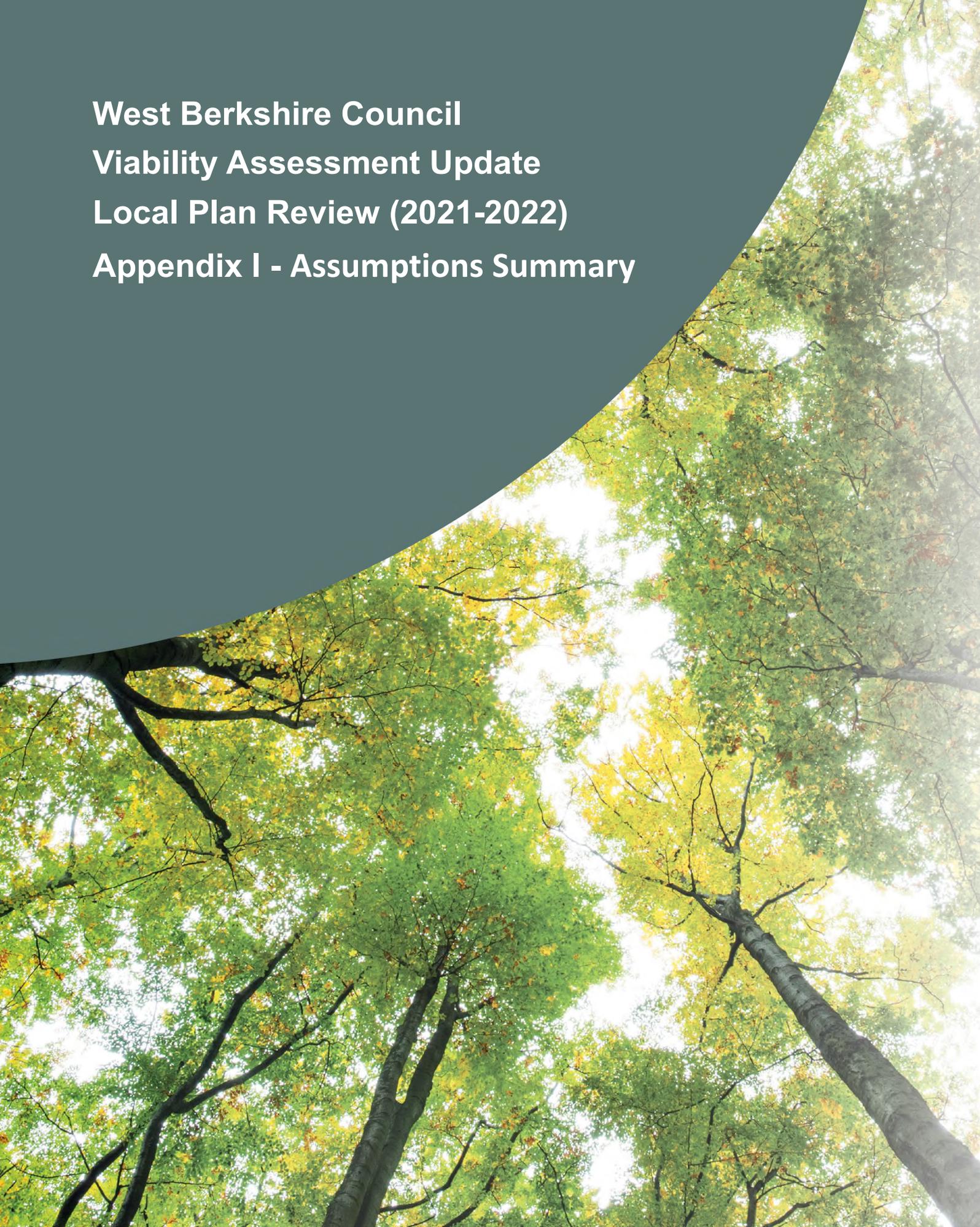


**West Berkshire Council
Viability Assessment Update
Local Plan Review (2021-2022)
Appendix I - Assumptions Summary**



**West Berkshire Council - Appendix I - Local Plan Review Viability Assessment (Stage 1 - 2021)
Residential Assumptions (Table A)**

Scheme Size Appraised	Type	Site Type	Density	Net Land Area (ha)	OS Allowance (ha)	Gross Land Area (ha)	OS Maintenance Cost (£ Total)	Build Period (Months)
2	Houses	PDL	30	0.07	0.02	0.09	£2,429	6
5	Houses	PDL/Greenfield	30	0.17	0.04	0.24	£6,072	6
6	Houses	PDL/Greenfield	30	0.20	0.05	0.28	£7,286	6
10	Houses	PDL/Greenfield	35	0.29	0.09	0.42	£12,144	12
15	Flats	PDL	75	0.20	0.13	0.36	£18,216	12
15	Houses	PDL/Greenfield	35	0.43	0.13	0.62	£18,216	12
25	Houses	PDL/Greenfield	40	0.63	0.22	0.94	£30,359	18
30	Flats (Sheltered)	PDL	125	0.24	0.26	0.54	£36,431	18
50	Mixed	PDL/Greenfield	50	1.00	0.44	1.59	£60,718	18
50	Flats	PDL, town centre, small site	115	0.43	0.44	0.94	£60,718	18
60	Flats (Extra Care)	PDL	125	0.48	0.53	1.08	£72,862	18
100	Mixed	PDL, town centre, large site	90	1.11	0.88	2.15	£121,437	24
100	Mixed	Greenfield	50	2.00	0.88	3.18	£121,437	24
250	Flats (6+ Storey)	PDL, town centre, large site	250	1.00	2.19	3.34	£303,592	36
250	Mixed	Greenfield	35	7.14	2.19	10.40	£303,592	36

Notes:

The above scenarios tested at 0% (<5 units only), 20%, 30%, and 40% AH on-site provision on all scenarios. The appraisals have been completed in each case to the point at which a negative result is returned - we consider there to be no merit in extending testing beyond the points where there is a negative residual land value. Affordable Housing tenure split assumed at 70% Social Rented and 30% Affordable Home Ownership (AHO). 10% Low Cost / AHO of total overall requirements. The above assumes fully applied policy position - actual percentage will necessarily vary due to policy requirement.

