

**For: Chichester District Council**



**Southbourne Allocation DPD  
- Viability Assessment - Stage 1**

**Appendix 1 – Assumptions  
framework (Tables 1a – 1e)**

**October 2024**

**DSP24882**



**Chichester District Council - Southbourne Allocation DPD Viability Assessment (Stage 1)**  
**Appendix 1 Assumptions Summary: Table 1a: Assumptions framework - High-level Testing Scenario 1 (West)**

| Scenario 1 - West side of Southbourne |      |                       |                       |   |   |   |
|---------------------------------------|------|-----------------------|-----------------------|---|---|---|
| Capacity - dwellings                  |      | Total Allocation Area | Net Developable Area* | IDP Costs (excl CIL other / funding sources)  | Potential bridge cost scenarios                             | DSP Notes   |
| <b>Net requirement</b>                | 800  | 54.11                 | 25.14                 | A27 Mitigation Contributions - £2.176m<br>Early Years contributions - £2.28m<br>Primary contributions - £6.97m<br>SEND contributions - £410,971<br>Allotments - £188,784<br>Amenity greenspace - £196,144<br>Parks & recreation - £2,572,982<br>Play space (children & youth) - £432,230<br>Natural greenspace - £136,896<br>Community Hall contribution - £761,904<br>Sports/offsite provision - £150,000<br>Library contributions - via CIL<br>BNG - £1.15m<br>Nutrient Neutrality - £0<br>SPA - £621,600<br>Gypsy & Traveller provision - £2.16m (24 pitches)<br><br><b>TOTAL IDP COSTS: Circa £20.2m (£25,250/dwelling)</b> | Road bridge (assume including pedestrian and cycles) - £10m | <b>Site works/infrastructure - £25,000/dwelling.</b> Note: these costs relate to site works e.g. prep, servicing etc. Specific infrastructure requirements, where known, are listed to the right.<br><br>Serviced land for 2FE expandable to 3FE @ 3ha - other education contributions as stated in IDP currently TBC.<br>Community Hall - 666sqm<br>53x self/custom build plots<br><br><b>Housing trajectory (timescales/phasing)</b> - assumes 100 dwellings per year as per CDC housing trajectory |
| <b>Gross requirement</b>              | 1050 | 69.10                 | 33.00                 | A27 Mitigation Contributions - £2.856m<br>Early Years contributions - £3m<br>Primary contributions - £9.15m<br>SEND contributions - £539,400<br>Allotments - £247,779<br>Amenity greenspace - £257,439<br>Parks & recreation - £3,377,039<br>Play space (children & youth) - £567,301<br>Natural greenspace - £179,676<br>Community Hall contribution - £1m<br>Sports/offsite provision - £150,000<br>Library contributions - via CIL<br>BNG - £1.514m<br>Nutrient Neutrality - £0 TBC<br>SPA - £815,850<br>Gypsy & Traveller provision - £2.16m (24 pitches)<br><br><b>TOTAL IDP COSTS: Circa £25.8m (£24,571/dwelling)</b>    | Road bridge (assume including pedestrian and cycles) - £10m | <b>Site works/infrastructure - £25,000/dwelling.</b> Note: these costs relate to site works e.g. prep, servicing etc. Specific infrastructure requirements, where known, are listed to the right.<br><br>Serviced land for 2FE expandable to 3FE @ 3ha<br>Community Hall - 875sqm<br>53x self/custom build plots<br><br><b>Housing trajectory (timescales/phasing)</b> - assumes 100 dwellings per year as per CDC housing trajectory   |

\*assumes 35dph plus 10% allowance for roads, streets and active travel. A further allowance of 26.5ha per option is made for open/green space etc.

**Chichester District Council - Southbourne Allocation DPD Viability Assessment (Stage 1)**  
**Appendix 1 Assumptions Summary: Table 1b: Assumptions framework- High-level Testing Scenario 2 (East)**

