dwellings) requirement in Building Regulations as a minimum standard for all new homes – option 2 in the consultation. M4(1) will apply by exception only, where M4(2) is impractical and unachievable (as detailed below). Subject to a further consultation on the draft technical details, we will implement this change in due course with a change to building regulations.*

- 4.17 The new administration has not given an indication as to whether or not they will take this forward (there is no suggestion that they will not). To take it forward, the Government will need to consult further on the technical changes to the Building Regulations before mandating the higher M4(2) accessibility standard. In any event, in the 2023 Viability Update, M4(2) is assumed to apply on all units other than those built to the higher M4(3) standard (paragraph 8.43). Accessible and Adaptable Standards are considered further below.

### *Environmental Standards*

- 4.18 In December 2023, the previous Government launched a consultation on how national standards in the form of the Future Homes Standard and the Future Buildings Standard may be implemented. The costs of higher standards were considered in the 2023 Viability Update. At the time of this note, no timescale has been announced for the implementation of new standards, and the new administration have not given an indication as to whether or not they want to take this forward, but there is no suggestion that they will not as part of the wider ambitions in relation to zero carbon.
- 4.19 The Local Plan requirements in this regard are considered below.

### *Levelling-up and Regeneration Act*

- 4.20 At the end of 2023, the *Levelling-up and Regeneration Act* become law. Many of the measures in the Act will be implemented, in due course, through secondary legislation and / or regulations. The provisions within the Act will have a significant impact on the overall plan-making process, but they do not alter the place of viability in the current Local Plan process.
- 4.21 The *Levelling-up and Regeneration Act* includes reference to a new national Infrastructure Levy. The new Government has announced, as part of the July 2024 consultation on the Draft NPPF, that this will not be taken forward. This is not considered further.

### **Updated Policies in the Regulation 19 Submission Draft Plan**

- 5.1 The policy testing in the 2023 Viability Update was carried out based on the well developed, but not finalised draft of policy wordings. The findings of the 2023 Viability Update informed

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<sup>3</sup> [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

the development of policy. There are several policies that have been updated that have the potential to impact on viability. These are considered below.

#### *Biodiversity Net Gain (BNG)*

- 5.2 The base modelling in the 2023 Viability Update was on the basis that the Council would introduce a 20% BNG requirements across the Council area. The approach to the modelling was set out at paragraph 8.63 of the 2023 Viability Update:

*... it is assumed provision will be on-site on greenfield sites and off-site on brownfield sites (this approach is different to that taken in the pre-consultation report). The percentage uplift costs from Tables 14 to 23 of the Biodiversity net gain and local nature recovery strategies – Impact Assessment as quoted above, are used. The base scenario assumes 20% BNG at a cost that is 50% greater than 10%.*

- 5.3 The draft Plan now seeks BNG in line with the national requirements for 10%, on all sites with the exception of the two garden communities (Hammonds Farm and Chelmsford Garden Community) where 20% is sought. It is assumed that both of the garden communities are able to accommodate 20% BNG on site.
- 5.4 Under this heading it is timely to mention tree planting. *Under the Tree Planting Planning Advice Note* (November 2022) three trees per dwelling are required and it is expected that these are delivered on site. Where this cannot be achieved a commuted sum of £300 per new house is accepted in lieu. It is assumed that this can be delivered on greenfield sites, but not brownfield sites.
- 5.5 The final section of this note includes a further set of appraisals based on the updated policy requirements, price and cost information. The BNG cost assumption has been updated as appropriate and £300 per unit has been added for brownfield sites in relation to tree planting.

#### *Climate Change*

- 5.6 Within the 2023 Viability Update a range of steps towards zero carbon were tested, based on the then available data. In the final appraisals, based on the recommended policy mix, the BCIS based construction costs were increased by 12.5%, to reflect the cost of the Council's preferred option of zero carbon development.
- 5.7 This is an area where national policy has developed since the 2023 Viability Update was prepared, and a topic on which further information has been published. The Government carried out a consultation on how national standards in this regard may be implemented in the spring of 2024.
- 5.8 The Department of Levelling up, Communities and Housing introduced revisions to Conservation of Fuel and Power, Approved Document L of the Building Regulations (often referred to as the 2021 Part L standard) as a 'stepping stone' on the pathway to zero carbon homes. These set the target of an interim 31% reduction in CO<sub>2</sub> emissions over the 2013 standards for dwellings that apply to new homes that submit plans after June 2022 or have not begun construction before June 2023.



5.9 The costs of meeting the current (i.e. 2021) Part L standard depends on the specific changes made and were considered in Chapter 3 of the 2019 Government Consultation<sup>4</sup>. This suggests that the costs, having been indexed, would add a little less than 3% to the base cost of construction. These requirements have now been in place for a while, and whilst they are not fully reflected in the BCIS costs (the BCIS costs are based on past schemes) they are in part. It would now be appropriate to assume the additional costs of the increase in standards set out in 2021 Part L add 2% to the current BCIS costs.

5.10 The revisions to Part L of Building Regulations are a step towards the introduction of the Future Homes Standard in 2025. The Government published, in December 2023, a further consultation on the details of the implementation of the Future Homes Standard. At the same time, the then Housing Minister, made a Written Parliamentary Statement<sup>5</sup> that set out the Government's position in this regard as follows:

*... Any planning policies that propose local energy efficiency standards for buildings that go beyond current or planned buildings regulation should be rejected at examination if they do not have a well-reasoned and robustly costed rationale that ensures:*

*7.1 That development remains viable, and the impact on housing supply and affordability is considered in accordance with the National Planning Policy Framework.*

*7.2 The additional requirement is expressed as a percentage uplift of a dwelling's Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP).*

*Where plan policies go beyond current or planned building regulations, those policies should be applied flexibly to decisions on planning applications and appeals where the applicant can demonstrate that meeting the higher standards is not technically feasible ....*

5.11 Whilst this direction does not preclude the introduction of policies that go beyond national standards, this does suggest that such policies will need to be well justified and subject to greater scrutiny.

5.12 It also set out that where standards that are higher than national standards are introduced then they should be expressed as a percentage uplift of a dwelling's Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP). It is understood that the Council has updated the Draft Plan in this regard.

