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# Southend-on-Sea Local Plan Viability Study

Final Report

For:

Southend-on-Sea City Council

**September 2026**

## Document Control Sheet

| | |
|---|---|
| *Project Name :* | Southend-on-Sea LPVS |
| *Project Ref :* | 1/164 |
| *Report Title :* | Southend-on-Sea Local Plan Viability Study |
| *Doc Ref :* | Final Report |
| *Date :* | September 2026 |
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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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# 1 Introduction to the Viability Study

## Background Context and Study Purpose

1.1 Southend-on-Sea City Council has commissioned Porter Planning Economics Ltd (Porter PE) to undertake a high-level economic viability assessment of the emerging Regulation 19 Southend-on-Sea Local Plan (Reg19 SoSLP). The purpose of the study is to inform the City Council's consideration of the balance between its policy aspirations for sustainable development and the realities of development viability, in accordance with national planning policy.

1.2 As part of the preparation of the SoSLP, Porter PE has undertaken an iterative programme of high-level viability testing of the emerging plan policies to support the draft local plan under Regulation 19. This report provides an updated viability assessment of the current emerging Reg19 SoSLP policies to ensure that they meet the requirements of the National Planning Policy Framework (NPPF), as updated in December 2024.

## Assessment Approach

1.3 The findings of this report are based on proportionate, high-level, viability testing of a range of hypothetical site typologies and a sample of strategic sites. The purpose is to identify the likely level of development value available to support planning policy requirements. These requirements may include affordable housing provision, alongside contributions towards infrastructure and mitigation necessary to support development.

1.4 The viability appraisal methodology and key assumptions, including those relating to currently unknown factors, have been informed by:

- Government planning practice guidance on viability assessment for local plans[1;]
- The Harman Guidance, which sets out the Royal Town Planning Institute's (RTPI) recommended approach to local plan viability testing[2];
- Royal Institution of Chartered Surveyors (RICS) guidance on viability in planning under the NPPF 2019[3], land measurement for planning and development purposes[4], and professional conduct and reporting[5].

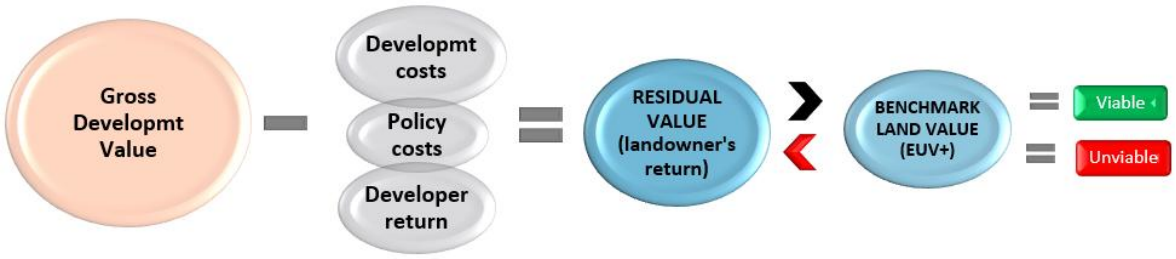
1.5 Planning viability assessments are carried out for site typologies and strategic sites that represent the current and potential future allocation of sites within Southend-on-Sea, and/or potential types of development that the SoSLP expects to come forward over the planning horizon to support the aims of the Local Plan. For this, a residual land value (RLV) approach is used for Local Plan viability testing. So for each development viability appraisal, the net difference between development values and costs, including likely policy costs, are used to derive a RLV, and this is compared with a benchmark land value (BLV)[6]. If the RLV is greater than the BLV in the bulk of the tested development site, then the tested policy requirements in the SoSLP are considered viable. If the site RLV is less than the BLV in

[1] PPG Viability, as last updated in September 2019.
[2] The Local Housing Delivery Group and chaired by Sir John Harman 'Viability Testing Local Plans - advice for planning practitioners', June 2012.
[3] RICS Guidance note, 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', March 2021.
[4] RICS Guidance note, 'Land measurement for planning and development purposes', May 2021.
[5] RICS Professional Standards and Guidance, England, 'Financial viability in planning: conduct and reporting' 1st edition, May 2019.
[6] The BLV reflects the minimum required 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 of viability in **Chapter 2** of this report

the bulk of the tested development types, then the tested policy requirements in the SoSLP are considered to not be viable. In this scenario, some flexibility in the SoSLP planning requirements may be required where it is possible to do so, to avoid the bulk of future development in the SoSLP being put at risk of coming forward.

1.6 The broad method for the RLV assessment is illustrated in **Figure 1.1**. Examples of the RLV site appraisals (excluding the monthly cashflows, which are too detailed to include) are provided in the appendices to this report.

**Figure 1.1 Example approach to residual land value assessment for Local Plan viability testing**




### *Limitations of the Report*

1.7 The residual land value (RLV) appraisal methodology is straightforward and has been applied using a bespoke spreadsheet model. However, determining appropriate inputs for individual sites is inherently complex, as evidenced by the variability of Section 106 negotiations. This complexity is amplified when modelling a notional or average site. Accordingly, the viability assessments presented in this report are necessarily high-level and subject to an inherent margin of uncertainty.

1.8 No responsibility is accepted for reliance on this report by third parties for investment or related purposes

### *Consultations*

1.9 As part of this study, discussions were held with the City Council and local development industry to test the assumptions underpinning this report. This included the City Council arranging a viability workshop with representatives from the local development industry, enabling Porter PE to test the assumptions used in the viability evidence. The workshop took place in September 2024 and was attended by 17 participants representing 10 property and development organisations. Attendees included local agents, housebuilders, land promoters, registered providers, and representatives from the City Council's Estates team.

1.10 A questionnaire for discussions about affordable housing economics was also sent to local Registered Providers (RPs) in May 2026. Five local RPs provided responses to this either through email or online discussions.

## Report Structure

1.11 The remainder of this report is structured as follows:

- Chapter 2 sets out the policy and legal requirements relating to Local Plan viability testing, which this assessment should comply with;
- Chapter 3 sets out the emerging Reg19 SoSLP policies, identifying any that may require testing for their potential impact on viability;
- Chapter 4 reviews the broad current market conditions for developing within Southend-on-Sea, which will inform the development types to be tested, and viability assumptions;

- Chapter 5 outlines the development site typologies and strategic sites expected to come forward under the SoSLP, which will inform the viability testing;
- Chapter 6 outlines the development assumptions for sales revenue, development costs, tested policy costs and BLVs to be used in the viability assessments;
- Chapter 7 identifies and reviews the viability appraisal findings for the potential SoSLP tested sites and policies; and
- Chapter 8 provides the conclusions from the viability assessment of the potential SoSLP policies and recommendations to help inform the SoSLP Regulation 19 consultation draft.

# 2 National Policy Context

## Introduction

2.1 This chapter considers the relevant national policy context for the viability assessment to demonstrate that the Regulation 19 Southend-on-Sea Local Plan (Reg19 SoSLP) is deliverable.

2.2 At a national level, this includes the National Planning Policy Framework and the Planning Practice Guidance, as well as best practices set out in the Harman Report and RICS Professional Guidance Note. The key points from these various documents are summarised below.

## National Framework

### *National Planning Policy Framework (NPPF)*

2.3 A new NPPF (2026) has just been published, but the Reg19 SoSLP is intended to be examined under the NPPF that was published in December 2024. The NPPF sets out the government's planning policies for England and how these are expected to be applied, which may impact on setting the emerging Reg19 SoSLP policies to ensure the future delivery of sites.

#### *Sustainable development*

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 Along with ensuring that the right sites can come forward in meeting needs, the NPPF in paragraph 129 requires local planning authorities to consider the impact of viability and 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 identified need for different types of housing…local market conditions and viability…the availability and capacity of infrastructure and services…the importance of securing well-designed, attractive and healthy places.".*

#### *Development contributions*

2.6 To secure the right levels of infrastructure through sustainable plan making, the NPPF sets out the requirement for plans to secure developer contributions without undermining the deliverability of the plan. As such, 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 35:

*"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 Also, when preparing plans that may include developer contributions (including CIL charging) towards infrastructure funding, paragraph 32 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."*

2.8 So, testing sites should be informed by a review of current local market conditions. The NPPF considers the issue of viability more closely in paragraph 59, which notes:

*"All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning practice guidance, including standardised inputs, and should be made publicly available."*

2.9 The planning practice guidance for viability sets out some key principles of how development viability should be considered in planning practice, and provides recommendations for standardised inputs. This guidance is considered later in this chapter.

### *Residential development*

2.10 For housing land assessment, this report is seeking to comply with the NPPF paragraph 72, which states that:

*"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."*

2.11 It is important to recognise that economic viability will be subject to economic and market variations over the SoSLP timescale. Concerning housing development, the NPPF in paragraph 72 creates the two concepts of 'deliverability' and 'developability'. In doing so the following sites need identifying (our emphasis is included):

*"a) specific, deliverable sites five years following the intended date of adoption; and b) specific, developable sites or broad locations for growth, for the subsequent years 6-10 and, where possible, for years 11-15 of the remaining plan period."*

2.12 So, in the shorter term, to generate more certainty by maintaining a deliverable supply of sites in meeting housing needs, the NPPF at paragraph 78 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 set out in adopted strategic policies."*

2.13 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.

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

### *Non-residential development*

2.15 Regarding economic land development, the NPPF paragraph 86 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; and… to enable a rapid response to changes in economic circumstances."*

2.16 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 87 notes that:

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

2.17 This is a less demanding test than it is for housing. It implies that authorities should allocate sites for employment only if they expect those sites to be developable (or, if already built, able to be maintained) for employment uses. But for economic uses, unlike housing, this requirement relates to any point in the plan period; and sites/areas should be allocated where this meets requirements but not necessarily only where it is viable to do so at the current time.

2.18 That notwithstanding, in terms of allocating non-residential uses, planning authorities also rely on different evidence comprising market indicators and qualitative criteria, normally through strategic retail studies and employment land reviews. That is because viability assessments are generally based on testing current day values and cost assumptions for speculative developments, and, in most cases, employment uses are not immediately viable.

2.19 For these reasons, employment land and non-residential uses that do not form part of allocated residential development sites are not assessed within this study.

### *National policy on affordable housing*

2.20 When informing future policy on affordable housing, national policy in paragraphs 35, 63 and 64 states that it is important to understand the national policy on affordable housing, and plans should set out the contributions expected from development and these must not undermine the deliverability of the plan. This includes setting out the levels and the types (i.e., tenure) of affordable housing provision required.

2.21 A national requirement for the threshold is the key to 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 65:

*"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)."*

2.22 Where required, the NPPF expects affordable housing to be delivered on-site 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 64:

*"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."*

2.23 It is also anticipated in national policy paragraph 66 that affordable dwellings on appropriate sites should be for Social Rent, other affordable rent and affordable home ownership tenure (such as shared ownership or intermediate housing).

### *National policy on Rural Exception sites*

2.24 The NPPF definition of a Rural Exception Site states that rural exception sites:

*"… seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority's discretion, for example where essential to enable the delivery of affordable units without grant funding."*

2.25 The NPPF focus is on delivering affordable homes within such sites, and any market housing must be justified as necessary to facilitate delivery of the affordable housing element. Although it does not specify a percentage cap on introducing open market homes, the affordable housing must remain the primary purpose of the development. The level of market housing is therefore a matter for local policy and site specific viability evidence.

### *National policy on Brownfield sites*

2.26 Paragraph 65 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."*

2.27 The proportionate amount is equivalent to the existing gross floorspace of the existing (in use or vacant but not abandoned) buildings, which is treated as a vacant building credit (VBC) on the affordable housing requirement. Within local plan testing based on site typologies, such conditions relating to the VBC is not easily defined but is a consideration when reviewing the viability of brownfield sites within the emerging Reg19 SoSLP.

### *National policy on the Greenbelt*

2.28 The NPPF sets out what are defined as 'Golden Rules' for Green Belt residential development, which includes a specific affordable housing requirement (or requirements) for major development either on land that is proposed to be released from the Green Belt or which may be permitted on land within the Green Belt. This requirement should:

*"a) be set at a higher level than that which would otherwise apply to land which is not within or proposed to be released from the Green Belt; and*

*b) require at least 50% of the housing to be affordable, unless this would make the development of these sites unviable (when tested in accordance with national planning practice guidance on viability)."*

2.29 As such, any major allocations or expected major windfall sites within the Green Belt will need to be viability tested with at least a 50% affordable housing rate to help inform a maximum rate of affordable housing above 50%. However, later in the NPPF at paragraph 157, where Local Plan policies are not yet in place for Greenbelt release, under the Golden Rules, affordable housing is required at an increase of 15 percentage points above the highest existing affordable housing requirement is set within the Golden Rules, and this will

be subject to a cap of 50% (excluding rural exemption sites) or 50% by default where no prior affordable housing policy applies.

2.30 Also, Greenbelt development must deliver appropriate infrastructure necessary to support the scale of growth. This may include physical works or financial contributions towards:

- Transport and accessibility
- Education and health facilities
- Utilities and community infrastructure

2.31 Updated Planning Practice Guidance confirms that site-specific viability assessments should not be used to reduce these contributions on Golden Rules sites.

2.32 The Golden Rules apply to all major housing development (10 dwellings or more) on Green Belt land released through plans or exceptional circumstances.

### *National policy on infrastructure provision*

2.33 Along with meeting housing needs, the NPPF in paragraph 129 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…"*

2.34 This is specifically noted in paragraph 86, which suggests that local authorities should address any local infrastructure deficiencies to support development in that they should…

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

2.35 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 35 (covered earlier in this chapter), balanced with the risk of asking too much that this will undermine the deliverability of the SoSLP.

## Relevant Planning Guidance

### *Practice Guidance – Viability (December 2024)*

2.36 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."*[7]

2.37 A '*consistent approach*' is sought when assessing the impact of planning on development viability to inform policies and decision making. In doing so, the planning authority needs:

[7] PPG Viability para 002.

*"…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."*[8]

2.38 This suggests that there needs to be a balance between meeting the SoSLP policy requirements through development and the economic reality regarding the delivery of development. To help inform this balance, a '*collaborative*' approach to viability assessments is sought by the PPG involving both the development industry and local authorities, with transparency of evidence being encouraged where possible.

2.39 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. Policy requirements should be clear so that they can be accurately accounted for in the price paid for land."*[9]

2.40 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 including planning obligations. Therefore, not all sites are required or expected to meet full requirements within the SoSLP that have been set. 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".*[10]

### *Defining site typologies*

2.41 When defining suitable sites, the PPG notes that site typologies can be used to reflect the allocation of sites. In doing so, the PPG notes that they should include:

*"…the type of 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."*[11]

2.42 However, the PPG also notes the importance of viability testing specific sites where:

*"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 Such sites normally include those sites supporting the delivery of many homes as part of the housing target, or smaller sites within key locations where place making/regeneration activities are a key component of the SoSLP. Within Southend-on-Sea, this includes two allocated sites (Land North of Southend and Fossetts Farm) that are expected to come forward with around 1,000 or more dwellings.

[8] Ibid para 010.
[9] Ibid para 001.
[10] Ibid para 003.
[11] Ibid para 004.
[12] Ibid para 003.

2.44 The PPG also notes that typology testing should reflect high-level assumptions regarding the type of developments that may occur, stating that:

*"For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data."*[13]

### *Defining Viability and Benchmark Land Value (BLV)*

2.45 In assessing typologies and/or any key sites, the PPG sets out the government's recommended approach to viability assessment for planning. Importantly, in defining viability it states that a residual land value (RLV), after 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 fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions."* [14]

2.46 In this case, if the viability testing RLV is equal to or above the EUV with a minimum premium (referred to as EUV+), the site is deemed viable. The PPG Viability also sets out the principles that area-wide viability studies should follow when taking land values into account. The 'premium' to be added to the EUV is described as:

*"…a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements."*[15]

2.47 In assessing the premium to be added to an EUV, 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 policy compliance … or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners."*[16]

2.48 The BLV should therefore reflect both 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, 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:

[13] Ibid para 011.
[14] Ibid para 013.
[15] Ibid paragraph: 017 Reference ID: 10-017-20190509.
[16] Ibid para 016.

*"…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."*[17]

### *Plan making viability assumptions*

2.49 As noted earlier in the NPPF, plan making viability assessments should follow the government's recommended approach to assessing viability, including the uses of standardised inputs as set out in PPG Viability, which should be proportionate, simple, transparent and publicly available.

2.50 In this regard, PPG Viability notes that:

*"Assessment of costs should be based on evidence which is reflective of local market conditions."*[18]

2.51 The PPG lists one of the acceptable sources for cost information to be the Build Cost Information Service (BCIS),. The PPG also notes that costs should be based on current figures, as follows:

*"As far as possible, costs should be identified at the plan making stage."*[19]

2.52 To incentivise delivery the level of developer return (profit) that should be assessed within plan viability, the PPG Viability notes:

"*…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…"*[20]

2.53 Also, PPG on viability, quoted below (our emphasis is underlined) notes that some contingencies should apply to site specific viability assessments, where there is justification:

*"…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."*[21]

2.54 But for plan making viability assessments, which is not site specific, then the 'outturn' variables could be lower as much as they are higher than those being tested, so the reasoning for applying any contingency is deemed pointless.

2.55 Also, the PPG notes the following points to be considered for including education investment within the viability testing:

*"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.*

[17] Ibid para 017.
[18] Ibid para 014.
[19] Ibid para 014.
[20] Ibid para 018.
[21] Ibid para 012.

*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."*[22]

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

## *Practice Guidance – Planning Obligations (September 2019)*

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

2.58 The PPG states that where planning obligations in the SoSLP apply, 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."*[23]

2.59 Concerning affordable housing, the PPG 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, concerning 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."*[24]

2.60 PPG also 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 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 the PPG, 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.*

[22] Ibid para 029.
[23] PPG Planning Obligations para 002.
[24] Ibid para 026.

*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."*[25]

### *Practice Guidance – Biodiversity Net Gain (May 2024)*

2.61 The Government's Environmental Bill was given Royal Assent in June 2023, nearly three years after it first appeared in Parliament, which has led to this new PPG being introduced. Its purpose is to make provision for targets, plans and policies for improving the natural environment through environmental protection, with a special focus on nature and biodiversity.

2.62 One major implication of the new Act is that all new developments (with a few exceptions) are required to deliver a 10% net increase in biodiversity, and this must 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.

2.63 Based on the most recent 2026 Defra updates and associated consultation responses, there has been a clear shift from establishing BNG as a policy requirement (2024) to refining, simplifying and extending its application. The key changes seek to generate a more streamlined approach to be taken, discouraging duplication and encouraging proportionate application, particularly on smaller and medium sites.

2.64 This includes the introduction of a 0.2 hectare threshold exemption for very small developments. So, very small sites (likely to be sites with 5 or fewer dwellings) will be exempted. There are changes also for large scale sites, with BNG only to be applied to habitats affected by the development and therefore not the full red line boundary. This reduces over-scoping of baseline habitat and will help reduce the burden on larger developers that have a gross site area that is greater than the net developable area.

2.65 There is also ongoing consultation on targeted exemptions of BNG for brownfield residential developments.

## Other Potential Planning Policy Influences on Viability

### *Building Safety Act*

2.66 The Building Safety Act (BSA) received Royal Assent in April 2022, taking full effect from April 2024. The new Act introduced several measures intended to make buildings and residents safer, with greater accountability for fire and structural safety. It also proposes a mandatory levy on all new floorspaces from October 2026, subject to some exceptions. These changes are discussed below.

2.67 The BSA introduced powers to impose a levy on new residential buildings requiring certain building control approvals in England, to raise revenue to be spent on building safety, and to ensure that the industry contributes to the costs of correcting existing defects in buildings. This developer tax, called the Building Safety Levy (BSL), is set per local authority area by the government to capture the geographical variation in house prices. It will be charged on a

[25] Ibid para 007.

rate per square metre (GIA) of new floorspace on all new dwellings requiring a building control application, including purpose-built student accommodation in England (with certain exceptions). Certain buildings will be exempt from the BSL, which include affordable housing, non-social homes built by not-for-profit registered providers, NHS hospitals, care homes and supported housing including homes for armed services personnel, criminal justice and all developments of fewer than 10 dwellings. There will also be a discounted levy rate of 50% for developments built on brownfield land.

2.68 The BSL is planned to come into effect in October 2026 and it is expected to run for ten years to hit the £3.4 billion revenue target, and although the current rates will not be subject to indexation, the government has stated that they will review the BSL every 3 years.

2.69 New operational requirements have also been introduced for buildings at or above 11 metres, with further obligations at 18 metres. The SoSLP is not planning for or anticipating any new buildings above 18 metres (approximately 11 storey tall) but its centre regeneration focus may result in some new buildings above 11m (approximately 7 storey tall), should the market be willing to deliver such mid-rise tall buildings.

2.70 For multi-occupied residential buildings over 11 metres, additional costs stem from the Fire Safety (England) Regulations 2022, which introduce ongoing duties such as fire door checks. Approved Document B has also lowered the height threshold for key life-safety measure, most notably reducing the sprinkler requirement in new residential blocks from 30 metres to 11 metres, prohibiting combustible materials in external walls, and mandating enhanced wayfinding signage for the fire service. Further tightening of standards is expected with the Fire Safety (Residential Evacuation Plans) (England) Regulations 2025. These changes are increasing build costs, which may not yet be fully reflected in BCIS tender price averages.

### *Future Homes Standards*

2.71 As part of its plan to achieve 'net zero' greenhouse gas emissions by 2050, the government has recently set new energy efficiency standards for new homes and extensions. The Future Homes Standard (FHS) was confirmed through the publication of updated Building Regulations (Approved Document Part L) in March 2026. The FHS establishes a clear national framework to ensure that all new dwellings are net zero carbon ready, supporting the UK's statutory commitment to achieve net zero greenhouse gas emissions by 2050.

2.72 The Standard requires new homes to achieve a minimum reduction of approximately 75% in regulated operational carbon emissions compared with the Part L 2013 baseline. This is achieved through a combination of improved fabric efficiency, fossil fuel free heating and the integration of onsite renewable electricity generation.

2.73 In practical terms, the FHS effectively ends the use of gas and other fossil fuel heating systems in new homes, requiring low-carbon solutions such as heat pumps or low-carbon heat networks. On site solar photovoltaic generation is expected to become a standard design feature, driven by revised Part L energy and carbon targets. The intent is that homes built to the FHS will not require further energy-related retrofit to align with a decarbonised electricity grid. So, while homes may not achieve net zero emissions at completion, they are designed so that operational emissions will reduce to net zero as grid electricity continues to decarbonise.

2.74 The FHS comes into force from March 2027, with transitional arrangements. It represents a significant uplift in national minimum standards and provides an important policy context for Local Plans seeking to support low-carbon, climate-resilient development, while ensuring alignment with national building regulations.

2.75 A previous Government Ministerial Statement in December 2023 stated that plan-makers should not set local energy efficiency standards for buildings that go beyond current or planned Building Regulations. So local authorities should not set higher energy efficiency standards for new homes in their area if they do not have a well-reasoned and robustly costed rationale that ensures that development remains viable.

### *National Space Standards for Housing, March 2015*

2.76 The government has established the Nationally Described Space Standard (NDSS) 'Technical Housing Standards – Nationally Described Space Standard' (NSS) for setting minimum internal space requirements for new dwellings, expressed by reference to the number of bedrooms and intended occupants.

2.77 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 people and bed spaces, including areas for built-in storage sizes.

2.78 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.'* [26]

2.79 The criteria for meeting accessible homes and wheelchair user homes categories are now included within Building Regulations as Category M4(2): Accessible and adaptable buildings and Category M4(3): Wheelchair user dwellings. The M(4)3 category is also split into two sub-categories, M4(3)A: accessible and adaptable standards and the more costly M4(3)B: accessible and liveable standards. Local authorities only have the right to request that housing be built to meet M4(3)B compliance from homes for which they have nomination rights, therefore these will likely be affordable homes.

2.80 This national standard on new homes is likely to impact build costs through processes/adaptability requirements within new homes and the sizes of new homes. But it is not a building regulation and remains solely within the planning system as an optional new form of technical planning standard. It may be applied by local planning authorities through local plan policies or adopted supplementary guidance, having regard to local housing needs, viability and deliverability. Therefore, local plan evidence should demonstrate the justification for adoption and the implications for land supply, density and development viability, consistent with national planning policy and guidance.

### *Raising Accessibility Standards for New Homes*

2.81 The previous government focused on accessibility at the heart of the design process, and consultation on raising accessibility standards for new homes in September 2020 before publishing its response in 2022. The consultation considered options for higher accessibility standards in new homes. This particularly focussed on the need for 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)).

[26] Technical Housing Standards, CLG (March 2015) para 9.

2.82 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.

2.83 Although there is a stated Government intention to mandate M4(2), so that the current M4(2) requirement in Building Regulations is a minimum standard for all new homes, which covers wheelchair accessible homes being acceptable in exceptional circumstances, and the M4(3) applies where there is a local planning policy in place that is based on identified and evidenced need. This was the previous government's preferred option, with M4(2) becoming the mandatory minimum standard across England, but there is no legal or policy mechanism is currently in force to do so nationally. Local authorities must therefore continue to rely on local plan policies and evidence to secure higher accessibility standards.

2.84 The emerging draft NPPF 2025 strengthens the policy signal in favour of accessible and adaptable housing, particularly to meet the needs of older and disabled people. However, it does not mandate accessibility standards nationally.

## 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*

2.85 The Local Housing Delivery Group (cross industry, House Builders Federation, Local Government Association and the then Department for Communities and Local Government (DCLG) Harman Report provides detailed guidance regarding viability testing and provides practical advice for plan making (including CIL) viability testing that limits delivery risk. Along with the relevant PPG Viability, the Harman Report forms the basis for the approach to the SoSLP viability testing in this report.

2.86 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)*

2.87 Concerning viability testing in plan making, the Harman Report acknowledges that this is a high-level assessment to provide some assurance that the development industry will not be excessively affected by the cumulative costs of settling any planning obligations (including CIL) 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."*

2.88 It should be noted that the Harman Report approach to 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, the 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).*

2.89 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)*

2.90 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 for 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*

2.91 In April 2021, RICS published updated guidance titled 'Assessing viability in planning under the National Planning Policy Framework 2019 for England'. The guidance was published in response to changes under the revised NPPF and updated national PPG. It aimed to provide clarity on certain aspects of the PPG, rather than necessarily conflict or contradict it. But it does replace the original RICS guidance, 'Financial viability in planning' published in 2012, and in April 2023 was adopted as a RICS Professional Standard.

2.92 Along with the relevant PPG Viability and the Harman Report, this informs the basis for our approach to testing the SoSLP viability in this report.

2.93 One area of particular focus in the RICS Professional Standard is how values are used to derive appropriate BLVs. Consistent with the PPG, the standard accepts that the EUV+ methodology 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 the setting of the BLV on market prices.[27] To reduce this problem, the revised guidance introduces a five-step approach, which requires 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.

[27] 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.

2.94 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."*[28]

2.95 This is the point where viability 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.

2.96 Aside from benchmark land values, the RICS guidance also places a greater focus on site-specific assumptions rather than standardised assumptions. It also refers to using current values and costs in undertaking plan making viability[29], which is specific in terms of the use of borrowing costs rates, where it states:

*"'Where current costs are used, real interest rates should be applied to what is in effect real cash flows when projections are not used. In normal economic conditions, real returns are lower than nominal returns, and the use of current costs should be accompanied by the use of lower returns and vice versa."*

2.97 This real interest rate is 'net of inflation', and therefore this should be significantly lower than typical lender rates that include expected inflation.

2.98 Owing to its use of known current costs and values, it also advocates a greater role for sensitivity testing of different scenarios and outcomes due to inherent value variation over time. This is identified as a mandatory requirement for all viability assessments in the RICS professional standards and guidance on conduct and reporting.[30] Such sensitivity testing may include projections of future values and costs, which are considered in the viability testing later in this report.

[28] RICS (2021), op cit. para 2.3.7, p18.
[29] RICS Guidance note, 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', March 2021.
[30] RICS (2019), op cit.

# 3 Emerging Policy Consideration

## Introduction

3.1 This chapter reviews the emerging Southend-on-Sea Local Plan (SoSLP) policy requirements that are being considered by Southend-on-Sea City Council. The purpose is to identify those policies that are likely to have a material cost impact over and above what the market would normally delivery. The focus is on policies that are expected to affect the viability of most sites likely to be allocated, as well as any specific requirements that may apply to key strategic sites.

3.2 Those policies identified with a notable impact on development viability are further assessed in later chapters of this report.

## Southend-on-Sea Local Plan Emerging Policies

3.3 An assessment of the potential viability impacts arising from the emerging Reg19 SoSLP is presented in **Table 3.1**. This uses a 'traffic light' system to indicate the likely cost implications of each policy, as follows:

| | |
|---|---|
| *Unlikely to have any significant viability impact* | |
| *May have a viability impact so needs to be considered and possibly tested* | |
| *Expected to have a viability impact and will need to be tested* | |

3.4 It is important to note that there are caveats in the following table, as follows:

- The following table is intended as a high-level policy screening exercise for whole plan viability purposes.
- As with all local plans, the emerging Reg19 SoSLP includes policies that reflect established planning principles consistent with the NPPF and the Town and Country Planning Acts. These typically relate to site specific or area based requirements for layout and design that the market would ordinarily be expected to deliver as part of standard development practice rather that a negotiable planning requirement. Such policy impacts do not warrant specific testing.
- In contrast, policies that extend beyond standard practice and statutory requirements, such as housing standards in excess of current Building Regulations or affordable housing provision, are identified in the policy review matrix at **Table 3.1**. These policies are assessed for their potential impact on development viability.

**Table 3.1 Viability Policy Matrix for the emerging Southend-on-Sea Local Plan 2026-2042, at August 2026**

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| SP1: Spatial Principles | Establishes overarching spatial principles for all new development, including infrastructure-led growth, regeneration of previously developed land | | Sets out the strategy for future development, which may affect the realised value of development.<br><br>Typology sites reflect the future site allocations in this plan plus windfall sites based on the distribution of site allocations.<br><br>This has been considered in **Chapter 5** and tested in **Chapter 7.** |
| SP2: Spatial Strategy | Plan will deliver 14,700 new homes and 68,400 sqm of employment space over the plan period to 2045, with major growth focused on Southend Central Area, Land North of Southend, Fossetts, Shoeburyness, London Southend Airport and Priority Urban Areas. It also expects development to contribute to transport network effectiveness and integration where appropriate. | | |
| SP2b and DM2b: Bournes Green New Neighbourhood - Land North of Southend Guidance Principles | Allocates a new community, including 4,900 new homes, employment space, new parkland and associated infrastructure and services on land north of Southend (LNOS).<br><br>Developers must provide infrastructure, including social infrastructure, which meets the needs of the proposed development, and developers will be expected to contribute to the provision of a strategic highway and other infrastructure requirements set out in the Infrastructure Delivery Plan. | | This strategic site is specifically considered in **Chapter 5** and is tested in **Chapter 7**. |
| SP3: Securing and Improving Infrastructure | Seeks contributions towards the provision of infrastructure through an 'Infrastructure Led Approach' required to make a development proposal acceptable in planning terms, using s106 agreements and/or CIL. | | Additional infrastructure costs to be identified in the tested site's external and/or opening costs and through applying CIL, and mitigations have been included in the policy testing as a s106 allowance.<br><br>This has been considered in **Chapter 6** and tested in **Chapter 7**. |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| SP4: Enabling Healthy Lifestyles & Wellbeing | A desktop Health Impact Assessment (HIA) will be required for:<br>• developments of 50 or more dwellings, and/or 5000sqm or more non-residential floorspace;<br>• developments where an Environmental Impact Assessment is required. | | Sites have been tested to allow for professional fees that will incorporate this requirement.<br><br>This has been considered in **Chapter 6** and tested in **Chapter 7**. |
| DM4.1: Providing and Protecting Community Facilities | Supports new and protects existing community facilities. Loss requires evidence that the facility is no longer needed, alternative provision exists, or the use is not viable, normally including a minimum 1-year active marketing exercise. | | |
| DM4.2: Sport & Recreation | Planning obligations will be sought where new development would create or add to local deficiencies to provide the additional facilities necessitated by the new development. | | Typologies have been tested to allow for planning obligations based on typical s106 payments and/or the IDP supporting the Local Plan, and through CIL.<br><br>This has been considered in **Chapter 6** and tested in **Chapter 7**. |
| DM4.3: Hot Food Takeaways | Refuses hot food takeaways within 400 metres of a school. | | |
| Strategic Policy SP5: Homes | Provides for 14,700 net dwellings to 2045, including Southend Central, Land North of Southend, Fossetts Farm, other neighbourhoods and windfall. | | Sets out the overall type and volume of development expected, which may affect the realised value of development.<br><br>Typology sites reflect the future site allocations in this plan plus windfall sites based on the distribution of site allocations.<br><br>This has been considered in **Chapter 5** and tested in **Chapter 7**. |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| DM5.1: Affordable Housing | New residential development resulting in 10 or more net additional homes will be required to deliver affordable housing onsite at the following rates and tenure mixes:<br>• Schemes of 10+ dwellings at 30%; and<br>• Schemes of 10+ flatted developments on brownfield sites outside higher value areas at 10%.<br><br>The following affordable tenures will be delivered:<br>• 80% will be affordable housing for rent;<br>• 20% will be affordable ownership. | | Affordable housing is one of the most material viability policies because it directly affects revenue and residual land value.<br><br>This full policy cost has been considered in **Chapter 6** and tested in **Chapter 7**. |
| DM5.2: Mix and Quality of Homes | Requires schemes of 10 or more dwellings to provide a mix of dwelling sizes and types having regard to the Housing Needs Assessment and Policy Tables DM5.1 and DM5.2 in the emerging Reg19 SoSLP.<br><br>High-density accessible locations may include more smaller units but should still include some family-sized accommodation, while suburban areas should provide a larger proportion of family housing. | | Housing mix can affect sales values, build costs, density, absorption and site capacity.<br><br>Typologies have been tested to reflect the local policy on mix/type/size of units.<br><br>This has been considered in **Chapter 5** and tested in **Chapter 7**. |
| DM5.3: Safeguarding Existing Housing Stock | Resists net loss of existing C3 residential accommodation unless exceptions apply. | | |
| DM5.4: Residential Conversions and the Retention of Family Housing | Allows conversion of dwellings to smaller self-contained units subject to specified criteria. | | |
| DM5.5 Residential Standards | All residential units should meet or exceed the nationally described space standards | | Typologies have been tested to reflect the local policy on mix/type/size of units. |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| | New housing will deliver homes in accordance with the following accessibility standards:<br>• 20% of all new homes built to standard M4(2);<br>• 10% of all new homes built to standard M4(3) on sites with 10+ dwellings; and<br><br>Provide usable private outdoor amenity space; for flatted schemes this could take the form of a balcony or easily accessible semi-private communal amenity space. | | Costs of meeting the Accessible Homes Standards have been considered in **Chapter 6** and tested in **Chapter 7**. |
| DM5.6: Houses in Multiple Occupation | Supports conversion of sui generis HMOs to family homes. | | |
| DM5.7: Housing and Accommodation for Older People | Requires older people's housing and accommodation to meet identified local need. Market-led older persons schemes must provide affordable housing where appropriate, potentially through a commuted sum. Loss of older persons accommodation is restricted. | | This has informed the site typologies and the affordable housing requirement been considered in **Chapter 5** and tested in **Chapter 7**. |
| DM5.8: Supported Accommodation, Specialist and Vulnerable Needs | Supports supported accommodation where it meets demonstrable local need, is well designed, safe, accessible and appropriately located. | | |
| DM5.9: Co-Living | Co-living schemes must be sustainably located, mainly focused in Southend Central Area, under single management, all for rent with minimum three-month tenancies, provide communal facilities, with room standards set at 18 to 27sqm per bed/person, and make affordable housing contributions equivalent to | | While this policy may be considered to have viability implications for specific proposed schemes, it is not a whole plan viability impact due to the emerging Reg19 SoSLP strategic ambitions not relying on the delivery of such schemes. Should such scheme be unviable, then there are other options for delivering residential dwellings, like build to rent. |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| | at least 30% of total units at a 50% discount to market rent. | | |
| SP6: Securing a Thriving Local Economy and Visitor Destination | Supports 68,400 sqm employment space by 2045, directs employment-generating development through a sequential approach, focuses offices, retail and other high-footfall uses to the City Centre, protects employment land unless exceptions apply, safeguards Employment Areas, protects and enhances centres, and supports hotel, visitor accommodation, leisure and tourism in key areas. | | Sets out the strategy for future development, which may affect the realised value of development.<br><br>Typology sites reflect the future site allocations in this plan plus windfall sites based on the distribution of site allocations.<br><br>This has been considered in **Chapter 5** and tested in **Chapter 7.** |
| DM6.1: Employment Sectors | Requires development to contribute to sustainable economic growth by increasing employment land, floorspace and jobs. Southend City Centre and Southend Central Neighbourhood are the primary locations for major economic growth, and economic sectors. | | |
| DM6.2: Employment and Skills | Employment and Skills Plans (ESPs) that reflect local priorities will be required from all developments which:<br>• Comprise 50 or more residential dwellings; or<br>• Include more than 5,000 sqm GIA of non-residential floorspace. | | This policy includes different fee rates for the scale of build, and the costs of meeting this policy have been considered in **Chapter 6** and tested in **Chapter 7**. |
| DM6.3: Employment Areas | Requires major development in Employment Areas to provide flexible unit sizes, including SME accommodation, and may seek incubator, seedbed, enterprise centre, grow-on or affordable workspace.<br><br>Employment Areas are safeguarded, with alternative uses requiring evidence including lack of reasonable employment prospect. Outside Employment Areas, | | |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| | loss of employment use requires evidence that continued employment use is no longer effective or viable. | | |
| DM6.4: New Ways of Working | Supports flexible workspaces | | |
| DM6.5: Retail / Commercial Centres and Frontages | Establishes a hierarchy of Southend City Centre, District Centres, Neighbourhood and Local Centres. It protects active ground floor commercial frontages, resists residential conversion of ground floor frontages in centres.<br><br>Requires sequential testing for main town centre uses outside centres. Impact assessment applies to proposals exceeding 2,500sqm gross floorspace. | | |
| DM6.6: Tourism and Visitor Accommodation | Focuses tourism facilities on the Central Seafront, City Centre and wider Seafront. Major tourism-related development must contribute to sustainable and active travel. Existing visitor accommodation in key areas is retained unless no longer viable or feasible. | | |
| SP7: Urban Design, Character and Heritage | Requires development to respond to local character, follow design guidance, design codes and masterplans. Design Review Panel engagement is encouraged for larger schemes of 50 or more residential units or sensitive sites.<br><br>All development proposals of 50+ dwgs and/or 5,000+ sqm non-residential floorspace will be expected to include public art (or contribute towards its provision). | | Typologies have been tested to allow for professional fees, site external and/or opening costs, CIL, plus mitigations have been included in the policy testing as a s106 allowance. and planning obligations based on typical s106 payments and/or the IDP supporting the Local Plan. |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| DM7.1: Design Quality and Public Realm | Sets out key design principles, such as high-quality design, landscaping and tree planting, active elevations, protection of amenity, safe and inclusive layouts, access, servicing, storage, circulation, parking. SuDS and relevant residential standards. Public realm requirements include active travel routes, street furniture, public art, nature-based solutions, biodiversity, wayfinding, safety and high-quality materials. | | This has been considered in **Chapter 6** and tested in **Chapter 7**. |
| DM7.2: Efficient and Effective Use of Land | Requires development to optimise land use through a design-led approach. | | |
| DM7.3: Tall Buildings | Tall and large buildings will only be permitted in appropriate locations within Southend Central Neighbourhood. Elsewhere proposals will only be considered in appropriate locations in exceptional circumstances. | | Typology sites reflect the future site allocations in this plan, including potential for tall/large buildings in the Central Neighbourhood area.<br><br>This has been considered in **Chapter 5** and **Chapter 6** and tested in **Chapter 7**. |
| DM7.4: Advertisements and Shopfronts | Controls advertisements, signage, hoardings and shopfronts to protect amenity, public safety, heritage and local character. | | |
| DM7.5: Refuse and Recycling | Requires all developments, including extensions and changes of use, to provide adequate covered and secure waste and recycling storage, safe collection access and integration into the design. | | |
| DM7.6: Heritage | Requires proposals affecting designated or non-designated heritage assets or their settings to identify significance and provide a heritage statement. | | |
| SP8: Enhancing our Natural Environment | Protects and strengthens green and blue infrastructure, Green Belt openness, nature recovery, protected green space, local, national and | | SuDS is increasingly being applied within developments and its impact has been considered within the typologies through external site costs. |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| | international nature sites, urban greening, River Thames foreshore, tree canopy cover with a 15% target by 2030, access to green space, and strategic open space.<br><br>SuDS should be incorporated into the landscaping proposals for development schemes.<br><br>All proposals will be expected to contribute to at least 10% biodiversity net gain in qualifying development and Essex Coast RAMS. | | Biodiversity at 10% net gain is included within the site works costs.<br><br>RAMS payments are considered in **Chapter 6** and tested in **Chapter 7**. |
| DM2c: The Metropolitan Green Belt | Protects the openness and purposes of the Green Belt. | | |
| DM8.1: Green Infrastructure Network | All major residential developments will be required to provide public open space, preferably onsite, with long term management and maintenance. | | Typologies over a certain size have been tested to allow for additional land for open space, plus all typologies include external site costs and 106 contributions that will incorporate this requirement. |
| DM8.2: Urban Greening Factor | Requires major development to apply an Urban Greening Factor (UGF) within the red line boundary. Developments should meet a target UGF score of 0.4 for residential and 0.3 for commercial developments. | | A Viability Study Addendum Report (GLA, 2018, p12)[31] assessed the potential costs of the new UGF London Plan policy requiring a residential target score of 0.4 and noted that any cost impact was marginal because most urban greening types are already typical in developments, and it is expected that developments would apply other types only if there is a commercial case for doing so. |