| Scenario 2 - East side of Southbourne |      |                       |                       |   |  |   |
|---------------------------------------|------|-----------------------|-----------------------|---|--|---|
| Capacity - dwellings                  |      | Total Allocation Area | Net Developable Area* | IDP Costs (excl CIL other / funding sources)  | Potential bridge cost scenarios  | DSP Notes   |
| <b>Net requirement</b>                | 800  | 54.11                 | 25.14                 | A27 Mitigation Contributions - £2.176m<br>Early Years contributions - £2.28m<br>Primary contributions - £6.97m<br>SEND contributions - £410,971<br>Allotments - £188,784<br>Amenity greenspace - £196,144<br>Parks & recreation - £2,572,982<br>Play space (children & youth) - £432,230<br>Natural greenspace - £136,896<br>Community Hall contribution - £761,904<br>Sports/offsite provision - £150,000<br>Library contributions - via CIL<br>BNG - £1.15m<br>Nutrient Neutrality - £0<br>SPA - £621,600<br>Gypsy & Traveller provision - £2.16m (24 pitches)<br><br><b>TOTAL IDP COSTS: Circa £20.2m (£25,250/dwelling)</b> | Road bridge (assume including pedestrian and cycles) - £10m<br>Pedestrian/Cycle bridge - £4m<br><br><b>TOTAL: Circa £14m</b> | <b>Site works/infrastructure - £25,000/dwelling.</b> Note: these costs relate to site works e.g. prep, servicing etc. Specific infrastructure requirements, where known, are listed to the right.<br><br>Serviced land for 2FE expandable to 3FE @ 3ha - other education contributions as stated in IDP currently TBC.<br>Community Hall - 666sqm<br>53x self/custom build plots<br><br><b>Housing trajectory (timescales/phasing)</b> - assumes 100 dwellings per year as per CDC housing trajectory |
| <b>Gross requirement</b>              | 1050 | 69.10                 | 33.00                 | A27 Mitigation Contributions - £2.856m<br>Early Years contributions - £3m<br>Primary contributions - £9.15m<br>SEND contributions - £539,400<br>Allotments - £247,779<br>Amenity greenspace - £257,439<br>Parks & recreation - £3,377,039<br>Play space (children & youth) - £567,301<br>Natural greenspace - £179,676<br>Community Hall contribution - £1m<br>Sports/offsite provision - £150,000<br>Library contributions - via CIL<br>BNG - £1.514m<br>Nutrient Neutrality - £0 TBC<br>SPA - £815,850<br>Gypsy & Traveller provision - £2.16m (24 pitches)<br><br><b>TOTAL IDP COSTS: Circa £25.8m (£24,571/dwelling)</b>    | Road bridge (assume including pedestrian and cycles) - £10m<br>Pedestrian/Cycle bridge - £4m<br><br><b>TOTAL: Circa £14m</b> | <b>Site works/infrastructure - £25,000/dwelling.</b> Note: these costs relate to site works e.g. prep, servicing etc. Specific infrastructure requirements, where known, are listed to the right.<br><br>Serviced land for 2FE expandable to 3FE @ 3ha<br>Community Hall - 875sqm<br>53x self/custom build plots<br><br><b>Housing trajectory (timescales/phasing)</b> - assumes 100 dwellings per year as per CDC housing trajectory   |

\*assumes 35dph plus 10% allowance for roads, streets and active travel. A further allowance of 26.5ha per option is made for open/green space etc.

**Chichester District Council - Southbourne Allocation DPD Viability Assessment (Stage 1)**  
**Appendix 1 Assumptions Summary: Table 1c: Assumptions framework - High-level Testing Scenario 3 (Mixed/Hybrid)**

