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## Future Chippenham Masterplanning

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# Technical Paper: Viability and Deliverability

02/03/21

A1



# Notice

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## Document history

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# Contents

Chapter	Page
<b>Introduction</b>	<b>4</b>
<b>1. Background</b>	<b>6</b>
1.1. Future Chippenham Draft Concept Framework	6
1.2. Local Plan Context	8
1.3. Landowner Status	9
<b>2. Approach</b>	<b>10</b>
2.1. Strategic delivery options and adjoining landowners	10
2.2. Compliance with NPPF and RICS Guidance	11
2.3. Compliance with Proposed Local Plan and Future Chippenham Policies Housing	12
<b>3. Financial Viability Assumptions and Results</b>	<b>15</b>
3.1. Assumptions	15
3.2. Viability Assessment Results	16
<b>4. Conclusion</b>	<b>20</b>
<b>Appendices</b>	<b>2</b>
<b>1</b>	
<b>Appendix A. HDH Viability Assessment Report Final Draft</b>	<b>22</b>
<b>Appendix B. Housing Delivery Rates</b>	<b>23</b>
B.1. Housing Delivery Rates Evidence	23
<b>Appendix C. Lichfield Future Chippenham Assessment of Housing Delivery March 2020</b>	<b>30</b>
<b>Appendix D. Preliminary IDP Schedule</b>	<b>31</b>

# Introduction

Wiltshire Council (the Council) has identified Chippenham as a strategic location to meet current and future housing needs, and deliver improvements to infrastructure, transport, utilities, schools, recreation and services. With the climate change emergency formally declared by the Council in 2019, there is a strong aspiration for the growth of Chippenham to be sustainable via low or zero carbon development.

The overall aim of the Future Chippenham Programme is to deliver 7,500 homes, with 1,000,000 sq. ft of employment space. The scheme will be unlocked by a new road from the north to south of Chippenham via the south and east of the town to link the expanded and existing communities together and improve connectivity in around and through the town. The Council has been successful in being awarded £75 million of Housing Infrastructure Fund (HIF) funding for the delivery of the new road by 2024, subject to a range of terms and conditions being met.

The Future Chippenham Draft Concept Framework is being developed by the Council as landowners to support the promotion of the Council's land (and adjoining land) to the south and east of Chippenham as a preferred location for growth in the new Wiltshire Local Plan 2016-2036.

An initial Strategic Concept Framework was prepared in 2018, for the Council in support of its successful HIF bid for the new road. Subsequently a more detailed Draft Confidential Future Chippenham Draft Concept Framework was issued informally in April 2020, which provides the vision and early stages of masterplan development for 2,970 to 3,240 new homes, employment and supporting infrastructure that can be delivered within the new Local Plan period up to 2036.

The anticipated range of homes to be delivered at Future Chippenham is based on a likely delivery rate of 270 - 290 dwelling per annum (dpa). The lower end of this range is evidence-based through supporting deliverability work, whilst the upper end of the range is aspirational and provides scope for a greater proportion of development to be delivered within the Local Plan period up to 2036, if the market absorbs more housing than currently suggested by the evidence. Excluding 650 new homes that are already allocated at Rawlings Green, these delivery rates equate to 2,970 - 3,240 new homes at Future Chippenham by 2036 and is expected to generate an additional population of approximately 6,530 - 7,120 people.

The Future Chippenham Draft Concept Framework is underpinned by a series of Technical Papers, which set out the emerging evidence supporting the potential allocation of the site in the new Wiltshire Local Plan. This Paper is one of six in support of the Future Chippenham Draft Concept Framework. The papers are:

1. Housing
2. Employment
3. Infrastructure
4. Landscape
5. Sustainability
6. Viability – Deliverability

The Draft Concept Framework and supporting Technical Papers will inform detailed master planning and early, direct engagement with Chippenham Town Council, adjoining Parishes, landowners and other key stakeholders including infrastructure providers. The masterplan could be taken forward as a Supplementary Planning Document (SPD), supporting a strategic site allocation in the new Wiltshire Local Plan.

The document acts as a “bridge” between information prepared in advance of and to inform the Concept Framework Report, adopting further information on the distributor road alignment and land parcels.



# 1. Background

## 1.1. Future Chippenham Draft Concept Framework

The Future Chippenham Draft Concept Framework Report (Concept Framework) has been prepared by Future Chippenham as part land owners to support the early promotion of their land (and adjoining land) to the south and east of Chippenham (Future Chippenham) as a preferred location for growth in the new Wiltshire Local Plan 2016-2036. The site is outlined on the plan below, taken from the Future Chippenham Draft Concept Framework Report (5190849-ATK-RP-CF-L-0001 v02, 9 April 2020).



This Draft Concept Framework aims to inform the Council's strategic decision and plan-making processes and in so

doing will:

- Set out the design vision supporting the proposal
- Identify the land required for the Local Plan period (3,600 to 3,800 houses and associated development requirements)
- Identify the proposed settlement boundary
- Summarise the proposal's consideration of environmental constraints
- Include a schedule of development land area and density, as well as required supporting social and community infrastructure, green infrastructure and employment.
- Include emerging HIF Distributor Road alignment options.
- Identify the growth potential beyond the plan period (up to 7,500 homes) that would be supported by the HIF infrastructure.

The distribution of the dwellings across the site, follow those shown on an indicative masterplan although it is which will continue to evolve over time. However, the distribution of homes across the parcels of land will not

materially change the overall viability assessments and ability to deliver the requirements of the Concept Framework.

The vision of the Draft Concept Framework is:



**Source: Atkins Draft Concept Framework April 2000**

Using the evidence base established by a series of evidence-focused papers, a range of masterplan options for achieving the vision, objectives, targets and concepts are being developed. This requires drawing together all the background information to generate alternative scenarios based on sound urban design principles which can be taken forward through a structured Future Chippenham Draft Concept Framework leading to the identification of an agreed concept masterplan.

The masterplanning options are being developed in parallel with the distributor road alignment options which will be tested as part of the transport assessment and EIA (Environmental Impact Assessment). The masterplan options are based upon:

- A total of between 3,620 and 3,886 new homes in the new Local Plan period and up to 7,500 homes beyond the local plan period, accommodated within the identified site area. These figures are based on an estimated annual delivery rate of 270-290 units per annum over 13.4 years and include the 650 homes already allocated at Rawlings Green. Phasing of development will ensure the optimum relationship between new housing and the provision of transport infrastructure, schools, community facilities and green infrastructure.
- Two neighbourhoods with distinctive character areas, each of which will form a phase of 300-500 homes. A local centre and 2 form entry primary school will be provided in the South Chippenham Neighbourhood and a smaller local centre with a 1FE entry primary school in the East Chippenham Neighbourhood.
- A third local centre and 2FE primary school will be provided in Rawlings Green (already allocated).
- A secondary school, to be accommodated on a 7.5ha site identified in the masterplan.
- 6 ha. of employment space, in addition to the 5 ha of employment in Rawlings Green (already allocated). Potential locations are at the A350 junction, the intersection of the Distributor Road and the A4 London Road and in the neighbourhood centres.

**Land use summary for the Local Plan period masterplan options**

LANDUSE	LANDUSE AREA (HA)	GROSS DENSITY (HOME PER HA)	HOMES
RESIDENTIAL	120.0	27	3,240
NEIGHBOURHOOD CENTRE	1.0		
EDUCATION	17.4		
EMPLOYMENT	5.0 (1.0HA WITHIN NEIGHBOURHOOD CENTRE)		
<b>TOTAL DEVELOPABLE AREA</b>	<b>142.4</b>		
OPEN SPACE	49.7		
<b>TOTAL AREA</b>	<b>192.1</b>		

Source : Atkins Draft Concept Framework April 2000

It is acknowledged that future iterations of the Draft Concept Framework and masterplan will emerge, and these will need to be addressed in future updates of this report (and appended documents), including recalculation of the viability assessments. This is standard practice for a development of the size and longevity as Future Chippenham. This statement is particularly applicable to the net developable area of each component site, which was developed further as part of the Draft Concept Framework, post the initial viability calculations.

## 1.2. Local Plan Context

At a local level, the Wiltshire Core Strategy was adopted in 2015 and sets out the framework to guide planning and development decisions in Wiltshire up to 2026. The existing strategy for Chippenham directs significant levels of housing and jobs growth to Chippenham and the Chippenham Site Allocations Plan (2017) identifies specific sites for mixed-use development to accommodate the planned growth.

The Council has launched its Local Plan Review, rolling forward the plan period up to 2036 to drive forward the growth and development of Wiltshire over the next 20 years. A 'Call for Sites' exercise was undertaken in 2018 to help identify potential future land supply which resulted in strategic options for accommodating growth that have been consulted on. In the Council Cabinet Paper (April 2019) the Council reaffirms that high growth centred on Chippenham is the most favoured option. The strategic case for favouring this option centres around:

- Improving the critical mass of the town
- Transforming the town's housing offer
- Economic development and regeneration
- Better connectivity
- Landscape and green infrastructure

The Chippenham Neighbourhood Area encompasses most of the proposed development area for Future Chippenham. The Chippenham Neighbourhood Plan Vision (2019)(1) seeks to preserve special character, distinctive identity and the surrounding landscape and to prevent coalescence with outlying villages.

This context is material to informing likely site values, used as part of the development viability testing requirements of the Government's National Planning Policy Framework (NPPF) Guidance.

### 1.3. Landowner Status

The proposed development area of Future Chippenham comprises land owned by Wiltshire Council and other landowners. These landowners were initially contacted by Wiltshire Council during discussions with Homes England on infrastructure funding (HIF), to seek their views on the Distributor Road, site allocation for residential and employment and how they would wish to engage in the development of Future Chippenham with Wiltshire Council and other landowners. Those parties/sites are:

- Rawlings Green
- Chippenham 2020
- Hardens Farm and Forest Farm (Tenants only)
- Stanley Park Youth Football Club
- Gough/Gleeson
- Shiles
- Lodge and Cottage Farm (Tenants only)
- Lackham Campus
- Hallam/Candy

## 2. Approach

### 2.1. Strategic delivery options and adjoining landowners

To achieve the objectives and principles set out in the Future Chippenham Draft Concept Framework Report, delivery of the distributor road and the housing and employment development, landowners will need to engage and work together. The involvement of each landowner will be determined by their own willingness to be involved directly or a preference to dispose of their land holdings. This will be established through landowner engagement led by Wiltshire Council. If agreement cannot be reached on either of these options, CPO (Compulsory Purchase Order) powers can be considered, for the acquisition of essential landholdings.

The key purpose of initial landowner engagement is to:

1. Allow access to their land for Future Chippenham to perform surveys (some intrusive) in relation to the road
2. Agree to the acquisition of land for the distributor road and enabling services at existing use value and to the accommodation of temporary activities to support the construction, i.e. an agreement not to ransom
3. Support the distributor road planning application
4. Promote their own land (or cooperate with the Council) to deliver HIF expectations and local plan allocation targets
5. Agree to a cost recovery mechanism for the road to be put in place by the Local planning Authority within the local plan

To achieve these objectives, Atkins has identified primarily four types of agreement

- Cooperation Agreement
- Cost Equalisation
- Value Equalisation
- Land Acquisition by Agreement

	Cooperation agreement	Cost Equalisation	Value Equalisation	Land Acquisition by agreement
DETAILS	<p><b>Road agreement:</b></p> <ol style="list-style-type: none"> <li>1) access to land survey</li> <li>2) land acquisition for the road</li> <li>3) no ransom (if possible)</li> <li>4) support to planning application</li> <li>5) principle of recovery mechanism for road</li> </ol> <p><b>Land promotion cooperation agreement:</b></p> <ol style="list-style-type: none"> <li>1) Commitment to promote land (possibly agree to a range of dwelling numbers)</li> </ol>	<p><b>Road agreement:</b></p> <p>The road agreement 1 to 4 remain. Recovery mechanism is made broader than just the road and agreed as part of land promotion</p> <p><b>Land promotion agreement:</b></p> <ol style="list-style-type: none"> <li>1) Commitment to promote land</li> <li>2) Not to object to other's promotion</li> <li>3) Agreement are made between landowners to equalise infra costs.</li> </ol>	<p>Pool land in a trust to avoid tax burden</p> <p>Each landowner become a shareholder</p> <p>Common infrastructure costs are equalised</p> <p>Value is distributed when realised based on equity share</p> <p>Objectives to be clearly defined upfront</p>	<p>Option to buy land</p> <p>Pay mechanism to suit WC risk appetite and funding abilities: overage mechanism for the current landowner to receive the uplift in value generated by the promotion.</p>
PROS	Simple agreement likely to be delivered to suit HE conditions and timescale for road delivery and to allow flexibility in the development of a masterplan and promotion of the land. Can be develop and tailored into cooperation agreement.	Equalise costs of common infrastructure across the masterplan. Fairer than separate recovery mechanism for the road and other infra, which may give an imbalanced treatment between landowners	More certainty towards the delivery of dwellings Equalisation distributes all cost and benefits	WC in control of road and housing delivery on the land acquired. Ability to deliver benefits (housing etc...) without relying on 3rd party with different objectives and timelines
CONS	Some land owners may be tempted to ransom if they see limited potential in the new local plan. Deals only with the road. Land owner may see risk in not agreeing a wholesome mechanism for all infrastructures Commitment to delivery is limited. The council may have to use CPO power to deliver the road and/or housing	All land owner affected by the local plan have to agree for the equalisation which may be difficult to achieve and take time No real commitment to delivery. The council may have to use CPO power to deliver the road and/or housing May limit WC as LPA to redistribute cost contribution outside the Masterplan	Loss of control over the promotion land with potential conflicting interests with other S/H (e.g. quality versus profit) WC development value generated by WC plot maybe distributed to a 3rd party with lesser land value Complex, time and resource consuming agreements to put in place. HMRC may choose to challenge the tax neutrality of trust (land pool)	Agreements may take time to put in place and are complex and potentially costly/time consuming to execute (overage) Requires funding and increases WC exposure to development risks

Initial discussions with each landowner have sought to identify which of these options is appropriate and acceptable to them, noting that in some cases little intervention is required above and beyond an agreement to cooperate with infrastructure contributions being collected via the CIL (Community Infrastructure Levy) or S106 mechanisms.

Dependent upon the outcome of adjoining landowner discussions, the physical delivery of the development and distributor road may take several different forms. However, it is assumed that the distributor road will be delivered by the Local Highways Authority using a contractor or contractors procured through an Open tender process.

Housing and employment may be delivered on individual parcels of land, by landowners, potentially in partnership (primarily commercial developers and housebuilders) or by Wiltshire Council, potentially in partnership with commercial organisations. The options open to Wiltshire Council, apart from a simple site sale, were outlined as part of the HIF submission to Homes England and include those which are most commonly used on similar projects. These are:

1. Direct Council Development – usually through a specific company wholly owned by the Council
2. Development with a Strategic Partner (usually applicable to more than one site) where the Council invests land for a future return
3. Development agreement with a delivery partner e.g. housebuilder (often single site specific) where the Council invests land for a future return
4. Joint venture arrangement (with potentially other landowners in addition to delivery partners) where risk, reward, roles and responsibilities are more evenly shared than 2 and 3 above.

## 2.2. Compliance with NPPF and RICS Guidance

Following the initial publication of the NPPF in 2012, the 2018 revision and *Planning Practice Guidance note for Viability* (PPGV, 2019) introduce more detail on the specific issue of development viability and how it should be tested. The rationale for the 2018 changes to the NPPF and PPGV was to address matters of concern or doubt identified during the practical implementation of the previous policy and guidance, particularly in relation to decision-taking, and to improve the transparency of the viability process overall.

The collective principles of the NPPF, PPGV and RICS Guidance (Financial Viability in Planning; conduct and reporting 1<sup>st</sup> Edition May 2019) are to:

1. Achieve delivery of sustainable development as set out in the local plan.
2. Ensure that the development plan is at the heart of the planning system, and that plans should set out the contributions required from development.
3. Ensure that the role of viability is primarily embedded at the plan-making stage. Planning applications that fully comply with up-to-date policies, as set out in the plan, should be assumed to be viable.
4. Prevent the under-delivery of infrastructure and affordable housing that result from the use of inappropriately adjusted market transaction evidence in viability assessments. Conversely, infrastructure contributions and affordable housing provision must be proportionate to the scale and nature of the proposed development, without placing disproportionate risk on one party.
5. Reduce the number of viability assessments being conducted at the planning application stage.
6. Ensure that the price paid for land is not a relevant justification for failing to accord with the relevant policies in the plan, and that landowners and site purchasers should consider this when agreeing land transactions.

The PPGV provides a framework for practitioners to generate the evidence base required to assess the viability of the local plan and the circumstances in which a viability appraisal of development proposals at the decision-making stage may be justified. The framework requires that viability is considered using standardised inputs:

1. identifies the preferred method for assessment of viability
2. defines benchmark land value as existing use value plus a premium to the landowner
3. describes the preferred data and information inputs
4. states the preferred timing for conducting viability assessments, and
5. prescribes what 'policy-compliant' means.

In accordance with the principles of the NPPF and PPGV, Future Chippenham as land promoter are actively engaging with other landowners, policy makers, developers and the local community as part of the plan making process. This includes the preparation of a viability assessment and delivery plan.

## 2.3. Compliance with Proposed Local Plan and Future Chippenham Policies Housing

Chippenham is designated as a Principal Settlement in the adopted Wiltshire Core Strategy and as a strategically important centre and primary focus for growth, Chippenham is expected to continue to provide significant levels of new homes into the future.

The aspiration for Future Chippenham is to create well designed neighbourhoods with an integrated mix of tenures and housing types that reflect local housing need and market demand, designed to be inclusive and to meet the changing needs of people of different ages and abilities in accordance with the National Design Guide (2019).

### Affordable housing

The Adopted Core Strategy Policy 43 'Providing Affordable Homes' requires at least 40% (net) affordable housing on sites within the 40% Affordable Housing Zone, where much of the Future Chippenham is located, as identified in the revised Wiltshire Planning Obligations SPD (Supplementary Planning Document) 2016. Emerging Policy is yet to confirm proposed affordable housing targets and Future Chippenham seeks to deliver up to 40% affordable housing, which would be dispersed throughout the new neighbourhoods and designed to a high quality to achieve tenure neutrality. Affordable homes will be provided to meet identified local needs, including the appropriate tenure, size and type of homes.

### Lifetime Homes

Core Strategy Policy 46 'Meeting the needs of the Councils vulnerable and older People' requires that new housing provision in suitable locations should take account of the needs of older and vulnerable people. To meet changing needs of home occupiers over time and enable people to stay in their own homes for longer, Future Chippenham will provide at least 30% of new dwellings as Lifetime Homes as well as specialist accommodation for elderly.

### Employment

Future Chippenham is well placed to accommodate additional employment development over the plan period and will provide a range of suitable space for small businesses, to enable new starts and growing businesses as well as SMEs and office and industrial spaces for larger companies seeking to expand or relocate. Targeted employment generating development will be aligned with the Local Industrial Strategy and the priorities identified by the LEP's Strategic Economic Plan and the Swindon and Wiltshire Local Economic Assessment 2018.

New employment provision at Future Chippenham will be compliant with Core Strategy Policy 'CP34 Additional Employment Land'. In particular, it will:

- Be located on sites adjacent to the existing settlement boundary, integrated within sustainable new neighbourhoods.
- Seek to retain or expand businesses currently located within Chippenham.
- Enable the creation of new, high-value jobs through new investment in Chippenham's productive capacity.
- Support the strategy, role and function of the town as defined in strategic policy Core Strategy Policy 'CP1 Settlement Strategy'.
- Provide a complementary function in supporting the vitality or viability of the Chippenham Town Centre through supply chain effects and enhanced local expenditure capacity for goods and services provided by the Town Centre.

Future Chippenham will support delivery of a portfolio of sites that meet forecast demand and allow for flexibility and choice. This will ensure a range of site types and sizes are available throughout the plan period to meet a variety of demand for different types of employment space.

## Social Infrastructure

**Primary Schools** - To ensure that housing growth in Future Chippenham is supported by new school capacity, two new primary schools with provision for nursery places are proposed and will be located within 10 minutes (800m) walking distance of most homes. Additional early years facilities will be provided on separate sites. The primary school in the South Chippenham neighbourhood would be two form entry (2FE) with space to expand to 3FE, post 2036. The primary school in East Chippenham would be 1FE up to 2036 with the capacity to expand to 2FE, post 2036.

**Secondary Schools** - In terms of existing secondary school capacity, the Council's School Place Strategy 2017-2218 directs focus to utilising the available places at Abbeyfield School, and expanding Abbeyfield School on its existing site at the appropriate time. Whilst there may be some capacity from the Abbeyfield Secondary School expansion that can serve early development at Future Chippenham, the provision of a new secondary school will be necessary to meet demand for 591- 633 secondary school places in the plan period up to 2036. A 7.5ha site is reserved in the Concept Framework next to Pewsham Locks

**Health & Well-being** - The Infrastructure Delivery Plan 2016 sets out the typical standard for the provision of health facilities is 1 GP/dentist for every 1,750 patients and the preferred approach is for new primary care centres in the main population growth areas, rather than isolated branch practices. To integrate healthcare provision at the heart of the new communities, at least 2 new Health and Well-being Centres will be provided.

**Cultural facilities** - Wiltshire's Revised Planning Obligations SPD 2016 requires the enhancement of existing cultural services to meet the additional demands of new residents in housing growth areas. Based on the Arts Council England recommended standards, it is anticipated that the housing growth within Future Chippenham will require provision for public libraries, archive facilities, arts/museum space. The potential for multi-use facilities, possibly linked with education and / or workspace, to act as a community cluster / focus in the neighbourhood centres will be addressed as the Concept Framework and detailed masterplan progress.

**Open Space** - The provision of 4,550 new homes at Future Chippenham, likely to accommodate 10,010 new residents, is anticipated to require 29.7ha of open space based on the Council's quantity standards for urban areas (2.97ha per 1,000 people) as set out in the Wiltshire Open Space Study. In addition, NEAPs, LEAPs and MUGAs will be provided in accordance with Council policy.

## Utilities

**Water Infrastructure** - The new development will use natural flood management and sustainable drainage (SuDS) techniques to mimic nature and manage surface water drainage close to rainfall outlets. The constructed wetland features will also provide new riparian habitat and an attractive setting for homes and employment.

Water neutrality is the long-term aim. This would be achieved by limiting new demand for potable water and using alternative sources of water.

**Waste Infrastructure** - All buildings and infrastructure would be designed and constructed to minimise waste and promote resource efficiency. Houses will have adequate internal storage, usually within the kitchen, for the segregation of recyclable and compostable or reusable materials from other waste. Outside the buildings there will be enough storage space for the required waste receptacles. Local waste management facilities will be developed or expanded to allow for integrated waste management that will be capable of dealing with waste streams. Only nonrecyclable or reusable waste, perhaps due to contamination, will be sent for incineration to enable energy recovery. All new waste infrastructure will be climate change resilient.

**Energy Infrastructure** - The development will be highly energy efficient with renewable energy produced locally. A gas network will not be provided. The new electricity network will be delivered in a manner that allows investment in smart grids and energy storage.

The integrated network can embed multiple renewable energy generators in a Virtual Power Plant. Installation of community renewable energy generation scheme (generating more than is needed by the development) and feeding back to the grid will offset carbon emissions and generate revenue for the community. EV charging will be integrated in the Virtual Power Plant to ensure maximum advantage is taken of the potential of the batteries to provide storage. All energy infrastructure will be climate change resilient. The aspiration for Future Chippenham is for new homes, employment buildings and schools to be operational zero carbon and whole life net zero carbon (with increased reduction in embodied energy over time as new buildings are built), less resource intensive and with improved climate change resilience.

## Green Infrastructure

Green infrastructure will play an important role in helping Future Chippenham protect, enhance and restore its Natural Capital. This requires a design that will result in Biodiversity Net Gain through habitat creation or enhancement. This approach will also help achieve the goal of Net Zero carbon.

**River Avon Country Park** - A 110ha extension to the planned country park within floodplain of River Avon is proposed. This is similar in size to the country park associated with the permitted and recently commenced South West Chippenham development. It will include a range of riparian habitats and green spaces, which are managed for wildlife to flourish and people to enjoy, providing attractive spaces for relaxation and active recreation.

**Woodlands** - A 'Green Arc' of new woodland is proposed, which would enclose the urban expansion and provide a strong landscape framework within which longer term development (post 2036) could be accommodated.

**Green Corridors** - Green corridors would be based on tributary streams such as Pudding Brook and Cocklemore Brook. The corridors would thread through residential areas providing accessible natural green space (meeting Natural England Accessible Natural Green Space Standards) and provide space for sustainable drainage features such as swales. Existing lanes such as Forest Lane would also be converted into green corridors with shared foot/cycle routes.

A hierarchy of children play areas and games courts (based on Fields in Trust standards) will be set within the green corridors connected by footpaths and cycle routes.

## Movement

At this stage in the masterplanning process (April 2020), the final route alignment for the HIF funded distributor road has not been selected. Three route alignments: Inner, Middle and Outer are being developed for public consultation. All three route options run through or around the edge of the area proposed for development within the new Local Plan period providing essential transport network distribution and connectivity.

All route options must meet the Strategic Objectives of the Future Chippenham scheme: -

- Enable the delivery of high-quality housing developments, meeting pre 2036 (Local Plan) and post 2036 (HIF) Quantum
- Provide good connectivity for Non-Motorised User's (NMU's) at new centres and into Chippenham Town
- Improve traffic congestion and flow across the existing road network.

## 3. Financial Viability Assumptions and Results

### 3.1. Assumptions

The full HDH Viability Assessment dated April 2020 is attached at Appendix 1 (HDH Report). For ease of reading, the principal inputs and assumptions are tabularised below:

#### Housing Mix

The proposed housing mix has been prepared in conjunction with Future Chippenham taking into account: current Council tenure statistics; policy aspirations for the site; evidence on current needs; (as detailed in Local Plan policy) and with reference to estimates of projected future market trends.

Dwelling size (no. bedrooms)	Market	Affordable	
		Rental	Shared ownership
1	5%	43%	14%
2	25%	35%	55%
3	30%	17%	28%
4	25%	5%	3%
5+	15%		

Source: Faithful + Gould

#### Site Areas and Delivery Rates

The total net developable site area used for the viability assessment is 182.14. This includes the Summix and Chippenham 2020 sites, which have not been included in the Concept Framework Report. Development of the Summix site is not dependent on the road coming forward (and is already subject to extant permission) and Chippenham 2020 was excluded from the masterplan for reasons of landscape impact. Without Summix and Chippenham 2020 the net developable area appraised is 130ha., 7% greater than the Concept Framework Report (due to the different timings of document production). The Concept Framework Report and the HDH Report use the same housing density per hectare and a mid-point in the delivery rate, 280 dpha (because a range cannot be modelled in an appraisal) consistent with the Concept Framework Report. This delivers 3,105 homes over the Local Plan Period (excluding Summix and Chippenham 2020), within acceptable margins of the delivery rate assumed by Concept Framework Report.

#### Infrastructure Costs

These have been prepared by Atkins, based on planning policy requirements, the Concept Framework Report (April 2020) and comparable data from similar developments, primarily Welbourne (due to location and timescale of the development). A copy of the Infrastructure Development Plan (IDP) preliminary schedule is enclosed at Appendix 4.

#### Financial Model Assumptions and Exclusions

1	General
1.1	Vat has been excluded
1.2	Sales values – Market housing = £3,202m2, Shared Ownership = £2,081m2 and Affordable Rent = £1,540m2

1.3	No allowance for holding costs of income arising from ownership of the site
1.4	No equity provided by the developer
1.5	The cost of finance has been allowed for at 6%p.a.
1.6	Build costs have been based on BCIS data – Residential (all in) £1,663 m2
1.7	Non-residential development will be to BREEAM Excellent with an allowance of 2% on build costs
1.8	Planning fees have been assumed as per the LPA's rates
1.9	Provision of retail space will be cost neutral overall
1.10	Professional fees have been assumed at 9%
1.11	CIL at a rate of £103.96/m2 has been applied
1.12	Construction contingency at 2.5% of build costs
1.13	Disposal costs at 3.5% of GDV
1.14	Allowance of 1.5% has been made for acquisition agents and legal fees
1.15	Stamp duty has been calculated at the prevailing rates on each parcel assessed
1.16	Developers return at 17.5% of the value of market housing and 6% of the value of affordable housing
1.17	Developers return at 15% of the value of non-residential development and build to rent
1.18	A gross to net developable area of 60%
1.19	A private sheltered/retirement scheme of 60 units as assumed is 80% efficient
1.20	An extra care scheme of 60 units as 70% efficient
1.21	Phasing programme is modelled in line with the Atkins trajectory
1.22	A pre-construction period of six months has been assumed for all sites
1.23	A build out period of 9 months is assumed for each dwelling
1.24	40% affordable housing with 60% Affordable Rent and 40% intermediate housing
1.25	Build to rent includes 20% affordable private rent
1.26	Older People's Housing includes 40% affordable rent

The viability assessment model does **NOT** currently allow for the recovery of the Distributor Road cost on the basis that both S106 and CIL charges have been modelled. A principle decision needs to be made on the heads of infrastructure items that S106 and CIL should cover, so as not to overburden the development.

## 3.2. Viability Assessment Results

The viability assessments have been prepared and compiled in a separate report by HDH Planning (see Appendix 1). HDH has run a base appraisal, termed “Full On-Policy” and then a further set of appraisals testing a series of variables. The assumptions used for each iteration are outlined above.

The section below (in italics) is taken directly from the HDH report, to summarise the assessment approach and findings:

*The appraisals use the residual valuation approach – they assess the value of a site after taking into account the costs of development, the likely income from sales and/or rents, and a developers’ return. The Residual Value (RV) represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be viable, it is necessary for this Residual Value to exceed the Existing Use Value (EUV) by a satisfactory margin, being the Benchmark Land Value (BLV).*

Sets of appraisals have been run based on the assumptions ....., including the Affordable Housing requirement and developer contributions and other policy requirements. Development appraisals are sensitive to changes in price of construction and changes in value, so appraisals have been run with various changes in the cost of construction and an increase and decrease in prices.

..... for each development type the Residual Value is calculated. The results are set out and presented for each site and per gross hectare to allow comparison between typologies and sites. In the tables....., the results are colour coded using a traffic light system:

- a. **Green** **Viable** – where the Residual Value per hectare exceeds the BLV per hectare (being the EUV plus the appropriate uplift to provide a landowners’ premium).
- b. **Amber** **Marginal** – where the Residual Value per hectare exceeds the EUV but not the BLV per hectare. These sites should not be considered as viable when measured against the test set out – however, depending on the nature of the site and the owner, they may come forward.
- c. **Red** **Non-viable** – where the Residual Value does not exceed the EUV.

It is important to note that a report of this type applies relatively simple assumptions that are broadly reflective of an area to make an assessment of viability. The fact that a site is shown as viable does not necessarily mean that it will come forward, and vice versa. An important part of any final consideration of viability will be relating the results of this study to what is actually happening on the ground in terms of development.

**Base Appraisal – full policy requirements (assuming full planning policy requirements with front loaded S106 and CIL payment trajectory**

[Redacted content]

It is assumed the sites will come forward in the following order for development (indicative phasing developed for modelling purposes and will be determined by market forces):

Site	Delivery Period
Gough/Gleeson	2024 - 2028
WCC (South)	2028 - 2050
WCC (Northeast)	2033 - 2055
Shiles	2029-2051
Candy	2024 - 2032

The results vary across the modelled sites largely due to the different assumptions around the nature of each site and in particular the timing of each phase and the delivery period, which impacts significantly the finance costs for each phase of delivery, due to the periods of cost recovery.

With the median residual site value below the benchmark landmark value for the base appraisal, the sites are challenged to provide the policy required amount of affordable housing and S106/CIL profiled Instalment Policy.

This is reflected in the findings, in the HDH report.

Across the sites, when subject to 40% Affordable Housing, the estimated site-specific developer contributions and CIL, the Residual Value is less than both the EUV and the BLV, indicating the sites are not viable. Having said this, it is important to note that the following factors are more than likely to depress viability:



- **Affordable Housing** – Delivery of 40% of affordable housing is challenging, particularly for suburban developments where the delta between construction cost and value is tight. For example:
  - Welbourne (Fareham) is a Garden Village of similar size and complexity and currently this can only demonstrate 30% as a maximum percentage of affordable housing. This project has recently received planning consent.  
Great Western Park (Didcot) is a development of similar scale albeit with less of an infrastructure cost burden (circa £60m) and currently this project is delivering 30% affordable housing. This project is part way through construction, due to complete in 2025.
- **Build Cost Analysis** – Further build cost analysis is useful to understand the price point at which houses and apartments match closely with those of build costs. Adjustment in the build cost by only £14 sq ft makes a significant difference to the residual site value. The larger sites [REDACTED] in particular can take advantage of reduced build costs, through economies of scale.
- **Infrastructure Costs** – IDP costs have been estimated at circa £25,000 per dwelling, broken between the categories of infrastructure types in the following percentages – Education 71%, Social/Health Infrastructure 11% and Green infrastructure 18%. These heads of cost and allowances would benefit from further discussion and analysis to interrogate the requirements for Future Chippenham and the percentage of the overall total sum for each category. A reduction of only £5,000 per home, brings the median residual land value above the benchmark land value.
- **Infrastructure payment profile** – Further analysis of the payment profile will be required once a masterplan for the site has been developed and the trigger points for delivery are established.
- **CIL Charge** – Further discussion will be required to understand how CIL will be applied to Future Chippenham and whether the site will be subject to a site-specific charging schedule.
- **Distributor Road** – Recovery of HIF funding and the mechanism for that (particularly in the context of CIL and S106)

## 4. Conclusion

This report provides the context for a delivery strategy for Future Chippenham, informing the overall viability of the development and provides the results of the Viability Assessments. The Viability Assessments have informed the Draft Concept Framework Report (5190849-ATK-RP-CF-L-0001 v02, 9 April 2020) and the key assumptions of which have been included in this report. The work completed to date, demonstrates a maximum average delivery rate of 280 dwellings per annum, with a peak number of dwellings between 2035-2040, of 330-380 dwellings per annum. During the Local Plan Period this would result in the delivery of a minimum of 3,100 dwellings (excluding Summix and Chippenham 2020), reflected in the development of the Draft Concept Framework. The timing of the Viability Assessments precedes conclusion of the Draft Concept Framework Report and therefore discrepancies exist between the two, which do not materially impact the results given the scale and longevity of the project.

The proposed housing mix has been prepared in conjunction with Future Chippenham, taking into account current market shortfalls, policy requirements and market trends. Diversity in the housing mix, helps to maintain a constant delivery trajectory, as a variety of tenures are offered across the market appealing to a wide percentage of the community.

The financial viability of Future Chippenham has been assessed based on a series of these assumptions, including housing delivery rates and infrastructure to match the amount of homes and employment floorspace over the local plan period.

The results of the Viability Assessments show there are potential challenges in delivering the sites with a policy compliant percentage of affordable housing and early payments of CIL and S106 (at the current rates identified).

However, when one or more of these variables are changed, the median residual land value increases above the benchmark land value, based upon a percentage of developer's profit at 17.5% for market housing (6% for affordable housing). Where build costs are adjusted to the BICS lower quartile rates (and using pro rata CIL and S106 payment profiles), the median residential land exceeds the benchmark land value by over £200,000 per ha. The combination of the percentage of affordable housing, S106 and CIL in different permutations, produce different outcomes, therefore providing alternative viable solutions to site development and these options can be adjusted in the Draft Concept Framework proposals, to meet with Future Chippenham and Council priorities.

The viability testing includes the provision of build to rent, later living accommodation and self-build homes, as elements which are delivered as a self-contained phase (and not part of the overall market and affordable housing) due to the delivery market for these and the specialist nature of the products.

The inclusion of developer's profit at 17.5% for market housing and 6% for affordable housing, reflects average market assumptions. Some house builders may look to achieve a higher profit percentage whilst some RSL's (Registered Social Landlords) and Not For Profit organisations may look to achieve slightly less. Therefore, an exercise to look at individual sites on this basis could be undertaken. In particular, a review of Future Chippenham's land and development approach may benefit from a further review of profit level assumptions, in the context of maximising the delivery of affordable housing and other S106 contributions.

As HDH identifies, viability modelling results are only one of the factors to be considered for a site being developed and therefore each site and landowner will make their own case for development, based upon their own assumptions, which can be tested against this base model. Delivering a policy compliant percentage of affordable can achieve a residual land value over and above a benchmark land value, using pro rata S106 and CIL payments, together with build costs averaging £1,147m<sup>2</sup>.

# Appendices



# Appendix A. HDH Viability Assessment Report Final Draft

# Appendix B. Housing Delivery Rates

## B.1. Housing Delivery Rates Evidence

Evidence gathered to underpin realistic assumptions on housing delivery rates shows variable results, across sites and over study periods. Papers are available from a number of industry authorities, including Lichfield and Partners (Lichfield) and Savills, which have been used to inform this report together with evidence gathered from other land promoters and campaign groups.

Building on the work undertaken by Lichfield in their paper, Start to Finish<sup>1</sup>, which has been cited extensively at Public Inquiries and Appeal hearings, Atkins on behalf of Future Chippenham, commissioned Lichfield to undertake an update of Start to Finish paper, specific to Chippenham and the wider Council area. A copy of that report entitled Future Chippenham Assessment of Housing Delivery March 2020 (subsequently referred to as “the Report”) is attached at Appendix 3.

Based upon the proposed Concept Framework and current/anticipated local planning policy, the findings of the Lichfield ‘Start of Finish’ research support the assumption of a projected average annual delivery rate of 220 dwellings per annum over the Local Plan period. Moreover, this is further reinforced by the bespoke evidence of recent delivery rates in Chippenham.

**“The build rate of 220 dpa that we have identified is in line with the average rate achieved across the whole of Chippenham between 1983 and 2017 – a similar period as that which is being considered for the delivery of Future Chippenham (35 years)” (Para 7.9, the Report).**

### Impact of Infrastructure on Delivery Rates

It is recognised that to deliver a substantial amount of housing, the timing of infrastructure plays a fundamentally important role. This is clearly highlighted in the Lichfield Report Start to Finish Second Edition<sup>2</sup> where reference is made to two case study sites in Milton Keynes and Wokingham which offer strong comparable benchmarks for the Future Chippenham proposals. For these large sites, investment in access and highways infrastructure played a key role in enabling multiple sites to be brought forward at any one time. At these comparable developments, peak annual housing delivery rates ranged between 473 and 419<sup>3</sup>.

The exact timescales for the delivery of all infrastructure has yet to be finalised following the development of a masterplan. However, it is recognised that the early delivery of infrastructure will assist significantly in the early delivery of housing.

With the construction of the new distributor road planned for early delivery (2021 – 2024), we anticipate that this will have a significant impact on housing delivery rates. When the Housing Infrastructure Fund (HIF) initiative was launched by Central Government, this was indeed the key objective:

**“I’m delighted to be launching the Housing Infrastructure Fund – up to £2.3 billion of government funding to help ensure the right infrastructure is in place at the right time to unlock the high-quality new homes that this country so badly needs.”<sup>4</sup>.**

**Previous to 2017, large housing developments have not benefitted from HIF, albeit other, often lesser funding was available from bodies such as local LEP’s.**

---

<sup>1</sup> Lichfield – Start to Finish How Quickly Do Large Scale Housing Sites Deliver (First Edition November 2016)

<sup>2</sup> Lichfield – Start to Finish What Factors affect the Build Out Rates of Large Scale Housing (Second Edition February 2020)

<sup>3</sup> Lichfield – Start to Finish What Factors affect the Build Out Rates of Large Scale Housing (Second Edition February 2020)

<sup>4</sup> UK Government - An Introduction to the Housing Infrastructure Fund July 2017

### Additional Housing Delivery Evidence

Supplementing the evidence provided in the Lichfields research, a review has been undertaken of two more recent developments, both of which are strongly comparable to Future Chippenham in terms of size, location and market context. Furthermore, both required extensive highways infrastructure to enable delivery of the respective developments. Much of the evidence gathered for the two sites has been generated in the form of explicit comments and assessments provided recently by the Planning Inspectorate specifically on housing delivery rates. The two sites are:

- Welbourne Garden Village, Fareham Borough.
- West Tey, Braintree District & Colchester Borough, North Essex.

Promoted by Buckland Developments, Welbourne Garden Village was consented by Fareham Borough Council in 2019. The project comprises 6,000 new houses and includes provision of a new motorway junction from the M27. The development includes limited commercial space with the exception of local facilities including retail outlets, a school and leisure facilities.

Buckland Developments playing the role of master developer is helping to deliver the initial infrastructure with serviced plots being sold to house builders with a view to providing a variety of tenure and house types. The amount of affordable housing required by policy is 30%. The trigger point for providing primary highways infrastructure comes after the completion of 1,500 dwellings.

Buckland Developments, as part of the supporting material to their application, proposed an annual delivery rate of 300 dwellings per annum. As part of the Interim Evidence for the Local Plan, the Council<sup>5</sup> reported:

“Taking account of the above evidence, Lichfields and the Council believe that a delivery rate of c.250 homes per annum (following a two-year bedding-in period) is the realistic maximum annual rate of delivery that can be supported by evidence, at this juncture. It builds in flexibility against the Buckland strategy and adopts a cautious approach to ensure that the Plan does not fail to deliver against overall housing requirements. This delivery rate allows for flexibility in the delivery trajectory of Welborne, to allow for things such as outlets not delivering at the rate or within the timeframe expected or longer timescales for delivery of the new Junction 10. Thus while supportive of Buckland targeting an average delivery rate of 300+dpa, the Council and Lichfields are of the view that at the current time, to ensure that there is a robust housing trajectory for the Local Plan that can be relied upon, a rate of c.250 homes per annum (with the possibility of an increase to 275 dpa once further emerging evidence is known and confirmed) is the appropriate delivery rate for Welborne Garden Village (albeit still reasonably stretching in its own right).”

The above clearly reflects the consensus that an assumed delivery rate of c250 homes per annum at Welbourne is a cautious assumption, representing a minimum rate. The evidence supports a higher rate of delivery and implies that a rate closer to 300+ dwellings per annum would be achievable. This site and the proposed development and required enabling infrastructure is particularly comparable to Future Chippenham and provides strong, recent evidence to support an assumed average delivery rate of above 220 dwellings per annum.

West Tey is a proposed development forming part of the North Essex Area's Expansion programme which aims to deliver 29,000 - 43,000 new homes over a maximum of a 40-year period. The promoters of the West Tey development (NEGC – North Essex Garden Cities) propose a delivery rate of 300 dwellings per annum. However, in the Inspector's report <sup>6</sup> this was downgraded to 250 dwelling per annum:

“..... while it is not impossible that one or more of the GCs could deliver at rates of around 300dpa, it would be more prudent to plan, and carry out viability appraisal, on the basis of an annual average of 250dpa.”

Similar to Welbourne, the Inspector's comments highlight that a delivery rate of around 300 dpa is likely to be achievable, it was preferable to plan for a more conservative and cautious estimates of 250 dpa.

---

<sup>5</sup> Welborne Garden Village A Delivery Trajectory for Welborne, Interim Evidence for the Draft Fareham Borough Local Plan 2036, Fareham Borough Council, October 2017

<sup>6</sup> Examination of Strategic Section 1 June 2018

Taking on board the recent evidence from Welbourne and West Tey Examinations summarised above, it is reasonable to conclude that an assumed delivery rate of 220 dpa at Future Chippenham is a cautious and conservative estimate. Indeed, without generating significant risk to delivery of the Local Plan, we consider that the evidence supports an enhanced assumed housing delivery rate at Future Chippenham closer to 250 dwellings per annum.

### Impact of Employment Proposals on Overall Delivery Rates.

When estimating future housing delivery rates at strategic sites, it is important to consider the potential enabling or accelerated impact other uses can have on the development trajectory. In particular, evidence from other major developments of a similar scale to Future Chippenham demonstrate that a significant employment-generating component can have an uplift impact on housing delivery rates.

Taking some of the key benchmark sites identified and reviewed in the Lichfield report, we have undertaken an additional layer of analysis focused on assessing the relationship between employment space provision and average housing delivery rates. Of the sites studied in the Lichfield research, four key sites contained a significant employment component either as an integral part of or immediately adjacent to the overall housing-led development: Ebbsfleet, Cambourne, Eastern Expansion and Clay Farm. With the exception of Ebbsfleet, all include employment floorspace with has been recently developed or is under construction. For each of these sites, the housing delivery rates and associated employment provision are summarised in the table below.

Development	No. of Dwellings	Max delivery per annum	Average Delivery per annum	Employment Provided
Ebbsfleet, Gravesham / Dartford	15,000	312	101	New Business Hub of 15,000 jobs
Cambourne, South Cambridgeshire	4,343	620	223	Current Business Park – Consent for an additional 50,000 sq ft of office space (Planning granted for 50,000 sq ft with construction due to start shortly. Existing employment space at the Park totals 350k sq ft)
Eastern Expansion, Milton Keynes	4,000	473	268	8,500 jobs manufacturing and warehousing development, small/medium scale office and light and general industrial and warehousing.
Clay Farm, Cambridge	2,169	467	260	Adjacent to Biomedical Campus (expansion programme underway) and new Papworth Hospital (now completed)

Of these sites, all but one (Ebbsfleet which is significantly larger than Future Chippenham), have maximum housing delivery rates ranging from 467 to 620 dwelling per annum, with average delivery rates ranging from 223 – 268 dwellings per annum. Consequently, compared to majority of strategic sites assessed by Lichfield for comparative purposes, those with a significant employment component displayed higher than average housing delivery rates. Indeed, two of the four sites exceeded annual average delivery rates of 250. Delivery of Ebbsfleet is controlled by the Ebbsfleet Development Corporation, established in 2015, following the identified need to provide direction, focus and expertise necessary to coordinate investment and facilitate new development and employment space delivery has been slow as a result.

In isolating the potential impact of having an employment component, it is important to highlight that the uplift effect on housing delivery rates was only evident when the employment floorspace formed an integral part of a delivery programme shared with the housing component. For example, at Great Western Park which is

located adjacent to a pre-existing employment area, housing delivery rates were not enhanced compared to other sites. This implies that the more integrated employment generating floorspace is within the broader mixed-use development, the greater the likelihood that the creation of new jobs on-site will enable higher housing delivery rates to be achieved.

In the case of Future Chippenham, the Concept Framework proposes to deliver 1,000,000 sq ft of commercial and B use accommodation. Currently, this is to be potentially located in the north and south of the draft masterplan.

Of the 1,000,000 sq ft proposed, discounting the community and retail infrastructure, which are common to all new settlements, 500,000 sq ft has been taken as additional commercial business space. Taken together, the proposed commercial and business space to be provided at Future Chippenham has the potential to support over 2,000 additional jobs. All existing policy drivers and available economic and market evidence indicates that demand is likely to be forthcoming to deliver the floorspace and realise the additional job creation.

Following the acknowledgement of a Climate Emergency by the Council in February 2019, every effort will be made to serve the employment from within the immediate area, to minimise travel to work and to promote economic investment in the locale. Indeed, there are strong prospects that the majority of the new jobs created at Future Chippenham can be filled by existing and new local residents. This is reflected by the fact that Chippenham is already a strongly self-contained settlement with 68% of the town's economically active population living and working in the area<sup>7</sup>.

The exact split, between uses within the B Classes is not yet known, however there is local need for Markers/Artisan space, at a "reasonable" price level<sup>8</sup> and market assessments indicate demand exists in Chippenham for small and medium sized industrial/warehouse units up to approximately 30,000 sq. ft.(2787sqm) and a shortage of supply for B2 industrial and B1 light industrial uses. It is envisaged that employment provision as part of Future Chippenham will accommodate new start-ups, existing businesses seeking to expand, and innovative businesses that fit and align with the objectives of the clean growth agenda of the SWLEP<sup>9</sup>

### **The Impact of Pricing and Tenure Mix**

The brief for Sir Oliver Letwin's review of housing build out rates, included identifying solutions to deliver a stable (price) and affordable housing market, based upon increased housing supply:

"The Review should identify the principal causes of the gap and identify practical steps that could increase the speed of build out. These steps should support an increase in housing supply consistent with a stable housing market in the short term and so that over the long-term, house prices rise slower than earnings."<sup>10</sup>

The findings of the Letwin Report link the delivery, and therefore price, of new homes with tenure mix. The Letwin Report <sup>11</sup>concludes

"that the homogeneity of the types and tenures of the homes on offer on these [larger] sites, and the limits on the rate at which the market will absorb such homogenous products, are the fundamental drivers of the slow rate of build out".

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<sup>7</sup> ONS, 2011 Census.

<sup>8</sup> Atkins - Salisbury Future High Streets Fund Makerspace Feasibility Study - Concept, Supply and Demand Assessment for Wiltshire Council 4 June 2019

<sup>9</sup> Atkins – Future Chippenham Technical Paper Employment January 2020

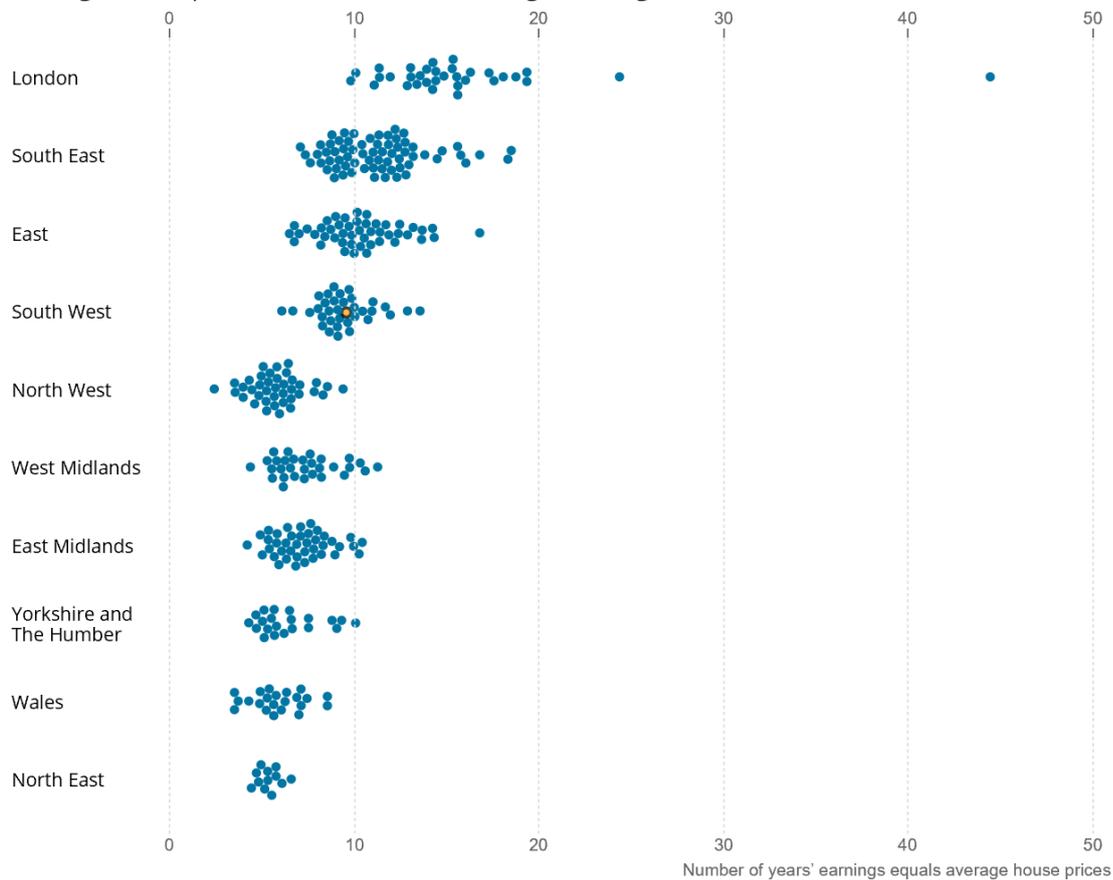
<sup>10</sup> Rt Hon Sajid Javid MP - Letter Review of Build Out: Terms of Reference January 2018

<sup>11</sup> Rt Hon Sir Oliver Letwin MP - Independent Review of Build Out Final Report October 2018

Considering these finding, house prices across Wiltshire, and in particular the Chippenham area, have been analysed, together with the current tenure mix, to understand whether how this may impact current delivery rates.

House prices in Wiltshire are 9.82 times the average salary<sup>12</sup>. Excluding London, Wiltshire is in the upper quartile of the UK with the national average being 8.0 times average salary. This demonstrates an underlying need for more affordable housing across all tenures in Wiltshire.

Average house prices were **9.82** times average earnings



Source: Office for National Statistics- House Price Statistics for Small Areas, Annual Survey of Hours and Earnings

**Key: Wiltshire identified by yellow marker.**

To assist in addressing this disparity, the Council are committed to looking at cost effective methods of construction, such as modern methods of construction and challenging the percentage of affordable housing on their own sites.

In 2017 the following tenure split was recorded for Wiltshire:

<sup>12</sup> Lichfield - Future Chippenham Assessment of Housing Delivery March 2020

TENURE	WILTSHIRE	ENGLAND
Owned	33.8%	30.6%
Mortgage	33.7%	32.8%
Shared	0.8%	0.8%
Social Rented (Council)	3.9%	9.4%
Social Rented (Housing Assoc)	10.8%	8.3%
Private Rented	11.8%	15.4%
Other	3.6%	1.4%
Rent Free	1.6%	1.3%

Source : Office of National Statistics 2017

In 2017, social rented, shared ownership and rent-free accommodation accounted for 17% of Wiltshire’s total tenure split, which is significantly below the policy requirement. In response, it is anticipated that the Council as planning authority will aim to enforce the affordable housing policy position and where viability permits a higher percentage of affordable housing may be considered, in the context of other and alternative S106 obligations, to reduce the current affordable housing deficit<sup>13</sup>.

There is a perception Wiltshire has a relatively immature private rental market compared to more urban authorities. However, the current private rental provision is 11.8% of existing private housing stock, compared to in the English average of 15.4% (ONS). Indeed, estimates provided by Knight Frank<sup>14</sup> indicate that private rental housing will increase its market share in the South West region by 10% by 2024.

Based upon further conservative continued growth of 1% per annum between 2024 and 2036, the private rental market could increase overall by 22%.

In summary, to increase delivery rates, Future Chippenham recognise the need for adequate affordable housing provision and will investigate ways to maximise provision. The emerging policy position is 40%, which is higher than most of the case study sites reviewed in the Lichfield research and therefore, subject to viability, has the ability to increase the delivery rate. In addition, Future Chippenham will promote the delivery of additional private rented accommodation, delivering some under their own existing development joint venture. An increase of 5 dwellings per annum for WCA and WCB has been factored into the overall proposed delivery rates for the later 10 years of the plan period.

### Overall Impact of Housing Delivery Rate Adjustments

Working from the 220 dwellings per annum recommended by the Report, the target delivery rates have been adjusted, to delivery more houses by driving the delivery of affordable housing (subject to viability), increasing the delivery of private rented accommodation and investing in employment space, which will increase housing demand in the area. The impact on the delivery rates are :

<sup>13</sup> Identified in the SHMA 2017 to be 1,155 dwellings per annum

<sup>14</sup> UK Residential Rental Market Forecast December 2019

<b>Impact</b>	<b>Applied to Land</b>	<b>Years</b>	<b>Assumed Impact on Delivery Rates</b>
Housing need driven by additional employment	Summix and Candy	2023-2029	+10%
Additional Affordable to 50%	WCA and WCB	2028 - 2055	+8%
Additional Private Rented	WCA and WCB	2028 - 2055	+4.5%

Overall these changes result in an increase in delivery rates of circa 25 dwellings per annum.

A proposed revised housing trajectory is made up as follows:

- Lichfield Report = 220 dpa
- Impact of Inspector’s Comments on Welbourne and NEGC = +30 dpa
- Impact of variety in tenures, house types and employment = +20 dpa
- Total Dwellings Per Annum = 270 - 280 dpa

An extensive amount of research has been undertaken to understand fully the delivery rates anticipated for Future Chippenham. Using the Lichfield Report as a base of 220 dwellings per annum, the rate can be increased, as identified in the Report. Options to increase these levels are quantified in this report and consideration has also been given to the rates proposed for both Welbourne and NEGC, which have been proposed in conjunction with the Planning Inspectorate’s comments. For the purposes of viability, an average of 280 dwellings per annum has been used with maximum levels reached between 2035-2040, between 330 and 380 dwellings per annum. During the Local Plan Period this would result in the delivery of a minimum of 3,100 dwellings.

# Appendix C. Lichfield Future Chippenham Assessment of Housing Delivery March 2020

# Appendix D. Preliminary IDP Schedule

WC\_FCM-ATK-GEN-PL\_XX-RP-AX-000006  
Technical Paper: Viability and Deliverability  
P01.1

3rd Floor, County Gate,  
County Way, Trowbridge BA14 7FJ

CHIPP342h

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Future Chippenham – Delivery Strategy  
Viability Assessment

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**Draft Report**

April 2020

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# Tables of Contents

<b>1. Introduction</b>	<b>7</b>
Scope	7
Report Structure	8
COVID 19	8
HDH Planning & Development Ltd (HDH)	9
Compliance	9
Metric or Imperial	10
<b>2. Viability Testing</b>	<b>13</b>
2019 National Planning Policy Framework	13
Planning Practice Guidance	14
Section 1 - Viability and plan making	15
Section 2 - Viability and decision taking	16
Section 3 - Standardised inputs to viability assessment	16
Section 4 - Accountability	19
Community Infrastructure Levy Regulations and Guidance	19
Wider Changes Impacting on Viability	20
Low Cost Home Ownership	20
Affordable Housing	21
First Homes Consultation	21
Environmental Standards	21
Biodiversity	22
Viability Guidance	22
<b>3. Methodology</b>	<b>25</b>
Viability Testing – Outline Methodology	25
The meaning of Landowner Premium	26
Existing Available Evidence	27
Stakeholder Engagement	27
Viability Process	27
<b>4. Residential Market</b>	<b>31</b>
The Chippenham Residential Market	31
Chippenham Strategic Site Viability Assessment (BNP Paribas), April 2016	33
Land Registry Based Data	35
Newbuild Sales Prices	40
Price Assumptions for Financial Appraisals	41
Ground Rents	43
Build-to-Rent	43
Affordable Housing	45
Affordable Housing Values	47
Affordable Rent	47
Intermediate Products for Sale	50
Older People's Housing	50
Self-build Plots	52
<b>5. Non-Residential Market</b>	<b>55</b>
Offices	57
Industrial	57
Retail	58
Price Assumptions for Financial Appraisals	59

<b>6. Land Values</b> .....	<b>61</b>
MHCLG Data.....	61
Residential Land Values .....	61
Industrial Land Values .....	62
Commercial Land Values .....	62
Agricultural Land Values .....	63
Existing Use Values (EUV).....	63
Residential Land.....	64
<b>7. Development Costs</b> .....	<b>67</b>
Construction costs: baseline costs.....	67
Construction costs: affordable dwellings .....	69
Other normal development costs .....	69
Abnormal development costs and brownfield sites.....	70
Flood Zones.....	71
Demolitions.....	71
Fees.....	71
Contingencies .....	71
Strategic Infrastructure and Mitigation costs (S106 costs).....	72
Financial and Other Appraisal Assumptions .....	72
VAT.....	72
Interest rates.....	72
Developers' return.....	72
Phasing and timetable .....	73
Site Acquisition and Disposal Costs .....	75
Site holding costs and receipts.....	75
Acquisition costs .....	75
Disposal costs.....	75
<b>8. Local Plan Policy Requirements</b> .....	<b>77</b>
Wiltshire Core Strategy, Adopted January 2015 .....	77
Core Policy 3 - Infrastructure requirements .....	77
Core Policy 10 - Spatial Strategy: Chippenham Community Area .....	78
Core Policy 34 - Additional employment land / Core Policy 34 - Additional employment land.....	78
Core Policy 41 - Sustainable construction and low-carbon energy .....	78
Core Policy 43 - Providing affordable homes / Core Policy 45 – Meeting Wiltshire's housing needs .....	80
Core Policy 46 - Meeting the needs of Wiltshire's vulnerable and older people .....	82
Core Policy 50 - Biodiversity and geodiversity.....	85
Core Policy 52 - Green infrastructure .....	85
Core Policy 57 - Ensuring high quality design and place shaping.....	86
Core Policy 60 - Sustainable transport / Core Policy 61 - Transport and new development / Core Policy 62 - Development impacts on the transport network / Core Policy 63 - Transport strategies .....	86
Core Policy 64 - Demand management .....	86
Core Policy 67 - Flood Risk.....	86
Core Policy 68 - Water resources .....	87
Chippenham Site Allocations Plan, Adopted May 2017 .....	88
Community Infrastructure Levy Charging Schedule, May 2015.....	88

<b>9. Modelling</b> .....	<b>89</b>
The Broad Area .....	89
Assessed Sites.....	89
Mainstream housing.....	90
Older People’s Housing .....	91
Self and Custom Build .....	92
Build-to-Rent.....	92
Employment Uses .....	92
Retail.....	92
<b>10. Development Appraisals</b> .....	<b>93</b>
Base Appraisals – full policy requirements .....	93
Varied Level of Affordable Housing .....	98
Affordable Housing v Developer Contributions .....	103
Self and Custom Build .....	108
Non-Residential Development .....	109
Findings.....	109
Residential Development .....	109
Self-Build .....	111
Non-Residential Development.....	111
Deliverability of Future Chippenham.....	111
<b>11. Summary and Recommendations</b> .....	<b>113</b>
Summary Findings & Deliverability .....	113
Context.....	114
COVID 19.....	114
Compliance .....	114
Viability Testing under the 2019 NPPF and Updated PPG.....	115
2019 National Planning Policy Framework .....	115
Viability Guidance .....	115
Viability Process .....	116
Mainstream Residential Market Commentary .....	116
Newbuild Sales Prices .....	117
Assumptions for Financial Appraisals.....	118
Build-to-Rent .....	119
Affordable Housing .....	119
Intermediate Products for Sale.....	120
Older People’s Housing.....	120
Self-build Plots .....	120
Non-Residential Market .....	121
Land Values .....	121
Residential Land .....	121
Development Costs .....	122
Construction costs: baseline costs.....	122
Other normal development costs .....	122
Abnormal development costs and brownfield sites.....	122
Fees.....	123
Contingencies .....	123
Strategic Infrastructure and Mitigation costs (S106 costs).....	123
Financial and Other Appraisal Assumptions.....	123
Site Acquisition and Disposal Costs.....	124
Local Plan Policy Requirements .....	124

Site Modelling.....	124
Mainstream housing.....	126
Older People’s Housing .....	126
Self and Custom Build .....	126
Build-to-Rent.....	127
Employment Uses.....	127
Retail .....	127
Development Appraisals.....	127
Varied Level of Affordable Housing.....	129
Affordable Housing v Developer Contributions.....	129
Self and Custom Build .....	130
Non-Residential Development.....	131
Findings.....	131
Deliverability of Future Chippenham.....	132
<b>Appendix 1 – Project Specification.....</b>	<b>133</b>
<b>Appendix 2 – Land Ownerships.....</b>	<b>135</b>
<b>Appendix 3 – Maps. Median Prices by Ward.....</b>	<b>139</b>
All .....	139
Detached .....	140
Flats.....	141
Semi Detached .....	142
Terraced .....	143
<b>Appendix 4 – Land Registry PPD and EPC Data.....</b>	<b>145</b>
<b>Appendix 5 – Newbuild Asking Prices.....</b>	<b>151</b>
<b>Appendix 6 – CoStar Non- Residential Data.....</b>	<b>153</b>
The pages in this appendix are not numbered. ....	153
<b>Appendix 7 – Land Registry Development Land Data.....</b>	<b>155</b>
<b>Appendix 8 – Appraisals .....</b>	<b>163</b>
The pages in this appendix are not numbered. ....	163

# 1. Introduction

## Scope

- 1.1 Wiltshire Council, in its capacity of landowner, is promoting a large development site around the eastern side of Chippenham for allocation in the new Local Plan for the period to 2036 being prepared by Wiltshire Council in its capacity of Local Planning Authority. For the purpose of this report Wiltshire Council, as landowner, is separate to Wiltshire Council in its capacity of Local Planning Authority. HDH Planning & Development Ltd has been appointed by Wiltshire Council (as sub-contractors to Atkins), in its capacity of landowner.
- 1.2 This Viability Assessment has been commissioned to consider the deliverability of the whole potential allocation. Whilst the area is in multiple ownerships (see **Appendix 2**), Wiltshire Council is the major landowner and this report is prepared by Wiltshire Council, without direct engagement with the other landowners.
- 1.3 In 2018 HDH Planning & Development Ltd was appointed to support Wiltshire Council's Housing Infrastructure Fund (HIF) bid. This related mainly to the delivery of the link road that is required to open up and facilitate the delivery of the overall project. The HIF bid was submitted during 2019. The Council has been advised that, subject to further due diligence checks, that the HIF bid was successful. HDH is now appointed to build on the earlier work and to assess the deliverability of the overall allocation in the context of the Local Plan process.
- 1.4 This document sets out the methodology used, and the key assumptions adopted. It contains an assessment of the effect of the policies which could be set out in the emerging Plan and in relation to the potential development sites to be allocated. This will allow Wiltshire Council, as landowner, to engage with Wiltshire Council as LPA with regards to the allocation of the area as a whole in the new Local Plan. It may also be used by the Council as landowner to engage with other landowners.
- 1.5 Over the several years before this report, various Government announcements were made about changes to the planning processes. The Ministry of Housing Communities and Local Government (MHCLG) updated the National Planning Policy Framework, (2018 NPPF), and published new Planning Practice Guidance (PPG) in July 2018. In February 2019 the NPPF was further updated (2019 NPPF), although these changes did not impact on viability. In May 2019 the viability sections of the PPG were updated again. In addition to these changes, the CIL Regulations and accompanying guidance (within the PPG) was also updated from 1<sup>st</sup> September 2019. The methodology used in this report is consistent with the 2019 NPPF, the CIL Regulations (as amended) and the updated PPG.
- 1.6 It is important to note, at the start of an assessment of this type, that this is an assessment for planning purposes, carried out in line with the NPPF and PPG. It is not a valuation nor a commercial appraisal and should not be relied on or used as such. The question for this report is whether, if the area is allocated for development, is there a reasonable prospect that it will be delivered.

## Report Structure

1.7 This report follows the following format:

- Chapter 2** The reasons for, and approach to viability testing, including a review of the requirements of the CIL Regulations, 2019 NPPF and updated PPG.
- Chapter 3** The methodology used.
- Chapter 4** An assessment of the housing market, including market and Affordable Housing, with the purpose of establishing the worth of different types of housing in different areas.
- Chapter 5** An assessment of the non-residential market.
- Chapter 6** An assessment of the costs of land to be used when assessing viability.
- Chapter 7** The cost and general development assumptions to be used in the development appraisals.
- Chapter 8** A summary of the various policy requirements and constraints that influence the type of development that come forward.
- Chapter 9** A summary of the range of modelled sites used for the financial development appraisals.
- Chapter 10** The results of the appraisals and consideration of viability.
- Chapter 11** Conclusions in relation to the deliverability of the development.

## COVID 19

1.8 This project is being completed during the coronavirus pandemic. The coronavirus (COVID-19) virus was first reported in Wuhan, in China, in December 2019 and was declared a pandemic in March 2020. The virus spreads between people in a similar way to winter flu and symptoms for most people are relatively mild (fever, cough, and shortness of breath). Complications can be serious in vulnerable groups such as older people or those with respiratory problems. It is too early to predict what the impact on the economy, and therefore house prices, may be.

- a. World stock markets have fallen by about 30% (from the start of the year to mid-March). It is likely that this will be reflected in house prices as there is a well-established link between the two.
- b. The Government has imposed restrictions on movement and implemented guidance on social distancing. Nearly all construction sites have closed, or at least slowed down very substantially.
- c. The Government has asked that house moves are paused. This will impact on the wider market.

- 1.9 We would expect there to be a pause in activity due to uncertainty in the wider economy, evidence of this is being reported by estate agents. It is likely that, at the very least, the housing markets will be checked. This may well have an adverse impact on viability.
- 1.10 This assessment is conducted at March 2020 costs and values.

#### **HDH Planning & Development Ltd (HDH)**

- 1.11 HDH is a specialist planning consultancy providing evidence to support planning and housing authorities. The firm's main areas of expertise are:
- a. District wide and site-specific viability analysis.
  - b. Community Infrastructure Levy.
  - c. Housing Market Assessments.
- 1.12 The findings contained in this report are based upon information from various sources including that provided by Wiltshire Council by Atkins and by others, upon the assumption that all relevant information has been provided. This information has not been independently verified by HDH. The conclusions and recommendations contained in this report are concerned with policy requirements, guidance and regulations which may be subject to change. They reflect a Chartered Surveyor's perspective and do not reflect or constitute legal advice.
- 1.13 No part of this report constitutes a valuation and the report should not be relied on in that regard.

#### *Compliance*

- 1.14 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors (RICS). As a firm regulated by the RICS it is necessary to have regard to RICS Professional Standards and Guidance. There are two principle pieces of relevant guidance, being the *Financial viability in planning: conduct and reporting RICS professional statement, England (1<sup>st</sup> Edition, May 2019)* and *Financial Viability in planning (1st edition), RICS guidance note 2012*.
- 1.15 *Financial Viability in planning (1st edition), RICS guidance note 2012* is currently subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (May 2019). As part of the review, *Financial viability in planning: conduct and reporting. 1st edition, May 2019* was published in May 2019. This includes mandatory requirements for RICS members and RICS-regulated firms. HDH confirms that the May 2019 Guidance has been followed in full.
- a. HDH confirms that in preparing this report the firm has acted with objectivity, impartially and without interference and with reference to all appropriate available sources of information.
  - b. HDH is appointed by Atkins, for Wiltshire Council, and has followed a collaborative approach.

- c. The specification under which this project is undertaken is included as **Appendix 1** of this report.
- d. HDH confirms it has no conflicts of interest in undertaking this project.
- e. HDH confirms that, in preparing this report, no performance-related or contingent fees have been agreed.
- f. The presumption is that a viability assessment should be published in full. HDH has prepared this report on the assumption that it will be published in full.
- g. HDH confirms that a non-technical summary has been provided (in the form of Chapter 11). Viability in the plan-making process is a technical exercise that is undertaken specifically to demonstrate compliance (or otherwise) with the NPPF and PPG. It is firmly recommended that this report only be published and read in full.  
HDH confirms that adequate time has been taken to allowed to undertake this project.
- h. This assessment includes appropriate sensitivity testing in Chapter 10. This includes the effect of different tenures, and different Affordable Housing requirements against different levels of developer contributions. As this is prepared as a discussion document to inform the engagement between the Council as landowner and the Council as Local Planning authority, further sensitivity testing is not included.
- i. The Guidance includes a requirement that, *'all contributions to reports relating to assessments of viability, on behalf of both the applicants and authorities, must comply with these mandatory requirements. Determining the competency of subcontractors is the responsibility of the RICS member or RICS-regulated firm'*. Much of the information that informed this Viability Assessment was provided by Wiltshire Council and its broader team of advisors, including Atkins. This information was not provided in a subcontractor role and, in accordance with HDH's instructions, this information has not been challenged nor independently verified.

1.16 In December 2019 the RICS published draft technical guidance in the form of RICS draft guidance note - Assessing financial viability in planning under the National Planning Policy Framework for England, 1st edition for consultation. Whilst this is a draft document, we confirm that this report is generally in accordance with this further draft guidance (in as far as it relates to plan-wide viability assessments).

**Metric or Imperial**

1.17 The property industry uses both imperial and metric data – often working out costings in metric (£/m<sup>2</sup>) and values in imperial (£/acre and £/sqft). This is confusing so metric measurements are used throughout this report. The following conversion rates may assist readers.

1m	=	3.28ft (3' and 3.37")	1ft	=	0.30m
1m <sup>2</sup>	=	10.76 sqft	1sqft	=	0.0929m <sup>2</sup>
1ha	=	2.471acres	1acre	=	0.405ha



1.18 A useful broad rule of thumb to convert m<sup>2</sup> to sqft is simply to add a final zero.

Draft Commercial in Confidence



Draft Commercial in Confidence



## 2. Viability Testing

- 2.1 Viability testing is an important part of the planning process. The requirement to assess viability forms part of the National Planning Policy Framework (NPPF), and is a requirement of the CIL Regulations. In each case the requirement is slightly different, but they have much in common. Over several years in the run up to this report various national consultations have been carried out about different aspects of the plan-making process. These have included references to, and sections on, viability.

### 2019 National Planning Policy Framework

- 2.2 Paragraph 34 of the 2019 NPPF says that Plans should set out what development is expected to provide, and that the requirement should not be so high as to undermine the delivery of the plan.

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

- 2.3 As in the 2012 NPPF (and 2018 NPPF), viability remains an important part of the plan-making process. The 2019 NPPF does not include detail on the viability process, rather stresses the importance of viability. The main change is a shift of viability testing from the development management stage to the plan-making stage.

*Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.*

2019 NPPF Paragraph 57

- 2.4 Careful consideration has been made to the updated PPG (see below). The effectiveness of plans was important under the 2012 NPPF, but a greater emphasis is put on deliverability in the 2019 NPPF. The following, updated, definition is provided:

**Deliverable:** *To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

- a) *sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
- b) *where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield*

*register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.*

2019 NPPF Glossary

2.5 The key purpose of this assessment is consider the deliverability of the potential allocations to the east of Chippenham.

2.6 Under the heading *Identifying land for homes*, the importance of viability is highlighted:

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

- a) specific, deliverable sites for years one to five of the plan period<sup>32</sup>; and*
- b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*

2019 NPPF Paragraph 67

2.7 This report has been prepared by the Council as landowner to assist the Council as LPA in determining the deliverability of the site. Under the heading *Making effective use of land*, viability forms part of ensuring land is suitable for development:

*Local planning authorities, and other plan-making bodies, should take a proactive role in identifying and helping to bring forward land that may be suitable for meeting development needs, including suitable sites on brownfield registers or held in public ownership, using the full range of powers available to them. This should include identifying opportunities to facilitate land assembly, supported where necessary by compulsory purchase powers, where this can help to bring more land forward for meeting development needs and/or secure better development outcomes.*

2019 NPPF Paragraph 119

2.8 This site is fully in line with this, bringing forward a large block of land that is in public ownership to meet the wider (beyond planning) objectives of the Council.

2.9 The 2019 NPPF does not include technical guidance on undertaking viability work. This is included within the PPG, the viability sections of which were updated in July 2018 and again in May 2019. The CIL sections of the PPG were updated in September 2019.

### **Planning Practice Guidance**

2.10 The viability sections of the PPG (Chapter 10) have been completely rewritten. The changes provide clarity and confirm best practice, rather than prescribe a new approach or methodology. The core requirement to consider viability links to paragraph 56 of the 2019 NPPF:

*Plans should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards including the cost implications of the Community Infrastructure Levy (CIL) and planning obligations. Viability assessment should not compromise sustainable*

*development but should be used to ensure that policies are realistic, and the total cumulative cost of all relevant policies will not undermine deliverability of the plan.*

23b-005-20190315

2.11 This assessment takes a proportionate approach, building on the earlier HIF work, to consider the deliverability of the site.

2.12 The updated PPG includes 4 main sections. Whilst these put the emphasis on what the LPA should do, they are clearly relevant in this situation.

*Section 1 - Viability and plan making*

2.13 The overall requirement is that:

*It is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. Drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers.*

PPG 10-002-20190509

2.14 This assessment will inform this process.

*It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. Policy compliant means development which fully complies with up to date plan policies.*

PPG 10-002-20190509

2.15 It is anticipated that the area to the east of Chippenham will be allocated as a Strategic Site in the new Plan. It is therefore necessary for the site to be tested individually. In due course, the Council will further engage with the Council's plan-making team.

*Average costs and values can then be used to make assumptions about how the viability of each type of site would be affected by all relevant policies. Plan makers may wish to consider different potential policy requirements and assess the viability impacts of these. Plan makers can then come to a view on what might be an appropriate benchmark land value and policy requirement for each typology.*

PPG 10-004-20190509

2.16 This study draws on a wide range of data sources. Outliers have been disregarded.

*It is important to consider the specific circumstances of strategic sites. Plan makers can undertake site specific viability assessment for sites that are critical to delivering the strategic priorities of the plan. This could include, for example, large sites, sites that provide a significant proportion of planned supply, sites that enable or unlock other development sites or sites within priority regeneration areas. Information from other evidence informing the plan (such as Strategic Housing Land Availability Assessments) can help inform viability assessment for strategic sites.*

PPG 10-005-20180724

2.17 This report has been prepared to assist the Council's planning policy team and to inform the plan-making process.

*Plan makers should engage with landowners, developers, and infrastructure and affordable housing providers to secure evidence on costs and values to inform viability assessment at the plan making stage.*

*It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. Policy compliant means development which fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.*

PPG 10-006-20190509

- 2.18 This report is a key document to inform discussions between the Council as landowner and the Council as LPA. This study specifically considers the deliverability of the potential allocation.

*Section 2 - Viability and decision taking*

- 2.19 It is beyond the scope of this study to consider viability in decision making. It is however important to note that the evidence that informs the plan-making process will also inform any consideration of viability at the development management stage.

*Section 3 - Standardised inputs to viability assessment*

- 2.20 The general principles of viability testing are set out under paragraph PPG 10-010-20180724.

*Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return.*

*This National Planning Guidance sets out the government's recommended approach to viability assessment for planning. The approach supports accountability for communities by enabling them to understand the key inputs to and outcomes of viability assessment.*

*Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available. Improving transparency of data associated with viability assessment will, over time, improve the data available for future assessment as well as provide more accountability regarding how viability informs decision making.*

*In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.*

PPG 10-010-20180724

- 2.21 This study sets out the approach, methodology and assumptions used. These have been subject to consultation and have drawn on a range of data sources. Ultimately, this report will be used (at least in part) to judge the deliverability of the potential allocations.

*Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered. For commercial development broad assessment of value in line with industry practice may be necessary.*

*For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. For housing, historic information about delivery rates can be informative.*

PPG 10-011-20180724

2.22 The residential values have been established using data from the Land Registry and other sources. These have been averaged as suggested. Non-residential values have been derived through consideration of capitalised rents as well as sales.

2.23 PPG paragraph 10-012-20180724 lists a range of costs to be taken into account.

- *build costs based on appropriate data, for example that of the Building Cost Information Service*
- *abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value*
- *site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value*
- *the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value*
- *general finance costs including those incurred through loans*
- *professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value*
- *explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return*

2.24 All these costs are taken into account.

2.25 The PPG then sets out how land values should be considered, confirming the use of the Existing Use Value Plus (EUV+) approach.

*To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).*

PPG 10-013-20190509

2.26 The PPG goes on to set out:

*Benchmark land value should:*

- *be based upon existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees*

*Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*

*This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*

*In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.*

PPG 10-014-20190509

2.27 The approach adopted in this study is to start with the EUV. The 'plus' element is informed by the price paid for policy compliant schemes to ensure an appropriate landowners' premium.

*Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).*

*Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.*

PPG 10-015-20190509

2.28 This report has applied this methodology to establish the EUV.

2.29 The PPG sets out an approach to the developers' return

*Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value.*

*Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.*

*For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.*

PPG 10-018-20190509

- 2.30 As set out in Chapter 7 below, this approach is followed.

#### Section 4 - Accountability

- 2.31 This is a new section in the PPG. It sets out new requirements on reporting that apply to the Council as LPA, rather than as landowner. They are not considered here.
- 2.32 Paragraph 10-020-20180724 of the PPG that says that '*practitioners should ensure that the findings of a viability assessment are presented clearly. An executive summary should be used to set out key findings of a viability assessment in a clear way*', Chapter 12 of this report is written as a standalone non-technical summary that brings the evidence together.

#### Community Infrastructure Levy Regulations and Guidance

- 2.33 The Council has adopted CIL. The CIL Regulations are broad, so it is necessary to have regard to them and the CIL Guidance (which is contained within the PPG) when undertaking a viability assessment for planning purposes and considering the deliverability of development. In November 2015, the Government launched the CIL Review. This was a complete review of the Levy, the results of which<sup>1</sup> were published with the Housing White Paper in February 2017. A range of recommendations were made, some of which have been reflected in addendums to the CIL Regulations that were published in May 2019.
- 2.34 The CIL Regulations came into effect in April 2010 and have been subject to several subsequent amendments<sup>2</sup>. CIL Regulation 14 (as amended) sets out the core principle for

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<sup>1</sup> A Report by the CIL Review Team – A New Approach to Developer Contributions (October 2016) and The value, impact and delivery of the Community Infrastructure Levy, DCLG (February 2017).

<sup>2</sup> SI 2010 No. 948. The Community Infrastructure Levy Regulations 2010 Made 23rd March 2010, Coming into force 6th April 2010. SI 2011 No. 987. The Community Infrastructure Levy (Amendment) Regulations 2011 Made 28th March 2011, Coming into force 6th April 2011. SI 2011 No. 2918. The Local Authorities (Contracting Out of Community Infrastructure Levy Functions) Order 2011. Made 6th December 2011, Coming into force 7th December 2011. SI 2012 No. 2975. The Community Infrastructure Levy (Amendment) Regulations 2012. Made 28th November 2012, Coming into force 29th November 2012. SI 2013 No. 982. The Community Infrastructure Levy (Amendment) Regulations 2013. Made 24th April 2013, Coming into force 25th April 2013. SI 2014 No. 385. The Community Infrastructure Levy (Amendment) Regulations 2013. Made 24th February 2014, Coming into force 24th February 2014. SI 2015 No. 836. COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2015. Made 20th March 2015. SI 2019 No. 966 COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES The Community Infrastructure Levy (Amendment) (No. 2) Regulations 2019 Made 9th July 2019. Coming into Force 1st September 2019.

setting CIL. It is necessary to consider the development in the context of the CIL Regulations as they do impact on the wider development plan-making process.

2.35 From April 2015, councils were restricted in relation to pooling S106 contributions from more than five developments<sup>3</sup>. These ‘pooling’ restrictions were lifted from September 2019. Payments requested under the s106 regime must be (as set out in CIL Regulation 122):

- a. necessary to make the development acceptable in planning terms;
- b. directly related to the development; and
- c. fairly and reasonably related in scale and kind to the development.

2.36 The anticipated s106 costs to cover strategic infrastructure and mitigation have been assessed by others outside this report. We understand the Council has engaged with other Council departments (such as highways, education, etc). These have been taken as read and used in this assessment. It is assumed that they meet these tests.

### Wider Changes Impacting on Viability

2.37 There have been a number of changes at a national level that impact on this assessment.

#### *Low Cost Home Ownership*

2.38 The amended Community Infrastructure Levy Regulations include provisions which will exempt Starter Homes from the Levy where the dwelling is sold to individuals whose total household annual income is no more than £80,000 (£90,000 in Greater London).

2.39 The 2019 NPPF (paragraph 64) sets out a policy for a minimum of 10% affordable home ownership units on larger sites.

*Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership<sup>4</sup>, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:*

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

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<sup>2</sup> CIL Regulations 123(3)

<sup>2</sup> Footnote 29 of the 2018 NPPF clarifies as ‘As part of the overall affordable housing contribution from the site’.ent) (England) Regulations 2019. Made - 22nd May 2019. **2019 No. 1103** COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES The Community Infrastructure Levy (Amendment) (No. 2) Regulations 2019 Made 9<sup>th</sup> July 2019. Coming into Force 1st September 2019.

<sup>3</sup> CIL Regulations 123(3)

<sup>4</sup> Footnote 29 of the 2018 NPPF clarifies as ‘As part of the overall affordable housing contribution from the site’.

- c) is proposed to be developed by people who wish to build or commission their own homes;  
or  
d) is exclusively for affordable housing, an entry-level exception site or a rural exception site.

Paragraph 64, 2019 NPPF

2.40 This is assumed to apply.

#### *Affordable Housing*

- 2.41 Prior to the Summer 2015 Budget<sup>5</sup>, Affordable Rents were set at up to 80% of open market rent and generally went up, annually, by inflation (CPI) plus 1%, and Social Rents were set through a formula, again with an annual inflation plus 1% increase. Under arrangements announced in 2013, these provisions were to prevail until 2023, and formed the basis of many housing associations' and other providers' business plans. Housing associations knew their rents would go up and those people and organisations who invest in such properties (directly or indirectly) knew that the rents were going up year on year. This made them attractive as each year the rent would always be a little more relative to inflation.
- 2.42 In the Summer 2015 Budget, it was announced that Social Rents and Affordable Rents would be reduced by 1% per year for 4 years. This change reduced the value of affordable housing. In October 2017 the Government announced that Rents will rise by CPI +1% for five years from 2020. The values of Affordable Housing have been considered in Chapter 4 below.

#### *First Homes Consultation*

- 2.43 In February 2020 the Government launched a consultation on First Homes. The consultation is exploring a number of options. In broad terms it is suggested that development should include an element of First Homes where these are discounted for first time buyers by at least 30% from market values. At this stage the proportion of First Homes to be delivered has not been proposed. In this assessment a range is tested.
- 2.44 The consultation does suggest that First Homes would not be subject to CIL.

#### *Environmental Standards*

- 2.45 Early in October 2019, the Government launched a consultation on 'The Future Homes Standard'<sup>6</sup>. This is linked to achieving the 'net zero' greenhouse gas emissions by 2050. The Council is exploring the policy options in this regard. At this stage a policy has not been drafted but is likely to include provisions to encourage reduced energy usage. This is considered in Chapter 8 below.

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<sup>5</sup> 8<sup>TH</sup> July 2015

<sup>6</sup> [https://www.gov.uk/government/consultations/the-future-homes-standard-changes-to-part-l-and-part-f-of-the-building-regulations-for-new-dwellings?utm\\_source=7711646e-e9bf-4b38-ab4f-9ef9a8133f14&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/consultations/the-future-homes-standard-changes-to-part-l-and-part-f-of-the-building-regulations-for-new-dwellings?utm_source=7711646e-e9bf-4b38-ab4f-9ef9a8133f14&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

### Biodiversity

- 2.46 In March 2019 the Government announced that new developments must deliver an overall increase in biodiversity. Following a consultation, the Chancellor confirmed in the Spring Statement that the Government will use the forthcoming Environment Bill to mandate 'biodiversity net gain'.
- 2.47 At this stage few details have been published, however biodiversity net gain requires developers to ensure habitats for wildlife are enhanced and left in a measurably better state than they were pre-development. They must assess the type of habitat and its condition before submitting plans, and then demonstrate how they are improving biodiversity – such as through the creation of green corridors, planting more trees, or forming local nature spaces.
- 2.48 Green improvements on site would be encouraged, but in the rare circumstances where they are not possible, developers will need to pay a levy for habitat creation or improvement elsewhere.
- 2.49 The costs of this type of intervention are considered in Chapter 8 below.

### Viability Guidance

- 2.50 There is no specific technical guidance on how to test viability in the 2019 NPPF or the updated PPG, although the updated PPG includes guidance in a number of specific areas. There are several sources of guidance and appeal decisions<sup>7</sup> that support the methodology HDH has developed. This study follows the *Viability Testing in Local Plans – Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012<sup>8</sup> (known as the **Harman Guidance**). This contains the following definition:

*An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.*

- 2.51 The planning appeal decisions, and the HCA good practice publication<sup>9</sup> suggest that the most appropriate test of viability for planning policy purposes is to consider the Residual Value of schemes compared with the Existing Use Value (EUV), plus a premium. The premium over and above the EUV being set at a level to provide the landowner with an inducement to sell.

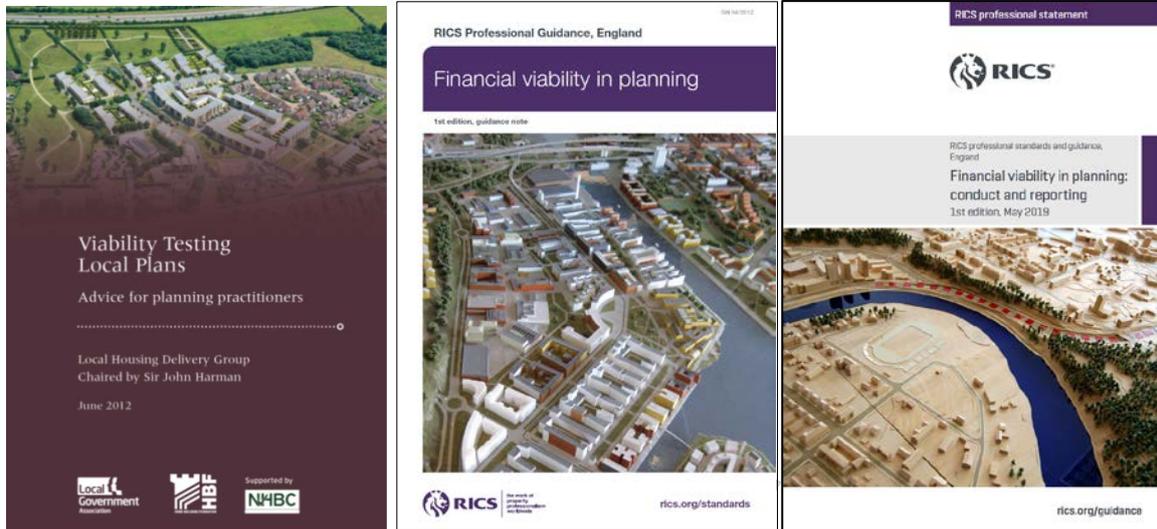
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<sup>7</sup> Barnet: APP/Q5300/ A/07/2043798/NWF, Bristol: APP/P0119/ A/08/2069226, Beckenham: APP/G5180/ A/08/2084559, Bishops Cleeve: APP/G1630/A/11/2146206 Burgess Farm: APP/U4230/A/11/2157433, CLAY FARM: APP/Q0505/A/09/2103599/NWF, Woodstock: APP/D3125/ A/09/2104658, Shinfield APP/X0360/ A/12/2179141, Oxenholme Road, APP/M0933/A/13/2193338, Former Territorial Army Centre, Parkhurst Road, Islington APP/V5570/W/16/3151698, Vannes: Court of Appeal 22 April 2010, [2010] EWHC 1092 (Admin) 2010 WL 1608437.

<sup>8</sup> Viability Testing in Local Plans has been endorsed by the Local Government Association and forms the basis of advice given by the, CLG funded, Planning Advisory Service (PAS).