5.13 Within the 2023 Viability Study, the BCIS based construction costs were increased by 12.5% to reflect the cost of the Council's preferred option of zero carbon development. This cost allowance is now reviewed.

5.14 Paragraph 6.10 of The Future Homes Standard (FHS) 2023 consultation on the energy efficiency requirements of the *Building Regulations affecting new and existing dwellings. Consultation-Stage Impact Assessment* sets out the following costs:

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<sup>4</sup> The Future Homes Standard 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings (MHCLG, October 2019).

<sup>5</sup> [Written statements - Written questions, answers and statements - UK Parliament](#)

6.6 A summary of the impacts considered under this Impact assessment (IA) is provided below in Table 3, relative to the counterfactual – the counterfactual is the 2021 notional building specification, which has a gas boiler, lower efficiency solar panels and wastewater heat recovery, or a heat pump (see Routes to Compliance (para 5.23 - 5.25) section). This is with the exception of mid-high rise, which is an ASHP and gas boiler hybrid communal heat network. Broadly, Option 1 is a home with a heat pump and more efficient solar panels. Option 2 meets our public commitments through the use of heat pumps only. All figures are Net Present Values (NPV) over 10 years of policy and a subsequent 60-year life of the buildings. Negative NPVs are given in parenthesis and represent costs. The figures represent the aggregate impact across the building mix...

6.10. ... In 2022 prices, on a per-home basis (3-bed semi-detached), Option 1 leads to a ~£6,200 (4%) increase in upfront capital costs, whereas Option 2 only leads to a ~£1,000 (1%) increase....

#### **Additional Capital Costs**

6.16. The increase in capital costs from the proposed 2025 standards, compared with the continuation of existing 2021 standards (gas boiler and solar pv home), are shown in Table 5. Further breakdown of the costs of the different elements is provided in Appendix C.

**Table 5: Additional Capital Costs\* relative to 2021 Gas Boiler and Solar PV Counterfactual (£)**

	<b>Option 1</b>	<b>Option 2</b>
Detached house	£6,390	£-200**
Semi-detached house	£6,170	£950
Mid-Terraced house	£5,960	£740
Low Rise Flats (<11m)	£4,460	£2,760
Mid Rise Flats (>11m) (same for both option)	£190	£190
Weighted Average (based on assumed build mix)	£4,360	£640
*Gross Undiscounted Costs in 2022 prices, excluding gas asset value cost in counterfactual. If included this would lead to the costs presented in table 5 falling. ** a minus equals a cost saving.		

6.17. Over the longer-term, Currie & Brown estimate that the costs associated with both heat pumps and solar PV will fall, as supply chains mature and become more integrated, and learning rates take effect. By the end of the policy appraisal period (10 years), it is assumed that the cost of a heat pump will be around 70% of the initial cost, whilst for Solar PV they will be around 60% of the initial cost.

- 5.15 Separately, the *Future Homes Hub, Ready for Zero, Evidence to inform the 2025 Future Homes Standard – Task Group Report* (February 2023) was published before the Government consultation, so is testing a wider sets of options than are being considered at a national level. The following costs are estimated.

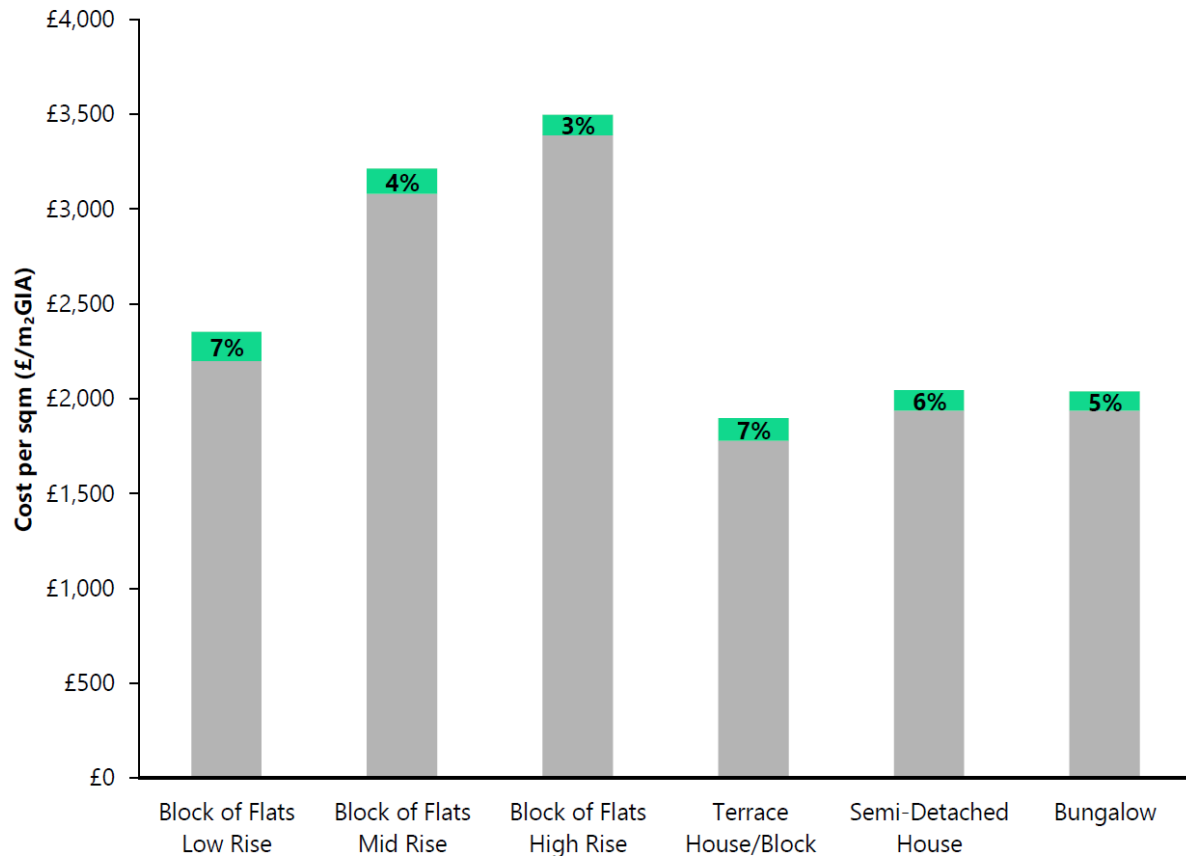
**Table 5.1 Additional Costs for Options Towards Zero Carbon**

