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Dear Sir/Madam

Southbourne Allocation Development Plan Document Regulation 18 Consultation: Response on behalf of The Church Commissioners for England

We write in response to the above consultation on behalf of our client, the Church Commissioners for England (the Commissioners). The Commissioners own a large amount of land in the area largely to the south, west and east of Chichester.

By way of background, the Commissioners has been promoting its land to the west of Southbourne (Scenario 1) throughout the Chichester District Council (CDC) Local Plan process. The site, which is wholly in the Commissioners' ownership, was submitted for consideration as part of the Housing Economic Land Availability Assessment (HELAA) in 2021 and was previously promoted as part of the Preferred Approach Local Plan Regulation 18 Consultation in 2019. Representations were also submitted in support of the CDC Regulation 19 Local Plan, which included a draft Broad Location for Development Allocation in Southbourne.

The Commissioners submitted a Response to Inspector's Matter 6 (Area Policies and Allocations) in relation to draft Policy A13 in September 2024 seeking minor changes in the interests of soundness. The site has also been promoted throughout the Southbourne Parish Council Neighbourhood Plan process.

We welcome the opportunity to engage with the Southbourne Development Plan Document (DPD) to support Scenario 1 as the most suitable, feasible and deliverable option for the future development of a thriving and sustainable community in Southbourne.

The structure of this response follows the questions set out in the main Regulation 18 Consultation Document. We integrate our comments on the accompanying Assessment Framework and Interim Sustainability Appraisal documents throughout. On behalf of the Commissioners, Savills has prepared a response to the Stage 1 Viability Assessment, which is provided at Appendix 1.

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Chapter 4: Vision and Objectives

Q1. Do you agree with the vision and objectives set out? If not, please set out how you think they should be amended.

The stated objectives detail a positive approach for achieving the Council's vision of growing Southbourne in a comprehensive manner that supports a vibrant and sustainable community. The objectives seek to ensure the delivery of a well-integrated and well-connected village that responds positively to the environment and climate change, and sits well within the wider landscape setting. The Commissioners agrees that development should deliver essential services, modern infrastructure, a 'Green Ring' of inclusive biodiverse open space and a range of housing to support balanced and mixed communities and healthy lives. The Commissioners is wholly supportive of the objectives, which align with its own values. It is critical to the Commissioners that development of its land to the west of Southbourne (Scenario 1) achieves the three dimensions of sustainable development – economic, social and environmental, as per the NPPF (December 2023). The Commissioners' strategic land team has a positive track record of bringing forward land for new housing developments across the country, to build and strengthen new and existing communities and help create and sustain vibrant and environmentally conscious places to live.

The vision and objectives outlined in the DPD align with the Commissioners' vision for a new neighbourhood 'The Beeches' on its land to the west of Southbourne (Scenario 1). Initial technical work undertaken by the Commissioners confirms the suitability, availability and deliverability of the site. The technical work has informed a concept masterplan, which is presented within a Vision Document '*Creating a Vision for The Beeches Land West & North of Southbourne*'. The Vision Document has been submitted to accompany these Representations and has previously been shared with the Council to accompany Regulation 19 Representations to the Local Plan, submitted by Lichfields. The masterplan is for the development of a nature-led new neighbourhood which forms a logical and well-integrated extension to Southbourne. Informed by ongoing technical work, the Commissioners is developing a comprehensive and coordinated development approach of phased delivery to bring the site forwards effectively, in line with the vision set out in the DPD.

Chapter 5: Site Scenario Objectives

Scenario 1: Land to the West

Q2. Do you agree with the list of benefits or challenges set out above?

The Commissioners largely agree with the list of benefits identified in the DPD and are confident that the challenges identified can be suitably addressed and mitigated in ways that will contribute to the overall quality and character of the development. The technical work undertaken to date confirms that these benefits are feasible and deliverable, and that the challenges can be mitigated. The Vision Document demonstrates how this can be achieved.