<sup>9</sup> *Good Practice Guide*. Homes and Communities Agency (July 2009).

The Harman Guidance and *Financial viability in planning, RICS guidance note, 1st edition* (GN 94/2012) which was published during August 2012 (known as the **RICS Guidance**) set out the principles of viability testing<sup>10</sup>. Additionally, the Planning Advisory Service (PAS) provides viability guidance and manuals for local authorities.



- 2.52 There is considerable common ground between the 2012 RICS Guidance and the Harman Guidance, but they are not consistent. The RICS Guidance recommends against the ‘EUV plus a margin’ – which is the methodology recommended in the Harman Guidance.

*One approach has been to exclusively adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land is not released at CUV or CUV plus a margin (EUV plus).....*

*Financial viability in planning, RICS guidance note, 1st edition (GN 94/2012)*

- 2.53 The Harman Guidance advocates an approach based on Threshold Land Value (Threshold Land Value is equivalent to Benchmark Land Value as referred to in the updated PPG):

*Consideration of an appropriate **Threshold Land Value** needs to take account of the fact that future plan policy requirements will have an impact on land values and landowner expectations. Therefore, using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy. Reference to market values can still provide a useful ‘sense check’ on the threshold values that are being used in the model (making use of cost-effective sources of local information), but it is not recommended that these are used as the basis for the input to a model.*

*We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values (noting the exceptions below).*

*Viability Testing in Local Plans – Advice for planning practitioners. (June 2012)*

<sup>10</sup> There are two principle pieces of relevant guidance; Draft Financial viability in planning: conduct and reporting RICS professional statement, England (October 2018) and Financial Viability in planning (1st edition), RICS guidance note 2012. The 2012 guidance note, is subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (July 2018) so relatively little weight is given to this.

2.54 The RICS Guidance dismisses a Threshold Land Value approach as follows:

*Threshold land value. A term developed by the Homes and Communities Agency (HCA) being essentially a land value at or above that which it is assumed a landowner would be prepared to sell. It is not a recognised valuation definition or approach.*

2.55 As set out in Chapter 1 above, *Financial viability in planning, RICS guidance note, 1st edition* (GN 94/2012) does not fit with 2019 NPPF and updated PPG so is subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (May 2019). Relatively little weight is given to this RICS Guidance in this regard at this stage. In December 2019 the RICS published draft technical guidance in the form of *RICS draft guidance note - Assessing financial viability in planning under the National Planning Policy Framework for England, 1st edition for consultation*. This document provides advice for Chartered Surveyors on the undertaking viability assessments in the context of the 2019 NPPF and PPG. Whilst this is a draft document, we confirm that this report is generally in accordance with this further draft guidance (in as far as it relates to plan-wide viability assessments).

2.56 In line with the updated PPG, this study follows the EUV Plus (EUV+) methodology. The methodology is to compare the Residual Value generated by the viability appraisals, with the EUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV is central to the assessment of viability. It must be set at a level to provide a return to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level, reference is made to the value of the land both with and without the benefit of planning.

2.57 This approach is in line with that recommended in the Harman Guidance (as endorsed by LGA, PAS) – and also broadly in line with the main thrust of the RICS Guidance of having reference to market value.

2.58 In September 2019 the HBF produced further guidance in the form of *HBF Local Plan Viability Guide* (Version 1.2, Sept 2019). This guidance draws on the Harman Guidance and the 2012 RICS Guidance, (which the RICS is updating as it is out of date), but not the more recent May 2019 RICS Guidance. This HBF guidance stresses the importance of following the guidance in the PPG and of consultation, both of which this report has done. We do have some concerns around this guidance as it does not reflect 'the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission' as set out in paragraph 10-009-20190509 of the PPG. The HBF Guidance raises several 'common concerns'. Regard has been had to these under the appropriate headings through this report.

### 3. Methodology

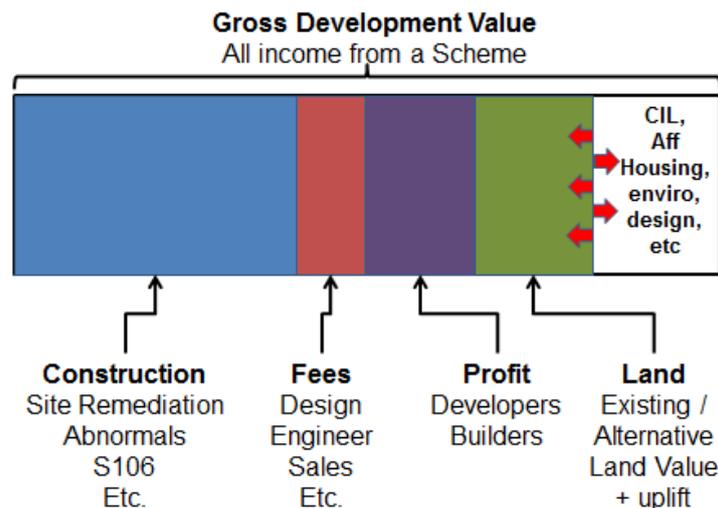
#### Viability Testing – Outline Methodology

3.1 This report follows the Harman Guidance and is prepared to assist the Council as LPA consider the deliverability of this site. The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

$$\begin{aligned}
 &\textbf{Gross Development Value} \\
 &\text{(The combined value of the complete development)} \\
 &\text{LESS} \\
 &\textbf{Cost of creating the asset, including a profit margin} \\
 &\text{(Construction + fees + finance charges)} \\
 &= \\
 &\textbf{RESIDUAL VALUE}
 \end{aligned}$$

3.2 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the top limit of what a developer could offer for a site and still make a satisfactory return (i.e. profit).

3.3 In the following graphic, the bar illustrates all the income from a scheme. This is set by the market (rather than by the developer or local authority). Beyond the economies of scale that larger developers can often enjoy, the developer has relatively little control over the costs of development, and whilst there is scope to build to different standards the costs are largely out of the developer’s direct control – they are what they are.



3.4 The essential balance in viability testing is around the land value and whether or not land will come forward for development. The more policy requirements and developer contributions a planning authority asks for, the less the developer can afford to pay for the land. The purpose

of this assessment is to quantify the costs of the Council's existing and emerging policies and to assess the effect of these and then make a judgement as to whether or not land prices are squeezed to such an extent that the site is not deliverable.

- 3.5 This study is not trying to mirror any particular developer's business model – rather it is making a broad assessment of viability in the context of plan-making and the requirements of the 2019 NPPF and CIL Regulations.

### The meaning of Landowner Premium

- 3.6 The phrase '*landowner premium*' is new in the updated PPG. Under the 2012 NPPF, and the superseded PPG, the phrase '*competitive return*' was used. This is at the core of a viability assessment. The 2012 RICS Guidance includes the following definition:

**Competitive returns** - A term used in paragraph 173 of the NPPF and applied to 'a willing land owner and willing developer to enable development to be deliverable'. A 'Competitive Return' in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A 'Competitive Return' in the context of a developer bringing forward development should be in accordance with a 'market risk adjusted return' to the developer, as defined in this guidance, in viably delivering a project.

- 3.7 Whilst this is useful it does not provide guidance as to the size of that return. The updated PPG says:

*Benchmark land value should:*

- be based upon existing use value
- allow for a premium to landowners (including equity resulting from those building their own homes)
- reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and

*Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*

*This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*

*In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.*

PPG 10-014-20190509

- 3.8 There has been much discussion as to what may and may not be a landowner premium. The term has not been given a firm definition through the appeal, planning examination or legal processes. ‘Competitive return’ was considered at the Shinfield Appeal (January 2013)<sup>11</sup> and the case is sometimes held up as a firm precedent, however as confirmed in the Oxenholme Road Appeal (October 2013)<sup>12</sup> the methodology set out in Shinfield is site specific and should only be given limited weight. Further clarification was been provided in the Territorial Army Centre, Parkhurst Road, Islington Appeal (June 2017)<sup>13</sup>, which has subsequently been confirmed by the High Court<sup>14</sup>. This notes the importance of comparable data, but stresses the importance of the quality of the comparable. The level of return to the landowner (the landowner’s premium is discussed, and the approach taken in this study is set out in the later parts of Chapter 6 below.

### Existing Available Evidence

- 3.9 The 2019 NPPF, the PPG, the CIL Regulations and CIL Guidance are clear that the assessment of viability should, wherever possible, be based on existing available evidence rather than new evidence. The evidence that is available from the Council has been reviewed. This was prepared earlier in the plan-making process and to inform the setting of CIL. The most recent of these are:

- a. *Community Infrastructure Levy: Viability Study* (BNP Paribas, November 2013)
- b. *Wiltshire Local Plan Viability Study* (HDH, February 2014)
- c. *Chippenham Site Allocations Plan: Strategic Site Viability Assessment* (BNP Paribas, October 2015)
- d. *Chippenham Strategic Site Viability Assessment* (BNP Paribas, April 2016)

### Stakeholder Engagement

- 3.10 The PPG requires stakeholder engagement. The preparation of this viability assessment is specifically to inform the engagement with the Council’s planning department.

### Viability Process

- 3.11 The assessment of viability as required under the 2019 NPPF and the CIL Regulations is a quantitative and qualitative process. The basic viability methodology is summarised in the figure below. It involves preparing financial development appraisals for each of the development areas. The sites were modelled based on information provided by the Council as landowner and the wider professional team, and our own experience of development.

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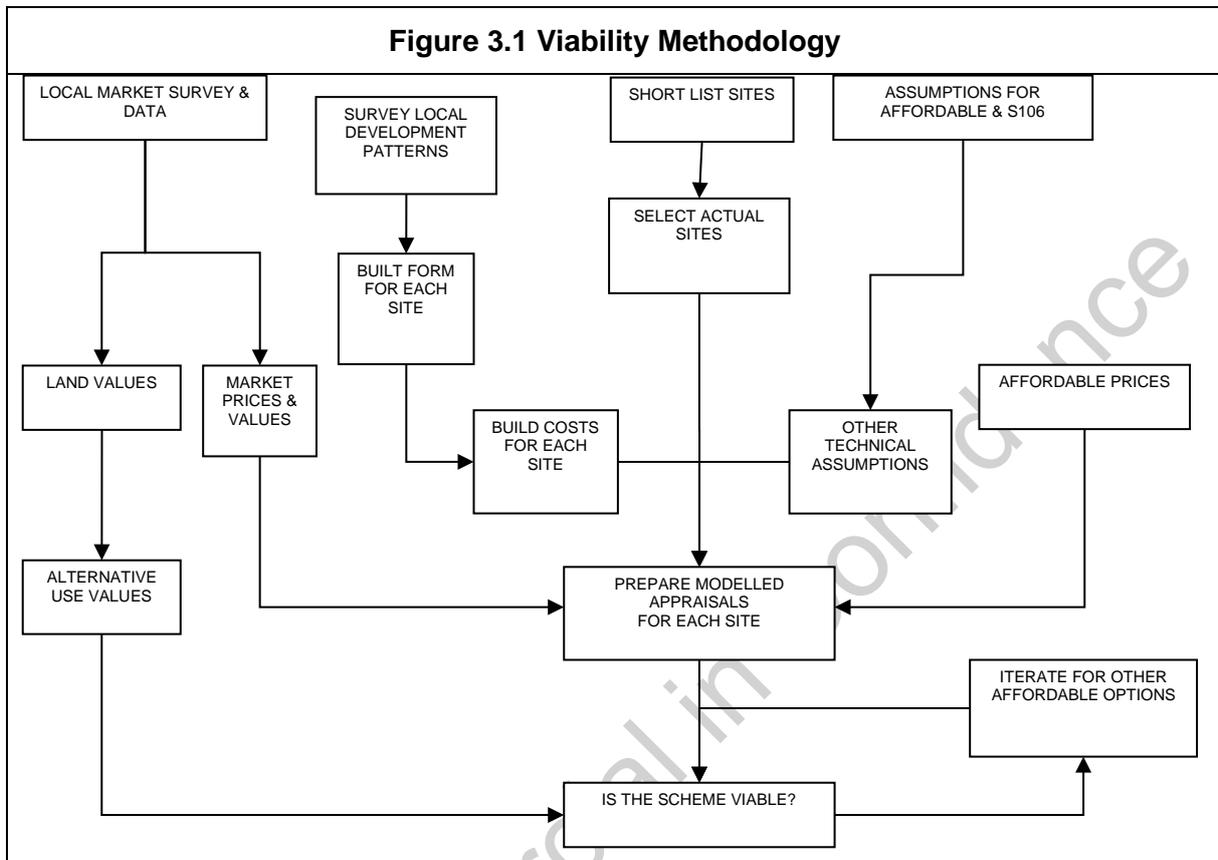
<sup>11</sup> APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX)

<sup>12</sup> APP/M0933/ A/13/ 2193338 (Land to the west of Oxenholme Road, Kendal, Cumbria)

<sup>13</sup> APP/V5570/W/16/3151698 (Former Territorial Army Centre, Parkhurst Road, Islington, London, N7 0LP)

<sup>14</sup> Parkhurst Road Limited v Secretary of State for Communities and Local Government and The Council of the London Borough of Islington [2018] EWHC 991 (Admin)

Details of the modelling are set out in Chapter 9. This process ensures that the appraisals are representative of the proposed development.



Source: HDH 2020

- 3.12 The local housing markets were surveyed to obtain a picture of sales values. Land values were assessed to calibrate the appraisals and to assess EUVs. Alongside this, local development patterns were considered, to arrive at appropriate built form assumptions. These in turn informed the appropriate build cost figures. Several other technical assumptions were required before appraisals could be produced. The appraisal results were in the form of £/ha 'residual' land values, showing the maximum value a developer could pay for the site and still make an appropriate return. The Residual Value was compared to the EUV for each site. Only if the Residual Value exceeded the EUV, and by a satisfactory margin, could the scheme be judged to be viable. The amount of margin is a difficult subject and is discussed and the approach taken in this study is set out in the later parts of Chapter 6 below.
- 3.13 The appraisals are based on existing and emerging policy options as summarised in Chapter 8 below. The emerging Plan is still at an early stage, so the policies used in this assessment may be subject to further changes. If the Council allocates different types of site or develops significantly different policies to those tested in this study, it may be necessary to revisit viability and consider the impact of those further requirements.

- 3.14 A bespoke viability testing model designed and developed by HDH specifically for viability testing as required by the 2019 NPPF and CIL Regulations<sup>15</sup> is used. The purpose of the viability model and testing is not to exactly mirror any particular business model used by those companies, organisations or people involved in property development. The purpose is to capture the generality and to provide high level advice to assist the Council in assessing the deliverability of the Local Plan and to assist the Council in considering CIL.

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<sup>15</sup> This Viability Model is used as the basis for the Planning Advisory Service (PAS) Viability Workshops. It is made available to Local Authorities, free of charge, by PAS and has been widely used by Councils across England (and, to a lesser extent, Wales).

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## 4. Residential Market

- 4.1 This chapter sets out an assessment of the housing market, providing the basis for the assumptions on house prices. Market conditions will broadly reflect a combination of national economic circumstances, and local supply and demand factors, however, even within a site as large as the one under consideration, there will be particular localities, and ultimately site-specific factors, that generate different values and costs.
- 4.2 Firstly, a range of published and secondary data sources are considered, then current asking prices and recent prices paid for newbuild homes are analysed, before this data is brought together to form a view on the assumptions to be used.
- 4.3 In terms of housing development, Chippenham is a small place. It is necessary to not only consider data from Chippenham, but also to draw on data from the wider area.

### The Chippenham Residential Market

- 4.4 Up to the 2007, pre-recession peak of the market, the long-term rise in house prices had, at least in part, been enabled by the ready availability of credit to home buyers. Prior to the increase in prices, mortgages were largely funded by the banks and building societies through deposits taken from savers. During a process that became common in the 1990s, but took off in the early part of the 21st Century, many financial institutions changed their business model whereby, rather than lending money to mortgagees that they had collected through deposits, they entered into complex financial instruments and engineering through which, amongst other things, they borrowed money in the international markets, to then lend on at a margin or profit. They also 'sold' portfolios of mortgages that they had granted. These portfolios also became the basis of complex financial instruments (mortgage backed securities and derivatives etc.).
- 4.5 During 2007 and 2008, it became clear that some financial institutions were unsustainable, as the flow of money for them to borrow was not certain. As a result, several failed and had to be rescued. This was an international problem that affected countries across the world – but most particularly in North America and Europe. In the UK, the high-profile institutions that were rescued included Royal Bank of Scotland, HBOS, Northern Rock and Bradford and Bingley. The ramifications of the recession were an immediate and significant fall in house prices, and a complete reassessment of mortgage lending with financial organisations becoming averse to taking risks, lending only to borrowers who had the least risk of default and those with large deposits.
- 4.6 It is important to note that, at the time of this report, the housing market is actively supported by the Government through products and initiatives such as Help-to-Buy. Help-to-Buy is a time limited scheme that currently expires in 2020. At present there is no definite Government commitment to continue Help-to-Buy beyond that date. Withdrawal of Help-to-Buy could restrict some buyer's ability to purchase a new home. It has been assumed that Help-to-Buy will continue.

- 4.7 This report is being completed after the United Kingdom left the European Union. It is not yet possible to predict the impact of leaving the EU, beyond the fact that the UK and the UK economy is in a period of uncertainty. Negotiations around the details of the exit are underway but not concluded, so the future of trade with the European Union and wider world are not yet known. A range of views as to the impact on house prices have been expressed that cover nearly the whole spectrum of possibilities.
- 4.8 A further uncertainty is around coronavirus pandemic. The coronavirus (COVID-19) virus was first reported in Wuhan, China, in December 2019 and was declared a pandemic in March 2020. The virus spreads between people in a similar way to winter flu and symptoms for most people are relatively mild (fever, cough, and shortness of breath). Complications can be serious in vulnerable groups such as older people or those with respiratory problems. It is too early to predict what the impact on the economy may be, however world stock markets have fallen by over 25%, so it is likely that at the very least, the housing markets will be checked. We would expect there to be a pause in activity due to uncertainty in the wider economy and as a result of movement restrictions.
- 4.9 There is clearly uncertainty in the market, and it is not for this study to try to predict how the market may change in the coming years, and whether or not there will be a further increase in house prices. Property agents Savills are predicting a 0.5% increase in the current year, 4% increase next year and a 13.1% increase over the next 5 years in the mainstream South West markets, with a 1% increase this year, 4% next year and 16.5% over the next 5 years in the prime South England residential markets<sup>16</sup>. These predictions are somewhat less than were being predicted before the Brexit referendum.

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<sup>16</sup> UK Housing Market Update <https://pdf.euro.savills.co.uk/uk/residential---other/residential-property-forecasts-autumn-2019.pdf>

Figure 4.1 Savills Property Forecasts

Mainstream market price forecasts						5-year compound growth
	2020	2021	2022	2023	2024	
UK	1.0%	4.5%	3.0%	3.0%	3.0%	15.3%
London	-2.0%	1.5%	1.0%	1.0%	2.5%	4.0%
South East	0.0%	3.0%	2.5%	2.5%	2.5%	10.9%
East	0.0%	3.0%	2.5%	2.5%	2.5%	10.9%
South West	0.5%	4.0%	3.0%	2.5%	2.5%	13.1%
West Midlands	3.0%	5.0%	3.0%	3.0%	3.0%	18.2%
East Midlands	3.0%	5.0%	3.0%	3.0%	3.0%	18.2%
Yorkshire & The Humber	2.0%	6.0%	4.0%	4.0%	4.0%	21.6%
North West	2.5%	6.5%	4.5%	4.5%	4.0%	24.0%
North East	1.5%	5.0%	4.0%	4.0%	4.0%	19.9%
Scotland	2.0%	6.0%	3.5%	3.5%	3.5%	19.9%
Wales	2.0%	6.0%	3.0%	3.0%	3.0%	18.1%

N.B. These forecasts apply to average prices in the second hand market. New Build values may not move at the same rate.

Source: Savills. <https://www.savills.co.uk/insight-and-opinion/research-consultancy/residential-market-forecasts.aspx>

- 4.10 This assessment is conducted at March 2020 costs and values.
- 4.11 There are several published studies that present values for Chippenham, the most recent of which was in 2016.  
*Chippenham Strategic Site Viability Assessment (BNP Paribas), April 2016*
- 4.12 This study specifically considered development around Chippenham and was used to inform Wiltshire Council’s Chippenham Site Allocations Plan that was adopted in May 2017. This used the following assumptions:

Unit Type	Average Value per Unit Type	m <sup>2</sup>	£/m <sup>2</sup>
1 Bed Flat	£130,000	47	£2,766
2 Bed Flat	£165,000	65	£2,538
2 Bed House	£225,000	75	£3,000
3 Bed House	£310,000	95	£3,263
4 Bed House	£400,000	115	£3,478
5 Bed House	£475,000	135	£3,519

Source: Table 4.2.1 and Table 4.3.8 Chippenham Strategic Site Viability Assessment (BNP Paribas), April 2016

4.13 In the HIF Bid the following values were used.

*It is assumed that over the 7,500 or so units a range of market products (as opposed to affordable products) will be incorporated into the scheme. In this high-level assessment that does not involve any building design and only the broadest concept framework (which is still being produced), it is necessary to make some broad assumptions. It is assumed there will be three price points.*

*Price Point 1 These are considered to be serving the top (most expensive) part of the market. The homes will be well above the Nationally Described Space Standards (NDSS), and incorporate car parking etc. These are more likely to be of more innovative designs (perhaps with energy requirements). Homes in this group are not necessarily at lower density – high quality design, high value and higher density can (with careful design) go together.*

*Price Point 2 The majority of housing will fall in this band. This will largely be ‘conventional estate housing’ of the type brought forward on many larger scale housing estates across England. All the units are likely to be larger than NDSS.*

*Price Point 3 These are smaller units that will be lower costs, in part to a more basic specification, fewer garages, but are also likely to be smaller. These are not affordable homes, rather homes for those on tighter budgets.*

*Values will clearly vary from house to house, sub area to sub area and be influenced by factors such proximity to facilities, transport, the benefit of views etc.*

*Bringing together the evidence above (which is varied), the following approach to value is adopted. The values of flats used is less than that suggested by the Land Registry Price Paid Data. The PPD includes a number of higher value, town centre schemes that generate values that are somewhat those that may be generated (at least initially) on a large urban extension.*

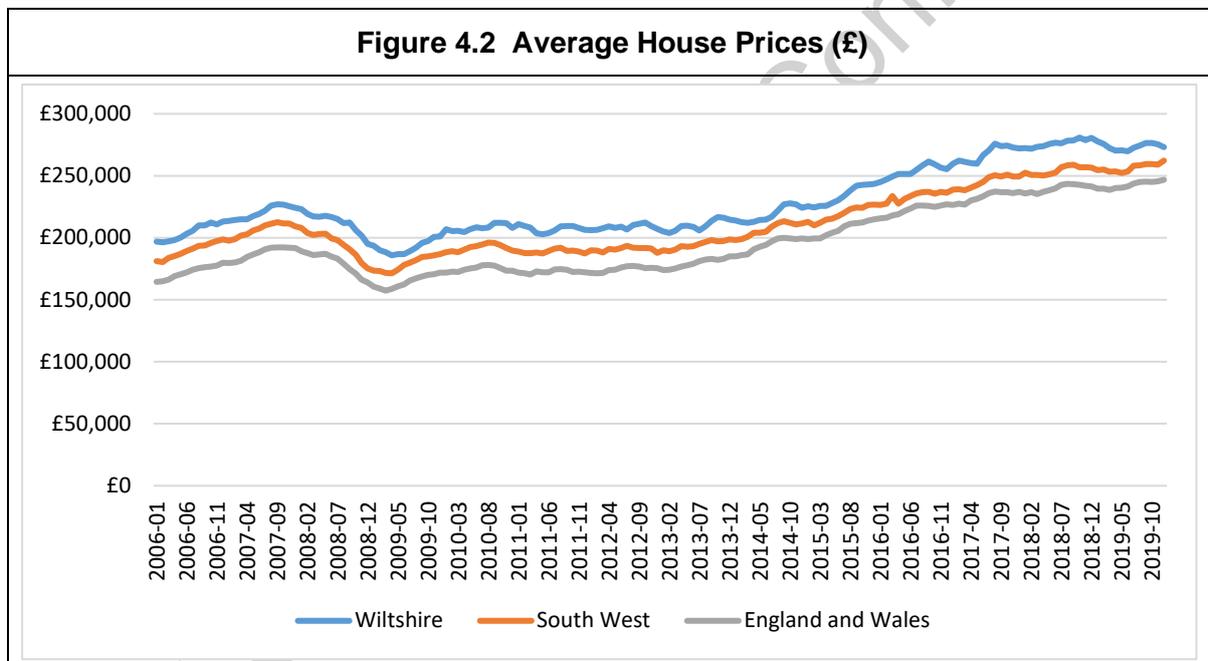
Price Point	Houses	Flats
1	£3,000	£2,750
2	£3,300	£3,200
3	£3,500	£3,400

Source: HDH (October 2018)

4.14 These assumptions are now updated.

Land Registry Based Data

- 4.15 The Land Registry aggregates data at Local Authority Level. As Wiltshire is a large unitary authority, this may oversimplify the situation in Chippenham. When ranked across England and Wales, the average house price for Wiltshire is 134<sup>th</sup> (out of 339) at £310,057<sup>17</sup>. To set this in context, the Council at the middle of the rank (169 – Ryedale, in Yorkshire), has an average price of £267,031. It is relevant to note that Wiltshire's median price is lower than the mean at £270,950<sup>18</sup>.
- 4.16 The housing market peaked late in 2007 (see the following graph) and then fell considerably in the 2007/2008 recession during what became known as the 'Credit Crunch'. Average house prices across England and Wales have recovered to their pre-recession peak; however, this is strongly influenced by London. Prices in Wiltshire are now well in excess (about 20%)<sup>19</sup> of the 2007/2008 peak and, as can be seen in the figure below, prices in Wiltshire are above those of the wider region.

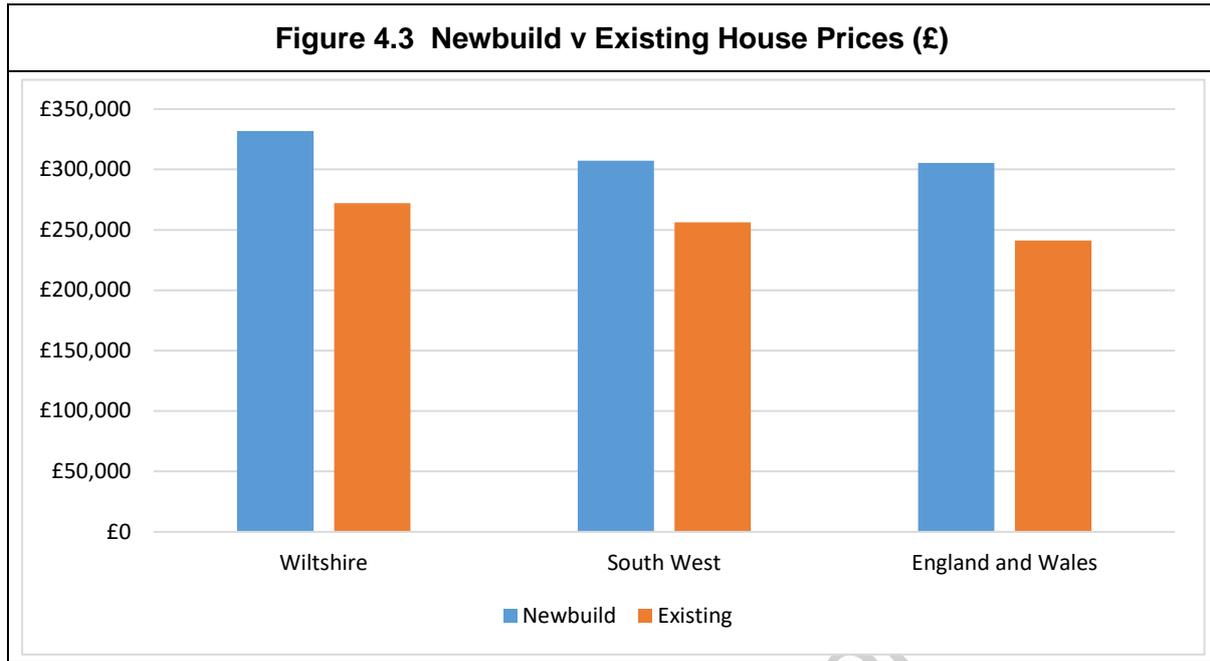


- 4.17 A notable characteristic of the data is that the values of newbuild homes are significantly more than for existing homes.

<sup>17</sup> HPSSA Dataset 12. Mean price paid for national and subnational geographies, quarterly rolling year. Data release 13th December 2019.

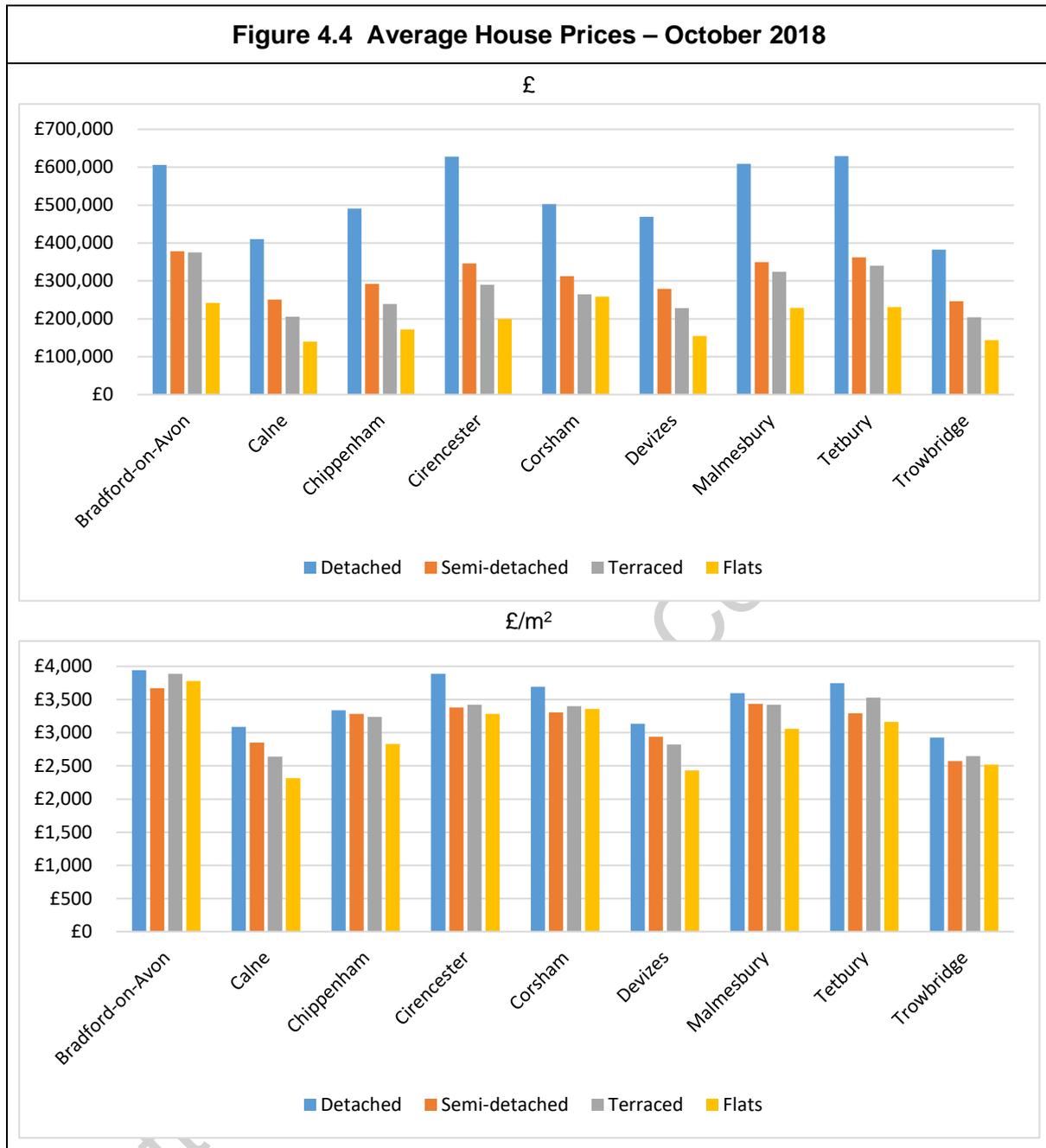
<sup>18</sup> HPSSA Dataset 9. Median price paid for national and subnational geographies, quarterly rolling year. Data release 13th December 2019.

<sup>19</sup> September 2007 - £227,133, December 2019 - £273,066.



Source: Land Registry (March 2020)

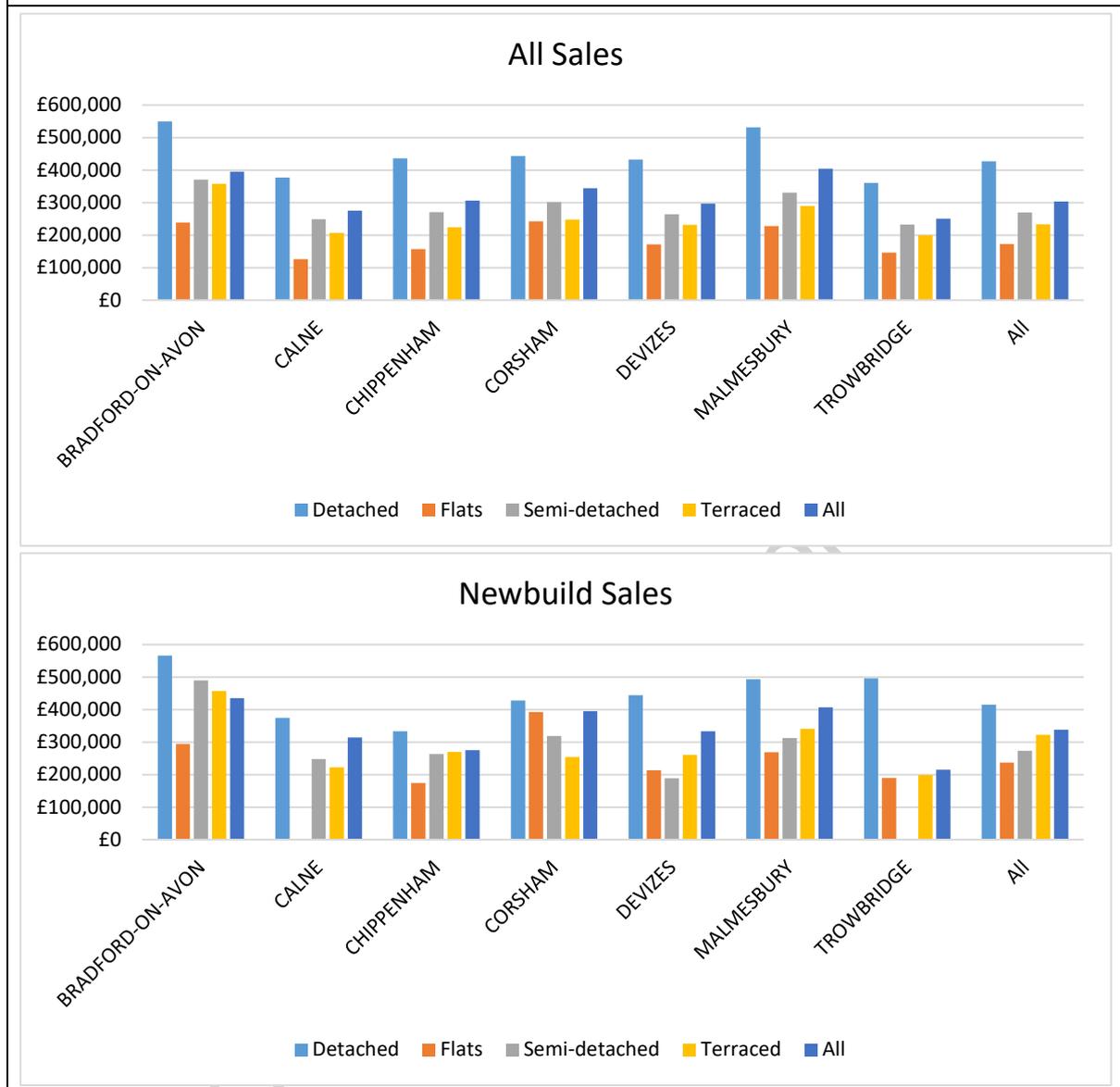
- 4.18 In Wiltshire newbuild house prices are about 22% higher than the price of existing houses, this difference is less than in England and Wales where the difference is 27%.
- 4.19 The above data provides useful context, but does not lead directly to assumptions that can be used in this assessment. It is necessary to consider wider data sources.
- 4.20 Zoopla.co.uk publishes data on house prices.



Source: Zoopla.co.uk (March 2020)

- 4.21 Prices in Chippenham are generally lower than those in Bradford-upon-Avon, Malmesbury and Corsham, but are generally higher than in Calne, Devizes and Trowbridge.
- 4.22 The Land Registry records over 16,600 house sales in Wiltshire since the start of 2018. Of these just over 7,500 are in Chippenham and the nearby Wiltshire towns, mentioned above. These sales have also been analysed.

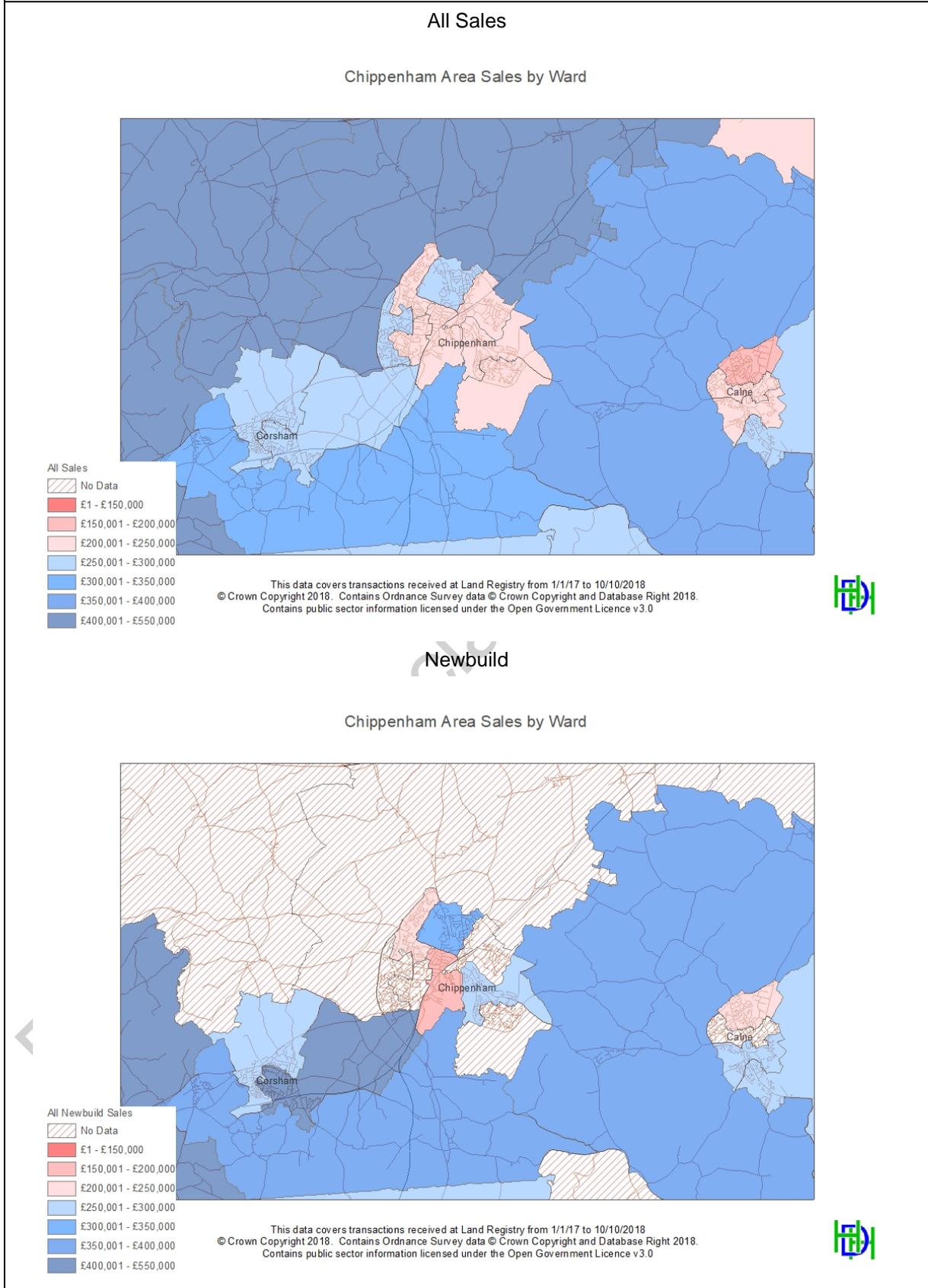
Figure 4.5 Average House Prices – From January 2018



Source: Land Registry Price Paid Data (March 2020)

4.23 The geographical differences in prices are illustrated in the following maps showing the median price by ward, the first being for all properties and the second just for newbuild. **Appendix 3** included further maps showing median prices by house type.

**Figure 4.6 Median Prices – All Properties Jan 2017 to July 2018**



Source: HDH based on Land Registry Price Paid Data

4.24 The pattern of prices is influenced by the size of the units, with larger detached units prevailing in the more rural areas, and smaller terraces and flats in the urban areas.

*Newbuild Sales Prices*

4.25 This assessment is concerned with the economics of newbuild residential property on the edge of Chippenham, so the key input for the appraisals is the price of new units. Recent newbuild sales prices from the Land Registry have been reviewed and a survey of new homes for sale during March 2020 was carried out.

4.26 The Land Registry publishes data of all homes sold. Across the Chippenham area, the sale of about 170 newbuild homes are recorded since the start of 2018. This data is included in **Appendix 4**.

4.27 Each house sold requires an Energy Performance Certificate (EPC). This is a public document that can be viewed on the EPC Register<sup>20</sup>. The EPC contains the floor area (the Gross Internal Area – GIA) as well as a wide range of other information about the construction and energy performance of the building. This information is also included in **Appendix 4**.

4.28 The price paid data from the Land Registry has been married with the homes' floor area from the EPC Register to derive a price paid on a £/m<sup>2</sup> basis.

<b>Table 4.2 Average Newbuild Sale Prices - Chippenham</b>					
	Detached	Flats	Semi-detached	Terraced	All
<b>Price Paid £</b>					
Count	54	21	76	18	169
Minimum	£204,000	£115,500	£214,995	£219,995	£115,500
Average	£332,922	£174,643	£263,027	£269,590	£275,077
Maximum	£427,000	£305,000	£362,500	£315,000	£427,000
<b>Price Paid £/m<sup>2</sup></b>					
Count	53	19	76	18	166
Minimum	£1,447	£2,357	£2,417	£2,692	£1,447
Average	£3,304	£2,943	£3,474	£3,465	£3,358
Maximum	£3,879	£4,630	£3,898	£3,793	£4,630

Source: Land Registry and EPC Register (March 2020)

4.29 The average price paid in Chippenham is £3,358/m<sup>2</sup>.

<sup>20</sup> <https://www.epcregister.com/>

- 4.30 This data does not reflect the number of bedrooms in any particular property, although, to some extent, by looking at values on a £/m<sup>2</sup> basis, this effect is minimised.
- 4.31 At the time of this research (March 2020) there were 13 new houses and flats being advertised for sale in Chippenham (although on some of these, construction had yet to start). The analysis of these shows that asking prices for newbuild homes vary, starting at £174,000 and going up to £377,000. The average is just over £263,000. These are summarised, in the following table, and set out in detail in **Appendix 5**.

<b>Table 4.3 Newbuild Asking Prices</b>		
	Average of Asking Price	Average of £/m <sup>2</sup>
<b>Detached</b>	<b>£310,632</b>	<b>£3,532</b>
NE Chippenham	£299,773	£3,571
S Chippenham	£359,500	£3,358
<b>End of Terrace</b>	<b>£242,329</b>	<b>£3,924</b>
NE Chippenham	£242,329	£3,924
<b>Flat</b>	<b>£202,375</b>	<b>£3,230</b>
Central Chippenham	£202,375	£3,230
<b>Semi-detached</b>	<b>£267,447</b>	<b>£3,510</b>
NE Chippenham	£264,684	£3,552
S Chippenham	£278,500	£3,345
<b>Terrace</b>	<b>£219,995</b>	<b>£4,000</b>
NE Chippenham	£219,995	£4,000
<b>ALL</b>	<b>£263,532</b>	<b>£3,504</b>

Source: Market Survey (March 2020)

- 4.32 Sales offices and agents were contacted to enquire about the price achieved relative to the asking prices, and the incentives available to buyers. In most cases the feedback was that the units were 'realistically priced' or that as the market is improving, demand strong and that significant discounts are no longer offered. When pressed, it appeared that the discounts and incentives offered equate to about 2.5% of the asking prices. It would be prudent to assume that prices achieved, net of incentives offered to buyers, are 2.5% less than the above asking prices (although it is important to note that the Land Registry Price Paid Data presented earlier is the actual price paid).
- 4.33 The notable exception is in relation to Help-to-Buy where developers do not seem to be offering significant incentives.

### **Price Assumptions for Financial Appraisals**

- 4.34 It is necessary to form a view about the appropriate prices for the schemes to be appraised in the study. The preceding analysis does not reveal simple clear patterns with sharp

boundaries. It is necessary to relate values to the pattern of development expected to come forward in the future.

4.35 It is assumed that over the 7,500 or so units, a range of market products (as opposed to affordable products) will be incorporated into the scheme. In this high-level assessment that does not involve any building design and only the broadest concept framework (which is still being produced), it is necessary to make some broad assumptions. Initially it was assumed there will be three price points.

Price Point 1 These are considered to be serving the top (most expensive) part of the market. The homes will be well above the Nationally Described Space Standards (NDSS), and incorporate car parking etc. These are more likely to be of more innovative designs (perhaps with energy requirements). Homes in this group are not necessarily at lower density – high quality design, high value and higher density can (with careful design) go together.

Price Point 2 The majority of housing will fall in this band. This will largely be ‘conventional estate housing’ of the type brought forward on many larger scale housing estates across England. All the units are likely to be larger than NDSS.

Price Point 3 These are smaller units that will be lower cost, in part to a more basic specification. These are not affordable homes, rather homes for those on tighter budgets.

4.36 Values will clearly vary from house to house, sub area to sub area and be influenced by factors such as proximity to facilities, transport, the benefit of views etc.

4.37 Bringing together the evidence above (which is varied), the values used in the HIF bid are carried into this assessment unchanged. The PPD includes a number of higher value, town centre schemes that generate values that are somewhat more than those that may be generated (at least initially) on a large urban extension.

<b>Table 4.4 Residential Value Assumptions £/m<sup>2</sup></b>		
Price Point	Houses	Flats
1	£3,000	£2,750
2	£3,300	£3,200
3	£3,500	£3,400

Source: HDH (March 2020)

4.38 At the time of this assessment the master planning is still at an early stage, without land budgets and schedules of accommodation it was felt premature to use the three price points, so all the modelling is based on the mid point (i.e. Price Point 2).

### Ground Rents

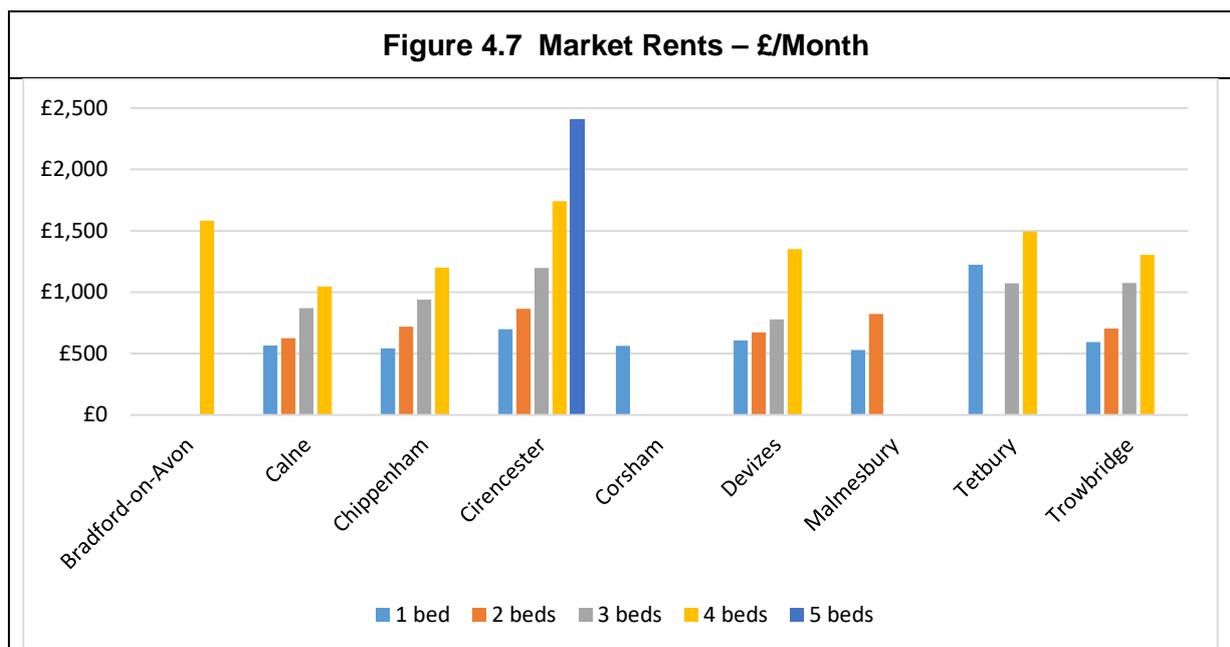
- 4.39 Over the last 15 or so years many new homes have been sold subject to a ground rent. Such ground rents have recently become a controversial and political topic. In this assessment, no allowance is made for residential ground rents.
- 4.40 The exception to this is in relation to older people's housing – following Housing Secretary (James Brokenshire) comments made on 16<sup>th</sup> October 2018.

### Build-to-Rent

- 4.41 It is anticipated that the proposed allocations will include elements of Build-to-Rent. To date Council has not seen Build-to-Rent schemes coming forward through the planning system (i.e. where the use of the development is restricted to the Private Rented Sector) however this is a growing development format. The Build-to-Rent sector is a different sector from mainstream housing.
- 4.42 The value of housing that is restricted to being Private Rented Sector (PRS) housing is different to that of unrestricted market housing. Having said this, at present the Council have no policy reason or justification to impose a planning condition restricting the use of a housing scheme to the PRS, and if it did it is difficult to see how it could maintain such a condition through a s78 appeal. This is quite different to Affordable Housing where there is evidence and policies to support restricting the use of some housing to Affordable Housing.
- 4.43 The value of the units in the PRS (where their use is restricted to PRS and they cannot be used in other tenures), is in large part, the worth of the income that the completed let unit will produce. This is the amount an investor would pay for the completed unit. This will depend on the amount of the rent and the cost of managing the property (letting, voids, rent collection, repairs etc.). This is well summarised in *Unlocking the Benefits and Potential of Build to Rent*, A British Property Federation report commissioned from Savills, academically reviewed by LSE, and sponsored by Barclays (February 2017):

*A common comment from BTR players is that BTR schemes tend to put a lower value on development sites than for sale appraisals. Residential development is different to commercial in that it has two potential end users - owners and renters. Where developers can sell on a retail basis to owners (or investors paying retail prices - i.e. buy to let investors) this has been the preferred route to market as values tend to exceed institutional investment pricing, which is based on a multiple of the rental income. This was described as "BTR is very much a yield-based pricing model.*

- 4.44 In estimating the likely level of affordable rent, we have undertaken a survey of market rents across the area:



	1 bed	2 beds	3 beds	4 beds
Bradford-on-Avon				£1,582
Calne	£566	£626	£870	£1,048
Chippenham	£543	£718	£940	£1,200
Cirencester	£699	£864	£1,197	£1,741
Corsham	£563			
Devizes	£608	£673	£779	£1,352
Malmesbury	£529	£824		
Tetbury	£1,224		£1,072	£1,495
Trowbridge	£595	£703	£1,076	£1,304

Source: Market Survey (Zoopla, March 2020)

4.45 In calculating the value of PRS units it is necessary to consider the yields. Several sources of information have been reviewed.

4.46 Savills, in its *Investing in Private Rent* (Savills, 2018) reported a North-South divide:

*Net initial yields on BTR deals averaged 4.3 per cent between 2015 and 2017. But that hides substantial regional variation. While half that investment took place in London, where yields averaged 3.8 per cent, across Scotland and the north of England the average yield was 4.9 per cent. In London and the South, the income returns from funding deals are higher than on standing investments, as you might expect. In the North, this is not necessarily the case, given issues over the quality of some of the existing rental stock and the rental covenant attached to it, all limited by the fact that we're yet to see any of the purpose-built kit trade yet. As investors focus more on the potential growth of the income stream and less on the track record of local house price growth, we expect yields from purpose-built assets to show less regional variation.*

4.47 Knight Frank, in its *Residential Yield Guide* (February 2018) reported a 4.0% to 4.24% yield in Prime Regional Cities and 5.0% to 5.25% in Secondary Regional Cities. A gross yield of 5.5% is assumed.

<b>Table 4.5 Capitalisation of Private Rents</b>				
	1 bed	2 bed	3 bed	4 bed
Gross Rent (£/month)	£543	£718	£940	£1,200
Gross Rent (£/annum)	£6,516	£8,616	£11,280	£14,400
Value	£118,473	£156,655	£205,091	£261,818
m <sup>2</sup>	50	70	84	97
£/m <sup>2</sup>	£2,369	£2,238	£2,442	£2,699

Source: HDH (March 2020)

4.48 In this study we have assumed a value, for private rent, of £2,440/m<sup>2</sup>.

### **Affordable Housing**

4.49 The Council has a policy (Core Policy 43 – Providing Affordable Housing) that seeks 40% Affordable Housing on sites in the Chippenham area. Further detail is provided in Core Policy 45 – Meeting Wiltshire’s Housing Needs, with the size and tenure mix currently being as per the Wiltshire Strategic Housing Market Assessment 2011. A further Wiltshire and Swindon SHMA was completed in 2017, and the findings of that assessment will be fed into the ongoing Local Plan Review to determine the future Affordable Housing tenure mix.

4.50 The 2017 SHMA (ORS, March 2017) includes the following housing mix (Table 70).

Table 4.6 Number of New Homes Required by Size and Tenure in Wiltshire						
Bedrooms	Market		Affordable Rent		Intermediate	
	Flat	House	Flat	House	Flat	House
1			1250		210	
2	260	1990	1180	3,780	460	1,500
3		18,060	0	3,850	0	1,500
4		7350	0	640	0	140
5+		1382	0	0	0	0
% of all new homes						
	Market		Affordable Rent		Intermediate	
	Flat	House	Flat	House	Flat	House
1	0.00%		2.87%		0.48%	
2	0.60%	4.57%	2.71%	8.68%	1.06%	3.44%
3		41.47%		8.84%		3.44%
4		16.88%		1.47%		0.32%
5+		3.17%				

Source: Table 70. WCC 2017 SHMA (ORS, March 2017)

- 4.51 We are advised by the Council that the preferred tenure split is now 60% Affordable Rent and 40% Shared Ownership. This has formed the basis of the modelling. In terms of mix, at the request of the Council we have included a number of 1 bed and 5+ bed units in the Affordable Rent tenure (See Chapter 9) for further details.
- 4.52 In this assessment, it is assumed that Affordable Housing is constructed by the site developer and then sold to a Registered Provider (RP). This is a simplification of reality as there are many ways in which Affordable Housing is delivered, including the transfer of free land to RPs for them to build on or the retention of the units by the scheme's overall developer.
- 4.53 In this regard, at the time of the HIF bid, the Council noted that 2 bed homes are the most popular Shared Ownership purchase in Wiltshire. This is reflected in the modelling.
- 4.54 The Chippenham Strategic Site Viability Assessment (BNP Paribas), April 2018 considered the value of Affordable Housing as follows:

*4.6.3 We have valued the shared ownership units, assuming that RPs will sell 30% initial equity stakes and charge a rent of 2.75% on the retained equity. A 10% charge for management is deducted from the rental income and the net amount is capitalised using a yield of 6%.*

*4.6.4 In terms of the affordable rented units we have valued the units on the basis of adopting a rent of up to 80% of the market rents tabulated below provided to us by the Council.*

**Table 4.6.4: Market Rents Per Month**

Unit Type	Market Rents (Per Calendar Month)
1 Bed Flats	£525
2 Bed Flats	£600
2 Bed Houses	£650
3 Bed Houses	£750
4 Bed Houses	£900
5 Bed Houses	£1,000

4.6.5 In summary, our valuation of the affordable housing units equates to a blended capital value of £1,324 per sq/m (£123 per sq/ft).

- 4.55 Since the Council's earlier viability evidence, there have been a number of changes in this regard which are considered below. Further, the Council advise that RPs, on average, now sell a 40% share.

*Affordable Housing Values*

- 4.56 Prior to the 2015 Summer Budget, rents of Affordable Housing (both Affordable Rents and Social Rents) were generally increased by inflation (CPI) plus up to 1% each year. These provisions were to prevail until 2023. The result was that Housing Associations knew their rents would go up and those people and organisations who invest in such properties (directly or indirectly) knew that the rents were going up year on year. This made them a particularly attractive and secure form of investment or security for a loan.
- 4.57 In the 2015 Budget it was announced that Social and Affordable Rents would be reduced by 1% per year for 4 years. The effect of this is to reduce the value of Affordable Housing to rent. In October 2017 the Government announced that rents will rise by CPI +1% for five years from 2020, reversing this alteration.
- 4.58 As confirmed by the Council, all Affordable Housing for rent is provided as Affordable Rent rather than Social Rent.

*Affordable Rent*

- 4.59 Under Affordable Rent a maximum rent of no more than 80% of the open market rent for that unit can be charged. In the development of Affordable Housing for rent, the value of the units is, in large part, the worth of the income that the completed let unit will produce. This is the amount an investor (or another RP) would pay for the completed unit. This will depend on the amount of the rent and the cost of managing the property (letting, voids, rent collection, repairs etc.).
- 4.60 It is assumed the rent is in line with the Local Housing Allowance cap. These are set relative to market rents. It is assumed that, because a typical Affordable Rent unit will be new, it will command a premium rent that is a little higher than equivalent older private sector accommodation. In estimating the likely level of Affordable Rent, a survey of market rents

across the nearby settlements has been undertaken – see the Build-to-Rent section above. There is relatively little variation in rents, except for the larger units.

- 4.61 As part of the reforms to the social security system, housing benefit /local housing allowance is capped at the 3<sup>rd</sup> decile of open market rents for that property type, so in practice Affordable Rents are unlikely to be set above these levels (although there have been recent examples where affordable rents in Wiltshire have been slightly above these). The cap is set by the Valuation Office Agency by Broad Rental Market Area (BRMA). All of Chippenham is within the West Wiltshire BRMA. The BRMA LHA caps are shown below.

	£/week	£/month	£/year
Shared	£69.39	£300.69	£3,608.28
1 Bed	£100.05	£433.55	£5,202.60
2 Bed	£129.72	£562.12	£6,745.44
3 Bed	£160.68	£696.28	£8,355.36
4 Bed	£210.50	£912.17	£10,946.00

Source: VOA (October 2018)

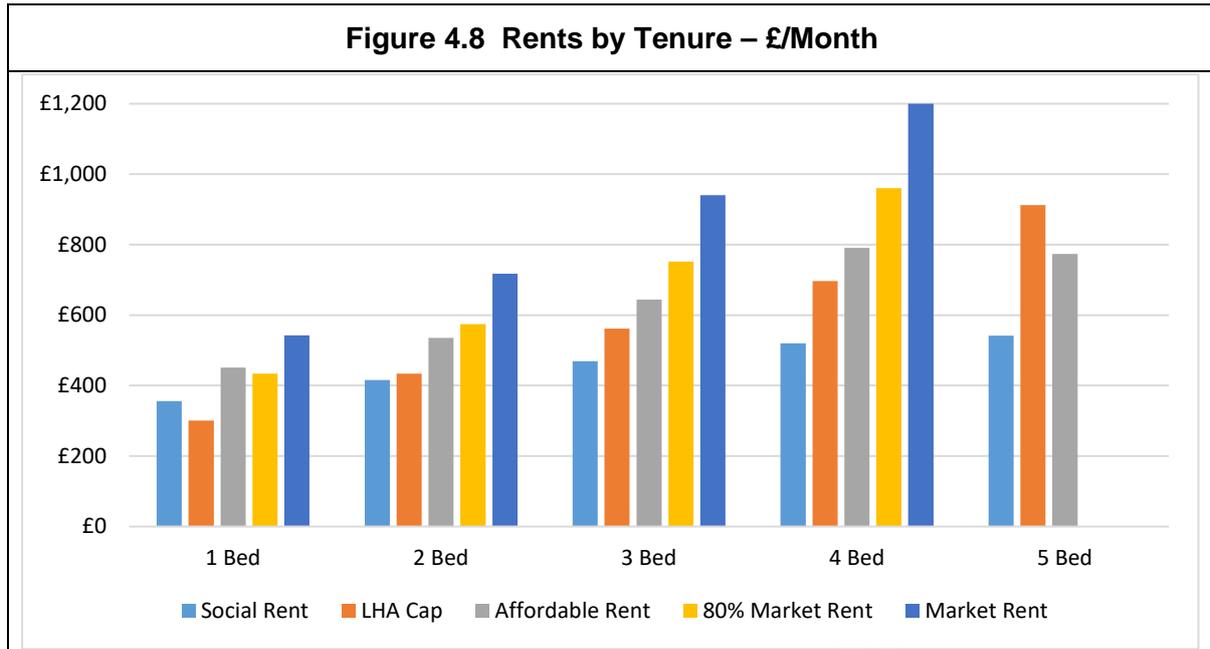
- 4.62 These caps are broadly similar to the Affordable Rents being charged as reported in the most recent HCA data release.

Unit Size	Gross Rent	Unit Count
Non-self-contained	£0.00	0
Bedsit	£0.00	0
1 Bedroom	£104.13	630
2 Bedroom	£123.54	1,275
3 Bedroom	£148.74	719
4 Bedroom	£182.56	122
5 Bedroom	£178.59	1
6+ Bedroom	£0.00	0
All Self-Contained	£128.33	2,747
All Stock Sizes	<b>£128.33</b>	<b>2,747</b>

Source: Table11, RSH SDR 2019 – Data Tool<sup>21</sup>

- 4.63 The LHA cap can be summarised as follows and forms the basis of the appraisals.

<sup>21</sup> <https://www.gov.uk/government/statistics/statistical-data-return-2018-to-2019>



Source: Market Survey, HCA Statistical Return and VOA (March 2020)

- 4.64 There are several common ways of deriving the values of Affordable Housing. These include basing the value on a proportion of market value, or capitalising the (gross or net) rent.
- 4.65 In calculating the value of Affordable Rents it is assumed the rent is set at the LHA cap. 10% management costs, 4% voids and bad debts and 6% repairs are allowed for and the income is capitalised at 4.5%.

**Table 4.9 Capitalisation of Affordable Rents**

	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Gross Rent £/month	£434	£574	£752	£960
Gross Rent £/year	£5,213	£6,893	£9,024	£11,520
Net Rent	£4,170	£5,514	£7,219	£9,216
Value	£92,672	£122,539	£160,427	£204,800
m <sup>2</sup>	50	70	84	97
£/m <sup>2</sup>	£1,853	£1,751	£1,910	£2,111

Source: HDH (March 2020)

- 4.66 Using this method to assess the value of Affordable Housing, under the Affordable Rent tenure, a value of £1,900/m<sup>2</sup> is derived.
- 4.67 The Council advised that, when developing its own Affordable Housing, it used the same assumptions from when it had built new council homes, allowing for 0.4% voids, 2% management and 2% maintenance. Holding all other things equal this would give a value of £2,280/m<sup>2</sup> or so.

- 4.68 Use of a slightly higher yield of 5% derives a slightly higher value of £1,715/m<sup>2</sup> or so.
- 4.69 The Council advised that the values of housing in this tenure were generally around 50% of market value (and sometimes higher). Based on the values of market housing above, £1,540/m<sup>2</sup> would be about 50% of market value.
- 4.70 In 2018 we were advised that £1,540/m<sup>2</sup> is broadly in line with development appraisals submitted through the development management appraisals.

#### *Intermediate Products for Sale*

- 4.71 Intermediate products for sale include Shared Ownership, Discount Market sale, and shared equity products. Between April 2015 and October 2018 there have been 14 Shared Ownership homes and 5 Discount Market units completed in the Chippenham Community Area.
- 4.72 A value of 65% of open market value is assumed for these units. This is based on purchasers buying an initial 50% share of a property and a 2.75%<sup>22</sup> per annum rent payable on the equity retained. The rental income is capitalised at 4% having made a 10% management allowance.

#### **Older People's Housing**

- 4.73 Housing for older people is generally a growing sector due to the demographic changes and the aging population. It is assumed that older people's housing will form a component of the new housing. The sector brings forward two main types of product that are defined in paragraph 63-010-20190626 of the PPG:

**Retirement living or sheltered housing:** *This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager.*

**Extra care housing or housing-with-care:** *This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24 hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.*

- 4.74 A 'rule of thumb' approach to the valuation of this sector has been promoted by the Retirement Housing Group (RHG), a trade group representing private sector developers and operators of retirement, care and extracare homes. They have set out a case that Sheltered Housing and Extracare Housing should be tested separately. They suggest that 1 bed sheltered property is about 75% of the price of existing 3 bed semi-detached houses and a 2 bed sheltered

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<sup>22</sup> A rent of up to 3% may be charged – although we understand that in this area 2.75% is more normal.

property is about equal to the price of an existing 3 bed semi-detached house. They also suggest that extracare housing is 25% more expensive than sheltered housing.

- 4.75 A typical price of a 3 bed semi-detached home in Chippenham of £265,000 has been assumed. On this basis it is assumed Sheltered and Extracare housing has the following worth:

<b>Table 4.10 Worth of Sheltered and Extracare</b>			
	Area (m <sup>2</sup> )	£	£/m <sup>2</sup>
<b>3 bed semi-detached</b>		<b>£265,000</b>	
1 bed Sheltered	50	£198,750	£3,975
2 bed Sheltered	75	£265,000	£3,533
1 bed Extracare	65	£248,438	£3,822
2 bed Extracare	80	£331,250	£4,141

Source: HDH (March 2020)

- 4.76 There are several specialist older people's units for sale in Chippenham.

**Bowles Court, Westmead Lane** This is a McCarthy & Stone scheme of retirement housing. There are several secondhand apartments for sale ranging from £215,000 to £225,000 for 1 bedroom flats to £245,000 to £399,950 for 2 bedroom flats. Bowles Court sold mainly in 2016, the subsequent secondhand units selling at a discount of between £80,000 to 200,000 below the price paid when brand new.

**The Fairways** This is an over 55s scheme by Methodists Housing Association. This site offers more in terms of assistance than at Bowles Court. There are two 1 bedroom flats for sale at £225,000 and several 2 bedroom flats for sale from £260,000 to £280,000.

- 4.77 Waterford Place was developed by McCarthy & Stone and mostly sold in 2017. 1 bedroom units were sold for £250,000 on average, and 2 bedroom units were sold for £360,000 on average.

- 4.78 In addition to the above, an allowance of £3,850/unit was made for ground rent.

- 4.79 The Affordable Housing element of the schemes is assumed to have the values of Affordable Rent as set out above. Having said this, it is understood that the Council usually asks for an off-site Affordable Housing contribution where the proposal includes a Sheltered Housing scheme / Extracare scheme.

## Self-build Plots

4.80 It is expected that the allocation will incorporate self-build plots. We have undertaken a survey of building plots. There are very few available in and around Chippenham so we have surveyed a 15 mile radius from the town.

**Table 4.11 Building Plots for Sale**

		Ha	Units	Asking Price	£/ha	£/unit	
Northfield Close	Tetbury	0.03	1	£50,000	£1,666,667	£50,000	3 bed terrace
Rush Hill	Bath	0.04	1	£150,000	£3,750,000	£150,000	3 bed plot
Goddard Avenue	Swindon	0.09		£150,000	£1,666,667		6 garages
The Avenue	Dilton March		1	£150,000		£150,000	Single plot on car garages
New Road	Chippenham		8	£190,000		£23,750	8 1 bed flats
Common Platt	Purton		1	£225,000		£225,000	3 bed plot
Common Platt	Purton		1	£235,000		£235,000	4 bed plot
Long Acre	Bath		2	£250,000		£125,000	2 x 2 bed flats
High Street	Haydon Wick		4	£350,000		£87,500	Pair of 3 bed semi, 1 coach house and existing house
Tetbury Hill	Avening	0.16	2	£350,000	£2,187,500	£175,000	2 x 320m2 detached houses
Peasdown St John	Bath		2	£399,500		£199,750	2 detached houses
Horsley	Stroud	0.07	3	£400,000	£5,714,286	£133,333	3 x 3 bed detached
Whiteheads Lane	Bradford on Avon	0.14	1	£450,000	£3,214,286	£450,000	Single plot
Churchfield	Old Dilton	2.02	1	£475,000	£235,149	£475,000	Barn conversion on 5 acres

Source: Market Survey (March 2020)

- 4.81 The plots vary tremendously from about £50,000 per plot to over £450,000 per plot. None of the plots are directly comparable to self-build plots that may come forward in Chippenham; it is therefore appropriate to look further afield. Graven Hill<sup>23</sup> is a site to the South of Bicester in Oxfordshire. Graven Hill is the redevelopment of publicly owned land where serviced plots are available. Buyers are required to respect a design code and the plots are generally between 0.02ha and 0.04ha and are priced from £185,000 to over £300,000.
- 4.82 In this assessment we have taken an average value of £200,000 per plot for fully serviced self-build plots.

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<sup>23</sup> <https://www.gravenhill.co.uk/>



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## 5. Non-Residential Market

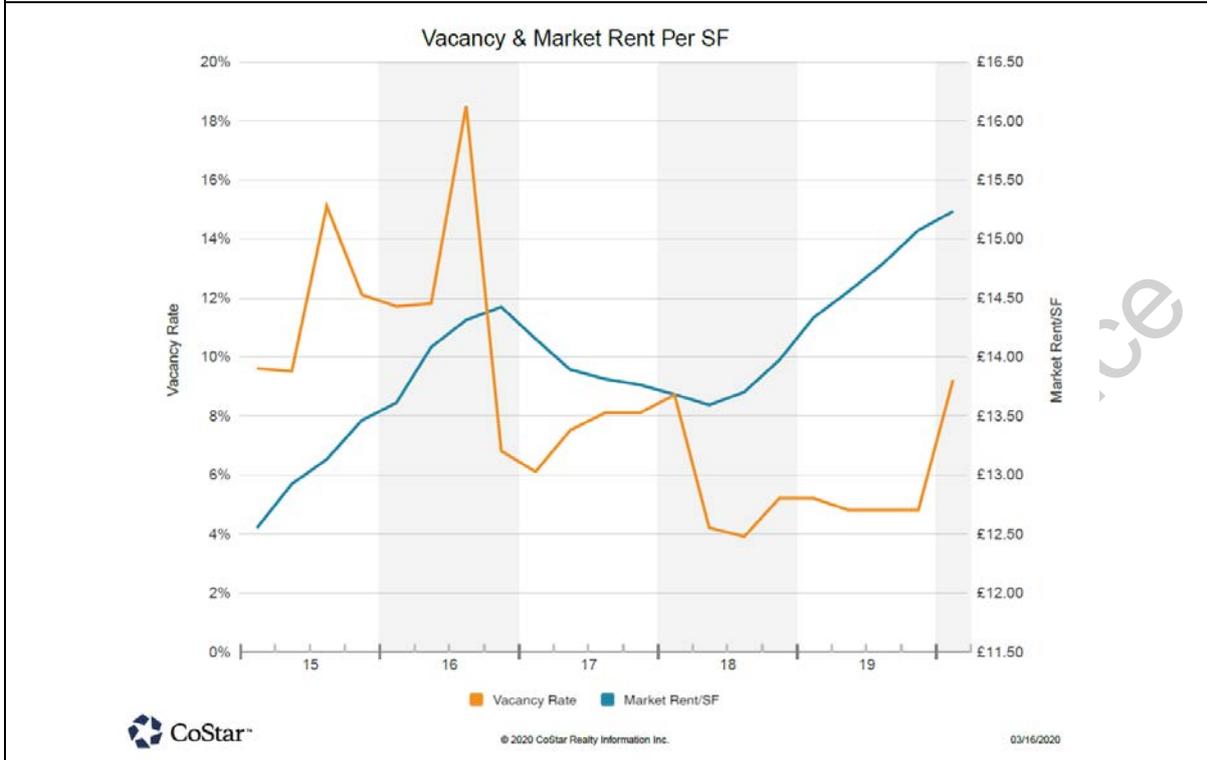
- 5.1 This chapter sets out an assessment of the markets for non-residential property, providing a basis for the assumptions of prices to be used in financial appraisals for the sites tested in the study.
- 5.2 The overall scheme includes both employment space and retail space. It is therefore necessary to consider the value these development types.
- 5.3 In the *Community Infrastructure Levy: Viability Study* (BNP Paribas, November 2013) the following assumptions were used:

	Rent	Yield	Rent Free Years	Value
Offices	£161	8.00%	2	£1,831
Retail Chippenham	£301	7.00%	2	£3,905
Retail Other	£161	7.50%	2	£1,953
Large Retail	£183	7.00%	2	£2,371
Industrial	£70	8.00%	2	£793

Source: Table 4.40.1 Community Infrastructure Levy: Viability Study (BNP Paribas, November 2013)

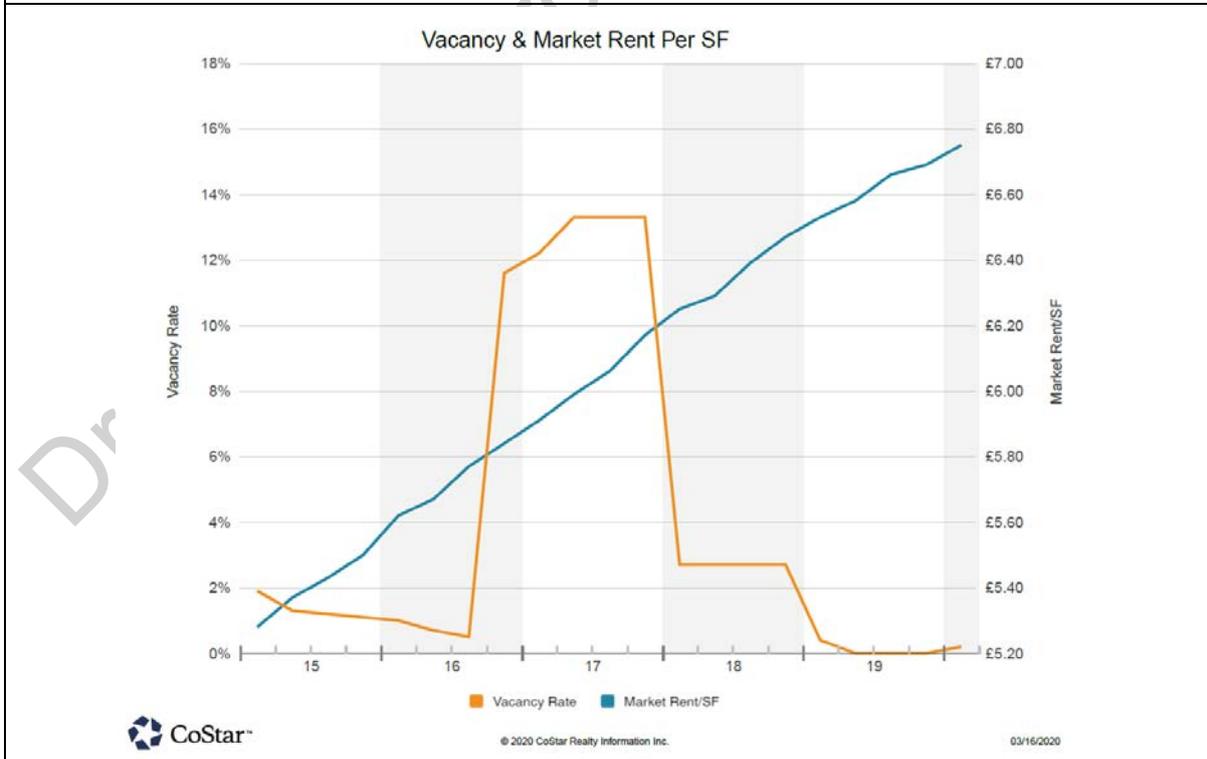
- 5.4 In terms of the commercial property market, to some extent Chippenham is an 'in between' place – being midway between the major commercial centres of Bristol and Swindon. Having said this there are a number of significant employers. Some of these are connected to the wider rural hinterland.
- 5.5 The town has two main employment areas. Langley Park lies to the east with various hi-tech industrial occupiers connected with the rail industry (including Siemens and Schneider) as well as more general manufacturing. There is also an industrial area to the west that includes various smaller units, some of which have trade counters. There are other smaller business parks and clusters of offices around the town.
- 5.6 The market has moved on since 2013. The following graphs show that there has been a fall in vacancies and increase in rents (and therefore values).

Figure 5.1 Offices, Vacancy and Rental Rates

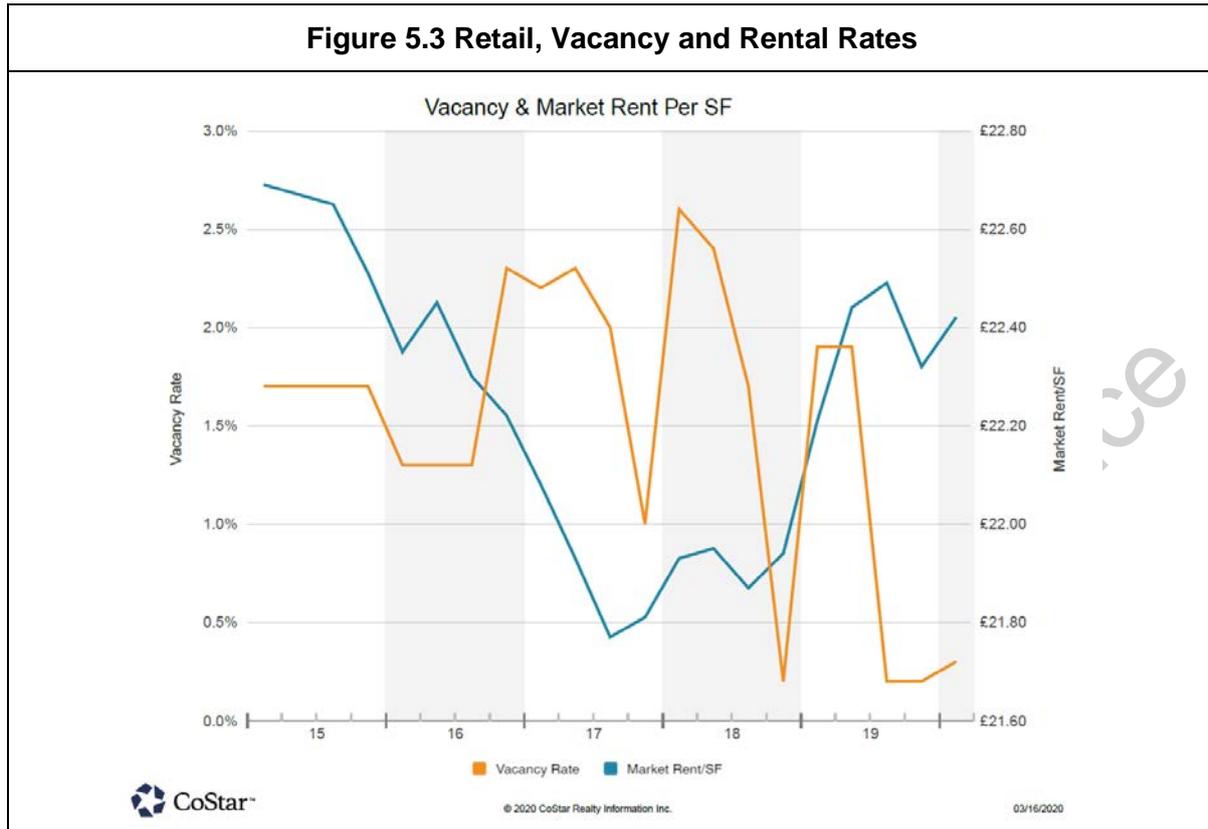


Source: CoStar (March 2020)

Figure 5.2 Industrial, Vacancy and Rental Rates



Source: CoStar (March 2020)



Source: CoStar (March 2020)

5.7 Having reviewed the CoStar Data in **Appendix 6** and consulted with local agents, the following comments are made.

#### Offices

5.8 There is anecdotal evidence that office rents have increased somewhat since 2013, however there is little evidence to support office rents of being generally above £160/m<sup>2</sup> (£15/sqft). There are examples of modern high-quality offices, with plenty of parking being let on flexible terms achieving rents of over £215/m<sup>2</sup> (£20/sqft) but the demand for such offices in Chippenham is relatively limited at the time of this assessment.

5.9 There has been very little speculative development in this sector.

#### Industrial

5.10 The market appears to be split into two distinct parts. There is demand for older basic units for low level industrial activity and storage. These have to be little more than watertight and secure, with some parking. Demand is mainly from local businesses that are expanding. Alternatively, there is some demand for modern flexible industrial and storage space from larger business. This type of high-quality units do appear to achieve premium rents of up to about £90/m<sup>2</sup> (£8.50/sqft).

5.11 As for offices, there is anecdotal evidence that industrial rents have increased somewhat since 2013, but it is important to note that the demand for such industrial space in Chippenham is relatively limited at the time of this assessment.

5.12 There has been very little speculative development in this sector.

### Retail

5.13 Chippenham is not a major shopping destination in its own right, although it does make an important local contribution locally. The retail sector is overshadowed by Swindon and Bath and, to a lesser extent, Bristol.

5.14 The retail market is in a period of uncertainty. The rise in the online retailer sector has put pressure on the high street and shopping centres. Several national chains have been put into administration or have entered a Company Voluntary Arrangements (CVA)<sup>24</sup>. The value of shopping centres in particular has been put under pressure and is less attractive to investors than it was just a few years ago.

- a. Arcadia group which includes brands such as Topshop, Topman, Burtons and Dorothy Perkins is undergoing restructuring through a CAV, which includes the closure of shops (June 2019).
- b. Monsoon and Accessorize are undergoing restructuring through a CAV, which includes the closure of shops (May 2019).
- c. New Look restructured in a debt for equity swap and refinancing (January 2019).
- d. Select (womenswear) entered in to a second CVA in a year (June 2019)
- e. Mothercare, closing 60 shops (June 2019)
- f. Marks and Spencer -closing 110 stores (May 2019)
- g. The following brands have been put into administration:
  - i. TReds Shoes (Jan 2019 – since sold)
  - ii. Pretty Green, (bought out of administration by JD Sports in April 2019)
  - iii. Debenhams (April 2019, in admin 1/3<sup>rd</sup> of stores to close)
  - iv. House of Fraser, (April 2018 bought out of administration by Mike Ashley)
  - v. Greenwoods, (January 2019, all stores closed)
  - vi. Berketex Bridalwear (Closed November 2018)
  - vii. Evans Cycles (October 2018 bought out of administration by Mike Ashley)
  - viii. Coast, (October 2018, bought, in part, out of administration by Karen Millen)

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<sup>24</sup> A CVA is a legally binding agreement with a company's creditors. As part of the process companies (subject to the circumstances) may be able to renegotiate the terms of a lease.

- ix. Jack Wills (August 2019 – being purchased by Sports Direct)
- x. East, (April 2018, all stores closed).

5.15 Numerous other high-street names have also closed or been restructured, including Banana Republic, BHS (2016), Austin Reed (2016), Toys R Us, Maplin, Poundworld, Homebase, Office Outlet (Staples), HMV, American Golf and Carpetright.

5.16 Pressure on the high street is also being seen across other sectors

- a. Various restaurant and dining chains have also announced closures or restructuring. These include Jamie Oliver, Patisserie Valerie, Gourmet Burger Kitchen, Byron Burgers, Carluccios, Gaucho and Prezzo (closing 100 stores).
- b. The banking sector closed 716 branches in the first half of 2019.

5.17 The Chippenham retail market has three distinct parts, the prime shopping areas in the town centre, secondary retail in the various neighbourhoods and on the periphery of the town centre, and the larger format stores (such as off the Bath Road). For the purpose of this assessment only the secondary retail is important – as these will be incorporated into the new neighbourhood centres.

5.18 There is a diversity of units for rent and the rents achieved are varied. New units are likely to be modestly sized (less than 1,000m<sup>2</sup>). Whilst there is limited local comparable evidence, we have assumed rents of £170/m<sup>2</sup> (£16/sqft) or so.

### Price Assumptions for Financial Appraisals

5.19 The following assumptions are used:

<b>Table 5.2 Commercial Value Assumptions</b>				
	Rent	Yield	Rent Free Years	Value
Offices	£161	8.00%	2	£1,831
Retail Other	£170	8.00%	0	£2,125
Industrial	£91	8.00%	2	£1,037

Source: HDH (October 2018)

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## 6. Land Values

- 6.1 Chapters 2 and 3 set out the methodology used in this study to assess viability. An important element of the assessment is the value of the land. Under the method set out in the updated PPG and recommended in the Harman Guidance, the worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, is the Existing Use Value (EUV). This is used as the starting point for the assessment.
- 6.2 In this chapter, the values of different types of land are considered. The value of land relates closely to the use to which it can be put and will range considerably from site to site. As this is a high-level study, the three main uses, being agricultural, residential and industrial, have been researched. The amount of uplift that may be required to ensure that land will come forward and be released for development has then been considered.
- 6.3 In this assessment it is assumed that any planning application would be for a fully policy compliant scheme.

### MHCLG Data

- 6.4 In May 2018, MHCLG published *Land value estimates for policy appraisal*<sup>25</sup>. This sets out land values as at May 2017 and was prepared by the Valuation Office Agency (VOA). Whilst this was a high level, national, generic study, prior to NPPF, it is mentioned by Homes England as a potential data source.
- 6.5 This data is high level, and needs to be used carefully, but is relevant here. It contains the following caveat:

*The land values presented here have been provided specifically for the purpose of policy appraisal and are based on the assumptions set out in this document. It is strongly recommended that they are not used for any other purpose and it is important to emphasise that they have been produced adopting different assumptions from the Property Market Report previously published by the Valuation Office Agency.*

- 6.6 This report provides useful contextual information.

### Residential Land Values

- 6.7 The figure for Wiltshire is £1,855,000/ha. It is important to note that this figure assumes no Affordable Housing. The following context is important:

*The valuations have been undertaken using a truncated residual valuation model. This involves valuing the proposed development and deducting the development costs, including allowances for base build cost, developer's profit, marketing costs, fees, and finance to leave a "residual" for the site value.*

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<sup>25</sup> Land value estimates for policy appraisal. Ministry of Housing, Communities and Local Government, May 2018

*The purpose of these values is to use in appraising land projects from a social perspective, in line with Green Book principles 1. The values here assume nil Affordable Housing provision in order to give pure residential use value, rather than market value. In reality we expect the market value of land to reflect the cost of affordable housing provision.*

### Industrial Land Values

6.8 The following local figures are provided:

<b>Table 6.1 MHCLG Industrial Land Values at May 2017</b>	
Swindon	£850,000/ha
Bristol	£1,000,000/ha
Bath	£1,100,000/ha

Source: Land value estimates for policy appraisal, MHCLG (May 2018) £850k/hectare,

6.9 The following context is provided:

*The value estimates for industrial land can be used to proxy alternative use value for developments on brownfield land. These are provided for hypothetical sites in England assuming:*

- A typical urban, brownfield location, with nearby uses likely to include later, modern residential developments;
- All services are assumed available to the edge of the site;
- Use is restricted to industrial/warehouse and full planning consent is in place;
- There are no abnormal site constraints or contamination and/or remediation issues;

6.10 £850,000/ha is assumed.

### Commercial Land Values

6.11 The following figures are provided for Out of Town Office, where the office is assumed to be in business park type locations and to be 10,187m<sup>2</sup> net.

<b>Table 6.2 MHCLG Out of Town Office Land Values at May 2017</b>	
Swindon	£960,000/ha
Bristol	£1,580,000/ha
Bath	£1,580,000/ha

Source: Land value estimates for policy appraisal, MHCLG (May 2018)

6.12 There is little ongoing demand for offices (or land on which to develop offices) at the time of this assessment, whereas both Swindon and Bristol have active markets. As for Industrial Land, £850,000/ha is assumed.

### Agricultural Land Values

6.13 The figure for Swindon and Wiltshire is £21,000/ha. The following context is given:

*Agricultural land values are provided for hypothetical sites which are typical for the region. These values exclude any uplift from 'pony paddock' markets or hope value, therefore representative values appropriate for a commercial agriculture user.*

*These values are also appropriate for use in valuing greenfield land.*

6.14 The RICS/RAU Rural Land Market Survey reports agricultural land values on a regular basis. The most recent report<sup>26</sup> suggests England and Wales values of £21,218/ha (£8,586/acre) for arable land and £16,0543/ha (£6,497/acre) for pasture. South West values are a little more than these being £22,239/ha (£9,000/acre) for arable land and £17,605/ha (£7,125/acre) for pasture. The majority of the land is in pasture uses.

6.15 There is little farm land for sale in the vicinity of Chippenham at the time of this assessment, however a survey of agricultural land for sale was been undertaken in 2018:

	Ha	Asking Price	£/ha
Lavington, Wiltshire	327.40	£8,000,000	£24,435
Broad Town , Swindon	55.73	£1,700,000	£30,504
Poole Keynes, Cirencester	49.64	£1,635,000	£32,937
Edgeworth , Stroud	81.10	£1,600,000	£19,729
Cotmarsh, Broad Town	55.62	£1,500,000	£26,969
Lot 6: Thoulstone Farm, Westbury	46.70	£1,000,000	£21,413
Edgeworth , Stroud	42.31	£950,000	£22,453

Source: Market Survey (October 2018)

6.16 An EUV for agricultural land is taken to be £25,000/ha, bearing in mind that most of the land is pasture.

### Existing Use Values (EUV)

6.17 EUV refers to the value of the land in its current use before planning consent is granted, for example, as agricultural land. It is important to fully appreciate that land value should reflect emerging policy requirements and planning obligations. When considering comparable sites, the value will need to be adjusted to reflect this requirement.

