Basildon Borough Local Plan
Whole Plan Viability Assessment

Final Report

For:

January 2022

Document Control Sheet

Project Name :	Basildon LP VA
Project Ref :	1 Jobs / 75a
Report Title :	Basildon Borough Local Plan Whole Plan Viability Assessment
Doc Ref :	Final Report
Date :	January 2022
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Quality Statement :	In preparing this report, the authors have acted with objectivity, impartially, without interference and with reference to all appropriate available sources of information. No performance-related or contingent fees have been agreed, and there is no known conflict of interest in advising the client group.
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Introduction

1.1 Basildon Borough Council is currently preparing an updated Local Plan following its Regulation 22 Submission, known as the Post Submission Modifications version of the Basildon Borough Local Plan (hereafter referred to as the Reg 22 Local Plan), which is to be published in early 2022. As part of the preparation of the Reg 22 Local Plan, Porter Planning Economics Ltd (PPE) has been commissioned by Basildon Borough Council to provide a high-level economic viability assessment of the emerging Reg 22 Local Plan. As such, PPE and previously Peter Brett Associates (now Stantec), have been supporting the Council in conducting high-level viability assessments of the cumulative impact of Local Plan policies at various stages of the genesis of the Local Plan. This has helped inform the local authority's decisions about the risk and balance between the policy aspirations of achieving sustainable development and the realities of economic viability that would inform the Reg 22 Local Plan that is considered in this report.

1.2 The purpose of this report is to conduct a high-level viability assessment of the cumulative impacts of the Basildon Reg 22 Local Plan policies on future planned development in the borough. This is to assess if the bulk of the planned development would be viable under full policy costs in the Reg 22 Local plan, as required by the National Planning Policy Framework 2021 (NPPF).

Previous Reports

1.3 In December 2015, Peter Brett Associates (PBA) prepared and published the Basildon Borough Draft Local Plan Whole Local Plan and CIL Viability Study (December 2015), with a specific focus on the impacts of the emerging Local Plan at that time. The viability assessment work for the Local Plan has been continuous and, through agreement with the Council in December 2017, the commission was transferred to PPE using the same personnel that has been involved in carrying out the bulk of the viability testing by PBA. PPE provided further research and prepared the following reports:

- In February 2018, the Basildon Local Plan Viability Final Report was submitted as evidence for a CIL Preliminary Draft Charging Schedule (PDCS) consultation.
- In September 2018, the Basildon Local Plan and CIL Update Addendum that focused on specific site typologies in East Basildon because the Council were considering a housing target for Bowers Gifford and North Benfleet Neighbourhood Area, which is expected to be secured through a mix of small- and large-scale site developments; and
- In December 2019, the Basildon Local Plan and CIL Reappraisals Addendum focused on addressing several points about viability that were raised through the PDCS consultation.

1.4 This continuum of work has involved regular consultations, updating of sales values, development cost assumptions and potential policy options being considered through the emerging Local Plans, until its final submission for Examination. This report brings the previous PBA and PPE work, along with new and/or updated findings into a single document, removing any reliance on the information and assumptions that are spread across the earlier reports and addendums. It also provides an update on changes in plan making, planning viability guidance and assumptions for viability assessments. As such, the previous reports should no longer be relied on for evidence since the assumptions/information that remains relevant, or have been updated, are discussed in this report.

Assessment Approach

1.5 This report has been prepared in accordance with the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG) on Viability. The report's findings are based on a proportionate 'high-level' testing of the application of planning policies to a range of hypothetical (typology) sites and a sample of strategic sites. These sites represent the future allocation of sites in the Basildon Borough area. In doing so, the viability testing approach and some of the input assumptions for, yet unknown, factors have been guided by the:

- PPG on Viability (last updated September 2019), which sets out the government's recommended approach to viability assessments for planning.
- Harman Guidance on 'Viability Testing Local Plans'[1];
- RICS Guidance on 'Assessing viability in planning under the NPPF 2021'[2]; and
- RICS professional standards and guidance on conduct and reporting[3].

Defining Local Plan Viability

1.6 PPG on Viability sets out the government's recommended approach to viability assessment for planning. Importantly, in defining viability it states that a residual land value after all costs are deducted from revenue, should be compared to:

> *"…the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements."*[4]

Testing Local Plan Viability

1.7 The development viability appraisals identify residual land values (RLV) for site typologies covering different sites and scheme types, which are likely to support the aims of the Reg 22 Local Plan. The RLV approach takes the difference between development values and costs, and compares this 'residual value' (i.e., what is left over after the cost of building the scheme is deducted from the potential sales value of the completed site/buildings) with a benchmark land value (BLV). The BLV should reflect the minimum value over and above the existing use value that a landowner would accept to bring the site to market for development (see PPG Viability definition above in **paragraph 1.6**).

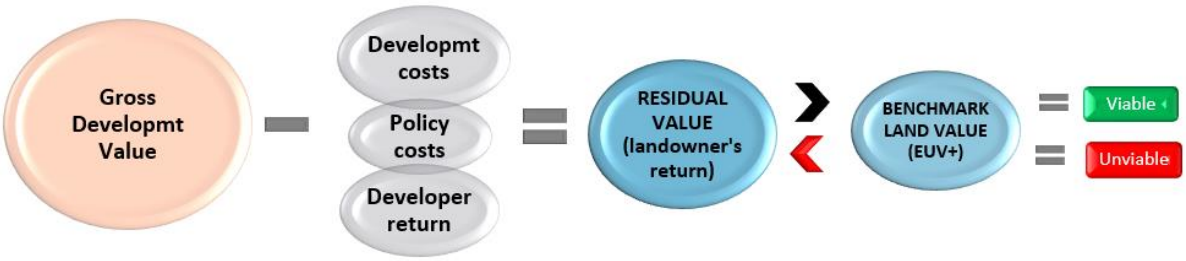
1.8 This is used to determine the balance that could be available to support the delivery of policies such as affordable housing, access standards, environmental standards, etc., against the economic reality of development in Basildon borough. The approach to assessing plan viability should recognise that it can only provide high level assurance that the policies within the plan are set in a way that is compatible with the likely economic viability. It cannot guarantee that every

[1] The Local Housing Delivery Group and chaired by Sir John Harman 'Viability Testing Local Plans' advice for planning practitioners, June 2012.
[2] RICS Guidance note, 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', March 2021
[3] RICS Professional Standards and Guidance, England, Financial viability in planning: conduct and reporting 1st edition, May 2019.
[4] Para: 013 Reference ID: 10-013-20180724

development in the plan period will be viable, only that the plan policies should be viable for most sites at the current time.

1.9 The broad method for the RLV assessment is illustrated in **Figure 1.1**. This is a standard approach, which is advocated by the PPG and RICS guidance.

Figure 1.1 Approach to residual land value assessment for Local Plan viability testing



1.10 Examples of the residual value site appraisal (excluding the cashflow breakdown) are provided in **Appendix A**.

1.11 The arithmetic of RLV appraisal is straightforward (a bespoke spreadsheet model is used for the appraisals). However, the inputs to the calculation are hard to determine for a specific site (as demonstrated by the complexity of many section 106 negotiations). The difficulties grow when making calculations that represent a typical or average site. Therefore, our viability assessments in this report are necessarily broad approximations based on a typology of sites that may only slightly reflect future delivery, and all of this considered subject to a margin of uncertainty.

1.12 It should therefore be noted that as per Professional Standards 1 of the RICS Valuation Standards – Global and UK Edition[5], the advice expressly given in the preparation for, or during negotiations or possible litigation does not form part of a formal "Red Book" valuation and should not be relied upon as such. No responsibility whatsoever is accepted to any third party who may seek to rely on the content of the report for such purposes.

Consultations

1.13 As part of this study, discussions were had with the local development industry to test the assumptions contained within this report. The Council arranged several viability workshops with the local development industry in July 2013 and July 2015 to enable PBA, who started the preparation of the viability work for the Local Plan, to test the assumptions that have informed their viability research. These workshops were attended by developers, agents and council officers with experience of the local development market and, following each workshop, the Council circulated a meeting note to the attendees inviting further comments. Little further evidence to inform the assumptions were submitted and therefore those assumptions presented at the time will have changed only because of anecdotal commentary at the workshop and/or further research covered in this report.

1.14 In preparing this final report for the Local Plan examination, a consultation questionnaire was emailed in August 2020 to eight site promotors for the potential strategic site allocations within the Basildon area, and received two completed questionnaires. A copy of the circulated questionnaire is shown in **Appendix B**.

[5] RICS (January 2014) Valuation – Professional Standards, PS1 Compliance with standards and practice statements where a written valuation is provided.

Report Structure

1.15 The rest of this report is set out as follows:

- Chapter 2 sets out the policy and legal requirements relating to Local Plan viability testing, which the assessment should comply with;
- Chapter 3 sets out the Reg 22 Local Plan policies, identifying any that may require testing for their potential impact on viability;
- Chapter 4 describes the local market and development context;
- Chapter 5 outlines the development scenarios to be tested, the site typologies and the sample of strategic sites, and the testing assumptions informing their viability assessments;
- Chapter 6 reviews the viability findings for the Reg 22 Local Plan policies; and
- Chapter 7 provides the conclusions to the whole plan viability assessment of the Basildon Borough Council's Reg 22 Local Plan.

2 National Policy Context

Introduction

2.1 This chapter considers the relevant national policy context for the viability assessment to demonstrate that Basildon's Reg 22 Local Plan is deliverable.

2.2 At a national level, this includes the National Planning Policy Framework and the Planning Practice Guidance, as well as best practice as set out in the RICS Professional Guidance Note. The key points from these various documents are summarised below. Planning policy requirements of the emerging Basildon Reg 22 Local Plan that might have a notable impact on the scheme's viability (for instance policies on housing types and standards) are separately considered in **Chapter 3** of this report.

National Framework

National Planning Policy Framework 2021 (NPPF)

2.3 The NPPF was first published in March 2012 and updated in July 2018, February 2019 and July 2021 and sets out the government's planning policies for England and how these are expected to be applied.

2.4 NPPF paragraph 8 makes very clear that sustainable development needs to be achieved in part by:

"…ensuring that sufficient land of the right types is available in the right places and at the right time to support growth"

2.5 As such, through plan-making the NPPF states in paragraph 20 that strategic policies need to:

"…set out an overall strategy for the pattern, scale and quality of development, and make sufficient provision[6] for:

a) housing (including affordable housing), employment, retail, leisure and other commercial development;…"

2.6 In supporting sustainability by maintaining deliverable sites, the NPPF is concerned with ensuring that the bulk of the development is not rendered unviable by unrealistic policy costs, as noted in paragraph 34:

"Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan."

2.7 But it is clear, in paragraph 34, that Local Plans will need to balance policy requirements with deliverability, to avoid undermining meeting the aims of the plan. Within this context under a free market, where development is largely undertaken by the private sector, the Local Planning Authority can seek to provide suitable sites to meet the demand for sustainable development. But it is not within the Authority's control to ensure delivery takes place; this will depend on the willingness of a developer to invest and a landowner to release the land.

[6] In line with the presumption in favour of sustainable development.

2.8 In preparing plans, paragraph 31 of the NPPF states that:

"The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals."

2.9 So, policies in the local plan should be tested using site viability assessments, informed by a review of local market conditions. This will enable the Council to identify viable sites, ensuring that the plan is deliverable.

2.10 The NPPF considers more closely the issue of viability at paragraph 58, which is worth noting in full:

"Where up-to-date policies have set out the contributions expected from development, planning applications that 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. 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. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available."

2.11 The statement in paragraph 58 of the NPPF raises two points of specific relevance to this assessment. Firstly, it establishes a default position that policies within up to date local plans are deliverable. Secondly, if there is a case for a policy to not apply because of delivery issues, then it must be up to the applicant to demonstrate why this is the case and it is within the discretion of the local planning authority to apply material weight to this.

2.12 Regarding the latter point, the NPPF requires any viability assessment of an application site to follow the national planning guidance on viability, which sets out some key principles of how development viability should be considered in planning practice and provides recommendations for standardised inputs. These are looked at later in this chapter.

2.13 The NPPF sets out more details relating to deliverability and viability, which vary between housing and economic uses. Therefore, these two land uses are discussed in turn below.

Housing Development

2.14 For housing land assessment, this report is seeking to comply with the NPPF paragraph 68, which states that there needs to be (our emphasis is included):

"Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability."

2.15 It is important to recognise that economic viability will be subject to economic and market variations over the Local Plan timescale. Concerning housing development, the NPPF in paragraph 68 creates the two concepts of 'deliverability' and 'developability'. In doing so the following sites need identifying:

"a) specific, deliverable sites for years one to five of the plan period; and

b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan."

2.16 So, in the shorter term, to generate more certainty by maintaining a deliverable supply of sites in meeting housing needs, the NPPF at paragraph 74 notes:

"Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement"

2.17 For the longer period of the plan, the NPPF is advising that a more flexible approach may be taken to the sites coming forward from year six onwards. These sites might not be viable now and might instead only become viable at a future point in time (e.g., when a lease for the land expires or property values improve). This recognises the impact of economic cycles and variations in values and policy changes over time.

2.18 Consequently, some sites might be identified with marginal viability, however a small change in market conditions over the Plan may make them viable. Such sites could contribute towards the Local Plan housing target in the latter period of the Plan.

Non-residential Development

2.19 Regarding economic land development, the NPPF paragraph 82 states that local planning authorities should

"…set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth…local policies for economic development and regeneration…seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment… be flexible enough to accommodate needs not anticipated in the plan…and to enable a rapid response to changes in economic circumstance."

2.20 This is quite different from housing because local authorities are expected to have only a general understanding of possible obstacles to delivery, including viability. They are not under specific requirements to predict the timing of delivery or demonstrate that sites are deliverable / developable according to precise criteria or within a given time frame. For instance, paragraph 83 notes that:

"Planning policies and decisions should recognise and address the specific locational requirements of different sectors."

2.21 This is a less demanding test than for housing. It implies that authorities should allocate sites for employment only if they expect those sites to be viable to develop (or, if already built up, viable to maintain) for employment uses. But for economic uses, unlike housing, this requirement relates to the plan period as a whole; and sites/areas should be allocated where this meets requirements but not necessarily only where it is viable to do so.

2.22 In this regard, the commercial property market works differently from the residential one, which would also make it difficult to provide evidence for viability within a plan making horizon. This is because viability assessments often suggest that speculative development for employment uses is not viable, since the open market value of the completed development would be below the cost of delivering it. The implication is that the development would not be worthwhile for an institutional investor. But for an owner-occupied or pre-let development the same scheme may well be worthwhile. This may be because the property is worth more to the business than its open market price, for example, its location or other features are an especially good match to the requirements of a particular business.

2.23 Consequently, the delivery of non-residential uses cannot be captured in a standard viability appraisal because they are specific to individual occupier businesses and individual sites. Therefore, in terms of allocating non-residential uses in the borough, planning authorities tend to rely on different evidence comprising market indicators and qualitative criteria, normally through strategic retail studies and employment land reviews.

National Policy on Affordable Housing

2.24 In informing future policy on affordable housing, it is important to understand the national policy on affordable housing. Plans should set out the contributions expected from development which include setting out the levels and types of affordable housing provision required.

2.25 It is also anticipated in national policy paragraph 65 that 10% of dwellings on appropriate sites should be for affordable home ownership (such as shared ownership intermediate housing), subject to certain conditions. Exemptions to this 10% requirement should be possible where sites:

"a) provides solely for Build to Rent homes;

b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);

c) is proposed to be developed by people who wish to build or commission their own homes; or

d) is exclusively for affordable housing, an entry-level exception site or a rural exception site."

2.26 The NPPF expects affordable housing to be delivered onsite but also accepts that in some instances, off site provision or a financial contribution of a broadly equivalent value may contribute towards creating mixed and balanced communities, as stated in paragraph 63:

"Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:

a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and

b) the agreed approach contributes to the objective of creating mixed and balanced communities."

2.27 A national requirement for the threshold is the key for when affordable housing should be sought from development. The NPPF sets a threshold for seeking affordable housing on sites with major development, which in planning terms should be from sites with 10 or more residential dwellings or sites with 6 or more dwellings in rural parishes, as noted in the NPPF paragraph 64:

"Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer).

2.28 Paragraph 64 also notes that affordable housing may not always be possible on brownfield sites, and incorporating a degree of flexibility is sensible to reflect supply side circumstances:

"To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount."

National policy on infrastructure provision

2.29 Along with meeting housing needs, the NPPF in paragraph 124 requires local planning authorities to consider the impact of infrastructure on the future delivery of the Plan so that…

"Planning policies and decisions should support development that makes efficient use of land, taking into account: …the availability and capacity of infrastructure and services – both existing and proposed – as well as their potential for further improvement"

2.30 This is specifically noted in paragraph 82, which says the local authorities should address any local infrastructure deficiencies to support development and…:

"…seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment;"

2.31 To secure the right levels of infrastructure through sustainable plan making, the NPPF sets out the requirement for Plans to secure developer contributions, as noted in paragraph 34 (covered earlier in this chapter), to balance with deliverability to avoid undermining the deliverability of the plan.

National Space Standards for Housing, March 2015

2.32 The Government 'Technical Housing Standards – Nationally Described Space Standard' (NSS) replaces the existing different space standards used by local authorities. It is not a building regulation and remains solely within the planning system as a new form of technical planning standard.

2.33 The NSS deals with the internal space of new dwellings and sets out the requirement for Gross Internal Area (GIA). GIA is defined as the total floor space measured between the internal faces of perimeter walls. The standard is organised by the number of bedrooms; the number of bed spaces; the number of storeys and provides an area for built-in storage.

2.34 NSS states that the minimum prescribed GIA:

'…will not be adequate for wheelchair housing (Category 3 homes in Part M of the Building Regulations) where additional internal area is required to accommodate increased circulation and functionality to meet the needs of wheelchair households.' [7]

2.35 The criteria for meeting accessible homes and wheelchair user homes categories, are now included within Building Regulations as Category M2 (Accessible and adaptable buildings) and Category M3 (wheelchair user liveable) dwellings.

Relevant Planning Guidance

Practice Guidance – Build to Rent (September 2018)

2.36 The PPG provides guidance on the build to rent (BtR) sector to simplify its treatment within the planning system. The PPG notes that 'affordable private rent' should be the default affordable housing on BtR schemes and that 20% affordable private rent homes should be the proportion they should set in the policy in their local plans. Should policy differ from this, then the PPG notes:

"20% is generally a suitable benchmark for the level of affordable private rent homes to be provided (and maintained in perpetuity) in any build to rent scheme. If local authorities wish to set a different proportion they should justify this using the evidence emerging from their local housing need assessment, and set the policy out in their local plan. Similarly, the guidance on viability permits developers, in exception, the opportunity to make a case seeking to differ from this benchmark."

[7] Para. 9, Technical Housing Standards, CLG (March 2015).

Practice Guidance – Viability (September 2019)

2.37 The PPG guides viability testing for plan making and decision making. The PPG reiterates the national framework's regard to plan viability evidence, highlighting the underlying principles of the need for viability in planning. Specifically, concerning this, it states:

"The role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan."[8]

2.38 In doing so, the PPG notes that this should be based on a high-level understanding of viability, as follows:

"…policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106."[9]

2.39 The whole plan viability assessment should be used to inform the Local Plan policy requirements so that the Local Plan policy requirements are

"…clear so that they can be accurately accounted for in the price paid for land."[10]

2.40 This includes providing certainty about the level of affordable housing requirements, which tend to have the largest impact on development viability. In doing so the PPG suggests that:

"…affordable housing requirements should be expressed as a single figure rather than a range. Different requirements may be set for different types or location of site or types of development."[11]

2.41 Therefore, the purpose of viability testing, in line with the NPPF, is concerned with ensuring that the bulk of the development is not rendered unviable by unrealistic policy costs.

2.42 In supporting sustainability by maintaining deliverable sites, the PPG does not state that all sites must be tested to be assured that they are viable now in order to appear in local plans. As the PPG notes:

"Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. Plan makers can use site typologies to determine viability at the plan making stage. Assessment of samples of sites may be helpful to support evidence. In some circumstances more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies".[12]

2.43 Therefore, viability testing sites can take different approaches. In defining typologies, the PPG notes that these should reflect sites:

"…that are likely to come forward for development over the plan period.

In following this process plan makers can first group sites by shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development."[13]

[8] PPG Viability Paragraph: 002 Reference ID: 10-002-20180724
[9] Ibid para: 001
[10] Ibid para: 001
[11] Ibid para: 001
[12] Ibid para: 003
[13] Ibid para: 004

2.44 A 'collaborative' approach is sought by the PPG involving both the development industry and local authorities, with transparency of evidence being encouraged where possible. Similarly, a 'consistent approach' is sought when assessing the impact of planning obligations on development viability to inform policies and decision making.

2.45 Concerning viability in decision taking, the PPG states that:

"Where up-to-date policies have set out the contributions expected from development, planning applications that 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."[14]

2.46 However, it is the planning authority that can decide whether there is a case for varying their policy requirements based on the following circumstances including:

"…whether the plan and viability evidence underpinning the plan is up to date, any change in site circumstances since the plan was brought into force, and the transparency of assumptions behind evidence submitted as part of the viability assessment."[15]

2.47 In doing so, the planning authority needs to

"…to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission."[16]

2.48 Crudely, this is suggesting that there needs to be a balance between the aims of the Plan and economic reality regarding the delivery of development. To help understand this, the PPG sets out the government's recommended approach to viability assessment for planning. Importantly, it notes that:

"Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available."[17]

2.49 In defining viability, the PPG states that a residual land value after costs are deducted from revenue, should be benchmarked on:

"…the existing use value (EUV) of the land, plus a premium … minimum return at which it is considered a reasonable landowner would be willing to sell their land…in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements."[18]

2.50 In assessing the premium to be added to an EUV, to assess the viability of the local plan, the PPG states that this should be:

"…an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. Market evidence can include benchmark land values from other viability assessments. Land transactions can be used but only as a cross check to the other evidence. Any data used should reasonably identify any adjustments necessary to reflect the cost of

[14] Ibid para: 006
[15] Ibid para: 007
[16] Ibid para: 010
[17] Ibid para: 010
[18] Ibid para: 013

policy compliance … or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners."[19]

2.51 The benchmark land values should therefore both reflect existing and anticipated policy requirements and planning obligations, and be informed by comparable market evidence, which may or may not have anticipated policy requirements. In certain circumstances, as defined in the PPG Viability (para 017), it may also be appropriate to apply alternative use values as the benchmark land value, but this should include no land value premium and should be limited to:

"…those uses which would fully comply with up to date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan."[20]

2.52 To incentivise delivery, the PPG provides guidance on the level of developer return (profit) that should be assessed within plan viability, as follows:

"*…an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing…"*[21]

Practice Guidance – Planning Obligations (September 2019)

2.53 The PPG guides planning obligations that may be relevant when viability testing for plan making and decision making.

2.54 The PPG states that where planning obligations set in the local plan apply concerning site delivery, which is to be secured through section 106 (s106), then this must meet the statutory tests set out in the Community Infrastructure Levy (CIL) Regulations 2010 and as policy tests in the NPPF. As the PPG notes,

"Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. Planning obligations may only constitute a reason for granting planning permission if they meet the tests that they are necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind."[22]

2.55 Concerning affordable housing, the PPG Planning Obligation note provides an incentive for bringing back into use brownfield sites where affordable housing may be required through the application of a Vacant Building Credit (VBC). Specifically, in relation to this, it states:

"National policy provides an incentive for brownfield development on sites containing vacant buildings. Where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace."[23]

2.56 PPG provides advice for local authorities on how to plan for new school places that are required due to housing growth, through the provision of new schools or expansions to

[19] Ibid para: 016
[20] Ibid para: 016
[21] Ibid para: 018
[22] PPG Planning Obligations Paragraph: 002 Reference ID: 23b-002-20190315
[23] Ibid para: 026

existing schools. It outlines general principles, such as that central government grants and other forms of direct funding do not negate the need for developers to mitigate the impact of development on education, and an assumption that land and funding for schools will be provided within housing developments. This is covered within PPG topic notes on Planning Obligations, which states:

"Government provides funding to local authorities for the provision of new school places, based on forecast shortfalls in school capacity.

(Government) Funding is reduced … to take account of developer contributions, to avoid double funding of new school places. Government funding and delivery programmes do not replace the requirement for developer contributions in principle.

Plan makers and local authorities for education should therefore agree the most appropriate developer funding mechanisms for education, assessing the extent to which developments should be required to mitigate their direct impacts."[24]

2.57 Also, PPG Viability notes the following points to be considered:

"It is important that costs and land requirements for education provision are known to inform site typologies and site-specific viability assessments, with an initial assumption that development will provide both funding for construction and land for new schools required onsite, commensurate with the level of education need generated by the development.

The total cumulative cost of all relevant policies should not be of a scale that will make development unviable. Local planning authorities should set out future spending priorities for developer contributions in an Infrastructure Funding Statement."[25]

2.58 As such, education contributions may need to be considered within the balance of sustainable development and economic realities, along with other local plan policy requirements.

Practice Guidance – First Homes (May 2021)

2.59 During the preparation of this study, the Government published its National Planning Practice Guidance (PPG) on First Homes, which is needed to be incorporated into any new Local Plan post December 2021. This offers major changes to the way affordable housing is provided through planning obligations. As such, these requirements only apply to affordable housing secured through section 106 agreements.

First Homes are defined as:

"a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. Specifically, First Homes are discounted market sale units which:

a) must be discounted by a minimum of 30% against the market value;

b) are sold to a person or persons meeting the First Homes eligibility criteria (see below);

c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,

[24] Ibid para: 007
[25] Ibid para: 029

d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).”[26]

2.60 This requires that liable developments set aside 25% of the total affordable housing for provision as First Homes with a minimum discount of 30% on open market value subject to a price cap of £250,000 (and £420,00 in Greater London). However, as set out in paragraph 004, local authorities and neighbourhood planning groups can set a minimum discount of either 40% or 50% if they can demonstrate a need for this based on local evidence. But the £250,000 price cap is the maximum that can be set but this can be lowered by the local authority, again, based on demonstrating a need for this.[27]

2.61 The guidance states that in such cases First Homes should be delivered first before other tenures but also ensures that social rent homes would be delivered in the same percentage as set out in the Local Plan, as noted in the following statement:

“Once a minimum of 25% of First Homes has been accounted for, social rent should be delivered in the same percentage as set out in the local plan. The remainder of the affordable housing tenures should be delivered in line with the proportions set out in the local plan policy.”[28]

2.62 CIL relief will be available for First Homes based on Regulations 49-54 of the Community Infrastructure Levy Regulations (as amended), although this is not currently relevant in Basildon where CIL charging is yet to be adopted.

2.63 The PPG specifies that First Homes needs to be incorporated into any new Local Plan, but includes a transitional arrangement for Local Plan and Neighbourhood Plans submitted for examination before 28 June 2021 or that have reached publication stage by then and subsequently submitted for examination by 28 December 2021. Since the Basildon (Reg 22) Local Plan was already submitted before 28 June 2021, it is therefore not necessary for First Homes to be included or tested as a tenure in the Local Plan.

Other Potential Planning Policy Influences

Environment Act

2.64 The Government’s Environmental Bill was given Royal Assent in December 2021, nearly three years after it first appeared in Parliament. Its purpose is to make provision about targets, plans and policies for improving the natural environment through environmental protection, including a special focus on waste and resource efficiency, air quality, water, nature and biodiversity.

2.65 One major implication of the new Act is for all new developments (with a few exceptions) to deliver a 10% net increase in biodiversity, which would have to be managed for at least 30 years. This will require developments to be assessed for the type of habitats and their conditions at the application stage, and then identifying how they will be improving biodiversity, such as through the creation of green corridors, planting more trees, forming local nature spaces or through off-site mitigations by paying a levy for habitat creation or improvement elsewhere. This will impact development densities as well as incurring direct development costs.

2.66 Also, the act requires the secretary of state for the Department for Environment, Food and Rural Affairs (DEFRA) to set long-term legally binding targets on air quality, biodiversity,

[26] PPG First Homes Paragraph: 001 Reference ID: 70-001-20210524
[27] Ibid, para: 005.
[28] Ibid para: 015

water, resource efficiency, and waste reduction. These targets must be of at least 15 years in duration, and be proposed by late 2022.

Future Homes Standards

2.67 As part of its plan to achieve 'net zero' greenhouse gas emissions by 2050, the Government is proposing to set new energy efficiency standards for new homes and extenders. It has launched a two part consultation on 'The Future Homes Standard' and published its findings and responses to the consultation in January 2021. The full details of the standard are still to be mapped out[29].

2.68 In the Interim, the Government has committed to legislation that will include a 31% reduction in Carbon in construction and make it mandatory for new homes (and other new buildings such as supermarkets and workplaces, and those undergoing large-scale renovation), to have electric vehicle charging points installed from 2022. This is soon to be enforced through changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations, which are proposed to come into force from June 2022.

2.69 A full technical specification for the Future Homes Standard will be out for consultation in 2023, with the necessary legislation introduced in 2024, to ensure new homes built from 2025 will produce 75-80% less carbon emissions than homes delivered under current regulations.

2.70 This national standard is likely to impact build costs through processes/adaptability requirements within new homes and the sizes of new homes. Also, local authorities will continue to be allowed to set higher energy efficiency standards for new homes in their area once the Future Homes Standard is published.

Raising accessibility standards for new homes - A consultation paper

2.71 The Government is currently focussing on accessibility at the heart of the design process, a published its paper for consultation in September 2020. It considers options to higher accessibility standards in new homes. This particularly focusses on the needs of suitable homes for older and disabled people based on the accessible and adaptable standard for homes (known as M4(2) in Part M of the Building Regulations) and the wheelchair user standard (known as M4(3)).

2.72 These requirements will be supported by statutory guidance in Approved Document M informing the current Part M (Access to and Use of Buildings) of the Building Regulations, which sets minimum access standards for all new buildings. The Approved Document sets out one way in which new building work, material change of use or material alterations to dwellings in most common situations should make reasonable provision for accessibility. It sets out five options that it is currently consulting on, which are:

- Option 1: Maintaining the existing use of optional technical standards impacts in the NPPF.

[29] The Government proposed changes to BR Part L and Part F is still ongoing and that nothing has yet been agreed. That is, the October 2019 consultation proposed two potential carbon reduction targets for the interim 2020 date, a cut of 20% or 31% in emissions compared with 2013 Part L. The government's preferred option at the consultation stage was for the 31% reduction. No announcements about the decisions have yet been made but a second stage consultation on building (including new homes) has just started, which ends at the end of April. The finalised version of Part L (requiring the 31% reduction) will be published in December 2021 and is proposed to come into force from June 2022, which gives the industry six months to prepare for the changes.

- Option 2: To mandate the current M4(2) requirement in Building Regulations as a minimum standard for all new homes, with M4(1) being acceptable in exceptional circumstances, and M4(3) would apply where there is a local planning policy in place in which a need has been identified and evidenced.
- Option 3: Same as option 2 but removing M4(1) altogether.
- Option 4: Same as option 2 but set a percentage of M4(3) homes to be applied in all areas.
- Option 5: Create a revised M4(1) minimum standard. This revised standard could be pitched between the existing requirements of M4(1) and M4(2), adding more accessible features into the minimum standard.

NPPF and National Model Design Code: consultation proposals

2.73 The Government announced a further consultation in January 2021, to seek views on the introduction of a new National Design Code. This has now been published alongside the updated NPPF in July 2021.

2.74 The proposed National Design Code does not necessarily add to the cost of development, but focusses on the draft National Model Design Code, which provides detailed guidance on the production of design codes, guides and policies to promote successful design good design practices.

2.75 These design principles provide a checklist of design principles to consider for new schemes for addressing wellbeing and environmental impact, and relate to street characters and building design types. This is expected to be used to inform the production of local design guides, codes and policies, so that local authorities can use the code to form their local design codes.

Planning for the Future White Paper

2.76 In November 2020, the Government published its white paper outlining proposed changes to the planning system accompanied by a consultation document, 'Changes to the current planning system'. Together, these documents propose radical changes to the current system of local plans, development management and developer contributions. However, the Department of Levelling-Up, Housing and Communities formally 'paused' work on this in September 2021, and a "White Paper 2.0" is proposed to be tabled early in 2022 that may radically revise some of the Government's intended and proposed approaches to planning.

2.77 For now, concerning the viability implications within the currently proposed, albeit paused, reforms, the following key points are noted in the White Paper.

2.78 Local plans should be subject to a 'sustainable development' test under the policy issued by the secretary of state, replacing the existing 'tests of soundness'. This single and simplified new statutory test could become less prescriptive about the need to demonstrate deliverability. For example, although the housing delivery test and the presumption in favour of sustainable development would remain, the five-year housing land supply requirement would be replaced by ensuring that there is enough land with sufficient certainty about its availability for development.

2.79 Local plans would be simplified and focus on zoning for three categories of land (into areas for growth, renewal or protection). Instead of general policies for development, the document says, local plans would have to set out site and area specific requirements for development, alongside locally-produced design codes.