The Commissioners' concept masterplan for the site shows that a new primary school and community

centre can be located near the Stein Road, and a proposed new access to the north. This new hub would accommodate the majority of non-residential uses which could include shops, community spaces, workspace, care and retirement living. As is recognised in the DPD, this is an opportunity to provide consolidated facilities close to the Bourne Community College in a location that can be safely and easily accessed by active travel routes, to encourage maximised use for the benefit of both new and existing residents. There are multiple opportunities to create walking and cycling connections into the existing village. Scenario 1 has potential to address the existing unsafe pedestrian rail crossing through the delivery of a multimodal bridge on safeguarded land to the south of the railway line as well as a new access from Stein Road in the north. New permeable links could then be extended across the development from the new access points. The Commissioners considers that this constitutes a significant benefit that makes Scenario 1 more deliverable than the other Scenarios. We respond further in relation to the delivery of a multimodal bridge in response to Question 4 below.

The new walking and cycling routes proposed will weave through the landscape as part of the Green Ring. The DPD includes the delivery of the western section of the Green Ring as a benefit. The delivery of the Green Ring is part of the unique and responsive landscape framework that has been carefully developed for this Scenario, explained in the Vision Document. The DPD recognises that all development would be within proximity to quality green open space. The Commissioners' concept masterplan includes approximately 31ha of open space and diverse habitats. The Commissioners considers that this nature-led landscape framework is an essential part of delivering development that meets the Council's vision and objectives, which should be considered a key benefit. The concept masterplan includes an inner green ring to create immediate accessible-open space around the existing core of the village and the proposed new school and community hub area. Chapter 5 of the Assessment Framework assesses the potential for improved connectivity and integration between the new and existing village as poor, and specifically notes that the education land could create a barrier. This inner green ring has been proposed to mitigate this challenge by providing key pedestrian and cycle movement routes.

The Commissioners' concept masterplan features an outer green ring, which will be connected to the inner green ring and parcels of open space by green corridors and existing PROWs which will be retained and enhanced. The DPD identifies the need to accommodate an existing gas pipeline that runs through much of the north side of this scenario as a challenge. We note that this would be an issue affecting all Scenarios. This has been accommodated within the concept masterplan which takes the opportunity to integrate the gas main area within the outer green ring. The gas main area passes east-west through the site. It limits the northern extent of development and instead provides a linear northern parkland area for recreation and diverse habitat provision, including Biodiversity Net Gain.

The DPD identifies that development in Scenario 1 involves an area identified as part of the gap from the Landscape Gap Assessment (CDC 2019). A landscape corridor at the western edge of this scenario forms part of the outer green ring and will provide a spatial and visual gap to the north of the railway line; and open space provides a landscape buffer of 100 metres south of the railway. The green infrastructure proposals ensure that there will be suitable buffering and accessible open space to maintain the physical separation between Southbourne and Hermitage. The built character of the development will soften towards the edges of the area, and the landscape character will transition from formal spaces to natural parkland edges to blend with the surrounding context. The feature TPO Beech

trees and their local green space designation in the east of the site has been retained and their setting incorporated as part of a new village green.

The DPD also identifies surface water flood risk issues evident to the West of the BLD area to the north of the railway line as a challenge. Flood risk and drainage constraints also apply to Scenarios 2 and 3. The surface water flood risk issues should not be considered a constraint to the deliverability of development in Scenario 1 as risk is low and can be suitably mitigated. Initial technical work undertaken by CCE's appointed flood risk consultants, Pell Frischmann, confirms that the site, as a whole, has a very low flood risk from surface water. The site is not shown to be at risk from artificial sources such as reservoirs, and there are no large bodies of open water near the site. Surface water management for the site will ensure that runoff will not be increased and can be fully mitigated for as part of development proposals. SuDS ponds will be provided in the lower-lying areas of the site which will mitigate risk whilst creating an attractive habitat.