<sup>26</sup> <https://www.rics.org/globalassets/rics-website/media/knowledge/research/market-surveys/rural-land-market-survey-h1-2018.pdf>

- 6.18 For the purpose of the assessment, it is necessary to take a comparatively simplistic approach to determining the EUV. The bulk of the land is in agricultural uses, so this is taken to be the Existing Use Value.

#### **Residential Land**

- 6.19 There are no development sites being marketed in Chippenham at the time of this study.
- 6.20 Recent transactions based on planning consents over the last few years and price paid information from the Land Registry have been researched and are set out in **Appendix 7** and summarised in the following table.

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Table 6.4 Recent Sales of Development Land

	Location	Application status	Planning Application	Units	Affordable	Affordable %	Ha	Price Paid	£/ha	£/unit
4	Bird's Marsh Development	APPROVAL OF RESERVED MATTERS	<a href="#">17/0549/REM</a>	64	19	29.69%	2.86	£1,924,900	£673,042	£30,077
5		OUTLINE PLANNING	<a href="#">N/12/00560/OUT</a>	750	150	20.00%	48.2	£5,341,468	£110,819	£7,122
7	Rawlings Farm Development	OUTLINE PLANNING	<a href="#">15/12351/OUT</a>	650	130	20.00%	46.91	£8,610,000	£183,543	£13,246
9	Riverside	OUTLINE PLANNING	<a href="#">15/12363/OUT</a>			?	104.4	£2,745,000	£26,293	
10	Rowden Park	OUTLINE PLANNING	<a href="#">14/12118/OUT</a>	1,000	300	30.00%	125	£2,000,000	£16,000	£2,000
16	Land at Hunters Moon	APPROVE WITH CONDITIONS	<a href="#">16/12493/FUL</a>	450	123	27.33%	30	£3,000,000	£100,000	£6,667
17	Land at Patterdown Road	APPROVE WITH CONDITIONS	<a href="#">16/09277/OUT</a>	72	29	40.28%	3.63	£155,000	£42,700	£2,153
18	Langley Park	APPROVE WITH CONDITIONS	<a href="#">16/03515/OUT</a>	380	14	3.68%	18.9	£32,000,000	£1,693,122	£84,211
19		APPROVE WITH CONDITIONS	<a href="#">16/04269/FUL</a>			N/A	1.49	£2,340,000		

Source: Land Registry and WCC (November 2018)

6.21 These values are on a whole site (gross area) basis and range considerably.

<b>Table 6.5 Recent Sales of Development Land - All</b>		
	£/ha	£/unit
Minimum	£16,000	£2,000
Average	£355,690	£20,782
Median	£105,409	£7,122
Maximum	£1,693,122	£84,211

Source: Land Registry and WCC (October 2018)

6.22 The overall average is £140,000/ha. It is important to note that only one of the above parcels of land achieved the policy compliant levels of Affordable Housing.

6.23 Last year the Council completed on the sale of the former WWDC offices on Bradley Road Trowbridge to Newland Homes. The 5 acre site sold for £500,000/acre (£1.23m/hectare), was policy compliant, plus significant S106 payments, and took 2 years to get planning so the price reflects 2016 market prices. The Council also recently completed the sale of the 1.2 acre site of the former Margaret Stancomb School in Trowbridge. The offer price was £610,000 (but later reduced due to abnormal ground conditions), with 100% Affordable Housing so equating to £500,000/acre, a higher policy compliant bid was £750k (£625,000/acre). In both cases, Chippenham would have higher values than Trowbridge, although it is important to note that neither of these sites are directly comparable to large scale greenfield site developments.

6.24 In this regard, we have a caveat and that is in relation to very large sites. Large sites have their own characteristics and are often subject to very significant infrastructure costs and amounts of open space which result in lower values.

6.25 It is necessary to make an assumption about the value of residential land. A value of £120,000/ha is taken as typical value for land with the benefit of a fully policy compliant project on the edge of Chippenham.

## 7. Development Costs

- 7.1 This chapter considers the costs and other assumptions required to produce financial appraisals for the development typologies.

### Construction costs: baseline costs

- 7.2 The cost assumptions are derived from the Building Cost Information Service (BCIS)<sup>27</sup> data – using the figures re-based for Wiltshire. The cost figure for ‘Estate Housing – Generally’ is £1,296/m<sup>2</sup> at the time of this assessment (this is an increase from the November 2018 figure of £1,228/m<sup>2</sup> used in the HIF bid).
- 7.3 The base assumption in this report is that homes are built to the basic Building Regulation Part L 2013 Standards, but not to higher environmental standards. This is in line with the Government announcement, made at the time of the Summer 2015 Budget in the *Fixing the foundations productivity report*<sup>28</sup>, of its intention not to proceed with the zero carbon buildings policy.

*... repeat its successful target from the previous Parliament to reduce net regulation on housebuilders. The government does not intend to proceed with the zero carbon Allowable Solutions carbon offsetting scheme, or the proposed 2016 increase in on-site energy efficiency standards, but will keep energy efficiency standards under review, recognising that existing measures to increase energy efficiency of new buildings should be allowed time to become established*

- 7.4 As a result, there was no uplift to Part L of the Building Regulations during 2016, and both the 2016 zero carbon homes target and the 2019 target for non-domestic zero carbon buildings were dropped, including the Allowable Solutions programme.

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<sup>27</sup> BCIS is the Building Cost Information Service of the Royal Institution of Chartered Surveyors.

<sup>28</sup> <https://www.gov.uk/government/publications/fixing-the-foundations-creating-a-more-prosperous-nation>

**Table 7.1 BCIS Average Prices: £/m<sup>2</sup>**

Updated: 14-March 2020 00:49						
<b>Rate per m2 gross internal floor area for the building Cost including prelims.</b>						
The cost of the building with preliminaries apportioned, excluding external works, contingencies and design fees. The sample is from actual building contracts and represents a price including the contractors' overheads and profits included in the contract. The buildings sampled represent projects submitted to BCIS and will not necessarily be representative.						
<b>Rebased to North Wiltshire (104; sample 24)</b>						
	<b>Mean</b>	<b>Lowest</b>	<b>Lower quartiles</b>	<b>Median</b>	<b>Upper quartiles</b>	<b>Highest</b>
810.1 Estate housing						
Generally	1,343	643	1,147	1,296	1,471	4,663
Single storey	1,505	851	1,277	1,450	1,693	4,663
2-storey	1,301	643	1,135	1,270	1,424	2,771
3-storey	1,364	839	1,114	1,326	1,538	2,716
4-storey or above	2,817	1,395	2,281	2,477	3,713	4,219
810.11 Estate housing detached	1,693	1,008	1,243	1,479	1,767	4,663
810.12 Estate housing semi detached						
Generally	1,340	770	1,153	1,308	1,470	2,482
Single storey	1,490	938	1,263	1,470	1,665	2,482
2-storey	1,305	770	1,149	1,275	1,436	2,241
3-storey	1,261	964	1,004	1,215	1,354	1,945
810.13 Estate housing terraced						
Generally	1,383	837	1,151	1,308	1,526	4,219
Single storey	1,562	1,032	1,297	1,501	1,837	2,227
2-storey	1,336	837	1,140	1,285	1,487	2,771
3-storey	1,378	839	1,108	1,311	1,535	2,716
816. Flats (apartments)						
Generally	1,577	798	1,318	1,509	1,772	5,341
1-2 storey	1,505	942	1,276	1,442	1,661	2,784
3-5 storey	1,551	798	1,313	1,490	1,756	3,351
6+ storey	1,914	1,166	1,544	1,786	2,066	5,341

Source: BCIS (March 2020)

7.5 Initially the modelling was based on three broad price points.

Price Point 1 These are considered to be the serving the top (most expensive) part of the market. The homes will be well above the Nationally Described Space Standards (NDSS), and incorporate car parking etc. These are more likely to be of more innovative designs (perhaps with energy requirements). Homes in

this group are not necessarily at lower density – high quality design, high value and higher density can (with careful design) go together.

Price Point 2 The majority of housing will fall in this band. This will largely be ‘conventional estate housing’ of the type brought forward on many larger scale housing estates across England. All the units are likely to be larger than NDSS.

Price Point 3 These are smaller units that will be lower costs, in part to a more basic specification, with fewer garages. These are not affordable homes, rather homes for those on tighter budgets.

7.6 Price Point 2 was taken costed against the median BCIS costs. Price Point 3 against lower quartile and Price Point 1 against the median plus 10%.

7.7 As set out in Chapter 4 above, at the time of this assessment the master planning is still at an early stage, without land budgets and schedules of accommodation it was felt premature to use the three price points, so all the modelling is based on the midpoint (i.e. Price Point 2). At the request of the Council (in line with its experience from other development sites) a set of appraisals has been run at the lower quartile cost.

7.8 It is assumed that all new non-residential development is built to the BREEAM Excellent. The additional cost of building to BREEAM Very Good is negligible as outlined in research<sup>29</sup> by BRE. The costs of delivering BREEAM Excellent is in the range of about 1% to about 5% depending on the shape and use of the building. In this high level assessment, the additional costs are assumed to be in the middle of this range at 2%.

#### *Construction costs: affordable dwellings*

7.9 The procurement route for Affordable Housing is assumed to be through construction by the developer and then disposal to a housing association on completion. In the past, when considering the build cost of Affordable Housing provided through this route, we took the view that it should be possible to make a saving on the market housing cost figure, on the basis that one might expect the Affordable Housing to be built to a slightly different specification than market housing. However, the pressures of increasingly demanding standards for housing association properties have meant that, for conventional schemes of houses at least, it is no longer appropriate to use a reduced build cost; the assumption is of parity.

#### *Other normal development costs*

7.10 In addition to the BCIS £/m<sup>2</sup> build cost figures described above, allowance needs to be made for a range of site costs (roads, drainage and services within the site, parking, footpaths, landscaping and other external costs). Many of these items will depend on individual site circumstances and can only properly be estimated following a detailed assessment of each

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<sup>29</sup> Delivering sustainable buildings: Savings and payback. Yetunde Abdul, BRE and Richard Quartermaine, Sweett Group. Published by IHS BRE Press, 7 August 2014

site. This is not practical within this broad-brush assessment for the purpose of this high level viability assessment.

- 7.11 Nevertheless, it is possible to generalise. Drawing on experience, it is possible to determine an allowance related to total build costs. This is normally lower for higher density than for lower density schemes since there is a smaller area of external works, and services can be used more efficiently. Large greenfield sites would also be more likely to require substantial expenditure on bringing mains services to the site.
- 7.12 An allowance of 15% of the BCIS costs is made to cover site costs. This works out at between £500,000 and £600,000 per net developable ha.

*Abnormal development costs and brownfield sites*

- 7.13 Some sites have abnormal costs, maybe to deal with flooding, cleaning up previously development land, or exceptionally high costs of laying on new services.
- 7.14 With regard to abnormals, paragraph 10-012-20180724 of the PPG says:

*abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value*

- 7.15 This needs to be read with paragraph 10-014-20180724 of the PPG that says that:

*Benchmark land value should: ... reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and ...*

- 7.16 The consequence of this, when considering viability in the planning system, is that abnormal costs should be added to the cost side of the viability assessment, but also reflected in (i.e. deducted from) the BLV. This has the result of balancing the abnormal costs on both elements of the appraisal.

- 7.17 This approach is consistent with the treatment of abnormals that was considered at Gedling Council's Examination in Public. There is an argument, as set out in Gedling, that it may not be appropriate for abnormals to be built into appraisals in a high-level assessment of this type. Councils should not plan for the worst-case option – rather for the norm. For example, if two similar sites were offered to the market and one was previously in industrial use with significant contamination, and one was 'clean' then the landowner of the contaminated site would have to take a lower land receipt for the same form of development due to the condition of the land. The Inspector said:

*... demolition, abnormal costs and off site works are excluded from the VA, as the threshold land values assume sites are ready to develop, with no significant off site secondary infrastructure required. While there may be some sites where there are significant abnormal construction costs, these are unlikely to be typical and this would, in any case, be reflected in a lower threshold land value for a specific site. In addition such costs could, at least to some degree, be covered by the sum allowed for contingencies.*

- 7.18 In some cases, where the site involves redevelopment of land which was previously developed, there is the potential for abnormal costs to be incurred. Abnormal development costs will be site specific and might include demolition of substantial existing structures; flood prevention measures at waterside locations; remediation of any land contamination; remodelling of land levels; and so on. An additional allowance is made for abnormal costs associated with brownfield sites of 5% of the BCIS costs.
- 7.19 In summary, abnormal costs will be reflected in land value. Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs. It is not the purpose of an assessment of this type to standardise land prices across an area.
- 7.20 In this assessment the costs of Strategic Infrastructure and Mitigation that may be sought under the s106 regime are treated separately.
- 7.21 Bearing in mind the greenfield nature of the area, no allowance is made for abnormal costs.

#### *Flood Zones*

- 7.22 Some parts of the areas identified for development are identified as being within various flood zones (see Chapter 8 below). These are considered at a high level in the concept framework.
- 7.23 It is assumed Sustainable Urban Drainage Systems (SUDS) are a requirement. SUDS aim to limit the waste of water, reduce water pollution and flood risk relative to conventional drainage systems.
- 7.24 SUDS and the like can add to the costs of a scheme – although in larger projects, of the type planned, these can be incorporated into public open space. It is assumed that the costs of SUDS will be provided through soft landscaping rather than hard engineering solutions. It is assumed that SUDS will be incorporated into the green spaces (subject to local ground conditions) and be delivered through soft landscaping within the wider site costs.

#### *Demolitions*

- 7.25 There are none.

#### *Fees*

- 7.26 For residential development on reasonably sized sites we have assumed professional fees amount to 8% of build costs. This is likely to vary across the sites and sub areas.
- 7.27 8% is at the top of the expected range for large strategic sites.

#### *Contingencies*

- 7.28 For previously undeveloped and otherwise straightforward sites, a contingency of 2.5% has been allowed for, with a higher figure of 5% on more risky types of development, on previously developed land. As the majority of the site is greenfield, 2.5% is assumed.

*Strategic Infrastructure and Mitigation costs (S106 costs)*

7.29 Atkins have made an assessment of the Strategic Infrastructure and Mitigation costs. These are summarised in the following table:

█	█	█	█
█	█	█	█
█	█	█	█
█	█	█	█
█	█	█	█
█	█	█	█
█	█	█	█
█	█	█	█
█	█	█	█
█	█	█	█

Source: Atkins (March 2020)

7.30 Some of the potential s106 costs are the items to be funded though the HIF bid and are excluded.

**Financial and Other Appraisal Assumptions**

*VAT*

7.31 It has been assumed throughout, that either VAT does not arise, or that it can be recovered in full.

*Interest rates*

7.32 Our appraisals assume 6%p.a. for total debit balances, no allowance for any equity provided by the developer. The 6% assumption may seem high given the low base rate figure (0.1% March 2020). Developers that have a strong balance sheet, and good track record, can undoubtedly borrow less expensively than this, but this reflects banks' view of risk for housing developers in the present situation.

7.33 The relatively high assumption of the 6% interest rate, and the assumption that interest is chargeable on all the funds employed, has the effect of overstating the total cost of interest as most developers are required to put some equity into most projects. A cautious approach is being taken.

*Developers' return*

7.34 An allowance needs to be made for developers' profit / return and to reflect the risk of development.

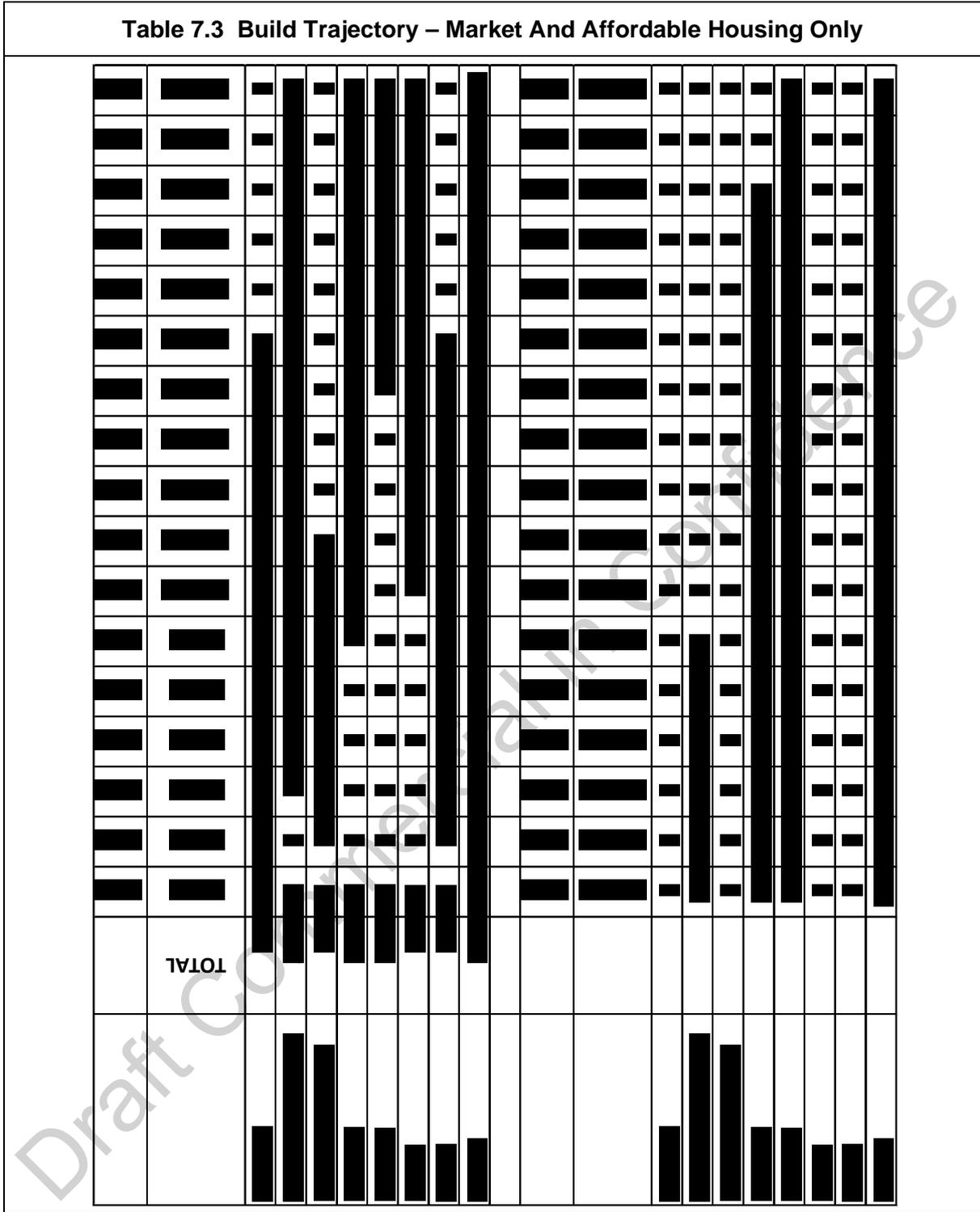
- 7.35 An allowance of 17.5% of the value of market housing, and 6% of the value of Affordable Housing is used.
- 7.36 An allowance of 15% of the value of non-residential development is used. This assumption is also used in the Build-to-Rent Sector,

*Phasing and timetable*

- 7.37 The development is modelled in line with the Council's trajectory. The following table shows the mainstream market and affordable units. The specialist housing types (Build-to-Rent and Older People's Housing) are modelled separately.

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7.38 Within the appraisals a pre-construction period of six months is assumed for all of the sites. Each dwelling is assumed to be built over a nine-month period.

## Site Acquisition and Disposal Costs

### *Site holding costs and receipts*

- 7.39 Each site is assumed to proceed immediately (following a 6 month mobilisation period) and so, other than interest on the site cost during construction, there is no allowance for holding costs, or indeed income, arising from ownership of the site.

### *Acquisition costs*

- 7.40 A simplistic approach is taken, it is assumed an allowance 1.5% for acquisition agents' and legal fees.
- 7.41 Stamp duty is calculated at the prevailing rates on each parcel assessed.

### *Disposal costs*

- 7.42 For the market and for Affordable Housing, sales and promotion and legal fees are assumed to amount to 3.5% of receipts. For disposals of Affordable Housing, these figures can be reduced significantly depending on the category, so in fact the marketing and disposal of the affordable element could be less expensive than this.

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## 8. Local Plan Policy Requirements

- 8.1 The specific purpose of this study is to consider the deliverability of the potential allocation. This needs to be done in the context of the cumulative impact of the policies in the new Local Plan. The development of the policies is at an early stage and are not yet available. It is assumed that the scheme will meet the full policy costs of the various Wiltshire Council planning documents. The two principle documents are:
- a. Wiltshire Core Strategy, Adopted January 2015
  - b. Chippenham Site Allocations Plan, Adopted May 2017
- 8.2 In addition, the sites will be subject to Community Infrastructure Levy as set out in Wiltshire Community Infrastructure Levy Charging Schedule, May 2015.
- 8.3 No part of the development area is subject to a Neighbourhood Plan.
- 8.4 These documents are reviewed below, with those policies that may impact on development viability highlighted.

### Wiltshire Core Strategy, Adopted January 2015

- 8.5 This is the overarching planning framework for Wiltshire.

#### Core Policy 3 - Infrastructure requirements

- 8.6 In addition to CIL, developer contributions will be sought to provide the required infrastructure to support new development.
- 8.7 Atkins have made an assessment of the Strategic Infrastructure and Mitigation costs. These are summarised in the following table:



Source: Atkins (March 2020)

8.8 These costs are used.

*Core Policy 10 - Spatial Strategy: Chippenham Community Area*

8.9 This is a general a general policy that does not specifically impact on the assessed development.

*Core Policy 34 - Additional employment land / Core Policy 34 - Additional employment land*

8.10 This is a general enabling policy. The assessed development incorporates employment land. In line with other policies, the costs of the supporting infrastructure (see table above) are incorporated into the assessment.

*Core Policy 41 - Sustainable construction and low-carbon energy*

8.11 This is a broad policy that has been, to a large extent, overtaken by national policy. It seeks dwelling to be to CfSH Level 4 and non-residential development will be required to achieve the relevant BREEAM “Very Good” standards, rising to the relevant BREEAM “Excellent”

8.12 It is timely to consider higher environmental standards. At this stage the Council is not specifically seeking standards that are over and above those set out in National Building Regulations.

8.13 In early October 2019, the Government launched a consultation on ‘The Future Homes Standard’<sup>30</sup>. This is linked to achieving the ‘net zero’ greenhouse gas emissions by 2050. At this stage the Council is considering this and whether or not a specific policy is required to include provisions to encourage (rather than prescribe) all or some of the following:

- a. Sustainable design to minimise energy usage, including use of natural means of providing for cooling, heating and lighting;
- b. Use of renewable energy technologies;
- c. Using sustainable construction methods, including utilisation of existing mineral resources on site;
- d. Providing generous green infrastructure;
- e. Providing, supporting and linking into sustainable transport measures and encouraging significant reduction in car use;
- f. Minimising waste, including reusing material derived from excavation and demolition;
- g. Reducing water use;
- h. Measures to encourage sustainable lifestyles;

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<sup>30</sup> [https://www.gov.uk/government/consultations/the-future-homes-standard-changes-to-part-l-and-part-f-of-the-building-regulations-for-new-dwellings?utm\\_source=7711646e-e9bf-4b38-ab4f-9ef9a8133f14&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/consultations/the-future-homes-standard-changes-to-part-l-and-part-f-of-the-building-regulations-for-new-dwellings?utm_source=7711646e-e9bf-4b38-ab4f-9ef9a8133f14&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

- i. All new developments will be expected to be climate change resilient- especially in relation to flood risk and heat stress.

8.14 There are a wide range of ways of lowering the greenhouse gas emissions on a scheme, although these do alter depending on the nature of the specific project. These can include simple measures around the orientation of the building and measures to enable natural ventilation, through to altering the fundamentals of design and construction. The extent of the costs will depend on the specific changes made and are considered in Chapter 3 of the Government consultation<sup>31</sup>:

3.9. *Following discussion with our technical working group and assessment of the modelling analysis, two options for the 2020 CO<sub>2</sub> and primary energy targets are proposed for consultation. The options below are presented in terms of CO<sub>2</sub> reduction to aid comparison with current standards. We plan to use either option 1 or option 2 as the basis of the new primary energy and CO<sub>2</sub> targets for new dwellings, with option 2 as the government's preferred option:*

j. **Option 1 - 'Future Homes Fabric'**. *This would be a 20% reduction<sup>25</sup> in CO<sub>2</sub> from new dwellings, compared to the current standards. This performance standard is based on the energy and carbon performance of a home with:*

- i. *Very high fabric standards to minimise heat loss from windows, walls, floors and roofs (typically with triple glazing). This would be the same fabric requirement as we currently anticipate for the Future Homes Standard*
- ii. *A gas boiler*
- iii. *A waste water heat recovery system*

*This would add £2557 to the build-cost of a new home and would save households £59 a year on energy bills. The estimated impact on housebuilding is discussed in the impact assessment.*

k. **Option 2 - 'Fabric plus technology'**. *This would be a 31% reduction<sup>26</sup> in CO<sub>2</sub> from new dwellings, compared to the current standards. This option is likely to encourage the use of low-carbon heating and/or renewables. The performance standard is based on the energy and carbon performance of a home with:*

- i. *an increase in fabric standards (but not as high an increase as in Option 1, likely to have double rather than triple glazing)*
- ii. *a gas boiler*
- iii. *a waste water heat recovery system.*
- iv. *iv. Photovoltaic panels*

*Meeting the same specification would add £4847 to the build-cost of a new home and would save households £257 a year on energy bills. The estimated impact on housebuilding is discussed in the impact assessment.*

3.10. *The option 2 specification would give a CO<sub>2</sub> saving of only 22% for flats due to the standard including solar panels and flats having a smaller roof area per home. The additional cost per flat is also less at £2256.*

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<sup>31</sup> The Future Homes Standard 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings (MHCLG, October 2019)

3.11. *In practice, we expect that some developers would choose less costly ways of meeting the option 2 standard, such as putting in low-carbon heating now. This would cost less than the full specification, at £3134 for a semi-detached house.*

- 8.15 Option 1 would add about 2.5% to the base cost of construction, and Option 2 would add about 3.1% to the base cost of construction. In addition to the above, it may (depending on the outcome of the consultation), be necessary for all new houses to be heated off the gas grid.
- 8.16 The above relates to residential development. The performance of non-residential development is normally assessed using the BREEAM system<sup>32</sup>. The additional cost of building to BREEAM Very Good standard is negligible as outlined in research<sup>33</sup> by BRE. The additional costs of BREEAM Excellent standard ranges from just under 1% to 5.5%, depending on the nature of the scheme with offices being a little under 2%. It is assumed that new non-residential development will be to BREEAM Excellent and this increases the construction costs by 2% or so.
- 8.17 As neither the outcome of the Government's consultation, nor the details of the Council's specific policy aims are known, rather than test a specific cost, a range of cost change scenarios have been tested.
- 8.18 It is timely to note that building to higher standards that result in lower running costs does result in higher values<sup>34</sup>.

*Core Policy 43 - Providing affordable homes / Core Policy 45 – Meeting Wiltshire's housing needs*

- 8.19 The policy seeks 40% Affordable Housing on sites in the Chippenham area. Further detail is provided with the size and tenure mix being as per the Wiltshire Strategic Housing Market Assessment (SHMA).
- 8.20 The most recent published SHMA is the 2017 SHMA (ORS, March 2017). This included the following mix (Table 70) that has formed the basis of the modelling.

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<sup>32</sup> **Building Research Establishment Environmental Assessment Method** (BREEAM) was first published by the Building Research Establishment (BRE) in 1990 as a method of assessing, rating, and certifying the sustainability of buildings.

<sup>33</sup> *Delivering sustainable buildings: Savings and payback*. Yetunde Abdul, BRE and Richard Quartermaine, Sweett Group. Published by IHS BRE Press, 7 August 2014

<sup>34</sup> See *EPCs & Mortgages, Demonstrating the link between fuel affordability and mortgage lending* as prepared for Constructing Excellence in Wales and Grwp Carbon Isel / Digarbon Cymru (funded by the Welsh Government) and completed by BRE and *An investigation of the effect of EPC ratings on house prices* for Department of Energy & Climate Change (June 2013)

<b>Table 8.2 Number of New Homes Required by Size and Tenure in Wiltshire</b>						
Bedrooms	Market		Affordable Rent		Intermediate	
	Flat	House	Flat	House	Flat	House
1			1,250		210	
2	260	1,990	1,180	3,780	460	1,500
3		18,060	0	3,850	0	1,500
4		7,350	0	640	0	140
5+		1,382	0	0	0	0
<b>% of all new homes</b>						
	Market		Affordable Rent		Intermediate	
	Flat	House	Flat	House	Flat	House
1			2.87%		0.48%	
2	0.60%	4.57%	2.71%	8.68%	1.06%	3.44%
3		41.47%		8.84%		3.44%
4		16.88%		1.47%		0.32%
5+		3.17%				

Source: Table 70. WCC 2017 SHMA (ORS, March 2017)

- 8.21 The Council, as landowner, has provided the following mix and this has formed the basis of the modelling in this report, based on 40% Affordable Housing, as 60% Affordable Rent and 40% Shared Ownership.

<b>Table 8.3 Proposed Housing Mix by Size and Tenure</b>			
	Market Housing	Affordable Rent	Shared Ownership
1 Bed	5%	43%	14%
2 Bed	25%	35%	55%
3 Bed	30%	17%	28%
4 Bed	25%	5%	3%
5 Bed	15%		2%

Source: WC / Atkins (February 2020)

- 8.22 This has formed the basis of the modelling – see Chapter 9 below.
- 8.23 In addition to the above, elements of specialist older people’s housing, Build-to-Rent and Self-Build have been considered.
- 8.24 It is necessary to consider the Build-to-Rent separately as the sector is treated differently to mainstream housing within the PPG.

What provision of affordable housing is a build to rent development expected to provide?

The National Planning Policy Framework states that affordable housing on build to rent schemes should be provided by default in the form of affordable private rent, a class of affordable housing specifically designed for build to rent. Affordable private rent and private market rent units within a development should be managed collectively by a single build to rent landlord.

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

National affordable housing policy also requires a minimum rent discount of 20% for affordable private rent homes relative to local market rents. The discount should be calculated when a discounted home is rented out, or when the tenancy is renewed. The rent on the discounted homes should increase on the same basis as rent increases for longer-term (market) tenancies within the development.

PPG: 60-002-20180913

How should affordable private rent be calculated?

Affordable private rent should be set at a level that is at least 20% less than the private market rent (inclusive of service charges) for the same or equivalent property. Build to rent developers should assess the market rent using the definition of the International Valuations Standard Committee as adopted by the Royal Institute of Chartered Surveyors.

PPG: 60-003-20180913

Is affordable private rent the only form of affordable housing permitted on build to rent schemes?

It is expected that developers will usually meet their affordable housing requirement by providing affordable private rent homes. However, if agreement is reached between a developer and a local authority, this requirement can be met by other routes, such as a commuted payment and/or other forms of affordable housing as defined in the National Planning Policy Framework glossary. The details of this must be set out in the section 106.

PPG: 60-004-20180913

How can the proportion of affordable private rent and level of discount be flexed?

Both the proportion of affordable private rent units, and discount offered on them can be varied across a development, over time. Similarly it should be possible to explore a trade off between the proportion of discounted units and the discount(s) offered on them, with the proviso being that these should accord with the headline affordable housing contribution agreed through the planning permission. All options should be agreed jointly between the local authority and the developer as part of the planning permission, and set out in a section 106 agreement. Guidance on viability confirms that viability studies for build to rent schemes can be customised in this way.

PPG: 60-005-20180913

- 8.25 In line with this, 20% private Affordable Rent at a 20% discount to market rent has been tested in the base modelling.

*Core Policy 46 - Meeting the needs of Wiltshire's vulnerable and older people*

- 8.26 The policy requires that 'Developers will be required to demonstrate how their proposals respond to the needs of an ageing population'. From this it is assumed the large sites will be required to incorporate an element of specialist older people's accommodation.

8.27 The additional costs of the further standards (as set out in the draft Approved Document M amendments included at Appendix B4<sup>35</sup>) are set out below. The key features of the 3 level standard (as summarised in the DCLG publication *Housing Standards Review – Final Implementation Impact Assessment* (DCLG, March 2015)<sup>36</sup>, reflect accessibility as follows:

- Category 1 Dwellings which provide reasonable accessibility
- Category 2 Dwellings which provide enhanced accessibility and adaptability
- Category 3 Dwellings which are accessible and adaptable for occupants who use a wheelchair.

8.28 The cost a wheelchair adaptable dwelling based on the Wheelchair Housing Design Guide for a 3 bed house, is taken to be is £10,111 per dwelling<sup>37</sup>. The cost of Category 2 is taken to be £521<sup>38</sup> (this compares with the £1,097 cost for the Lifetime Homes Standard).

8.29 The Council have advised that they are not specifically seeking defined older person's housing within the Affordable Housing mix, but aim to meet the needs by negotiating a range of affordable homes including level access ground floor flats built to M4(2) standards to accommodate requirements of older people. In line with the Council's preferred approach, the HIF bid assumed that 10% of homes would be built as Category 2 dwellings which provide enhanced accessibility and adaptability. In this assessment it is assumed all homes will be built as Category 2 dwellings.

8.30 Paragraph 56-009-20150327 of the *Housing: optional technical standards* restricts the application of the wheelchair standards:

*What issues should local planning authorities consider in determining whether dwellings should be fully wheelchair accessible or adaptable?*

*Part M of the Building Regulations sets a distinction between wheelchair accessible (a home readily useable by a wheelchair user at the point of completion) and wheelchair adaptable (a home that can be easily adapted to meet the needs of a household including wheelchair users) dwellings.*

*Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.*

56-009-20150327

8.31 It is assumed that any wheelchair accessible homes will be Affordable Homes.

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<sup>35</sup> <https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m>

<sup>36</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/418414/150327\\_-\\_HSR\\_IA\\_Final\\_Web\\_Version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/418414/150327_-_HSR_IA_Final_Web_Version.pdf)

<sup>37</sup> Paragraph 153 *Housing Standards Review – Final Implementation Impact Assessment* (DCLG, March 2015).

<sup>38</sup> Paragraph 157 *Housing Standards Review – Final Implementation Impact Assessment* (DCLG, March 2015).

8.32 In this context it is timely to mention Nationally Described Space Standard (NDSS) technical requirements. This is something the Council is exploring so NDSS standards are assumed to apply. In March 2015 the Government published *Nationally Described Space Standard – technical requirements*. This says:

*This standard deals with internal space within new dwellings and is suitable for application across all tenures. It sets out requirements for the Gross Internal (floor) Area of new dwellings at a defined level of occupancy as well as floor areas and dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height.*

8.33 The following unit sizes are set out<sup>39</sup>:

<b>Table 8.4 National Space Standards. Minimum gross internal floor areas and storage (m<sup>2</sup>)</b>					
number of bedrooms	number of bed spaces	1 storey dwellings	2 storey dwellings	3 storey dwellings	built-in storage
1b	1p	39 (37)*			1
	2p	50	58		1.5
2b	3p	61	70		2
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4
	8p	125	132	138	

Source: Table 1, Technical housing standards – nationally described space standard (March 2015)

8.34 In this study the units are assumed to be in line with the NDSS or larger.

<sup>39</sup>

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/524531/160519\\_Nationally\\_Described\\_Space\\_Standard\\_Final\\_Web\\_version.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard_Final_Web_version.pdf)

*Core Policy 50 - Biodiversity and geodiversity*

- 8.35 It is assumed that the densities proposed and provided for modelling can be achieved without impacting biodiversity. It is assumed that any specific mitigation measures are covered in the Strategic Infrastructure and Mitigation costs set out in Table 8.1 above.
- 8.36 In March 2019, the Government announced that new developments must deliver an overall increase in biodiversity. Following a consultation the Chancellor confirmed in the Spring Statement that the Government will use the forthcoming Environment Bill to mandate 'biodiversity net gain'.
- 8.37 At this stage no details have been published, however biodiversity net gain requires developers to ensure habitats for wildlife are enhanced and left in a measurably better state than they were pre-development. They must assess the type of habitat and its condition before submitting plans, and then demonstrate how they are improving biodiversity – such as through the creation of green corridors, planting more trees, or forming local nature spaces.
- 8.38 Green improvements on site would be encouraged, but, in the circumstances where they are not possible, developers will need to pay a levy for habitat creation or improvement elsewhere.
- 8.39 The costs of this type of intervention are modest and will be achieved through the use of more mixed planting plans, that use more locally appropriate native plants. To a large extent the costs of grass seeds and plantings will be unchanged. More thought and care will however go into the planning of the landscaping. There will be an additional cost of establishing the base line 'pre-development' situation as a survey will need to be carried out. On a small site this is likely to be a few thousand pounds, but on a large complex site this could be more.
- 8.40 The Government's impact assessment<sup>40</sup> suggests an average cost in the region of £20,000 per hectare. This would represent an increase in the site costs of about 5%. We have increased the site cost assumption to reflect this.
- 8.41 In Chapter 7 the main development cost assumptions were set out and these included an allowance for fees. Having considered this policy (and the other policies), the base assumption has been increased from 8% to 9%.

*Core Policy 52 - Green infrastructure*

- 8.42 This policy requires the green infrastructure, including that based on the Wiltshire Open Space Standards, to be incorporated into the assessed sites.
- 8.43 It is assumed that these are taken into account in the 'land budgets' provided by Atkins.
- 8.44 There is a cost to providing these measures. Atkins has made an assessment of the Strategic Infrastructure and Mitigation costs as summarised in Table 8.1 above. These include the costs

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<sup>40</sup> <https://www.gov.uk/government/consultations/biodiversity-net-gain-updating-planning-requirements>

of providing open space that is over and above normal landscaping (for example football pitches and formal play areas). These costs are incorporated into the assessment.

*Core Policy 57 - Ensuring high quality design and place shaping*

- 8.45 This policy sets out how the Council will seek high quality and locally distinctive design.
- 8.46 Good design, in itself, does not add to the costs of construction and the costs are fully reflected in the BCIS costs used in this assessment.

*Core Policy 60 - Sustainable transport / Core Policy 61 - Transport and new development / Core Policy 62 - Development impacts on the transport network / Core Policy 63 - Transport strategies*

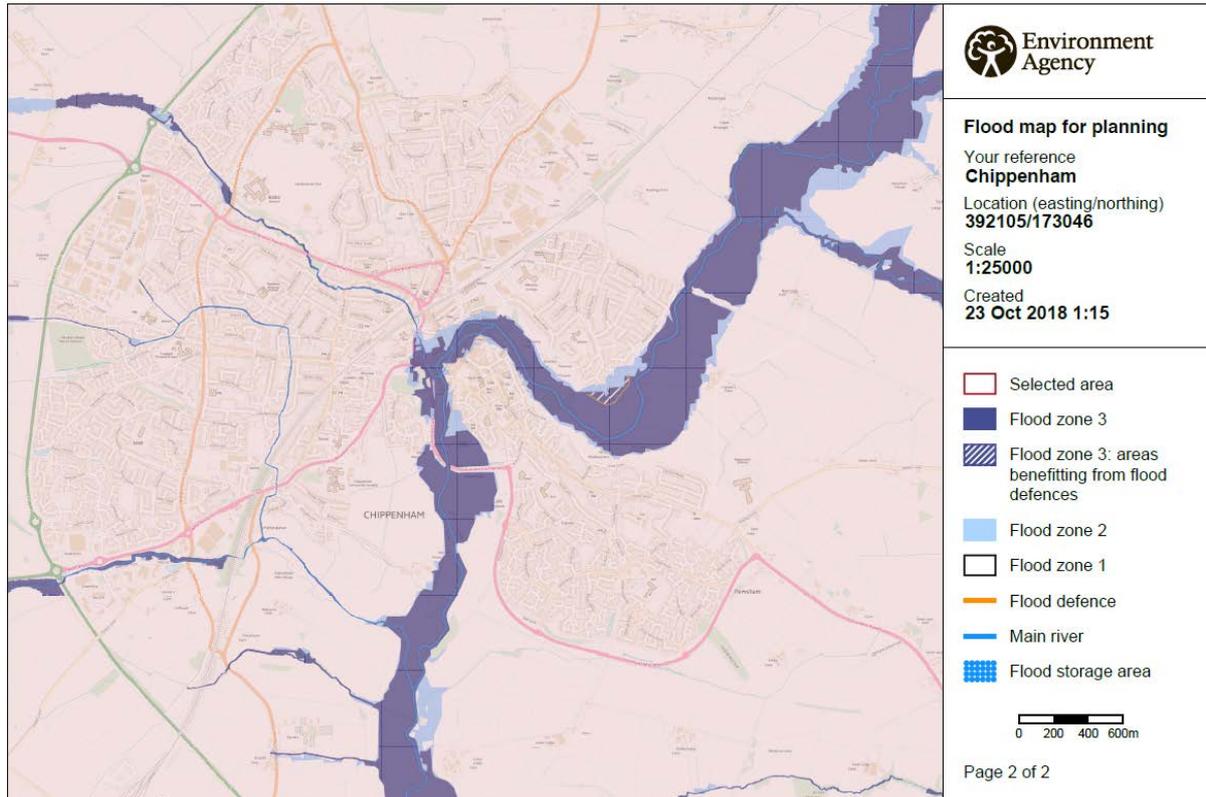
- 8.47 Development of the scale proposed will require a transport assessment. This is covered within the 8% allowance for professional fees (see also CP40).
- 8.48 It is assumed that any specific mitigation measures are covered in the Strategic Infrastructure and Mitigation costs set out above.

*Core Policy 64 - Demand management*

- 8.49 This is a broad policy that includes, amongst other things, parking standards.
- 8.50 It is assumed that the densities proposed and provided for modelling can be achieved having regard to these standards. It is assumed that any specific mitigation measures are covered in the Strategic Infrastructure and Mitigation costs set out above.

*Core Policy 67 - Flood Risk*

- 8.51 Some parts of the areas identified for development are identified as being within various flood zones.



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- 8.52 These are taken into account in the concept framework.
- 8.53 It is assumed Sustainable Urban Drainage Systems (SUDS) are a requirement. SUDS aim to limit the waste of water, reduce water pollution and flood risk relative to conventional drainage systems.
- 8.54 SUDS and the like can add to the costs of a scheme – although in larger projects these can be incorporated into public open space. It is assumed that the costs of SUDS will be provided through soft landscaping rather than hard engineering solutions. It is assumed that SUDS will be incorporated into the green spaces (subject to local ground conditions) and be delivered through soft landscaping within the wider site costs.

*Core Policy 68 - Water resources*

- 8.55 Whilst not a specific requirement of this policy, it is assumed that measures to reduce the use of water, in line with the enhanced building regulations, will be introduced. The costs are modest, likely to be less than £100/dwelling<sup>41</sup>.

<sup>41</sup> Table 26 – Water standards costs summary, 'DCLG publication Housing Standards Review – Cost Impacts' (EC Harris, September 2014).

### Chippenham Site Allocations Plan, Adopted May 2017

- 8.56 The 2015 adopted Wiltshire Core Strategy identifies Chippenham as a Principal Settlement. It also identifies the general scale of growth at Chippenham, but does not identify specific sites to deliver the growth. It is the purpose of the policy document is to identify the strategic sites which will best support the town's future and which are the most environmentally appropriate in accordance with the overarching policies of the Wiltshire Core Strategy.
- 8.57 The development proposed to the east of Chippenham now goes someway beyond that set out in the Chippenham Site Allocations Plan (and the Core Strategy)
- 8.58 It is assumed that any specific mitigation measures are covered in the Strategic Infrastructure and Mitigation costs set out above.

### Community Infrastructure Levy Charging Schedule, May 2015.

- 8.59 The following rates of CIL are relevant to this assessment. It is important to note that the Chippenham Sites are NOT listed as 'Strategically Important Sites' under Core Policy 2 – Delivery Strategy of the Wiltshire Core Strategy, Adopted January 2015.

Table 8.5 Adopted Rates of CIL – Current Rates (November 2018) Shown in Brackets		
Development Type		£/m <sup>2</sup>
<b>Residential Development</b>	<b>Residential development</b> (excluding strategically important sites as set out in the Wiltshire Core Strategy) Planning Use Classes: C2, C2A, C3 and C4	£85 <b>(£103.96)</b>
<b>Hotels</b>	<b>Hotels</b> Planning Use Class: C1	£70 <b>(£85.62)</b>
<b>Retail</b>	<b>Retail development</b> (excluding retail warehouse and superstore/ supermarket development) <b>outside</b> the defined areas in Bradford on Avon, Chippenham, Marlborough, Salisbury and Trowbridge, as shown in <i>Appendix C</i> Planning Use Classes: A1 to A5 and <i>sui generis</i> uses akin to non-food retail	£0 <b>(£0)</b>
	<b>Retail warehouse and superstore/ supermarket development anywhere in the County</b> Planning Use Class: A1 to A5 and <i>sui generis</i> uses akin to non-food retail	£175 <b>(£214.04)</b>
<b>All other uses</b>		£0 <b>(£0)</b>

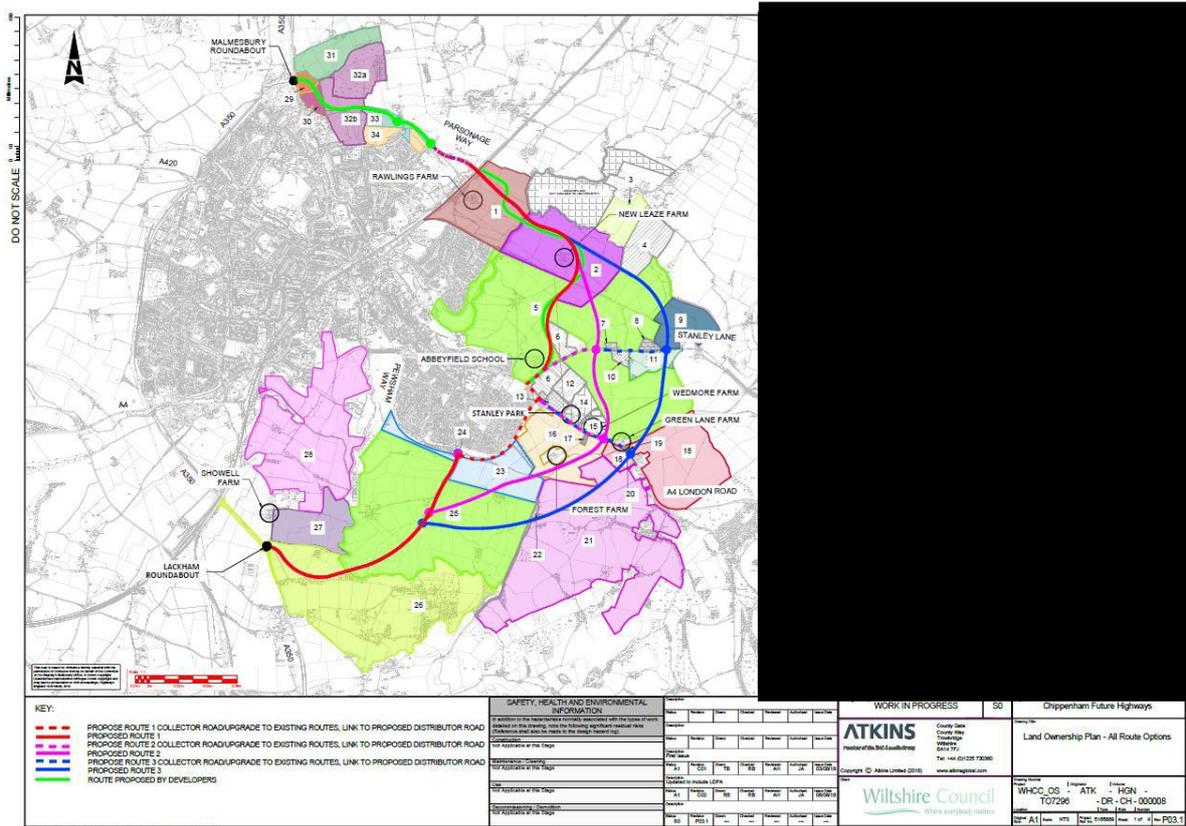
Source: Table 2.1 Wiltshire Community Infrastructure Levy Charging Schedule (May 2015) indexed by 318/260

## 9. Modelling

- 9.1 In the previous chapters, the general assumptions to be inputted into the development appraisals are set out. In this chapter, the modelling is set out. It is stressed that this is a high-level study that is seeking to capture the generality rather than the specific.
- 9.2 The basic modelling has been provided by Atkins. A simple Land Budget has been prepared setting out the areas, numbers of units and the amount of space required to meet the planning policy requirements.
- 9.3 It is important to stress that the modelling is carried out on a strict ‘policy on’ basis, carried forward from the HIF bid.

### The Broad Area

- 9.4 The sites under consideration form part of a larger area that has been considered for development.



- 9.5 The various parcels of land are identified and listed in **Appendix 2**.

### Assessed Sites

- 9.6 Of the above sites, seven are being taken forward and form the basis of this assessment.

Table 9.1 Viability Assessment Sub-areas				
Name	Status	Map Plot Number	Total Area	Units
Summix	15/12351/OUT	1	54.04	650
Chippenham 2020	15/12363/OUT	2	70.03	1,500
Gough / Gleeson	15/11153/OUT	16 17	39.53	200
██████		█	██████	██████
██████		█	██████	██████
██████		█	██████	██████
██████		█	██████	██████

Source: Atkins (March 2020)

9.7 The high level modelling includes mainstream housing (market and affordable) and more specialist housing including Build-to-Rent, specialist older people’s housing (Sheltered and Extracare) and Self-Build. The high level modelling assumes that the specialist units will come forward through the life of each site, however this results in very low numbers of some units in some years which are unlikely to be delivered. For the purpose of this assessment, a number of adjustments have been made.

*Mainstream housing.*

9.8 The core modelling is based on the total numbers of units, less the specialist units. These are tested against their anticipated strategic infrastructure and mitigation costs (S106 costs).

Table 9.2 Strategic Infrastructure and Mitigation Costs (S106 costs)			
█	█	██████	█
██████	█	██████	██████
██████████	█	██████	██████
██████████	█	██████	██████
██████	█	██████	██████
██████	█	██████	██████
██████	█	██████	██████
██████	█	██████	██████
██████	█	██████	██████

Source: Atkins (March 2020)

9.9 Generally, we would expect larger greenfield sites of the type assessed to come forward at a density of between 30 and 35 units per net developable ha. The modelling is based on 32 units/net ha.



- a. A private Sheltered/retirement scheme of 30 x 1 bed units of 50m<sup>2</sup> and 30 x 2 bed units of 75m<sup>2</sup> to give a net saleable area (GIA) of 3,750m<sup>2</sup>. We have assumed a further 20% non-saleable service and common areas to give a scheme GIA of 4,650m<sup>2</sup>.
- b. An Extracare scheme of 36 x 1 bed units of 65m<sup>2</sup> and 24 x 2 bed units of 80m<sup>2</sup> to give a net saleable area (GIA) of 4,260m<sup>2</sup>. We have assumed a further 30% non-saleable service and common areas to give a scheme GIA of 5,538m<sup>2</sup>.

#### *Self and Custom Build*

- 9.18 Over the whole scheme it is anticipated that 35 Self-Build plots are to be delivered. The high-level modelling assumes that these are distributed across the sites.
- 9.19 In this assessment we have assumed that all 35 plots would come forward on a single area (similar to the Self-Build project at Graven Hill near Bicester<sup>42</sup>), in the mid years of the project, when the WCC plots are up and running. It is assumed that the self-builders buy serviced plots.
- 9.20 It is assumed that these are in [REDACTED] – reducing the number of market units by that amount.

#### *Build-to-Rent*

- 9.21 These have been consolidated into blocks of 50 houses and 60 flats. For these to be delivered it is assumed that these need to be of a sufficient scale to attract commercial / institutional investors. It is assumed that each block is delivered over 2 years.
- 9.22 With the Build-to-Rent, it is appropriate to plan for these on the WCC land – the Council can bring them forward itself. We are not aware of any Build-to-Rent that is not as flatted development. For these to work they need to be in a sufficiently large block to attract institutional investment. In the modelling these have been consolidated these into blocks assuming they come over 2 years – in the middle of the trajectory for each site.
- 9.23 Two scenarios are modelled.
- a. A scheme of 50 x 2 and 3 bedroom houses.
  - b. A scheme of 60 x 1 and 2 bedroom flats.

#### **Employment Uses**

- 9.24 Rather than modelling different development types, the typical land values are considered.

#### **Retail**

- 9.25 We have assumed that the provision of retail space will be cost neutral overall.

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<sup>42</sup> <https://www.gravenhill.co.uk/move-to-graven-hill/self-build/>

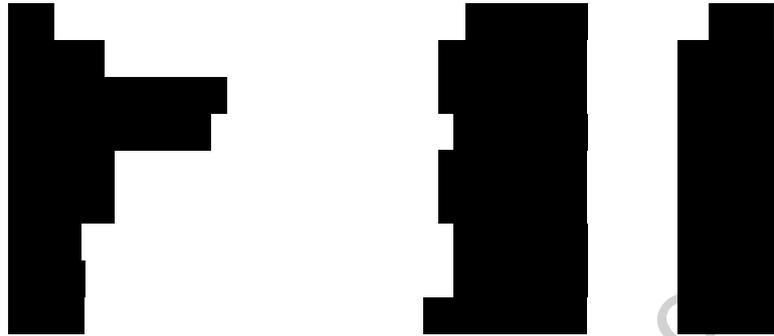
## 10. Development Appraisals

- 10.1 The appraisals use the residual valuation approach – they assess the value of a site after taking into account the costs of development, the likely income from sales and/or rents, and a developers' return. The Residual Value represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be viable, it is necessary for this Residual Value to exceed the Existing Use Value (EUV) by a satisfactory margin, being the Benchmark Land Value (BLV).
- 10.2 Sets of appraisals have been run based on the assumptions provided in the previous chapters of this report, including the Affordable Housing requirement and developer contributions and other policy requirements. Development appraisals are sensitive to changes in price of construction and changes in value, so appraisals have been run with various changes in the cost of construction and an increase and decrease in prices.
- 10.3 As set out above, for each development type the Residual Value is calculated. The results are set out and presented for each site and per gross hectare to allow comparison between typologies and sites. In the tables in this chapter, the results are colour coded using a traffic light system:
- a. **Green** **Viable** – where the Residual Value per hectare exceeds the BLV per hectare (being the EUV plus the appropriate uplift to provide a landowners' premium).
  - b. **Amber** **Marginal** – where the Residual Value per hectare exceeds the EUV but not the BLV per hectare. These sites should not be considered as viable when measured against the test set out – however, depending on the nature of the site and the owner, they may come forward.
  - c. **Red** **Non-viable** – where the Residual Value does not exceed the EUV.
- 10.4 It is important to note that a report of this type applies relatively simple assumptions that are broadly reflective of an area to make an assessment of viability. The fact that a site is shown as viable does not necessarily mean that it will come forward, and vice versa. An important part of any final consideration of viability will be relating the results of this study to what is actually happening on the ground in terms of development.

### Base Appraisals – full policy requirements

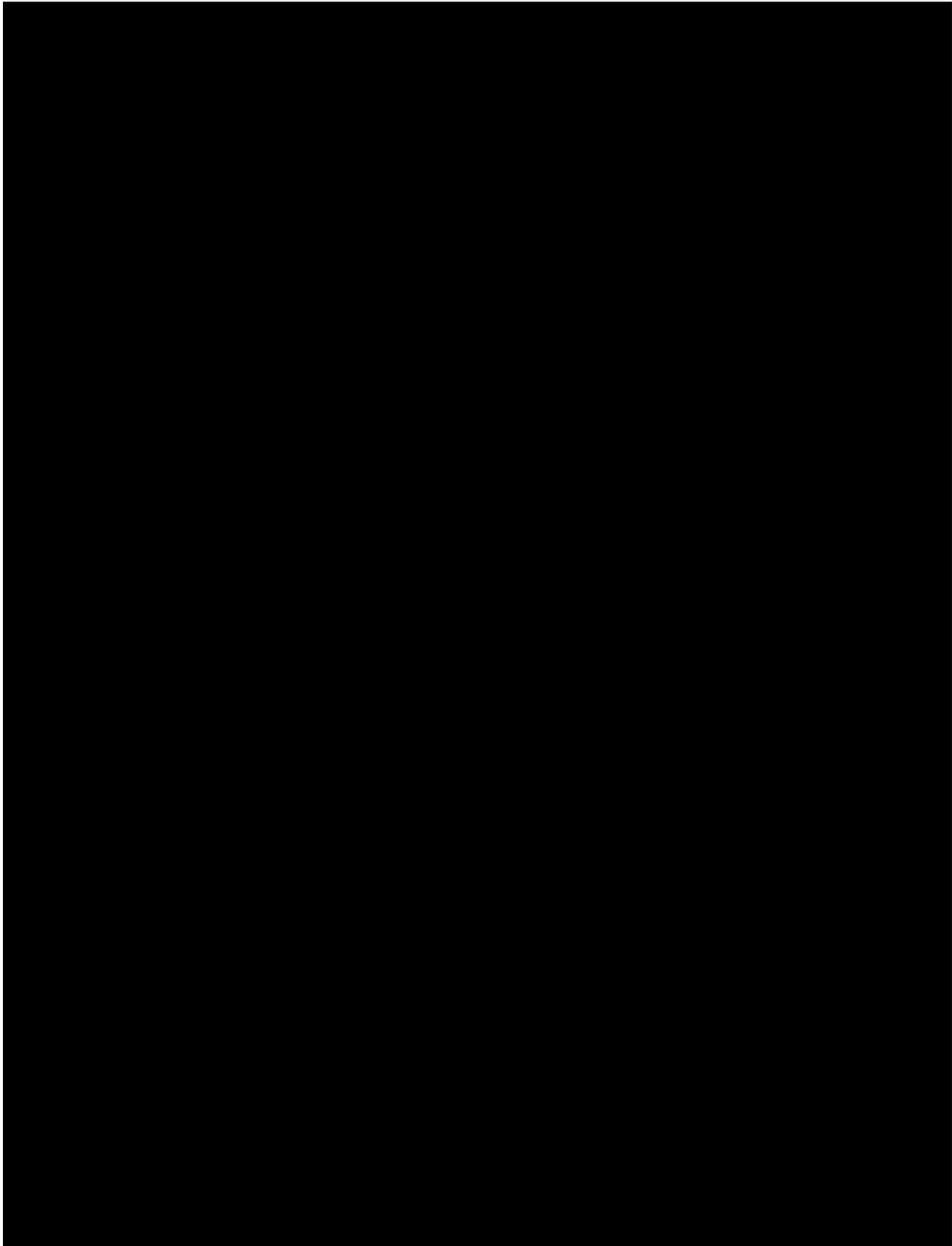
- 10.5 These appraisals are based on the following assumptions.
- a. Affordable Housing                      Market Housing, 40% as 60% Affordable Rent / 40% Intermediate Housing.  
  
Build-to-Rent, 20% Affordable Private Rent  
  
Older People's Housing, 40% as Affordable Rent
  - b. Developer Contributions              CIL at current rate (£103.96/m<sup>2</sup>)

S106 costs. As estimated by Atkins. It is assumed that the payments are made in line with the payment trajectory:



10.6 The base appraisals are included in **Appendix 8**.

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10.7 The results vary across the modelled sites, although this is largely due to the different assumptions around the nature of each site.





- 10.11 These factors are particularly compounded in the modelling of the whole site (Site 8) where all the land is purchased at the commencement and all the CIL is paid at the start of the scheme. As the site is in multiple ownerships, and will be subject to phasing, this is not a realistic scenario so this modelling is not taken forward.
- 10.12 To a large extent, we would not expect a large strategic site in a mid-market area such as Wiltshire to bear 40% Affordable Housing, over £20,000/unit in developer contributions and CIL at over £100/m<sup>2</sup> to be viable. Outside the strongest markets in the southeast England it is rare to find strategic sites making such high levels, when taken together, of developer contributions.
- 10.13 There is no doubt that the delivery of any large site is challenging. Regardless of these results, it is recommended that the Council as landowner, continues to engage with the Council as planning authority, in line with the advice set out in the Harman Guidance (page 23):

*Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage, rather than waiting until the development management stage. This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.*

- 10.14 In this context we particularly highlight paragraph 10-006 of the PPG:

*... It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan....*

PPG 10-006-20180724

- 10.15 With regard to the specialist housing schemes, the results are also in line with expectations. The fact that such development cannot normally bear Affordable Housing is reflected in the PPG.
- 10.16 Paragraph 60-002-20180913 of the PPG suggests that '20% is generally a suitable benchmark for the level of affordable private rent homes to be provided'. The modelling is carried out on this basis, but the result does not show a Residual Value above the BLV.
- 10.17 As set out in Chapter 2 above, paragraph 10-007-20190509 of the PPG says:

*Where up-to-date policies have set out the contributions expected from development, planning applications that fully comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. Policy compliant in decision making means that the development fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies.*

*Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force.*

- 10.18 The PPG specifically anticipates site specific viability testing for both Build-to-Rent and specialist older people's housing – the expectation being that they are subject to different economic viability criteria than mainstream market housing.
- 10.19 To assist with the process of engagement between the Council as landowner and the Council as planning authority, a range of further appraisals have been run.

**Varied Level of Affordable Housing**

- 10.20 A set of appraisals have been run with varied levels of Affordable Housing, without CIL, but with the anticipated site-specific infrastructure and mitigation measures, where the site-specific infrastructure and mitigation payments are made as per Atkins' trajectory.

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**Table 10.3 Varied Affordable Housing  
With Anticipated Site-Specific Infrastructure and Mitigation Costs (Atkins'  
Trajectory), No CIL**

Source: March 2020

10.21 A second set of appraisals have been run with varied levels of Affordable Housing, without CIL and with the anticipated site-specific infrastructure and mitigation measures, where the site-specific infrastructure and mitigation payments are made pro rata with the delivery of units.

<b>Table 10.4 Varied Affordable Housing With Anticipated Site-Specific Infrastructure and Mitigation Costs (Pro-rata), Without CIL</b>	

Source: March 2020

10.22 A third and fourth set of appraisals have been run with varied levels of Affordable Housing, with CIL and with the anticipated site-specific infrastructure and mitigation measures, where the site-specific infrastructure and mitigation payments are made pro rata with the delivery of units. This has been run based on the BCIS median cost and the BCIS Lower Quartile costs.

**Table 10.5 Varied Affordable Housing  
With Anticipated Site-Specific Infrastructure and Mitigation Costs (Pro-rata), with  
CIL – BCIS MEDIAN**

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Source: March 2020

<b>Table 10.6 Varied Affordable Housing With Anticipated Site-Specific Infrastructure and Mitigation Costs (Pro-rata), with CIL – BCIS LOWER QUARTILE</b>	

Source: March 2020

10.23 Table 10.3 shows, for the mainstream housing sites (1 to 7), the delivery of the strategic infrastructure and mitigation measures based on the Atkins 'ideal' trajectory (without CIL). A 10% reduction in Affordable Housing results in an improvement in the Residual Value of, on average, just under £120,000/ha.

- 10.24 There are numerous permutations that can be made to improve viability.
- Tables 10.4 and 10.5 use the same figures, with one difference, being that Table 10.5 includes CIL, but Table 10.4 does not. At 40% Affordable Housing, removing the CIL payment results in an increase in the Residual Value of about £122,000/ha. At 30% Affordable Housing, removing the CIL payment results in an increase in the Residual Value of about £143,000/ha
  - Tables 10.3 and 10.4 use the same figures, the only difference is that in Table 10.4, the developer contributions are spread through the projects, pro-rata with the delivery of the units. On the mainstream housing sites (1 to 7), moving from the Atkins 'ideal' trajectory for the delivery of the strategic infrastructure and mitigation measures results in an average increase in the Residual Value of about £42,000/ha.
  - Tables 10.5 and 10.6 use the same figures, although Table 10.6 is based on the lower quartile BCIS costs. This analysis has been included at the request of the Council, in line with their experience from other development sites. This shows that where the lower quartile build costs are used, at the 30% affordable housing, there the Residual Value increases by a little over £300,000/ha. It is certainly the case that on larger sites it is possible to make considerable economies of scale. A development of this scale will come forward across multiple price points and at different costs (depending on the specification which will be a driver of the price points), however this does illustrate the sensitivity in the analysis.
- 10.25 This data shows that, whilst reducing the Affordable Housing requirement is a way of improving viability, consideration can also be given to the timings of payments (under the s106 / s278 regime or CIL) as both improve viability.

### **Affordable Housing v Developer Contributions**

- 10.26 The above analysis is based on the best current estimate of the strategic infrastructure and mitigation measures required to deliver the sites and development types. Whilst these are based on the best available information at the time of this assessment, it is likely that these will change as more information becomes available. To further assist with the process of engagement between the Council as landowner and the Council as planning authority, a range of further appraisals have been run with different levels of developer contribution and different levels of Affordable Housing.
- 10.27 Whilst the above analysis shows that there is scope to bear at least 15% Affordable Housing and the expected strategic infrastructure and mitigation measures required to deliver the sites in most cases, initially we have run a set of appraisals without Affordable Housing and developer contributions of up to £70,000 per unit.
- 10.28 How developer contributions are paid, be it through the CIL regime or under s106, is really only a matter of accounting to a developer. In this analysis no differentiation is made as to how the payment is made, and it is assumed that payments are made pro-rata relative to the development of the units.

<b>Table 10.7 Varied Developer Contributions</b>	
<b>No Affordable Housing</b>	

Source: March 2020

- 10.29 The analysis shows that without Affordable Housing, the mainstream housing sites (1 to 7) can all make payments of at least £50,000/unit, but above £50,000/unit, the sites become unviable. Very approximately, a £10,000 increase in developer contributions results in a fall in the Residual Value of about £140,000/ha.
- 10.30 Of the other types of development there is scope to make payments of over £10,000/unit, without Affordable Housing.
- 10.31 Further appraisals are run at 20%, 30% and 40% Affordable Housing.

**Table 10.8 Varied Developer Contributions  
20% Affordable Housing**

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Source: March 2020

**Table 10.9 Varied Developer Contributions  
30% Affordable Housing**

<b>Table 10.9 Varied Developer Contributions 30% Affordable Housing</b>		

Source: March 2020

**Table 10.10 Varied Developer Contributions**  
**40% Affordable Housing**

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Source: March 2020

10.32 With regard to the mainstream housing the analysis can be summarised:

- a. At 20% Affordable Housing the sites can all bear total developer contributions of at least £35,000/unit (market and Affordable Housing).
  - b. At 30% Affordable Housing the sites can bear total developer contributions of at least £30,000/unit (market and Affordable Housing). There are two exceptions, being [REDACTED] which can bear at least £25,000/unit.
  - c. At 40% Affordable Housing there is less capacity to bear developer contributions. The sites can bear total developer contributions of at least £20,000/unit (market and Affordable Housing). There is one exception, being the [REDACTED] which can bear at least £15,000/unit.
- 10.33 The capacity for the specialist, non-standard, housing to deliver Affordable Housing and developer contributions is limited.

### Self and Custom Build

- 10.34 Over the whole scheme it is anticipated that 35 self-build plots are to be delivered. The high-level modelling assumes that these are distributed across the sites. As set out in Chapter 9 above, in this assessment we have assumed that all 35 plots would come forward on a single area (similar to the self-build project at Graven Hill near Bicester<sup>43</sup>), in the mid years of the project, when the WCC plots are up and running. It is assumed that the self-builders buy serviced plots.
- 10.35 If a developer is to sell a plot as a serviced self-build plot they would not receive the profit from building the unit, they would however receive the price for the plot. If they were to provide the plot as a custom-build plot (i.e. where the developer designs and builds to the buyer's design and specifications) they would receive a payment for the land, the costs of construction and the price paid would incorporate the developer's return. The impact on viability is therefore the balance between the profit foregone and the receipt for the serviced plot.
- 10.36 As set out in Chapter 7 above, the developer's return is calculated as 17.5% of the value of market housing and 6% of the value of Affordable Housing. This varies from site to site but is typically around £40,000/unit sold (market and Affordable) – that is to say the analysis assumes the profit for the developer is about £40,000/unit. On a per hectare basis the developer's return is about £750,000/ha.
- 10.37 As set out in Chapter 4 above, in this assessment we have taken an average value of £200,000 per plot for fully serviced self-build plots.
- 10.38 The modelling in the Viability Assessment is based on 32 units per net ha with allowance for open space. Self-build plots are likely to be larger than those brought forward by a developer – not least because all the new homes are likely to be detached. A plot price of £200,000 would give a land value of over £4,000,000/ha. This is substantially above the BLV and allows

<sup>43</sup> <https://www.gravenhill.co.uk/move-to-graven-hill/self-build/>

plenty of scope for the services to be laid on to the plot or plots. It is also well above the developer's return of £65,000 or so that would be forgone from developing the unit.

- 10.39 In the appraisals for mainstream housing, the site costs are typically about £20,000 per plot or about £400,000/ha. Costs of providing serviced plots as part of the larger project is likely to be similar to this.
- 10.40 Based on the above analysis, the provision of serviced self-build plots is likely to contribute positively to the economics of development at the rate of about £3,500,000/ha.

### **Non-Residential Development**

- 10.41 The overall scheme has elements of employment space and retail space.
- 10.42 In this assessment it is assumed that the retail space will comprise relatively small parades of neighbourhood shops that serve the immediate neighbourhood, rather than a wider area. We have assumed that the provision of retail space will be cost neutral overall.
- 10.43 In Chapter 4 above, a value of £850,000/ha was attributed to serviced industrial land. This is substantially more than the EUV and BLV, however does not take into account the costs of servicing the land.
- 10.44 Site costs for employment space can vary considerably depending the nature of the development. For large schemes of big 'sheds' the site costs are relatively limited at £100,000/ha or less. For high quality office development, the cost may be more at around £300,000/ha (so approaching the costs for residential development). Bearing in mind that there will be a range of employment uses, we have assumed that these uses can contribute about £500,000/ha to development scheme.

### **Findings**

- 10.45 Sets of appraisals have been run based on the assumptions provided in the previous chapters of this report, including the Affordable Housing requirement, developer contributions and other policy requirements. The results vary across the sites, although this is largely due to the different assumptions around the nature of each site.

#### *Residential Development*

- 10.46 Across the mainstream housing sites, when subject to 40% Affordable Housing, the estimated site-specific developer contributions and CIL, the Residual Value is less than the EUV and the BLV indicating the sites are not viable. Having said this, the analysis assumes none of the CIL from the sites would be spent on providing infrastructure for the sites, and to a large extent the developer contributions and CIL are paid up-front.
- 10.47 Based on wider experience, we would not generally expect a large strategic site in a mid-market area such as Wiltshire to bear 40% Affordable Housing, over £20,000/unit in developer contributions and CIL at over £100/m<sup>2</sup> to be viable. Outside the strongest markets in the

southeast England it is rare to find strategic sites making such high levels, when taken together, of developer contributions.

- 10.48 With regard to the specialist housing schemes (Build-to-Rent and Older People's), the results are also in line with expectations. The fact that such development cannot normally bear Affordable Housing is reflected in the PPG which specifically anticipates site specific viability testing for both Build-to-Rent and specialist Older People's housing.
- 10.49 Further sets of appraisals have been run with and without CIL, and where the payments towards infrastructure are made through the life of the scheme (rather than up front).
- 10.50 There are numerous permutations that can be made to improve viability.
- 10.51 Taking out the CIL payment so the sites deliver the infrastructure that they require, but not other infrastructure, makes a very significant improvement. Similarly, spreading the infrastructure payments through the life of the scheme, rather than front loading them makes a significant improvement. Whilst the data shows that reducing the Affordable Housing requirement is a way of improving Affordable Housing, consideration can also be given to the timings of payments as both improve viability.
- 10.52 The analysis is based on the current estimate of the strategic infrastructure and mitigation measures required to deliver the sites and development types. Whilst these are based on the best available information at the time of this assessment, it is likely that these will change as more information becomes available. Further appraisals have been run with different levels of developer contribution and different levels of Affordable Housing.
- 10.53 Without Affordable Housing, the mainstream housing sites can all make payments of at least £50,000/unit, but above £50,000/unit the sites become unviable. On the other types of development there is scope to make payments of over £10,000/unit, without Affordable Housing.
- 10.54 Appraisals are run at 20%, 30% and 40% Affordable Housing. With regard to the mainstream housing, the analysis can be summarised:
- a. At 20% Affordable Housing the sites can all bear total developer contributions of at least £35,000/unit (market and Affordable Housing).
  - b. At 30% Affordable Housing the sites can bear total developer contributions of at least £30,000/unit (market and Affordable Housing). There are two exceptions being the [REDACTED] which can bear at least £25,000/unit.
  - c. At 40% Affordable Housing there is less capacity to bear developer contributions. The sites can bear total developer contributions of at least £20,000/unit (market and Affordable Housing). There is one exception, being the [REDACTED] which can bear at least £15,000/unit.
- 10.55 The capacity for the specialist, non-standard, housing to deliver Affordable Housing and developer contributions is limited.

### *Self-Build*

- 10.56 Over the whole scheme it is anticipated that 35 self-build plots are to be delivered. The high-level modelling assumes that these are distributed across the sites. In this assessment we have assumed that all 35 plots would come forward on a single area, in the mid years of the project. It is assumed that the self-builders buy serviced plots.
- 10.57 The analysis suggests that the provision of serviced self-build plots is likely to contribute positively to the economics of development at the rate of about £3,500,000/ha.

### *Non-Residential Development*

- 10.58 The overall scheme has elements of employment space and retail space.
- 10.59 It is assumed that the retail space will comprise relatively small parades of neighbourhood shops that serve the immediate neighbourhood, rather than a wider area. We have assumed that the provision of retail space will be cost neutral overall.
- 10.60 There will be a range of employment uses, we have assumed that these uses can contribute about £500,000/ha to development scheme.

### **Deliverability of Future Chippenham**

- 10.61 Ultimately the purpose of this report is to allow the Council, as landowner, to engage with the Council, as planning authority, concerning the allocation of the land owned by the Council and others to the east of Chippenham.
- 10.62 It is clear that it will be challenging to these sites to deliver 40% Affordable Housing, the best estimate of the strategic infrastructure and mitigation requirements (about £25,000/unit) and CIL (at £103.96/m<sup>2</sup> CIL is about £10,000/unit), particularly where the provision of the strategic infrastructure and mitigation requirements are front loaded and the CIL is paid in the first few years.
- 10.63 Where the Affordable Housing requirement is reduced to 30% and the developer contributions are spread through the project, it is likely that these sites can come forward.
- 10.64 It is beyond the scope of this report to consider the choreography of the delivery of the individual elements of the overall scheme. We again stress the importance of engagement between the Council as landowner and the Council as planning authority, in line with the requirements of the PPG:

*... It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan....*

PPG 10-006-20180724

10.65 It is essential that this process continues so that the policy requirements for these sites can be prioritised and adjusted to ensure the sites can be delivered.

Draft Commercial in Confidence



# 11. Summary and Recommendations

11.1 This chapter provides a non-technical summary of the overall assessment that can be read on a standalone basis. Having said this, a viability assessment of this type is, by its very nature, a technical document that is prepared to address the very specific requirements of national planning policy. As this is a summary chapter, some of the content of earlier chapters is repeated, however, the main findings are summarised in bold:

## Summary Findings & Deliverability

**Across the mainstream housing sites, when subject to 40% Affordable Housing, the estimated site-specific developer contributions and CIL, the Residual Value is less than the EUV and the BLV indicating the sites are not viable. Having said this, the analysis assumes none of the CIL from the sites would be spent on providing infrastructure for the sites, and to a large extent the developer contributions and CIL are paid up-front.**

Further sets of appraisals have been run with and without CIL, and where the payments towards infrastructure are made through the life of the scheme (rather than up front). There are numerous permutations that can be made to improve viability, the most relevant of which are given below:

- **At 20% Affordable Housing the sites can all bear total developer contributions of at least £35,000/unit (market and Affordable Housing).**
- **At 30% Affordable Housing the sites can bear total developer contributions of at least £30,000/unit (market and Affordable Housing). There are two exceptions being [REDACTED] which can bear at least £25,000/unit.**
- **At 40% Affordable Housing there is less capacity to bear developer contributions. The sites can bear total developer contributions of at least £20,000/unit (market and Affordable Housing). There is one exception, being the [REDACTED] which can bear at least £15,000/unit.**

The capacity for the specialist, non-standard, housing to deliver Affordable Housing and developer contributions is limited.

There will be a range of employment uses, we have assumed that these uses can contribute about £500,000/ha to the overall development scheme.

Ultimately the purpose of this report is to allow the Council, as landowner, to engage with the Council, as planning authority, concerning the allocation of the land owned by the Council and others to the east of Chippenham.

It is clear that it will be challenging to these sites to deliver 40% Affordable Housing, the best estimate of the strategic infrastructure and mitigation requirements (about £25,000/unit) and CIL (at £103.96/m<sup>2</sup>, CIL is about £10,000/unit), particularly where the

provision of the strategic infrastructure and mitigation requirements are front loaded and the CIL is paid in the first few years.

The analysis shows that where there is flexibility over the timing of infrastructure payments (s106/s297 or CIL) that these sites are likely to be able to deliver at least 30% the Affordable Housing requirement (at current costs and values) as well as make a £30,000/unit to £35,000/unit contribution to the strategic infrastructure and mitigation measures, so it is likely that these sites can come forward.

### Context

- 11.2 Wiltshire Council, in its capacity of landowner, is promoting a large development site around the eastern side of Chippenham for allocation in the new Local Plan for the period to 2036 being prepared by Wiltshire Council in its capacity of Local Planning Authority. For the purpose of this report Wiltshire Council, as landowner, is separate to Wiltshire Council in its capacity of Local Planning Authority. HDH Planning & Development Ltd has been appointed by Wiltshire Council (as sub-contractors to Atkins), in its capacity of landowner.
- 11.3 This Viability Assessment has been commissioned to consider the deliverability of the whole potential allocation. Whilst the area is in multiple ownerships, Wiltshire Council is the major landowner and this report is prepared by Wiltshire Council, without direct engagement with the other landowners.
- 11.4 In 2018 HDH Planning & Development Ltd was appointed to support Wiltshire Council's Housing Infrastructure Find (HIF) bid. This related mainly to the delivery of the link road that is required to open up and facilitate the delivery of the overall project. HDH is now appointed to build on the earlier work and to assess the deliverability of the overall allocation in the context of the Local Plan process.

### COVID 19

- 11.5 This project is being completed during the coronavirus pandemic. It is too early to predict what the impact on the economy, and therefore house prices may be. We would expect there to be a pause in activity due to uncertainty in the wider economy, evidence of this is being reported by estate agents. It is likely that, at the very least, the housing markets will be checked. This may well have an adverse impact on viability. This assessment is conducted at March 2020 costs and values.

### Compliance

- 11.6 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors (RICS). As a firm regulated by the RICS it is necessary to have regard to RICS Professional Standards and Guidance. There are two principle pieces of relevant guidance, being the *Financial viability in planning: conduct and reporting RICS professional statement, England (1<sup>st</sup> Edition, May 2019)* and *Financial Viability in planning (1st edition), RICS guidance note 2012*.

- 11.7 *Financial Viability in planning (1st edition), RICS guidance note 2012* is currently subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (May 2019). As part of the review, *Financial viability in planning: conduct and reporting. 1st edition, May 2019* was published in May 2019. This includes mandatory requirements for RICS members and RICS-regulated firms. HDH confirms that the May 2019 Guidance has been followed.

### Viability Testing under the 2019 NPPF and Updated PPG

- 11.8 Viability testing is an important part of the planning process. The requirement to assess viability forms part of the National Planning Policy Framework (NPPF), and is a requirement of the CIL Regulations. In each case the requirement is slightly different, but they have much in common. Over several years in the run up to this report various national consultations have been carried out about different aspects of the plan-making process. These have included references to, and sections on, viability.

### 2019 National Planning Policy Framework

- 11.9 As in the 2012 NPPF (and 2018 NPPF), viability remains an important part of the plan-making process. The 2019 NPPF does not include detail on the viability process, rather stresses the importance of viability. The main change is a shift of viability testing from the development management stage to the plan-making stage. Careful consideration has been made to the updated PPG. The effectiveness of plans was important under the 2012 NPPF, but a greater emphasis is put on deliverability in the 2019 NPPF.

#### *Viability Guidance*

- 11.10 There is no specific technical guidance on how to test viability in the 2019 NPPF or the updated PPG, although the updated PPG includes guidance in a number of specific areas. There are several sources of guidance and appeal decisions that support the methodology HDH has developed. This study follows the *Viability Testing in Local Plans – Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012 (known as the **Harman Guidance**).
- 11.11 In line with the updated PPG, this study follows the EUV Plus (EUV+) methodology, that is to compare the Residual Value generated by the viability appraisals, with the EUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV is central to the assessment of viability. It must be set at a level to provide a return to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level, reference is made to the market value of the land both with and without the benefit of planning.
- 11.12 The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

$$\begin{aligned} & \textbf{Gross Development Value} \\ & \text{(The combined value of the complete development)} \\ & \text{LESS} \\ & \textbf{Cost of creating the asset, including a profit margin} \\ & \text{(Construction + fees + finance charges)} \\ & = \\ & \textbf{RESIDUAL VALUE} \end{aligned}$$

- 11.13 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the top limit of what a developer could offer for a site and still make a satisfactory return (i.e. profit).
- 11.14 The 2019 NPPF, the PPG, the CIL Regulations and CIL Guidance are clear that the assessment of viability should, wherever possible, be based on existing available evidence rather than new evidence. The evidence that is available from Wiltshire Council has been reviewed. This includes that which has been prepared earlier in the plan-making process, and that which the Council holds in connection to the HIF bid, and in the form of development appraisals that have been submitted by developers in connection with specific developments – most often to support negotiations around the provision of Affordable Housing or s106 contributions. The approach taken is to draw on this existing evidence and to consolidate it so that it can then be used as a sound base for the assessment.

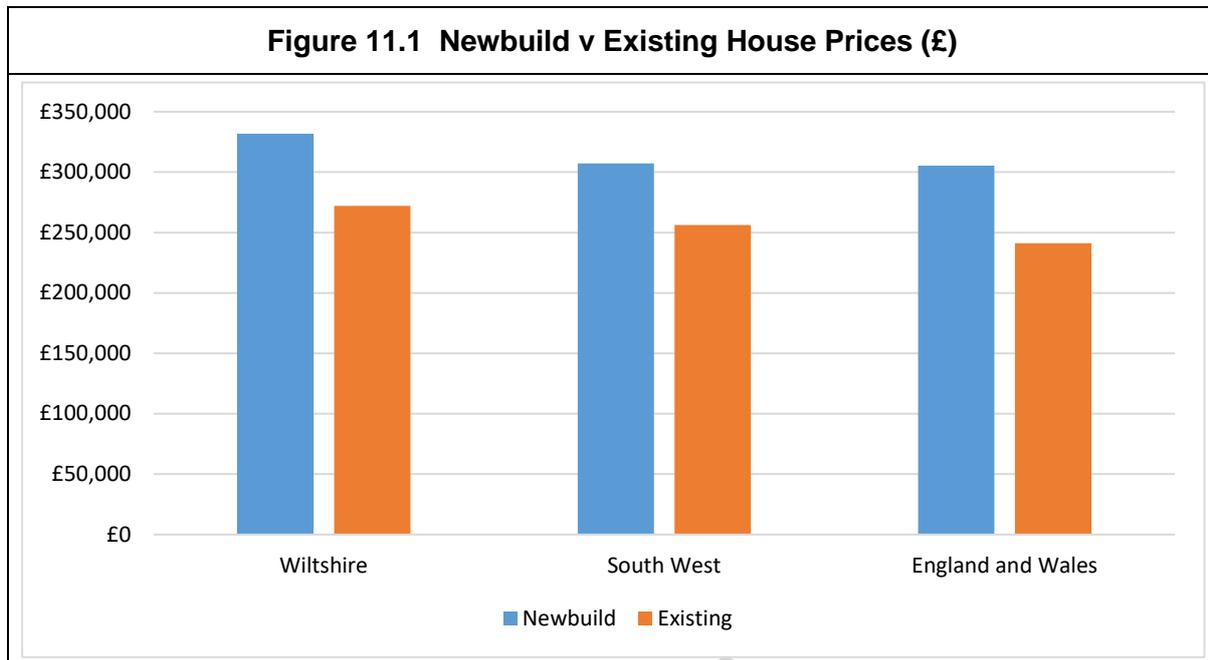
#### *Viability Process*

- 11.15 The assessment of viability as required under the 2019 NPPF and the CIL Regulations is a quantitative and qualitative process. The basic viability methodology is summarised in the figure below. It involves preparing financial development appraisals for each of the development areas. The sites were modelled based on information provided by the Council as landowner and the wider professional team, and our own experience of development. This process ensures that the appraisals are representative of the proposed development.

#### **Mainstream Residential Market Commentary**

- 11.16 An assessment of the housing market was undertaken.
- 11.17 The Land Registry aggregates data at Local Authority Level. As Wiltshire is a large unitary authority, this may oversimplify the situation in Chippenham. When ranked across England and Wales, the average house price for Wiltshire is 134<sup>th</sup> (out of 339) at £310,057. To set this in context, the Council at the middle of the rank (169 – Ryedale, in Yorkshire), has an average price of £267,031. It is relevant to note that Wiltshire's median price is lower than the mean at £270,950.
- 11.18 A notable characteristic of the data is that the values of newbuild homes are significantly more than for existing homes. In Wiltshire newbuild house prices are about 22% more than the

price of existing houses, this difference is less than the remainder of England and Wales where the difference is 27%.



Source: Land Registry (March 2020)

- 11.19 The above data provides useful context, but does not lead directly to assumptions that can be used in this assessment. It is necessary to consider wider data sources.
- 11.20 This report is being completed after the United Kingdom left the European Union. It is not yet possible to predict the impact of leaving the EU, beyond the fact that the UK and the UK economy is in a period of uncertainty. Negotiations around the details of the exit are underway but not concluded, so the future of trade with the European Union and wider world are not yet known. A range of views as to the impact on house prices have been expressed that cover nearly the whole spectrum of possibilities.
- 11.21 A further uncertainty is around coronavirus pandemic. It is too early to predict what the impact on the economy may be, however world stock markets have fallen by over 25%, so it is likely that at the very least, the housing markets will be checked. We would expect there to be a pause in activity due to uncertainty in the wider economy and as a result of movement restrictions.
- 11.22 This assessment is conducted at March 2020 costs and values.

#### *Newbuild Sales Prices*

- 11.23 Recent newbuild sales prices from the Land Registry have been reviewed and a survey of new homes for sale during March 2020 was carried out. The Land Registry publishes data of all homes sold. Across the Chippenham area, the sale of about 170 newbuild homes are recorded since the start of 2018. Each house sold requires an Energy Performance Certificate (EPC). The EPC contains the floor area (the Gross Internal Area – GIA). The price paid data

from the Land Registry has been married with the homes' floor area from the EPC Register to derive a price paid on a £/m<sup>2</sup> basis.

<b>Table 11.1 Average Newbuild Sale Prices - Chippenham</b>					
	Detached	Flats	Semi-detached	Terraced	All
<b>Price Paid £</b>					
Count	54	21	76	18	169
Minimum	£204,000	£115,500	£214,995	£219,995	£115,500
Average	£332,922	£174,643	£263,027	£269,590	£275,077
Maximum	£427,000	£305,000	£362,500	£315,000	£427,000
<b>Price Paid £/m<sup>2</sup></b>					
Count	53	19	76	18	166
Minimum	£1,447	£2,357	£2,417	£2,692	£1,447
Average	£3,304	£2,943	£3,474	£3,465	£3,358
Maximum	£3,879	£4,630	£3,898	£3,793	£4,630

Source: Land Registry and EPC Register (March 2020)

11.24 The average price paid in Chippenham is £3,358/m<sup>2</sup>.

*Assumptions for Financial Appraisals*

- 11.25 It is necessary to form a view about the appropriate prices for the schemes to be appraised in the study. The preceding analysis does not reveal simple clear patterns with sharp boundaries. It is necessary to relate values to the pattern of development expected to come forward in the future.
- 11.26 It is assumed that over the 7,500 or so units, a range of market products (as opposed to affordable products) will be incorporated into the scheme. In this high-level assessment that does not involve any building design and only the broadest concept framework (which is still being produced), it is necessary to make some broad assumptions.
- 11.27 Values will clearly vary from house to house, sub area to sub area and be influenced by factors such proximity to facilities, transport, the benefit of views etc.
- 11.28 Bringing together the evidence above (which is varied), the values used in the HIF bid are carried into this assessment unchanged.

Table 11.2 Residential Value Assumptions £/m <sup>2</sup>		
Price Point	Houses	Flats
1	£3,000	£2,750
2	£3,300	£3,200
3	£3,500	£3,400

Source: HDH (March 2020)

### Build-to-Rent

- 11.29 It is anticipated that the proposed allocations will include elements of Build-to-Rent. The Build-to-Rent sector is a different sector from mainstream housing. The value of housing that is restricted to being Private Rented Sector (PRS) housing is different to that of unrestricted market housing.
- 11.30 The value of the units in the PRS, is in large part, the worth of the income that the completed let unit will produce. This is the amount an investor would pay for the completed unit. This will depend on the amount of the rent and the cost of managing the property (letting, voids, rent collection, repairs etc.). In estimating the likely level of affordable rent, we have undertaken a survey of market rents across the area:
- 11.31 In this study we have assumed a value for private rent, of £2,440/m<sup>2</sup>.

### Affordable Housing

- 11.32 The Council has a policy (Core Policy 43 – Providing Affordable Housing) that seeks 40% Affordable Housing on sites in the Chippenham area. Further detail is provided in Core Policy 45 – Meeting Wiltshire’s Housing Needs, with the size and tenure mix currently being as per the Wiltshire Strategic Housing Market Assessment
- 11.33 In this assessment, it is assumed that Affordable Housing is constructed by the site developer and then sold to a Registered Provider (RP). This is a simplification of reality as there are many ways in which Affordable Housing is delivered, including the transfer of free land to RPs for them to build on or the retention of the units by the scheme’s overall developer.
- 11.34 There are several common ways of deriving the values of Affordable Housing. These include basing the value on a proportion of market value, or capitalising the (gross or net) rent. In calculating the value of Affordable Rents it is assumed the rent is set at the LHA cap. 10% management costs, 4% voids and bad debts and 6% repairs are allowed for and the income is capitalised at 4.5%.