2.80 The existing developer contributions system of s106 agreements and CIL would be replaced with a new single infrastructure levy. The new levy was proposed to be a nationally-set, flat rate charge and would be based on the final value (or likely sales value) of development, but recent ministerial discussions are implying that this may now be regionally or locally set charges. The intention is for the new levy to be used to capture a greater proportion of the land value uplift occurring through planning permission and through permitted development rights to enhance infrastructure delivery. But, as currently required by the NPPF, this would need to be balanced against risks to development viability.

2.81 Also, the government wants to simplify the need for testing site viability, but the White Paper introduces a range of new development economic considerations that will impact the ability of plans to pass the new 'sustainable development' test. Consequently, Local authorities may still have to understand the deliverability of these local aspirations.

2.82 The suggested key changes are likely to require primary legislation followed by secondary legislation, with the expectation for new local plans to be in place by the end of the Parliament. Consequently, with the white paper being a consultation document, the existing NPPF 2019 and related practice guidance (the relevant ones were considered earlier) should be relied on for guiding the viability testing of local plans.

Good Practice for Defining and Testing Plan Viability

The Harman Report: Local Housing Delivery Group Chaired by Sir John Harman (2012) Viability Testing Local Plans

2.83 The cross industry and CLG supported Harman Report provides detailed guidance regarding viability testing and provides practical advice for planning practitioners on developing viable Local Plans which limit delivery risk. Along with the relevant PPG on Viability, the Harman Report forms the basis for our approach in this report.

2.84 As an expansion on the PPG, the Harman Report defines viability as:

> *"An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs, and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place, and generates a land value sufficient to persuade the land owner to sell the land for the development proposed." (p.14)*

2.85 Concerning viability testing the Local Plan, the Harman Report acknowledges that this is high level to provide some assurance that the development industry will not be excessively affected by the cumulative costs of settling any planning obligations due for a scheme, therefore making projects unviable:

> *"…plan-wide test will only ever provide evidence of policies being 'broadly viable.' The assumptions that need to be made to carry out a test at plan level mean that any specific development site may still present a range of challenges that render it unviable given the policies in the Local Plan, even if those policies have passed the viability test at the plan level. This is one reason why our advice advocates a 'viability cushion' to manage these risks."*

2.86 It should be noted that the Harman Report approach to Local Plan level viability assessment does not require all sites in the plan to be viable. The Harman Report says that a site typologies approach (i.e., assessing a range of example development sites likely to come forward) to understanding plan viability is sensible. That is, whole plan viability:

> *"…does not require a detailed viability appraisal of every site anticipated to come forward over the plan period… (p.11)*

…[we suggest] rather it is to provide high level assurance that the policies within the plan are set in a way that is compatible with the likely economic viability of development needed to deliver the plan. (p.15)

A more proportionate and practical approach in which local authorities create and test a range of appropriate site typologies reflecting the mix of sites upon which the plan relies." (p.11).

2.87 The Harman Report states that the role of the typologies testing is not required to provide a precise answer as to the viability of every development likely to take place during the plan period.

"No assessment could realistically provide this level of detail…rather, [the role of the typologies testing] is to provide high level assurance that the policies within the plan are set in a way that is compatible with the likely economic viability of development needed to deliver the plan." (p.18)

2.88 The Harman Report points out the importance of minimising risk to the delivery of the plan. Risks can come from policy requirements that are either too high or too low. So, planning authorities must have regard to the risks of damaging plan delivery with excessive policy costs - but equally, they need to be aware of lowering standards to the point where the sustainable delivery of the plan is not possible. Good planning in this respect is about 'striking a balance' between the competing demands for policy and plan viability.

RICS: Assessing viability in planning under the National Planning Policy Framework 2019 for England

2.89 In April 2021, RICS published updated guidance titled 'Assessing viability in planning under the National Planning Policy Framework 2019 for England'. The guidance has been published in response to changes under the revised NPPF and updated national PPG. The guidance aims to provide clarity on certain aspects within the PPG, rather than necessarily conflict or contradict. The guidance is, however, understood to replace the original RICS guidance, 'Financial viability in planning' published in 2012, and is to guide plan making viability from late July 2021.

2.90 One area of particular focus in the new guidance is about how values are used to derive appropriate Benchmark Land Values. Consistent with the PPG, the guidance accepts that the Existing Use Plus methodology (EUV+) is the method that should be used first and foremost when testing viability for plan-making purposes. Not least, this is to address the issue of 'circularity' that RICS has identified to be a problem with basing the BLV on market prices.[30] To reduce this problem, the revised guidance introduces a five step approach. This approach advocates a thorough analysis of individual components of an appropriate land value including an existing use, a suitable premium, an alternative use, a residual valuation of a policy compliant scheme and market comparison evidence.

2.91 Further to considering an appropriate BLV based on EUV+, the guidance also notes:

"…development land value…to be a function of a residual value of the potential development of the site….once all relevant costs have been deducted."[31]

[30] Where inflated BLVs were used to reduce the levels of policy requirements, since the more a developer pays for the land, the less the contribution can be argued to be supportable. This circularity leads to a reduction of public gain since higher land prices reduce developer contributions and reduced developer contribution expectations can fuel higher land values.

[31] RICS (2021), Paragraph 2.3.7, p18.

2.92 This is the point where viability then needs to be considered based on the residual value supporting a suitable premium for a generic/typical (not a specific) landowner to become a willing seller against any other options for the site.

2.93 The guidance states that due to value over time and inherent valuation variation, then the viability assessment should undertake alternative testing that considers other economic scenarios (such as changes in the willingness of site owners to sell their land) and sensitivity testing of future values and costs based on projections. This is identified as a mandatory requirement for all FVAs in the RICS professional standards and guidance on conduct and reporting.[32]

2.94 Aside from benchmark land values, the guidance also places a greater focus on site-specific assumptions rather than standardised assumptions, and advocates a greater role of sensitivity testing of different scenarios and outcomes.

Summary

2.95 National policy emphasises the importance of deliverable plans and viability at plan making stage. To help ensure this, the NPPF requires councils to ensure that they 'do not load' policy costs onto development if it would hinder the site being developed. The key point is that policy costs will need to be balanced so as not to render a development unviable but should still be considered sustainable.

2.96 National policy emphasises the importance of deliverable plans and as such, the economic realities of planning policies, which are reviewed in the next chapter, where development viability impacts need to be assessed. As such, the economic realities of planning policies where there is a development viability impact needs to be reviewed and possibly tested before being adopted within plans. This is particularly important for housing sites where there is a requirement for housing delivery within the next five years, but non-residential development does not lend itself to the standard viability assessment that is used for housing. There are two reasons for this: firstly, the NPPF sets out specific requirements in relation to housing land supply that do not apply to other land uses. Secondly, non-residential property markets, including employment, work differently from housing markets and are considered through alternative evidence sources like employment land reviews.

2.97 Local Plan viability assessments should be informed by 'appropriate available evidence', which need not be 'fully comprehensive or exhaustive'. Associated relevant guidance helpfully introduces a range of definitions and assumptions that should be used when expressing the viability picture.

2.98 There is a raft of planning and building regulation proposals currently at consultation station or waiting for an act of parliament to give legislation/statutory enforcements for changes that potentially may affect future development viability. However, none of these are relevant to the current Local Plan that has been submitted to the Secretary of State.

2.99 The analysis and recommendations later in this report aim to meet the legal and statutory guidance requirements and to maximise achievement of the Council's priorities, using the discretion allowed by the legislation and guidance considered in this chapter.

[32] RICS (2019), op cit.

3 Local Policy Impacts on Viability

Introduction

3.1 To identify the implications of local policies on development viability covering Basildon Borough, the policy requirements within the Basildon Reg 22 Local Plan as prepared by December 2021 have been reviewed. This is to identify those policies that may have a cost implication and hence an impact on viability.

3.2 The policies have been assessed to determine whether there is likely to be a cost implication over and above that required by the market to deliver the defined development. For those policies where there will be, or could be, a cost implication, a broad assessment of the nature of the cost has been considered later in **Chapter 5** and tested in **Chapter 6** of this report.

Local Plan Policies (Reg 22)

3.3 A review of the Basildon Local Plan's (Reg22) impact on development is provided in **Table 3.1** using a 'traffic light' system. A green colour indicates the assessed policy is assumed to have no cost to the development, therefore negating a need to test; whereas red means that the policy would have some bearing on the viability of sites and should be included when assessing the potential residential sites viability.

3.4 Where a policy is amber, this indicates either no impact or a slight impact able to be addressed through design with little significance for viability. For example, policies relating to good planning principles in line with the national framework and Town and Country Planning Acts. These might cover historical landscapes, ecology, flood risks and general good layout/design considerations. As such, these policies are not considered to impose an unnecessary burden on the delivery of the Plan since all developments need to comply with such generally sound planning principles. Therefore, where such planning principles are set within local policies, and identified as amber in **Table 3.1**, there is no need to test the impact of these policies.

3.5 **Table 3.1** Viability Policy Matrix for the Basildon Reg 22 Local Plan

3.6 Key to 'policy cost implication' colour coding:

Unlikely to have any significant impact

May have an impact so needs to be considered and possibly tested

Expected to have an impact and will need to be tested

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
SD1 Strategic approach to sustainable development in Basildon Borough		Sets out the overall housing and employment need, with the target of delivering at least 20,190 homes and 20,000 jobs by 2034. It splits delivery between brownfield and Green Belt land provision. The latter includes two broad areas for housing growth, in the area to the	It is important that during the testing we use costs relating to brownfield and greenfield land. Typologies to be tested should reflect the local policy on geography/mix/type/size of units. See **Chapter 5** of this report.

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
		south of Crays Hill and the area to the south of Wickford.	
SD2 Settlement hierarchy and the distribution of growth		Sets out that the three main towns of Basildon Borough. Basildon (includes Laindon, Pitsea and Noak Bridge) will be the main area for growth, followed by Wickford and Billericay. The serviced settlement of Bowers Gifford will provide another significant area for housing, and windfall allocations will provide for some 640 dwellings (about 3% of the total)	This will be considered when forming typologies for testing future development, alongside identifying values and costs in areas that are the main locations for growth. See **Chapter 5** of this report.
SD3 Designated Neighbourhood Areas		Again, the policy gives some indication of where delivery could occur.	This will be used to inform site typologies. See **Chapter 5** of this report.
SD4 Presumption in favour of sustainable development			
E1-10 Employment policies		Sets out various policies for allocating employment uses to specific sites, the protection of 12 Existing Employment Areas, and the general support for enterprise and skills. None of these policies are likely to have a cost burden on site delivery. The exception is E10 which specifies development of employment floorspace with more than 1,000 sqm or employment sites of 1ha or more to have an Employment and Skills Plan.	Refer to the Basildon Borough Employment Land and Premises Study (ELPS) (2013). The 'Employment and Skills Plan' are likely to be achieved through a different organisational approach rather than having any significant cost on delivery, and this is considered in **Chapter 5** and tested in **Chapter 6.**
R1-to R15 Retail policies		Again, the policy gives some indication of where delivery could occur, specifically focused on Basildon Town Centre.	This will be used to inform site typologies. See **Chapter 5** of this report.
T1 to T9 Transport policies		T2 highway improvements projects listed - could impact strategic site allocations. T5 Transport Improvement Areas, listed in policy T5, could impact strategic site allocations and the amount of safeguarded land that needs to be accounted for in transport schemes. T6 Managing Congestion may require transport assessments/statements for developments with significant movements.	To be considered through the IDP. The IDP costs are considered in **Chapter 5** and tested in **Chapter 6**. Also transport assessments/statements will form part of the overall standard professional fees that are considered in **Chapter 5** and tested in **Chapter 6**.

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
T10 Electric Vehicle Charging Infrastructure Standards		Policy requires that all new residential developments (excluding use class C1 hotels and C2 residential institutions) require 1 passive charging point per unit (dwelling with dedicated parking) or where off-plot or communal parking is provided 50% of all new parking spaces should have active charging points.	This is considered in **Chapter 5** and tested in **Chapter 6**.
T11 Access for Servicing			
COM1 to COM3 Communications infrastructure policies		Seeks new forms of communications infrastructure to be rolled out early across the Borough. This includes an expectation that all new developments identify and plan for the digital telecommunications network infrastructure.	Since all or most of the communication infrastructure costs specific to a site can be transferred to a communication provider, no significant costs are anticipated beyond minor S106 contributions for any off-site works.
H1 Housing strategy and H2 Specialist accommodation for Older People and Adults with Disabilities			
H3-H4 Gypsy, Traveller and Travelling Showpeople Accommodation Strategy and New Plot Provision			
H5 Gardiners Lane South, Basildon		37ha in total, including - 790 homes - 5.5ha B-class employment - 10 Gypsy and Traveller pitches or Travelling Showpeople plots - open space provision comprising 9.9ha of sports pitches and supporting facilities, amenity open space, landscaping and drainage - 2.1ha of D1 education land for primary and early years provision	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0536 (whole site), SS0124, SS0513, SS0514, SS0528, SS0529, SS0577, SS0579 and SS0582. See **Chapter 5** of this report. A resolution to grant pp for a 15 pitch G&T site and 2 adjacent developments for 73 dwellings have been approved.
H6 Land North of Dry Street, Basildon		Including: - 725 homes - A primary school - A local centre; and - Open space.	Reflected in typologies to be tested and IDP evidence. See **Chapter 5** of this report.

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
H7 Land North of London Road, Vange		24.5ha in total, including - 650 homes - 0.069ha for education and a standalone 30 place EYCC nursery facility - 50m landscape buffers to the south-western and northern boundary, with open space provision - contributions to mitigate the impact it will have on Basildon Meadow SSSI and Langdon Hills Country Park to the west. - contribute towards improvements to the nearby A13/A176 Five Bells Interchange North and South	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0191, SS0236, part of SS0235 to the north and SS0370 to the south; and fits with Typology 9 or 10. See **Chapter 5** of this report.
H8 West of Basildon		20ha in total, including: - 300 homes - open space including a site for a 7.8ha sports hub	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0249 and SS0527; and fits with Typology 17. See **Chapter 5** of this report.
H9 Land West of Steeple View, Laindon		9ha in total, including - 245 homes - contribute towards improvements to A127 Fortune of War and/or A127 Dunton junctions - contribute to education facilities	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA site: most of SS0390; and fits with Typology 17. See **Chapter 5** of this report.
H10 Land East of Noak Bridge, Basildon		20ha in total, including - 400 homes - 2FE primary school and pre-school requirements (open space on adjacent land) - 0.069ha for education and a standalone 30 place EYCC nursery facility	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA site: SS0130; and fits with Typology 9. See **Chapter 5** of this report.
H11 East of Basildon		53ha in total including - At least 460 new homes - 2.1ha for a primary school and nursery facility, plus 10ha for a secondary school - New local centre, strategic open space - contribute towards the delivery of strategic and local highway network improvements in the East Basildon area, including Pound Lane	Tested in this report's site specific work. This is considered in **Chapter 5** and tested in **Chapter 6**.
H12 South of Wickford		29ha in total, including - 1,100 homes at 35 dph - Open space off site	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0230

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
		- Contribute to strategic and local highway network improvements in the Wickford area including A127/Cranfield Park Road junction and the Cranfield Park Road corridor - On-site pre-school and 1FE primary school	and most of SS0533; and is tested in this report's site specific work. This is considered in **Chapter 5** and tested in **Chapter 6**.
H13 Land north of Southend Rd, Shotgate		17ha in total, including: - 280 homes - Landscape buffer to the eastern boundary of the site - Open space	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA site: SS0187; and fits with Typology 37. See **Chapter 5** of this report.
H14 Land south of Barn Hall, Wickford		12.5ha in total, including - 500 homes - New open space provision on adjacent land	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0053 SS0054 and SS0164; and fits with Typology 37. See **Chapter 5** of this report.
H15 Land north of London Road, Wickford		14ha in total, including: - 300 homes - landscape buffer should be provided to the northern boundary of the site - Upgrade of existing access points to standards that meet the requirements of the Highways Authority	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites SS195, SS202, SS0550, SS0578 and SS0627; and fits with Typology 37. See **Chapter 5** of this report.
H16 Land North of Potash Road, Billericay		11ha in total, including: - 255 homes - Landscape buffers should be provided along the site boundaries - Consideration will be given to the requirements of CLH Pipeline System	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0339 and SS0580; and fits with Typology 27. See **Chapter 5** of this report.
H17 SW Billericay		95ha in total, including: - 1700 homes - 2.1ha for D1 education and childcare provision uses plus 0.13ha of land for a stand-alone 56 place early years and childcare facility - new primary school and early year and childcare provision is required to accommodate needs arising from the entire site - relocation of the cricket club and tennis club to land west of the residential allocations; - open space provision and landscape buffers	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0339 and SS0580; and is tested as a strategic site allocation. This is considered in **Chapter 5** and tested in **Chapter 6**.

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
		- new link road extending from A129 London Road to the B1007/Laindon Road/ A176/Noak Hill Road junction - Development should preserve, or where opportunities arise enhance, the character or appearance of the Billericay Conservation Area	
H18 Land South of Windmill Heights, Billericay		8ha in total, including: - 200 homes - Development should preserve, or where opportunities arise enhance, the character or appearance of the Billericay Conservation Area	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0333 and SS0669; and fits with Typology 27. See **Chapter 5** of this report.
H19 Land East of Greens Farm Lane, Billericay		12ha in total, including - 400 homes - Strategic open space - development must respect the setting of designated historic assets surrounding the site including several Grade II listed buildings.	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0012; and fits with Typology 27. See **Chapter 5** of this report.
H20 Land East of Southend Road, Billericay		9.5ha, including: - 190 homes - A Heritage Impact Assessment, which adds to the level of detail to the Council's HIA, will be required	Reflected in typologies to be tested and IDP evidence. Potentially matches with the following HELAA sites: SS0198 and SS0307; and fits with Typology 27. See **Chapter 5** of this report.
H21 Self-build Allocations		Sets out various allocations for the provision of plots for custom and self-build.	If there is demand for such units, as demonstrated by the BBC register for self and custom builders, then it is unlikely that this would represent a notable cost on development. It is also often the case that self build developers may afford a premium above the normal land value to reflect the gain from bespoke developments (and because these plots are CIL exempt, where CIL would be put in place). For these reasons, and for the intention that this appraisal is high level, the policy has been assumed as being cost neutral within Basildon borough.
H22 Housing Growth in Crays Hill		- allocates sites capable of delivering up to 69 homes	Reflected in typologies to be tested and IDP evidence. See **Chapter 5** of this report.

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
H23 The Location of Residential Development		Provides development management policy for determining the acceptability of locations for residential development. It is important that during the testing to use values for the locations where development is likely to occur.	Reflected in typologies to be tested and IDP evidence. See **Chapter 5** of this report.
H24 Applications for Gypsy and Traveller Sites and Travelling Showpeople Yards		Requires typical amenities and accessibility requirements to make development acceptable.	Reflects typical new G&T and TSP developments, so unlikely to burden future delivery in Basildon Borough.
H25 The Size and Types of Homes		Sets a housing mix requirement applied across sites with 10 or more homes, with flexibility allowed for departures in relation to urban regeneration. The mix is: (parenthesis is for affordable mix): - 40% (92%) one- and two-bed properties; - 40% (5%) three-bed properties; and - 20% (3%) 4+ bed properties Nationally Described Space Standards will be applied to all new housing All schemes of less than 600 units to provide 10% of properties to be meet Part M Category 2 of the Building Regulations. Sites of 600+ homes, to include 10% of homes as specialist accommodation for older people.	The housing mix and NDSS sizes have informed the site typologies that are considered in **Chapter 5** and tested in **Chapter 6.** The requirement for older person accommodation and M4(s) Building Regulations standards are considered in **Chapter 5** and specifically tested in **Chapter 6.**
H26 Affordable Housing Provision		Affordable housing on sites with 11 units or more = 31% A tenure split of 70:30 affordable rent to intermediate with affordable rents charged at least at 40% below market rent. Affordable houses to be tenure blind, including the same ratio of parking provision for the development as a whole.	This policy is considered in **Chapter 5** and tested in **Chapter 6**.
H27 Houses in Multiple Occupation and			

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
the Subdivision of Family Homes and H28 Maximising the Housing Stock			
DES1 to DES4 Design policies		Policy DES2 (Areas of Special Development Control): minimum plot frontages for named roads, for residential developments. Further criteria relating to the type of dwellings; position of dwellings within a plot.	While this is a restriction on development, any impact on viability is normally mitigated through early design and value clawback from better sales, hence it is only a potential impact. But nor is it possible to prescribe specific costs, so the viability test will include an uplift for externals in relation to build costs, to include all site specific designs to meet policy requirements, and potentially site mitigation cost through s106 and infrastructure planning.
DES5 High Quality Landscaping and Public Realm Design		Policy sets out a requirement for all developments to plant trees and other planting appropriate to the scale of development and space available to soften the streetscape. Proposals for new development or redevelopment of prominent sites within town centres, and for developments comprising 50 homes or more, or 1,000+ sqm in other locations, will be expected to be supported by a Public Realm Strategy and potential provide financial contributions or provisions of new or enhanced public realm and its long term maintenance.	Any impact on viability is normally mitigated through early design and value clawback from better sales, hence it is only a potential impact. There is potential for these costs to relate to site specific s106 agreements. Therefore, this policy will be reflected in the assumption for other s106 costs in **Chapter 5** and tested in **Chapter 6.**
DES6 Managing Advertisements			
HC1 to HC12 Promoting Healthy Communities and Wellbeing policies		Policy HC1 (Health and Wellbeing Strategy) requires developers to contribute towards the provision of built healthcare facilities. Policy HC2 (Strategic Approach to Leisure and Recreation) requires on site delivery or the provision of contributions towards open space, playing pitches and built leisure facilities.	There is potential for these costs to relate to site specific s106 agreements. Therefore, this policy will be reflected in the IDP cost assumptions for other s106 costs in **Chapter 5** and tested in **Chapter 6.**

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
		Policy HC3 (Strategic Approach to Education, Skills and Learning) – Requires either on site provision on some strategic sites or contributions towards school and early year provision in accordance with Essex-wide standards.	
GB1 to GB11 Green Belt policies			
CC1 to CE7 Sustainable Construction policies		All development of 500m2 or more, or new residential units should incorporate further energy efficiency improvements to the fabric of the building, or on-site renewable energy equipment which reduces the predicted emissions from the development by a further 20%, and higher level of water efficiency (110 lpppd). Non-residential developments should achieve at least 50% of the credits available for reductions in CO2 and water consumption under the relevant BREEAM scheme.	Residential development sustainable construction costs are considered in **Chapter 5** and tested in **Chapter 6**. Non-residential development BREEAM achievements can normally be achieved through soft measures that can normally be mitigated through early design, which may also generate value clawback from better sales. Therefore, BREEAM levels below 'Outstanding' or 'Excellent' are assumed to have no viability impact on the bulk of sites.
NE1 Green Infrastructure Strategy		Requires the on-site provision of green infrastructure for recreational activity and financial contribution towards Recreation Avoidance and Mitigation Strategy (RAMS) for the Essex Coast European sites should RAMS be in place by the time the LP is adopted. Development to secure a measurable net increase in biodiversity. Major developments that have the potential, either individually or cumulatively, for significant air quality impacts will be required to be at least air quality neutral.	There is potential for these costs to relate to site specific s106 agreements. Therefore, this policy will be reflected in the IDP cost assumptions for other s106 costs in **Chapter 5** and tested in **Chapter 6.**
NE2 Country Parks and NE3 Local Wildlife Sites			
NE4 Development Impacts on		Further reflects Policy NE1 and also that proposals affecting ecologically sensitive sites and designated sites should be	There is potential for these costs to relate to site specific s106 agreements. Therefore, this policy will be reflected in

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
Ecology and Biodiversity		accompanied by an ecological assessment	the IDP cost assumptions for other s106 costs in **Chapter 5** and tested in **Chapter 6.**
NE5 Development Impacts on Landscape and Landscape Features			
NE6 Pollution Control and Residential Amenity		The installation of SuDs should be incorporated in accordance with policy CC4.	There is potential for these costs to relate to site specific s106 agreements. Therefore, this policy will be reflected in the IDP cost assumptions for other s106 costs in **Chapter 5** and tested in **Chapter 6.**
NE7 Air Quality		All development should be designed and constructed to mitigate its impact on, and where possible enhance, air quality. Development proposals in close proximity to the points of NO2 exceedance will be expected to come forward only after the exceedances have been managed through measures in the up-to-date Air Quality Management Plan (AQMP). This includes design solutions, such as the use of green infrastructure. New major developments that have the potential, either individually or cumulatively, for significant air quality impacts will be required to be at least air quality neutral and be submitted with an Air Quality Assessment (AQA).	There is potential for these costs to relate to site specific s106 agreements. Therefore, this policy will be reflected in the IDP cost assumptions for other s106 costs in **Chapter 5** and tested in **Chapter 6.**
NE8 Development on Contaminated Land		Contaminated sites must be remediated so that it is fit for the proposed use.	This is not atypical to any development on sites with contamination, so as such this policy is unlikely to burden future delivery in Basildon Borough.
NE9 Ensuring Health and Safety in Development and NE10 Development of Agricultural Land			
HE1 to HE5 Historic			

Local Plan policy	Impact on viability	Details of viability implication	How to be tested
Environment policies			
IMP1 Implementation Strategy and IMP2 Use of Planning Obligations		Policy provides links to the Infrastructure Delivery Plan and CIL Charging Schedule, noting that, where appropriate, planning conditions or planning obligations will be used to secure on-site measures, and contributions towards off-site infrastructure and environmental mitigation measures. The types of infrastructure that developments may be required to provide such obligations for include, but are not limited to, the following: a. Utilities and waste b. Flood prevention and sustainable drainage measures; c. Transport; d. Community infrastructure; e. Green infrastructure; f. Climate change and energy initiatives through allowable solutions; g. Affordable housing; and h. Town centre regeneration and public realm improvements. Where appropriate, the Council will permit developers to provide the necessary infrastructure themselves rather than making financial contributions, however, financial contributions will remain necessary for some off-site measures.	Related to the viability testing of other Local Plan policies, but also these policies will inform the testing based on allowances for S106/IDP allowances, which are considered elsewhere in this table and will be considered in **Chapter 5** and tested in **Chapter 6**. Therefore, this policy is not specifically tested. . .
IMP3 Phasing of development and IMP4 Piecemeal development		Council will, in appropriate cases, limit the quantum of development before such measures have been delivered and/or set out the sequencing of development to ensure that environmental mitigation measures are secured in a timely manner, and that growth is supported by appropriate infrastructure provision.	Related to the viability testing, but the policy will not inform the testing. But it should be noted that suitable timing of development and development cashflow are considered in **Chapter 5** and will be included within the testing. In **Chapter 6**.

4 Market Overview

Introduction

4.1 This chapter provides a summary of the current development context and market conditions within the Basildon borough and surrounding south Essex authority areas. This information is used to inform the residential testing assumptions presented in the following chapter.

Residential Market Overview

National/Regional Market

4.2 The national housing market has experienced some unexpected patterns over the past few years. At the start of this period, Brexit uncertainty had left the property market "…*relatively subdued*" according to the Nationwide building society, reflecting a relatively volatile national housing market in recent years. But with the need for housing outstripping supply, there were some early signs that up to spring 2020 that the national market was going to be the busiest, with rising prices and activity, since 2016. Then the Covid-19 pandemic hit and lockdown reduced activity to a trickle before the economy rebounded when lockdown activity eased.

4.3 Consequently, the past 18 months to December 2021 has seen a surge in house prices. This has been driven to a considerable extent by high demand from buyers noted above, which has been unmatched by the number of homes on the market, as well as the Government's intervention to mitigate the lockdown and Covid-19 conditions, which included stamp duty holidays, and the low borrowing rates with the Bank of England further reducing interest rates, which have combined to led to a huge increase in demand, sales and prices. This recent growth trend is illustrated in **Figure 4.1**.

Figure 4.1 Annual change in UK house prices

Source: BBC

4.4 The influence on average price growth has been balanced by relatively small recent growth and even some negative growth, within major cities, and particularly London, along with substantially much higher than trend growth in house prices within commuting locations outside of London and other major cities, like Basildon and South Essex, and also coastal towns and hotspot rural villages. The Office for Budget Responsibility (OBR) said that this distribution reflects the "*race for space*", with City dwellers seeking more indoor and

outdoor space. Other news reports have also suggested that the result of Covid-19 has been to fasten the trend for London and other major cities' residents to live in places where there is more space, greener space, with more affordable larger properties and good access to the cities where they may travel for work but on a less regular than current basis.

4.5 Zoopla Research recently conducted a nationally representative survey of UK households. This found that as employers confirm their new working practices due to Covid-19 pandemic, more households will be reflecting on their options to move home, with 22% remaining 'eager' or 'very eager' to move home in the next 18 months.

4.6 Whilst guidance on viability dictates that decisions on costs and values must be made on current data, it is also useful to gain an understanding of likely future residential values forecast. When looking forward, market indicators and news reports are suggesting that overall market trends may become more lackluster due to a high degree of uncertainty around economic prospects still resulting from Covid-19 and because of affordability pressures. Consequently, potential buyers are increasingly less able to enter the housing market as affordability issues come to the fore.

4.7 Also, nationally the weakening in the UK's credit rating and the pound sterling against other major currencies, together with falling incomes in real terms during the Covid-19 lockdown periods, are all likely to deter potential buyers. If the Bank of England starts to raise borrowing rates it will feel like the landscape has changed. This may equally deter investors, particularly those from overseas. However, if the supply crisis remains a defining feature of the UK housing market in the years to come, then tight supply conditions will prevent prices from falling more steeply than they would have otherwise in a prolonged period of uncertainty.

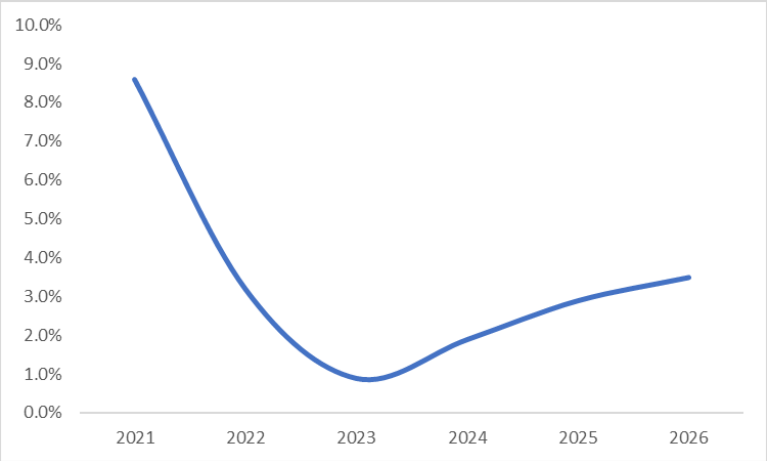
4.8 Whilst guidance on viability dictates that decisions on costs and values should be based on current data, it is also useful to gain an understanding of likely future residential values forecast. Looking forward, it is likely that overall market trends will become more lackluster, possibly reflecting uncertainty around economic prospects, affordability pressures, political uncertainty and a lack of fresh stock coming onto the market. Consequently, potential buyers are less able to enter the housing market as affordability issues come to the fore.

4.9 The housing supply crisis will remain a defining feature of the UK housing market in the years to come, with tight supply conditions likely to support prices, which has already prevented steep falls in prices than they would have otherwise in a prolonged period of uncertainty.

4.10 The latest projections of secondhand house prices prepared by Savills in their Residential Property Focus show house price growth despite the uncertainty surrounding the market. But Savills's research also points towards more growth later, albeit reduced by expectations relating to interest rate rises. While the Nationwide expects that the future growth will be influenced by the outcome of Covid-19 and following the UK's exit of the European market, which may influence investment and interest rates.

4.11 As shown in **Table 4.2**, the UK's pandemic house price boom is forecast to come to an end, especially with a potential rise in mortgage rates from record lows. But house prices over the next year and the next five years are still expected to rise. In the December 2021 Budget, the OBR predicted that house prices will go up by 8.6% this year before slowing to 3.2% in 2022, where it pretty much stays for the following year before decelerating further to 0.9% in 2023 and then rising again, ending in 2026 at 3.5% per year growth; although history shows that longer-term forecasts of house prices are more difficult to make accurately.

Table 4.2 OBR predicted UK future house price growth



Source: Office for Budget Responsibility (OBR)

4.12 The latest projections of secondhand house prices prepared by Savills in their Residential Property Focus show house price growth to slow next year as uncertainty weighs down the market. But Savills's research also points towards more growth later, albeit reduced by expectations relating to interest rate rises that may be forced to rise due to the currently growing inflation rate. While the Nationwide anticipates that future growth will be influenced by the outcome of Covid-19 and following the UK's exit from the European market, which may influence investment and interest rates. Consequently, relatively modest increases of 13.1% are expected nationally, which is about half the level experienced over the last five years. Regionally the forecast is slightly lower at 10.4%, as shown in **Figure 4.3**.