		Arcadis Cost uplift compared with Ref 2021	Arcadis Cost uplift compared with Ref 2025	Energy bills variance from Ref 2021 (£700/yr)*
<b>CS1</b>	to be consistent with the expectation that the Future Homes Standard home should reduce carbon emissions by a minimum of 75% from 2013	2%	-3%	Circa 190/yr more
<b>CS2</b>	to align closely with the current Part L 2021 but electrify the heating	7%	2%	Circa £260/yr less
<b>CS2a</b>	As for CS2a but with Batteries on PV and Infra-red heating	10%	5%	Circa £50/yr less (Significant under-estimate)**
<b>CS3</b>	to be mainstream recognised low energy techniques and technologies for a very low energy specification, whilst allowing design flexibility	15%	9%	Circa £360/yr less
<b>CS4</b>	to minimise space and water heating, drawing on UK and European low energy building best practice	19%	13%	Circa £450/yr less
<b>CS5</b>	to improve the fabric efficiency to the level that a comfortable temperature is maintained without a heating system	17%	11%	Circa £410/yr less

Source: Future Homes Hub, Ready for Zero, Evidence to inform the 2025 Future Homes Standard – Task Group Report (February 2023)

- 5.16 These costs are somewhat greater than those in the more recent Government consultation, however they do predate the Government announcement and are not directly comparable.
- 5.17 In July 2023 Introba Consulting Ltd produced *Essex Net Zero Policy – Technical Evidence Base*, with Currie & Brown and Etude for Essex County Council. This includes model policy wordings that the Council is currently considering, although it is important to note that this predates the December 2023 Written Parliamentary Statement. The report also includes a section headed *Cost evidence base to inform viability testing*. This suggests the following additional costs:

**Figure 5.1 Cost Uplifts of Net Zero policy energy use intensity and space heating demand limits, the total capital cost uplift over Part L 2021 Building Regulations**



Graph 11.1: Domestic typologies capital cost per square meter and cost uplift % of Net Zero policy over Building Regulations Part L 2021 Notional Building.

5.18 It is important to note that the above costs are the costs over the 2021 Part L, and not the costs over the current BCIS Cost. As set out above, it would now be appropriate to assume the additional costs of the increase in standards set out in 2021 Part L add 2% to the current BCIS costs.

5.19 The costs of the changing policy situation are summarised as follows.

- The 2021 changes to Part L of Building Regulations (31% CO<sub>2</sub> saving) to add 2% to the BCIS base costs.
- The Future Home Standard Option 2 is expected to add 3% (i.e. 2%+1%) to the current BCIS base costs.
- The Future Home Standard Option 1 is expected to add 6% (i.e. 2%+4%) to the current BCIS base costs.
- The cost of Zero Carbon would add 8% to the costs of construction of houses and would add 6% to the costs of construction of flats.

5.20 These costs are somewhat less than the costs used in the 2023 Viability Update which drew on NET ZERO CARBON VIABILITY AND TOOLKIT STUDY (Three Dragons Qoda Ward Williams Associates, August 2022), also commissioned by Essex County Council.

- 5.21 The new Government has not announced its intentions with regard to the Future Homes Standard, rather at this stage it has concentrated on reforms to the NPPF concerning housing the quantum on development. If the government were to proceed with Option 1 the additional cost over the current BCIS cost would be about 6% and if it were to proceed with Option 2 the additional cost would be about 3% over the current BCIS cost.
- 5.22 The final section of this note includes a further set of appraisals based on the updated policy requirements, price and cost information. The Net Zero cost assumption has been updated to plus 8% to the costs of construction of houses and plus 6% to the costs of construction of flats.
- 5.23 As noted in the 2023 Viability Update (Paragraph 8.87) building to higher standards that result in lower running costs results in higher values<sup>6 7 8 9</sup>, although no premium was assumed in the 2023 Viability Update or this note, and it is difficult to robustly quantify.

#### *Water Usage*

- 5.24 In the 2023 Viability Update it was noted (8.92) the Council was considering introducing seeking tighter water usage standards and a cost of £2,500 was included in the appraisal in this regard. The Council is now considering updating this policy to require the use of water to be limited to 90 litres per person per day (LPPPD). Further cost information is available in this regard. *Water Ready – A report to inform HM Government’s roadmap for water efficient new homes* (Future Homes Hub, April 2024)<sup>10</sup>, sets out some more recent costs:
- a. 110 LPPPD £7 per dwelling – being the Optional Building Regulations.
  - b. 100 LPPPD £350 per dwelling
  - c. 90 LPPPD £2,000 per dwelling (being the mid point of the range).
- 5.25 This more up to date information suggests that the assumption used in the 2023 Viability Update with regard to the cost of rain water harvesting was appropriate and up to date. The final section of this note includes a further set of appraisals based on this updated cost.

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<sup>6</sup> See *EPCs & Mortgages, Demonstrating the link between fuel affordability and mortgage lending* as prepared for Constructing Excellence in Wales and Grwp Carbon Isel / Digarbon Cymru (funded by the Welsh Government) and completed by BRE and *An investigation of the effect of EPC ratings on house prices* for Department of Energy & Climate Change (June 2013.)

