



Whole Plan Viability Assessment

2026 Update Note

May 2026

Important Notice

HDH Planning & Development Ltd (HDH) has prepared this 2026 Update Note (as an update to the *Swale Borough Council Whole Plan Viability Assessment* (HDH, May 2024)), for the sole use of Swale Borough Council in accordance with the instructions under which the services were performed. No other warranty, expressed or implied, is made as to the professional advice included in this report or any other services provided. This Update Note may not be relied upon by any other party without the prior and express written agreement of HDH Planning & Development Ltd.

HDH shall have no duty, responsibility and/or liability to any party in connection with this Update Note howsoever arising other than that arising to the Client under the Appointment. Save as provided in the Appointment, no warranty, expressed or implied, is made as to the professional advice included in this Update Note or any other services provided by HDH.

This Update Note should not be reproduced in whole or in part or disclosed to any third parties for any use whatsoever without the express written authority of HDH or the Council. To the extent this Update Note is reproduced in whole or in part or disclosed to any third parties for any use whatsoever, and whether such disclosure occurs with or without the express written authority of HDH, HDH does not accept that the third party is entitled to rely upon this Update Note and does not accept any responsibility or liability to the third party.

Where any conclusions and recommendations contained in this Update Note are based upon information provided by the Client and/or third parties, it has been assumed that all relevant information has been provided by the Client and/or third parties and that such information is accurate. Any such information obtained by HDH has not been independently verified by HDH, unless otherwise stated in this Update Note. HDH accepts no liability for any inaccurate conclusions, assumptions or actions taken resulting from any inaccurate information supplied by the Client and/or third parties.

HDH Planning & Development Ltd
Clapham Woods Farm
Keasden, Nr. Clapham
Lancaster. LA2 8ET
info@hdhplanning.co.uk
015242 51831

Registered in England
Company Number 08555548

Issued	By	Signed
29 th May 2026	RS Drummond-Hay MRICS ACIH Director	

THIS DOCUMENT HAS BEEN FORMATTED FOR DOUBLE SIDED PRINTING

COPYRIGHT

© This report is the copyright of HDH Planning & Development Ltd. Any unauthorised reproduction or usage by any person other than the addressee is strictly prohibited.

Table of Contents

1. Introduction	7
2. Changes in National Policy	9
National Planning Policy Framework	9
The Golden Rules	10
Planning Practice Guidance.....	10
Viability and plan making.....	10
Viability and decision taking	12
Standardised inputs to viability assessment	12
Community Infrastructure Levy Regulations and Guidance.....	14
Wider Changes Impacting on Viability	14
Accessible and Adaptable Standards.....	14
Environmental Standards	14
Biodiversity Net Gain.....	17
Fire Safety Standards	18
Levelling-up and Regeneration Act	18
Planning Application Fees.....	18
Building Safety Levy.....	19
Viability Guidance	19
Affordable Housing.....	19
3. Changes in House Prices	21
Market Housing	21
Affordable Housing Values	25
The Wider Housing Market	25
4. Changes in Development Costs.....	31
5. Changes in Land Value.....	33
6. Changing Policy Requirements	35
Local Plan Polices	36
Strategic Policies.....	36
Development Management Policies - General Development Criteria	37
Development Management Policies - Good Design	37
Development Management Policies - Housing	37
Development Management Policies - Economic Development.....	40
Development Management Policies - Infrastructure	40
Development Management Policies - Climate Change, Pollution & The Water Environment.....	41
Development Management Policies - Biodiversity and Landscapes	44
Development Management Policies - Historic Environment	45
Implementation & Monitoring.....	45
7. Regulation 18 Responses.....	47
Richard Butler for Vistry	47
NHS property Services Ltd.....	47
Cameron Chapman of DHA Planning for Malro Homes.....	47
D Lawrence of DHA Planning for Sheppey Gateway Ltd	47
G Filmer of DHA Planning for Fernham Homes.....	48

CPRE Kent.....	48
Peter Court of Petter Court Associates for various clients	48
Faversham Community Land Trust	49
Five Parishes Opposition Group.....	49
The Planning Bureau for McCarthy Stone	49
Charles Glover-Short of Southern Housing	49
Bashford for Quinn Estates	50
E Bonthron of Esquire Developments and Kent SME Network	50
David Churchill of Carter Jonas for Shaptor Capital	51
Sarah Muteham for Boughton under Blean Parish Council.....	51
M Behrendt of the Home Builders Federation.....	51
Sally Furminger of Lichfields for Taylor Wimpey.....	51
P Atkin of Pegasus for Prudential Assurance Co. Ltd	52
Sarah Moakes	52
R England of WSP for Homes England	52
Ian Warner of Tetlow King for Palm Developments	53
T Whipps of LRM Planning for W.T. Lamb Holdings Ltd	53
A Payne of DHA Planning for Cantium Land	54
Emily Comber of Croudace Homes	54
Georgina Wise of Gladman Developments.....	54
Ivy Planning for AC Goatham & Sons Ltd.....	54
John Collins of DHA Planning for a landowner in Doddington.	54
Matt Porter of DHA Planning for Frognal Properties Ltd	55
A Day of DHA Planning for Pentland Homes.....	55
A Payne of DHA Planning for EH Nicholls Ltd	55
Kent County Council	55
L Sinden of DHA Planning for Persimmon Homes.....	55
Dunkirk Parish Council.....	56
Mollie Lay of Finn's	56
Maidstone Borough Council	56
C Leckie of Savills for the owners of Land at Old Ferry Road, Iwade	56
GHA Barnes of Shepherd Neame	57
Rachel Harrison for Peel Land and Peel Ports	57
Iceni Projects for Owners of Lamberhurst Farm	57
8. Strategic Sites	59
South East Faversham SHELAA/114	59
Land west of existing Bobbing Village SHELAA/012	60
9. Findings and Conclusions.....	61
Updated Policy-on Appraisals	61
Commuted Sums and Payments in Lieu of Affordable Housing	63
Self and Custom Build	65
Conclusion.....	65
Appendix 1 – Newbuild Price Paid Data by Ward	67
Appendix 2 – Newbuild Asking Prices, May 2026.....	73
Appendix 3 – Derivation of Affordable Housing Value Assumptions – April 2026.....	77
Appendix 4 – Sensitivity Testing Based on Full Policy Requirements	81
Isle of Sheppey.....	81
Sittingbourne and West Swale BC	82