[31] Greater London Authority London Plan Viability Study Addendum Report, November 2018, Three Dragons, Turner & Townsend and Housing Futures Ltd

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| | | | Typologies have been tested to allow for external site costs that will incorporate this requirement. |
| DM8.3: Southend Foreshore | Requires development affecting the foreshore to maintain and improve habitats, and to consider the South East Marine Plan. | | |
| DM8.4: Biodiversity | Proposals for qualifying developments must deliver an overall net gain of at least 10% for biodiversity using the DEFRA biodiversity metric | | This is a national mandatory requirement that is applied within the viability assessments. It is not a policy cost requiring testing. |
| DM8.5: Trees | Tree planting should be incorporated as an integral part of new development schemes, to help achieve 15% canopy cover.<br><br>Where a tree/group of trees makes a significant contribution to the local streetscape and replacement trees cannot be accommodated on site, a planning obligation may be required to secure financial compensation. | | These costs will be tested through the inclusion of the tested site external and/or opening costs and through applying CIL, and mitigations have been included in the policy testing as a s106 allowance. |
| SP9: Climate Change and Environmental Protection | Establishes the principles for new buildings and spaces to mitigate and adapt to climate change, improve walking and cycling, manage flood risk, safeguard land for flood defences, manage water resources, protect minerals and agricultural land, and avoid pollution and land instability. | | |
| DM9.1: Sustainable Design and Construction | Requires energy and resource efficient design, fabric first approach, residential water efficiency of 110 litres/person/day, reducing to 100 litres/person/day by 2030 and 80 litres/person/day by 2035, non-household development to aim for 3 BREEAM WAT01 credits, compliance with future homes and building standards, energy hierarchy, renewable energy | | This policy does not go further than the Future Homes standard, and this soon to be national mandatory requirement is applied within the viability assessments. It is not a policy cost requiring testing.<br><br>While water efficiency is increased, evidence shows that this does not notably impact on development |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| | generation where possible, offsetting residual energy demand if required, and demonstration of reduced upfront embodied carbon and circular economy principles | | viability and is therefore not likely to have a key impact in viability terms. |
| DM9.2: Energy | Set the standards for Electrical Vehicle Charging Points (EVCP).<br><br>Proposals for developments of 50+ dwellings should provide should submit an Energy Masterplan covering layout, heat loads, heat supply, energy centre/storage and decentralised energy potential. | | EVCP is a national mandatory requirement that is applied within the viability assessments. It is not a specific policy cost requiring testing.<br><br>Heat networks connections are tested within external site costs, opening costs and professional fees that will incorporate this requirement. |
| DM9.3: Environmental Protection | Requires contaminated land assessment and remediation where needed, land stability evidence near cliff frontages, Air Quality Assessment for major development and EIA development, design solutions in Air Quality Management Areas, water quality protection, agent of change mitigation, and Noise Impact Assessment and Acoustic Design Statement for all major developments and other noise-sensitive or noise-generating proposals. | | This will be site specific and is partly assumed to be covered within professional fees, externals and site works costs. SuDS is increasingly applied in developments and can be achieved through design. As such, its impact has been considered within the typologies through external site costs. Any abnormal remediation is assumed to be addressed through lower than the tested benchmark land values. |
| DM9.4: Flood Risk and Sustainable Drainage | Sets standards for addressing flood risk and surface water discharge. SuDS should be incorporated into the landscaping proposals for development schemes. | | |
| DM9.5: Minerals | Identifies arrangements for the protection and/or extraction of minerals. | | |
| DM9.6: MOD Shoeburyness | Supports development within the MOD Shoeburyness site boundary where it enhances or sustains operational capabilities or is compatible with military uses. | | |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| SP10: Transport and Connectivity | Where necessary, development must deliver highway projects necessary to accommodate the growth arising from this plan. | | Typologies have been tested to allow for technical studies under professional fees allowances, access, road connections, car parking and EVCPs through externals and site works, CIL, and planning obligations based on typical s106 payments and/or the IDP supporting the Local Plan.<br><br>These have been considered in **Chapter 5** and **Chapter 6** and tested in **Chapter 7.** |
| DM10.1: Promoting Sustainable Transport & Reducing Congestion | Requires development to prioritise pedestrians, cyclists and public transport, phase walking and cycling infrastructure. Development proposals may require a Transport Statement and Travel Plan Statement or a Transport Assessment and full Travel Plan, depending on impact. | | |
| DM10.2: Ensuring the Highway Network is Safe and Effective | Requires major development to assess and mitigates traffic flows. | | |
| DM10.3: Parking Standards | Requires all development to meet parking and cycle parking standards. Major development must provide safe public transport access, sustainable alternatives and servicing/emergency access. | | |
| DM10.4: Telecommunications | Supports and sets the standards for telecommunications infrastructure. | | |
| SP11: London Southend Airport | Incorporates sustainable transportation and surface access measures that minimises private car use, maximises the use of sustainable and inclusive transport modes, and facilitates modal shift. | | This is a non-standard development detail specific only to the airport, which is not considered in this study. |
| The Places of Southend - Neighbourhoods | Sets place specific allocations and policies | | Sets out the overall type and volume of development expected, which may affect the realised value of development. |

| Reg19 Local Plan policies | Policy details affecting viability | Impact | Nature of costs & how this is treated |
|---|---|---|---|
| | | | Typology sites reflect the future site allocations in this plan plus windfall sites based on the distribution of site allocations.<br><br>These have been considered in **Chapter 5** and tested in **Chapter 7**. |

# 4 Development Market Overview

## Introduction

4.1 As discussed in **Chapter 3**, Local Plan viability assessments should reflect current market conditions to inform realistic development assumptions. This chapter reviews the development and investment market context within Southend-on-Sea, including land values, residential and commercial development values, construction costs, and development finance assumptions.

4.2 The final section looks at the longer term outlook for market conditions over the next five years.

## Land Market Overview

4.3 National planning guidance and professional practice guidance recognise that market evidence can provide a useful sense check when establishing benchmark land values (BLVs) for viability testing. However, transactional evidence for development land within Southend-on-Sea is relatively limited. As a result, a range of available market data sources has been reviewed, including land listings, commercial property transactions, and other relevant market evidence.

4.4 Available market evidence indicates that land values vary significantly according to location, site size, planning status, development constraints, and abnormal costs. Within Southend-on-Sea, the supply of unconstrained and readily developable land is limited, particularly within the existing urban area. Sites benefiting from planning permission, or those considered well positioned to secure planning consent, generally command a premium compared with sites that present greater planning, infrastructure, or delivery risks.

4.5 In some cases, landowner expectations may exceed existing use values, reflecting anticipated future residential development opportunities rather than current market fundamentals. This is particularly evident where sites are perceived to have medium to long-term development potential. Consequently, it is important that benchmark land values are informed by appropriate evidence and remain consistent with the requirements of national planning policy and guidance.

### *Brownfield Land Values Analysis*

4.6 Brownfield sites that may come forward for residential development are typically those that are obsolete, under-utilised, or no longer fit for their existing use. These may include lower quality industrial or storage premises, surplus commercial land, long term vacant secondary office and retail properties, and surface car parks. Where land remains viable and suitable for its existing use, redevelopment for residential purposes is generally less likely to occur.

4.7 To inform the assessment of Existing Use Value (EUV) for brownfield land, evidence relating to existing commercial property values within Southend-on-Sea has been reviewed in **Appendix A**. There is limited evidence of transactions involving poor-quality commercial sites sold solely based on their EUV. Accordingly, the analysis has drawn upon available evidence relating to secondary and tertiary commercial property transactions recorded within Southend-on-Sea over recent years.

4.8 The rental evidence presented in **Appendix A Table A.1** indicates that secondary and tertiary commercial properties within Southend-on-Sea have achieved rents ranging between approximately £40 per square metre (psm) and £77 psm, with a weighted average rent of

£57 psm. However, sites likely to come forward for residential redevelopment would typically represent lower-quality commercial stock and would therefore be expected to achieve lower rental values than those evidenced in the market data.

4.9 Similarly, the investment evidence presented in **Appendix A Table A.2** shows net initial yields ranging from 8.6% to 13.0%, with a weighted average yield of 10.5%. These transactions relate to properties generating ongoing income streams. Properties that are vacant, obsolete, or approaching redevelopment would typically attract higher yields, reflecting the increased risk and reduced income security associated with such assets.

4.10 To establish a high-level indication of brownfield EUV, the weighted average rental value of £57 psm and weighted average yield of 10.5% have been applied to a notional commercial building of approximately 4,000 sqm, reflecting a typical 40% site coverage on a 1-hectare site. Capitalising this income stream suggests a value in the order of £2.6 million per hectare.

4.11 However, this figure reflects the value of commercial property that remains capable of occupation and continues to generate rental income. Sites likely to be considered for residential redevelopment are more commonly characterised by obsolescence, poor specification, under-utilisation, or the need for substantial refurbishment or remediation. Accordingly, the value indicated above is unlikely to represent the EUV of those sites most likely to be released for redevelopment.

4.12 Where significant remediation, refurbishment, or conversion works are required, the cost of maintaining or restoring the existing commercial use may materially reduce the value attributable to that use. BCIS Build cost data indicates that mixed commercial rehabilitation and conversion costs in Southend-on-Sea were approximately £747 psm in Q4 2025. Applied to a notional 4,000 sqm building, this would equate to costs approaching £3 million. This suggests that many obsolete commercial sites may have only a limited EUV once their condition and redevelopment requirements are considered.

4.13 For viability testing purposes, it is therefore considered appropriate to adopt a more conservative assessment of EUV for brownfield land that is no longer fit for its existing purpose. Assuming a rental value equivalent to 50% of the weighted average market rent (i.e., £28.50 psm), capitalised at the highest observed yield of 13%, generates an indicative EUV of just over £800,000 per hectare.

4.14 In determining an appropriate premium above EUV, regard has been given to national planning guidance. The Planning Practice Guidance (PPG) on viability confirms that benchmark land values (BLVs) should provide a reasonable incentive for landowners to release land for development whilst ensuring that development remains capable of supporting policy requirements. The guidance also advises that BLVs should not be based on prices that reflect hope value associated with the proposed development.

4.15 The former Homes and Communities Agency (HCA) Area Wide Viability Model guidance indicates that premiums for brownfield land typically fall within a range of approximately 10% to 30% above EUV. More recent viability assessments prepared in support of Section 106 negotiations commonly adopt a premium of around 20%, reflecting an appropriate balance between landowner incentives and policy delivery objectives.

4.16 Applying a 20% premium to the assessed brownfield EUV generates a BLV of approximately £965,000 per hectare, rounded to £1 million per hectare.

### *Greenfield Land Value Analysis*

4.17 In a greenfield context, the principal existing use is typically agricultural or paddock land. Therefore, the assessment of EUV for potential development sites within the emerging

Reg19 SoSLP has been informed by evidence relating to both agricultural land transactions and agricultural land market listings.

4.18 The RICS/Royal Agricultural University (RAU) Rural Land Market Survey reports that the average price of bare agricultural land in England was approximately £30,000 per hectare (£12,158 per acre), as shown in **Appendix A Table A.3**. This provides a useful national benchmark against which local evidence can be considered.

4.19 RICS provides a weighted average[32] land values by region and site size, as illustrated in **Appendix A Table A.4**. For the East of England region, which includes Southend-on-Sea, average values range from approximately £40,600 per hectare for sites under 20 hectares to around £30,200 per hectare for sites above 20 hectares. This reflects the general market trend whereby smaller land holdings command a premium compared with larger agricultural estates.

4.20 Additional evidence has been drawn from the RICS/RAU Rural Land Market Survey, which records agricultural land transactions and indicates the relationship between achieved sale prices and guide prices. Whilst exact transaction values are not published, the available evidence for Essex, summarised in **Appendix A Table A.5**, suggests that smaller sites of approximately 7 to 11 hectares have typically sold at values around £40,000 per hectare, whereas larger holdings of between 50 and 300 hectares have generally achieved values between £18,000 and £30,000 per hectare.

4.21 Given the relatively limited volume of transaction evidence available within Essex, current asking price evidence has also been reviewed. However, in accordance with RICS guidance, asking prices should be treated with caution because they do not necessarily reflect final agreed transaction prices. The available examples, set out in **Appendix A Table A.6**, indicate a similar pattern to the transaction evidence. Smaller sites of between 6 and 12 hectares are marketed at approximately £36,000 per hectare, whilst larger holdings are marketed at lower rates of around £25,000 per hectare.

4.22 Having regard to the available national, regional and local evidence, it is considered appropriate to adopt differentiated agricultural land values based upon site size, with EUVs for such land averaging at around:

- £50,000 per ha for sites under 5 ha; and
- £27,000 per ha for sites over 5 ha.

4.23 In considering an appropriate premium above EUV, regard has been given to national guidance and relevant examination evidence. The former Homes and Communities Agency (HCA) Area Wide Viability Model guidance notes that BLVs for greenfield sites typically fall within a range of 10 to 20 times agricultural value, depending on local market conditions and the policy requirements associated with the development.

4.24 Further support is provided by the Inspector's Post Hearing Letter relating to the North Essex Garden Communities proposals. In considering the viability of large scale developments on predominantly agricultural land, the Inspector recognised that agricultural land values were approximately £10,000 per gross acre and concluded that values of around £100,000 per acre, equivalent to a ten-fold uplift on EUV, would generally provide a sufficient incentive for landowners to release land for development. The Inspector also noted that, depending on

[32] Removing properties where the residential value represents more than 50% of the sale price and other anomalies, generates a reduced database of transactions. For this survey 11% of the transactions were removed (lower than previous surveys) leaving 195 transactions in the weighted analysis.

the policy burdens associated with a scheme, lower values may still provide a competitive return to a willing landowner.

4.25 Having regard to the available guidance, examination evidence, and assumptions commonly adopted within site-specific viability assessments, a multiplier of 10 times EUV is considered to provide a reasonable incentive for landowners to release agricultural land for development whilst supporting policy-compliant development within Southend-on-Sea under the emerging Reg19 SoSLP. Applying this multiplier results in the following BLVs:

- Sites under 5 ha: £500,000 per ha; and
- Sites over 5 ha: £270,000 per ha.

### *Green Belt Land*

4.26 Some of the site allocations within the emerging Reg19 SoSLP are within the Green Belt, and this includes the largest allocation at Land North of Southend, and also includes part of the Fossetts Farm allocation. Given the more restricted range of alternative development opportunities available to Green Belt land, it is considered reasonable to adopt a lower premium than applied to other greenfield sites. Accordingly, for sites in the Green Belt, a greenfield multiplier of 5 times EUV and a brownfield premium of 10% may be considered more suitable.

## Development Sales Market Overview

### *Residential Market*

4.27 The following residential market overview is based on an assessment of market reports media articles, BuiltPlace, Land Registry and Rightmove data.

#### *National Housing Market Context*

4.28 The national housing market has experienced a prolonged period of structural undersupply. For many years the number of new homes completed has remained below estimated levels of need, contributing to affordability pressures across much of England. Demand has been supported by population growth, changing household formation patterns and increasing life expectancy.

4.29 Since 2022 the market has been strongly influenced by higher interest rates and mortgage costs. The period of exceptionally low borrowing costs that followed the Global Financial Crisis came to an end as inflationary pressures resulted in a tightening of monetary policy. Higher mortgage rates reduced purchasing power for many households, leading to weaker transaction volumes and a moderation in house price growth. In some locations nominal prices fell slightly, while in others values largely stabilised.

4.30 Despite these short-term market adjustments, the long-term fundamentals of the housing market remain relatively strong. Employment levels have generally remained resilient and there continues to be significant unmet housing demand. Rental markets across much of England have become increasingly constrained, with limited supply contributing to rental growth. Rising rents have, in turn, reinforced demand for home ownership among households able to access mortgage finance.

4.31 The development industry has also faced substantial cost pressures in recent years. Construction cost inflation, labour shortages, higher financing costs and changes to regulatory requirements have increased development costs. These factors have affected viability, particularly on brownfield and complex urban sites where abnormal costs are often significant. In many areas value growth has not fully matched increases in development

costs, creating pressure on scheme viability and on the delivery of affordable housing and infrastructure contributions.

4.32 From a planning policy perspective, national policy continues to emphasise significantly boosting the supply of homes and maintaining a sufficient supply of deliverable housing land. Local plans are expected to identify opportunities for housing growth while ensuring that policy requirements remain deliverable. Viability assessments therefore need to balance aspirations for affordable housing, sustainability standards and infrastructure provision against prevailing market realities.

4.33 Overall, the national housing market remains characterised by strong underlying demand, continuing affordability challenges and development viability pressures arising from increased delivery costs.

### *Regional Housing Market Context, East of England and South Essex*

4.34 The East of England has consistently been one of the strongest housing markets outside London. The region benefits from proximity to the capital, strong transport connections, a diverse economic base and a generally attractive living environment. These factors have supported both owner occupier and investor demand.

4.35 Historically, parts of the East of England have experienced substantial house price growth as households have sought more affordable alternatives to London. Locations with rail connections into London have often been particularly attractive to commuters. Although changes in working patterns following the pandemic altered some commuting behaviours, although good access to London remains an important market driver.

4.36 Within South Essex, housing market dynamics are influenced by a combination of London commuting patterns, local employment centres, estuarine and coastal environments, and major transport corridors. Thurrock, Brentwood, Basildon, Castle Point, Rochford and Southend-on-Sea all form part of a broadly interconnected housing market area, although each authority exhibits distinct characteristics.

4.37 South Essex authorities face common challenges including affordability pressures, limited land availability, infrastructure constraints and the need to accommodate housing growth within established urban areas. These factors often increase the importance of redevelopment opportunities and the efficient use of previously developed land. However, such sites can be more expensive to develop and may therefore present greater viability challenges than greenfield alternatives.

4.38 In viability terms, South Essex generally occupies a middle position between higher value commuter markets closer to London and lower value markets elsewhere in England. Residential values are typically sufficient to support development in many locations, but there can be considerable variation between neighbourhoods and site types.

### *Southend-on-Sea Housing Market Context*

4.39 Southend-on-Sea has a distinctive housing market shaped by its coastal location, urban character and proximity to London by road, including the A13, and by rail with nine stations having direct links to London Liverpool Street or London Fenchurch Street. Also, the city has offered a relatively more affordable alternative to some London boroughs and higher-value Essex locations. Its good rail and road connections to London support commuter demand, while the coastal environment and local amenities contribute to its attractiveness as a place to live. This has attracted households seeking better value while retaining access to employment opportunities in London and across the wider East and South East. The city also has its own economic centre, and has consequently experienced continuing demand for housing across a range of tenures.

4.40 The local housing stock is diverse, comprising traditional terraced housing, suburban family homes, and a significant proportion of flatted development in central and seafront areas. There have seen notable levels of apartment-led development, particularly on previously developed urban sites and typically through office to residential conversions. This reflects both land availability constraints and planning objectives to maximise housing delivery within the existing urban area.

4.41 Like many urban authorities in southern England, Southend-on-Sea faces a combination of housing affordability pressures and constrained land supply. Opportunities for large scale greenfield development have been limited, increasing reliance on brownfield redevelopment, town centre regeneration and higher density schemes. These development types can involve elevated construction costs, land assembly issues and abnormal site costs, all of which are relevant to viability. But underlying this is the cost of buying or renting a house, with a significant need for affordable properties.

4.42 Demand for rented accommodation remains strong, reflecting affordability challenges but also demographic change. The city accommodates a range of households including younger residents, families, older people and commuters. This diversity of demand supports a broad housing market but also creates pressure for a variety of housing products and tenure options.

4.43 In summary, Southend-on-Sea sits within a generally strong East of England housing market where demand remains resilient and land supply is constrained. The city's coastal setting, transport connectivity and relationship with the wider South Essex and London markets support continued housing demand.

4.44 As is typical for local plan viability assessments, there can be significant variations in residential sales values across a local authority area. Consequently, viability studies often identify two or three broad value zones to inform appraisals. While values can also vary considerably at a much finer geographic scale, for example between neighbouring streets due to factors such as proximity to a main road, park, school or other local amenities, this level of granularity is difficult to capture reliably within a strategic, borough-wide viability assessment. This is also the case in Southend-on-Sea. For the purposes of this high-level study, average residential sales values have been analysed and mapped alongside the Council's proposed growth strategy to establish a series of value zones for use in the viability testing. Sales values have been derived from the most recent Land Registry transaction data and indexed to current market conditions.

4.45 Given the variation in property sizes, the analysis has been undertaken on a price per square metre (£/psm) bases, which provides a more meaningful comparison of residential values than headline sale prices alone. As the Land Registry does not publish floorspace data, individual transaction records have been matched to Energy Performance Certificate (EPC) data, which includes information on the size of each property. This approach enables an achieved £ psm rate to be calculated for each transaction.

4.46 Following the removal of transactions that could not be matched to an EPC record, the dataset indicates that 7,661 residential properties were sold in Southend-on-Sea between January 2022 and December 2025. Of these transactions, 237 relate to new-build dwellings, representing 3.1% of all recorded sales. To ensure that the most up-to-date evidence is used, each sale price has been indexed from the transaction date to December 2025 using the Land Registry House Price Index for the relevant dwelling type. The indexed values for all new-build transactions are provided in **Appendix B**.

4.47 Average indexed values have been calculated for each neighbourhood area and are presented in **Figures 4.1** to **Figure 4.4** as heatmaps illustrating spatial variations in residential

values across Southend-on-Sea. Darker shaded areas indicate higher average values, while lighter shaded areas indicate lower average values. In some locations the maps contain no value data due to an insufficient number of transactions from which a reliable average could be derived. This is particularly evident within areas designated as Green Belt, where very limited housing development and sales activity has occurred.

4.48 **Figure 4.1** presents average values for new-build houses only. Given the relatively small number of transactions recorded, the data provides limited insight into wider spatial value patterns and is therefore of limited use in defining value zones.

4.49 **Figure 4.2** presents average values for all house transactions, including both new-build and existing properties. The analysis indicates generally higher values across the western parts of the city, together with comparatively strong values in parts of the east, particularly Thorpe Bay and the southern areas of Shoeburyness.

4.50 **Figure 4.3** presents average values for new-build flats. Although the sample size is larger than for new-build houses, transactions are concentrated within a relatively small number of neighbourhoods, limiting the usefulness of the data in identifying borough-wide spatial patterns.

4.51 **Figure 4.4** presents average values for all flat transactions, including both new-build and existing properties. The results reveal a broadly similar geographic pattern to that observed for houses, although values in areas to the south of the City Centre are notably stronger for flats relative to houses.

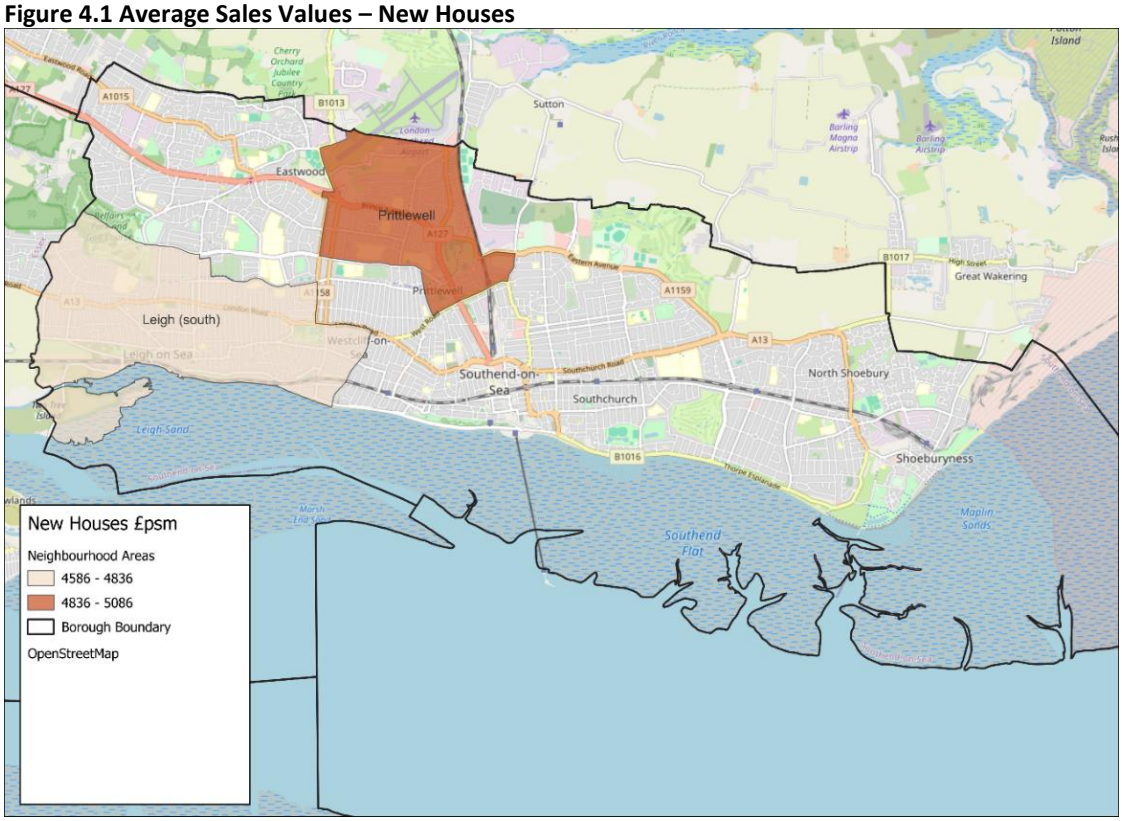
4.52 **Table 4.1** provides a summary of the aggregated, average sale value for all and new houses and flats within the two identified value areas. The figures in the brackets indicate the sample. The new build transactions including each sold property's derived current (indexed) £/psm value and value area are listed in **Appendix B**.

**Table 4.1 Average residential sales value by value area from Land registry, £/psm**

| Value area | All Houses | New Houses | All Flats | New Flats |
|---|---|---|---|---|
| Zone 1 | £3,997 (2,573) | £4,955 (6) | £3,572 (1,171) | £4,132 (206) |
| Zone 2 | £5,086 (3,215) | £4,586 (4) | £4,393 (465) | £4,805 (21) |

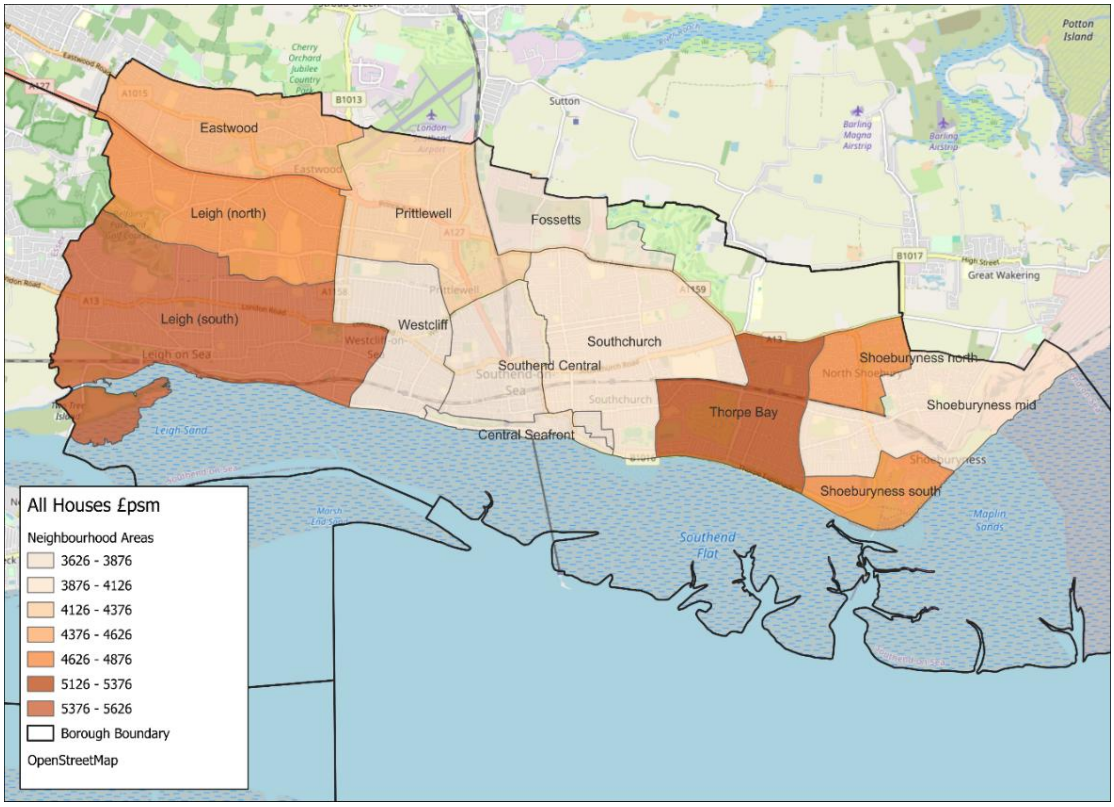
Source: Derived from Land Registry data and matching EPC records

**Figure 4.1 Average Sales Values – New Houses**



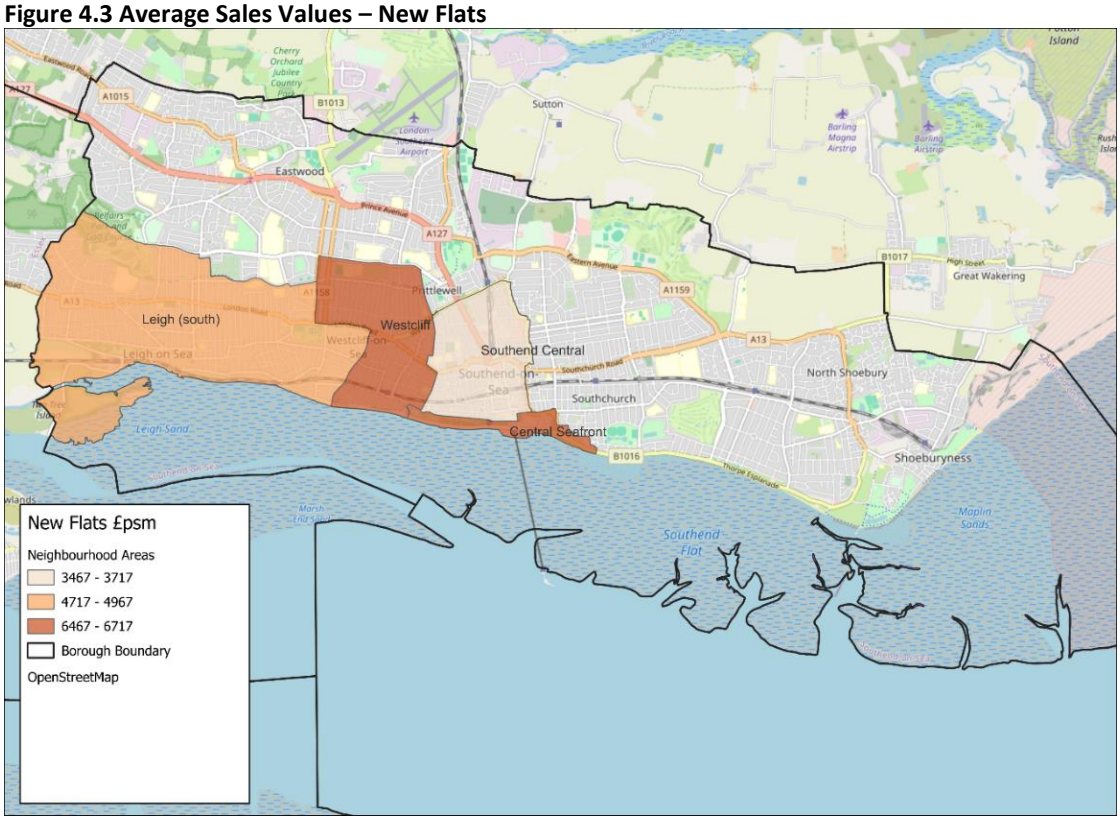

Source: QGIS, Southend-on-Sea City Council, Google

**Figure 4.2 Average Sales Values – All Houses**



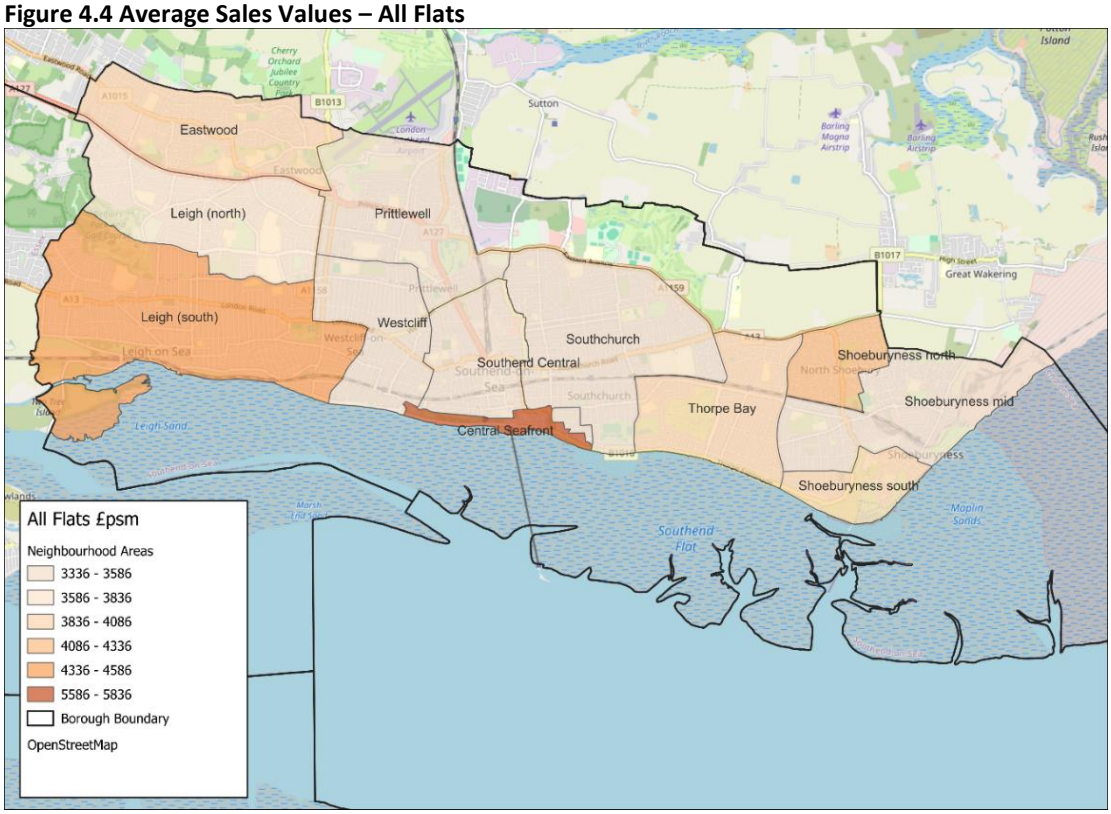

Source: QGIS, Southend-on-Sea City Council, Google

**Figure 4.3 Average Sales Values – New Flats**




Source: QGIS, Southend-on-Sea City Council, Google

**Figure 4.4 Average Sales Values – All Flats**




Source: QGIS, Southend-on-Sea City Council, Google

4.53 Given the limited number of new-build house transactions recorded within some value areas, a secondary review of current market evidence has been undertaken using advertised new-build properties listed on property portals such as Rightmove. This provides an

additional source of evidence against which to assess the reasonableness of the values derived from the Land Registry dataset. Details of the comparable properties are provided in **Appendix C**, with a summary of the evidence presented in **Table 4.2**.

**Table 4.2 Average residential sales value by value area from RightMove, £/psm**

| Value area | New houses | New flats |
|---|---|---|
| Zone 1 | £4,054 (2) | £3,969 (10) |
| Zone 2 | £4,470 (11) | £6,630 (21) |

Source: Derived from searches of websites such as RightMove

4.54 It should be noted that the Rightmove evidence reflects developers advertised asking prices, whereas the Land Registry data records actual achieved sale prices. As such, advertised values may incorporate an element of optimism and may not fully reflect the final price secured upon sale. Nevertheless, the evidence provides a useful sense-check of prevailing market conditions and helps to corroborate the value assumptions adopted within this study.

4.55 Taken together, the evidence demonstrates a consistent pattern of higher residential values in the western parts of Southend-on-Sea, together with pockets of stronger values in the east, notably around Thorpe Bay and southern Shoeburyness. While there is inevitably some variation at a more localised level, the sales value analysis provides a robust basis for identifying broad market areas for viability testing.

### *Older Person Dwellings Values*

4.56 The emerging Southend-on-Sea Local Plan seeks to support the delivery of specialist housing for older people to meet identified needs across the authority. It is therefore appropriate to consider the market evidence relating to older persons' accommodation and to assess whether this form of development differs materially from general market housing for viability purposes.

4.57 The specialist older person housing market within Southend-on-Sea is relatively limited, reflecting the comparatively small number of purpose-built developments delivered in recent years. A review of Land Registry data identified two completed retirement housing schemes within the authority area for which sales evidence is available:

- Centenary Place: built in 2015 and located off Southchurch Boulevard, which is in Value Area 1; and
- Elm Tree Lodge: built in 2016 and located in Leigh-on-Sea, which is in Value Area 2.

4.58 To provide a consistent basis for comparison, recorded sales transactions have been indexed to December 2025 values using the same methodology adopted for the wider residential market analysis. On this basis, average achieved values equate to approximately £5,790 psm at Centenary Place and £6,640 psm at Elm Tree Lodge. Details of the analysed transactions are provided in **Appendix D Table D.1**.

4.59 Given the limited volume of evidence available within Southend-on-Sea, additional comparable evidence has been reviewed from nearby schemes within Castle Point. These comprise:

- Brook Lodge: Benfleet, completed in 2016, where indexed values from ten transactions average £5,081 psm.
- Hamilton Court: Canvey Island, completed in 2010, where indexed values from twenty-one transactions average £4,396 psm.

4.60 Across the four schemes, indexed achieved values average approximately £5,480 psm. Whilst the available sample is limited, the evidence suggests that specialist older persons' accommodation can achieve sales values that are broadly comparable to, and in some locations higher than, mainstream residential values. This reflects the specialist nature of the product, the quality of communal facilities often provided, and the willingness of some purchasers to pay a premium for accommodation tailored to later-life living.

4.61 For viability testing purposes, the evidence indicates that older person housing should not be assumed to generate lower sales values than mainstream housing and, depending on location and product type, may support modest value premiums. Appropriate assumptions are set out in the viability appraisal section of this report.

### *Build to Rent (BtR) Values*

4.62 The emerging Southend-on-Sea Local Plan recognises rental accommodation as potential housing products capable of contributing towards housing delivery objectives. A commonly emerging rental scheme type are considered as Built to rent (BtR) products, which is typically characterised by purpose-built residential developments held in single ownership and professionally managed for long-term rental occupation.

4.63 Southend-on-Sea exhibits characteristics that may support the growth of the BtR sector. These include its role as a commuter location with direct rail links to London, relatively lower housing costs compared with many parts of Greater London, and sustained demand from younger households, key workers and private renters. Demand is strongest within the city centre, around transport hubs, and in locations benefiting from regeneration activity.

4.64 However, the BtR market within Southend-on-Sea remains relatively immature when compared with larger South East centres and London boroughs. The number of purpose-built, institutionally funded BtR schemes remains limited and there is currently little evidence of an established BtR investment market operating at scale within the authority. As a result, there is limited local transactional evidence upon which to assess a distinct BtR value profile.

4.65 In the absence of direct comparables, desktop research has been undertaken to review rental values for higher quality 1 and 2-bed flats currently available on the market, which are included in **Appendix D Table D.2**. After allowing for typical operating and management costs, sinking fund allowances and void periods, which are discussed in **Chapter 6 Table 6.4**, the following values are considered achievable within Southend-on-Sea:

- £174,000 per unit for 1-bed units; and
- £243,000 per unit for 2-bed units

4.66 Overall, the evidence suggests that BtR has the potential to contribute to housing delivery within Southend-on-Sea, particularly on larger apartment-led developments in accessible urban locations. However, the sector is not currently of sufficient scale or maturity to be regarded as a mainstream development typology across the authority. For Local Plan viability testing purposes, BtR is therefore best considered as a complementary delivery model applicable to certain locations rather than a principal form of residential development across the city.