Land area adjustment - 15% added to allow for the gross site area plus bespoke assumption for open space as per emerging policy requirements. On-site OS allowance for Town Centre PDL sites, assumed as a proxy for off-site contribution.

Unit Sizes (sq. m.)*	Affordable	Market
1-bed flat	50	50
2-bed flat	61	61
2-bed house	79	79
3-bed house	93	93
4-bed house	106	130

*Note: **Retirement/sheltered typology:**

1-beds @ 55 sq. m; 2-beds @ 75 sq. m (Note 25% communal area content within retirement/sheltered typology)

*Note: **Extra care typology:**

60 units typology

1-beds @ GIA 58.5 sq. m; 2-beds @ 76 sq. m (excluding communal areas - 35% communal area content).

*based on range set out in the Nationally Described Space Standard (NDSS).

DSP Value Levels

Market Value - Private	VL1	VL2	VL3	VL4	VL5	VL6	VL7+
Indicative Relevance of VLs by Spatial Zone	AONB						
	Eastern Area						
	Newbury & Thatcham						
1-bed flat	£187,500	£200,000	£212,500	£225,000	£237,500	£250,000	£275,000
2-bed flat	£228,750	£244,000	£259,250	£274,500	£289,750	£305,000	£335,500
2-bed house	£296,250	£316,000	£335,750	£355,500	£375,250	£395,000	£434,500
3-bed house	£348,750	£372,000	£395,250	£418,500	£441,750	£465,000	£511,500
4-bed house	£487,500	£520,000	£552,500	£585,000	£617,500	£650,000	£715,000
MV (£ / m ²)	£3,750	£4,000	£4,250	£4,500	£4,750	£5,000	£5,500

Retirement (Sheltered and Extra Care) tested at £5,000, £5,500, and £6,000/sq. m.

Assumed Housing Mix

Type	Overall Mix			
	1-Bed	2-Bed	3-Bed	4+Bed
Market Housing	5-10%	25-30%	40-45%	20-25%
Affordable Housing	20-25%	35-40%	30-35%	5-10%

*based on emerging policy SP18 informed by the Berkshire SHMA 2016 and the Updated Housing Needs Evidence May 2020

Affordable Housing Revenue Assumptions

Unit	Market Size (sq..)	Social Rent	
		Average Weekly rents W Berks*	Average AH Transfer Price
1BF	50	£115.82	£94,887
2BF	61	£122.00	£95,817
2BH	79	£122.00	£104,148
3BH	93	£135.22	£110,780
4BH	112	£160.03	£131,105

*based on DSP analysis of Social Rents provided from WBC Choice Based Lettings data.

Shared Ownership Value assumes an average of 65% of market value

West Berkshire Council - Appendix I - Local Plan Review Viability Assessment (Stage 1 - 2021)
Residential Assumptions (Table B)

Development / Policy Costs	West Berkshire Council	Notes / variances
RESIDENTIAL BUILDING, MARKETING & S106 COSTS		
Build Costs 'One-off' housing semi-detached - generally (£/sq. m) ¹	£1,852	BCIS (5yr period) figures are exclusive of external works
Build Costs Estate Housing - generally (£/sq. m) ¹	£1,258	
Build Costs Mixed Developments - generally (£/sq. m) ¹	£1,274	<i>Note: 100 Mixed PDL assumes a weighted rate between houses and flats at £1,298/sq. m based on 40% flats, 60% houses.</i>
Build Costs Flats - generally (£/sq. m) ¹	£1,407	
Build Costs Flats - 3-5 Storeys (£/sq.m) ¹	£1,388	85% Net:Gross floor area adjustment (Flats Only)
Build Costs Flats - 6+ Storey (£/sq. m) ¹	£1,628	
Build Costs (Supported Housing - Generally) (£/sq.m) ¹	£1,557	Retirement - Sheltered and Extra Care (plus additional allowances for communal areas (@ 25% & 35% respectively, from base 15%)
External Works	10% (Flats) 15% (Houses)	added to build costs. Bespoke assumption for Sheltered/Extra Care typologies at 7.5%
Site Works (on gross)	£500,000/ha	Bespoke allowances for larger site typologies
Contingencies (% of build cost)	5%	Bespoke allowances for larger site typologies
Professional & Other Fees (% of build cost)	10%	
Sustainable Design / Construction Standards (% of build cost)	4% (market) 7% (AH)	Based on requirements set out in Policy SP5 and Policy DC3. <i>Potential additional sensitivity testing</i>
Electric Vehicle Charging (£/unit)	£500	per EV charging point - assume one per unit
Biodiversity Net Gain (BNG) (% of build cost) ²	Variable 0.1% PDL 0.7% GF	% varies based on site type (PDL/GF). Typologies PDL/GF tested at 0.7%.
CIL Rate(s)	Tested at current indexed rates (Stage 1 only)	Newbury & Thatcham, and Eastern Urban Area @ £75/sq. m. (2021 indexed rate: £97.56/sq. m.) AONB and East Kennett Valley @ £125/sq. m. (2021 indexed rate: £162.60/sq. m.)
Water Efficiency Standards	110 litres per person per day	
Residual s.106/s.278 /non-CIL costs (£ per unit) - small scale PDL / Greenfield sites	£2,000/unit	
Empty Property Costs (Sheltered / Extra Care only)	£2,000/unit (Sheltered) £5,000/unit (Extra Care)	
Marketing & Sales Costs (%of GDV)	3%	
Legal Fees on sale (£ per unit)	£750	
DEVELOPER'S RETURN FOR RISK AND PROFIT		
Open Market Housing Profit (% of GDV)	17.5%	Range of 15% - 20%, DSP assumed testing at mid-point of range at 17.5%
Affordable Housing Profit (% of GDV)	6%	
FINANCE & ACQUISITION COSTS		
Agents Fees (% of site value)	1.50%	HMRC scale
Legal Fees (% of site value)	0.75%	
Stamp Duty Land Tax (% of site value)	0% to 5%	
Finance Rate - Build (%)	6.5%	
Finance Rate - Land (%)	6.5%	