Figure 4.3 Revised five-year forecast values at December 2021

	2022	2023	2024	2025	2026	5-year
North West	4.5%	4.0%	3.5%	3.0%	2.5%	18.8%
Yorkshire and The Humber	4.5%	4.0%	3.5%	3.0%	2.5%	18.8%
Wales	4.0%	4.0%	3.5%	3.0%	2.5%	18.2%
North East	4.0%	3.5%	3.5%	3.0%	2.5%	17.6%
East Midlands	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
West Midlands	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
Scotland	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
South West	3.5%	3.0%	2.5%	2.0%	1.5%	13.1%
South East	3.0%	2.5%	2.0%	1.5%	1.0%	10.4%
East of England	3.0%	2.5%	2.0%	1.5%	1.0%	10.4%
London	2.0%	1.5%	1.0%	0.5%	0.5%	5.6%
UK	3.5%	3.0%	2.5%	2.0%	1.5%	13.1%

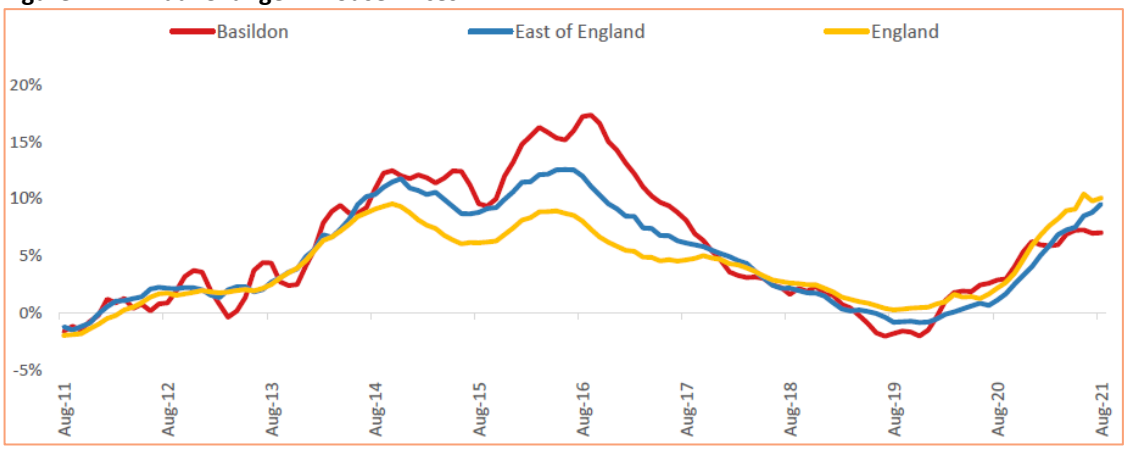
Source: Savills Residential Property Focus, December 2021

Basildon's Market

4.13 According to the Basildon Housing Market Report (October 2021)[33], a review of Land Registry recorded house prices in Basildon, shows sales values grew by 7.0% in the 12 months to August 2021 (including 6.7% in the three months to October 2021). As shown in **Figure 4.4**, by comparison national house prices grew by 10.1% and prices in the East of England grew by 9.5% over the same period, which is suggesting that the Basildon housing market is faring well but maybe not quite as well as other locations that may be benefiting more from the impacts of Covid-19 and changing working practices brought about by the Covid-19 lockdowns generating a race for space.

4.14 Yet this increase in value is and has been substantially greater than other price/value measures, including consumer price inflation. Historically, the substantial price increase has been much higher than in other areas, with Land Registry showing that Basildon house prices are now 61.7% above their previous peak in 2007, which compares to a 53.5% increase in the East of England and 43.2% across England. But, based on the already high ratio of average Basildon house prices and residents' earnings, this may increasingly risk Basildon's affordability issues. Basildon is already less affordable than most local authorities in the East of England and South East England.

Figure 4.4 Annual Change in House Prices

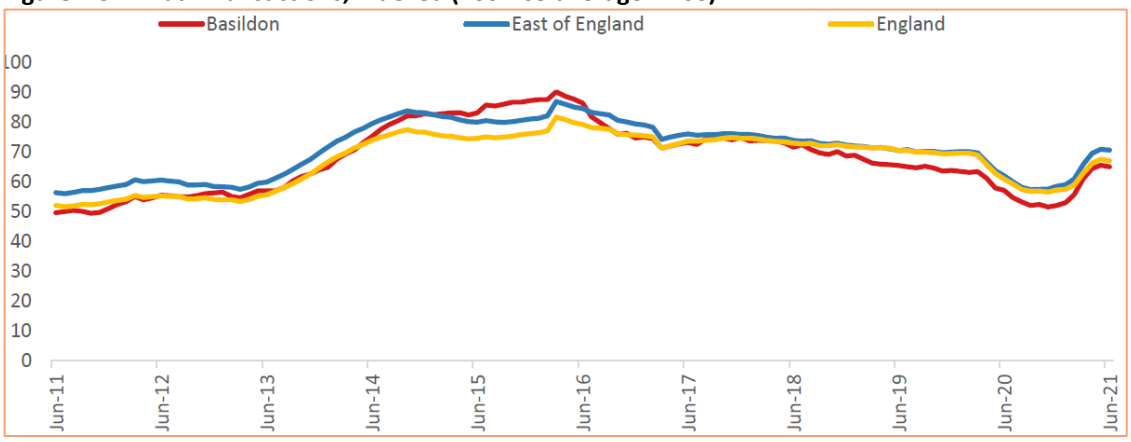


Source: Built Place October 2021, derived from Land Registry data

4.15 According to the House Market Report, there were 2,577 transactions in Basildon during the 12 months to June 2021. As shown in **Figure 4.5**, this is only slightly below pre-downturn levels.

[33] Prepared by Built Place.

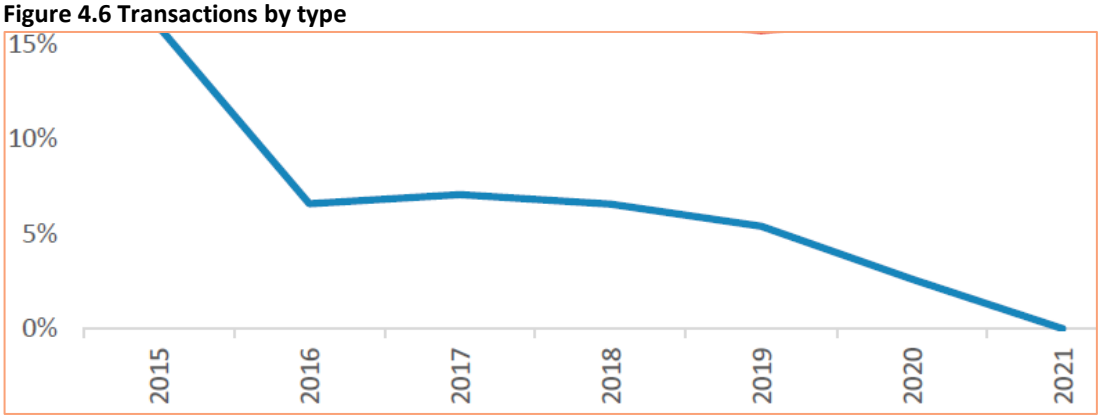
Figure 4.5 Annual Transactions, Indexed (2001-05 average = 100)



Source: Built Place derived from Land Registry data

4.16 Historically, recent new builds in Basildon account for a very small proportion of transactions. As shown in **Figure 4.6**, in 2020 only 4.8% of all transactions were in new builds. None are yet showing in 2021, but this is because the latest data on new build sales is strongly affected by the 'Land Registry Lag', so should be treated with caution.

Figure 4.6 Transactions by type



Source: Built Place derived from Land Registry data

Development Sales Values

4.17 Land Registry data is useful in providing the average sales value of residential properties but this alone does not record or reflect the size of the sold properties and therefore does not provide a comparable per square metre (psm) sales value. For instance, it would be reasonable to assume that, with all things being equal, larger properties attract higher values than smaller ones. It is also reasonable to assume that property sizes are likely to be larger, in general, in rural areas compared to their urban counterparts. Therefore, to provide a better comparison, it is important to gain an understanding of likely sales values on a per square metre basis.

4.18 By using Land Registry data of new properties and obtaining the corresponding floorspace for each property from their Energy Performance Certificate (EPC), it is possible to derive an achieved per square metre[34] sales value. In doing so, 285 new build residential sales transactions (which are shown in **Appendix C**) and 7,261 existing (or secondhand) property transactions sold between January 2018 to July 2021 were matchable.

[34] Based on the net internal floorspace of flats and the gross internal floorspace of houses.

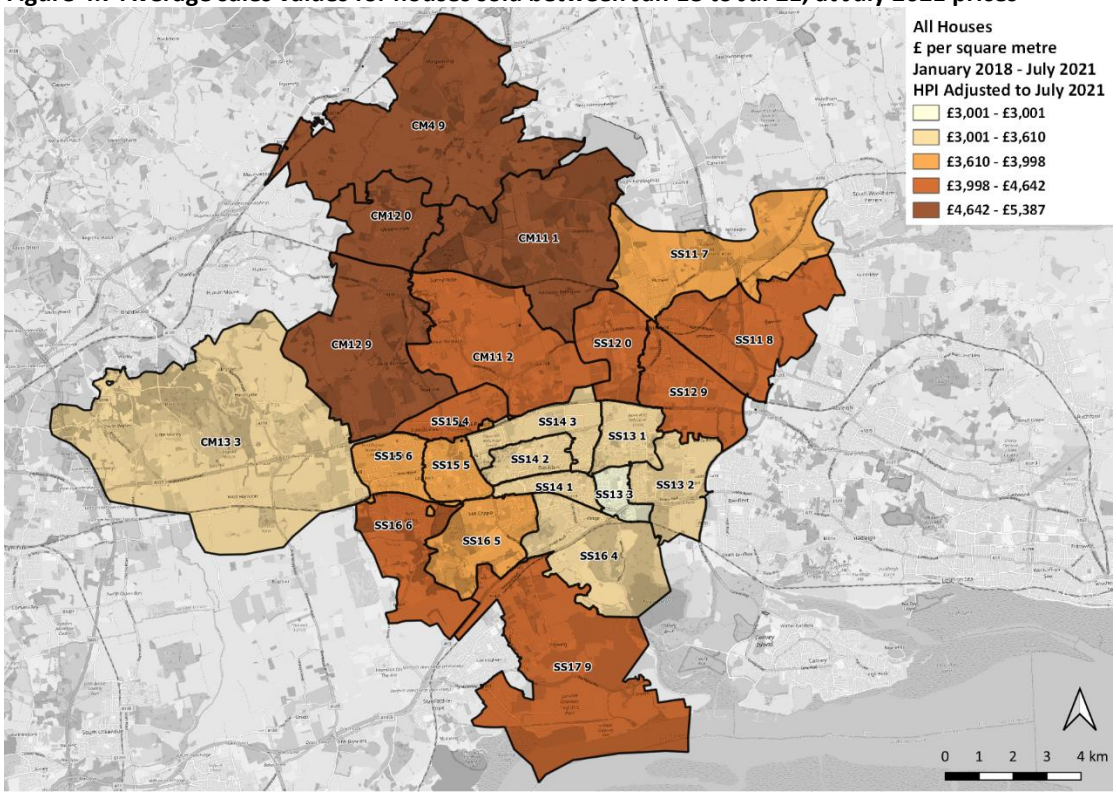
4.19 Since these sales transactions are taken from the past few years when sales prices were changing, they may not reflect the current values within the Basildon area. Therefore, the sale price for each transaction has been indexed from the date they were sold to July 2021 values using the latest available (at the time of this report) Land Registry House Price Index (HPI).

4.20 These values have been mapped and averaged into Basildon's postcode sector areas to form 'heat maps', which are shown in **Figure 4.7** for all houses, **Figure 4.8** for new build houses, **Figure 4.9** for all flats, and **Figure 4.10** for new build flats. These show the large transaction and price differentials between parts of Basildon, Billericay and Wickford throughout the borough, and large differentials between the value of houses and flats.

4.21 Understanding different sales value is important for Plan testing, since clearly defined locations where there are significantly different sales values could necessitate a requirement for different policies. Certainly, the heat maps show clear differences in broad value areas, with areas to the north of the A127 doing far better than the south. There are, perhaps to a lesser extent, higher values in the west compared to the east, however Wickford is generally achieving higher values than Basildon Town. In terms of the key settlement areas, according to each of the maps, Billericay and its surrounding areas demonstrate the highest values, followed by Wickford and its surrounding area and then Basildon Town, with the west fairing slightly better than the town centre and East side of the town.

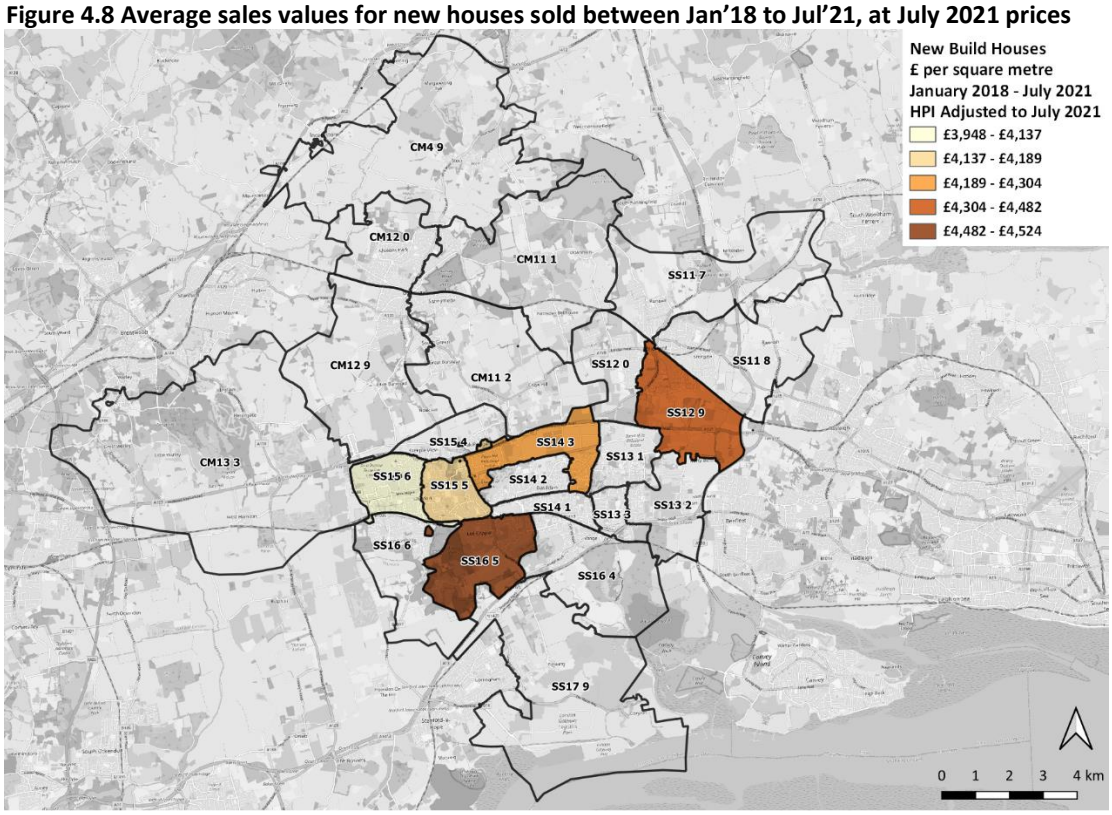
4.22 These value zones will provide part of the basis for constructing site 'typologies' by different values areas in the next chapter.

Figure 4.7 Average sales values for houses sold between Jan'18 to Jul'21, at July 2021 prices



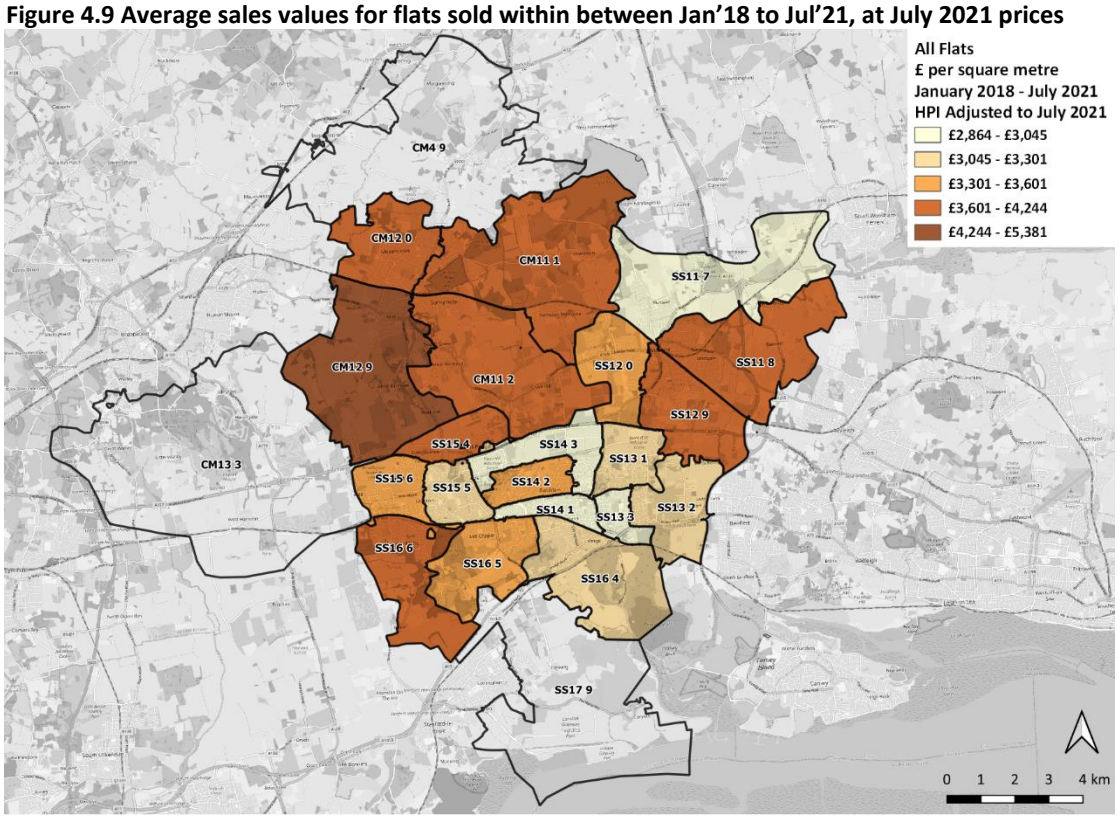
Source: Derived from Land Registry and EPC data

Figure 4.8 Average sales values for new houses sold between Jan'18 to Jul'21, at July 2021 prices



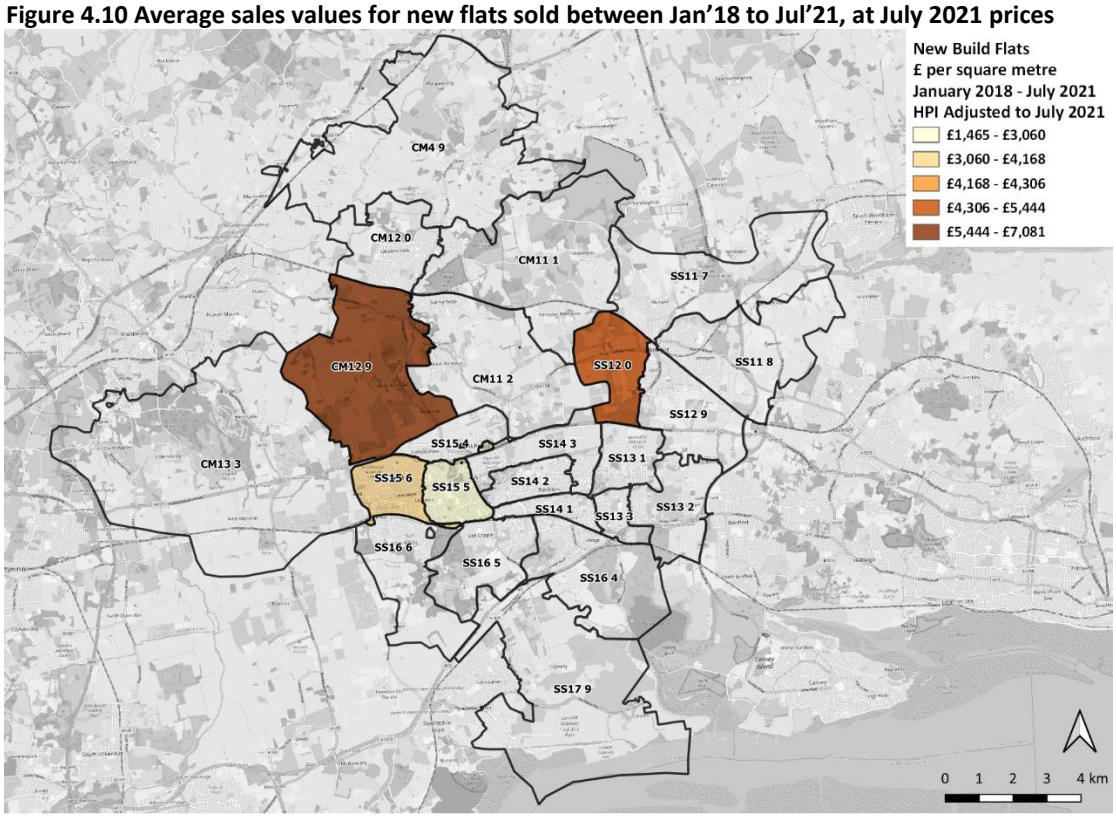
Source: Derived from Land Registry and EPC data

Figure 4.9 Average sales values for flats sold within between Jan'18 to Jul'21, at July 2021 prices



Source: Derived from Land Registry and EPC data

Figure 4.10 Average sales values for new flats sold between Jan'18 to Jul'21, at July 2021 prices



Source: Derived from Land Registry and EPC data

4.23 The magnitude and noticeable pattern of sales value differences across the borough, and the average price differentials for all houses and all flats, and new houses and new flats between the four distinct values areas are summarised in **Table 4.1**.

Table 4.1 Average residential sales value per sqm by sales value area at July 2021

Value area	Category	# transactions*		Average £psm value	
		House	Flat	House	Flat
Basildon Town and East Basildon	All	1,698	362	£3,333	£3,123
	New build only	27	n/a	£4,114	n/a
West Basildon	All	1,920	422	£3,946	£3,464
	New build only	254	19	£4,281	£3,748
Wickford	All	1,284	166	£4,192	£3,619
	New build only	4	2	£4,435	£4,352
Billericay	All	1,578	154	£4,818	£4,510
	New build only	n/a**	18	n/a**	£6,787

* Transactions sold between Jan'18 to Jul'21

**Owing to just one new build record, it would not be reliable to report its value as suitable evidence.

Source: Derived from Land Registry and EPC data.

4.24 It is noticeable that there are relative few new build transactions for flats, and especially for flats within the Basildon Town Centre Regeneration area where a substantial amount of future homes is proposed in the Reg 22 Local Plan as part of the aspiration within the Reg 22 Local Plan is for the regeneration of Basildon Town Centre, which is a major retail centre that is under threat from online shopping, out of centre retail parks (Basildon has four) and falling footfall. As part of the ambition for change, to improve vitality and vibrancy, is the prospect

of bringing more leisure and residential anchors, and making changes in the public realm to develop Basildon Town Centre as a destination.

4.25 As such, this area has been a specific consideration in terms of achievable rents and costs through the redevelopment of 13 viability tested sites by property experts Cushman and Wakefield. Cushman & Wakefield identified values and costs that would best reflect the potential for flatted mixed use developments along with substantial public realm improvements in Basildon Town Centre. As such, this study reviews the implications of the Reg 22 Local Plan policies on the Basildon Town Centre Regeneration typologies using the sales values of £385 psf (£4,150 psm) identified in Cushman & Wakefield's Development Appraisal Report[35].

Build to Rent Market (BtR)

4.26 Within Basildon Town Centre there is the prospect for supporting the build to rent sector through redevelopment, allowing flatted schemes above ground floor commercial uses. The expectation is that this would help improve vibrancy and viability for development while also providing affordable accommodation for residents that are not able to afford to purchase their own properties.

4.27 Cushman & Wakefield, who are advising the Council on the regeneration of Basildon Town Centre, identify that the BtR market has seen a strong growth away from familiar locations. While Basildon Town Centre may not offer the high quality type of retail and leisure place that is often sought by BtR investors, the ongoing town centre regeneration, including the arrival of Empire Cinemas plus six restaurants, coupled with the existing rail connectivity to London, may support its future delivery.

4.28 An example of a BtR scheme is Trafford House in Basildon, although this was based on an office conversion rather than a new build. At the current time, a one bed flat in this block is being marketed to rent for £850 per month. For a two bed, this is likely to increase to £1,000 per month. Research in 2019 by Knight Frank[36] identifies a net yield of 4% BtR accommodation, although given the current Basildon market for BtR after allowances for management and maintenance, the yield is likely to be less keen. The Cushman & Wakefield study[37] identifies a suitable rental level for BtRs in the Basildon Town Centre Regeneration area to be £23 psf (£250 psm), with a yield of 4.25%.

4.29 The profit on BtRs, which are likely to be undertaken by national investors like pension companies, are likely to require lower profit returns than the usual house building companies. At this time, it is unknown what the profit return for BtRs in Basildon would typically be but the Cushman & Wakefield study identifies a suitable profit level of 15% for this type of development in the Basildon Town Centre Regeneration area.

4.30 The demand for rented properties is still outstripping supply, putting upward pressure on prices. According to Zoopla Research, private sector rents outside of London were up by 6%, marking a 14-year high,[38] which is likely to be reflected in the Build to Rent housing market. Savills' latest projections of rental levels in their Residential Property Focus show house rental values to experience value growth that is likely to be above forecast average price inflation and also income inflation. Nationally the forecast rental growth over the five years is forecast to be 19.9%, as shown in **Figure 4.10**, which is substantially higher than the 13.1%

[35] Cushman & Wakefield, Basildon Town Centre Regeneration Study (Nov 2021) on behalf of Basildon Borough Council.
[36] https://content.knightfrank.com/research/707/documents/en/the-uk-tenant-survey-2019-6118.pdf
[37] Cushman & Wakefield, Op Cit.
[38] Sourced online from: https://www.bbc.co.uk/news/business-59296839

forecast for the UK house prices shown in **Figure 4.3** above. Household income will be the main constraint on rental growth.

Figure 4.10 Five-year rental value forecasts at December 2021

	2022	2023	2024	2025	2026	5-year
UK rental growth	5.5%	3.7%	3.2%	3.2%	3.0%	19.9%
London rental growth	6.5%	4.0%	3.5%	3.5%	3.0%	22.2%
UK excluding London rental growth	5.0%	3.5%	3.0%	3.0%	3.0%	18.8%
UK income growth	3.9%	3.5%	3.1%	3.1%	3.0%	17.6%

Source: Savills Residential Property Focus, December 2021

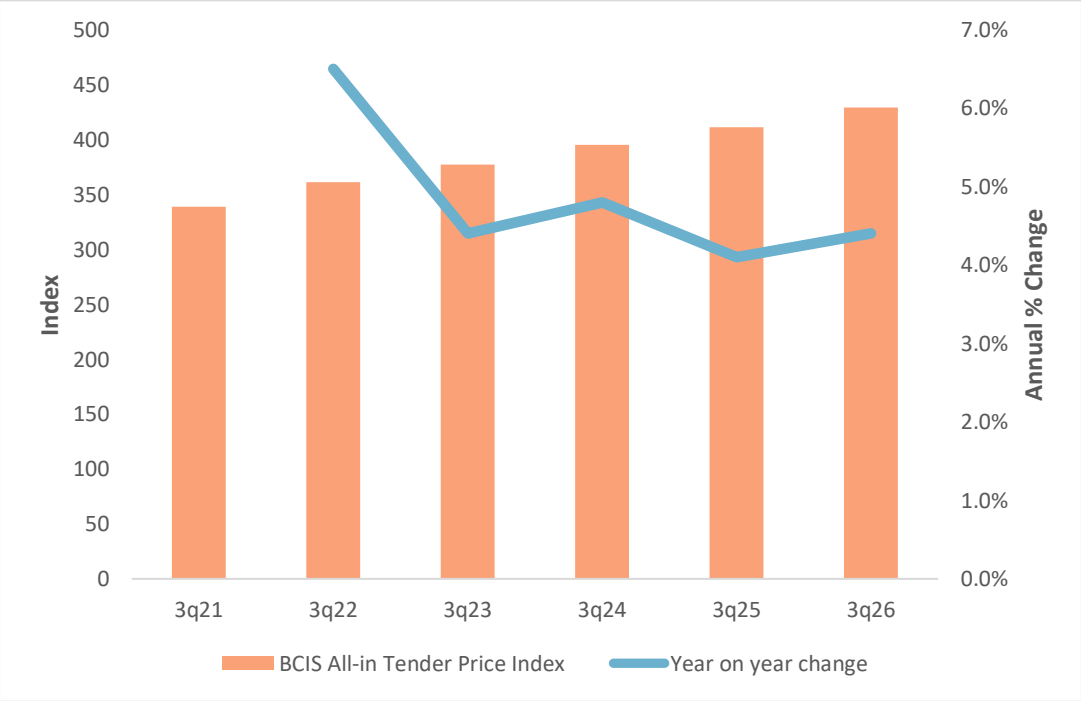
Build Costs

4.31 Owing to the recent shortage of materials and labour (supply side) in the construction industry, recent media coverage and feedback from developers is for development build costs to be experiencing substantially above inflationary price increases. As such, sensitivities should be examined to test the effects of build cost price increases.

4.32 The latest projections of build costs are obtained from the Build Cost Information Service (BCIS), which is published by the Royal Institution of Chartered Surveyors (RICS). These are shown in **Figure 4.11**, which provides a national-level forecast of potential changes to build costs over the next 5 years.

4.33 The All in Tender Price Index, provided by BCIS, estimates a significant increase of 26.6% over the next five years. **Figure 4.11** also indicates that the largest year-on-year increase is likely to be experienced in the year to the 3rd quarter 2022.

Table 4.2 BCIS Build cost forecasts



Source: BCIS

Land Values

4.34 Residential development within Basildon is anticipated, and planned, to come forward on a variety of land types. As such, the value of land within Basildon will potentially have an impact on future delivery of sites within Basildon.

4.35 It is rare for residential development to come forward on sites where there is already residential use. This impart reflects the longevity of residential land uses and the cost of redeveloping existing residential sites. Therefore, residential development within Basildon tends to come forward on two types of land:

- Greenfield, which at its highest existing use value will be in productive agricultural use. Such land is normally unlikely to be serviced by major roads or strategic utilities.
- Brownfield, which is likely to be land previously used for commercial activities such as industrial uses where there has been a shrinkage of land take during the recent past. Such land is normally dilapidated and likely to incur additional treatment and/or demolition costs.

4.36 To understand the value of these sites in their existing uses, data on land transactions have been obtained from EGi[39] at December 2021.

Greenfield Land

4.37 The EGi database lists just one transaction showing the asking price for agricultural land use in Basildon in 2011 for just over £25,000 per hectare. After expanding this area and selecting more recent transactions, two additional land transaction asking prices can be found for agricultural use in Essex. These transactions, which are shown in **Table 4.2**, would suggest that existing use agricultural greenfield land sells at around £23,000 per hectare.

Table 4.2 Agricultural land value transactions

Area	Location	Ha	Primary use	Date	Asking price	£ per ha
Basildon	Buttsbury Lodge Farm, Ingatestone, CM4 9PJ	19.09	Land - Farm	01/10/2011	£480,000	£25,139
Essex	Lot 2, Land At New House Farm, Saffron Walden, CB10 2LX	2.00	Land - Farm	09/10/2019	£45,000	£22,555
Essex	Lot 1, Land At New House Farm, Saffron Walden, CB10 2LX	14.94	Land - Farm	24/05/2019	£295,000	£19,749
Total		**36.0**			**£820,000**	**£22,761**

Source: EGi data

Brownfield Land

4.38 Market evidence for commercial land sales using the EGi commercial database finds sites that have been bought or advertised for sale within Basildon borough, although there are only four recorded transactions in Basildon, and none of them are recent. Therefore, the sample has been expanded to cover the wider Essex area, which are all shown in **Table 4.3**. These transactions have occurred over a range of years and at a wide range of values. Based on these values, the average existing use value of brownfield industrial land is about £530,000 per hectare.

[39] A subscription property database, with a stated 80% to 90% coverage of nationally advertised transactions.