Sittingbourne and East Swale BC	82
Faversham and Adjacent.....	83
Appendix 5 – Varied Affordable Housing Tenure Mix	85
Isle of Sheppey	85
Sittingbourne and West Swale BC	86
Sittingbourne and East Swale BC	87
Faversham and Adjacent.....	88
Appendix 6 - Commuted Sums Calculation	89
Isle of Sheppey	89
Sittingbourne and West Swale BC	90
Sittingbourne and East Swale BC	91
Faversham and Adjacent.....	92

1. Introduction

- 1.1 HDH Planning & Development Ltd, produced the *Swale Borough Council Whole Plan Viability Assessment* (HDH, May 2024). The 2024 WPVA built on (and replaced) the Council's existing viability work. This 2026 Update Note considered how changes in national policy, in the emerging Local Plan, and changes to and in the main inputs to the Viability Assessment (costs and values) may impact on viability.
- 1.2 Firstly, changes to national policy are considered, then changes in house prices and build costs, before the emerging Local Plan is reviewed. This Update Note should be read as an annex to *Swale Borough Council Whole Plan Viability Assessment* (HDH, May 2024).
- 1.3 As set out towards the end of this note, a further set of appraisals has been run that reflect the various updates and changes made.

2. Changes in National Policy

- 2.1 Since the 2024 WPVA was completed, numerous changes and potential changes to national policy have been announced. Some changes are as a result of the change in Government following the 2024 General Election, and others are carried forward from the wider updating of national policy.

National Planning Policy Framework

- 2.2 The 2024 WPVA was carried out in line with the then current NPPF. Since then, the National Planning Policy Framework (NPPF) has been updated.
- 2.3 The extant NPPF was published in December 2024 (and was further updated in February 2025¹). This NPPF made some significant changes to the planning system, particularly to the way the overall requirement for housing is assessed (the Standard Method), however, it did not change the place of viability testing in the plan-making process, and the detail beyond that is largely unchanged.
- 2.4 In December 2025, the Government published a further Draft NPPF² for consultation. The Draft NPPF is comprehensive re-write of the national planning policy, making a number of significant changes to the planning system, including the new national decision-making policies. It is proposed that these national decision-making policies are '*read alongside the policies in the development plan*' and are a material consideration when determining planning applications.
- 2.5 For the purpose of this Update Note, the Draft NPPF carries forward the requirements to carry out a plan-wide viability assessment, and to ensure that the new Local Plan will deliver, making it clear that allocations for development must be viable:

2. *For plans that allocate specific sites for development the assessment should be undertaken with reference to national guidance and include:*
 - a. *A thorough site identification process to identify a sufficient range and quantity of potential sites;*
 - b. *An assessment of the availability, suitability and achievability (including likely viability) of those sites;*
 - c. *An assessment of the amount of development those sites have the potential to accommodate and the potential timescales over which development could be delivered¹⁶; and*
 - d. *The identification of the most appropriate sites for development taking into account the emerging vision and spatial strategy of the plan and the information above.*

- 2.6 The Draft NPPF also includes proposals to move or duplicate some of the text currently in the PPG, that relates to viability, into the body of the NPPF, thus giving it more weight. Annex B

¹ The December 2024 version of the National Planning Policy Framework was amended in February 2025 to correct cross-references from footnotes 7 and 8, and amend to the end of the first sentence of paragraph 155 to make its intent clear.

² [National Planning Policy Framework: proposed reforms and other changes to the planning system - GOV.UK](https://www.gov.uk/government/consultations/national-planning-policy-framework-proposed-reforms-and-other-changes-to-the-planning-system)

of the explanatory document sets out the reasoning behind the proposed changes in the Draft NPPF, headed '*Viability: Standardised inputs in viability assessment*' says:

Standardised inputs to viability assessments provide a consistent framework for evaluating development proposals and ensure both authorities and developers have greater certainty in the viability assessment process.

The government is therefore proposing moving the current Planning Practice Guidance sub-section on 'Standardised inputs to viability assessment' into an annex to the draft Framework, and updating where needed, to support the proposed policies PM12, DM5 and GB8 above, subject to views received. The remainder of the existing viability PPG would remain in guidance. The proposed updates seek to support greater consistency, upfront clarity for all interested parties, and reduce the need for negotiation at the decision-making stage. At the same time, the proposals seek to ensure the system remains sufficiently responsive to different development types and risk profiles, to ensure development can proceed.