Notes:

¹ Build cost taken as "Median" figure from BCIS for that build type unless otherwise stated - e.g. flats ; houses storey heights etc. and then rounded. Median figure gives a better figure than the Mean as it is not so influenced by rogue figures that can distort the mean on small sample sizes. The BCIS figure for Newbury has been used and averaged across the area. External added separately at 10-15%. Site works added separately.

² 'Biodiversity net gain and local nature recovery strategies - Impact Assessment', Defra - based on data in Table 19 (Greenfield delivery Costs as a proportion of build costs) and Table 20 (Brownfield delivery Costs as a proportion of build costs) South East Region 'central estimate'.

Dixon Searle Partnership (2021)

West Berkshire Council - Appendix I - Local Plan Review Viability Assessment (Stage 2 - 2022) Residential Assumptions Update (Table C)

Further Typology Sensitivity Testing for Stage 2- Update 2022

Scheme Size Appraised	Type	Site Type	Density	Net Land Area (ha)	OS Allowance (ha)	Gross Land Area (ha)	OS Maintenance Cost (£ Total)	Build Period (Months)	Affordable Housing % Tests
30	Sheltered	PDL predominantly	125	0.24	0.26	0.54	£36,431	18	20% - 40%
100	Mixed	PDL, Urban	90	1.11	0.88	2.15	£121,437	24	20% - 30%
100	Mixed	Greenfield	50	2.00	0.88	3.18	£121,437	24	30% - 40%

Notes:

The appraisals have been completed in each case to the point at which a negative result is returned - we consider there to be no merit in extending testing beyond the points where there is a negative residual land value. Affordable Housing tenure split assumed at 70% Social Rented, 25% First Homes (@ 30% discount) and 5% Affordable Home Ownership (AHO). 10% Low Cost / AHO of total overall requirements. The above assumes fully applied policy position - actual percentage will necessarily vary due to policy requirement.

Land area adjustment - 15% added to allow for the gross site area plus bespoke assumption for open space as per emerging policy requirements.
On-site OS allowance for town centre / urban PDL sites assumed as a proxy for off-site contribution.

Unit Sizes - remain as per Stage 1

Updated Dwelling Mix Principles

Type	Overall Mix			
	1-Bed	2-Bed	3-Bed	4+Bed
Market Housing	5-10%	40-45%	35-40%	10-15%
Affordable Home Ownership	20-25%	45-50%	20-25%	5-10%
Affordable Housing (rented)	30-35%	35-40%	20-25%	5-10%

Based on emerging policy SP18 informed by the Berkshire Housing Needs Evidence July 2022 (Iceni Projects).

NOTE:

For the purposes of this VA, mix assumptions assembled and necessarily adjusted on a best fit basis to accommodate:

1. Min 25% First Homes 2. 70% SR - as closely as possible and 3. With SO taking up remainder if applicable and also bearing in mind NPPF para 65 requirement for min. 10% affordable home ownership.

Owing to available number of affordable homes at different scheme size and tested AH% levels, there will inevitably be mix variations based around the LP targeted overview approach / latest available evidence. Sheltered housing assumes 60% 1-BF; 40% 2-BF (market mix).

Stage 2 - Updated Value Levels Range

Market Value - Private	VL1	VL2	VL3	VL4	VL5	VL6	VL7	VL8+
1-bed flat	£187,500	£200,000	£212,500	£225,000	£237,500	£250,000	£262,500	£275,000
2-bed flat	£228,750	£244,000	£259,250	£274,500	£289,750	£305,000	£320,250	£335,500
2-bed house	£296,250	£316,000	£335,750	£355,500	£375,250	£395,000	£414,750	£434,500
3-bed house	£348,750	£372,000	£395,250	£418,500	£441,750	£465,000	£488,250	£511,500
4-bed house	£487,500	£520,000	£552,500	£585,000	£617,500	£650,000	£682,500	£715,000
MV (£ / m ²)	£3,750	£4,000	£4,250	£4,500	£4,750	£5,000	£5,250	£5,500

Sheltered housing tested between £4,500 - £6,250/m² - referred to as VLs 4 - VL11 within results tables

Affordable Housing Revenue - remain as Stage 1

Updated Development / Policy Costs <i>Note: cost assumptions not listed here remain as set out in Stage 1</i>	West Berkshire Council	Notes / variances
Build Costs Mixed Developments - generally (£/sq. m)	£1,492	<i>Typology tests only. Bespoke assumptions made for NE Thatcham strategic site.</i>
Build Costs - Suported Housing - generally (£/sq.m)	£1,774	
Sustainable Design / Construction Standards (% of build cost)	5%	Based on information provided by WBC and Bioregional report.
Electric Vehicle Charging (£/unit)	£500	Per EV charging point - assume one per unit.
M4(2) Accessible and adaptable dwellings compliance (£/sq. m) ¹	£15.50	Applied to 90% of homes.
M4(3) Wheelchair user dwellings compliance (£/sq. m.)	£155.50	Applied to 10% of homes.