<sup>7</sup> [A Green Premium: House buyers willing to pay almost 10 per cent more for energy efficient properties | Santander UK](#)

<sup>8</sup> [Legal & General research shows buyers will pay up to 20% premium for low carbon homes | Legal & General \(legalandgeneral.com\)](#)

<sup>9</sup> [Savills UK | The cost and premium for new eco-homes](#)

<sup>10</sup> [Water Ready\\_A report to inform HM Government-s roadmap for water efficient new homes.pdf \(cdn-website.com\)](#)

### *Costs of Strategic Infrastructure and Mitigation*

- 5.26 The Council has updated the IDP, both generally and in relation to the strategic sites. The details of some strategic sites have changed, these changes are considered below. CCC has adopted CIL and CIL remains a key source of funding for infrastructure. The rates of CIL have been increased through indexation:

**Table 5.2 Indexed Rates of CIL**

Type of Development	Adopted Rate	Indexed Rate 2023	Indexed Rate 2024
<b>Residential</b> (Use Class C3 including sheltered or specialist housing)	£125	£186.45	£200.11
<b>Retail</b> – Convenience (Use Class A1 [food])	£150	£223.74	£240.13
<b>Retail</b> – All other retail (Use Class A1 [non-food] and Use Classes A2-A5 and sui generis uses akin to non-food retail)	£87	£129.77	£139.27
<b>All other uses</b> (including Use Classes B, C1, C2, and D and any other sui generis uses)	£0	£0	£0

Source: Chelmsford City Council Community Infrastructure Levy - Charging Schedule (26<sup>th</sup> February 2014)

- 5.27 The final section of this note includes a further set of appraisals that include these updated rates of CIL.
- 5.28 In the 2023 Viability Update the allowances for further s106 contributions of £4,000 per unit on large greenfield sites and £2,000 per unit on smaller greenfield sites and on brownfield sites were made. Additional assumptions were made for education based on the anticipated population from the development and costs per place (Early Years £21,559, Primary Places £21,559, Secondary Places £26,105, Plus 16 Places £26,105).
- 5.29 In 2023 it was assumed that the cost of mitigation in relation to the Essex Coast RAMS the updated rate (£163.86 per unit) was assumed to be included in the wider s106 cost assumption in the appraisals but is now added as an additional (separate) cost.
- 5.30 The Council has amended policies to clarify requirements for SANGs and is introducing a new policy and adding requirements to relevant site policies to mitigate the impact of development on the SSSI in and around the Council area. The costs for these have incorporated into the IDP by the Council. This cost is only likely to apply to the Hammond's Farm strategic site in Table 5.3 below.
- 5.31 Additional allowances were made for the strategic sites (Table 3.1). These have been updated by the Council. The strategic sites were anonymised in 2023, the names are now included. The details of the sites have also been updated, with the changes being shown in red. The site areas and capacity of some sites has also been updated. Allowance is made within these figures for HIF recycling as appropriate and the required SANG payments:

**Table 5.3 2024 Strategic Sites – Updated Strategic Infrastructure and Mitigation Costs (s106 costs)**

Site		Number of Dwellings	EUV	S106 per unit	Net developable area (Ha)	DPH
1	Chelmsford Garden Community Location 6	<del>3,000</del> 6,250	Strategic Greenfield	£50,000	50%	40
2	Hammonds Farm Location 16a	<del>2,000</del> 4,500	Strategic Greenfield	<del>£40,000</del> Raise to £51,000	50%	40
3	North of South Woodham Ferrers Location 10	<del>1,500</del> 1,200	Strategic Greenfield	<del>£40,000</del> £35,000	50%	35
4	West Chelmsford Location 2	<del>1,000</del> 900	Greenfield	<del>£40,000</del> Lower to £35,000	<del>64%</del> 65%	35
5	Great Leighs Land at Moulsham Hall Location 7a	<del>800</del> 750	Greenfield	<del>£25,000</del> Raise to £45,000	<del>58%</del> 65%	35
6	North of Broomfield Location 8	500	Greenfield	<del>£25,000</del> Raise to £26,000	50%	35
7	The Meadows Site 1w in Location 1 Chelmsford Urban Area	<del>500</del> 760	Brownfield	<del>£25,000</del> Raise to £40,000	<del>90%</del> 80%	160

Source: CCC (October 2024)

- 5.32 Whilst some of these vary substantially from the costs estimated in 2023, they are all within the range of the sensitivity testing (up to £60,000 per unit) set out in Tables 10.6a and 10.6b of the 2023 Viability Assessment.
- 5.33 The final section of this note includes a further set of appraisals based on this updated information.

#### *Affordable Home Ownership – First Homes*

- 5.34 As set out above, the Council's preference is for all Affordable Home Ownership housing to be delivered as Shared Ownership rather than First Homes. The final section of this note includes a further set of appraisals based on the updated policy requirements, price and cost information, however the affordable housing mix is not altered (as it is a requirement of the extant PPG to include 25% of affordable housing as First Homes).

- 5.35 Whilst the value attributed to both First Homes and Shared Ownership is the same, being 70% of market value (4.88 and 4.93)<sup>11</sup>, switching from First Homes to Shared Ownership is likely to have a positive impact on viability and scheme delivery as the sales risk, to the developer, will be reduced for this element of the project with the Shared Ownership being sold as a portfolio to a Registered Provider (normally a Housing Association), with the affordable housing for rent. This will often improve the cash flow of the overall project, with payments being made through the construction phasing. There will also be savings in the developer's sales fees and associated costs.

#### *Accessible and Adaptable Standards*

- 5.36 In the suggested policy obligations set out in the 2023 Viability Update (10.39) it was assumed that 98% of homes would be required to be to Accessible and Adaptable (M4(2)), and that the balance, being 2% (5% of affordable element) of homes would be required to be to Wheelchair Accessible (M4(3)b). The draft policy has reduced the requirements for M4(2) Accessible and Adaptable to 50%.
- 5.37 As set out in the 2023 Viability Update (paragraph 8.42), when considered on a per unit basis, the cost of providing Wheelchair Accessible housing (£34,964 per unit), Wheelchair Adaptable housing (£14,064 per unit) Accessible and Adaptable housing (£725 per unit).
- 5.38 The final section of this note includes a further set of appraisals, however no change is made in this regard as it is anticipated that Building Regulations will mandate M4(2) Accessible and Adaptable in the medium term.