- 2.7 The consultation also sought views on changes in relation to growth testing, developer's returns and benchmark land values. The methodology used in this update note is consistent with the extant December 2024 NPPF, however appropriate regard is had to the Draft NPPF.
- 2.8 Paragraph 35 of the 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. This requirement is unchanged.

The Golden Rules

- 2.9 The extant NPPF includes various sections (Paragraphs 67, 68, 155, 156 and 157) concerning releasing land from the Green Belt. Such releases are subject to the Golden Rules which require that the affordable housing contribution, on such releases, to be 15% above the highest existing affordable housing requirement which would otherwise apply to the development, subject to a cap of 50%. The SBC area does not include areas of Green Belt, so these rules do not apply here.

Planning Practice Guidance

- 2.10 The December 2025 consultation on the Draft NPPF asks a number of questions in relation to viability, including views on changes in relation to growth testing, developer's returns and benchmark land values. It does not propose new wording. It will be necessary to keep these under review.

Viability and plan making

- 2.11 The viability sections of the PPG (Chapter 10) were rewritten in 2018, and subsequently further updated. The changes provide clarity and confirm best practice, rather than prescribe a new approach or methodology. Having said this, the underlying emphasis of viability testing was unchanged.
- 2.12 The overall requirement was updated in December 2025:

How should plan makers set policy requirements for contributions from development?

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). This should include the minimum proportion of Social Rent homes required.

These policy requirements should be informed by evidence of infrastructure and affordable housing need, including the need for those who require Social Rent, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106. Policy requirements should be clear so that they can be accurately accounted for in the price paid for land. To provide this certainty, Social Rent and other types of affordable housing requirements should be expressed as a single figure rather than a range. Different requirements may be set for different types or location of site or types of development.

PPG 10-001-20251216

- 2.13 The 2024 WPVA took a proportionate approach, building on the Council's existing evidence, and considers all the local and national policies that will apply to new development.

The role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan. ... Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage.

PPG 10-002-20251216

- 2.14 Whilst the wording was updated, the overall requirement remains similar. The emerging policy options that were under consideration by the Council were to be tested individually and cumulatively, to ensure that when taken together, that they are set at an appropriate level.

It is the responsibility of land owners, site promoters and developers 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. The price paid for land is not a relevant justification for failing to accord with relevant policies in the plan. Landowners and site purchasers should consider this when agreeing land transactions.

PPG 10-002-20251216

- 2.15 The Council will continue to engage with the promoters of the key sites in the Plan.

Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. Plan makers can use site typologies to determine viability at the plan making stage. Assessment of samples of sites may be helpful to support evidence. In some circumstances more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.

PPG 10-003-20180724

- 2.16 The 2024 WPVA was based on typologies³ that were developed by having regard to the potential sites that are most likely to be included in the emerging Plan. 13 potential strategic sites were also modelled, so as to inform a decision (when taken with wider evidence) as to whether or not they were to be included in the final iteration of the Local Plan. These potential strategic sites were modelled based on information provided by the Council, and the refined two preferred sites are now retested, based on the latest information in this Update Note.

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

- 2.17 Consultation formed part of the preparation of the 2024 WPVA, and the comments made through the Regulation 18 consultation are reviewed below.

Viability and decision taking

- 2.18 As mentioned above, the December 2025 consultation on the Draft NPPF includes proposals to move or duplicate sections of the text currently in the PPG that relate to viability, into the body of the NPPF, thus giving it more weight.

Standardised inputs to viability assessment

- 2.19 Several sections have been updated, although the 2024 WPVA remains consistent with the changes. The PPG 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

³ The PPG provides further detail at 10-004-20190509:

A typology approach is a process plan makers can follow to ensure that they are creating realistic, [deliverable policies](#) based on the type of sites that are likely to come forward for development over the plan period.

In following this process plan makers can first group sites by shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development. The characteristics used to group sites should reflect the nature of typical sites that may be developed within the plan area and the type of development proposed for allocation in the plan.

requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).

PPG 10-014-20190509

2.20 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 10-015-20190509

2.21 The December 2025 consultation on the Draft NPPF asks a number of questions in relation to deriving the BLV. The approach adopted in this Update Note 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 10-016-20190509

2.22 The methodology used in the 2024 WPVA followed this approach to establish the EUV. This approach was carried into this update.

Community Infrastructure Levy Regulations and Guidance

2.23 The Council has not adopted CIL. The CIL Regulations are broad so, in any event, it is necessary to have regard to them. The CIL Regulations have not been updated since 2020 so CIL Regulation 122 remains as being of particular importance. This sets out that payments requested under the s106 regime must be:

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

Wider Changes Impacting on Viability

2.24 The Draft NPPF includes proposals to move or duplicate some of the text currently in the PPG, that relates to viability, into the body of the NPPF, thus giving it more weight. The consultation then seeks views on changes in relation to growth testing, developer's returns and benchmark land values. It will be necessary to keep this under review.

2.25 There have been several changes at a national level over the last few years that are timely to mention.

Accessible and Adaptable Standards

2.26 In July 2022, the Government announced the outcome of the 2020 consultation on raising accessibility standards of new homes⁴. At that time the Government said that it intended to mandate M4(2) (Category 2: Accessible and Adaptable dwellings) requirement in Building Regulations as a minimum standard for most new homes. This was reflected in the appraisals in the 2024 WPVA.