¹High-level costs based on the analysis as described in the 'Raising accessibility standards in new homes' consultation document - <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>

**West Berkshire Council - Appendix I - Local Plan Review Viability Assessment
Proposed Strategic Site Allocation Review - North East Thatcham: Assumptions (Stage 1 - 2021)
(TABLE D)**

Development Scenario	2500	
(LPR Ref: SP17)	Mixed	(Houses & Flats)
Site Type	Greenfield	
Net Land Area (ha)	120.90	(TBC)
Gross Land Area (ha)	172.40	
BLV (£/ha)	£250,000	
BLV (£)	£43,100,000	

General Development Assumptions:	
Affordable Housing:	Tested at 40% AH assuming tenure proportion of 70% Social Rented / 30% Affordable Home Ownership. 10% Low Cost / AHO of total overall requirements. See Sheet 1 for AH revenue assumptions.
Dwelling Mix:	Based on emerging policy SP18 informed by the Berkshire SHMA 2016 and the Updated Housing Needs Evidence May 2020. See TABLE A for the detail % proportions.
Unit/Dwelling Sizes (sq. m.):	Based on range set out in the Nationally Described Space Standard (NDSS).
Market Value Level (£/sq. m.):	Base value tested at £4,000/sqm with sensitivity testing also carried out at £3,750/sqm and £4,250/sqm.
Build Rate:	160 per annum.

Development Cost Assumptions:	
Build Costs Mixed Developments - generally (£/sq. m):	£1,274
External Works (% of cost):	10%
Contingencies (% of cost):	5%
Professional Fees (% of cost):	8%
CIL Rate (Indexed):	Indexed rate: £97.56/sq. m.
Sustainable Design / Construction Standards (% of build cost):	4% (market) / 7% (AH) Based on requirements set out in Policy SP5 and Policy DC3.
Electric Vehicle Charging (£/unit):	£500 per EV charging point - assume one per unit
Biodiversity Net Gain (BNG) (% of build cost):	0.7%
Marketing & Sales Costs (% of GDV):	3%
Legal Fees on sale (£ per unit):	£750
Open Market Housing Profit (% of GDV):	17.50%
Affordable Housing Profit (% of GDV):	6%
Finance & Acquisition Costs	
Agents Fees (% of site value)	1.50%
Legal Fees (% of site value)	0.75%
Stamp Duty Land Tax (% of site value)	0% to 5%
Finance Rate (%)	6.50%

Infrastructure Schedule (based on information provided as part of the Thatcham Growth Study Stage 3 by David Locke Associates (DLA)) ¹	
Infrastructure Required	Cost £
Transport Infrastructure	
Primary Link Road	£3,250,000
Secondary Internal Road	£900,000
Allowance for PIPE Corridor for Cycle/Ped/Green Ways	£750,000
Allowance for Site Wide Cycle/Ped/Green Ways	£1,875,000
Site Access	
Access to Floral Way - New Roundabout (northern end of site)	£500,000
Modify Floral Way / Hart Hill Roundabout to mini roundabout or signal junction with new pedestrian crossing	£500,000
Access to Floral Way - Roundabout	£500,000
New Access Arm on A4/ Pipers Way Roundabout	£500,000
New Bus Gate on A4 or new Colthrop Lane Roundabout	£1,000,000
New Bus Gate on A4 or Access to A4 using Crematorium /Gable Way Roundabout	£100,000
Other On-site Infrastructure	
Site preparation works contingency	£5,000/unit
Total of 5FE primary school provision (anticipated as 1x2FE + 1x3FE schools)	£22,700,000
8FE Secondary School (8ha in total) - 50% funded by development	£26,400,000
Drainage ponds	£830,000
Advanced tree planting and strengthening existing hedgerow	£280,000
Undergrounding of 11kv overhead electric cables	£180,000
Undergrounding of 33kv overhead electric cables	£360,000
Utility connection costs - Electricity	£2,500,000
Utility connection costs - Potable Water	£2,500,000
Utility connection costs - Foul Water	£4,000,000
Utility connection costs - Gas (small allowance for specialist requirement, anticipation of heating decarbonisation)	£500,000
Off-site Pedestrian and Cycle Improvements	
Improve Crossing Facilities at Floral Way/ Harts Hill Way Roundabout. Improve informal crossing arrangements or provide a controlled crossing (New Signalised Crossing)	£120,000
Upgrade crossing facilities along the A4 (Crossing at Hart Hill Lane / Stoney Lane) to cater for increased demand and type of demand. Upgrade to Toucan crossing	£20,000
Upgrade crossing facilities along the A4 (crossing west of Floral Way) to cater for increase demand and type of demand. Upgrade to Toucan crossing	£120,000
Improve Crossing Facilities at A4 /Pipers Way Roundabout. Provide toucan crossing on eastern arm.	£120,000
Improvements to Pipers Way to deliver continuous cycleway /footway. Upgrade Approx. 500m to shared footway / cycleway	Assumed funded through CIL
Provide missing cycle connection between A4 and Edwin Close FP/CW on Falmouth Road. Widen Footway or provide on road cycle lane and provide dropped kerbs at Junction with Skillman Dr	Assumed funded through CIL
Provide missing cycle connection between A4 and Domoney Close on Stoney Lane. Widen footway or provide on road cycle lane	Assumed funded through CIL
Deliver improvements to make NCN 4 off carriageway between Pipers Way / Station Road Roundabout and Station. Widen footway to make a off road cycleway.	Assumed funded through CIL
Improve cycle facilities between Harts Hill Road and Broadway (Town Centre). Provide on road cycle lane by reducing hatching and central reservation islands to provide space for on road cycle lane on both sides of carriageway	Assumed funded through CIL
Formalise crossing / improve facilities on Floral Way	Assumed funded through CIL
Off-site Highway Improvements	
Capacity Improvements to Floral Way	£250,000
Allowance for other Works Along A4	Assumed funded through CIL
Other Off-site Infrastructure	
3G Pitch Enhancement at Henwick Worthy	Assumed funded through CIL
Additional Cycle Parking at railway Station	Assumed funded through CIL
New Bus Routes	Assumed funded through CIL
Primary Health Care	Assumed funded through CIL
Changing Room Building	£260,000
Community Building (350m2)	£700,000