Table 4.3 Commercial land value transactions

Area	Location	Ha	Primary use	Date	Price (£)	£ per ha
Basildon	Land At, Thomasin Road, Basildon, SS13 1LG	0.21	Land - Land	01/02/2015	£400,000	£1,938,039
Basildon	Yard, Burnt Mills Industrial Estate, Archers Fields, Basildon, SS13 1DN	0.04	Land - Land	01/02/2014	£99,000*	£2,446,290
Basildon	The Bull Inn, London Road, Basildon, SS13 2DD	1.62	Land - Land	28/06/2013	£380,000	£234,745
Basildon	Land At, Windsor Road, Basildon, SS13 2LH	0.16	Land - Commercial Land	30/05/2012	£45,000	£277,988
Essex	Site, 2-4 Cromer Road, Southend-on-Sea, SS1 2DU	0.02	Land - Land Area	08/07/2020	£90,000	£4,912,428
Essex	Creeksea Ferry Inn, Wallasea Island, Rochford, SS4 2EY	0.04	Land - Land Area	08/04/2020	£390,000	£9,460,973
Essex	Land On South Side Of, The Causeway, Ridgewell, East Of England, CO9	1.52	Land - Commercial Land	25/03/2020	£82,000	£54,033
Essex	Oak Road,Tiptree,CO5 0NF	1.62	Land - Land	23/12/2019	£225,000	£138,994
Essex	Land in Chapel Road, Ridgewell, CO9 4RU	0.45	Land - Land	01/11/2019	£46,000	£103,333
Essex	1-3, FIRST AVENUE, WESTCLIFF-ON-SEA, SS0 8HS	0.18	Land - Land	30/08/2019	£1,400,000	£7,753,613
Essex	Land Southwest, Lonsdale Road, Thorpe Le Soken, CO16 0LF	0.08	Land - Land	28/06/2019	£164,000	£1,970,137
Essex	Land Adj New Garrison Road, Shoeburyness SS3 9BT	0.21	Land - Land	14/06/2019	£600,000	£2,845,024
Essex	575 London Road & 2 Electric Avenue, Westcliff, SS0 9NQ	0.03	Land - Land	21/05/2019	£555,000	£18,691,615
Essex	Carier Business Park, East Street, Braintree, CM7 3JW	2.43	Land - Land	20/02/2019	£3,052,500	£1,257,121
Essex	Land at Fowler Road, Land To The North Of, Oakwood Business Park, Clacton-On-Sea, CO15 4TL	0.14	Land - Land	19/08/2018	£130,000	£917,800
Essex	Land, Land At, Shore Road/Whinfield Lane, Carrickfergus, BT38 8TU	3.17	Land - Land	15/07/2018	£400,000	£126,071
Essex	Land, Land Adjacent To Marks Tey Station, North Lane, Colchester, CO6 1EG	5.16	Land - Land	12/07/2018	£350,000	£67,831
Essex	Quinto Crane & Plant Hire Depot, Former Quinto Yard, Drakes Lane, Chelmsford, CM3 3BE	0.10	Land - Land	29/06/2018	£340,000	£3,360,560

Area	Location	Ha	Primary use	Date	Price (£)	£ per ha
Essex	3-7, Coxtie Green Road, Brentwood, CM14 5PN	0.64	Land - Land	19/06/2018	£2,250,000	£3,518,829
Essex	Land At, Stortford Road, Dunmow, CM6 1SG	3.44	Land - Land	01/06/2018	£1,500,000	£436,059
Essex	British Gas Site, Wharf Road, Chelmsford, CM 6LU	2.19	Land - Land	30/04/2018	£2,500,000	£1,141,666
Essex	Land On East Side Of, Morses Lane, Brightlingsea, CO7 0SD	5.67	Land - Land	04/04/2018	£165,000	£29,123
Essex	Former Arena Site, Circular Road East, Colchester, CO2 7SZ	1.62	Land - Land	28/02/2018	£3,500,000	£2,162,150
Essex	Open Storage Land, Springwood Industrial Estate, Springwood Court, Springwood Drive, Braintree, CM7 2GB	0.20	Land - Land	15/12/2017	£250,000*	£1,239,484
Essex	Units 12-50, Springwood Industrial Estate, Warner Drive, Braintree, CM7 2YW	0.56	Land - Land	17/10/2017	£2,080,000	£3,724,406
Essex	Land At, Grange Road, Colchester, CO5 0UH	0.33	Land - Land	25/04/2017	£300,000	£904,024
Essex	Seven Saints Farm, Severalls Lane, Colchester, CO4 5JB	13.35	Land - Land	28/11/2016	£1,300,000	£97,342
Essex	Ground, Land Off, Dunmow Road, Dunmow, CM6 3LD	3.16	Land - Land	01/11/2016	£225,000	£71,279
Essex	Lot 2, Land Adjoining, A414, Chelmsford, CM1 3NT	1.36	Land - Land	15/10/2016	£80,000	£58,659
Essex	Development land, Development Land, Hastingwood Road, Harlow, CM17 9JT	0.30	Land - Land	20/09/2016	£920,000	£3,031,093
Essex	Lot 1, Land Adjoining, A414, Chelmsford, CM1 3NT	0.78	Land - Land	15/08/2016	£45,000	£57,614
Essex	Development Site, Hallsford Bridge Industrial Estate, Ongar Road, Ongar, CM5 9RX	0.40	Land - Land	15/08/2016	£537,789	£1,328,877
Essex	Land At, Fairfax Drive, Westcliff-On-Sea, SS0 9AG	0.57	Land - Land	29/06/2016	£2,800,000	£4,906,950
Total		**51.8**			**£26,852,289**	**£525,553**

*Asking price
Source: EGi data

Stakeholder Feedback

4.39 Consultations with local estate agents who are active in Basildon borough and its three towns, and with Cushman & Wakefield, who are planning and property agents advising the Council on the Basildon Town Centre regeneration, note the following regarding current market conditions:

- Larger residential developments in Basildon tend to be on greenfield sites towards the outskirts of Basildon town, that become part of the existing housing stock. Smaller schemes tend to deliver on brownfield land or a mix of brownfield and greenfield surplus community land.
- Generally, most new build housing in Basildon is typically large, achieving greater on average more than 100 sqm in size. Few schemes include flats, with the exception to this being through permitted office to residential conversions, where several such developments have occurred with the relaxation of planning rules towards PD rights.
- The lack of flatted developments in Basildon may partly reflect the affordability of larger detached and semi-detached houses on the outskirts of town.
- Higher priced properties are found in Billericay rather than in Basildon Town or Wickford, with Basildon Town generally being the cheapest.
- Highest property values in Billericay are near the high street and rail station due to its role as a commuter town.
- Highest property values in Basildon Town are in the Langdon Hills area (West Basildon) in which properties are generally newer.
- In general, property prices across the borough have been rising in recent months with an increasing proportion of properties achieving their asking price and being sold more quickly.
- Owing to the shortage in housing supply many sellers have been successful in increasing their prices and achieving a sale.
- There are opportunities for Basildon, with its good and fast train links into East and Central London and its relative affordability, to be a strong location for London residents seeking to move outside of the city.
- Basildon Town, with its underperforming town centre, may be a slight discouragement to future occupiers moving in but the proposed regeneration of this area should mitigate and enhance its other factors to make it a good location for new high quality developments, including investment in the build to rent market.
- With regeneration, there is scope to secure higher values for flatted developments in the town centre and close to Basildon train station.
- Benchmark land values for Basildon should be £840,000 per net hectare.

5 Viability Assumptions

Introduction

5.1 It is not always possible to get a perfect fit between a site, the site profile and cost/revenue categories for every site likely to come forward within the Local Plan. So, in line with national guidance, a best fit approach is used by testing typologies that reflect sites within the Reg 22 Local Plan and generic development assumptions relevant to the local Basildon Borough area.

5.2 The viability testing is for whole plan purposes and not for individual site viability assessments, so generic assumptions have been tested. This includes a series of assumptions about site typologies, the site coverage and floorspace mix to generate an overall sales turnover and value of land, which along with values and costs assumptions, are discussed in this chapter.

5.3 Assumptions have been informed by the work undertaken by PBA in their December 2017 report along with updates by PPE in this report. Additionally, PBA consulted with the development industry to check and challenge the appropriateness and suitability of these assumptions based on their own evidence. PPE has also undertaken written consultation with strategic site promoters using a site information pro-forma, which is shown in **Appendix B**.

Residential Development Viability Assumptions

Site Typologies

5.4 As identified earlier in **Chapter 2**, the national guidance PPG for viability testing does not state that all sites must be tested to be assured that they are viable now to appear in Local Plans and viability testing sites can take different approaches. This section aims to formulate a list of typologies, or hypothetical developments, which are likely to be brought forward in the plan period and assign them to broad locations within Basildon Borough.

5.5 The PPG Viability notes that it is sufficient to viability test typologies that reflect the nature of sites and type of development proposed for allocation in the plan and, where relevant, specific key sites. This is because the typologies have hypothetical characteristics of known developments sites that allow the study to deal efficiently with the extremely high level of detail that would otherwise be generated by an attempt to viability test every site. This approach is also acknowledged in the Harman Report states that the role of the typologies testing is not required to provide a precise answer as to the viability of every development likely to take place during the plan period:

> *"No assessment could realistically provide this level of detail…rather, [the role of the typologies testing] is to provide high level assurance that the policies within the plan are set in a way that is compatible with the likely economic viability of development needed to deliver the plan."*[40]

5.6 Although determined by the characteristics of known developments sites, most of the typologies are hypothetical, which allows the study to deal efficiently with the very high level of detail that would otherwise be generated by an attempt to viability test each site. Indeed, the Harman Report also acknowledges that a:

[40] Local Housing Delivery Group (2012), op cit (para 15).

"…plan-wide test will only ever provide evidence of policies being 'broadly viable."[41]

5.7 The starting point is understanding where development is likely to take place. After consultation with the Council during earlier Local Plan viability testing, and by reviewing the most recently assessed SHLAA sites (2020), this study sets out the broad typologies to test future site viability in this study, as shown in **Table 5.1**. This includes testing different sized schemes by different land types in different value area locations. It should be noted here that sites typologies within Basildon Town and East Basildon are expected to have similar market conditions, but the main difference is in the types of sites being planned to come forward with Basildon Town being largely brownfield sites and East Basildon sites being greenfield sites that are reflected in the Bowers Gifford & North Benfleet Neighbourhood Plan (Draft Pre-Submission Sept 2020). Whereas sites in West Basildon, Wickford and Billericay offer notably different achievable average sales values, and tend to be a mix of brownfield and greenfield sites.

5.8 The sites include several typologies that relate to the Council's more recent plans for regenerating the town centre. The Basildon Town Centre Market Report (2021) highlights that Basildon Town Centre currently lacks particular services and facilities when compared against other towns and cities, which is contributing towards residents spending their money elsewhere and low demand for office space in the centre. It therefore highlights that regenerating Basildon Town Centre will help increase the range of amenities available and provide economic benefits.[42] This includes several sites to come forward for high density flatted developments that, according to updated evidence in the Basildon Town Centre Urban Capacity Study 2021, has an opportunity to deliver more than 4,000 homes, including the homes which have already been delivered there.

5.9 We Made That have been commissioned by the Council to assess the capacity of town centre regenerations sites to support flatted developments, and Cushman & Wakefield has been commissioned by the Council to assess the viability of bringing forward 13 identified town centre sites under current planning conditions. As such, this study has drawn from these other studies to identify four town centre conventional flatted developments and potential Build to Rent flatted developments typologies. The development assumptions for these general typologies have been informed by the Cushman & Wakefield site specific viability work.

Table 5.1 Residential typologies to be tested

		Location	Land type	Gross area (ha)	Net area (ha)	No. of dwgs	No. of storeys
1	Basildon Town (5 dwellings)	Inside built up area	Brownfield	0.15	0.15	5	2
2	Basildon Town (9 dwellings)	Inside built up area	Brownfield	0.27	0.27	9	2
3	Basildon Town (13 dwellings)	Inside built up area	Brownfield	0.39	0.39	13	2
4	Basildon Town (20 dwellings)	Inside built up area	Brownfield	0.69	0.54	20	2
5	Basildon Town (50 dwellings)	Inside built up area	Brownfield	1.80	1.32	50	2
6	Basildon Town (150 dwellings)	Inside built up area	Brownfield	5.80	3.88	150	2
7	Basildon Town (60 flatted)	Inside built up area	Brownfield	0.13	0.13	60	6

[41] Ibid (para 18).

[42] The NPPF glossary identifies housing as an acceptable main town centre use, and accepts residential development as an important contributes to the overall health and mix of use in town centres.

		Location	Land type	Gross area (ha)	Net area (ha)	No. of dwgs	No. of storeys
8	Basildon Town Centre Regeneration area (170 flatted)	Inside built up area	Brownfield	0.40	0.40	150	6
9	Basildon Town Centre Regeneration area (310 flatted)	Inside built up area	Brownfield	0.81	0.81	310	9
10	Basildon Town Centre Regeneration area (780 flatted)	Inside built up area	Brownfield	2.94	2.94	780	9
11	East Basildon Town (5 dwellings)	Outside built up area	Greenfield	0.15	0.15	5	2
12	East Basildon Town (9 dwellings)	Outside built up area	Greenfield	0.27	0.27	9	2
13	East Basildon Town (13 dwellings)	Outside built up area	Greenfield	0.39	0.39	13	2
14	East Basildon Town (20 dwellings)	Outside built up area	Greenfield	0.69	0.54	20	2
15	East Basildon Town (50 dwellings)	Outside built up area	Greenfield	1.80	1.32	50	2
16	East Basildon Town (150 dwellings)	Outside built up area	Greenfield	5.80	3.88	150	2
17	East Basildon Town (150 dwellings)	Outside built up area	Greenfield	6.30	4.22	150	2
18	West Basildon Town (5 dwellings)	Inside built up area	Brownfield	0.15	0.15	5	2
19	West Basildon Town (9 dwellings)	Inside built up area	Brownfield	0.27	0.27	9	2
20	West Basildon Town (13 dwellings)	Inside built up area	Brownfield	0.39	0.39	13	2
21	West Basildon Town (150 dwellings)	Outside built up area	Greenfield	6.30	4.22	150	2
22	West Basildon Town (400 dwellings)	Outside built up area	Greenfield	18.00	11.15	400	2
23	West Basildon Town (1000 dwellings)	Outside built up area	Greenfield	48.00	27.62	1,000	2
24	Billericay (5 dwellings)	Inside built up area	Brownfield	0.15	0.15	5	2
25	Billericay (9 dwellings)	Inside built up area	Brownfield	0.27	0.27	9	
26	Billericay (13 dwellings)	Inside built up area	Brownfield	0.39	0.39	13	2
27	Billericay (20 dwellings)	Inside built up area	Brownfield	0.69	0.54	20	2
28	Billericay (50 dwellings)	Inside built up area	Brownfield	1.80	1.32	50	2
29	Billericay (150 dwellings)	Inside built up area	Brownfield	5.80	3.88	150	2
30	Billericay (150 dwellings)	Outside built up area	Greenfield	6.30	4.22	150	2
31	Billericay (200 dwellings)	Outside built up area	Greenfield	8.50	5.56	200	2
32	Billericay (150 flatted)	Inside built up area	Brownfield	1.60	1.07	150	4
33	Wickford (5 dwellings)	Inside built up area	Brownfield	0.15	0.15	5	2
34	Wickford (9 dwellings)	Inside built up area	Brownfield	0.27	0.27	9	2
35	Wickford (13 dwellings)	Inside built up area	Brownfield	0.39	0.33	11	2
36	Wickford (20 dwellings)	Inside built up area	Brownfield	0.69	0.54	20	2
37	Wickford (50 dwellings)	Inside built up area	Brownfield	1.80	1.32	50	2
38	Wickford (150 dwellings)	Inside built up area	Brownfield	5.80	3.88	150	2

		Location	Land type	Gross area (ha)	Net area (ha)	No. of dwgs	No. of storeys
39	Wickford (150 dwellings)	Outside built up area	Greenfield	6.30	4.22	150	2
40	Wickford (400 dwellings)	Outside built up area	Greenfield	18.00	11.15	400	2
48	Wickford (1000 dwellings)	Outside built up area	Greenfield	48.00	27.62	1,000	2
49	Wickford (150 flatted)	Inside built up area	Brownfield	1.60	1.07	150	4
47	Basildon Town (150 flatted) BTR	Inside built up area	Brownfield	0.40	0.40	150	6
41	H17 SW Billericay	Outside built up area	Greenfield	95.00	48.57	1,700	2
42	H11 East Basildon	Outside built up area	Greenfield	53.00	18.57	650	2
43	H12 South of Wickford	Outside built up area	Greenfield	29.00	24.44	1,100	2

Site Coverage and Area

5.10 For establishing housing land values, assumptions about the likely number of units and saleable floorspace of the dwellings are required for generating a sales turnover. Total turnover is dramatically increased by greater coverage. But housing needs to be serviced by roads for instance, and for larger developments land is required for public open space, strategic landscaping, community buildings, employment and possibly schools.

5.11 The gross area of the site allows for the provision of non-residential land uses normally associated with larger sites which generally support no direct revenue to the development. Also, residential land values are normally traded and reported on a per net hectare basis, since it is only this area that delivers a saleable return and is therefore valued. Consequently, the viability assessments identify the likely net developable area to identify its value and to compare this with net developable land value benchmark.

5.12 For the residential typologies, the net developable areas have been derived using a formula based on discussions with the Council and the wider development industry, and examples from elsewhere, including the SHLAA. This is calculated based on a formula that increases the amount of gross to net site area with each additional unit on sites above 0.4 hectares.

5.13 The Council's estimate of the number of dwellings per net hectare for each site is then used to estimate the number of units that would come forward. The density does vary widely between sites depending on their locations and site characteristics. Higher density sites would traditionally be within Town Centres, or near town centres, especially in areas with good transport links, and such areas are traditionally more likely to accommodate flats. Whilst low density sites will have a much higher proportion of family dwellings. The Council estimate is taken from the findings in the Urban Capacity Study 2004, as reported in the SHLAA Economic Viability Assessment (2013). This specifically identifies the different types of housing present within the borough and the dwellings per net developable hectare for each type of site.

5.14 Details on gross and net areas, and site densities of units per net developable hectare (ha), are shown for each typology in **Table 5.1**.

Strategic Sites

5.15 The Council is considering many strategic sites for inclusion within their Local Plan, which are listed in **Table 3.1** in **Chapter 3**. In testing whether these sites may be deliverable, PPE prepared viability assessments of these and other sites that were identified through the Housing and Employment Land Availability Assessment (HELAA).

5.16 However, three of the strategic sites (H11, H12 and H17) are identified in **Table 5.1**, and are specifically considered and viability tested in this report**.** These key sites are tested because of the availability of information about their likely policy requirements and the need for them to contribute towards the necessary infrastructure required to be bring them forward.

Site Mix

5.17 The type of units has an important impact on the viability of a site, with a particularly large difference in per square metre values depending on whether it is housing or flats, and little differences between housing types. Therefore, a mix of sites covering flats and houses is tested.

5.18 The appropriate mix for testing the site typologies follows the requirement set out in the Reg 22 Local Plan Policy H25, and has been translated in the appraisals based on site yield and density characteristics that was provided by the Council. For instance, where the density is indicated as 100 dwellings per net hectare, it is assumed that this is most likely to be a fully flatted scheme. Conversely, for sites of 19 units or less it is assumed that the site is unlikely to include flatted units. The full assumptions are shown in **Table 5.2**.

Table 5.2 Mix assumptions

	Unit type	1-2 bed flats	2 bed house	3 bed house	4+ bed house
Sites with 19 dwellings and below	Private	0%	40%	40%	20%
	Affordable	0%	92%	5%	3%
Sites with 20 dwellings and above	Private	20%	20%	40%	20%
	Affordable	46%	46%	5%	3%
Sites with more than 100 dwellings per ha[43]	Private	100%	0%	0%	0%
	Affordable	100%	0%	0%	0%

5.19 For the strategic sites, the site promotors were asked to identify a suitable mix.

Unit Sizes

5.20 The size of units has an important impact on the viability of a site, since the greater the floorspace the more value that can be generated.

5.21 The typical sizes of dwellings by unit types within Basildon can also be ascertained from their Energy Performance Certificates (EPC) that are required for housing transactions. Using this source for new builds and existing properties transactions, it has been noted that new developments are typically built in fairly large sizes.

5.22 Basildon Borough Council is seeking to achieve the minimum National Space Standards for property size. Since the space standards cover a wide range of sizes according to differing numbers of bedrooms, storey heights and numbers of residing persons, an average has been derived from the sizes set out in Table 1 of the National Space Standards Guide, which is copied below.

[43] Note that this differs with the test of Policy H25 that requires 10% of units for older persons on sites of 600 units. In this circumstance, which is tested later in this report as cumulative policy layer 5, the following mix is tested: flats (18%), 2-bed house (18%), 3-bed house (36%), 4+ bed house (18%) and retirement homes (10%).

5.23 The tested average sizes NSS (averages by colours from the NSS table above) are presented in **Table 5.3**. Note that two floor areas are tested for flatted schemes: the Net Internal Area (NIA) for calculating the sales revenue (which is provided by the EPC data) and the Gross Internal Area (GIA) for estimating overall build costs, which is estimated by adding 12.5% for shared/circulation space.

NSS Technical Standards Table 1 - Minimum gross internal floor areas and storage (m2)

Number of bedrooms (b)	*Number of bed spaces (persons)*	*1 storey dwellings*	*2 storey dwellings*	*3 storey dwellings*
1b	*1*	*39*		
	2	*50*	*58*	
2b	*3*	*61*	*70*	
	4	*70*	*79*	
3b	*4*	*74*	*84*	*90*
	5	*86*	*93*	*99*
	6	*95*	*102*	*108*
4b	*5*	*90*	*97*	*103*
	6	*99*	*106*	*112*
	7	*108*	*115*	*121*
	8	*117*	*124*	*130*
5b	*6*	*103*	*110*	*116*
	7	*112*	*119*	*125*
	8	*121*	*128*	*134*
6b	*7*	*116*	*123*	*129*
	8	*125*	*132*	*138*

Table 5.3 Tested average saleable floorspace by unit type

	Average minimum NSS Size (sqm)
1-2 bed flats	55
2 beds houses	74.5
3 beds houses	93
4+ beds houses	117.1

Source: Derived from Nationally Derived Space Standards

5.24 Based on information from the Retirement Housing Group For older person's housing[44], sizes of 60 sqm NIA for retirement homes is applied for 1 and 2 bed properties with a 60:40 split between the two. Additionally, it is assumed that retirement homes have a 25% allocation of floorspace for communal space considered as non-chargeable functions. Therefore, the tested gross internal floorspace per unit is 80 sqm for retirement properties.

Development Scheme Phasing

5.25 The viability appraisals calculate the interaction of costs and values for each site, subject to a monthly cashflow that is subject to a borrowing cost (discussed later in this chapter). The build out rate is based on a modelled formula for local delivery that proportionally increases the speeds of delivery of units based on the size of the scheme.

5.26 Feedback from the stakeholder consultation has informed the assumed build rates in the tested typologies. However, many of the responses reported slower than normal rates due to recent concerns about the national economy heading into recession, albeit such concerns may be understating the real rates once more is known about the housebuilders' actions. The tested strategic sites build rates reflect their site promoters' responses, where provided.

[44] CIL viability appraisal issues RHG - February 2016

5.27 The testing model assumes that there is a minimum 3-month lag for site preparations and the start of building the first residential units, increasing with the size of the scheme. It is also assumed that there is a six-month lag period between the build and sale of units. But flatted only typologies sales start on completion of the last flat.

5.28 Net profit is deducted from the final month of the appraised scheme, while developer central overheads that are included in the gross profit are deducted monthly throughout the whole cashflow.

5.29 The tested build out rates are shown in **Table 5.4**. It is important to note that these rates are used only for the cashflow modelling mechanics to estimate borrowing over the full development lifetime, and they are not expected to be representative of actual market build rates.

Table 5.4 Tested build out rates

Typology	Months	or Years	No. of units per year
5 houses	14	1.2	4.3
13 houses	17	1.4	9.2
50 mixed	24	2.0	25.0
150 flats	37	3.1	48.6
400 mixed	61	5.1	78.7
1,000 mixed	101	8.4	118.8
H17 SW Billericay	137	11.4	148.9
H11 East Basildon	79	6.6	98.7
H12 South of Wickford	156	13.0	84.6

Sales Values

5.30 Based on the residential sales values evidence in **Chapter 4** (and listed in **Appendix C**), it is reasonable and simpler to test at an average value across four grouped value areas based on where development is likely to take place. The grouped value areas used for high level testing are therefore shown in **Figure 5.1**[45] and are categorised as:

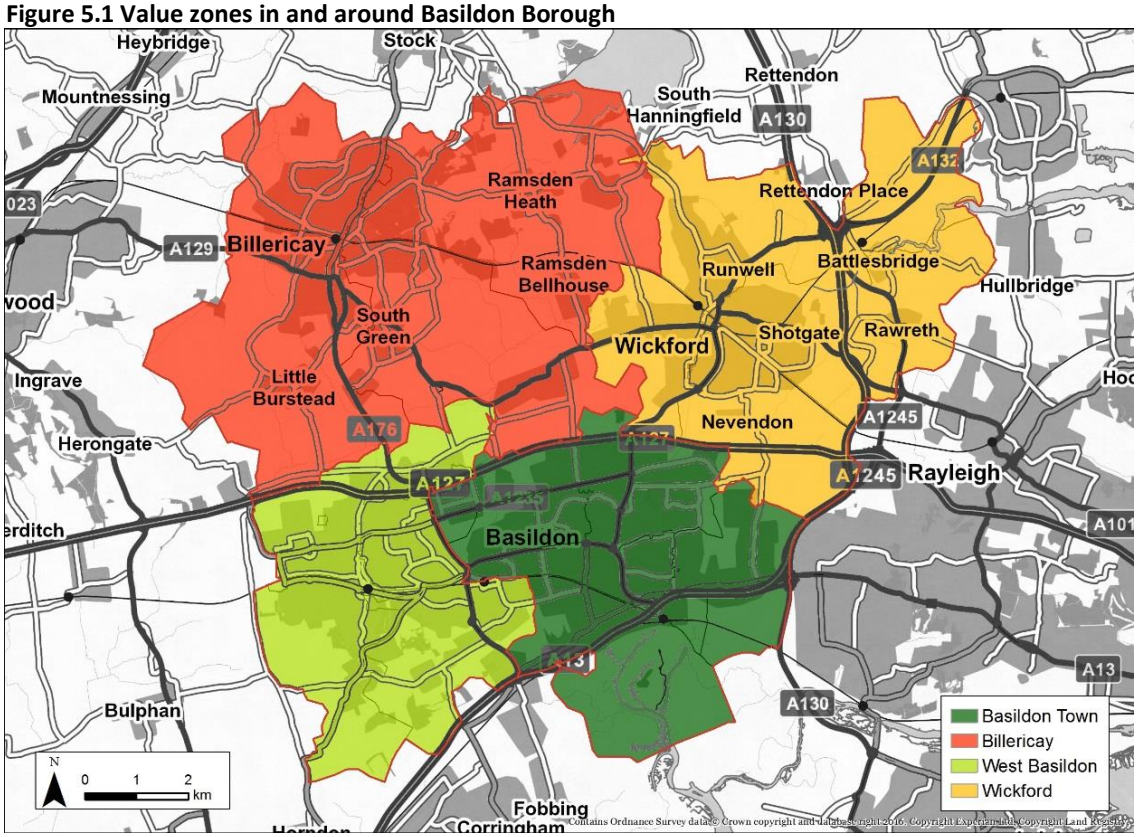
- Basildon Town including Basildon Town Centre and East Basildon;
- West Basildon;
- Wickford; and
- Billericay.

5.31 From the information in **Chapter 4**, the values in **Table 5.5** are appropriate for testing site typologies and strategic sites based on their location. These values also reflect the feedback received from the stakeholder consultation.

5.32 For older persons accommodation, these are valued based on RHG guidance which suggests sales prices for retirement homes are roughly three quarters the value of a three bed semi-detached property (three bed semi-detached units understood to be in the region of £442,500 in Billericay and £360,000 elsewhere).

[45] The area groupings are based on postcode sectors, so these may not match exactly with the administrative Basildon borough area.

Figure 5.1 Value zones in and around Basildon Borough



Source: PBA using Land Registry data

Table 5.5 Tested residential sales value, psm

Value area	House	Flat	Retirement
Basildon Town/ East Basildon	£4,100	£3,500	£4,500
Basildon Town Centre Regeneration area	n.a.	£4,150	
West Basildon	£4,300	£3,750	
Wickford	£4,400	£4,000	
Billericay	£4,800	£6,700	£5,530

5.33 Build to Rent (BtR) values within Basildon Town Centre are also tested, and based on the typical values identified in **Chapter 4**. After allowing for operational costs (allowing for typical management and maintenance, etc, at 20% of for these types of schemes' values) the Basildon BtR typology is tested based on a capitalised value shown in **Table 5.6**.

Table 5.6 Built to Rent values

Value area	Annual rent per sqm	Gross annual rent per unit*	Maintenance, sinking funds and voids	Net Annual rent per unit	Yield	Capitalised Net Rent
Average 1 to 2 bed flat	£250	£13,750	20%	£11,000	4.25%	£258,816

*Assuming an average NIA of 55 sqm per flat

Sales Fees

5.34 The Gross Development Value (GDV) on open market housing units needs to reflect additional sales cost relating to the disposing of the completed residential units. This will include legal costs, agents and marketing fees. The industry standard accepted scales suggest that this should be tested at the rate of 3% of the open market unit GDV.

5.35 For affordable units, a legal fee cost of £600 per unit has been adopted for transfer units to Registered Providers.

Development Cost Assumptions

Build Costs

5.36 Residential build costs are taken from tender prices for new builds in the marketplace over a 15-year period from the Build Cost Information Service (BCIS), which is published by the Royal Institution of Chartered Surveyors (RICS). The data has been rebased to Basildon prices using BCIS tender price adjustments and to the 3rd Quarter 2021 prices that closely match the same rebasing period for sales values.

5.37 A median build cost is used for testing sites with less than 50 houses and the lower quartile BCIS figure is used for schemes with 50 or more units within the Basildon area.[46] Whereas volume and regional housebuilders, which tend to develop sites with 50+ units, are able to operate comfortably within the median cost figures because they can achieve significant economies of scale in the purchase of materials and the use of labour.[47]

5.38 The BCIS build costs and the tested build costs are shown in **Table 5.7**.

Table 5.7 Tested build costs at Q3 2021 tender prices

Builder type	£psm	BCIS category
Medium housebuilder (4 to 49 units)	£1,335	Median for estate housing (generally)
Larger housebuilder (50+ units)	£1,181	Lower quartile for estate housing (generally)
Flats	£1,507	Median for flats midpoint between 1-2 storey and 3-5 storey
Flats	£2,114	Upper quartile for flats 6 storey or above to allow for podium car parking and additional public realm
Retirement homes	£1,602	Supported housing with shops, restaurants or the like

Source: Derived from BCIS

5.39 These build costs are exclusive of external works, fees, contingencies, site costs, VAT and finance charges, plus other revenue costs, which are discussed below.

External Works plus Garages

5.40 This input incorporates all additional costs associated with the site curtilage of the built areas. These include garden spaces, incidental landscaping costs (including trees and hedges,

[46] This differential reflects the evidence from the BCIS that was commissioned by Three Dragons, and used in other Local Plan/CIL examinations[46], which identified that small to mid-sized developments tend to better reflect the BCIS tender sample, and therefore the median average build cost for estate housing is tested on these small to mid-sized scheme. BCIS cost data is largely informed by tendered prices for schemes with fewer than 10 units and is heavily weighted towards 1 to 5 units schemes. As such this median cost may not show the benefits of economies of scale when building larger schemes, and therefore is likely to be higher than the true average build cost. But for the purposes of this study, we err on the side of caution.

[47] This is also shown in the review of BCIS sample data, and from the evidence of s106 negotiations, where the reported median build cost is much closer to the BCIS reported lower quartile build cost figure. Again, evidence from the BCIS sample suggests that schemes with more than 10 or more units will be built at the average for the lower quartile of building cost tender prices recorded by BCIS, with costs decreasing with the larger the number of units being built.

and soft and hard landscaping), estate roads and connections to the site infrastructure works such as sewers and utilities.

5.41 The external works variable has been set at a typical industry rate of 10% of build costs based on the development assumptions that were previously consulted on and the testing previously applied. But while we retain that a figure for externals at 10% of build costs is reasonable, this may fall short when separate (i.e., not integrated[48]) garages are built and sold with new dwellings. The viability assessment in this report therefore includes separately the cost of garages in the site appraisals. The additional cost of a garage is based on 21 sqm (based on advice from the Council) and typical outline cost of £450 psm, which is £9,450 per garage.

5.42 Since it is unknown how many garages are provided on site and it is unlikely that the Council will require garages instead of parking space to be provided, costs for garages have been applied to both private and affordable homes using the following proportions (based on a RAC study findings for proportions of homes in England with a garage):

- 1-2 bed flats – 9%
- 2 bed houses – 22%
- 3 bed houses – 49%
- 4+ bed houses – 86%

Professional Fees

5.43 This input incorporates all professional fees associated with the build, including fees for planning, designs, surveying, project managing, etc. Professional fees will typically range between 6% to 12% depending on the complexity of sites and scheme costs, although for standard residential developments it is rarely above 8% of build costs.

5.44 An allowance of 8% of build cost and externals is therefore included in the viability testing based on industry standard accepted scales.

Contingency

5.45 The above assumed costs may be lower or higher when they are realised, however it is normal to build in contingency based on the risk associated with higher costs. The industry standard for contingency is between 3% to 5% of build costs.

5.46 It is also noted in PPG Viability paragraph 12 guidance that this should be applicable to site specific viability assessments where there is justification (our emphasis is underlined)…:

"…explicit reference to project contingency costs <u>should be included in circumstances</u> where scheme specific assessment is deemed necessary, with a justification for contingency."

5.47 Since the purpose of testing a typology of sites is for plan making policy assessments, and typical values and costs are assumed, which could be lower as much as they are higher than assumed, no viability contingency should be necessary. But because it is usual practice for developers to include a contingency for costs in assessing viability before investing, and to allow a cautious buffer within the viability assessments, an industry standard mid-point at 4% of build costs plus externals is applied.

[48] BCIS build costs include integrated garages within their published tender price cost information.