## *Commercial Sector Markets*

4.67 The emerging Southend-on-Sea Local Plan promotes mixed-use development on several city centre regeneration sites, primarily comprising residential-led schemes with active ground floor commercial uses. These developments are expected to support a more diverse city centre offer, incorporating office, retail, food and beverage, and other Class E uses.

4.68 To inform the non-residential viability assumptions, evidence has been reviewed from CoStar, published commercial market reports and commercial property listings. Given the limited supply of new-build commercial development within Southend-on-Sea, the analysis draws upon both local resale transactions and wider regional market evidence where necessary.

### *Office Market*

4.69 Southend-on-Sea retains an established office market centred on Victoria Avenue, Warrior Square, Baxter Avenue and the city centre. As elsewhere, demand has shifted towards smaller, higher-quality and more energy-efficient accommodation, reflecting hybrid working practices and increasing occupier focus on ESG requirements.

4.70 The office space in the city is secondary in nature with no recent new build occurring. Rental evidence shown in **Appendix E Table E.1** indicates that good-quality office accommodation currently achieves rents of between approximately £145 and £240 psm. Having regard to local evidence and the likely scale of future developments, a rent of around £200 psm is considered appropriate for new-build office space within viability testing.

4.71 With regards to office yields, there have been no recent transactions for Southend on Sea recorded on CoStar, so the wider Essex market has been considered a comparable market with reasonable adjustments. The evidence in **Appendix E Table E.2** shows that there is just one recorded completed recent transaction and two under offer. The limited evidence shows yields of between 7.1% and 12%. Given the weak nature of the office market in the city, yields would be expected to be at the higher end.

### *Retail Market*

4.72 Southend-on-Sea City Centre remains the principal retail destination within the authority, although the market continues to adapt to structural changes in consumer behaviour and online retailing. But like many town and city centres, Southend has faced the long-term effects of online shopping, retailer restructuring and changing consumer behaviour. However, the centre continues to perform an important sub-regional role and benefits from a large catchment, significant visitor numbers and good public transport accessibility.

4.73 The evidence in **Appendix E Table E.3** shows comparison retailing rents are generally in the range of £175 to £220 psm, with investment yields shown in **Appendix E Table E.4** varying according to covenant strength and location. Based on the available evidence, new-build comparison retail space is expected to achieve yields towards the stronger end of the local market.

4.74 There is limited local evidence for convenience retail development. However, wider market evidence shown in **Appendix E Table E.5** on rents and **Appendix E Table E.6** on yields suggests that modern foodstore and discount retail formats generally achieve rents of between £199 and £216 psm, with investment yields typically ranging between 5% and 6%, depending on operator strength and lease terms.

### *Overall market potential for mixed commercial markets*

4.75 From the analysis of the non-residential commercial markets that may form part of the residential led mixed use developments within Southend-on-Sea, the values (rents, yields and capital value) for non-residential units are derived from the figures shown in **Table 4.3**. The yields used are inclusive of tenant incentives and voids.

**Table 4.3 Estimated Values (rent, yields & capital value)**

| Typology | Size sqm | Rent £psm | Yield |
|---|---|---|---|
| Town centre offices | 500 | £200 | 12.0% |
| Retail - convenience: express | 300 | £230 | 6.0% |
| Retail - convenience: budget | 1,800 | £200 | 5.0% |
| Retail - comparison - city centre | 150 | £200 | 7.5% |
| **Overall mix** | | **£210** | **8%** |

### *Employment Land Developments*

4.76 The employment property market within Southend-on-Sea is relatively small in scale and is characterised by local occupier demand, limited recent development activity and a modest volume of transactional evidence. Unlike larger commercial centres in the South East, the city does not operate as a major office, industrial or logistics hub. As a result, there has been relatively little speculative commercial development in recent years, particularly within the office and logistics sectors, and evidence relating to development land and investment transactions is limited.

4.77 Where new employment development does come forward, it is more commonly delivered on a pre-let or pre-sold basis rather than speculatively. Occupier demand is increasingly focused on modern, flexible and energy-efficient accommodation, with sustainability credentials and environmental performance now forming key requirements for many businesses.

4.78 As noted in **Chapter 2**, standalone employment and commercial developments are not subject to detailed viability testing within this study. This reflects the fact that such schemes are typically driven by the operational requirements, business strategies and investment objectives of individual occupiers and developers, which cannot be readily captured within a high-level Local Plan viability assessment. Accordingly, the focus of this assessment is on the commercial elements of mixed-use developments rather than standalone employment schemes.

4.79 Whilst standalone employment development has not been subject to detailed viability testing, where serviced employment land is brought forward to meet identified occupier demand through pre-let or pre-sold arrangements, market evidence suggests that serviced employment land would typically command values of at least £1.6 million per hectare. This assumption has therefore been adopted as a reasonable benchmark for development-ready employment land where occupier demand has been secured prior to construction.

## Construction Cost Market Overview

### *Build Costs*

4.80 Following the impact of Brexit and the Covid pandemic, there was a period of significant build cost inflation because of the shortage of supply side factors (materials and labour) in the construction industry. Build costs hit an all-time high in 2022.

4.81 But since then, the post pandemic inflation spike has abated, with, according to the Building Cost Information Service (BCIS), the above average increases in build costs flattening, with construction price inflation cooling from the 2023 peak. From feedback within the development industry, the BCIS links this to fewer project opportunities, recent completion

of works and a need to maintain workload and cashflow.[33] BCIS also notes that while the current project pipeline is described as robust, there is reported difficulty converting pipeline to activity, with constraints including viability and wider uncertainty in the economy.[34]

4.82 So, as shown in **Appendix F Table F.1**, costs and tender prices are still rising, and the BCIS reported a strong appetite to tender among contractors in 1Q2026. BCIS also records that the All in Tender Price Index (TPI) annual growth to 4Q2025 is 2.5%, which is up from the previous year's annual growth of 2.3%. This is because of financing availability and contractors taking firmer stances on contractual conditions.

4.83 The BCIS recognises in their latest forecast briefing that labour remains the primary driver of project input costs, and that skills shortages continue to prevail, with reported issues in certain specialist trades even where availability is generally sufficient. Consequently, even with softer demand, cost pressure can remain 'sticky' where labour is constrained in specialist packages.[35]

### *Cost of Borrowing*

4.84 Current interest rates remain above long term historical averages but with an easing of inflationary pressures and subdued economic growth, the Bank of England reduced the base rate on several occasions since mid-2024. By early 2026 the base rate had fallen to around 3.75%, with the Monetary Policy Committee signalling that further reductions may be appropriate over time, subject to inflation remaining on a sustainable path back to the 2% target. However, recent geopolitical developments, including conflict in the Middle East involving the US and Iran, have increased uncertainty around energy prices and inflation, leading the Bank to adopt a more cautious, 'wait-and-see' approach to further monetary easing. As a result, near term base rate reductions are now considered uncertain rather than imminent.

4.85 According to the Bank of England Statistics[36], the annual growth rate of borrowing by large UK non-financial businesses increased to 10.4% in February 2026, up from 9.4% in January, and borrowing by SMEs increased from 2.4% to 2.8% over the same period. This suggests there is an appetite for borrowing and investing.

4.86 Most of the viability assessments that have submitted viability reviews to Southend-on-Sea City council suggest that the local development industry will be borrowing or valuing the opportunity return on their capital investments at a minimum of 7.5% per annum in interest. Also, responses at the developer workshop in 2024 implied the borrowing rate to be more like 10% plus in and out fees. In February 2026, the Bank of England reported the effective interest rate[37] on new loans from banks to UK non-financial businesses (which will include the development industry) was 5.66% in February 2026, having decreased by 5 basis points from the previous year, while new loans to SMEs increased by 12 basis points to 6.26% over the same period.

4.87 Oxford economics expects that the Bank of England will keep the bank rate unchanged at 3.75% into 2027 due to the ongoing geo-political situation causing inflationary shocks and due to the longer-term fragility in the UK labour market.

[33] BCIS Tender Price Index – Estimate of Tender Price Inflation, 19 March 2026.
[34] BCIS Construction Industry Forecast 1Q2026–1Q2031, 26 March 2026.
[35] Ibid.
[36] See https://www.bankofengland.co.uk/statistics/money-and-credit/2026/february-2026
[37] The 'effective' interest rate is the reported actual interest paid.

4.88 In viability and market terms, this implies there to now be cheaper finance than that reported by developers in 2024, but with little likelihood that this will reduce soon.

## Forecast Market Conditions

### *Forecast Sales Values*

4.89 Looking forward, there is limited outlook information for how house prices may change in the future, and no known residential sales values forecast for Southend-on-Sea. So, the national and, where available, regional forecasts are considered below.

#### *Office of Budget Responsibility (OBR) Economic and Fiscal Outlook (EFO)*

4.90 The latest EFO, November 2025, provides a five-year central forecast for national house price averages, which expects UK house prices to continue rising in nominal terms, but at modest and stable rates rather than a return to historical high growth. House price growth was forecast at around 2.8% in 2025, before easing thereafter. From 2026 onwards, house prices are expected to grow by around 2.5% per annum on average, broadly in line with nominal earnings growth. The OBR does not forecast a nominal house price fall in its central scenario.

4.91 The November 2025 EFO confirms that mortgage rates will remain elevated relative to the 2010s, but broadly stable, with average mortgage rates forecast to rise from around 3.7% in 2024 to around 4.5 to 4.7% by 2027/28, where they are expected to stay going forward to 2030. Higher mortgage costs are expected to temper demand and transaction volumes, but not to trigger sustained price falls.

4.92 Overall, the OBR forecasts a gradual recovery in market activity, but below historic peaks. The OBR has since released a more recent update in March 2026, but that is a partial update and does not materially change the broad housing outlook.

#### *Savills Research Residential Property Market Forecasts*

4.93 Savills Research Residential Property Market Forecasts (published February 2026)[38], provide regional forecasts of secondhand house values, which are shown in **Table 4.17**. This research points towards a slight increase in house prices in 2026 followed by quicker returns to growth in 2027 onwards, with continual steady increases in house prices expected over the next five years.

4.94 As shown in **Table 4.17**, over the full term of five years, Savills's projection is for 19.3% growth in the East of England region compared with 2025 values, which is marginally lower than their forecast for the national average projection.

[38] Accessed online: https://www.savills.co.uk/insight-and-opinion/research-consultancy/residential-market-forecasts.aspx

**Table 4.17 Savills' regional five-year forecast in secondhand house price values at February 2026**

| | 2026 | 2027 | 2028 | 2029 | 2030 | 5 years to 2030 |
|---|---|---|---|---|---|---|
| Yorkshire and The Humber | 3.5% | 5.5% | 6.0% | 6.0% | 5.0% | 28.8% |
| North East | 3.5% | 5.5% | 6.0% | 6.0% | 5.0% | 28.8% |
| Scotland | 3.0% | 5.0% | 6.0% | 6.0% | 5.0% | 27.6% |
| Wales | 3.0% | 5.0% | 6.0% | 6.0% | 5.0% | 27.6% |
| North West | 3.0% | 5.5% | 6.0% | 6.0% | 4.5% | 27.6% |
| West Midlands | 2.5% | 4.5% | 5.5% | 6.0% | 4.0% | 24.6% |
| East Midlands | 2.5% | 4.0% | 5.5% | 6.0% | 4.0% | 24.0% |
| **UK** | **2.0%** | **4.0%** | **5.0%** | **5.5%** | **4.0%** | **22.2%** |
| South West | 2.0% | 4.0% | 5.0% | 5.0% | 3.5% | 21.0% |
| East of England | 1.5% | 3.5% | 4.5% | 5.0% | 3.5% | 19.3% |
| South East | 1.0% | 3.0% | 4.0% | 4.5% | 3.5% | 17.0% |
| London | 0.0% | 2.0% | 3.5% | 4.5% | 3.0% | 13.6% |

Source: Savills Research

## *Forecast Build Costs*

4.95 As for residential sales values, there are no local forecasts for build cost prices. However, the RICS' BCIS data does provide a helpful national projection for potential changes to build costs over the next 5 years to 3Q2030 based on their national All-in Tender Price (TPI) Index.

4.96 BCIS explains that the outlook has been clouded by geopolitical developments that may sustain inflationary pressure and delay monetary easing, and it highlights that interest-sensitive sectors such as residential construction are already facing subdued demand. This is because of uncertainty around energy markets and supply disruption, and it notes that if unrest is prolonged, the consequences could include projects stalling, reduced workloads and downward pressure on tender prices, while also suggesting that continued uncertainty may delay interest rate reductions.

4.97 As summarised in **Table 4.18**, BCIS' latest five-year construction industry forecast, covering 4Q2026 to 4Q2030, states that tender prices are forecast to rise by almost 17% over the next five years. BCIS TPI measures accepted tender pricing, therefore the cost to the client, which is relevant to any forecasting scenarios for future construction costs. This is lower than the forecast percentage change for residential values.

**Table 4.18 BCIS TPI (build cost) forecasts**

| Period | Annual change |
|---|---|
| 4q26 | 3.2% |
| 4q27 | 3.1% |
| 4q28 | 3.5% |
| 4q29 | 3.2% |
| 4q30 | 2.6% |
| **Total** | **16.6%** |

Source: BCIS

# 5 Typology Assumptions for Viability Testing

## Introduction

5.1 It is neither practical nor necessary to undertake a detailed viability assessment of every site that may come forward during the Plan period. Instead, as noted in **Chapter 2**, national planning guidance recognises that plan wide viability assessments can be based on a series of representative development typologies that reflect the main types of development expected to come forward, along with site-specific testing for allocations that are critical to delivering the strategic objectives of the Plan.

5.2 This approach allows viability testing to be undertaken in a proportionate manner whilst providing confidence that the policies within the local plan are broadly compatible with the viability of the development needed to deliver the Plan. This principle is also recognised by the Harman Report, which notes that viability testing should provide a high-level assessment of policy impacts rather than replicate the detailed appraisal of individual sites.

5.3 The purpose of this chapter is therefore to establish a series of representative development typologies that reflect the anticipated mix of sites within the emerging Southend-on-Sea Local Plan (SoSLP). The assumptions relating to site area, density, land type, development mix and built form provide the basis for the viability testing presented in the following chapters.

## Determining Value Areas

5.4 As demonstrated in **Chapter 4**, residential values vary across Southend-on-Sea, and these variations have an important influence on development viability. Whilst it is neither practical nor necessary to reflect every localised variation in value, viability testing should recognise the principal differences in market strength across the authority.

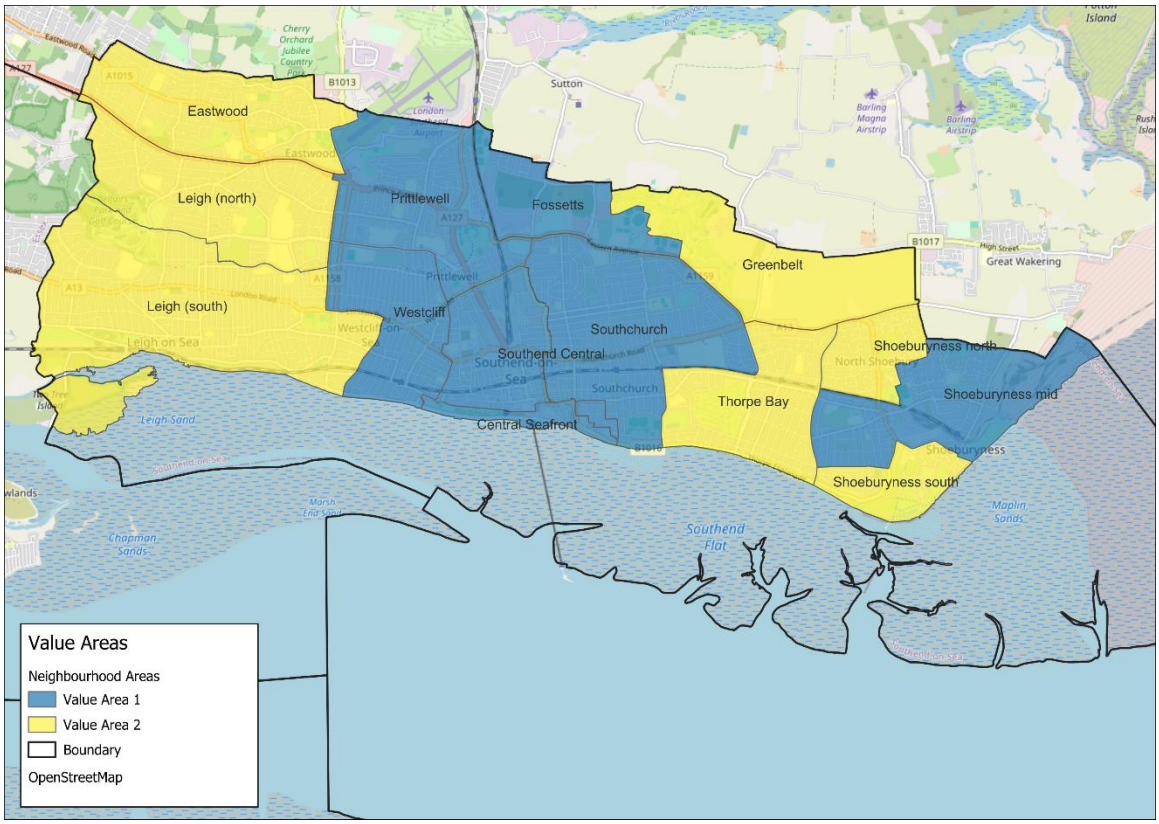
5.5 The PPG advises that, for plan-making viability assessments, average market values can be used provided appropriate regard is given to factors such as location, scale, development type and market conditions. Accordingly, residential value data has been analysed alongside the distribution of proposed growth locations to establish a series of representative value areas for testing purposes.

5.6 The value areas adopted for this study have been informed by the spatial distribution of residential sales values identified in **Chapter 4** (**Figure 4.1** and **Figure 4.3**), together with the location of proposed growth areas and professional judgement regarding areas with similar market characteristics. This approach captures the principal variations in residential values across the authority while remaining proportionate to the strategic nature of Local Plan viability testing.

5.7 The resulting value areas are shown in **Figure 5.1** and comprise:

- Value Area 1, encompassing the City Centre and adjoining northern and southern seafront neighbourhoods, together with parts of Shoeburyness. These areas generally exhibit the lowest average residential values within the authority.
- Value Area 2, covering the western parts of the authority together with parts of eastern Southend, including areas of Shoeburyness. These locations generally achieve higher residential values and represent the stronger housing market areas within the authority.

**Figure 5.1 Value Area Map**




Source: QGIS, Southend-on-Sea City Council, Google

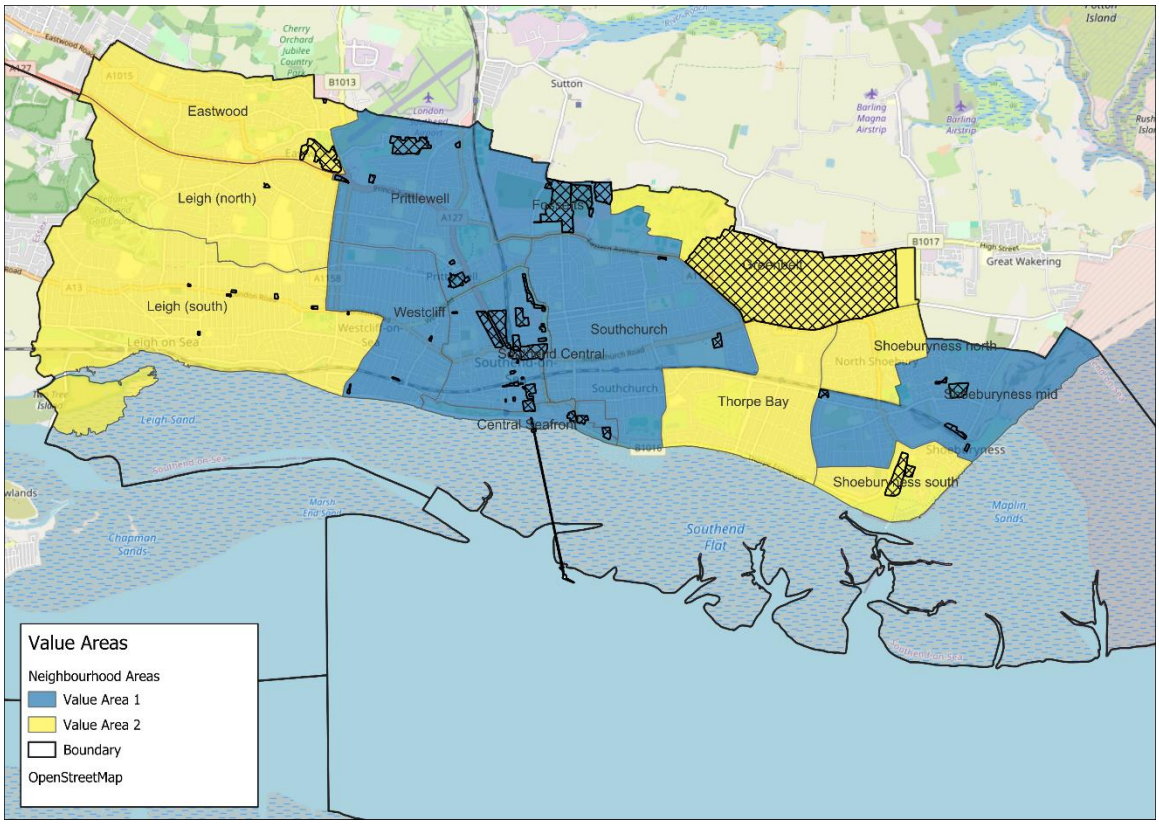
5.8 There is limited transactional evidence within the Green Belt area. For viability testing purposes, these locations have been grouped within Value Area 2, reflecting their strategic nature and the potential for value creation through comprehensive placemaking and masterplanning associated with larger development sites.

# Tested Sites

## *Site Typologies*

5.9 To ensure that the viability testing reflects the development expected to come forward during the Plan period, the proposed site allocations identified within the emerging Reg19 SoSLP have been reviewed alongside typical windfall development opportunities. The distribution of proposed allocations across the value areas is shown in **Figure 5.2**.

**Figure 5.2 Value Area Map showing site proposals**




Source: QGIS, Southend-on-Sea City Council, Google (February 2026)

5.10 Based on this review, a series of representative development typologies has been prepared. These typologies are intended to capture the principal characteristics of anticipated development sites, including site size, density, dwelling numbers, and development form likely to come forward within Southend-on-Sea. The resulting typologies used for viability testing are summarised in **Table 5.1**.

5.11 Several of the flatted development typologies also incorporate ground-floor commercial floorspace. This reflects the mixed-use nature of several proposed allocations and regeneration sites, together with the need in some cases to retain or replace existing commercial floorspace as part of redevelopment proposals. Is assumed that the commercial floorspace is offered for office, retail (convenience and comparison uses) that were reviewed in **Chapter 4**.

5.12 The typologies have been informed by the latest Regulation 19 site allocation evidence and expected windfall development patterns. They build upon the typologies discussed during stakeholder engagement and developer consultation exercises, with adjustments made where necessary to reflect updated site assumptions and feedback received during the preparation of the study.

## *Strategic Sites*

5.13 PPG on viability emphasises the importance of considering the specific circumstances of strategic sites as part of plan making. It advises that viability assessments should include site-specific testing for allocations that are critical to delivering the strategic objectives of the Plan, particularly where sites account for a significant proportion of housing supply or form part of priority regeneration initiatives.

5.14 The emerging Reg19 SoSLP identifies three major strategic allocations which are of sufficient scale and importance to warrant consideration separately from the generic typology testing. These sites differ materially from the wider development typologies in terms of scale, infrastructure requirements, delivery mechanisms and development mix.

5.15 One of these sites is HEA096 Better Queensway, which is a major city centre regeneration proposal comprising approximately 1,760 dwellings alongside commercial, community and other supporting uses. The scheme is proposed as a comprehensive mixed-use redevelopment with active ground-floor frontages. As the site is currently progressing through the planning application process and is supported by £15 million of Housing Infrastructure Fund (HIF) funding, detailed viability testing has not been undertaken as part of this study to avoid prejudicing ongoing planning considerations.

5.16 The remaining two strategic allocations have therefore been subject to specific viability testing:

- Land North of Southend (LNOS) - is the largest strategic growth location in the emerging Reg19 SoSLP and forms a key component of the Plan's strategy for addressing Southend's housing needs. The allocation comprises a major urban extension to the north of the existing urban area in the Green Belt. The site is proposed to deliver approximately 4,900 homes, together with 24,000 sqm (equivalent to around six hectares) of employment floorspace, plus provision of new infrastructure, comprising two 2-form entry primary schools, a secondary school and health/community facilities, parks and green infrastructure (this is assumed to require 17 hectares of developable land). Supporting infrastructure is intended to be delivered alongside development through an infrastructure-led approach. The allocation is intended to create a sustainable new neighbourhood that contributes towards meeting long-term housing needs whilst also providing employment opportunities, community facilities and strategic infrastructure.
- Fossetts Farm - is proposed as a secondary strategic growth location with a strong focus on mixed-use development and regeneration. The emerging Reg19 SoSLP proposes approximately 1,355 new homes alongside supporting neighbouring commercial, leisure and community uses within this area, through four different site allocations. Two of which have planning permission (221 and 122 dwellings each). The strategic allocation testing only relates to site HEA264 – Fossetts Farm, including the Southend United Football Club training ground, which is allocated for 966 dwellings, plus a small local centre. The allocation is expected to contribute towards housing delivery while also supporting wider economic, leisure and placemaking objectives.

5.17 Together, these two strategic allocations are expected to deliver approximately 5,826 homes, representing around 40% of the Plan's overall housing requirement of 14,700 homes to 2045. Given their scale and strategic importance to the delivery of the Local Plan, separate viability testing has been undertaken of LNOS and of site HEA264 – Fossetts Farm to assess the development economics and infrastructure implications associated with each site.

5.18 The testing parameters applied to the two strategic site allocations are summarised in **Table 5.1**, alongside the representative residential development typologies.

**Table 5.1 Tested residential site typologies and strategic site allocations**

| Typology | Site size (ha) | | Development details | |
|---|---|---|---|---|
| | Gross area | Net area | Average storey height | Commercial flsp (sqm) |
| **Value Area 1** | | | | |
| 4 Houses @ 50dph Zone 1 Brownfield | 0.08 | 0.08 | 1-2 storey | - |
| 15 Houses @ 50dph Zone 1 Brownfield | 0.30 | 0.30 | 1-2 storey | - |
| 20 Flats @ 200dph Zone 1 Brownfield | 0.10 | 0.10 | 3-5 storey | - |
| 50 Flats @ 200dph Zone 1 Brownfield | 0.25 | 0.25 | 3-5 storey | - |
| 150 Houses @ 50dph Zone 1 Brownfield | 3.00 | 2.10 | 1-2 storey | - |
| 150 Flats @ 100dph Zone 1 Brownfield | 1.50 | 1.20 | 3-5 storey | - |
| 150 Flats @ 100dph Zone 1 Brownfield +400sqm comm space | 1.50 | 1.20 | 3-5 storey | 400 |
| 150 Flats @ 700dph Zone 1 Brownfield | 0.21 | 0.21 | 6+ storey | - |
| 150 Flats @ 700dph Zone 1 Brownfield +3000sqm comm space | 0.21 | 0.21 | 6+ storey | 3,000 |
| 250 Houses @ 70dph Zone 1 Brownfield | 3.57 | 2.14 | 1-2 storey | - |
| 300 Flats @ 250dph Zone 1 Brownfield | 1.20 | 0.96 | 3-5 storey | - |
| 300 Flats @ 250dph Zone 1 Brownfield +2700sqm comm space | 1.20 | 0.96 | 3-5 storey | 2,700 |
| 400 Flats @ 175dph Zone 1 Brownfield | 2.29 | 1.83 | 3-5 storey | - |
| 400 Flats @ 175dph Zone 1 Brownfield +6000sqm comm space | 2.29 | 1.83 | 3-5 storey | 6,000 |
| 4 Houses @ 50dph Zone 1 Greenfield | 0.08 | 0.08 | 1-2 storey | - |
| 12 Houses @ 40dph Zone 1 Greenfield | 0.24 | 0.24 | 1-2 storey | - |
| 15 Flats @ 100dph Zone 1 Greenfield | 0.15 | 0.15 | 3-5 storey | - |
| 200 Houses @ 40dph Zone 1 Greenfield | 5.00 | 3.50 | 1-2 storey | - |
| **Value Area 2** | | | | |
| 4 Houses @ 50dph Zone 2 Brownfield | 0.08 | 0.08 | 1-2 storey | - |
| 12 Houses @ 50dph Zone 2 Brownfield | 0.24 | 0.24 | 1-2 storey | - |
| 20 Flats @ 150dph Zone 2 Brownfield | 0.13 | 0.13 | 3-5 storey | - |
| 20 Flats @ 150dph Zone 2 Brownfield +100sqm comm space | 0.13 | 0.13 | 3-5 storey | 100 |
| 50 Flats @ 150dph Zone 2 Brownfield | 0.33 | 0.33 | 3-5 storey | - |
| 50 Flats @ 150dph Zone 2 Brownfield +300sqm comm space | 0.33 | 0.33 | 3-5 storey | 300 |
| 70 Houses @ 30dph Zone 2 Brownfield | 2.33 | 1.87 | 1-2 storey | - |
| 200 Houses @ 30dph Zone 2 Brownfield | 6.67 | 3.50 | 1-2 storey | - |
| 4 Houses @ 50dph Zone 2 Greenfield | 0.08 | 0.08 | 1-2 storey | - |
| 12 Houses @ 40dph Zone 2 Greenfield | 0.30 | 0.30 | 1-2 storey | - |
| **Strategic sites** | | | | |
| LNOS: 4900 Mixed (Houses & Flats) Green Belt | 207.53 | 142.50 | 3-5 storey | 6 ha of emp land; 16 ha for schools; 1 ha for health/ community facilities |
| Fossetts Farm: 966 Mixed (Houses & Flats) partly in the Green Belt | 20.51 | 13.80 | 3-5 storey | 955 sqm of E-class |

## *Site Mix*

5.19 The dwelling mixes assumed within the viability testing are informed by the supporting evidence accompanying 'Reg19 Local Plan Policy Table DM5.2 Preferred Private Market Dwelling Mix' for the open market dwellings, and the 'Reg19 Local Plan Policy Table DM5.1

Affordable Rent and Intermediate Dwelling Mix' for the affordable dwellings. This is replicated in **Table 5.2** below.

**Table 5.2 Recommended dwelling mix**

| Unit type | Open Market | | Affordable | |
|---|---|---|---|---|
| | Owner Occupied | Private Rent | Affordable Rent | Intermediate |
| 1-bed | 10%-15% | 60%-70% | 40%-50% | 60%-70% |
| 2-beds | 40%-45% | 20%-40% | 30%-45% | 20%-40% |
| 3-beds | 35%-40% | 0%-10% | 20%-25% | 0%-10% |
| 4+beds | 10%-15% | 0%-5% | 0%-5% | 0%-5% |

Source: Southend-on-Seas Reg19 Local Plan Policy Table DM5.1 and Policy Table DM5.12.

5.20 The recommended dwelling mix presented in **Table 5.2** applies across Southend-on-Sea as a whole and is intended to guide the overall composition of housing delivery across the city. In practice, the mix delivered on individual sites will vary according to site characteristics, development form and market considerations. For example, flatted schemes are typically expected to provide a higher proportion of one and two-bedroom dwellings, whereas housing-led developments are more likely to comprise predominantly two, three and four-bedroom family homes.

5.21 To ensure that the viability testing reflects realistic development scenarios, the strategic dwelling mix recommendations have been translated into site-specific mixes that align with the characteristics of the tested development typologies. The resulting assumptions are set out in **Table 5.3**. These assumptions enable the viability testing to reflect the differing housing products likely to be delivered across flatted, housing-led and mixed-development schemes.

5.22 Separate dwelling mix assumptions have been prepared for the two strategic site allocations located to the north of the existing Southend-on-Sea urban area. In the absence of adopted masterplans, these assumptions have been developed having regard to the strategic role and expected development form of each allocation.

5.23 For Land North of Southend (LNOS), the assumed mix is predominantly housing-led, reflecting the site's role as a major urban extension and the expectation that it will deliver a significant proportion of family housing. A limited proportion of flats has been assumed to reflect the likely inclusion of higher-density development around local centres and other mixed-use areas. Accordingly, the mix follows the housing-led typology assumptions, with a small proportion of 2-bed houses replaced by 2-bed flats.

5.24 For Fossetts Farm, the viability testing assumes a development mix comprising 80% housing and 20% flatted development, reflecting advice provided by Southend-on-Sea City Council. The dwelling size distribution within each element is assumed to follow the same proportions applied to the corresponding housing and flatted typologies. This approach provides a reasonable basis for testing viability pending the preparation of more detailed masterplanning and design proposals.

5.25 The dwelling mix assumptions adopted for each development typology and strategic allocation are summarised in **Table 5.3**.

**Table 5.3 Tested dwelling mix**

| Tenure | Site type | 1-bed flat | 2-bed flat | 3-bed flat | 2-bed house | 3-bed house | 4+ bed house |
|---|---|---|---|---|---|---|---|
| Market | Housing only | | | | 45.0% | 40.0% | 15.0% |
| | Flats only | 20.0% | 60.0% | 20.0% | | | |
| | Build to Rent only | 65.0% | 35.0% | | | | |
| | LNOS | | 5.0% | | 40.0% | 40.0% | 15.0% |
| | Fossetts Farm | 7.0% | 9.5% | 3.5% | 39.0% | 28.0% | 12.8% |
| Affordable Rent | Housing only | | | | 70.0% | 25.0% | 5.0% |
| | Flats only | 45.0% | 37.5% | 17.5% | | | |
| | LNOS | | 5.0% | | 65.0% | 25.0% | 5.0% |
| | Fossetts Farm | 6.2% | 11.4% | 2.4% | 56.8% | 19.2% | 4.0% |
| Intermediate | Housing only | | | | 85.0% | 10.0% | 5.0% |
| | Flats only | 65.0% | 30.0% | 5.0% | | | |
| | LNOS | | 5.0% | | 80.0% | 10.0% | 5.0% |
| | Fossetts Farm | 6.2% | 11.4% | 2.4% | 56.8% | 19.2% | 4.0% |
| Affordable BtR | Build to Rent only | 65.0% | 35.0% | | | | |

## *Unit Sizes*

5.26 The emerging Reg19 SoSLP Policy 'DM5.5 Residential Standards' requires new residential development to meet, as a minimum, the Nationally Described Space Standard (NDSS).[39] A review of available Evidence Performance Certificate (EPC) data indicates that the overall size of recently delivered homes within the city generally aligns with these standards.[40] Consequently, compliance with Policy DM5.5 is not expected to impose additional costs over and above prevailing market practice and is therefore not considered to represent a significant viability burden.

5.27 Given this, the tested development typologies assume dwelling sizes broadly equivalent to the minimum NDSS requirements. These assumptions provide a consistent basis for viability testing and are summarised in **Table 5.4**.

**Table 5.4 Tested dwelling sizes by unit type**

| Type | Floorspace (sqm) |
|---|---|
| 1-bed flat | 45 NIA |
| 2-bed flat | 66 NIA |
| 3-bed flat | 85 NIA |
| 2-bed house | 75 GIA |
| 3-bed house | 96 GIA |
| 4+ bed house | 120 GIA |

5.28 For flatted development, sales values and rental values are assessed using Net Internal Area (NIA), reflecting the floorspace available for occupation. However, build costs are calculated using a larger gross floor area to account for shared circulation and communal space, including entrance foyers, corridors, stairwells and lift cores. Therefore, assumptions regarding the relationship between net and gross floor area have been applied to all flatted development typologies.

[39] See Technical housing standards – nationally described space standard, Table 1.

[40] EPC floorspaces is provided for flats, bungalows, terraced, semi-detached and detached properties, whereas the minimum NSS is provided for properties by their number of beds and habitants. Therefore, some pragmatism is required when comparing between the reported housing types sizes for a complete unit based on EPC records and the reported identified for the minimum NSS for a complete unit dwelling by beds and habitants.

5.29 The net-to-gross assumptions adopted in the appraisal are based on industry-standard development benchmarks and reflect the increasing proportion of circulation and communal space typically associated with taller apartment buildings. The assumptions are set out in **Table 5.5**, which are based on industry standards.

**Table 5.5 Tested net-to-gross ratios for flatted development**

| Flatted unit typology | Net to gross area |
|---|---|
| 1 to 2 storeys | 90% |
| 3 to 5 storeys | 85% |
| 6+ storeys | 80% |

## *Other Specialist Residential Typologies*

### *Build to Rent (BtR)*

5.30 Build to Rent (BtR) development is defined in the NPPF Glossary as purpose-built residential accommodation that is typically held in single ownership and professionally managed for the private rented sector. BtR schemes are generally characterised by longer tenancy agreements, dedicated on-site management and a focus on providing high-quality rented accommodation as a distinct housing product.

5.31 Whilst the emerging Reg19 SoSLP does not allocate specific BtR sites, this form of development is most likely to come forward in the higher-value, more accessible urban locations capable of supporting higher-density flatted schemes. Accordingly, BtR viability testing has been based on the larger flatted development typologies within the city centre, reflecting the type and scale of development that would typically be expected to attract institutional investment.

5.32 The selected BtR typologies are summarised in **Table 5.6**. These typologies have been adapted from the corresponding mainstream residential flatted typologies to allow the viability of purpose-built rental development to be assessed separately from for sale housing schemes.

5.33 Consistent with the approach applied to the wider flatted development typologies, each BtR typology has been tested both with and without ground-floor commercial floorspace. This reflects the likelihood that BtR developments in town centre and regeneration locations may form part of mixed-use schemes incorporating active commercial frontages, retail, leisure or other complementary non-residential uses.

5.34 The testing therefore provides an assessment of the extent to which BtR development may be capable of supporting the emerging Local Plan's policy requirements across a range of development scenarios.

**Table 5.6 Tested Build to rent typologies**

| Typology | Site size (ha) | | Average storey height |
|---|---|---|---|
| | Gross area | Net area | |
| 150 BTR @ 100dph Brownfield | 1.50 | 1.20 | 3-5 storey |
| 150 BTR @ 100dph Brownfield +400sqm comm space | 1.50 | 1.20 | 3-5 storey |
| 150 BTR @ 700dph Brownfield | 0.21 | 0.21 | 6+ storey |
| 150 BTR @ 700dph Brownfield +3,000sqm comm space | 0.21 | 0.21 | 6+ storey |
| 300 Flats @ 250dph Brownfield | 1.20 | 0.96 | 3-5 storey |
| 300 Flats @ 250dph Brownfield +2700sqm comm space | 1.20 | 0.96 | 3-5 storey |
| 400 BTR @ 175dph Brownfield | 2.29 | 1.83 | 3-5 storey |
| 400 BTR @ 175dph Brownfield+6,000sqm comm space | 2.29 | 1.83 | 3-5 storey |

### *Retirement and Extra care housing*

5.35 The assessment focuses solely on C3 older persons' accommodation, as these forms of development are most directly affected by the residential policies being tested.

5.36 PPG on older person accommodation[41] identifies a range of specialist housing options for older and disabled people. For the purposes of this assessment, two forms of accommodation have been tested:

- Retirement living (sheltered housing), which typically comprises purpose-built flats or bungalows with limited communal facilities such as resident lounges, laundry facilities and guest accommodation. These schemes generally do not provide personal care services but may offer support features such as an on-site manager, warden service or 24-hour emergency assistance.
- Extra care housing (housing with care), which typically comprises purpose-built or adapted apartments providing a higher level of support. Residents live independently but have access to care services delivered by an on-site Care Quality Commission (CQC) registered provider. Such schemes often include extensive communal facilities, wellbeing spaces and shared amenities, allowing residents to access increasing levels of support as their needs change.

5.37 Specialist older persons' accommodation may be delivered across a range of locations within the city and therefore may be subject to differing market values. To reflect the characteristics of schemes commonly developed within the sector, two representative typologies have been adopted for testing. These assumptions have been informed by Retirement Housing Group (RHG) guidance[42] and by current market practice within the retirement housing sector.

5.38 The first typology comprises a retirement living scheme delivering 55 apartments on a 0.5 hectare site, equivalent to a density of approximately 110 dwellings per hectare. A 50:50 mix of one and two-bedroom apartments is assumed. One-bedroom units are assumed to average 50 sqm NIA and two-bedroom units 75 sqm NIA, resulting in a blended average unit size of 62.5 sqm NIA. Applying an allowance of 25% for communal and non-saleable floorspace results in an average unit size of approximately 83 sqm GIA for development costing purposes.

5.39 The second typology comprises an extra care housing scheme delivering 45 apartments on a 0.5 hectare site, equivalent to a density of approximately 90 dwellings per hectare. A 50:50 mix of one and two-bedroom apartments is also assumed. Average unit sizes of 65 sqm NIA for one-bedroom apartments and 80 sqm NIA for two-bedroom apartments produce a blended average unit size of 72.5 sqm NIA. Reflecting the greater level of communal accommodation normally associated with extra care developments, a non-saleable floorspace allowance of 37.5% has been applied in accordance with RHG guidance, resulting in an average unit size of approximately 116 sqm GIA.