¹ Thatcham Strategic Growth Study Stage 3 (September 2020) by David Locke Associates - Appendix A and Appendix B. Appendix A sets out the key infrastructure schedule including which requirements are to be funded through CIL. Appendix B describes DLA approach to initial appraisal modelling including costs for site preparation works as noted above (see paragraph 14, pg. 108).

**West Berkshire Council - Appendix I - Local Plan Review Viability Assessment
Proposed Strategic Site Allocation Review - North East Thatcham: Assumptions (Stage 2 - 2022)
(TABLE E)**

Development Scenario	1500	
(LPR Ref: SP17)	Mixed	(Houses & Flats)
Site Type	Greenfield	
Net Land Area (ha)	120.90	(TBC)
Gross Land Area (ha)	172.40	(Assumed as per 2021 at this stage)
BLV (£/ha)	£250,000	
BLV (£)	£43,100,000	(Assumed as per 2021 at this stage)

General Development Assumptions:	
Affordable Housing:	Tested at 40% & 30% AH assuming tenure proportion of 70% Social Rented / 25% First Homes / 5% other intermediate (where dwelling mix allows) . 10% Low Cost / AHO of total overall requirements. See Table A for AH revenue assumptions.
Dwelling Mix:	Based on emerging policy SP18 informed by the Berkshire Housing Needs Evidence July 2022. See Table C for the detail % proportions.
Unit/Dwelling Sizes (sq. m.):	Based on range set out in the Nationally Described Space Standard (NDSS).
Market Value Level (£/sq. m.):	Base value tested at £4,750/sqm with sensitivity testing also carried out at £4,500/sqm and £5,000/sqm.
Build Rate:	150 per annum as per WBC provided information.
Development Cost Assumptions:	
Build Costs Mixed Developments - generally (£/sq. m):	LQ BCIS - £1,370/m2
External Works (% of cost):	10%
Contingencies (% of cost):	5%
Professional Fees (% of cost):	8%
CIL Rate (Indexed):	Indexed rate: £97/sq. m.
Sustainable Design / Construction Standards (% of build cost):	5% Based on requirements set out in Policy SP5 and Policy DM5. Assumptions utilising Bioregional information.
Electric Vehicle Charging (£/unit):	£500 per EV charging point - assume one per unit and allowing for economies of scale.
Biodiversity Net Gain (BNG) (% of build cost):	0.7%
Marketing & Sales Costs (% of GDV):	3%
Legal Fees on sale (£ per unit):	£750
Open Market Housing Profit (% of GDV):	17.5% / 20%
Affordable Housing Profit (% of GDV):	6% (12% First Home)
Finance & Acquisition Costs	
Agents Fees (% of site value)	1.50%
Legal Fees (% of site value)	0.75%
Stamp Duty Land Tax (% of site value)	0% to 5%
Finance Rate (%)	6.50%

Infrastructure Schedule (based on information provided as part of the Thatcham Growth Study Stage 3 by David Locke Associates (DLA)) ¹	
Infrastructure Required	Cost £
Transport Infrastructure	
Primary Link Road	Pro-rated from Table D - 1,500 units
Secondary Internal Road	
Allowance for PIPE Corridor for Cycle/Ped/Green Ways	
Allowance for Site Wide Cycle/Ped/Green Ways	
Site Access	
Access to Floral Way - New Roundabout (northern end of site)	Pro-rated from Table D - 1,500 units
Modify Floral Way / Hart Hill Roundabout to mini roundabout or signal junction with new pedestrian crossing	
Access to Floral Way - Roundabout	
New Access Arm on A4/ Pipers Way Roundabout	
New Bus Gate on A4 or new Colthrop Lane Roundabout	
New Bus Gate on A4 or Access to A4 using Crematorium /Gable Way Roundabout	
Other On-site Infrastructure	
Site preparation works contingency	£5,000/unit
Early Years & Primary - New primary school (1 x 2.5FE for 1500 dwellings) with nursery class(es) on the development site	£12,469,212
Secondary - Land and buildings to meet the impact of the development. The nature and cost of the mitigation will be informed by a feasibility study, undertaken at the applicants expense and prepared in collaboration with the local authority and local stakeholders. Assume 60% of the full 2,500 unit cost.	£15,840,000
SEND - provision of additional SEND places.	Assumed funded through CIL
Drainage ponds	Pro-rated from Table D - 1,500 units
Advanced tree planting and strengthening existing hedgerow	
Undergrounding of 11kv overhead electric cables	
Undergrounding of 33kv overhead electric cables	
Utility connection costs - Electricity	
Utility connection costs - Potable Water	
Utility connection costs - Foul Water	
Utility connection costs - Gas (small allowance for specialist requirement, anticipation of heating decarbonisation)	
Off-site Pedestrian and Cycle Improvements	
Improve Crossing Facilities at Floral Way/ Harts Hill Way Roundabout. Improve informal crossing arrangements or provide a controlled crossing (New Signalised Crossing)	Pro-rated from Table D - 1,500 units
Upgrade crossing facilities along the A4 (Crossing at Hart Hill Lane / Stoney Lane) to cater for increased demand and type of demand. Upgrade to Toucan crossing	
Upgrade crossing facilities along the A4 (crossing west of Floral Way) to cater for increase demand and type of demand. Upgrade to Toucan crossing	
Improve Crossing Facilities at A4 /Pipers Way Roundabout. Provide toucan crossing on eastern arm.	
Improvements to Pipers Way to deliver continuous cycleway/footway. Upgrade Approx. 500m to shared footway / cycleway	Assumed funded through CIL
Provide missing cycle connection between A4 and Edwin Close FP/CW on Falmouth Road. Widen Footway or provide on road cycle lane and provide dropped kerbs at junction with Skillman Dr	Assumed funded through CIL
Provide missing cycle connection between A4 and Domoney Close on Stoney Lane. Widen footway or provide on road cycle lane	Assumed funded through CIL
Deliver improvements to make NCN 4 off carriageway between Pipers Way / Station Road Roundabout and Station. Widen footway to make a off road cycleway.	Assumed funded through CIL
Improve cycle facilities between Harts Hill Road and Broadway (Town Centre). Provide on road cycle lane by reducing hatching and central reservation islands to provide space for on road cycle lane on both sides of carriageway	Assumed funded through CIL
Formalise crossing / improve facilities on Floral Way	Assumed funded through CIL
Off-site Highway Improvements	
Capacity improvements to Floral Way	Pro-rated from Table D - 1,500 units
Allowance for other Works Along A4	Assumed funded through CIL
Other Off-site Infrastructure	
3G Pitch Enhancement at Henwick Worthy	Assumed funded through CIL
Additional Cycle Parking at railway Station	Assumed funded through CIL
New Bus Routes	Assumed funded through CIL
Primary Health Care	Assumed funded through CIL
Changing Room Building	Pro-rated from Table D - 1,500 units
Community Building (350m2)	