Site Costs

5.48 Depending on the land type and size of sites, there may be additional costs in bringing a site forward for delivering housing plots.

5.49 Such costs on greenfield sites are usually for additional opening costs such as site utilities installations and spine roads linking together access roads to the housing. While such costs within smaller schemes are relatively minor and likely to be absorbed within the allowances for 'externals' that include access roads, this is less likely to be the case on larger greenfield sites where there will be a need to develop strategic site infrastructure.

5.50 For sites with less than 200 units, it is assumed that there would not be a substantial requirement for opening up costs additional to what is assumed for plot externals and planning obligations.

5.51 On the larger greenfield typology sites with 200 or more units, a cost per unit is added to cover strategic infrastructure costs, as shown in **Table 5.8**.[49] This reflects information on strategic site costs in the Harman Report that notes that on larger sites this could amount to between £17k to £23k per plot, and information from HBF member developers collated by Savills in relation to other CIL examinations around the country.

5.52 Brownfield sites are assumed to include the necessary strategic infrastructure from their existing or previous uses. But developing brownfield sites delivers different risks in opening costs, such as site demolition of existing buildings and remediation, which can vary significantly in associated costs depending on the site's specific characteristics.

5.53 Since it will not be possible to know at this stage what such costs may be required for individual sites, a high-level ready reckoner from Homes England (formerly the HCA)[50] for demolition and land remediation costs on a per net ha basis has been identified to provide an allowance on all brownfield site typologies. The tested cost rate in this report has been slightly increased to allow for price inflation, and these costs are shown in **Table 5.8**.[51]

5.54 For testing the strategic sites, non planning obligation site specific costs relating to strategic utilities and ground conditions have been provided by the Council based work by Pell Frischmann[52]. These site cost estimates are also shown in **Table 5.8**.

[49] Note that some strategic infrastructure like highway improvements, may already be paid for separately through S106/278 charges, and even possibly a CIL charge should this be introduced.
[50] HCA Guidance on dereliction, demolition and remediation costs (2015).
[51] It will be important to recognise in the viability results, conclusions and recommendations that the testing of brownfield site typologies include no allowances for CIL exemptions or vacant building credit that may apply to vacant but unabandoned existing buildings.
[52] 'Basildon Borough HLDF Preliminary Abnormal Infrastructure Cost Appraisal', 2017.

Table 5.8 Tested site costs for generic sites

No. of units per scheme	Cost
Greenfield sites with 200 to 499 units	£12,000 per unit
Greenfield sites with 500+ units	£18,000 per unit
Brownfield sites	£330,000 per net ha
H17 SW Billericay	£3,600,000 total
H11 East Basildon	£3,800,000 total
H12 South of Wickford	£4,510,000 total

Land Purchase Costs

5.55 The acquisition of land in the development process will typically incur surveying and legal costs to a developer. Also, a Stamp Duty Land Tax is payable by a developer when acquiring development land, which is applied to the residual valuation at a percentage cost based on the HM Customs & Revenue variable rates against the site (residual) land value.

5.56 The industry standard accepted scales suggest that this should be tested at the rates shown in **Table 5.9**.

Table 5.9 Tested land purchase costs

Land purchase costs	Rate	Unit
Surveyor's fees	1.00%	land value
Legal fees	0.75%	land value
Stamp Duty Land Tax	HMRC rate	land value

Financing – Cost of Borrowing

5.57 The viability appraisals calculate the interaction of costs and values for each site, subject to a monthly cost of borrowing and the risk associated with the current economic climate and the near-term outlook and associated implications for the housing market. To reflect the current trend for low interest rates within the current economic climate and the near-term outlook, and associated economic risks within the housing market, the typical rate of finance costs for residential schemes are tested at 6% per annum.

Developer Return

5.58 The developer's profit, which also allows for internal central overheads, is the expected and reasonable level of return that a private developer would expect to achieve from a specific development scheme in the Local Plan. The PPG Viability provides guidance on the level of developer return (profit) that should be assessed within plan viability testing, which is between 15-20% of gross development value (GDV), and a lower figure in delivery of affordable housing because of the lower risk to the developer.

5.59 The profit on BtRs, which are likely to be undertaken by national investors like pension companies, is also likely to require lower profit returns than the usual house building companies. That is in part because the business models for these real estate investments are normally based on the long term revenue stream provided by the building rents. At this time, it is unknown what the profit return for BtRs in Basildon borough would typically be, so we rely on the same assumption that Cushman & Wakefield assume in their viability report for Basildon Town Centre Regeneration area, which supports evidence from elsewhere that has identified capitalised development returns on BtR schemes to be much lower than normal development sales market.

5.60 On this basis, the developer return rates shown in **Table 5.10** have been tested. These rates are at the upper-end of what is suggested by national guidance.

Table 5.10 Tested rates of developer return

Land purchase costs	Rate	Unit
Open market units	20%	Open market GDV
Open market BtR units	15%	Open market BtR GDV
Affordable housing units	6%	AH transfer values

5.61 Note that the figures in **Table 5.10** reflect the gross profits including overheads. Overheads are assumed at 3.5% of GDV, which is deducted throughout the appraisal. The net profit excluding overheads is deducted at the end of the appraisal.

Policy Costs

Infrastructure Development Plan Costs

5.62 At the time of this work, the Council was preparing its revised estimates for its Local Plan Infrastructure Development Plan (IDP). The IDP costs reflect the policy implications that may be treated as 'other s106' planning obligation costs (to be obtained via s106/s278), covering:

- T1 to T9 Transport policies;
- HC1 to HC12 Promoting Healthy Communities and Well-being policies;
- NE1 Green Infrastructure Strategy;
- NE4 Development Impacts on Ecology and Biodiversity;
- NE6 Pollution Control and Residential Amenity;
- NE7 Air Quality; and
- NE10 Natural Environment policies

5.63 The Council's current draft estimate for meeting the IDP site infrastructure and developer contributions cost is shown for each tested allocated site in **Table 5.11.** A more precise breakdown of the draft costs for all allocated sites is included in **Appendix E**. The tested typologies IDP costs reflect the site allocations IDP costs based on their similarity in size and location, and are estimated to range between £16,000 to £30,000 per unit.

5.64 For non-allocated (windfall) site typologies that the Local Plan is seeking to deliver, totalling 640 homes over the plan period, an estimated IDP 'other s106' cost is estimated at £11,000 per unit. This based on an average IDP costs for the allocated sites with fewer than 50 units since by their nature the windfall site developments are likely to be small.

Table 5.11 Costs relating to IDP Costs/other s106 planning obligations

Ref.	Typology name	Location	Land type	IDP/s106
1	Basildon Town (5 dwellings)	Inside built up area	Brownfield	£11,000
2	Basildon Town (9 dwellings)	Inside built up area	Brownfield	£11,000
3	Basildon Town (13 dwellings)	Inside built up area	Brownfield	£11,000
4	Basildon Town (20 dwellings)	Inside built up area	Brownfield	£11,000
5	Basildon Town (50 dwellings)	Inside built up area	Brownfield	£21,000
6	Basildon Town (150 dwellings)	Inside built up area	Brownfield	£21,000
7	Basildon Town (60 flatted)	Inside built up area	Brownfield	£16,000
8	Basildon Town Centre Regeneration	Inside built up area	Brownfield	£16,000
9	Basildon Town Centre Regeneration	Inside built up area	Brownfield	£16,000
10	Basildon Town Centre Regeneration	Inside built up area	Brownfield	£16,000
11	East Basildon Town (5 dwellings)	Outside built up area	Greenfield	£11,000
12	East Basildon Town (9 dwellings)	Outside built up area	Greenfield	£11,000
13	East Basildon Town (13 dwellings)	Outside built up area	Greenfield	£11,000
14	East Basildon Town (20 dwellings)	Outside built up area	Greenfield	£11,000

Ref.	Typology name	Location	Land type	IDP/s106
15	East Basildon Town (50 dwellings)	Outside built up area	Greenfield	£20,000
16	East Basildon Town (150 dwellings)	Outside built up area	Greenfield	£20,000
17	East Basildon Town (150 dwellings)	Outside built up area	Greenfield	£20,000
18	West Basildon Town (5 dwellings)	Inside built up area	Brownfield	£11,000
19	West Basildon Town (9 dwellings)	Inside built up area	Brownfield	£11,000
20	West Basildon Town (13 dwellings)	Inside built up area	Brownfield	£11,000
21	West Basildon Town (150 dwellings)	Outside built up area	Greenfield	£22,000
22	West Basildon Town (400 dwellings)	Outside built up area	Greenfield	£23,000
23	West Basildon Town (1000 dwellings)	Outside built up area	Greenfield	£30,000
24	Billericay (5 dwellings)	Inside built up area	Brownfield	£11,000
25	Billericay (9 dwellings)	Inside built up area	Brownfield	£11,000
26	Billericay (13 dwellings)	Inside built up area	Brownfield	£11,000
27	Billericay (20 dwellings)	Inside built up area	Brownfield	£11,000
28	Billericay (50 dwellings)	Inside built up area	Brownfield	£18,000
29	Billericay (150 dwellings)	Inside built up area	Brownfield	£20,000
30	Billericay (150 dwellings)	Outside built up area	Greenfield	£19,000
31	Billericay (200 dwellings)	Outside built up area	Greenfield	£19,000
32	Billericay (150 flatted)	Inside built up area	Brownfield	£16,000
33	Wickford (5 dwellings)	Inside built up area	Brownfield	£11,000
34	Wickford (9 dwellings)	Inside built up area	Brownfield	£11,000
35	Wickford (13 dwellings)	Inside built up area	Brownfield	£11,000
36	Wickford (20 dwellings)	Inside built up area	Brownfield	£11,000
37	Wickford (50 dwellings)	Inside built up area	Brownfield	£11,000
38	Wickford (150 dwellings)	Inside built up area	Brownfield	£11,000
39	Wickford (150 dwellings)	Outside built up area	Greenfield	£11,000
40	Wickford (400 dwellings)	Outside built up area	Greenfield	£30,000
48	Wickford (1000 dwellings)	Outside built up area	Greenfield	£31,000
49	Wickford (150 flatted)	Inside built up area	Brownfield	£16,000
47	Basildon Town (150 flatted) BTR	Inside built up area	Brownfield	£16,000
41	H17 SW Billericay	Outside built up area	Greenfield	£32,019
42	H11 East Basildon	Outside built up area	Greenfield	£27,401
43	H12 South of Wickford	Outside built up area	Greenfield	£30,756

Policy E10 Employment and Skills Plan

5.65 Policy E10 of the emerging local plan requires developments to provide skills and recruitment plans, which could have an additional cost to developers. These are estimated in some early work on infrastructure costings, with costs ranging from c.£100,000 to c.£270,000, depending on the site, and equating to £160 per unit, which is viability tested in **Chapter 6.**

Policies CC1-7 Sustainable Construction policies

5.66 The requirement for SuDS (as part of Local Plan policy CC4) are likely to already be accommodated within the opening cost assumptions discussed above and shown in **Table 5.11**. Therefore, here the focus is specifically on reducing CO2 emissions by 20% through sustainable construction. This may be accounted for within major developments that should incorporate on-site DEN, unless not technically feasible and/or economically viable to do so.

5.67 Also, this is lower than the national targets that, as discussed in **Chapter 2**, are soon to be enforced through Building Regulations Part L and F as part of the imposition of the Future Homes Standards, which includes a 31% reduction in Carbon. The government's impact assessment that informed the Future Homes Standard has suggested that it would cost between £3,130 per average dwelling and £2,260 per flat to meet such a standard (based on

the preferred option 2). This is likely to add some 2.5% to build costs, which is tested in **Chapter 6**.

Policy T10 Electric Vehicle Charging Infrastructure Standards

5.68 Based on Government research in their Regulatory Impact Assessment of electric charging point provision, Policy T10 has been tested on the assumption of the costs of providing these at £976 per unit. These have been applied to all houses (open market and affordable) and 50% of off-site parking spaces associated with flats in each typology/site.

Policy H25 The Size and Types of Homes

5.69 Policy H25 of the emerging Basildon Local Plan requires that sites delivering 600+ homes should provide 10% of these for older persons. Policy H25 also requires that on all other sites of ten or more dwellings 10% of homes should be constructed to the requirements of Part M(2) of the Building Regulations. This has been applied based on the following sizes:

- 1-2 bed flats: 65.9 sqm (GIA)
- 2 bed house: 82.5 sqm
- 3 bed house: 102.0 sqm
- 4+ bed house: 126.0 sqm

5.70 Further to this, there are potential additional costs required to ensure the units are made from materials capable of being adapted, such as specialist handrails, etc. To allow for these 'adaptation costs', the following rates from a government impact study on accessible homes government[53] have been applied in the appraisal:

- Cat2: £500 per house and £900 per flat.

Policy H26 Affordable Housing Provision

5.71 Affordable housing level is shown in the emerging Local Plan and applied at the following rates:

- Sites of 10 and fewer: 0%; and
- Sites with more than 10: at 31% of total units.

5.72 The tested affordable housing tenure is applied, also based on Policy H26, at the following rates:

- 70% affordable rent
- 30% intermediate (shared ownership)

5.73 The model assumes that affordable housing will command a transfer value to a Registered Provider at lower than market rates. Policy H26 requirement for affordable rents to be charged at least 40% below market rent has been suggested to lower the transfer values (often around 50% of market value). The values have been informed by evidence of recent deals and discussions with the Council's housing team and with registered providers. Based on these discussions, transfer values are assumed as:

- Affordable rent: 50% of open market values
- Intermediate/Shared Ownership: 65% of open market values

[53] DCLG Housing Standards Review Cost Impacts (Sept 2014)

Benchmark Land Values

5.74 After systematically removing the various costs and variables detailed above, the result is the residual land value. To ascertain the level of likelihood towards delivery and the level of risk associated with development viability, the resulting residual land values are measured against a benchmark value. The benchmark land value (BLV) should reflect a minimum value that a landowner would reasonably be expected to sell/release their land for development.

5.75 It is standard practice for area-wide viability studies to test the residual values of schemes against a benchmark land value (BLV). This approach is also advocated within the revised PPG guidance published in 2018 and updated in 2019, and supported by the new RICS (2021) guidance[54]. Where the residual value exceeds the benchmark, a scheme is said to be viable and where it falls below the benchmark, it is not viable.

5.76 BLVs, therefore, play a central role in viability studies and PPG Viability paragraph: 013 sets out the principles that area wide viability studies should follow when taking land values into account based on an:

"…existing use value (EUV) of the land, plus a premium for the landowner"

5.77 This is referred to as the EUV+ approach. PPG goes on to define a 'premium' for a landowner as being:

"…reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements"

5.78 Establishing the existing use value (EUV) of land and setting a benchmark at which a landowner is prepared to sell to enable a consideration of viability can be a complex process. There is a wide range of site-specific variables that affect land sales (e.g. position of the landowner – are they requiring a quick sale or is it a long term land investment?). However, for a strategic study, where the land values on future individual sites are unknown, a pragmatic approach is required.

5.79 The appropriate scale of the uplift is not set out in any of the current guidance. But some guidance for the scale of the uplift on existing use value is found in two earlier reports. The first is the Homes and Communities Agency (former Homes England) guidance for its Area Wide Viability Model[55], which states that about the required premium above existing use value (EUV):

"Benchmarks and evidence from planning appeals tend to be in a range of 10% to 30% above EUV in urban areas. For greenfield land, benchmarks tend to be in a range of 10 to 20 times agricultural value." (page 9)

5.80 Another report in 2011, undertaken for the then Department for Communities and Local Government[56], suggested that a premium of 25% over existing use value was required to bring forward industrial (i.e., brownfield) land for redevelopment.

[54] RICS, Assessing viability in planning under the National Planning Policy Framework 2019 for England, April 2021
[55] HCA (2010), Area Wide Viability Model, Annex 1 Transparent Viability Assumptions
[56] DCLG (2011), Cumulative impacts of regulations on house builders and landowners Research paper, prepared by Turner Morum.

5.81 The developer stakeholder and site promoter consultations were asked to provide their view on what is the minimum land value for existing use and the proposed use. The results for the EUV ranged between £100,000 to £375,000 per ha, while the results for the alternative use value (i.e., residential) ranged between £375,000 and £3m per net ha. These values only relate to greenfield site values since no comments were provided regarding brownfield site values.

5.82 At this time no guidance nor case law establishes how much premium above EUV is likely to be appropriate for plan making and CIL viability testing assessments, and whether this premium is applied to the gross site area or net site area. But there is some guidance within the "*My Community – Viability Toolkit for Neighbourhood Planning*", produced by Locality, who are an MHCLG endorsed and supported organisation that supports grounds through the preparation of Neighbourhood Plans. In referring to things to consider when attempting to determine land values, it states:

"Residential land – be aware that some land values are based on a gross basis (value of whole site) and net basis (value of the net developable area i.e. revenue generating land). The value on a net basis will exclude areas of open space and the like required in a Local Plan. It therefore represents the value of the net area. However, landowners must be paid for the whole site."

5.83 Also, there is a recent precedent Appeal decision that discussed the issue of land values on the gross and net area by the Inspector at Warburton Lane, Trafford Appeal (Ref: APP/Q4245/W/19/3243720 p.25 and notably para 119). From this case, the Inspector actively considered whether the land value of the Warburton Lane site should relate to the net or gross land, and determined that it should cover the gross site area.

5.84 Based on these two pieces of evidence, it may be accepted that a whole site value is needed for the BLV. So, it is now pertinent to consider the level of premium for the parts of the site that might be developed (the net developable area) and the parts that remain undeveloped (the remaining part of the site that makes up the gross site area).

5.85 The same Appeal decision letter by the Inspector at Warburton Lane discussed and agreed that there would be different premiums rather than a single figure. In doing so, the Inspector supported figures of £80,000 per net acre (reflecting a 10 times EUV premium) and £8,000 per gross acre (reflecting the EUV with no premium). The Inspector was not convinced at all that the uplift should apply to the gross area of land.

5.86 This point also seems logical since, if the land that is not developable is to theoretically benefit from land value uplift, then there would be an incentive for a developer to include more land within a site application to claim an exaggerated whole land value that will undermine viability used for determining planning obligation negotiations. But also, this approach does not reflect real experiences of market processes in setting purchase land values, since option agreements for land would normally be based on the outturn of residential units that can be delivered and sold. As such, the land of relevance to the developer is the net developable area.

5.87 Irrespective of how much gross land the scheme requires, the value to be determined by the scheme will be based only on the net developable land area and a potential number of units (normally based on standard densities, e.g., 35 dwellings per net hectare). This is the land that requires a premium to be given to the land owner because it reflects a material change in land use that will cause a disturbance factor (that informs the premium) to the land owner. The disturbance factor needs to be compensated for. Since the remaining part of the gross site is likely to reflect the policy requirements, such as open space requirements or a required buffer for land close to environmental designations, or because it neutralizes the

existing use value of the site through landlocking, then this is not developed land and there is no significant disturbance factor that needs to be compensated for.

5.88 For this reason, the benchmark land value should be decided on the EUV for the whole site, and a premium is added on just the net developable area that delivers a return to the developer.

5.89 PPG on Viability and the RICS guidance note that reference to market values can provide a useful 'sense check' on the benchmark values that are being used for testing, but it is not necessarily recommended that these are used as the basis for the input to a model. Therefore, land value benchmarks used to test for plan making can be less than the value at which land is being traded in the market since it will be the minimum value that a landowner will sell at and not the auction price (the highest) value that the developer will pay.[57] Also, PPG guidance notes that the BLV should be sufficiently below the market rate for alternative use clean residential land to allow for possible on-costs, like policy requirements, remediation and opening costs, which would normally be expected to be within the purchased land value for a clean and ready site. These costs are considered elsewhere and therefore it should be assumed that the BLV excludes any payment for these site costs.

5.90 As experienced for this study and similar studies elsewhere, data on land transactions is not substantial in the local area. Therefore, some generic assumptions are necessary when setting a BLV for greenfield and brownfield sites, which are considered in turn.

Setting Greenfield BLVs

5.91 Larger greenfield sites are likely to be at their highest existing use value when they are in agricultural uses, whereas in some cases small greenfield sites are likely to be at their highest value existing use value when they are when used as paddock land. With scope for alternative residential uses there can be a premium on the net developable area, which as noted above, can be between 10 to 20 times more for developable greenfield land depending on location.

5.92 In determining the BLV for unconsented greenfield land for residential use, the Government Land Value estimates for policy appraisal 2019 identified agricultural land value in the South East LEP region at £25,000 per net hectare before any premium. As identified earlier in **Chapter 4**, land values for agricultural uses in Basildon and the wider Essex area might be expected to sell for around £23,000, so £25,000 per ha is a reasonable existing use benchmark land value across Basildon.

5.93 With a mid-point premium between 10 to 20 times for the developable land area, the benchmark land value for greenfield sites in the Local Plan is estimated at £375,000 per net hectare. For the remaining land area that remains largely undeveloped and generates no additional value to its existing use, the EUV value of £25,000 per underdeveloped hectare is tested.

[57] This point was highlighted in the London Mayoral CIL examiner's report (also from 2012) which, sets out important principles in the treatment of benchmark land values…*"Finally the price paid for development land may be reduced. As with profit levels there may be cries that this is unrealistic, but a reduction in development land value is an inherent part of the CIL concept. It may be argued that such a reduction may be all very well in the medium to long term but it is impossible in the short term because of the price already paid/agreed for development land. The difficulty with that argument is that if accepted the prospect of raising funds for infrastructure would be forever receding into the future. In any event in some instances it may be possible for contracts and options to be re-negotiated in the light of the changed circumstances arising from the imposition of CIL charges."*

5.94 Based on information obtained from auction land sites, paddock fields tend to achieve values normally ranging between £80,000 and £100,000 depending on the quality and accessibility of the site; although there are many examples of such uses being sold at prices below this.

5.95 The premium multiplier for the higher priced paddock fields being sold for residential uses is likely to be lower than for the larger greenfield sites. This is because of the much higher priced (typical three or four times) EUV, while their scope for achieving a return for the alternative residential uses is the same as that for the much cheaper priced larger Greenfield sites. As such, it is reasonable to assume that the multiplier of 10 times the EUV is more appropriate for paddock land EUVs.

Setting Brownfield BLVs

5.96 Brownfield sites with scope for alternative residential uses tend to be abandoned or unviable commercial use sites and/or community facilities. In determining the BLV for unconsented brownfield land for residential use based on their existing use value with a premium, the Government Land Value estimates for policy appraisal 2019 identifies industrial land value in Basildon could be considered as £550,000 per net hectare before any premium. This is similar to the average market price for brownfield industrial sites that were discussed in **Chapter 4**, where commercial land value in Basildon and across Essex tends to sell for around £526,000 per hectare, although some specific sites have sold at substantially more and less than this. It is unclear if such sites may be deemed dilapidated for further industrial use, which makes them more saleable for alternative uses but, because of their condition, in planning terms they would be valued less for their existing use.

5.97 Based on local market evidence and the Government Land Value estimates, a brownfield site existing use value of £550,000 per net ha is a reasonable existing use benchmark land value across Basildon.

5.98 To encourage the release of the site for higher value residential uses, it is reasonable to apply the typical market premium of 25% to this EUV value to reflect a benchmark land value more accurately for an unmarketable industrial site to be brought forward for alternative residential use. For the remaining land area that remains largely undeveloped and generates no additional value to its existing use, the EUV value of £550,000 per underdeveloped hectare is tested.

Tested BLVs

5.99 The tested benchmark land values for greenfield and brownfield land for residential developments within Basildon borough are shown in **Table 5.12**. Owing to a low variation in the rate of the typical agricultural, greenfield and brownfield non-residential land across the borough relative to the variation in house sales values, no cross-borough variation is applied.

Table 5.12 Tested BLV for Greenfield and Brownfield sites

Existing land use	EUV per net ha	Premium on EUV	BLV per net ha	BLV per ha for the remaining area
Small greenfield land <1 ha = Paddock land	£80,000	X 10	£800,000	£80,000
Large greenfield land >1 ha = agricultural land	£25,000	X 15	£375,000	£25,000
Brownfield non-residential land	£550,000	X 1.25	£700,000*	£550,000*

*Rounded

6 Local Plan Viability Testing Results

Introduction

6.1 This chapter reviews the viability assessment findings of the cumulative implication of the Basildon Reg 22 Local Plan policies. Each typology site has been subjected to a viability appraisal in terms of the achievability of complying with the Reg 22 Local Plan policies. Based on the results, it is possible to conclude whether the Local Plan is likely to be a viable (i.e. deliverable) plan, whereby the aspiration of the Plan is not put at risk by the non-delivery of allocated sites meeting local policies requirements, which is considered next in **Chapter 7**.

6.2 This assessment is also used to identify the potential for changing or flexing Local Plan policy requirements to secure maximum public gain within the context of the economic reality. In assessing this, the Council has requested that sensitivity tests under different affordable housing policy requirement scenarios be considered and also whether changes in market conditions over the next five years, before the next Plan review is required. These are discussed in this chapter and have informed the conclusions in **Chapter 7**.

6.3 Before reviewing the results, it is important to note that Local Plan viability testing is necessarily generic, using a range of typologies and general development assumptions that are proportionate, utilising available data and importantly are not necessarily site specific. As is the case set out in guidance, and carried out by other local authorities in testing the delivery of their Local Plans and policies, the assessments are designed to test policy as opposed to being formal valuations of planning application sites at the planning application stage, normally carried out by the Valuation Office, Chartered Surveyors and Valuers.

6.4 Each tested site typology site has been subjected to a viability appraisal in terms of the achievability of complying with the Reg 22 Local Plan policies. Policy costs have therefore been tested for viability through adding policy 'layers' to the viability assessments for judging the cumulative impact of these policies on the site viability results. The tested policy layers are:

- Policy layer 1 – Units meet minimum national size standards (Policy H25). No other policy layer is applied, including no planning obligations (via s106) or affordable housing.
- Policy layer 2 – Policy layer 1 plus an allowance for the IDP/other s106 infrastructure costs, as shown in **Chapter 5 Table 5.11**, covering policies T1 to T9 Transport policies; HC1 to HC12 Promoting Healthy Communities and Well-being policies; NE1 Green Infrastructure Strategy; NE4 Development Impacts on Ecology and Biodiversity; NE6 Pollution Control and Residential Amenity; NE7 Air Quality; and NE10 Natural Environment policies.
- Policy layer 3 – Policy layer 2 plus Policies CC1 to CC77 tackling climate change by reducing CO2 emissions in homes; and Policy T10 providing electric car charging points.
- Policy layer 4 - Policy layer 3 plus Policy H26 Affordable Housing Provision it the proposed rate of 31% (apart from the BtR site typology since the PPG on Housing for BtR only requires 20% affordable housing[58]).

[58] This is to take account of the different viability model of housing for rent. See https://www.gov.uk/guidance/build-to-rent

- Policy layer 5 – Policy layer 4 plus Policy H25 access standards costs for CAT 2 provision on sites of 10 units or more. Note that this does not apply to sites of 600 units or more since these would be required to provide specialist housing instead.

Viability Testing Results

6.5 The viability results for each tested site typology at the different cumulative policy layers are summarised in the following tables using a 'traffic light' system, as follows:

- Green colour means that the development is viable with financial headroom that could be used for further planning gain;
- Amber is marginal in that they fall within a 20% range (i.e., 10% above or below) around the benchmark land value;
- Red colour means that a viable position may not be reached if required to be policy compliant and all other assumptions such as land value remain unchanged; and
- Grey colour means that the site is not subject to the additional policy layer in the Reg 22 Local Plan.

6.6 An example appraisal sheet for the 50-unit brownfield site typology in Basildon with full policy compliance (policy layer 5) is provided in **Appendix A**. This shows the detailed appraisals, excluding the cashflow breakdown (which is too detailed to include) for estimating the residual land value per net hectare, which is the same approach that has been applied to every tested typology. Also, for reference purposes only, the appraisals of the three tested strategic site allocations and the BtR scheme are all included in **Appendix A**.

6.7 The summary viability results are provided in **Table 6.1**. This shows that the bulk of sites are likely to be viable at the full cumulative policy requirements within the emerging Basildon Reg 22 Local Plan, i.e., policy layer 5. The only exceptions to this are the flatted development brownfield site typology in Basildon Town, which reflects the Basildon Town Centre Regeneration area. All these schemes are deemed to be unviable when subjected to the Reg 22 Local Plan policies. The exception is the Basildon Town Centre Regeneration area BtR scheme, which can afford most Reg 22 Local Plan policies but not the full accumulation of policies, which pushes this type of scheme to be unviable.

Table 6.1 Viability at different policy layers

ID	Typology	Land type	Policy layer 1	Policy layer 2	Policy layer 3	Policy layer 4	Policy layer 5
1	Basildon Town (5 dwellings)	Brownfield					
2	Basildon Town (9 dwellings)	Brownfield					
3	Basildon Town (13 dwellings)	Brownfield					
4	Basildon Town (20 dwellings)	Brownfield					
5	Basildon Town (50 dwellings)	Brownfield					
6	Basildon Town (150 dwellings)	Brownfield					
7	Basildon Town (60 flatted)	Brownfield					
8	Basildon Town (170 flatted)	Brownfield					
9	Basildon Town (310 flatted)	Brownfield					
10	Basildon Town (780 flatted)	Brownfield					
11	East Basildon Town (5 dwellings)	Greenfield					
12	East Basildon Town (9 dwellings)	Greenfield					
13	East Basildon Town (13 dwellings)	Greenfield					

ID	Typology	Land type	Policy layer 1	Policy layer 2	Policy layer 3	Policy layer 4	Policy layer 5
14	East Basildon Town (20 dwellings)	Greenfield					
15	East Basildon Town (50 dwellings)	Greenfield					
16	East Basildon Town (150 dwellings)	Brownfield					
17	East Basildon Town (150 dwellings)	Greenfield					
18	West Basildon Town (5 dwellings)	Brownfield					
19	West Basildon Town (9 dwellings)	Brownfield					
20	West Basildon Town (13 dwellings)	Brownfield					
21	West Basildon Town (150 dwellings)	Greenfield					
22	West Basildon Town (400 dwellings)	Greenfield					
23	West Basildon Town (1000 dwellings)	Greenfield					
24	Billericay (5 dwellings)	Brownfield					
25	Billericay (9 dwellings)	Brownfield					
26	Billericay (13 dwellings)	Brownfield					
27	Billericay (20 dwellings)	Brownfield					
28	Billericay (50 dwellings)	Brownfield					
29	Billericay (150 dwellings)	Brownfield					
30	Billericay (150 dwellings)	Greenfield					
31	Billericay (200 dwellings)	Greenfield					
32	Billericay (150 flatted)	Brownfield					
33	Wickford (5 dwellings)	Brownfield					
34	Wickford (9 dwellings)	Brownfield					
35	Wickford (13 dwellings)	Brownfield					
36	Wickford (20 dwellings)	Brownfield					
37	Wickford (50 dwellings)	Brownfield					
38	Wickford (150 dwellings)	Brownfield					
39	Wickford (150 dwellings)	Greenfield					
40	Wickford (400 dwellings)	Greenfield					
48	Wickford (1000 dwellings)	Greenfield					
49	Wickford (150 flatted)	Brownfield					
47	Basildon Town (150 flatted) BTR	Brownfield					
41	H17 SW Billericay	Greenfield					
42	H11 East Basildon	Greenfield					
43	H12 South of Wickford	Greenfield					

6.8 Overall, the results are very positive in that the bulk of site typologies and three tested strategic sites are found likely to come forward within the Plan period to meet the full policy requirements. On this basis, any of the identified unviable site typologies should not be considered as significant in undermining the delivery of the Reg 22 Local Plan.

6.9 This is particularly important where there is some flexibility in policy requirements to facilitate delivery. Also, there may well be particular circumstances of acquisition / ownership which would mean that their expected return (profit) or benchmark value is different, and such sites may be developable over the Plan period subject to changes in market conditions or with some flexibility in planning policies. For instance, many of the

Basildon Town Centre Regeneration area sites are owned by the Council or its property company, and therefore the focus is more about supporting regeneration rather than maximising the financial development return. Also, many of these sites will benefit from tools such as the vacant building credits that will reduce their affordable housing liabilities, which will help to mitigate any potential losses from bringing these sites forward. Some may also be supported through external funding to help bring them forward.

Sensitivity Testing Under Projected Market Conditions

6.10 'The Town and Country Planning (Local Planning) (England) Regulations 2012' (as amended) duty for local plans to be reviewed at least once every 5 years from their adoption date. This is to ensure that Local Plan policies remain relevant and effectively address the needs of the local community. Therefore, as part of a sensitivity test of the viability assessment of the Reg 22 Local Plan, a five year change in the base case residential values and residential build costs as identified in **Chapter 4**, are applied to the development assumptions to consider the potential impact under different (future) market conditions, by which time the Reg 22 Local Plan will be reviewed and updated. These are set out in **Scenario 1**, **2** and **3**, which reflect future market conditions covering the period of five years.

6.11 **Scenario 1** in **Table 6.2** reflects a five year change in the base case residential values and at full policy layer 5. As identified in **Chapter 4**, Savills' forecast house price growth for the East of England and the South East regions over the next five years is 10.4%. As expected, this would improve the viability of all sites, generating greater viability headrooms that may support additional infrastructure funding, a higher return to the developer and/or a higher sales value. While the impact is not sufficient to overcome the viability challenges of the Basildon Town Centre Regeneration area typologies, it does enable the BtR typology to become viable at the full cumulative policy layer 5.