5.40 For viability testing purposes, older persons' housing is assumed to come forward on both brownfield sites within the urban area and as part of larger strategic residential developments. Consequently, the same broad assumptions relating to site development costs, abnormal costs and policy requirements have been applied as those used for the equivalent mainstream residential typologies.

[41] PPG Housing for older and disabled people, paragraph 010.
[42] RHG (2016), 'Community Infrastructure Levy And Sheltered Housing/Extra Care Developments A Briefing Note On Viability Prepared For Retirement Housing Group By Three Dragons Amended February 2016'

5.41 Retirement living and extra care housing schemes typically generate ongoing service charge income to fund building management, communal facilities, staffing costs, maintenance and provisions for void units. These charges relate to the operational management of completed developments rather than the development process itself. Accordingly, they are not treated as development revenue or development costs within the viability appraisal and have not been incorporated into the testing assumptions.

# 6 Development Assumptions for Local Plan Testing

## Introduction

6.1 This chapter sets out the core assumptions used in the viability testing that supports the SoSLP. These assumptions form the foundation of the financial appraisals used in this study that are designed to reflect realistic market conditions while aligning with national guidance and local policy expectations. These include assumptions relating to benchmark land values, sales values, construction costs, development timing and finance, profit and policy requirements. Each assumption has been derived from recognised data sources, local evidence and national industry rates.

## Benchmark Land Values

6.2 As identified in **Chapter 2**, the benchmark land value (BLV), in accordance with national guidance, needs to be based on the existing use value (EUV) of the land, plus a premium for the landowner.

### *Tested BLVs in the Viability Assessments*

6.3 Based on the of land value analysis in **Chapter 4**, the BLVs applied within the site appraisals are summarised in **Table 6.1**.

**Table 6.1 Tested benchmark land values**

| Type of rate | £ per gross hectare |
|---|---|
| Brownfield | £1,000,000 |
| Greenfield (under 5 ha) | £500,000 |
| Greenfield (5 ha+) | £270,000 |
| LNOS - Green Belt | £135,000 |
| Fossetts Farm | £585,080 |

6.4 It is accepted that these BLVs may not reflect actual prices paid in the market. This divergence is acknowledged in the PPG Viability[43], which explains that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

6.5 This is specifically the case at Fossetts Farm, where the allocated development would need to offset the lost opportunity of a new Southend United Football Club (SUFC) stadium by contributing enabling funds to the refurbishment works to SUFC's existing Roots Hall Stadium, summing to £12 million. Consequently, the BLV for the site is liability payment of £12 million, reflecting the sum that any development at the site would need to pay to the previous owner. This equates to £585,080 per gross hectare, as reflected in **Table 6.1**.

6.6 Furthermore, in accordance with the PPG, should any site specific assessments have additional costs (i.e., abnormal costs) that have not been identified in this study, these will need to be reflected in a reduced land value.

[43] Paragraph: 014 Reference ID: 10-014-20190509 Revision date: 09 05 2019

# Development Value Assumptions

## Open Market Residential Values

6.7 Based on the research and analysis in **Chapter 4**, **Table 6.2** sets out the sales value per sqm (£/psm) used within this appraisal. Separate rates for the strategic sites has been used, based on discussions either with site promoters or using viability evidence submitted as part of that development.

**Table 6.2 Tested average residential new build sales value by value area, £/psm**

| Value area | Houses | Flats |
|---|---|---|
| Value area 1 typologies | £4,000 | £4,100 |
| Value area 2 typologies | £4,400 | £4,800 |
| LNOS | £4,700 | £4,100 |
| Fossetts Farm | £4,950 | £4,950 |

## Older Person Dwellings Values

6.8 From the market information in **Chapter 4**, the values from four recently reported older person retirement accommodation schemes averaged £5,477 psm. But there is not enough comparable data to differentiate between Value Areas. Therefore, this figure is used across the whole area for testing older person accommodation.

6.9 There were no extra care properties marketed at the time of the study. Given a paucity of available transactional data for extra care properties, the Retirement Housing Group (RHG) guidance[44] for developers of older people accommodation suggested that extra care properties will often sell for a price 25% above their retirement counterparts.

6.10 Based on the comparable data and the RHG Guidance, the following average sales values shown in **Table 6.3** are tested.

**Table 6.3 Tested average older person sales value by value area**

| | Retirement units* | Extra-care units* |
|---|---|---|
| 1-bed unit (£ total) | £273,850 | £342,313 |
| 2-bed unit (£ total) | £410,775 | £513,469 |
| £psm | £5,477 | £5,902 |

* NIA: 50 sqm for 1-beds / 75sqm for 2-beds
** NIA: 65 sqm for 1-beds / 80 sqm for 2-beds

## Build to Rent (BtR) Values

6.11 Build to Rent values have been derived using this market rental evidence, with adjustments made for operating and management costs, sinking fund allowances and void periods. The resulting net rental income has then been capitalised to estimate value. The assumptions applied are set out in **Table 6.4**.

[44] In the absence of available transactional data The RHG (2016), 'Community Infrastructure Levy And Sheltered Housing/Extra Care Developments A Briefing Note On Viability Prepared For Retirement Housing Group By Three Dragons Amended February 2016' provides an alternative approach for assessing likely sales values. This guidance suggests that the sales prices for 1-bed retirement homes are comparable with 75% of the average price of a second hand 3-bed semi-detached dwelling, whilst 2-bed retirement homes are equivalent to the full average price.

**Table 6.4 Value Assumptions for Build to Rent typologies**

| Area | BtR Flats |
|---|---|
| Net unit sizes | 40 sqm for 1 bed units<br>60 sqm for 2 bed units |
| Annual rent | £290 psm for 1 bed units<br>£270 psm for 2 bed units |
| Less operating costs, sinking funds & voids | 25% |
| Capitalisation rate | 5.00% |
| Market value | £174,000 per unit for 1 bed units<br>£243,000 per unit for 2 bed units |
| Affordable value (80% of open market value) | £139,200 per unit for 1 bed units<br>£194,400 per unit for 2 bed units |

### *Commercial Values within Mixed-Use Schemes*

6.12 The mixed typologies with commercial floorspace tested assumptions are summarised in **Table 6.5** below applied. These assumptions have been informed by the market evidence in **Chapter 4**, and are applied to the built commercial space.

**Table 6.5 Commercial floorspace assumptions**

| Date | Assumption | Source/application |
|---|---|---|
| Net to Gross | 90% | |
| Rent | £210 | Based on average rents for a mix of office, convenience retail and comparison retail |
| Yield | 8.00% | Based on average yields for a mix of office, convenience retail and comparison retail |
| Purchase costs | 3 months | Rent free period |
| | 1.0% | Surveyor Fees |
| | 0.75% | Legal Fees |
| | Prevailing rate | Stamp Duty |

6.13 Through discussion with the City Council, it is understood that LNOS will also support 24,000 sqm of business employment space, which based on standard employment land assumptions is assumed to include the delivery of around six hectares of employment land. This serviced employment land has been valued as £1.6m per hectare, which will be sold to deliver meet pre-let demand.

## Development Cost Assumptions

### *Land Purchase Costs*

6.14 The acquisition of development land typically involves surveying and legal expenses for the developer. Standard industry assumptions for land purchase costs are set out in **Table 6.6** In addition, Stamp Duty Land Tax (SDLT) is payable on the site's residual land value, calculated in accordance with HM Customs and Revenue tier rates.

**Table 6.6 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 |

## *Site Enabling Works*

6.15 Depending on the characteristics of a site and the scale of development proposed, additional site enabling works may be required beyond the standard external works allowances assumed elsewhere in this assessment. These costs can include:

- Demolition and land remediation costs;
- Site infrastructure and servicing works, including:
  - Strategic utility provision and reinforcement;
  - Construction of spine roads and associated access infrastructure; and
  - Highway access works, including junction improvements and upgrades.

6.16 The nature and scale of enabling costs can vary considerably between brownfield and greenfield sites and may have a material effect on development viability.

### *Brownfield site costs*

6.17 Brownfield sites often benefit from existing infrastructure associated with their former use, including established access arrangements and utility connections. Therefore, they do not typically require significant strategic site opening works beyond the servicing and external works normally captured within standard development cost assumptions. However, brownfield developments can incur substantial costs associated with demolition, remediation of contamination and other site preparation works. The extent of these costs is highly site specific and can be difficult to determine at the plan-making stage.

6.18 To reflect this uncertainty, a high level allowance for demolition and remediation has been incorporated into the viability appraisals. This allowance is informed by earlier Homes England guidance[45] on dereliction, demolition and remediation costs, with inflation applied to bring it to current day prices. Using this guide, the allowance shown in **Table 6.7** has been incorporated into the brownfield site appraisals.

**Table 6.7 Tested Brownfield site works costs**

| Site type | Cost per net developable ha |
|---|---|
| Brownfield sites | £550,000 |

6.19 Where site-specific demolition and remediation costs exceed this allowance, such costs are assumed to represent abnormal development costs and should be deducted from Benchmark Land Value (BLV) in accordance with Planning Practice Guidance on viability.

### *Greenfield Site Costs*

6.20 Greenfield sites do not generally incur demolition or remediation costs. However, unlike brownfield sites, they are less likely to benefit from existing infrastructure and may therefore require site opening works to facilitate development, including the provision of site access, utilities and strategic infrastructure.

[45] HCA Guidance on dereliction, demolition and remediation costs (2015).

6.21 For smaller greenfield schemes, infrastructure requirements are typically limited and can generally be accommodated within standard external works allowances. Larger greenfield developments, particularly urban extensions and strategic allocations, often require more substantial upfront investment in infrastructure before development can commence.

6.22 The scale of infrastructure requirements varies significantly between sites and is difficult to quantify with precision at the plan-making stage. Consequently, broad enabling cost allowances have been adopted, informed by:

- The Harman Report;
- Strategic site cost information from HBF member developers;
- Savills' review of evidence submitted to CIL examinations[46]; and
- Experience of assessing strategic site masterplans and viability appraisals prepared in support of Section 106 (s106) agreements.

6.23 Based on this evidence, enabling cost allowances are applied to the greenfield typologies tested within this assessment based on a per dwelling basis, which are shown in **Table 6.8**.

**Table 6.8 Tested Greenfield site works costs**

| No. of units per scheme | Cost per dwelling |
|---|---|
| Greenfield sites with 1 to 49 dwellings | £0 |
| Greenfield sites with 50 to 199 dwellings | £8,250 |
| Greenfield sites with 200 to 499 dwellings | £16,500 |
| Greenfield sites with 500+ dwellings | £22,000 |

6.24 It should be noted that certain strategic infrastructure requirements, particularly off-site highway improvements, may be funded separately through s106/278 agreements or other infrastructure funding mechanisms.

6.25 Where site-specific enabling costs exceed the allowances identified in **Table 6.8**, these costs are treated as abnormal development costs and, consistent with PPG on viability, should be reflected through a reduction in the BLV.

### *Biodiversity Net Gain*

6.26 The Environment Act requires most major developments to deliver a minimum 10% net gain in biodiversity, with this gain secured for at least 30 years. The government recognises that this requirement increases development costs. Therefore, the requirements relating to Biodiversity Net Gain (BNG) are reflected in the site enabling works, which vary by land type.

6.27 Firstly, the government estimates that this will impact direct development costs based on a Government Impact Assessment[47]. Using Scenario 2 for Greenfield development, which takes the midpoint between the lowest (Scenario 1) and worst case (Scenario 3) in the East of England. For brownfield sites a midpoint between Scenario 2 and the worst case (Scenario 3) is used because of the feedback from the development industry about the likelihood that these sites may not easily achieve BNG onsite or find local compensatory

[46] This summarises findings from 26 CIL examinations, identifying Scheme Enabling and Abnormal Costs per unit for urban extension sites of varying scales. The evidence was previously submitted to the South Somerset CIL Examination. When reviewing the data, it is essential to exclude any s106 related costs to ensure that site opening cost estimates are comparable.

[47] DEFRA (2019) 'Biodiversity net gain and local nature recovery strategies: impact assessment' accessed online https://www.gov.uk/government/consultations/biodiversity-net-gain-updating-planning-requirements

habitats to invest in, with an increasingly likelihood of needing to purchase statutory biodiversity credits.

6.28 These average costs, with allowance for inflation, which are applied in the viability appraisals, are shown in **Table 6.9**. However, it should be recognised that BNG costs may vary across sites with complex constraints.

**Table 6.9 Tested 10% BNG costs**

| Site type | Cost per dwelling |
|---|---|
| Greenfield | £1,100 |
| Brownfield | £500 |

6.29 A more recent study for BNG costs in Essex[48] identified the average costs to be similar across four tested greenfield sites and much lower than this on three tested brownfield sites. This assumed that each biodiversity unit costs £25,000 based on information from Essex County Council, and supported by a review of published literature, although some habitats may significantly exceed this. From our review of this work the average estimates of costs are £997 per greenfield dwelling and £182 per brownfield dwelling, which are lower than the Government's impact assessment amounts used in the viability testing.

6.30 The cost assumptions are drawn from the Essex Biodiversity Net Gain study and the Government's Impact Assessment.

### *Build Costs*

6.31 PPG Viability notes that costs should be based on local appropriate data, which includes the Build Cost Information Service (BCIS. Therefore, residential build costs that are used in this study are taken from tender prices for new builds in the marketplace from the BCIS, rebased to Southend-on-Sea at 4Q2025, to ensure consistency with the residential sales value indexation to December 2025.

6.32 Build costs for older persons accommodation follow RHG guidance[49]. This applies the BCIS category 'supported housing with shops, restaurants or similar uses' for retirement schemes, and 'supported housing' for Extra care developments.

6.33 The underlying BCIS cost data is provided in **Appendix F**, with the tested build cost assumptions summarised in **Table 6.10**.

[48] SQW, Viability Assessment of Biodiversity Net Gain in Essex, for Essex County Council and Essex Local Nature Partnership, 2024

[49] RHG (2016), Op Cit.

**Table 6.10 Tested build costs rebased to Southend-on-Sea at Q4 2025 tender prices**

| Type | Builder type | £psm | Source |
|---|---|---|---|
| Houses | Medium housebuilder (4 to 49 units) | £1,826 | BCIS median for 810.1 Estate housing (generally). Data based on last 5 years |
| | Large housebuilder (50+ units) | £1,642 | BCIS lower quartile for 810.1 Estate housing (generally). Data based on last 5 years |
| Flats (1-2 Storeys) | Medium housebuilder (4 to 49 units) | £2,350 | BCIS median for 816 Flats (1-2 storey). Data based on the last 5 years |
| | Large housebuilder (50+ units) | £1,928 | BCIS lower quartile for 816 Flats (1-2 storey). Data based on last 5 years |
| Flats (3-5 Storeys) | Medium housebuilder (4 to 49 units) | £2,020 | BCIS median for 816 Flats (3-5 storey). Data based on the last 5 years |
| | Large housebuilder (50+ units) | £1,746 | BCIS lower quartile for 816 Flats (3-5 storey). Data based on last 5 years |
| Flats (6+ Storeys) | Medium housebuilder (4 to 49 units) | £2,855 | BCIS upper quartile for 816 Flats (6 storey or above). Data based on the last 5 years |
| | Large housebuilder (50+ units) | £2,563 | BCIS median for 816 Flats (6 storey or above). Data based on the last 5 years |
| Older person accommodation | Retirement flats | £2,825 | BCIS median for 843. Supported housing (Generally) Data based on last 5 years |
| | Extra care flats | £2,825 | |
| Commercial space | Within mixed use developments | £1,920 | Based on the average Median BCIS cost for 320. Office generally (Airconditioned), 344. Hypermarkets, supermarkets (Generally) and 345. Shops (Generally) |

Source: Derived from BCIS

## *Extra-Over Build Costs*

### *Updated Building Regulations*

6.34 BCIS has noted that published residential build cost data may not yet fully capture the additional costs associated with compliance with the 2021 updates to Building Regulations Parts L (Conservation of Fuel and Power), F (Ventilation) and O (Overheating), which became mandatory for all new homes from June 2022. A BCIS survey published in 2023[50] estimated that compliance with these regulations increased residential construction costs by approximately 3.9%[51].

6.35 However, as this estimate was produced shortly after the introduction of the updated regulations, it is likely that a significant proportion of the tender data now informing BCIS build cost benchmarks already incorporates the costs of compliance. Given that BCIS base rates are derived from analysis of completed tenders over a rolling period, it would risk overstating costs if the full 3.9% uplift were applied in addition to current BCIS rates.

6.36 To reflect this, a reduced allowance has been adopted within the viability testing. The allowance assumes that approximately two-fifths of the original adjustment has already been absorbed into prevailing tender prices over the intervening period, resulting in an

[50] BCIS (2023) Housebuilding inflation eases but pressures continue to mount on the housing sector published 19/09/2023 and accessible via https://bcis.co.uk/news/private-housing-construction-price-index/#:~:text=Cost%20impact%20of%20updated%20Building,4.3%25%20as%20reported%20in%202Q2022.

[51] Made up of 2.8% to meet Part L; 0.4% to meet Part F and 0.7% to meet Part O.

additional uplift of 2.34% above the adopted BCIS build costs. This provides a reasonable and proportionate allowance for any remaining build cost impacts associated with compliance with Parts L, F and O.

6.37 In addition, Approved Document S of the Building Regulations introduced requirements for electric vehicle charging infrastructure in new residential development. Government research undertaken in support of the regulations identified an average installation cost of approximately £976 per charging point.[2] For the purposes of viability testing, this has been rounded to £1,000 per charging point.

6.38 The assessment assumes the provision of one charging point per house and one charging point for every two flats, reflecting typical approaches to EV charging provision within residential developments. This allowance is applied as an additional cost over and above the base BCIS construction rates.

6.39 The additional allowances applied within the viability appraisals are summarised in **Table 6.11**.

**Table 6.11 Tested residential build cost adjustments for Building Regulations compliance**

| Build type | Additional cost | Category |
|---|---|---|
| BR'21 FLO standards | 2.34% | of build costs |
| EVCP | £1,000 | per housing plot |
| | | per two flats |

### *Future Homes Standards*

6.40 As discussed in **Chapter 2**, in March 2026, the Government published the final details of the Future Homes Standard (FHS), representing the next major revision to Part L of the Building Regulations. The FHS is intended to ensure that all new homes delivered from 2027 onwards are "net zero carbon ready", achieving an estimated 75% reduction in carbon emissions relative to the 2013 Part L baseline.

6.41 While the Future Homes Standard will reduce operational energy costs and carbon emissions over the lifetime of a dwelling, it will also increase development costs. The Government's Future Homes Standard Final Stage Impact Assessment identifies estimated additional capital costs associated with achieving compliance relative to current Building Regulations requirements.[52] For the purposes of viability testing, these additional costs have been applied to each dwelling type within the tested development typologies and strategic allocations. The assumptions adopted are summarised in **Table 6.12**.

**Table 6.12 Tested FHS additional capital costs per unit**

| Type of dwelling | £ per unit | Applied to |
|---|---|---|
| Detached house | £5,160 | All 4+ bed house dwelling types |
| Semi-detached house | £5,600 | All 3-bed house dwelling types |
| Mid-Terraced house | £5,690 | All 2-bed house dwelling types |
| Low Rise Flats (<11m) | £5,300 | 1-2 storey flats |
| Mid Rise Flats (<11m) | £2,210 | 3-5 storey flats, and Retirement/Extra care |

### *Building Safety Act*

6.42 As outlined in **Chapter 2**, the Building Safety Act 2022 introduced a new regulatory regime for Higher-Risk Buildings (HRBs), which came fully into effect in April 2024. For residential

[52] The Future Homes Standard: final stage impact assessment, published 24 March 2026.

development, HRBs are generally defined as buildings that are at least 18 metres in height or comprise seven or more storeys.

6.43 Within Southend-on-Sea, HRB development is most likely to occur in the City Centre and other higher-density locations where taller apartment buildings may come forward. However, market evidence suggests that some developers are actively seeking to avoid the height thresholds that trigger the enhanced regulatory regime due to the additional costs and development risks involved.

6.44 While some of the associated fire and life-safety measures have already become established industry practice, the additional regulatory requirements are nevertheless expected to increase development costs and reduce development efficiency. To reflect these impacts, all apartment developments of six storeys or more have been tested using higher build cost assumptions and lower net-to-gross efficiency ratios. The adopted assumptions are reflected within the build cost allowances set out in **Table 6.10** and the net-to-gross ratios summarised in **Chapter 5 Table 5.5**.

### *Garages*

6.45 The proportion of dwellings assumed to include a separate garage has been informed by the latest available Government data on household parking amenities in England.[53] In the absence of detailed masterplanning information, these proportions have been applied to the relevant house typologies as a proxy for likely garage provision.

6.46 A construction cost of £13,650 per garage has been adopted, based on a typical single garage of 21 sqm and a benchmark construction cost of approximately £650 psm. The garage assumptions applied within the assessment are summarised in **Table 6.13**.

**Table 6.13 Tested extra over residential build costs adjustments**

| Dwelling size | Assumed dwelling type | Proportion with a garage | Cost per garage |
|---|---|---|---|
| 70-89 sqm | 2-bed house | 28.2% | £13,650 |
| 90-109 sqm | 3-bed house | 39.2% | |
| 110+ sqm | 4+bed house | 57.6% | |

### *Externals*

6.47 BCIS residential build cost benchmarks relate primarily to the construction of the building itself and do not fully include the costs of external works associated with site development. These external works typically comprise hard and soft landscaping, boundary treatments, utilities and drainage infrastructure, estate roads, footpaths and other works required to make the development operational.

6.48 Industry practice generally applies external works allowances in the range of 10% to 15% of building costs, depending on the nature and density of the development and whether detached garages are included. As BCIS rates already reflect dwellings with integrated garages, any allowance for garages within this assessment relates solely to separately constructed garages noted above.[54]

6.49 Since garage costs are accounted for separately, the adopted external works allowances for housing developments have been set towards the lower end of the typical market range. For apartment developments, external works generally represent a lower proportion of total

[53] Integrated garages are already allowed for and costed in the BCIS build costs figures.
[54] BCIS include dwellings with integrated garages within their published average tender price cost information.

development cost due to the higher density of development and reduced private curtilage requirements.

6.50 The external works allowances adopted for viability testing, excluding garage costs, are set out in **Table 6.14**.

**Table 6.14 Tested external costs (excluding garages) per dwelling**

| Type of dwelling | % of build costs |
|---|---|
| Houses | 10.0% |
| 1-2 storey flats | 10.0% |
| 3-5 storey flats | 7.5% |
| 6+ storey flats | 5.0% |
| Older person units | 10.0% |

## *Contingency*

6.51 PPG confirms that contingency allowances may be included where a site-specific assessment is being undertaken, provided there is appropriate justification:

*"…explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency."*[55]

6.52 By contrast, the generic typology testing is based upon representative assumptions relating to average development costs and values rather than the characteristics of any individual site. At this level, there is an equal possibility that actual development costs could be lower or higher than those assumed. Consequently, the inclusion of a contingency allowance within the typology testing would not be appropriate and could result in a systematic overstatement of development costs across the assessment.

6.53 The contingency allowances adopted for this assessment are shown in **Table 6.15**.

**Table 6.15 Tested contingency costs**

| Type of development site | % of build costs |
|---|---|
| Generic typologies | 0% |
| Fossetts Farm | 4% |
| LNOS | 4% |

## *Professional Fees*

6.54 Professional fees comprise the costs associated with planning, design, procurement and delivery of development. These typically include architect, planning consultant, engineer, surveyor, project management, cost consultant and other specialist consultant fees incurred throughout the development process.

6.55 Industry evidence indicates that professional fees for residential development generally fall within a range of 6% to 12% of construction costs, depending on the scale and complexity of the development. Smaller developments typically incur proportionally higher fees due to the fixed nature of many professional inputs, whereas larger schemes benefit from economies of scale.

6.56 In determining appropriate assumptions for viability testing, regard has been had to the scale of development represented by each typology and strategic allocation. Larger

[55] PPG Viability, paragraph 12

developments are assumed to benefit from greater efficiency, resulting in progressively lower professional fee percentages.

6.57 The adopted professional fee assumptions set out in **Table 6.16** are considered to reflect typical market practice and provide a proportionate allowance for professional costs across the range of development scenarios tested. These allowances have been applied to the total construction cost, including external works, garages, Building Regulations compliance costs and other build cost adjustments included within the appraisals.

**Table 6.16 Tested professional fee costs**

| Type of development site | % of construction costs |
|---|---|
| Sites of up to 9 dwellings | 10% |
| Sites between 10 and 99 dwellings | 8% |
| Sites of 100+ dwellings | 6% |

* Updated with Building Regulation requirements

## *Sales Fees*

6.58 Gross Development Value for open market housing includes sales related costs such as agents' fees, marketing and legal expenses. For mainstream residential development, sales and marketing costs are typically assumed to range between 1% and 3% of GDV. Higher marketing costs apply to older person accommodation, reflecting the approach set out in the RHG guidance.

6.59 Older person accommodation generally requires a more intensive sales and marketing process, including specialist sales teams, longer marketing periods and enhanced purchaser support. Consistent with Retirement Housing Group guidance and established viability practice, a higher allowance has therefore been adopted for retirement living and extra care housing developments.

6.60 Affordable housing is typically transferred directly to a Registered Provider and therefore does not incur conventional sales and marketing costs. However, legal and transaction costs remain relevant, and a fixed allowance has been applied on a per-dwelling basis.

6.61 The sales cost assumptions adopted in this assessment are as shown in **Table 6.17**.

**Table 6.17 Tested sales fees**

| Development unit type | Additional cost | Category |
|---|---|---|
| Open market dwellings | 2% | of open market GDV |
| Older person accommodation | 6% | of open market GDV |
| Affordable dwellings | £650 | per dwelling |

## *Building Safety Levy*

6.62 As discussed in **Chapter 2**, from October 2026 the Government requires all new open market housing on major development sites to pay a Building Safety Levy (BSL). The rate specified for Southend-on-Sea, which is applied in the viability testing, are shown in **Table 6.18**. The inclusion of the Building Safety Levy ensures that the viability testing reflects the anticipated development costs associated with the forthcoming regulatory framework.

**Table 6.18 Tested BSL rates, £psm (per liable floorspace)**

| Site type | Greenfield sites | Brownfield sites |
|---|---|---|
| Sites with 10+ units within Southend-on-Sea | £38.24 | £19.12 |

## Community Infrastructure Levy

6.63 Southend-on-Sea City Council adopted CIL in July 2015. The charging rates applicable at the time of this assessment have been indexed to 2026 values[56] and represent the rates expected to apply to development coming forward during the Local Plan period. The indexed CIL rates are as follows:

- Residential CIL Z1: £30.77 per CIL liable sqm;
- Residential CIL Z2: £46.15 per CIL liable sqm;
- Residential CIL Z3: £92.31 per CIL liable sqm; and
- Other uses: £15.38 per CIL liable sqm
- Predominantly publicly funded or not-for-profit development: £0 per CIL liable sqm.

6.64 The value areas used within the viability assessment have been developed for market value analysis and do not directly correspond to the adopted CIL charging zones. As a result, the tested residential typologies have been modelled using a range of CIL rates that broadly reflect the likely geographical overlap between the value areas and the adopted charging zones.

6.65 The two strategic site allocations, Land North of Southend (LNOS) and Fossetts Farm, are both located within Residential CIL Charging Zone 1 and have therefore been tested using the Zone 1 charging rate.

6.66 Several mixed-use typologies include commercial floorspace at ground-floor level. In these cases, the non-residential elements have been tested using the adopted 'Other Uses' charge to reflect the likely office, retail and commercial uses that may be delivered as part of such schemes.

6.67 The CIL assumptions applied within the viability testing are summarised in **Table 6.19**.

**Table 6.19 Tested CIL rates on per CIL liable sqm**

| Value Area | Residential | Non-Residential |
|---|---|---|
| Zone 1 Value area | £30.77 and £46.15 | £15.38 |
| Zone 2 Value area | £30.77 and £92.31 | £15.38 |
| Extra care / retirement housing | £30.77 | £15.38 |
| LNOS | £30.77 | £15.38 |
| Fossetts Farm | £30.77 | £15.38 |

## Developer Return

6.68 Developer return represents the profit and internal overheads a developer reasonably expects from a scheme, and the developer return assumptions tested in this assessment are set out in **Table 6.20**. PPG on viability indicates that returns for plan level testing should typically fall within a range, and so 17.5% of GDV has been adopted for open market housing, representing the midpoint of the range typically identified within national guidance and reflecting the current balance of development risk and reward.

6.69 Consistent with Planning Practice Guidance, a return of 6% of transfer value has been assumed for affordable housing reflecting its lower sales risk and the relatively secure nature of disposal to a Registered Provider. For Build to Rent development, a lower return of 10%

[56] Southend City Council (2024) accessed via https://www.southend.gov.uk/local-planning-framework/community-infrastructure-levy-cil/8

of GDV has been adopted to reflect the characteristics of the institutional investment market.

6.70 These assumptions are considered to provide a reasonable and policy compliant basis for assessing the viability of development across the range of residential typologies and strategic allocations tested within this study.

**Table 6.20 Tested rates of developer return**

| Gross profit | Rate | Applied to |
|---|---|---|
| Market housing | 17.5% | OM GDV |
| Build to Rent | 10.0% | OM GDV |
| Affordable housing | 6.0% | AH transfer values |

### *Finance Rates*

6.71 National planning guidance and established viability practice require plan-making viability assessments to be undertaken using current costs and values. This means that appraisals should be prepared on a present-day basis without applying assumptions relating to future inflation.

6.72 Consistent with this approach, finance rates within the appraisals have been applied on a real basis, meaning that they are expressed net of inflation. This reflects guidance published by the Royal Institution of Chartered Surveyors (RICS), which states (with emphasis underlined):

*"'Where current costs are used, real interest rates should be applied to what is in effect real cash flows when projections are not used."* [57]

6.73 Real interest rates are therefore lower than the headline borrowing rates typically reported by lenders, which generally include an allowance for expected inflation. Whilst development finance is often priced at a margin above the Bank of England base rate, the inflation element embedded within nominal borrowing rates must be removed where appraisals are undertaken using current-day costs and values.

6.74 Feedback received through stakeholder engagement indicated that many active developers within Southend-on-Sea are small to medium-sized regional operators rather than national volume housebuilders. Such developers may not have access to borrowing terms as favourable as those available to larger organisations. Accordingly, a differential has been applied between smaller and larger developments to reflect differing access to finance and funding costs.

6.75 In addition, where appraisals generate positive cash balances during the development period, a lower credit interest rate has been applied to reflect the return that may be achieved on deposited funds.

6.76 The finance assumptions adopted within the viability assessment are set out in **Table 6.21**.

[57] RICS Guidance note, 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', March 2021.

**Table 6.21 Tested 'all-in' finance rates**

| Type of rate | APR Rate |
|---|---|
| Debt finance rate: site up to 49 dwellings | 7.5% |
| Debt finance rate: site of 50+ dwellings | 6.5% |
| Credit saving rate: all sites | 1.0% |

### *Development Scheme Phasing*

6.77 The viability appraisals model how development costs and revenues interact over time using a monthly cashflow that includes borrowing costs. The assumptions include:

- land is bought upfront;
- the first six months focus on site preparation; construction begins at month 3 and slows as schemes get larger[58];
- marketing costs lag construction by three months;
- housing sales lag construction by six months;
- apartment sales occur partly during construction and up to six months after completion; and
- developer profit is taken at the end of the sales period.

6.78 Example timelines for different site sizes are shown in **Table 6.22**.

**Table 6.22 Examples of tested build out rates**

| Typology | No. of units per annum | Build out rate | |
|---|---|---|---|
| | | In months | In years |
| 4 Houses | 3.4 | 14 | 1.17 |
| 10 Houses | 8.0 | 15 | 1.25 |
| 20 Flats | 13.3 | 18 | 1.50 |
| 150 Houses | 56.3 | 32 | 2.67 |
| 400 Flats | 98.0 | 49 | 4.08 |
| LNOS | 245.0 | 240 | 20.00 |
| Fossetts Farm | 96.6 | 120 | 10.00 |

## Tested Local Plan Policy Costs

6.79 The purpose of the viability testing is to assess the extent to which development can support the emerging Reg19 SoSLP policy requirements whilst remaining deliverable. As part of the preparation of the emerging Reg19 SoSLP, iterative viability testing has been undertaken alongside policy development to understand the cumulative impact of policy requirements and infrastructure obligations. This process has informed the development of the Regulation 19 policies and the assumptions tested within this assessment.

6.80 The following sections summarise the principal policy costs that have been incorporated into the viability appraisals. These reflect the policy areas identified in **Chapter 3** as having the potential to influence development viability.

[58] The marginal build rate per additional unit reduces with each additional unit.

### *Policy DM5.1 Affordable Housing*

6.81 Policy DM5.1 of the emerging Regulation 19 Local Plan seeks the provision of affordable housing on residential developments delivering 10 or more dwellings. The policy requirements tested within this assessment are:

- 30% affordable housing on qualifying residential developments; or
- 10% affordable housing on flatted developments located within lower-value areas (Value Area 1).

6.82 Where affordable housing is provided, the policy seeks the following tenure mix:

- At least 80% rented affordable housing, assumed for viability testing purposes to comprise an equal split between:
  - Social Rent (40%); and
  - Affordable Rent (40%); and
- 20% intermediate affordable housing, assumed to be delivered as Shared Ownership.

6.83 The assessment assumes that affordable housing is transferred to a Registered Provider at below-market values. Although feedback from the developer workshop indicated limited recent Registered Provider appetite for acquiring s106 affordable housing within Southend-on-Sea, discussions with five local Registered Providers and analysis of comparable evidence suggest that the following transfer values represent a reasonable basis for viability testing:

- Intermediate / Shared Ownership = 75% of open market value (OMV);
- Affordable rent = 55% of OMV; and
- Social rent = 45% of OMV.

### *Policy DM5.2 Mix and Quality of Homes*

6.84 As discussed in **Chapter 5**, the development mixes within the typology and strategic site testing within the viability assessment are broadly aligned with Housing Needs Assessment and Policy Tables DM5.1 and DM5.2 in the emerging Reg19 SoSLP. Consequently, compliance with Policy DM5.2 is embedded within the baseline development assumptions.

### *Policy DM5.5 Residential Standards*

6.85 As discussed in **Chapter 5**, the dwelling sizes adopted within the viability assessment are broadly aligned with the minimum requirements of the Nationally Described Space Standard (NDSS). Consequently, compliance with NDSS is embedded within the baseline development assumptions.

6.86 However, Policy DM5.5 also requires new housing to meet specified accessibility standards. The policy seeks:

- All dwellings to comply with NDSS;
- On schemes of 10 or more dwellings, a minimum of 20% of dwellings to meet Part M4(2) Accessible and Adaptable Dwellings standards; and
- On schemes of 10 or more dwellings, a minimum of 10% of dwellings to meet Part M4(3) Wheelchair User Dwellings standards.

6.87 Whilst many modern homes are designed with accessibility requirements in mind, it cannot be assumed that the BCIS benchmark costs fully reflect compliance with these standards.

Accordingly, additional allowances have been included within the appraisals for major developments based on Government evidence relating to the costs of accessible housing[59].

6.88 For M4(2) dwellings, the following allowances have been applied:

- £500 per house, and
- £950 per flat.

6.89 For M4(3) dwellings, the assessment assumes:

- Open market homes comply with M4(3)(2)(a) Wheelchair Adaptable standards; and
- Affordable homes comply with M4(3)(2)(b) Wheelchair Accessible standards.

6.90 The following additional costs have been applied:

- M4(3)(A) Adaptable: £10,500 per house applied to 10% of open market houses.
- M4(3)(A) Adaptable: £8,000 per flat applied to 10% of open market flats.
- M4(3)(B) Accessible: £23,000 per house applied to 10% of affordable houses.
- M4(3)(B) Accessible: £8,000 per flat applied to 10% of affordable flats.

### *Policy DM6.2 Employment and Skills*

6.91 Policy DM6.2 requires qualifying developments to prepare and implement an Employment and Skills Plan and pay a fixed contribution to monitoring fees according to construction cost thresholds. Most of this will be covered in the professional fee allowances and where there are no significant requirements to change recruitment or supplies, this policy has a de minimus impact.

6.92 However, this has the potential to impact within much larger schemes that will be drawing labour and suppliers from further afield. So, for the viability testing purposes, the following costs are applied to the larger schemes, which are informed by the Council's previously suggested rates under Reg18 SosLP viability assessment work:

- £100 per dwelling on sites with 50 or more dwellings; and
- £1.25 psm of commercial floorspace on schemes with 500+ sqm of commercial floorspace.

### *SP8: Enhancing our Natural Environment*

6.93 Policy SP8 contains several environmental requirements intended to support ecological enhancement and sustainable water management.

6.94 Sustainable Drainage Systems (SuDS) are assumed to form part of standard development and infrastructure costs and are therefore already reflected within the build cost and external works allowances applied throughout the appraisal.

6.95 In addition, the policy requires developments to contribute towards the Essex Coast Recreational Disturbance Avoidance and Mitigation Strategy (RAMS). The adopted RAMS tariff for 2026/27 has been incorporated into the viability testing on all residential development at the following rate:

- £476 per net additional dwelling.

[59] DCLG Housing Standards Review Cost Impacts (Sept 2014) prepared by EC Harris for meeting the process and adaption costs.

### *DM8.4: Biodiversity and Net Gain*

6.96 Policy DM8.4 requires developments to achieve a minimum 10% Biodiversity Net Gain (BNG).

6.97 The costs associated with delivering on-site biodiversity enhancements are assumed to be incorporated within the external works and landscaping allowances adopted throughout the assessment. No additional standalone allowance has therefore been applied in respect of BNG compliance.

### *Other policy costs through section 106 assumptions*

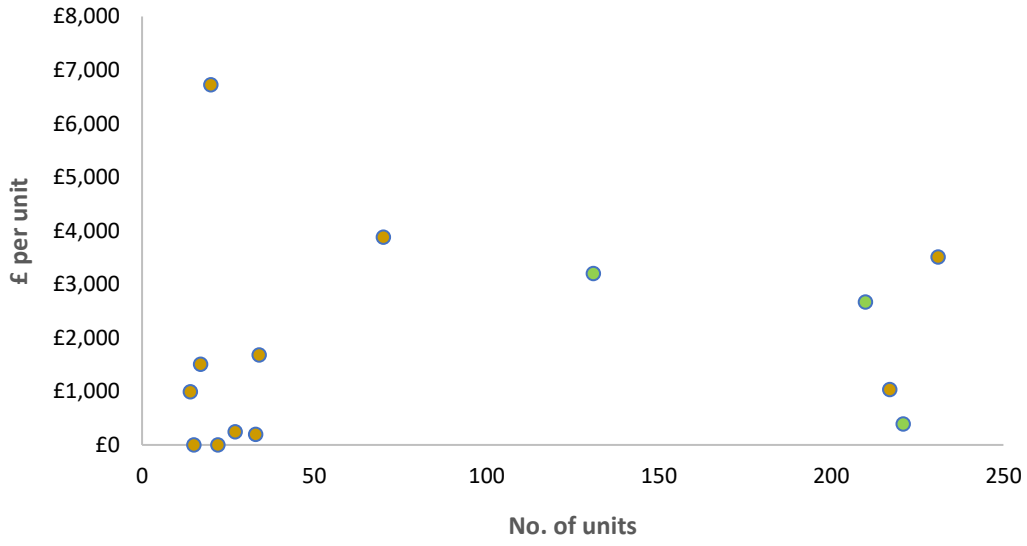
6.98 In addition to the policies identified above, the emerging Local Plan contains several policies which may generate site-specific planning obligations secured through Section 106 agreements. Depending on the nature and location of development, these may include contributions towards:

- SP3: Infrastructure;
- DM4.2: Sport and Recreation;
- SP7: Urban Design, Character and Heritage;
- DM10.1: Promoting Sustainable Transport and Reducing Congestion; and
- DM10.2: Ensuring the Highway Network is Safe and Effective.

6.99 To inform the assessment, the Council provided monitoring data relating to s106 receipts secured from developments between 2015 and 2024. The dataset comprised 14 completed schemes and excluded affordable housing contributions to avoid double counting.

6.100 The results, summarised in **Figure 6.1**, indicate average Section 106 contributions of approximately £2,000 per dwelling, although larger developments generally generated higher contributions on a per-unit basis than smaller schemes.

**Figure 6.1 Section 106 receipts from schemes monitored between 2015 and 2024**




Source: Derived from the City Council's monitoring data

6.101 The policy review undertaken in **Chapter 3 Table 3.1** identified a range of emerging policy requirements that may increase future Section 106 obligations beyond those secured

historically. To reflect this potential increase and to ensure a robust assessment of cumulative policy burden, the viability testing incorporates a notional allowance of:

- £5,000 per dwelling

6.102 This allowance is intended to represent the cumulative impact of future site-specific Section 106 obligations not otherwise captured through the individual policy assumptions set out above.

# 7 Local Plan Viability Testing Results

## Introduction

7.1 This chapter presents the viability appraisal results for each tested site typology and strategic site, assessing the overall ability of future developments to comply with the emerging Reg19 SoSLP policy framework. The results of the viability testing provide an evidence base for considering whether the emerging Southend-on-Sea Local Plan (SoSLP) is likely to be viable and deliverable as a whole. In particular, the assessment considers whether the cumulative impact of policy requirements could prejudice the delivery of development sites and thereby undermine the implementation of the Plan's overall strategy. This issue is considered further in **Chapter 8**.