<b>Table 11.3 Capitalisation of Affordable Rents</b>				
	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Gross Rent £/month	£434	£574	£752	£960
Gross Rent £/year	£5,213	£6,893	£9,024	£11,520
Net Rent	£4,170	£5,514	£7,219	£9,216
Value	£92,672	£122,539	£160,427	£204,800
m <sup>2</sup>	50	70	84	97
£/m <sup>2</sup>	£1,853	£1,751	£1,910	£2,111

Source: HDH (March 2020)

11.35 Using this method to assess the value of Affordable Housing, under the Affordable Rent tenure, a value of £1,900/m<sup>2</sup> is derived.

11.36 The Council advised that the values of housing in this tenure were generally around 50% of market value (and sometimes higher). Based on the values of market housing above, £1,540/m<sup>2</sup> would be about 50% of market value. In 2018 we were advised that £1,540/m<sup>2</sup> is broadly in line with development appraisals submitted through the development management appraisals. The appraisals take a cautious approach, being based on £1,540/m<sup>2</sup>.

#### *Intermediate Products for Sale*

11.37 Intermediate products for sale include Shared Ownership, Discount Market sale, and shared equity products. A value of 65% of open market value is assumed for these units. This is based on purchasers buying an initial 50% share of a property and a 2.75% per annum rent payable on the equity retained. The rental income is capitalised at 4% having made a 10% management allowance.

#### **Older People's Housing**

11.38 Housing for older people is generally a growing sector due to the demographic changes and the aging population. It is assumed that older people's housing will form a component of the new housing. Housing for older people is generally a growing sector due to the demographic changes and the aging population. A value of £3,745/m<sup>2</sup> is assumed for Sheltered housing and £3,980/m<sup>2</sup> is assumed for Extracare.

#### **Self-build Plots**

11.39 It is expected that the allocation will incorporate self-build plots. We have undertaken a survey of building plots. There are very few available in and around Chippenham so we have surveyed a 15 mile radius from the town.

11.40 The plots vary tremendously from about £50,000 per plot to over £450,000 per plot. None of the plots are directly comparable to self-build plots that may come forward in Chippenham; it is therefore appropriate to look further afield. Graven Hill is a site to the South of Bicester in Oxfordshire. Graven Hill is the redevelopment of publicly owned land where serviced plots

are available. Buyers are required to respect a design code and the plots are generally between 0.02ha and 0.04ha and are priced from £185,000 to over £300,000.

11.41 In this assessment we have taken an average value of £200,000 per plot for fully serviced self-build plots.

### Non-Residential Market

11.42 The following assumptions have been used:

<b>Table 11.4 Commercial Value Assumptions</b>				
	Rent	Yield	Rent Free Years	Value
Offices	£161	8.00%	2	£1,831
Retail Other	£170	8.00%	0	£2,125
Industrial	£91	8.00%	2	£1,037

Source: HDH (October 2018)

### Land Values

11.43 In this assessment the following Existing Use Value (EUUV) is the starting point of the assessment. EUUV refers to the value of the land in its current use before planning consent is granted, for example, as agricultural land. It is important to fully appreciate that land value should reflect emerging policy requirements and planning obligations. When considering comparable sites, the value will need to be adjusted to reflect this requirement.

11.44 For the purpose of the assessment, it is necessary to take a comparatively simplistic approach to determining the EUUV. The bulk of the land is in agricultural uses, so this is taken to be the Existing Use Value.

### Residential Land

11.45 There are no development sites being marketed in Chippenham at the time of this study.

11.46 Recent transactions based on planning consents over the last few years and price paid information from the Land Registry have been researched.

<b>Table 11.5 Recent Sales of Development Land - All</b>		
	£/ha	£/unit
Minimum	£16,000	£2,000
Average	£355,690	£20,782
Median	£105,409	£7,122
Maximum	£1,693,122	£84,211

Source: Land Registry and WCC (October 2018)

- 11.47 The overall average is £140,000/ha. It is important to note that only one of the above parcels of land achieved the policy compliant levels of Affordable Housing. In this regard, we have a caveat and that is in relation to very large sites. Large sites have their own characteristics and are often subject to very significant infrastructure costs and amounts of open space which result in lower values.
- 11.48 It is necessary to make an assumption about the value of residential land. A value of £120,000/ha is taken as typical value for land with the benefit of a fully policy compliant project on the edge of Chippenham.

### Development Costs

#### *Construction costs: baseline costs*

- 11.49 The cost assumptions are derived from the Building Cost Information Service (BCIS) data – using the figures re-based for Wiltshire. The cost figure for ‘Estate Housing – Generally’ is £1,296/m<sup>2</sup> at the time of this assessment (this is an increase from the November 2018 figure of £1,228/m<sup>2</sup> used in the HIF bid).

#### *Other normal development costs*

- 11.50 In addition to the BCIS £/m<sup>2</sup> build cost figures described above, allowance needs to be made for a range of site costs (roads, drainage and services within the site, parking, footpaths, landscaping and other external costs). Many of these items will depend on individual site circumstances and can only properly be estimated following a detailed assessment of each site. This is not practical within this broad-brush assessment for the purpose of this high level viability assessment.

- 11.51 An allowance of 15% of the BCIS costs is made to cover site costs. This works out at between £500,000 and £600,000 per net developable ha.

#### *Abnormal development costs and brownfield sites*

- 11.52 Some sites have abnormal costs, may be to deal with flooding, cleaning up previously development land, or exceptionally high costs of laying on new services. Abnormal costs will be reflected in land value. Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs. It is not the purpose of an assessment of this type to standardise land prices across an area.

- 11.53 Bearing in mind the greenfield nature of the area, no allowance is made for abnormal costs. In this assessment the costs of Strategic Infrastructure and Mitigation that may be sought under the s106 regime and treated separately.



- 11.60 An allowance of 15% of the value of non-residential development is used. This assumption is also used in the Build-to-Rent Sector,
- 11.61 The development is modelled in line with the Council's trajectory. The specialist housing types (Build-to-Rent and Older People's Housing) are modelled separately.

#### *Site Acquisition and Disposal Costs*

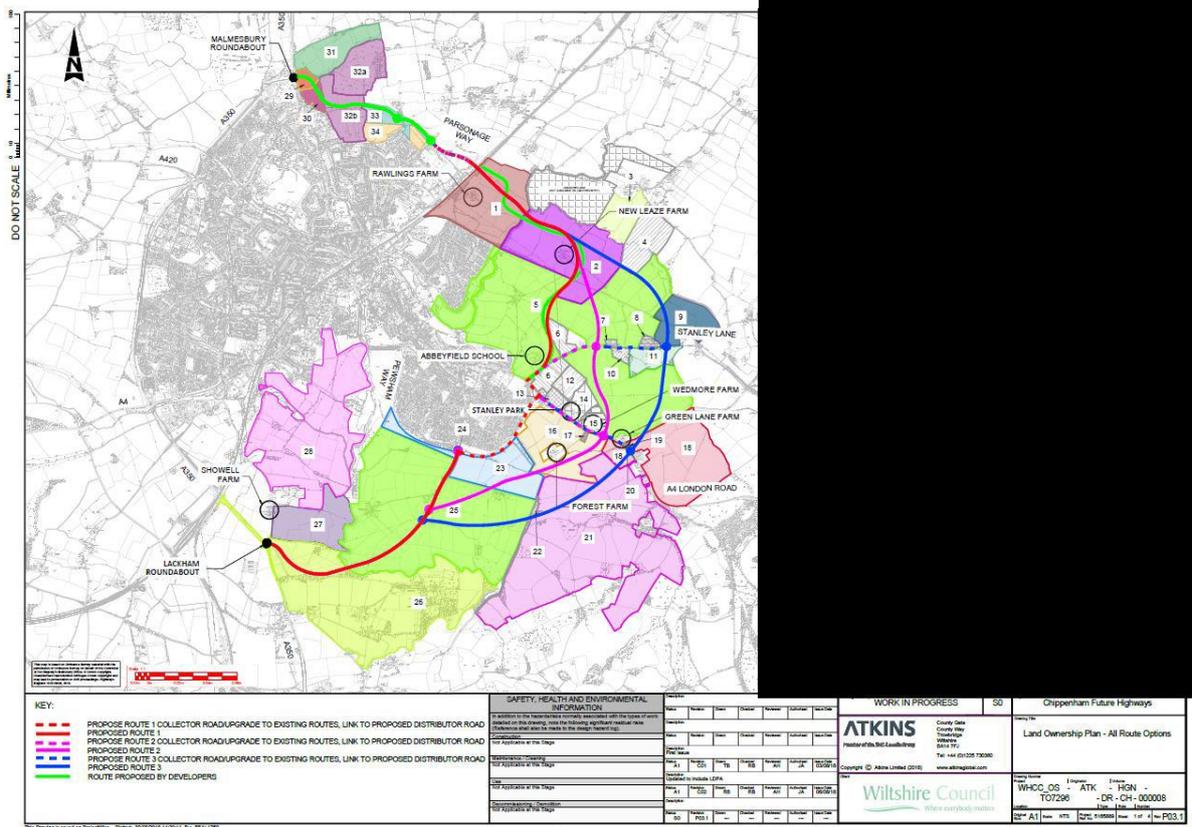
- 11.62 Each site is assumed to proceed immediately (following a 6 month mobilisation period) and so, other than interest on the site cost during construction, there is no allowance for holding costs, or indeed income, arising from ownership of the site.
- 11.63 It is assumed an allowance 1.5% for acquisition agents' and legal fees. Stamp duty is calculated at the prevailing rates on each parcel assessed.
- 11.64 For the market and for Affordable Housing, sales and promotion and legal fees are assumed to amount to 3.5% of receipts. For disposals of Affordable Housing, these figures can be reduced significantly depending on the category, so in fact the marketing and disposal of the affordable element could be less expensive than this.

#### **Local Plan Policy Requirements**

- 11.65 The specific purpose of this study is to consider the deliverability of the potential allocation. This needs to be done in the context of the cumulative impact of the policies in the new Local Plan. The development of the policies is at an early stage and are not yet available. It is assumed that the scheme will meet the full policy costs of the various Wiltshire Council planning documents. The two principle documents are:
- a. Wiltshire Core Strategy, Adopted January 2015
  - b. Chippenham Site Allocations Plan, Adopted May 2017
- 11.66 In addition, the sites will be subject to Community Infrastructure Levy, as set out in Wiltshire Community Infrastructure Levy Charging Schedule, May 2015.

#### **Site Modelling**

- 11.67 The basic modelling has been provided by Atkins. A simple Land Budget has been prepared setting out the areas, numbers of units and the amount of space required to meet the planning policy requirements. It is important to stress that the modelling is carried out on a strict 'policy on' basis, carried forward from the HIF bid.



11.68 Of the above sites, seven are being taken forward and form the basis of this assessment.

Name	Status	Map Plot Number	Total Area	Units
Summix	15/12351/OUT	1	54.04	650
Chippenham 2020	15/12363/OUT	2	70.03	1,500
Gough / Gleeson	15/11153/OUT	16 17	39.53	200
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]

Source: Atkins (March 2020)

11.69 The high-level modelling includes mainstream housing (market and affordable) and more specialist housing including Build-to-Rent, specialist older people’s housing (Sheltered and Extracare) and self-build. The high-level modelling assumes that the specialist units will come forward through the life of each site, however this results in very low numbers of some units in some years which are unlikely to be delivered. For the purpose of this assessment, a number of adjustments have been made:

*Mainstream housing.*

11.70 The core modelling is based on the total numbers of units, less the specialist units. These are tested against their anticipated strategic infrastructure and mitigation costs (£106 costs).

**Table 11.8 Strategic Infrastructure and Mitigation Costs (£106 costs)**


Source: Atkins (March 2020)

11.71 Generally, we would expect larger greenfield sites of the type assessed to come forward at a density of between 30 and 35 units per net developable ha. The modelling is based on 32 units/net ha. For the purpose of this study the gross area is calculated, assuming a net developable area of 60%. This derives an area that is less than the whole site area.

11.72 The Council's preferred housing mix is used and NDSS are assumed to apply. It is assumed that 100% of affordable new homes will be constructed to meet requirement M4(2) of the Building Regulations 2015 (accessible or adaptable dwellings). No allowance is made to meet requirement M4(3) of the Building Regulations 2015 (wheelchair user dwellings).

*Older People's Housing*

11.73 Older people's housing did not form part of the HIF bid so did not form part of the earlier modelling. A private Sheltered/retirement and an Extracare scheme have been modelled, each on a 0.5ha site as follows.

*Self and Custom Build*

11.74 Over the whole scheme it is anticipated that 35 self-build plots are to be delivered. The high-level modelling assumes that these are distributed across the sites. In this assessment we have assumed that all 35 plots would come forward on a single area (similar to the self-build project at Graven Hill near Bicester), in the mid years of the project, when the WCC plots are up and running. It is assumed that the self-builders buy serviced plots.

*Build-to-Rent*

- 11.75 These have been consolidated into blocks of 50 houses and 60 flats. For these to be delivered it is assumed that these need to be of a sufficient scale to attract commercial / institutional investors. It is assumed that each block is delivered over 2 years.

*Employment Uses*

- 11.76 Rather than modelling different development types, the typical land values are considered.

*Retail*

- 11.77 We have assumed that the provision of retail space will be cost neutral overall.

**Development Appraisals**

- 11.78 The appraisals use the residual valuation approach – they assess the value of a site after taking into account the costs of development, the likely income from sales and/or rents, and a developers' return. The Residual Value represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be viable, it is necessary for this Residual Value to exceed the Existing Use Value (EUW) by a satisfactory margin, being the Benchmark Land Value (BLV).

- 11.79 Several sets of appraisals have been run, including with varied levels of Affordable Housing and developer contributions.

- 11.80 The initial appraisals are based on the following assumptions.

- a. Affordable Housing      Market Housing, 40% as 60% Affordable Rent / 40% Intermediate Housing.  
Build-to-Rent, 20% Affordable Private Rent  
Older People's Housing, 40% as Affordable Rent
- b. Developer Contributions      CIL at current rate (£103.96/m<sup>2</sup>)  
S106 costs. As estimated by Atkins. It is assumed that the payments are made in line with the payment trajectory:

- 11.81 The results vary across the modelled sites, although this is largely due to the different assumptions around the nature of each site.

- 11.82 The Residual Value is not an indication of viability by itself, simply being the maximum price a developer may bid for a parcel of land, and still make an adequate return. In the following tables the Residual Value is compared with the BLV. The Benchmark Land Value being an amount over and above the Existing Use Value that is sufficient to provide the willing landowner with a premium, and induce them to sell the land for development.



CIL at over £100/m<sup>2</sup> to be viable. Outside the strongest markets in the southeast England it is rare to find strategic sites making such high levels, when taken together, of developer contributions.

- 11.86 With regard to the specialist housing schemes, the results are also in line with expectations. The fact that such development cannot normally bear Affordable Housing is reflected in the PPG.

*Varied Level of Affordable Housing*

- 11.87 A sets of further appraisals have been run with varied levels of Affordable Housing, with and without CIL, but with the anticipated site-specific infrastructure and mitigation measures, where the site-specific infrastructure and mitigation payments are made as per Atkins' trajectory.

- 11.88 There are numerous permutations that can be made to improve viability.

- a. At 40% Affordable Housing, removing the CIL payment results in an increase in the Residual Value of about £122,000/ha. At 30% Affordable Housing, removing the CIL payment results in an increase in the Residual Value of about £143,000/ha
- b. Moving from the Atkins 'ideal' trajectory for the delivery of the strategic infrastructure and mitigation measures results in an average increase in the Residual Value of about £42,000/ha.
- c. Analysis based on the lower quartile BCIS costs shows that where the lower quartile build costs are used, at the 30% affordable housing, the Residual Value increases by a little over £300,000/ha. It is the case that on larger sites it is possible to make considerable economies of scale. A development of this scale will come forward across multiple price points and at different costs (depending on the specification which will be a driver of the price points), however this does illustrate the sensitivity in the analysis.

- 11.89 This data shows that, whilst reducing the Affordable Housing requirement is a way of improving viability, consideration can also be given to the timings of payments (under the s106 / s278 regime or CIL) as both improve viability.

*Affordable Housing v Developer Contributions*

- 11.90 The above analysis is based on the best current estimate of the strategic infrastructure and mitigation measures required to deliver the sites and development types. Whilst these are based on the best available information at the time of this assessment, it is likely that these will change as more information becomes available. To further assist with the process of engagement between the Council as landowner and the Council as planning authority, a range of further appraisals have been run with different levels of developer contribution and different levels of Affordable Housing.

- 11.91 How developer contributions are paid, be it through the CIL regime or under s106 is really only a matter of accounting to a developer. In this analysis no differentiation is made as to how the payment is made, and it is assumed that payments are made pro-rata relative to the development of the units.
- 11.92 The analysis shows that without Affordable Housing, the mainstream housing sites can all make payments of at least £50,000/unit, but above £50,000/unit, the sites become unviable. Very approximately, a £10,000 increase in developer contributions results in a fall in the Residual Value of about £140,000/ha.
- 11.93 Of the other types of development there is scope to make payments of over £10,000/unit, without Affordable Housing.
- 11.94 With regard to the mainstream housing the analysis can be summarised:
- At 20% Affordable Housing the sites can all bear total developer contributions of at least £35,000/unit (market and Affordable Housing).
  - At 30% Affordable Housing the sites can bear total developer contributions of at least £30,000/unit (market and Affordable Housing). There are two exceptions, being the [REDACTED] which can bear at least £25,000/unit.
  - At 40% Affordable Housing there is less capacity to bear developer contributions. The sites can bear total developer contributions of at least £20,000/unit (market and Affordable Housing). There is one exception, being the [REDACTED] which can bear at least £15,000/unit.
- 11.95 The capacity for the specialist, non-standard, housing to deliver Affordable Housing and developer contributions is limited.

*Self and Custom Build*

- 11.96 Over the whole scheme it is anticipated that 35 self-build plots are to be delivered. The high-level modelling assumes that these are distributed across the sites. As set out in Chapter 9 above, in this assessment we have assumed that all 35 plots would come forward on a single area (similar to the self-build project at Graven Hill near Bicester<sup>44</sup>), in the mid years of the project, when the WCC plots are up and running. It is assumed that the self-builders buy serviced plots.
- 11.97 The provision of serviced self-build plots is likely to contribute positively to the economics of development.

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<sup>44</sup> <https://www.gravenhill.co.uk/move-to-graven-hill/self-build/>

### *Non-Residential Development*

- 11.98 It is assumed that the retail space will comprise relatively small parades of neighbourhood shops that serve the immediate neighbourhood, rather than a wider area. We have assumed that the provision of retail space will be cost neutral overall.
- 11.99 A value of £850,000/ha was attributed to serviced industrial land. This is substantially more than the EUV and BLV, however does not take into account of the costs of servicing the land.
- 11.100 Site costs for employment space can vary considerably depending the nature of the development. For large schemes of big ‘sheds’ the site costs are relatively limited at £100,000/ha or less. For high quality office development, the cost may be more at around £300,000/ha (so approaching the costs for residential development). Bearing in mind that there will be a range of employment uses, we have assumed that these uses can contribute about £500,000/ha to development scheme.

### **Findings**

- 11.101 Across the mainstream housing sites, when subject to 40% Affordable Housing, the estimated site-specific developer contributions and CIL, the Residual Value is less than the EUV and the BLV indicating the sites are not viable. Having said this, the analysis assumes none of the CIL from the sites would be spent on providing infrastructure for the sites, and to a large extent the developer contributions and CIL are paid up-front.
- 11.102 Further sets of appraisals have been run with and without CIL, and where the payments towards infrastructure are made through the life of the scheme (rather than up front). There are numerous permutations that can be made to improve viability.
- 11.103 Without Affordable Housing, the mainstream housing sites can all make payments of at least £50,000/unit, but above £50,000/unit the sites become unviable. On the other types of development there is scope to make payments of over £10,000/unit, without Affordable Housing. At 20% Affordable Housing the sites can all bear total developer contributions of at least £35,000/unit (market and Affordable Housing). At 30% Affordable Housing the sites can bear total developer contributions of at least £30,000/unit (market and Affordable Housing). There are two exceptions being the [REDACTED] which can bear at least £25,000/unit. At 40% Affordable Housing there is less capacity to bear developer contributions. The sites can bear total developer contributions of at least £20,000/unit (market and Affordable Housing). There is one exception, being the [REDACTED] which can bear at least £15,000/unit.
- 11.104 The capacity for the specialist, non-standard, housing to deliver Affordable Housing and developer contributions is limited.
- 11.105 Over the whole scheme it is anticipated that 35 self-build plots are to be delivered. The high-level modelling assumes that these are distributed across the sites. In this assessment we have assumed that all 35 plots would come forward on a single area, in the mid years of the project. It is assumed that the self-builders buy serviced plots.

- 11.106 The analysis suggests that the provision of serviced self-build plots is likely to contribute positively to the economics of development.
- 11.107 The overall scheme has elements of employment space and retail space. It is assumed that the retail space will comprise relatively small parades of neighbourhood shops that serve the immediate neighbourhood, rather than a wider area. We have assumed that the provision of retail space will be cost neutral overall.
- 11.108 There will be a range of employment uses, we have assumed that these uses can contribute about £500,000/ha to the overall development scheme.

### **Deliverability of Future Chippenham**

- 11.109 Ultimately the purpose of this report is to allow the Council, as landowner, to engage with the Council, as planning authority, concerning the allocation of the land owned by the Council and others to the east of Chippenham.
- 11.110 It is clear that it will be challenging to these sites to deliver 40% Affordable Housing, the best estimate of the strategic infrastructure and mitigation requirements (about £25,000/unit) and CIL (at £103.96/m<sup>2</sup> CIL is about £10,000/unit), particularly where the provision of the strategic infrastructure and mitigation requirements are front loaded and the CIL is paid in the first few years.
- 11.111 The analysis shows that where there is flexibility over the timing of infrastructure payments (s106/s297 or CIL) that these sites are likely to be able to deliver at least 30% the Affordable Housing requirement (at today's costs and values) as well as make a £30,000/unit to £35,000/unit contribution to the strategic infrastructure and mitigation measures, so it is likely that these sites can come forward.
- 11.112 It is beyond the scope of this report to consider the choreography of the delivery of the individual elements of the overall scheme. We again stress the importance of engagement between the Council as landowner and the Council as planning authority, in line with the requirements of the PPG.
- 11.113 It is essential that this process continues so that the policy requirements for these sites can be prioritised and adjusted to ensure the sites can be delivered.
- 11.114 If flexibility is provided in the early stage of the project, provision may be able to be made to ensure policy compliance over the life of the project.

## Appendix 1 – Project Specification

There are two aspects to this work:

### Initial Report

To rejig the work we have done into a simple 'Chippenham Urban Extensions Viability Note'. This would be light touch and really just be a representation of the data we collected through the HIF bid. The notable difference is that the work would explicitly be set in the context of the 2019 NPPF and updated PPG.

The work would be in line with the new RICS Guidance. The work would be presented to be consistent with the wider viability work so not to undermine the wider evidence base.

We would rely on the strategic infrastructure costs form you (Atkins). If specialist QSing is needed that would be in addition (and be provided by Atkins).

This stage would cost £#### plus VAT. I have not allowed for a meeting – as I don't think we need one.

I am a nervous about shifting goal posts on this – this will not be anybody's fault, but simply a fact of life as new information emerges (and it always does). For the 'rehash' and first run of the model our fee quote stands – but for each rerun the extra fee would be £####.

The key bit of information we need is the site by site trajectory (units per year) with the corresponding s106 ask. The challenge we had with this before was that some bits of infrastructure for the whole scheme are required early on – well before planning may even be applied for on some of the later elements. Clearly it is nonsensical to sites contributing 5 or 10 years before they start in site – but that is where the HIF comes in. It is tricky to present in a rational way.

### Discussion and towards a SoCG

The second part is more difficult to cost – just because we don't know the other owners or what their approach and attitude would be. I would hope that everybody can get together and agree something that is quite bland but demonstrates – for a planning inspector – that the site is deliverable.

We would charge for this at our normal day rates (I am currently £### (This is about to go up to £### but we can keep this at £###)).

Please let me know if you wasn't / need more.

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LAND OWNERSHIP INFORMATION				
PLOT NO.	WT REFERENCE	OWNERS & ADDRESS	TOTAL AREA (ha)	LOCAL DEVELOPMENT PLAN ALLOCATION
1	WT114713, WT280948, WT318822	Summix <b>Planning Application: 15/12351/OUT</b>	54.04	✓
2	WT291679	Chippenham 2020. <b>Planning Application: 15/12363/OUT</b>	71.54	✓
3	WT310336	[REDACTED] <b>Planning Application: 15/12363/OUT</b>	15.85	✗
4	WT205891, WT196539	[REDACTED]	21.53	✗
5	WT111641, WT111421, WT273681, WT274717	Wiltshire Council - Hardens Farm. <b>Planning Application: 15/12363/OUT</b>	223.5	✓
6	WT238662	[REDACTED] BDW Trading Limited	12.55	✓
7	WT3118383, WT319790, WT160917	Multiple owners at Hither Dairy	0.82	✗
8	WT214045, WT98165	[REDACTED]	2.85	✗
9	WT292397	[REDACTED]	24.1	✗
10	WT279468, WT279467, WT221667	Multiple owners at Hither House and Ridges House	2.37	✗
11	WT176398	[REDACTED]	10.33	✗
12	WT208659	Chippenham Town Council of Town Hall, High Street, Chippenham, Wilts. <b>Planning Application: N/09/01843/FUL</b>	6.72	✗
13	WT219698	[REDACTED]	3.50	✓
14	WT191779	Stanley Park Sports Ground. <b>Planning Application: N/09/01843/FUL</b>	7.88	✗
15	WT208663	Wedmore Farm and others. <b>Planning Application: 15/06467/FUL</b>	5.88	✗
16	WT227351	Gough/Gleeson. <b>Planning Application: 15/11153/OUT</b>	34.05	✓
17	WT115772, WT518	[REDACTED]	5.58	✓
18	WT167429, WT9279	[REDACTED]	67.96	✗
19	N/A	UNKNOWN LAND - strip north of A4	0.23	✗

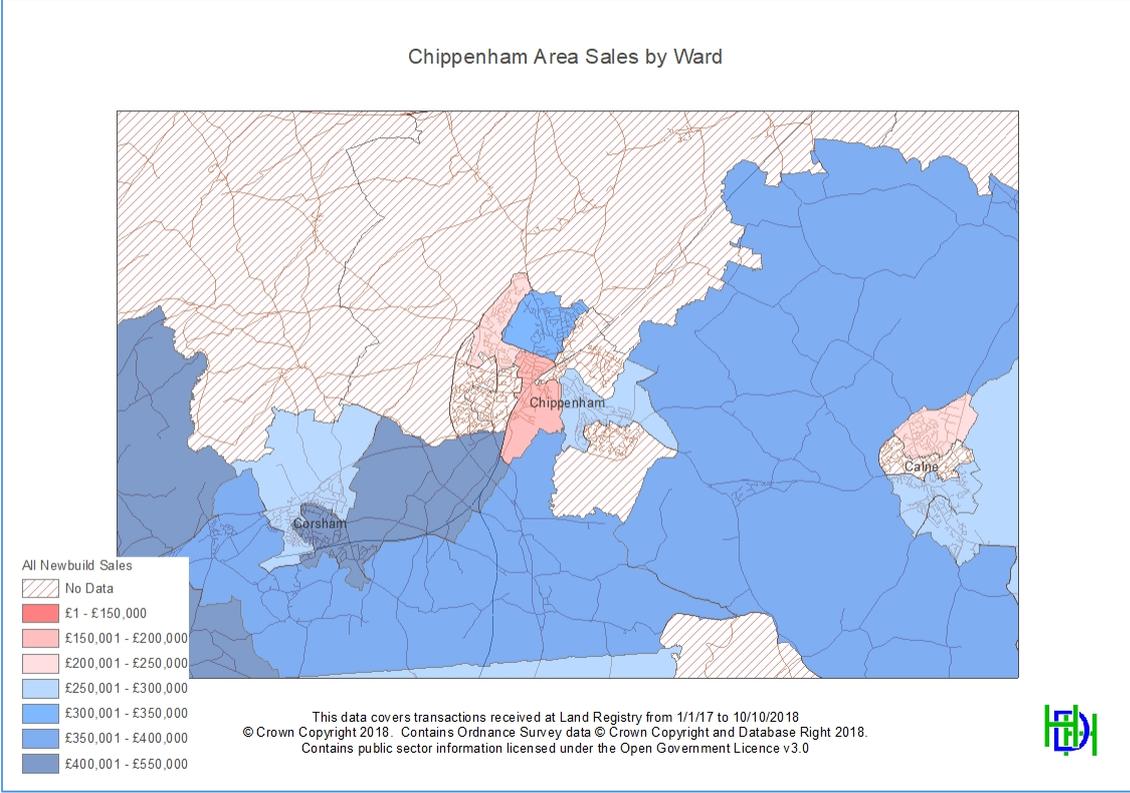
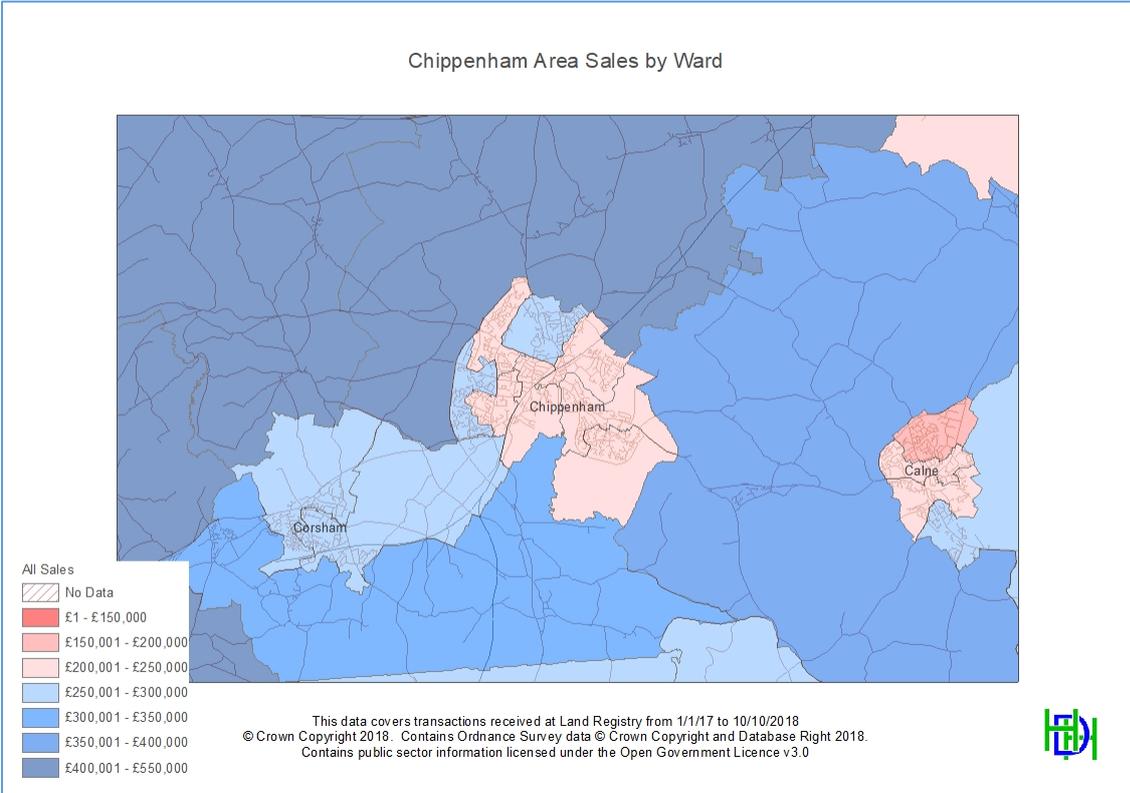
20	WT278442	Secretary of State for Transport of Great Miister House, 76 Marcham Street, London, SW1P 4DR and care of Highways Agency, National Property Management and Disposals, Ash House, Falcon Road, Sowton, Exeter, Exeter, EX2 7LB and of NationalPMB@highways.gsi.gov.uk	0.27	✘
21	WT281012	[REDACTED] as Trustees of the Lord Weinstock Will Trust care of Withers LLP (Ref:PAM), 16 Old Bailey, London, EC4M 7EQ	201.24	✘
22	WT277589	Part of former Canal at Pewsham. <b>Planning Application: N/13/00330/FUL</b>	2.61	✘
23	WT270498	Shiles	41.42	✓
24	WT314989	Shiles. <b>Planning Application: 13/06760/FUL</b>	0.65	✓
25	WT97164	Wiltshire Council - Lodge Farms	200.29	✓
26	WT266283	Wiltshire Council - Lackham College	165.13	✘
27	WT269420	Candy	32.40	✓
28	WT432505, WT277989	Crest/Redcliff. <b>Planning Application: 14/12118/OUT</b>	128.55	✓
29	WT2276050	Westbury Homes (Holdings) Limited and BDW Trading Limited. <b>Planning Application: 18/01102/REM, N/12/00560/OUT, 18/02973/106</b>	3.61	✓
30	WT428486	BDW Trading Limited	4.60	✓
31	WT171037	Langley Estate	23.21	✘
32a	WT420723	BDW Trading Limited	22.93	✘
32b	WT420723	BDW Trading Limited. <b>Planning Application: 18/01102/REM, N/12/00560/OUT, 18/02973/106</b>	19.90	✓
33	WT154670	David Wilson Homes Limited. <b>Planning Application: 17/08471/REM, 18/02973/106, 18/01610/REM, N/12/00560/OUT</b>	8.92	✓
34	WT286511	Persimmon Homes Limited and BWD Trading Limited. <b>Planning Application: 17/07413/REM, 18/02973/106, 18/01610/REM, N/12/00560/OUT</b>	8.06	✓

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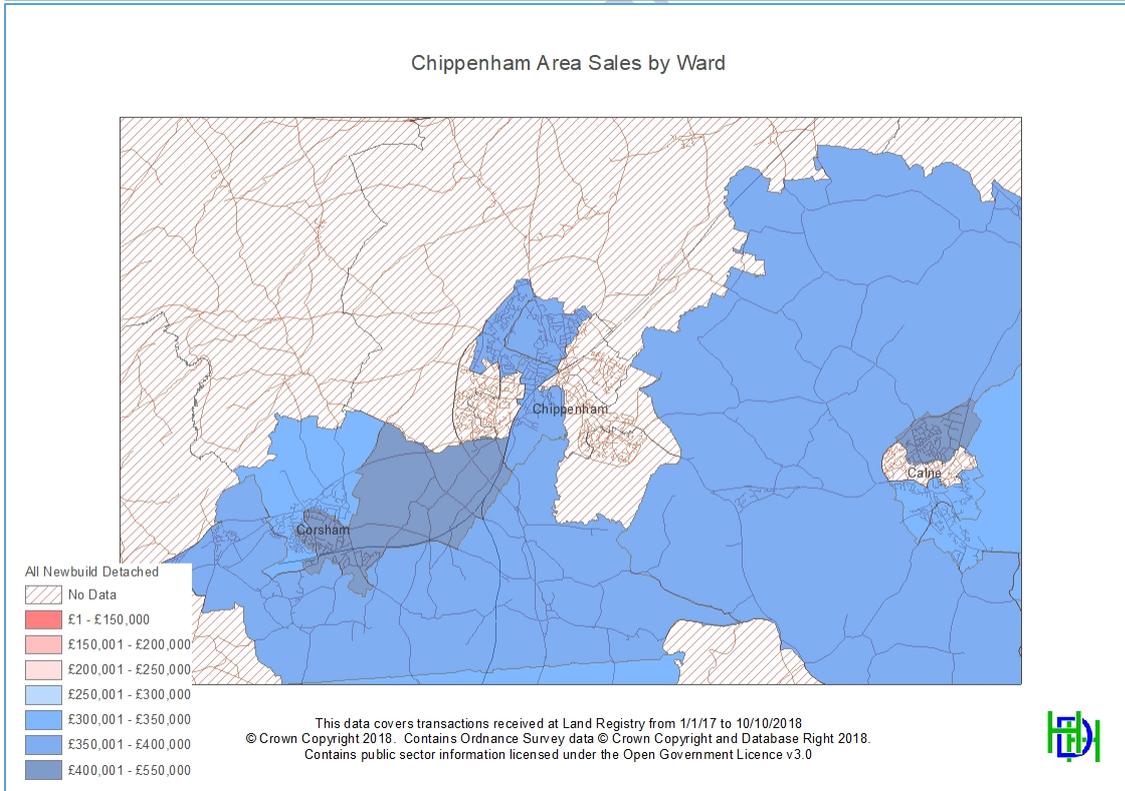
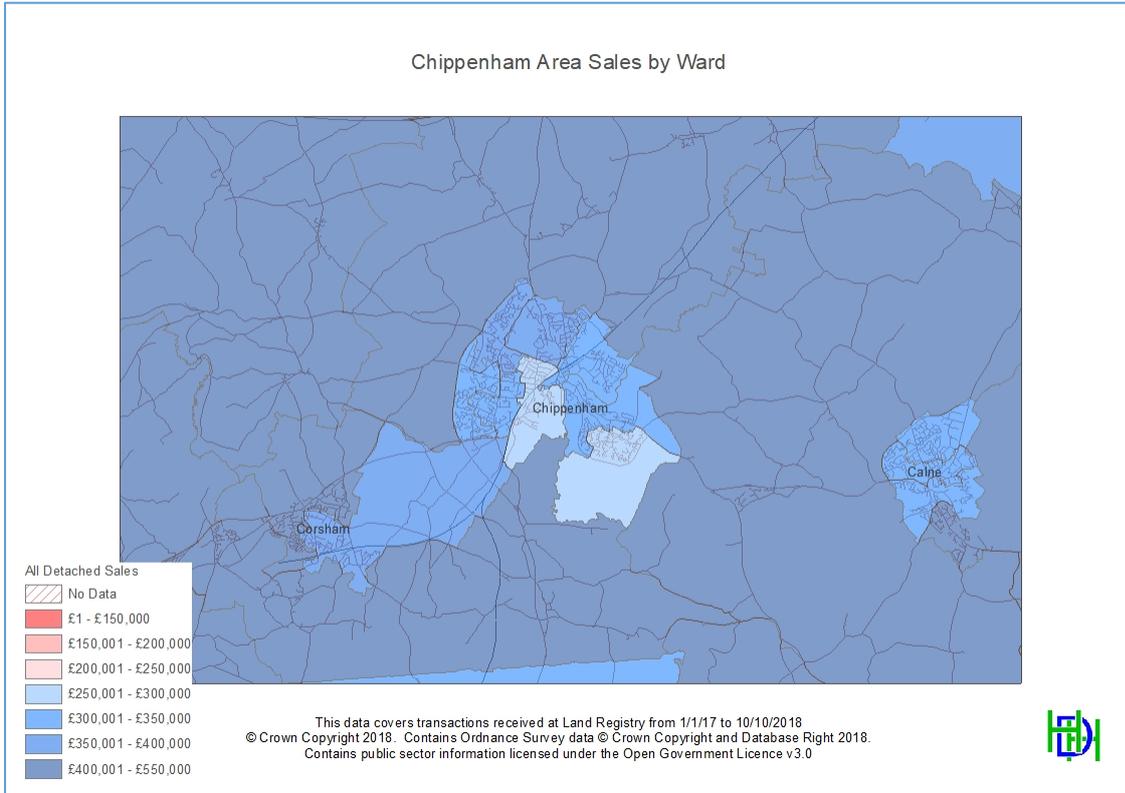


# Appendix 3 – Maps. Median Prices by Ward

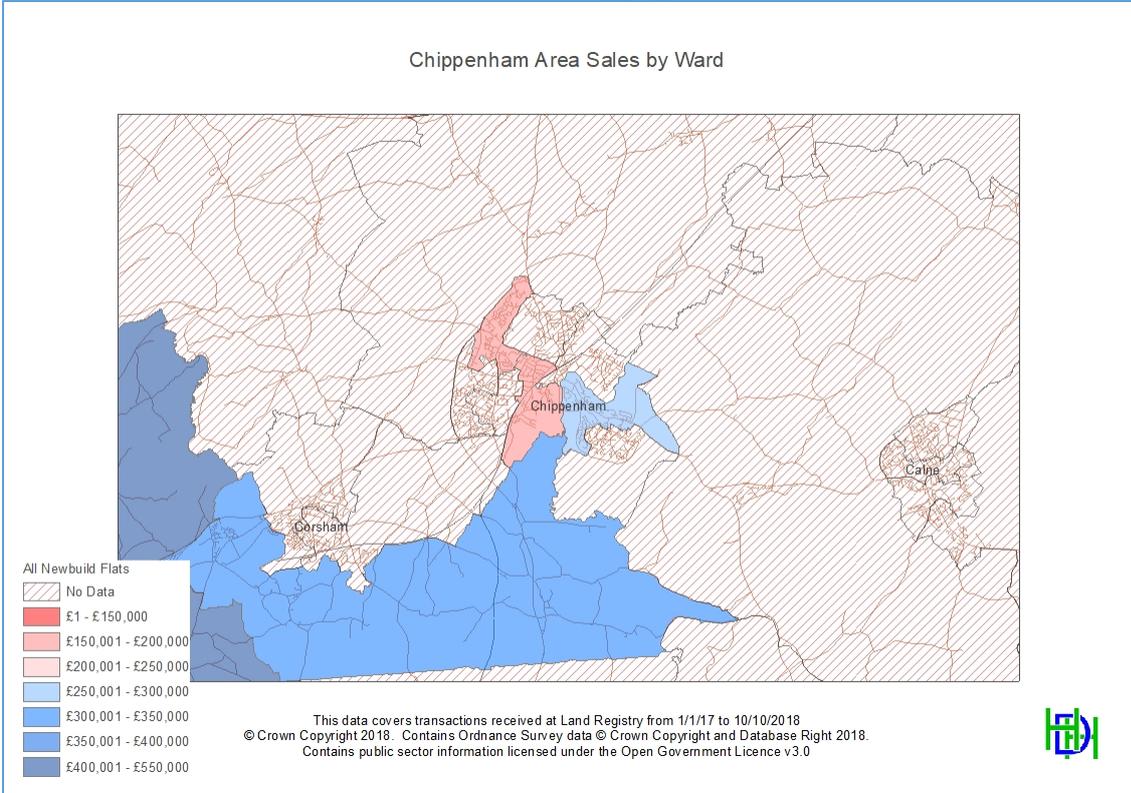
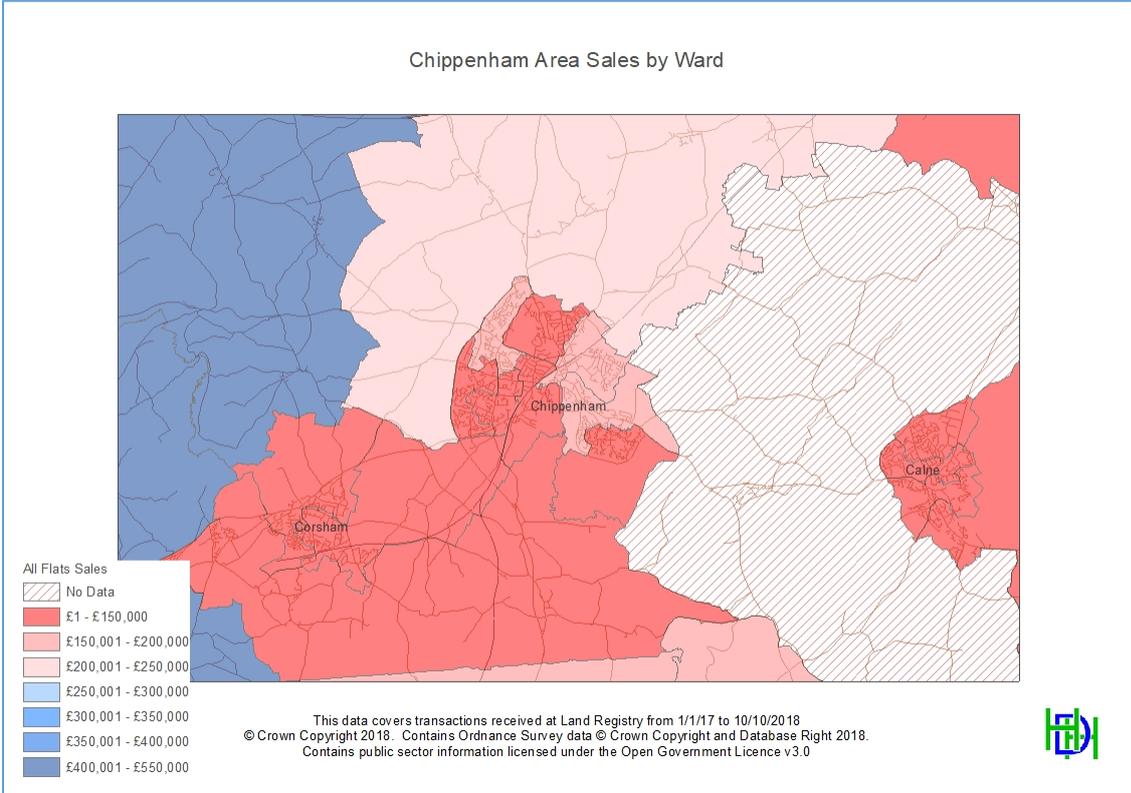
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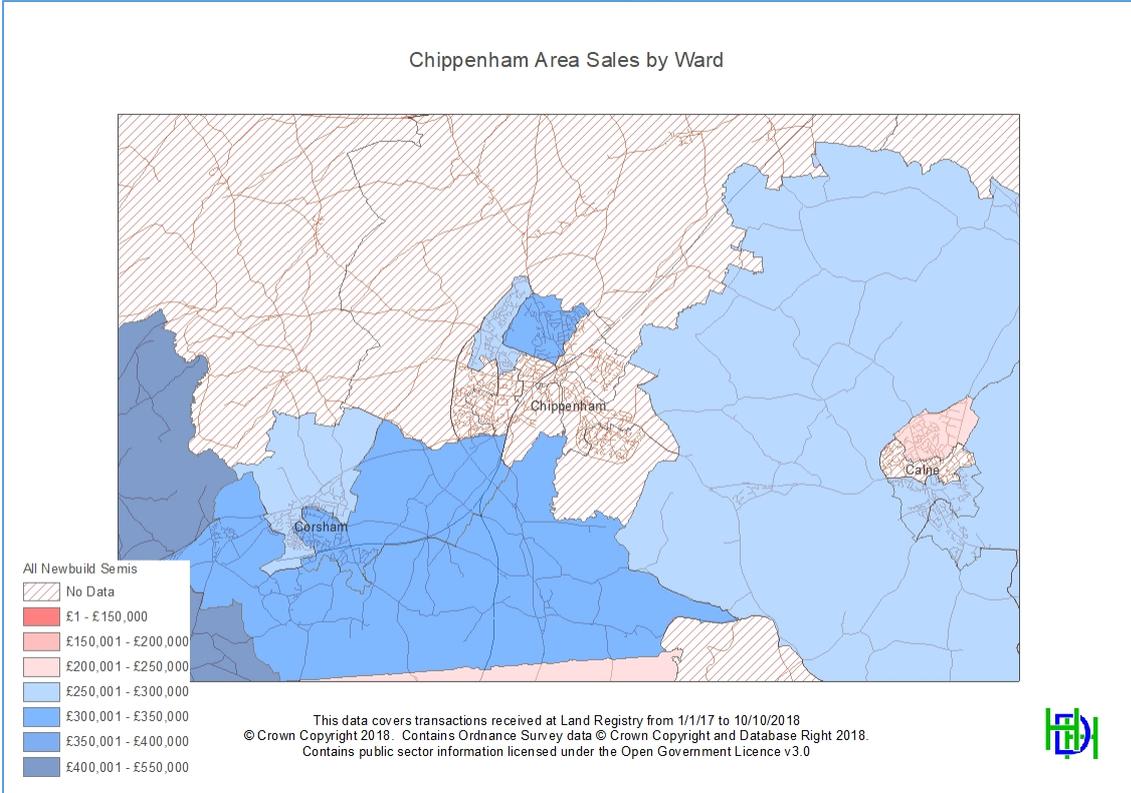
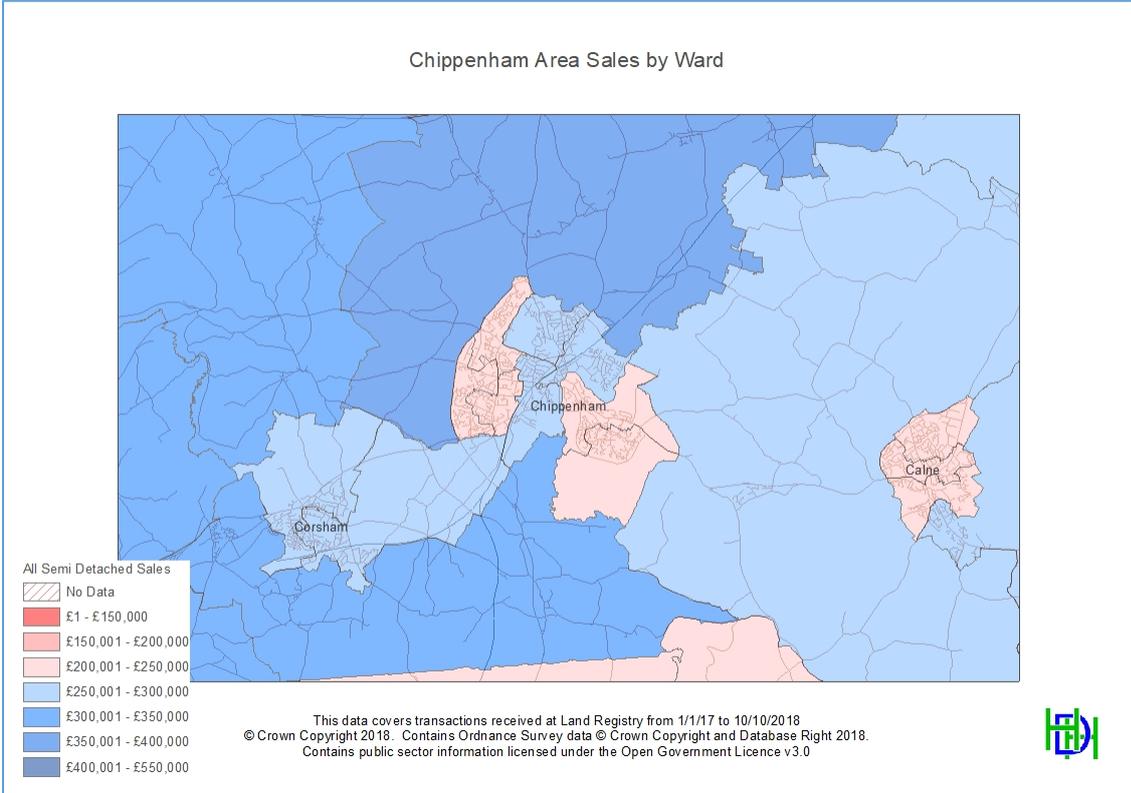
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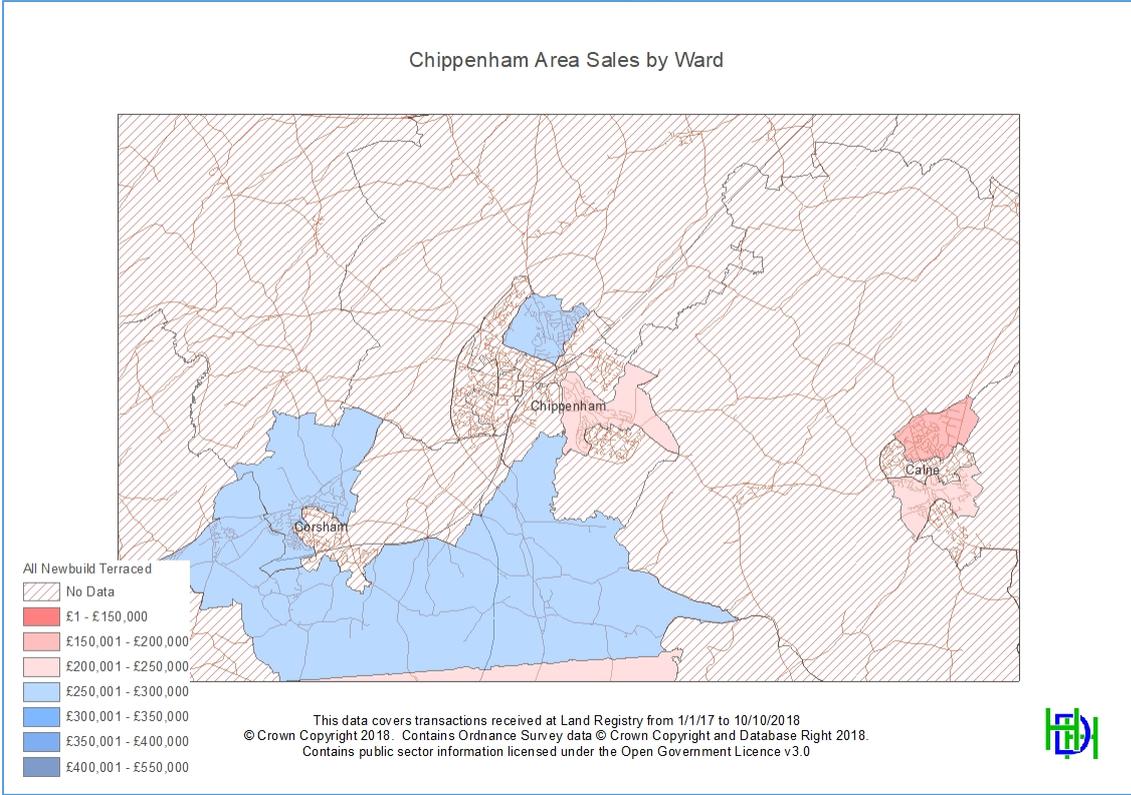
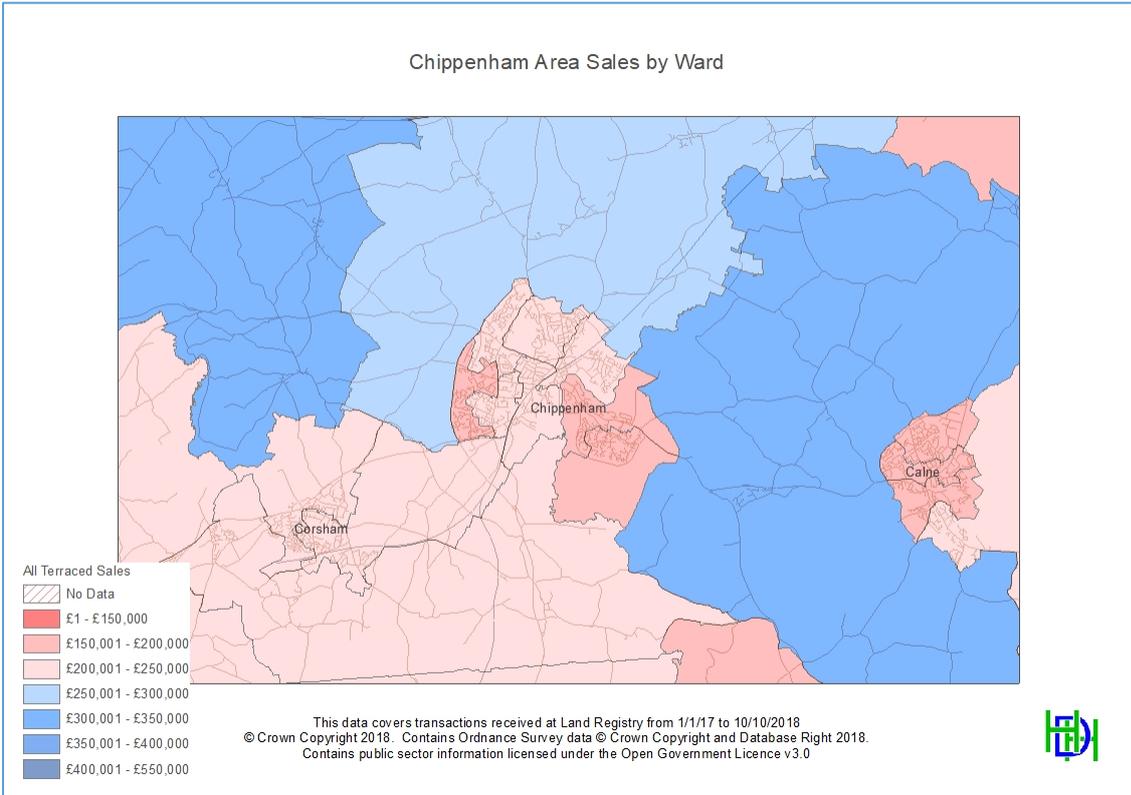
Flats



Semi Detached



Terraced



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## Appendix 4 – Land Registry PPD and EPC Data

Date	Price Paid	Type	SAON	PAON	Street	Locality	Postcode	EPC	£/m <sup>2</sup>
30/01/2018	£169,000	F		5	WEST END CLOSE		SN14 0FN	62	£2,726
13/04/2018	£151,400	F		6	WEST END CLOSE		SN14 0FN	55	£2,753
06/04/2018	£169,000	F		10	WEST END CLOSE		SN14 0FN	62	£2,726
29/03/2018	£299,745	S		1	SIGNAL WAY		SN14 0FP	83	£3,611
29/03/2018	£299,995	S		3	SIGNAL WAY		SN14 0FP	83	£3,614
08/06/2018	£410,000	D		4	SIGNAL WAY		SN14 0FP	123	£3,333
29/03/2018	£329,995	D		5	SIGNAL WAY		SN14 0FP	102	£3,235
29/06/2018	£410,995	D		6	SIGNAL WAY		SN14 0FP	123	£3,341
07/08/2018	£395,995	D		7	SIGNAL WAY		SN14 0FP	123	£3,219
29/06/2018	£315,995	D		8	SIGNAL WAY		SN14 0FP	102	£3,098
31/05/2018	£395,995	D		9	SIGNAL WAY		SN14 0FP	123	£3,219
29/06/2018	£324,995	D		12	SIGNAL WAY		SN14 0FP	102	£3,186
29/06/2018	£315,995	D		16	SIGNAL WAY		SN14 0FP	102	£3,098
28/06/2019	£349,995	D		17	SIGNAL WAY		SN14 0FP	105	£3,333
29/06/2018	£325,000	D		18	SIGNAL WAY		SN14 0FP	102	£3,186
22/06/2018	£161,800	F		19	SIGNAL WAY		SN14 0FP	58	£2,790
29/06/2018	£375,995	D		20	SIGNAL WAY		SN14 0FP	123	£3,057
22/06/2018	£161,800	F		21	SIGNAL WAY		SN14 0FP	58	£2,790
25/05/2018	£279,995	S		22	SIGNAL WAY		SN14 0FP	83	£3,373
22/06/2018	£161,800	F		23	SIGNAL WAY		SN14 0FP	58	£2,790
27/04/2018	£279,995	S		24	SIGNAL WAY		SN14 0FP	83	£3,373
22/06/2018	£161,800	F		25	SIGNAL WAY		SN14 0FP	58	£2,790
20/04/2018	£395,995	D		26	SIGNAL WAY		SN14 0FP	123	£3,219
22/06/2018	£161,800	F		27	SIGNAL WAY		SN14 0FP	58	£2,790
20/04/2018	£395,995	D		28	SIGNAL WAY		SN14 0FP	123	£3,219
22/06/2018	£161,800	F		29	SIGNAL WAY		SN14 0FP	58	£2,790
29/06/2018	£329,995	D		30	SIGNAL WAY		SN14 0FP	102	£3,235
21/12/2018	£269,995	S		31	SIGNAL WAY		SN14 0FP	85	£3,176
31/01/2019	£267,995	S		32	SIGNAL WAY		SN14 0FP	85	£3,153
30/11/2018	£272,995	S		44	SIGNAL WAY		SN14 0FP	85	£3,212
30/11/2018	£277,995	S		46	SIGNAL WAY		SN14 0FP	85	£3,271
28/09/2018	£329,995	D		51	SIGNAL WAY		SN14 0FP	102	£3,235
28/09/2018	£410,995	D		53	SIGNAL WAY		SN14 0FP	123	£3,341
28/09/2018	£324,995	D		55	SIGNAL WAY		SN14 0FP	102	£3,186

31/05/2018	£161,800	F	1	WESTINGHOUSE PARK	SN14 0FQ	58	£2,790
31/05/2018	£161,800	F	2	WESTINGHOUSE PARK	SN14 0FQ	61	£2,652
31/05/2018	£161,800	F	3	WESTINGHOUSE PARK	SN14 0FQ	58	£2,790
31/05/2018	£161,800	F	4	WESTINGHOUSE PARK	SN14 0FQ	61	£2,652
31/05/2018	£161,800	F	5	WESTINGHOUSE PARK	SN14 0FQ	58	£2,790
31/05/2018	£161,800	F	6	WESTINGHOUSE PARK	SN14 0FQ	61	£2,652
28/06/2019	£394,995	D	7	WESTINGHOUSE PARK	SN14 0FQ	123	£3,211
12/11/2019	£395,995	D	8	WESTINGHOUSE PARK	SN14 0FQ	123	£3,219
28/06/2019	£325,995	D	9	WESTINGHOUSE PARK	SN14 0FQ	102	£3,196
31/05/2019	£285,500	S	10	WESTINGHOUSE PARK	SN14 0FQ	85	£3,359
31/05/2019	£265,000	S	11	WESTINGHOUSE PARK	SN14 0FQ	85	£3,118
19/12/2018	£275,995	T	9	FLYING SCOTSMAN CLOSE	SN14 0FR	85	£3,247
21/12/2018	£269,995	T	10	FLYING SCOTSMAN CLOSE	SN14 0FR	85	£3,176
21/12/2018	£270,000	T	11	FLYING SCOTSMAN CLOSE	SN14 0FR	85	£3,176
05/11/2018	£415,995	D	12	FLYING SCOTSMAN CLOSE	SN14 0FR	123	£3,382
22/01/2018	£379,000	D	39	HILL CORNER ROAD	SN15 1DW	116	£3,267
12/02/2018	£315,000	T	5	PARKLANDS GARDENS	SN15 1FJ	117	£2,692
04/06/2018	£387,000	D	1	CHANDLERS MEWS	SN15 1FL	116	£3,336
19/06/2018	£427,000	D	2	CHANDLERS MEWS	SN15 1FL	131	£3,260
08/06/2018	£299,000	S	3	CHANDLERS MEWS	SN15 1FL	120	£2,492
06/07/2018	£290,000	S	4	CHANDLERS MEWS	SN15 1FL	120	£2,417
02/02/2018	£405,000	D	6	CHANDLERS MEWS	SN15 1FL	116	£3,491
16/11/2018	£284,995	D	6	HICKORY WAY	SN15 1FP	84	£3,393
12/04/2019	£329,995	S	7	HICKORY WAY	SN15 1FP	99	£3,333
09/11/2018	£244,995	S	8	HICKORY WAY	SN15 1FP	69	£3,551
01/02/2019	£234,995	S	9	HICKORY WAY	SN15 1FP	63	£3,730
30/11/2018	£239,995	S	10	HICKORY WAY	SN15 1FP	69	£3,478
08/02/2019	£234,995	S	11	HICKORY WAY	SN15 1FP	63	£3,730
16/11/2018	£284,995	D	12	HICKORY WAY	SN15 1FP	84	£3,393
15/11/2018	£299,995	D	14	HICKORY WAY	SN15 1FP	88	£3,409
28/06/2019	£334,995	S	15	HICKORY WAY	SN15 1FP	99	£3,384
16/11/2018	£309,995	D	16	HICKORY WAY	SN15 1FP	91	£3,407
24/06/2019	£335,995	S	17	HICKORY WAY	SN15 1FP	99	£3,394
30/11/2018	£410,181	O	18	HICKORY WAY	SN15 1FP	98	£4,186
29/03/2019	£284,995	S	19	HICKORY WAY	SN15 1FP	78	£3,654
28/06/2019	£301,995	D	21	HICKORY WAY	SN15 1FP		
23/11/2018	£247,995	S	22	HICKORY WAY	SN15 1FP	69	£3,594
28/06/2019	£218,963	S	23	HICKORY WAY	SN15 1FP	58	£3,775

15/11/2018	£247,995	S	24	HICKORY WAY	SN15 1FP	69	£3,594
28/06/2019	£224,995	S	25	HICKORY WAY	SN15 1FP	58	£3,879
23/11/2018	£312,995	D	26	HICKORY WAY	SN15 1FP	91	£3,440
28/06/2019	£231,000	S	27	HICKORY WAY	SN15 1FP	69	£3,348
18/12/2018	£249,995	S	28	HICKORY WAY	SN15 1FP	69	£3,623
28/06/2019	£239,995	S	29	HICKORY WAY	SN15 1FP	69	£3,478
29/11/2018	£249,995	S	30	HICKORY WAY	SN15 1FP	69	£3,623
30/05/2019	£309,995	D	31	HICKORY WAY	SN15 1FP	88	£3,523
29/11/2018	£219,995	S	32	HICKORY WAY	SN15 1FP	58	£3,793
12/04/2019	£220,000	S	33	HICKORY WAY	SN15 1FP	58	£3,793
12/12/2018	£219,995	S	34	HICKORY WAY	SN15 1FP	58	£3,793
05/04/2019	£221,995	S	35	HICKORY WAY	SN15 1FP	58	£3,828
14/12/2018	£249,995	S	36	HICKORY WAY	SN15 1FP	69	£3,623
28/02/2019	£239,995	S	38	HICKORY WAY	SN15 1FP	69	£3,478
14/12/2018	£313,995	D	40	HICKORY WAY	SN15 1FP	91	£3,450
19/07/2019	£299,995	D	41	HICKORY WAY	SN15 1FP	91	£3,297
20/12/2018	£269,995	S	42	HICKORY WAY	SN15 1FP	84	£3,214
28/06/2019	£239,995	D	43	HICKORY WAY	SN15 1FP	69	£3,478
14/12/2018	£269,995	S	44	HICKORY WAY	SN15 1FP	84	£3,214
24/05/2019	£238,737	S	45	HICKORY WAY	SN15 1FP	69	£3,460
12/04/2019	£268,190	S	47	HICKORY WAY	SN15 1FP	84	£3,193
28/02/2019	£274,995	T	49	HICKORY WAY	SN15 1FP	84	£3,274
22/03/2019	£274,995	S	51	HICKORY WAY	SN15 1FP	84	£3,274
22/03/2019	£269,995	S	53	HICKORY WAY	SN15 1FP	84	£3,214
22/03/2019	£297,495	D	55	HICKORY WAY	SN15 1FP	88	£3,381
08/03/2019	£300,000	D	56	HICKORY WAY	SN15 1FP	91	£3,297
07/06/2019	£237,995	T	58	HICKORY WAY	SN15 1FP	69	£3,449
20/12/2018	£219,995	T	60	HICKORY WAY	SN15 1FP	58	£3,793
20/12/2018	£244,995	T	62	HICKORY WAY	SN15 1FP	69	£3,551
12/04/2019	£236,995	S	1	HAZEL CRESCENT	SN15 1FQ	63	£3,762
26/04/2019	£236,995	S	3	HAZEL CRESCENT	SN15 1FQ	63	£3,762
26/04/2019	£234,995	S	5	HAZEL CRESCENT	SN15 1FQ	63	£3,730
22/05/2019	£294,995	D	7	HAZEL CRESCENT	SN15 1FQ	84	£3,512
27/09/2019	£294,995	D	10	HAZEL CRESCENT	SN15 1FQ	84	£3,512
28/06/2019	£284,995	S	12	HAZEL CRESCENT	SN15 1FQ	78	£3,654
21/06/2019	£274,995	T	25	HAZEL CRESCENT	SN15 1FQ	76	£3,618
28/06/2019	£274,995	T	27	HAZEL CRESCENT	SN15 1FQ	76	£3,618
27/06/2019	£284,995	T	29	HAZEL CRESCENT	SN15 1FQ	78	£3,654

06/09/2019	£283,995	S	31	HAZEL CRESCENT	SN15 1FQ	78	£3,641
29/03/2019	£224,995	D	2	BEECH CLOSE	SN15 1FR	58	£3,879
29/04/2019	£219,995	S	4	BEECH CLOSE	SN15 1FR	58	£3,793
26/04/2019	£224,995	S	6	BEECH CLOSE	SN15 1FR	58	£3,879
03/05/2019	£224,995	S	8	BEECH CLOSE	SN15 1FR	58	£3,879
28/06/2019	£312,995	D	10	BEECH CLOSE	SN15 1FR	91	£3,440
31/05/2019	£245,750	S	12	BEECH CLOSE	SN15 1FR	69	£3,562
31/05/2019	£234,995	S	14	BEECH CLOSE	SN15 1FR	69	£3,406
31/05/2019	£239,995	S	16	BEECH CLOSE	SN15 1FR	69	£3,478
23/08/2019	£235,000	S	18	BEECH CLOSE	SN15 1FR	69	£3,406
12/07/2019	£300,000	D	20	BEECH CLOSE	SN15 1FR	91	£3,297
22/02/2019	£294,995	D	1	WALNUT DRIVE	SN15 1FS	84	£3,512
18/04/2019	£273,695	T	2	WALNUT DRIVE	SN15 1FS	76	£3,601
01/03/2019	£275,995	S	3	WALNUT DRIVE	SN15 1FS	76	£3,632
21/06/2019	£275,995	T	4	WALNUT DRIVE	SN15 1FS	76	£3,632
30/05/2019	£274,995	T	5	WALNUT DRIVE	SN15 1FS	76	£3,618
15/03/2019	£269,995	T	6	WALNUT DRIVE	SN15 1FS	76	£3,553
17/05/2019	£276,995	T	8	WALNUT DRIVE	SN15 1FS	76	£3,645
13/06/2019	£269,995	T	10	WALNUT DRIVE	SN15 1FS	76	£3,553
13/09/2019	£296,995	D	11	WALNUT DRIVE	SN15 1FS	84	£3,536
08/03/2019	£266,995	T	12	WALNUT DRIVE	SN15 1FS	76	£3,513
06/09/2019	£299,995	D	14	WALNUT DRIVE	SN15 1FS	84	£3,571
12/09/2019	£339,995	D	1	FILBERT STREET	SN15 1FT	99	£3,434
27/09/2019	£276,995	S	2	FILBERT STREET	SN15 1FT	76	£3,645
20/09/2019	£334,995	D	3	FILBERT STREET	SN15 1FT	99	£3,384
21/06/2019	£278,995	S	4	FILBERT STREET	SN15 1FT	76	£3,671
27/09/2019	£279,995	S	5	FILBERT STREET	SN15 1FT	76	£3,684
28/06/2019	£296,995	D	6	FILBERT STREET	SN15 1FT	84	£3,536
27/09/2019	£279,995	S	7	FILBERT STREET	SN15 1FT	76	£3,684
11/10/2019	£297,995	D	9	FILBERT STREET	SN15 1FT	84	£3,548
18/10/2019	£334,995	S	11	FILBERT STREET	SN15 1FT	99	£3,384
28/06/2019	£286,995	S	14	FILBERT STREET	SN15 1FT	78	£3,679
25/10/2019	£334,995	S	15	FILBERT STREET	SN15 1FT	99	£3,384
28/06/2019	£279,995	S	16	FILBERT STREET	SN15 1FT	76	£3,684
28/06/2019	£279,995	S	18	FILBERT STREET	SN15 1FT	76	£3,684
28/06/2019	£287,995	S	20	FILBERT STREET	SN15 1FT	78	£3,692
09/08/2019	£238,995	S	22	FILBERT STREET	SN15 1FT	63	£3,794
09/08/2019	£236,995	S	24	FILBERT STREET	SN15 1FT	63	£3,762

25/10/2019	£279,995	S	26	FILBERT STREET		SN15 1FT	78	£3,590
30/08/2019	£289,995	S	28	FILBERT STREET		SN15 1FT	78	£3,718
15/11/2019	£249,995	S	1	GRIFFIN WALK		SN15 1FU	99	£2,525
15/11/2019	£238,995	S	3	GRIFFIN WALK		SN15 1FU	85	£2,812
25/11/2019	£243,995	S	7	GRIFFIN WALK		SN15 1FU	85	£2,871
25/11/2019	£242,995	S	9	GRIFFIN WALK		SN15 1FU	85	£2,859
15/11/2019	£229,995	S	1	HATHERALL DRIVE		SN15 1FW	59	£3,898
15/11/2019	£214,995	S	3	HATHERALL DRIVE		SN15 1FW	59	£3,644
29/11/2019	£221,000	S	9	HATHERALL DRIVE		SN15 1FW	59	£3,746
15/11/2019	£304,995	D	1	BRYANT CLOSE		SN15 1FX	90	£3,389
29/11/2019	£302,500	D	2	BRYANT CLOSE		SN15 1FX	90	£3,361
18/07/2019	£204,000	D		LAUREL COTTAGE, 3		BROMHAM SN15 2EZ	141	£1,447
20/07/2018	£400,000	D	5	JOCKEY LANE		BROMHAM SN15 2EZ	125	£3,200
11/11/2019	£350,000	D	7	JOCKEY LANE		BROMHAM SN15 2EZ	117	£2,991
22/03/2019	£335,000	S	9	JOCKEY LANE		BROMHAM SN15 2EZ	115	£2,913
03/09/2018	£362,500	S	11	JOCKEY LANE		BROMHAM SN15 2EZ	126	£2,877
28/02/2018	£245,000	F	9	WATERFORD PLACE		SN15 3GX		
26/01/2018	£305,000	F	12	WATERFORD PLACE		SN15 3GX	79	£3,861
19/01/2018	£250,000	F	26	WATERFORD PLACE		SN15 3GX	54	£4,630
15/01/2018	£205,000	F	38	WATERFORD PLACE		SN15 3GX	54	£3,796
11/06/2019	£116,000	F	1	THE TOLL HOUSE, 22		LYNEHAM SN15 4PS		
10/05/2019	£115,500	F	5	THE TOLL HOUSE, 22		LYNEHAM SN15 4PS	49	£2,357

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## Appendix 5 – Newbuild Asking Prices

				Garage	Beds	M2	Type	Asking Price	£/m2
Barratt	Birds Marsh View	NE Chippenham	Maidstone		3	75	SD	£277,995	£3,707
					3	75	SD	£279,995	£3,733
					3	75	SD	£279,995	£3,733
					3	75	D	£287,995	£3,840
			Folkstone		3	74	SD	£277,995	£3,757
			Moresby		3	76.5	End Terrace	£282,995	£3,699
			Woodcote		4	95	SD	£319,995	£3,368
Persimmon	Birds Marsh View	NE Chippenham	Kingsley		4	110	D	£344,995	£3,136
			Alnwick		2	55	T	£219,995	£4,000
			Alnwick		2	55	End T	£221,995	£4,036
			Alnwick		2	55	End T	£221,996	£4,036
			Alnwick		2	55	SD	£226,995	£4,127
			Alnwick		2	55	SD	£226,996	£4,127
			Hanbury		3	66	D	£249,995	£3,788
			Hanbury		3	66	D	£249,996	£3,788
			Souter		3	74	SD	£254,995	£3,446
			Souter		3	74	SD	£254,996	£3,446
			Souter		3	74	SD	£254,997	£3,446
			Souter		3	74	SD	£254,998	£3,446
			Souter		3	74	SD	£254,999	£3,446
			Souter		3	74	SD	£255,000	£3,446
			Souter		3	74	SD	£255,001	£3,446
			Chatworth	Int	3	91	SD	£279,995	£3,077
			Chatworth	Int	3	91	SD	£279,996	£3,077
			Hatfield		3	89	D	£309,995	£3,483
			Hatfield		3	89	D	£309,995	£3,483
			Hatfield		3	89	D	£309,995	£3,483
Clayton Corner		3	89	D	£314,995	£3,539			
Clayton		3	89	D	£319,995	£3,595			
Bloor	Hilltop Park	S Chippenham	Kilburn		3	78	SD	£272,000	£3,487
			Kilburn		3	78	SD	£272,000	£3,487
			Makenzie		3	89	SD	£285,000	£3,202

Client	Location	Site Name	Count	Area (sqm)	Category	Value (£)	Value (£)	
Crest Nicholson	Langley Point	Central Chippenham	Makenzie	3	89	SD	£285,000	£3,202
		Hallam	4	104	D	£342,000	£3,288	
		Brooke	4	110	D	£377,000	£3,427	
		Davoli	2	86	F	£230,000	£2,674	
		Dalia	1	50.5	F	£174,000	£3,446	
		Dalia	1	50.5	F	£174,000	£3,446	
		Dulcio	2	74	F	£229,000	£3,095	
		Dalia	1	50.5	F	£175,000	£3,465	
		Dulcio	2	74	F	£230,000	£3,108	
		Dalia	1	50.5	F	£176,000	£3,485	
		Dulcio	2	74	F	£231,000	£3,122	

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## Appendix 6 – CoStar Non- Residential Data

*The pages in this appendix are not numbered.*

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# Lease Comps Summary

Lease Comps Report

Deals

Asking Rent Per SF

Achieved Rent Per SF

Avg. Months On Market

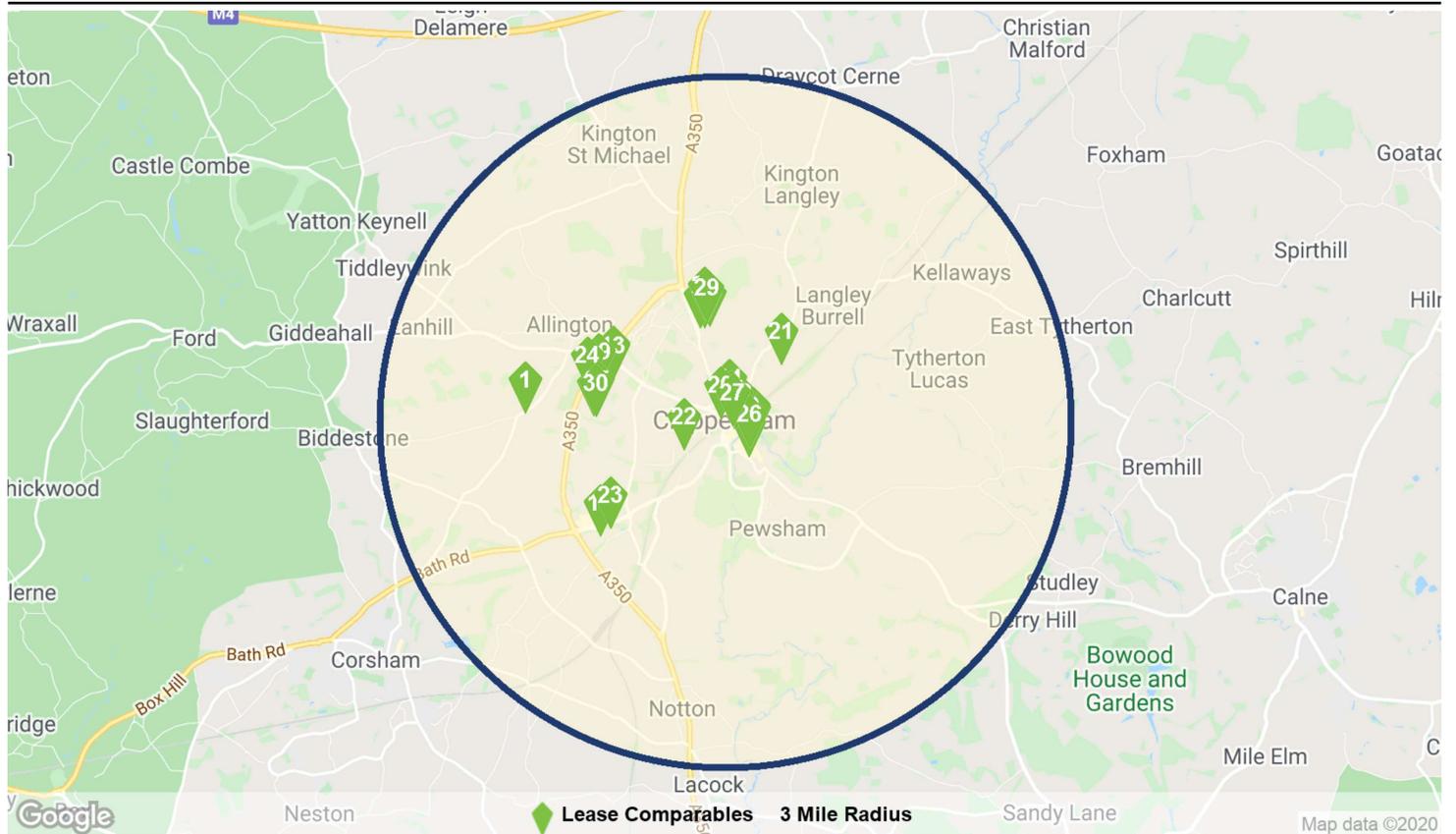
**45**

**£12.70**

**£11.99**

**14**

## LEASE COMPARABLES



## SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	32	£7.11	£12.70	£12.57	£27.60
Achieved Rent Per SF	25	£6.84	£11.99	£11.50	£27.60
Net Effective Rent Per SF	20	£7.11	£12.16	£11.82	£27.60
Asking Rent Discount	18	-12.6%	8.1%	5.2%	45.7%
TI Allowance	-	-	-	-	-
Rent Free Months	10	0	2	0	9

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	39	1	14	7	115
Deal Size	45	100	3,734	2,001	43,792
Lease Deal in Months	26	6.0	66.0	60.0	130.0
Floor Number	45	GRND	GRND	GRND	2

# Lease Comps Summary

## Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1 Unit 5 Rowan House	★★★★★	1,303	1st	01/11/2019	New	£11.51/fri	Achieved
2 65 St Mary St	★★★★★	2,774	GRND,1-2	20/10/2019	New	£8.65/fri	Achieved
3 Greenways Business Park Malmesbury Rd	★★★★★	4,011	GRND	11/10/2019	New	£14.50/fri	Asking
1 6a Rowan House	★★★★★	535	1st	21/09/2019	New	£14.01/fri	Asking
4 Bellinger Close	★★★★★	3,126	GRND	01/08/2019	New	£14.50/fri	Asking
5 Morris Court 40a New Rd	★★★★★	1,180	GRND,1	05/06/2019	New	£10.67/iro	Effective
6 Bellinger Close	★★★★★	10,651	GRND,1	23/05/2019	New	£14.08	Effective
4 Bellinger Close	★★★★★	7,200	1-2	01/05/2019	New	£14.03/fri	Effective
7 Bumpers Way	★★★★★	3,216	GRND,1	25/04/2019	New	£10.32/fri	Effective
8 Lord Wilmott House 12a Cavalier Court	★★★★★	1,250	GRND	16/04/2019	New	£7.60/fri	Asking
9 66 St Mary St	★★★★★	1,230	GRND,1-2	15/04/2019	New	£9.76/iro	Effective
10 Bumpers Way	★★★★★	1,494	GRND,1	05/04/2019	New	£11.38	Achieved
11 Syms Building Bumpers Way	★★★★★	133	GRND	15/03/2019	New	-	-
11 Syms Building Bumpers Way	★★★★★	217	1st	15/03/2019	New	£25.35/fri	Asking
12 Avon Reach 2 Avon Reach, Monkton HI	★★★★★	2,001	GRND,1	15/02/2019	New	£8.23/fri	Effective
13 Bumpers Way Unit 1a Syms Yard	★★★★★	628	GRND	19/01/2019	New	£14.33/iro	Effective
14 41-42 New Rd	★★★★★	1,852	GRND,1	01/01/2019	New	£11.88/fri	Effective
15 Saxon Court Gladstone Rd	★★★★★	1,299	1st	31/10/2018	New	£9.23/iri	Asking
16 10 Monkton HI	★★★★★	729	2nd	21/09/2018	New	£9.26	Asking
17 Station Hill House 6-8 New Rd	★★★★★	225	2nd	21/09/2018	New	£13.77	Asking
18 Buildings A1-A2 Methuen Park	★★★★★	2,678	GRND	18/09/2018	New	-	-

# Lease Comps Summary

## Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
18 Buildings A1-A2 Methuen Park	★★★★★	2,757	1st	18/09/2018	New	-	-
18 Buildings A1-A2 Methuen Park	★★★★★	2,789	1st	18/09/2018	New	-	-
19 Cornbrash Park 3A Bumpers Way	★★★★★	9,632	GRND,1	11/09/2018	New	£11.75	Effective
11 Syms Building 8 Bumpers Way	★★★★★	702	GRND	31/08/2018	New	£24.93/fri	Asking
20 Bewley House Marshfield Rd	★★★★★	2,705	2nd	08/05/2018	New	£14.75	Effective
17 Station Hill House 6-8 New Rd	★★★★★	503	1st	01/05/2018	New	£10.93	Effective
10 Bumpers Way	★★★★★	1,494	GRND,1	23/04/2018	New	£10.04	Achieved
3 Greenways Business Park Malmesbury Rd	★★★★★	3,987	GRND	23/04/2018	Renewal	£13.98	Effective
21 Connect 17 Avon Way	★★★★★	12,452	1st	20/04/2018	New	£11.50/fri	Effective
22 Rear Of Phoenix House 37 Palmer St	★★★★★	420	GRND	30/03/2018	New	£10.71/iri	Achieved
23 Scisys Building Methuen Park	★★★★★	43,792	GRND	20/03/2018	Renewal	£12.21	Effective
21 Connect 17 Avon Way	★★★★★	12,452	GRND	15/01/2018	New	£12.50/fri	Asking
1 Sheldon Corner	★★★★★	1,463	1st	18/11/2017	New	£10.66/fri	Effective
24 A1-A7 Vincients Rd	★★★★★	3,516	GRND,1	18/11/2017	New	£7.11/fri	Effective
25 Lansdowne Business Ce... Byron House, Bumpers Way	★★★★★	100	GRND	11/10/2017	New	£27.60	Effective
25 Lansdowne Business Ce... Byron House, Bumpers Way	★★★★★	134	GRND	26/09/2017	New	-	-
26 7 Market Pl	★★★★★	518	1st	26/09/2017	New	£12.55	Effective
27 Pearl Assurance House 3-4 New Rd	★★★★★	1,652	1st	20/09/2017	New	£9.69	Asking
28 Bellinger Close	★★★★★	3,337	GRND	15/09/2017	New	£14.50/fri	Asking
20 Bewley House Marshfield Rd	★★★★★	4,865	GRND	15/08/2017	New	-	-
29 Malmesbury Rd	★★★★★	2,437	1st	25/07/2017	New	£13.26/fri	Effective

# Lease Comps Summary

## Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
 <b>Bellinger Close</b>	★ ★ ★ ★ ★	3,207	1st	21/07/2017	New	£14.50/fri	Asking
 <b>Greenways Business Park</b> Malmesbury Rd	★ ★ ★ ★ ★	2,618	GRND	18/04/2017	New	£14.50/fri	Asking
 <b>Bumpers Way</b>	★ ★ ★ ★ ★	2,779	GRND,1	30/03/2017	New	£10.62/fri	Effective

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	Sheldon Business Park Chippenham, SN14 0SQ <i>Wiltshire Submarket</i>	Different By Design South West Ltd Sheldon Business Park Limited	1,303 New Direct	Nov 2019 5 Years	£11.51/SF		Nov 2022
	65 St Mary St Chippenham, SN15 3JF <i>Wiltshire Submarket</i>	Batt Broadbent Solicitors	2,774 New Direct	Oct 2019 5 Years	£8.65/SF		
	<b>Greenways Business Park</b> Malmesbury Rd Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	Medvivo Group Limited Pfc Property Ltd	4,011 New Direct	Oct 2019 3 Years		£3.51/SF	
	Sheldon Business Park Chippenham, SN14 0SQ <i>Wiltshire Submarket</i>	Sheldon Business Park Limited	535 New Direct	Sep 2019			
	Greenways Business Park Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	Goughs Solicitors	3,126 New Direct	Jan 2020 10 Years		£5.63/SF	
	<b>Morris Court</b> 40a New Rd Chippenham, SN15 1HL <i>Wiltshire Submarket</i>	Go Train	1,180 New Direct	Jul 2019 3 Years	£10.67/SF £10.67/SF	0 Mos £4.74/SF	

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Bellinger Close Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	Weanswer Timberlaine Properties plc	10,651 New Sublease	May 2019 10 Years 10 Mon...	£14.08/SF £14.08/SF		Mar 2025 Mar 2020...
 	Greenways Business Park Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	Hexagon	7,200 New Direct	Jul 2019 10 Years	£14.50/SF £14.03/SF	3 Mos at Start £5.77/SF	Jul 2024 Jul 2024
 	Bumpers Way Chippenham, SN14 6RA <i>Wiltshire Submarket</i>	Fortem Solutions Limited Clearbell Capital LLP	3,216 New Direct	May 2019 10 Years	£9.32/SF £10.32/SF	£5.47/SF	May 2022
 	<b>Lord Wilmott House</b> Bumpers Way Chippenham, SN14 6LH <i>Wiltshire Submarket</i>	Country Estates Ltd	1,250 New Direct	May 2019 3 Years		£2.61/SF	
 	66 St Mary St Chippenham, SN15 3JF <i>Wiltshire Submarket</i>		1,230 New Direct	May 2019 3 Years	£9.76/SF £9.76/SF	0 Mos	
 	Bumpers Way Chippenham, SN14 6RA <i>Wiltshire Submarket</i>	Actis Insulation Ltd Wiltshire Council	1,494 New Direct	Apr 2019	£11.38/SF		Apr 2020

## Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	<b>Syms Building</b> Bumpers Way Chippenham, SN14 6LH <i>Wiltshire Ind Submarket</i>		133 New Direct	Apr 2019			
 	<b>Syms Building</b> Bumpers Way Chippenham, SN14 6LH <i>Wiltshire Ind Submarket</i>		217 New Direct	Apr 2019			
 	<b>Avon Reach</b> Monkton HI Chippenham, SN15 1EE <i>Wiltshire Submarket</i>	Mintivo Ltd Avon Reach Management Ltd	2,001 New Direct	Mar 2019 5 Years	£9.90/SF £8.23/SF	9 Mos at Start £4.32/SF	Feb 2022 Feb 2022
 	<b>Bumpers Way</b> Unit 1a Syms Yard Chippenham, SN14 6LH <i>Wiltshire Submarket</i>		628 New Direct	Mar 2019 5 Years	£14.33/SF £14.33/SF	0 Mos	
 	41-42 New Rd Chippenham, SN15 1JQ <i>Wiltshire Submarket</i>		1,852 New Direct	Mar 2019 10 Years	£11.88/SF £11.88/SF		Dec 2024 Dec 2024
 	<b>Saxon Court</b> Gladstone Rd Chippenham, SN15 3BW <i>Wiltshire Submarket</i>	Tabs Ltd	1,299 New Direct	Dec 2018			

## Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	9-10 Avon Reach Chippenham, SN15 1EE <i>Wiltshire Submarket</i>	Fast Track Solutions Ltd	729 New Direct	Oct 2018			
 	<b>Station Hill House</b> 6-8 New Rd Chippenham, SN15 1EQ <i>Wiltshire Ret Submarket</i>	HPH Commercial Property	225 New Direct	Oct 2018			
 	<b>Buildings A1-A2</b> Methuen Park Chippenham, SN14 0GT <i>Wiltshire Submarket</i>		2,678 New Direct	Oct 2018			
 	<b>Buildings A1-A2</b> Methuen Park Chippenham, SN14 0GT <i>Wiltshire Submarket</i>		2,757 New Direct	Oct 2018			
 	<b>Buildings A1-A2</b> Methuen Park Chippenham, SN14 0GT <i>Wiltshire Submarket</i>		2,789 New Direct	Oct 2018			
 	<b>Cornbrash Park</b> 3A-3F Bumpers Farm Chippenham, SN14 6RA <i>Wiltshire Submarket</i>	Hanover Housing Association	9,632 New Direct	Nov 2018	£11.75/SF £11.75/SF		

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	<b>Syms Building</b> Bumpers Way Chippenham, SN14 6LH <i>Wiltshire Ind Submarket</i>		702 New Direct	Nov 2018			
	<b>Bewley House</b> Marshfield Rd Chippenham, SN15 1JW <i>Wiltshire Submarket</i>	Ramboll UK Ltd H.P.H. Ltd	2,705 New Direct	May 2018 5 Years	£14.75/SF £14.75/SF	£4.47/SF	May 2021
	<b>Station Hill House</b> 6-8 New Rd Chippenham, SN15 1EQ <i>Wiltshire Ret Submarket</i>	Ruby Doo Gifts HPH Commercial Property	503 New Direct	May 2018 2 Years	£10.93/SF £10.93/SF	£4.84/SF	
	<b>Bumpers Way</b> Chippenham, SN14 6RA <i>Wiltshire Submarket</i>	API Europe Ltd Wiltshire Council	1,494 New Direct	Apr 2018	£10.04/SF		Jun 2019
	<b>Greenways Business Park</b> Malmesbury Rd Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	Medvivo Pfc Property Ltd	3,987 Renewal Direct	Apr 2020 3 Years	£13.98/SF £13.98/SF		
	<b>Connect 17</b> Avon Way Chippenham, SN15 1GG <i>Wiltshire Submarket</i>	NHS Property Services Ltd Ashtenne Industrial Fund Ltd Partn...	12,452 New Direct	Apr 2018 5 Years	£11.50/SF £11.50/SF		

## Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	<b>Rear Of Phoenix House</b> 37 Palmer St Chippenham, SN14 0DT <i>Wiltshire Submarket</i>		420 New Direct	Mar 2018	£10.71/SF	0 Mos	
 	<b>Scisys Building</b> Methuen Park Chippenham, SN14 0GB <i>Wiltshire Submarket</i>	Scisys UK Ltd Codacisys (Resource) Ltd	43,792 Renewal Direct	Jun 2022 5 Years	£12.21/SF £12.21/SF		Jun 2023... Jun 2022
 	<b>Connect 17</b> Avon Way Chippenham, SN15 1GG <i>Wiltshire Submarket</i>	NHS Ashtenne Industrial Fund Ltd Partn...	12,452 New Direct	Apr 2018			
 	<b>Sheldon Business Park</b> Chippenham, SN14 0SQ <i>Wiltshire Submarket</i>	Pro Software Ltd Sheldon Business Park Limited	1,463 New Direct	Dec 2017 6 Years	£10.66/SF £10.66/SF	0 Mos	Dec 2021 Dec 2021
 	<b>Vincients Rd</b> Chippenham, SN14 6NQ <i>Wiltshire Submarket</i>	Catch 22	3,516 New Direct	Dec 2017 5 Years	£7.11/SF £7.11/SF		Dec 2019
 	<b>Lansdowne Business Centre</b> Byron House, Bumpers Way Chippenham, SN14 6RZ <i>Wiltshire Submarket</i>		100 New Sublease	Oct 2017 6 Months	£27.60/SF £27.60/SF		

# Lease Comparables

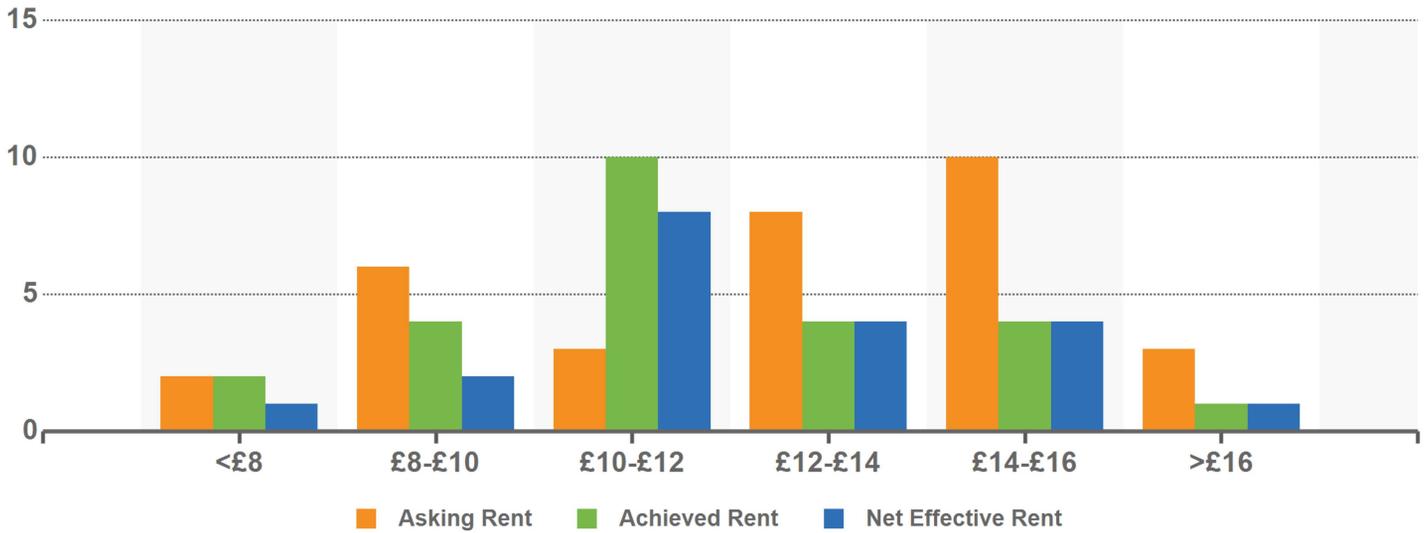
	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	<b>Lansdowne Business Centre</b> Byron House, Bumpers Way Chippenham, SN14 6RZ <i>Wiltshire Submarket</i>	Dream Doors	134 New Sublease	Oct 2017			
 	7 Market Pl Chippenham, SN15 3HD <i>Wiltshire Ret Submarket</i>	Dayspring Church Trust Curtis Banks (Previously Suffolk Li...	518 New Direct	Sep 2017 5 Years	£12.55/SF £12.55/SF	0 Mos £4.00/SF	Sep 2020
 	<b>Pearl Assurance House</b> 3-4 New Rd Chippenham, SN15 1EJ <i>Wiltshire Submarket</i>		1,652 New Direct	Oct 2017			
 	Bellinger Close Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	Virgin Care	3,337 New Direct	Sep 2017 5 Years			
 	<b>Bewley House</b> Marshfield Rd Chippenham, SN15 1JW <i>Wiltshire Submarket</i>	NCC CRiS H.P.H. Ltd	4,865 New	Aug 2017			
 	Greenways Business Park Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	John Guest Pfc Asset Management Ltd	2,437 New Direct	Jul 2017 10 Years 5 Mont...	£14.00/SF £13.26/SF	5 Mos at Start £7.95/SF	Dec 2022 Jan 2023

## Lease Comparables

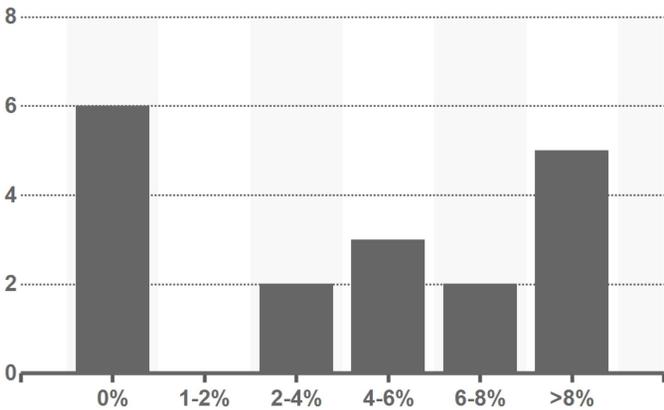
	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Bellinger Close Chippenham, SN15 1BN <i>Wiltshire Submarket</i>	Solar Communications Ltd	3,207 New Direct	Jul 2017 5 Years			
 	<b>Greenways Business Park</b> Malmesbury Rd Chippenham, SN15 1BN <i>Wiltshire Submarket</i>		2,618 New Direct	May 2017		£6.85/SF	
 	Bumpers Way Chippenham, SN14 6RZ <i>Wiltshire Submarket</i>	Joinerysoft Ltd Country Estates Ltd	2,779 New Direct	Mar 2017 5 Years	£6.84/SF £10.62/SF	£6.30/SF	

Asking Rent Per SF	Achieved Rent Per SF	Net Effective Rent Per SF	Avg. Rent Free Months
<b>£12.70</b>	<b>£11.99</b>	<b>£12.16</b>	<b>1.7</b>

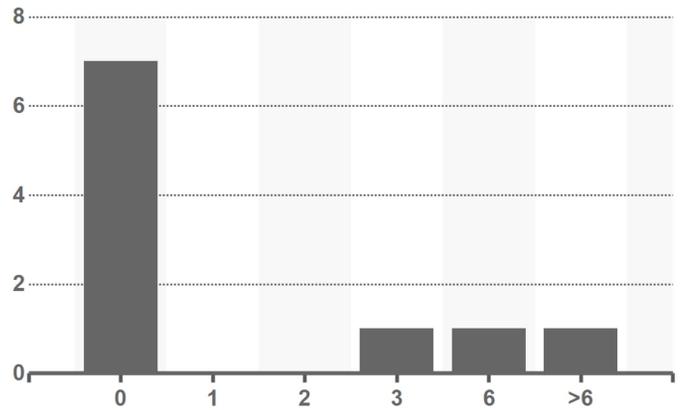
### DEALS BY ASKING, ACHIEVED, AND NET EFFECTIVE RENT



### DEALS BY ASKING RENT DISCOUNT



### DEALS BY RENT FREE MONTHS



## Quick Stats Report

Comps Statistics					
	Low	Average	Median	High	Count
<b>Office</b>					
Price					
For Sale & UC/Pending	£225,000	£2,212,500	£2,212,500	£4,200,000	2
Sold Transactions	£110,000	£1,317,652	£476,000	£10,250,000	23
NIA					
For Sale & UC/Pending	6,054 SF	13,712 SF	13,712 SF	21,369 SF	2
Sold Transactions	334 SF	8,154 SF	3,798 SF	52,719 SF	47
Price per SF					
For Sale & UC/Pending	£37.17	£161.36	£116.86	£196.55	2
Sold Transactions	£13.90	£126.15	£102.23	£565.87	23
Net Initial Yield					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	8.18%	9.08%	9.00%	10.00%	5
Days on Market					
For Sale & UC/Pending	174	478	478	783	2
Sold Transactions	17	380	235	1,135	24
Sale Price to Asking Price Ratio					
Sold Transactions	80.00%	97.04%	100.00%	104.76%	9
<b>General Retail</b>					
Price					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	-	-	-	-	-
Centre Size					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	349 SF	730 SF	647 SF	1,677 SF	9
Price per SF					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	-	-	-	-	-
Net Initial Yield					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	-	-	-	-	-
Days on Market					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	237	237	237	237	9
Sale Price to Asking Price Ratio					
Sold Transactions	-	-	-	-	-

## Quick Stats Report

	Low	Average	Median	High	Count
<b>Totals</b>					
For Sale & UC/Pending		Asking Price Total: £4,425,000		Total For Sale Transactions:	2
Sold Transactions		Total Sales Volume: £30,305,989		Total Sales Transactions:	56
		<hr/> Total Included in Analysis: £34,730,989		<hr/> Total Included in Analysis:	58
<b>Survey Criteria</b>					
<p>basic criteria: Type of Property - Office; Sale Status - Sold, Under Offer; Return and Search on Portfolio Sales as Individual Properties - Yes; Exclude Non-Arms Length Comps - Yes</p> <p>geography criteria: Radius - 3.00 mile(s) radius from Lat : -2.1224399, Long : 51.460645</p>					

<b>1</b>	<b>Cyppa Court - Avenue La Fleche (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN15 3LH	Wiltshire County	
Sale Date: 31/12/2019	Bldg Type: Office	
Sale Price: £1,290,290 - Allocated	Year Built/Age: Built 1990 Age: 29	
Price/SF: £102.23	NIA: 12,621 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4997701	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Allocated		
<b>2</b>	<b>Office Unit - 9-10 Avon Reach</b>	<b>SOLD</b>
Chippenham, SN15 1EE	Wiltshire County	
Sale Date: 19/04/2016	Unit Type: 2,037 SF Office Unit	
Sale Price: £200,000 - Confirmed	Year Built/Age: Built 1991 Renov 2019 Age: 25	
Price/SF: £98.18	NIA: 2,037 SF	
Reversionary Yield: -		
Net Initial Yield: 10.00%		
Comp ID: 3579713	Sale Conditions: -	
Research Status: Confirmed		
<b>3</b>	<b>Office Unit, Unit 10 - 9-10 Avon Reach (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 1EE	Wiltshire County	
Sale Date: 30/06/2012 (113 days on mkt)	Unit Type: 586 SF Office Unit	
Sale Price: -	Year Built/Age: Built 1991 Renov 2019 Age: 21	
Price/SF: -	NIA: 586 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2528784	Sale Conditions: -	
Research Status: Research Complete		
<b>4</b>	<b>Office Unit, Unit 10 - 9-10 Avon Reach (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 1EE	Wiltshire County	
Sale Date: 30/06/2012 (113 days on mkt)	Unit Type: 678 SF Office Unit	
Sale Price: -	Year Built/Age: Built 1991 Renov 2019 Age: 21	
Price/SF: -	NIA: 678 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2528784	Sale Conditions: -	
Research Status: Research Complete		
<b>5</b>	<b>Office Unit, Unit 10 - 9-10 Avon Reach (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 1EE	Wiltshire County	
Sale Date: 30/06/2012 (113 days on mkt)	Unit Type: 796 SF Office Unit	
Sale Price: -	Year Built/Age: Built 1991 Renov 2019 Age: 21	
Price/SF: -	NIA: 796 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2528784	Sale Conditions: -	
Research Status: Research Complete		
<b>6</b>	<b>Avonbridge House - Bath Rd</b>	<b>SOLD</b>
Chippenham, SN15 2BB	Wiltshire County	
Sale Date: 07/09/1991	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 1901 Age: 90	
Price/SF: -	NIA: 16,645 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2415944	Sale Conditions: -	
Research Status: Confirmed		

<b>7</b>	<b>Lansdowne House - Woods Building - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6NG	Wiltshire County	
Sale Date: 24/08/2017 (731 days on mkt)	Bldg Type: Office	
Sale Price: £5,750,000 - Confirmed	Year Built/Age: Built 2018	
Price/SF: £115.00	NIA: 50,000 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4572550	Sale Conditions: Redevelopment Project	
Research Status: Confirmed		
<b>8</b>	<b>Unit 1 - Cornbrash Park - Bumpers Way (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN14 6RA	Wiltshire County	
Sale Date: 01/09/2019 (68 days on mkt)	Bldg Type: Office	
Sale Price: £907,025 - Allocated	Year Built/Age: Built 2008 Age: 11	
Price/SF: £84.78	NIA: 10,699 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4910814	Sale Conditions: -	
Research Status: Allocated		
<b>9</b>	<b>Units 2a-2b - Bumpers Way (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN14 6RA	Wiltshire County	
Sale Date: 01/09/2019 (68 days on mkt)	Bldg Type: Office	
Sale Price: £573,148 - Allocated	Year Built/Age: Built 1993 Age: 26	
Price/SF: £80.05	NIA: 7,160 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4910814	Sale Conditions: -	
Research Status: Allocated		
<b>10</b>	<b>Unit 5 - Lansdowne Court - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 01/04/2006	Bldg Type: Office	
Sale Price: £470,000 - Confirmed	Year Built/Age: Built 2000 Age: 6	
Price/SF: £68.47	NIA: 6,864 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2454038	Sale Conditions: -	
Research Status: Confirmed		
<b>11</b>	<b>4A - 4B - Cornbrash Park - Bumpers Way (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN14 6RA	Wiltshire County	
Sale Date: 01/09/2019 (68 days on mkt)	Bldg Type: Office	
Sale Price: £376,438 - Allocated	Year Built/Age: Built 1990 Age: 29	
Price/SF: £87.08	NIA: 4,323 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4910814	Sale Conditions: -	
Research Status: Allocated		
<b>12</b>	<b>Units 14-17 - King Charles House - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 01/08/2011	Bldg Type: Office	
Sale Price: £110,000 - Confirmed	Year Built/Age: Built 1986 Age: 25	
Price/SF: £13.90	NIA: 7,915 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2444948	Sale Conditions: -	
Research Status: Confirmed		

<b>13</b>	<b>Units 14-17 - King Charles House, Unit 17 - Bumpers Way</b>	<b>SOLD</b>
<p>Chippenham, SN14 6LH Wiltshire County</p> <p>Sale Date: 01/10/2018 (17 days on mkt) Unit Type: 2,500 SF Office Unit            Sale Price: - Year Built/Age: Built 1986 Age: 32            Price/SF: - NIA: 2,500 SF</p> <p>Reversionary Yield: -            Net Initial Yield: -            Comp ID: 4608286 Sale Conditions: -            Research Status: Research Complete</p> 		
<b>14</b>	<b>Unit 1 - Cornbrash Park - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
<p>Chippenham, SN14 6RA Wiltshire County</p> <p>Sale Date: 01/06/2015 (92 days on mkt) Bldg Type: Office            Sale Price: - Year Built/Age: Built 2008 Age: 7            Price/SF: - NIA: 10,699 SF</p> <p>Reversionary Yield: -            Net Initial Yield: 8.10%            Comp ID: 3353322 Sale Conditions: Bulk/Portfolio Sale            Research Status: Research Complete</p> 		
<b>15</b>	<b>Prince Maurice House, Unit 5 - 8 Bumpers Way (Part of Multi-Unit)</b>	<b>SOLD</b>
<p>Chippenham, SN14 6LH Wiltshire County</p> <p>Sale Date: 01/11/2014 (1,135 days on mkt) Unit Type: 1,250 SF Office Unit            Sale Price: - Year Built/Age: Built 1982 Age: 32            Price/SF: - NIA: 1,250 SF</p> <p>Reversionary Yield: -            Net Initial Yield: -            Comp ID: 3448116 Sale Conditions: -            Research Status:</p> 		
<b>16</b>	<b>Prince Maurice House, Unit 5 - 8 Bumpers Way (Part of Multi-Unit)</b>	<b>SOLD</b>
<p>Chippenham, SN14 6LH Wiltshire County</p> <p>Sale Date: 01/11/2014 (1,135 days on mkt) Unit Type: 1,250 SF Office Unit            Sale Price: - Year Built/Age: Built 1982 Age: 32            Price/SF: - NIA: 1,250 SF</p> <p>Reversionary Yield: -            Net Initial Yield: -            Comp ID: 3448116 Sale Conditions: -            Research Status:</p> 		
<b>17</b>	<b>Prince Maurice House, Unit 8 - 8 Bumpers Way (Part of Multi-Unit)</b>	<b>SOLD</b>
<p>Chippenham, SN14 6LH Wiltshire County</p> <p>Sale Date: 23/02/2018 (240 days on mkt) Unit Type: 891 SF Office Unit            Sale Price: - Year Built/Age: Built 1982 Age: 35            Price/SF: - NIA: 891 SF</p> <p>Reversionary Yield: -            Net Initial Yield: -            Comp ID: 4196978 Sale Conditions: -            Research Status: Public Record</p> 		
<b>18</b>	<b>Prince Maurice House, Unit 8 - 8 Bumpers Way (Part of Multi-Unit)</b>	<b>SOLD</b>
<p>Chippenham, SN14 6LH Wiltshire County</p> <p>Sale Date: 23/02/2018 (240 days on mkt) Unit Type: 1,100 SF Office Unit            Sale Price: - Year Built/Age: Built 1982 Age: 35            Price/SF: - NIA: 1,100 SF</p> <p>Reversionary Yield: -            Net Initial Yield: -            Comp ID: 4196978 Sale Conditions: -            Research Status: Public Record</p> 		

<b>19</b>	<b>Unit 11-15 - Villiers House - Bumpers Farm</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 24/07/2009	Bldg Type: Office	
Sale Price: £727,500 - Confirmed	Year Built/Age: Built 2003 Age: 6	
Price/SF: £85.25	NIA: 8,534 SF	
Reversionary Yield: -		
Net Initial Yield: 8.40%		
Comp ID: 2320363	Sale Conditions: -	
Research Status: Confirmed		
<b>20</b>	<b>Unit 11-15 - Villiers House - Bumpers Farm</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 01/04/2006	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 2003 Age: 3	
Price/SF: -	NIA: 8,534 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2454054	Sale Conditions: -	
Research Status: Confirmed		
<b>21</b>	<b>Unit 11-15 - Villiers House, Unit 12 - Bumpers Farm (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 09/01/2017 (815 days on mkt)	Unit Type: 909 SF Office Unit	
Sale Price: -	Year Built/Age: Built 2003 Age: 14	
Price/SF: -	NIA: 909 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3824507	Sale Conditions: -	
Research Status:		
<b>22</b>	<b>Unit 11-15 - Villiers House, Unit 12 - Bumpers Farm (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 09/01/2017 (815 days on mkt)	Unit Type: 909 SF Office Unit	
Sale Price: -	Year Built/Age: Built 2003 Age: 14	
Price/SF: -	NIA: 909 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3824507	Sale Conditions: -	
Research Status:		
<b>23</b>	<b>Unit 11-15 - Villiers House, Unit 11 - Bumpers Farm (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 22/02/2017 (859 days on mkt)	Unit Type: 1,321 SF Office Unit	
Sale Price: -	Year Built/Age: Built 2003 Age: 14	
Price/SF: -	NIA: 1,321 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3967429	Sale Conditions: Auction Sale	
Research Status: Public Record		
<b>24</b>	<b>Unit 11-15 - Villiers House, Unit 11 - Bumpers Farm (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 22/02/2017 (859 days on mkt)	Unit Type: 1,514 SF Office Unit	
Sale Price: -	Year Built/Age: Built 2003 Age: 14	
Price/SF: -	NIA: 1,514 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3967429	Sale Conditions: Auction Sale	
Research Status: Public Record		

<b>25</b>	<b>Cornbrash Park - 3A-3F Bumpers Farm (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN14 6RA	Wiltshire County	
Sale Date: 01/09/2019 (68 days on mkt)	Bldg Type: Office	
Sale Price: £891,588 - Allocated	Year Built/Age: Built 1990 Age: 29	
Price/SF: £92.56	NIA: 9,633 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4910814	Sale Conditions: -	
Research Status: Allocated		
<b>26</b>	<b>Lansdowne Business Centre, Unit 14 - Byron House, Bumpers Way (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 01/06/2016 (380 days on mkt)	Unit Type: 1,044 SF Office Unit	
Sale Price: -	Year Built/Age: Built 2003 Age: 13	
Price/SF: -	NIA: 1,044 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3692912	Sale Conditions: -	
Research Status:		
<b>27</b>	<b>Lansdowne Business Centre, Unit 14 - Byron House, Bumpers Way (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN14 6RZ	Wiltshire County	
Sale Date: 01/06/2016 (380 days on mkt)	Unit Type: 936 SF Office Unit	
Sale Price: -	Year Built/Age: Built 2003 Age: 13	
Price/SF: -	NIA: 936 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3692912	Sale Conditions: -	
Research Status:		
<b>28</b>	<b>Saxon Court - Gladstone Rd</b>	<b>SOLD</b>
Chippenham, SN15 3BW	Wiltshire County	
Sale Date: 14/06/2010	Bldg Type: Office	
Sale Price: £275,000 - Confirmed	Year Built/Age: Built 2009 Age: 1	
Price/SF: £111.61	NIA: 2,464 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2322636	Sale Conditions: -	
Research Status: Confirmed		
<b>29</b>	<b>Unit 8 - Greenways Business Park - Malmesbury Rd</b>	<b>SOLD</b>
Chippenham, SN15 1PW	Wiltshire County	
Sale Date: 18/06/1994	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 2000	
Price/SF: -	NIA: 25,961 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2375945	Sale Conditions: -	
Research Status: Confirmed		
<b>30</b>	<b>Unit 8 - Greenways Business Park - Malmesbury Rd</b>	<b>SOLD</b>
Chippenham, SN15 1PW	Wiltshire County	
Sale Date: 31/12/1987	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 2000	
Price/SF: -	NIA: 25,961 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2388795	Sale Conditions: -	
Research Status: Confirmed		

<b>31</b>	<b>Retail Unit, Unit 13 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 1,071 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 1,071 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>32</b>	<b>Retail Unit, Unit 13 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 436 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 436 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>33</b>	<b>Retail Unit, Unit 13 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 581 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 581 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>34</b>	<b>Retail Unit, Unit 14 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 1,677 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 1,677 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>35</b>	<b>Retail Unit, Unit 14 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 701 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 701 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>36</b>	<b>Retail Unit, Unit 14 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 757 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 757 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		

<b>37</b>	<b>Retail Unit, Unit 16 - 14 Market Pl (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 647 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 647 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>38</b>	<b>Retail Unit, Unit 16 - 14 Market Pl (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 350 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 350 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>39</b>	<b>Retail Unit, Unit 16 - 14 Market Pl (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 349 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 349 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>40</b>	<b>38 Market Pl</b>	<b>SOLD</b>
Chippenham, SN15 3HT	Wiltshire County	
Sale Date: 20/03/2006	Bldg Type: Office	
Sale Price: £300,000 - Confirmed	Year Built/Age: Built 1834 Age: 171	
Price/SF: £95.72	NIA: 3,134 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2459034	Sale Conditions: -	
Research Status: Confirmed		
<b>41</b>	<b>59 Market Pl</b>	<b>SOLD</b>
Chippenham, SN15 3HL	Wiltshire County	
Sale Date: 21/05/1997	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 1894 Age: 102	
Price/SF: -	NIA: 1,867 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2442906	Sale Conditions: -	
Research Status: Confirmed		
<b>42</b>	<b>Bewley House - Marshfield Rd</b>	<b>SOLD</b>
Chippenham, SN15 1JW	Wiltshire County	
Sale Date: 27/11/2000	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 1973 Renov 2009 Age: 27	
Price/SF: -	NIA: 21,565 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2378069	Sale Conditions: -	
Research Status: Confirmed		

<b>43</b>	<b>Building C1-C2, Unit C1 - Methuen Park</b>	<b>SOLD</b>
Chippenham, SN14 0GT	Wiltshire County	
Sale Date: 01/06/2016	Unit Type: 10,376 SF Office Unit	
Sale Price: £1,850,000 - Confirmed	Year Built/Age: Built 2009 Age: 7	
Price/SF: £178.30	NIA: 10,376 SF	
Reversionary Yield: -		
Net Initial Yield: 8.18%		
Comp ID: 3664851	Sale Conditions: -	
Research Status: Confirmed		
<b>44</b>	<b>Buildings A1-A2 - Methuen Park</b>	<b>SOLD</b>
Chippenham, SN14 0GT	Wiltshire County	
Sale Date: 01/02/2014	Bldg Type: Office	
Sale Price: £1,650,000 - Confirmed	Year Built/Age: Built 2005 Age: 9	
Price/SF: £153.02	NIA: 10,783 SF	
Reversionary Yield: -		
Net Initial Yield: 9.84%		
Comp ID: 3025478	Sale Conditions: -	
Research Status: Confirmed		
<b>45</b>	<b>Building B1-B2 - Methuen South - Methuen Park</b>	<b>SOLD</b>
Chippenham, SN14 0GT	Wiltshire County	
Sale Date: 10/01/2017	Bldg Type: Office	
Sale Price: £500,000 - Confirmed	Year Built/Age: Built 1997 Age: 19	
Price/SF: £29.56	NIA: 16,916 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4145004	Sale Conditions: -	
Research Status: Confirmed		
<b>46</b>	<b>Building C1-C2, Unit C2 - Methuen Park</b>	<b>SOLD</b>
Chippenham, SN14 0GT	Wiltshire County	
Sale Date: 30/03/2018 (365 days on mkt)	Unit Type: 6,286 SF Office Unit	
Sale Price: £250,000 - Confirmed	Year Built/Age: Built 2009 Age: 9	
Price/SF: £39.77	NIA: 6,286 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4240779	Sale Conditions: -	
Research Status: Confirmed		
<b>47</b>	<b>Wincanton Building - Methuen Park</b>	<b>SOLD</b>
Chippenham, SN14 0WT	Wiltshire County	
Sale Date: 01/10/2017	Bldg Type: Office	
Sale Price: £10,250,000 - Confirmed	Year Built/Age: Built 2005 Age: 12	
Price/SF: £194.43	NIA: 52,719 SF	
Reversionary Yield: -		
Net Initial Yield: 9.00%		
Comp ID: 4113976	Sale Conditions: -	
Research Status: Confirmed		
<b>48</b>	<b>Avon Reach, Unit 6 - Monkton HI</b>	<b>SOLD</b>
Chippenham, SN15 1EE	Wiltshire County	
Sale Date: 11/04/2018 (153 days on mkt)	Unit Type: 2,053 SF Office Unit	
Sale Price: £330,000	Year Built/Age: Built 1988 Age: 30	
Price/SF: £160.74	NIA: 2,053 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4241697	Sale Conditions: -	
Research Status: Research Complete		

<b>49</b>	<b>Pearl Assurance House - 3-4 New Rd</b>	<b>SOLD</b>
Chippenham, SN15 1EJ	Wiltshire County	
Sale Date: 25/05/1995	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 1940 Age: 55	
Price/SF: -	NIA: 8,862 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2410773	Sale Conditions: -	
Research Status: Confirmed		
<b>50</b>	<b>1-4 - Bumpers Farm - Prince Rupert House</b>	<b>PENDING</b>
Chippenham, SN14 6LH	Wiltshire County	
Asking Price: £225,000	Sale Type: Investment	
Price/SF: £37.17	Bldg Type: Office	
Days on Market: 174	Bldg Status: Built 1988	
Sale Status: Pending	NIA: 6,054 SF	
Net Initial Yield: -		
	Sale Conditions: -	
<b>51</b>	<b>1-4 - Bumpers Farm - Prince Rupert House</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 01/11/2007	Bldg Type: Office	
Sale Price: -	Year Built/Age: Built 1988 Age: 19	
Price/SF: -	NIA: 6,054 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2343840	Sale Conditions: -	
Research Status: Confirmed		
<b>52</b>	<b>1 River St</b>	<b>SOLD</b>
Chippenham, SN15 3ED	Wiltshire County	
Sale Date: 26/11/2018 (230 days on mkt)	Bldg Type: Office	
Sale Price: £165,000	Year Built/Age: Built 1923 Age: 95	
Price/SF: £176.47	NIA: 935 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4600849	Sale Conditions: -	
Research Status: Research Complete		
<b>53</b>	<b>8 Sheldon Rd</b>	<b>SOLD</b>
Chippenham, SN14 0BA	Wiltshire County	
Sale Date: 29/04/2016 (60 days on mkt)	Bldg Type: Office	
Sale Price: £189,000 - Confirmed	Year Built/Age: Built 1980 Age: 36	
Price/SF: £565.87	NIA: 334 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3609453	Sale Conditions: -	
Research Status: Confirmed		
<b>54</b>	<b>6-7 The Causeway</b>	<b>SOLD</b>
Chippenham, SN15 3BT	Wiltshire County	
Sale Date: 06/08/2007	Bldg Type: Office	
Sale Price: £476,000 - Confirmed	Year Built/Age: Built 1926 Age: 81	
Price/SF: £125.33	NIA: 3,798 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2483684	Sale Conditions: -	
Research Status: Confirmed		

55	8 The Causeway	SOLD
Chippenham, SN15 3BT	Wiltshire County	
Sale Date: 01/09/2003 Sale Price: £150,000 - Confirmed Price/SF: £129.31	Bldg Type: Office Year Built/Age: Built 1800 Age: 203 NIA: 1,160 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 2462304 Research Status: Confirmed	Sale Conditions: -	
56	8 The Causeway	SOLD
Chippenham, SN15 3BT	Wiltshire County	
Sale Date: 01/07/2014 Sale Price: - Price/SF: -	Bldg Type: Office Year Built/Age: Built 1800 Age: 214 NIA: 1,160 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 3079926 Research Status: Research Complete	Sale Conditions: -	
57	Methuen Park - Village Green	PENDING
Chippenham, SN14 0GF	Wiltshire County	
Asking Price: £4,200,000 Price/SF: £196.55 Days on Market: 783 Sale Status: Pending	Sale Type: Owner User Bldg Type: Office Bldg Status: Built 2000 NIA: 21,369 SF	
Net Initial Yield: -	Sale Conditions: -	
58	Turnpike House - West Cepen Way	SOLD
Chippenham, SN14 0GX	Wiltshire County	
Sale Date: 01/07/2003 Sale Price: £2,625,000 - Confirmed Price/SF: £276.32	Bldg Type: Office Year Built/Age: Built 2011 NIA: 9,500 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 2478553 Research Status: Confirmed	Sale Conditions: -	

# Lease Comps Summary

Lease Comps Report

Deals

Asking Rent Per SF

Achieved Rent Per SF

Avg. Months On Market

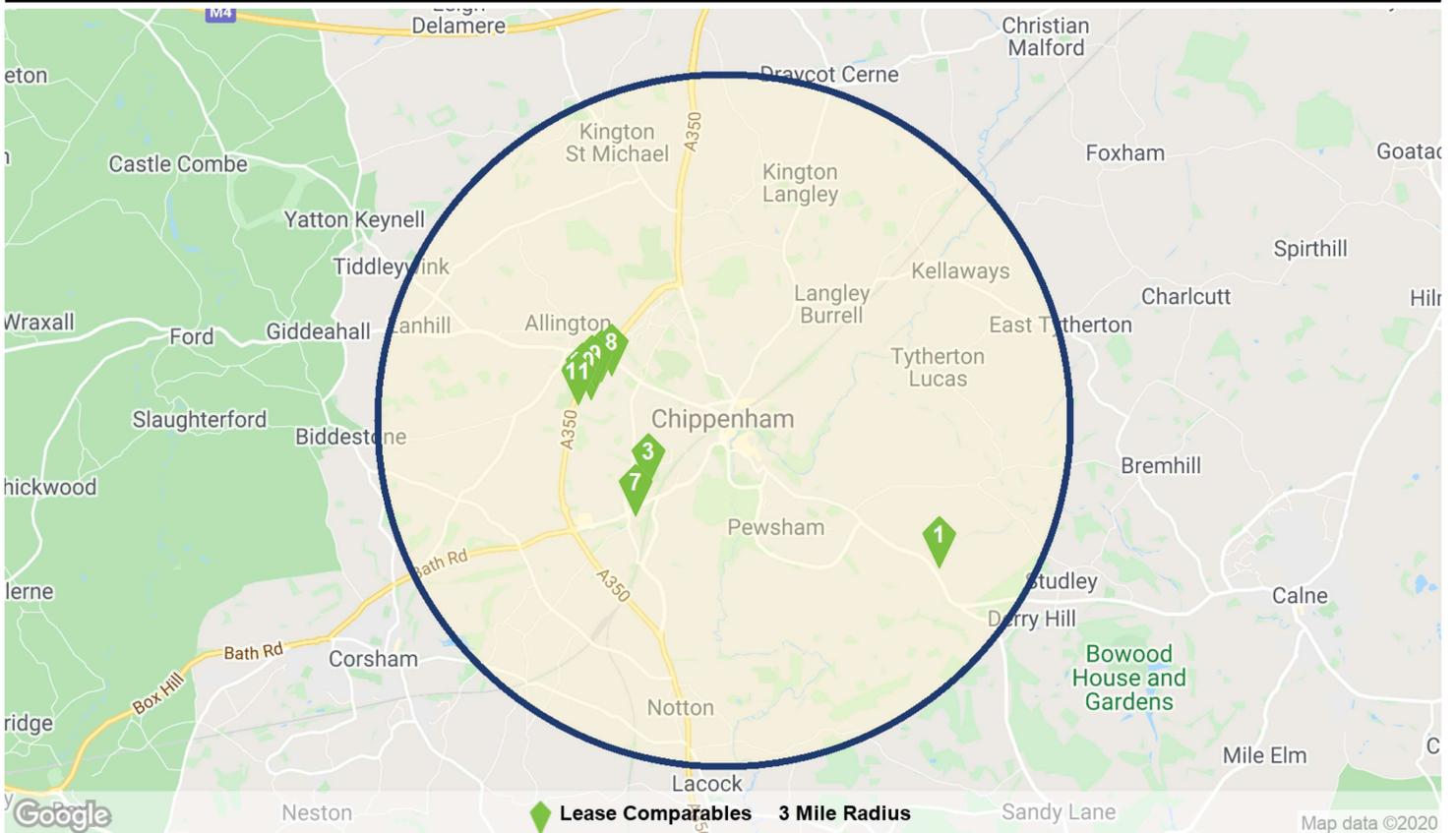
17

£6.43

£6.67

16

## LEASE COMPARABLES



## SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	7	£4.88	£6.43	£7.18	£9.13
Achieved Rent Per SF	14	£4.88	£6.67	£7.12	£8.95
Net Effective Rent Per SF	12	£4.59	£6.63	£7.37	£8.47
Asking Rent Discount	6	0.0%	7.2%	5.3%	21.1%
TI Allowance	-	-	-	-	-
Rent Free Months	8	0	3	3	7

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	13	1	16	8	105
Deal Size	17	595	9,607	3,520	79,178
Lease Deal in Months	14	36.0	94.0	120.0	120.0
Floor Number	17	GRND	GRND	GRND	MEZZ

# Lease Comps Summary

## Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1 19 Forest Gate	★★★★★	1,299	GRND	30/01/2020	New	-	-
2 Bumpers Way	★★★★★	5,586	GRND,1	20/12/2019	New	£8.10/fri	Effective
3 Industrial Estate Unit 12 Bath Rd	★★★★★	5,935	GRND,...	07/11/2019	New	£4.59/fri	Effective
4 Vincients Rd	★★★★★	2,118	GRND,1	07/09/2019	New	£7.55/fri	Effective
5 Bumpers Way	★★★★★	20,473	GRND,1	01/09/2019	New	£4.88/fri	Achieved
6 Brunel Park Vincients Rd	★★★★★	19,409	GRND,1-2	01/08/2019	New	£5.92/fri	Effective
2 Bumpers Way	★★★★★	2,862	GRND	15/01/2019	New	£8.50/fri	Asking
4 Vincients Rd	★★★★★	2,118	GRND,1	02/03/2018	New	£8.26/fri	Effective
4 Vincients Rd	★★★★★	2,066	GRND,1-2	02/03/2018	New	£8.47/fri	Effective
2 Bumpers Way	★★★★★	3,520	GRND	14/02/2018	Renewal	£8.09/fri	Effective
2 Bumpers Way	★★★★★	3,525	GRND	14/02/2018	New	£7.63/fri	Effective
7 Chippenham 79 Bath Rd	★★★★★	79,178	GRND	19/12/2017	New	£6.62/fri	Effective
8 Syms Building Bumpers Way	★★★★★	2,504	GRND	16/12/2017	New	£7.18/fri	Effective
9 Bumpers Way	★★★★★	4,890	GRND,1	07/12/2017	New	£6.95/fri	Achieved
2 Bumpers Way	★★★★★	3,993	GRND	04/10/2017	Renewal	£6.83/fri	Effective
10 Vincients Rd	★★★★★	595	GRND	23/06/2017	New	-	-
11 Vincients Rd	★★★★★	3,250	GRND	24/05/2017	Renewal	£6.15	Effective

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	18-19 Forest Gate Chippenham, SN15 3RS Wiltshire Ind Submarket		1,299 New Direct	Feb 2020			
 	Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	Exhaust Tyres & Batteries Worcest... Standard Life Investments Ltd	5,586 New Direct	Dec 2019 10 Years	£8.95/SF £8.10/SF	5 Mos at Start	Dec 2025
 	Industrial Estate Bath Rd Chippenham, SN14 0AB Wiltshire Ind Submarket		5,935 New Direct	Nov 2019 3 Years	£5.05/SF £4.59/SF	3 Mos at Start	
 	Vincients Rd Chippenham, SN14 6BB Wiltshire Ind Submarket	Squeaky Cleaners Executive Jet Support	2,118 New Direct	Oct 2019 3 Years	£7.55/SF £7.55/SF	0 Mos £5.19/SF	Oct 2021
 	Bumpers Way Chippenham, SN14 6NQ Wiltshire Ind Submarket	Graham & Green Wiltshire Council	20,473 New Direct	Sep 2020 3 Years	£4.88/SF		
 	Brunel Park Vincients Rd Chippenham, SN14 6NQ Wiltshire Ind Submarket	Dymag	19,409 New Direct	Aug 2019 10 Years	£5.92/SF £5.92/SF		

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	Standard Life Investments Ltd	2,862 New Direct	Apr 2019 10 Years			Jan 2024 Jan 2024
	Vincients Rd Chippenham, SN14 6BB Wiltshire Ind Submarket	Seal Holdings Executive Jet Support	2,118 New Direct	Apr 2018 10 Years	£8.26/SF £8.26/SF		
	Vincients Rd Chippenham, SN14 6BB Wiltshire Ind Submarket	MP Engineering Executive Jet Support	2,066 New Direct	Mar 2018 10 Years	£8.47/SF £8.47/SF		Mar 2025 Mar 2023
	Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	Screwfix Standard Life Investments Ltd	3,520 Renewal Sublease	May 2021 6 Years 9 Months	£8.09/SF £8.09/SF		
	Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	Screwfix Standard Life Investments Ltd	3,525 New Sublease	Feb 2018 10 Years	£8.26/SF £7.63/SF	Spread Over —	Feb 2023
	Chippenham 79 Bath Rd Chippenham, SN14 0AT Wiltshire Ind Submarket	Wincanton Holdings Herman Miller UK Ltd	79,178 New Direct	Dec 2017 10 Years	£7.00/SF £6.62/SF	5 Mos at Start	Dec 2022... Dec 2022

## Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Syms Building Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	Bumpers Farm Garage	2,504 New Direct	Jan 2018 5 Years	£7.18/SF £7.18/SF	0 Mos	Jan 2020
 	Bumpers Way Chippenham, SN14 6RA Wiltshire Ind Submarket	Carbon Threesixty Wiltshire Council	4,890 New Direct	Dec 2017	£6.95/SF		
 	Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	Rexel Standard Life Investments Ltd	3,993 Renewal Sublease	Oct 2017 10 Years	£7.06/SF £6.83/SF	Spread Over	Oct 2022 Oct 2022
 	Vincients Rd Chippenham, SN14 6QA Wiltshire Ind Submarket	Wiltshire Council	595 New Direct	Jun 2017		0 Mos £3.48/SF	
 	Vincients Rd Chippenham, SN14 6BB Wiltshire Ind Submarket	F W Jones & Son Paul David and Nicola Gray	3,250 Renewal Direct	Jun 2020 10 Years	£6.15/SF £6.15/SF		Jun 2025 Jun 2025

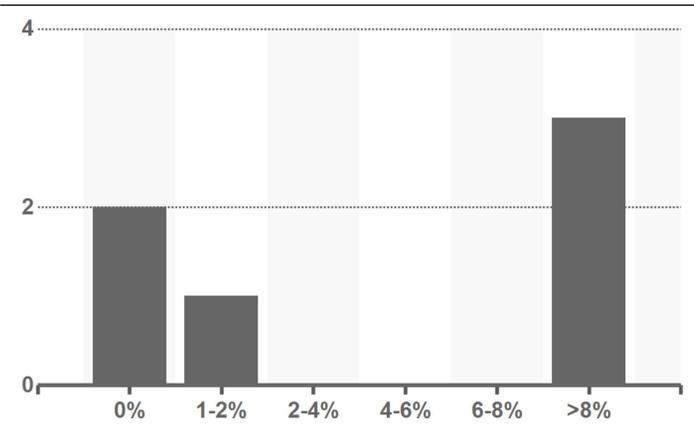
# Rents

Asking Rent Per SF	Achieved Rent Per SF	Net Effective Rent Per SF	Avg. Rent Free Months
<b>£6.43</b>	<b>£6.67</b>	<b>£6.63</b>	<b>2.9</b>

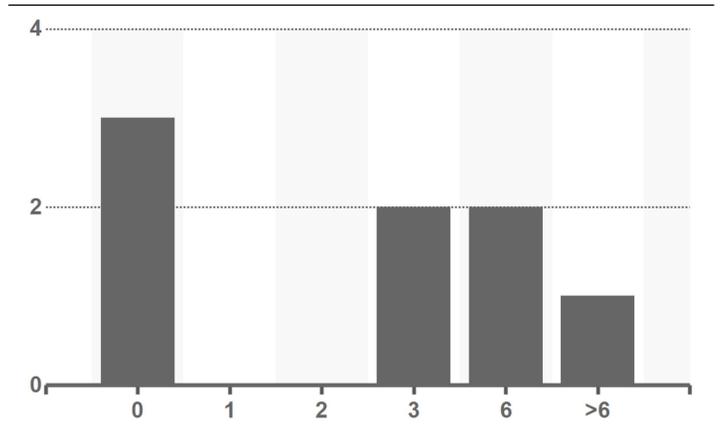
DEALS BY ASKING, ACHIEVED, AND NET EFFECTIVE RENT



DEALS BY ASKING RENT DISCOUNT



DEALS BY RENT FREE MONTHS



## Quick Stats Report

Comps Statistics					
	Low	Average	Median	High	Count
<b>Light Industrial</b>					
Price					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	£225,000	£585,882	£609,263	£900,000	4
NIA					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	10,700 SF	13,380 SF	13,101 SF	16,619 SF	4
Price per SF					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	£21.03	£43.79	£43.90	£55.38	4
Net Initial Yield					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	8.05%	8.05%	8.05%	8.05%	1
Days on Market					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	361	438	438	516	2
Sale Price to Asking Price Ratio					
Sold Transactions	91.14%	92.94%	92.94%	94.74%	2
<b>Industrial</b>					
Price					
For Sale & UC/Pending	£700,000	£700,000	£700,000	£700,000	1
Sold Transactions	£105,000	£4,046,914	£1,585,000	£32,000,000	14
NIA					
For Sale & UC/Pending	18,922 SF	18,922 SF	18,922 SF	18,922 SF	1
Sold Transactions	1,055 SF	25,656 SF	19,121 SF	174,893 SF	41
Price per SF					
For Sale & UC/Pending	£36.99	£36.99	£36.99	£36.99	1
Sold Transactions	£3.69	£102.12	£59.48	£182.97	14
Net Initial Yield					
For Sale & UC/Pending	9.42%	9.42%	9.42%	9.42%	1
Sold Transactions	5.65%	7.05%	7.50%	8.00%	3
Days on Market					
For Sale & UC/Pending	54	54	54	54	1
Sold Transactions	68	257	139	682	4
Sale Price to Asking Price Ratio					
Sold Transactions	82.05%	98.08%	100.33%	106.18%	7

## Quick Stats Report

	Low	Average	Median	High	Count
<b>Totals</b>					
For Sale & UC/Pending		Asking Price Total: £700,000		Total For Sale Transactions:	1
Sold Transactions		Total Sales Volume: £59,000,327		Total Sales Transactions:	45
		<hr/> Total Included in Analysis: £59,700,327		<hr/> Total Included in Analysis:	46
<b>Survey Criteria</b>					
<p>basic criteria: Type of Property - Industrial, Light Industrial; Sale Status - Sold, Under Offer; Return and Search on Portfolio Sales as Individual Properties - Yes; Exclude Non-Arms Length Comps - Yes</p> <p>geography criteria: Radius - 3.00 mile(s) radius from Lat : -2.1224399, Long : 51.460645</p>					

<b>1</b>	<b>Chippenham 79 - Bath Rd</b>	<b>SOLD</b>
Chippenham, SN14 0AT	Wiltshire County	
Sale Date: 01/07/2018	Bldg Type: IndustrialWarehouse	
Sale Price: £9,200,000 - Confirmed	Year Built/Age: Built 1990 Renov 2017 Age: 28	
Price/SF: £116.19	NIA: 79,178 SF	
Reversionary Yield: -		
Net Initial Yield: 5.65%		
Comp ID: 4552653	Sale Conditions: -	
Research Status: Confirmed		
<b>2</b>	<b>Industrial Units - Bath Road Industrial Estate - Bath Rd</b>	<b>SOLD</b>
Chippenham, SN14 0AB	Wiltshire County	
Sale Date: 04/11/2011	Bldg Type: IndustrialWarehouse	
Sale Price: £150,000 - Confirmed	Year Built/Age: Built 1962 Age: 49	
Price/SF: £3.69	NIA: 40,613 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2335855	Sale Conditions: -	
Research Status: Confirmed		
<b>3</b>	<b>C P I Antony Rowe - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 18/05/2015	Bldg Type: IndustrialWarehouse	
Sale Price: £2,750,000 - Confirmed	Year Built/Age: Built 1985 Age: 29	
Price/SF: £65.02	NIA: 42,293 SF	
Reversionary Yield: -		
Net Initial Yield: 8.00%		
Comp ID: 3300188	Sale Conditions: -	
Research Status: Confirmed		
<b>4</b>	<b>Royal Mail Delivery Office - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN14 6EX	Wiltshire County	
Sale Date: 15/10/2015	Bldg Type: Light IndustrialLight Distribution	
Sale Price: £858,526 - Research Comple	Year Built/Age: Built 1995 Age: 20	
Price/SF: £55.38	NIA: 15,502 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3502157	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Research Complete		
<b>5</b>	<b>Millside - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 31/01/2012	Bldg Type: IndustrialWarehouse	
Sale Price: £800,000 - Confirmed	Year Built/Age: Built 2001 Age: 10	
Price/SF: £56.27	NIA: 14,216 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2455825	Sale Conditions: -	
Research Status: Confirmed		
<b>6</b>	<b>Units 1 &amp; 2 - Former Build Center And Alleley - Bumpers Way</b>	<b>PENDING</b>
Chippenham, SN14 6LH	Wiltshire County	
Asking Price: £700,000	Sale Type: Investment	
Price/SF: £36.99	Bldg Type: IndustrialWarehouse	
Days on Market: 54	Bldg Status: Built 1986	
Sale Status: Pending	NIA: 18,922 SF	
Net Initial Yield: 9.42%		
	Sale Conditions: Auction Sale	

<b>7</b>	<b>Units 1-2 - Industrial Unit, Unit 1 - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 23/12/2016 (93 days on mkt)	Unit Type: 10,155 SF Industrial Unit	
Sale Price: £600,000 - Confirmed	Year Built/Age: Built 1988 Age: 28	
Price/SF: £59.08	NIA: 10,155 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3799784	Sale Conditions: -	
Research Status: Confirmed		
<b>8</b>	<b>Unit 3 - Bumpers Way (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN14 6RA	Wiltshire County	
Sale Date: 01/09/2019 (68 days on mkt)	Bldg Type: IndustrialManufacturing	
Sale Price: £201,801 - Allocated	Year Built/Age: Built 1994 Age: 25	
Price/SF: £41.27	NIA: 4,890 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4910814	Sale Conditions: -	
Research Status: Allocated		
<b>9</b>	<b>Units A-M - Bumpers Farm Industrial Estate - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 27/09/2009	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 1986 Age: 23	
Price/SF: -	NIA: 35,289 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2375652	Sale Conditions: -	
Research Status: Confirmed		
<b>10</b>	<b>Units 1-2 - Bumpers Farm Industrial Estate - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 05/02/2018	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 1988 Age: 29	
Price/SF: -	NIA: 20,215 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4211414	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Research Complete		
<b>11</b>	<b>Unit C9-C13 - Bumpers Farm Industrial Estate - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 05/02/2018	Bldg Type: IndustrialService	
Sale Price: -	Year Built/Age: Built 1989 Age: 29	
Price/SF: -	NIA: 5,300 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4211414	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Research Complete		
<b>12</b>	<b>Units C1-C4 - Bumpers Farm Industrial Estate - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 05/02/2018	Bldg Type: IndustrialService	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 1,055 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4211414	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Research Complete		

<b>13</b>	<b>Units C1-C4 - Bumpers Farm Industrial Estate - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 25/04/2017	Bldg Type: IndustrialService	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 1,055 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4269848	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Research Complete		
<b>14</b>	<b>Units 1-2 - Bumpers Farm Industrial Estate - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 25/04/2017	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 1988 Age: 28	
Price/SF: -	NIA: 20,215 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4269848	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Research Complete		
<b>15</b>	<b>Unit C9-C13 - Bumpers Farm Industrial Estate - Bumpers Way (Part of Portfolio)</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 25/04/2017	Bldg Type: IndustrialService	
Sale Price: -	Year Built/Age: Built 1989 Age: 28	
Price/SF: -	NIA: 5,300 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4269848	Sale Conditions: Bulk/Portfolio Sale	
Research Status: Research Complete		
<b>16</b>	<b>The Godown Centre - Cocklebury Rd</b>	<b>SOLD</b>
Chippenham, SN15 3QN	Wiltshire County	
Sale Date: 15/08/2016 (516 days on mkt)	Bldg Type: Light Industrial	
Sale Price: £900,000 - Confirmed	Year Built/Age: Built 1970 Age: 46	
Price/SF: £54.15	NIA: 16,619 SF	
Reversionary Yield: -		
Net Initial Yield: 8.05%		
Comp ID: 3692902	Sale Conditions: -	
Research Status: Confirmed		
<b>17</b>	<b>Unit 1 - Kingfisher House - Cricketts Ln</b>	<b>SOLD</b>
Chippenham, SN15 3EQ	Wiltshire County	
Sale Date: 26/03/2018 (361 days on mkt)	Bldg Type: Light Industrial	
Sale Price: £360,000 - Confirmed	Year Built/Age: Built 1996 Age: 21	
Price/SF: £33.64	NIA: 10,700 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4190412	Sale Conditions: -	
Research Status: Confirmed		
<b>18</b>	<b>Unit 1 - Kingfisher House - Cricketts Ln</b>	<b>SOLD</b>
Chippenham, SN15 3EQ	Wiltshire County	
Sale Date: 04/08/2000	Bldg Type: Light Industrial	
Sale Price: £225,000 - Confirmed	Year Built/Age: Built 1996 Age: 4	
Price/SF: £21.03	NIA: 10,700 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2367875	Sale Conditions: -	
Research Status: Confirmed		

<b>19</b>	<b>Unit R5-R10 - Langley Park Way</b>	<b>SOLD</b>
Chippenham, SN15 1GE	Wiltshire County	
Sale Date: 16/12/2014	Bldg Type: IndustrialManufacturing	
Sale Price: £32,000,000 - Confirmed	Year Built/Age: Built 1980 Age: 34	
Price/SF: £182.97	NIA: 174,893 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4755638	Sale Conditions: -	
Research Status: Confirmed		
<b>20</b>	<b>Garage Site - 16-17 The Causeway</b>	<b>SOLD</b>
Chippenham, SN15 3DA	Wiltshire County	
Sale Date: 18/02/2019 (682 days on mkt)	Bldg Type: IndustrialWarehouse	
Sale Price: £1,505,000 - Confirmed	Year Built/Age: Built 1970 Age: 49	
Price/SF: £100.33	NIA: 15,000 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4688516	Sale Conditions: -	
Research Status: Confirmed		
<b>21</b>	<b>Beaufort Building - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6NQ	Wiltshire County	
Sale Date: 01/01/2013	Bldg Type: IndustrialWarehouse	
Sale Price: £2,850,000 - Confirmed	Year Built/Age: Built 1981 Age: 32	
Price/SF: £52.84	NIA: 53,941 SF	
Reversionary Yield: -		
Net Initial Yield: 7.50%		
Comp ID: 2945614	Sale Conditions: -	
Research Status: Confirmed		
<b>22</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 31/01/2002	Bldg Type: IndustrialWarehouse	
Sale Price: £2,650,000 - Confirmed	Year Built/Age: -	
Price/SF: £138.59	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2462559	Sale Conditions: -	
Research Status: Confirmed		
<b>23</b>	<b>Beaufort Building - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6NQ	Wiltshire County	
Sale Date: 01/11/2011	Bldg Type: IndustrialWarehouse	
Sale Price: £2,000,000 - Confirmed	Year Built/Age: Built 1981 Age: 30	
Price/SF: £37.08	NIA: 53,941 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2447987	Sale Conditions: -	
Research Status: Confirmed		
<b>24</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 07/05/2003	Bldg Type: IndustrialWarehouse	
Sale Price: £1,665,000 - Confirmed	Year Built/Age: -	
Price/SF: £87.08	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2421464	Sale Conditions: -	
Research Status: Confirmed		

<b>25</b>	<b>Units 10-18 - Industrial Unit, Unit 15 - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6BB	Wiltshire County	
Sale Date: 12/10/2018 (185 days on mkt)	Unit Type: 3,006 SF Industrial Unit	
Sale Price: £180,000	Year Built/Age: Built 2004 Age: 14	
Price/SF: £59.88	NIA: 3,006 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4549352	Sale Conditions: -	
Research Status: Research Complete		
<b>26</b>	<b>Units 1-10 - Bumpers Enterprise Centre - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 01/01/2004	Bldg Type: IndustrialWarehouse	
Sale Price: £105,000 - Confirmed	Year Built/Age: Built 1982 Age: 21	
Price/SF: £4.30	NIA: 24,440 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2408495	Sale Conditions: -	
Research Status: Confirmed		
<b>27</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 21/04/1995	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2410226	Sale Conditions: -	
Research Status: Confirmed		
<b>28</b>	<b>Units 1-9 - Glenmore Centre - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6BB	Wiltshire County	
Sale Date: 01/09/2004	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 2003 Age: 1	
Price/SF: -	NIA: 17,470 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2329595	Sale Conditions: -	
Research Status: Confirmed		
<b>29</b>	<b>Units 1-9 - Glenmore Centre - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6BB	Wiltshire County	
Sale Date: 01/09/2004	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 2003 Age: 1	
Price/SF: -	NIA: 17,470 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2329627	Sale Conditions: -	
Research Status: Confirmed		
<b>30</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 07/05/2003	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2421469	Sale Conditions: -	
Research Status: Confirmed		

<b>31</b>	<b>Units 1-9 - Glenmore Centre - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6BB	Wiltshire County	
Sale Date: 01/04/2008	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 2003 Age: 5	
Price/SF: -	NIA: 17,470 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2421518	Sale Conditions: -	
Research Status: Confirmed		
<b>32</b>	<b>Beaufort Building - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6NQ	Wiltshire County	
Sale Date: 01/06/2008	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 1981 Age: 27	
Price/SF: -	NIA: 53,941 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2421540	Sale Conditions: -	
Research Status: Confirmed		
<b>33</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 26/09/1997	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2431885	Sale Conditions: -	
Research Status: Confirmed		
<b>34</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 30/06/1989	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2431904	Sale Conditions: -	
Research Status: Confirmed		
<b>35</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 14/04/1989	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2442259	Sale Conditions: -	
Research Status: Confirmed		
<b>36</b>	<b>Unit 1-6 - Westpoint Business Park - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6RB	Wiltshire County	
Sale Date: 31/05/2006	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 1998 Age: 7	
Price/SF: -	NIA: 17,311 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2342743	Sale Conditions: -	
Research Status: Confirmed		

<b>37</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 31/05/2006	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2343278	Sale Conditions: -	
Research Status: Confirmed		
<b>38</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 22/02/1992	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2356739	Sale Conditions: -	
Research Status: Confirmed		
<b>39</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 28/01/1999	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2358014	Sale Conditions: -	
Research Status: Confirmed		
<b>40</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 29/04/1993	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2364476	Sale Conditions: -	
Research Status: Confirmed		
<b>41</b>	<b>Unit 1-6 - Westpoint Business Park - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6RB	Wiltshire County	
Sale Date: 31/01/1992	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: Built 1998	
Price/SF: -	NIA: 17,311 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2377243	Sale Conditions: -	
Research Status: Confirmed		
<b>42</b>	<b>Bumpers Farm Industrial Estate - Vincients Rd</b>	<b>SOLD</b>
Chippenham, SN14 6QA	Wiltshire County	
Sale Date: 30/03/1995	Bldg Type: IndustrialWarehouse	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 19,121 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2380289	Sale Conditions: -	
Research Status: Confirmed		

43	Bumpers Farm Industrial Estate - Vincients Rd		SOLD
<p>Chippenham, SN14 6QA</p> <p>Sale Date: 03/07/1980  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2382134  Research Status: Confirmed</p>	<p>Wiltshire County</p> <p>Bldg Type: IndustrialWarehouse  Year Built/Age: -  NIA: 19,121 SF</p> <p>Sale Conditions: -</p>		
44	Bumpers Farm Industrial Estate - Vincients Rd		SOLD
<p>Chippenham, SN14 6QA</p> <p>Sale Date: 16/09/1993  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2384115  Research Status: Confirmed</p>	<p>Wiltshire County</p> <p>Bldg Type: IndustrialWarehouse  Year Built/Age: -  NIA: 19,121 SF</p> <p>Sale Conditions: -</p>		
45	Bumpers Farm Industrial Estate - Vincients Rd		SOLD
<p>Chippenham, SN14 6QA</p> <p>Sale Date: 31/01/2002  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2462597  Research Status: Confirmed</p>	<p>Wiltshire County</p> <p>Bldg Type: IndustrialWarehouse  Year Built/Age: -  NIA: 19,121 SF</p> <p>Sale Conditions: -</p>		
46	Bumpers Farm Industrial Estate - Vincients Rd		SOLD
<p>Chippenham, SN14 6QA</p> <p>Sale Date: 22/04/1988  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2470389  Research Status: Confirmed</p>	<p>Wiltshire County</p> <p>Bldg Type: IndustrialWarehouse  Year Built/Age: -  NIA: 19,121 SF</p> <p>Sale Conditions: -</p>		

# Lease Comps Summary

Lease Comps Report

Deals

Asking Rent Per SF

Achieved Rent Per SF

Avg. Months On Market

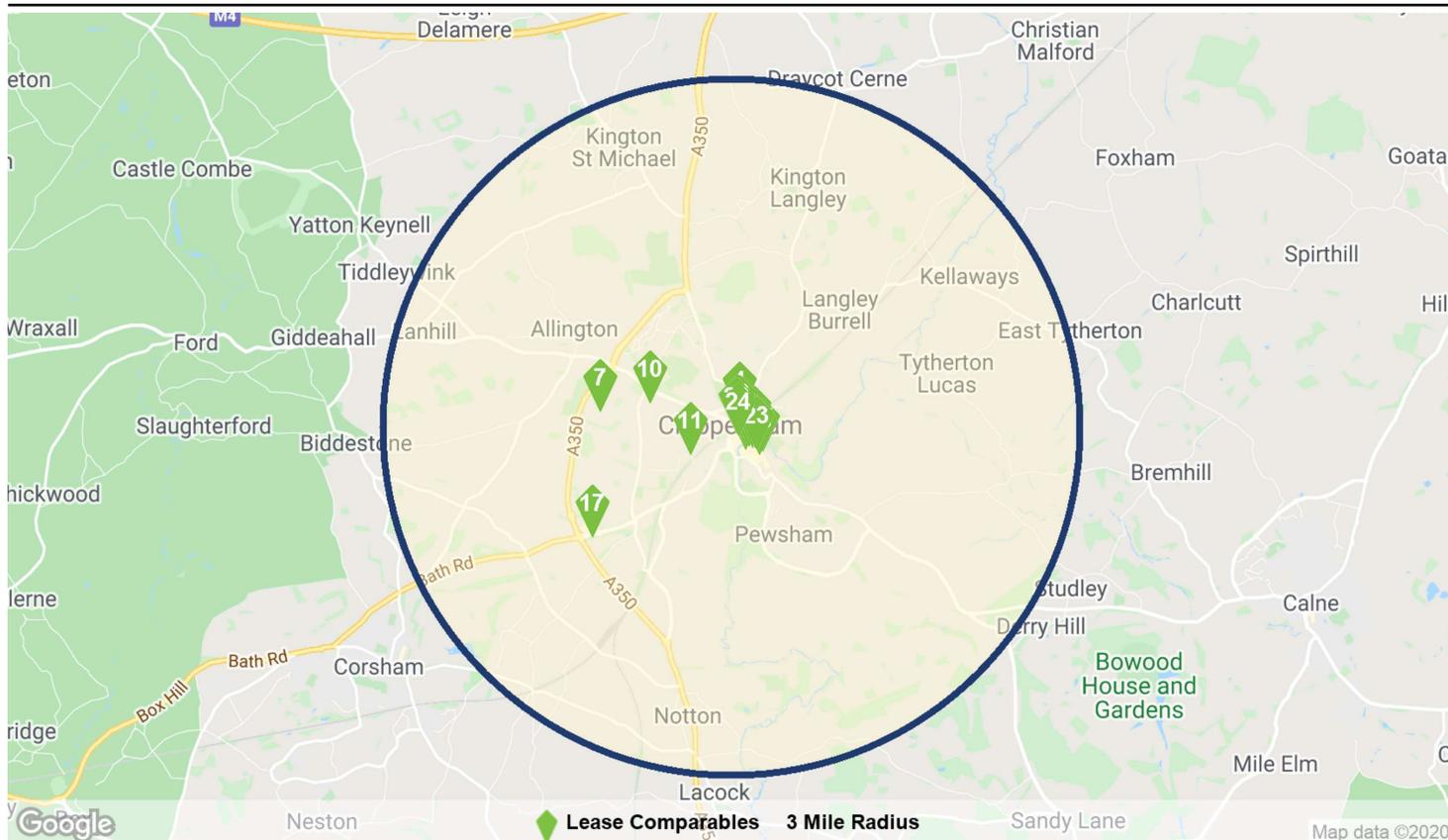
36

£21.61

£16.26

23

## LEASE COMPARABLES



## SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	28	£5.02	£21.61	£24.06	£56.70
Achieved Rent Per SF	24	£0.03	£16.26	£16.53	£54.45
Net Effective Rent Per SF	16	£5.02	£19.10	£17.31	£52.67
Asking Rent Discount	17	-48.6%	4.8%	7.0%	41.2%
TI Allowance	-	-	-	-	-
Rent Free Months	13	0	3	3	9

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	30	1	23	10	124
Deal Size	36	316	1,640	956	9,526
Lease Deal in Months	26	6.0	89.0	63.0	180.0
Floor Number	36	BSMT	GRND	GRND	MEZZ

# Lease Comps Summary

## Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1 Emery Gate Shopping C... 5B Emery Gate	★★★★★	354	GRND	29/11/2019	New	£49.44/fri	Asking
2 Borough Parade Shoppi... 1B Borough Parade	★★★★★	1,240	GRND	05/11/2019	New	-	-
3 Borough Parade Shoppi... 6-9 Borough Parade	★★★★★	365	GRND	05/11/2019	New	£50.68/fri	Asking
4 19 New Rd	★★★★★	2,316	GRND	28/10/2019	New	£9.50/fri	Achieved
5 8 The Bridge	★★★★★	793	GRND	24/10/2019	New	£0.03/fri	Achieved
6 13-14 High	★★★★★	3,016	GRND,1	20/07/2019	New	£13.02/fri	Effective
3 Borough Parade Shoppi... 7 Borough Parade	★★★★★	485	GRND	17/05/2019	New	£56.70/fri	Asking
7 Former Build Center And... Bumpers Way	★★★★★	5,624	GRND	25/03/2019	New	£6.21/fri	Achieved
1 Emery Gate Shopping C... Emery Gate	★★★★★	958	GRND	19/11/2018	New	£36.53/fri	Asking
8 8 Station HI	★★★★★	316	GRND	21/09/2018	New	£31.65/fri	Asking
7 Former Build Center And... Bumpers Way	★★★★★	4,499	GRND	27/07/2018	New	£6.89/fri	Achieved
9 10-14 Station HI	★★★★★	3,290	BSMT,G...	29/06/2018	New	£5.02/fri	Effective
10 60 Redland	★★★★★	754	GRND	15/05/2018	New	£8.62/fri	Asking
3 Borough Parade Shoppi... 8 Borough Parade	★★★★★	665	GRND,1	26/02/2018	New	£28.35/fri	Effective
11 Phoenix House 37 Palmer St	★★★★★	482	GRND	18/12/2017	New	£10.37/iri	Effective
8 6 Station HI	★★★★★	521	GRND	11/12/2017	New	£18.23	Asking
12 40 Foghamshire	★★★★★	1,542	GRND	25/07/2017	New	£6.73/fri	Effective
13 3 Station HI	★★★★★	665	GRND	30/06/2017	New	£18.05/fri	Achieved
1 Emery Gate Shopping C... 3 Emery Gate	★★★★★	1,241	GRND,1	01/05/2017	New	£15.74/fri	Effective
14 36 Market PI	★★★★★	1,272	BSMT,G...	01/05/2017	New	£9.04/fri	Effective
15 6-7 High St	★★★★★	1,495	GRND	25/03/2017	New	£24.41/fri	Achieved

# Lease Comps Summary

## Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
16 49 Market Pl	★★★★★	2,890	GRND,1-2	29/12/2016	New	£14.88	Effective
17 Bath Rd	★★★★★	9,526	GRND	01/10/2016	New	£25.00	Effective
18 14 Market Pl	★★★★★	500	GRND	23/08/2016	New	£19.20	Asking
19 57-58 Chippenham Rd	★★★★★	3,131	GRND	12/08/2016	New	£10.22/fri	Asking
1 Emery Gate Shopping C... Emery Gate	★★★★★	597	GRND	08/08/2016	New	£20.54/fri	Effective
20 53 Market Pl	★★★★★	929	GRND,1-2	06/07/2016	New	£15.22/fri	Effective
2 Borough Parade Shoppi... 3 Borough Parade	★★★★★	955	GRND	01/06/2016	New	£52.67/fri	Effective
2 Borough Parade Shoppi... 1B Borough Parade	★★★★★	1,239	GRND	10/05/2016	New	£18.87/fri	Effective
15 6-7 High St	★★★★★	562	GRND	26/04/2016	New	£45.54/fri	Effective
21 23 High St	★★★★★	1,790	GRND,1...	13/04/2016	New	£24.86/fri	Effective
1 Emery Gate Shopping C... Emery Gate	★★★★★	2,053	GRND	01/04/2016	New	£33.61/fri	Asking
1 Emery Gate Shopping C... Emery Gate	★★★★★	1,021	GRND	08/01/2016	New	£19.59/fri	Effective
22 61 New Rd	★★★★★	843	BSMT,G...	18/08/2015	New	£14.23/fri	Achieved
23 71 Market Pl	★★★★★	606	GRND	03/08/2015	New	£37.95/fri	Achieved
24 37 Foghamshire Rd	★★★★★	510	GRND,1	22/05/2015	New	£11.76/fri	Asking

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Emery Gate Shopping Centre Emery Gate Chippenham, SN15 3JP Wiltshire Ret Submarket	Ramsdens Financial Limited Eagle One Ltd	354 New Direct	Nov 2019 10 Years		£8,258 PA	
 	Borough Parade Shopping Centre 1-3 Borough Parade Chippenham, SN15 3WL Wiltshire Ret Submarket	U and I Group plc	1,240 New Direct	Dec 2019			
 	Borough Parade Shopping Centre 6-9 Borough Parade Chippenham, SN15 3WL Wiltshire Ret Submarket	U and I Group plc	365 New Direct	Dec 2019			
 	19 New Rd Chippenham, SN15 1HJ Wiltshire Ret Submarket	Papa Johns	2,316 New Direct	Oct 2019 15 Years	£22,000 PA		Nov 2024...
 	8 The Bridge Chippenham, SN15 1EX Wiltshire Ret Submarket	Mail Boxes	793 New Direct	Oct 2019 5 Years	£20 PA		
 	13-14 High Chippenham, SN15 3ER Wiltshire Ret Submarket	Toy Master Marley Pensions Limited	3,016 New Direct	Aug 2019 7 Years	£45,000 PA £39,255 PA	9 Mos at Start	Aug 2024

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Borough Parade Shopping Centre 6-9 Borough Parade Chippenham, SN15 3WL Wiltshire Ret Submarket	U and I Group plc	485 New Direct	Jun 2019		£11,496 PA	
 	Former Build Center And Alleley Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	W&S Allely Ltd Chip (Four) Ltd	5,624 New Direct	Mar 2019 2 Years	£34,950 PA		
 	Emery Gate Shopping Centre Emery Gate Chippenham, SN15 3JP Wiltshire Ret Submarket	2 Nice	958 New Direct	Nov 2018 6 Months			
 	8 Station HI Chippenham, SN15 1EQ Wiltshire Ret Submarket	David Fleming	316 New Direct	Oct 2018		£4,613 PA	
 	Former Build Center And Alleley Bumpers Way Chippenham, SN14 6LH Wiltshire Ind Submarket	Faresaver Ltd Chip (Four) Ltd	4,499 New Direct	Jul 2018 7 Years	£31,000 PA		Jul 2023
 	10-14 Station HI Chippenham, SN15 1EQ Wiltshire Ret Submarket	RESIDENTIAL AND	3,290 New Direct	Jun 2018 10 Years	£16,500 PA £16,500 PA	£8,201 PA	Jun 2023

## Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	58-66 Redland Chippenham, SN14 0JB Wiltshire Ret Submarket	Wiltshire Council	754 New Direct	May 2018		£3,115 PA	
 	Borough Parade Shopping Centre 6-9 Borough Parade Chippenham, SN15 3WL Wiltshire Ret Submarket	U and I Group plc	665 New Direct	Feb 2018 5 Years	£20,000 PA £18,856 PA	3 Mos at Start £8,946 PA	
 	Phoenix House 37 Palmer St Chippenham, SN14 0DT Wiltshire Submarket	Lash Lounge	482 New Direct	Dec 2017 3 Years	£5,000 PA £5,000 PA	£2,299 PA	
 	8 Station HI Chippenham, SN15 1EQ Wiltshire Ret Submarket	David Fleming	521 New Direct	Dec 2017			
 	40 Foghamshire Chippenham, SN15 1HB Wiltshire Ret Submarket	Mr Jamie Roach Alexandra Beeley	1,542 New Direct	Dec 2017 5 Years	£11,000 PA £10,371 PA	3 Mos at Start £4,147 PA	Dec 2020
 	3 Station HI Chippenham, SN15 1EQ Wiltshire Ret Submarket	HPH Commercial Property	665 New Direct	Jun 2017	£12,000 PA	£5,916 PA	

## Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Emery Gate Shopping Centre Emery Gate Chippenham, SN15 3JP Wiltshire Ret Submarket	The Bay Tree	1,241 New Direct	May 2017 4 Years	£21,000 PA £19,539 PA	3 Mos at Start £16,259 PA	
 	36 Market Pl Chippenham, SN15 3HT Wiltshire Ret Submarket	Drumlins Investment Ltd	1,272 New Direct	May 2017 5 Years	£11,500 PA £11,500 PA	0 Mos	May 2019
 	6-7 High St Chippenham, SN15 3ER Wiltshire Ret Submarket	Thomson Blenpark Properties Limited	1,495 New Direct	Mar 2017	£36,500 PA		
 	49 Market Pl Chippenham, SN15 3HU Wiltshire Ret Submarket	Halifax Frankel Property Holding Ltd	2,890 New Direct	Dec 2016 15 Years	£43,000 PA £43,000 PA		
 	Bath Rd Chippenham, SN14 0UL Wiltshire Ret Submarket	Marks & Spencers Simply Foods L... Legal & General	9,526 New Direct	Nov 2017 15 Years	£238,150 PA £238,150 PA	£40,877 PA	
 	14 Market Pl Chippenham, SN15 3HJ Wiltshire Ret Submarket	Amare Bridalwear Ltd Eros Properties Ltd	500 New Direct	Aug 2016			

# Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	57-58 Chippenham Rd Chippenham, SN15 1ES Wiltshire Ret Submarket	Prezzo Gill Property Wiltshire Ltd	3,131 New Direct	Aug 2016 15 Years		£12,694 PA	
 	Emery Gate Shopping Centre Emery Gate Chippenham, SN15 3JP Wiltshire Ret Submarket	Blyth Beauty	597 New Direct	Aug 2016 5 Years	£12,500 PA £12,260 PA	1 Mo at Start £10,313 PA	Aug 2019
 	53 Market Pl Chippenham, SN15 3HU Wiltshire Ret Submarket	Coiffure Ltd	929 New Direct	Jul 2016 5 Years	£15,000 PA £14,142 PA	3 Mos at Start £6,902 PA	
 	Borough Parade Shopping Centre 1-3 Borough Parade Chippenham, SN15 3WL Wiltshire Ret Submarket	David Christopher Ltd U and I Group plc	955 New Direct	Jun 2016 10 Years	£52,000 PA £50,297 PA	3 Mos at Start £20,129 PA	May 2021 May 2021
 	Borough Parade Shopping Centre 1-3 Borough Parade Chippenham, SN15 3WL Wiltshire Ret Submarket	Patisserie Valerie U and I Group plc	1,239 New Direct	May 2016 10 Years	£25,000 PA £23,375 PA	6 Mos at Start £18,016 PA	May 2021
 	6-7 High St Chippenham, SN15 3ER Wiltshire Ret Submarket	Vodafone Blenpark Properties Limited	562 New Direct	Apr 2016 10 Years	£25,000 PA £25,000 PA		

# Lease Comparables

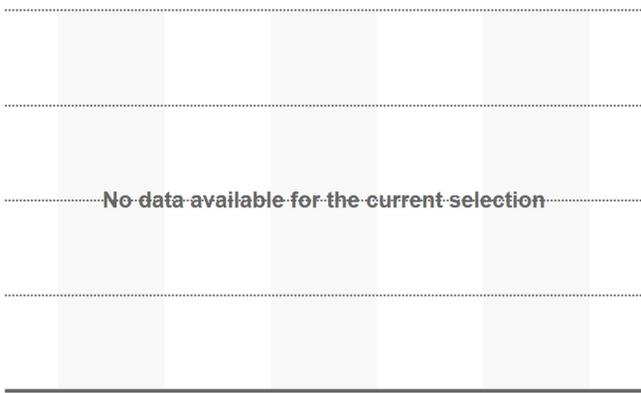
	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	23 High St Chippenham, SN15 3EU Wiltshire Ret Submarket	Greggs Arlington Ltd	1,790 New Direct	Apr 2016 10 Years	£46,000 PA £44,494 PA	3 Mos at Start £17,009 PA	Apr 2021 Apr 2021
 	Emery Gate Shopping Centre Emery Gate Chippenham, SN15 3JP Wiltshire Ret Submarket	Rectella Ltd	2,053 New Direct	Apr 2016 5 Years		0 Mos £32,766 PA	
 	Emery Gate Shopping Centre Emery Gate Chippenham, SN15 3JP Wiltshire Ret Submarket	L.A Barber Company Ltd	1,021 New Direct	Feb 2016 5 Years	£20,000 PA £20,001 PA	£17,111 PA	
 	61 New Rd Chippenham, SN15 1ES Wiltshire Submarket	Michelle Donelan	843 New Direct	Aug 2015 5 Years	£12,000 PA	0 Mos £4,193 PA	Aug 2018
 	71 Market Pl Chippenham, SN15 3HG Wiltshire Submarket	Countrywide Estate Agents	606 New Direct	Aug 2015 5 Years 6 Months	£23,000 PA	9 Mos at Start £11,339 PA	
 	19 The Bridge Chippenham, SN15 1HA Wiltshire Ret Submarket	Shoestring Takeaway	510 New Direct	May 2015		£2,410 PA	

Asking Rent Per SF	Achieved Rent Per SF	Net Effective Rent Per SF	Avg. Rent Free Months
£21.61	£16.26	£19.10	3.3

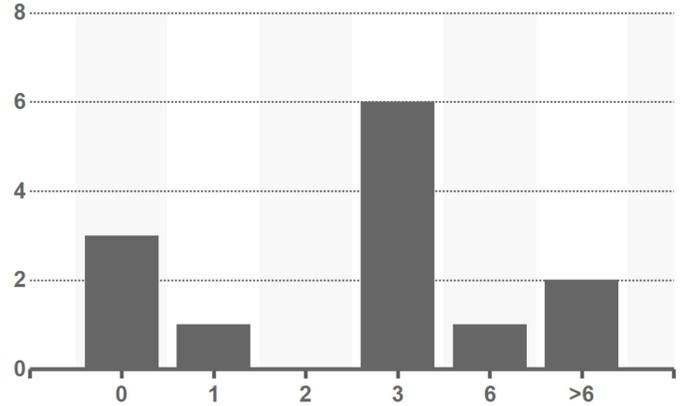
DEALS BY ASKING, ACHIEVED, AND NET EFFECTIVE RENT



DEALS BY ASKING RENT DISCOUNT



DEALS BY RENT FREE MONTHS



## Quick Stats Report

Comps Statistics					
	Low	Average	Median	High	Count
<b>Price</b>					
For Sale & UC/Pending	£350,000	£350,000	£350,000	£350,000	1
Sold Transactions	£75,000	£2,833,456	£480,588	£23,000,000	34
<b>Centre Size</b>					
For Sale & UC/Pending	2,765 SF	2,765 SF	2,765 SF	2,765 SF	1
Sold Transactions	349 SF	16,004 SF	2,943 SF	88,569 SF	73
<b>Price per SF</b>					
For Sale & UC/Pending	£126.58	£126.58	£126.58	£126.58	1
Sold Transactions	£16.49	£201.84	£168.73	£575.86	34
<b>Net Initial Yield</b>					
For Sale & UC/Pending	6.29%	6.29%	6.29%	6.29%	1
Sold Transactions	5.18%	6.85%	6.80%	8.50%	15
<b>Days on Market</b>					
For Sale & UC/Pending	54	54	54	54	1
Sold Transactions	12	202	194	1,077	27
<b>Sale Price to Asking Price Ratio</b>					
Sold Transactions	55.38%	93.00%	100.00%	115.97%	17
<b>Totals</b>					
For Sale & UC/Pending	Asking Price Total:	£350,000	Total For Sale Transactions:		1
Sold Transactions	Total Sales Volume:	£96,337,496	Total Sales Transactions:		73
	Total Included in Analysis:	£96,687,496	Total Included in Analysis:		74
<b>Survey Criteria</b>					
<p>basic criteria: Type of Property - Retail; Sale Status - Sold, Under Offer; Return and Search on Portfolio Sales as Individual Properties - Yes; Exclude Non-Arms Length Comps - Yes</p> <p>geography criteria: Radius - 3.00 mile(s) radius from Lat : -2.1224399, Long : 51.460645</p>					

<b>1</b>	<b>Borough Parade Shopping Centre - 1-3 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/09/2014	Bldg Type: Retail	
Sale Price: £782,100 - Research Complete	Year Built/Age: Built 1996 Renov 2012 Age: 18	
Price/SF: £156.70	NIA: 4,991 SF	
Reversionary Yield: -		
Net Initial Yield: 7.00%		
Comp ID: 3107595	Sale Conditions: -	
Research Status: Research Complete		
<b>2</b>	<b>Borough Parade Shopping Centre - 1-3 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/10/2008	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012 Age: 12	
Price/SF: -	NIA: 4,991 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2408327	Sale Conditions: -	
Research Status: Research Complete		
<b>3</b>	<b>Borough Parade Shopping Centre - 4-5 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/09/2014	Bldg Type: Retail	
Sale Price: £144,006 - Research Complete	Year Built/Age: Built 1996 Renov 2012 Age: 18	
Price/SF: £156.70	NIA: 919 SF	
Reversionary Yield: -		
Net Initial Yield: 7.00%		
Comp ID: 3107595	Sale Conditions: -	
Research Status: Research Complete		
<b>4</b>	<b>Borough Parade Shopping Centre - 4-5 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/10/2008	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012 Age: 12	
Price/SF: -	NIA: 919 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2408327	Sale Conditions: -	
Research Status: Research Complete		
<b>5</b>	<b>Borough Parade Shopping Centre - 6-9 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/09/2014	Bldg Type: RetailStorefront	
Sale Price: £461,177 - Research Complete	Year Built/Age: Built 1996 Renov 2012 Age: 18	
Price/SF: £156.70	NIA: 2,943 SF	
Reversionary Yield: -		
Net Initial Yield: 7.00%		
Comp ID: 3107595	Sale Conditions: -	
Research Status: Research Complete		
<b>6</b>	<b>Borough Parade Shopping Centre - 6-9 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/10/2008	Bldg Type: RetailStorefront	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012 Age: 12	
Price/SF: -	NIA: 2,943 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2408327	Sale Conditions: -	
Research Status: Research Complete		

<b>7</b>	<b>Borough Parade Shopping Centre - 10-13 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/09/2014	Bldg Type: Retail	
Sale Price: £692,936 - Research Complete	Year Built/Age: Built 1996 Renov 2012 Age: 18	
Price/SF: £156.70	NIA: 4,422 SF	
Reversionary Yield: -		
Net Initial Yield: 7.00%		
Comp ID: 3107595	Sale Conditions: -	
Research Status: Research Complete		
<b>8</b>	<b>Borough Parade Shopping Centre - 10-13 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/10/2008	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012 Age: 12	
Price/SF: -	NIA: 4,422 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2408327	Sale Conditions: -	
Research Status: Research Complete		
<b>9</b>	<b>Borough Parade Shopping Centre - 14-23 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/09/2014	Bldg Type: Retail	
Sale Price: £3,658,706 - Research Complete	Year Built/Age: Built 1996 Renov 2012 Age: 18	
Price/SF: £183.97	NIA: 19,888 SF	
Reversionary Yield: -		
Net Initial Yield: 7.00%		
Comp ID: 3107595	Sale Conditions: -	
Research Status: Research Complete		
<b>10</b>	<b>Borough Parade Shopping Centre - 14-23 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/10/2008	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012 Age: 12	
Price/SF: -	NIA: 19,888 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2408327	Sale Conditions: -	
Research Status: Research Complete		
<b>11</b>	<b>Borough Parade Shopping Centre - 24-33 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/09/2014	Bldg Type: Retail	
Sale Price: £10,561,072 - Research Complete	Year Built/Age: Built 1996 Renov 2012 Age: 18	
Price/SF: £205.66	NIA: 51,351 SF	
Reversionary Yield: -		
Net Initial Yield: 7.00%		
Comp ID: 3107595	Sale Conditions: -	
Research Status: Research Complete		
<b>12</b>	<b>Borough Parade Shopping Centre - 24-33 Borough Para (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 03/10/2008	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012 Age: 12	
Price/SF: £0.00	NIA: 51,351 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2408327	Sale Conditions: -	
Research Status: Confirmed		

<b>13</b>	<b>Borough Parade Shopping Centre - 24-33 Borough Para</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 26/10/1996	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012	
Price/SF: -	NIA: 51,351 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2360417	Sale Conditions: -	
Research Status: Confirmed		
<b>14</b>	<b>Borough Parade Shopping Centre - 24-33 Borough Para</b>	<b>SOLD</b>
Chippenham, SN15 3WL	Wiltshire County	
Sale Date: 31/10/2000	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1996 Renov 2012 Age: 4	
Price/SF: -	NIA: 51,351 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2369879	Sale Conditions: -	
Research Status: Confirmed		
<b>15</b>	<b>Units 1-3 - Chippenham Retail Park - Bumpers Way</b>	<b>SOLD</b>
Chippenham, SN14 6LH	Wiltshire County	
Sale Date: 15/08/2014	Bldg Type: RetailFreestanding	
Sale Price: £11,234,000 - Confirmed	Year Built/Age: Built 2007 Age: 6	
Price/SF: £259.36	NIA: 43,315 SF	
Reversionary Yield: -		
Net Initial Yield: 5.82%		
Comp ID: 3097267	Sale Conditions: -	
Research Status: Confirmed		
<b>16</b>	<b>Emery Gate Shopping Centre - Emery Gate</b>	<b>SOLD</b>
Chippenham, SN15 3JP	Wiltshire County	
Sale Date: 14/01/2002	Bldg Type: RetailFreestanding	
Sale Price: -	Year Built/Age: Built 1986 Age: 16	
Price/SF: -	NIA: 88,569 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2457582	Sale Conditions: -	
Research Status: Confirmed		
<b>17</b>	<b>Emery Gate Shopping Centre - Emery Gate</b>	<b>SOLD</b>
Chippenham, SN15 3JP	Wiltshire County	
Sale Date: 18/05/1985	Bldg Type: RetailFreestanding	
Sale Price: -	Year Built/Age: Built 1986	
Price/SF: -	NIA: 88,569 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2410352	Sale Conditions: -	
Research Status: Confirmed		
<b>18</b>	<b>Units 1 - 7 - Hathaway Retail Park - Foundry Ln</b>	<b>SOLD</b>
Chippenham, SN15 1JG	Wiltshire County	
Sale Date: 14/07/2011	Bldg Type: RetailStorefront	
Sale Price: £23,000,000 - Confirmed	Year Built/Age: Built 1990 Age: 21	
Price/SF: £271.66	NIA: 84,664 SF	
Reversionary Yield: -		
Net Initial Yield: 5.50%		
Comp ID: 2445084	Sale Conditions: -	
Research Status: Confirmed		