6.12 **Scenario 2** in **Table 6.2** reflects a five year change in the base case build costs. As identified in **Chapter 4**, the BCIS forecast tender price growth in build costs over the next five years to rise by 25.6%. As expected, this scenario would reduce the viability of all sites, generating lower viability headrooms or causing more sites to become unviable at the full policy layer 5. This includes some housing sites in Basildon town and one in East Basildon, two larger sites in West Basildon and Wickford, and strategic site H11 East Basildon, no longer being viable in meeting the full policy requirements of the Reg 22 Local Plan. However, as shown in **Table 6.2**, in this worst case scenario with increases in build costs and no increases in sales value, most sites would still be able to come forward while meeting the full policies in the Reg 22 Local Plan.

6.13 **Scenario 3** in **Table 6.2** reflects a more realistic scenario of both sales price increases and build cost increases over the next five years, based on the same rates in Scenarios 1 and 2. This shows that under such forecast changes in market condition with full Local Plan policies' requirements, then there would be a slight reduction to the base case viability position under current market conditions. But overall, the viabilities of the tested sites are not notably affected by these changes, with just one additional flatted large scale site in Wickford becoming unviable.

Table 6.2 Viability at policy layer 5 under a five year forecast change in market conditions

ID	Typology	Land type	**Scenario 1** (higher sales values of 10.4%)	**Scenario2** (higher build costs of 25.6%)	**Scenario 3** (higher sales values and build costs)
1	Basildon Town (5 dwellings)	Brownfield			
2	Basildon Town (9 dwellings)	Brownfield			

ID	Typology	Land type	Scenario 1 (higher sales values of 10.4%)	Scenario2 (higher build costs of 25.6%)	Scenario 3 (higher sales values and build costs)
3	Basildon Town (13 dwellings)	Brownfield			
4	Basildon Town (20 dwellings)	Brownfield			
5	Basildon Town (50 dwellings)	Brownfield			
6	Basildon Town (150 dwellings)	Brownfield			
7	Basildon Town (60 flatted)	Brownfield			
8	Basildon Town (170 flatted)	Brownfield			
9	Basildon Town (310 flatted)	Brownfield			
10	Basildon Town (780 flatted)	Brownfield			
11	East Basildon Town (5 dwellings)	Greenfield			
12	East Basildon Town (9 dwellings)	Greenfield			
13	East Basildon Town (13 dwellings)	Greenfield			
14	East Basildon Town (20 dwellings)	Greenfield			
15	East Basildon Town (50 dwellings)	Greenfield			
16	East Basildon Town (150 dwellings)	Brownfield			
17	East Basildon Town (150 dwellings)	Greenfield			
18	West Basildon Town (5 dwellings)	Brownfield			
19	West Basildon Town (9 dwellings)	Brownfield			
20	West Basildon Town (13 dwellings)	Brownfield			
21	West Basildon Town (150 dwellings)	Greenfield			
22	West Basildon Town (400 dwellings)	Greenfield			
23	West Basildon Town (1000 dwellings)	Greenfield			
24	Billericay (5 dwellings)	Brownfield			
25	Billericay (9 dwellings)	Brownfield			
26	Billericay (13 dwellings)	Brownfield			
27	Billericay (20 dwellings)	Brownfield			
28	Billericay (50 dwellings)	Brownfield			
29	Billericay (150 dwellings)	Brownfield			
30	Billericay (150 dwellings)	Greenfield			
31	Billericay (200 dwellings)	Greenfield			
32	Billericay (150 flatted)	Brownfield			
33	Wickford (5 dwellings)	Brownfield			
34	Wickford (9 dwellings)	Brownfield			
35	Wickford (13 dwellings)	Brownfield			
36	Wickford (20 dwellings)	Brownfield			
37	Wickford (50 dwellings)	Brownfield			
38	Wickford (150 dwellings)	Brownfield			
39	Wickford (150 dwellings)	Greenfield			
40	Wickford (400 dwellings)	Greenfield			
48	Wickford (1000 dwellings)	Greenfield			
49	Wickford (150 flatted)	Brownfield			
47	Basildon Town (150 flatted) BTR	Brownfield			
41	H17 SW Billericay	Greenfield			

ID	Typology	Land type	**Scenario 1** (higher sales values of 10.4%)	**Scenario2** (higher build costs of 25.6%)	**Scenario 3** (higher sales values and build costs)
42	H11 East Basildon	Greenfield			
43	H12 South of Wickford	Greenfield			

7 Reg 22 Local Plan Viability Conclusions and Recommendations

Introduction

7.1 The national policy (guided by the NPPF) emphasises the importance of deliverable plans and, as such, the economic realities of planning policies, where development viability impacts need to be assessed. To help ensure a deliverable local plan, the NPPF requires that local planning authorities 'do not load' policy costs onto development if it would hinder the site being developed. The key point is that policy costs will need to be balanced so as not to render a development unviable but should still be considered sustainable.

7.2 As such, the economic realities of planning policies, where there is a development viability impact, need to be reviewed and possibly tested before policies are adopted within plans. This has been the purpose of this report in viability testing the Basildon Reg 22 Local Plan policies to ensure that it offers a deliverable plan.[59]

7.3 The NPPF also states that Local Plan viability assessments should be informed by 'appropriate available evidence', which need not be 'fully comprehensive or exhaustive'. Associated relevant guidance helpfully introduces a range of definitions and assumptions that should be used when expressing the viability picture. Based on the approach set out by guidance, and the evidence for assessing the viability impact of the policies in the Basildon Reg 22 Local Plan that has been identified in the earlier chapters of this report, the conclusions and recommendations in this chapter aim to meet the legal and statutory guidance requirements that aim to maximise economically realistic achievements of the Councils' priorities, using the discretion allowed by the legislation and guidance.

Conclusions

7.4 This final stage of the viability assessment of the Local Plan policy requirements is to draw broad conclusions on whether the Reg 22 Local Plan is deliverable in terms of viability. The findings and conclusions in this report are based on the review of the Reg 19 Local Plan policies in **Chapter 3**, where specific policies were considered to have a noticeable impact on future developments in the Basildon borough. These policies principally include:

- Policy H25 minimum national size standards;
- Policy H26 Affordable Housing Provision;
- Policies CC1 to CC77 tackling climate change by reducing CO2 emissions in homes;
- Policy T10 providing electric car charging points.
- Other likely Infrastructure Development Plan / section 106 contributions to the following Reg 22 Local Plan policies:
  - T1 to T9 Transport policies;
  - HC1 to HC12 Promoting Healthy Communities and Well-being policies;

[59] There is a raft of planning and building regulation proposals currently at consultation station or waiting for an act of parliament to give legislation/statutory enforcements for changes that potentially may affect future development viability. However, none of these are relevant to the current Local Plan that has been submitted to the Secretary of State.

- NE1 Green Infrastructure Strategy; NE4 Development Impacts on Ecology and Biodiversity;
- NE6 Pollution Control and Residential Amenity;
- NE7 Air Quality; and
- NE10 Natural Environment policies.

7.5 The viability assessment includes a review of current and future market conditions in **Chapter 4**. The viability testing includes testing a generic range of typologies that reflect the Reg 22 Local Plan allocations and potential windfall developments, and general development assumptions, that is considered to be proportionate, and importantly are designed to test policy as opposed to being formal valuations of planning application sites, which are identified in **Chapter 5**.

7.6 Solely based on the exercise of viability testing and the results shown in **Chapter 6** of this report, it was shown that the Basildon Reg 22 Local Plan policy requirements are considered to not unduly burden the delivery of future planned development in Basildon borough, including the delivery of the site allocations, which would be required to meet the aims of the Local Plan.

7.7 The final stage of the viability assessment of the Reg 22 Local Plan policy requirements is to draw broad conclusions on whether the Reg 22 Local Plan is deliverable in terms of viability. But before doing so, it is important to note that:

- Where sites are identified to be unviable from the viability assessment, whereby the residual value is below the assumed benchmark market land value, this report does not confirm that all these types of sites would be unviable. It may well be that the particular circumstances of acquisition / ownership mean that their benchmark value is different, and such sites may be developable over the Plan period, with or without meeting policy requirements, subject to changes in market conditions.
- This document is a theoretical exercise and is for informing and not for setting policy or land allocation. Other evidence needs to be carefully considered before a policy is set and land allocations are made.

7.8 With that in mind, it can conclude that, solely based on the exercise of viability testing, the evidence would suggest that the Basildon Reg 22 Local Plan policy requirements do meet the condition of being a fully deliverable plan, although some flexibility for the Basildon Town Centre Regeneration area sites may be necessary.

Recommendations

7.9 To ensure more certainty of deliverability, then where there are real viability issues that have not been able to be tested within this assessment, it is recommended that there is a policy in the Local Plan and/or references within existing policies to enable a consistent approach to be applied to the consideration of viability issues associated with development proposals. Such flexibility may apply to policies to reduce affordable housing levels and/or thresholds and therefore leaving the market to deliver the sites.

7.10 How much flexibility to be applied should depend on the types of sites coming forward. Given that the results of the assessment show only flatted schemes in Basildon Town Centre to be unviable, and possibly large flatted schemes in Wickford town centre under future changes in market conditions, then any requirement for flexibility may be limited or not needed.

7.11 This approach is currently set out in the Reg 22 Local Plan Policy H26, where it notes that viability assessments will be accepted for a reduced rate of affordable housing provisions on housing and flatted development schemes of around 150 units in Basildon Town and Wickford and other schemes only where there are exceptional development costs.

Appendix A: Example Residential Appraisals

Basildon Town 50 houses (Brownfield) Site Typology Appraisal

Basildon Town (50 dwellings)	Basildon Town	50 Units		TECHNICAL CHECKS:		DVA SUMMARY:		TIMING	
				Sqm/ha	3,065	RLV per ha	£1,287,444		
Gross Area (h	1.80		Private Affordable	Dwgs/ha	38	BLV per ha	£659,692		
Net area (ha)	1.32	Nr of uni	35 16	Units/pa	100	Viable?	Yes		
Land type:	Brownfield		Intermediate 5	AH rate	31.0%	Headroom per ha	£627,752		
Storey Height	2		Affordable rent 11	GDV=Total costs	-	Headroom psm flsp	£252		
LV Descriptio	Brownfield		Social rent 0	Profit/total GDV	17.8%	Headroom psm CIL liable	£344		

									Start	Finish
1.0	**Site Acquisition**									
1.1	Net site value (residual land value)							£2,317,399	**Jan-21**	**Apr-21**
1.2	Stamp Duty Land Tax			Category:	Commercial land			£0	Jan-21	Apr-21
								£105,370	Jan-21	Apr-21
1.3	Purchaser costs				1.75%	on land costs		£40,554	Jan-21	Apr-21
	Total Site Acquisition Costs							**£2,463,323**		
2.0	**Developer's Return**									
2.1	Central overheads				3.5%	on OM GDV		£498,000	Jan-21	Nov-23
2.2	Private units profit				16.5%	on OM GDV		£1,981,793	Oct-23	Nov-23
2.3	Affordable units profit				2.5%	on AH transfer values		£55,442	Oct-23	Nov-23
	Total Developer's Profit							**£2,535,235**		
3.0	**Development Value**									
3.1	Private units		Nr of units	Size sqm	Total sqm	£psm		Total Value		
3.1.1		Flats (NIA)	6.90	55.0	379.5	£3,500		£1,328,250	**Apr-23**	**Oct-23**
3.1.2		2 bed house	6.90	74.5	514.1	£4,100		£2,107,605	Oct-21	Oct-23
3.1.3		3 bed house	13.80	93.0	1283.4	£4,100		£5,261,940	Oct-21	Oct-23
3.1.4		4+ bed house	6.90	117.1	808.1	£4,100		£3,313,073	Oct-21	Oct-23
3.1.5		Older persons Accommodation	0.00	60.0	0.0	£4,500		£0	Apr-23	Oct-23
			34.5		2,985					
3.3	Affordable rent		Nr of units	Size sqm	Total sqm	£psm		Total Value		
3.3.1		Flats (NIA)	4.99	55.0	274.5	£1,750		£480,384	Apr-23	Oct-23
3.3.2		2 bed house	4.99	74.5	371.8	£2,050		£762,250	Oct-21	Oct-23
3.3.3		3 bed house	0.54	93.0	50.5	£2,050		£103,428	Oct-21	Oct-23
3.3.4		4+ bed house	0.33	117.1	38.1	£2,050		£78,145	Oct-21	Oct-23
3.2.4		Older persons Accommodation	0.00	60.0	0.0	£2,250		£0	Apr-23	Oct-23
			10.9		735					
3.4	Intermediate		Nr of units	Size sqm	Total sqm	£psm		Total Value		
3.4.1		Flats (NIA)	2.14	55.0	117.6	£2,275		£267,642	Apr-23	Oct-23
3.4.2		2 bed house	2.14	74.5	159.4	£2,665		£424,682	Oct-21	Oct-23
3.4.3		3 bed house	0.23	93.0	21.6	£2,665		£57,624	Oct-21	Oct-23
3.4.4		4+ bed house	0.14	117.1	16.3	£2,665		£43,538	Oct-21	Oct-23
3.2.4		Older persons Accommodation	0.00	60.0	0.0	£2,925		£0	Apr-23	Oct-23
			4.7		315					
			0.00							
	Gross Development Value							**£14,228,562**		
4.0	**Development Costs**									
4.1	**Sales Cost**									
4.1.1	Private units				3.00%	on OM GDV		£360,326	Apr-23	Oct-23
4.1.2	Affordable units				£600	per affordable housing		£9,300	Apr-23	Oct-23
	Total Sales Costs							**£369,626**		
4.2	**Build Costs**									
4.2.1	Private units		Nr of units	Size sqm	Total sqm	£psm		Total Cost		
4.2.1.1		Flats (GIA)	6.90	63.2	435.8	£1,507		£656,757	**Apr-21**	**Apr-23**
4.2.1.2		2 bed house	6.90	75.3	519.6	£1,181		£613,612.17	Apr-21	Apr-23
4.2.1.3		3 bed house	13.80	93.9	1295.8	£1,181		£1,530,363.42	Apr-21	Apr-23
4.2.1.4		4+ bed house	6.90	118.0	814.2	£1,181		£961,570.20	Apr-21	Apr-23
4.2.1.4		Older persons Accommodation	0.00	80.0	0.0	£1,602		£0.00	Apr-21	Apr-23
			35		3,065					
4.2.2	Affordable units		Nr of units	Size sqm	Total sqm	£psm		Total Cost		
4.2.2.1		Flats (GIA)	7.13	63.2	450.3	£1,507		£678,648.52	Apr-21	Apr-23
4.2.2.2		2 bed house	7.13	75.3	536.9	£1,181		£634,065.91	Apr-21	Apr-23
4.2.2.3		3 bed house	0.78	93.9	72.8	£1,181		£85,944.32	Apr-21	Apr-23
4.2.2.4		4+ bed house	0.47	118.0	54.9	£1,181		£64,801.47	Apr-21	Apr-23
4.2.2.4		Older persons Accommodation	0.00	80.0	0.0	£1,602		£0.00	Apr-21	Apr-23
			16		1,115					
			Number of units	e per garage (sqm)	Total (sqm)	£psm		Total Cost		
4.2.3	Garages		14.835	21	312	£450		£140,191	Apr-21	Apr-23
	Total Build Costs		**50**					**£5,365,953**		
4.3	**Extra-Over Construction Costs**									
4.3.1.1	Externals (for houses)				10%	extra-over on build cost for houses		£403,054.82	Apr-21	Apr-23
4.3.1.2	Externals (for flats)				10%	extra-over on build cost for flats		£133,540.51	Apr-21	Apr-23
4.3.2	Site abnormals (remediation/demolition)				£330,000	per net ha		£434,379	Jan-21	Apr-21
4.3.3	Site opening costs				£0	per unit		£0	Jan-21	Feb-22
	Total Extra-Over Construction Costs							**£970,974**		
4.4	**Professional Fees**									
4.4.1	on build costs (incl: externals)				8%			£472,204	Jan-21	Apr-23
	Total Professional Fees							**£472,204**		
4.5	**Contingency**									
4.4.1	on build costs (incl: externals)				4%			£236,102	Jan-21	Apr-23
	Total Contingency							**£236,102**		
4.6	**Other Planning Obligations**									
4.6.1.1	Cat 2				£500	per house		£1,799	Apr-21	Apr-23
4.6.1.2	Cat 2				£900	per flat		£1,263	Apr-21	Apr-23
4.6.2	S106/S278 contribution				£21,000	per unit		£1,050,000	Jan-21	Apr-23
4.6.3	Electric charging points				£976	per unit (applied to all houses and 50% of flats)		£41,953	Apr-21	Apr-23
4.6.4	CIL rates				£0.00	per Cil liable flsp		£0	Apr-21	Apr-23
4.6.5	Energy Policy				2.5%	build cost		£134,149	Apr-21	Apr-23
4.6.6	Surface water allowances				£50,000	per hectare		£65,815	Apr-21	Apr-23
4.6.6	Gypsy and Traveller sites				£0	per pitch		£0	Apr-21	Apr-23
4.6.6	Rams				£126	per unit		£6,279	Jan-21	Apr-23
4.6.6	Employment Land				£0	Other		£0	Apr-21	Apr-23
4.6.7	Biodiversity Net Gain				£0	per unit		£0	Apr-21	Apr-23
	Total Developer Contributions							**£1,301,257**		
5.0	**TOTAL DEVELOPMENT COSTS**							**£8,716,117**		
6.0	**TOTAL PROJECT COSTS [EXCLUDING INTEREST]**							**£13,714,675**		
7.0	**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]**							**£513,887**		
8.0	**Finance Costs**									
					APR		PCM			
8.1	Finance				6.00%	on net costs	0.487%	-£513,887		
9.0	**TOTAL PROJECT COSTS [INCLUDING INTEREST]**							**£14,228,562**		

H17 SW Billericay Appraisal

H17 SW Billericay	Billericay	1,700 Units	TECHNICAL CHECKS:		DVA SUMMARY:		TIMING		
			Sqm/ha	2,725	RLV per ha	£1,160,422			
Gross Area (h	95.00	Private Affordable	Dwgs/ha	35	BLV per ha	£203,947			
Net area (ha	48.57	Nr of un 1,173 527	Units/pa	3,400	Viable?	Yes			
Land type:	Greenfield	Intermediate 158	AH rate	31.0%	Headroom per ha	£956,475			
Storey Heigh	2	Affordable rent 369	GDV=Total costs	-	Headroom psm flsp	£630			
LV Descriptio	Large Greenfield	Social rent 0	Profit/total GDV	16.3%	Headroom psm CIL liabl	£912			

								Start	Finish	Months (nr)
1.0	**Site Acquisition**									
1.1	Net site value (residual land value)						£110,240,110	**Jan-21**	**Apr-21**	3
1.2	Stamp Duty Land Tax	Category:	Commercial land				£0	Jan-21	Apr-21	3
							£5,501,505	Jan-21	Apr-21	3
1.3	Purchaser costs		1.75%	on land costs			£1,929,202	Jan-21	Apr-21	3
	Total Site Acquisition Costs						**£117,670,817**			
2.0	**Developer's Return**									
2.1	Central overheads		3.5%	on OM GDV			£21,520,663	Jan-21	Apr-33	147
2.2	Private units profit		16.5%	on OM GDV			£75,983,057	Mar-33	Apr-33	1
2.3	Affordable units profit		2.5%	on AH transfer values			£3,023,555	Mar-33	Apr-33	1
	Total Developer's Profit						**£100,527,276**			
3.0	**Development Value**									
3.1	Private units	Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.1.1	Flats (NIA)	211.14	55.0	11612.7	£6,700		£77,805,090	**Sep-32**	**Mar-33**	6
3.1.2	2 bed house	211.14	74.5	15729.9	£4,800		£75,503,664	Oct-21	Mar-33	137
3.1.3	3 bed house	422.28	93.0	39272.0	£4,800		£188,505,792	Oct-21	Mar-33	137
3.1.4	4+ bed house	211.14	117.1	24726.8	£4,800		£118,688,832	Oct-21	Mar-33	137
3.1.5	Older persons Accommodation	117.30	60.0	7038.0	£4,750		£33,430,500	Sep-32	Mar-33	6
		1,173.0		91,342						
3.3	Affordable rent	Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.3.1	Flats (NIA)	66.40	55.0	3652.1	£3,350		£12,234,569	Sep-32	Mar-33	6
3.3.2	2 bed house	66.40	74.5	4946.9	£2,400		£11,872,678	Oct-21	Mar-33	137
3.3.3	3 bed house	132.80	93.0	12350.8	£2,400		£29,641,853	Oct-21	Mar-33	137
3.3.4	4+ bed house	66.40	117.1	7776.4	£2,400		£18,663,389	Oct-21	Mar-33	137
3.2.4	Older persons Accommodation	36.89	60.0	2213.4	£2,375		£5,256,825	Sep-32	Mar-33	6
		368.9		28,726						
3.4	Intermediate	Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.4.1	Flats (NIA)	28.46	55.0	1565.2	£4,355		£6,816,402	Sep-32	Mar-33	6
3.4.2	2 bed house	28.46	74.5	2120.1	£3,120		£6,614,778	Oct-21	Mar-33	137
3.4.3	3 bed house	56.92	93.0	5293.2	£3,120		£16,514,747	Oct-21	Mar-33	137
3.4.4	4+ bed house	28.46	117.1	3332.7	£3,120		£10,398,174	Oct-21	Mar-33	137
3.2.4	Older persons Accommodation	15.81	60.0	948.6	£3,088		£2,928,803	Sep-32	Mar-33	6
		158.1		12,311						
	Gross Development Value						**£614,876,093**			
4.0	**Development Costs**									
4.1	**Sales Cost**									
4.1.1	Private units		3.00%	on OM GDV			£14,818,016	Sep-32	Mar-33	6
4.1.2	Affordable units		£600	per affordable housing			£316,200	Sep-32	Mar-33	6
	Total Sales Costs						**£15,134,216**			
4.2	**Build Costs**									
4.2.1	Private units	Nr of units	Size sqm	Total sqm	£psm		Total Cost			
4.2.1.1	Flats (GIA)	211.14	62.9	13271.7	£1,507		£20,000,387	**Apr-21**	**Sep-32**	137
4.2.1.2	2 bed house	211.14	74.5	15729.9	£1,181		£18,577,047.33	Apr-21	Sep-32	137
4.2.1.3	3 bed house	422.28	93.0	39272.0	£1,181		£46,380,279.24	Apr-21	Sep-32	137
4.2.1.4	4+ bed house	211.14	117.1	24726.8	£1,181		£29,202,398.04	Apr-21	Sep-32	137
4.2.1.4	Older persons Accommodation	117.30	80.0	9384.0	£1,602		£15,033,168.00	Apr-21	Sep-32	137
		1,173		93,000						
4.2.2	Affordable units	Nr of units	Size sqm	Total sqm	£psm		Total Cost			
4.2.2.1	Flats (GIA)	94.86	62.9	5962.6	£1,507		£8,985,681.26	Apr-21	Sep-32	137
4.2.2.2	2 bed house	94.86	74.5	7067.1	£1,181		£8,346,209.67	Apr-21	Sep-32	137
4.2.2.3	3 bed house	189.72	93.0	17644.0	£1,181		£20,837,516.76	Apr-21	Sep-32	137
4.2.2.4	4+ bed house	94.86	117.1	11109.2	£1,181		£13,119,917.96	Apr-21	Sep-32	137
4.2.2.4	Older persons Accommodation	52.70	80.0	4216.0	£1,602		£6,754,032.00	Apr-21	Sep-32	137
		527		41,783						
		Number of units	e per garage (sqm)	Total (sqm)	£psm		Total Cost			
4.2.3	Garages	453.951	21	9,533	£450		£4,289,837	Apr-21	Sep-32	137
	Total Build Costs	**1,700**					**£191,526,475**			
4.3	**Extra-Over Construction Costs**									
4.3.1.1	Externals (for houses)		10%	extra-over on build cost for houses			£14,075,321	Apr-21	Sep-32	137
4.3.1.2	Externals (for flats)		10%	extra-over on build cost for flats			£5,077,327	Apr-21	Sep-32	137
4.3.2	Strategic utilities costs		£3,000,000	Total			£3,000,000	Jan-21	Apr-21	3
4.3.3	Environmental Assessment and Ground conditions		£600,000	Total			£600,000	Jan-21	Nov-26	70
	Total Extra-Over Construction Costs						**£22,752,647**			
4.4	**Professional Fees**									
4.4.1	on build costs (incl: externals)		8%				£16,854,330	Jan-21	Sep-32	140
	Total Professional Fees						**£16,854,330**			
4.5	**Contingency**									
4.4.1	on build costs (incl: externals)		4%				£8,427,165	Jan-21	Sep-32	140
	Total Contingency						**£8,427,165**			
4.6	**Other Planning Obligations**									
4.6.1.1	Cat 2		£0	per house			£0	Apr-21	Sep-32	137
4.6.1.2	Cat 2		£0	per flat			£0	Apr-21	Sep-32	137
4.6.2	S106/S278 contribution		£32,019	per unit			£54,432,300	Jan-21	Sep-32	140
4.6.3	Electric charging points		£976	per unit (applied to all houses and 50% of flats)			£1,343,952	Apr-21	Sep-32	137
4.6.4	CIL rates		£0.00	per Cil liable flsp			£0	Apr-21	Sep-32	137
4.6.5	Energy Policy		2.5%	build cost			£4,788,162	Apr-21	Sep-32	137
4.6.6	Surface water allowances		£3,000,000	Total			£3,000,000	Apr-21	Sep-32	137
4.6.6	Rams		£255,000	Total			£255,000	Jan-21	Sep-32	140
4.6.6	Employment Land		£0	Total			£0	Apr-21	Sep-32	137
4.6.7	Biodiversity Net Gain		£4,887,500	Total			£4,887,500	Apr-21	Sep-32	137
	Total Developer Contributions						**£68,706,914**			
5.0	**TOTAL DEVELOPMENT COSTS**						**£323,401,747**			
6.0	**TOTAL PROJECT COSTS [EXCLUDING INTEREST]**						**£541,599,840**			
7.0	**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]**						**£73,276,254**			
8.0	**Finance Costs**									
			APR		PCM					Opening Balance
8.1	Finance		6.00%	on net costs	0.487%		-£73,276,254			**Interest**
										Net Cashflow in
										Closing Balance
9.0	**TOTAL PROJECT COSTS [INCLUDING INTEREST]**						**£614,876,093**			

This appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to assess the impact of planning policies on site viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Professional Standards UK January 2014 (revised April 2015)) valuation and should not be relied upon as such.

H11 East Basildon Appraisal

H11 East Basildon	Basildon Town	650 Units	TECHNICAL CHECKS:		DVA SUMMARY:		TIMING		
Gross Area (h	53.00	Private / Affordable	Sqm/ha	2,726	RLV per ha	£464,260			
Net area (ha	18.57	Nr of un 449 / 202	Dwgs/ha	35	BLV per ha	£147,632			
Land type:	Greenfield	Intermediate 60	Units/pa	1,300	Viable?	Yes			
Storey Heigh	2	Affordable rent 141	AH rate	31.0%	Headroom per ha	£316,628			
LV Descriptio	Large Greenfield	Social rent 0	GDV=Total costs	-	Headroom psm flsp	£304			
			Profit/total GDV	16.2%	Headroom psm CIL liabl	£441			

								Start	Finish	Months (nr)
1.0	**Site Acquisition**									
1.1	Net site value (residual land value)						£24,605,794	**Jan-21**	**Apr-21**	3
1.2	Stamp Duty Land Tax	Category:	Commercial land				£0	Jan-21	Apr-21	3
							£1,219,790	Jan-21	Apr-21	3
1.3	Purchaser costs		1.75%	on land costs			£430,601	Jan-21	Apr-21	3
	Total Site Acquisition Costs						**£26,256,185**			
2.0	**Developer's Return**									
2.1	Central overheads		3.5%	on OM GDV			£6,650,368	Jan-21	Jun-28	89
2.2	Private units profit		16.5%	on OM GDV			£23,186,981	May-28	Jun-28	1
2.3	Affordable units profit		2.5%	on AH transfer values			£934,347	May-28	Jun-28	1
	Total Developer's Profit						**£30,771,696**			
3.0	**Development Value**									
3.1	Private units	Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.1.1	Flats (NIA)	80.73	55.0	4440.2	£3,500		£15,540,525	**Nov-27**	**May-28**	6
3.1.2	2 bed house	80.73	74.5	6014.4	£4,100		£24,658,979	Oct-21	May-28	79
3.1.3	3 bed house	161.46	93.0	15015.8	£4,100		£61,564,698	Oct-21	May-28	79
3.1.4	4+ bed house	80.73	117.1	9454.4	£4,100		£38,762,958	Oct-21	May-28	79
3.1.5	Older persons Accommodation	44.85	60.0	2691.0	£4,500		£12,109,500	Nov-27	May-28	6
		448.5		34,925						
3.3	Affordable rent	Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.3.1	Flats (NIA)	25.39	55.0	1396.4	£1,750		£2,443,691	Nov-27	May-28	6
3.3.2	2 bed house	25.39	74.5	1891.5	£2,050		£3,877,535	Oct-21	May-28	79
3.3.3	3 bed house	50.78	93.0	4722.4	£2,050		£9,680,826	Oct-21	May-28	79
3.3.4	4+ bed house	25.39	117.1	2973.3	£2,050		£6,095,335	Oct-21	May-28	79
3.2.4	Older persons Accommodation	14.11	60.0	846.3	£2,250		£1,904,175	Nov-27	May-28	6
		141.1		10,984						
3.4	Intermediate	Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.4.1	Flats (NIA)	10.88	55.0	598.5	£2,275		£1,361,485	Nov-27	May-28	6
3.4.2	2 bed house	10.88	74.5	810.6	£2,665		£2,160,341	Oct-21	May-28	79
3.4.3	3 bed house	21.76	93.0	2023.9	£2,665		£5,393,603	Oct-21	May-28	79
3.4.4	4+ bed house	10.88	117.1	1274.3	£2,665		£3,395,972	Oct-21	May-28	79
3.2.4	Older persons Accommodation	6.05	60.0	362.7	£2,925		£1,060,898	Nov-27	May-28	6
		60.5		4,707						
	Gross Development Value						**£190,010,520**			
4.0	**Development Costs**									
4.1	**Sales Cost**									
4.1.1	Private units		3.00%	on OM GDV			£4,579,100	Nov-27	May-28	6
4.1.2	Affordable units		£600	per affordable housing			£120,900	Nov-27	May-28	6
	Total Sales Costs						**£4,700,000**			
4.2	**Build Costs**									
4.2.1	Private units	Nr of units	Size sqm	Total sqm	£psm		Total Cost			
4.2.1.1	Flats (GIA)	80.73	62.9	5074.5	£1,507		£7,647,207	**Apr-21**	**Nov-27**	79
4.2.1.2	2 bed house	80.73	74.5	6014.4	£1,181		£7,102,988.69	Apr-21	Nov-27	79
4.2.1.3	3 bed house	161.46	93.0	15015.8	£1,181		£17,733,636.18	Apr-21	Nov-27	79
4.2.1.4	4+ bed house	80.73	117.1	9454.4	£1,181		£11,165,622.78	Apr-21	Nov-27	79
4.2.1.4	Older persons Accommodation	44.85	80.0	3588.0	£1,602		£5,747,976.00	Apr-21	Nov-27	79
		449		35,559						
4.2.2	Affordable units	Nr of units	Size sqm	Total sqm	£psm		Total Cost			
4.2.2.1	Flats (GIA)	36.27	62.9	2279.8	£1,507		£3,435,701.66	Apr-21	Nov-27	79
4.2.2.2	2 bed house	36.27	74.5	2702.1	£1,181		£3,191,197.82	Apr-21	Nov-27	79
4.2.2.3	3 bed house	72.54	93.0	6746.2	£1,181		£7,967,285.82	Apr-21	Nov-27	79
4.2.2.4	4+ bed house	36.27	117.1	4247.6	£1,181		£5,016,439.22	Apr-21	Nov-27	79
4.2.2.4	Older persons Accommodation	20.15	80.0	1612.0	£1,602		£2,582,424.00	Apr-21	Nov-27	79
		202		15,976						
		Number of units	e per garage (sqm)	Total (sqm)	£psm		Total Cost			
4.2.3	Garages	173.570	21	3,645	£450		£1,640,232	Apr-21	Nov-27	79
	Total Build Costs	**650**					**£73,230,711**			
4.3	**Extra-Over Construction Costs**									
4.3.1.1	Externals (for houses)		10%	extra-over on build cost for houses			£5,381,740	Apr-21	Nov-27	79
4.3.1.2	Externals (for flats)		10%	extra-over on build cost for flats			£1,941,331	Apr-21	Nov-27	79
4.3.2	Strategic utilities costs		£3,000,000	Total			£3,000,000	Jan-21	Apr-21	3
4.3.3	Environmental Assessment and Ground conditions		£800,000	Total			£800,000	Jan-21	Jun-24	41
	Total Extra-Over Construction Costs						**£11,123,071**			
4.4	**Professional Fees**									
4.4.1	on build costs (incl: externals)		8%				£6,444,303	Jan-21	Nov-27	82
	Total Professional Fees						**£6,444,303**			
4.5	**Contingency**									
4.4.1	on build costs (incl: externals)		4%				£3,222,151	Jan-21	Nov-27	82
	Total Contingency						**£3,222,151**			
4.6	**Other Planning Obligations**									
4.6.1.1	Cat 2		£0	per house			£0	Apr-21	Nov-27	79
4.6.1.2	Cat 2		£0	per flat			£0	Apr-21	Nov-27	79
4.6.2	S106/S278 contribution		£27,401	per unit			£17,810,650	Jan-21	Nov-27	82
4.6.3	Electric charging points		£976	per unit (applied to all houses and 50% of flats)			£513,864	Apr-21	Nov-27	79
4.6.4	CIL rates		£0.00	per Cil liable flsp			£0	Apr-21	Nov-27	79
4.6.5	Energy Policy		2.5%	build cost			£1,830,768	Apr-21	Nov-27	79
4.6.6	Surface water allowances		£158,600	Total			£158,600	Apr-21	Nov-27	79
4.6.6	Rams		£97,500	Total			£97,500	Jan-21	Nov-27	82
4.6.6	Employment Land		£0	Total			£0	Apr-21	Nov-27	79
4.6.7	Biodiversity Net Gain		£1,950,000	Total			£1,950,000	Apr-21	Nov-27	79
	Total Developer Contributions						**£22,361,382**			
5.0	**TOTAL DEVELOPMENT COSTS**						**£121,081,617**			
6.0	**TOTAL PROJECT COSTS [EXCLUDING INTEREST]**						**£178,109,498**			
7.0	**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]**						**£11,901,022**			
8.0	**Finance Costs**									
			APR		PCM					Opening Balance
8.1	Finance		6.00%	on net costs	0.487%		-£11,901,022			**Interest**
										Net Cashflow in
										Closing Balance
9.0	**TOTAL PROJECT COSTS [INCLUDING INTEREST]**						**£190,010,520**			

This appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to assess the impact of planning policies on site viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Professional Standards UK January 2014 (revised April 2015)) valuation and should not be relied upon as such.