2.27 In the Draft NPPF, under policy *HO5: Meeting the needs of different groups*, the Government proposed the following text:

In relation to accessible housing, setting out the proportion of new housing that should be delivered to requirement M4(2) and M4(3) of the Building Regulations. M4(2) requirements should reflect local levels of need, and should ensure that at least 40% of new housing delivered over the course of the plan is delivered to M4(2) or M4(3) standards.

2.28 The requirement tested in the 2024 WPVA was for 95% M4(2) housing and 5% (M4)3 housing, so is consistent in this regard.

Environmental Standards

2.29 In the spring of 2024, the Government carried out a consultation on how national standards may be changed as part of the move to Zero Carbon. The Department of Levelling up, Communities and Housing published revisions to Conservation of Fuel and Power, Approved

⁴ [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

Document L of the Building Regulations as a 'stepping stone' on the pathway to Zero Carbon homes that sets the target of an interim 31% reduction in CO₂ emissions over 2013 standards for dwellings. This is assumed to apply to all new homes in this assessment.

2.30 In 2023 the then Housing Minister made a Written Parliamentary Statement⁵ which set out the Government's position in this regard. Whilst this does not preclude the introduction of policies that go beyond national standards, this does suggest that such policies will need to be well justified and subject to greater scrutiny.

2.31 Under the Draft NPPF, the Government consulted on the following text:

Plan-making policies

CC1: Planning for climate change

- 1 *Development plans should take a proactive approach to mitigating climate change and supporting the transition to net zero³⁰. They should also take a proactive approach to adapting to climate change, taking into account the implications of extreme weather and long-term climate trends including overheating, wildfires, drought, flood risk, coastal change, water supply, biodiversity and landscapes. They should do this by:*
 - a. *Proposing development patterns through their spatial strategy and allocations which:*
 - i. *can help contribute to radical reductions in greenhouse gas emissions (which can be informed by an assessment of baseline carbon emissions and the potential effect of development options on future emissions and their mitigation); and*
 - ii. *avoid increased vulnerability and improve resilience to the effects of climate change (including through providing for necessary infrastructure improvements and the future relocation of homes and other uses where public safety would be at risk, for example as a consequence of coastal change);*
 - b. *Addressing any specific risks from climate change in their proposed allocations for development, and necessary adaptations, both of which should be considered for the anticipated lifetime of the development;*
 - c. *Setting local water efficiency standards for new development where these are justified in accordance with policy PM13; and*
 - d. *Identifying opportunities for green infrastructure provision and nature-based solutions which can safeguard and improve carbon storage, support nature recovery and resilience, and which take account of Local Nature Recovery Strategies in accordance with policy N1.*

National decision-making policies

CC2: Mitigation of climate change

1. *In order to contribute to climate change mitigation and the transition to net zero, development proposals should, where relevant to the proposal:*
 - a. *Be located where a genuine choice of sustainable transport modes exists, and improve opportunities for walking, wheeling, cycling and public transport, in accordance with policies TR3 and TR4;*
 - b. *Support good access to facilities to limit the need to travel, whether through the development's location, through development densities which improve*

⁵ [Written statements - Written questions, answers and statements - UK Parliament](#)

catchment populations for local services, or by incorporating community facilities and premises to support local employment opportunities;

- c. Use design approaches which conserve energy and other resources in accordance with policy DP3(1)(c);*
 - d. Take advantage of opportunities to re-use existing structures and materials, including by re-using non-contaminated excavated soil and hardcore within the site;*
 - e. Take advantage of opportunities to draw low carbon energy from decentralised networks (such as district heat networks), where these are available, and to co-locate energy and heat generators and users, especially to take advantage of suppliers of surplus heat and energy;*
 - f. Contribute to the creation or restoration of habitats which can act as carbon stores, such as through woodland planting and peatland restoration, while avoiding harm to habitats which can act as important carbon stores, including peatland and salt marsh; and*
 - g. Not increase the extraction of fossil fuels unless it is in accordance with policy M5.*
2. *Substantial weight should be given to the benefits of improving the energy efficiency of existing buildings and/or drawing energy from district heat networks, renewable and low carbon sources (including through the installation of heat pumps and solar panels where these do not already benefit from permitted development rights).*

2.32 The Draft NPPF consultation also says (on page 16):

6 Streamlining local standards. *We want to promote certainty for applicants and speed up local plan production by limiting quantitative standards in development plans to only those specific issues where local variation is justified. We also want to limit duplication of matters which are covered by the Building Regulations – other than where there is the existing ability to use ‘optional technical standards’.*

2.33 The Draft NPPF consultation, in Policy PM13: Setting standards says:

1. *Quantitative standards set through development plan policies should be limited to infrastructure provision, affordable housing requirements, parking and design and placemaking, and where this will provide clarity and a high degree of certainty about the requirements that relevant development proposals are expected to meet. Such standards should:*
 - a. Be justified, drawing upon relevant evidence of local characteristics and needs, while utilising or adapting relevant national standards where it is appropriate to do so (such as in relation to green infrastructure). Evidence in support of standards should be proportionate, in accordance with policy PM8, especially where relevant national standards already exist;*
 - b. Not cover matters which are already addressed by Building Regulations, other than in relation to:*
 - i. accessibility standards, for which local standards in relation to requirement M4(2) (accessible and adaptable dwellings) and/or M4(3) (wheelchair user dwellings) of the Building Regulations should be set in line with policy HO5; or*
 - ii. water efficiency, for which it may be appropriate to apply the tighter Building Regulations optional requirement where justified, or exceptionally a more stringent local standard in areas of serious water stress.*
 - c. Not cover matters relating to the construction or internal layout of buildings unless they are to implement the nationally described space standard.*

2.34 The Draft NPPF consultation, in Policy *PM13: Setting standards*, says:

In addition, the policy proposes preventing standards which cover matters already addressed by building regulations, with the exception of the established national technical standards for accessibility and water efficiency. In relation to water efficiency, the policy recognises that some areas may need to set a tighter standard than the existing optional requirement, due to the pressure on water supplies. This reflects relevant parts of the Written Ministerial Statement made on 19 December 2023 titled The Next Stage in Our Long-Term Plan for Housing Update. The Department for Environment, Food and Rural Affairs ongoing consultation on revising water efficiency standards will not affect this policy.