| Scenario 3 - Mix West and East of Southbourne |             |                       |                       |  |   |   |
|---|-------------|-----------------------|-----------------------|--|---|---|
| Capacity - dwellings                          |             | Total Allocation Area | Net Developable Area* | IDP Costs (excl CIL other / funding sources)   | Potential bridge cost scenarios                 | DSP Notes   |
| <b>Net requirement</b>                        | <b>800</b>  | 54.11                 | 25.14                 | A27 Mitigation Contributions - £2.176m<br>Early Years contributions - £2.28m<br>Primary contributions - £6.97m<br>SEND contributions - £410,971<br>Allotments - £188,784<br>Amenity greenspace - £196,144<br>Parks & recreation - £2,572,982<br>Play space (children & youth) - £432,230<br>Natural greenspace - £136,896<br>Community Hall contribution - £761,904<br>Sports/offsite provision - £150,000<br>Library contributions - via CIL<br>BNG - £1.15m<br>Nutrient Neutrality - £0<br>SPA - £621,600<br>Gypsy & Traveller provision - £2.16m (24 pitches)<br><br><b><u>TOTAL IDP COSTS: Circa £20.2m (£25,250/dwelling)</u></b> | 2x Pedestrian/Cycle bridge - <b>£8m (total)</b> | <b>Site works/infrastructure - £25,000/dwelling.</b> Note: these costs relate to site works e.g. prep, servicing etc. Specific infrastructure requirements, where known, are listed to the right.<br><br>Serviced land for 2FE expandable to 3FE @ 3ha - other education contributions as stated in IDP currently TBC.<br>Community Hall - 666sqm<br>53x self/custom build plots<br><br><b>Housing trajectory (timescales/phasing)</b> - assumes 100 dwellings per year as per CDC housing trajectory |
| <b>Gross requirement</b>                      | <b>1050</b> | 69.10                 | 33.00                 | A27 Mitigation Contributions - £2.856m<br>Early Years contributions - £3m<br>Primary contributions - £9.15m<br>SEND contributions - £539,400<br>Allotments - £247,779<br>Amenity greenspace - £257,439<br>Parks & recreation - £3,377,039<br>Play space (children & youth) - £567,301<br>Natural greenspace - £179,676<br>Community Hall contribution - £1m<br>Sports/offsite provision - £150,000<br>Library contributions - via CIL<br>BNG - £1.514m<br>Nutrient Neutrality - £0 TBC<br>SPA - £815,850<br>Gypsy & Traveller provision - £2.16m (24 pitches)<br><br><b><u>TOTAL IDP COSTS: Circa £25.8m (£24,571/dwelling)</u></b>    | 2x Pedestrian/Cycle bridge - <b>£8m (total)</b> | <b>Site works/infrastructure - £25,000/dwelling.</b> Note: these costs relate to site works e.g. prep, servicing etc. Specific infrastructure requirements, where known, are listed to the right.<br><br>Serviced land for 2FE expandable to 3FE @ 3ha<br>Community Hall - 875sqm<br>53x self/custom build plots<br><br><b>Housing trajectory (timescales/phasing)</b> - assumes 100 dwellings per year as per CDC housing trajectory   |

\*assumes 35dph plus 10% allowance for roads, streets and active travel. A further allowance of 26.5ha per option is made for open/green space etc.

**Chichester District Council - Southbourne Allocation DPD Viability Assessment (Stage 1)  
Appendix 1 Assumptions Summary: Table 1d: Dwelling mixes and revenue assumptions detail**

| <b>Dwelling sizes and mix assumptions</b> |                     |                  |                    |                           |  |
|---|---------------------|------------------|--------------------|---------------------------|--|
| Property Type                             | Assumed Unit Sizes* |                  | Dwelling Mix (%)** |                           |  |
|   | Market Units        | Affordable Units | Market Units       | Affordable Units - rented | Affordable Units - affordable home ownership |
| 1-Bed Flat                                | 50                  | 50               | 5-10%              | 35-40%                    | 20-25%                                       |
| 2-Beds Flat                               | 61                  | 61               | 30-40%             | 35-40%                    | 45-50%                                       |
| 2-Bed House                               | 79                  | 79               |                    |                           |  |
| 3-Bed House                               | 93                  | 93               | 35-45%             | 15-20%                    | 20-25%                                       |
| 4-Bed House                               | 130                 | 106              | 15-20%             | 5-10%                     | 5-10%  |

\*Based on Nationally Described Space Standard October 2015

\*\*Based on the HEDNA 2022

| <b>Affordable Housing Testing Perimeters and Revenue Assumptions</b>  |                    |                        |                    |                         |
|---|--------------------|------------------------|--------------------|-------------------------|
| High-level appraisal modelling assumed 30% affordable housing complying with Policy H4 of CDC submission Local Plan. Affordable housing tenure has been at 35% Social Rent, 22% Affordable Rent, 25% First Homes and 18% Shared Ownership |                    |                        |                    |                         |
| Unit Type   | Social Rent (% MV) | Affordable Rent (% MV) | First Homes (% MV) | Shared Ownership (% MV) |
| 1-Bed Flat  | 45%                | 55%                    | 70%                | 65%                     |
| 2-Beds Flat   |                    |                        |                    |                         |
| 2-Bed House   |                    |                        |                    |                         |
| 3-Bed House   |                    |                        |                    |                         |
| 4-Bed House   |                    |                        |                    |                         |

Note: % MV based on VL2 £4,750 (below) for Social and Affordable rent units.

| <b>Residential Sales Value Level (VL) Assumptions</b> |          |          |          |
|---|----------|----------|----------|
| Market Values (MV)                                    | VL1      | VL2      | VL3      |
| 1-bed flat  | £225,000 | £237,500 | £250,000 |
| 2-bed flat  | £274,500 | £289,750 | £305,000 |
| 2-bed house   | £355,500 | £375,250 | £395,000 |
| 3-bed house   | £418,500 | £441,750 | £465,000 |
| 4-bed house   | £585,000 | £617,500 | £650,000 |
| MV (£ / sq. m.)                                       | £4,500   | £4,750   | £5,000   |

Note: Self-build plot sales assumed at £150,000 per plot.