The Commissioners is aware that the scenario presents a challenge in relation to the Brent Geese Secondary Support Area and are committed to providing comprehensive mitigation measures as set out by the Solent Wader and Brent Goose Strategy Guidance on Mitigation and Off-setting Requirements Report of 2018. The measures will also ensure the avoidance of adverse effects on the SPA, SAC and Ramsar site at Chichester Harbour. These designations and the need to consider the impact of development on ecology are highlighted in the Vision Document. Additional land (located adjacent to Scenario 1 north of the A27, also within the Commissioners' landownership) has been identified by the Commissioners for use as an 'ecological park' to mitigate any loss of habitat for protected species including the Brent Goose. To date, the Commissioners' appointed Ecologist has conducted surveys and have discussed the proposed mitigation measures, including the off-site ecological park and on-site habitat retention, with the Hampshire and Isle of Wight Wildlife Trust. Whilst details of the strategy would require further development, in September 2022 it was indicated that the Trust agreed the mitigation strategy would be suitable. The Commissioners is committed to safeguarding the environment and protecting biodiversity and are making every effort to engage with Natural England on this matter, but to date no consultation has been returned due to their workload.

Chapter 6 of the Assessment Framework notes that the Commissioners have potential to mitigate any impact. The consultation document states that development of the site Scenario 1 would result in the loss of Grade 1 and 2 agricultural land. However, given this impact is the same across all three scenarios the Commissioners do not consider that this should be considered a challenge. Scenarios 2 and 3 would potentially additionally involve loss of Grade 3 land. The loss of land is inevitable, and providing a logical extension to the existing village is a sensible approach to minimise the loss of agricultural land elsewhere in the area. Paragraph 83 of the NPPF (December 2023) states that to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities; and planning policy should identify opportunities for villages to grow and thrive.

The DPD states that a key benefit of this scenario is that the northern side of the site allocation could be largely facilitated by a single landowner. The Commissioners agrees that this is a significant benefit of this scenario which should be given great weight. The land is available and the Commissioners is committed to bringing the development forwards. This single ownership and safeguarded land to the south of the railway line for the potential bridge greatly increase the deliverability prospects of the scenario, particularly as the safeguarded land can be transferred as the proposed of development

becomes more certain. As recognised in the DPD and set out in the Vision Document, this single ownership provides more certainty over the delivery of a master planned and joined-up approach to development. To the north of the railway line, a small parcel of land is currently safeguarded for future educational/leisure use which is in the ownership of West Sussex County Council. Some additional co-ordination and negotiation amongst landowners to the south of the railway line may be required. The Commissioners would work collaboratively with the landowners to deliver development. The Southbourne BLD Background Paper (January 2023) confirms that although land within the relevant area is across multiple ownerships, all site promoters were contacted in August 2022 to confirm reasonable prospect that the development is viable and deliverable within the plan period, with no overriding constraints to the sites with the overall BLD coming forward. The Paper states that work undertaken by the Council demonstrates that there are no designations or insurmountable environmental issues that would prevent the successful delivery of circa 1,200 dwellings on the Commissioners' land.

The Commissioners request that the Council makes reference to the safeguarded land within the DPD to secure it in Policy. It is currently secured through historic S106 agreements. As part of our representations to the Southbourne Neighbourhood Plan, we urged the Parish Council to safeguard land to the south of the railway line for a future road crossing over the railway to support the growth of Southbourne. This follows the approach in the previously adopted Neighbourhood Plan (2015), which states that "*in order to reduce congestion at existing railway crossings and to improve pedestrian safety, the Parish Council wishes to safeguard land to the west of Southbourne as shown on Map Inset A : Southbourne / Prinsted, for the provision of a new road and a crossing of the railway line".* This safeguarded land was not included within the recently adopted Neighbourhood Plan (2023). Our concern is that if this land is not safeguarded in planning policy, a speculative developer could build on it or compromise its ability to deliver a suitable access to support the strategic growth Southbourne and the delivery of Scenario 1.

Overall, the Commissioners is committed to the delivery of a sustainable and well-integrated development that can deliver a multitude of benefits. Scenario 1 is the most suitable, feasible and deliverable option for development. The challenges identified in the DPD have been carefully addressed and have informed the development of the Concept Masterplan, which sensitively responds to these challenges and as a result delivers a responsive, unique and characterful development proposal.

Q3. Are there other benefits or challenges that you think should also be included?