H12 South of Wickford Appraisal

H12 South of Wickford	Wickford	1,100 Units		TECHNICAL CHECKS:		DVA SUMMARY:		TIMING		
				Sqm/ha	3,505	RLV per ha	£1,512,349			
Gross Area (h	29.00		Private	Affordable	Dwgs/ha	45	BLV per ha	£319,966			
Net area (ha	24.44	Nr of un	759	341	Units/pa	2,200	Viable?	Yes			
Land type:	Greenfield	Intermediate		102	AH rate	31.0%	Headroom per ha	£1,192,383			
Storey Heigh	2	Affordable rent		239	GDV=Total costs	-	Headroom psm flsp	£370			
LV Descriptio	Large Greenfield	Social rent		0	Profit/total GDV	16.3%	Headroom psm CIL liabl	£537			

									Start	Finish	Months (nr)
1.0	**Site Acquisition**										
1.1	Net site value (residual land value)							£43,858,113	**Jan-21**	**Apr-21**	3
1.2	Stamp Duty Land Tax	Category:	Commercial land					£0	Jan-21	Apr-21	3
								£2,182,406	Jan-21	Apr-21	3
1.3	Purchaser costs		1.75%	on land costs				£767,517	Jan-21	Apr-21	3
	Total Site Acquisition Costs							**£46,808,036**			
2.0	**Developer's Return**										
2.1	Central overheads		3.5%	on OM GDV				£12,092,485	Jan-21	Nov-34	166
2.2	Private units profit		16.5%	on OM GDV				£42,413,087	Oct-34	Nov-34	1
2.3	Affordable units profit		2.5%	on AH transfer values				£1,698,939	Oct-34	Nov-34	1
	Total Developer's Profit							**£56,204,512**			
3.0	**Development Value**										
3.1	Private units		Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.1.1		Flats (NIA)	136.62	55.0	7514.1	£4,000		£30,056,400	**Apr-34**	**Oct-34**	6
3.1.2		2 bed house	136.62	74.5	10178.2	£4,400		£44,784,036	Oct-21	Oct-34	156
3.1.3		3 bed house	273.24	93.0	25411.3	£4,400		£111,809,808	Oct-21	Oct-34	156
3.1.4		4+ bed house	136.62	117.1	15999.7	£4,400		£70,398,768	Oct-21	Oct-34	156
3.1.5		Older persons Accommodation	75.90	60.0	4554.0	£4,500		£20,493,000	Apr-34	Oct-34	6
			759.0		59,103						
3.3	Affordable rent		Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.3.1		Flats (NIA)	42.97	55.0	2363.1	£2,000		£4,726,260	Apr-34	Oct-34	6
3.3.2		2 bed house	42.97	74.5	3201.0	£2,200		£7,042,127	Oct-21	Oct-34	156
3.3.3		3 bed house	85.93	93.0	7991.7	£2,200		£17,581,687	Oct-21	Oct-34	156
3.3.4		4+ bed house	42.97	117.1	5031.8	£2,200		£11,069,951	Oct-21	Oct-34	156
3.2.4		Older persons Accommodation	23.87	60.0	1432.2	£2,250		£3,222,450	Apr-34	Oct-34	6
			238.7		18,588						
3.4	Intermediate		Nr of units	Size sqm	Total sqm	£psm		Total Value			
3.4.1		Flats (NIA)	18.41	55.0	1012.8	£2,600		£2,633,202	Apr-34	Oct-34	6
3.4.2		2 bed house	18.41	74.5	1371.8	£2,860		£3,923,471	Oct-21	Oct-34	156
3.4.3		3 bed house	36.83	93.0	3425.0	£2,860		£9,795,511	Oct-21	Oct-34	156
3.4.4		4+ bed house	18.41	117.1	2156.5	£2,860		£6,167,544	Oct-21	Oct-34	156
3.2.4		Older persons Accommodation	10.23	60.0	613.8	£2,925		£1,795,365	Apr-34	Oct-34	6
			102.3		7,966						
	Gross Development Value							**£345,499,581**			
4.0	**Development Costs**										
4.1	**Sales Cost**										
4.1.1	Private units		3.00%	on OM GDV				£8,326,260	Apr-34	Oct-34	6
4.1.2	Affordable units		£600	per affordable housing				£204,600	Apr-34	Oct-34	6
	Total Sales Costs							**£8,530,860**			
4.2	**Build Costs**										
4.2.1	Private units		Nr of units	Size sqm	Total sqm	£psm		Total Cost			
4.2.1.1		Flats (GIA)	136.62	62.9	8587.5	£1,507		£12,941,427	**Apr-21**	**Apr-34**	156
4.2.1.2		2 bed house	136.62	74.5	10178.2	£1,181		£12,020,442.39	Apr-21	Apr-34	156
4.2.1.3		3 bed house	273.24	93.0	25411.3	£1,181		£30,010,768.92	Apr-21	Apr-34	156
4.2.1.4		4+ bed house	136.62	117.1	15999.7	£1,181		£18,895,669.32	Apr-21	Apr-34	156
4.2.1.4		Older persons Accommodation	75.90	80.0	6072.0	£1,602		£9,727,344.00	Apr-21	Apr-34	156
			759		60,177						
4.2.2	Affordable units		Nr of units	Size sqm	Total sqm	£psm		Total Cost			
4.2.2.1		Flats (GIA)	61.38	62.9	3858.2	£1,507		£5,814,264.34	Apr-21	Apr-34	156
4.2.2.2		2 bed house	61.38	74.5	4572.8	£1,181		£5,400,488.61	Apr-21	Apr-34	156
4.2.2.3		3 bed house	122.76	93.0	11416.7	£1,181		£13,483,099.08	Apr-21	Apr-34	156
4.2.2.4		4+ bed house	61.38	117.1	7188.3	£1,181		£8,489,358.68	Apr-21	Apr-34	156
4.2.2.4		Older persons Accommodation	34.10	80.0	2728.0	£1,602		£4,370,256.00	Apr-21	Apr-34	156
			341		27,036						
			Number of units	e per garage (sqm)	Total (sqm)	£psm		Total Cost			
4.2.3	Garages		293.733	21	6,168	£450		£2,775,777	Apr-21	Apr-34	156
	Total Build Costs		**1,100**					**£123,928,895**			
4.3	**Extra-Over Construction Costs**										
4.3.1.1	Externals (for houses)		10%	extra-over on build cost for houses				£9,107,560	Apr-21	Apr-34	156
4.3.1.2	Externals (for flats)		10%	extra-over on build cost for flats				£3,285,329	Apr-21	Apr-34	156
4.3.2	Strategic utilities costs		£3,850,000	Total				£3,850,000	Jan-21	Apr-21	3
4.3.3	Environmental Assessment and Ground conditions		£660,000	Total				£660,000	Jan-21	Aug-27	79
	Total Extra-Over Construction Costs							**£16,902,890**			
4.4	**Professional Fees**										
4.4.1	on build costs (incl: externals)		8%					£10,905,743	Jan-21	Apr-34	159
	Total Professional Fees							**£10,905,743**			
4.5	**Contingency**										
4.4.1	on build costs (incl: externals)		4%					£5,452,871	Jan-21	Apr-34	159
	Total Contingency							**£5,452,871**			
4.6	**Other Planning Obligations**										
4.6.1.1	Cat 2		£0	per house				£0	Apr-21	Apr-34	156
4.6.1.2	Cat 2		£0	per flat				£0	Apr-21	Apr-34	156
4.6.2	S106/S278 contribution		£30,756	per unit				£33,831,600	Jan-21	Apr-34	159
4.6.3	Electric charging points		£976	per unit (applied to all houses and 50% of flats)				£869,616	Apr-21	Apr-34	156
4.6.4	CIL rates		£0.00	per Cil liable flsp				£0	Apr-21	Apr-34	156
4.6.5	Energy Policy		2.5%	build cost				£3,098,222	Apr-21	Apr-34	156
4.6.6	Surface water allowances		£1,430,000	Total				£1,430,000	Apr-21	Apr-34	156
4.6.6	Rams		£165,000	Total				£165,000	Jan-21	Apr-34	159
4.6.6	Employment Land		£0	Total				£0	Apr-21	Apr-34	156
4.6.7	Biodiversity Net Gain		£3,300,000	Total				£3,300,000	Apr-21	Apr-34	156
	Total Developer Contributions							**£42,694,438**			
5.0	**TOTAL DEVELOPMENT COSTS**							**£208,415,698**			
6.0	**TOTAL PROJECT COSTS [EXCLUDING INTEREST]**							**£311,428,245**			
7.0	**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]**							**£34,071,336**			
8.0	**Finance Costs**										
			APR			PCM					Opening Balance
8.1	Finance		6.00%	on net costs		0.487%		-£34,071,336			**Interest**
											Net Cashflow in
											Closing Balance
9.0	**TOTAL PROJECT COSTS [INCLUDING INTEREST]**							**£345,499,581**			

This appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to assess the impact of planning policies on site viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Professional Standards UK January 2014 (revised April 2015)) valuation and should not be relied upon as such.

Basildon Town (150 flatted) BTR

Basildon Town (150 flatted) BTR	Basildon Town	150 Units	TECHNICAL CHECKS:		DVA SUMMARY:		TIMING	
Gross Area (h	0.40	Private 120 / Affordable 30	Sqm/ha	4,125	RLV per ha	£584,107		
Net area (ha)	0.40	Nr of uni	Dwgs/ha	375	BLV per ha	£700,000		
Land type:	Brownfield	Intermediate 9	Units/pa	300	Viable?	No		
Storey Height	6	Affordable rent 21	AH rate	20.0%	Headroom per ha	-£115,893		
LV Descriptio	Brownfield	Social rent 0	GDV=Total costs	-	Headroom psm flsp	-£5		
			Profit/total GDV	14.2%	Headroom psm CIL liable	-£6		

								Start	Finish
1.0	**Site Acquisition**								
1.1	Net site value (residual land value)						£233,643	**Jan-21**	**Apr-21**
1.2	Stamp Duty Land Tax	Category:	Commercial land				£0	Jan-21	Apr-21
							£1,673	Jan-21	Apr-21
1.3	Purchaser costs		1.75%	on land costs			£4,089	Jan-21	Apr-21
	Total Site Acquisition Costs						**£239,404**		
2.0	**Developer's Profit**								
2.1	Central overheads		3.5%	on OM GDV			£1,197,217	Jan-21	May-22
2.1	Net profit on market housing		11.5%	on OM GDV			£3,571,765	Apr-22	May-22
2.2	Net profit on affordable housing		2.5%	on AH transfer values			£78,684	Apr-22	May-22
	Total Developer's Profit						**£4,847,666**		
3.0	**Development Value**								
3.1	Built to Rent	Nr of units	Annual Rent per unit		Yield	nual Rent per unit	Total Value		
3.1.1	Flats (NIA)	120.00	55.0		4.25%	£11,000	£31,058,824	**Oct-21**	**Apr-22**
3.3	Affordable rent	Nr of units	Size sqm	Total sqm		£psm	Total Value		
3.3.1	Flats (NIA)	21.00	55.0	1155.0		£1,750	£2,021,250	May-24	Nov-24
3.4	Intermediate	Nr of units	Size sqm	Total sqm		£psm	Total Value		
3.4.1	Flats (NIA)	9.00	55.0	495.0		£2,275	£1,126,125	May-24	Nov-24
	Gross Development Value						**£34,206,199**		
4.0	**Development Costs**								
4.1	**Sales Cost**								
4.1.1	Private units		3.00%	on OM GDV			£931,765	Oct-21	Apr-22
4.1.2	Affordable units		£600	per affordable housing			£18,000	Oct-21	Apr-22
	Total Sales Costs						**£949,765**		
4.2	**Build Costs**								
4.2.1	Private units	Nr of units	Size sqm	Total sqm		£psm	Total Cost		
4.2.1.1	Flats (GIA)	120.00	63.2	7579.2		£2,114	£16,022,429	**Apr-21**	**May-24**
		12		7,579					
4.2.2	Affordable units	Nr of units	Size sqm	Total sqm		£psm	Total Cost		
4.2.2.1	Flats (GIA)	30.00	63.2	1894.8		£2,114	£4,005,607	Apr-21	May-24
		3		1,895					
		Number of units	e per garage (sqm)	Total (sqm)		£psm	Total Cost		
4.2.3	Garages	10.800	21	227		£450	£102,060	Apr-21	May-24
	Total Build Costs	**150**					**£20,130,096**		
4.3	**Extra-Over Construction Costs**								
4.3.1.1	Externals (for houses)		10%	extra-over on build cost for houses			£10,206	Apr-21	May-24
4.3.1.2	Externals (for flats)		10%	extra-over on build cost for flats			£2,002,804	Apr-21	May-24
4.3.2	Site abnormals (remediation/demolition)		£330,000	per net ha			£132,000	Jan-21	Apr-21
4.3.3	Site opening costs		£0	per unit			£0	Jan-21	Sep-22
	Total Extra-Over Construction Costs						**£2,145,010**		
4.4	**Professional Fees**								
4.4.1	on build costs (incl: externals)		8%				£1,771,448	Jan-21	May-24
	Total Professional Fees						**£1,771,448**		
4.5	**Contingency**								
4.4.1	on build costs (incl: externals)		4%				£885,724	Jan-21	May-24
	Total Contingency						**£885,724**		
4.6	**Other Planning Obligations**								
4.6.1.1	Cat 2		£500	per house			£0	Apr-21	May-24
4.6.1.2	Cat 2		£900	per flat			£13,500	Apr-21	May-24
4.6.2	S106/S278 contribution		£16,000	per unit			£2,400,000	Jan-21	May-24
4.6.3	Electric charging points		£976	per unit (applied to all houses and 50% of flats)			£73,200	Apr-21	May-24
4.6.4	CIL rates		£0.00	per Cil liable flsp			£0	Apr-21	May-24
4.6.5	Energy Policy		2.5%	build cost			£503,252	Apr-21	May-24
4.6.6	Surface water allowances		£50,000	per hectare			£20,000	Apr-21	May-24
4.6.6	Rams		£126	per unit			£18,837	Jan-21	May-24
4.6.6	Employment Land		£0	Other			£0	Apr-21	May-24
4.6.7	Biodiversity Net Gain		£0	per unit			£0	Apr-21	May-24
	Total Developer Contributions						**£3,028,789**		
5.0	**TOTAL DEVELOPMENT COSTS**						**£28,910,832**		
6.0	**TOTAL PROJECT COSTS [EXCLUDING INTEREST]**						**£33,997,903**		
7.0	**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]**						**£208,296**		
8.0	**Finance Costs**								
			APR		PCM				
8.1	Finance		6.00%	on net costs	0.487%		-£208,296		
9.0	**TOTAL PROJECT COSTS [INCLUDING INTEREST]**						**£34,206,199**		

Appendix B: Consultation Workshops and Questionnaire (2020)

Economic Viability Assessment of the Emerging Basildon Local Plan and Community Infrastructure Levy

Strategic Site Viability Survey

Strategic Site Viability Pro-forma
This proforma is intended for strategic site promoters to identify known and/or estimated site costs in bringing forward their site for development. The purpose is to inform Porter Planning Economics Ltd (PPE) work in undertaking a high level assessment of the delivery of Basildon's emerging Local Plan.
Please complete as much of the following information as possible. Should figures not be available, then provide an estimate. Again, if not possible, then identify if applicable. Anything left blank will be assumed not to be applicable. **THANK YOU IN ADVANCE.**

Name (Contact): _____

Company/Entity: _____

Please tick the relevant categories to describe your involvement with potential development in Basildon borough? (*you my tick more than one box*)

- ☐ Landowner/Developer
- ☐ Construction Stakeholder
- ☐ Other (Please state)

Please tick below to indicate if you would be happy for the consultants from PPE to contact you regarding any responses that you may give on this form.

- ☐ I am happy to be contacted

_____

Required Information	Note/Comment					
Site details						
Site name:						
Site location:						
Gross site area (ha)						***ha***
Net developable area (ha or %)		***ha***	***or***			***%***
Land value						
Existing use of developable land	***Type:***					
Minimum land value for existing use (£ for the land or per net developable ha)	***£***					
Minimum land value for the proposed use (£ for the land or per net developable ha)	***£***					
Quantum of potential development:						
Residential (no. of units)						***units***
Breakdown of Unit Types (if known)	***Flats***	***No.***	***sqm***	***Houses***	***No.***	***sqm***
	1 bed:			*2 bed:*		
	2 bed:			*3 bed:*		
	3 bed:			*4+ bed:*		
	All:			*All:*		
	Or percentage mix of properties					
	1 bed:			*2 bed:*		
	2 bed:			*3 bed:*		
	3 bed:			*4+ bed:*		
	All:			*All:*		
Assumed affordable housing share (%)						***%***
Employment (type and total floorspace by type)	***Type:***					***sqm***
	Type:					***sqm***
	Type:					***sqm***
Retail (total floorspace)						***sqm***
Other uses (excl: residential)? (total floorspace type)	***Type:***					***sqm***
	Type:					***sqm***
	Type:					***sqm***
Sales values						
Development sales values	***Flats - £ per sqm***			***£***		
	Houses - £ per sqm			***£***		
	Other uses (list) - £ per sqm					
				£		
				£		
				£		
				£		
				£		
				£		

Required Information	Note/Comment				
Build costs					
Build cost (incl: prelims, but excl: externals, professional fees and contingency)	***Flats - £ per sqm***			**£**	
	Houses - £ per sqm			**£**	
	Other uses (list) - £ per sqm				
				£	
				£	
				£	
				£	
List any abnormal costs (or estimate £ per net developable ha), such as:					
Relocations (if applicable)	**£**		***or***	***£ per net ha***	
Heritage conservation costs (if applicable)	**£**		***or***	***£ per net ha***	
Flood defence (if applicable)	**£**		***or***	***£ per net ha***	
Ground proofing/ contamination (if applicable)	**£**		***or***	***£ per net ha***	
Other (please specify) works					
	£		***or***	***£ per net ha***	
	£		***or***	***£ per net ha***	
	£		***or***	***£ per net ha***	
	£		***or***	***£ per net ha***	
Sum total	**£**		***or***	***£ per net ha***	
List any site opening costs (or estimate £ per net developable ha), such as:					
Bringing utilities to the site	**£**		***or***	***£ per net ha***	
Strategic site road	**£**		***or***	***£ per net ha***	
Off-site accesss improvements	**£**		***or***	***£ per net ha***	
Park & Ride	**£**		***or***	***£ per net ha***	
Green infrastructure linkages	**£**		***or***	***£ per net ha***	
Strategic open space provision and costs	**£**		***or***	***£ per net ha***	
Education	**£**		***or***	***£ per net ha***	
Community facilities	**£**		***or***	***£ per net ha***	
Other (please specify)					
	£		***or***	***£ per net ha***	
	£		***or***	***£ per net ha***	
	£		***or***	***£ per net ha***	
	£		***or***	***£ per net ha***	
Sum total	**£**		***or***	***£ per net ha***	
Other assumptions - if you disagree with any please comment below					
External works (withing the plot curtilage of the built area, incl: garages, garden spaces, estate roads and utility connections) at 10% of build cost					
Contingency at 4% of build cost & external works					

Required Information	Note/Comment				
Professional fees at 8% of build cost & external works					
Sales and marketing costs at 3% of development value					
Finance costs at 5% of development cost					
Developer profit at 17% of development value (GDV)					
Timescales for delivery					
Build period (months or years)		***mths***	***or***		***yrs***
Sales period (months or years)		***mths***	***or***		***yrs***
Any issues that might delay phasing/delivery?					

THANK YOU FOR YOUR TIME

Appendix C: New Build Residential Sales Data

New build residential transactions in Basildon between January 2018 and July 2021

The following table provides the list of all recorded new build transactions within Basildon Borough occurring between January 2018 and July 2021. To avoid making the table rows impossibly large, and to provide a degree of anonymity, the data only includes the full postcode and not the full address record for each transaction. Despite some rows having the same postcode, there are no duplications (nationally, each postcode covers an average of about 15 properties but can hold up to 100 addresses), which can easily be checked to identify the property number using online Land Registry records.

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS15 5WE	£479,995	2018-01	133.73	148.07	£531,465	D	120	£4,429
Wickford	SS12 9LU	£469,995	2018-01	133.73	148.07	£520,393	D	124	£4,197
West Basildon	SS16 5JZ	£399,995	2018-01	133.73	148.07	£442,887	D	98	£4,519
West Basildon	SS15 5WE	£489,995	2018-01	133.73	148.07	£542,538	D	131	£4,142
West Basildon	SS15 6LA	£534,995	2018-01	133.73	148.07	£592,363	D	175	£3,385
West Basildon	SS15 6ND	£259,995	2018-01	135.43	137.03	£263,067	F	77	£3,416
West Basildon	SS16 5JZ	£446,995	2018-01	133.89	148.01	£494,135	S	126	£3,922
Basildon	SS14 3TU	£400,000	2018-01	133.89	148.01	£442,184	S	121	£3,654
West Basildon	SS15 6ND	£314,995	2018-01	133.89	148.01	£348,214	S	71	£4,904
West Basildon	SS15 6ND	£314,995	2018-01	133.89	148.01	£348,214	S	71	£4,904
West Basildon	SS16 5JN	£371,995	2018-01	133.89	148.01	£411,225	S	89	£4,621
West Basildon	SS16 5JZ	£373,995	2018-01	133.89	148.01	£413,436	S	89	£4,645
West Basildon	SS16 5JZ	£378,995	2018-01	133.89	148.01	£418,964	S	89	£4,707
West Basildon	SS15 5WE	£434,995	2018-01	133.89	148.01	£480,869	S	124	£3,878
West Basildon	SS15 5WE	£434,995	2018-01	133.89	148.01	£480,869	S	124	£3,878
West Basildon	SS15 6ND	£259,995	2018-01	133.89	148.01	£287,414	S	72	£3,992
West Basildon	SS15 6LZ	£424,995	2018-01	133.03	145.11	£463,587	T	218	£2,127
West Basildon	SS15 6ND	£304,995	2018-01	133.03	145.11	£332,691	T	71	£4,686
West Basildon	SS15 6ND	£304,995	2018-01	133.03	145.11	£332,691	T	71	£4,686
West Basildon	SS15 6ND	£299,995	2018-01	133.03	145.11	£327,237	T	73	£4,483
Basildon	SS14 3TU	£379,950	2018-02	133.98	148.07	£419,907	D	85	£4,940
Basildon	SS14 3TU	£374,950	2018-02	133.98	148.07	£414,382	D	86	£4,818
West Basildon	SS16 5JZ	£399,995	2018-02	133.98	148.07	£442,060	D	98	£4,511
West Basildon	SS15 5WE	£527,746	2018-02	133.98	148.07	£583,246	D	143	£4,079
Wickford	SS12 9LU	£369,995	2018-02	133.94	148.01	£408,862	S	87	£4,700
Wickford	SS12 9LU	£369,995	2018-02	133.94	148.01	£408,862	S	87	£4,700
West Basildon	SS16 5JZ	£379,995	2018-02	133.94	148.01	£419,912	S	89	£4,718
West Basildon	SS16 5JZ	£384,995	2018-02	133.94	148.01	£425,438	S	89	£4,780
West Basildon	SS16 5JZ	£459,995	2018-02	133.94	148.01	£508,316	S	126	£4,034
West Basildon	SS16 5JN	£379,995	2018-02	133.94	148.01	£419,912	S	88	£4,772
West Basildon	SS16 5JN	£379,995	2018-02	133.94	148.01	£419,912	S	88	£4,772
West Basildon	SS15 6LZ	£439,995	2018-02	133.08	145.11	£479,769	T	218	£2,201
West Basildon	SS15 6ND	£300,995	2018-02	133.08	145.11	£328,204	T	73	£4,496
West Basildon	SS15 6ND	£314,995	2018-02	133.08	145.11	£343,470	T	71	£4,838
West Basildon	SS15 5WE	£480,995	2018-03	133.81	148.07	£532,254	D	131	£4,063

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS15 5XU	£484,995	2018-03	133.81	148.07	£536,680	D	131	£4,097
West Basildon	SS15 6LA	£462,000	2018-03	133.81	148.07	£511,235	D	130	£3,933
Basildon	SS14 3TU	£400,000	2018-03	133.81	148.07	£442,628	D	116	£3,816
West Basildon	SS15 6ND	£374,995	2018-03	133.81	148.07	£414,958	D	88	£4,715
West Basildon	SS16 5LE	£400,995	2018-03	133.81	148.07	£443,729	D	98	£4,528
West Basildon	SS16 5LE	£379,995	2018-03	133.81	148.07	£420,491	D	102	£4,122
West Basildon	SS15 6LA	£474,995	2018-03	133.81	148.07	£525,615	D	114	£4,611
Wickford	SS12 9FU	£449,995	2018-03	133.81	148.07	£497,951	D	116	£4,293
West Basildon	SS16 5LE	£509,995	2018-03	133.81	148.07	£564,345	D	127	£4,444
Basildon	SS14 3TU	£415,000	2018-03	133.64	148.01	£459,624	S	121	£3,799
West Basildon	SS16 5LE	£384,995	2018-03	133.64	148.01	£426,393	S	88	£4,845
West Basildon	SS16 5LE	£449,995	2018-03	133.64	148.01	£498,382	S	126	£3,955
West Basildon	SS16 5LE	£452,995	2018-03	133.64	148.01	£501,705	S	126	£3,982
West Basildon	SS16 5LE	£384,995	2018-03	133.64	148.01	£426,393	S	88	£4,845
Basildon	SS14 3TU	£415,000	2018-03	133.64	148.01	£459,624	S	121	£3,799
West Basildon	SS16 5LE	£452,995	2018-03	133.64	148.01	£501,705	S	126	£3,982
West Basildon	SS16 5LE	£455,995	2018-03	133.64	148.01	£505,027	S	126	£4,008
West Basildon	SS16 5LE	£381,995	2018-03	133.64	148.01	£423,070	S	102	£4,148
Basildon	SS14 3TU	£407,500	2018-03	133.64	148.01	£451,318	S	116	£3,891
West Basildon	SS15 6ND	£301,995	2018-03	132.56	145.11	£330,586	T	73	£4,529
West Basildon	SS15 6ND	£307,995	2018-03	132.56	145.11	£337,154	T	75	£4,495
West Basildon	SS15 6NB	£301,995	2018-03	132.56	145.11	£330,586	T	73	£4,529
West Basildon	SS15 5XU	£499,995	2018-04	134.55	148.07	£550,236	D	131	£4,200
West Basildon	SS16 5LE	£524,995	2018-04	134.55	148.07	£577,748	D	131	£4,410
West Basildon	SS16 5LE	£524,995	2018-04	134.55	148.07	£577,748	D	131	£4,410
West Basildon	SS15 6ND	£264,995	2018-04	134.51	137.03	£269,960	F	72	£3,749
West Basildon	SS15 5YL	£374,995	2018-04	134.53	148.01	£412,570	S	124	£3,327
Basildon	SS14 3TU	£390,000	2018-04	134.53	148.01	£429,078	S	116	£3,699
Basildon	SS14 3TU	£385,000	2018-04	134.53	148.01	£423,577	S	116	£3,652
West Basildon	SS15 6NB	£316,995	2018-04	134.53	148.01	£348,758	S	71	£4,912
West Basildon	SS15 6NB	£317,995	2018-04	134.53	148.01	£349,858	S	71	£4,928
West Basildon	SS15 6NB	£261,995	2018-04	134.53	148.01	£288,247	S	72	£4,003
West Basildon	SS16 5JZ	£389,995	2018-04	134.53	148.01	£429,073	S	88	£4,876
West Basildon	SS16 5JN	£385,995	2018-04	134.53	148.01	£424,672	S	102	£4,163
West Basildon	SS16 5JN	£387,995	2018-04	134.53	148.01	£426,872	S	102	£4,185
Basildon	SS14 3TU	£410,000	2018-04	134.53	148.01	£451,082	S	121	£3,728
West Basildon	SS15 5YL	£374,995	2018-04	134.53	148.01	£412,570	S	124	£3,327
West Basildon	SS16 5JZ	£409,995	2018-05	135.81	148.07	£447,007	D	98	£4,561
West Basildon	SS15 5LY	£429,995	2018-05	135.81	148.07	£468,812	D	109	£4,301
West Basildon	SS16 5JZ	£439,995	2018-05	135.81	148.07	£479,715	D	109	£4,401
West Basildon	SS16 5JZ	£439,995	2018-05	135.81	148.07	£479,715	D	109	£4,401

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS15 5LY	£479,995	2018-05	135.81	148.07	£523,326	D	120	£4,361
West Basildon	SS15 5LY	£489,995	2018-05	135.81	148.07	£534,228	D	131	£4,078
West Basildon	SS16 5JZ	£459,995	2018-05	136.07	148.01	£500,359	S	126	£3,971
Basildon	SS14 3TU	£420,000	2018-05	136.07	148.01	£456,855	S	121	£3,776
Basildon	SS14 3TU	£410,000	2018-05	136.07	148.01	£445,977	S	116	£3,845
West Basildon	SS16 5JZ	£387,995	2018-05	136.07	148.01	£422,041	S	88	£4,796
West Basildon	SS16 5JN	£396,995	2018-05	136.07	148.01	£431,831	S	88	£4,907
West Basildon	SS16 5JN	£396,995	2018-05	136.07	148.01	£431,831	S	88	£4,907
West Basildon	SS16 5JZ	£387,995	2018-05	136.07	148.01	£422,041	S	88	£4,796
West Basildon	SS16 5JZ	£456,995	2018-05	136.07	148.01	£497,096	S	126	£3,945
West Basildon	SS16 5JZ	£456,995	2018-05	136.07	148.01	£497,096	S	126	£3,945
West Basildon	SS16 5JZ	£389,995	2018-05	136.07	148.01	£424,217	S	88	£4,821
West Basildon	SS15 6LZ	£435,000	2018-05	135.21	145.11	£466,850	T	158	£2,955
West Basildon	SS16 5JN	£524,995	2018-06	135.97	148.07	£571,714	D	131	£4,364
Basildon	SS14 3TU	£500,000	2018-06	135.97	148.07	£544,495	D	130	£4,188
Basildon	SS14 3TU	£374,950	2018-06	135.97	148.07	£408,317	D	86	£4,748
West Basildon	SS16 5JZ	£663,995	2018-06	135.97	148.07	£723,084	D	179	£4,040
Basildon	SS14 3TU	£374,950	2018-06	135.97	148.07	£408,317	D	85	£4,804
Basildon	SS14 3TU	£374,950	2018-06	135.97	148.07	£408,317	D	86	£4,748
West Basildon	SS16 5JZ	£543,995	2018-06	135.97	148.07	£592,405	D	127	£4,665
West Basildon	SS16 5JZ	£548,995	2018-06	135.97	148.07	£597,850	D	127	£4,707
West Basildon	SS15 5YL	£489,995	2018-06	135.97	148.07	£533,600	D	131	£4,073
West Basildon	SS16 5JZ	£427,995	2018-06	135.97	148.07	£466,082	D	98	£4,756
West Basildon	SS16 5JZ	£461,995	2018-06	135.97	148.07	£503,108	D	109	£4,616
West Basildon	SS16 5JZ	£463,995	2018-06	135.97	148.07	£505,286	D	109	£4,636
West Basildon	SS16 5JZ	£663,995	2018-06	135.97	148.07	£723,084	D	179	£4,040
West Basildon	SS16 5JZ	£689,995	2018-06	135.97	148.07	£751,398	D	179	£4,198
West Basildon	SS15 5LY	£439,995	2018-06	136.5	148.01	£477,096	S	124	£3,848
West Basildon	SS15 5LY	£364,995	2018-06	136.5	148.01	£395,772	S	89	£4,447
West Basildon	SS15 5LY	£439,995	2018-06	136.5	148.01	£477,096	S	124	£3,848
West Basildon	SS15 5LY	£364,995	2018-06	136.5	148.01	£395,772	S	89	£4,447
West Basildon	SS15 5LY	£429,995	2018-06	136.5	148.01	£466,253	S	89	£5,239
West Basildon	SS15 5LY	£439,995	2018-06	136.5	148.01	£477,096	S	89	£5,361
West Basildon	SS16 5JZ	£475,995	2018-06	136.5	148.01	£516,132	S	126	£4,096
West Basildon	SS16 5JZ	£477,995	2018-06	136.5	148.01	£518,301	S	126	£4,113
West Basildon	SS15 6ND	£309,995	2018-06	135.31	145.11	£332,447	T	75	£4,433
West Basildon	SS15 6LZ	£429,995	2018-06	135.31	145.11	£461,138	T	158	£2,919
Basildon	SS14 3TU	£530,000	2018-07	137.28	148.07	£571,657	D	156	£3,664
West Basildon	SS15 5LY	£484,995	2018-07	137.28	148.07	£523,115	D	131	£3,993
Wickford	SS12 0AL	£215,000	2018-07	136.58	137.03	£215,708	F	49.56	£4,352
Billericay	CM12 9FQ	£355,000	2018-07	136.58	137.03	£356,170	F	54	£6,596