19	Units 1 - 7 - Hathaway Retail Park - Foundry Ln	SOLD
Chippenham, SN15 1JG	Wiltshire County	
Sale Date: 01/01/2016	Bldg Type: RetailStorefront	
Sale Price: £18,920,000 - Confirmed	Year Built/Age: Built 1990 Age: 26	
Price/SF: £223.47	NIA: 84,664 SF	
Reversionary Yield: -		
Net Initial Yield: 6.67%		
Comp ID: 3577166	Sale Conditions: -	
Research Status: Confirmed		
20	Units 1 - 7 - Hathaway Retail Park - Foundry Ln	SOLD
Chippenham, SN15 1JG	Wiltshire County	
Sale Date: 26/08/2009	Bldg Type: RetailStorefront	
Sale Price: £14,930,000 - Confirmed	Year Built/Age: Built 1990 Age: 19	
Price/SF: £176.34	NIA: 84,664 SF	
Reversionary Yield: -		
Net Initial Yield: 8.50%		
Comp ID: 2418046	Sale Conditions: -	
Research Status: Confirmed		
21	Units 1 - 7 - Hathaway Retail Park - Foundry Ln	SOLD
Chippenham, SN15 1JG	Wiltshire County	
Sale Date: 10/03/1994	Bldg Type: RetailStorefront	
Sale Price: -	Year Built/Age: Built 1990 Age: 4	
Price/SF: -	NIA: 84,664 SF	
Reversionary Yield: -		
Net Initial Yield: 7.40%		
Comp ID: 2453247	Sale Conditions: -	
Research Status: Confirmed		
22	Units 1 - 7 - Hathaway Retail Park - Foundry Ln	SOLD
Chippenham, SN15 1JG	Wiltshire County	
Sale Date: 30/06/1993	Bldg Type: RetailStorefront	
Sale Price: -	Year Built/Age: Built 1990 Age: 3	
Price/SF: -	NIA: 84,664 SF	
Reversionary Yield: -		
Net Initial Yield: 7.40%		
Comp ID: 2453268	Sale Conditions: -	
Research Status: Confirmed		
23	Units 1 - 7 - Hathaway Retail Park - Foundry Ln	SOLD
Chippenham, SN15 1JG	Wiltshire County	
Sale Date: 01/04/2006	Bldg Type: RetailStorefront	
Sale Price: -	Year Built/Age: Built 1990 Age: 16	
Price/SF: -	NIA: 84,664 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2453966	Sale Conditions: -	
Research Status: Confirmed		
24	Gladstone Road Clubhouse - 20 Gladstone Rd	SOLD
Chippenham, SN15 3BW	Wiltshire County	
Sale Date: 29/07/2019 (166 days on mkt)	Bldg Type: RetailStorefront Retail/Residential	
Sale Price: £352,000 - Confirmed	Year Built/Age: -	
Price/SF: £49.90	NIA: 7,054 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4842943	Sale Conditions: Redevelopment Project	
Research Status: Confirmed		

<b>25</b>	<b>1 High St</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3EP</p> <p>Sale Date: 01/06/2011  Sale Price: £1,725,000 - Confirmed  Price/SF: £183.51</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: Built 1972 Age: 38  NIA: 9,400 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: 6.30%  Comp ID: 2418951  Research Status: Confirmed</p>		<p>Sale Conditions: -</p> 	
<b>26</b>	<b>2-3 High St</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3EP</p> <p>Sale Date: 23/07/1987  Sale Price: -  Price/SF: -</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: Built 1824 Age: 163  NIA: 10,392 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2371990  Research Status: Confirmed</p>		<p>Sale Conditions: -</p> 	
<b>27</b>	<b>2-3 High St</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3EP</p> <p>Sale Date: 30/09/1988  Sale Price: -  Price/SF: -</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: Built 1824 Age: 164  NIA: 10,392 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2438957  Research Status: Confirmed</p>		<p>Sale Conditions: -</p> 	
<b>28</b>	<b>6-7 High St</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3ER</p> <p>Sale Date: 20/08/2019 (64 days on mkt)  Sale Price: £1,100,000 - Confirmed  Price/SF: £535.02</p>		<p>Wiltshire County</p> <p>Bldg Type: Retail  Year Built/Age: Built 1890 Age: 129  NIA: 2,056 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: 7.88%  Comp ID: 4861712  Research Status: Confirmed</p>		<p>Sale Conditions: Auction Sale</p> 	
<b>29</b>	<b>6-7 High St</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3ER</p> <p>Sale Date: 01/11/2014 (16 days on mkt)  Sale Price: -  Price/SF: -</p>		<p>Wiltshire County</p> <p>Bldg Type: Retail  Year Built/Age: Built 1890 Age: 124  NIA: 2,056 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 3173534  Research Status: Research Complete</p>		<p>Sale Conditions: -</p> 	
<b>30</b>	<b>11-12 High St</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3ER</p> <p>Sale Date: 12/01/2004  Sale Price: -  Price/SF: -</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: -  NIA: 3,402 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2468946  Research Status: Confirmed</p>		<p>Sale Conditions: -</p> 	

<b>31</b>	<b>11-12 High St</b>		<b>SOLD</b>
Chippenham, SN15 3ER		Wiltshire County	
Sale Date: 14/07/1993		Bldg Type: RetailStorefront	
Sale Price: -		Year Built/Age: -	
Price/SF: -		NIA: 3,402 SF	
Reversionary Yield: -			
Net Initial Yield: -			
Comp ID: 2388784		Sale Conditions: -	
Research Status: Confirmed			
<b>32</b>	<b>17 High St (Part of Multi-Property)</b>		<b>SOLD</b>
Chippenham, SN15 3ER		Wiltshire County	
Sale Date: 16/07/2014 (27 days on mkt)		Bldg Type: Retail	
Sale Price: £453,398 - Research Complete		Year Built/Age: Built 1900 Age: 114	
Price/SF: £230.39		NIA: 1,968 SF	
Reversionary Yield: -			
Net Initial Yield: -			
Comp ID: 3071177		Sale Conditions: Auction Sale	
Research Status: Research Complete			
<b>33</b>	<b>18 High St (Part of Multi-Property)</b>		<b>SOLD</b>
Chippenham, SN15 3ER		Wiltshire County	
Sale Date: 16/07/2014 (27 days on mkt)		Bldg Type: RetailStorefront	
Sale Price: £101,601 - Research Complete		Year Built/Age: -	
Price/SF: £230.39		NIA: 441 SF	
Reversionary Yield: -			
Net Initial Yield: -			
Comp ID: 3071177		Sale Conditions: Auction Sale	
Research Status: Research Complete			
<b>34</b>	<b>18 High St</b>		<b>SOLD</b>
Chippenham, SN15 3ER		Wiltshire County	
Sale Date: 14/12/1998		Bldg Type: RetailStorefront	
Sale Price: -		Year Built/Age: -	
Price/SF: -		NIA: 441 SF	
Reversionary Yield: -			
Net Initial Yield: -			
Comp ID: 2416161		Sale Conditions: -	
Research Status: Confirmed			
<b>35</b>	<b>19 High St</b>		<b>SOLD</b>
Chippenham, SN15 3EU		Wiltshire County	
Sale Date: 01/05/2015		Bldg Type: RetailStorefront	
Sale Price: £600,000 - Confirmed		Year Built/Age: Built 1905 Age: 109	
Price/SF: £215.83		NIA: 2,780 SF	
Reversionary Yield: -			
Net Initial Yield: 7.56%			
Comp ID: 3353714		Sale Conditions: -	
Research Status: Confirmed			
<b>36</b>	<b>19 High St</b>		<b>SOLD</b>
Chippenham, SN15 3EU		Wiltshire County	
Sale Date: 03/07/2001		Bldg Type: RetailStorefront	
Sale Price: £515,000 - Confirmed		Year Built/Age: Built 1905 Age: 96	
Price/SF: £185.25		NIA: 2,780 SF	
Reversionary Yield: -			
Net Initial Yield: 6.70%			
Comp ID: 2472044		Sale Conditions: -	
Research Status: Confirmed			

<b>37</b>	<b>149 London Rd</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3AN</p> <p>Sale Date: 03/12/2012 (406 days on mkt)  Sale Price: -  Price/SF: -</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: Built 1958 Age: 54  NIA: 1,362 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2618974  Research Status: Research Complete</p>		<p>Sale Conditions: -</p> 	
<b>38</b>	<b>Chequers Yard - Lowden</b>	<b>SOLD</b>	
<p>Chippenham, SN15 2BJ</p> <p>Sale Date: 01/09/2018 (183 days on mkt)  Sale Price: £400,000 - Full Value  Price/SF: £56.78</p>		<p>Wiltshire County</p> <p>Bldg Type: Retail  Year Built/Age: Built 1979 Age: 39  NIA: 7,045 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 4586216  Research Status: Full Value</p>		<p>Sale Conditions: -</p> 	
<b>39</b>	<b>127 Malmesbury Rd</b>	<b>SOLD</b>	
<p>Chippenham, SN15 1PZ</p> <p>Sale Date: 08/11/2017 (369 days on mkt)  Sale Price: £320,000 - Confirmed  Price/SF: £75.79</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: Built 1982 Age: 35  NIA: 4,222 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 4051360  Research Status: Confirmed</p>		<p>Sale Conditions: -</p> 	
<b>40</b>	<b>3 Market Pl</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3HD</p> <p>Sale Date: 11/07/2018 (12 days on mkt)  Sale Price: £835,000  Price/SF: £575.86</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront Retail/Residential  Year Built/Age: Built 1880 Age: 138  NIA: 1,450 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: 8.21%  Comp ID: 4395949  Research Status: Research Complete</p>		<p>Sale Conditions: Auction Sale</p> 	
<b>41</b>	<b>7 Market Pl</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3HD</p> <p>Sale Date: 22/06/2009  Sale Price: £195,000 - Confirmed  Price/SF: £188.95</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: Built 1807 Age: 201  NIA: 1,032 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2334327  Research Status: Confirmed</p>		<p>Sale Conditions: -</p> 	
<b>42</b>	<b>Retail Unit, Unit 13 - 14 Market Pl (Part of Multi-Unit)</b>	<b>SOLD</b>	
<p>Chippenham, SN15 3HJ</p> <p>Sale Date: 27/10/2015 (237 days on mkt)  Sale Price: -  Price/SF: -</p>		<p>Wiltshire County</p> <p>Unit Type: 1,071 SF Retail Unit  Year Built/Age: Built 1914 Age: 101  NIA: 1,071 SF</p>	
<p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 3459761  Research Status:</p>		<p>Sale Conditions: -</p> 	

<b>43</b>	<b>Retail Unit, Unit 13 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 436 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 436 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>44</b>	<b>Retail Unit, Unit 13 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 581 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 581 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>45</b>	<b>Retail Unit, Unit 14 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 1,677 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 1,677 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>46</b>	<b>Retail Unit, Unit 14 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 701 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 701 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>47</b>	<b>Retail Unit, Unit 14 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 757 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 757 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>48</b>	<b>Retail Unit, Unit 16 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 647 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 647 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		

<b>49</b>	<b>Retail Unit, Unit 16 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 350 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 350 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>50</b>	<b>Retail Unit, Unit 16 - 14 Market PI (Part of Multi-Unit)</b>	<b>SOLD</b>
Chippenham, SN15 3HJ	Wiltshire County	
Sale Date: 27/10/2015 (237 days on mkt)	Unit Type: 349 SF Retail Unit	
Sale Price: -	Year Built/Age: Built 1914 Age: 101	
Price/SF: -	NIA: 349 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3459761	Sale Conditions: -	
Research Status:		
<b>51</b>	<b>36 Market PI</b>	<b>SOLD</b>
Chippenham, SN15 3HT	Wiltshire County	
Sale Date: 21/07/2017 (512 days on mkt)	Bldg Type: RetailStorefront Retail/Residential	
Sale Price: £180,000 - Confirmed	Year Built/Age: Built 1800 Age: 217	
Price/SF: £141.51	NIA: 1,272 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3976420	Sale Conditions: -	
Research Status: Confirmed		
<b>52</b>	<b>41-43 Market PI</b>	<b>SOLD</b>
Chippenham, SN15 3HR	Wiltshire County	
Sale Date: 27/10/2014	Bldg Type: RetailStorefront	
Sale Price: £610,000 - Confirmed	Year Built/Age: Built 1950 Age: 64	
Price/SF: £74.60	NIA: 8,177 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3173508	Sale Conditions: -	
Research Status: Confirmed		
<b>53</b>	<b>Retail Unit - 44-45 Market PI</b>	<b>SOLD</b>
Chippenham, SN15 3HU	Wiltshire County	
Sale Date: 03/04/2013	Unit Type: 8,489 SF Retail Unit	
Sale Price: £1,775,000 - Confirmed	Year Built/Age: Built 1900 Age: 113	
Price/SF: £209.09	NIA: 8,489 SF	
Reversionary Yield: -		
Net Initial Yield: 7.23%		
Comp ID: 2728309	Sale Conditions: -	
Research Status: Confirmed		
<b>54</b>	<b>49 Market PI</b>	<b>SOLD</b>
Chippenham, SN15 3HU	Wiltshire County	
Sale Date: 16/10/2018 (19 days on mkt)	Bldg Type: Retail	
Sale Price: £830,000 - Confirmed	Year Built/Age: Built 1920 Age: 98	
Price/SF: £287.20	NIA: 2,890 SF	
Reversionary Yield: -		
Net Initial Yield: 5.18%		
Comp ID: 4582307	Sale Conditions: Auction Sale	
Research Status: Confirmed		

<b>55</b>	<b>49 Market PI (Part of Multi-Property)</b>	<b>SOLD</b>
Chippenham, SN15 3HU	Wiltshire County	
Sale Date: 29/12/2016	Bldg Type: Retail	
Sale Price: -	Year Built/Age: Built 1920 Age: 96	
Price/SF: -	NIA: 2,890 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3851684	Sale Conditions: Bulk/Portfolio Sale, Sale Leaseback	
Research Status: Research Complete		
<b>56</b>	<b>51-52 Market PI</b>	<b>SOLD</b>
Chippenham, SN15 3HU	Wiltshire County	
Sale Date: 06/07/2005 (15 days on mkt)	Bldg Type: RetailStorefront	
Sale Price: -	Year Built/Age: Built 1900 Age: 105	
Price/SF: -	NIA: 1,619 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2322530	Sale Conditions: -	
Research Status: Confirmed		
<b>57</b>	<b>54 Market PI</b>	<b>SOLD</b>
Chippenham, SN15 3HL	Wiltshire County	
Sale Date: 01/12/1993	Bldg Type: RetailStorefront	
Sale Price: -	Year Built/Age: -	
Price/SF: -	NIA: 2,138 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2402649	Sale Conditions: -	
Research Status: Confirmed		
<b>58</b>	<b>57 Market PI</b>	<b>SOLD</b>
Chippenham, SN15 3HL	Wiltshire County	
Sale Date: 04/09/2017 (61 days on mkt)	Bldg Type: RetailStorefront	
Sale Price: £218,000 - Confirmed	Year Built/Age: Built 1900 Age: 117	
Price/SF: £147.60	NIA: 1,477 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3995336	Sale Conditions: -	
Research Status: Confirmed		
<b>59</b>	<b>5 New Rd</b>	<b>SOLD</b>
Chippenham, SN15 1EL	Wiltshire County	
Sale Date: 30/11/2015	Bldg Type: RetailStorefront Retail/Residential	
Sale Price: -	Year Built/Age: Built 1896 Age: 119	
Price/SF: -	NIA: 1,778 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3520401	Sale Conditions: -	
Research Status:		
<b>60</b>	<b>5 New Rd</b>	<b>SOLD</b>
Chippenham, SN15 1EL	Wiltshire County	
Sale Date: 04/12/1984	Bldg Type: RetailStorefront Retail/Residential	
Sale Price: -	Year Built/Age: Built 1896 Age: 88	
Price/SF: -	NIA: 1,778 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2368035	Sale Conditions: -	
Research Status: Confirmed		

<b>61</b>	<b>12 New Rd</b>	<b>SOLD</b>	
<p>Chippenham, SN15 1HJ</p> <p>Sale Date: 18/10/1995  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2482544  Research Status: Confirmed</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: -  NIA: 7,973 SF</p> <p>Sale Conditions: -</p> 	
<b>62</b>	<b>12 New Rd</b>	<b>SOLD</b>	
<p>Chippenham, SN15 1HJ</p> <p>Sale Date: 25/10/1992  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2482564  Research Status: Confirmed</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront  Year Built/Age: -  NIA: 7,973 SF</p> <p>Sale Conditions: -</p> 	
<b>63</b>	<b>19 New Rd</b>	<b>PENDING</b>	
<p>Chippenham, SN15 1HJ</p> <p>Asking Price: £350,000  Price/SF: £126.58  Days on Market: 54  Sale Status: Pending</p> <p>Net Initial Yield: 6.29%</p>		<p>Wiltshire County</p> <p>Sale Type: Investment  Bldg Type: RetailStorefront  Bldg Status: Built 1880  NIA: 2,765 SF</p> <p>Sale Conditions: Auction Sale</p> 	
<b>64</b>	<b>48A New Rd</b>	<b>SOLD</b>	
<p>Chippenham, SN15 1HL</p> <p>Sale Date: 27/02/2018 (88 days on mkt)  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 4177800  Research Status: Public Record</p>		<p>Wiltshire County</p> <p>Bldg Type: Retail  Year Built/Age: -  NIA: 365 SF</p> <p>Sale Conditions: -</p> 	
<b>65</b>	<b>Former Sorting Office - Station HI</b>	<b>SOLD</b>	
<p>Chippenham, SN15 1EG</p> <p>Sale Date: 28/04/2010  Sale Price: £500,000 - Confirmed  Price/SF: £80.05</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 2329222  Research Status: Confirmed</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront Retail/Office  Year Built/Age: Built 1959 Age: 51  NIA: 6,246 SF</p> <p>Sale Conditions: -</p> 	
<b>66</b>	<b>Former Sorting Office - Station HI</b>	<b>SOLD</b>	
<p>Chippenham, SN15 1EG</p> <p>Sale Date: 01/06/2015  Sale Price: -  Price/SF: -</p> <p>Reversionary Yield: -  Net Initial Yield: -  Comp ID: 3625043  Research Status:</p>		<p>Wiltshire County</p> <p>Bldg Type: RetailStorefront Retail/Office  Year Built/Age: Built 1959 Age: 56  NIA: 6,246 SF</p> <p>Sale Conditions: -</p> 	

<b>67</b>	<b>8 Station HI</b>	<b>SOLD</b>
Chippenham, SN15 1EQ	Wiltshire County	
Sale Date: 24/12/2014 (194 days on mkt)	Bldg Type: RetailStorefront	
Sale Price: £285,000 - Confirmed	Year Built/Age: Built 1890 Age: 124	
Price/SF: £161.11	NIA: 1,769 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3204976	Sale Conditions: -	
Research Status: Confirmed		
<b>68</b>	<b>15A Station HI</b>	<b>SOLD</b>
Chippenham, SN15 1EQ	Wiltshire County	
Sale Date: 10/10/2016 (14 days on mkt)	Bldg Type: RetailStorefront Retail/Residential	
Sale Price: £75,000	Year Built/Age: Built 2000 Age: 16	
Price/SF: £202.16	NIA: 371 SF	
Reversionary Yield: -		
Net Initial Yield: 5.67%		
Comp ID: 3749895	Sale Conditions: -	
Research Status:		
<b>69</b>	<b>18a-18b Station HI</b>	<b>SOLD</b>
Chippenham, SN15 1EG	Wiltshire County	
Sale Date: 01/10/1998	Bldg Type: RetailStorefront	
Sale Price: -	Year Built/Age: Built 1969 Age: 29	
Price/SF: -	NIA: 1,900 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2419970	Sale Conditions: -	
Research Status: Confirmed		
<b>70</b>	<b>5 The Bridge</b>	<b>SOLD</b>
Chippenham, SN15 1HA	Wiltshire County	
Sale Date: 16/12/2013 (76 days on mkt)	Bldg Type: RetailStorefront	
Sale Price: £351,000 - Confirmed	Year Built/Age: Built 1900 Age: 113	
Price/SF: £124.07	NIA: 2,829 SF	
Reversionary Yield: -		
Net Initial Yield: 6.80%		
Comp ID: 2935349	Sale Conditions: Sale Leaseback	
Research Status: Confirmed		
<b>71</b>	<b>36 The Causeway</b>	<b>SOLD</b>
Chippenham, SN15 3DB	Wiltshire County	
Sale Date: 28/05/2014 (1,077 days on mkt)	Bldg Type: RetailStorefront	
Sale Price: £100,000 - Confirmed	Year Built/Age: Built 1907 Age: 107	
Price/SF: £79.24	NIA: 1,262 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3101114	Sale Conditions: -	
Research Status: Confirmed		
<b>72</b>	<b>Unit 1 - Gladstone Parade - Timber St</b>	<b>SOLD</b>
Chippenham, SN15 3YY	Wiltshire County	
Sale Date: 16/08/2010	Bldg Type: RetailStorefront	
Sale Price: £165,000 - Confirmed	Year Built/Age: Built 1977 Renov 2003 Age: 33	
Price/SF: £24.18	NIA: 6,824 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 2385836	Sale Conditions: -	
Research Status: Confirmed		

**73 Unit 1 - Gladstone Parade - Timber St****SOLD**

Chippenham, SN15 3YY

Wiltshire County

Sale Date: 01/08/2011

Bldg Type: RetailStorefront

Sale Price: £155,000 - Confirmed

Year Built/Age: Built 1977 Renov 2003 Age: 34

Price/SF: £22.71

NIA: 6,824 SF

Reversionary Yield: -

Net Initial Yield: -

Comp ID: 2457328

Sale Conditions: -

Research Status: Confirmed

**74 Unit 1 - Gladstone Parade - Timber St****SOLD**

Chippenham, SN15 3YY

Wiltshire County

Sale Date: 31/01/2011

Bldg Type: RetailStorefront

Sale Price: £112,500 - Confirmed

Year Built/Age: Built 1977 Renov 2003 Age: 33

Price/SF: £16.49

NIA: 6,824 SF

Reversionary Yield: -

Net Initial Yield: -

Comp ID: 2388703

Sale Conditions: -

Research Status: Confirmed



## Quick Stats Report

Comps Statistics					
	Low	Average	Median	High	Count
<b>Price</b>					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	£1,000,000	£11,550,000	£1,450,000	£32,200,000	3
<b>Parcel Size</b>					
For Sale & UC/Pending	5.83 AC	6.31 AC	6.31 AC	6.79 AC	2
Sold Transactions	1.45 AC	7.85 AC	3.32 AC	29 AC	5
<b>Price per Acre</b>					
For Sale & UC/Pending	-	-	-	-	-
Sold Transactions	£301,576	£1,026,059	£1,001,363	£1,110,345	3
<b>Days on Market</b>					
For Sale & UC/Pending	202	498	498	795	2
Sold Transactions	22	833	348	2,130	3
<b>Sale Price to Asking Price Ratio</b>					
Sold Transactions	-	-	-	-	-
<b>Totals</b>					
For Sale & UC/Pending	Asking Price Total:	£0	Total For Sale Transactions:		2
Sold Transactions	Total Sales Volume:	£34,650,000	Total Sales Transactions:		5
	Total Included in Analysis:	£34,650,000	Total Included in Analysis:		7
<b>Survey Criteria</b>					
<p>basic criteria: Type of Property - Land; Sale Status - Sold, Under Offer; Return and Search on Portfolio Sales as Individual Properties - Yes; Exclude Non-Arms Length Comps - Yes</p> <p>geography criteria: Radius - 3.00 mile(s) radius from Lat : -2.1224399, Long : 51.460645</p>					

1	Development Site - Cepen Way	SOLD
Chippenham, SN14 0TW	Wiltshire County	
Sale Date: 31/07/2010	Land Area: 3.32 AC (144,619 SF)	
Sale Price: £1,000,000 - Confirmed	Lot Dimensions: -	
£/AC Land Gross: £301,576.43 (£6.92/SF)	Proposed Use: Commercial	
Parcel No:		
Comp ID: 2400042	Sale Conditions: -	
Research Status: Confirmed		
2	Wiltshire College - Cocklebury Rd	SOLD
Chippenham, SN15 3QD	Wiltshire County	
Sale Date: 28/02/2017 (348 days on mkt)	Land Area: 2.10 AC (91,476 SF)	
Sale Price: -	Lot Dimensions: -	
£/AC Land Gross: -	Proposed Use: -	
Parcel No:		
Comp ID: 3843928	Sale Conditions: Condo Conversion, Redevelopment Project	
Research Status: Research Complete		
3	Land for Middlefields House - Hungerdown Ln	SOLD
Chippenham, SN14 0JP	Wiltshire County	
Sale Date: 13/09/2019	Land Area: 1.45 AC (63,162 SF)	
Sale Price: £1,450,000 - Full Value	Lot Dimensions: -	
£/AC Land Gross: £1,001,363.44 (£22.99/SF)	Proposed Use: Health Care	
Parcel No:		
Comp ID: 4986500	Sale Conditions: -	
Research Status: Full Value		
4	Development Site - Langley Park	SOLD
Chippenham, SN15 1GE	Wiltshire County	
Sale Date: 30/12/2014 (2,130 days on mkt)	Land Area: 29 AC (1,263,240 SF)	
Sale Price: £32,200,000 - Confirmed	Lot Dimensions: -	
£/AC Land Gross: £1,110,344.83 (£25.49/SF)	Proposed Use: -	
Parcel No:		
Comp ID: 3330320	Sale Conditions: -	
Research Status: Confirmed		
5	Former Ambulance Service Training College - Malmesbury Rd	UNDER CONTRACT
Chippenham, SN15 5LN	Wiltshire County	
Asking Price: -	Sale Type: Investment	
£/AC Land Gross: -	Land Area: 6.79 AC (295,772 SF)	
Days on Market: 795	Lot Dimensions: -	
Sale Status: Under Contract	Proposed Use: -	
Parcel No: 0081-2212, 0081-2228 [Partial List]		
Sales Condition: -		
6	Middlefields	PENDING
Chippenham, SN14 0JP	Wiltshire County	
Asking Price: -	Sale Type: Investment	
£/AC Land Gross: -	Land Area: 5.83 AC (253,955 SF)	
Days on Market: 202	Lot Dimensions: -	
Sale Status: Pending	Proposed Use: -	
Parcel No:		
Sales Condition: -		

Chippenham, SN15 5PG

Wiltshire County

Sale Date: 20/12/2014 (22 days on mkt)      Land Area: 3.40 AC (148,104 SF)  
Sale Price: -      Lot Dimensions: -  
£/AC Land Gross: -      Proposed Use: -

Parcel No:

Comp ID: 3207829      Sale Conditions: -  
Research Status: Research Complete



## Appendix 7 – Land Registry Development Land Data

	Location	Applicant	Application status	Planning Application and Link	Details	Units	Affordable	Affordable %	s106	s106 /unit	Ha	Price Paid	£/ha	£/unit
1	Bird's Marsh Development	NCC*	REGISTERED	<a href="#">18/01102/REM</a>	A Mixed-Use Scheme Comprising up to 750 Dwellings (C3) up to 12,710 sqm Employment Development (B1, B2, B8), a Local Centre (A1, D1, D2), a Primary School, a New Link Road & Other Highway Access, Public Open Space, Landscaping & Other Associated Infrastructure Works.	750		0.00%		£0				
2		NCC	APPROVAL OF RESERVED MATTERS	<a href="#">17/08471/REM</a>	Particulars of Development: - Phase 1a Infrastructure: Vehicular, Cycle and Pedestrian Connections Across Phase 1a, Public Open Space, a LEAP, Landscaping, SuDS and Ancillary Infrastructure. Following Outline Planning Consent Ref N/12/00560/OUT			#DIV/0!		#DIV/0!				
3		Persimmon Homes (NCC)	REGISTERED	<a href="#">18/02973/106</a>	Modification to planning obligation			#DIV/0!		#DIV/0!				

4		Persimmon Homes	APPROVAL OF RESERVED MATTERS	<a href="#">17/0549/REM</a>	Particulars of Development: - Reserved Matters for Development Comprising the Erection of 63 Dwellings and Associated Landscaping and Drainage Infrastructure at Land at North Chippenham (Parcel P1A). Following Outline Planning Consent Ref N/12/00560/OUT.	64	19	29.69%		£0	2.86	£1,924,900	£673,042	£30,077
5		NCC	OUTLINE PLANNING	<a href="#">N/12/00560/OUT</a>	A mixed-use scheme comprising up to 750 dwellings (C3), up to 12,710 sqm employment development (B1, B2, B8), a local centre (A1, D1, D2), a Primary School, Woodland Management Facilities, a new Link Road and other highway access, public open space, landscaping, and other associated infrastructure works.	750	150	20.00%		£0	48.2	£5,341,468	£110,819	£7,122
6		(*NCC The North Chippenham Consortium (NCC) – A consortium of developers comprising of Persimmon Homes, Heron Land Developments Limited and Barratt Strategic Land)						#DIV/0!		#DIV/0!				
7	<b>Rawlings Farm Development</b>	KBC Developments LLP	OUTLINE PLANNING	<a href="#">15/12351/OUT</a>	Site Area: 46.91 Hectares <i>DAS says approximately 50HA.</i>	650	130	20.00%		£0	46.91	£8,610,000	£183,543	£13,246
					Outline Permission for up to 650 Dwellings			#DIV/0!		#DIV/0!				

				TENURE TBA 20% Affordable							
				Up to 5 Hectares of Employment Space (B1 + Local Centre) (measures 3.5 Hectares)			#DIV/0!	#DIV/0!			
				2 Form Entry Primary School			#DIV/0!	#DIV/0!			
				10 Hectare 'Country Park' + 'Landscaping', Storm water & Foul Drainage Works, Substation and Associated Infrastructure Works. Access Using Parsonage Way - Over New Railway Bridge, Darcy Close and from Cocklebury Lane (for Pedestrian/Emergency Works).			#DIV/0!	#DIV/0!			
8	KBC Developments LLP	FULL PLANNING	<a href="#">18/02037/FUL</a>	Construction of Bridge Over the Great Western Railway and Accommodation Works, Including Temporary Haul Road from Upper Peckingell Farm; Construction Compound; Bridge Beam Storage Compound; Cocklebury Link Road (Phase 1), and Associated Drainage Arrangements; Highway and Associated Landscaping			#DIV/0!	#DIV/0!			

9	Riverside	Chippenham 2020	OUTLINE PLANNING	<a href="#">15/12363/OUT</a>	Outline application for a mixed use development comprising up to 1500 dwellings Tenure TBA (Use Class C3), including a retirement village; approximately 1.0 Ha of land for a retirement home focused on New Leaze Farm (Use Class C2); approximately 5 Ha of employment land (B1 and B2 Use Classes); 2.1 Ha of land safeguarded for a 2 form entry Primary School (Use Class D1), a local centre focused on a mixed use refurbishment of Harden's Farm to provide A1, A2, A3, A4, B1, D1 and/or D2 Use Classes; 2.1 Ha of land safeguarded for the expansion of Abbeyfield School (Use Class D1); a new distributor road from the north-western site boundary to the A4; land safeguarded for the construction of a branch to the Kennett and Avon canal, a 51 Ha Country/Riverside Park, including SUDS; and associated landscape, drainage and infrastructure works"			#DIV/0!		#DIV/0!	104.4	£2,745,000	£26,293
					All matters reserved except access			#DIV/0!		#DIV/0!			

					Site Area in Application: 104.4hectares			#DIV/0!		#DIV/0!				
10	<b>Rowden Park</b>	Crest Nicholson and Redcliffe Homes	OUTLINE PLANNING	<a href="#">14/12118/OUT</a>	Mixed use urban extension comprising residential (Class C3), local centre (Classes A1-A5) and (Classes D1 and D2), primary school, public open space including riverside park and allotments, landscaping, 4 vehicular accesses, site roads and associated infrastructure. Local Centre: Foodstore (400m2), 3-4 smaller shops (300m2 in total), Use Class D1 & D2 to include potential health care and community space (700m2) 1 FE Primary School Site: 1.2 ha	1,000	300	30.00%		£0	125	£2,000,000	£16,000	£2,000
11	<b>Pewsham Locks</b>	Wilts & Berks Canal Trust	FULL PLANNING	<a href="#">N/13/00330/FUL</a>	Restoration of Canal at Pewsham Locks, Rebuilding of Lengthsman Cottage, Workshop, Facilities and Associated Engineering Operations. The restoration of the canal bed and ponds over nearly 1 Ha and 270m including the restoration of the flight of 3 locks, shallow dry lock, Saw Pit, Workshop Building, Former Lock Cottage and 1.3km of canal restoration including repair of 3 culverts.			#DIV/0!		#DIV/0!				

12	<b>Parsonage way</b>	Wavin Ltd	APPROVE WITH CONDITIONS	<a href="#">15/04763/FUL</a>	Proposed construction of car park and storage area			#DIV/0!		#DIV/0!			
13		Wavin Ltd	REGISTERED	<a href="#">17/07793/FUL</a>	Works to existing road to provide new road link connecting B4069 Langley Road and Parsonage Way. Stopping up of existing section of Parsonage Way and change of use to provide storage area. Construction of link to existing storage area.			#DIV/0!		#DIV/0!			
14	<b>Forest farm</b>	Gleeson Developments Limited	APPEAL DECIDED (DISMISSED)	<a href="#">15/11153/OUT</a>	Mixed Use Development Including the Construction of up to 200 Dwellings Including Affordable Housing, B1 Employment, Community Building, Creation of New Vehicular Access, Footways, Cycleways and Bus Stop Lay-bys, Ancillary Road Infrastructure, Public Open Space, Children's Play Areas, Landscaping, Pumping Station and Surface Water Attenuation Facilities	200	80	40.00%		£0	15.86		
15	<b>LAND AT SHOWELL FARM</b>	Crest Strategic Projects Ltd	APPROVE WITH CONDITIONS	N/13/00308/OUT	Outline Planning Application For Employment Development Comprising 50,000sqm Incorporating Class B1(b), Class B1(c), B2 With Ancillary B1(a),			#DIV/0!		#DIV/0!	19.6		

					B8 & Ancillary B1(a) Uses Including Means of Access, Car Parking, Servicing, Associated Landscaping & Works									
16	Land at Hunters Moon	Bloor Homes	APPROVE WITH CONDITIONS	16/12493/FUL	A hybrid planning application: An Outline Planning Application for the demolition of existing buildings & structures & mixed-use development comprising up to 450 dwellings, up to 2.41 ha of employment (B1, B2 & B8) development, public open space, landsc	450	123	27.33%		£0	30	£3,000,000	£100,000	£6,667
17	Land at Patterdown Road	Hollins Strategic Land LLP	APPROVE WITH CONDITIONS	16/09277/OUT	Outline planning permission for up to 72 dwellings with associated landscaping, open space and vehicular and pedestrian accesses off Patterdown Road. All matters other than means of access are reserved.	72	29	40.28%		£0	3.63	£155,000	£42,700	£2,153
18	Langley Park	Chippenham Properties Ltd & Langley Properties Ltd	APPROVE WITH CONDITIONS	<a href="#">16/03515/OUT</a>	Outline Application for the demolition of existing buildings and redevelopment to provide up to 400 units (C3); a 69 bed hotel (C1) with cafe (A3) up to 199 sqm; a discount foodstore (A1) of up to 1,741 sqm; B1, B2 & B8 floorspace (up to 13,656 sqm)	380	14	3.68%		£0	18.9	£32,000,000	£1,693,122	£84,211

19	ALDI Stores Ltd	APPROVE WITH CONDITIONS	16/04269/FUL.	The Demolition of Existing Buildings and the Development of a Class A1 Discount Foodstore (1,741sqm Gross Internal Area) with Associated Access, Parking and Servicing Areas, Landscaping and Highways Works to Include Full Traffic Signalling Works to the Little George Roundabout and Other Highways Improvement Works to Foundry Lane			#DIV/0!		#DIV/0!	1.49	£2,340,000		
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## Appendix 8 – Appraisals

*The pages in this appendix are not numbered.*

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Draft Commercial in Confidence

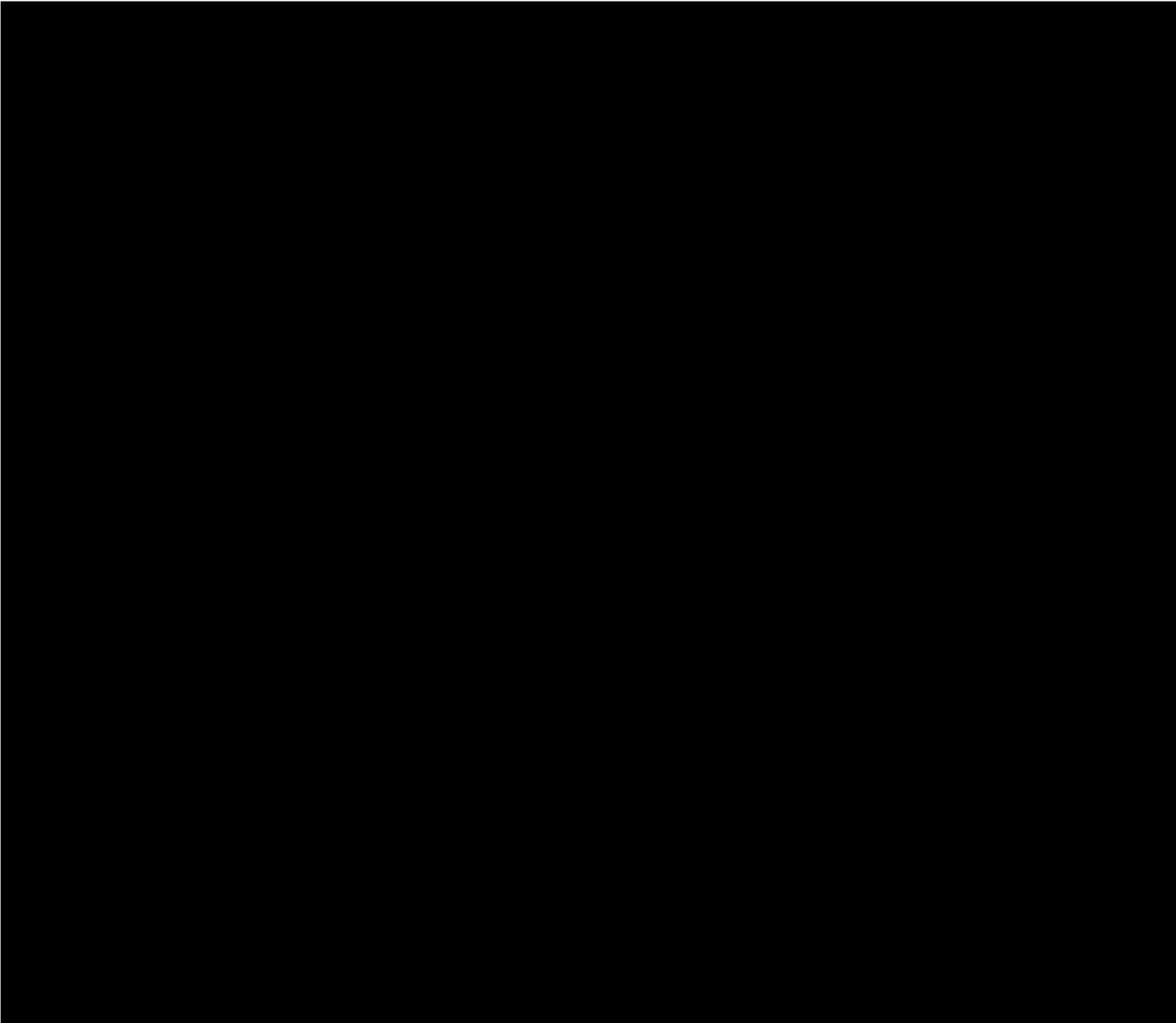


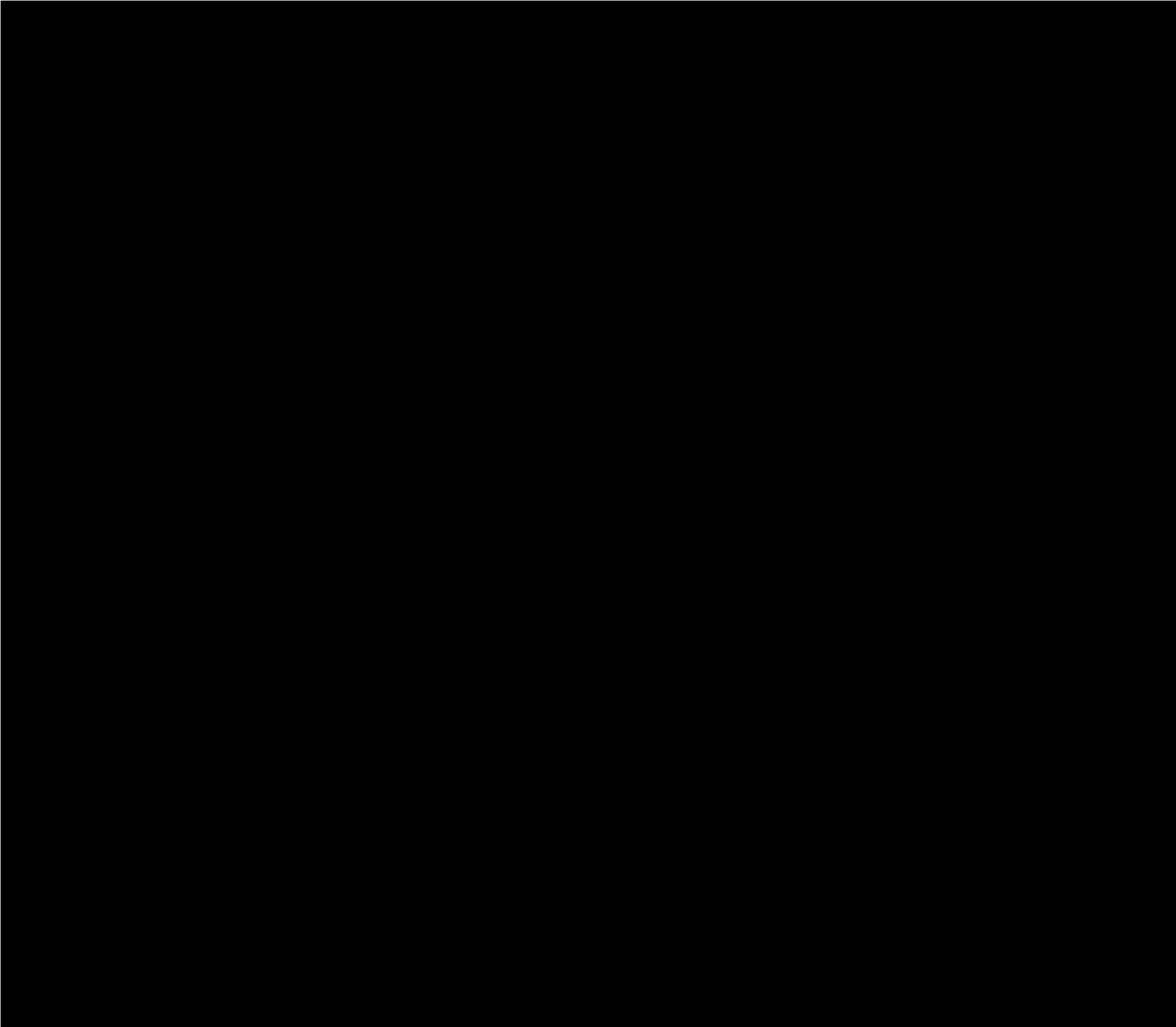
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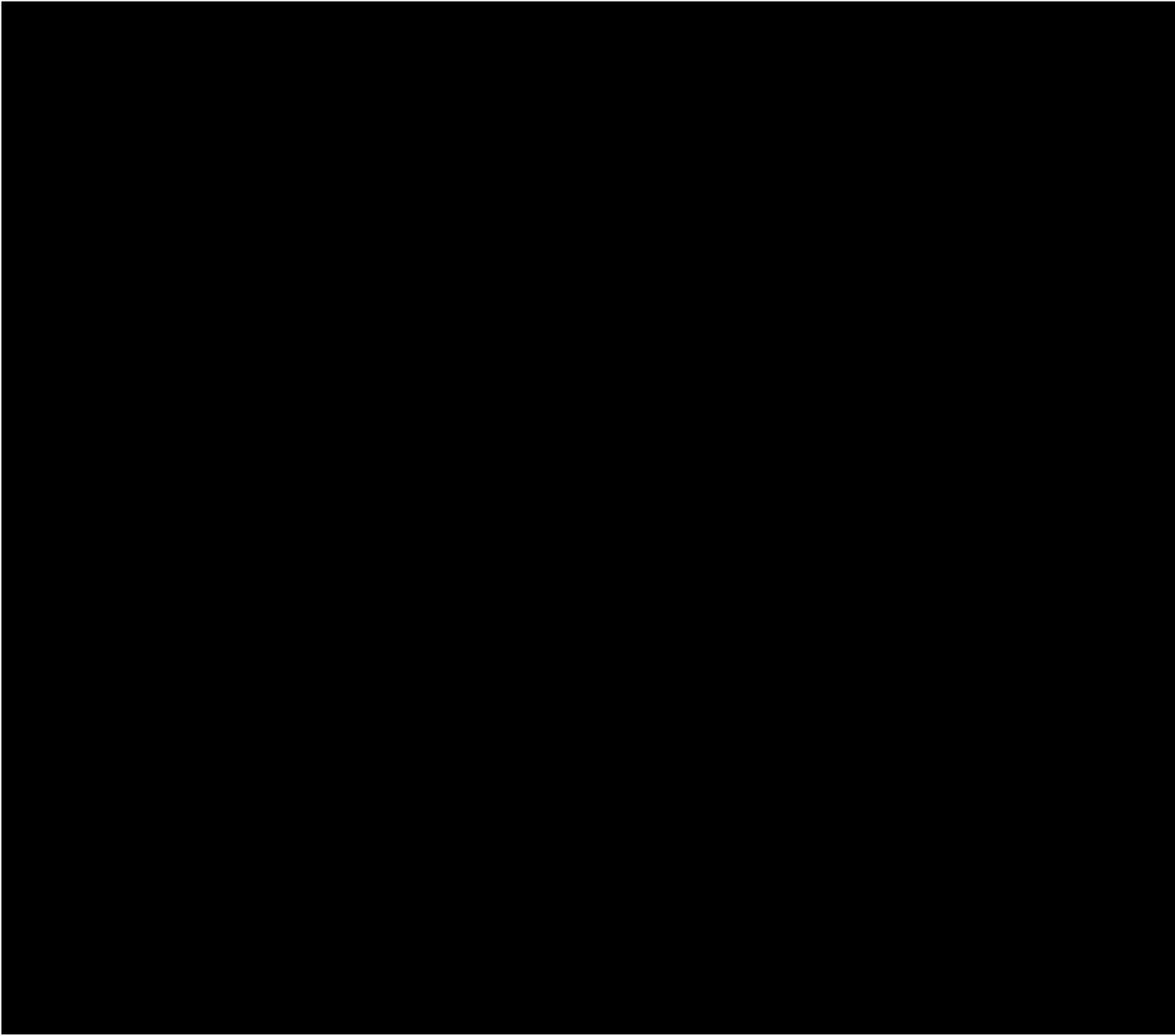
Wiltshire County Council

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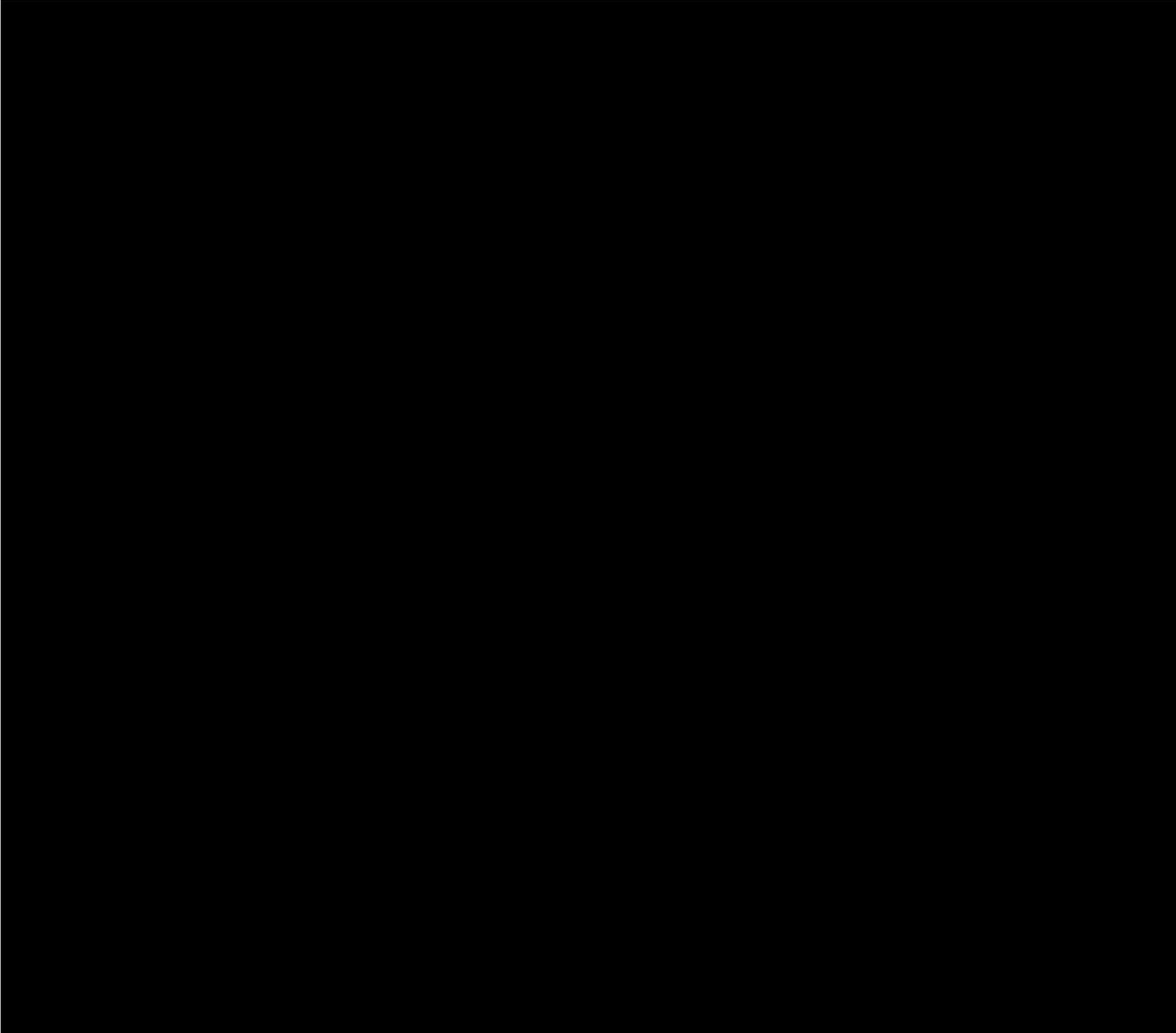


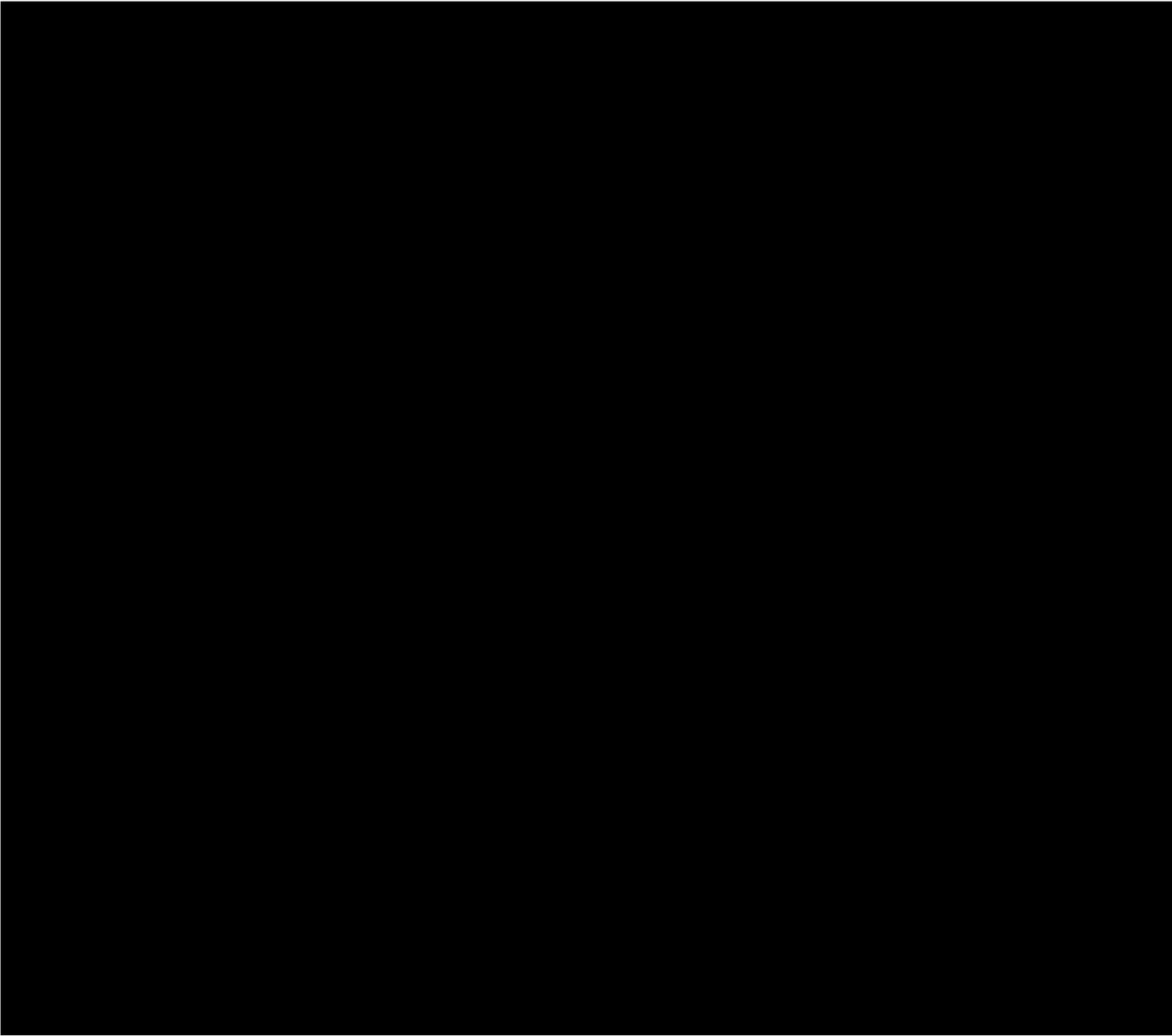






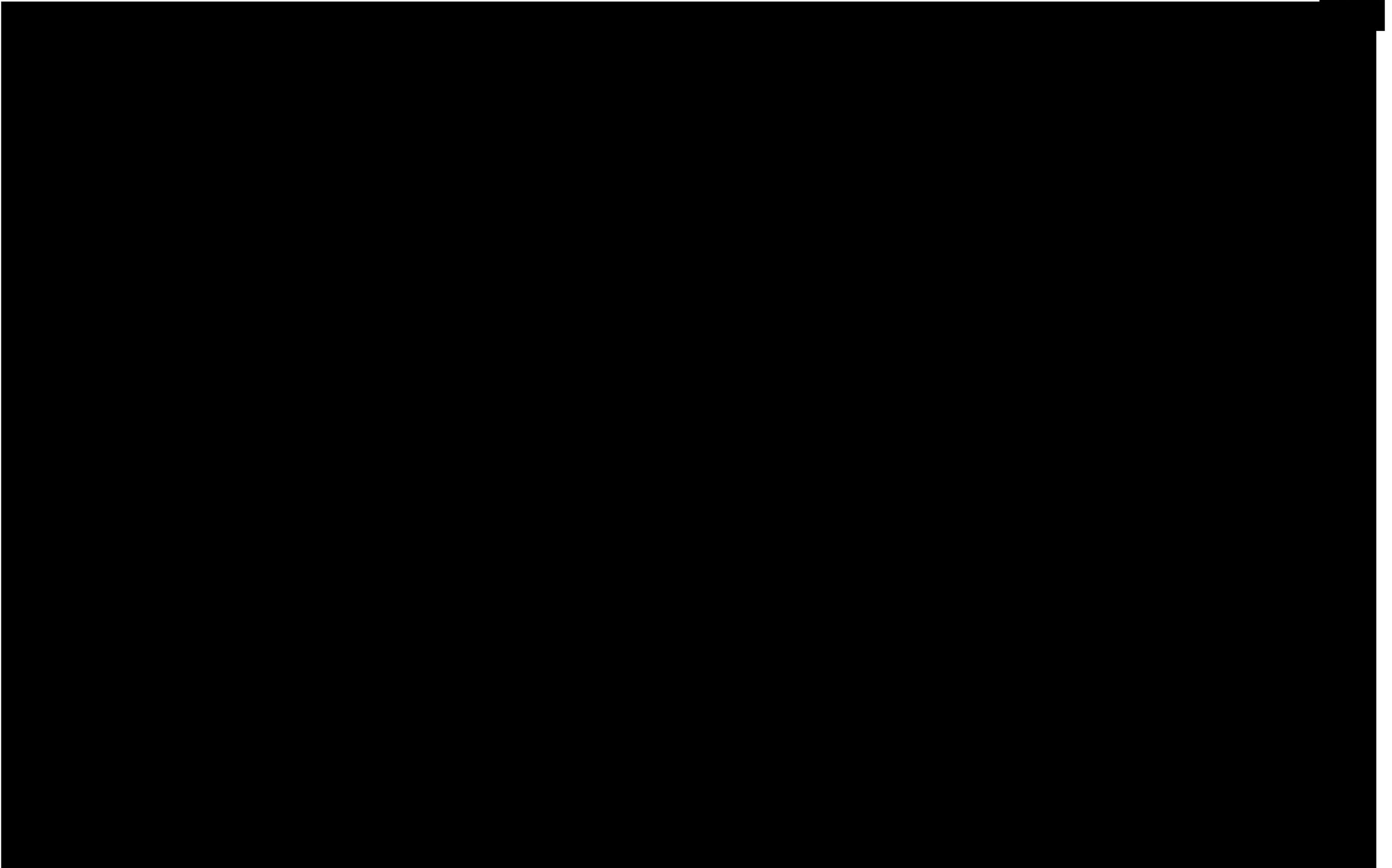




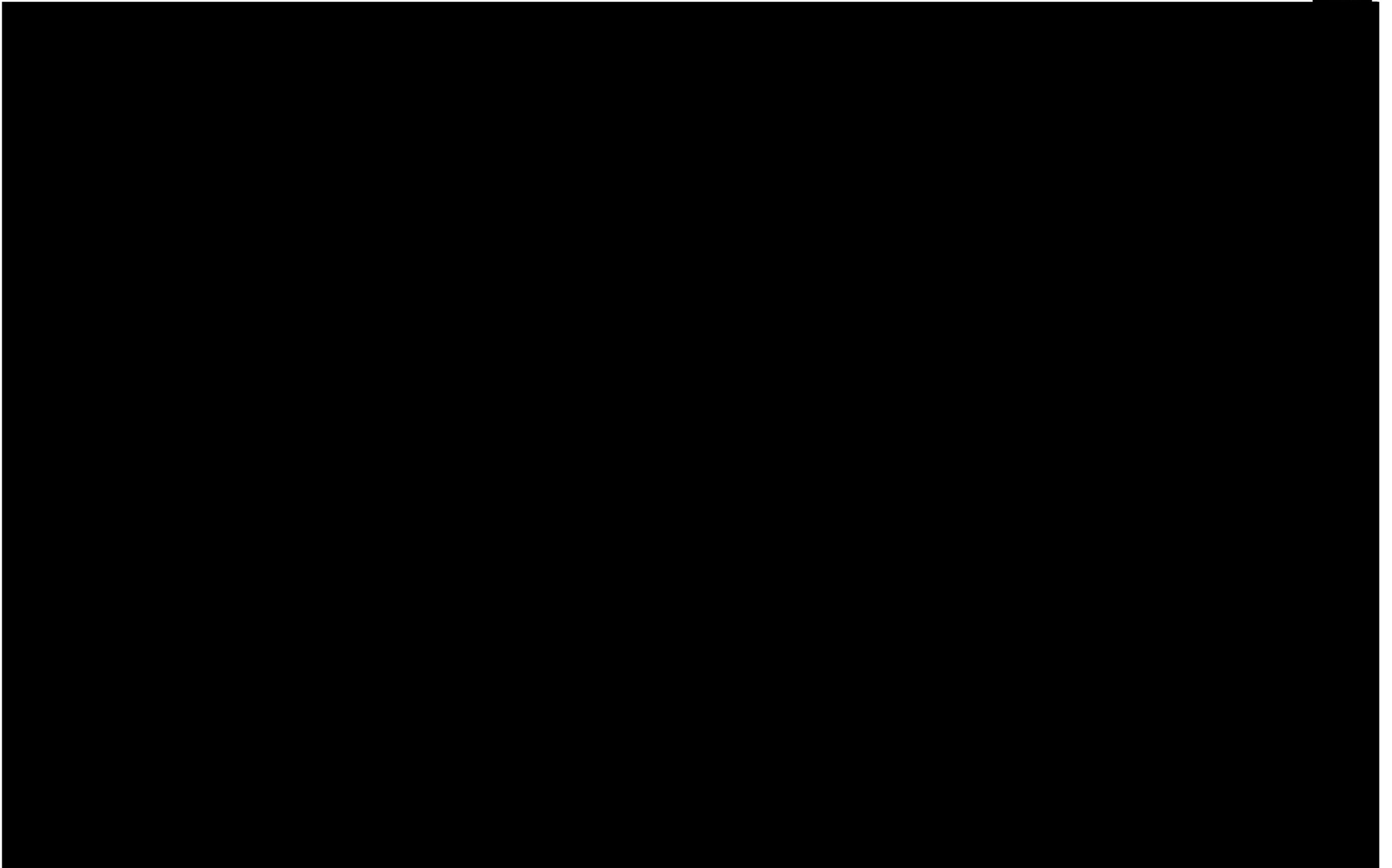


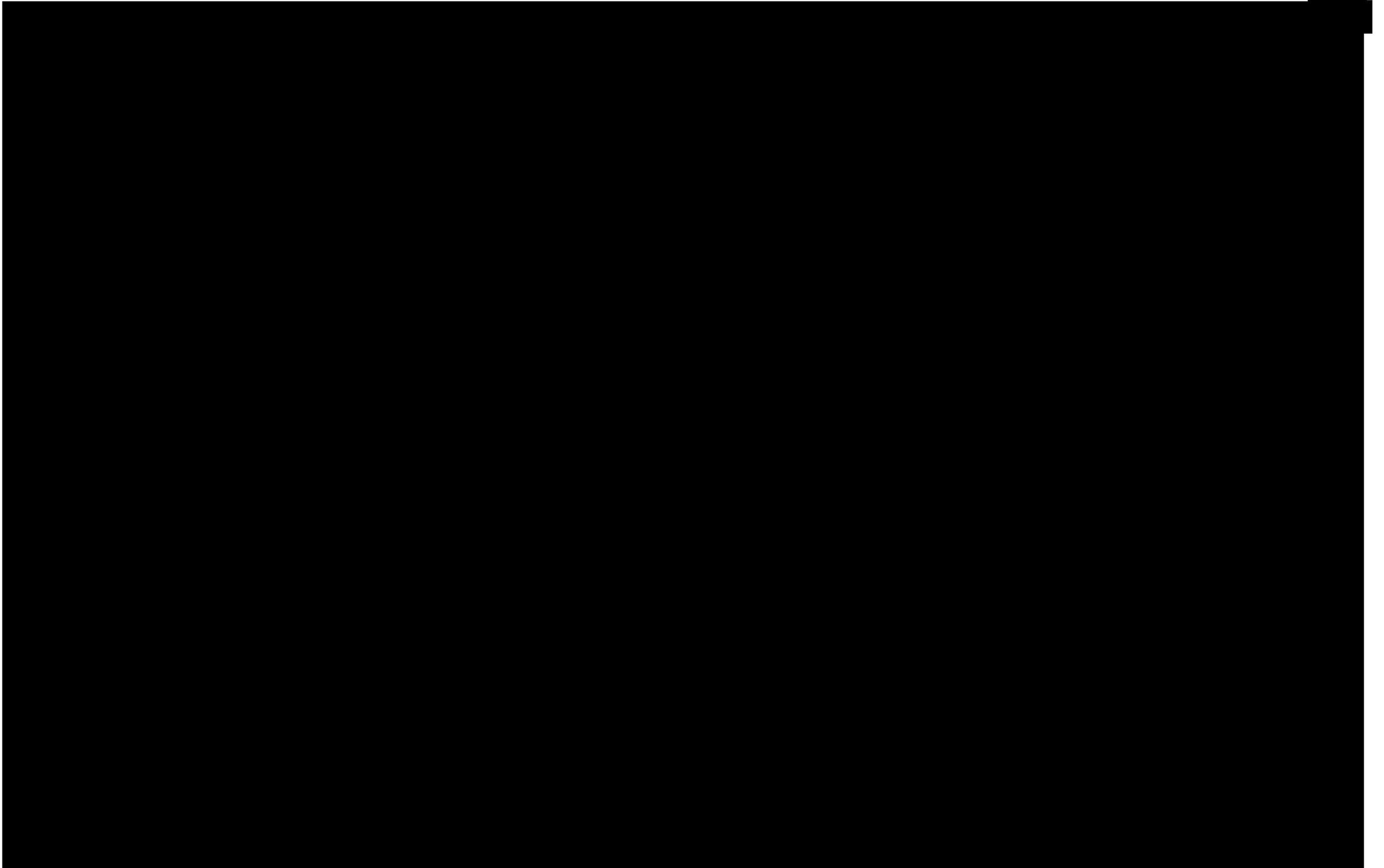


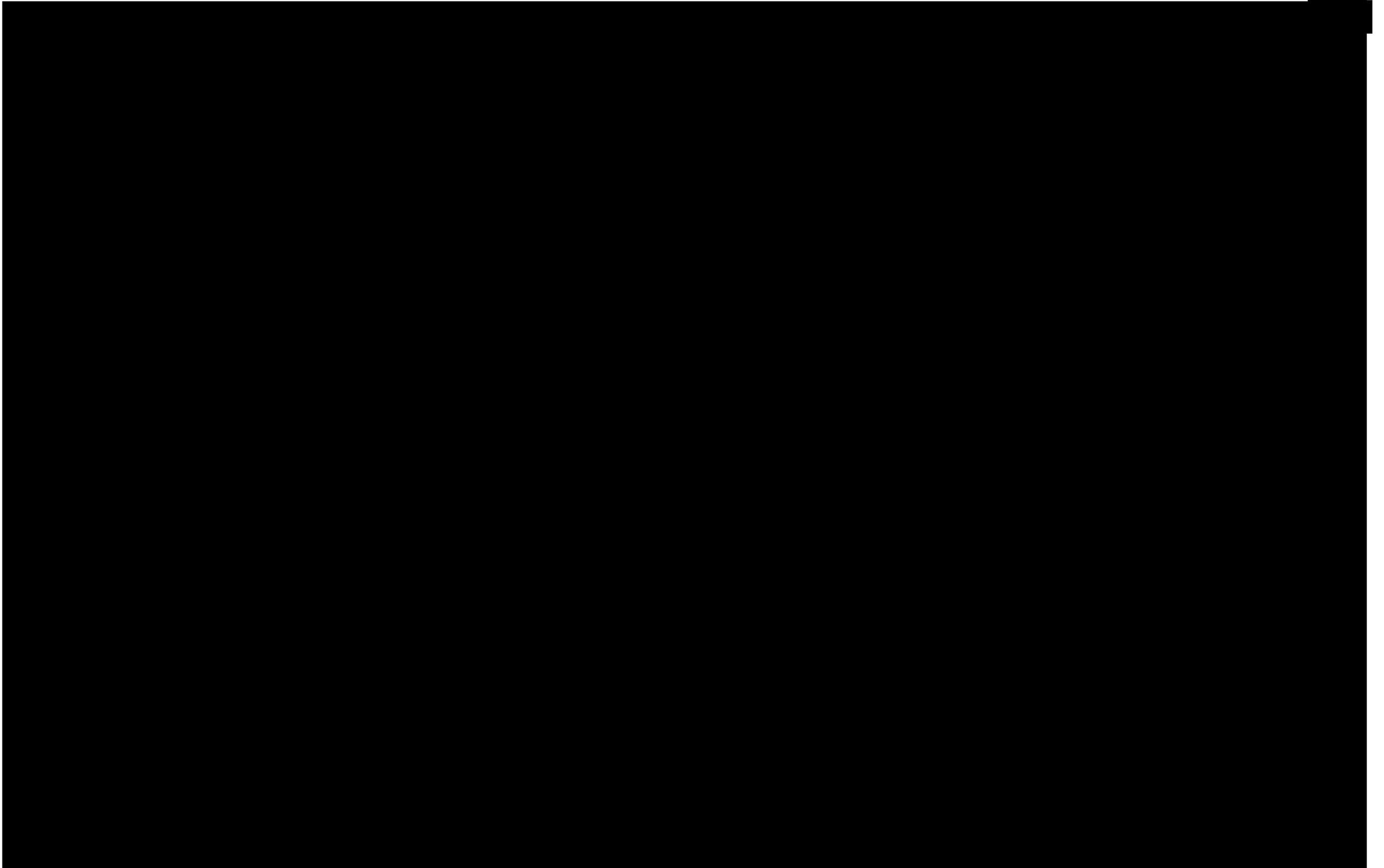




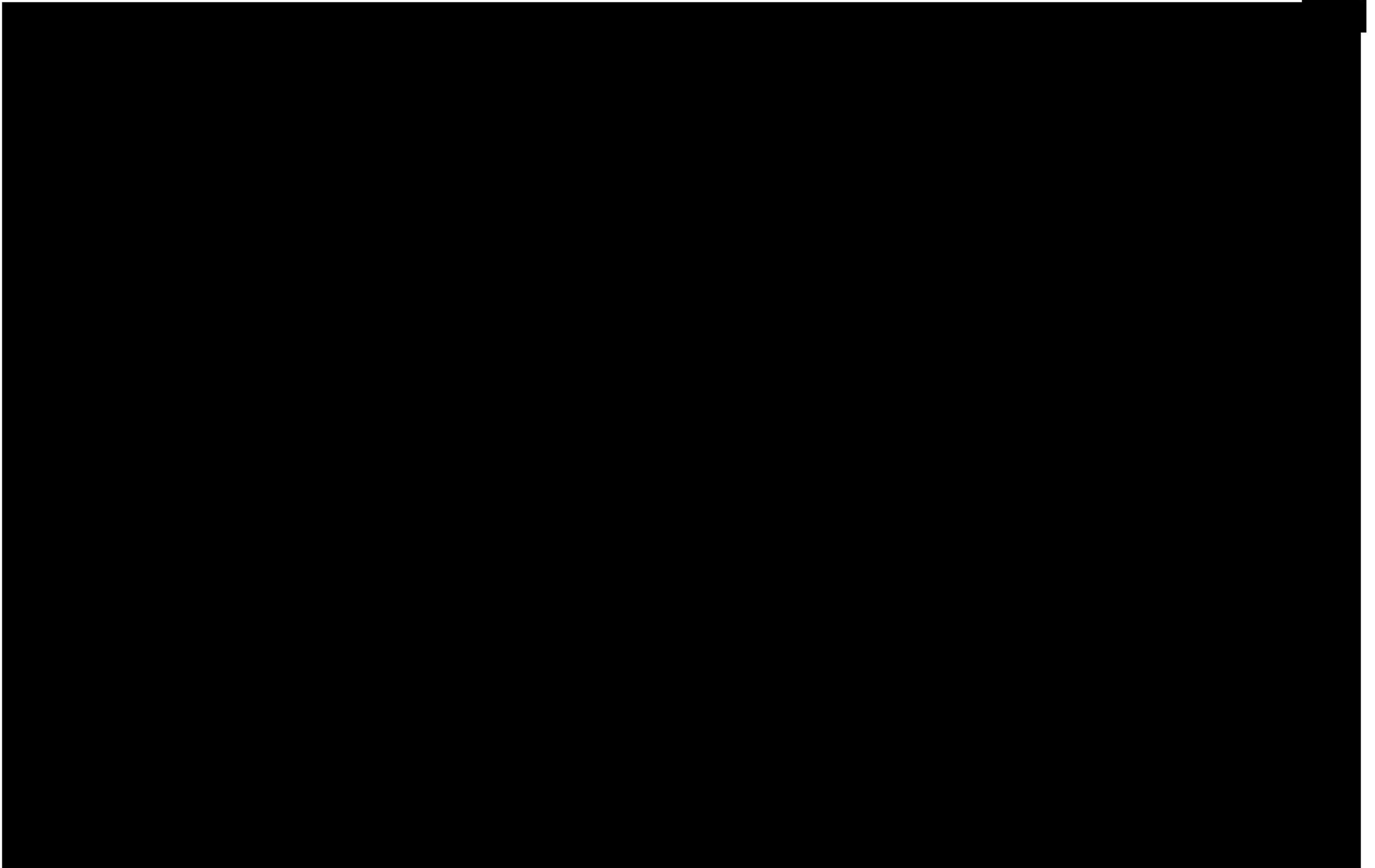


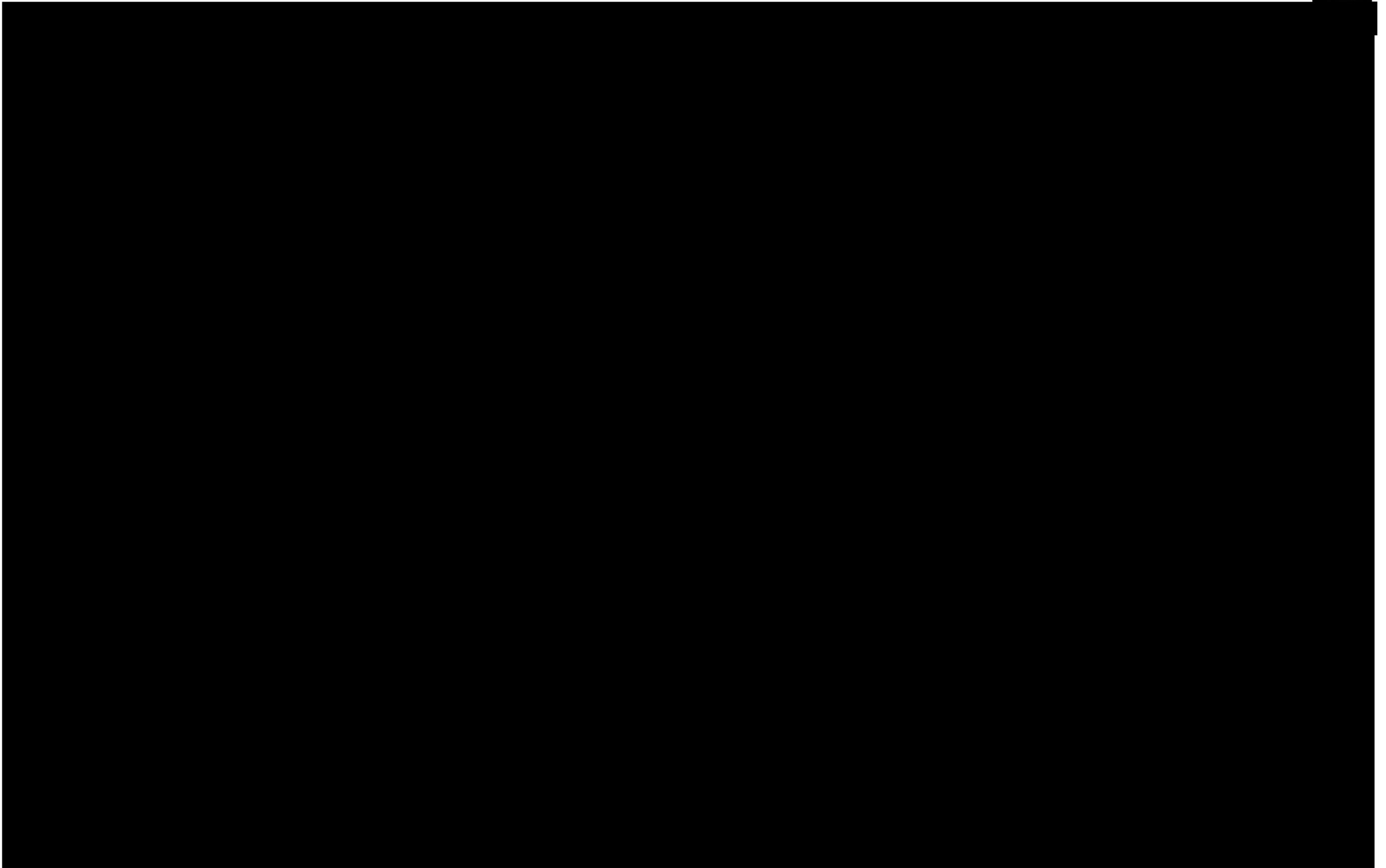


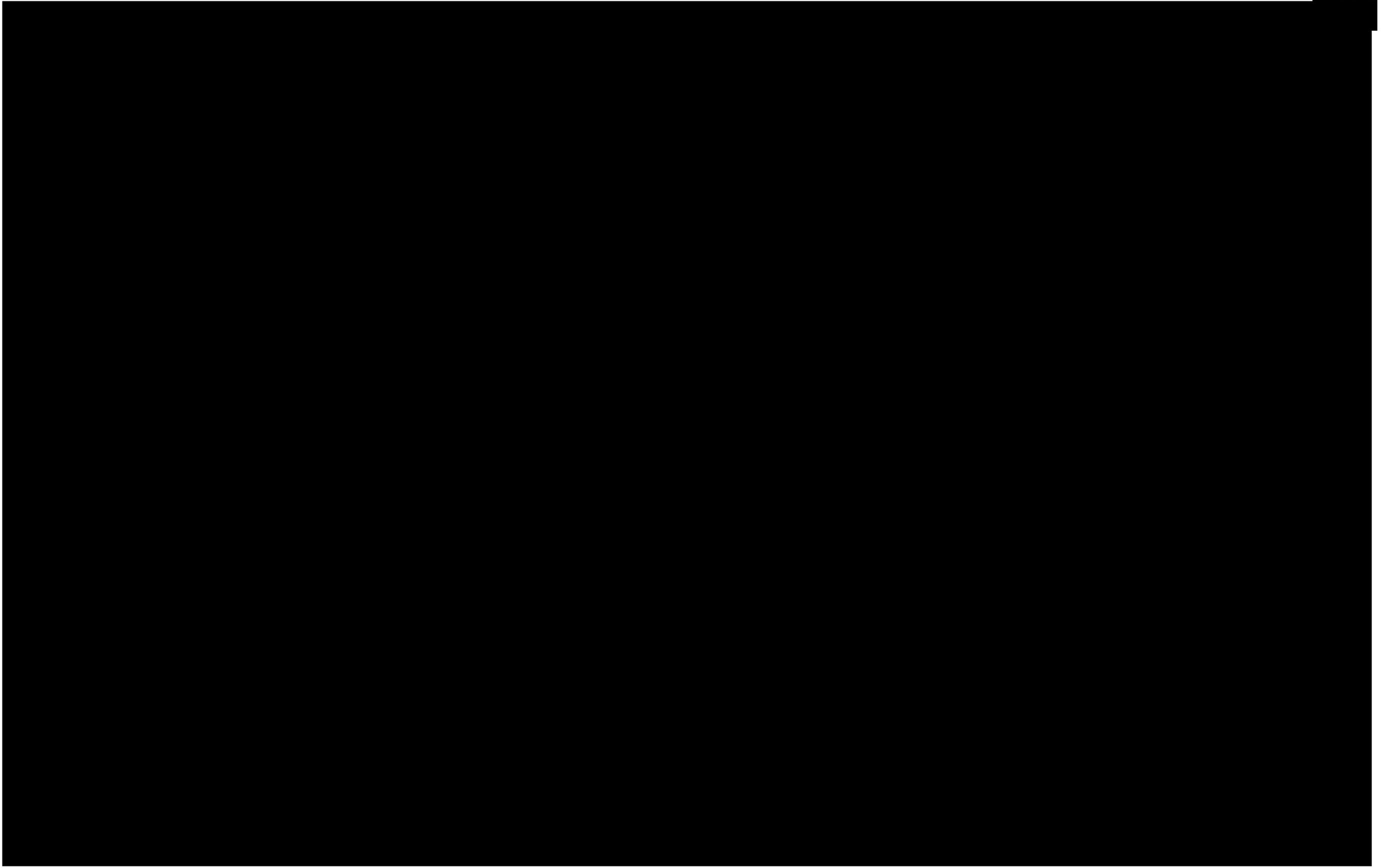


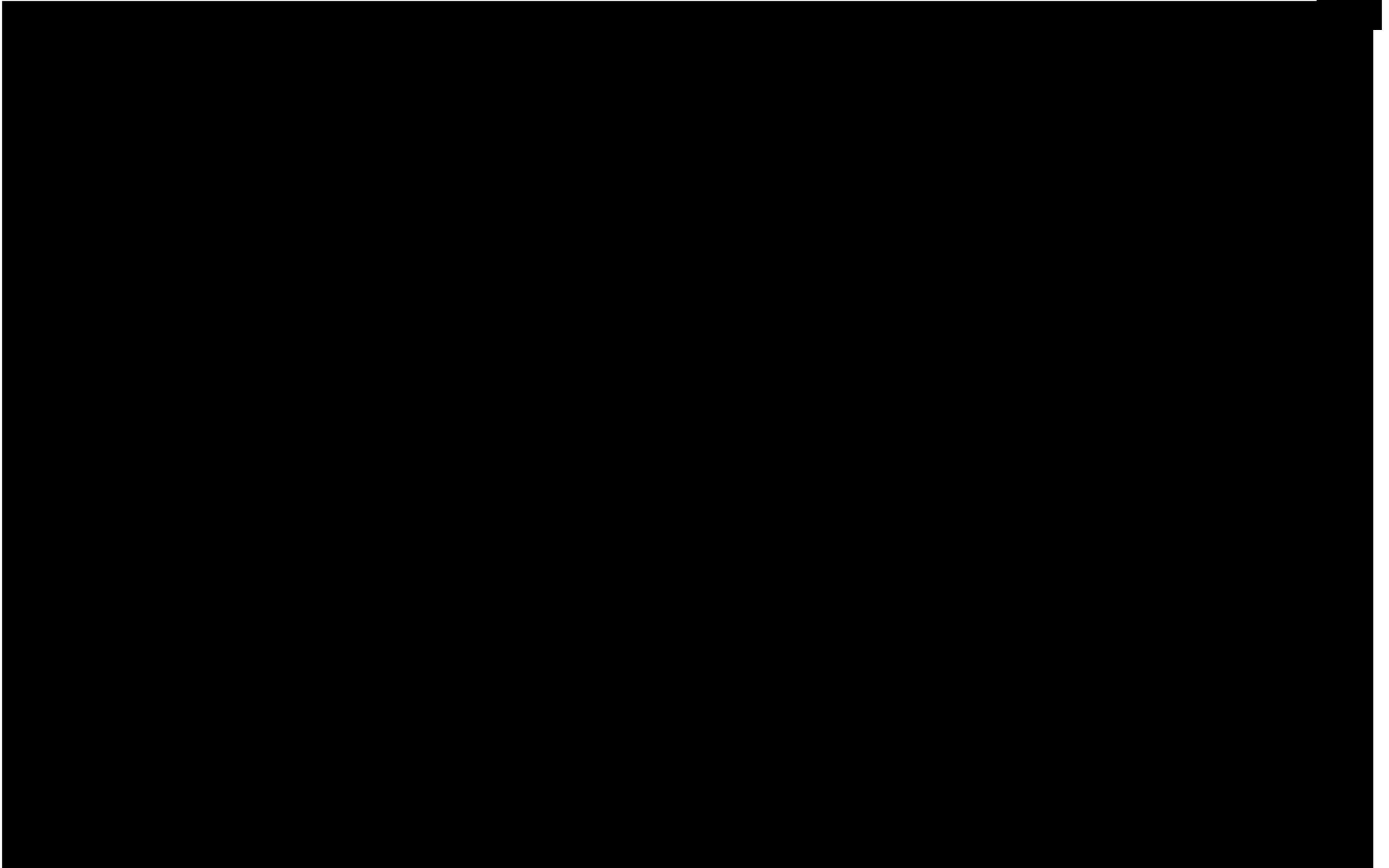


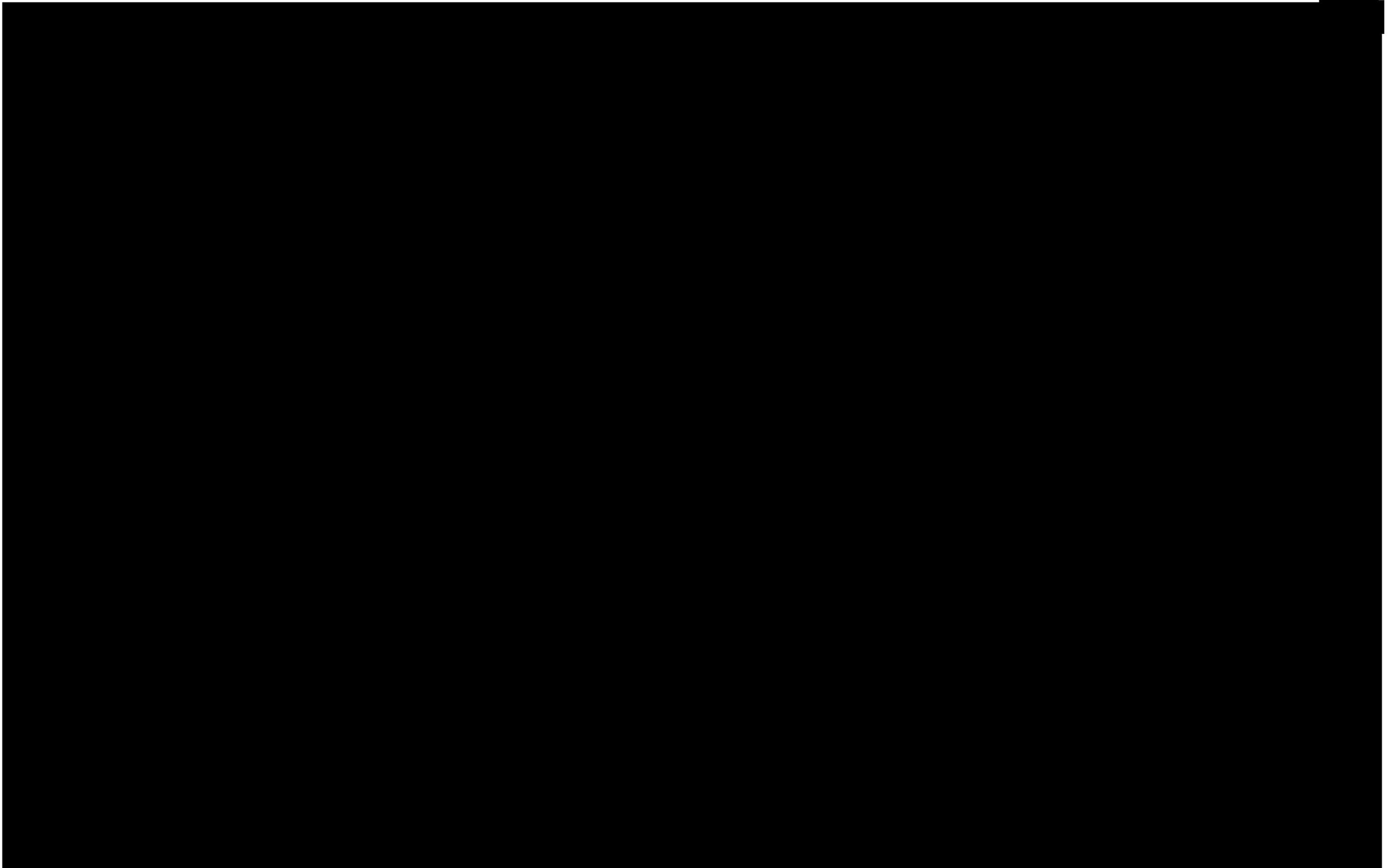


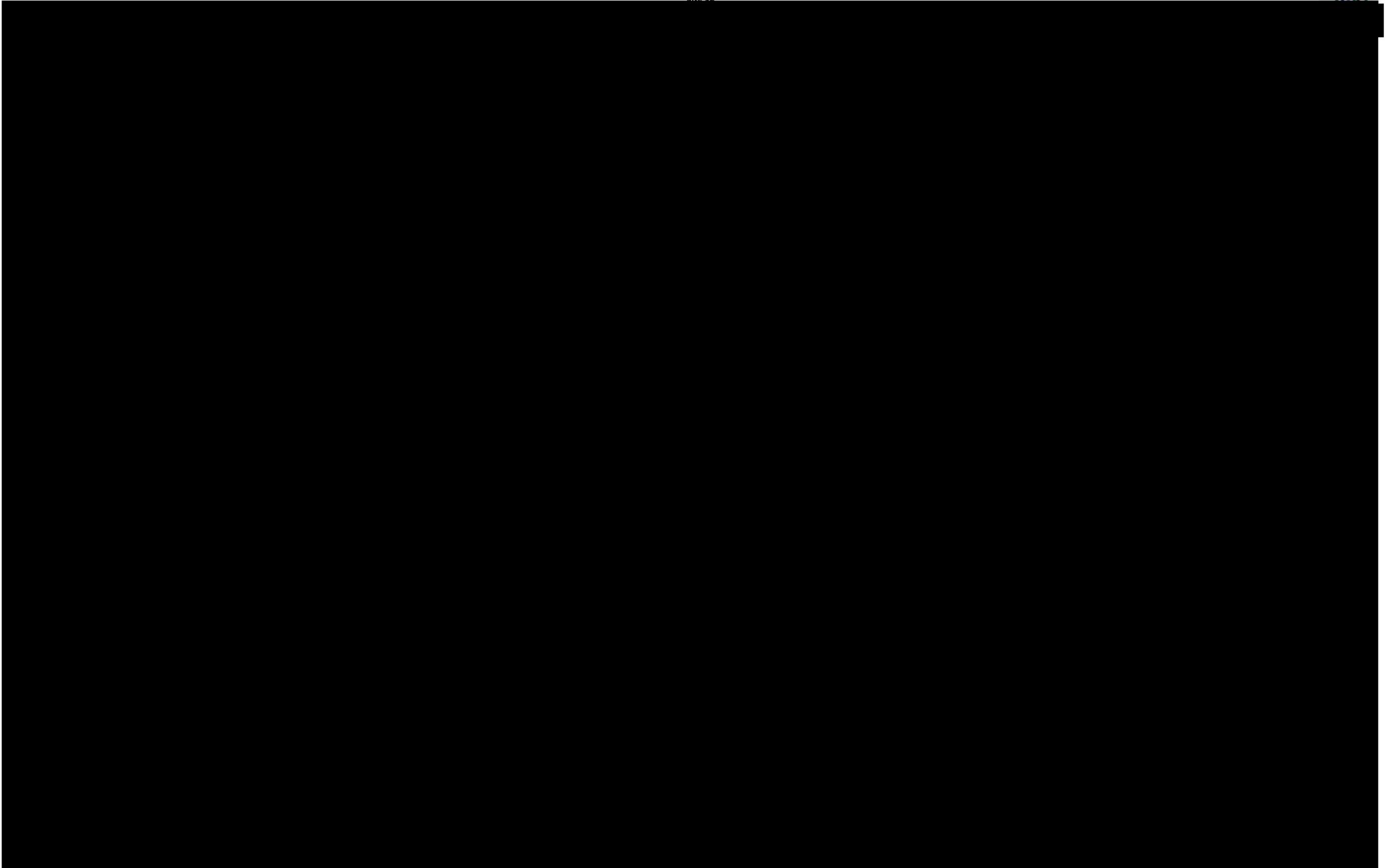


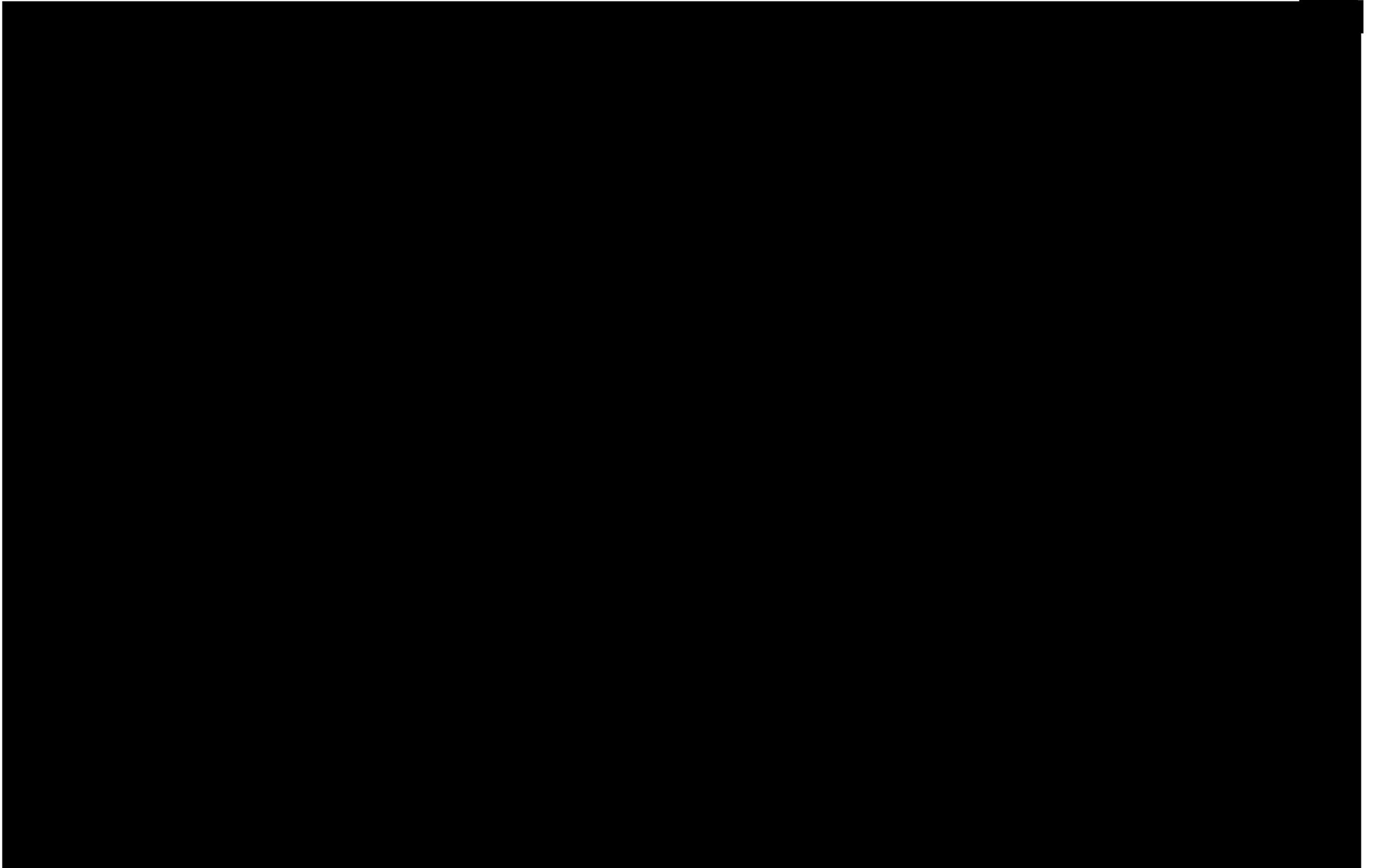
















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- Local and Strategic Housing Market Assessments and Housing Needs Assessments

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CHIPP342i

# **Future Chippenham Assessment of housing delivery**

**STRICTLY COMMERCIAL IN CONFIDENCE**

Faithful+Gould

March 2020

**LICHTFIELDS**

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# **Lichfields is the pre-eminent planning and development consultancy in the UK**

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# Executive Summary

This report has been prepared by Lichfields on behalf of Atkins via Faithful+Gould to identify the delivery rates and overall timescales for delivery that could reasonably be achieved on the proposed expansion to the east and south of Chippenham. The Future Chippenham development is expected to include 7,500 dwellings, with 40% affordable housing; the scheme will incorporate a variety of tenures and specialist housing, and 30% of the dwellings will be provided as Lifetime Homes.