Items Pro-rated from Table D given no infrastructure costings at point of appraisal modelling. Equivalent to £9,046 per unit plus site prep contingency plus known education costs plus CIL.

¹ Thatcham Strategic Growth Study Stage 3 (September 2020) by David Locke Associates - Appendix A and Appendix B. Appendix A sets out the key infrastructure schedule including which requirements are to be funded through CIL. Appendix B describes DLA approach to initial appraisal modelling including costs for site preparation works as noted above (see paragraph 14, pg. 108).

West Berkshire Council - Appendix I - Local Plan Review Viability Assessment (Stage 2 - 2022)
Commercial assumptions at update stage
(Table F)

Use Class / Type	Example Scheme Type	GIA (m ²)	Site Coverage	Site Size (ha)	Build Period (Months*)	Values Range - Annual Rents £ per sq m			Build Cost (£ per sq m)**	External Works cost addition	Total Build Cost (£/sq m excl fees etc)	Notes
						Low	Mid	High				
Large Retail	Large Supermarket - out of town	1500	35%	0.43	18	£250	£275	£300	£1,679	25%	£2,099	BCIS - Hypermarkets / Supermarkets - generally.
Large Retail	Retail Warehouse	1000	40%	0.25	7	£175	£225	£275	£992	15%	£1,141	BCIS - Retail warehouses - up to 1,000 sq m.
Town Centre Retail	Comparison shops/(general/non shopping centre)	200	60%	0.03	6	£180	£220	£260	£1,536	50%	£2,304	BCIS - Shops - Generally
Small Retail	Convenience Store - various locations	300	75%	0.04	6	£130	£165	£200	£1,536	15%	£1,766	BCIS - Shops - Generally
Business - Offices - Town Centre	Office Building	500	200%	0.03	12	£150	£200	£250	£2,265	15%	£2,605	BCIS - Offices - 3-5 Storey; airconditioned
Business - Offices - Out of town centre /Business Park	Office Building	1000	40%	0.25	12	£150	£200	£250	£2,235	15%	£2,570	BCIS - Offices - 1-2 Storey; airconditioned
Business - Industrial / Warehousing	Smaller / Move-on type industrial unit including offices - industrial estate	500	40%	0.13	6	£100	£120	£140	£1,530	15%	£1,760	BCIS - Advance factories / offices - mixed facilities (B1) - generally
Business - Industrial / Warehousing	Larger industrial / warehousing unit including offices - industrial estate	2500	40%	0.63	12	£60	£80	£100	£996	15%	£1,145	BCIS - Advance factories / offices - mixed facilities (B1) - >2000
Hotel	Hotel - 60 rooms	2100	50%	0.42	18	£4,000	£5,000	£6,000	£2,505	15%	£2,881	BCIS - Hotels
						<i>Annual Room Rates</i>						
Residential Institution	Care Home - 65 beds	3088	60%	0.51	16	£180	£240	£300	£2,079	15%	£2,391	BCIS - Care Homes for the Elderly - generally
						<i>Weekly bedspace rates (Net)</i>						

Development Costs	
Sustainability Allowance / other enhancements addition contingency (% of cost)	5%
Biodiversity Net Gain (BNG) at 10%	£14,334/ha (net) <i>based on Table 15 of the Defra Impact Assessment (2019)</i>
Professional Fees (% of cost)	10%
Contingencies (% of cost)	5%
Planning / Building Regs etc / insurances (% of cost)	2.0%
Site survey / preparation costs / S106	Variable
Potential CIL - trial rates testing	<i>at £25/m² intervals</i> <i>up to £300/m² including at relevant current indexed rate</i>
Finance Costs	
Finance rate p.a. (including over lead-in and letting / sales period)	6.5%
Marketing Costs	
Advertising Fees (% of annual income)	1%
Letting Fees (% of annual income)	10%
Purchaser's costs	5.75%
Developer Profit (% of GDV)	15%
Yields	Variable applicability - sensitivity tested across range at 5.0% to 7.0%
Site Acquisition Costs	
Agents Fees (% of site value)	1.50%
Legal Fees (% of site value)	0.75%
Stamp Duty (% of value - HMRC scale)	0 to 5%