**Chichester District Council - Southbourne Allocation DPD Viability Assessment (Stage 1)**  
**Appendix 1 Assumptions Summary: Table 1e: Development Costs**

**Appraisal Costs / Key Sensitivity Testing Parameters Appraisal Costs**

| Base Appraisal Cost Description   | Cost Assumption                      | Notes  |
|---|--------------------------------------|--|
| <b>Build cost - Mixed Developments (generally - houses/flats)</b>           | £1,440/sq. m.                        | <i>Lower Quartile (LQ) rates applied within larger/strategic site testing, representing economies of scale.</i>  |
| <b>External Works</b>   | 15%                                  | <i>Applied to base build costs</i>   |
| <b>Site Prep Contingency (on gross land area)</b>                           | See individual site detail           |  |
| <b>Contingency (% of build cost)</b>  | 3-5%                                 | <i>Assumed at 3% (housebuilding) and 5% on all other works</i>   |
| <b>Professional Fees (% of build cost)</b>                                  | 8-10%                                | <i>Assumed at 8% (housebuilding) and 10% on all other works</i>  |
| <b>Infrastructure costs</b>   | See individual site detail           | <i>See individual assumed per site assessed. Costs extracted from latest IDS version assumed to be fully developer funded.</i>   |
| <b>Indexed CIL Rate (£/sq.m.)</b>   | £168.71                              | <i>South of district</i>   |
| <b>Sustainable design/climate change/carbon reduction (% of build cost)</b> | 3.50%                                | <i>Representing the Future Homes Standard (2025), based on a range of data sources.</i>  |
| <b>Electric Vehicle Charging Points (£/unit)<sup>1</sup></b>                | £865/unit (houses)<br>£1,961 (flats) | <i>Houses only typologies - assumes 1x EVCP per dwelling<br/>Flats typologies - assumes 1x EVCP per dwelling<br/>Mixed (Houses/Flats) typologies - cost weighted by dwelling mix, assumes 1x EVCP per dwelling</i> |
| <b>Water efficiency standards</b>   | 110 litres per person per day        | <i>South of district - assumed nominal cost (forming part of overall cost allowance) based on DSP research and analysis.</i>   |
| <b>Biodiversity Net Gain (BNG) (% of build cost)</b>                        | See individual site detail           |  |
| <b>Nutrient Neutrality - Mitigation</b>                                     | See individual site detail           |  |
| <b>Solent Recreation Mitigation (SPA)</b>                                   | See individual site detail           |  |
| <b>M4(2) Accessible and adaptable dwellings compliance<sup>3</sup></b>      | £15.5/sq. m.                         | <i>All (100%) new dwellings assumed to meet M4(2)</i>  |
| <b>M4(3) Wheelchair user dwellings compliance</b>                           | £155/sq. m.                          | <i>5% provision of M4(3) on affordable dwellings only</i>  |
| <b>Marketing &amp; Sales Costs (% of GDV)</b>                               | 3%                                   |  |
| <b>Legal Fees on sale (£ per unit)</b>                                      | £750                                 |  |
| <b>Developer's Return for Risk &amp; Profit</b>                             |                                      |  |
| <b>Open Market Housing Profit (% of GDV)</b>                                | Range of 15-20%                      | <i>DSP assumed testing at mid-point of range at 17.5%. First Homes at 12%</i>  |
| <b>Affordable Housing Profit (% of GDV)</b>                                 | 6%                                   |  |
| <b>Finance &amp; Acquisition Costs</b>                                      |                                      |  |
| <b>Agents Fees (% of site value)</b>  | 1.50%                                |  |
| <b>Legal Fees (% of site value)</b>   | 0.75%                                |  |
| <b>Stamp Duty Land Tax (% of site value)</b>                                | 0% to 5%                             | <i>HMRC Scale</i>  |
| <b>Finance Rate - Build (%)</b>   | 6.50%                                |  |
| <b>Finance Rate - Land (%)</b>  | 6.50%                                |  |

<sup>1</sup> Costs adopted from the DfT Residential Charging Infrastructure Provision Impact Assessment (September 2021) and requirements as set out in the Surrey County Council's Vehicular and Cycle Parking Guidance (January 2018)

<sup>3</sup> <https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/raising-accessibility-standards-for-new-homes-html-version#raising-accessibility-standards-of-new-homes>

DSP (2024)