Beyond these areas, the policy identifies specific areas where local standards should not be set. This includes matters relating to the construction or internal layout of buildings (other than the nationally described space standard), which the government considers are matters best left to the market to determine.

The policy as drafted would limit local standards for energy efficiency, as we are concerned that varying standards across local plans make it difficult for the construction sector to adapt and deploy energy efficiency technologies at scale. If this specific restriction were to be taken forward following consultation, we intend to use secondary legislation to commence section 43 of the Deregulation Act 2015 to amend the Planning & Energy Act 2008 to make clear that local plans should not set higher energy efficiency standards for residential development. The draft Framework policy would also replace the policy contained in the 2023 Written Ministerial Statement titled Planning – Local Energy Efficiency Standards Update.

2.35 The Government announced in March 2026 that it will be implementing the Future Homes Standard and Future Building Standard through Building Regulations in March 2027⁶.

2.36 The draft Local Plan policy exceeds current national standards and the Future Homes Standard. The policy is included, based on information provided by the Council's climate change consultants (Bioregional), in the appraisals at the end of this Update Note.

Biodiversity Net Gain

2.37 The Environment Act received Royal Assent in November 2021 and mandates that new developments must deliver an overall increase in biodiversity. The PPG was updated in 2024⁷ in this regard. The requirement is that developers ensure habitats for wildlife are enhanced relative to pre-development state. Developers must assess the type of habitat and its condition before submitting plans and then demonstrate how they are improving biodiversity.

2.38 Green improvements on-site are preferred (and expected), but in the circumstances where they are not possible, developers will need to pay a levy for habitat creation or improvement elsewhere. The mandatory BNG requirement was introduced for most major developments from February 2024, and for small sites/minor development from April 2024.

The definition of a minor development for the purposes of BNG is development that is not major development and includes:

- *residential development where the number of dwellings is between 1 and 9 on a site of an area 1 hectare or less, or if the number of dwellings is unknown, the site area is less than 0.5 hectares.*

⁶ [FHBS Circular.pdf](#)

⁷ [Biodiversity net gain - GOV.UK \(www.gov.uk\)](#)

- *commercial development where floor space created is less than 1,000 square metres or total site area is less than 1 hectare.*
- *development that is not the winning and working of minerals or the use of land for mineral-working deposits.*
- *development that is not waste development.*

2.39 In May 2025 the Government undertook a consultation⁸ on the implementation of BNG. This would introduce a ‘*new medium development threshold for sites between 10 and 49 homes, up to 1.0 ha in size*’. Alternatively, consideration was given to exempting all minor developments. Bearing in mind that this was a consultation, the outcome of which is not yet known, it is assumed the BNG requirements remain as per the extant NPPF and PPG.

2.40 The Draft NPPF consultation in Policy *N1: Identifying environmental opportunities and safeguards*, says:

Development plans should only set local standards for biodiversity net gain which are in excess of the statutory net gain requirement where this is for specific site allocations, and is fully justified and deliverable. Any such requirements should not extend to categories of development which are exempt from statutory biodiversity net gain.

2.41 Pending publication of revised standards, the national requirements are unchanged (although, as set out later, the SBC will be seeking 20% BNG rather than 10% BNG).

Fire Safety Standards

2.42 The Government published the outcome in March 2024 in the updated Building Regulations⁹. The guidance makes second staircases mandatory in all new residential buildings over 18m (about 6 storeys) in England from September 2026. The modelling in the further appraisals set out at the end of this note reflect this.

Levelling-up and Regeneration Act

2.43 The *Levelling-up and Regeneration Act* become law in 2023. Many of the measures in the Act will be implemented, in due course, through secondary legislation and / or regulations. The provisions within the Act will have a significant impact on the overall plan-making process, but they do not alter the place of viability in the current Local Plan process.

2.44 The *Levelling-up and Regeneration Act* includes reference to a new national Infrastructure Levy. The Government has announced that this will not be taken forward.

Planning Application Fees

2.45 Planning fees increase each year. The updated amounts are applied¹⁰ in the appraisals set out at the end of this note.

⁸ [Improving the implementation of biodiversity net gain for minor, medium and brownfield development - GOV.UK](https://www.gov.uk/government/consultations/improving-the-implementation-of-biodiversity-net-gain-for-minor-medium-and-brownfield-development)

⁹ [Amendments to the Approved Documents - Approved Document B: Fire safety volumes 1 and 2 \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/consultations/amendments-to-the-approved-documents-approved-document-b-fire-safety-volumes-1-and-2)

¹⁰ [Planning fees: annual indexation from 1 April 2026](https://www.gov.uk/government/consultations/planning-fees-annual-indexation-from-1-april-2026)

Building Safety Levy

- 2.46 The Building Safety Levy (BSL) was announced in February 2021 to pay for the remediation of building safety defects as part of the response to the Grenfell Tower fire. In March 2025, the Government announced that the Levy will be introduced in Autumn 2026. In Swale, the Levy, if introduced as per the consultation, would be £15.86 per sqm for brownfield land and £31.72 per sqm for greenfield land¹¹ and would apply to major development.
- 2.47 The BSL was not included in the 2024 WPVA. It is included in the appraisals at the end of this note.