#### *Specialist Older People's Housing*

- 5.39 The draft Plan includes a new requirement that the mix of market housing is to include 10% of total for older people on-site provision, on greenfield sites over 500 units. The policy is not specific as to how this requirement may be met. There are two alternative routes, either through the construction specialist housing schemes, such a Sheltered or Extracare housing, or through the provision of Accessible & Adaptable (M4(2)) housing or Wheelchair Adaptable (M4(3)) housing.
- 5.40 Under *Specialist Residential Accommodation Planning Advice Note* (April 2021), where specialist accommodation is not provided on site, the Council seek a sum in lieu of on-site provision on all developments of more than 100 dwellings at the rate of £457.50 per unit. The final section of this note includes a further set of appraisals, that includes this cost.
- 5.41 The delivery of specialist housing schemes was considered at the end of Chapter 10 of the 2023 Viability Update (from paragraph 10.66). The delivery of Sheltered Housing, Extracare Housing and Integrated Retirement schemes are all shown as being viable and generating a

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<sup>11</sup> Through the December 2022 consultation, a housing association commented that 70% of market value for Shared Ownership housing was a cautious approach, saying that they sometimes paid up to nearly 80% of market value (4.92).



Residual Value well in excess of the BLV, suggesting that the inclusion of such schemes into larger sites is unlikely render large sites unviable.

### *Open Space Requirements*

5.42 The Council has updated the open space requirements as follows:

- Less than 10 dwellings No provision required on site.
- 10-29 dwellings Accessible Local Open Space required increased from 19 sqm per dwellings to 22 sqm per dwelling.
- 30 dwellings or more On the greenfield sites, Accessible Local Open Space required onsite increased from 19 sqm per dwelling to 22 sqm per dwelling, plus Strategic Open Space required on-site reduced from 40 sqm per dwelling to 29 sqm per-dwelling. In addition, natural / semi natural open space of 24 sqm per dwelling increased to 43 sqm per-dwelling.

5.43 The final section of this note includes a further set of appraisals based on this updated information.

### **Regulation 18 Submissions**

6.1 Through the Regulation 18 consultation a number of submissions were made that relate to viability which are reviewed below. It is important to note that most of the comments that mentioned viability were not making comments about the 2023 Viability Update, rather the comments were about the wider plan-making process.

6.2 Several comments were made with regard to the Council's IDP. It is important to note that this has been updated and the undated figures are used in this note. Only those comments that relate to technical aspects of the 2023 Viability Assessment are addressed here.

### *Joseph Daniels of Savills for Bellway re Great Leighs*

6.3 Concern was expressed that an allowance had been made in the 2023 Viability update of £11,000 per ha for off site 'credits' for 20% BNG. This is not correct. As set out at paragraph 8.62 of the 2023 Viability Update 20% off site is anticipated to cost 150% of 10% provision. Where 10% BNG is provided on site it is expected to add about 0.1% to the build costs and where 10% BNG is provided off site it is expected to add about 0.5% to the build costs (based on the costs set out in Tables 14 to 23 *Biodiversity net gain and local nature recovery strategies – Impact Assessment*). On a large greenfield site this works out at about £25,400 per net ha – although it is important to note that the expectation is that BNG is provided on-site rather than off-site on such sites.

6.4 This site would not be subject to this requirement.

*Pegasus Group for Bloor Homes, re Land East of Main Road, Great Leighs*

- 6.5 Concern was expressed about the provision of custom and self build pots. In this regard it is important to note that this is not just about self-build units, but includes custom build, which could, for example include M4(3)b housing. The delivery of custom and self-build housing was considered from paragraph 10.57 of the 2023 Viability Update.
- 6.6 A further comment is made expressing concern about the lack of a review mechanism to allow policies to be flexed on grounds of viability.
- 6.7 This is covered in the PPG that says:

***Should viability be assessed in decision taking?***

*Where up-to-date policies have set out the contributions expected from development, planning applications that fully comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. Policy compliant in decision making means that the development fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies.*

*Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force.*

*Paragraph: 007 Reference ID: 10-007-20190509*

***How should a viability assessment be treated in decision making?***

*Where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the plan; and the applicant should provide evidence of what has changed since then.*

*The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and viability evidence underpinning the plan is up to date, and site circumstances including any changes since the plan was brought into force, and the transparency of assumptions behind evidence submitted as part of the viability assessment.*

*Any viability assessment should reflect the government's recommended approach to defining key inputs as set out in National Planning Guidance.*

*Paragraph: 008 Reference ID: 10-008-20190509*

***How should viability be reviewed during the lifetime of a project?***

*Plans should set out circumstances where review mechanisms may be appropriate, as well as clear process and terms of engagement regarding how and when viability will be reassessed over the lifetime of the development to ensure policy compliance and optimal public benefits through economic cycles. Policy compliant means development which fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies.*

*Where contributions are reduced below the requirements set out in policies to provide flexibility in the early stages of a development, there should be a clear agreement of how policy compliance can be achieved over time. As the potential risk to developers is already accounted for in the assumptions for developer return in viability assessment, realisation of risk does not in itself necessitate further viability assessment or trigger a review mechanism. Review*

*mechanisms are not a tool to protect a return to the developer, but to strengthen local authorities' ability to seek compliance with relevant policies over the lifetime of the project.*

*Paragraph: 009 Reference ID: 10-009-20190509*

*DWD for Ptarmigan Chelmsford A Ltd., Countryside L&Q (North East Chelmsford) LLP and Halley Developments Ltd re Chelmsford Garden Community*

- 6.8 Concern was raised in relation to policies seeking going to go beyond the Future Homes Standard. These are considered above.
- 6.9 Concern was raised about the 20% BNG requirements. This site would be subject to this requirement. It is assumed that this site is sufficiently large to accommodate this requirement on site. The costs are included in the updated appraisals at the end of this note.
- 6.10 Concern was raised about seeking additional Accessible and Adaptable standards. This is addressed earlier in this note.
- 6.11 Concern was raised that the viability testing in the 2023 Viability Update did not properly represent this site. The final section of this note includes a further set of appraisals based on the most recent information provided by the Council, these figures make allowance for the recycling of HIF monies.
- 6.12 Detailed viability specific comments were made by Turner Morum (dated June 2024). It is important to note that the Council have appointed Gerald Eve to consider the viability implications of this site and that Turner Morum have been, and are continuing to, engage with Gerald Eve. Turner Morum and Gerald Eve are in agreement on the majority of assumptions in the site specific CGC viability appraisal – some of which were benchmarked against the 2018 Local Plan Viability Assessment, also undertaken by HDH. Other assumptions, such as infrastructure costs have been developed through detailed research through consultants such as Arcadis and Aecom.
- a. The site-specific work is based on the lower quartile BCIS cost – adjusted as appropriate. Turner Morum stress it would be their preference to use the median costs.
  - b. Comments are made in relation to the BLV and abnormal costs. It is agreed that these need to be considered in the round, and that, landowners need an incentive to sell and an uplift over and above the EUV is required.
  - c. An alternative figure for the costs of strategic infrastructure and mitigation costs is included. At about £30,000 per unit, this is somewhat less than the figure provided by the Council (£50,000 per unit) and set out in the table above. The two figures are not directly comparable.
  - d. The application of different policy requirements may vary across the CGC due to the various different planning applications, quite rightly, being determined against the then extant policy. Particular attention is drawn to Accessible and Adaptable (M4) standards. This is agreed. It is likely that where changes are made to Building Regulations that these will be phased in over time (as was the case when Part L was updated. A cautious approach is taken – assuming M4(2) will apply to all units. Such