The Commissioners considers that the potential for a well-connected and well-integrated development should be better recognised. The Interim Sustainability Appraisal (SA) prepared by Aecom identifies Scenario 1 as the option which performs most favourably in terms of transport and accessibility, primarily due to the provision of a multimodal bridge using the safeguarded land. The SA notes that approximately 50% of the proposed development is within 400 metres of an existing bus stop, which is considered a positive contribution and is significantly higher than Scenarios 2 and 3 (10% and 30% respectively). The SA finds that Option 1 would facilitate the greatest number of new homes within proximity to local employment opportunities. There is significant potential to provide new and enhanced active travel connections, as outlined in the Vision Document. The Commissioners would also explore the potential to improve connectivity with the Railway Station, which is approximately 650-1.5km away from Scenario 1.

The Commissioners' commitment to the delivery of a high-quality development should be considered a key benefit. It is high on its agenda for 'The Beeches' to be a new neighbourhood that is of high quality design, locally distinctive and attractive which will evolve and grow as part of Southbourne. As explained in the Vision Document, the design would take cues from Southbourne in terms of scale, massing, details and materials and the landscaping ensures the development has a minimal impact on the sensitive surrounding landscape. The list of benefits for Scenario 1 does not include heritage considerations. The Assessment Framework notes that Scenario 1 is the only Scenario where there are no heritage assets within the site, when considering the potential for development to be sympathetic to existing heritage features. The SA states that Scenarios 2 and 3 are particularly close to Grade II listed buildings 'Thatchways' and 'Loveders Farmhouse'. The SA notes that Scenario 1 is likely to have some impact on the setting of listed buildings in Hermitage and Lumley villages, but as previously discussed this will be mitigated through the landscape buffering and sensitive overall design. The SA concludes that Scenario 1 performs most favourably with regard to heritage. The Commissioners therefore considers that this should be included as a benefit within the DPD. The vision for The Beeches seeks to interconnect place, community and heritage.

The DPD should also include the potential for the delivery of high-quality housing as a key benefit. The potential of Scenario 1 to deliver a mix of housing types and tenures is recognised as Very Strong in Chapter 5 of the Assessment Framework. The Commissioners is committed to the delivery of a range of high-quality homes that are energy efficient, which are built to last, from houses for first-time buyers to family homes, including both market and affordable housing.

The DPD is based on each Scenario having capacity for 800 dwellings. The Commissioners' Vision Document shows that its landholding could accommodate circa 1,200 homes, which could assist with meeting housing need should the Council revisit their requirement in light of emerging National Policy which would see a significant increase in the Standard Method figure for Chichester District Council. Should the Local Plan Examination conclude that additional housing is required, this site has the capacity to provide additional homes beyond the 800 identified in the draft DPD. Given the ample provision of approximately 31ha of open identified as being deliverable in the Vision Document (significantly above the minimum of 25.5ha identified as deliverable in the DPD), the concept masterplan remains balanced and able to deliver the necessary infrastructure in a high quality development. Maximising the site's potential to deliver homes will help to ensure the delivery of infrastructure to support the growth of Southbourne.

In relation to housing delivery the Stage 1 Viability Assessment (October 2024) includes Scenario 1 anticipated S106 costs in Appendix 1. This includes a Gypsy and Traveller Provision cost of £2.16 million (for 24 pitches). However, the Chichester Planning Obligations SPD (2016) does not include a standard obligation for Gypsy and Traveller Provision and there appears to be a lack of evidence to justify this requirement. In addition, a BNG cost of £1.5M is stated – however, should the BNG requirement be delivered on site, presumably this cost would not apply. Any BNG cost should be fully justified and evidenced by supporting documents. The list also provides an estimated cost for the road bridge. The Commissioners considers that any specific S106 obligations need to be defined at the planning application stage, based on an evidence-based and assessed approach.

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Q4. In this scenario, what do you think would be the challenges or issues if there wasn't a vehicular bridge over the railway line?

Two new access points are proposed in Scenario 1, from Main Road to the south and Stein Road to the east. Technical work is being undertaken by Pell Frischmann who is exploring the possible provision of a spine road (and associated bridge over the railway line) connecting the A259 Main Road with Stein Road (both access points), to form a continuous vehicle route around the north-western edge of Southbourne as part of Scenario 1.