Viability Guidance

- 2.48 Neither the NPPF nor the PPG set out step-by-step technical guidance, although the updated PPG includes guidance in a number of specific areas. The earlier viability work drew on the *Viability Testing in Local Plans – Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012¹² (known as the Harman Guidance¹³), and followed the relevant RICS guidance being the *Financial viability in planning: conduct and reporting RICS professional statement, England* (1st Edition, May 2019) and *Assessing viability in planning under the National Planning Policy Framework 2019 for England, GUIDANCE NOTE* (RICS, 1st edition, March 2021).
- 2.49 No further relevant guidance has been published.

Affordable Housing

- 2.50 Paragraph 65 of the extant NPPF sets out national thresholds for the provision of affordable housing. These are unchanged since 2024:

Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer). To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.

- 2.51 Two requirements of earlier national policy have been dropped. Under Footnote 31 of the NPPF, the requirements for 25% for the affordable housing to be First Home no longer applies. The requirement for 10% of all homes to be Affordable Home Ownership (as per paragraph 66 of the 2023 NPPF¹⁴) no longer applies.
- 2.52 The Council has updated its draft policy in this regard, to seek a tenure mix that aligns more closely with its identified need. This also takes into account the greater emphasis for Social

¹¹ [Building Safety Levy: Technical consultation response - GOV.UK](#)

¹² Viability Testing in Local Plans has been endorsed by the Local Government Association and forms the basis of advice given by the, MHCLG funded, Planning Advisory Service (PAS).

¹³ [viability-testing-local-p-42b.pdf](#)

¹⁴ [\[ARCHIVED CONTENT\]](#)

Rent as per paragraphs 64 and 71 of the NPPF. This change is reflected in the appraisals set out at the end of this Note.

3. Changes in House Prices

Market Housing

- 3.1 The residential value assumptions in the 2024 WPVA were researched and gathered in April 2024. Since then, house prices have changed. There are a range of data sources that can be referenced; however the Land Registry is the most complete.

Table 3.1 Change in Average House Prices

	Swale	Kent	England & Wales
2024-04	£282,577	£334,282	£272,735
2026-02	£289,812	£345,239	£284,720
Change	£7,235 2.6%	£10,957 3.3%	£11,985 4.4%

Source: Land Registry (May 2026)

- 3.2 This data shows that average prices have increased a little in Swale, however, they have increased a little more in Kent and across England and Wales. This data can be disaggregated and newbuild sales separated out.

Table 3.2 Change in Average Newbuild House Prices – Swale

	Newbuild	Existing
2024-04	£442,021	£276,601
2025-12	£485,059	£284,540
Change	£43,038 9.7%	£7,939 2.9%

Source: Land Registry (May 2026)

- 3.3 The Land Registry's latest data suggests that the average newbuild sale price in the Borough has increased by about 10% since the 2024 WPVA was completed.
- 3.4 The 2024 WPVA included data on newbuild price paid data sourced from Landmark (Tables 4.4 and 4.5 and Figure 4.7). In this note, similar data from Landstack is analysed, the price paid data from the Land Registry is married with the floor areas sourced from the EPC Register, for newbuild sales since the start of 2023. As set out in Table 4.4 of the 2024 WPVA, there is little data from the most recent years. The updated data has limited data from 2025 and 2026.

Table 3.3 Newbuild Price Paid Data by Year – Swale BC 2023 - 2026

	Bungalow	Detached	Flats	Semi-detached	Terraced	All
Count						
2023	2	85	9	81	31	208
2024	5	127	20	118	29	299
2025	4	85	0	42	19	150
2026	0	0	0	0	0	0
All	11	297	29	241	79	657
Average of Price Paid £						
2023	£327,500	£498,905	£194,722	£342,612	£343,321	£400,043
2024	£412,000	£490,497	£192,375	£334,162	£344,620	£393,397
2025	£417,500	£504,985		£344,896	£350,576	£438,269
2026						
All	£398,636	£497,050	£193,103	£338,873	£345,543	£405,746
Average of £ per sqm						
2023	£4,658	£4,283	£3,354	£4,095	£3,641	£4,083
2024	£5,328	£4,113	£3,302	£3,869	£3,511	£3,967
2025	£5,768	£4,191		£4,193	£3,536	£4,158
2026						
All	£5,366	£4,184	£3,343	£3,998	£3,570	£4,049

Source: Landstack (May 2026)

- 3.5 The data above compares with that presented in Table 4.5 of the 2024 WPVA. And suggests that average houseprices have increased marginally, but when considered on a £ per sqm basis are unchanged