7.2 Before reviewing the results, it is important to recognise that Local Plan viability assessments are necessarily strategic in nature. They are based on a series of representative development typologies and proportionate assumptions regarding development costs, values and policy requirements, consistent with national planning policy and Planning Practice Guidance (PPG). Except for the strategic site testing, the assessment does not seek to replicate the detailed appraisal of individual development sites.

7.3 All appraisals have been prepared using a consistent methodology and set of assumptions. Worked examples of the viability appraisals are provided in **Appendix G**, including the appraisal for a 250-dwellings scheme with commercial floorspace on a brownfield site within Value Area 1, together with the detailed strategic site appraisals.

## Viability Test Results

7.4 The viability testing assesses development against the cumulative policy requirements of the emerging Reg19 SoSLP as described in **Chapter 3**. These requirements include affordable housing provision, accessibility standards, environmental obligations, infrastructure contributions and other planning obligations secured through Section 106 agreements. The assumptions applied in relation to development mix, values and costs are discussed in **Chapters 4, 5** and **6**.

7.5 The results for each residential typology and strategic site allocation are summarised in the following tables using a traffic-light classification system designed to assist interpretation of the findings:

- Green indicates that the development is viable and generates surplus residual value above the benchmark land value (BLV), providing additional headroom that could potentially accommodate further policy requirements or infrastructure contributions.
- Amber indicates marginal viability, where the residual land value falls within approximately ±10% of the BLV (a 20% range overall). In these circumstances, development would generally be expected to remain deliverable over the Plan period, although viability may be sensitive to changes in market conditions, costs or policy requirements.
- Red indicates that the development does not achieve the benchmark land value under the assumptions tested and may therefore be unlikely to come forward with full policy compliance unless circumstances change, such as through higher values, lower costs, grant funding or reduced planning obligations.

7.6 To assist interpretation of the results, the appraisal outputs also identify the average residual headroom on a per-dwelling basis for each residential typology and for the strategic sites. These headroom figures provide a useful indicator of the extent to which development may be capable of absorbing additional costs that are not currently known with certainty, including potential future infrastructure requirements relating to areas such as transport and education provision.

7.7 The residual headroom identified through the testing therefore forms an important consideration when assessing the cumulative impact of Local Plan policies and infrastructure obligations. Accordingly, before drawing overall conclusions in **Chapter 8**, consideration must be given to whether the surplus value generated by the appraisals would, in most cases, be sufficient to accommodate any additional cost burdens that may arise during implementation of the Plan.

## *Minor Residential Typologies*

7.8 **Table 7.1** and **Table 7.2** present the viability appraisal results for residential typologies that fall below the affordable housing threshold and are therefore not required to provide on-site affordable housing under Policy DM5.1.

7.9 These typologies are representative of the smaller-scale residential developments that are expected to comprise a significant proportion of future windfall housing delivery within Southend-on-Sea. As such, they are an important component of overall housing supply and provide a useful indication of the cumulative impact of emerging Local Plan policies on smaller residential schemes.

7.10 The results indicate that, in general, these development typologies remain broadly viable under the cumulative policy requirements of the emerging Reg19 SoSLP. In most cases, the tested schemes are able to accommodate the policy costs included within the assessment whilst continuing to generate a competitive return to developers and achieve benchmark land values.

7.11 The detailed results are presented in **Table 7.1** and **Table 7.2**, together with the corresponding residual headroom generated by each typology. These findings provide an initial indication that the emerging policy framework is unlikely to prevent the delivery of smaller residential windfall schemes across the city.

**Table 7.1 Value Area 1 typologies under the affordable housing threshold at 0% AH**

| ID | Typology | Land type | 0% AH CILZ1 (£30.77) | 0% AH CILZ2 (£46.15) |
|---|---|---|---|---|
| 1 | 4 Houses @ 50dph | Brownfield | £20,791 | £19,340 |
| 3 | 4 Houses @ 50dph | Greenfield | £42,423 | £40,971 |

**Table 7.2 Value Area 2 typologies under the affordable housing threshold at 0% AH**

| ID | Typology | Land type | 0% AH CILZ1 (£30.77) | 0% AH CILZ2 (£92.31) |
|---|---|---|---|---|
| 19 | 4 Houses @ 50dph | Brownfield | £46,607 | £40,917 |
| 27 | 4 Houses @ 50dph | Greenfield | £67,912 | £62,266 |

## *Major Residential Typologies*

7.12 Given the significant differences in development economics and policy requirements between the two value areas and housing-led and flatted schemes, the value areas and forms of development have been assessed separately.

### *Houses in Value Area 1*

7.13 **Table 7.3** presents the results for housing typologies tested against the emerging policy requirement for 30% affordable housing, with sensitivity testing undertaken for both applicable residential CIL charging rates.

7.14 The results demonstrate a strong viability position for housing-led development in Value Area 1. Four of the five tested typologies generate positive residual headroom above benchmark land values under both CIL charging scenarios. This indicates that most housing schemes are capable of accommodating the cumulative policy requirements of the emerging Reg19 SoSLP, including 30% affordable housing.

7.15 The sole exception is the 15-unit brownfield housing scheme, which generates a modest viability deficit under both CIL rates. However, the shortfall is relatively limited and appears to arise largely from the scheme only marginally exceeding the affordable housing threshold. In practice, there are ways in which such schemes could improve viability, including modest increases in site density, optimisation of dwelling mix, more efficient site layouts or small increases in unit numbers.

7.16 Overall, the findings indicate that housing-led development within Value Area 1 is generally capable of supporting the proposed 30% affordable housing requirement, irrespective of whether the development falls within CIL Charging Zone 1 or Zone 2. The positive headroom generated by the larger housing schemes suggests that the proposed policy approach is unlikely to prejudice delivery of this type of development during the Plan period.

**Table 7.3 Houses in Value Area 1 at 30% AH**

| Work-sheet | Typology | Land type | 30% AH CILZ1 (£30.77) | 30% AH CILZ2 (£46.15) |
|---|---|---|---|---|
| 2 | 15 Houses @ 50dph | Brownfield | -£6,760 | -£7,728 |
| 5 | 150 Houses @ 50dph | Brownfield | £17,582 | £16,594 |
| 10 | 250 Houses @ 70dph | Brownfield | £26,547 | £25,560 |
| 16 | 12 Houses @ 50dph | Greenfield | £12,729 | £11,788 |
| 18 | 200 Houses @ 40dph | Greenfield | £23,568 | £22,581 |

### *Flats in Value Area 1*

7.17 The viability performance of flatted development differs markedly from that of housing-led schemes. As a result of the weaker viability identified through testing, flatted typologies have been assessed against a reduced affordable housing requirement of 10%, which emerged as the most appropriate level when considering the results across the full range of tested scenarios.

7.18 The results in **Table 7.4** demonstrate that viability within the flatted sector is significantly more varied. Several typologies generate healthy levels of positive headroom at a 10% affordable housing requirement; particularly mid-rise schemes delivered at moderate densities. However, several typologies remain unviable even at relatively low affordable housing levels.

7.19 The weakest-performing typologies tend to share common characteristics. In particular:

- High-rise developments of six storeys or more are adversely affected by higher construction costs, lower net-to-gross efficiencies and the additional impacts associated with Building Safety Act requirements.
- Schemes incorporating substantial amounts of commercial floorspace experience reduced residential development efficiencies and increased development costs.

- Smaller schemes, such as the 20-flat and 15-flat typologies, are particularly sensitive to affordable housing requirements as they only marginally exceed the policy threshold.

7.20 Whilst some flatted typologies do not generate sufficient headroom to support affordable housing, the results do not support the conclusion that a zero affordable housing requirement would be necessary across the sector. Rather, the evidence indicates that viability varies considerably according to scale, density and development form.

7.21 Several flatted typologies remain viable with a 10% affordable housing requirement, suggesting that an appropriately differentiated policy approach is capable of securing affordable housing contributions whilst maintaining the viability of many apartment-led developments. Furthermore, the testing demonstrates that improvements in scheme scale, density and design efficiency can have a significant positive effect on viability outcomes.

7.22 Overall, the evidence supports a lower affordable housing requirement for flatted development within Value Area 1 than for housing-led schemes, reflecting the different viability characteristics of these forms of development.

**Table 7.4 Flats in Value Area 1 at 10% AH**

| Work-sheet | Typology | Land type | 10% AH CILZ1 (£30.77) | 10% AH CILZ2 (£46.15) |
|---|---|---|---|---|
| 3 | 20 Flats @ 200dph | Brownfield | -£8,518 | -£9,586 |
| 4 | 50 Flats @ 200dph | Brownfield | £13,755 | £12,755 |
| 6 | 150 Flats @ 100dph | Brownfield | £6,325 | £5,325 |
| 7 | 150 Flats @ 100dph +400sqm comm space | Brownfield | £4,696 | £3,695 |
| 8 | 150 Flats @ 700dph | Brownfield | -£54,701 | -£55,836 |
| 9 | 150 Flats @ 700dph +3000sqm comm space | Brownfield | -£68,236 | -£69,371 |
| 11 | 300 Flats @ 250dph | Brownfield | £13,270 | £12,269 |
| 12 | 300 Flats @ 250dph +2700sqm comm space | Brownfield | £7,387 | £6,386 |
| 13 | 400 Flats @ 175dph | Brownfield | £9,266 | £8,265 |
| 14 | 400 Flats @ 175dph +6000sqm comm space | Brownfield | -£838 | -£1,838 |
| 17 | 15 Flats @ 100dph | Greenfield | -£9,574 | -£10,603 |

### *Build to Rent*

7.23 **Table 7.5** considers the viability of Build to Rent (BtR) development within Value Area 1. The tested BtR typologies are derived from the larger flatted development scenarios and are considered representative of the scale and form of development most likely to attract institutional investment.

7.24 The results demonstrate a modest but noticeable improvement in viability compared with the equivalent for-sale apartment schemes. This reflects the different development and investment characteristics of the BtR sector, including lower target returns and the ability to generate value from long-term rental income streams.

7.25 PPG identifies 20% affordable private rent provision as a generally appropriate benchmark for BtR development.[60] The viability testing therefore assesses BtR schemes against a 20% affordable housing requirement.

[60] MHCLG Paragraph: 002 Reference ID: 60-002-20260508

7.26 Most medium and larger-scale BtR typologies generate positive residual headroom under both CIL charging scenarios, indicating that they are broadly capable of supporting affordable housing provision at this level. As with the standard flatted typologies, however, very high dense schemes and developments incorporating substantial commercial floorspace continue to face viability challenges.

7.27 The results suggest that BtR development may provide an alternative route for delivering higher-density flatted schemes within Southend-on-Sea while supporting affordable housing provision. The testing indicates that either:

- a 10% affordable housing requirement, consistent with the wider flatted development findings; or
- a separate BtR requirement of 20% affordable housing, consistent with national guidance, could be accommodated by many of the tested BtR typologies.

7.28 Overall, the evidence indicates that BtR development performs more strongly than traditional private sale apartment schemes and is capable of making a meaningful contribution to both housing delivery and affordable housing provision within Value Area 1.

**Table 7.5 Build to Rent flats in Value Area 1 at 20% AH**

| Work-sheet | Typology | Land type | 20% AH CILZ1 (£30.77) | 20% AH CILZ2 (£46.15) |
|---|---|---|---|---|
| 6-B | 150 Flats @ 100dph | Brownfield | £9,886 | £9,248 |
| 7-B | 150 Flats @ 100dph +400sqm comm space | Brownfield | £8,328 | £7,690 |
| 8-B | 150 Flats @ 700dph | Brownfield | -£30,111 | -£30,834 |
| 9-B | 150 Flats @ 700dph +3000sqm comm space | Brownfield | -£42,960 | -£43,683 |
| 11-B | 300 Flats @ 250dph | Brownfield | £14,719 | £14,081 |
| 12-B | 300 Flats @ 250dph +2700sqm comm space | Brownfield | £9,041 | £8,403 |
| 13 | 400 Flats @ 175dph | Brownfield | £9,769 | £9,132 |
| 14 | 400 Flats @ 175dph +6000sqm comm space | Brownfield | £11 | -£626 |

### *Houses and Flats in Value Area 2*

7.29 The viability testing indicates a significantly stronger position in Value Area 2 than was observed for flatted development in Value Area 1. **Table 7.6** presents the results for both housing and flatted typologies in Value Area 2 tested against the emerging policy requirement of 30% affordable housing, under both applicable CIL charging scenario.

7.30 The results demonstrate that most typologies generate substantial positive headroom above BLVs, even when tested at the higher CIL Zone 3 charging rate. This suggests that developments within Value Area 2 are generally capable of accommodating the cumulative policy requirements of the emerging Reg19 SoSLP whilst continuing to deliver competitive developer returns and policy compliant levels of affordable housing.

7.31 Both housing-led and apartment-led schemes perform robustly across the range of development scenarios tested. The strongest performing typologies are generally the larger schemes, where economies of scale help to offset the impact of policy costs and infrastructure contributions. In particular, the larger housing and flatted developments generate significant residual headroom under both CIL charging scenarios.

7.32 A small number of typologies sit closer to the margin of viability. The most notable example is the 20 flats at 150 dwellings per hectare with 100 sqm of commercial floorspace, which

produces only limited headroom under the lower CIL rate and a modest deficit when tested against the higher CIL Zone 3 charge. However, given the relatively small shortfall, the scheme falls within the range that would generally be regarded as marginally viable and could reasonably be expected to come forward over the Plan period, particularly if supported by favourable site-specific circumstances, minor design changes or market improvements.

7.33 Importantly, unlike the results for Value Area 1 flats, there is no evidence of a widespread viability constraint affecting apartment development in Value Area 2. The findings indicate that both residential houses and flatted schemes are generally capable of supporting the proposed 30% affordable housing requirement, even where higher levels of CIL liability apply.

7.34 Overall, the results provide strong evidence that a 30% affordable housing requirement is deliverable across most residential development typologies within Value Area 2. As all tested schemes are either clearly viable or lie within the marginal viability range, development should generally be expected to come forward in accordance with the full policy requirements of the emerging Local Plan.

7.35 The findings therefore support the application of a consistent affordable housing requirement across both housing-led and flatted developments within Value Area 2, without the need for the differentiated approach that appears necessary in the lower-value locations represented by Value Area 1.

**Table 7.6 Houses and Flat typologies in Value Area 2 at 30% AH**

| Work-sheet | Typology | Land type | 30% AH CILZ1 (£30.77) | 30% AH CILZ3 (£92.31) |
|---|---|---|---|---|
| 20 | 12 Houses @ 50dph | Brownfield | £15,028 | £11,265 |
| 21 | 20 Flats @ 150dph | Brownfield | £5,664 | £2,459 |
| 22 | 20 Flats @ 150dph +100sqm comm space | Brownfield | £2,705 | -£525 |
| 23 | 50 Flats @ 150dph | Brownfield | £26,504 | £23,390 |
| 24 | 50 Flats @ 150dph +300sqm comm space | Brownfield | £22,795 | £19,680 |
| 25 | 70 Houses @ 30dph | Brownfield | £15,306 | £11,355 |
| 26 | 200 Houses @ 30dph | Brownfield | £18,821 | £14,869 |
| 28 | 12 Houses @ 40dph | Greenfield | £31,765 | £28,002 |

### *Tested strategic sites*

7.36 The viability results for the strategic site allocations are summarised in **Table 7.7**. Given the strategic importance of these sites to the delivery of the emerging Reg19 SoSLP, additional testing has been undertaken across a range of affordable housing scenarios.

7.37 The testing assesses the sites against the proposed Local Plan affordable housing requirements and considers higher affordable housing percentages of up to 50%, reflecting the Government's 'Golden Rules' approach for certain Green Belt release proposals set out within the NPPF. However, while this has been undertaken at Fossetts Farm, it is important to note that only part of this site is within the Greenbelt and therefore it may be that the emerging Reg19 SoSLP affordable housing for Value Area 1 should only apply.

7.38 The results demonstrate that both strategic allocations remain viable across the full range of affordable housing scenarios tested. Even at the higher affordable housing rates that may be applicable to Green Belt sites, both sites continue to generate residual headrooms above BLVs, indicating that they may be able to accommodate further costs whilst remaining deliverable.

**Table 7.7 Strategic site viability results under varying affordable housing scenarios.**

| Work-sheet | Site typology | Policy 30% AH | 35% AH | 40% AH | 45% AH | 50% AH |
|---|---|---|---|---|---|---|
| 30 | LNOS: 4,900 Dwgs | £42,644 | £38,025 | £33,405 | £28,785 | £24,164 |
| 32 | Fossetts Farm: 966 Dwgs | £38,066 | £33,422 | £28,777 | £24,034 | £19,385 |

7.39 It is important to note that at the time of preparing this assessment the full costs associated with the emerging Infrastructure Delivery Plan (IDP) had not been confirmed. Whilst the appraisals include substantial allowances for site infrastructure and policy costs, the City Council will ultimately need to consider the additional infrastructure requirements identified through the IDP, which could materially affect the residual headroom shown in the viability results. This is particularly the case for the LNOS, which will form a new neighbourhood and therefore substantial new infrastructure may be required, such as schools and new highways improvements.

7.40 **Table 7.8** shows the various infrastructure cost items through CIL payments and s106 that are applied in the viability appraisals at different rates of affordable housing for LNOS. When these are added to the available viability residual headroom, the **Table 7.8** shows what would be available to fund infrastructure costs at LNOS. Together, these provide a potential infrastructure investment of £243.8 million, equivalent to £50,000 per dwelling at 30% affordable housing. At 50% affordable housing, the overall available money would be £150.3m, equivalent to £31,000 per dwelling.

7.41 Also, the appraisal for LNOS include some site infrastructure cost allowances through site works costs. If these are added to the CIL payments and s106 that are applied in the viability appraisals at different rates of affordable housing for LNOS, the table is able to identify the total potential amount that would be available to fund infrastructure costs at LNOS. Together, these provide a potential infrastructure investment of £351.6 million, equivalent to £72,000 per dwelling at 30% affordable housing. At 50% affordable housing, the overall available money would be £258.1m, equivalent to £53,000 per dwelling.

**Table 7.8 LNOS appraised AH rates and available expenditure on infrastructure (rounded)**

| Type of rate | w.30% AH | w.35% AH | w.40% AH | w.45% AH | w.50% AH |
|---|---|---|---|---|---|
| Tested CIL receipts (@ £30.77 per sqm) | £10.3m | £9.6m | £8.8m | £8.1m | £7.4m |
| Tested s106 (@ £5k per dwelling) | £24.5m | £24.5m | £24.5m | £24.5m | £24.5m |
| Available headroom (see Table 7.7) | £209.0m | £186.3m | £163.7m | £141.0m | £118.4m |
| **Total tested and available amount for infrastructure** | **£243.8m (£50,000 per unit)** | **£220.4m (£45,000 per unit)** | **£197.0m (£40,000 per unit)** | **£173.7m (£35,500 per unit)** | **£150.3m (£31,000 per unit)** |
| Tested site works costs (@ £22k per dwelling) | £107.8m | £107.8m | £107.8m | £107.8m | £107.8m |
| **Total tested and available amount for infrastructure incl: site works** | **£351.6m (£72,000 per unit)** | **£328.2m (£67,000 per unit)** | **£304.8m (£62,000 per unit)** | **£281.5m (£57,000 per unit)** | **£258.1m (£53,000 per unit)** |

### *Older person accommodation typologies*

7.42 The viability results for the retirement living and extra care housing typologies are summarised in **Table 7.9**. The results indicate that specialist older persons' accommodation performs significantly less favourably than mainstream residential development. All retirement living and extra care typologies generate negative residual values, indicating that they are unable to achieve BLVs under the tested cumulative policy assumptions.

7.43 The results are broadly consistent across both brownfield and greenfield locations and across the different value areas tested. Whilst slightly stronger outcomes are generated in higher-value locations, none of the tested typologies produce sufficient value to support the full range of policy costs included within the appraisal.

7.44 These findings suggest that retirement living and extra care developments are likely to face specific viability challenges when compared with mainstream residential development. Consequently, blanket application of standard residential policy requirements may affect the deliverability of specialist accommodation intended to meet the needs of an ageing population.

7.45 The results do not necessarily imply that such developments will not come forward in practice. The specialist housing sector often operates using different business models, funding structures and land acquisition strategies than conventional residential development. Nevertheless, the evidence indicates that flexibility may be required when applying policy requirements to retirement and extra care schemes if the Council wishes to encourage delivery of these forms of accommodation.

**Table 7.9 Retirement and Extra care typologies at 0% AH**

| Work-sheet | Site typology | | CILZ1 (£30.77) | CILZ2 (£46.15) | CILZ3 (£92.31) |
|---|---|---|---|---|---|
| OP1 | 55 Retirement @ 110dph | Greenfield | -£76,736 | -£78,018 | -£81,865 |
| OP2 | 45 Extracare @ 90dph | Greenfield | -£126,662 | -£128,446 | -£133,800 |
| OP3 | 55 Retirement @ 110dph | Brownfield | -£75,417 | -£76,699 | -£80,545 |
| OP4 | 55 Retirement @ 110dph | Brownfield | -£76,736 | -£78,018 | -£81,865 |

## Sensitivity Testing

7.46 In accordance with national planning guidance and RICS viability guidance, sensitivity testing has been undertaken to assess how the viability results may change under alternative policy and market conditions assumptions. This testing provides an indication of the resilience of the emerging Reg19 SoSLP policies and helps identify the development types that may be most sensitive to additional requirements. The following sections consider two alternative carbon reduction scenarios and one scenario related to current forecast changes in market conditions.

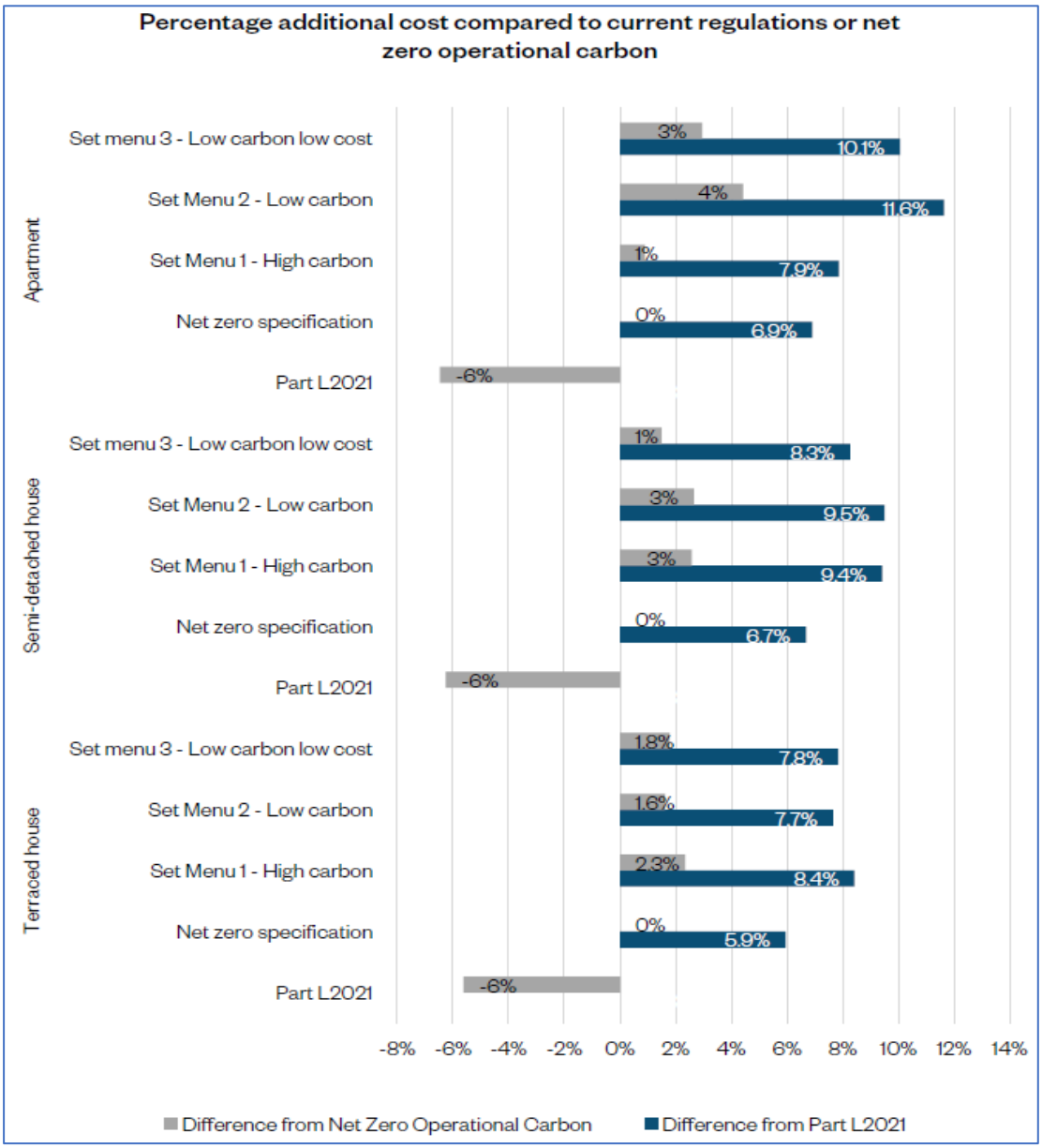
### *Sensitivity Test 1: Policy DM9.1 Sustainable Design and Construction*

#### *Sensitivity Test 1a: net zero operational carbon in residential development*

7.47 Policy DM9.1 includes an option requiring new development to achieve net zero carbon in operation. To assess the potential viability implications of this option, additional construction cost assumptions have been drawn from the Essex Embodied Carbon Policy

Study Technical Evidence, commissioned by Essex County Council.[61] The relevant findings from that study are reproduced in **Figure 7.1**.

**Figure 7.1 Potential cost of achieving net zero operational carbon in residential development**




7.48 Sensitivity Test 1a applies these additional costs above those associated with compliance with the 2021 Building Regulations. The following uplifts have therefore been tested for residential development under Policy DM9.1:

- Houses: 6.3% of base build costs;
- Flats of 1 to 2 storeys: 7.0% of base build costs;
- Flats of 3 to 5 storeys: 4.0% of base build costs;
- Flats of 6 or more storeys: 3.0% of base build costs; and
- Retirement living and extra care housing: 6.9% of base build costs.

[61] Essex Embodied Carbon Policy Study Technical Evidence, June 2024

7.49 The differentiated assumptions for flatted development reflect the cost evidence for buildings of different heights and forms. These typology-specific rates have been applied in place of a single average uplift for all flats.

7.50 Some residential typologies also include ground-floor commercial floorspace. For the purposes of Sensitivity Test 1a, this floorspace has been assumed to achieve BREEAM 'Excellent', consistent with the non-residential requirements considered under Policy DM9.1.[62]. The cost evidence reviewed for this assessment indicates an average capital cost uplift of 1.5% for the relevant non-residential uses to achieve BREEAM 'Excellent'. This uplift has therefore been applied to the build cost of the commercial floorspace included within the mixed-use residential typologies.

### *Sensitivity Test 1b: net zero operational and embodied carbon*

7.51 For major development, the Council is also considering an option that would address both operational and embodied carbon. Sensitivity Test 1b therefore assesses the potential cost of delivering net zero operational carbon alongside measures intended to reduce embodied carbon.

7.52 Based on the Essex County Council evidence, the following additional costs have been applied above the 2021 Building Regulations baseline under a cost and carbon-optimised scenario:

- Houses: 8.0% of base build costs; and
- Flats: 10.1% of base build costs.

7.53 The 8.0% allowance for houses represents an average of the identified cost uplifts for terraced and semi-detached homes.[63] The source evidence does not provide a separate cost assumption for detached housing. For the purposes of this strategic assessment, the average house uplift has therefore been applied consistently across the tested housing typologies.

7.54 Sensitivity Test 1b represents a more demanding policy scenario than Sensitivity Test 1a. It is intended to demonstrate the potential implications of introducing embodied carbon requirements in addition to the operational carbon measures assessed under Sensitivity Test 1a.

### *Results of Sensitivity Test 1*

7.55 The results of the sensitivity testing are presented in **Table 7.10**. The table compares the residual headroom per dwelling under the base appraisal with the results generated by Sensitivity Tests 1a and the more demanding Sensitivity Test 1b. The affordable housing requirement applied to each typology remains unchanged between the three scenarios.

7.56 As expected, both sensitivity tests reduce residual headroom across all development types. Sensitivity Test 1a generally produces a relatively modest reduction and does not materially alter the overall pattern of viability identified through the base testing. Most housing-led schemes, larger conventional flatted schemes and the two strategic allocations retain positive headroom.

7.57 The principal change under Sensitivity Test 1 occurs for the 20-flat scheme in Value Area 2, which moves from positive headroom of £2,459 per dwelling in the base appraisal to a deficit of £798 per dwelling. The corresponding mixed-use 20-flat typology was already

[62] This policy requires developments to be energy and resource efficient by achieving Net Zero Carbon in operation. Based on a report commissioned by Essex County Council, this has been based on BREEAM 'Excellent'.
[63] This is the average from the cost uplift for terraced dwellings at 7.8% and semi-detached units at 8.3%. No figures are provided for detached dwellings.

marginally below the BLV in the base appraisal and its deficit increases from £525 to £3,949 per dwelling.

7.58 Sensitivity Test 1a also places further pressure on typologies that were already unviable in the base appraisal. This includes high-density flatted schemes in Value Area 1, smaller flatted schemes close to the affordable housing threshold, some mixed-use schemes and all tested retirement living and extra care typologies.

7.59 Sensitivity Test 1b has a more significant effect, particularly on flatted development in Value Area 1. Under this scenario, several typologies that produce positive headroom in the base assessment move into deficit, including:

- 150 flats at 100 dwellings per hectare;
- 150 flats at 100 dwellings per hectare with 400 sqm of commercial floorspace;
- 300 flats at 250 dwellings per hectare with 2,700 sqm of commercial floorspace; and
- 400 flats at 175 dwellings per hectare.

7.60 Other Value Area 1 flatted schemes retain a positive headroom under Sensitivity Test 2, but with a substantially reduced margin. For example, the headroom for the 50-flat typology falls from £12,755 to £2,981 per dwelling, while the headroom for the 300-flat typology falls from £12,269 to £2,724 per dwelling. These results indicate that even schemes retaining positive headroom may have limited capacity to absorb additional infrastructure or site-specific costs.

7.61 Flatted development in Value Area 2 generally performs more strongly. The larger 50-flat typologies remain viable under both sensitivity scenarios, although their headroom is reduced. The smaller 20-flat typologies move into deficit under Sensitivity Test 2, indicating that smaller apartment schemes are particularly sensitive to higher carbon reduction costs.

7.62 Housing-led development is more resilient across both value areas. Apart from the 15-house brownfield typology in Value Area 1, which is already in deficit under the base assumptions, the tested housing typologies retain positive headroom under both sensitivity scenarios. This suggests that the additional carbon reduction costs could generally be accommodated by housing-led schemes, although the available margin is reduced.

7.63 The two strategic allocations also remain viable under both sensitivity tests at 45% affordable housing within LNOS and 30% affordable housing at Fossetts Farm. Under Sensitivity Test 1b, residual headroom remains at approximately £25,000 per dwelling for LNOS and £33,000 per dwelling for Fossetts Farm. These results indicate that both strategic sites retain capacity to accommodate the tested carbon reduction measures, subject to confirmation of their full infrastructure requirements and the avoidance of double counting costs already included within the appraisals.

7.64 The BtR results broadly follow the pattern identified for conventional flatted development. Schemes at moderate densities generally retain positive headroom, but substantially reduced margins are generated under Sensitivity Test 1b. The highest density BtR typologies and schemes incorporating significant commercial floorspace remain unviable or move further into deficit.

7.65 Retirement living and extra care housing are unviable in the base appraisal and become progressively less viable under both sensitivity tests. The results reinforce the earlier finding that specialist older person accommodation faces viability challenges and may require flexibility in the application of cumulative policy requirements.

7.66 Overall, Sensitivity Test 1a indicates that a requirement for net zero operational carbon would have a relatively limited effect on the broad conclusions of the base assessment.

Some marginal schemes, particularly smaller flatted developments, would nevertheless be placed under additional pressure.

7.67 Sensitivity Test 1b has a more material effect. While housing-led development, larger schemes in Value Area 2 and the strategic allocations generally remain viable, the additional cost of addressing operational and embodied carbon would significantly constrain flatted development in Value Area 1. Only a limited number of conventional flatted typologies would retain sufficient headroom to accommodate the full cumulative policy requirements with a reasonable margin.

7.68 In considering any policy requiring both net zero operational carbon and reductions in embodied carbon, the City Council should therefore have particular regard to the viability of flatted development in Value Area 1, smaller apartment schemes and specialist older person housing. The policy could incorporate appropriate flexibility where robust site-specific evidence demonstrates that full compliance, alongside the other requirements of the Plan, would make an otherwise acceptable development undeliverable.

**Table 7.10 Sensitivity Tests 1a and 1b Higher environmental standards compared with the base appraisal results, residual headroom per dwelling**

| Wk sht | Typology | AH | Land type | Base | Sensitivity 1a | Sensitivity 1b |
|---|---|---|---|---|---|---|
| **Value Area 1 typologies** | | | | | | |
| 1 | 4 Houses @ 50dph | 0% | Brownfield | £19,340 | £15,415 | £12,794 |
| 2 | 15 Houses @ 50dph | 30% | Brownfield | -£7,728 | -£11,337 | -£13,845 |
| 3 | 20 Flats @ 200dph | 10% | Brownfield | -£9,586 | -£13,131 | -£21,990 |
| 4 | 50 Flats @ 200dph | 10% | Brownfield | £12,755 | £10,167 | £2,981 |
| 5 | 150 Houses @ 50dph | 30% | Brownfield | £16,594 | £13,898 | £11,764 |
| 6 | 150 Flats @ 100dph | 10% | Brownfield | £5,325 | £2,730 | -£4,365 |
| 7 | 150 Flats @ 100dph +400sqm comm space | 10% | Brownfield | £3,695 | £1,034 | -£6,062 |
| 8 | 150 Flats @ 700dph | 10% | Brownfield | -£55,836 | -£60,137 | -£74,001 |
| 9 | 150 Flats @ 700dph +3000sqm comm space | 10% | Brownfield | -£69,371 | -£74,216 | -£88,087 |
| 10 | 250 Houses @ 70dph | 30% | Brownfield | £25,560 | £22,890 | £20,777 |
| 11 | 300 Flats @ 250dph | 10% | Brownfield | £12,269 | £9,714 | £2,724 |
| 12 | 300 Flats @ 250dph +2700sqm comm space | 10% | Brownfield | £6,386 | £3,606 | -£3,390 |
| 13 | 400 Flats @ 175dph | 10% | Brownfield | £8,265 | £5,728 | -£1,210 |
| 14 | 400 Flats @ 175dph +6000sqm comm space | 10% | Brownfield | -£1,838 | -£4,746 | -£12,113 |
| 15 | 4 Houses @ 50dph | 0% | Brownfield | £40,971 | £37,087 | £34,516 |
| 16 | 12 Houses @ 50dph | 30% | Greenfield | £11,788 | £8,222 | £5,755 |
| 17 | 15 Flats @ 100dph | 10% | Greenfield | -£10,603 | -£14,115 | -£22,924 |
| 18 | 200 Houses @ 40dph | 30% | Greenfield | £22,581 | £19,898 | £17,774 |
| **Value Area 2 typologies** | | | | | | |
| 19 | 4 Houses @ 50dph | 0% | Brownfield | £40,917 | £37,033 | £34,462 |
| 20 | 12 Houses @ 50dph | 30% | Brownfield | £11,265 | £7,772 | £5,375 |
| 21 | 20 Flats @ 150dph | 30% | Brownfield | £2,459 | -£798 | -£9,253 |
| 22 | 20 Flats @ 150dph +100sqm comm space | 30% | Brownfield | -£525 | -£3,949 | -£12,459 |
| 23 | 50 Flats @ 150dph | 30% | Brownfield | £23,390 | £20,963 | £14,021 |
| 24 | 50 Flats @ 150dph +300sqm comm space | 30% | Brownfield | £19,680 | £17,100 | £10,158 |
| 25 | 70 Houses @ 30dph | 30% | Brownfield | £11,355 | £8,739 | £6,588 |
| 26 | 200 Houses @ 30dph | 30% | Brownfield | £14,869 | £12,186 | £10,062 |

| Wk sht | Typology | AH | Land type | Base | Sensitivity 1a | Sensitivity 1b |
|---|---|---|---|---|---|---|
| 27 | 4 Houses @ 50dph | 0% | Greenfield | £62,266 | £58,491 | £55,993 |
| 28 | 12 Houses @ 40dph | 30% | Greenfield | £28,002 | £24,509 | £22,112 |
| **Strategic sites** | | | | | | |
| 34 | LNOS: 4900 Mixed @ 50dph | 45% | Greenfield | £28,785 | £26,767 | £24,822 |
| 35 | Fossetts Farm: 966 Mixed @ 70dph | 30% | Greenfield | £38,066 | £35,805 | £33,021 |
| **Build to rent typologies** | | | | | | |
| 6-B | 150 BTR @ 100dph | 20% | Brownfield | £9,248 | £7,917 | £2,746 |
| 8-B | 150 BTR @ 700dph | 20% | Brownfield | -£30,834 | -£33,542 | -£43,624 |
| 11-B | 300 BTR @ 250dph | 20% | Brownfield | £14,081 | £12,769 | £7,676 |
| 13-B | 400 BTR @ 175dph | 20% | Brownfield | £9,132 | £7,830 | £2,774 |
| 7-B | 150 BTR @ 100dph +400sqm comm space | 20% | Brownfield | £7,690 | £6,291 | £1,121 |
| 9-B | 150 BTR @ 700dph +3000sqm comm space | 20% | Brownfield | -£43,683 | -£46,935 | -£57,025 |
| 12-B | 300 BTR @ 250dph +2700sqm comm space | 20% | Brownfield | £8,403 | £6,867 | £1,774 |
| 14-B | 400 BTR @ 175dph +6000sqm comm space | 20% | Brownfield | -£626 | -£2,299 | -£7,492 |
| **Older person typologies** | | | | | | |
| OP1 | 55 Retirement units @ 110dph | 0% | Greenfield | -£78,018 | -£91,279 | -£98,498 |
| OP2 | 45 Extracare units @ 90dph | 0% | Greenfield | -£128,446 | -£147,870 | -£157,957 |
| OP3 | 55 Retirement units @ 110dph | 0% | Brownfield | -£76,699 | -£89,960 | -£97,178 |
| OP4 | 45 Extracare units @ 90dph | 0% | Brownfield | -£137,550 | -£156,975 | -£167,062 |

## *Sensitivity Test 2: Changes in Market Conditions*

7.69 In addition to testing alternative policy scenarios, it is important to consider how viability may change in response to forecast market conditions. Viability assessments are necessarily prepared using current costs and values, but development will be delivered over an extended period and will therefore be influenced by future market movements.

7.70 To assess this effect, a further sensitivity test has been undertaken using the residential value and build cost forecasts discussed in **Chapter 4**. The scenario reflects current industry expectations of how residential sales values and construction costs may change over the next five years. This represents a useful test of the resilience of the emerging Reg19 SoSLP, particularly as it broadly aligns with the period during which the Local Plan would begin to be reviewed and updated.

### *Results of Sensitivity Test 2*

7.71 The results of the market conditions sensitivity test are summarised in **Table 7.11**. Overall, the forecast changes in values and costs produce a noticeable improvement in viability across most residential development typologies. This reflects the expectation that house price growth will outpace increases in development costs over the forecast period.

7.72 The improvement is evident across almost all mainstream residential typologies, with many schemes generating substantially higher levels of residual headroom than under the base

appraisal assumptions. The results suggest that, if forecast market conditions are realised, the deliverability of the emerging Local Plan would be strengthened further.