## Market strength

The housing market is distinctly stronger in the rural areas of Wiltshire but the market in Chippenham is slightly stronger than the average for the other key settlements. Feedback from agents and housebuilders indicates that the Chippenham market is currently performing well and is stronger than in other Wiltshire towns. Consultees considered that additional sales could be achieved if additional sites came forward, although there are some concerns that the market could become saturated if too many new houses were delivered too quickly.

## Case studies

Lichfields award-winning<sup>1</sup> research paper *Start to Finish* research (2016, updated February 2020)<sup>2</sup> identifies that sites of 2,000+ homes typically achieve delivery rates of 160dpa.

This report considers 14 case study sites across the wider South East, Bristol and Exeter, which experienced higher levels of delivery, and also 36 large sites in Wiltshire. The wider case study sites experienced average completions of between 101 and 286dpa and peak year completions of between 290 and 620 dwellings, whereas the Wiltshire sites showed a much lower build rate of 62dpa and a rate of 94dpa for the five largest schemes built since 2005/06.

The average annual delivery rates for the wider case study developments amounted to 0.3% of existing stock, with a maximum annual delivery figure of 0.5%. The sites in settlements most similar in size to Chippenham achieved a much higher level of absorption (average: 1.4%, peak: 2.6%). However, these developments were substantially smaller than the Future Chippenham scheme.

## Maximising the delivery rate

We have identified the following key mechanisms for increasing build rates and reducing time for delivery:

- 1 **Housing mix:** By providing a mix of types, tenures and sizes of dwellings, it is possible to increase delivery levels without saturating the market.
- 2 **Number of builders:** Multiple outlets with a variety of products can increase build rates; however, a large number of competing developers would not necessarily generate a significant increase.
- 3 **Placemaking:** Garden Village principles, including upfront delivery of infrastructure, and high design quality could boost delivery rates as this will increase demand.
- 4 **Funding:** Maximising funding streams will be required to assist in the delivery of Future Chippenham (including but not limited to the HIF funding that is now in place for the new link road).
- 5 **Delivery model:** A range of possible Council-led delivery mechanisms [REDACTED] [REDACTED] could assist in increasing delivery rates.
- 6 **Minimising lead-in times:** The timing of planning application submission and infrastructure delivery could have a significant impact on lead-in times.

---

<sup>1</sup> Winner of the 2017 RTPA Award for Research Excellence

<sup>2</sup> <https://lichfields.uk/content/insights/start-to-finish>

---

## Delivery of Future Chippenham

We have identified the following key delivery factors for each of the Future Chippenham site parcels:

[REDACTED]

Based on our findings, we have applied the following key assumptions to inform estimated delivery rates:

- 1 A 2-4 year planning period, followed by a 12-18 month period between planning and commencement;
- 2 No specific additional allowance for the involvement of master developers/land promoters;
- 3 A 2-year “bedding-in” period to achieve peak delivery for each site;
- 4 An absorption rate of 1.4-1.5%, equating to an annual delivery rate of 220-230dpa;
- 5 Higher rates may be achieved but 350-400dpa not likely to be sustained for more than a year or two;
- 6 A maximum of 5 market housebuilders at any one time (c.175dpa), to include a retirement operator, and 40% of the new units to be provided as affordable housing;
- 7 Changes to the mix of housing may be needed in future;
- 8 No delays in infrastructure delivery; and,
- 9 Completion of all 7,500 homes over a 30-35 year period.

Our assessment identifies that c.3,500 dwellings could come forward within the emerging Local Plan period (to 2036), with the development completed in full by 2055, with an average build rate of 220dpa. This is an ambitious rate of delivery but one which could be achieved through the measures identified in Section 5.

Given that some of the development will come forward beyond the current Local Plan period, there is an opportunity to identify additional flexibility land that could be released in the event that delivery rates are unexpectedly higher than currently anticipated. This approach would provide an effective mechanism to plan for the long-term continuity of delivery at Future Chippenham in a robust and measured manner but without the risks to the Plan strategy that are associated with overly-optimistic delivery rates.

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# Contents

<b>1.0</b>	<b>Introduction</b>	<b>5</b>
<b>2.0</b>	<b>Future Chippenham</b>	<b>7</b>
<b>3.0</b>	<b>Market Strength</b>	<b>9</b>
	Historic delivery	9
	Market Strength Index	9
	Sales Transactions	12
	Market Feedback	14
<b>4.0</b>	<b>Case Studies</b>	<b>16</b>
	National Case Studies	16
	Sites in Wiltshire	22
	Implications for Chippenham	25
<b>5.0</b>	<b>Maximising the Delivery Rate</b>	<b>27</b>
	Housing mix	27
	Number of builders	31
	Placemaking	33
	Funding	33
	Delivery model	33
	Minimising lead-in times	34
<b>6.0</b>	<b>Delivery Factors</b>	<b>38</b>
	Commencement of delivery	39
	Assumptions	40
<b>7.0</b>	<b>Conclusion and Recommendations</b>	<b>43</b>

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## Figures

Figure 1.1 Timeline for the delivery of strategic housing sites	6
Figure 2.1 Location of Future Chippenham site	8
Figure 3.1 Housing completions in Chippenham, 1994-2017	9
Figure 3.2 Market Strength Index for Wiltshire	10
Figure 4.1 Delivery rates achieved on case study sites	19
Figure 4.2 Lead-in times for case study sites	22
Figure 4.3 Comparison of site size and average delivery rates for large sites in Wiltshire	24
Figure 4.4 Comparison of settlement size and average annual delivery rate for large sites in Wiltshire	24
Figure 5.1 Types of housing for older people	29
Figure 5.2 Demographic characteristics of moving households	30
Figure 5.3 Correlation between number of outlets on site and annual completion rate	31
Figure 5.4 Build out rates by level of affordable housing	32
Figure 5.5 Correlation between number of house builders on site and annual completion rate	33
Figure 6.1 Land ownership plan	38

## Tables

Table 3.1 Market strength index: Comparison of Wiltshire key settlements	11
Table 3.2 Experian Mosaic segmentation: key features	12
Table 3.3 Total sales in Chippenham	12
Table 3.4 New build sales in Chippenham	13
Table 3.5 New build sales in Chippenham	13
Table 3.6 Sales of new homes in Chippenham	14
Table 4.1 Average housing delivery by size of site	16
Table 4.2 Summary of the high delivery sites considered as part of this analysis	17
Table 4.3 Delivery rates achieved on case study sites	17
Table 4.4 Growth in dwelling stock	20
Table 4.5 Annual delivery relative to existing dwellings stock	20
Table 4.6 Delivery rates achieved on large sites in Wiltshire	22
Table 4.7 Average housing delivery by size of site	23
Table 5.1 Proposed housing mix at Future Chippenham	28

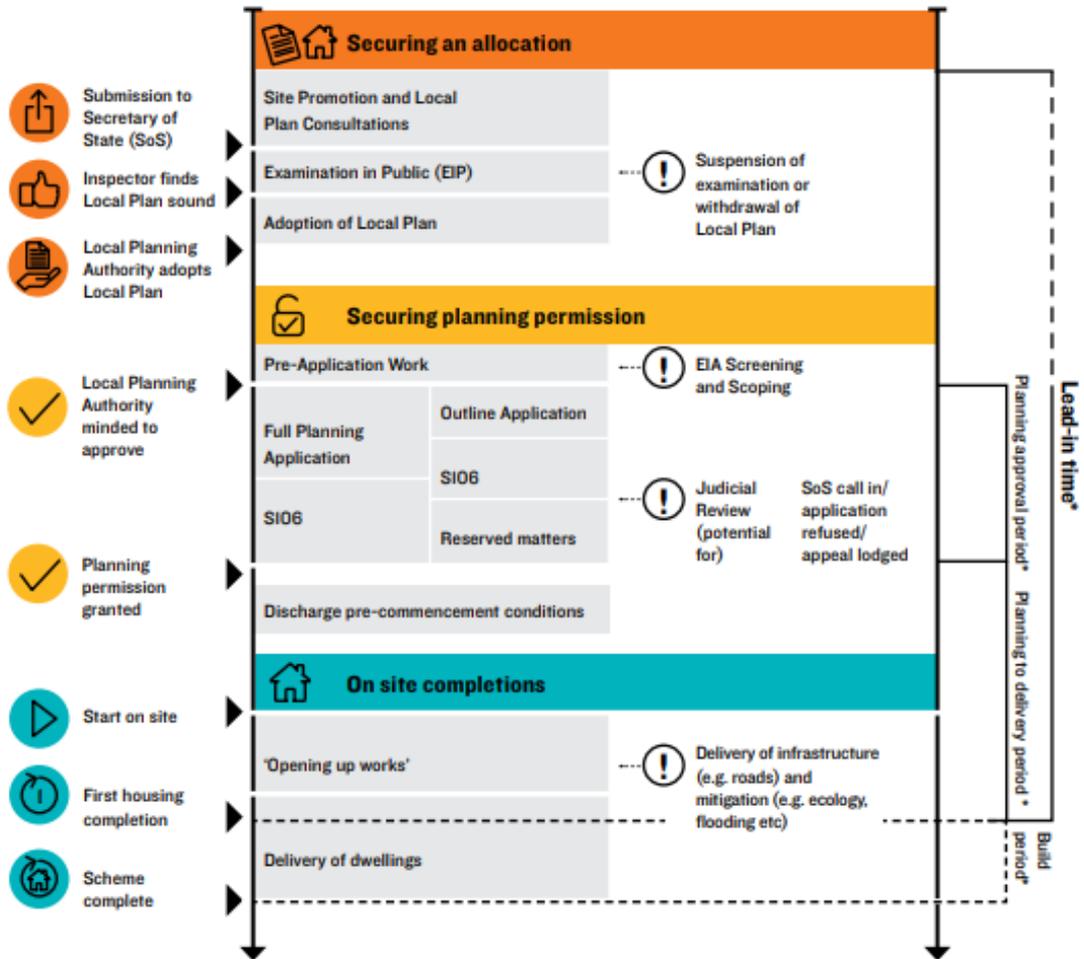
Table 5.2 Future Chippenham: planning status	35
Table 6.1 Future Chippenham development parcels	38
Table 6.2 Anticipated delivery profile of Future Chippenham	42

DRAFT

## 1.0 Introduction

- 1.1 Lichfields has been instructed by Atkins via Faithful+Gould to advise on the possible delivery rates that could be supported on the proposed extension to the east and south of Chippenham (known as Future Chippenham). This work will inform the promotion of the site through the emerging Wiltshire Local Plan process by demonstrating the deliverability of the site and quantifying the number of dwellings that are likely to come forward within the Local Plan period to 2036. This will therefore help to determine the scale of any allocation.
- 1.2 Recognising that the site will not be completed within the emerging Local Plan period, the assessment will also consider delivery over the longer term to 2046 and beyond.
- 1.3 The NPPF emphasises the importance of ensuring that strategic allocations are deliverable, and recognises that this should be determined from the perspective of viability and lead-in times/delivery rates. For significant extensions to existing villages and towns, the NPPF requires a *“realistic assessment of likely rates of delivery, given the lead-in times for large scale sites, and identify opportunities for supporting rapid implementation.”* (paragraph 72d).
- 1.4 The NPPF also requires Local Plan strategic policies to include a trajectory illustrating the expected rate of housing delivery over the Plan period. Where appropriate, this should include a development trajectory for specific sites (paragraph 73).
- 1.5 The build-out rate within the trajectory is therefore a projection of what could reasonably be anticipated as likely to occur. By requiring a trajectory and housing strategy, the NPPF is trying to mitigate the risk of under-delivery, with consequences for the demonstration of a deliverable supply of land. In that context, it does not serve the trajectory to be over-optimistic as that may increase the likelihood of the Plan failing. That is not to say that sites could not or will not come forward more quickly than anticipated by the trajectory; once allocated, there is limited harm associated with sites delivering at faster rates, so long as infrastructure provision keeps pace.
- 1.6 In assessing the timescales over which the Future Chippenham project will come forward, it is appropriate to consider the full extent of the planning and delivery period. Figure 1.1 sets out the stages and milestones associated with the lead-in period; this comprises:
- 1 Gaining an allocation;
  - 2 Going through the planning approval process;
  - 3 Progressing to the commencement of development; and,
  - 4 Finishing when the first dwelling is completed.
- 1.7 The build process commences when the first dwelling is completed and lasts until completion of the final property.

Figure 1.1 Timeline for the delivery of strategic housing sites



Source: Lichfields *Start to Finish* (2020)

1.8 This report draws upon Lichfields' experience in assessing the deliverability of major residential developments, both to inform the preparation of Local Plans and assessments of housing land supply. Lichfields has also considered the evidence on the speed and rate of delivery of large-scale housing based on a large number of sites across England and Wales in our award-winning research paper *Start to Finish*. An update to our 2016 report has recently been published.

1.1 This report is structured as follows:

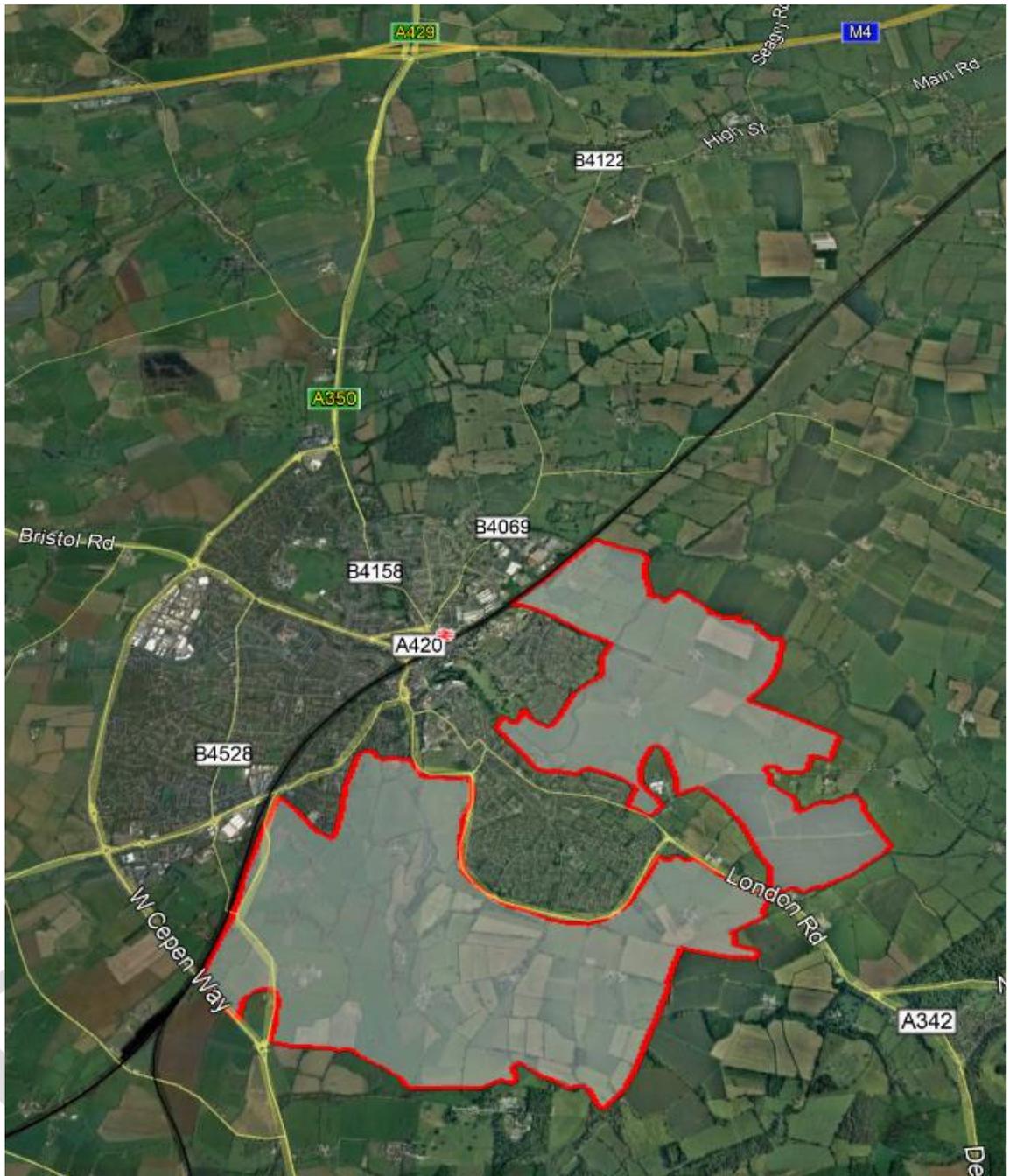
- Section 2 provides an overview of the Future Chippenham project;
- Section 3 assesses the housing market strength of Wiltshire and Chippenham in particular;
- Section 4 provides an overview of case study examples of housing delivery;
- Section 5 considers the factors that should be taken into account when seeking to maximise the housing delivery rate;
- Section 6 details a number of delivery factors in the context of the Future Chippenham scheme; and,
- Section 7 sets out our conclusions and recommendations.

1.2 A separate assessment of viability has been undertaken by HDH Planning and Development and should be read in conjunction with this report.

## 2.0 Future Chippenham

- 2.1 Development to the east and south of Chippenham has been scoped and early masterplanning undertaken through the Future Chippenham Concept Framework Report prepared by Atkins. The report provides an overview of the case for the development, the guiding vision and objectives, an appraisal of the site's development options, the engagement on the project which has taken place to date and that which will be required moving forwards. Detailed masterplanning work is still to take place.
- 2.2 Chippenham is recognised as a sustainable location for new housing-led growth as a result of its strategic position on the railway and road network, its designation as a Principal Settlement in the adopted Local Plan, and its position within the Bristol-Bath-Swindon development arc.
- 2.3 Wiltshire Council has been successful through a bid to the Housing Infrastructure Fund (HIF) for a new distributor road which will unlock development opportunities to the south and east of Chippenham. The Council has greater than half of the land ownership required to bring forward the development and is working alongside the other landowners to deliver the new road infrastructure and the wider development.
- 2.4 Early stages of masterplanning has been undertaken for 7,500 homes on the 660ha site to take account of the relevant local constraints and options for the alignment of the distributor road.
- 2.5 It is anticipated the development will broadly consist of:
- 1 7,500 dwellings, with 40% affordable housing, and an average net density of 30dph but with higher density around neighbourhood centres and lower density on the countryside edge;
  - 2 A variety of tenures and specialist housing including housing for older people, self-build plots and 30% of the dwellings as Lifetime Homes;
  - 3 1 million sqft employment floorspace;
  - 4 New distributor road and sustainable transport links;
  - 5 Two new neighbourhood centres;
  - 6 Primary and secondary schools;
  - 7 Approximately 30ha of green infrastructure, including the retention of existing woodlands;
  - 8 A new River Avon country park (allocated by the Chippenham Housing Allocations Plan); and,
  - 9 Allotments, sports facilities and playing pitches.
- 2.6 A planning application for the distributor road is anticipated to come forward later in 2020 and the completion of the road is anticipated by the end of 2024.
- 2.7 Future Chippenham will provide a sustainable and well-integrated development, capitalising on the town's attractive rural setting and high-quality green infrastructure, whilst providing a range of new leisure, retail and employment opportunities to ensure the town as a whole can grow in a sustainable manner.
- 2.8 The approximate of the Future Chippenham site is shown below:

Figure 2.1 Location of Future Chippenham site



Source: Google Earth

### 3.0 Market Strength

#### Historic delivery

3.1 Information provided by Wiltshire Council indicates that over the 34-year period from 1983 to 2017, housing delivery in Chippenham averaged 221dpa. There was a market difference in the delivery levels between the 1980s and 1990s, during which time the average annual delivery was 332dpa, and the 2000s and 2010s (average 117dpa). The impact of the recession and subsequent slow recovery will clearly have had an impact in this regard, but we note that delivery rates fell by 80% between 1998 and 2001 – a period of market strength. The availability of land and policy approach to development on greenfield sites are therefore likely also to have had a significant impact on delivery rates within the town.

Figure 3.1 Housing completions in Chippenham, 1994-2017



Source: Wiltshire Council

3.2 Given that these figures relate to all housing completions in the town, they will take account of multiple sites. Whilst the Future Chippenham development will account for the majority of the town’s future growth, it is reasonable to anticipate that smaller windfall and (potentially) allocated sites will continue to come forward within the town. As such, the delivery rates identified for Future Chippenham should not be compared directly to those identified above.

#### Market Strength Index

3.3 There is a direct correlation between the strength of the local housing market, the ability to absorb additional dwellings, and the rate of house building. In order to measure the strength of the housing market in Wiltshire and Chippenham, we have applied Lichfields’ Market Strength Index which considers the relative performance of different areas against the following:

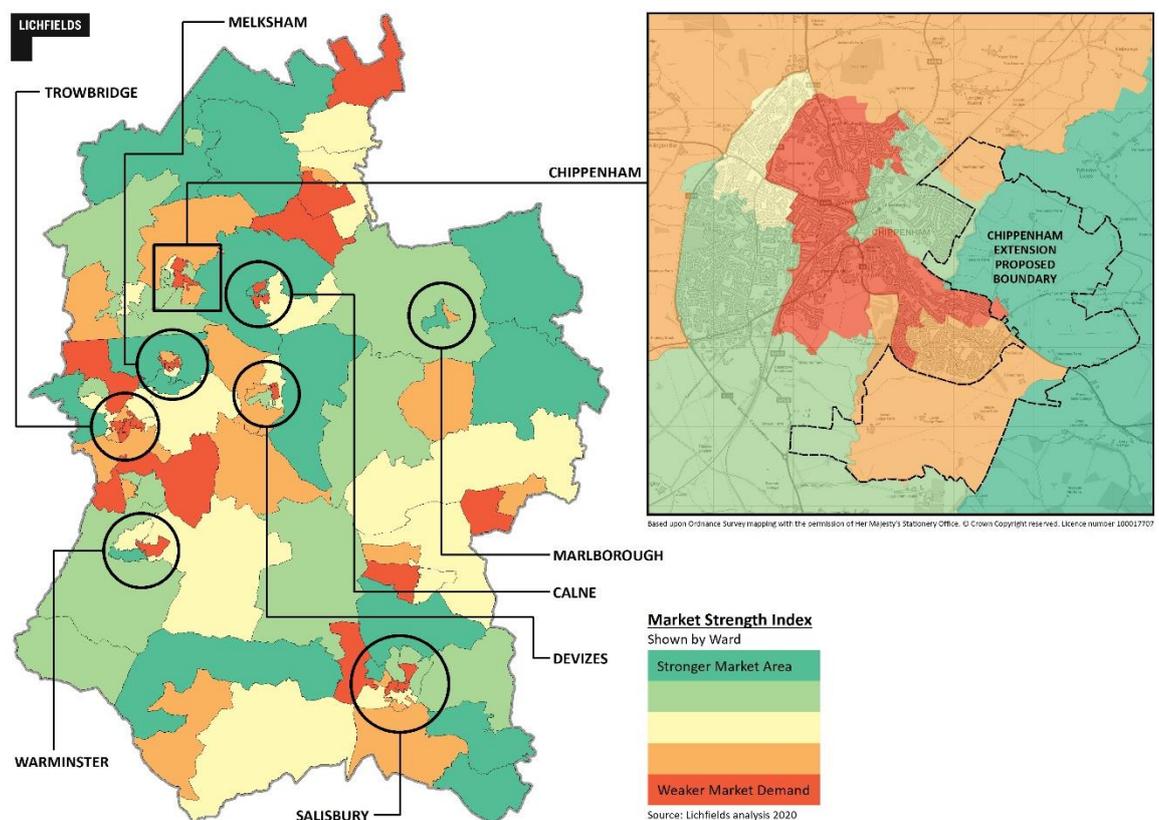
- 1 Change in the volume of house sales/transactions (2015-2019) – a measure of demand and the ability of local residents to execute this demand by purchasing a property (including through mortgage finance);
- 2 Average house prices (2019) – an indicator of current market strength;
- 3 Change in house prices (2015-2019) – an area experiencing higher rates of change in house prices can be seen to experience a stronger market; and,

- 4 Mosaic typologies (2018) – using Experian’s consumer classification system to categorise households on the basis of income, age and lifestyle choice; these are helpful to understand the dominant characteristics of households in a local area.

3.4 These indicators of market demand have been collated into a composite analysis which places each ward into one of five market strength bands. It should be noted that this index is a comparative measurement and the level of market strength identified is relative to Wiltshire only. Metrics such as average house prices and the ratio of average house prices to incomes demonstrate the strength of the housing market in Wiltshire, with both being above the national average:

- 1 Affordability ratio (2018): 9.82 (national average: 8.0); and,
- 2 Average house prices (2019): £270,000 (national average: £239,000).

Figure 3.2 Market Strength Index for Wiltshire



Source: Lichfields

3.5 This composite Market Strength Index shows that none of the eight wards in Chippenham fall within the strongest market areas in Wiltshire, which tend to be located in rural areas. However, three of the Chippenham wards (Chippenham Cepen Park and Derriads, Chippenham Monkton and Chippenham Queens and Sheldon), located in the east and west of the town, are within the second strongest band.

3.6 The three central wards (Chippenham Lowden and Rowden, Chippenham Hardenhuish and Chippenham Hardens and England) are classified in the weakest areas of market demand within Wiltshire.

3.7 The table below provides a broad comparison of market strength in the key settlements in Wiltshire using this Market Strength Index approach and sets these against the total for Wiltshire and the rural area.

Table 3.1 Market strength index: Comparison of Wiltshire key settlements

	% of wards in each settlement in each Market Strength Index band					No. wards
	1 – stronger market area	2	3	4	5 – weaker market area	
<b>Chippenham</b>	<b>0%</b>	<b>37.5%</b>	<b>12.5%</b>	<b>12.5%</b>	<b>37.5%</b>	<b>8</b>
Salisbury	11.1%	22.2%	11.1%	22.2%	33.3%	9
Trowbridge	0%	0%	14.3%	28.6%	57.1%	7
Melksham	40.0%	0%	20.0%	20.0%	20.0%	5
Warminster	33.3%	0%	33.3%	0%	33.3%	3
Devizes	0%	33.3%	0%	33.3%	33.3%	3
Calne	33.3%	0%	0%	0%	67.7%	3
Marlborough	50.0%	0%	0%	50.0%	0%	2
Key settlements	15.0%	15.0%	12.5%	20.0%	37.5%	40
Rural areas	20.7%	22.4%	22.4%	20.7%	13.8%	58
Wiltshire total	18.4%	19.4%	18.4%	20.4%	23.5%	98

Source: Lichfields analysis

3.8 This comparison indicates that the Chippenham market is weaker than that of Salisbury, which is of similar size, but is stronger than Trowbridge, which is smaller. The market in Chippenham is broadly weaker than that of Melksham and Marlborough but stronger than in Devizes and Calne, although these settlements are significantly smaller. Despite not having any wards in the strongest market category, Chippenham’s market appears to be slightly stronger than the average for the key settlements, with a greater proportion of wards in the top two categories and a smaller proportion in the bottom two categories.

3.9 There is a clear distinction between the market strength of the towns and rural area of Wiltshire. This is perhaps not surprising and reflects a range of factors including the nature of the dwelling stock, profile of residents, and desirability of different areas. However, the bulk of future housing growth is expected at the edge of settlements, where market strength tends to be intermediate.

3.10 A summary of the individual indicators of demand that inform the Market Strength Index analysis for Chippenham is provided below.

**House prices**

3.11 In 2019, average house sale prices in the eight wards in Chippenham ranged from £200,684 (Chippenham Hardens & England) to £269,973 (Chippenham Monkton). The median price was £246,500, 8.7% below the average for Wiltshire (£270,000) but 7.2% above the national average (£230,000).

3.12 Changes in house prices between 2015 and 2019 varied significantly across the Chippenham wards, from +4.6% in Chippenham Hardenhuish to +41.4% in Chippenham Monkton. Five of the eight wards<sup>3</sup> in Chippenham experienced higher relative house price growth than the

<sup>3</sup> Monkton (+41.4%), Pewsham (+36.4%), Queens & Sheldon (23.4%), Cepen Park & Redlands (21.1%) and Hardens & England (20.1%)

Wiltshire average of +17.4% during this period, whilst all of the wards except for Chippenham Monkton experienced a higher relative house price increase than the England average of 8.2%.

**Change in the number of sales**

3.13 The change in number of sales between 2015 and 2019 in each of the Chippenham wards ranged between -51.5% and +68.4%, compared to -21.6% across Wiltshire. Two wards (Chippenham Monkton and Chippenham Queens & Sheldon) experienced an increase in the number of residential sales over this period, whilst a further two wards (Chippenham Cepen Park and Redlands and Chippenham Hardenhuish) experienced a decline that was lower than the average for Wiltshire. This shows that demand amongst home buyers remained comparatively strong in much of the town, albeit that the two wards (Chippenham Lowden & Rowden and Chippenham Pewsham) were amongst the 10 wards in the whole of Wiltshire that experienced the greatest level of decline in the number of sales over this period.

**Mosaic segmentation**

3.14 The Mosaic typologies indicate that, of the eight wards in Chippenham, four are classified within the four most well-to-do socio-economic groups (B-G): Prestige Positions, Senior Stability, Suburban Stability and Domestic Success.

3.15 The key features of these UK socio-economic groups include:

Table 3.2 Experian Mosaic segmentation: key features

B – Prestige Positions	E – Senior Stability	F – Suburban Stability	G – Domestic Success
Affluent married couples and families High value detached homes Managerial and senior positions High assets and investments	Elderly singles and couples Homeowners Comfortable homes Additional pensions above state	Mature couples or families Mid-range family homes Mid-range incomes Intermediate occupations	High-earning families Upmarket homes Higher managerial and professional roles

Source: Experian Mosaic (2018)

3.16 The remaining four wards were classified in groups H-O: Aspiring Homeowners, Family Basics and Rental Hubs. These groups include younger households, families with limited resources, and single people in private rented accommodation.

3.17 This analysis indicates that Chippenham has a mixed socio-economic profile, reflecting its status as a mid-sized town in a wider rural area.

**Sales Transactions**

3.18 Table 3.4 shows the total number of dwellings sold in Chippenham between 2015 and 2019.

Table 3.3 Total sales in Chippenham

	2015	2016	2017	2018	2019	5-year average
Monthly average	60	67	56	54	48	57
Annual total sales	717	800	671	649	581	684
<b>% of annual Wiltshire sales</b>	<b>7.7%</b>	<b>8.5%</b>	<b>7.4%</b>	<b>7.5%</b>	<b>8.0%</b>	<b>7.8%</b>

Source: Land Registry house price data / Lichfields analysis

3.19 This analysis demonstrates that total sales in Chippenham have remained at approximately 700 per annum between 2015 and 2019, representing 7.8% of total sales in Wiltshire. However, in 2016 there was a total of 800 sales; this spike was largely due to increased sales of new build retirement homes that year, as discussed below.

3.20 Table 3.5 shows the number of new build dwellings sold in Chippenham during this period.

Table 3.4 New build sales in Chippenham

	2015	2016	2017	2018	2019	5-year average
Monthly average	5	11	4	6	7	7
Annual total	57	133	53	72	82	79
<b>% of annual new build sales in Wiltshire</b>	<b>4.4%</b>	<b>9.9%</b>	<b>4.2%</b>	<b>5.5%</b>	<b>8.3%</b>	<b>6.4%</b>

Source: Land Registry house price data / Lichfields analysis

3.21 This analysis shows that sales of new build homes in Chippenham have fluctuated between 2015 and 2019, ranging between 53 and 133 sales per annum. However, it is important to note that 78 of the 133 new build sales in 2016 (58.6%) were retirement homes located at Bowles Court, Westmead Lane and Fairways Retirement Village, Malmesbury Road.

3.22 On average, new build sales in Chippenham represented 6.4% of all new build sales in Wiltshire during this period. The fact that Chippenham’s share of new build sales has been lower than its share of total sales reflects the lower level of new house building in the town.

3.23 Table 3.6 shows the average number of new build sales for each individual site in Chippenham.

Table 3.5 New build sales in Chippenham

	2015	2016	2017	2018	2019	5-year average
No. of new build sites	6	7	5	9	8	7
Average monthly sales per site	1	2	1	8	1	3
Average annual sales per site	9	19	11	8	10	11
Highest annual sales for a single site	17	52	35	29	25	32

Source: Land Registry house price data / Lichfields analysis

3.24 Between 2015 and 2019, sales have taken place at an average of seven new build sites each year, with an average of 11 sales per site.

3.25 The highest number of annual sales for an individual site was 52 (in 2016), which took place at the retirement home development at Bowles Court, Westmead Lane. The highest number of annual sales at a general new build housing site was 31, at a site located at Milbourne Way (also in 2016). This indicates that retirement homes tend to sell quickly and form an important part of the housing supply.

3.26 A summary of the market sale of new homes at specific sites (of more than 5 units) in Chippenham between January 2014 and August 2019 is set out below. This again highlights the limited scale of many of the sites, and the particular attractiveness of retirement schemes. Over the 68-month sales period that is represented by these sites, the overall average number of sales was just 7 per month.

Table 3.6 Sales of new homes in Chippenham

Location	Units	Sales period (months)	Sales/month
Adj John Coles Park	6	7	0.9
Audley Rd	9	8	1.1
Birds Marsh	79	9	8.8
Dauntsey	11	7	1.6
Hullavington	9	8	1.1
Langley Park	45	15	3
Luckington	5	29	0.2
Rowden	79	19	4.2
Sutton Benger	61	38	1.6
Phase 1 Bowles Court Retirement Scheme	58	3	19
Phase 2 Waterford Retirement Scheme	39	7	5.6
Fairways Retirement Scheme	71	23	3.1

Source: Land Registry house price data / Wiltshire Council / Lichfields analysis

## Market Feedback

- 3.27 To obtain a further understanding of market conditions from those involved in house sales in Chippenham, Lichfields contacted seven estates agents and each of the housing developers that are currently active in the town (Persimmon and Barratt/David Wilson, working concurrently at Birds Marsh View, and Bloor at Hilltop Park). Contact was made by email and telephone, and responses were received from five sources.
- 3.28 Respondents were asked about the current level of demand for different types of property (including new homes) in Chippenham, the extent to which asking prices were being achieved, and the likelihood that additional new housing in the town would sell well.
- 3.29 No reference was made by Lichfields to the Future Chippenham project and so any responses received regarding the potential for the market to absorb additional housing growth should be viewed in that context.
- 3.30 Feedback indicates the market is currently strong in Chippenham, sales have experienced growth since the beginning of 2020 and are generally stronger than in other areas locally. One estate agent expressed the view that Chippenham is generally stronger than the other Wiltshire towns due to its rail and road links, good schools and the ability to walk from most areas in to the town centre. Another agent specialising in new build homes commented that *“the sites that are in Chippenham are in double figures of sales already which is much better than other locations.”*
- 3.31 There was also a consistent message that families were the main buyers in Chippenham, with two, three and four bedroom properties being in highest demand. One sales agent commented, however, that *“The only properties we find that seem to not sell as quickly are three bed semis, mostly because all three developers in Chippenham are mostly selling three bed semis.”* By contrast, three bed detached properties were in higher demand.
- 3.32 One estate agent also commented that first time buyers and professionals commuting to Bath and Swindon were also common purchasers in Chippenham.

- 3.33 There was support from the respondents for additional sites to come forward and a general view that sales would be achieved. However, this was caveated by each respondent.
- 1 One commented that growth would need to be in walking distance of the town centre and railway station.
  - 2 Another noted that sales rates vary throughout the year and although they are buoyant at present, this would not necessarily continue.
  - 3 One developer expressed a desire to secure additional land on medium-sized sites in the town.
  - 4 By contrast, a sales agent at a new build site expressed concern about the scale of growth anticipated in Chippenham: *“With another development soon to begin of over 1000 homes, I believe that market would be saturated due to such a small town centre with mostly local people purchasing.”*
  - 5 One estate agent said that he had heard of proposals for an additional 7,500 homes in Chippenham and expressed surprise at the quantum given the current size of the town.
- 3.34 When asked about the divergence between asking and sales prices, feedback was consistent that asking prices were generally achieved. One new homes outlet stated, however, that a broader decision had been made *“to have achievable marketing prices which are non-negotiable, therefore very rarely offer incentives and instead keep our pricing low.”* It was not clear if this was on a national or local basis.
- 3.35 It is important to recognise that although respondents were generally very positive about the market in Chippenham, responses were situated in the context of the previous two to three months of sales. Immediate market conditions therefore appear favourable. However, and as has been stated elsewhere in this report, the 7,500 dwellings associated with Future Chippenham will come forward over an lengthy period of time and that market conditions will fluctuate significantly throughout the lifetime of the development.

## 4.0 Case Studies

4.1 This section provides an overview of delivery rates that have been achieved on a range of large sites across England and Wales, and also specifically in Wiltshire. It provides a benchmark against which to assess the levels of delivery that could be achieved at Future Chippenham.

### National Case Studies

4.2 Lichfields has considerable experience in respect of the assessment of housing delivery rates. This has been set out in our research paper *Start to Finish* which considered the evidence on speed and rate of delivery of large-scale housing based on a large number of sites across England and Wales. An update to our 2016 report was published in February 2020<sup>4</sup>. This takes account of 97 sites which collectively account for c.195,000 dwellings. It identifies the following average delivery rates for sites of different sizes:

Table 4.1 Average housing delivery by size of site

Site size	Average annual delivery	
	Number of dwellings pa	As % of total dwellings on site
0-99	22	29%
100-499	55	21%
500-999	68	9%
1,000-1,499	107	9%
1,500-1,999	120	7%
2,000+	160	4%

Source: Lichfields *Start to Finish* (2020)

4.3 Unsurprisingly, the profile of delivery varies considerably across the construction period, and there was also considerable deviation from these average figures.

4.4 In order to inform this project, we have identified a number of sites on which delivery consistently exceeded the average figures identified by our research. The purpose of this is to consider the maximum levels of delivery that has been achieved, including an understanding of how the highest build rates were reached and whether they were sustained. We will consider the implications of this for the proposed development at Chippenham.

4.5 It is noted that the Chippenham site is split into seven separate landownerships. The separation of very large sites into separate ownerships and delivery parcels is both common and entirely proper; it would have happened in respect of all of the case study cases that we have examined. However, whilst this will affect (and increase) build rates – as demonstrated by the fact that larger sites have a much higher delivery rate than smaller sites – the capacity of the local housing market to absorb very high numbers of new dwellings in a single broad location will inevitably impact on the overall delivery rate. The average rates set out in Table 4.1 therefore reflects the fact that multiple outlets (and developers) are likely to be delivering houses simultaneously on different parts of large development sites.

4.6 The following case study sites have been specifically considered in detail as part of our current work:

<sup>4</sup> <https://lichfields.uk/content/insights/start-to-finish>

Table 4.2 Summary of the high delivery sites considered as part of this analysis

Site name	Local Planning Authority	Site size
Ebbsfleet	Gravesham/ Dartford	15,000
The Hamptons	Peterborough	6,320
Cambourne	South Cambridgeshire	4,343
Eastern Expansion Area	Milton Keynes	4,000
Great Western Park	South Oxfordshire	3,300
Oakley Vale	Corby	3,100
Cranbrook	East Devon	2,900
Charlton Hayes, Northfield	South Gloucestershire	2,200
Clay Farm/ Showground Site	Cambridge	2,169
Elvetham Heath	Hart	1,869
Love's Farm, St Neots	Huntingdonshire	1,438
Oxley Park (East & West)	Milton Keynes	1,300
Kempshott Park	Basingstoke and Deane	1,252
Broughton (Broughton & Atterbury)	Milton Keynes	1,200

Source: Lichfields *Start to Finish* (2020)

4.7 Save for Ebbsfleet and The Hamptons, all of the high delivery case study sites are considerably smaller than the proposed development at Chippenham, with the largest (Cambourne) being of an equivalent size to the level of development that is anticipated in Chippenham within the emerging Local Plan period. Ebbsfleet has been included because of its site, even though the delivery rates experienced in this location have been comparatively low.

4.8 We set out below the average delivery rate achieved and the maximum number of dwellings completed in a single year, together with a comparison of these figures with the average rates identified by *Start to Finish* (see Table 4.1 above).

Table 4.3 Delivery rates achieved on case study sites

Site name	Average delivery	Maximum delivery	Deviation from max to average rate	Deviation from Start to Finish average	
				Average	Maximum
Ebbsfleet	101	312	-67.6%	-36.9%	95.0%
The Hamptons <sup>5</sup>	209	290	-27.9%	30.6%	81.3%
Cambourne	223	620	-64.0%	39.5%	287.5%
Eastern Expansion Area	268	473	-43.3%	67.6%	195.6%
Great Western Park	218	392	-44.4%	36.3%	145.0%
Oakley Vale	180	520	-65.3%	12.7%	225.0%
Cranbrook	286	419	-31.7%	78.8%	161.9%
Charlton Hayes, Northfield	201	333	-39.6%	25.7%	108.1%
Clay Farm/ Showground	260	467	-44.3%	62.5%	191.9%
Elvetham Heath	208	307	-32.4%	73.1%	155.8%
Love's Farm, St Neots	154	336	-54.2%	43.9%	214.0%
Oxley Park (East & West)	145	295	-50.9%	35.4%	175.7%

<sup>5</sup> Note that the annualised delivery profile for the first 11 years of development at The Hamptons is not available, so we have applied an average of the total number of dwellings build over this period. It should not be assumed that 290dpa was the peak delivery level or that this rate was maintained for an extended period.

Site name	Average delivery	Maximum delivery	Deviation from max to average rate	Deviation from Start to Finish average	
				Average	Maximum
Kempshott Park	157	310	-49.5%	46.3%	189.7%
Broughton	171	409	-58.1%	60.2%	282.2%
Average	196	392	-50.0%	35.2%	176.1%

Source: Lichfields *Start to Finish* (2020)

4.9 The deviation between number of completions achieved in the peak year and the average rate of delivery is illustrated below. This shows a deviation of between 28% and 68%, with an average of deviation 50% across these high delivery case studies. The implication is that the sites were generally unable to sustain the maximum development rates over a long period.

4.10 As set out above, the delivery rates that we have for The Hamptons, Peterborough, suggests that it maintained its peak delivery rate for more than a single year but this is simply a reflection of the fact that annualised data was not available for the initial years of construction and so we have applied an average. It is therefore not possible to draw any conclusions about the peak level of development on this site. Of the other sites:

- 1 Only two (Elvetham Heath, Hart and Oakley Vale, Corby) achieved a build rate that was within 10% of the maximum in any other year of the construction period<sup>6</sup>; and,
- 2 Eight<sup>7</sup> achieved a build rate within 25% of the maximum in any other year of the construction period, but only one of these (Eveetham Heath) managed to sustain this rate for more than one additional year<sup>8</sup>.

4.11 The level of deviation from the maximum delivery level is further illustrated by a review of the rolling five-year average delivery rates. In order to test the extent to which the highest levels of completions were sustained, we have identified for each site the five-year period in which the average build rates were at their highest. This can be compared with the average and peak build rates for the sites identified above:

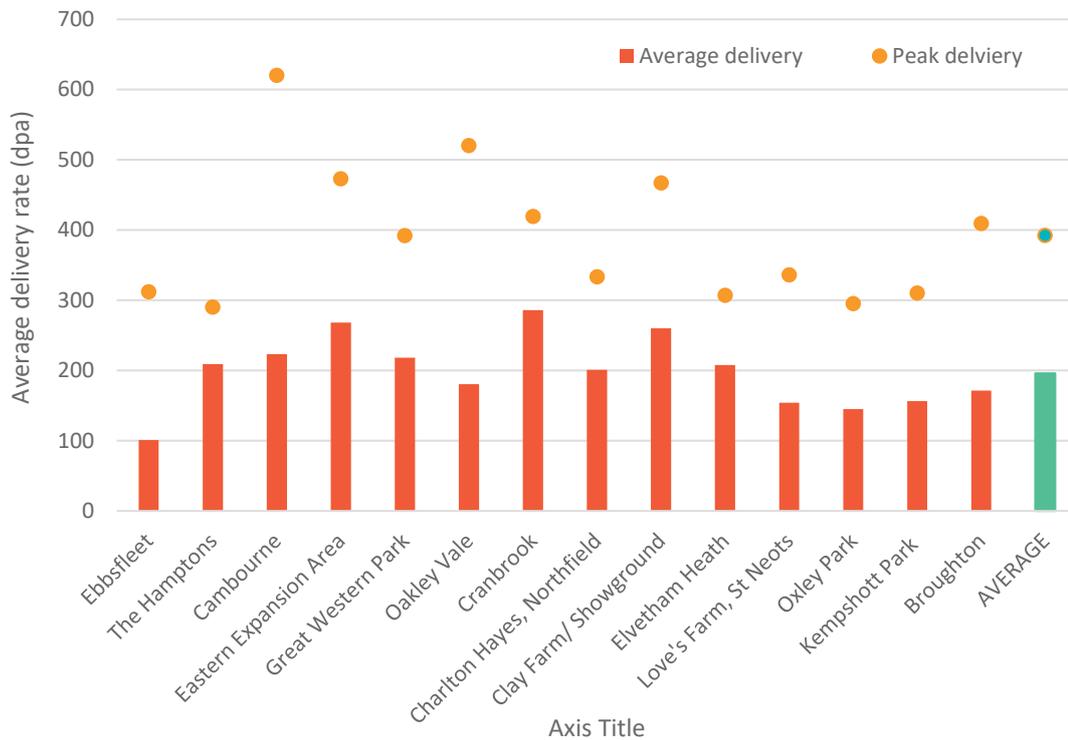
- 1 On average, the maximum five-year delivery was 260dpa; this was
- 2 33% higher than the average build rate (196dpa); but,
- 3 34% lower than the peak figures achieved (392dpa).

<sup>6</sup> Elvetham Heath achieved rates within 10% of the peak in three other years, such that the delivery rate was within 10% of its peak for 44% of the build period. Oakley Vale achieved rates within 10% of the peak in one other year, such that the delivery rate was within 10% of its peak for 12% of the build period.

<sup>7</sup> Eastern Expansion Area, Milton Keynes; Oakley Vale, Corby; Cranbrook, East Devon; Charlton Hayes, South Gloucestershire; Clay Farm, Cambridge; Elvetham Heath, Hart; Love’s Farm, Huntingdonshire; Kempshott Park, Basingstoke and Deane.

<sup>8</sup> Elvetham Heath achieved rates within 25% of the peak in four other years. The other seven developments all achieved rates within 25% of the peak in one other year.

Figure 4.1 Delivery rates achieved on case study sites



Source: Lichfields *Start to Finish* (2020)

4.12 Delivery rates at these sites have resulted from a complex range of factors. However, it is notable that four of these five sites included a minimum of 30% affordable housing. This tenure split will have provided homes for different segments of the market, thereby making it possible to increase delivery without saturating the market.

4.13 The majority of these case study areas benefitted from market conditions that were stronger than for Wiltshire. A total of 8 of the 12 local authorities in which the case studies are based had a higher median average house price in 2018 than in Wiltshire (£270,000). The highest average house prices were seen in Cambridge (Clay Farm: £430,000) whilst the highest growth in house prices between 2000 and 2018 was experienced in Corby (Oakley Vale) (304%) which had an average house price of £182,000.

4.14 A stronger housing market would suggest a greater level of demand for housing and can allow a more differentiated price profile of market housing, e.g. including “executive homes” alongside standard housing, thereby enabling the provision of a greater range of housing types. This diversity will suit different buyers and so increase the breadth of the market. Reflecting the approach set out in the Letwin Review, this would be important in helping to sustain higher delivery rates.

**Increase in dwelling stock**

4.15 The identified case studies include three new communities and 12 urban extensions. Table 4.4 indicates that, on average, the urban extensions account for 3.6% growth in the existing dwelling stock in each area. However, this growth ranges from 0.8% in Charlton Hayes (Bristol) to 28.8% in Great Western Park (Didcot).

Table 4.4 Growth in dwelling stock

Site name	Site size (dwellings)	Existing settlement	Existing dwelling stock (2018)	Increase in dwelling stock
Ebbsfleet	15,000	N/A (new settlement)		
The Hamptons	6,320	Peterborough	71,520	8.8%
Cambourne	4,343	N/A (new settlement)		
Eastern Expansion Area	4,000	Milton Keynes	97,580	4.1%
Great Western Park	3,300	Didcot	11,450	28.8%
Oakley Vale	3,100	Corby	29,800	10.4%
Cranbrook (new settlement)	2,900	Exeter	57,370	5.1%
Charlton Hayes, Northfield	2,200	Bristol	275,350	0.8%
Clay Farm/ Showground Site	2,169	Cambridge	57,740	3.8%
Elvetham Heath	1,869	Fleet	14,760	12.7%
Love's Farm, St Neots	1,438	St Neots	13,310	10.8%
Oxley Park (East & West)	1,300	Milton Keynes	97,580	1.3%
Kempshott Park	1,252	Basingstoke	46,810	2.7%
Broughton (Broughton & Atterbury)	1,200	Milton Keynes	97,580	1.2%
Average % growth in dwelling stock				3.6%

Source: Council Tax stock of properties (2018) / Lichfields *Start to Finish* (2020)

- 4.16 By comparison, the proposed Future Chippenham development would represent growth of 47.3% (7,500 new dwellings ÷ 15,860 existing dwellings in Chippenham). This level of growth would therefore be unusual, particularly for an urban extension to a relatively small market town. This will raise issues about the ability to sustain build rates over a long period.
- 4.17 Table 4.5 below provides an analysis of average and maximum build rates against the existing dwellings stock (where appropriate) in order to consider the absorption rates of the local market. This reveals that the average annual delivery for these developments amounts to 0.3% of the existing dwelling stock, whilst the maximum annual delivery figure was 0.5% of the local dwelling stock.
- 4.18 These figures are clearly a function of the size of the existing settlement, and so discounting Charlton Hayes results in an average increase of 0.4% of the existing dwelling stock and a peak increase of 0.8% of the dwelling stock.

Table 4.5 Annual delivery relative to existing dwellings stock

	Existing dwelling stock (2018)	Annual delivery rates		Delivery as % of existing dwelling stock	
		Average	Maximum	Average	Maximum
The Hamptons	71,520	209	290	0.3%	0.4%
Eastern Expansion Area	97,580	268	473	0.3%	0.5%
Great Western Park	11,450	218	392	1.9%	3.4%
Oakley Vale	29,800	180	520	0.6%	1.7%
Cranbrook (new settlement)	57,370	286	419	0.5%	0.7%
Charlton Hayes, Northfield	275,350	201	333	0.1%	0.1%
Clay Farm/ Showground Site	57,740	260	467	0.5%	0.8%
Elvetham Heath	14,760	208	307	1.4%	2.1%

	Existing dwelling stock (2018)	Annual delivery rates		Delivery as % of existing dwelling stock	
		Average	Maximum	Average	Maximum
Love's Farm, St Neots	13,310	154	336	1.2%	2.5%
Oxley Park (East & West)	97,580	145	295	0.1%	0.3%
Kempshott Park	4,610	157	310	3.4%	6.7%
Broughton & Atterbury)	97,580	171	409	0.2%	0.4%
Average	69,054	199	337	0.3%	0.6%

Source: Council Tax stock of properties (2018) / Lichfields *Start to Finish* (2020)

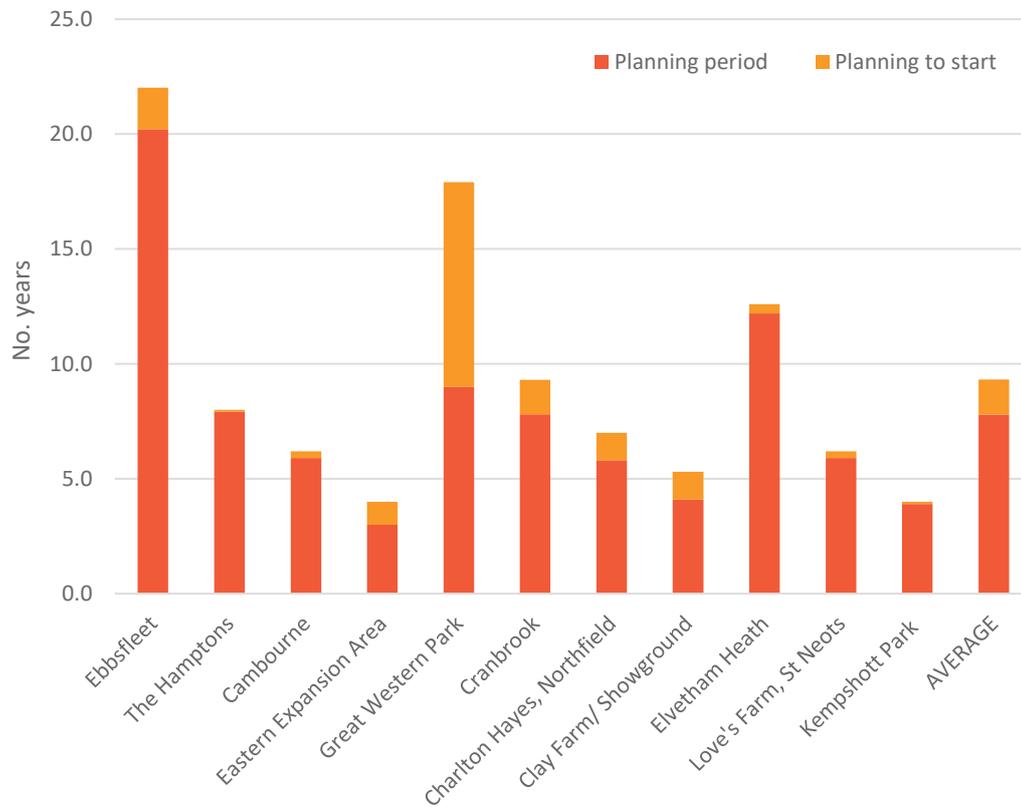
4.19 The developments that were based in settlements that are most similar in size to Chippenham (Didcot, Fleet and St Neots) achieved a much higher level of absorption – an average of 1.4% per annum and a maximum of 2.6%.

**Lead-in times**

4.20 In addition to considering the annual build rates across the sites, we have also reviewed the lead-in time between the submission of planning applications to the commencement of development. This includes the planning approval period and the time between the grant of planning permission and the commencement of development. Our research has shown that there is a clear correlation between the size of site and the average lead-in period.

4.21 Information on the lead-in period is not available for all of the case study sites identified above, but the average planning period for the 11 sites for which information is available was 7.3 years whilst the average time between the grant of planning permission and the commencement of development was 1.5 years, resulting in a total of 8.8 years between the submission of a planning application and the commencement of development. This will clearly have a significant impact on the number of dwellings that could be delivered within a defined time period.

Figure 4.2 Lead-in times for case study sites



Source: Lichfields *Start to Finish* (2020)

### Sites in Wiltshire

4.22 Lichfields has been provided with details of completion rates on 36 large sites across Wiltshire, on which a total of 8,700 new homes have been constructed since 2005/6. The average build rate achieved across these sites has been 62dpa.

4.23 The following large sites are of particular interest by virtue of their scale, being the five largest schemes for which information was provided and accounting for 44% of the total number of dwellings completed to date:

Table 4.6 Delivery rates achieved on large sites in Wiltshire

Site	Total completions to date	Average delivery rate (dpa)	Maximum delivery rate (dpa)	Deviation from max to average rate
Land south of Archers Gate, Amesbury	1,046	87	158	-44.9%
Old Sarum, Salisbury	950	106	154	-31.2%
Snowberry Lane/ Land east of Melksham	856	122	211	-42.2%
Castlemead, Trowbridge	559	112	183	-38.8%
Cowbridge Mill, Malmesbury	428	54	104	-48.1%
<b>AVERAGE</b>	<b>3,829</b>	<b>94</b>	<b>162</b>	<b>-42.0%</b>

Source: Lichfields

4.24 This analysis shows that whilst the delivery rates that have been achieved on these larger sites has been substantially higher than the average for all sites in Wiltshire, there is no direct correlation between the size of these larger sites and the average or maximum delivery rate achieved. However, this does provide a helpful indication of typical market absorption rates in Wiltshire.

### Delivery Rates in Wiltshire

4.25 To consider how delivery in Wiltshire compares to the national picture, Lichfields has undertaken analysis of average delivery rates for the major housing sites for which data was provided by the Council.

4.26 The trajectory data provided by the Council relates almost exclusively to greenfield sites for family houses. Although it is therefore not possible to determine the effect of different types of development on the rate of delivery, this does provide clear picture of build rates in the local area – albeit that the sample size was limited with only one site was located in Chippenham.

4.27 Table 4.7 indicates that Wiltshire reflects the national picture in that greater site size leads to higher annual delivery.

Table 4.7 Average housing delivery by size of site

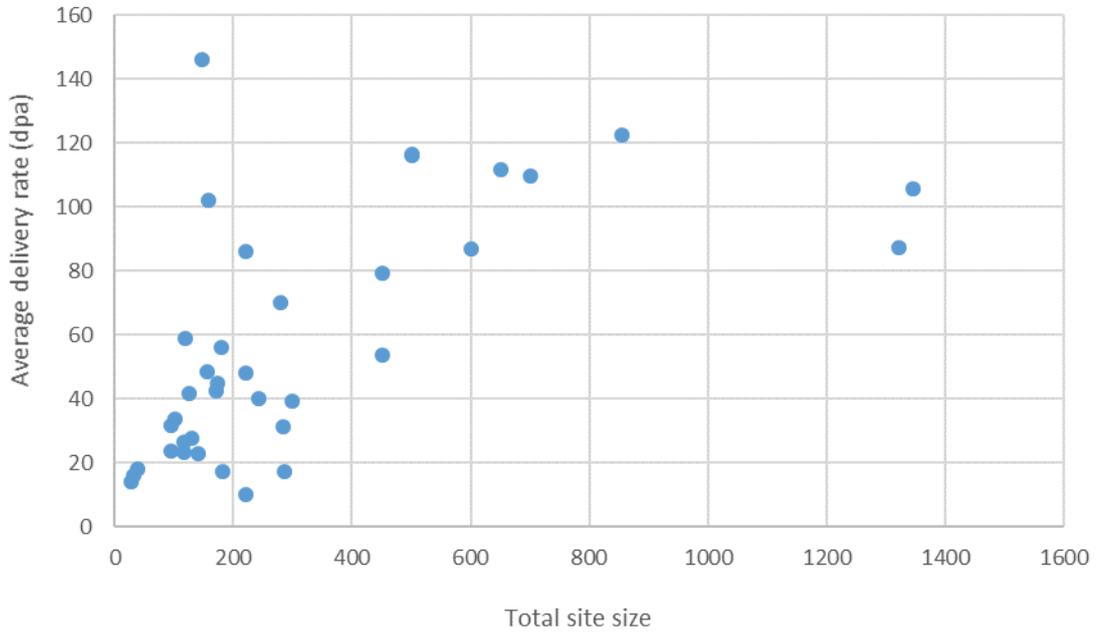
Site Size (no. sites in Wiltshire)	Annual delivery rate		Local deviation from national average
	Wiltshire	National	
0-99 (5)	22	22	±0%
100-499 (23)	44	55	-20%
500-999 (6)	112	68	+65%
1,000-1,499 (2)	95	107	-11%

Source: Lichfields analysis of Wiltshire Council housing trajectory data. National data sourced from Lichfields' *Start to Finish* (2020)

4.28 Although based on a comparatively small number of schemes, the data demonstrates that rate of delivery on sites between 500 and 999 units of Wiltshire's largest sites has exceeded the national average quite significantly by 65%.

4.29 As is the case nationally, there was significant variation in delivery rates within the site size brackets. As demonstrated below, there is a clear correlation between site size and delivery rates for sites that are less than 1,000 units, but the rate of delivery on the very largest sites has been markedly slower.

Figure 4.3 Comparison of site size and average delivery rates for large sites in Wiltshire

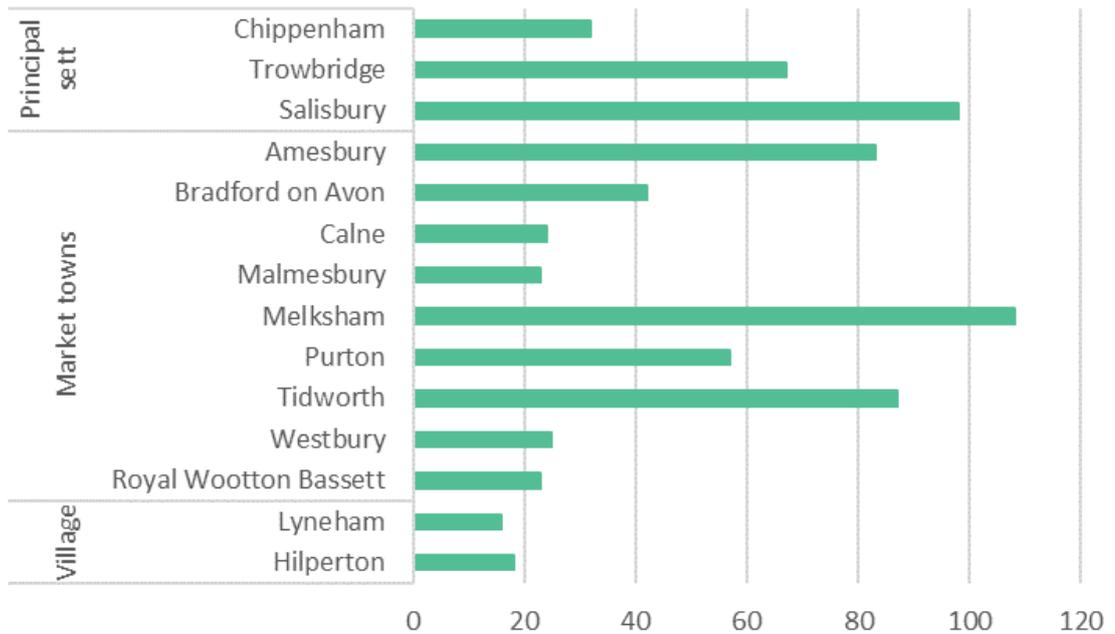


Source: Lichfields analysis of Wiltshire Council housing trajectory data

4.30

By contrast, the size of the settlement the site is located in does not appear to affect the rate of delivery in Wiltshire, with no discernible correlation between the build rate and position of the settlement within which the site is located in the established hierarchy.

Figure 4.4 Comparison of settlement size and average annual delivery rate for large sites in Wiltshire



Source: Lichfields analysis of Wiltshire Council housing trajectory data

## Lead-In Times

- 4.31 The average lead-in time between the grant of planning permission and first completion across all of the sites in Wiltshire that we have reviewed was 2.2 years, compared to 1.5 years for the larger sites set out in Table 4 above. This is very closely aligned to the average for the high delivery case study sites that we have considered. Data is not available on the full planning period for these developments.

## Implications for Chippenham

- 4.32 Drawing on the preceding analysis, we set out below a number of key implications in respect of the proposed development at Chippenham:
- 1 The average build rate for a sample of high delivery sites – many of which are located in strong market areas – was 196dpa whilst the average of all sites considered in *Start to Finish* with more than 2,000 dwellings was 160dpa. The average build rates achieved on all of the sites that we assessed in Wiltshire have been even lower at 62dpa, whilst the average of the largest sites in Wiltshire was 94dpa. The likely rates that could be sustained at Future Chippenham should be viewed within the local and national context.
  - 2 A maximum build rate of more than 500dpa has only been achieved on two of the strategic sites that we have reviewed (Cambourne and Oakley Vale)<sup>9</sup>, with the average peak rate achieved across the sample of high delivery sites being 392dpa, compared to an average of 302dpa across all sites with more than 2,000 dwellings. Again, the peak rates achieved in Wiltshire were considerably lower, with the maximum being 211dpa at land east of Melksham, and an average of 162dpa being achieved on the largest sites. This indicates a reduced ability to sustain high levels of growth within the local area.
  - 3 The peak delivery rates tend not to be maintained for an extended period of time. Only one site maintained its peak delivery rate for more than a single year whilst two others achieved a rate that was within 10% of the peak in any other year of the construction period. This shows that only limited reliance should be placed on peak delivery levels as it cannot be assumed that these will continue beyond a small number of years.
  - 4 We have also considered the rolling five-year average for a period of sustained highest delivery. The average of the peak five-year figures achieved in the national case study examples was 260dpa whilst the average of the peak five-year figures achieved in the larger Wiltshire sites identified in Table 4.6 was 116dpa. The variation between these figures, the single-year peak, and the average over the wider build period underlines the extent to which the very highest rates tend not to be sustained over an extended period.
  - 5 As set out above, the key consideration in respect of the achievement of very high build rates relates to the ability of the market to absorb the new homes. This is associated with the strength of the market. Whilst the housing market in Wiltshire is robust, it is not as strong as many of the locations considered in our case study review, which include the wider South East, Bristol and Exeter. In addition to the strength of the market, as demonstrated by average house prices and affordability, it is also noteworthy that many of the case study examples represented extensions of much larger settlements; this would also have a clear impact on the ability of the market to sustain significant and rapid growth.
  - 6 To that end, it is noteworthy that of the 12 case study sites identified in Annex A of the Letwin Review, the very highest projected build rates<sup>10</sup> relate to sites in London, where the

<sup>9</sup> These were the only two sites that we reviewed in *Start to Finish* that achieved peak build rates of more than 500dpa.

<sup>10</sup> Note that the figures reported in the Letwin Review are, by and large, not actual build rates but rather are future projections of anticipated completions.

market strength, housing requirement, and ability to support substantial levels of new development are all considerably higher than in Chippenham. Furthermore, only five of the 12 sites considered by Letwin had projected build rates that were more than 300dpa.

- 7 The absorption rate for the high delivery case studies that we considered equated to an average of 0.3%pa and a peak level of 0.5%pa. In the case of those developments that were located in settlements that are of a broadly similar size to Chippenham, the absorption rates were notably higher (average: 1.4%, peak: 2.6%). However, the developments in those settlements were smaller than the Future Chippenham scheme (ranging from 1,438 to 3,300 dwellings). This raises issues about the period of time over which such high levels of absorption will need to be sustained.
- 8 The average build rate identified by *Start to Finish* for sites of more than 2,000 dwellings equated to 4% of the total number of dwellings on site per annum. Were this to be replicated in Chippenham it would equate to an average build rate of 300dpa. However, given the size of the Chippenham site, we would emphasise the need to sustain this level of delivery over a much longer period of time. This raises questions about the ability of the market to support that level of growth, particularly given the size of Chippenham. To that end, we note that the average completions on the two largest sites were lower:
  - a The Hamptons: 3.3% pa; and,
  - b Ebbsfleet: 0.7% pa.
- 9 The lengthy lead-in times that are associated with very large strategic developments are significant. This will have an inevitable impact on the number of dwellings that can be delivered within the Local Plan period to 2036 and the overall timetable for delivery.
- 10 The delivery of new infrastructure will be fundamental to opening up much of the Chippenham site for development. A planning application for the new link road is due to be submitted in 2020. Going forwards, it will be important for the team to examine the infrastructure that is required to open up the site and the timescales for delivery. This will have a critical impact on the anticipated housing trajectory.

## 5.0 Maximising the Delivery Rate

5.1 The character of the proposed development delivery strategy that is established for Future Chippenham will impact on the ability to achieve and sustain high levels of build rates. The following factors and mechanisms are likely to have a bearing on build rates and should be given careful consideration as the plans for Future Chippenham develop.

### Housing mix

5.2 A key conclusion of the Letwin Review was that *“the homogeneity of the types and tenures of the homes on offer ... and the limits of the rates at which the market will absorb such homogeneous products, are fundamental drivers of the slow rate of build out.”* (Paragraph 1.7).

5.3 Sir Oliver went on to suggest that:

*“if either the major house builders themselves, or others, were to offer much more housing of varying types, designs and tenures including a high proportion of affordable housing, and if more distinctive settings, landscapes and streetscapes were provided on the large sites, and if the resulting variety matched appropriately the differing desires and financial capacities of the people wanting to live in each particular area of high housing demand, then the overall absorption rates – and hence the overall build out rates – could be substantially accelerated.”* (Paragraph 1.8c).

5.4 This conclusion speaks directly to the importance of ensuring an appropriate mix of different housing products within the Future Chippenham development. The mix may relate to:

- 1 **Market and affordable housing** – Policy 43 of the adopted Wiltshire Core Strategy requires 40% of new homes in Chippenham to be provided as affordable dwellings. This would equate to 4,500 market and 3,000 affordable homes across the wider site.
- 2 **Tenure of affordable housing** – Policy 43 of the of the adopted Wiltshire Core Strategy states that “tenure will be negotiated on a site-by-site basis to reflect the nature of the development and local needs”. Although a 60/40 mix of social rent/intermediate properties has been considered to date, this would need to be reviewed and consideration also given to the inclusion of starter homes within the NPPF definition of affordable housing.
- 3 **Tenure of market housing**, including build to rent properties, recognising that approximately 20% of households living in the market sector in Wiltshire reside in private rented properties (16% in Chippenham) and that this is an increasingly important tenure as affordability of housing worsens, particularly for younger adults who will be critical to the economic well-being of the development. However, there may not be demand for that level of build to rent properties in Chippenham where the sector is not currently well established. It is therefore proposed to provide 5% of the market housing (225 properties) as build to rent units.
- 4 **Size profile** of (market and affordable) housing provided, albeit that (particularly in the market sector) this should not conflate household size with dwelling size, but instead should recognise that many people will often deliberately under-occupy their homes and therefore express a demand for a property that is larger than they specifically need.

To the end, the proposed size mix is set out below:

Table 5.1 Proposed housing mix at Future Chippenham

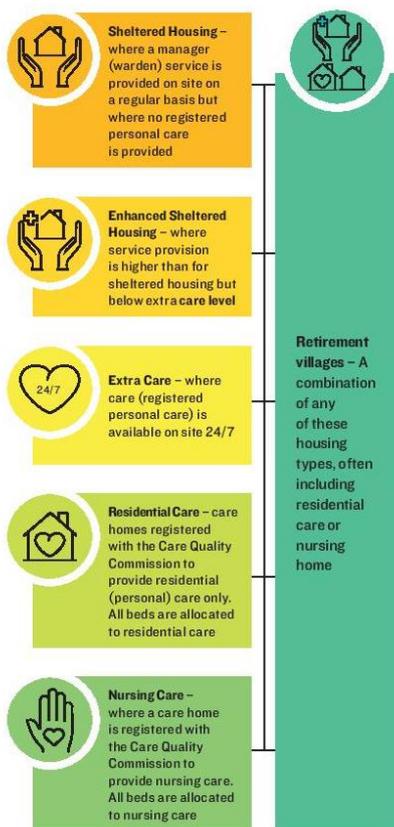
Dwelling size (no. bedrooms)	Market	Affordable	
		Rental	Shared ownership
1	5%	43%	14%
2	25%	35%	55%
3	30%	17%	28%
4	25%	5%	3%
5+	15%		

Source: Faithful+Gould

We recognise that this mix does not accord with that set out in the 2017 SHMA, but that is now outdated and will be updated as part of the Local Plan Review process. Furthermore, the SHMA provides an indicative mix for the whole of Wiltshire so may not be applicable to every development in all locations, and in any event, Policy 45 of the Wiltshire Core Strategy provides a mechanism for deviation from the housing mix set out in the SHMA.

- 5 **Type of housing provided** – including detached, semi-detached and terraced houses, and flats, as well as a combination of modular and traditional brick-built homes. Whilst modular housing offers a significant benefit in respect of the speed of construction, this must still be seen in the context of the absorption rate of the market. However, even across similar types of dwelling there will be differences – for example, relating to configuration, design and specification – that might make one product more attractive to a purchaser than another.
- 6 **Price profile of market housing** – for example through the provision of “premium” products alongside more affordable (yet still high quality) market products.
- 7 The provision of housing that is designed to meet the needs of specific groups, including:
  - a **People that wish to build their own homes**, although recognising that the demand for self-build homes within large developments such as that proposed at Chippenham can be comparatively limited and so this is unlikely to constitute a significant proportion of the overall scheme. It is proposed that 1% of market dwellings will be provided as self-build plots (45).
  - b People with disabilities (accessible/adaptable homes).
  - c **Older persons** – recognising the changing age profile of the local area, this could include a mix of the following types of accommodation:

Figure 5.1 Types of housing for older people



Source: Elderly Accommodation Council National Housing Database (2014)

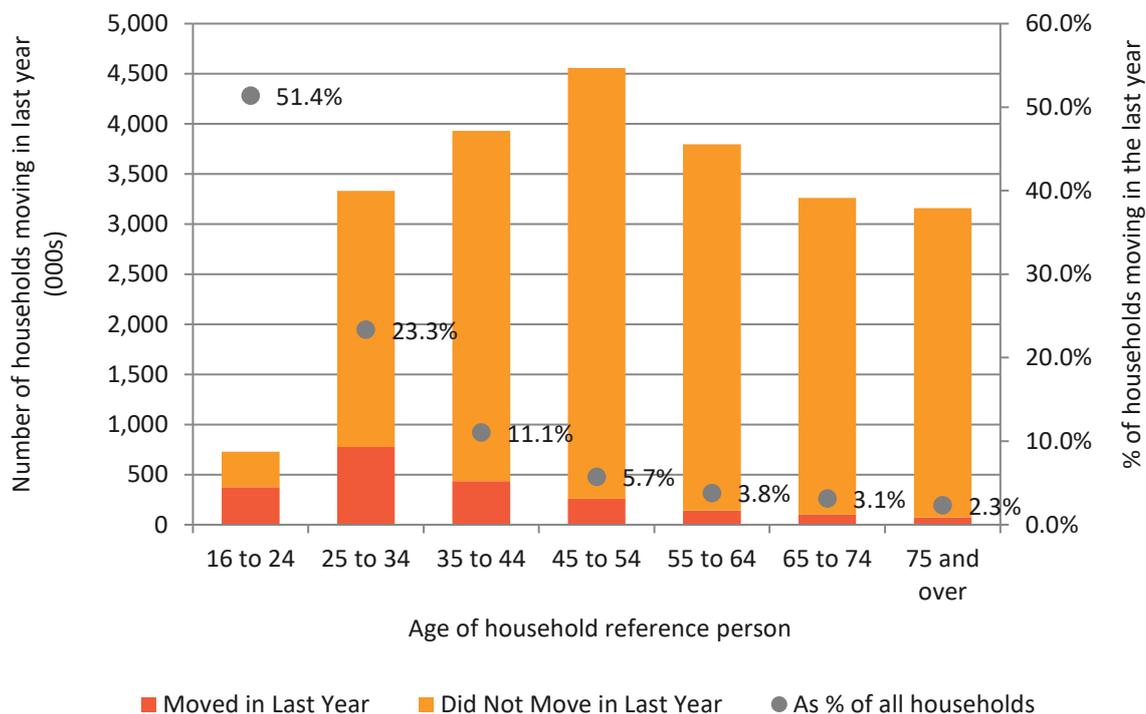
Furthermore, Research by the University of York<sup>11</sup> (on behalf of CLG) found that the majority of older households were happy with their home, regardless of the type of property, having invested time and resources into the property, and that any potential issues arising with size or accessibility were not too great to be overcome through adaptation. Some also felt that moving would be stressful and overwhelming, and potentially result in the (unwanted) disposal of possessions. Even so, when older households considered the type of housing which would be seen as ‘ideal’, a minimum of two-bedrooms was seen as essential, as well as sufficient living space e.g. for eating and recreation.

The 2015/16 EHS<sup>12</sup> further supports these findings by showing that older households are the least likely to move, with just 2.3% of households over the age of 75 moving in the previous 12 months. This pattern has been stable at c.2% over recent years, with no indication of changes in the tendency for older people to choose to remain in their homes. By comparison, younger households have a much higher propensity to move, with over half of households aged 16-24 and almost a quarter of households age 25-34 moving home each year.

<sup>11</sup> Housing Choices and Aspirations of Older People (2008) University of York; CLG.

<sup>12</sup> The 2016/17 EHS does not provide a breakdown of the demographic characteristics of moving households.

Figure 5.2 Demographic characteristics of moving households



Source: 2015/16 English Housing Survey, Table FA4121

However, the JRF research also highlighted the potentially misleading nature of the discussion which assumes that older people are holding onto housing, and stated that this narrative “ignores both the lack of housing choice, as well as older people’s psychological and social reasons for staying put”.

Indeed, recent evidence suggests that 58% of people over 60 were interested in moving<sup>13</sup> but cannot find suitable properties. The JRF research concluded that nationally there is a limited choice in accommodation for older people, both in respect of specialist and alternative housing, and in terms of tenure, location, size, affordability and type of care or support. A more recent report, the Right-Size Report<sup>14</sup>, undertook analysis of the delivery of older person’s accommodation nationally, and found that since 2000, on average, only as few as 5,500 retirement housing units have been built each year, despite the prominence of the ageing population. This suggests that the lack of choice for older households is therefore a product of supply and demand.

The implication is that whilst there is a complex relationship between the ageing population and housing need, and there is a clear policy aspiration to support older people in their own homes, specialist housing can play a critical role in supporting the locally ageing population (the number of people over the age of 75 in Wiltshire is projected to increase by 83% between 2020 and 2041, compared to a 7.5% increase in total population).

To this end, it is proposed to provide 20% of the dwellings across the Future Chippenham development as specialist accommodation for older people. This will

<sup>13</sup> Future of an Ageing Population (2016)

<sup>14</sup> Right Size Report: mapping the supply and demand of Britain’s retirement housing in 2017 and beyond. Available at <https://www.inspiredvillages.co.uk/right-size-report/>

comprise a mix of affordable and market accommodation and a range of size/types of dwellings, with different levels of care provided.

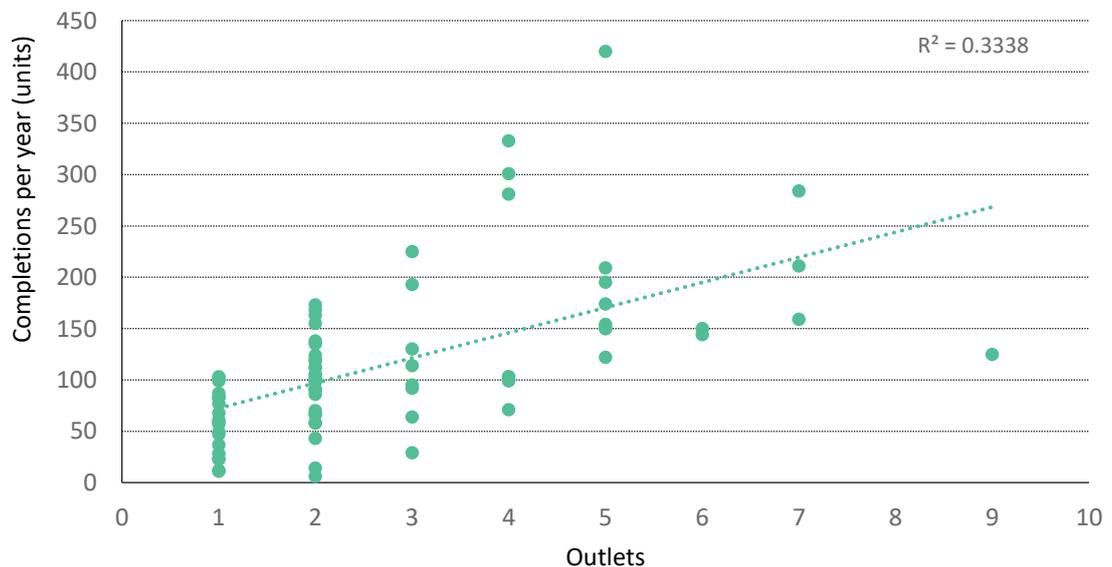
5.5 The diversity of the range of properties that are provided is beneficial both from the perspective of ensuring a mixed and sustainable community, and in terms of boosting supply. By providing a mix of types, tenures and sizes of dwellings, it is possible to increase delivery levels without saturating the market. However, there will still be a limit on the ability of Chippenham to sustain the proposed level of growth, recognising that this equates to an increase of c.50% above the existing dwelling stock.

### Number of builders

5.6 It is generally recognised that a higher number of outlets can generate a higher delivery rate. However, given the importance of ensuring that the build rate does not exceed the market saturation level, the ability of multiple outlets to contribute towards higher delivery rates depends on the extent to which the outlets offer different products, so that they can target different areas of the market and not compete against each other.

5.7 Lichfields' *Start to Finish* research paper identified a fairly strong correlation between the number of outlets open over the site's entire delivery lifetime and annual delivery, both as a percentage of total dwellings and in absolute terms, with a greater number of outlets contributing to higher levels of delivery. However, there is not a straight-line relationship; a site with three outlets does not necessarily deliver three times as many homes as one with a single outlet. Instead the number of completions per outlet tends to fall as the number of outlets increases: on sites with just one outlet, we found average completions per outlet to be 61 dwellings per annum, dropping to 51 completions per outlet for sites of two outlets, and 45 completions per outlet for sites with three outlets.

Figure 5.3 Correlation between number of outlets on site and annual completion rate



Source: Lichfields *Start to Finish* (2020)

5.8 Some development outlets may focus solely on affordable housing and the provision of this alongside market housing can help to increase overall build rates. This was also illustrated in *Start to Finish* which showed that the build rate achieved on schemes with 40% or more

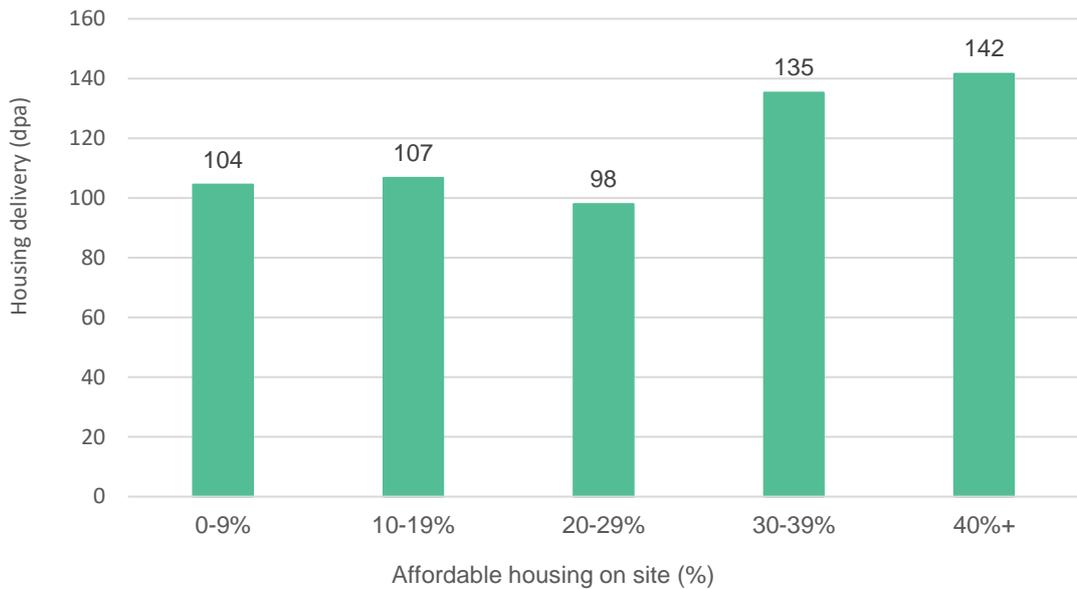
affordable housing was approximately 40% higher than that achieved on sites with lower levels of affordable housing.

1.2 The key point is that the delivery of affordable housing does not raise the same issues relating to potential market saturation and so can be delivered:

- 1 At a higher rate; and,
- 2 Concurrently with market housing.