Table 3.4 Change in Newbuild Price Paid Data – Swale BC

	2022 to 2024	2023 to 2026	Change	
Bungalow		£398,636	£398,636	
Detached	£472,858	£497,050	£24,192	5.12%
Flats	£180,628	£193,103	£12,475	6.91%
Semi-detached	£355,826	£338,873	-£16,953	-4.76%
Terraced	£341,659	£345,543	£3,884	1.14%
All	£397,747	£405,746	£7,999	2.01%
Bungalow		£5,366	£5,366	
Detached	£4,222	£4,184	-£38	-0.89%
Flats	£3,030	£3,343	£313	10.32%
Semi-detached	£4,181	£3,998	-£183	-4.38%
Terraced	£3,697	£3,570	-£127	-3.43%
All	£4,051	£4,049	-£2	-0.05%

Source: Landstack (May 2026)

- 3.6 The above data can be disaggregated and is presented in **Appendix 1**. The data compares with that presented in Appendix 6 of the 2024 WPVA.
- 3.7 A survey of newbuild asking prices was carried out in February 2023. This was refreshed in December 2023 and April 2024.
- In February 2023, there were 60 new homes being advertised for sale in the Council area. The analysis of these showed that asking prices for newbuild homes started at £162,500 and went up to £775,000. The average was about £429,000 (£4,221 per sqm).
 - In December 2023, there were 94 new homes being advertised for sale in the Council area. The analysis of these showed that asking prices for newbuild homes started at £1162,500 and went up to £950,000. The average was about £407,000 (£4,097 per sqm).
 - In April 2024, there were 128 new homes being advertised for sale in the Council area. The analysis of these shows that asking prices for newbuild homes start at £270,000 and go up to over £1,200,000. The average was about £460,000 (£4,274 per sqm).
- 3.8 The survey data was further refreshed in 2026, when there were 107 newbuild homes being advertised for sale. The research is presented in **Appendix 2** and summarised below:

Table 3.5 Survey of Newbuild Asking Prices – April 2026.

		Detached	Flat	Semi-detached	Terraced
Aile Homes					
Monarch Place	£	£608,333		£475,000	£462,500
	£/sqm	£4,588		£4,398	£4,302
Barratt					
Cherry Meadow@Applegate Park	£				£348,328
	£/sqm				£4,820
Crest Nicholson					
Crown Meadows	£	£610,625			
	£/sqm	£4,355			
DWH					
Mulberry Rise @Applegate Park	£	£452,995		£378,995	
	£/sqm	£3,992		£3,509	
Fernham Homes					
Love Lane	£	£707,250		£427,500	
	£/sqm	£4,706		£4,294	
Jones Homes					
Shurland Park	£			£335,882	
	£/sqm			£4,369	
Kayleigh Stevens					
Callum Park	£	£1,138,500			
	£/sqm	£3,760			
Matthews Homes					
Blake Gardens	£	£411,667			
	£/sqm	£3,477			
Pentland Homes					
Grovehurst gate	£	£525,000		£384,000	£315,000
	£/sqm	£4,614		£4,278	£4,500
Persimmon					
Moores Quarter	£				£391,333
	£/sqm				£3,824
Ovinia Chase	£	£388,639		£368,225	
	£/sqm	£4,575		£4,216	
Redrow					
Amber Fields	£	£530,000			
	£/sqm	£3,985			
Preston Fields	£	£696,667		£410,000	£370,000
	£/sqm	£4,564		£4,556	£3,217
Regent Quay	£	£575,000			
	£/sqm	£4,259			
Riverdale Developments					
Scholars Place	£			£384,950	
	£/sqm			£3,883	
Rosechurch Homes					
Edgelake	£	£450,000		£454,500	
	£/sqm	£4,167		£3,987	
Swale Borough	£	£573,957		£369,590	£376,726
	£/sqm	£4,285		£4,262	£4,250

Source: Market Survey (April 2026) (The blanks indicate where no asking price and or GIA is available).

- 3.9 In 2024 the average newbuild asking price was about £460,000 (£4,274 per sqm). The updated research shows that asking prices for newbuild homes start at £275,000 and go up

to over £1,395,000. The average is now about 3% higher at about £473,300 and on a floor area basis is unchanged at £4,953 per sqm.

Affordable Housing Values

- 3.10 The derivation of the value assumptions for affordable housing was set out from paragraph 4.54 of the 2024 WPVA.
- 3.11 In the 2024 WPVA, the assumptions were that Social Rent would have a value of £1,300 per sqm of market value (para 4.59), and Affordable Rent would have a value of £2,400 per sqm of market value (para 4.65). It was also assumed that Affordable Home Ownership units would have a value of 70% market value (para 4.70).
- 3.12 The assessment of values has been updated using the same method, however the yield assumption has been increased to 5%. The calculations are set out in **Appendix 3**.
- 3.13 An updated value of £1,400 per sqm is derived for Social Rent, and the Affordable Rent assumption is unchanged.

The Wider Housing Market

- 3.14 The development identified in the new Local Plan will be built out over many years and across development cycles. It is useful to consider how values may change in the future. There is a degree of uncertainty in the housing market as reported by the RICS. The April 2026 RICS UK Residential Market Survey¹⁵ said:

Higher mortgage rates continue to dampen buyer demand

- *Sales market activity indicators remain firmly negative*
- *Headline house prices continue to see moderate downward pressure*
- *Forward-looking sentiment points to a subdued picture over the months ahead*

The April 2026 RICS Residential Market Survey results continue to reflect a challenging global macroeconomic backdrop, with the associated rise in interest rate expectations weighing on buyer demand. Moreover, near-term sentiment indicators suggest that these subdued conditions are set to persist over the coming months, while the outlook for the year ahead has softened noticeably.