a requirement does not apply to the early stages of sites that are within the planning system or on site – but may apply later on.

- e. The requirement for 20% BNG was raised. It is assumed that the CGC can accommodate this on site, within the wider landscaping and open space, without impacting on the overall development capacity.

*KLW Planning for Croudace Homes re Land at Rignals Lane, Galleywood*

- 6.13 Concern was raised in relation to policies seeking going to go beyond the Future Homes Standard. These are considered above.
- 6.14 Concern was raised about the 20% BNG requirements. This site (which is not allocated) would not be subject to this requirement.
- 6.15 Concern was expressed about the provision of custom and self build plots. As set out above, the delivery of custom and self-build housing was considered from paragraph 10.57 of the 2023 Viability Update.
- 6.16 A further comment is made expressing concern about the lack of a review mechanism to allow policies to be flexed on grounds of viability. As set out above, this is covered in paragraphs 10-007-20190509, 10-008-20190509 and 10-009-20190509 of the PPG.
- 6.17 Concern was raised about the requirements in the Regulation 18 Plan that required new dwellings to meet the Building Regulations optional requirement for water efficiency of 110 LPPPD. As set out earlier in this note, the Council now plan to introduce a more stringent standard. The final section of this note includes a further set of appraisals that incorporate this updated requirement.

*Boyer for Dandara Eastern, re Land east of Pleshey Road, Ford End*

- 6.18 The importance of testing Net Zero policies was highlighted and concern was expressed about the impact on viability. This is agreed – see above.
- 6.19 Concern was raised about the 20% BNG requirements. This site would not be subject to this requirement.
- 6.20 Concern was expressed about the approach to testing viability and it was suggested that ‘that the Council accurately assesses the viability of each site as well as ensuring that there is sufficient land for off-site delivery in Chelmsford’. As per the PPG the testing in the 2023 Viability Update is based on typologies and the published costs.
- 6.21 As above, further comment is made expressing concern about the lack of a review mechanism to allow policies to be flexed on grounds of viability. As set out above, this is covered in paragraphs 10-007-20190509, 10-008-20190509 and 10-009-20190509 of the PPG.

*Kathryn Waldron of Sphere 25 for Dominus re The Meadows Shopping Centre*

- 6.22 Concerns were raised in relation to Build to Rent development, these confirmed the comments made through the technical consultation that informed the preparation of the 2023 Viability Update.

*Essex County Council*

- 6.23 A wide range of comments were made. It is important to note that CCC has now updated the IDP and these are reflected in a further set of appraisals included at the end of this note.
- 6.24 Concern was raised about the requirements in the Regulation 18 Plan that required new dwellings to meet the Building Regulations optional requirement for water efficiency of 110 LPPPD. As set out earlier in this note, the Council now plan to introduce a more stringent standard. The final section of this note includes a further set of appraisals that incorporate this updated requirement.
- 6.25 Attention was drawn to *Essex Net Zero Policy –Technical Evidence Base*. As referenced above. This note has drawn on these costs.

*Gladman re several sites including Hammonds Farm*

- 6.26 Concern was raised that the infrastructure costs used in the 2023 Viability Update were not complete / were unclear. The final section of this note includes a further set of appraisals based on the most recent information provided by the Council, these figures make allowance for the recycling of HIF monies.

*Boyer for Higgins Group, re Church Road, Ramsden Heath*

- 6.27 As above, the importance of testing Net Zero policies was highlighted and concern was expressed about the impact on viability. This is agreed – see above.
- 6.28 The importance of taking the RAMS costs was noted. As set out above, these are reflected in the 2023 Viability Update and this note.

*Boyer for Hill Residential re Land at Ongar Road, Writtle*

- 6.29 As above, the importance of testing Net Zero policies was highlighted and concern was expressed about the impact on viability. This is agreed – see above.
- 6.30 Concern was raised about the 'Livewell Development Accreditation Scheme' and that incorporating Sport England and National Design Guide Active Design principles, particularly with regard to site capacity. It is understood that allowance is made for these requirements in the net gross assumptions. See the comments on Open Space above.
- 6.31 Concern was raised about the 20% BNG requirements. This site (which is not a proposed allocation) would not be subject to this requirement.

- 6.32 The importance of taking the RAMS costs was noted. As set out above, these are reflected in the 2023 Viability Update and this note.

*DHA for Obsidian Strategic Asset Management Ltd, re Land East of Broomfield, Chelmsford*

- 6.33 Concern was raised about the 20% BNG requirements. This site (which is not a proposed allocation) would not be subject to this requirement.

- 6.34 Concern was raised about the impact that the requirements for trees may have on site capacity. It is understood that allowance is made for these requirements by the Council in the net gross assumptions.

- 6.35 Concern was raised about the Net Zero policies – see above.

*Pinnacle for Richborough re Land South of Maldon Road, Danbury*

- 6.36 Concern was raised about the Net Zero policies – see above.

*Strutt & Parker (Farms) Limited re Land at Chatham Green'*

- 6.37 Concern was raised that the infrastructure costs used in the 2023 Viability Update were not complete / were unclear. Also concern was raised that the viability testing in the 2023 Viability Update did not properly represent Hammonds Farm. The final section of this note includes a further set of appraisals based on the most recent information provided by the Council.