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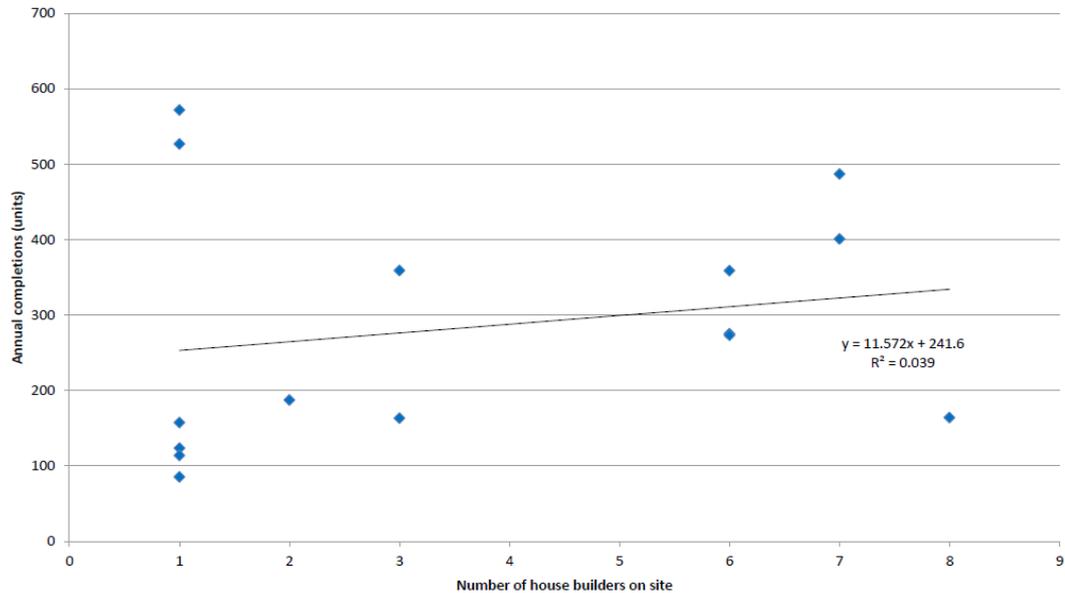
Figure 5.4 Build out rates by level of affordable housing



Source: Lichfields *Start to Finish* (2020)

5.9 The number of outlets is not the same as the number of house builders and the Letwin review found that the correlation between the annual build rate and the number of house builders on site is much less clear.

Figure 5.5 Correlation between number of house builders on site and annual completion rate



Note: Stage 2 - from first detailed permission to final completion (projected). Number of house builders is based on planning applicants; and where a house builder has multiple brands on a site, these are counted separately.

Source: Letwin Review of Build Out Rates (Annex A)

5.10 The implication arising from this is that multiple outlets will only have a significant impact on build rates if they introduce a variety of products into a site, so that the increase delivery can be achieved without overwhelming the market. Conversely, introducing a large number of competing developers to the site would not necessarily generate a significant increase in build rates.

### Placemaking

5.11 Place-making in the early stages of a development encourages people to want to live there and therefore can help increase demand. This allows housebuilders to build at a faster rate as they then know they are more likely to sell them due to this demand. Place-making includes the upfront delivery of infrastructure including community facilities and schools. Garden Village principles and high design quality will help place-making and could boost delivery rates. This was an important factor in boosting delivery rates in the case study examples that we have considered.

### Funding

5.12 Whilst HIF funding has been received for delivery of the new link road, other streams of funding will be required to assist in the delivery of Future Chippenham. This will have an important influence on the delivery trajectory with financial support through a high level of funding ensuring that higher delivery rates can be maintained throughout the build period.

### Delivery model

5.13 As set out above, there is a strong correlation between levels of affordable housing provision and average build rates. Given the significant need for affordable housing in Wiltshire – quantified in the 2017 SHMA as amounting to 23,100 dwellings between 2016 and 2036 (1,155dpa), there is clearly a policy imperative to increase delivery rates. This need for affordable housing could be addressed through an increased role in delivery by the Council.

5.14 There are numerous examples of local authorities directly deliver affordable housing, through the establishment of housing companies, either on their own or in partnership, or, following the removal of the housing revenue account cap, direct delivery. A range of possible Council-led delivery mechanisms

- 1 Strategic partnership with a private sector partner to develop and fund the delivery of sites in partnership with the Council on an on-going basis;
- 2 Joint venture partnership: The Council invests land and/or money as equity into a JV with a partner;
- 3 Sale and leaseback: The Council transfers the freehold (or grants a long leasehold) to an investor and agrees to take a long leasehold on completion of the assets;
- 4 Council wholly-owned company: The Council creates a wholly owned company as a development and/or investment vehicle; and,
- 5 Council direct development using general funds or the Housing Revenue Account.

5.15 Research by the Local Government Association that was published in March 2019<sup>15</sup> found that

- 1 89% councils surveyed said they were considering increasing their level of house building following the removal of the Housing Revenue Account borrowing cap;
- 2 A further 5% said they were likely to consider building over the next five years;
- 3 The key driver for building more homes via the HRA was to meet the overall strategic housing needs for different communities across the local area; however,
- 4 Over 90% of authorities that were considering additional building through this mechanism recognised that they would require external support in order to achieve their aspirations.

5.16 If Wiltshire Council is minded to consider the direct delivery of affordable housing at Future Chippenham, it should consider the approach that it would take in terms of working alone or with a partner, its funding streams, and the quantum and location of any such dwellings.

5.17 The impacts of any such direct development on build rates at Future Chippenham would need to be the subject of further investigation.

### **Minimising lead-in times**

5.18 Whilst not necessarily affecting the average build rate that can be achieved, minimising lead-in times is very important in accelerating the delivery of housing and increasing the number of dwellings that can be completed within a particular time period. There are two key aspects to this:

- 1 Navigation of the planning process; and,
- 2 Delivery of key infrastructure to unlock parts of the site

### **Early applications**

5.19 Our *Start to Finish* analysis has indicated that the average planning period for large sites ranges from 4 years for sites containing 500-999 dwellings to 5.8 years for sites providing more than 2,000 dwellings. Given the length of this process, it is important to ensure that planning

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<sup>15</sup> <https://www.local.gov.uk/sites/default/files/documents/Publications%20-%20Research%20-%20Housing%20Revenue%20Account%20Cap%20Removal%20-%20Survey%20Results%20-%20March%202019.pdf>

applications are prepared and submitted at such a time as to support the early delivery of housing.

5.20 We note that planning applications have already been submitted in respect of three parcels of land within the wider Future Chippenham site and provide a summary of the status of these below:

Table 5.2 Future Chippenham: planning status

Site name	Total dwellings	Planning ref.	Key dates	Comments
Summix / Rawlings Green	650	15/12351/OUT	Registered 23 February 2018. Target date for determination was 31 January 2020.	<p>Outline application including up to 650 dwellings. Resolution to grant planning permission subject to s106 agreement.</p> <p>Full planning permission for railway bridge as an extension to Parsonage Way granted 19 July 2017 (15/11886/FUL) to serve the proposed Rawlings Green development.</p> <p>The existing means of access to the site, a Victorian railway bridge on Cocklebury Lane, is unsuitable for the volume of new movements expected and will be retained as a pedestrian/cycle and emergency access. The Transport Assessment included in the planning application submission states that the initial phase of the development, comprising 200 dwellings, will be accessed via the new bridge.</p> <p>Following the grant of planning permission, delivery on site can only take place following the completion of the new railway bridge. Approval of reserved matters will also be required.</p>
Chippenham 2020	1,500	15/12363/OUT	Registered 13 January 2016.	<p>Outline application for mixed use development including up to 1500 dwellings and a retirement village.</p> <p>It is understood that this application is undetermined and we understand that it is unlikely to be approved in its current form.</p>
Gough / Gleeson – Forest Farm	200	15/11153/OUT	Appeal dismissed 22 June 2017. (PINS Ref: APP/Y3940/W/16/3150514)	<p>Outline application for mixed use development including 200 dwellings.</p> <p>Key reasons for dismissal: The proposal would not accord with the spatial strategy within the development plan (the Wiltshire Core Strategy (adopted January 2015), the saved policies of the North Wiltshire Local Plan 2011 (adopted 2006) and the CSAP (adopted May 2017)); and,</p>

Site name	Total dwellings	Planning ref.	Key dates	Comments
				<p>Harm to the character and appearance of the surrounding rural area.</p> <p>Given that the proposal does not accord with the existing development plan, it is unlikely to be granted planning permission until adoption of the emerging Local Plan.</p> <p>Any revised proposal would also need to address or mitigate harm to the character and appearance of the surrounding rural area. The appeal decision states that the proposed landscape strategy could mitigate this harm to some extent through the provision of structural planting and the retention and enhancement of the hedgerows. However, much of this harm would be localised and would be significant in that it would affect the public rights of way across the site and detract from the tranquil rural character of the site and its surroundings, as well as its appearance.</p>
Shiles	423	No relevant planning history		
Candy	363			
WCA – South of Pewsham	2,242			
WCA – East of Chippenham	2,122			

Source: Wiltshire Council online planning database

5.21 As demonstrated by the Gough/Gleeson appeal decision, the scale of proposed growth at Chippenham means that the development strategy must be plan-led, and any planning application must follow the Local Plan Review.

5.22 We understand that the Council now proposes to return to Regulation 18 stage and so adoption is unlikely until at least 2022/23. Even if outline planning applications are submitted prior to the Local Plan examination, they are most unlikely to be determined until after adoption.

[Redacted text]

5.23 [Redacted text]

- 5.24 It would be important to explore with Wiltshire Council the mechanisms by which the planning process might be expedited. This could include the use of Local Development Orders, a tool which the Planning Advisory Service and the Local Government Association have encouraged.

### **Infrastructure**

- 5.25 The provision of adequate infrastructure is critical to unlocking parts of the Future Chippenham site and ensuring the delivery of dwellings. This will include:

- 1 Summix railway bridge. The timescales for the delivery of this are not known but it is understood that up to 200 dwellings could come forward in advance of its completion.
- 2 The new bypass, for which HIF funding has been secured and options are to be made subject to consultation in April 2020. A planning application for the road is due to be submitted in 2020. This road will unlock much of the site for development and so its construction is a necessary pre-requisite for delivery of the new housing. The early delivery of this route is therefore essential in order to ensure that the continued delivery of housing is not constrained. It is understood that the road would be completed at the end of 2024, although it is understood that up to 1,000 dwellings could come forward in advance at Future Chippenham of completion of the road.
- 3 Soft infrastructure. This includes education, health, community and leisure facilities as well as the green spaces that will define the character and spirit of the Garden Village. As previously mentioned these facilities can assist in place-making and encouraging not just people to want to buy houses, but also attractive to the wider buyer market, thus allowing housebuilders to deliver houses at a higher rate. Additionally, some of these facilities will have to be delivered at certain points in the build period to ensure that they can meet the needs of new residents of Chippenham. As a result, their timely delivery needs to occur to ensure there are no gaps in delivery.

- 5.26 The timing of the delivery of infrastructure could have a significant impact on the delivery of the Future Chippenham project, with many of the further details still to be defined. This is particularly important for the link road as this is critical in allowing the large parts of the site to be unlocked and accessed. There are a number of uncertainties that still to be resolved and more information is required in respect of the delivery trajectory.

## 6.0 Delivery Factors

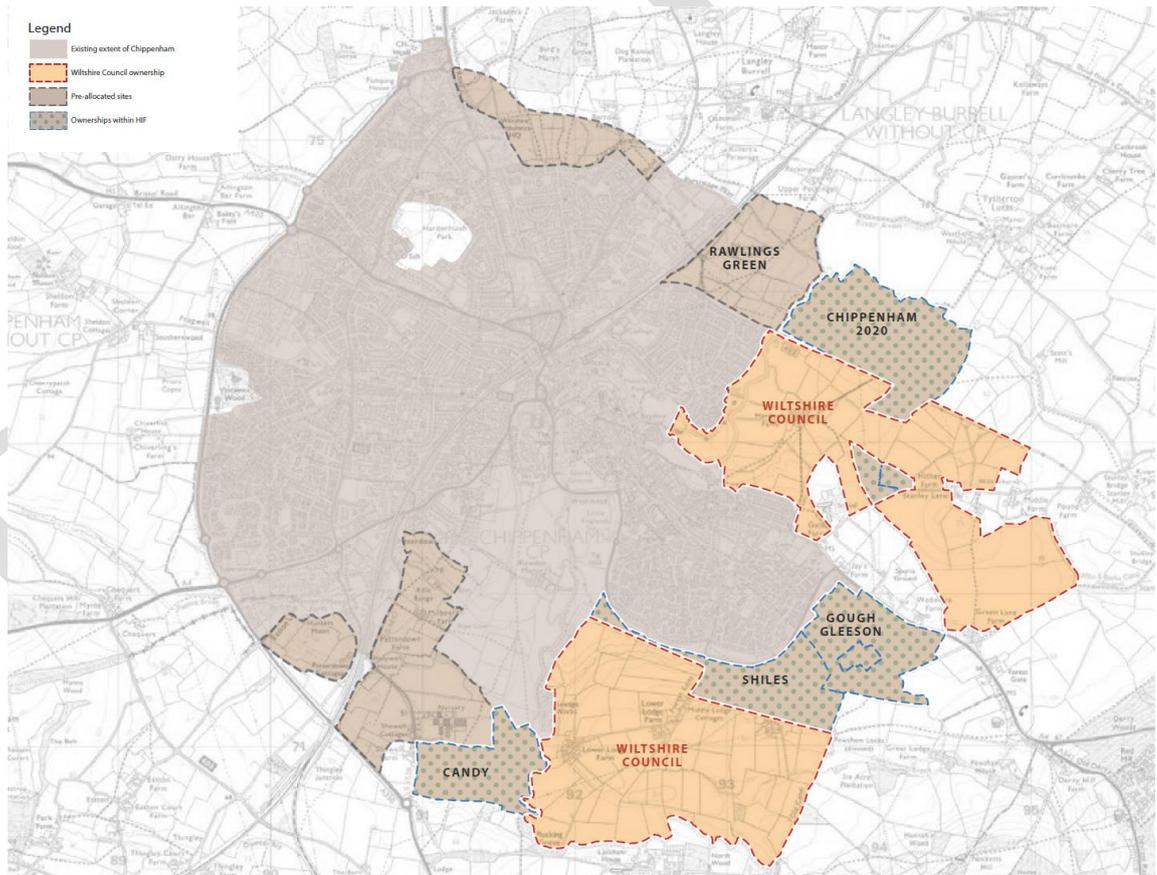
6.1 The Future Chippenham site comprises seven ownership parcels, which range in size from 6ha (net) to 70ha (net), and with capacity for between 200 and 2,250 dwellings:

Table 6.1 Future Chippenham development parcels

Site	Site size (gross ha)	Site size (net ha)	Planned dwelling capacity	Assumed first completions
1 Summix	54.0	20.3	650	2022
2 Chipp 2020	104.4	46.9	1,500	2025
3 Gough/Gleeson	39.5	6.3	200	2024
4 Shiles	37.8	13.2	423	2032
5 Candy	32.4	11.3	363	2024
6 WCA – South of Pewsham	200.3	70.1	2,242	2028
7 WCB – East Chippenham	189.5	66.3	2,122	2033
<b>Total</b>	<b>657.9</b>	<b>234.4</b>	<b>7,500</b>	

Source: Future Chippenham Concept Framework Report / Lichfields analysis

Figure 6.1 Land ownership plan



Source: Future Chippenham Concept Framework Report

## Commencement of delivery

- 6.2 The new link road will unlock much of the site and will need to be in place prior to the commencement of development of any more than 1,000 dwellings. However, the timing of the delivery programme aligns with the expected adoption of the Local Plan, such that it is not expected that this level of development would come forward before the late 2020s.
- 6.3 In order to ensure that construction can commence without delay once infrastructure and planning policy barriers have been removed, it will be important to submit outline planning applications at such a time as to ensure determination shortly after adoption of the Local Plan Review. Thereafter, it will be necessary to seek Reserved Matters approval and move towards the commencement of construction.
- 6.4 A phased delivery of the sites will avoid any issues of market saturation. Delays in moving forward with the delivery of earlier sites may mean that some of the sites will see only limited levels of development within the emerging Plan period (assuming that its end point is retained at 2036).
- 6.5 The earliest delivery would be expected on the Summix land, but the timings of this will depend on:
- 1 The formal grant of outline planning permission, following resolution of the s106 agreement;
  - 2 The receipt of Reserved Matters consent; and,
  - 3 Completion of the railway bridge which is necessary to achieve access for more than 200 dwellings.
- 6.6 Our assumption is that the first completions on the Summix land are more likely in 2022.
- 6.7 In view of the findings of the s78 Inspector, the Gough/Gleeson site is not now expected to come forward in advance of the Local Plan Review. However, given its size, we have assumed early delivery following adoption, such that completions will commence in 2024.
- 6.8 Given the size of the Candy site and its location to the south of Chippenham, we have assumed that it could also come forward earlier in the delivery programme. We have therefore assumed that, subject to the outcome of the Local Plan Review, completions will similarly commence in 2024.
- 6.9 The current impasse in respect of the application on the Chipp2020 land casts doubt over the commencement of delivery in the short term. Again, progress on this land may only be achieved in the context of Local Plan Review, whilst its size is likely to result in a longer lead-in period. As such, we have assumed that completions will commence in 2025.
- 6.10 We have assumed that delivery of housing on the Shiles site will follow the completion of work on the adjoining Gough/Gleeson land, with the first completions occurring in 2029.
- 6.11 We have assumed that the WCA (Wiltshire Council, land east of Chippenham) site will come forward for development in 2028. This allows time following the adoption of the Local Plan for planning permission and Reserved Matters to be approved, pre-commencement matters to be addressed, and for the link road to be completed.
- 6.12 We assume that the WCB (Wiltshire Council, land south of Pewsham) site will come forward following completion of the Summix and Candy site, with first completions in 2033.

## Assumptions

- 6.13 In seeking to profile potential delivery levels across the wider site, it is important to appreciate the total capacity of the market to accommodate growth in any one year. Although the overall site is large, the market of Chippenham is such that similar market-facing developments could compete against one another. This was recognised by one of the developers with whom we spoke who expressed concern about the ability of the market to absorb a significant increase in housing.
- 6.14 We would therefore suggest the following core assumptions in seeking to establish future delivery rates:
- 1 The commencement dates set out above are based on a 2-4 year planning period, followed by a 12-18 month period between planning and commencement of delivery;
  - 2 No specific additional allowance has been made for the involvement of master developers and other land promoters in obtaining planning permission, rather than house builders – even though this is likely and will add an additional stage in the period between planning and the commencement of development.
  - 3 A two year “bedding-in” period to achieve peak delivery for each site.
  - 4 Based on our review of Case Studies, an absorption rate of 1.4-1.5% would be ambitious but potentially achievable. This would equate to an annual delivery rate of 220-230dpa. Maximum rates of up to 2.5% (equivalent to 400dpa) may be achievable where multiple outlets have all fully bed in and maximum levels of affordable housing output are being achieved. However, it is uncommon for the very highest levels of delivery to be sustained for a long period of time.
  - 5 Given the risks associated with over-estimating delivery rates, we consider the average build rates to represent a much more prudent and appropriate basis by which to plan for housing delivery across the Future Chippenham scheme. This is particularly the case given the likely reality of multiple market downturns over the development period.
  - 6 A maximum of 5 market housebuilders to operate on the wider site at any one time (c.175dpa), one of which would be a retirement operator. 40% of the new units are to be provided as affordable housing on all parcels; this would generate an additional outlets (45-55dpa). This equates to an average delivery of 220-230dpa once all outlets are operating at peak capacity.
  - 7 Higher rates of delivery may be achieved but rates of 350-400dpa are not likely to be sustained for more than a year or two.
  - 8 These figures are based on the assumption that the mix and type of housing to be provided is acceptable to the market going forwards – this may require changes to the mix suggested in section 5 over time.
  - 9 Infrastructure to be delivered at such a time as to prevent any hold-ups or delays to the build programme – the following completion dates are currently anticipated:
    - a Summix railway bridge: TBC
    - b Bypass: end 2024
    - c Strategic transport mitigation: 2024
    - d Lackham roundabout: 2024
    - e Malmesbury roundabout: 2028
    - f A4 Chequers: 2028-2030

g A4 Link Road: TBC

h A4 Derry Hill improvement: TBC

10 Completion of all 7,500 homes will take place over a 30-35 year period

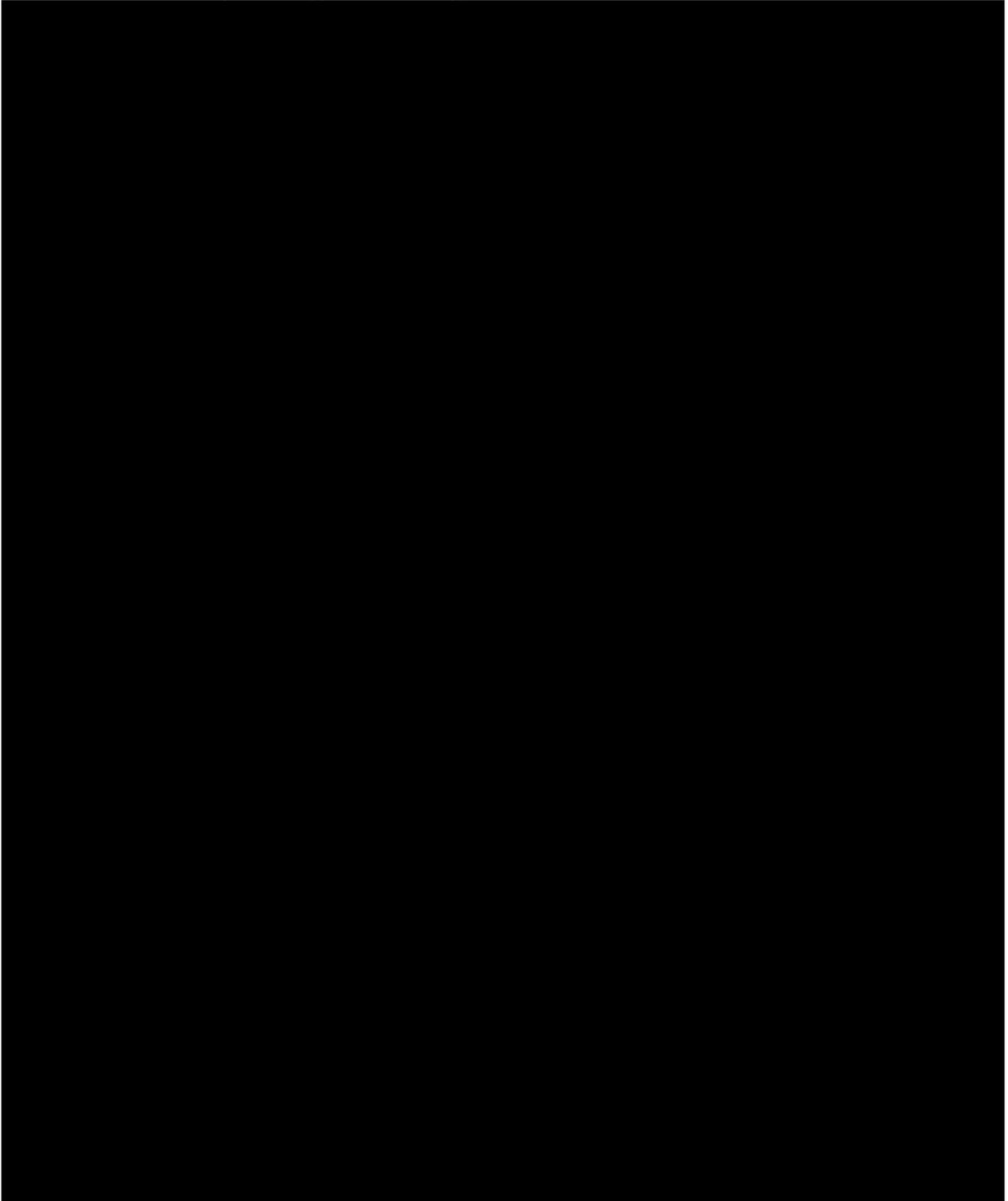
6.15

Based on these assumptions we set out below our assessment of the likely delivery profile of Future Chippenham. This identifies that approximately 3,500 dwellings could come forward within the emerging Local Plan period (to 2036), with the development completed in full by 2055.

DRAFT

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Table 6.2 Anticipated delivery profile of Future Chippenham



Source: Lichfields analysis

## 7.0 Conclusion and Recommendations

- 7.1 This report has been prepared by Lichfields to identify the delivery rates that could reasonably be achieved on the proposed expansion to the east and south of Chippenham. In so doing, it has considered the quantum of housing that might come forward within the emerging Local Plan period and the overall timescale for the delivery of the whole project.
- 7.2 The importance of this work is recognised by the NPPF which requires evidence that strategic allocations are deliverable and that the development trajectories that are prepared for individual sites, and a local authority area as a whole, reflect the Government’s aspiration to bring forward new housing and maintain a deliverable supply of land.
- 7.3 This research draws on Lichfields’ experience in assessing the deliverability of major residential developments, both to inform the preparation of Local Plans and assessments of housing land supply. It also takes account of Lichfields’ award-winning research on the speed and rate of delivery of large-scale housing based on a large number of sites across England and Wales. A second edition of our research paper, *Start to Finish*, has recently been published.
- 7.4 We have drawn on case studies that informed *Start to Finish*, as well as a number of sites across Wiltshire. In addition, we have reflected on the market strength of Chippenham, and Wiltshire more generally, in order to understand the capacity of the town to absorb a significant rate of additional growth.
- 7.5 We have identified that an average delivery rate of 220dpa would be realistic for Future Chippenham. Based on the delivery profile that we have identified, we anticipate that approximately 3,500 dwellings could come forward within the emerging Local Plan period (2016 to 2036) – approximately 10% of the total housing requirement for the whole of Wiltshire, and between 16% and 26% of the prorated requirement for the Chippenham HMA<sup>16</sup> – with the development completed in full by 2055.
- 7.6 When set against past trends from specific developments in Wiltshire (an average of 94dpa from the largest sites, compared to 62dpa from all sites that we examined), this is an ambitious rate of delivery, and even when viewed in the context of our *Start to Finish* research (average of 160dpa from all sites of more than 2,000 dwellings, and 196dpa from the sample of high delivery sites that we reviewed), it will require a concerted effort on the part of all involved in the planning and delivery process.
- 7.7 However, there is evidence that this above-average rate of delivery could be achieved and maintained:
- 1 Although not fixed, it is proposed to provide a wide mix of properties, in terms of size, tenure (including affordable housing, starter homes, and private rental properties), type (i.e. flats, terraced, semi-detached and detached homes, as well as those built in a traditional manner alongside modular housing), price profile, and ability to meet specific groups of the population (including people that wish to build their own homes, people with disabilities, and older persons).
  - 2 The size of the site means that a number of outlets could operate alongside one another, albeit that the size of the local market will act as a constraint on the number of outlets that might operate in the open market at any one time.
  - 3 A focus on placemaking, through the approach to urban design and architecture, and the provision of a wide range of services and facilities that will serve the new community. Once

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<sup>16</sup> The Chippenham HMA includes the settlements of Chippenham, Calne, Corsham, Devizes and Malmesbury.

established, these will make this a place within which people want to live and will encourage developers to build at a faster rates as they have confidence that the houses will sell.

4 Consideration of different delivery mechanisms, including direct delivery of affordable housing by Wiltshire Council.

- 7.8 In addition, efforts are being made to bring forward development on the site, through the award of HIF funding to provide critical infrastructure, identification and provision of other infrastructure requirements, promotion of the site through the emerging Local Plan Review, and planning applications that could be submitted alongside the Local Plan process. This would play an important role in demonstrating the deliverability of the site to the Local Plan Inspector, and in reducing the lead-in times that are associated with the implementation of very large development projects such as this.
- 7.9 The build rate of 220dpa that we have identified is in line with the average rate achieved across the whole of Chippenham between 1983 and 2017 – a similar period as that which is being considered for the delivery of Future Chippenham (35 years). However, taking account of other sites in the town, it is likely that there may be a return to the peak rates seen in the 1980s and 1990s.
- 7.10 Consideration could be given by Wiltshire Council, landowners and promoters to the way in which build rates could be increased, but that would need to be viewed in the context of market realities and the importance of minimising the risk of the Local Plan failing to deliver.
- 7.11 To that end, there is no advantage to be gained from being over-optimistic in respect of a proposed housing trajectory. There are examples elsewhere of Local Plan Inspectors paying particular attention to the proposed trajectory for major developments. For example, in the Post Hearing Letter to the North Essex authorities, dated 8 June 2018<sup>17</sup>, Inspector Clews set out some initial views on the delivery of housing at the Garden Communities (paragraphs 48-53) before recognising that whilst a build rate in excess of the average rate identified in *Start to Finish* for developments of more than 2,000 dwellings could be achieved, the evidence “*revealed pronounced peaks and troughs in the annual delivery figures.*” (paragraph 52).
- 7.12 Inspector Clews then went on to principally conclude that:  
*“All this leads me to the view that, while it is not impossible that one or more of the GCs could deliver at rates of around 300dpa, it would be more prudent to plan, and carry out viability appraisal, on the basis of an annual average of 250dpa.”* (paragraph 53)
- 7.13 There is no doubt that some of the development will come forward beyond the current Local Plan period. This creates an opportunity to identify additional flexibility land that could be released for development during the emerging Plan period (i.e. before 2036) in the event that delivery rates are unexpectedly higher than currently anticipated. This approach provides an effective mechanism to plan for the long-term continuity of delivery at Future Chippenham in a robust and measured manner, but without the risks to the Plan strategy that are associated with the failure of overly-optimistic delivery rates to be achieved.

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<sup>17</sup> <https://www.braintree.gov.uk/downloads/file/7906/ied011> - inspectors section 1 post-hearing letter to neas - 8 june 2018



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CHIPP342j

CONCEPT FRAMEWORK ASSUMPTIONS

		CONCEPT FRAMEWORK ASSUMPTIONS											
			Phase 1 up to 2036 (3,620-3,886) homes, 7,964 - 8,549 additional people)					Phase 2 post 2036, 3,880 - 3,614, 8,536 - additional people					
			Phase 1a (Rawlings Green), 650 homes, 1,430 people)		Phase 1b (excluding Rawlings Green), 2,970 - 3,236 homes, 6,534-7,119 people			Phase 2 Post 2036: 3,880 - 3,614 new homes, 7,950- 8,536 additional people					
Infrastructure Items and Types		Trigger point	Land Area	Quantity	Land Area	Quantity	Assumed Costs up to 2036	Land Area	Quantity	Source of assumptions	Assumed Costs post-2036	total cost	250320 Adjustments
Type	Item												
Infrastructure within neighbourhood centres (0.5ha)													
	Early years			80 places		349-374 places	██████████		348-374 places		██████████	██████████	██████████
	Primary school 1 FE	1500 based on client advice			2.5 ha	1 (1FE, 210 places)	██████████					██████████	██████████
EDUCATION	Primary school (2FE)	700 (based on Planning Obligations SPD, 1500 based on client advice	1.8 ha	1(2FE, 420 places)	2.5	1(2FE, 420 places)	██████████		2 (2FE, 420 places)	IDP 2016, p.21, 2016/2017 cost multiplier	██████████	██████████	██████████
	Expand Secondary School (onsite)				3.6 ha	unknown	██████████		none	IDP 2016, no uplift		██████████	██████████
	Secondary school (new)	likely to be required for urban expansion			10.4 ha	1 (6FE, 900 places)	██████████		1 9FE -TBC???	IDP 2016, no uplift	██████████	██████████	██████████
PLAYING PITCHES/INDOOR SPORT	To be integrated with schools - details below (open space)				0.7 ha each	3 TBC	██████████			Field in Trust Guidance for Outdoor Sport and Play, page 11		██████████	██████████
PLAY SPACE	MUGA				0.1 ha each	2	██████████			Field in Trust Guidance for Outdoor Sport and Play, page 11		██████████	██████████
	NEAP				0.1 ha each	2	██████████			Field in Trust Guidance for Outdoor Sport and Play, page 11		██████████	██████████
HEALTH	GP facility				667 sqm- 833 sqm		██████████	667 sqm- 833 sqm		IDP 2016, p. 40, NHS cost calculator (2015/2016)	██████████	██████████	██████████
	Health and wellbeing centre					2	██████████					██████████	██████████
	Flexible community space						██████████					██████████	██████████
	Library				238 -256 sqm (30 sqm per 1000 occupants)		██████████			IDP 2016, p.32 (2008-based)	██████████	██████████	██████████

COMMUNITY FACILITIES	Archives				48-51 sqm (6 sq.m per 1000 occupants)				IDP 2016, p.32 (2008-based)			
	Arts facilities				358--385 sqm (45 sq.m per 1000 occupants)				IDP 2016, p.32 (2008-based)			
	Museum space				223-239 sq m. (28 sq.m per 1000 occupants)				IDP 2016, p.32 (2008-based)			
OLDER PEOPLE'S ACCOMMODATION	Care Home and sheltered housing											
PUBLIC REALM	Public Square <i>(need to consider if public art will be included)</i>					2		1				
OPEN SPACE	Allotments				6 ha (60,000 sqm)				Open Space Study 2015, page 111			
	Amenity green spaces (playing pitches)				29 ha (290,000 sqm)				Open Space Study 2015, page 111/Open Space Study 2015, page 111			
	Parks and recreation grounds				110 ha (1,100,000 sqm)				Open Space Study 2015, page 111			
	LEAP				0.04 ha	6			Field in Trust Guidance for Outdoor Sport and Play, page 11/Open			
	Informal open space (recreation space)											

Total

[REDACTED]

CHIPP344

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# Representations to the Wiltshire Local Plan Review 2016 - 2036

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Representations prepared by Savills on behalf of  
St. Modwen Developments & Messrs Sealy

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## 1. Introduction

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- 1.1 These representations have been prepared by Savills on behalf of St. Modwen Developments Ltd (SMD) & Messrs Sealy in response to a consultation on the Wiltshire Council (WC) Local Plan Review (LPR) 2016 – 2036: Emerging Strategy.
- 1.2 SMD & Messrs Sealy have a land interest in an area of land located south-east of Junction 17 (Chippenham) of the M4 Motorway. It is split across the following two parcels of land:
- Site A - known as St Modwen Park Chippenham; and
  - Site B – known as Land to the north of St. Modwen Park Chippenham.
- 1.3 This land is labelled on the accompanying Site Location Plan attached at **Appendix 1**. Both sites falls within the jurisdiction of Wiltshire Council.
- 1.4 Outline consent was granted at Site A in August 2017 (LPA ref: 17/03417/OUT) for up to 1,000,000 sq. ft. Class B8 (storage and distribution) employment space and associated infrastructure. The consent was principally assessed against Core Policy 34 and was determined to be *‘essential to the wider strategic interest of the economic development of Wiltshire’*.
- 1.5 Site B represents a further development opportunity as a future expansion of St Modwen Park Chippenham, which is already served by an enhanced vehicular access delivered as part of the permission for Site A. It is contained on all sides by either significant highway infrastructure or existing/consented employment uses.
- 1.6 Following a review of the LPR and its evidence base, it is considered that the economic evidence underpinning the plan is both out of date and fails to fully assess and respond to the economic potential of Wiltshire to help meet regional and national employment needs. Given the district’s advantageous location in the south of England, with the M4 corridor traversing the north of the County, the absence of a broader assessment of market demand for industrial and logistics (I&L) uses represents a deficiency in the evidence base and a missed opportunity for the Council.
- 1.7 Our comments on the consultation and supporting evidence base are set out below and are made in accordance with paragraph 35 of the NPPF, to assist in ensuring that the LPR is found sound when examined in the future. We note that there is an ongoing consultation in regard to the changes to the NPPF, and that it is likely, given the published timelines for the LPR, that these will be made prior to the LPR reaching a sufficiently advanced stage, and thus it will be this revised Framework upon which the LPR will be examined.
- 1.8 These representations focus on the questions/ ‘thought provokers’ set out in the LPR and are structured as follows:
- Section 2: Planning Policy Context: Plan-Making;
  - Section 3: National Context;

- Section 4: Response to Emerging Spatial Strategy;
- Section 5: Employment Land – Proposed levels of growth for Wiltshire;
- Section 6: Potential locations for development;
- Section 7: Policy for Site A;
- Section 8: Site B Submission;
- Section 9: How to secure the opportunity at Site B in the plan;
- Section 10: Conclusion.

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## 2. Planning Policy Context: Plan-Making

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- 2.1 The National Planning Policy Framework ('the NPPF', published February 2019) sets out the government's guidance towards the preparation of local plans and decision-making.
- 2.2 The NPPF establishes that plans should apply a presumption in favour of sustainable development. For plan-making this means that (a) plans should positively seek opportunities to meet the development needs of their area, and be sufficiently flexible to adapt to rapid change; and (b) strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas.
- 2.3 At Paragraph 31 of the NPPF, the document states that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence base. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals.
- 2.4 Paragraph 35 of the NPPF establishes that when a plan is submitted for examination it will be assessed to confirm that it is "*sound*"; this includes the requirements that a plan is positively prepared; justified; effective and consistent with national policy.
- 2.5 The online Planning Practice Guidance (PPG) is an online resource which provides additional advice and guidance towards the preparation of local plans. The PPG is referenced within these representations, and wider submission documentation where relevant.

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### 3 National Context – Industrial and Logistics

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#### National Planning Policy and Guidance

- 3.1 As part of building a strong and competitive economy, paragraph 81 of the NPPF states that planning policies should be flexible enough to accommodate needs not anticipated in the plan, and to enable a rapid response to changes in economic circumstances. It is our clients' view that the LPR fails to provide an appropriate range of employment sites across the Wiltshire administrative area, or provide the necessary policy certainty to encourage appropriate economic development during the plan period that was not identified during the drafting of the Plan.
- 3.2 Paragraph 82 requires planning policies and decisions to recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.
- 3.3 The online Planning Practice Guidance (PPG) notes that the logistics industry is *“critical in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities”*<sup>1</sup>. The guidance emphasises that the industry has *“distinct locational requirements”*, and that policies for logistics should be formulated *“separately from those relating to general employment land”*.
- 3.4 This section of the PPG adds that *“strategic facilities serving national or regional markets are likely to require significant amounts of land, good access to strategic transport networks, sufficient power capacity and access to appropriately skilled labour”*. The guidance encourages collaboration with other local authorities, infrastructure providers and other interests to identify the scale of need across the relevant market areas.

#### Regional/national/international market position

- 3.5 Savills Industrial Agency and Research teams monitor the UK logistics sector and provide commentary on the anticipated growth arising from demand and supply trends across the country, including the M4 corridor. The following statistics are taken from the report titled *‘Savills Research: The Growth of UK Logistics’*.
- 3.6 The UK logistics market has traditionally been focussed in and around the centre of the UK. This stems from the fact that retailers could locate their distribution warehouses here and reach a large proportion of the population within a four hour drive. However, that traditional market is rapidly evolving.
- 3.7 The logistics sector is now a key contributor to the UK economy, contributing £78bn of Gross Value Added (GVA) to the UK economy in 2019. Between 2014 and 2019, the number of businesses in the sector grew by 66%. By comparison, total businesses in the UK grew by 20% over this time.

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<sup>1</sup> PPG paragraph 031, Reference ID: 2a-031-20190722

*Rise of e-commerce:*

- 3.8 Online shopping, including grocery shopping, has been on the rise for over a decade due to digital innovations and changing consumer habits. Data from the ONS shows that over the last decade internet sales have accounted for increasing percentages of total retail sales, from around 6-7% in 2010 to around 20% in early 2020. The most recent data shows the impact of the country-wide lockdown following the outbreak. ONS data indicates that at its peak in May 2020, a third (33%) of all retail sales had been conducted online, and that change appears to have solidified with levels still at 27% in August 2020.
- 3.9 According to Savills research, by the end of 2021 the share of all online sales is expected to normalise at 24.3% in the UK, well above the pre-Covid trend, and continue growing from this higher base. This compares to 15.3% on average in Western Europe, while in the US the 2020 share is expected to rise to 20%, compared to a pre-Covid forecast of 16.9%<sup>2</sup>.
- 3.10 Whilst the UK has higher proportions of online shopping than other countries, there is less floorspace per capita with limited space to accommodate the stock. This indicates that further floorspace growth is likely in response to the recent increase in online sales in the UK. Furthermore, as the UK is more densely populated with tighter available land compared to much of Europe, it is even more important to adequately plan for the future availability of sufficient industrial land.

*Demand:*

- 3.11 As a result of the growth, the demand for warehouse space has risen dramatically in recent years. In 2009, the average amount of space transacted annually in 2009 was c.430,000 square feet. By the end of 2019, the average amount of space transacted was c.995,000 square feet, an increase of 130%. This is before Covid-19 hit and the heightened demand (see below).
- 3.12 A forecast from Forrester suggests that by 2024, an additional 37.2m sq ft of warehouse space is required across the UK, to meet the demands of online retail sector alone.

Impact of Covid-19

- 3.13 Whilst Covid-19 resulted in significant economic shocks worldwide, the I&L sector is one of the few industries which have grown in strength. It is also set to undergo unprecedented growth in response to technological innovation, changing consumer habits, responses to geopolitical events such as Brexit and to the recent pandemic, which has effectively accelerated pre-existing growth trends such as online shopping and stock piling.

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<sup>2</sup> Office of National Statistics 2020

- 3.14 Covid-19 and Brexit combined are leading many companies to decide to bring back production and the stockpiling of goods to the UK to safeguard against future supply chain shocks. In parallel to the rise in online shopping, consumers' expectations for same-day or next day delivery are reshaping operating models for logistics companies<sup>3</sup>. This is expected to increase demand for logistics space away from historic brick-and-mortar shops as reduced delivery times are expected to benefit online retailers.
- 3.15 Analysing the impacts of the Covid-19 pandemic, recent research by Knight Frank estimates that every additional £1bn of online sales leads to a demand for 1.36m sq ft of logistics space.<sup>4</sup>
- 3.16 Whilst future I&L demand is expected to be higher than historic trends, future growth is being constrained by the lack of available floorspace and land supply. This is particularly acute along the M4 Corridor and this is explored further in Section 6.

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<sup>3</sup> McKinsey & Company (2014), Same-day delivery: The next evolutionary step in parcel logistics

<sup>4</sup> Knight Frank (2020) How will rising online sales volumes impact on demand for distribution and logistics space? Online article: <https://www.knightfrank.co.uk/research/london-report/2020-10-07-how-will-rising-online-sales-volumes-impact-on-demand-for-distribution-and-logistics-space>

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## 4 Emerging Spatial Strategy

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- 4.1. Although the LPR is relatively well advanced, with adoption currently targeted for Q2 2023, it is considered the ESS document is still relatively high-level.

### Plan Period

- 4.2. It is acknowledged the LPR is set for adoption in Q2 2023. This would therefore fail to accord with the NPPF's requirement for a minimum 15 year plan period from adoption (paragraph 22), with the plan period running on 13 years from the date of adoption. The Council must resolve this before progressing to the next stage of the LPR. We would suggest incorporating sufficient flexibility to allow for any potential slippages in the plan making process.
- 4.3. In addition, the base date of 2016 is already 5 years out of date, and will be seven years on adoption. The plan should be rebased to 2020, with an updated evidence base. This is explored further in the following section.

### M4 Junction 17

- 4.4. The ESS identifies Junction 17 of the M4 as an area of established employment land, and potentially an area for employment growth, delivering a scale and form of economic development that is not appropriate to be met at the main settlements within the County. This is supported and assessed in further detail below.

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## 5 Levels of Employment Growth for Wiltshire

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### Out of Date Evidence Base

- 6.1 As part of the LPR evidence base, Wiltshire Council undertook an Employment Land Review (ELR) to assess future demand and supply of B use class employment land in Wiltshire. The ELR was published back in April 2018, almost three years ago, and on adoption in Q2 2023, the evidence base would be over five years old. The proposed employment land requirements which the LPR is based upon would not have captured the historic growth witnessed in the I&L sector, the recent boom from Covid-19 or the forecasted unprecedented growth in response to technological innovation, permanent changes to consumer behaviour and stock piling outlined in Section 3.
- 6.1 Furthermore, the ELR recognises data gathering on the demand for and especially the supply of employment land should be an ongoing process. The report itself acknowledges it *'only provides a snapshot of supply at the moment'*. As a result, it recommends Wiltshire Council regularly reviews the document, updating the supply assessment on an annual basis and updating the demand assessment at least once every five years (emphasis added). Despite these recommendations, there is no mention in the ESS that any further updates to the ELR have taken place, and the document still refers to the defunct Swindon and Wiltshire Spatial Framework Plan dated 2016/17.
- 6.1 The evidence base is therefore already considered out-of-date and not consistent with national policy, failing to meet paragraph 31 of the NPPF. The ELR does not form an up-to-date evidence base upon which to consider the soundness of the emerging employment land demand figures. **It is therefore recommended that the ELR should be reviewed before the LPR progresses to the next stage.**

### Employment Land Requirements

- 6.1 The ELR acknowledges that overall there is a shortage of readily developable employment sites in areas of strong demand, which is a constraining factor on economic development. Furthermore, it identifies an immediate need for new allocations in the Wiltshire part of the M4/Swindon FEMA, with a forecast undersupply of around 4ha of employment land and 8ha over the full local plan period.
- 6.1 Notwithstanding identifying a shortfall in development sites, the LPR disregards the ELR conclusions, concluding it is not necessary to allocate further employment sites to meet the forecast demand in Wiltshire. The ESS considers the Core Strategy identified and allocated a significant supply of land for employment need, with supply far exceeding forecast need. Looking forward, the Council considers the evidence base of forecast rates of take up and demand shows the industry and office uses generally continue to meet anticipated needs. However, as outlined above, this assessment has been based on an out-of-date evidence base, which has not taken into account the significant growth in I&L sector since 2019, after the ELR was published.
- 6.1 This approach is not considered to be in the principle of sustainable development, as it is not sufficiently flexible to adapt to change, and is therefore considered contrary to paragraph 11 of the NPPF.

*Housing-led*

- 6.1 The Council's employment requirements are reliant on needs arising from housing numbers and there is a discrepancy between how the housing need and employment need is calculated. The ESS acknowledges Chippenham is set to have by far the largest additional housing need over the plan period. However, whilst the housing need projects forward to take into account future growth, the employment need is focused on historic supply (based on a historic evidence base) and doesn't acknowledge employment need increasing independently (from events such as Covid-19, rise of e-commerce, Brexit etc.). The ESS acknowledges there may be a need to revise the housing numbers in line with government's revised methodology, yet fails to recognise the employment demand may be tweaked too.
- 6.1 If the ESS does not intend to secure formal allocations to accommodate future growth, a policy should be formed which is sufficiently evolved to provide the market with confidence to pursue applications where demand for logistics uses exist. This is explored further in Section 9.

Savills Research

- 6.1 Savills Economics have calculated that Swindon and Wiltshire require significant additional allocated industrial land to meet the anticipated spaced demands for future job growth. Using Oxford Economics employment forecasts for Swindon and Wiltshire to 2030, it has been calculated that there will be an additional 2,988 employees working in B Class industries across Swindon and Wiltshire. This equates to an additional 1.99 million sq ft of warehouse space will be required by 2030.

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## 6 Potential locations for development

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- 6.1 At a national level, planning policy identifies that the logistics sector has distinct locational requirements<sup>5</sup>, and planning policies should recognise and address the specific location requirements of different sectors, including storage and distribution operations of varying scales and in suitably accessible locations (paragraph 82 of NPPF). However, this focus hasn't been carried through at a local level in the emerging LPR.
- 6.2 The LPR rightly adopts a settlement hierarchy which focuses housing development at the largest settlements. This is appropriate for that sector, in line with the principles of sustainable development, however some elements of the employment sector have requirements that mean they should not be constrained to particular settlements or market areas. This approach neglects wider opportunities, particularly regional/nationally significant employment opportunities which are not appropriate to site directly adjacent to those settlements because of their scale and the impact they would have on the local road network.
- 6.3 The sustainability appraisal considered requirements for an additional 9ha of employment land in Chippenham HMA. As shown in Appendix 2, when considering future employment development sites, this was limited to those surrounding the existing Chippenham settlement. This approach for reviewing and identifying sites is not in accordance with paragraph 81 of the NPPF as the approach and quota for development is not flexible enough to accommodate further growth outside of this HMA or recognising and addressing specific locational requirements as per paragraph 82 of the NPPF.
- 6.4 The ELR identifies a severe shortage of supply of big sheds along the western M4, and acknowledges a market opportunity for Wiltshire, with *“the central position of which would give any big shed development, for example on sites with good motorway access at M4 Junction 17, an advantage with its access to both London, the West and Wales.”* Whilst the ELR acknowledged the locational requirement and opportunity, the Council has failed to acknowledge it by considering and accommodating those demands arising outside of the needs of HMAs.

### M4 Corridor

- 6.5 Through the PPG the government recognises that the logistics industry is “critical” in enabling an efficient and sustainable supply of goods which serves national or regional markets. The LPR fails to look at regional or national market demand for B8 logistics and distribution uses, or demand further along the M4 corridor.
- 6.6 Savills' evidence of the logistics market highlights a particular lack of supply along the M4 corridor which is preventing larger regional/national/international businesses setting up new centres for distribution<sup>6</sup> as part of the growth and re-shaping of the logistics industry within the UK.
- 6.7 Nationwide take-up trends for logistics floorspace have been mirrored along the M4 corridor. Savills' research has found that the supply of warehousing space is particularly limited along the M4 corridor. The market 'rule of thumb' is that a market is under supplied which it has less than two years of supply in the market. Savills' research evidence suggests that prior to the Covid-19 pandemic, the warehousing market along the 'M4

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<sup>5</sup> PPG paragraph 031, Reference ID: 2a-031-20190722

<sup>6</sup> Savills Research: The Growth of UK Logistics and an overview of the M4 corridor market

corridor' was already chronically undersupplied with just 0.56 years of supply in 2019<sup>7</sup>. In addition, research from January 2021 shows there is just 1.24 years' worth of supply in the wider south west market<sup>8</sup>, demonstrating a further undersupply.

- 6.8 Furthermore, the share of all online retail sales is expected to normalise at around 24% in the UK, well-above the pre-Covid trend, and then will continue to grow. This demonstrates that the logistics and distribution sector is experiencing rapid growth, and the market along the M4 corridor is mirroring existing trends.
- 6.9 The LPR fails to acknowledge its unique location on M4 corridor which will attract various regional/national/international occupiers and provide significant employment opportunities. In order to respond to this increasing demand and maximise economic growth, the LPR needs to provide further policy support for the I&L sector, as set out in Section 9.
- 6.10 In the absence of an up-to-date assessment of regional or national market demand for logistics and distribution uses in the ELR, the Wiltshire LPR is not considered to be 'justified', 'positively prepared' as required by national planning policy.

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<sup>7</sup> ibid

<sup>8</sup> Savills: Big Shed Briefing: January 2021

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## 7 Policy for consented St. Modwen Park, Chippenham

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- 7.1 It is unclear from the evidence base presented what the Council's specific approach will be for the permitted site at St. Modwen Park Chippenham or employment development at Junction 17 more widely. However, the ESS does clearly recognise the potential significance of an employment cluster at Junction 17 of the M4, referencing the planning permission granted at the site because the proposal was determined to be *'essential to the wider strategic interest of the economic development of Wiltshire'* (para 3.47).
- 7.2 While the site's development is now well advanced, with the access and first unit already delivered, and ground remodelling and drainage undertaken for the wider site, it is considered necessary and appropriate that the site is the subject of a Local Plan policy that safeguards its status as a strategic employment site.
- 7.3 The site was brought forward to meet the needs of logistics operators of a regional, national or international significance, with proximity to the motorway network critical to the viability of their operations and also limiting the need for HGV traffic on the local road network. The nature of the development proposal is therefore distinctly different, both in terms of the operators and the scale of the buildings, from the nature of the employment allocations sited at/adjacent to Wiltshire's key settlements (as recognised at para 3.47 of the ESS). This difference is acknowledged, and suggests that a bespoke policy for the site may be appropriate.
- 7.4 It is understood that the Council proposes to provide a comprehensive draft of the emerging Local Plan in the latter part of 2021, and draft policies will be available for consultation at that stage. Given the significance of this employment site to Wiltshire, we anticipate that a bespoke policy for the site will be included at that stage, potentially as an evolution to/variant of the current Core Policy 35.

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## 8 Site B Submission – Land to the north of St Modwen Park Chippenham

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### Site Context

- 8.1 Site B extends approximately 7.2ha and comprises land to the north of the B4122, to the south-east of Junction 17 of M4. The M4 Motorway runs along its northern boundary and St Modwen Park Chippenham (Site A) lies immediately to the south. The extent of Site B is outlined in **Appendix 1**.
- 8.2 As confirmed by Wiltshire adopted Policies Map, the site is not subject to any environmental or landscape designations which could preclude development. It does not contain any vegetation as confirmed through extended ecological surveys.
- 8.3 The relevant technical surveys and reports (archaeology, land contamination etc.) have been undertaken of the site as part of the Site A outline planning application (ref: 17/03417/OUT). This technical base could support an application.
- 8.4 Landscaping along the southern boundary of the site was included within the Site A outline consent.
- 8.5 The principle of development has been explored through pre-application discussions with the Development Management Team.

### Support for Location

- 8.6 The grant of consent for Site A (ref: 17/03417/OUT) has established the principle of a major employment development at Junction 17 of the M4. This makes Site B an appropriate focus for further growth.
- 8.7 Junction 17 provides the opportunity for logistics operations to serve a significant area because of the transport connections it affords, particularly having regard to drive times.
- 8.8 The Swindon and Wiltshire LEP have actively supported the principle of a strategic employment development at Junction 17 through the outline planning application for Site A, and this is set out in the officer's Committee Report. The ESS also acknowledges J17 M4 as a location which has witnessed employment growth.
- 8.9 In the conclusions of the ELR at paragraph 7.4, the consultants confirm the potential for Site B as part of an opportunity to develop 80 ha of employment land at Junction 17 to *“satisfy regionally or nationally significant requirements”* and recommends that *“A set of criteria should be developed, against which development proposals for these sites should be considered, based on section 7.2.2, above. Principles for the development of these sites should be that they support development that cannot be located anywhere else in Wiltshire; that they make a significant contribution to the local economy through employment and/or supply chain relationships; and that they do not compete with or adversely impact on the deliverability of other employment sites in Wiltshire”*.

## Highways

- 8.10 The site benefits from a key strategic location on the M4 corridor which stretches from London, via Reading through to Bristol and Wales.
- 8.11 Section 3.37 of the ESS acknowledges a focus on development in Chippenham provides opportunities to make best use of existing infrastructure, including local transport networks. The transport connectivity of Junction 17 and Site A was illustrated through the outline consent for Site A and its associated Section 106 contributions. A Travel Plan Framework incorporated the provision of a local bus service with a route established to Chippenham. Whilst located outside the immediate area of Chippenham, this Framework established an approach to ensure employees could easily access work.
- 8.12 In terms of accessibility and sustainability of a motorway junction, research by Stantec has found that the increased use of fuel and time cost apportioned to the HGV driver can increase costs by 1,735% when comparing a site adjacent to a motorway junction to a site c.10km away. This is important to note with regard to the Council's objectives set out under the document titled 'Addressing Climate Change and Biodiversity Net Gain'.
- 8.13 Highways England are in the process of undertaking highways works to enhance J17 of M4. It is worth noting vehicular access has already been established via a new roundabout off the B4122.

## Local Employment

- 8.14 It is acknowledged in the ELR that Wiltshire has historically high levels of out-commuting, particularly with higher skilled workforce travelling to the adjoining areas of Swindon and Bath & North East Somerset. Section 3.37 of the ESS goes on to state '*potential pressure on transport can be mitigated by local employment and by less need to travel elsewhere*'. Based on the 2011 ONS Data, the number of people travelling from Chippenham to a place of work on a daily basis equates to 18,548, with only 2,859 of these working within the town. **Appendix 3** confirms the commuting patterns for the residents of Chippenham and illustrates the significant distances residents of Chippenham are having to travel for work<sup>9</sup>. By providing employment at the established Junction 17 logistics hub, with bus routes already established, it can provide local employment and help to reduce levels of out-commuting.
- 8.15 A Local Labour Agreement (LLA) was formed as part of the outline consent for Site A. This secured the labour market to be confined to Wiltshire to prevent the leakage of jobs to surrounding authorities and help address out-commuting. It is understood this was the first LLA within Wiltshire and has helped establish a route for further development on that location of that scale and nature. In addition, the LLA established educational links with Wiltshire College by committing to appointing apprentices and trainees. It is anticipated a LLA for Site B would help to reduce out-commuting further.
- 8.16 As the I&L sector becomes more technologically advanced, it is expected to increasingly require high-skilled workers such as data scientists and engineers, managers. It is convenient for these people to be closer to the operations they control and analyse. The nature of these jobs serve as an alternative to the existing employment provision in Chippenham. Furthermore, it is estimated that 6.4million jobs are at risk of being

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<sup>9</sup> Data Shine Commute, 2011 ONS Data

lost due to Covid-19<sup>10</sup>. The increasing diversity of I&L jobs and its predicted growth mean that it can absorb some of the job losses from vulnerable sectors.

### Employment Land Review

- 8.17 The ELR specifically comments upon J17 M4, and Site B, confirming that the site (together with a small number of other sites; including Site A) *“could accommodate high value inward investment that would not otherwise come to Wiltshire”* for example *“high value, exceptional economic activities that cannot locate anywhere else in Wiltshire e.g. because of the site size requirement or building floorplate requirement that cannot be met elsewhere in Wiltshire”*. It is suggested that Wiltshire Council *“extend Local Plan Core Policy 34 to cover the sites at Junction 17, where any proposal brings significant additional contribution to the value of the Wiltshire economy, that cannot be accommodated on any other sites in the county”*.

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<sup>10</sup> McKinsey & Company (2020) COVID-19 in the United Kingdom: Assessing jobs at risk and the impact on people and places. Online Article: <https://www.mckinsey.com/industries/public-and-social-sector/our-insights/covid-19-in-the-united-kingdom-assessing-jobs-at-risk-and-the-impact-on-people-and-places#>

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## 9 How to secure the opportunity at Site B in the plan

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- 9.1. As was evidenced through the grant of the application for St. Modwen Park, Chippenham, not all strategic employment needs are appropriate to be located at the main settlements. Major logistics operations now demand both close proximity to the UK's motorway network, and suitable buildings at a scale that typically cannot be accommodated at sites close to residential areas. Given the significant growth in the logistics industry, strengthened by the increase in online retail established during the pandemic, St. Modwen Developments Ltd & Messrs Sealy consider that the emerging Local Plan must include a strategy for responding to this need.
- 9.2. The documents supporting the emerging Local Plan do not give certainty to how the Council proposes to respond to the need (or potential need during the plan period) for further strategic employment sites away from the main settlements. It is clear from the ESS (as referenced above) that the opportunity at Junction 17 to meet the needs of regional, national and international logistics operators is distinctly separate from the local needs arising at the main settlements within the County. The question therefore arises, how best to provide within the emerging Local Plan for the opportunity that exists.

### Options for delivering strategic employment land for strategic logistics employment use

- 9.3. There are a number of approaches that may be considered appropriate:
- **Allocation** of specific sites to enable the market to bring forward major logistics development with certainty that the principle of development is acceptable at that location.
  - **Reserved sites** that major logistics development are directed towards where the need for the development is proven at the time of the application.
  - **Development management policy** that allows for sites to be brought forward where the site itself and the development proposal meet specific criteria at the time of the application (as per Core Policy CP34 within the existing Wiltshire Local Plan).
- 9.4. To rely solely on a development management policy in the form of CP34 attaches a significant financial risk to any development being brought forward as there is a necessity to fund a significant evidence base without any certainty regarding the acceptability of the location in principle, the specific site or the detail of the development. Essentially that risk represents a bar to developers/end users coming to, or expanding within, Wiltshire. So while there is merit in having a policy which enables economic development to occur which could not have been perceived at the time a Local Plan was adopted, this is considered to be an appropriate fall-back for previously unidentified economic opportunities rather than an approach that appropriately addresses already identified economic needs.
- 9.5. Reserved sites are useful where the need for sites to be available may arise during the course of the plan period, but has not been established at the time when the emerging Local Plan is being established. This effectively directs developers/end users to particular sites. In respect of strategic economic development sites

for logistics, this would provide a high degree of confidence that the location is acceptable in principle, but there would still need to be an evidence base established which proved the need for the release of the site to meet economic demand and support economic growth. The cost in both time and funding to progress such an application would be a risk factor that end users would need to consider when determining whether to advance a proposal for that site.

- 9.6 An allocation is appropriate where the demand for additional development during the plan period is known and is not being met by existing land supply, and appropriate sites are being promoted to meet that need. This removes the significant risks associated with securing the principle of development that arise from reliance on a development management policy or a reserved site status, and allows a developer or occupier to progress an application with confidence that their focus needs only be on the detail of the proposals.
- 9.7 St. Modwen Developments Ltd & Messrs Sealy have concluded that a combination of the above approaches are appropriate for the emerging Local Plan, with allocations where appropriate and an underlying policy which enables the Council to bring forward further economic development, if necessary.

#### Proposals for emerging Wiltshire Local Plan – northern plot at St. Modwen Park, Chippenham

- 9.8 In respect of the northern plot at St. Modwen Park, Chippenham (referred to as Site B), it is considered appropriate to allocate the site to meet the needs of strategic logistics operators during the plan period for the following reasons:
- The existing and anticipated demand for further logistics development along the M4 corridor which should be met during the plan period;
  - The need for developers/occupiers to have a degree of certainty when investing in the promotion of a planning application;
  - The appropriateness of Junction 17 as a location to meet that need (as established through the consent granted at St. Modwen Park Chippenham);
  - The fact that the consented site is well advanced and is likely to be fully occupied in the early stages of the emerging Local Plan, meaning that there is no proposed provision within the plan to meet that further need;
  - Travel Plan arrangements already secured for the permitted site ensure appropriate access for the local workforce to St. Modwen Park Chippenham which the northern plot will benefit from;
  - The contained nature of the site, bounded by highway infrastructure and development on all sides; and,
  - The presence of an implemented roundabout serving the site ensures appropriate access already exists.
- 9.9 The ESS indicates that the precise approach to any further strategic employment development at Junction 17 may require *‘a more comprehensive treatment of the area’* *‘to ensure its role is defined distinct from settlements that might otherwise be undermined and to consider what infrastructure or other uses can help to support sustainable development objectives’* (para 3.47). St. Modwen Developments Ltd & Messrs Sealey are

supportive of a distinct allocation/policy approach to reflect the opportunity and to ensure it is distinct from the employment land offer available at the County's main settlements.

Proposals for emerging Wiltshire Local Plan – general policy for additional/unallocated employment land

- 9.10 In terms of a policy to deal with any additional employment land proposals, an evolution of Core Policy 34 would be appropriate. However, there were clear difficulties with the current wording of the policy in dealing with logistics development that aims to meet the needs of regional/national/international business operations which were identified during the promotion of St. Modwen Park Chippenham. Specifically, Part iv) of the current policy focuses solely on economic development that is *'considered essential to the wider strategic interest of the economic development of Wiltshire, as determined by the Council'* and the subsection of the policy requires development to be *'supported by evidence that they are required to benefit the local economic and social needs'*. These tests are too inward looking, focusing only on the benefits that a development will bring to Wiltshire. While the benefits to Wiltshire will be material to an assessment of a planning application, the policy should also enable the assessment to acknowledge the wider benefits of economic development that is of a regional, national or international significance, for the greater good of the UK economy.
- 9.11 This would provide greater flexibility in line with the Council's proposed approach to economic development set out within the ESS which states that *'A focus of the planning framework is to support economic recovery from the impacts of COVID-19. Planning controls will therefore need to be less prescriptive and be more flexible in the face of current additional uncertainty'* (para 3.20).

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## 10 Conclusion

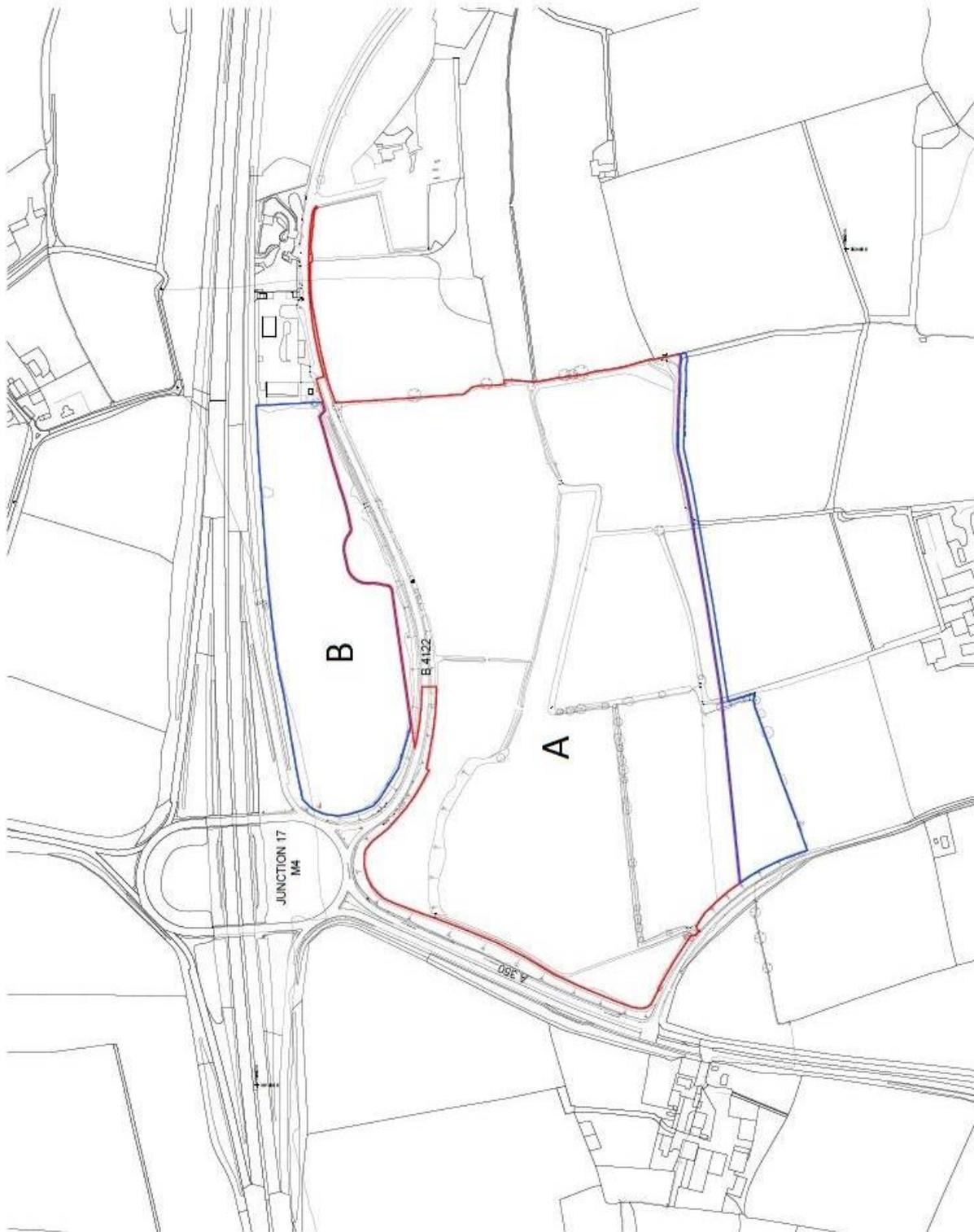
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- 10.1 Overall, St. Modwen Developments Ltd & Messrs Sealy currently have concerns regarding WC's evidence base underpinning the LPR and the resultant approach to economic need.
- 10.2 The government recognises that the logistics industry is "*critical*" in enabling an efficient and sustainable supply of goods which serves national or regional markets. This was recognised before Covid-19 hit, with demand for online shopping, next day delivery and increased stock piling from Brexit heightening demand further.
- 10.3 It is our clients' view that the economic evidence underpinning the LPR fails to sufficiently account for regional and national economic needs, notably in relation to the chronic shortfall of B8 logistics and distribution uses along the M4 corridor and the significant anticipated growth that needs to be accounted for. This is partly as a consequence of the evidence base being out of date with the plan, upon adoption, being seven years post-base date. The evidence base needs updating to fully identify the additional demand for employment land.
- 10.4 A combination of the approaches outlined in Section 9 is required for delivering strategic employment land for strategic logistics employment use.
- 10.5 Our clients control approximately 34.43ha of land to the south-east of J.17 of M4, which the Council has already identified as an appropriate location for strategic logistics development. Site A is an established logistics hub, secured against the tests within Core Policy 34. Site B is available for development. The merits of the site as an appropriate location for a strategic logistics hub are established within the outline consent for Site A, as well as within these representations, but key matters to weigh in the planning balance are set out below.
- 10.6 The site benefits from excellent highways connections, located on the only motorway junction making it highly convenient for logistics movements.
- 10.7 The site is generally flat, at low risk of flooding, with no environmental or landscape designations. It is surrounded by commercial built form which makes it suitable for further employment development. The site is considered suitable, available, achievable and developable.
- 10.8 The physical and locational advantages of this site, coupled with an identified and urgent need for new strategic logistics (B8) sites along the M4 corridor, along with the established St. Modwen Park Chippeham site, are considered to justify the allocation of the site for a new logistics hub within the emerging plan.
- 10.9 Our clients will engage with Wiltshire Council through the Local Plan process to develop a robust evidence base to demonstrate the allocation of Site B for a strategic logistics development to meet regional/national need and evolve Core Policy 34 as suggested in Section 7 and 9.

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## Appendix 1: Site Location Plan

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Chrippenham Gateway  
M4 Junction 17  
Site Location Plan

Scale: 1:2500 @A1

July 2016

AGL  
JU

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## **Appendix 2: Map from Planning for Chippenham Report**

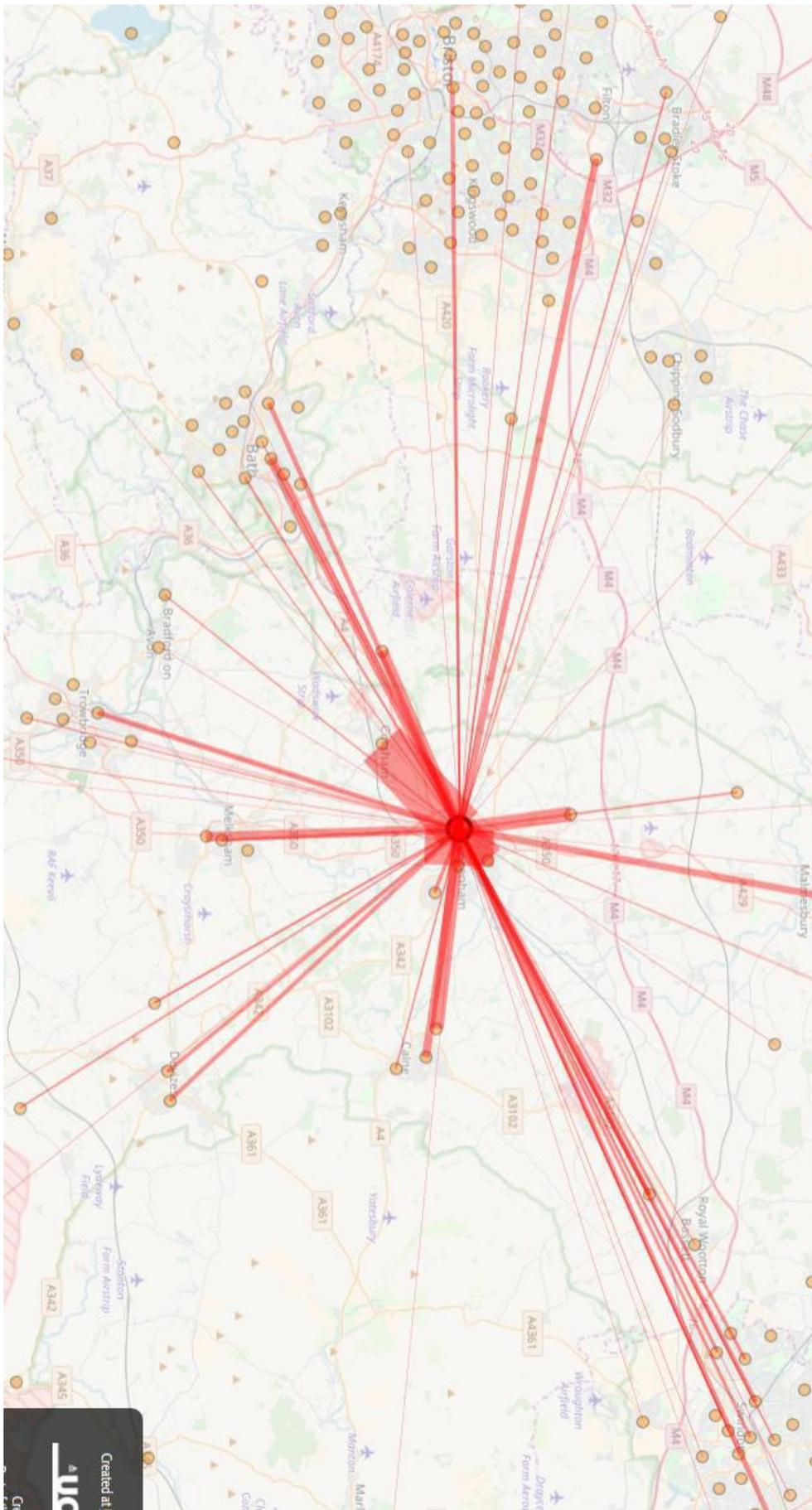
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## Appendix 3: Map demonstrating people commuting from Chippenham

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Created at  
AUC

CHIPP346

## **Response to Wiltshire Council's Local Plan Review Consultation (2016 - 2036)**

### **1. Housing numbers proposed for Wiltshire are too high**

Wiltshire's housing numbers are based on 2014 housing projections, when the national population was growing much faster than currently. If either the 2016 or 2018 projection were used this would result in a 24% lower baseline. They are also based on a workplace affordability uplift (of 36%) which has been applied inappropriately, since a significant proportion of the working population work for organisations outside Wiltshire. Wiltshire Council has also added another 4,790 houses based on an out of date economic trends forecast. It is my understanding that Ministry of Defence housing (several thousand) and brownfield sites within existing urban areas (also significant numbers) are not included in the housing figures, making the total even higher. As a rural county, with valuable farmland and wildlife habitat, and a lack of local employment opportunity for all the in-migration the houses will lead to, these numbers will put enormous strain on our towns, villages and natural environment, with few benefits and huge downsides (congestion, pollution, loss of amenity) for Wiltshire residents. The inflated housing figures also make it harder for Wiltshire Council to meet its 5 year housing land supply (which it is already failing to meet under the current Plan), further undermining Neighbourhood Plans and allowing speculative planning applications to be granted permission. They also undermine existing Neighbourhood Plans and the work local communities have done to protect natural capital and allocate housing away from environmentally valuable areas such as the Avon and Marden valley.

Wiltshire Council should therefore:

- Abandon the notion of adding an additional 5,000 houses;
- Push back on MHCLG to get the 40,840 number reduced;
- Focus on maximising the number of brownfield sites within the target;
- Consider the housing needs of rural settlements or small towns in the post covid world in which they will benefit from affordable housing, primary schools, surgeries, local shops and community amenities to remain viable.

### **2. Housing Targets in Chippenham are too high**

Far too many houses have been allocated to Chippenham. The numbers are double previous targets and way above what had previously been discussed with members of the Town Council and Chippenham Neighbourhood Plan. The previous Chippenham Site Allocations Plan (CSAP) to 2026 identified sites at Rawlings Green and to the South West of Chippenham for 2,050 houses. Building work has not started on any of these, so to start allocating even more land for development is premature and risky. Growth at Chippenham is constrained by the particularly beautiful and biodiverse countryside around the Avon and Marden river valleys, which is highly valued by the residents of Chippenham and the surrounding villages. The proposal to build a £75m distributor road to the South and East of Chippenham with 7,500 houses (5,100 by 2036) and associated commercial land is equivalent to adding a town the size of Calne. Two thirds of Chippenham's workers commute (many considerable distances along the M4) to their place of work. None of the 26ha of employment land designated in the current CSAP has attracted any employers and several employers have moved out of the town or contracted/ pulled back on expanding in recent years. Building huge suburban extensions will increase the number of commuters, increase congestion (15,000 more cars), drive up carbon emissions, whilst damaging Chippenham's market town heritage and the Avon and Marden valleys upon which people place so much value.

Wiltshire Council should therefore:

- Reduce Chippenham share of houses to no more than the previous Local Plan which would leave a residual number of houses to be built of 1,370 which could more sustainably be accommodated on a combination of brownfield sites and other smaller sites, without needing to destroy the Avon and Marden valley.

### **3. Chippenham Site 1 Should not be a Selected for Development**

There would be huge environmental and Climate Change impacts from Wiltshire Council selecting Site 1, including destruction of two river valleys, hundreds of acres of productive farmland (some of the best and most versatile in the country) substantial loss of natural capital, destruction of wildlife habitats (including endanger species) and an unacceptable impact on the climate. It is clear that the site was pre-selected to support the Council's HIF bid for a £75m road (not mentioned here), which it disingenuously 'sold' to the public as a 'relief road' and which the public and all the surrounding town and parish councils have now rejected. Such is the determination for predetermination of this site that even the interim SA has also suggested that the environmental impact of destroying prime wildlife habitat and high quality farmland, bordered by two river valleys, requiring carbon intensive infrastructure (railway bridge, two extended floodplain river crossings, canal bridges and miles of road within metres of the river Marden, is less than developing alternative sites on poorer land, away from rivers and already close to existing infrastructure such as the A350 and the electricity grid. The site selection process ('place shaping priority') even has 'proximity to the River Avon corridor' as a reason for selecting for development rather than avoiding. protecting.

Wiltshire Council should therefore:

- Withdraw its proposals for Site 1 and reappraise all potential sites around Chippenham under the new lower housing target, including brownfield urban regeneration;
- Introduce long term protection status for the River Avon and Marden valley to the East of Chippenham and invest in enhancing its wildlife and positively developing Wiltshire Council's farms for sustainable food production, renewable energy generation and reforestation.

### **4. The Sustainability Appraisal (and therefore the Spatial Strategy) is fatally flawed**

The Interim Sustainability Appraisal is at best completely inadequate and at worst has been used to justify the conclusions being sought. Huge development areas are selected on the basis of being slightly less adversely impacted or being said to be mitigatable without any evidence (at all) to back up the assertions. Sites are selected with no real rationale on how assessment outcomes were reached. And perhaps least surprisingly, those areas that support the building of the distributor road under the HIF Bid somehow come out "best" according to the sustainability criteria (sometimes 11, sometimes 12) being used. Climate change mitigation is conflated with adaptation and together forms a single criterion, to be compared against multiple others, including aspirational (and completely unevicenced) economic benefits, which then justify writing off vast swathes of countryside and high-grade agricultural land. There is no explanation as to the wight given to sub-elements of these criteria such as greenhouse gas emissions. There is no attempt to quantify the extent of the climate and environmental destruction. All of the above underlines the unspecified and hence unaccountable balance of qualitative judgements and evidence acknowledged contained within the Interim Sustainability Appraisal, which is seriously deficient, yet used to as a justification for the site selections put forward in the Spatial Strategy.

With regards land use; no attempt seems to have been made to assess the value of existing farms, their contributions to public benefit or their future potential in the Plan period. This serious shortcoming is embedded in the construction and application of the site selection criteria. For the 'preferred sites' for Chippenham, for example, the SA (Section 5.2.5) comments that "given the significant size of this site, there will be a significant loss of greenfield, agricultural land of medium quality," ignoring the fact that this includes a significant amount of the 'Best and Most Versatile' agricultural land. Similarly, there is no consideration of the use of local farms for local food production (including eoc/organic), tree planting or renewable energy generation, as an alternative land use, or any value placed on the loss of such. Neither is its value considered in terms minimising vulnerability to surface water flooding or locally valued landscapes, or in relation to the landscape aim to "conserve and enhance the character and quality of rural and urban landscapes, maintaining and strengthening local distinctiveness and sense of place" and 'minimise the impact on locally valued landscapes".

## 5. The Plan does not address the Climate and Ecological Emergency

Wiltshire Council's current Local Plan proposals would substantially increase the county's carbon emissions and lock in emissions for years to come. The Local Plan documents point out that "in February 2019 Wiltshire Council acknowledged a climate emergency and agreed to seek to make the county of Wiltshire carbon neutral by 2030" and that "mitigation is related to dramatically reducing the amount of carbon released in Wiltshire," which is "largely related to emissions from cars and the energy used to heat and power homes and businesses." It is also acknowledged that there is a need to "shape places to help secure radical cuts in greenhouse gas emissions, for example through efficient building design and changes to the way we travel," and "actively support and help to drive the delivery of renewable and low-carbon energy generation and grid infrastructure." Yet these proposals fail to consider climate change and biodiversity in relation housing numbers and locations and fail to propose a strategy and policies that would deliver what is acknowledged is needed. Simply cutting back on the excessive and ultimately, undeliverable target would immediately result in a reduction in emissions and a greater proportion of development on brownfield sites and those close to existing infrastructure, closer to existing centres of population. But a much greater reduction in the housing target would be needed to make the Plan sustainable and compliant with the stated aim of "dramatically reducing the amount of carbon released in Wiltshire."

After reducing the housing targets and locating development more sustainably so as to reduce the need for carbon intensive infrastructure and car dependency, the way to "shape places to help secure radical cuts in greenhouse gas emissions" should be through net zero carbon development policies and policies that promote investment in renewable energy generation. Net zero development entails high energy efficiency standards, with on-building/ on-site renewable energy generation to cover operational energy consumption during the lifetime of the development, any remaining carbon emissions being offset through a renewable energy generation offset scheme (reference the Wiltshire Council Climate Emergency Task Group Report (Part 2) on planning). Adopted plans such as the London Plan already have such policies in place and many local planning authorities (LPAs) are including them in their emerging Local Plans, in anticipation of the inevitable changes to the planning system to bring it in line with the Climate Change Act and national carbon reduction targets (net zero by 2050 and a 68% reduction on a 1990 baseline by 2030). Planning legislation already allows for such policies and the Government has reiterated that the soon to be introduced Future Homes standard on energy efficient buildings will be a floor not a ceiling as far as Council's ambitions to achieve net zero development are concerned. The excuse that viability wouldn't allow this carries little weight, given that viability needs to be assessed at the site allocation stage and developers will be clear about the costs of developing particular sites at a sufficiently early stage. Given that such policies will eventually be the norm across all LPAs, costs will in any case rapidly reduce as carbon neutral development becomes the norm, as it will have to be.

The question that needs to be asked of Wiltshire Council (rather than Wiltshire Council asking of its residents) is "How will this proposed Plan cut carbon emissions in line with the national targets, as it is required to do under planning legislation that refers to LPAs obligations under the Climate Change Act?" (i.e., at least 68% reduction on a 1990 baseline by 2030). This does not seem to even feature in the preparation of this Plan yet is the fundamental question it should be addressing. The consultation documents have not even produced any estimate of the carbon implications of the Plan, let alone calculated how the housing numbers proposed and spatial strategy being promoted would contribute to reducing overall emissions.

Finally, the approach to biodiversity is based on a fundamental misunderstanding that natural habitat destruction can be compensated by marginal improvements to nature elsewhere. The question misses the point completely in that successfully enhancing natural capital requires it isn't destroyed in the first place. Hence the need to avoid building on valuable habitats and carbon sinks, such as the land to the East of Chippenham. High quality pasture land and river valleys are finite and irreplaceable, and need to be protected and enhanced in their current state. In describing biodiversity offsetting and net gain as "[licence to trash nature](#)," environmental charity Friends of the Earth point

out that nature is declining in the UK, natural ecosystems are under stress and many parts of the UK are becoming biodiversity deserts. Their view is that biodiversity net gain should be a last resort, used only when every avenue to avoid environmental harm has been exhausted.

In terms of habitat destruction and biodiversity loss, no material consideration seems to have been given to the natural capital/ biodiversity impacts of developing Chippenham's sites 1 and 2, and there is only one question that refers to this in the Climate Change and Biodiversity Net Gain section. Questions asked of Wiltshire Council officers in the consultation webinars and at the Chippenham Area Board indicate that these impacts have not been considered in any depth and that this would be done at a later stage (by which time it will be harder to take account of what's discovered, properly consider alternatives and progress the kind of radically different Plan that is needed). Given the unique nature of the Avon and Maren valley and the loss of valuable habitats and biodiversity that would occur if these proposals were to go ahead, we have added our comments on habitat destruction and biodiversity loss under question B2.

Losses in biodiversity will be incurred through direct habitat loss to facilitate any roads including significant grassland cover and hedgerow losses. Given the wide-reaching impact this will have, this scheme will not be capable of delivering no net losses in biodiversity without significant investment into improving surrounding habitats, which would be difficult to achieve with the added complication of residential suburbs being included. The fragmentation and loss of the habitats which will be anticipated to be cleared if the proposed schemes go ahead has the potential to be directly detrimental to numerous species and contravenes guidance set out in NPPF (Section 15 Paras 170, 171 and 175). The Local Plan should also seek to maximise the value of existing farmland in terms of carbon capture, particularly its own farms where it has direct influence over the land and the way in which it is managed. It should plan for a future which encourages progressive agroecological and regenerative methods that promote carbon sequestration and storage

In addition, the UK Climate Impact Projections have revealed that climate change impacts are manifesting more rapidly than anticipated, and areas adjacent to current undevelopable flood zones, could well become part of those zones in future. It would be unwise to rely on expensive Sustainable Urban Drainage scheme (SUDS) solutions to mitigate flood risk that is avoidable in the first place. In addition to the substantial cost and space requirement, claims that all new development would include SUDS to achieve a 'greenfield runoff rate plus 20%' seem unrealistically optimistic, and lack evidence. 20% may also turn out to be an insufficient margin to compensate for future climate change scenarios and the likely more intensive rainfall events that are the cause of rapid river level rises and associated downstream flooding.

Wiltshire Council therefore needs to:

- develop a genuinely sustainable spatial strategy that is not dependent on commuting;
- reduce housing numbers to allow for more organic growth that will not cause the substantial harm associated with the current proposed strategy;
- take an employment (rather than a housing led) approach;
- measure the carbon emissions associated with its spatial strategy options and prioritise minimising current and future emissions;
- develop a framework for aligning the Local Plan with the Government's and Wiltshire's carbon reduction targets;
- place proper value on natural capital and account for it in the Plan;
- develop and implement net zero carbon development policies and low carbon, sustainable construction policies;
- develop and implement supportive renewable energy development policies;
- develop and implement supportive EV infrastructure policies;
- develop and implement supportive integrated public transport and active/ battery assisted travel infrastructure development policies.

The proposals as they stand would destroy nearly 1,500 acres of farmland and valuable wildlife habitat. The carbon footprint of destroying prime countryside to create this massive development that would then generate even more transport emissions has not even been calculated but there is no doubt that it will take Wiltshire Council's carbon reduction target in completely the opposite direction. Does Wiltshire Council really want to be responsible for such a legacy?

## **6. The Distributor Road has been firmly rejected by all Local Councils**

Wiltshire Council have used a grant of £75m from Homes England to propose a distributor road to enclose huge development areas. The public were not consulted. The general public have been confused, believing headlines about a 'relief road' that would alleviate traffic, when in fact this would be a low speed distributor road that brings 7,500 and potentially 15,000+ additional vehicles into and around the town. Fortunately our town and parish councillors have seen through the HIF bid proposals and rejected the road entirely following a consultation that tried to gather consent for one or more of the route options (before housing numbers and locations had even been consulted upon). Chippenham Town Council, Calne Town Council and Bremhill Parish Council have all passed resolutions opposing any distributor road at all. Chippenham Town Council also firmly rejected the Local Plan proposals for Chippenham unanimously voting to inform Wiltshire Council that their case for Chippenham housing numbers and locations has not been adequately made, and is not accepted for the following reasons:

1. The housing target allocated to Chippenham is much too high (at 9,225 and equivalent to 20% of the total number for Wiltshire), bears no relation to Chippenham's actual housing needs and is predicated on substantial numbers of people relocating here, in order to commute back out, causing more congestion and significant damage to the climate.
2. The proposals to develop large suburbs to the East (Site 1) and South (Site 2) would have a severe adverse impact on the town and cause unacceptable damage to the local environment through the destruction of high-quality farmland and wildlife habitat in the Avon and Marden Valley.
3. The Chippenham housing numbers and their location should not be dictated by a grant application for a road, which did not undergo any public consultation, and which serves to predetermine the spatial strategy.
4. Wiltshire Council needs to develop an alternative spatial strategy, which is employment led, "appropriate in scale" and "environmentally sustainable" as stated in the Vision for the Chippenham Neighbourhood Plan.

See: [Chippenham Town Council say no to proposed new housing in Wiltshire Council's Local Plan Review Consultation • Chippenham Town Council](#)

## **7. Existing Residents are ignored**

Existing residents, who should be at the top of the list of stakeholders, are hardly mentioned at all within these proposals. All the benefits and new infrastructure talked about is in new housing areas, not existing ones. Local people who are key stakeholders in Chippenham's future and are simply ignored by this Plan. Neighbourhood Plans such as Bremhill's (which will have its designated green buffer obliterated by these proposals) and Chippenham, whose Vision is for "employment-led development" that is "appropriate in scale" and "environmentally sustainable" are treated with disdain.

These plans destroy local amenity and the local environment for the residents of Pewsham, London Road and Monkton Park, destined to become inner urban wards within new suburbs. Residents in Stanley move from being a hamlet in open countryside to being sliced through with a distributor road. This means no access to countryside, loss of natural capital, traffic congestion, air pollution and possible future decline and deprivation of their neighbourhoods. There is coalescence with surrounding villages such as Langley Burrell and Tytherton Lucas, destroying their place in the environment. Do the opinions of and the impacts upon the people who live here count for so little? Is that what localism has now become?

Chippenham Town Council, the key representative body for the people of Chippenham, has rejected the Local Plan. Both Chippenham and Calne Town Councils have rejected the road. Residents speaking at Chippenham Town Council's Planning, Environment and Transport Committee meeting on 18<sup>th</sup> February 2021 and at two Extraordinary Town Council meetings (one on the Local Plan on 25<sup>th</sup> February, the other on the HIF Bid road proposals on 4<sup>th</sup> March) all spoke against both the Plan and the Road for the full half hour of public question time on all three occasions. Residents through their councillors in neighbouring Bremhill Parish and Calne Town also opposed this plan in its entirety. No residents have been asked what they want their town to look like in the future. A petition against the distributor road has already attracted around 5,500 signatures and growing. What does it take to get Wiltshire Council to listen to its residents?

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9<sup>th</sup> March 2021