The Commissioners is aware that the delivery of a multimodal bridge is an important aspect for the delivery of growth at Southbourne whichever Scenario is pursued. That said, a sizeable first phase could still come forwards to the north of the site ahead of the delivery of a multimodal bridge in Scenario 1. Development could then continue south, once the spine road is in place to connect the northern and southern access points. The Commissioners is also aware that the informal pedestrian level crossing at Church Footpath is already considered a high-risk crossing as confirmed by Network Rail. The specific challenges that could arise should a pedestrian bridge be undeliverable would need to be subject to detailed technical work. Each applicant would have to refine this testing with their own modelling at an appropriate time closer to planning application stage.

The Commissioners considers that Scenario 1 is the most feasible option for the delivery of a multi-modal bridge given the safeguarded area of land immediately to the south of the Scenario area; this is a significant advantage for Scenario 1. This benefit is recognised in the DPD and the SA, which comments that landownership issues are not as much as of a concern given the S106 agreement in place. Pell Frischmann are continuing technical work to determine the likely costs, detailed technical design of a new bridge and road reconfiguration, time frames and overall viability.

Summary

To summarise, the Commissioners agrees with the Council's vision for the future development of a thriving and sustainable community in Southbourne and consider that Scenario 1 is the most suitable, feasible and deliverable option to realise this vision. As has been explained and is shown in the Commissioners' Vision Document, should the Council choose to proceed with Scenario 1, a range of benefits including a new hub of community facilities and ample green infrastructure to enhance biodiversity and accessibility and those can be delivered. The Commissioners considers that these benefits could be delivered alongside 1,200 high quality homes if required, above the 800 homes stated in the DPD. The challenges identified in the DPD can be suitably mitigated for as part of a future development and have been used to inform a carefully considered concept masterplan.

The Commissioners understands that the delivery of a multimodal bridge to provide a railway crossing is needed to allow the full delivery of strategic development at Southbourne – this is a challenge for all three scenarios set out in the DPD. The Commissioners and Pell Frischmann will continue to work with the Council and other key stakeholders with regard to the delivery of the bridge and do not anticipate that this will be an insurmountable issue for Scenario 1.

The Commissioners are keen to continue to engage with Chichester District Council on the preparation of the Southbourne DPD. Should you have any questions regarding this submission or wish to meet to

discuss the opportunity presented by the Commissioners' land, please do not hesitate to contact me or my colleague Sally Furminger.

Yours faithfully



Pauline Roberts
Senior Director
BA (Hons) MSc MRTPI MRICS

Appendix 1

12 December 2024

Planning Policy,
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PO19 1TY

Alfred Spreckley MRICS
E: [redacted]

33 Margaret Street W1G 0JD
[redacted]

To whom it may concern,

Southbourne Allocation DPD Viability Assessment

We act as agent for and on behalf of the Church Commissioners for England and write to you regarding their land holding allocated under Policy A13: 'Southbourne Broad Location for Development, which has been assessed by DixonSearl Partnership within their Local Plan 2021-2039 Stage 1 & 2 Viability Assessment (and associated appendices).

We have undertaken a detailed review of the Viability Assessment with a particular focus on the assumptions set out at 'Appendix 1 – Assumptions framework (Tables 1a-1e) and the Appraisal Summaries set out at 'Appendix 2a'. Following detailed 'site capacity analysis' this representation is centred on: Scenario 1 West - 1050 dwellings, 30% Affordable Housing, VL2 @ £4,750.

Savills supports the findings of the Viability Assessment in concluding that Scenario 1 ('Development focused towards the West of Southbourne) is viable. We have however detailed below the assumptions that we consider to need adjustment and where appropriate we have provided evidence to substantiate our view.

Market and Affordable Housing Unit size

We have reviewed the 'dwelling sizes and mix assumptions' set out at: Appendix 1 Assumptions Summary: Table 1d: Dwelling mixes and revenue assumptions. We recognise that these are low level assumptions given that they reflect the Nationally Described Space Standard October 2015. However, and given these assumptions have a significant bearing on overall viability, these should in fact be more market facing rather than simply reflecting the minimum space standards.