**Table 7.11 Sensitivity Test 3: Forecast market conditions compared with the base appraisal results, residual headroom per dwelling**

| Wk sht | Typology | AH | Land type | Base | Sensitivity 2 |
|---|---|---|---|---|---|
| **Value Area 1 typologies** | | | | | |
| 1 | 4 Houses @ 50dph | 0% | Brownfield | £19,340 | £38,321 |
| 2 | 15 Houses @ 50dph | 30% | Brownfield | -£7,728 | £5,500 |
| 3 | 20 Flats @ 200dph | 10% | Brownfield | -£9,586 | -£2,527 |
| 4 | 50 Flats @ 200dph | 10% | Brownfield | £12,755 | £23,059 |
| 5 | 150 Houses @ 50dph | 30% | Brownfield | £16,594 | £33,885 |
| 6 | 150 Flats @ 100dph | 10% | Brownfield | £5,325 | £15,559 |
| 7 | 150 Flats @ 100dph +400sqm comm space | 10% | Brownfield | £3,695 | £13,059 |
| 8 | 150 Flats @ 700dph | 10% | Brownfield | -£55,836 | -£57,497 |
| 9 | 150 Flats @ 700dph +3000sqm comm space | 10% | Brownfield | -£69,371 | -£78,025 |
| 10 | 250 Houses @ 70dph | 30% | Brownfield | £25,560 | £42,819 |
| 11 | 300 Flats @ 250dph | 10% | Brownfield | £12,269 | £21,996 |
| 12 | 300 Flats @ 250dph +2700sqm comm space | 10% | Brownfield | £6,386 | £13,223 |
| 13 | 400 Flats @ 175dph | 10% | Brownfield | £8,265 | £17,700 |
| 14 | 400 Flats @ 175dph +6000sqm comm space | 10% | Brownfield | -£1,838 | £2,827 |
| 15 | 4 Houses @ 50dph | 0% | Brownfield | £40,971 | £59,743 |
| 16 | 12 Houses @ 50dph | 30% | Greenfield | £11,788 | £24,912 |
| 17 | 15 Flats @ 100dph | 10% | Greenfield | -£10,603 | -£3,953 |
| 18 | 200 Houses @ 40dph | 30% | Greenfield | £22,581 | £39,857 |
| **Value Area 2 typologies** | | | | | |
| 19 | 4 Houses @ 50dph | 0% | Brownfield | £40,917 | £64,274 |
| 20 | 12 Houses @ 50dph | 30% | Brownfield | £11,265 | £28,545 |
| 21 | 20 Flats @ 150dph | 30% | Brownfield | £2,459 | £12,035 |
| 22 | 20 Flats @ 150dph +100sqm comm space | 30% | Brownfield | -£525 | £7,477 |
| 23 | 50 Flats @ 150dph | 30% | Brownfield | £23,390 | £36,402 |
| 24 | 50 Flats @ 150dph +300sqm comm space | 30% | Brownfield | £19,680 | £30,670 |
| 25 | 70 Houses @ 30dph | 30% | Brownfield | £11,355 | £32,400 |
| 26 | 200 Houses @ 30dph | 30% | Brownfield | £14,869 | £36,345 |
| 27 | 4 Houses @ 50dph | 0% | Greenfield | £62,266 | £85,579 |
| 28 | 12 Houses @ 40dph | 30% | Greenfield | £28,002 | £45,282 |
| **Strategic sites** | | | | | |
| 34 | LNOS: 4900 Mixed @ 50dph | 45% | Greenfield | £28,785 | £46,604 |
| 35 | Fossetts Farm: 966 Mixed @ 70dph | 30% | Greenfield | £38,066 | £59,524 |
| **Build to rent typologies** | | | | | |
| 6-B | 150 BTR @ 100dph | 20% | Brownfield | £9,248 | £18,935 |
| 8-B | 150 BTR @ 700dph | 20% | Brownfield | -£30,834 | -£29,659 |
| 11-B | 300 BTR @ 250dph | 20% | Brownfield | £14,081 | £22,868 |
| 13-B | 400 BTR @ 175dph | 20% | Brownfield | £9,132 | £17,452 |
| 7-B | 150 BTR @ 100dph +400sqm comm space | 20% | Brownfield | £7,690 | £16,506 |
| 9-B | 150 BTR @ 700dph +3000sqm comm space | 20% | Brownfield | -£43,683 | -£49,516 |
| 12-B | 300 BTR @ 250dph +2700sqm comm space | 20% | Brownfield | £8,403 | £14,295 |
| 14-B | 400 BTR @ 175dph +6000sqm comm space | 20% | Brownfield | -£626 | £2,903 |
| **Older persons typologies** | | | | | |
| OP1 | 55 Retirement units @ 110dph | 0% | Greenfield | -£78,018 | -£79,861 |
| OP2 | 45 Extracare units @ 90dph | 0% | Greenfield | -£128,446 | -£138,053 |
| OP3 | 55 Retirement units @ 110dph | 0% | Brownfield | -£76,699 | -£78,542 |
| OP4 | 45 Extracare units @ 90dph | 0% | Brownfield | -£137,550 | -£147,158 |

7.73 Importantly, in Value Area 1, two typologies that were previously unviable move into a viable position:

- 15 houses at 50 dwellings per hectare on brownfield land, which improves from a deficit of £7,728 per dwelling to a surplus of £5,500 per dwelling; and
- 400 flats at 175 dwellings per hectare with 6,000 sqm of commercial floorspace, which improves from a deficit of £1,838 per dwelling to a surplus of £2,827 per dwelling.

7.74 Despite these improvements, the results indicate that some forms of development remain challenging. In particular, the very high density apartment schemes of 700 dph continue to generate significant deficits. This suggests that the viability constraints associated with high-rise construction costs, lower net-to-gross efficiencies and mixed-use requirements are unlikely to be overcome solely through anticipated market improvements.

7.75 The forecast market conditions have an even stronger effect within Value Area 2. All tested housing and apartment typologies generate positive residual headroom under this scenario, including those that were previously marginal or slightly unviable.

7.76 These findings provide additional confidence that the proposed affordable housing requirements and wider policy framework are likely to remain deliverable across a broad range of development scenarios within the higher-value areas of the city.

7.77 The strategic allocations also demonstrate a strong response to the forecast market scenario, with residual headroom levels at:

- Land North of Southend (LNOS), with 45% affordable housing, increasing from approximately £29,000 per dwelling to £47,000 per dwelling; and
- Fossetts Farm, with 30% affordable housing, increasing from approximately £38,000 per dwelling to £60,000 per dwelling.

7.78 These results indicate that, if forecast market conditions are realised, both strategic sites would retain substantial capacity to accommodate policy requirements and infrastructure contributions whilst remaining viable. The findings therefore provide further support for the deliverability of these key allocations.

7.79 For instance, **Table 7.12** presents the same data shown in **Table 7.7** previously, at the higher costs and values. This shows an improvement in the viability headroom with the 30% affordable housing potentially making £453.6 million available for infrastructure, (equivalent to £93,000 per dwelling) or a total of £340.5m (£69,000 per dwelling) when considering the scheme at 50% affordable.

**Table 7.12 LNOS appraised AH rates and available expenditure on infrastructure at 5 year cost and value estimates (rounded)**

| Type of rate | w.30% AH | w.35% AH | w.40% AH | w.45% AH | w.50% AH |
|---|---|---|---|---|---|
| Total CIL receipts (£30.77 per sqm) | £10.3m | £9.6m | £8.8m | £8.1m | £7.4m |
| Total s106 (£5,000 per unit) | £24.5m | £24.5m | £24.5m | £24.5m | £24.5m |
| Available headroom | £311m | £283.5m | £255.9m | £228.4m | £200.8m |
| **Total tested and available amount for infrastructure** | **£345.8m (£71,000 per unit)** | **£317.5m (£65,000 per unit)** | **£289.3m (£59,000 per unit)** | **£261.0m (£53,000 per unit)** | **£232.7m (£47,000 per unit)** |
| Tested site works costs (@ £22k per dwelling) | £107.8m | £107.8m | £107.8m | £107.8m | £107.8m |
| **Total tested and available amount for infrastructure incl: site works** | **£453.6m (£93,000 per unit)** | **£425.3m (£87,000 per unit)** | **£397.1m (£81,000 per unit)** | **£368.8m (£75,000 per unit)** | **£340.5m (£69,000 per unit)** |

7.80 In contrast to mainstream residential development, retirement living and extra care housing derive only limited benefit from the forecast market scenario. All tested older person housing typologies continue to generate significant deficits and remain unable to achieve BLVs.

# 8 Viability Conclusions

## Introduction

8.1 The National Planning Policy Framework (NPPF) requires local planning authorities to understand and test the cumulative impact of policy requirements on development viability and to ensure that these requirements do not undermine the deliverability of development across the Plan area. The objective is to strike an appropriate balance between securing planning policy objectives and maintaining a competitive return for landowners and developers sufficient to support delivery.

8.2 The NPPF and Planning Practice Guidance (PPG) make clear that viability evidence supporting plan-making should be proportionate and should focus on understanding the cumulative impact of policy requirements rather than replicating site-specific development appraisals. This viability assessment has therefore considered the effects of the emerging Regulation 19 Southend-on-Sea Local Plan (Reg19 SoSLP) on a range of representative residential typologies and strategic site allocations.

8.3 The purpose of the assessment has been to determine whether the developments expected to contribute towards housing delivery throughout the Plan period are capable of coming forward whilst complying with the policy requirements of the emerging SoSLP.

8.4 As with all plan-level viability assessments, the findings should be interpreted as strategic conclusions rather than definitive assessments of individual sites. Site specific circumstances, including land ownership arrangements, acquisition costs, abnormal development costs, existing use values and market timing, may lead to different outcomes on individual sites.

8.5 Furthermore, development viability will evolve throughout the Plan period. The assessment therefore considers both current market conditions and a range of sensitivity scenarios to understand the likely resilience of the proposed policy framework over time.

## Conclusions

8.6 The assessment has identified the following policies as having the greatest influence on development viability across the emerging SoSLP:

- Policy DM5.1 Affordable Housing;
- Policy DM5.2 Mix and Quality of Homes;
- Policy DM5.5 Residential Standards;
- Policy DM6.2 Employment and Skills;
- Policy SP8 Enhancing our Natural Environment;
- Policy DM8.4 Biodiversity Net Gain; and
- Other site mitigation and infrastructure contributions through Section 106 obligations.

8.7 Overall, the viability evidence demonstrates that the emerging Reg19 SoSLP is capable of being delivered by the bulk of sites expected to come forward. This is because most tested residential or residential-led typologies generate sufficient residual value to support policy compliance whilst achieving benchmark land values and competitive developer returns.

8.8 Housing type developments perform particularly strongly throughout the city. The assessment indicates that residential housing schemes are generally capable of supporting the full package of proposed policy requirements, including a 30% affordable housing requirement, whilst remaining deliverable. The sensitivity testing based on forecast market conditions provides additional confidence that this position is likely to be maintained over the short to medium term.

8.9 Flatted development within the higher value areas defined as Value Area 2 also performs well. With very limited exceptions, the tested typologies are either viable or marginally viable under the full cumulative policy requirements of the emerging Local Plan, including a 30% affordable housing requirement. The forecast market conditions sensitivity testing further strengthens this conclusion, with all tested typologies moving into a viable position.

8.10 The viability position for flatted development within the lower Value Area 1, most specific within and surrounding the city centre, is more challenging. Weaker results are generally associated with smaller schemes, higher-density developments exceeding six storeys and mixed-use schemes incorporating significant commercial floorspace. Nevertheless, a sufficient proportion of the tested typologies remain viable to support a differentiated affordable housing approach. The evidence indicates that a 10% affordable housing requirement, alongside the wider policy requirements of the emerging Reg19 SoSLP, is capable of being delivered across this market area.

8.11 Build to Rent (BtR) development generally performs more strongly than equivalent for-sale apartment schemes, which may provide an alternative form of apartment development within the city centre.

8.12 Overall, the results for flatted developments support either:

- a 10% affordable housing requirement within conventional flatted development in Value Area 1; or
- a specific BtR requirement of 20% affordable housing, consistent with national Planning Practice Guidance.

8.13 The assessment identifies continuing viability challenges for retirement living and extra care housing. All tested older person accommodation typologies generate deficits once policy requirements are applied and remain unviable even under improved market conditions. The findings suggest that applying standard residential affordable housing requirements to these specialist forms of accommodation would be likely to compromise delivery.

8.14 The strategic site testing demonstrates that both Land North of Southend (LNOS) and Fossetts Farm are capable of supporting the proposed policy package and substantial levels of affordable housing. The testing indicates that LNOS remains viable at affordable housing that is 15% above the rate for sites within the Green Belt. While Fossetts Farm is not wholly in the Green Belt, and would meet the emerging Reg19 SoSLP 30% affordable housing rate. At these levels of affordable housing, both generate significant residual available headroom for additional infrastructure requirements. This is important because the full infrastructure requirements and funding mechanisms arising from the Infrastructure Delivery Plan (IDP) were not confirmed at the time of undertaking the site appraisals. Whilst substantial allowances for infrastructure through tested site works, CIL and s106 contributions, have been incorporated within the appraisals, the City Council will need to consider the final IDP evidence carefully when determining the appropriate balance between infrastructure funding requirements and affordable housing delivery.

8.15 The sensitivity testing demonstrates that the overall conclusions are robust. Whilst more demanding environmental improvements/carbon reduction policies may place additional

pressure on viability, particularly for apartment development in Value Area 1 and specialist housing products, under the tested scenarios most housing typologies and the tested strategic allocations remain viable. Furthermore, the forecast market conditions scenario indicates an overall strengthening of viability across most forms of development.

8.16 Overall, the evidence indicates that most residential development expected to contribute towards housing delivery during the Plan period should be capable of coming forward in compliance with the emerging Reg 19 SoSLP policies. The SoSLP can therefore be regarded as broadly viable and deliverable, subject to the recommendations below and ongoing consideration of infrastructure funding requirements.

## Recommendations

8.17 Having regard to the viability evidence presented in this study, the following recommendations are made:

- Major residential housing-led developments across Southend-on-Sea, including the large strategic allocation at Fossetts Farm, should be expected to comply with the full policy requirements of the Reg19 SoSLP, including a 30% affordable housing requirement.
- Major brownfield flatted developments within Value Area 1 should be expected to comply with the full policy requirements of the Reg19 SoSLP, including a 10% affordable housing requirement. However, some schemes are demonstrably more sensitive, and a policy wording that allows viability evidence to be considered in exceptional circumstances covering smaller flatted developments, very high-density schemes and mixed-use schemes should be acceptable to avoid stifling future regeneration within the City Centre.
- Major flatted developments within Value Area 2 should be expected to comply with the full policy requirements of the Reg 19 SoSLP, including a 30% affordable housing requirement.
- Retirement living and extra care housing should not be required to provide affordable housing as a standard policy requirement, given the viability evidence presented in this assessment.
- Build to Rent development could reasonably support 20% affordable housing requirement where the Council wishes to align with BtR specific national guidance.
- Residential development within the Green Belt, including the large strategic neighbourhood allocation at Land North of Southend (LNOS), should be expected to support affordable housing provision of up to 45%, subject to review against the final Infrastructure Delivery Plan and any associated infrastructure funding requirements.

8.18 Where future infrastructure requirements, strategic mitigation measures or other policy costs materially exceed those assumed within this assessment, there may be circumstances where adjustments to affordable housing provision or other obligations are necessary to maintain development viability and delivery. The City Council should therefore continue to monitor viability as part of the Plan's implementation and review process.

8.19 Consistent with Planning Practice Guidance, policy requirements should generally be expected to be met in full. Viability assessments submitted in support of reduced affordable housing provision or other departures from policy should only be accepted where justified by robust site-specific evidence and independently reviewed, at the applicant's expense, on behalf of the City Council.

8.20 In applying these recommendations, the City Council should continue to have regard to the wider evidence base, including housing need, infrastructure requirements and delivery objectives, in order to strike an appropriate balance between maximising public benefits and maintaining a deliverable Local Plan.

# Appendix A: Land Market Data

**Table A.1 Employment & retail rental evidence**

| Sign date | Address | Size sqm | Achieved rent £psm | Reported use |
|---|---|---|---|---|
| 04/06/2024 | 3-7 Alexandra St, Southend-on-Sea | 207 | £77 | Office |
| 30/09/2022 | 401 Sutton Rd, Southend-on-Sea | 879 | £63 | Industrial |
| 18/07/2023 | Sutton Road Rd, Southend-on-Sea | 576 | £63 | Industrial |
| 23/12/2021 | 83 Brunswick Rd, Southend-on-Sea | 429 | £61 | Light industrial |
| 26/04/2022 | 101 Chandlers Way, Southend-on-Sea | 833 | £54 | Industrial |
| 05/03/2021 | 18-20 Southchurch Rd, Southend-on-Sea | 756 | £40 | Retail |
| **Weighted average value across these deals** | | **613** | **£57** | **All uses** |

Source: CoStar (November 2024)

**Table A.2 Employment & retail yield evidence**

| Sign date | Address | Size sqm | Achieved Net initial yield | Reported use |
|---|---|---|---|---|
| 21/05/2023 | 177 Victoria Ave, Southend-on-Sea | 206 | 13.0% | Retail |
| 17/07/2024 | 170-174 High St, Southend-on-Sea | 1,584 | 12.6% | Retail |
| 27/10/2021 | 113 High St, Southend-on-Sea | 5,859 | 9.9% | Office |
| 02/05/2024 | 123 High St, Southend-on-Sea | 131 | 8.6% | Retail |
| **Weighted average value across these deals** | | **1,945** | **10.5%** | **All** |

Source: CoStar, Urbà (November 2024)

**Table A.3 Average prices of all reported agricultural land transactions**

| Property Type | Overall | England | Wales |
|---|---|---|---|
| | £/acre | | |
| Full Sample | | | |
| Bare Land | 11,847 | 12,158 | 4,203 |
| Land and Buildings | 14,669 | 14,637 | 16,113 |
| Dwelling(s), land and buildings | 16,282 | 16,278 | 25,000 |
| | | | |
| Vacant Possession Property Only | | | |
| Bare Land | 11,862 | 12,176 | 4,203 |
| Land and Buildings | 14,669 | 14,637 | 16,113 |
| Dwelling(s), land and buildings | 16,302 | 16,278 | 25,000 |

Source: Copied from RICS ~ RAU Farmland Market Directory of Land Sales Summary (Jul - Dec 2025)

**Table A.4 Weighted sample average prices by region and size**

| Weighted Sample | Small <50 ac | | Medium 50-200 ac | | Large > 200 ac | |
|---|---|---|---|---|---|---|
| | £/ac | £/ha | £/ac | £/ha | £/ac | £/ha |
| East | 16,429 | 40,595 | 9,828 | 24,285 | 12,224 | 30,206 |
| East Midlands | 12,511 | 30,915 | 8,582 | 21,206 | 10,725 | 26,502 |
| North East | 11,990 | 29,628 | 10,954 | 27,068 | | |
| North West | 14,871 | 36,747 | 12,798 | 31,625 | 2,749 | 6,793 |
| South East | 22,269 | 55,028 | 9,873 | 24,395 | | |
| South West | 19,480 | 48,136 | 12,430 | 30,715 | 8,637 | 21,342 |
| West Midlands | 15,558 | 38,444 | 13,267 | 32,783 | | |
| Yorks and Humber | 10,058 | 24,853 | 9,183 | 22,692 | | |
| **England Overall** | **17,636** | **43,578** | **10,989** | **27,154** | **10,469** | **25,870** |
| Wales | 13,044 | 32,231 | 2,078 | 5,136 | | |
| Scotland | | | | | | |
| **GB Overall** | **17,436** | **43,085** | **10,538** | **26,039** | **10,469** | **25,870** |

Source: Copied from RICS ~ RAU Farmland Market Directory of Land Sales Summary (Jul - Dec 2025)

**Table A.5 Greenfield land only prices in Essex**

| Date | Location | Description | Size ha | Guide price £ per ha | Sold at[64] |
|---|---|---|---|---|---|
| Aug-25 | Land at Stansted | Bare land | 309.3 | £28,286 | C |
| Jul-25 | Land at Wormingford, Colchester | Bare land | 49.3 | £25,946 | C |
| Aug-24 | Little Waltham, Chelmsford, Essex | Bare land - An attractive block of Grade 3 pasture land located north of Chelmsford, offering potential for equestrian, agricultural, strategic and natural capital investors. | 11.31 | £37,135 | WA |
| May-23 | Land at Pounce & Copt Hall Farms, Sewards End, Saffron Walden | Bare land, including 94 acres of woodland on a very long lease | 107.5 | £18,609 | C |
| Mar-22 | Land at Sewards End, Saffron Walden | Bare land – pasture | 6.9 | £40,580 | SA |
| Sep-20 | Land at Warish Hall Farm | Bare land, arable | 88.2 | £28,354 | WA |

Source: RICS/RAU Farmland Market Directory of Land Prices (H2 2020, H1 2022, H1 2023, H1 2025, H2 2025)

[64] SA = Substantially above Guide Price > 20% above; C = Close to Guide Price +/- < 10%; WB = Well below Guide Price 10% - 20% below, SB = Substantially below Guide Price > 20% below

**Table A.6 Greenfield land asking prices in Essex**

| Location | Description | Size ha | Asking price £ per ha |
|---|---|---|---|
| Great Garnetts, Bishops Green, Barnston CM6 | Agricultural land - accessed via Great Garnetts Farm, off High Easter Road | 12.5 | £35,869 |
| Monks Lane, Dedham, Colchester | Combines a field of permanent pasture with a second smaller field recently in arable production to create a sizable block with great potential. The Fields meet in a gentle valley providing interesting topography. Gated access from Monks Lane byway and access at the bottom of the valley to the second of the two fields. | 6.4 | £37,065 |
| Park Farm Road, Upminster, RM14 | Block of Grade 1 arable land. The farm extends to some 88 acres and includes 2 residential properties and their adjacent farm buildings. The residences would benefit from refurbishment/rebuild and the farm buildings need improvement but provide opportunities for redevelopment either under permitted development rights, or subject to planning permission. | 119 | £24,710 |

Source: Urbà, OnTheMarket, UKLandandFarms.co.uk

# Appendix B: New Build Residential Transactions

| Deed date | First line of address | Postcode | Type | Size (sqm) | Indexed sale £ | Current £psm |
|---|---|---|---|---|---|---|
| 15/07/2022 | FLAT 1 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £272,188 | £5,444 |
| 22/06/2022 | FLAT 10 CLIFFTOWN SHORE | SS1 1FU | Flat | 82 | £507,931 | £6,194 |
| 05/05/2022 | FLAT 11 CLIFFTOWN SHORE | SS1 1FU | Flat | 67 | £361,413 | £5,394 |
| 05/05/2022 | FLAT 12 CLIFFTOWN SHORE | SS1 1FU | Flat | 94 | £659,334 | £7,014 |
| 15/11/2022 | FLAT 14 CLIFFTOWN SHORE | SS1 1FU | Flat | 70 | £362,047 | £5,172 |
| 29/04/2022 | FLAT 15 CLIFFTOWN SHORE | SS1 1FU | Flat | 53 | £277,825 | £5,242 |
| 04/05/2022 | FLAT 16 CLIFFTOWN SHORE | SS1 1FU | Flat | 79 | £634,914 | £8,037 |
| 07/10/2022 | FLAT 17 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £276,988 | £5,540 |
| 05/05/2022 | FLAT 18 CLIFFTOWN SHORE | SS1 1FU | Flat | 75 | £507,931 | £6,772 |
| 28/09/2022 | FLAT 19 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £284,706 | £5,694 |
| 05/05/2022 | FLAT 2 CLIFFTOWN SHORE | SS1 1FU | Flat | 59 | £615,378 | £10,430 |
| 09/12/2022 | FLAT 21 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £256,991 | £5,140 |
| 28/04/2022 | FLAT 22 CLIFFTOWN SHORE | SS1 1FU | Flat | 75 | £506,908 | £6,759 |
| 03/02/2023 | FLAT 23 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £277,990 | £5,560 |
| 05/05/2022 | FLAT 24 CLIFFTOWN SHORE | SS1 1FU | Flat | 74 | £507,931 | £6,864 |
| 24/11/2022 | FLAT 25 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £271,535 | £5,431 |
| 29/04/2022 | FLAT 26 CLIFFTOWN SHORE | SS1 1FU | Flat | 84 | £662,783 | £7,890 |
| 26/07/2023 | FLAT 29 CLIFFTOWN SHORE | SS1 1FU | Flat | 74 | £396,139 | £5,353 |
| 29/04/2022 | FLAT 3 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £268,077 | £5,362 |
| 11/04/2022 | FLAT 30 CLIFFTOWN SHORE | SS1 1FU | Flat | 87 | £687,250 | £7,899 |
| 11/04/2022 | FLAT 32 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £424,048 | £8,481 |
| 14/03/2024 | FLAT 33 CLIFFTOWN SHORE | SS1 1FU | Flat | 51 | £268,947 | £5,273 |
| 01/04/2022 | FLAT 34 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £389,930 | £7,799 |
| 14/10/2022 | FLAT 35 CLIFFTOWN SHORE | SS1 1FU | Flat | 51 | £284,277 | £5,574 |
| 13/04/2022 | FLAT 36 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £414,300 | £8,286 |
| 22/06/2022 | FLAT 37 CLIFFTOWN SHORE | SS1 1FU | Flat | 51 | £283,269 | £5,554 |
| 06/09/2023 | FLAT 38 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £387,804 | £7,756 |
| 13/10/2022 | FLAT 4 CLIFFTOWN SHORE | SS1 1FU | Flat | 84 | £505,382 | £6,016 |
| 14/04/2022 | FLAT 40 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £424,048 | £8,481 |
| 07/04/2022 | FLAT 41 CLIFFTOWN SHORE | SS1 1FU | Flat | 54 | £433,797 | £8,033 |
| 11/04/2022 | FLAT 42 CLIFFTOWN SHORE | SS1 1FU | Flat | 81 | £662,880 | £8,184 |
| 01/06/2023 | FLAT 43 CLIFFTOWN SHORE | SS1 1FU | Flat | 86 | £489,095 | £5,687 |
| 08/04/2022 | FLAT 44 CLIFFTOWN SHORE | SS1 1FU | Flat | 91 | £962,638 | £10,578 |
| 03/11/2022 | FLAT 45 CLIFFTOWN SHORE | SS1 1FU | Flat | 86 | £533,543 | £6,204 |
| 08/04/2022 | FLAT 47 CLIFFTOWN SHORE | SS1 1FU | Flat | 91 | £543,464 | £5,972 |
| 12/04/2022 | FLAT 48 CLIFFTOWN SHORE | SS1 1FU | Flat | 84 | £779,810 | £9,283 |
| 21/10/2022 | FLAT 5 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £263,624 | £5,272 |
| 09/06/2022 | FLAT 6 CLIFFTOWN SHORE | SS1 1FU | Flat | 84 | £473,744 | £5,640 |
| 31/10/2022 | FLAT 7 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £262,361 | £5,247 |
| 05/01/2023 | FLAT 8 CLIFFTOWN SHORE | SS1 1FU | Flat | 84 | £406,560 | £4,840 |
| 11/11/2022 | FLAT 9 CLIFFTOWN SHORE | SS1 1FU | Flat | 50 | £257,244 | £5,145 |

| Deed date | First line of address | Postcode | Type | Size (sqm) | Indexed sale £ | Current £psm |
|---|---|---|---|---|---|---|
| 27/03/2025 | 14 LEIGHTON AVENUE | SS9 1QB | Terrace | 160 | £716,213 | £4,476 |
| 25/10/2024 | 20 LEIGHTON AVENUE | SS9 1QB | Terrace | 160 | £672,505 | £4,203 |
| 03/12/2024 | 34B ELMSLEIGH DRIVE | SS9 3DN | Terrace | 137 | £636,304 | £4,645 |
| 22/11/2024 | 34C ELMSLEIGH DRIVE | SS9 3DN | Terrace | 129 | £662,382 | £5,135 |
| 21/07/2023 | FLAT 1 534 LONDON ROAD | SS0 9HS | Flat | 45 | £172,676 | £3,837 |
| 19/07/2023 | FLAT 2 534 LONDON ROAD | SS0 9HS | Flat | 57 | £218,384 | £3,831 |
| 21/09/2023 | FLAT 3 534 LONDON ROAD | SS0 9HS | Flat | 52 | £201,457 | £3,874 |
| 12/01/2024 | FLAT 5 534 LONDON ROAD | SS0 9HS | Flat | 57 | £199,562 | £3,501 |
| 20/07/2023 | FLAT 6 534 LONDON ROAD | SS0 9HS | Flat | 39 | £172,676 | £4,428 |
| 02/02/2024 | FLAT 7 534 LONDON ROAD | SS0 9HS | Flat | 71 | £295,059 | £4,156 |
| 25/03/2022 | FLAT 1 88 PALL MALL | SS9 1RG | Flat | 77 | £412,986 | £5,363 |
| 05/10/2022 | FLAT 2 88 PALL MALL | SS9 1RG | Flat | 77 | £388,755 | £5,049 |
| 22/07/2022 | FLAT 3 88 PALL MALL | SS9 1RG | Flat | 79 | £408,282 | £5,168 |
| 19/05/2023 | FLAT 4 88 PALL MALL | SS9 1RG | Flat | 79 | £390,000 | £4,937 |
| 28/06/2022 | FLAT 5 88 PALL MALL | SS9 1RG | Flat | 76 | £410,252 | £5,398 |
| 11/08/2022 | FLAT 6 88 PALL MALL | SS9 1RG | Flat | 76 | £414,434 | £5,453 |
| 31/10/2023 | FLAT 7 88 PALL MALL | SS9 1RG | Flat | 116 | £476,971 | £4,112 |
| 25/08/2022 | FLAT 1 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 52 | £305,892 | £5,883 |
| 10/02/2023 | FLAT 2 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 80 | £317,703 | £3,971 |
| 01/08/2022 | FLAT 3 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 74 | £370,031 | £5,000 |
| 25/03/2022 | FLAT 4 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 64 | £342,477 | £5,351 |
| 25/03/2022 | FLAT 5 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 70 | £342,477 | £4,893 |
| 10/03/2022 | FLAT 6 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 53 | £271,967 | £5,131 |
| 18/03/2022 | FLAT 8 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 70 | £397,877 | £5,684 |
| 08/04/2022 | FLAT 9 BONCHURCH LOFTS, 115 STATION ROAD | SS9 3FR | Flat | 71 | £385,055 | £5,423 |
| 26/08/2022 | 271A SOUTHBOURNE GROVE | SS0 0AL | Semi | 199 | £981,542 | £4,932 |
| 29/09/2022 | 271 SOUTHBOURNE GROVE | SS0 0AL | Semi | 188 | £934,431 | £4,970 |
| 23/09/2024 | 1 SMALLHOLDINGS MEWS | SS2 6WG | Terrace | 71 | £391,170 | £5,509 |
| 01/11/2024 | 2 SMALLHOLDINGS MEWS | SS2 6WG | Terrace | 71 | £354,661 | £4,995 |
| 04/12/2024 | 8 SMALLHOLDINGS MEWS | SS2 6WG | Semi | 92 | £443,326 | £4,819 |
| 12/11/2024 | 9 SMALLHOLDINGS MEWS | SS2 6WG | Semi | 92 | £427,680 | £4,649 |
| 08/09/2022 | FLAT 47 CHARTWELL PLAZA, 9 SOUTHCHURCH ROAD | SS1 2BQ | Flat | 38 | £137,444 | £3,617 |
| 25/07/2022 | FLAT 1 27 VICTORIA AVENUE | SS2 6AJ | Flat | 82 | £240,020 | £2,927 |
| 04/07/2022 | FLAT 11 27 VICTORIA AVENUE | SS2 6AJ | Flat | 54 | £202,904 | £3,757 |
| 10/08/2022 | FLAT 12 27 VICTORIA AVENUE | SS2 6AJ | Flat | 60 | £202,283 | £3,371 |
| 30/06/2022 | FLAT 13 27 VICTORIA AVENUE | SS2 6AJ | Flat | 82 | £258,850 | £3,157 |
| 30/06/2022 | FLAT 15 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £251,035 | £3,536 |
| 25/07/2022 | FLAT 16 27 VICTORIA AVENUE | SS2 6AJ | Flat | 51 | £187,315 | £3,673 |
| 04/11/2022 | FLAT 17 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £244,858 | £3,449 |
| 03/11/2022 | FLAT 19 27 VICTORIA AVENUE | SS2 6AJ | Flat | 85 | £276,299 | £3,251 |

| Deed date | First line of address | Postcode | Type | Size (sqm) | Indexed sale £ | Current £psm |
|---|---|---|---|---|---|---|
| 21/11/2022 | FLAT 2 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £262,008 | £3,690 |
| 03/11/2022 | FLAT 20 27 VICTORIA AVENUE | SS2 6AJ | Flat | 62 | £219,134 | £3,534 |
| 16/11/2022 | FLAT 21 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £238,189 | £3,355 |
| 03/11/2022 | FLAT 23 27 VICTORIA AVENUE | SS2 6AJ | Flat | 76 | £247,717 | £3,259 |
| 04/11/2022 | FLAT 24 27 VICTORIA AVENUE | SS2 6AJ | Flat | 78 | £240,571 | £3,084 |
| 09/12/2022 | FLAT 25 27 VICTORIA AVENUE | SS2 6AJ | Flat | 81 | £285,546 | £3,525 |
| 10/11/2022 | FLAT 26 27 VICTORIA AVENUE | SS2 6AJ | Flat | 68 | £204,843 | £3,012 |
| 09/09/2022 | FLAT 27 27 VICTORIA AVENUE | SS2 6AJ | Flat | 84 | £285,688 | £3,401 |
| 18/11/2022 | FLAT 3 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £262,008 | £3,690 |
| 23/05/2022 | FLAT 34 27 VICTORIA AVENUE | SS2 6AJ | Flat | 82 | £269,106 | £3,282 |
| 17/10/2022 | FLAT 38 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £258,522 | £3,641 |
| 18/11/2022 | FLAT 4 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £266,772 | £3,757 |
| 17/10/2022 | FLAT 40 27 VICTORIA AVENUE | SS2 6AJ | Flat | 85 | £276,988 | £3,259 |
| 19/10/2022 | FLAT 41 27 VICTORIA AVENUE | SS2 6AJ | Flat | 62 | £212,357 | £3,425 |
| 17/10/2022 | FLAT 43 27 VICTORIA AVENUE | SS2 6AJ | Flat | 51 | £182,229 | £3,573 |
| 21/10/2022 | FLAT 44 27 VICTORIA AVENUE | SS2 6AJ | Flat | 76 | £244,916 | £3,223 |
| 24/10/2022 | FLAT 45 27 VICTORIA AVENUE | SS2 6AJ | Flat | 78 | £242,486 | £3,109 |
| 24/10/2022 | FLAT 47 27 VICTORIA AVENUE | SS2 6AJ | Flat | 87 | £260,952 | £2,999 |
| 08/07/2022 | FLAT 48 27 VICTORIA AVENUE | SS2 6AJ | Flat | 84 | £287,530 | £3,423 |
| 10/10/2022 | FLAT 5 27 VICTORIA AVENUE | SS2 6AJ | Flat | 50 | £195,349 | £3,907 |
| 23/05/2022 | FLAT 50 27 VICTORIA AVENUE | SS2 6AJ | Flat | 78 | £250,547 | £3,212 |
| 22/07/2022 | FLAT 55 27 VICTORIA AVENUE | SS2 6AJ | Flat | 82 | £296,933 | £3,621 |
| 23/05/2022 | FLAT 56 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £253,966 | £3,577 |
| 23/05/2022 | FLAT 57 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £253,966 | £3,577 |
| 13/10/2022 | FLAT 59 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £252,691 | £3,559 |
| 16/09/2022 | FLAT 6 27 VICTORIA AVENUE | SS2 6AJ | Flat | 85 | £269,980 | £3,176 |
| 30/01/2023 | FLAT 61 27 VICTORIA AVENUE | SS2 6AJ | Flat | 85 | £304,920 | £3,587 |
| 14/10/2022 | FLAT 62 27 VICTORIA AVENUE | SS2 6AJ | Flat | 62 | £219,647 | £3,543 |
| 17/10/2022 | FLAT 63 27 VICTORIA AVENUE | SS2 6AJ | Flat | 71 | £232,767 | £3,278 |
| 02/11/2022 | FLAT 64 27 VICTORIA AVENUE | SS2 6AJ | Flat | 51 | £179,833 | £3,526 |
| 05/12/2022 | FLAT 65 27 VICTORIA AVENUE | SS2 6AJ | Flat | 76 | £241,762 | £3,181 |
| 17/10/2022 | FLAT 67 27 VICTORIA AVENUE | SS2 6AJ | Flat | 81 | £252,691 | £3,120 |
| 17/10/2022 | FLAT 68 27 VICTORIA AVENUE | SS2 6AJ | Flat | 87 | £262,896 | £3,022 |
| 30/06/2022 | FLAT 69 27 VICTORIA AVENUE | SS2 6AJ | Flat | 84 | £293,037 | £3,489 |
| 25/07/2022 | FLAT 7 27 VICTORIA AVENUE | SS2 6AJ | Flat | 81 | £235,072 | £2,902 |
| 23/05/2022 | FLAT 70 27 VICTORIA AVENUE | SS2 6AJ | Flat | 81 | £253,966 | £3,135 |
| 23/05/2022 | FLAT 71 27 VICTORIA AVENUE | SS2 6AJ | Flat | 78 | £257,384 | £3,300 |
| 29/07/2022 | FLAT 8 27 VICTORIA AVENUE | SS2 6AJ | Flat | 78 | £254,867 | £3,268 |
| 27/06/2022 | FLAT 9 27 VICTORIA AVENUE | SS2 6AJ | Flat | 76 | £249,082 | £3,277 |
| 26/08/2022 | FLAT 101 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £269,382 | £3,794 |
| 01/09/2022 | FLAT 102 27 VICTORIA AVENUE | SS2 6AL | Flat | 50 | £187,759 | £3,755 |
| 01/09/2022 | FLAT 103 27 VICTORIA AVENUE | SS2 6AL | Flat | 85 | £294,032 | £3,459 |

| Deed date | First line of address | Postcode | Type | Size (sqm) | Indexed sale £ | Current £psm |
|---|---|---|---|---|---|---|
| 01/09/2022 | FLAT 104 27 VICTORIA AVENUE | SS2 6AL | Flat | 62 | £218,929 | £3,531 |
| 05/09/2022 | FLAT 105 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £238,073 | £3,353 |
| 16/09/2022 | FLAT 107 27 VICTORIA AVENUE | SS2 6AL | Flat | 76 | £251,817 | £3,313 |
| 20/09/2022 | FLAT 108 27 VICTORIA AVENUE | SS2 6AL | Flat | 78 | £282,252 | £3,619 |
| 12/09/2022 | FLAT 109 27 VICTORIA AVENUE | SS2 6AL | Flat | 81 | £243,963 | £3,012 |
| 12/09/2022 | FLAT 110 27 VICTORIA AVENUE | SS2 6AL | Flat | 87 | £279,306 | £3,210 |
| 20/05/2022 | FLAT 112 27 VICTORIA AVENUE | SS2 6AL | Flat | 81 | £243,221 | £3,003 |
| 20/05/2022 | FLAT 113 27 VICTORIA AVENUE | SS2 6AL | Flat | 78 | £261,292 | £3,350 |
| 22/08/2022 | FLAT 114 27 VICTORIA AVENUE | SS2 6AL | Flat | 76 | £281,223 | £3,700 |
| 16/09/2022 | FLAT 115 27 VICTORIA AVENUE | SS2 6AL | Flat | 51 | £95,720 | £1,877 |
| 20/05/2022 | FLAT 116 27 VICTORIA AVENUE | SS2 6AL | Flat | 73 | £273,502 | £3,747 |
| 31/05/2022 | FLAT 118 27 VICTORIA AVENUE | SS2 6AL | Flat | 82 | £268,618 | £3,276 |
| 13/05/2022 | FLAT 119 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £272,525 | £3,838 |
| 23/05/2022 | FLAT 120 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £272,525 | £3,838 |
| 27/07/2022 | FLAT 121 27 VICTORIA AVENUE | SS2 6AL | Flat | 51 | £190,532 | £3,736 |
| 26/07/2022 | FLAT 122 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £271,198 | £3,820 |
| 25/07/2022 | FLAT 123 27 VICTORIA AVENUE | SS2 6AL | Flat | 50 | £190,532 | £3,811 |
| 25/07/2022 | FLAT 124 27 VICTORIA AVENUE | SS2 6AL | Flat | 85 | £290,499 | £3,418 |
| 25/07/2022 | FLAT 125 27 VICTORIA AVENUE | SS2 6AL | Flat | 62 | £222,204 | £3,584 |
| 26/07/2022 | FLAT 127 27 VICTORIA AVENUE | SS2 6AL | Flat | 51 | £193,501 | £3,794 |
| 29/07/2022 | FLAT 128 27 VICTORIA AVENUE | SS2 6AL | Flat | 76 | £257,342 | £3,386 |
| 12/09/2022 | FLAT 129 27 VICTORIA AVENUE | SS2 6AL | Flat | 78 | £289,124 | £3,707 |
| 25/07/2022 | FLAT 130 27 VICTORIA AVENUE | SS2 6AL | Flat | 81 | £252,393 | £3,116 |
| 25/07/2022 | FLAT 131 27 VICTORIA AVENUE | SS2 6AL | Flat | 87 | £293,963 | £3,379 |
| 13/07/2022 | FLAT 132 27 VICTORIA AVENUE | SS2 6AL | Flat | 84 | £296,438 | £3,529 |
| 18/07/2022 | FLAT 139 27 VICTORIA AVENUE | SS2 6AL | Flat | 51 | £191,769 | £3,760 |
| 18/07/2022 | FLAT 140 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £270,703 | £3,813 |
| 18/07/2022 | FLAT 141 27 VICTORIA AVENUE | SS2 6AL | Flat | 50 | £194,738 | £3,895 |
| 18/07/2022 | FLAT 142 27 VICTORIA AVENUE | SS2 6AL | Flat | 85 | £294,458 | £3,464 |
| 12/07/2022 | FLAT 143 27 VICTORIA AVENUE | SS2 6AL | Flat | 62 | £230,618 | £3,720 |
| 18/07/2022 | FLAT 144 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £279,611 | £3,938 |
| 18/07/2022 | FLAT 145 27 VICTORIA AVENUE | SS2 6AL | Flat | 51 | £191,769 | £3,760 |
| 22/07/2022 | FLAT 76 27 VICTORIA AVENUE | SS2 6AL | Flat | 82 | £268,229 | £3,271 |
| 19/05/2022 | FLAT 77 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £262,757 | £3,701 |
| 10/06/2022 | FLAT 78 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £270,571 | £3,811 |
| 26/09/2022 | FLAT 80 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £256,726 | £3,616 |
| 12/09/2022 | FLAT 81 27 VICTORIA AVENUE | SS2 6AL | Flat | 50 | £186,531 | £3,731 |
| 10/10/2022 | FLAT 82 27 VICTORIA AVENUE | SS2 6AL | Flat | 85 | £279,904 | £3,293 |
| 26/09/2022 | FLAT 83 27 VICTORIA AVENUE | SS2 6AL | Flat | 62 | £217,456 | £3,507 |
| 26/09/2022 | FLAT 84 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £236,600 | £3,332 |
| 23/09/2022 | FLAT 85 27 VICTORIA AVENUE | SS2 6AL | Flat | 51 | £186,531 | £3,657 |
| 26/09/2022 | FLAT 86 27 VICTORIA AVENUE | SS2 6AL | Flat | 76 | £251,327 | £3,307 |