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS15 6NB	£264,995	2018-07	136.58	137.03	£265,868	F	72	£3,693
West Basildon	SS15 6NB	£267,995	2018-07	136.58	137.03	£268,878	F	72	£3,734
West Basildon	SS15 6LZ	£359,995	2018-07	136.33	145.11	£383,180	T	81	£4,731
West Basildon	SS15 6LZ	£429,995	2018-07	136.33	145.11	£457,688	T	171	£2,677
West Basildon	SS15 6LZ	£429,995	2018-07	136.33	145.11	£457,688	T	171	£2,677
West Basildon	SS16 5JZ	£659,995	2018-08	137.26	148.07	£711,973	D	179	£3,978
Billericay	CM12 9FQ	£292,000	2018-08	136.35	137.03	£293,456	F	97	£3,025
West Basildon	SS15 6LZ	£409,995	2018-08	136.28	145.11	£436,560	T	158	£2,763
West Basildon	SS15 6LZ	£424,995	2018-08	136.28	145.11	£452,532	T	170	£2,662
West Basildon	SS15 6LZ	£359,995	2018-08	136.28	145.11	£383,320	T	81	£4,732
West Basildon	SS15 6LZ	£410,000	2018-08	136.28	145.11	£436,565	T	158	£2,763
West Basildon	SS15 6LZ	£412,995	2018-08	136.28	145.11	£439,754	T	158	£2,783
West Basildon	SS15 6LZ	£424,995	2018-08	136.28	145.11	£452,532	T	218	£2,076
Billericay	CM12 9FQ	£300,000	2018-09	137.8	137.03	£298,324	F	55	£5,424
West Basildon	SS15 5LY	£359,995	2018-09	139.25	148.01	£382,642	S	89	£4,299
West Basildon	SS15 5LY	£359,995	2018-09	139.25	148.01	£382,642	S	89	£4,299
West Basildon	SS15 5LY	£359,995	2018-09	139.25	148.01	£382,642	S	89	£4,299
West Basildon	SS15 5LY	£359,995	2018-09	139.25	148.01	£382,642	S	89	£4,299
West Basildon	SS15 6LZ	£374,995	2018-09	138.1	145.11	£394,030	T	87	£4,529
West Basildon	SS15 6LZ	£434,995	2018-09	138.1	145.11	£457,075	T	158	£2,893
West Basildon	SS15 6LZ	£264,995	2018-09	138.1	145.11	£278,446	T	72	£3,867
West Basildon	SS15 6LZ	£307,995	2018-09	138.1	145.11	£323,629	T	73	£4,433
West Basildon	SS15 6LZ	£409,995	2018-09	138.1	145.11	£430,806	T	158	£2,727
West Basildon	SS15 6GJ	£479,995	2018-10	137.77	148.07	£515,881	D	114	£4,525
West Basildon	SS16 5LE	£644,995	2018-10	137.77	148.07	£693,216	D	179	£3,873
West Basildon	SS15 6GJ	£399,995	2018-10	137.77	148.07	£429,900	D	92	£4,673
West Basildon	SS15 6LZ	£264,995	2018-10	136.25	137.03	£266,512	F	64	£4,164
West Basildon	SS15 6NB	£384,995	2018-10	137.61	148.01	£414,091	S	87	£4,760
West Basildon	SS15 6NB	£379,995	2018-10	137.61	148.01	£408,713	S	87	£4,698
West Basildon	SS15 6LZ	£264,995	2018-10	137.61	148.01	£285,022	S	64	£4,453
West Basildon	SS15 6LZ	£314,995	2018-10	136.24	145.11	£335,503	T	73	£4,596
West Basildon	SS15 6LZ	£309,995	2018-10	136.24	145.11	£330,177	T	75	£4,402
West Basildon	SS16 5LG	£537,995	2018-11	138.6	148.07	£574,754	D	131	£4,387
West Basildon	SS16 5JW	£539,995	2018-11	138.6	148.07	£576,891	D	114	£5,060
West Basildon	SS16 5JW	£539,995	2018-11	138.6	148.07	£576,891	D	131	£4,404
West Basildon	SS16 5JW	£543,995	2018-11	138.6	148.07	£581,164	D	131	£4,436
West Basildon	SS16 5LQ	£579,995	2018-11	138.6	148.07	£619,624	D	144	£4,303
West Basildon	SS16 5LG	£415,995	2018-11	138.6	148.07	£444,418	D	98	£4,535
West Basildon	SS16 5LS	£493,995	2018-11	138.6	148.07	£527,748	D	114	£4,629
West Basildon	SS16 5LS	£502,995	2018-11	138.6	148.07	£537,363	D	120	£4,478
West Basildon	SS16 5LG	£537,995	2018-11	138.6	148.07	£574,754	D	131	£4,387

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS15 6GJ	£399,995	2018-11	138.6	148.07	£427,325	D	92	£4,645
West Basildon	SS15 6GJ	£489,995	2018-11	138.6	148.07	£523,474	D	129	£4,058
Billericay	CM12 9FQ	£300,000	2018-11	136.62	137.03	£300,900	F	78	£3,858
West Basildon	SS15 6LZ	£209,995	2018-11	136.62	137.03	£210,625	F	45	£4,681
West Basildon	SS15 6LZ	£211,995	2018-11	136.62	137.03	£212,631	F	45	£4,725
West Basildon	SS15 6LZ	£209,995	2018-11	136.62	137.03	£210,625	F	48	£4,388
West Basildon	SS15 6LZ	£211,995	2018-11	136.62	137.03	£212,631	F	48	£4,430
West Basildon	SS15 6LZ	£240,995	2018-11	136.62	137.03	£241,718	F	59	£4,097
Wickford	SS12 0AL	£215,000	2018-11	136.62	137.03	£215,645	F	49.56	£4,351
West Basildon	SS15 6LZ	£237,995	2018-11	136.62	137.03	£238,709	F	59	£4,046
West Basildon	SS15 6LZ	£213,995	2018-11	136.62	137.03	£214,637	F	48	£4,472
West Basildon	SS15 6LZ	£237,995	2018-11	136.62	137.03	£238,709	F	59	£4,046
West Basildon	SS15 6LZ	£239,995	2018-11	136.62	137.03	£240,715	F	59	£4,080
West Basildon	SS15 6LZ	£239,995	2018-11	136.62	137.03	£240,715	F	59	£4,080
West Basildon	SS15 6LZ	£241,995	2018-11	136.62	137.03	£242,721	F	59	£4,114
West Basildon	SS15 6LZ	£244,995	2018-11	136.62	137.03	£245,730	F	59	£4,165
West Basildon	SS16 5LG	£395,995	2018-11	138.12	148.01	£424,350	S	89	£4,768
West Basildon	SS16 5LG	£395,995	2018-11	138.12	148.01	£424,350	S	89	£4,768
West Basildon	SS16 5LQ	£664,995	2018-12	136.42	148.07	£721,784	D	179	£4,032
Basildon	SS14 3TU	£200,000	2018-12	136.42	148.07	£217,080	D	104	£2,087
West Basildon	SS16 5LE	£600,000	2018-12	136.42	148.07	£651,239	D	179	£3,638
West Basildon	SS16 5LG	£418,995	2018-12	136.42	148.07	£454,776	D	98	£4,641
West Basildon	SS16 5LQ	£535,995	2018-12	136.42	148.07	£581,768	D	128	£4,545
West Basildon	SS16 5LQ	£421,995	2019-01	136.6	148.07	£457,429	D	98	£4,668
West Basildon	SS16 5LS	£493,995	2019-01	136.6	148.07	£535,475	D	114	£4,697
West Basildon	SS16 5LS	£510,995	2019-01	136.6	148.07	£553,902	D	120	£4,616
Billericay	CM12 9FQ	£290,000	2019-01	134.72	137.03	£294,973	F	49	£6,020
Billericay	CM12 9FQ	£395,000	2019-01	134.72	137.03	£401,773	F	51	£7,878
West Basildon	SS16 5LG	£381,995	2019-01	136.24	148.01	£414,996	S	102	£4,069
West Basildon	SS16 5LG	£384,995	2019-01	136.24	148.01	£418,255	S	102	£4,101
West Basildon	SS16 5LQ	£386,995	2019-01	136.24	148.01	£420,428	S	102	£4,122
West Basildon	SS16 5LG	£418,995	2019-02	135.27	148.07	£458,643	D	98	£4,680
West Basildon	SS16 5LG	£420,995	2019-02	135.27	148.07	£460,832	D	98	£4,702
West Basildon	SS16 5LQ	£420,995	2019-02	135.27	148.07	£460,832	D	98	£4,702
West Basildon	SS16 5LS	£539,995	2019-02	135.27	148.07	£591,092	D	128	£4,618
West Basildon	SS16 5LS	£542,995	2019-02	135.27	148.07	£594,376	D	131	£4,537
West Basildon	SS16 5LQ	£383,995	2019-02	135.01	148.01	£420,970	S	102	£4,127
West Basildon	SS16 5LG	£409,995	2019-02	135.01	148.01	£449,473	S	102	£4,407
West Basildon	SS16 5LQ	£463,995	2019-02	135.01	148.01	£508,673	S	126	£4,037
West Basildon	SS16 5LQ	£463,999	2019-02	135.01	148.01	£508,677	S	126	£4,037
West Basildon	SS16 5LS	£546,995	2019-03	134.92	148.07	£600,308	D	128	£4,690

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS16 5LS	£549,995	2019-03	134.92	148.07	£603,600	D	128	£4,716
West Basildon	SS16 5LS	£544,995	2019-03	134.92	148.07	£598,113	D	131	£4,566
West Basildon	SS16 5LQ	£659,995	2019-03	134.92	148.07	£724,322	D	179	£4,046
West Basildon	SS16 5LG	£397,995	2019-03	134.59	148.01	£437,679	S	89	£4,918
West Basildon	SS16 5LG	£398,995	2019-03	134.59	148.01	£438,779	S	89	£4,930
West Basildon	SS16 5LQ	£469,995	2019-03	134.59	148.01	£516,858	S	126	£4,102
West Basildon	SS16 5LQ	£469,995	2019-03	134.59	148.01	£516,858	S	126	£4,102
West Basildon	SS16 5LW	£454,995	2019-04	134.12	148.07	£502,320	D	109	£4,608
West Basildon	SS16 5LW	£454,995	2019-04	134.12	148.07	£502,320	D	109	£4,608
West Basildon	SS16 5LW	£421,995	2019-04	134.12	148.07	£465,887	D	98	£4,754
Billericay	CM12 9FQ	£298,000	2019-04	131.53	137.03	£310,461	F	61	£5,090
West Basildon	SS16 5LW	£409,995	2019-04	134.26	148.01	£451,984	S	102	£4,431
West Basildon	SS16 5LW	£397,995	2019-04	134.26	148.01	£438,755	S	89	£4,930
West Basildon	SS16 5LW	£399,995	2019-04	134.26	148.01	£440,960	S	89	£4,955
West Basildon	SS16 5LW	£399,995	2019-04	134.26	148.01	£440,960	S	89	£4,955
West Basildon	SS16 5LW	£409,995	2019-04	134.26	148.01	£451,984	S	102	£4,431
West Basildon	SS16 5LS	£493,995	2019-05	133.78	148.07	£546,762	D	114	£4,796
West Basildon	SS16 5LW	£423,995	2019-05	133.78	148.07	£469,285	D	98	£4,789
West Basildon	SS16 5LW	£496,995	2019-05	133.78	148.07	£550,083	D	114	£4,825
West Basildon	SS16 5LW	£508,995	2019-05	133.78	148.07	£563,364	D	120	£4,695
West Basildon	SS16 5LW	£510,995	2019-05	133.78	148.07	£565,578	D	120	£4,713
West Basildon	SS16 5LU	£425,995	2019-05	133.78	148.07	£471,499	D	98	£4,811
West Basildon	SS16 5LW	£467,995	2019-05	134.27	148.01	£515,885	S	126	£4,094
West Basildon	SS16 5LW	£402,995	2019-05	134.27	148.01	£444,234	S	89	£4,991
West Basildon	SS16 5LW	£470,995	2019-05	134.27	148.01	£519,192	S	126	£4,121
West Basildon	SS16 5LU	£407,995	2019-05	134.27	148.01	£449,746	S	89	£5,053
West Basildon	SS16 5LU	£404,995	2019-05	134.27	148.01	£446,439	S	89	£5,016
West Basildon	SS16 5LW	£497,995	2019-06	132.88	148.07	£554,923	D	114	£4,868
West Basildon	SS16 5LU	£425,995	2019-06	132.88	148.07	£474,692	D	98	£4,844
West Basildon	SS16 5LU	£428,995	2019-06	132.88	148.07	£478,035	D	98	£4,878
West Basildon	SS16 5LU	£428,995	2019-06	132.88	148.07	£478,035	D	98	£4,878
West Basildon	SS16 5LW	£704,995	2019-06	132.88	148.07	£785,586	D	175	£4,489
West Basildon	SS16 5LW	£510,995	2019-06	132.88	148.07	£569,409	D	120	£4,745
West Basildon	SS16 5LU	£539,995	2019-06	132.88	148.07	£601,724	D	128	£4,701
West Basildon	SS16 5LU	£654,995	2019-06	132.88	148.07	£729,870	D	179	£4,077
West Basildon	SS16 5LU	£650,995	2019-06	132.88	148.07	£725,413	D	179	£4,053
West Basildon	SS16 5LF	£624,995	2019-06	132.88	148.07	£696,440	D	179	£3,891
West Basildon	SS16 5NS	£537,995	2019-06	132.88	148.07	£599,495	D	128	£4,684
West Basildon	SS16 5NS	£551,995	2019-06	132.88	148.07	£615,096	D	131	£4,695
West Basildon	SS16 5LF	£570,995	2019-06	132.88	148.07	£636,268	D	135	£4,713
West Basildon	SS16 5NS	£534,995	2019-06	132.88	148.07	£596,152	D	112	£5,323

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS16 5LF	£493,995	2019-06	132.88	148.07	£550,465	D	114	£4,829
West Basildon	SS16 5NS	£534,995	2019-06	132.88	148.07	£596,152	D	128	£4,657
West Basildon	SS16 5NS	£544,995	2019-06	132.88	148.07	£607,295	D	128	£4,744
West Basildon	SS16 5NS	£549,995	2019-06	132.88	148.07	£612,867	D	128	£4,788
West Basildon	SS16 5JW	£545,995	2019-06	132.88	148.07	£608,410	D	131	£4,644
West Basildon	SS16 5LQ	£694,995	2019-06	132.88	148.07	£774,442	D	168	£4,610
West Basildon	SS16 5LF	£600,000	2019-06	132.88	148.07	£668,588	D	179	£3,735
West Basildon	SS16 5LF	£600,000	2019-06	132.88	148.07	£668,588	D	179	£3,735
West Basildon	SS16 5LS	£600,000	2019-06	132.88	148.07	£668,588	D	179	£3,735
Billericay	CM12 9FQ	£357,500	2019-06	130.51	137.03	£375,360	F	63	£5,958
West Basildon	SS16 5LU	£417,995	2019-06	133.47	148.01	£463,531	S	102	£4,544
West Basildon	SS16 5LU	£414,995	2019-06	133.47	148.01	£460,204	S	102	£4,512
West Basildon	SS16 5LW	£493,995	2019-07	135.06	148.07	£541,580	D	114	£4,751
West Basildon	SS16 5NS	£515,995	2019-07	135.06	148.07	£565,700	D	120	£4,714
West Basildon	SS16 5NS	£517,995	2019-07	135.06	148.07	£567,892	D	120	£4,732
West Basildon	SS16 5LG	£629,995	2019-07	135.06	148.07	£690,681	D	179	£3,859
West Basildon	SS16 5NS	£547,995	2019-08	135.83	148.07	£597,376	D	128	£4,667
West Basildon	SS16 5NU	£534,995	2019-08	135.83	148.07	£583,205	D	131	£4,452
West Basildon	SS16 5JZ	£625,000	2019-09	136.7	148.07	£676,984	D	179	£3,782
West Basildon	SS16 5JW	£459,995	2019-09	136.7	148.07	£498,255	D	112	£4,449
West Basildon	SS16 5JW	£459,995	2019-09	136.7	148.07	£498,255	D	112	£4,449
West Basildon	SS16 5JW	£539,995	2019-09	136.7	148.07	£584,909	D	128	£4,570
West Basildon	SS16 5HJ	£459,995	2019-09	136.7	148.07	£498,255	D	98	£5,084
West Basildon	SS16 5NS	£544,995	2019-09	136.7	148.07	£590,325	D	128	£4,612
West Basildon	SS16 5LW	£704,995	2019-09	136.7	148.07	£763,633	D	175	£4,364
Billericay	CM12 9FU	£414,950	2019-09	133.85	137.03	£424,808	F	51	£8,330
Billericay	CM12 9FU	£409,950	2019-09	133.85	137.03	£419,690	F	51	£8,229
Billericay	CM12 9FU	£582,950	2019-09	133.85	137.03	£596,800	F	87	£6,860
West Basildon	SS15 6LZ	£425,000	2019-09	136.82	148.01	£459,759	S	139	£3,308
West Basildon	SS15 6LZ	£437,000	2019-09	136.82	148.01	£472,741	S	139	£3,401
West Basildon	SS16 5JW	£464,995	2019-10	134.64	148.07	£511,377	D	112	£4,566
West Basildon	SS16 5JW	£534,995	2019-10	134.64	148.07	£588,359	D	131	£4,491
West Basildon	SS16 5LG	£664,995	2019-10	134.64	148.07	£731,327	D	179	£4,086
Billericay	CM12 9FU	£414,950	2019-10	131.75	137.03	£431,579	F	51	£8,462
West Basildon	SS16 5JW	£449,995	2019-10	135.16	148.01	£492,777	S	122	£4,039
West Basildon	SS16 5JW	£428,995	2019-11	134.96	148.07	£470,668	D	100	£4,707
West Basildon	SS16 5JW	£545,995	2019-11	134.96	148.07	£599,033	D	131	£4,573
Billericay	CM12 9FQ	£385,000	2019-11	132.01	137.03	£399,641	F	42	£9,515
West Basildon	SS16 5JW	£414,995	2019-11	135.51	148.01	£453,276	S	95	£4,771
West Basildon	SS16 5HJ	£474,995	2019-11	135.51	148.01	£518,810	S	126	£4,118
West Basildon	SS16 5JW	£373,995	2019-11	134.21	145.11	£404,369	T	85	£4,757

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
West Basildon	SS16 5JW	£375,995	2019-11	134.21	145.11	£406,532	T	85	£4,783
West Basildon	SS16 5JW	£376,995	2019-11	134.21	145.11	£407,613	T	85	£4,795
West Basildon	SS16 5JW	£376,995	2019-11	134.21	145.11	£407,613	T	85	£4,795
West Basildon	SS16 5JW	£376,995	2019-11	134.21	145.11	£407,613	T	85	£4,795
West Basildon	SS16 5JW	£409,995	2019-11	134.21	145.11	£443,293	T	95	£4,666
West Basildon	SS16 5JW	£409,995	2019-11	134.21	145.11	£443,293	T	95	£4,666
West Basildon	SS16 5NH	£517,995	2019-12	136.01	148.07	£563,926	D	120	£4,699
Billericay	CM12 9FU	£419,950	2019-12	132.98	137.03	£432,740	F	51	£8,485
Billericay	CM12 9FU	£548,450	2019-12	132.98	137.03	£565,153	F	77	£7,340
Billericay	CM12 9FU	£558,950	2019-12	132.98	137.03	£575,973	F	77	£7,480
West Basildon	SS16 5NR	£404,995	2020-01	138.82	148.01	£431,806	S	90	£4,798
West Basildon	SS16 5NR	£404,995	2020-01	138.82	148.01	£431,806	S	90	£4,798
West Basildon	SS16 5NR	£406,995	2020-01	138.82	148.01	£433,938	S	90	£4,822
West Basildon	SS16 5NR	£406,995	2020-01	138.82	148.01	£433,938	S	90	£4,822
Basildon	SS14 3AQ	£385,000	2020-02	137.83	148.07	£413,603	D	86	£4,809
Basildon	SS14 3AQ	£420,000	2020-02	137.83	148.07	£451,204	D	99	£4,558
Basildon	SS14 3AQ	£420,000	2020-02	137.83	148.07	£451,204	D	99	£4,558
West Basildon	SS15 5ZQ	£100,800	2020-02	133.7	137.03	£103,311	F	70	£1,476
West Basildon	SS15 5ZQ	£100,800	2020-02	133.7	137.03	£103,311	F	71	£1,455
Basildon	SS14 3AQ	£370,000	2020-02	138.26	148.01	£396,092	S	89	£4,450
Basildon	SS14 3AQ	£370,000	2020-02	138.26	148.01	£396,092	S	86	£4,606
Basildon	SS14 3AQ	£365,000	2020-02	138.26	148.01	£390,740	S	88	£4,440
West Basildon	SS16 5NR	£406,995	2020-02	138.26	148.01	£435,696	S	90	£4,841
West Basildon	SS16 5NR	£406,995	2020-02	138.26	148.01	£435,696	S	90	£4,841
West Basildon	SS16 5NR	£406,995	2020-02	138.26	148.01	£435,696	S	90	£4,841
West Basildon	SS16 5NR	£406,995	2020-02	138.26	148.01	£435,696	S	90	£4,841
Basildon	SS14 3AQ	£315,000	2020-02	138.26	148.01	£337,214	S	73	£4,619
Basildon	SS14 3AQ	£325,000	2020-02	138.26	148.01	£347,919	S	73	£4,766
Basildon	SS14 3AQ	£385,000	2020-03	137.06	148.07	£415,927	D	88	£4,726
West Basildon	SS16 5NR	£544,995	2020-03	137.06	148.07	£588,774	D	131	£4,494
West Basildon	SS16 5NH	£472,995	2020-03	137.06	148.07	£510,991	D	112	£4,562
West Basildon	SS16 5NH	£472,995	2020-03	137.06	148.07	£510,991	D	112	£4,562
West Basildon	SS16 5NH	£475,995	2020-03	137.06	148.07	£514,232	D	112	£4,591
West Basildon	SS16 5NH	£547,995	2020-03	137.06	148.07	£592,015	D	128	£4,625
West Basildon	SS16 5NH	£548,995	2020-03	137.06	148.07	£593,096	D	128	£4,634
West Basildon	SS16 5LW	£704,995	2020-03	137.06	148.07	£761,627	D	175	£4,352
West Basildon	SS16 5NR	£404,995	2020-03	137.55	148.01	£435,793	S	90	£4,842
West Basildon	SS16 5NR	£404,995	2020-03	137.55	148.01	£435,793	S	90	£4,842
West Basildon	SS16 5NR	£404,995	2020-03	137.55	148.01	£435,793	S	90	£4,842
West Basildon	SS16 5NR	£404,995	2020-03	137.55	148.01	£435,793	S	90	£4,842
West Basildon	SS16 5NH	£547,995	2020-05	136.99	148.07	£592,318	D	128	£4,627

Value Area	Postcode	Price Paid	Transaction date	HPI at date	HPI at Jul 2021	HPI Adjusted Sale Price	Type	Size (sqm)	HPI £psm
Billericay	CM12 9FU	£407,000	2020-08	133.83	137.03	£416,732	F	54	£7,717
Billericay	CM12 9FU	£562,950	2020-09	135.07	137.03	£571,119	F	51	£11,198

Appendix D: BCIS Build Costs

BCIS®

RICS

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 06-Nov-2021 00:44

› Rebased to 3Q 2021 (339) and Basildon (106; sample 31)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810. Housing, mixed developments (15)	1,388	760	1,214	1,347	1,514	3,153	1230
810.1 Estate housing							
Generally (15)	1,387	670	1,181	1,335	1,513	4,803	1518
Single storey (15)	1,558	885	1,324	1,506	1,734	4,803	252
2-storey (15)	1,339	670	1,163	1,304	1,463	2,920	1168
3-storey (15)	1,433	868	1,150	1,377	1,608	2,832	93
4-storey or above (15)	2,930	1,423	2,354	2,629	3,913	4,331	5
810.11 Estate housing detached (15)	1,792	1,041	1,340	1,542	1,804	4,803	21
810.12 Estate housing semi detached							
Generally (15)	1,384	820	1,189	1,353	1,518	2,557	362
Single storey (15)	1,545	1,023	1,338	1,518	1,705	2,557	76
2-storey (15)	1,342	820	1,180	1,320	1,471	2,313	273
3-storey (15)	1,318	983	1,048	1,299	1,423	2,008	13
810.13 Estate housing terraced							
Generally (15)	1,427	868	1,179	1,341	1,563	4,331	281
Single storey (15)	1,587	1,064	1,351	1,512	1,827	2,247	27
2-storey (15)	1,373	871	1,162	1,316	1,509	2,920	209
3-storey (15)	1,461	868	1,142	1,352	1,656	2,832	43
4-storey or above (10)	4,122	3,913	-	-	-	4,331	2
816. Flats (apartments)							
Generally (15)	1,632	807	1,356	1,544	1,839	5,629	866
1-2 storey (15)	1,546	959	1,317	1,480	1,714	2,778	199
3-5 storey (15)	1,608	807	1,351	1,534	1,821	3,409	569
6 storey or above (15)	1,961	1,196	1,589	1,842	2,114	5,629	95
818. Housing with shops, offices, workshops or the like (15)	2,026	816	1,582	1,827	2,326	5,022	85
820.1 'One-off' housing detached (3 units or less)							
Generally (15)	2,483	1,029	1,698	2,180	3,069	6,734	126
Single storey (15)	2,018	1,258	1,519	1,865	2,238	3,783	31

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Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
2-storey (15)	2,325	1,029	1,686	2,148	2,824	4,455	60
3-storey (15)	2,923	1,383	2,206	2,880	3,293	5,444	28
4-storey or above (15)	4,863	2,589	3,337	5,738	5,920	6,734	5
820.2 'One-off' housing semi-detached (3 units or less) (15)	1,719	1,009	1,434	1,579	1,919	5,609	66
820.3 'One-off' housing terraced (3 units or less) (15)	1,659	1,284	1,318	1,482	1,649	3,346	12
841. Housing provided in connection with other facilities (20)	1,745	1,388	-	1,635	-	2,321	4
843. Supported housing							
Generally (15)	1,756	895	1,482	1,638	1,895	3,573	132
Single storey (15)	2,033	1,258	1,623	1,752	2,151	3,573	17
2-storey (15)	1,763	895	1,485	1,619	1,967	3,145	40
3-storey (15)	1,610	898	1,459	1,549	1,773	2,394	47
4-storey or above (15)	1,811	1,102	1,456	1,672	1,855	3,465	25
843.1 Supported housing with shops, restaurants or the like (15)	1,677	1,080	1,423	1,602	1,759	2,826	31
852. Hotels (15)	2,293	1,289	1,862	2,168	2,815	3,330	17
856.2 Students' residences, halls of residence, etc (15)	2,112	1,188	1,902	2,109	2,323	3,404	58

End

Appendix E: Draft Site IDP Costs at December 2021

Site ref	No. dwellings	Location	Transport	Education	Healthcare	Libraries	Open space and sports	Site total	Cost per dwelling
H5	790	Land West of Gardiners Lane South, Basildon	£4,526,219	£10,446,413	£299,095	£61,462	£2,880,006	£18,213,195	£23,055
H6	464	Land North of Dry Street, Basildon	£1,942,161	£6,005,048	£175,671	£36,099	£1,691,548	£9,850,527	£21,230
H7	390	Land North of London Road, Vange	£4,327,420	£4,791,278	£147,654	£30,342	£1,421,775	£10,718,469	£27,483
H8	300	West of Basildon	£4,275,000	£3,601,180	£113,580	£23,340	£1,093,673	£9,106,774	£30,356
H9	245	Land West of Steeple View, Laindon	£1,563,076	£2,940,964	£92,757	£19,061	£893,167	£5,509,025	£22,486
H10	400	Land East of Noak Bridge, Basildon	£2,494,134	£4,914,131	£151,440	£31,120	£1,458,231	£9,049,056	£22,623
H11	460	East of Basildon	£4,532,256	£6,185,173	£174,156	£35,788	£1,676,966	£12,604,340	£27,401
H12	1,100	Land South of Wickford	£14,773,648	£14,545,638	£416,461	£85,580	£4,010,135	£33,831,463	£30,756
H13	280	Land North of Southend Road, Shotgate, Wickford	£4,706,020	£3,361,101	£106,008	£21,784	£1,020,762	£9,215,675	£32,913
H14	500	Land South of Barn Hall, Wickford	£6,210,749	£6,001,967	£189,300	£38,900	£1,822,789	£14,263,705	£28,527
H15	300	Land North of the London Road, Wickford	£3,906,450	£3,601,180	£113,580	£23,340	£1,093,673	£8,738,223	£29,127
H16	255	Land North East of Potash Road, Billericay	£3,380,000	£3,061,003	£96,543	£19,839	£929,622	£7,487,007	£29,361
H17a	540	South West Billericay	£7,934,489	£7,140,586	£204,444	£42,012	£1,968,612	£17,290,143	£32,019
H17b	290	South West Billericay	£4,261,115	£3,834,759	£109,794	£22,562	£1,057,218	£9,285,447	£32,019
H17c	350	South West Billericay	£5,142,724	£4,628,158	£132,510	£27,230	£1,275,952	£11,206,574	£32,019
H17d	520	South West Billericay	£7,640,619	£6,876,120	£196,872	£40,456	£1,895,700	£16,649,768	£32,019
H18	200	Land South of Windmill Heights, Billericay	£1,061,053	£2,400,787	£75,720	£15,560	£729,116	£4,282,235	£21,411
H19	400	Land East of Green Farm Lane, Billericay	£1,150,000	£4,801,573	£151,440	£31,120	£1,458,231	£7,592,365	£18,981
H20	190	Land East of Southend Road, Billericay	£760,000	£2,280,747	£71,934	£14,782	£692,660	£3,820,123	£20,106
H21a	6	Land East of Laindon Road, Billericay	£0	£0	£2,272	£467	£21,873	£24,612	£4,102
H21b	20	Land at Maitland Lodge, Great Burstead, Billericay	£0	£240,079	£7,572	£1,556	£72,912	£322,118	£16,106
H21c	6	Land Adjacent to The Mount, Billericay	£0	£0	£2,272	£467	£21,873	£24,612	£4,102
H22	66	Housing Growth in Crays Hill	£125,000	£462,320	£24,988	£5,135	£240,608	£858,050	£13,001
SD3a	1,350	Bowers Gifford and North Benfleet Neighbourhood Area	£4,268,508	£17,851,465	£511,111	£105,030	£4,921,530	£27,657,644	£20,487
SD3b	37	Ramsden Bellhouse Neighbourhood Area	£125,000	£444,146	£14,008	£2,879	£134,886	£720,919	£19,484
R2	3,798	Basildon Town Centre Regeneration	£0	£46,659,673	£1,437,926	£295,484	£13,845,904	£62,238,987	£16,387
R5	242	Wickford Town Centre Regeneration	£0	£2,904,952	£91,621	£18,828	£882,230	£3,897,631	£16,106
E5	n/a	Land West of Gardiners Lane South, Basildon	£1,125,000					£1,125,000	n/a
E6	n/a	Land East of Burnt Mills, Basildon	£1,150,000					£1,150,000	n/a
		Total	**£91,380,642**	**£169,980,439**	**£5,110,733**	**£1,050,222**	**£49,211,652**	**£316,733,688**	

End