Instead, and assuming the same unit mix (as set out in Appendix 1 Assumption Summary: Table 1D), we suggest a blended Market Housing average unit size of 1,100 SQFT/per unit as opposed to that of 940 SQFT which is currently envisaged under this scenario. In addition to this we suggest that Affordable Housing average unit size of 900 SQFT/per unit as opposed to that of 721 SQFT/per unit.

Benchmark Land Value

The Local Plan submission document titled: The Local Plan 2021-2039 Viability Assessment – Stage 2 (January2023) states the following:

Typically, we would expect to apply an EUV+ based land value benchmark at not more than approximately £250,000/ha (applied to gross site area) for bulk greenfield land release, based on a circa ten times uplift factor (the "plus" element) from the EUV for agricultural land at not exceeding c. £25,000/ha.

It is our view that both the multiplier and the Existing Use Value (EUV) are too low and the EUV rate/ha. should not dramatically decrease as the gross land area increases (as seen in the figure below). Instead, and having

consulted with Savills Rural Valuation Team, we consider the EUV (Agricultural Land (assuming no irrigation)) to be £35,000/ha.

Additionally, we believe the applied (10x) multiplier to be too low. Transactional data indicates that a 12.5x multiplier is required to encourage/incentivise landowners to bring sites forward for development. On this basis and assuming a market facing, uprated premium of 12.5x we consider the BLV to instead be in the remit of £437,500/ha.

Figure 11: Range of BLVs ('Viability Tests')

EUV+ £/ha	Notes
£250,000	Greenfield Enhancement - reflecting larger scale development
£500,000	Greenfield Enhancement (Upper) - reflecting smaller scale development
£850,000	Low-grade PDL (e.g. former community uses, yards, workshops, former industrial etc.)
£1,500,000	
£2,000,000	Medium PDL - industrial/commercial
£3,000,000	Upper PDL Benchmark/residential land values
£3,500,000	

Developers return

The profit level (17.5% of GDV) applied to Market Housing is both market facing and in line with PPG. However the blended (all tenure) profit level of 15.84% is too low. Guidance from the Ministry of Housing, Communities and Local Government and Department for Levelling Up, Housing and Communities states:

A lower figure [than 15-20% of gross development value (GDV)] may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk.

However the falling demand for S106 homes is increasingly becoming a barrier for delivery. Registered providers are scaling back their appetite for S106 homes and instead have a renewed emphasis on investment in existing stock meaning that no longer is sale to a registered provider guaranteed. This risk is becoming ever more entrenched and subsequently this should be reflected in applying a higher profit level.

On this basis we propose a blended developers return/profit of 17.50% that is both reflective of declining/unknown affordable revenues and the effect that this may have on overall deliverability of the site. It is our view that this a market facing assumption which closely aligns with the PPG.

Areas of agreement

Externals, Site Works Infrastructure and Road Bridge: These are in line with the work that has been undertaken by CCEs engineers, Pell Frischmann. Whilst these figures will need refining as the scheme progresses, these assumed levels provide sufficient headroom for the delivery of all associated infrastructure.

Construction costs/Build Rate: We consider the adopted £1,440/Sqm to be reasonable, with BCIS indicating a (Lower Quartile) rate of £1,338/Sqm for Estate Housing/Mixed developments in Chichester.

Market Values: We have completed detailed market analysis and consider an average value of £450/psf could be achieve by new build development in Southbourne. Which closely aligns with the rate of £441/psf applied.

Conclusion

To conclude *Scenario 1 West - 1050 dwellings, 30% Affordable Housing, VL2 @ £4,750* is viable. Whilst we consider alternative assumptions can be applied in regards to the Unit Size, BLV and Developers Return these alterations do not have a material effect (due to the increased GDV offsetting the increased BLV) on the overall viability of the scheme but instead act to make the assumptions more market facing. To conclude we consider this to be a viable and deliverable scheme.

Yours sincerely

Alfred Spreckley MRICS
Development Surveyor