| Deed date | First line of address | Postcode | Type | Size (sqm) | Indexed sale £ | Current £psm |
|---|---|---|---|---|---|---|
| 03/10/2022 | FLAT 87 27 VICTORIA AVENUE | SS2 6AL | Flat | 78 | £251,233 | £3,221 |
| 30/09/2022 | FLAT 88 27 VICTORIA AVENUE | SS2 6AL | Flat | 81 | £237,582 | £2,933 |
| 29/09/2022 | FLAT 89 27 VICTORIA AVENUE | SS2 6AL | Flat | 87 | £304,341 | £3,498 |
| 30/05/2022 | FLAT 90 27 VICTORIA AVENUE | SS2 6AL | Flat | 84 | £290,107 | £3,454 |
| 23/05/2022 | FLAT 91 27 VICTORIA AVENUE | SS2 6AL | Flat | 81 | £241,756 | £2,985 |
| 23/05/2022 | FLAT 97 27 VICTORIA AVENUE | SS2 6AL | Flat | 82 | £266,664 | £3,252 |
| 18/05/2022 | FLAT 98 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £264,222 | £3,721 |
| 27/05/2022 | FLAT 99 27 VICTORIA AVENUE | SS2 6AL | Flat | 71 | £266,664 | £3,756 |
| 18/07/2022 | FLAT 146 27 VICTORIA AVENUE | SS2 6AP | Flat | 76 | £254,372 | £3,347 |
| 11/07/2022 | FLAT 147 27 VICTORIA AVENUE | SS2 6AP | Flat | 78 | £256,847 | £3,293 |
| 11/07/2022 | FLAT 148 27 VICTORIA AVENUE | SS2 6AP | Flat | 81 | £253,877 | £3,134 |
| 11/07/2022 | FLAT 149 27 VICTORIA AVENUE | SS2 6AP | Flat | 87 | £295,943 | £3,402 |
| 30/05/2022 | FLAT 150 27 VICTORIA AVENUE | SS2 6AP | Flat | 84 | £301,828 | £3,593 |
| 25/05/2022 | FLAT 151 27 VICTORIA AVENUE | SS2 6AP | Flat | 60 | £202,684 | £3,378 |
| 16/05/2022 | FLAT 152 27 VICTORIA AVENUE | SS2 6AP | Flat | 82 | £272,525 | £3,323 |
| 30/05/2022 | FLAT 153 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £275,455 | £3,880 |
| 27/07/2022 | FLAT 154 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £279,117 | £3,931 |
| 11/07/2022 | FLAT 155 27 VICTORIA AVENUE | SS2 6AP | Flat | 51 | £195,975 | £3,843 |
| 28/07/2022 | FLAT 156 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £264,765 | £3,729 |
| 07/07/2022 | FLAT 157 27 VICTORIA AVENUE | SS2 6AP | Flat | 50 | £196,965 | £3,939 |
| 05/07/2022 | FLAT 160 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £254,372 | £3,583 |
| 30/06/2022 | FLAT 161 27 VICTORIA AVENUE | SS2 6AP | Flat | 51 | £193,405 | £3,792 |
| 05/07/2022 | FLAT 162 27 VICTORIA AVENUE | SS2 6AP | Flat | 76 | £256,352 | £3,373 |
| 05/07/2022 | FLAT 163 27 VICTORIA AVENUE | SS2 6AP | Flat | 78 | £263,775 | £3,382 |
| 01/07/2022 | FLAT 164 27 VICTORIA AVENUE | SS2 6AP | Flat | 81 | £287,035 | £3,544 |
| 04/07/2022 | FLAT 165 27 VICTORIA AVENUE | SS2 6AP | Flat | 87 | £277,632 | £3,191 |
| 04/07/2022 | FLAT 166 27 VICTORIA AVENUE | SS2 6AP | Flat | 84 | £303,366 | £3,612 |
| 16/05/2022 | FLAT 167 27 VICTORIA AVENUE | SS2 6AP | Flat | 60 | £204,149 | £3,402 |
| 16/05/2022 | FLAT 168 27 VICTORIA AVENUE | SS2 6AP | Flat | 82 | £274,478 | £3,347 |
| 16/05/2022 | FLAT 169 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £272,525 | £3,838 |
| 27/06/2022 | FLAT 170 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £262,757 | £3,701 |
| 10/06/2022 | FLAT 171 27 VICTORIA AVENUE | SS2 6AP | Flat | 51 | £195,847 | £3,840 |
| 27/06/2022 | FLAT 172 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £270,083 | £3,804 |
| 27/06/2022 | FLAT 173 27 VICTORIA AVENUE | SS2 6AP | Flat | 50 | £195,847 | £3,917 |
| 20/06/2022 | FLAT 174 27 VICTORIA AVENUE | SS2 6AP | Flat | 85 | £293,526 | £3,453 |
| 20/06/2022 | FLAT 176 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £247,617 | £3,488 |
| 20/06/2022 | FLAT 177 27 VICTORIA AVENUE | SS2 6AP | Flat | 51 | £191,695 | £3,759 |
| 21/06/2022 | FLAT 178 27 VICTORIA AVENUE | SS2 6AP | Flat | 76 | £254,942 | £3,355 |
| 27/06/2022 | FLAT 179 27 VICTORIA AVENUE | SS2 6AP | Flat | 78 | £257,384 | £3,300 |
| 27/06/2022 | FLAT 180 27 VICTORIA AVENUE | SS2 6AP | Flat | 81 | £253,477 | £3,129 |
| 20/06/2022 | FLAT 181 27 VICTORIA AVENUE | SS2 6AP | Flat | 87 | £280,827 | £3,228 |
| 27/06/2022 | FLAT 182 27 VICTORIA AVENUE | SS2 6AP | Flat | 84 | £298,410 | £3,552 |

| Deed date | First line of address | Postcode | Type | Size (sqm) | Indexed sale £ | Current £psm |
|---|---|---|---|---|---|---|
| 27/05/2022 | FLAT 183 27 VICTORIA AVENUE | SS2 6AP | Flat | 60 | £205,615 | £3,427 |
| 13/06/2022 | FLAT 184 27 VICTORIA AVENUE | SS2 6AP | Flat | 82 | £276,432 | £3,371 |
| 31/05/2022 | FLAT 185 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £264,222 | £3,721 |
| 30/05/2022 | FLAT 186 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £257,873 | £3,632 |
| 07/06/2022 | FLAT 187 27 VICTORIA AVENUE | SS2 6AP | Flat | 51 | £199,265 | £3,907 |
| 13/06/2022 | FLAT 188 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £264,222 | £3,721 |
| 13/06/2022 | FLAT 189 27 VICTORIA AVENUE | SS2 6AP | Flat | 50 | £199,265 | £3,985 |
| 23/06/2022 | FLAT 190 27 VICTORIA AVENUE | SS2 6AP | Flat | 85 | £290,107 | £3,413 |
| 30/05/2022 | FLAT 192 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £244,198 | £3,439 |
| 17/06/2022 | FLAT 195 27 VICTORIA AVENUE | SS2 6AP | Flat | 87 | £282,781 | £3,250 |
| 20/06/2022 | FLAT 196 27 VICTORIA AVENUE | SS2 6AP | Flat | 84 | £287,177 | £3,419 |
| 20/06/2022 | FLAT 197 27 VICTORIA AVENUE | SS2 6AP | Flat | 60 | £207,080 | £3,451 |
| 20/06/2022 | FLAT 198 27 VICTORIA AVENUE | SS2 6AP | Flat | 82 | £284,246 | £3,466 |
| 20/06/2022 | FLAT 199 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £265,687 | £3,742 |
| 20/06/2022 | FLAT 200 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £265,687 | £3,742 |
| 17/06/2022 | FLAT 201 27 VICTORIA AVENUE | SS2 6AP | Flat | 51 | £198,044 | £3,883 |
| 27/06/2022 | FLAT 202 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £265,687 | £3,742 |
| 24/06/2022 | FLAT 203 27 VICTORIA AVENUE | SS2 6AP | Flat | 50 | £194,137 | £3,883 |
| 24/06/2022 | FLAT 204 27 VICTORIA AVENUE | SS2 6AP | Flat | 85 | £291,572 | £3,430 |
| 20/06/2022 | FLAT 207 27 VICTORIA AVENUE | SS2 6AP | Flat | 84 | £304,759 | £3,628 |
| 30/05/2022 | FLAT 209 27 VICTORIA AVENUE | SS2 6AP | Flat | 71 | £267,152 | £3,763 |
| 09/06/2022 | FLAT 211 27 VICTORIA AVENUE | SS2 6AP | Flat | 85 | £293,037 | £3,447 |
| 09/06/2022 | FLAT 212 27 VICTORIA AVENUE | SS2 6AP | Flat | 62 | £228,569 | £3,687 |
| 09/06/2022 | FLAT 213 27 VICTORIA AVENUE | SS2 6AP | Flat | 87 | £283,758 | £3,262 |
| 09/06/2022 | FLAT 215 27 VICTORIA AVENUE | SS2 6AP | Flat | 50 | £196,579 | £3,932 |
| 09/06/2022 | FLAT 216 27 VICTORIA AVENUE | SS2 6AP | Flat | 85 | £294,503 | £3,465 |
| 09/06/2022 | FLAT 217 27 VICTORIA AVENUE | SS2 6AP | Flat | 62 | £231,499 | £3,734 |
| 30/06/2022 | E18 THE SHORE, 22 - 23 THE LEAS | SS0 8FF | Flat | 115 | £757,013 | £6,583 |
| 08/04/2022 | E20 THE SHORE, 22 - 23 THE LEAS | SS0 8FF | Flat | 114 | £877,341 | £7,696 |
| 24/05/2022 | S8 THE SHORE, 22 - 23 THE LEAS | SS0 8FF | Flat | 123 | £688,638 | £5,599 |

Source: Derived from Land Registry sold house prices data, Land Registry HPI, and EPC records

## Appendix C: RightMove listings of new build homes (Q1 2026)

| Location | Neighbourhood Area | Type | Bed | Asking Price | Size (sqm) | £/psm | Value Area |
|---|---|---|---|---|---|---|---|
| Southchurch Road, Southend-on-Sea, SS1 | Southend Central | Flat | 1 | £230,000 | 52.12 | £4,413 | VA1 |
| Southchurch Road, Southend-on-Sea, SS1 | Southend Central | Flat | 1 | £245,000 | 57.04 | £4,295 | VA1 |
| Southchurch Road, Southend-on-Sea, SS1 | Southend Central | Flat | 1 | £250,000 | 64.01 | £3,906 | VA1 |
| Surbiton Avenue, Southend-on-Sea, SS1 | Southend Central | Flat | 2 | £265,000 | 59.83 | £4,429 | VA1 |
| Southchurch Road, Southend-on-Sea, SS1 | Southend Central | Flat | 2 | £265,000 | 61.04 | £4,341 | VA1 |
| Southchurch Road, Southend-on-Sea, SS1 | Southend Central | Flat | 2 | £275,000 | 69.03 | £3,984 | VA1 |
| Surbiton Road, Southend-on-Sea, SS1 | Southend Central | Flat | 3 | £325,000 | 91.04 | £3,570 | VA1 |
| Southchurch Road, Southend-on-Sea, SS1 | Southend Central | Flat | 2 | £325,000 | 75.99 | £4,277 | VA1 |
| Surbiton Road, Southend-on-Sea, SS1 | Southend Central | Flat | 3 | £325,000 | 91.04 | £3,570 | VA1 |
| 3 Surbiton Road, Southend-on-Sea, SS1 | Southend Central | Flat | 3 | £375,000 | 104.42 | £3,591 | VA1 |
| Alexandra Mews, 45a Alexandra Street, Southend-On-Sea | Southend Central | House | 2 | £280,000 | 69.68 | £4,018 | VA1 |
| Alexandra Mews, 45a Alexandra Street, Southend-On-Sea | Southend Central | House | 2 | £285,000 | 69.68 | £4,090 | VA1 |
| Elm Grove, Southend-On-Sea | Thorpe Bay | House | 4 | £950,000 | 225.01 | £4,222 | VA2 |
| Elm Grove, Thorpe Bay, SS1 | Thorpe Bay | House | 4 | £950,000 | 225.01 | £4,222 | VA2 |
| London Road, Westcliff-on-Sea, SS0 | Leigh South | Flat | 1 | £235,000 | 43 | £5,465 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 1 | £325,000 | 58 | £5,603 | VA2 |
| London Road, Westcliff-on-Sea, SS0 | Leigh South | Flat | 3 | £425,000 | 95 | £4,474 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 2 | £450,000 | 73 | £6,164 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 2 | £500,000 | 71 | £7,042 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 2 | £500,000 | 99 | £5,051 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 2 | £510,000 | 96 | £5,313 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 2 | £525,000 | 98 | £5,357 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 2 | £525,000 | 98 | £5,357 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 3 | £600,000 | 120 | £5,000 | VA2 |
| Chalkwell Avenue, Westcliff-on-Sea, SS0 | Leigh South | Flat | 3 | £600,000 | 120 | £5,000 | VA2 |
| Rayleigh Road, Leigh-on-sea, SS9 | Eastwood | House | 4 | £625,000 | 148.64 | £4,205 | VA2 |
| Broadway, Leigh-On-Sea | Leigh South | Flat | 2 | £675,000 | 81 | £8,333 | VA2 |
| The Grand Apartments, Leigh-On-Sea, SS9 | Leigh South | Flat | 2 | £700,000 | 81.01 | £8,641 | VA2 |
| Broadway, Leigh-On-Sea | Leigh South | Flat | 2 | £750,000 | 80 | £9,375 | VA2 |
| The Grand Apartments, Leigh-On-Sea, SS9 | Leigh South | Flat | 2 | £800,000 | 72 | £11,111 | VA2 |
| Broadway, Leigh-On-Sea | Leigh South | Flat | 2 | £825,000 | 78 | £10,577 | VA2 |
| Broadway, Leigh-On-Sea | Leigh South | Flat | 2 | £825,000 | 110 | £7,500 | VA2 |
| The Grand Apartments, Leigh-On-Sea, SS9 1PJ | Leigh South | Flat | 2 | £825,000 | 78.04 | £10,572 | VA2 |

| Location | Neighbourhood Area | Type | Bed | Asking Price | Size (sqm) | £/psm | Value Area |
|---|---|---|---|---|---|---|---|
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | Flat | 1 | £257,995 | 50.63 | £5,096 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | Flat | 1 | £257,995 | 50.54 | £5,105 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | Flat | 2 | £339,995 | 74.88 | £4,541 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | House | 2 | £415,000 | 79.52 | £5,219 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | House | 3 | £440,000 | 89 | £4,944 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | House | 4 | £515,000 | 113.99 | £4,518 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | House | 4 | £525,000 | 113.99 | £4,606 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | House | 4 | £530,000 | 107.4 | £4,935 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | House | 4 | £530,000 | 107.4 | £4,935 | VA2 |
| 2 Meacham Wy, Southend-on-Sea, SS3 9BX | Shoeburyness South | House | 4 | £540,000 | 107.4 | £5,028 | VA2 |
| Artillery Place, New Garrison Road, Shoeburyness, Essex, SS3 | Shoeburyness South | House | 4 | £640,000 | 172.43 | £3,712 | VA2 |
| Artillery Place, New Garrison Road, Shoeburyness, Essex, SS3 | Shoeburyness South | House | 4 | £640,000 | 172.43 | £3,712 | VA2 |

# Appendix D: Specialist Accommodation Comparables

**Table D.1 Older person accommodation comparables**

| Address | Postcode | Sold date | Price | Market value | Size (sqm) | £psm | Current £psm |
|---|---|---|---|---|---|---|---|
| Flat 1 Centenary Place, 1 | SS2 4UA | December 2015 | £217,450 | £292,953 | 50 | £4,349 | £5,859 |
| Flat 10 Centenary Place, 1 | SS2 4UA | November 2015 | £304,950 | £412,554 | 76 | £4,013 | £5,428 |
| Flat 11 Centenary Place, 1 | SS2 4UA | November 2015 | £214,950 | £290,797 | 50 | £4,299 | £5,816 |
| Flat 12 Centenary Place, 1 | SS2 4UA | November 2015 | £222,950 | £301,620 | 52 | £4,288 | £5,800 |
| Flat 13 Centenary Place, 1 | SS2 4UA | December 2015 | £319,950 | £431,044 | 76 | £4,210 | £5,672 |
| Flat 15 Centenary Place, 1 | SS2 4UA | December 2015 | £272,950 | £367,724 | 64 | £4,265 | £5,746 |
| Flat 17 Centenary Place, 1 | SS2 4UA | November 2015 | £299,950 | £405,790 | 73 | £4,109 | £5,559 |
| Flat 20 Centenary Place, 1 | SS2 4UA | February 2016 | £222,567 | £293,728 | 50 | £4,451 | £5,875 |
| Flat 21 Centenary Place, 1 | SS2 4UA | January 2016 | £224,950 | £302,218 | 52 | £4,326 | £5,812 |
| Flat 22 Centenary Place, 1 | SS2 4UA | November 2015 | £319,950 | £432,847 | 76 | £4,210 | £5,695 |
| Flat 23 Centenary Place, 1 | SS2 4UA | January 2016 | £324,950 | £436,567 | 72 | £4,513 | £6,063 |
| Flat 25 Centenary Place, 1 | SS2 4UA | December 2015 | £224,950 | £303,058 | 52 | £4,326 | £5,828 |
| Flat 28 Centenary Place, 1 | SS2 4UA | January 2016 | £284,950 | £382,828 | 59 | £4,830 | £6,489 |
| Flat 5 Centenary Place, 1 | SS2 4UA | February 2016 | £274,950 | £362,859 | 64 | £4,296 | £5,670 |
| Flat 6 Centenary Place, 1 | SS2 4UA | November 2015 | £221,950 | £300,267 | 52 | £4,268 | £5,774 |
| Flat 1 Elmtree Lodge, 66 | SS9 1SY | January 2016 | £315,000 | £423,199 | 59 | £5,339 | £7,173 |
| Flat 10 Elmtree Lodge, 66 | SS9 1SY | November 2020 | £330,000 | £366,247 | 61 | £5,410 | £6,004 |
| Flat 11 Elmtree Lodge, 66 | SS9 1SY | October 2016 | £310,000 | £379,193 | 57 | £5,439 | £6,653 |
| Flat 12 Elmtree Lodge, 66 | SS9 1SY | April 2018 | £325,000 | £366,570 | 61 | £5,328 | £6,009 |
| Flat 14 Elmtree Lodge, 66 | SS9 1SY | January 2016 | £325,000 | £436,634 | 61 | £5,328 | £7,158 |
| Flat 15 Elmtree Lodge, 66 | SS9 1SY | March 2017 | £320,000 | £383,684 | 57 | £5,614 | £6,731 |
| Flat 16 Elmtree Lodge, 66 | SS9 1SY | February 2017 | £345,000 | £408,110 | 65 | £5,308 | £6,279 |
| Flat 17 Elmtree Lodge, 66 | SS9 1SY | November 2018 | £360,000 | £396,818 | 61 | £5,902 | £6,505 |
| Flat 18 Elmtree Lodge, 66 | SS9 1SY | April 2017 | £399,950 | £473,689 | 61 | £6,557 | £7,765 |
| Flat 19 Elmtree Lodge, 66 | SS9 1SY | September 2021 | £300,000 | £312,903 | 57 | £5,263 | £5,490 |
| Flat 2 Elmtree Lodge, 66 | SS9 1SY | February 2017 | £319,000 | £377,354 | 61 | £5,230 | £6,186 |
| Flat 20 Elmtree Lodge, 66 | SS9 1SY | March 2019 | £340,000 | £381,713 | 61 | £5,574 | £6,258 |
| Flat 21 Elmtree Lodge, 66 | SS9 1SY | October 2015 | £350,000 | £476,157 | 61 | £5,738 | £7,806 |
| Flat 22 Elmtree Lodge, 66 | SS9 1SY | November 2018 | £333,300 | £367,388 | 57 | £5,847 | £6,445 |
| Flat 23 Elmtree Lodge, 66 | SS9 1SY | February 2016 | £365,000 | £481,701 | 65 | £5,615 | £7,411 |
| Flat 3 Elmtree Lodge, 66 | SS9 1SY | October 2015 | £299,950 | £408,067 | 57 | £5,262 | £7,159 |
| Flat 4 Elmtree Lodge, 66 | SS9 1SY | August 2016 | £310,000 | £384,036 | 61 | £5,082 | £6,296 |
| Flat 5 Elmtree Lodge, 66 | SS9 1SY | March 2017 | £355,000 | £425,649 | 61 | £5,820 | £6,978 |
| Flat 6 Elmtree Lodge, 66 | SS9 1SY | February 2016 | £299,950 | £395,852 | 57 | £5,262 | £6,945 |
| Flat 7 Elmtree Lodge, 66 | SS9 1SY | December 2020 | £325,000 | £355,011 | 65 | £5,000 | £5,462 |
| Flat 8 Elmtree Lodge, 66 | SS9 1SY | March 2016 | £300,000 | £389,558 | 61 | £4,918 | £6,386 |
| Flat 9 Elmtree Lodge, 66 | SS9 1SY | September 2016 | £340,000 | £416,941 | 59 | £5,763 | £7,067 |
| Apartment 1 Brook Lodge | SS7 5JB | November 2016 | £300,000 | £355,253 | 69 | £4,348 | £5,149 |
| Apartment 10 Brook Lodge | SS7 5JB | December 2016 | £275,000 | £318,561 | 64 | £4,297 | £4,978 |
| Apartment 11 Brook Lodge | SS7 5JB | July 2016 | £275,000 | £339,060 | 69 | £3,986 | £4,914 |
| Apartment 12 Brook Lodge | SS7 5JB | October 2016 | £275,000 | £327,267 | 69 | £3,986 | £4,743 |
| Apartment 2 Brook Lodge | SS7 5JB | April 2017 | £280,000 | £326,724 | 69 | £4,058 | £4,735 |

| Address | Postcode | Sold date | Price | Market value | Size (sqm) | £psm | Current £psm |
|---|---|---|---|---|---|---|---|
| Apartment 3 Brook Lodge | SS7 5JB | August 2016 | £285,000 | £346,485 | 69 | £4,130 | £5,022 |
| Apartment 4 Brook Lodge | SS7 5JB | March 2017 | £275,000 | £321,280 | 69 | £3,986 | £4,656 |
| Apartment 7 Brook Lodge | SS7 5JB | March 2017 | £290,000 | £338,805 | 50 | £5,800 | £6,776 |
| Apartment 8 Brook Lodge | SS7 5JB | July 2016 | £300,000 | £369,884 | 69 | £4,348 | £5,361 |
| Apartment 9 Brook Lodge | SS7 5JB | August 2016 | £280,000 | £340,406 | 69 | £4,058 | £4,933 |
| Flat 1 Hamilton Court, 120 | SS8 0JN | August 2010 | £167,500 | £268,786 | 68 | £2,463 | £3,953 |
| Flat 10 Hamilton Court, 120 | SS8 0JN | October 2010 | £190,000 | £306,948 | 64 | £2,969 | £4,796 |
| Flat 11 Hamilton Court, 120 | SS8 0JN | December 2010 | £185,000 | £309,843 | 75 | £2,467 | £4,131 |
| Flat 12 Hamilton Court, 120 | SS8 0JN | December 2010 | £166,500 | £278,858 | 39 | £4,269 | £7,150 |
| Flat 13 Hamilton Court, 120 | SS8 0JN | October 2010 | £170,000 | £274,637 | 65 | £2,615 | £4,225 |
| Flat 14 Hamilton Court, 120 | SS8 0JN | October 2011 | £131,500 | £221,012 | 54 | £2,435 | £4,093 |
| Flat 15 Hamilton Court, 120 | SS8 0JN | February 2012 | £146,500 | £253,334 | 56 | £2,616 | £4,524 |
| Flat 17 Hamilton Court, 120 | SS8 0JN | December 2010 | £134,995 | £226,093 | 56 | £2,411 | £4,037 |
| Flat 18 Hamilton Court, 120 | SS8 0JN | November 2010 | £136,000 | £223,096 | 58 | £2,345 | £3,846 |
| Flat 2 Hamilton Court, 120 | SS8 0JN | November 2010 | £139,995 | £229,649 | 49 | £2,857 | £4,687 |
| Flat 20 Hamilton Court, 120 | SS8 0JN | February 2011 | £168,000 | £280,880 | 62 | £2,710 | £4,530 |
| Flat 22 Hamilton Court, 120 | SS8 0JN | March 2012 | £141,995 | £244,660 | 51 | £2,784 | £4,797 |
| Flat 23 Hamilton Court, 120 | SS8 0JN | November 2010 | £180,000 | £295,274 | 75 | £2,400 | £3,937 |
| Flat 24 Hamilton Court, 120 | SS8 0JN | March 2012 | £156,500 | £269,653 | 62 | £2,524 | £4,349 |
| Flat 3 Hamilton Court, 120 | SS8 0JN | August 2011 | £139,000 | £234,440 | 52 | £2,673 | £4,508 |
| Flat 4 Hamilton Court, 120 | SS8 0JN | February 2011 | £136,995 | £229,042 | 55 | £2,491 | £4,164 |
| Flat 5 Hamilton Court, 120 | SS8 0JN | September 2011 | £138,000 | £233,576 | 52 | £2,654 | £4,492 |
| Flat 6 Hamilton Court, 120 | SS8 0JN | August 2010 | £140,000 | £224,657 | 54 | £2,593 | £4,160 |
| Flat 7 Hamilton Court, 120 | SS8 0JN | September 2010 | £164,000 | £260,983 | 60 | £2,733 | £4,350 |
| Flat 8 Hamilton Court, 120 | SS8 0JN | August 2012 | £170,000 | £286,221 | 62 | £2,742 | £4,616 |
| Flat 9 Hamilton Court, 120 | SS8 0JN | January 2011 | £183,000 | £307,568 | 73 | £2,507 | £4,213 |

Source: Derived from Land Registry sold house prices data, Land Registry HPI, and EPC records

**Table D.2 Build to Rent comparables**

| Scheme | Beds | Size (sqm) | £/pcm | £/pa | £/pa psm |
|---|---|---|---|---|---|
| Church Road,Southend-On-Sea,SS1 | 2 | 76 | £1,600 | £19,200 | £253 |
| Victoria Avenue, Southend-on-sea, SS2 6 | 2 | 65 | £1,500 | £18,000 | £277 |
| Church Road, Southend-On-Sea, Essex, SS1 | 2 | 79 | £1,625 | £19,500 | £247 |
| Victoria Avenue, Southend-on-sea, SS2 6 | 2 | 66 | £1,495 | £17,940 | £272 |
| Victoria Avenue, Southend-on-sea, SS2 6 | 1 | 38 | £975 | £11,700 | £308 |
| Victoria Avenue, Southend-on-sea, SS2 6 | 1 | 41.4 | £975 | £11,700 | £283 |
| Chartwell Plaza, Southend Town Centre | 2 | 53.2 | £1,400 | £16,800 | £316 |
| Southchurch Road, Southend-on-Sea, Essex, SS1 | 2 | 61 | £1,525 | £18,300 | £300 |
| London Road, Southend-On-Sea | 2 | 69 | £1,300 | £15,600 | £226 |
| Meridian Point, Southend-on-Sea | 2 | 63 | £1,150 | £13,800 | £219 |
| Victoria Avenue, Southend-on-sea, SS2 6 | 2 | 66 | £1,375 | £16,500 | £250 |
| 17 High Street, Southend-On-Sea, SS1 | 2 | 21 | £875 | £10,500 | £500 |
| 17 High Street, Southend-On-Sea, SS1 | 2 | 17 | £775 | £9,300 | £547 |
| Southchurch Avenue, Southend-On-Sea | 1 | 48.2 | £1,095 | £13,140 | £273 |
| Victoria Avenue, SS2 | 1 | 48.9 | £1,250 | £15,000 | £307 |
| Victoria Central, Victoria Avenue | 2 | 71 | £1,500 | £18,000 | £254 |

Source: Derived from Rightmove properties currently for rent

# Appendix E: Mixed-Use Commercial Comparables

**Table E.1 Office comparable evidence of rents**

| Date | Address | Size sqm | Rent £psm |
|---|---|---|---|
| 22/02/2023 | Progress House, 39-43 Progress Rd, Leigh-On-Sea | 35 | £257 |
| 14/02/2023 | Progress House, 39-43 Progress Rd, Leigh-On-Sea | 31 | £229 |
| 06/12/2023 | 62 London Road, Southend-on-Sea | 117 | £190 |
| 09/01/2024 | Admirals House, 18 Nelson St, Southend-on-Sea | 11 | £152 |
| 17/01/2024 | Dencora Court, Tylers Avenue, Southend-On-Sea | 372 | £145 |
| 02/01/2024 | Admirals House, 18 Nelson St, Southend-on-Sea | 18 | £145 |

Source: CoStar, January 2025

**Table E.2 Office comparable evidence of yields**

| Date | Address | Size sqm | Net initial yield |
|---|---|---|---|
| 18/04/2024 | Sandringham House, Harlow Business Park, Sandringham Ave, Harlow | 3,079 | 12.0% |
| Under offer | The Granary, 4-6 Crescent Rd, Brentwood | 632 | 7.1% |
| Under offer | 25-35 Springfield Rd, Chelmsford | 434 | 10.0% |

Source: CoStar, January 2025

**Table E.3 Comparison retail comparable evidence of rents**

| Date | Address | Size sqm | Rent £psm |
|---|---|---|---|
| 31/05/2023 | 290 Leigh Road, Leigh on Sea | 92 | £218 |
| 15/01/2024 | Western Esplanade, Southend on Sea | 36 | £278 |
| 04/10/2023 | 553 Rayleigh Rd, Leigh on Sea | 27 | £276 |
| 20/08/2023 | 116-122 London Rd, Southend-on-Sea | 94 | £267 |
| 28/09/2023 | 42 London Rd, Southend-on-Sea | 226 | £199 |

Source: CoStar, January 2025

**Table E.4 Comparison retail comparable evidence of yields**

| Date | Address | Size sqm | Net initial yield |
|---|---|---|---|
| 17/07/2024 | 170-174 High St, Southend-on-Sea | 1,584 | 12.60% |
| 02/05/2024 | 123 High St, Southend-on-Sea | 131 | 8.64% |
| Under offer | 123-127 The Broadway, Southend-on-Sea | 183 | 6.67% |

Source: CoStar, January 2025

**Table E.5 Convenience retail comparable evidence of rents**

| Date | Address | Tenant | Sizel sqm | Rent £psm |
|---|---|---|---|---|
| 28/02/2022 | 96 High St, Rayleigh | Tesco Express | 253 | £238 |
| 02/03/2022 | 67 High St, Brentwood | Tesco | 265 | £283 |
| 19/03/2024 | 175 London Rd, Benfleet | Morrisons | 5,002 | £228 |
| 01/11/2021 | Western Approach, Stanway | ALDI | 1,737 | £199 |
| 26/06/2023 | 5 Crompton Close, Basildon | Lidl | 1,794 | £216 |
| 01/12/2023 | 1A Whitmore Dr, Colchester | Sainsbury's | 401 | £350 |
| 10/03/2022 | 33-34 High St, Colchester | Tesco Express | 593 | £150 |

Source: CoStar, January 2025

**Table E.6 Convenience retail comparable evidence of yields**

| Date | Address | Tenant | Size sqm | Net initial yield |
|---|---|---|---|---|
| Dec-2024 | St Andrews Ave, Colchester, CO4 3BE | Waitrose | 3,280 | 6.7% |
| Sept-2022 | 12-14 Eastwood Rd, Rayleigh, SS6 7JQ | M&S Foodhall | 3,565 | 4.7% |

| Date | Address | Tenant | Size sqm | Net initial yield |
|---|---|---|---|---|
| Jun-24 | 63 Station Rd, Longfield DA3 7QA | Waitrose | 3,011 | 5.52% |
| Pending | 6-16 Torquay Rd, Chelmsford | Chelmsford Star Cooperative Society | 248 | 6.78% |

Source: CoStar, January 2025

# Appendix F: BCIS Build Costs

*Table F.1 BCIS reported current changes in construction costs*

BCIS All-in TPI #101
BCIS All-in TPI

Base date: 1985 mean = 100

Updated: 05-Dec-2025

| | | | Percentage change | |
|---|---|---|---|---|
| **Date** | **Index** | **Equivalent sample** | **On year** | **On quarter** |
| 1Q 2025 | 399 | Provisional | 2.3% | 0.5% |
| 2Q 2025 | 401 | Provisional | 2.3% | 0.5% |
| 3Q 2025 | 404 | Provisional | 2.5% | 0.7% |
| 4Q 2025 | 407 | Provisional | 2.5% | 0.7% |

*Table F.2 BCIS build costs*

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£/M2 STUDY

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

Last updated: 22-Aug-2026 08:12

Rebased to 4Q 2025 (407) and Southend-on-Sea ( 103; sample 21 )

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 | | | | | | | |
| 273. Food/drink/tobacco factories (20) | 3,234 | 2,524 | - | 3,152 | - | 4,108 | 4 |
| 273.5 Breweries (25) | 2,331 | 892 | - | - | - | 3,770 | 2 |
| 274. Factories for chemical and allied industries (20) | 2,560 | 571 | - | 2,009 | - | 5,101 | 3 |
| 275.1 Factories for metals (25) | 2,081 | 1,550 | - | - | - | 2,611 | 2 |
| 275.2 Factories for mechanical engineering (20) | 1,507 | 574 | - | 1,717 | - | 2,231 | 3 |
| 340. Mixed commercial developments (15) | 1,694 | 1,021 | - | 1,665 | - | 2,425 | 4 |
| 341. Wholesale trading building/auction rooms (30) | 1,691 | - | - | - | - | - | 1 |
| Rehabilitation/Conversion | | | | | | | |
| 273. Food/drink/tobacco factories (25) | 2,401 | 1,083 | - | - | - | 3,719 | 2 |
| 274. Factories for chemical and allied industries (40) | 3,470 | - | - | - | - | - | 1 |
| 275.1 Factories for metals (45) | 359 | - | - | - | - | - | 1 |
| 340. Mixed commercial developments (30) | 757 | - | - | - | - | - | 1 |
| 341. Wholesale trading building/auction rooms (20) | 1,801 | - | - | - | - | - | 1 |


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## £/M2 STUDY

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

**Last updated:** 25-Jul-2026 08:13

Rebased to 4Q 2025 (407) and Southend-on-Sea ( 103; sample 21 )

## MAXIMUM AGE OF RESULTS: 5 YEARS

| 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 (5) | 1,908 | 1,073 | 1,661 | 1,828 | 2,086 | 4,164 | 284 |
| 810.1 Estate housing | | | | | | | |
| Generally (5) | 1,878 | 964 | 1,642 | 1,826 | 2,043 | 3,621 | 190 |
| Single storey (5) | 2,164 | 1,396 | 1,817 | 1,993 | 2,398 | 3,621 | 28 |
| 2-storey (5) | 1,828 | 964 | 1,587 | 1,799 | 2,023 | 2,780 | 158 |
| 3-storey (5) | 1,871 | 1,341 | - | 1,866 | - | 2,412 | 4 |
| 810.12 Estate housing semi detached | | | | | | | |
| Generally (5) | 1,930 | 1,150 | 1,749 | 1,839 | 2,074 | 3,621 | 57 |
| Single storey (5) | 2,068 | 1,396 | 1,785 | 1,987 | 2,057 | 3,621 | 16 |
| 2-storey (5) | 1,875 | 1,150 | 1,585 | 1,802 | 2,115 | 2,780 | 40 |
| 3-storey (5) | 1,948 | - | - | - | - | - | 1 |
| 810.13 Estate housing terraced | | | | | | | |
| Generally (5) | 1,741 | 964 | 1,445 | 1,702 | 2,069 | 2,380 | 12 |
| 2-storey (5) | 1,741 | 964 | 1,445 | 1,702 | 2,069 | 2,380 | 12 |
| 816. Flats (apartments) | | | | | | | |
| Generally (5) | 2,271 | 1,116 | 1,789 | 2,186 | 2,620 | 3,904 | 136 |

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| Building function (Maximum age of projects) | £/m² gross internal floor area | | | | | | Sample |
|---|---|---|---|---|---|---|---|
| | Mean | Lowest | Lower quartiles | Median | Upper quartiles | Highest | |
| 1-2 storey (5) | 2,359 | 1,587 | 1,928 | 2,350 | 2,780 | 3,640 | 23 |
| 3-5 storey (5) | 2,172 | 1,116 | 1,746 | 2,020 | 2,449 | 3,904 | 90 |
| 6 storey or above (5) | 2,568 | 1,568 | 2,399 | 2,563 | 2,855 | 3,272 | 23 |
| 818. Housing with shops, offices, workshops or the like (5) | 2,570 | 1,586 | 2,274 | 2,472 | 2,800 | 3,677 | 16 |
| 820.1 'One-off' housing detached (3 units or less) | | | | | | | |
| Generally (5) | 3,231 | 1,659 | 2,340 | 2,827 | 3,601 | 7,527 | 27 |
| Single storey (5) | 3,211 | 2,245 | 2,707 | 3,015 | 3,127 | 5,544 | 7 |
| 2-storey (5) | 3,328 | 1,659 | 2,281 | 2,644 | 3,937 | 7,527 | 16 |
| 3-storey (5) | 2,879 | 1,817 | - | 2,833 | - | 4,031 | 4 |
| 820.2 'One-off' housing semi-detached (3 units or less) (5) | 2,152 | 1,637 | 1,811 | 1,865 | 2,101 | 3,316 | 9 |
| 820.3 'One-off' housing terraced (3 units or less) (5) | 2,896 | - | - | - | - | - | 1 |
| 843. Supported housing | | | | | | | |
| Generally (5) | 3,053 | 1,700 | 2,109 | 2,825 | 3,367 | 5,052 | 9 |
| 2-storey (5) | 2,745 | 1,700 | - | 2,958 | - | 3,367 | 4 |
| 3-storey (5) | 2,825 | - | - | - | - | - | 1 |
| 843.1 Supported housing with shops, restaurants or the like (5) | 2,941 | 2,662 | 2,675 | 2,964 | 3,045 | 3,377 | 9 |
| 852. Hotels (5) | 3,548 | 3,290 | - | 3,539 | - | 3,822 | 4 |
| 856.2 Students' residences, halls of residence, etc (5) | 3,230 | 2,495 | 2,928 | 3,374 | 3,586 | 3,711 | 7 |


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# £/M2 STUDY

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

**Last updated:** 08-Aug-2026 08:21

**Rebased to 4Q 2025 (407) and Southend-on-Sea ( 103; sample 21 )**

## 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 | | | | | | | |
| 282. Factories | | | | | | | |
| Generally (25) | 1,417 | 307 | 766 | 1,110 | 1,698 | 5,101 | 109 |
| Up to 500m2 GFA (25) | 2,011 | 1,091 | 1,258 | 1,481 | 2,676 | 4,108 | 15 |
| 500 to 2000m2 GFA (25) | 1,448 | 307 | 839 | 1,287 | 1,604 | 5,101 | 44 |
| Over 2000m2 GFA (25) | 1,211 | 460 | 714 | 935 | 1,290 | 4,751 | 50 |
| 282.1 Advance factories | | | | | | | |
| Generally (15) | 1,119 | 460 | 900 | 1,104 | 1,432 | 1,723 | 16 |
| Up to 500m2 GFA (15) | 1,345 | 1,091 | 1,116 | 1,340 | 1,457 | 1,723 | 5 |
| 500 to 2000m2 GFA (15) | 1,263 | 843 | 1,065 | 1,424 | 1,467 | 1,513 | 5 |
| Over 2000m2 GFA (15) | 811 | 460 | 686 | 835 | 936 | 1,129 | 6 |
| 282.12 Advance factories/offices - mixed facilities (class B1) | | | | | | | |
| Generally (25) | 1,479 | 595 | 928 | 1,295 | 1,858 | 2,986 | 24 |
| Up to 500m2 GFA (25) | 2,628 | 2,156 | - | 2,740 | - | 2,986 | 3 |
| 500 to 2000m2 GFA (25) | 1,477 | 595 | 1,295 | 1,614 | 1,769 | 2,003 | 7 |
| Over 2000m2 GFA (25) | 1,233 | 621 | 810 | 965 | 1,584 | 2,908 | 14 |