*BCIS Construction Duration Calculator

**BCIS Median - Newbury Location Factor

Dixon Searle Partnership (2022)

**West Berkshire Council - Appendix I - Local Plan Review Viability Assessment
Policy Analysis
(Table G)**

Local Plan Review Proposed Submission Document (basis as available to DSP to October 2022 - rechecked with final policy numbering January 2023)

Policy Ref	Policy Name	Viability Impact	Addressed where applicable through specific study approach / assumptions - associated commentary / cost allowance
SP1	Spatial Strategy	Low / Marginal	Reflected through the agreed range of development typologies selected for testing at variable Value Levels representing changing values over time as well as different areas of the District and scheme type - all reflecting planned growth.
SP2	North Wessex Downs AONB	Low / Marginal	As above, whilst also noting the principles of appropriate development in the AONB is a matter of planning and land use implication than for viability.
SP3	Settlement Hierarchy	Low / Marginal	Reflected through the agreed range of development typologies selected for testing at variable Value Levels representing changing values over time as well as different areas of the District and scheme type - all reflecting planned growth.
SP4	AWE Aldermaston and Burghfield	Not Applicable	<i>Planning and land use implication than for viability consideration.</i>
SP5	Responding to Climate Change	High	Specific allowance made in addition to base build costs - see assumptions detail. However, the wider policy scope could have site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
SP6	Flood Risk	Low / Marginal	Given the sequential approach to suitable developments, allowed for within overall build costs and fees so far as normal works extent is concerned. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
SP7	Design Quality	Medium	Relates to the nature and quality of development expected to come forward and be supportable through the usual planning application and development management process. Therefore reflected in the nature of the build and related costs assumptions used for all appraisals.
SP8	Landscape Character	Low / Marginal	Although more of a planning and land use implication than for viability consideration, an indirect cost implication may exist in relation to scale and form of development if permitted - more of a design, development management related consideration.
SP9	Historic Environment	Not Applicable	<i>Planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.</i>
SP10	Green Infrastructure	Low / Marginal	Generally allowed for within build costs and externals / Planning obligations cost assumption. Additional assumptions (cost/space) apply for open space and Biodiversity Net Gain provision.
SP11	Biodiversity and Geodiversity	Low / Marginal	Bespoke cost allowances made for Biodiversity Net Gain provision - see assumptions detail.
SP12	Approach to housing delivery	High	Reflected through the agreed range of development typologies selected for testing at variable Value Levels representing changing values over time as well as different areas of the District and scheme type - all reflecting planned growth.
SP13	Sites allocated for residential and mixed-use development in Newbury and Thatcham	High	As above - considered through a range of development scenarios, value levels etc. Bespoke testing has been carried out in relation to the Site known as North East Thatcham (SP17).
SP14	Sites allocated for residential development in the Eastern Area	High	As above, a range of development typologies have been tested including small to larger scenarios on both PDL and Greenfield land.
SP15	Sites allocated for residential and mixed-use development in North Wessex Downs AONB	High	As above, a range of development typologies have been tested including small to larger scenarios on both PDL and Greenfield land.
SP16	Sandleford strategic site allocation	Not Applicable	<i>Not selected for appraisal testing given planning status.</i>
SP17	North East Thatcham Strategic Site Allocation	High	Bespoke testing carried out - see assumptions and report detail.
SP18	Housing type and mix	High	A variety of residential scenarios have been modelled representing the variety relevant in the different areas. The specific housing mix (flats/houses) has been informed by the Berkshire Strategic Housing Market Assessment for Stage 1 and the Local Housing Needs Evidence Updates for Stage 2 (2022). Affordable housing has been tested at a range of proportions including First Homes. Cost allowances to provide M4(2) and M4(3) accessibility standards - see assumptions detail.
SP19	Affordable Housing	High	Affordable Housing tenure split assumed at 70% Social Rented, 25% First Homes (@ 30% discount) and 5% Affordable Home Ownership (AHO). 10% Low Cost / AHO of total overall requirements. Costs reflected in the selection of scheme scenarios, range of AH % and tenure split %s tested together with the interpretation of appraisal results.
SP20	Strategic approach to employment land	Low / Marginal	Considered through the commercial development scenarios for testing relevant to planned growth - see assumptions detail.