*Brookbanks for This Land Ltd re Land at Boreham*

- 6.38 Concern was raised that, in relation to Hammonds Farm the infrastructure costs used in the 2023 Viability Update were not complete. The final section of this note includes a further set of appraisals based on the most recent information provided by the Council, these figures make allowance for the recycling of HIF monies .

*DWD for Vistry Group re various sites including the Chelmsford Garden Community in North East Chelmsford, Beaulieu and land north of South Woodham Ferrers*

- 6.39 Concern was raised about the Net Zero policies in the context of the Written Ministerial Statement – see above.

- 6.40 Concern was raised about the 20% BNG requirements. This site would be subject to this requirement. It is understood that this side is sufficiently large to accommodate this requirement on site. The costs are included in the updated appraisals at the end of this note.

- 6.41 As above, further comment is made expressing concern about the lack of a review mechanism to allow policies to be flexed on grounds of viability. As set out above, this is covered in paragraphs 10-007-20190509, 10-008-20190509 and 10-009-20190509 of the PPG.

- 6.42 Detailed viability specific comments were made by Turner Morum, these are commented on above.

- 6.43 Concern was raised about seeking additional Accessible and Adaptable standards. This is addressed earlier in this note.
- 6.44 Concern was raised that the viability testing in the 2023 Viability Update did not properly represent some sites. The final section of this note includes a further set of appraisals based on the most recent information provided by the Council, these figures make allowance for the recycling of HIF monies.

### **Summary and Conclusions**

- 7.1 HDH Planning & Development Ltd produced the 2023 Viability Update. The study was commissioned to support the development of the new Local Plan. The report was undertaken, in line with the requirements set out in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG).
- 7.2 Since the 2023 Viability Update was completed, the costs and the values, being the main inputs into a viability assessment, have changed and several changes have been made to national policy. The Council has also refined some of the policies in the draft Local Plan. This note considers how these changes may impact on viability and whether it is necessary for the Council to fully update the viability evidence before proceeding.
- 7.3 The value of newbuild housing, and the costs of construction have both increased since the 2023 Viability Update was undertaken. The Land Registry data suggests newbuild values have increased by about 14% and analysis of the new build sales suggests an increase of 3% for flats and 7% for houses. New build asking prices have increased by about 5%. The BCIS suggests that build costs have increased by 3.8%. Values have increased more than costs, suggesting viability has improved since 2023.
- 7.4 House price forecasts and build costs forecasts suggest that house prices are likely to continue to increase at a broadly similar rate to that of build costs, providing comfort. All other things being equal, the 2023 Viability Update remains up to date and is the appropriate document to support the next stage of the plan-making process.
- 7.5 There have been a number of changes to national policy and to the draft Local Plan since the 2023 Viability Update was completed.
- 7.6 Sections 10.42 to 10.44 of the 2023 Viability Update considered the impact of changes in costs and values on the preferred set of policies, based on further appraisals that were summarised in Appendix 17 of the report. This analysis has been repeated based on the following changes.
- a) The values are increased by 5% and the construction costs to the latest BCIS costs.
  - b) Biodiversity Net Gain is assumed at 10%, other on the two garden communities (Hammonds Farm and Chelmsford Garden Community) where 20% is sought.
  - c) Allowance for a commuted sum for tree planting of £300 per dwelling is made on the brownfield sites.

- d) The Net Zero cost assumption has been updated to plus 8% to the costs of construction of houses and plus 6% to the costs of construction of flats.
- e) The cost of tightened water usage requirements has been adjusted to £2,000 per unit.
- f) The indexed rates of CIL are updated.
- g) The modelling of the strategic sites has been updated as per Table 5.3 above, including the updated estimates of IDP costs to the developer.
- h) Additional allowance is made for RAMS (£163.86 per unit).
- i) No change is made with regard to the reduction in the requirements for M4(2) Accessible and Adaptable standards from 100% to 50% of new homes, as it is anticipated that Building Regulations will mandate M4(2) Accessible and Adaptable in the medium term.
- j) On schemes of more than 100 dwellings an additional allowance is made of £457.50 per unit in lieu of on site provision of specialist older people's housing. It assumed that the strategic sites (with the exception of The Meadows, Chelmsford) make the relevant provision on-site.
- k) The modelling is updated to reflect the updated Open Space Standards set out above.

7.7 The sensitivity testing, based on the 35% affordable housing scenario, in terms of changes in values and costs has been repeated. As set out in above, development is in a period of uncertainty. Price change scenarios have been tested, from minus 20% to plus 20%. In this analysis, as set out in **Appendix 1** to this note, and are directly comparable to those presented in Appendix 17 of the 2023 Viability Update.

7.8 The results are broadly similar to those presented in the 2023 Viability Update. Having made the adjustments set out, and updated the full policy-on appraisals, the Council can continue to rely on the 2023 Viability report.

RS Drummond-Hay MRICS  
HDH Planning & Development Ltd  
8<sup>th</sup> November 2024



## Appendix 1 Sensitivity Testing based on 35% Affordable Housing

*Wider Chelmsford*

[illegible]