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| Building function (Maximum age of projects) | £/m² gross internal floor area | | | | | | Sample |
|---|---|---|---|---|---|---|---|
| | Mean | Lowest | Lower quartiles | Median | Upper quartiles | Highest | |
| 282.2 Purpose built factories | | | | | | | |
| Generally (30) | 1,723 | 307 | 900 | 1,474 | 2,401 | 5,101 | 62 |
| Up to 500m2 GFA (30) | 2,731 | 927 | 2,281 | 2,611 | 3,729 | 4,108 | 5 |
| 500 to 2000m2 GFA (30) | 1,988 | 307 | 1,020 | 1,550 | 2,566 | 5,101 | 19 |
| Over 2000m2 GFA (30) | 1,458 | 444 | 752 | 1,159 | 2,176 | 4,751 | 38 |
| 282.22 Purpose built factories/Offices - mixed facilities (15) | 1,223 | 616 | 1,014 | 1,130 | 1,386 | 2,543 | 23 |
| 284. Warehouses/stores | | | | | | | |
| Generally (15) | 1,042 | 467 | 726 | 871 | 1,128 | 3,443 | 54 |
| Up to 500m2 GFA (15) | 1,606 | 782 | 1,035 | 1,231 | 1,859 | 3,443 | 7 |
| 500 to 2000m2 GFA (15) | 1,018 | 551 | 790 | 961 | 1,123 | 1,909 | 14 |
| Over 2000m2 GFA (15) | 932 | 467 | 695 | 810 | 1,079 | 2,714 | 33 |
| 284.1 Advance warehouses/stores (15) | 872 | 482 | 726 | 856 | 1,060 | 1,231 | 10 |
| 284.2 Purpose built warehouses/stores | | | | | | | |
| Generally (15) | 1,125 | 467 | 745 | 945 | 1,176 | 3,443 | 39 |
| Up to 500m2 GFA (15) | 1,986 | 782 | - | 1,859 | - | 3,443 | 4 |
| 500 to 2000m2 GFA (15) | 1,011 | 551 | 747 | 950 | 1,129 | 1,909 | 13 |
| Over 2000m2 GFA (15) | 1,035 | 467 | 722 | 817 | 1,142 | 2,714 | 22 |
| 284.5 Cold stores/refrigerated stores (30) | 1,625 | 1,102 | 1,206 | 1,414 | 2,185 | 2,220 | 5 |
| 320. Offices | | | | | | | |
| Generally (15) | 2,575 | 1,220 | 2,188 | 2,556 | 2,903 | 4,545 | 26 |
| Air-conditioned | | | | | | | |
| Generally (15) | 2,454 | 1,664 | 2,194 | 2,440 | 2,832 | 2,940 | 11 |
| 1-2 storey (15) | 2,328 | 1,964 | 2,188 | 2,239 | 2,398 | 2,906 | 6 |


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| Building function (Maximum age of projects) | £/m² gross internal floor area | | | | | | Sample |
|---|---|---|---|---|---|---|---|
| | Mean | Lowest | Lower quartiles | Median | Upper quartiles | Highest | |
| 3-5 storey (15) | 2,567 | 1,664 | - | 2,832 | - | 2,940 | 4 |
| 6 storey or above (20) | 2,779 | 2,109 | 2,543 | 2,654 | 2,751 | 3,966 | 6 |
| Not air-conditioned | | | | | | | |
| Generally (15) | 2,498 | 1,220 | 2,012 | 2,521 | 2,906 | 3,878 | 11 |
| 1-2 storey (15) | 2,610 | 1,676 | 2,234 | 2,521 | 3,043 | 3,878 | 9 |
| 3-5 storey (20) | 2,369 | 1,220 | 1,722 | 2,192 | 2,796 | 4,097 | 19 |
| 6 storey or above (25) | 2,905 | 2,258 | - | 3,002 | - | 3,359 | 4 |
| 341.1 Retail warehouses | | | | | | | |
| Generally (25) | 1,192 | 606 | 909 | 1,061 | 1,275 | 3,415 | 43 |
| Up to 1000m2 (25) | 1,253 | 843 | 923 | 1,075 | 1,203 | 3,415 | 12 |
| 1000 to 7000m2 GFA (25) | 1,208 | 606 | 953 | 1,065 | 1,366 | 2,428 | 28 |
| 7000 to 15000m2 (25) | 878 | 854 | - | - | - | 903 | 2 |
| Over 15000m2 GFA (30) | 982 | 854 | - | - | - | 1,110 | 2 |
| 344. Hypermarkets, supermarkets | | | | | | | |
| Generally (35) | 1,974 | 817 | 1,371 | 1,770 | 2,664 | 3,462 | 29 |
| Up to 1000m2 (35) | 2,538 | 1,781 | - | - | - | 3,295 | 2 |
| 1000 to 7000m2 GFA (35) | 1,955 | 817 | 1,262 | 1,761 | 2,666 | 3,462 | 24 |
| 7000 to 15000m2 (35) | 1,678 | - | - | - | - | - | 1 |
| Over 15000m2 GFA (35) | 2,188 | - | - | - | - | - | 1 |
| 345. Shops | | | | | | | |
| Generally (30) | 2,010 | 943 | 1,106 | 1,602 | 2,411 | 5,176 | 14 |
| 1-2 storey (30) | 2,038 | 943 | 1,089 | 1,550 | 2,512 | 5,176 | 13 |
| 3-5 storey (30) | 1,654 | - | - | - | - | - | 1 |
| 843. Supported housing | | | | | | | |


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| Building function (Maximum age of projects) | £/m² gross internal floor area | | | | | | Sample | |
|---|---|---|---|---|---|---|---|---|
| | Mean | Lowest | Lower quartiles | Median | Upper quartiles | Highest | | |
| Generally (15) | 2,132 | 1,048 | 1,700 | 1,951 | 2,393 | 5,052 | 104 | |
| Single storey (15) | 2,647 | 1,481 | 1,945 | 2,383 | 2,713 | 5,052 | 10 | |
| 2-storey (15) | 2,144 | 1,295 | 1,710 | 1,999 | 2,509 | 3,628 | 37 | |
| 3-storey (15) | 1,962 | 1,048 | 1,640 | 1,832 | 2,133 | 4,418 | 32 | |
| 4-storey or above (15) | 2,126 | 1,288 | 1,684 | 1,952 | 2,180 | 3,993 | 25 | |
| 843.1 Supported housing with shops, restaurants or the like (15) | 2,208 | 1,248 | 1,715 | 1,990 | 2,792 | 3,377 | 35 | |
| 856.2 Students' residences, halls of residence, etc (15) | 2,496 | 1,399 | 2,147 | 2,501 | 2,737 | 3,931 | 50 | |


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# Appendix G: Example Residential Appraisals

**300 Flats @ 250dph Zone 1 Brownfield +2700sqm comm space**

| | | | |
|---|---|---|---|
| Nr of dwgs | 300 | Tenure | Nr |
| Gross ha | 1.20 | Private | 270 |
| Net ha | 1.20 | Affordable | 30.0 |
| Land type | Brownfield | Discount Market S | - |
| LV description | Brownfield | Shared Ownership | 6.0 |
| Value area | Zone 1 | Affordable rent | 12.0 |
| Site type | Generic | Social rent | 12.0 |
| Average height | 3-5 storey | | |

**TECHNICAL CHECKS:**

| | |
|---|---|
| Sqm/ha (net) | 16,125 |
| Dwgs/ha (net) | 250 |
| Units/px | 84 |
| AH rate | 10.0% |
| GDV-Total costs | |
| Profit/total GDV | 17.0% |

**DVA SUMMARY:**

| | |
|---|---|
| RLV | £3,115,865 |
| BLV | £1,200,000 |
| **Viable?** | Yes |
| **Headroom** | **£1,915,865** |
| Headroom per net ha | £1,596,554 |
| Headroom per dwg | £6,386 |
| Headroom psm flsp | £84 |
| Headroom psm CIL liable | £92 |

**TIMING**

| | | | | | | | Start | Finish |
|---|---|---|---|---|---|---|---|---|
| **1.0** | **Site Acquisition** | | | | | | | |
| 1.1 | Net site value (residual land value) | | | | | £3,115,865 | Jan-27 | Jan-29 |
| 1.2 | Stamp Duty Land Tax | Category: | Commercial land | | | £145,293 | Jan-27 | Jan-29 |
| 1.3 | Purchaser costs | | 1.75% | on land costs | | £54,528 | Jan-27 | Jan-29 |
| | **Total Site Acquisition Costs** | | | | | **£3,315,685** | | |
| **2.0** | **Developer Return** | | | | | | | |
| 2.2 | Developer return on market housing | | 17.5% | of OM GDV | | £12,708,360 | Aug-31 | Sep-31 |
| 2.3 | Developer return on non-residential | | 17.5% | of Non-residential GDV | | £1,022,933 | Aug-31 | Sep-31 |
| 2.4 | Developer return on affordable housing | | 6.0% | of AH GDV | | £223,623 | Aug-31 | Sep-31 |
| | **Total Developer Return** | | | | | **£13,954,917** | | |
| **3.0** | **Development Value** | | | | | | | |
| **3.1** | Private units | Nr of units | Size sqm | Total sqm | £psm | Total Value | | |
| 3.1.1 | 1 bed flats (NIA) | 54.0 | 45.0 | 2,430 | £4,100 | £9,963,000 | Oct-29 | Aug-31 |
| 3.1.2 | 2 bed flats (NIA) | 162.0 | 66.0 | 10,692 | £4,100 | £43,837,200 | Oct-29 | Aug-31 |
| 3.1.3 | 3 bed flats (NIA) | 54.0 | 85.0 | 4,590 | £4,100 | £18,819,000 | Oct-29 | Aug-31 |
| 3.1.4 | 2 bed house | 0.0 | 75.0 | - | £4,000 | £0 | Jan-28 | Aug-31 |
| 3.1.5 | 3 bed house | 0.0 | 96.0 | - | £4,000 | £0 | Jan-28 | Aug-31 |
| 3.1.6 | 4+ bed house | 0.0 | 120.0 | - | £4,000 | £0 | Jan-28 | Aug-31 |
| | Subtotal | 270 | | 17,712 | | | | |
| **3.3** | Shared Ownership | Nr of units | Size sqm | Total sqm | £psm | Total Value | | |
| 3.3.1 | 1 bed flats (NIA) | 2.7 | 45.0 | 122 | £3,075 | £373,613 | Oct-29 | Aug-31 |
| 3.3.2 | 2 bed flats (NIA) | 2.3 | 66.0 | 149 | £3,075 | £456,638 | Oct-29 | Aug-31 |
| 3.3.3 | 3 bed flats (NIA) | 1.1 | 85.0 | 89 | £3,075 | £274,444 | Oct-29 | Aug-31 |
| 3.3.4 | 2 bed house | 0.0 | 75.0 | - | £3,000 | £0 | Jan-28 | Aug-31 |
| 3.3.5 | 3 bed house | 0.0 | 96.0 | - | £3,000 | £0 | Jan-28 | Aug-31 |
| 3.3.6 | 4+ bed house | 0.0 | 120.0 | - | £3,000 | £0 | Jan-28 | Aug-31 |
| | Subtotal | 6 | | 359 | | | | |
| **3.4** | Affordable rent | Nr of units | Size sqm | Total sqm | £psm | Total Value | | |
| 3.4.1 | 1 bed flats (NIA) | 7.8 | 45.0 | 351 | £2,255 | £791,505 | Oct-29 | Aug-31 |
| 3.4.2 | 2 bed flats (NIA) | 3.6 | 66.0 | 238 | £2,255 | £535,788 | Oct-29 | Aug-31 |
| 3.4.3 | 3 bed flats (NIA) | 0.6 | 85.0 | 51 | £2,255 | £115,005 | Oct-29 | Aug-31 |
| 3.4.4 | 2 bed house | 0.0 | 75.0 | - | £2,200 | £0 | Jan-28 | Aug-31 |
| 3.4.5 | 3 bed house | 0.0 | 96.0 | - | £2,200 | £0 | Jan-28 | Aug-31 |
| 3.4.6 | 4+ bed house | 0.0 | 120.0 | - | £2,200 | £0 | Jan-28 | Aug-31 |
| | Subtotal | 12 | | 640 | | | | |
| **3.5** | Social rent | Nr of units | Size sqm | Total sqm | £psm | Total Value | | |
| 3.5.1 | 1 bed flats (NIA) | 7.8 | 45.0 | 351 | £1,845 | £647,595 | Oct-29 | Aug-31 |
| 3.5.2 | 2 bed flats (NIA) | 3.6 | 66.0 | 238 | £1,845 | £438,372 | Oct-29 | Aug-31 |
| 3.5.3 | 3 bed flats (NIA) | 0.6 | 85.0 | 51 | £1,845 | £94,095 | Oct-29 | Aug-31 |
| 3.5.4 | 2 bed house | 0.0 | 75.0 | - | £1,800 | £0 | Jan-28 | Aug-31 |
| 3.5.5 | 3 bed house | 0.0 | 96.0 | - | £1,800 | £0 | Jan-28 | Aug-31 |
| 3.5.6 | 4+ bed house | 0.0 | 120.0 | - | £1,800 | £0 | Jan-28 | Aug-31 |
| | Subtotal | 12 | | 640 | | | | |
| **3.6** | Non-residential | Rent psm | Total sqm (NIA) | Yield | | Total Value | | |
| 3.6.1 | Non-residential | £210.00 | 2,430 | 8.00% | £6,378,750 | | | |
| 3.6.2 | Adjusted for rent free period | 3.00 | months | | £6,257,194 | | | |
| 3.6.3 | Less purchaser costs | 6.5% | | | £411,861 | | | |
| 3.6.4 | Total GDV | | | | | £5,845,334 | Jul-31 | Aug-31 |
| | **Gross Development Value** | | | | | **£82,191,587** | | |
| **4.0** | **Development Costs** | | | | | | | |
| **4.1** | **Sales Cost** | | | | | | | |
| 4.1.1 | Private units | | 2.0% | on OM GDV | | £1,452,384 | Oct-29 | Aug-31 |
| 4.1.2 | Non residential | | 2.0% | on OM GDV | | £116,907 | Oct-29 | Aug-31 |
| 4.1.3 | Affordable units | | £600 | per AH | | £18,000 | Oct-29 | Aug-31 |
| | **Total Sales Costs** | | | | | **£1,587,291** | | |
| **4.2** | **Build Costs** | | | | | | | |
| 4.2.1 | Private units | Nr of units | Size sqm | Total sqm | £psm | Total Cost | | |
| 4.2.1.1 | 1 bed flats | 54.00 | 52.9 | 2,858.8 | £1,746 | £4,991,506 | Jul-27 | Feb-31 |
| 4.2.1.2 | 2 bed flats | 162.00 | 77.6 | 12,578.8 | £1,746 | £21,962,626 | Jul-27 | Feb-31 |
| 4.2.1.3 | 3 bed flats | 54.00 | 100.0 | 5,400.0 | £1,746 | £9,428,400 | Jul-27 | Feb-31 |
| 4.2.1.4 | 2 bed house | 0.00 | 75.0 | - | £1,642 | £0 | Jul-27 | Feb-31 |
| 4.2.1.5 | 3 bed house | 0.00 | 96.0 | - | £1,642 | £0 | Jul-27 | Feb-31 |
| 4.2.1.6 | 4+ bed house | 0.00 | 120.0 | - | £1,642 | £0 | Jul-27 | Feb-31 |
| | Subtotal | 270.0 | | 20,837.6 | | | | |
| 4.2.2 | Affordable units | Nr of units | Size sqm | Total sqm | £psm | Total Cost | | |
| 4.2.2.1 | 1 bed flats | 18.30 | 52.9 | 968.8 | £1,746 | £1,691,566 | Jul-27 | Feb-31 |
| 4.2.2.2 | 2 bed flats | 9.45 | 77.6 | 733.8 | £1,746 | £1,281,153 | Jul-27 | Feb-31 |
| 4.2.2.3 | 3 bed flats | 2.25 | 100.0 | 225.0 | £1,746 | £392,850 | Jul-27 | Feb-31 |
| 4.2.2.4 | 2 bed house | 0.00 | | - | £1,642 | £0 | Jul-27 | Feb-31 |
| 4.2.2.5 | 3 bed house | 0.00 | | - | £1,642 | £0 | Jul-27 | Feb-31 |
| 4.2.2.6 | 4+ bed house | 0.00 | | - | £1,642 | £0 | Jul-27 | Feb-31 |
| | Subtotal | 30.0 | | 1,927.6 | | | | |
| 4.2.3 | Revised Building Regulations Part FLO (house) | | 2.34% | of build costs (houses) | | £0 | Jul-27 | Feb-31 |
| 4.2.4 | Revised Building Regulations Part FLO (flat) | | 2.34% | of build costs (flats) | | £930,106 | Jul-27 | Feb-31 |
| 4.2.5 | Future Homes | | £0 | per house | | £0 | Jul-27 | Feb-31 |
| 4.2.6 | Future Homes | | £2,210 | per flat | | £663,000 | Jul-27 | Feb-31 |
| 4.2.7 | Building Safety Act | | £0 | per flat | | £0 | Jul-27 | Feb-31 |
| | | Nr of units | Size sqm | Total sqm | £psm | Total Cost | | |
| 4.2.8 | Garages | 0.0 | 21 | - | £650 | £0 | Jul-27 | Feb-31 |
| | | | | Total sqm | £psm | Total Cost | | |
| 4.2.9 | Non-residential | | | 2,700 | £1,920 | £5,184,000 | Jul-27 | Feb-31 |
| | **Total Build Costs** | | | | | **£46,525,206** | | |
| **4.3** | **Extra-Over Construction Costs** | | | | | | | |
| 4.3.1 | Externals (houses only) | | 10.0% | extra-over on build cost for houses | | £0 | Jul-27 | Feb-31 |
| 4.3.2 | Externals (flats only) | | 7.5% | extra-over on build cost for flats | | £2,981,108 | Jul-27 | Feb-31 |
| 4.3.3 | Externals (commercial only) | | 10.0% | extra-over on build cost for commercial | | £518,400 | Jul-27 | Feb-31 |
| 4.3.4 | EVCP - applied to 100% of houses | | £1,000 | per house (applied to 100% of total) | | £0 | Jul-27 | Feb-31 |
| 4.3.5 | EVCP - applied to 50% of flats | | £1,000 | per flat (applied to 50% of total) | | £150,000 | Jul-27 | Feb-31 |
| 4.3.6 | 10% Biodiversity Net Gain | | £500 | per dwelling | | £150,000 | Jan-27 | Jan-29 |
| 4.3.7 | Brownfield site costs (demolition & clearance) | | £550,000 | per net hectare | | £660,000 | Jan-27 | Jan-29 |
| 4.3.8 | Opening up costs (greenfield only) | | £0 | per dwelling | - | £0 | Jan-27 | Jan-29 |
| 4.3.9 | Building Safety Levy | | £19.12 | psm (market dwellings only) | | £450,040 | Jan-27 | Jan-29 |
| | **Total Extra-Over Construction Costs** | | | | | **£4,909,547** | | |
| **4.4** | **Contingency** | | | | | | | |
| 4.4.1 | on build costs (incl: externals) | | 0.0% | | | £0 | Jan-27 | Feb-31 |
| | **Total Contingency** | | | | | **£0** | | |
| **4.5** | **Professional Fees** | | | | | | | |
| 4.5.1 | on build costs (incl: externals) | | 6.0% | | | £3,086,085 | Jan-27 | Feb-31 |
| | **Total Professional Fees** | | | | | **£3,086,085** | | |
| **4.6** | **Other Planning Obligations** | | | | | | | |
| 4.6.1 | CIL area 1 | | £46.15 | per CIL liable flsp (sqm) - Houses | | £0 | Jan-27 | Jan-29 |
| 4.6.2 | CIL area 1 | | £46.15 | per CIL liable flsp (sqm) - Flats | | £961,657 | Jan-27 | Jan-29 |
| 4.6.3 | CIL area 1 | | £15.38 | per CIL liable flsp (sqm) - Non-residential | | £41,526 | Jan-27 | Jan-29 |
| 4.6.4 | S106 (general) | | £5,000 | per unit | | £1,500,000 | Jan-27 | Jan-29 |
| 4.6.5 | Policy DM6.2 Employment and Skills (Residential sites of 50+) | | £100 | per unit | | £30,000 | Jan-27 | Jan-29 |
| 4.6.5 | Policy DM6.2 Employment and Skills (On sites with 5,000+ sqm) | | £0.00 | per sqm of commercial flsp | | £0 | Jan-27 | Jan-29 |
| 4.6.6 | Policy DM5.5 Residential Standards - M4(2) - flats | | £500 | per flat | 10% | of all flats | £15,000 | Jul-27 | Feb-31 |
| 4.6.7 | Policy DM5.5 Residential Standards - M4(2) - houses | | £950 | per house | 10% | of all houses | £0 | Jul-27 | Feb-31 |
| 4.6.8 | Policy DM5.5 Residential Standards - M4(3a) - OM flats | | £8,000 | applied to | 10% | of open market flats | £216,000 | Jul-27 | Feb-31 |
| 4.6.9 | Policy DM5.5 Residential Standards - M4(3a) - OM houses | | £10,500 | applied to | 10% | of open market houses | £0 | Jul-27 | Feb-31 |
| 4.6.10 | Policy DM5.5 Residential Standards - M4(3b) - Affordable flats | | £8,000 | applied to | 10% | of affordable flats | £24,000 | Jul-27 | Feb-31 |
| 4.6.11 | Policy DM5.5 Residential Standards - M4(3b) - Affordable houses | | £23,000 | applied to | 10% | of affordable houses | £0 | Jul-27 | Feb-31 |
| 4.6.12 | Policy SP8 - Enhancing our Natural Environment | | £476 | per unit | | | £142,800 | Jan-27 | Jan-29 |
| 4.6.13 | Policy DM9.1 Sustainable Design and Construction | | 0.00% | of base build costs (flats) | | | £0 | Jul-27 | Feb-31 |
| 4.6.14 | Policy DM9.1 Sustainable Design and Construction | | 0.00% | of base build costs (houses) | | | £0 | Jul-27 | Feb-31 |
| 4.6.15 | Policy DM9.1 Sustainable Design and Construction | | 0.0% | of non residential build costs | | | £0 | Jul-27 | Feb-31 |
| | **Total Developer Contributions** | | | | | | **£2,930,983** | | |
| **5.0** | **TOTAL DEVELOPMENT COSTS** | | | | | | **£59,039,113** | | |
| **6.0** | **TOTAL PROJECT COSTS [EXCLUDING INTEREST]** | | | | | | **£76,309,715** | | |
| **7.0** | **TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]** | | | | | | **£5,881,872** | | |
| **8.0** | **Finance Costs** | | | | | | | |
| | | | APR | PCM | | | | |
| 8.1 | Debit | | 6.5% | 0.53% | on net costs | | -£5,881,872 | | |
| 8.2 | Credit | | 1.5% | 0.12% | on positive balance | | | | |
| **9.0** | **TOTAL PROJECT COSTS [INCLUDING INTEREST]** | | | | | | **£82,191,587** | | |

| LNOS: 4900 Mixed @ 50dph LNOS Greenfield | | |

**Fossetts Farm: 966 Mixed (Alt) @ 70dph Fossetts Farm Greenfield +955sqm comm space**

| | |
|---|---|
| Nr of dwgs | 966 |
| Gross ha | 20.51 |
| Net ha | 13.80 |
| Land type | Greenfield |
| LV description | Fossetts Farm |
| Value area | Fossetts Farm |
| Site type | Strategic |
| Average height | 3-5 storey |

| Tenure | Private | Affordable |
|---|---|---|
| Nr | 676 | 290.0 |
| Discount Market S | | |
| Shared Ownership | 58.0 | AH rate |
| Affordable rent | 116.0 | GDV÷Total costs |
| Social rent | 116.0 | Profit/total GDV |

| TECHNICAL CHECKS: | |
|---|---|
| Sqm/ha | 5,760 |
| Dwgs/ha (net) | 70 |
| Units/pa | 97 |
| | 30.0% |
| | - |
| | 15.4% |

| DVA SUMMARY: | |
|---|---|
| RLV | £48,771,943 |
| BLV | £12,000,000 |
| **Viable?** | **Yes** |
| **Headroom** | **£36,771,943** |
| Headroom per net ha | £2,664,634 |
| Headroom per dwg | £38,066 |
| Headroom psm flsp | £429 |
| Headroom psm CIL liable | £601 |

| | | | | | | | | | TIMING | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Start | Finish |
| **1.0** | **Site Acquisition** | | | | | | | | | |
| 1.1 | Net site value (residual land value) | | | | | | | £48,771,943 | Jan-27 | Apr-32 |
| 1.2 | Stamp Duty Land Tax | | | Category: | Commercial land | | | £2,428,097 | Jan-27 | Apr-32 |
| 1.3 | Purchaser costs | | | | 1.75% | on land costs | | £853,509 | Jan-27 | Apr-32 |
| | **Total Site Acquisition Costs** | | | | | | | **£52,053,549** | | |
| **2.0** | **Developer Return** | | | | | | | | | |
| 2.2 | Developer return on market housing | | | | 17.5% | of OM GDV | | £49,209,635 | Jan-38 | Feb-38 |
| 2.3 | Developer return on non-residential | | | | 17.5% | of Non-residential GDV | | £363,003 | Jan-38 | Feb-38 |
| 2.4 | Developer return on affordable housing | | | | 6.0% | of AH GDV | | £3,703,788 | Jan-38 | Feb-38 |
| | **Total Developer Return** | | | | | | | **£53,276,426** | | |
| **3.0** | **Development Value** | | | | | | | | | |
| **3.1** | Private units | | Nr of units | Size sqm | Total sqm | £psm | | Total Value | | |
| 3.1.1 | | 1 bed flats (NIA) | 47.3 | 45.0 | 2,129 | £4,950 | | £10,540,530 | Jan-33 | Jan-38 |
| 3.1.2 | | 2 bed flats (NIA) | 64.2 | 66.0 | 4,239 | £4,950 | | £20,980,674 | Jan-33 | Jan-38 |
| 3.1.3 | | 3 bed flats (NIA) | 23.7 | 85.0 | 2,011 | £4,950 | | £9,954,945 | Jan-33 | Jan-38 |
| 3.1.4 | | 2 bed house | 265.0 | 75.0 | 19,874 | £4,950 | | £98,378,280 | Jan-28 | Jan-38 |
| 3.1.5 | | 3 bed house | 189.3 | 96.0 | 18,171 | £4,950 | | £89,945,856 | Jan-28 | Jan-38 |
| 3.1.6 | | 4+ bed house | 86.5 | 120.0 | 10,383.4 | £4,950 | | £51,397,632 | Jan-28 | Jan-38 |
| | | Subtotal | 676 | | 56,808 | | | | | |
| **3.3** | Shared Ownership | | Nr of units | Size sqm | Total sqm | £psm | | Total Value | | |
| 3.3.1 | | 1 bed flats (NIA) | 3.6 | 45.0 | 162 | £3,713 | | £600,757 | Jan-33 | Jan-38 |
| 3.3.2 | | 2 bed flats (NIA) | 6.6 | 66.0 | 436 | £3,713 | | £1,620,105 | Jan-33 | Jan-38 |
| 3.3.3 | | 3 bed flats (NIA) | 1.4 | 85.0 | 118 | £3,713 | | £439,263 | Jan-33 | Jan-38 |
| 3.3.4 | | 2 bed house | 32.9 | 75.0 | 2,471 | £3,713 | | £9,172,845 | Jan-28 | Jan-38 |
| 3.3.5 | | 3 bed house | 11.1 | 96.0 | 1,069 | £3,713 | | £3,968,870 | Jan-28 | Jan-38 |
| 3.3.6 | | 4+ bed house | 2.3 | 120.0 | 278.4 | £3,713 | | £1,033,560 | Jan-28 | Jan-38 |
| | | Subtotal | 58 | | 4,535 | | | | | |
| **3.4** | Affordable rent | | Nr of units | Size sqm | Total sqm | £psm | | Total Value | | |
| 3.4.1 | | 1 bed flats (NIA) | 7.2 | 45.0 | 324 | £2,723 | | £881,110 | Jan-33 | Jan-38 |
| 3.4.2 | | 2 bed flats (NIA) | 13.2 | 66.0 | 873 | £2,723 | | £2,376,154 | Jan-33 | Jan-38 |
| 3.4.3 | | 3 bed flats (NIA) | 2.8 | 85.0 | 237 | £2,723 | | £644,757 | Jan-33 | Jan-38 |
| 3.4.4 | | 2 bed house | 65.9 | 75.0 | 4,942 | £2,723 | | £13,453,506 | Jan-28 | Jan-38 |
| 3.4.5 | | 3 bed house | 22.3 | 96.0 | 2,138 | £2,723 | | £5,821,010 | Jan-28 | Jan-38 |
| 3.4.6 | | 4+ bed house | 4.6 | 120.0 | 556.8 | £2,723 | | £1,515,888 | Jan-28 | Jan-38 |
| | | Subtotal | 116 | | 9,070 | | | | | |
| **3.5** | Social rent | | Nr of units | Size sqm | Total sqm | £psm | | Total Value | | |
| 3.5.1 | | 1 bed flats (NIA) | 7.2 | 45.0 | 324 | £2,228 | | £720,908 | Jan-33 | Jan-38 |
| 3.5.2 | | 2 bed flats (NIA) | 13.2 | 66.0 | 873 | £2,228 | | £1,944,126 | Jan-33 | Jan-38 |
| 3.5.3 | | 3 bed flats (NIA) | 2.8 | 85.0 | 237 | £2,228 | | £527,116 | Jan-33 | Jan-38 |
| 3.5.4 | | 2 bed house | 65.9 | 75.0 | 4,942 | £2,228 | | £11,007,414 | Jan-28 | Jan-38 |
| 3.5.5 | | 3 bed house | 22.3 | 96.0 | 2,138 | £2,228 | | £4,762,644 | Jan-28 | Jan-38 |
| 3.5.6 | | 4+ bed house | 4.6 | 120.0 | 556.8 | £2,228 | | £1,240,272 | Jan-28 | Jan-38 |
| | | Subtotal | 116 | | 9,070 | | | | | |
| **3.6** | Non-residential | | Rent psm | Total sqm (NIA) | Yield | | | Total Value | | |
| 3.6.1 | | Non-residential | £210.00 | 860 | 8.00% | £2,256,188 | | | | |
| 3.6.2 | | Adjusted for rent free period | 3.00 | months | | £2,213,193 | | | | |
| 3.6.3 | | Less purchaser costs | 6.2% | | | £138,891 | | | | |
| 3.6.4 | | Total GDV | | | | | | £2,074,302 | Dec-37 | Jan-38 |
| | **Gross Development Value** | | | | | | | **£345,002,021** | | |
| **4.0** | **Development Costs** | | | | | | | | | |
| **4.1** | **Sales Cost** | | | | | | | | | |
| 4.1.1 | Private units | | | | 2.0% | on OM GDV | | £5,823,958 | Jan-33 | Jan-38 |
| 4.1.2 | Non residential | | | | 2.0% | on OM GDV | | £41,486 | Jan-33 | Jan-38 |
| 4.1.3 | Affordable units | | | | £600 | per AH | | £174,000 | Jan-33 | Jan-38 |
| | **Total Sales Costs** | | | | | | | **£5,839,444** | | |
| **4.2** | **Build Costs** | | | | | | | | | |
| 4.2.1 | Private units | | Nr of units | Size sqm | Total sqm | £psm | | Total Cost | | |
| 4.2.1.1 | | 1 bed flats | 47.32 | 52.9 | 2,505.2 | £1,746 | | £4,374,038 | Jul-27 | Jul-37 |
| 4.2.1.2 | | 2 bed flats | 64.22 | 77.6 | 4,986.5 | £1,746 | | £8,706,419 | Jul-27 | Jul-37 |
| 4.2.1.3 | | 3 bed flats | 23.66 | 100.0 | 2,366.0 | £1,746 | | £4,131,036 | Jul-27 | Jul-37 |
| 4.2.1.4 | | 2 bed house | 264.99 | 75.0 | 19,874.4 | £1,642 | | £32,633,765 | Jul-27 | Jul-37 |
| 4.2.1.5 | | 3 bed house | 189.28 | 96.0 | 18,170.9 | £1,642 | | £29,836,585 | Jul-27 | Jul-37 |
| 4.2.1.6 | | 4+ bed house | 86.53 | 120.0 | 10,383.4 | £1,642 | | £17,049,477 | Jul-27 | Jul-37 |
| | | Subtotal | 676.0 | | 58,286.3 | | | | | |
| 4.2.2 | Affordable units | | Nr of units | Size sqm | Total sqm | £psm | | Total Cost | | |
| 4.2.2.1 | | 1 bed flats | 17.98 | 52.9 | 951.9 | £1,746 | | £1,661,987 | Jul-27 | Jul-37 |
| 4.2.2.2 | | 2 bed flats | 33.06 | 77.6 | 2,567.0 | £1,746 | | £4,482,003 | Jul-27 | Jul-37 |
| 4.2.2.3 | | 3 bed flats | 6.96 | 100.0 | 696.0 | £1,746 | | £1,215,216 | Jul-27 | Jul-37 |
| 4.2.2.4 | | 2 bed house | 164.72 | 75.0 | 12,354.0 | £1,642 | | £20,285,268 | Jul-27 | Jul-37 |
| 4.2.2.5 | | 3 bed house | 55.68 | 96.0 | 5,345.3 | £1,642 | | £8,776,950 | Jul-27 | Jul-37 |
| 4.2.2.6 | | 4+ bed house | 11.60 | 120.0 | 1,392.0 | £1,642 | | £2,285,664 | Jul-27 | Jul-37 |
| | | Subtotal | 290.0 | | 23,306.2 | | | | | |
| 4.2.3 | Revised Building Regulations Part FLO (house) | | | | 2.34% | of build costs (houses) | | £2,594,304 | Jul-27 | Jul-37 |
| 4.2.4 | Revised Building Regulations Part FLO (flat) | | | | 2.34% | of build costs (flats) | | £574,954 | Jul-27 | Jul-37 |
| 4.2.5 | Future Homes | | | | £5,594 | per house | | £4,323,178 | Jul-27 | Jul-37 |
| 4.2.6 | Future Homes | | | | £2,210 | per flat | | £426,972 | Jul-27 | Jul-37 |
| 4.2.7 | Building Safety Act | | | | £0 | per flat | | £0 | Jul-27 | Jul-37 |
| | | | Nr of units | Size sqm | Total sqm | £psm | | Total Cost | | |
| 4.2.8 | Garages | | 198.8 | 21 | 4,174 | £650 | | £2,713,151 | Jul-27 | Jul-37 |
| | | | | | Total sqm | £psm | | Total Cost | | |
| 4.2.9 | Non-residential | | | | 955 | £1,920 | | £1,833,600 | Jul-27 | Jul-37 |
| | **Total Build Costs** | | | | | | | **£147,904,566** | | |
| **4.3** | **Extra-Over Construction Costs** | | | | | | | | | |
| 4.3.1 | Externals (houses only) | | | | 10.0% | extra-over on build cost for houses | | £11,358,086 | Jul-27 | Jul-37 |
| 4.3.2 | Externals (flats only) | | | | 7.5% | extra-over on build cost for flats | | £1,842,802 | Jul-27 | Jul-37 |
| 4.3.3 | Externals (commercial only) | | | | 10.0% | extra-over on build cost for commercial | | £183,360 | Jul-27 | Jul-37 |
| 4.3.4 | EVCP - applied to 100% of houses | | | | £1,000 | per house (applied to 100% of total) | | £772,800 | Jul-27 | Jul-37 |
| 4.3.5 | EVCP - applied to 50% of flats | | | | £1,000 | per flat (applied to 50% of total) | | £96,600 | Jul-27 | Jul-37 |
| 4.3.6 | 10% Biodiversity Net Gain | | | | £1,100 | per dwelling | | £1,062,600 | Jan-27 | Apr-32 |
| 4.3.7 | Brownfield site costs (demolition & clearance) | | | | £0 | per net hectare | | £0 | Jan-27 | Apr-32 |
| 4.3.8 | Opening up costs (greenfield only) | | | | £22,000 | per dwelling | | £21,252,000 | Jan-27 | Apr-32 |
| 4.3.9 | Building Safety Levy | | | | £38.24 | psm (market dwellings only) | | £2,425,004 | Jan-27 | Apr-32 |
| | **Total Extra-Over Construction Costs** | | | | | | | **£38,993,253** | | |
| **4.4** | **Contingency** | | | | | | | | | |
| 4.4.1 | on build costs (incl: externals) | | | | 4.0% | | | £7,475,913 | Jan-27 | Jul-37 |
| | **Total Contingency** | | | | | | | **£7,475,913** | | |
| **4.5** | **Professional Fees** | | | | | | | | | |
| 4.5.1 | on build costs (incl: externals) | | | | 6.0% | | | £11,662,424 | Jan-27 | Jul-37 |
| | **Total Professional Fees** | | | | | | | **£11,662,424** | | |
| **4.6** | **Other Planning Obligations** | | | | | | | | | |
| 4.6.1 | CIL area 1 | | | | £30.77 | per CIL liable flsp (sqm) - Houses | | £1,618,586 | Jan-27 | Apr-32 |
| 4.6.2 | CIL area 1 | | | | £30.77 | per CIL liable flsp (sqm) - Flats | | £303,321 | Jan-27 | Apr-32 |
| 4.6.3 | CIL area 1 | | | | £15.38 | per CIL liable flsp (sqm) - Non-residential | | £14,688 | Jan-27 | Apr-32 |
| 4.6.4 | S106 (general) | | | | £5,000 | per unit | | £4,830,000 | Jan-27 | Apr-32 |
| 4.6.5 | Policy DM6.2 Employment and Skills (Residential sites of 50+) | | | | £100 | per unit | | £96,600 | Jan-27 | Apr-32 |
| 4.6.5 | Policy DM6.2 Employment and Skills (On sites with 5,000+ sqm) | | | | £0.00 | per sqm of commercial flsp | | £0 | Jan-27 | Apr-32 |
| 4.6.6 | Policy DM5.5 Residential Standards - M4(2) - flats | | | | £500 | per flat | 10% of all flats | £9,660 | Jul-27 | Jul-37 |
| 4.6.7 | Policy DM5.5 Residential Standards - M4(2) - houses | | | | £950 | per house | 10% of all houses | £73,416 | Jul-27 | Jul-37 |
| 4.6.8 | Policy DM5.5 Residential Standards - M4(3a) - OM flats | | | | £8,000 | applied to | 10% of open market flats | £108,160 | Jul-27 | Jul-37 |
| 4.6.9 | Policy DM5.5 Residential Standards - M4(3a) - OM houses | | | | £10,500 | applied to | 10% of open market houses | £567,840 | Jul-27 | Jul-37 |
| 4.6.10 | Policy DM5.5 Residential Standards - M4(3b) - Affordable flats | | | | £8,000 | applied to | 10% of affordable flats | £46,400 | Jul-27 | Jul-37 |
| 4.6.11 | Policy DM5.5 Residential Standards - M4(3b) - Affordable houses | | | | £23,000 | applied to | 10% of affordable houses | £533,600 | Jul-27 | Jul-37 |
| 4.6.12 | Policy SP8 - Enhancing our Natural Environment | | | | £476 | per unit | | £459,816 | Jan-27 | Apr-32 |
| 4.6.13 | Policy DM9.1 Sustainable Design and Construction | | | | 0.00% | of base build costs (flats) | | £0 | Jul-27 | Jul-37 |
| 4.6.14 | Policy DM9.1 Sustainable Design and Construction | | | | 0.00% | of base build costs (houses) | | £0 | Jul-27 | Jul-37 |
| 4.6.15 | Policy DM9.1 Sustainable Design and Construction | | | | 0.0% | of non residential build costs | | £0 | Jul-27 | Jul-37 |
| | **Total Developer Contributions** | | | | | | | **£8,662,086** | | |
| **5.0** | **TOTAL DEVELOPMENT COSTS** | | | | | | | **£220,537,686** | | |
| **6.0** | **TOTAL PROJECT COSTS [EXCLUDING INTEREST]** | | | | | | | **£325,867,662** | | |
| **7.0** | **TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]** | | | | | | | **£19,134,359** | | |
| **8.0** | **Finance Costs** | | | | | | | | | |
| | | | | APR | PCM | | | | | |
| 8.1 | Debit | | | 6.5% | 0.53% | on net costs | | £19,134,359 | | |
| 8.2 | Credit | | | 1.5% | 0.12% | on positive balance | | | | |
| **9.0** | **TOTAL PROJECT COSTS [INCLUDING INTEREST]** | | | | | | | **£345,002,021** | | |