Policy Ref	Policy Name	Viability Impact	Addressed where applicable through specific study approach / assumptions - associated commentary / cost allowance
SP21	Employment land site allocations	Medium	As above, considered through the commercial development scenarios for testing and the range rental values adopted being representative of the variety relevant in different areas of the District - all reflecting planned growth.
SP22	Town and District Centres	Low / Marginal	Although more of a planning and land use implication than for viability consideration, the range of development typologies tested include high-density flattened development as may come forward in town centre locations.
SP23	Transport	Medium	Considered through range of s.106/other cost assumptions (in addition to CIL) together with general site works and as factored into scheme design from the outset.
SP24	Infrastructure requirements and delivery	High	Considered through range of s.106/other cost assumptions (in addition to CIL). In practice a range of sites will trigger mitigation requirements (localised works or contributions) but those will vary sites will vary with the site-specific details. DSP consider £2,000/dwelling forms an appropriate sum, effectively as a contingency, for such measures. It follows that for all tests at £2,000 per dwelling, the immediate/essential highways mitigation/s.278 works are assumed to be specifically allowed for. Indexed CIL rates applied within modelling. Specific allowances made where known for North East Thatcham strategic allocation.
DM1	Residential development in the countryside	Not Applicable	<i>More of a planning and land use implication than for viability consideration.</i>
DM2	Separation of settlements around Newbury and Thatcham	Not Applicable	<i>More of a planning and land use implication than for viability consideration.</i>
DM3	Health and wellbeing	Medium	Considered through range of s.106/ other costs assumptions including open space allowance and overall design quality principles.
DM4	Building sustainable homes and businesses	High	Specific allowance made in addition to base build costs - see assumptions detail. However, the wider policy scope could have site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
DM5	Environmental nuisance and pollution control	Not Applicable	<i>More of a planning and land use implication than for viability consideration.</i>
DM6	Water quality	Not Applicable	<i>More of a planning and land use implication than for viability consideration.</i>
DM7	Water resources and waste water	Low / Marginal	110pppd has been allowed for within overall build costs and fees so far as normal works extent is concerned. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site. No particular additional assumptions apply
DM8	Air Quality	Low / Marginal	Requirements for Air Quality Assessments will normally be assumed as part of overall costs. However, could also have a site specific impacts requiring mitigation measures and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
DM9	Conservation areas	Not Applicable	<i>More of a planning and land use implication than for viability consideration.</i>
DM10	Listed Buildings	Not Applicable	<i>More of a planning / design issue rather than direct cost impact except in exceptional circumstances.</i>
DM11	Non-designated heritage assets	Not Applicable	<i>More of a planning and land use implication than for viability consideration.</i>
DM12	Registered parks and gardens	Not Applicable	<i>More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.</i>
DM13	Registered battlefields	Not Applicable	<i>More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.</i>
DM14	Assets of archaeological importance	Not Applicable	<i>More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.</i>
DM15	Trees, woodland and hedgerows	Low / Marginal	Allowed for within overall build costs and fees so far as normal works extent is concerned. No particular additional assumptions apply
DM16	First Homes exception sites	Medium	Although more of a planning and land use implication than for viability consideration, exception sites have been considered as part of the main report detail.
DM17	Rural exception housing	Medium	Although more of a planning and land use implication than for viability consideration, exception sites have been considered as part of the main report detail.
DM18	Self and custom build housing	Low / Marginal	Self-build / custom build housing has been considered through report commentary.
DM19	Specialised housing	Low / Marginal	A variety of development scenarios of various types have been tested at an appropriate high level for the study purpose, including specialist housing, covering a range of values representing the variety relevant in different areas and across different scheme/site types.
DM20	Gypsies, travellers and travelling showpeople	Not Applicable	<i>More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.</i>
DM21	Retention of mobile home parks	Not Applicable	<i>More of a planning and land use implication than for viability consideration.</i>

Policy Ref	Policy Name	Viability Impact	Addressed where applicable through specific study approach / assumptions - associated commentary / cost allowance
DM22	Residential use of space above non-residential units	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM23	Housing related to rural workers	Not Applicable	More of a planning and land use implication than for viability consideration.
DM24	Conversion of existing redundant or disused buildings in the countryside to residential use	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM25	Replacement of existing dwellings in the countryside	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM26	Extension of residential curtilages in the countryside	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM27	Sub-division of existing dwellings in the countryside	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM28	Residential extensions	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM29	Residential annexes	Not Applicable	More of a planning, design and land use implication than for viability consideration. No additional assumptions / scenario testing applies.
DM30	Residential space standards	Low / Marginal	The range of residential typology testing assumes National Described Space Standard (former DCLG - 2015) and dwelling sizes within its parameters has been applied to all testing.
DM31	Residential amenity	Low / Marginal	Allowed for within overall design principles, build costs and fees so far as normal works extent is concerned.
DM32	Designated employment areas	Not Applicable	More of a planning and land use implication than for viability consideration.
DM33	Development within AWE	Not Applicable	More of a planning and land use implication than for viability consideration.
DM34	Retail parks	Not Applicable	More of a planning and land use implication than for viability consideration.
DM35	Sustaining a prosperous rural economy	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM36	Farm diversification	Not Applicable	More of a planning, design and land use implication than for viability consideration. No additional assumptions / scenario testing applies.
DM37	Equestrian and Horse racing industry	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM38	Development on existing educational and institutional sites in the countryside	Not Applicable	More of a planning, design and land use implication than for viability consideration. No additional assumptions / scenario testing applies.
DM39	Local community facilities	Not Applicable	More of a planning / design issue rather than direct cost impact except in exceptional circumstances. Any costs included within fees assumptions.
DM40	Public open space	Medium	Considered through range of s.106/other costs, bespoke allowances for physical open space including a general land take allowance. Maintenance contributions towards open space have also been included. In practice a range of sites will trigger mitigation requirements (localised works or contributions) but those will vary sites will vary with the site-specific details.
DM41	Digital infrastructure	Low / Marginal	Allowed for within overall build costs, external works, site works and fees etc. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
DM42	Transport infrastructure	Low / Marginal	Allowed for within overall costs including CIL and residual s106 contributions, alongside general design requirements, build costs, external works, site works etc. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
DM43	Theale rail-road transfer site	Not Applicable	More of a planning and land use implication than for viability consideration.
DM44	Parking	Low / Marginal	Allowed for within overall costs including CIL and residual s106 contributions, alongside general design requirements, build costs, external works, site works etc. Additional cost allowance has been made for electric vehicle charging points - see assumptions detail. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site.
DM45	Travel planning	Low / Marginal	Typically considered as part of the general professional fees, contingencies etc.