South Woodham Ferrers

		BCIS Value	EUV	BLV Residual Value																		
				+20%	+15%	+10%	+5%	+0%	-5%	-10%	-15%	-20%	-25%	-30%	-35%	-40%	-45%	-50%	-55%	-60%	-65%	-70%
Site 1	Large GF 300 Urban Edge	SWF	25,000	525,000	419,224	589,489	759,754	930,019	1,098,183	1,266,347	1,434,511	1,602,675	1,770,839	1,938,003	2,106,167	2,274,331	2,442,495	2,610,659	2,778,823	2,946,987	3,115,151	3,283,315
Site 2	Large GF 100 Urban Edge	SWF	25,000	525,000	251,890	439,758	627,627	815,495	1,003,364	1,191,232	1,379,100	1,566,968	1,754,836	1,942,704	2,130,572	2,318,440	2,506,308	2,694,176	2,882,044	3,069,912	3,257,780	3,445,648
Site 3	Medium GF - 40 urban edge	SWF	25,000	525,000	327,270	537,091	746,911	956,731	1,166,551	1,376,371	1,586,191	1,796,011	2,005,831	2,215,651	2,425,471	2,635,291	2,845,111	3,054,931	3,264,751	3,474,571	3,684,391	3,894,211
Site 4	Medium GF - 20 urban edge	SWF	25,000	525,000	291,681	472,017	652,353	832,689	1,013,025	1,193,361	1,373,697	1,554,033	1,734,369	1,914,705	2,095,041	2,275,377	2,455,713	2,636,049	2,816,385	2,996,721	3,177,057	3,357,393
Site 5	Medium GF - 12 urban edge	SWF	25,000	525,000	581,797	791,383	1,000,969	1,210,555	1,420,141	1,629,727	1,839,313	2,048,899	2,258,485	2,468,071	2,677,657	2,887,243	3,096,829	3,306,415	3,515,001	3,724,587	3,934,173	4,143,759
Site 6	Brownfield - 125 Urban Area	SWF	1,100,000	1,320,000	205,370	531,335	857,301	1,183,266	1,509,232	1,835,197	2,161,162	2,487,127	2,813,092	3,139,057	3,465,022	3,790,987	4,116,952	4,442,917	4,768,882	5,094,847	5,420,812	5,746,777
Site 7	Brownfield - 50 Urban Area	SWF	1,100,000	1,320,000	321,735	711,049	1,100,362	1,489,676	1,878,990	2,268,304	2,657,618	3,046,932	3,436,246	3,825,560	4,214,874	4,604,188	4,993,502	5,382,816	5,772,130	6,161,444	6,550,758	6,940,072
Site 8	Brownfield - 25 Urban Area	SWF	1,100,000	1,320,000	243,155	550,294	852,917	1,155,540	1,458,162	1,760,785	2,063,408	2,366,031	2,668,654	2,971,277	3,273,900	3,576,523	3,879,146	4,181,769	4,484,392	4,787,015	5,089,638	5,392,261
Site 9	Brownfield - 12 Urban Area	SWF	1,100,000	1,320,000	845,323	1,379,169	1,898,680	2,418,192	2,937,704	3,457,216	3,976,728	4,496,240	5,015,752	5,535,264	6,054,776	6,574,288	7,093,800	7,613,312	8,132,824	8,652,336	9,171,848	9,691,360
Site 10	Flatted BF 250	SWF	1,100,000	1,320,000	-1,320,013	-897,937	-480,547	-70,350	325,946	651,892	978,838	1,305,784	1,632,730	1,959,676	2,286,622	2,613,568	2,940,514	3,267,460	3,594,406	3,921,352	4,248,298	4,575,244
Site 12	Flatted BF 155	SWF	1,100,000	1,320,000	-1,697,472	-1,068,683	-486,799	107,173	674,433	1,348,897	2,023,361	2,697,825	3,372,289	4,046,753	4,721,217	5,395,681	6,070,145	6,744,609	7,419,073	8,093,537	8,767,001	9,441,465
Site 14	Flats BF 75	SWF	1,100,000	1,320,000	-1,507,840	-964,975	-428,701	100,776	609,603	1,219,430	1,838,260	2,457,090	3,075,920	3,694,750	4,313,580	4,932,410	5,551,240	6,170,070	6,788,900	7,407,730	8,026,560	8,645,390
Site 15	Flats BF 35	SWF	1,100,000	1,320,000	-1,761,536	-1,119,329	-485,571	140,564	753,238	1,406,502	2,063,766	2,721,030	3,378,294	4,035,558	4,692,822	5,350,086	6,007,350	6,664,614	7,321,878	7,979,142	8,636,406	9,293,670
Site 16	Flats 12	SWF	1,100,000	1,320,000	-1,723,483	-1,101,992	-487,943	118,363	724,670	1,379,977	2,035,284	2,690,591	3,345,898	4,001,205	4,656,512	5,311,819	5,967,126	6,622,433	7,277,740	7,933,047	8,588,354	9,243,661
Site 17	Small GF - 9	SWF	25,000	525,000	3,434,016	3,732,796	4,031,576	4,330,356	4,629,136	4,927,916	5,226,696	5,525,476	5,824,256	6,123,036	6,421,816	6,720,596	7,019,376	7,318,156	7,616,936	7,915,716	8,214,496	8,513,276
Site 18	Small GF - 4	SWF	25,000	525,000	3,523,110	3,847,666	4,172,221	4,496,776	4,821,331	5,145,886	5,470,441	5,794,996	6,119,551	6,444,106	6,768,661	7,093,216	7,417,771	7,742,326	8,066,881	8,391,436	8,715,991	9,040,546
Site 19	Green Plot	SWF	25,000	525,000	3,918,878	4,358,299	4,797,720	5,237,141	5,676,562	6,115,983	6,555,404	6,994,825	7,434,246	7,873,667	8,313,088	8,752,509	9,191,930	9,631,351	10,070,772	10,510,193	10,949,614	11,389,035
Site 20	Small Brown - 9	SWF	1,100,000	1,320,000	1,651,031	1,942,661	2,234,291	2,525,921	2,817,551	3,109,181	3,400,811	3,692,441	3,984,071	4,275,701	4,567,331	4,858,961	5,150,591	5,442,221	5,733,851	6,025,481	6,317,111	6,608,741
Site 21	Small Brown - 6	SWF	1,100,000	1,320,000	2,000,121	2,261,811	2,523,501	2,785,191	3,046,881	3,308,571	3,570,261	3,831,951	4,093,641	4,355,331	4,617,021	4,878,711	5,140,401	5,402,091	5,663,781	5,925,471	6,187,161	6,448,851
Site 22	Brown Plot	SWF	1,100,000	1,320,000	1,322,838	1,762,319	2,201,800	2,641,281	3,080,763	3,520,244	3,959,725	4,399,206	4,838,687	5,278,168	5,717,649	6,157,130	6,596,611	7,036,092	7,475,573	7,915,054	8,354,535	8,794,016
Site 26	North of South Woodham Fer	South Woodham Fe	25,000	250,000	193,789	301,886	409,984	518,081	626,178	734,275	842,372	950,469	1,058,566	1,166,663	1,274,760	1,382,857	1,490,954	1,599,051	1,707,148	1,815,245	1,923,342	2,031,439