From an aggregate perspective, the new buyer enquiries series registered a net balance of -34% in April. While this is marginally less downbeat than the -40% reading recorded last month, it still points to weak market momentum, with almost all regions of the UK experiencing a noticeable softening in demand.

At the same time, the agreed sales indicator posted a net balance of -36% in the latest survey (compared with -35% previously), signalling that a firmly downward trend remains in place. Looking ahead, the near-term sales expectations balance of -32% suggests that the current muted conditions are likely to persist over the coming months. At the twelve-month horizon, sales expectations have edged into marginally negative territory (net balance of -6%), with this metric weakening progressively over each of the past three months.

With regard to supply, the new instructions indicator recorded a broadly flat net balance of -3% in April (compared with -6% previously), suggesting that the flow of new listings coming onto

¹⁵ [UK Residential Market Survey](#)

the sales market was largely stagnant over the month. However, the new appraisals measure (which asks respondents to compare activity with the same period twelve months earlier) posted a net balance of -16%, down from zero last month. As such, this points to a potential slowdown in the pipeline of new instructions going forward.

At the headline level, the house price indicator recorded a net balance of -34%, marking a further deterioration from the -25% reading seen last month. Regional results point to a growing divergence between the North and South, with more pronounced downward pressure on prices evident in London, the South East, East Anglia and the South West. By contrast, the North West and the North of England continue to post marginally positive readings for the time being. Meanwhile, house prices are still rising across Scotland and Northern Ireland.

Returning to the aggregate level, near-term house price expectations remain negative, with a net balance of -38%, although this is less weak than the -45% reading recorded last month. Looking ahead over a twelve-month horizon, a net balance of +5% of contributors now expects prices to rise, albeit only marginally. That said, this represents the flattest reading for this series since late 2023. When broken down by region, London, the South East and East Anglia all now show moderately negative house price expectations for the year ahead (on a net balance basis).

Across the rental market, tenant demand edged higher, with a net balance of +14% of respondents reporting an increase (from the seasonally adjusted quarterly lettings dataset). Meanwhile, the landlord instructions measure remained negative, albeit slightly less so than last quarter, registering a net balance of -17% (compared with -24% previously). Looking ahead, a net balance of +25% of contributors anticipates rental prices rising, broadly in line with the average reading seen over the past year.

- 3.15 HM Treasury brings together some of the forecasts in its regular *Forecasts for the UK economy: a comparison of independent forecasts* report.

Table 3.6 Consolidated House Price Forecasts

Table 2 - 2026: Growth in prices and monetary indicators (% change)										
Forecasters and dates of forecasts			CPI (Q4 on Q4 year ago, %)	RPI (Q4 on Q4 year ago, %)	Average earnings (Q4 on Q4 year ago, %)		Sterling index (Jan 2005=100)	Official Bank rate (level in Q4, %)	Nominal GDP	House price inflation (Q4 on Q4 year ago, %)
City forecasters										
Barclays Capital	April	*	3.2	4.6	-		-	3.75	-	-
Berenberg	March		2.5	-	2.8		-	3.00	-	-
Bloomberg Economics	Dec		2.1	-	-		-	3.50	-	-
Capital Economics	April	*	4.6	5.9	2.3	81.1	3.75	3.3	1.5	
Deutsche Bank	April	*	3.4	4.6	-		3.75	-	-	
HSBC	April	*	2.7	4.6	3.6	85.4	3.75	-	2.0	
JP Morgan	April	*	3.7	-	-		4.00	3.4	-	
KPMG	March		3.1	-	-		3.50	-	-	
Natwest Markets	April	*	3.8	4.6	3.2		3.75	3.6	-	
Nomura	March		2.5	3.1	3.0		3.25	-	-	
Pantheon	Jan		2.7	2.9	4.0		3.50	-	2.0	
UBS	April	*	3.7	4.2	3.1		3.50	3.8	-	
Non-City forecasters										
British Chambers of Commerce	April	*	2.7	-	3.9		3.75	-	-	
Beacon Economic Forecasting	April	*	2.9	3.5	3.7	83.7	4.00	4.6	1.2	
CBI	Dec		2.4	2.6	2.8		3.50	3.9	-	
CEBR	March		2.0	3.0	3.1	85.0	3.25	-	4.5	
Experian Economics	April	*	3.7	4.3	3.0		3.75	-	0.1	
Heteronomics	April	*	3.9	4.6	3.6	85.4	3.75	-	2.0	
ICAEW	Jan		2.1	-	-		3.25	-	-	
ITEM Club	Feb		2.3	-	-		3.5	-	2.8	
Liverpool Macro Research	Jan		2.3	3.1	3.5	84.2	3.25	-	-	
NIESR	Feb		2.2	3.3	3.7		3.25	-	-0.2	
Oxford Economics	April	*	4.5	5.4	4.3	81.7	3.75	3.0	0.7	
OECD	March	*	4.0	-	-		-	-	-	
IMF	April	*	3.2	-	-		-	-	-	
Average of forecasts received in the last 3 months (excludes OBR, IMF and OECD forecasts)										
Independent			3.2	4.3	3.3		83.7	3.6	3.6	1.6
Received this month (marked *)			3.6	4.6	3.4		83.5	3.8	3.6	1.3
City			3.3	4.5	3.0		83.2	3.6	3.5	1.8
Range of forecasts received in the last 3 months (excludes OBR, IMF and OECD forecasts)										
Highest			4.6	5.9	4.3		85.4	4.00	4.6	4.5
Lowest			2.0	3.0	2.3		81.1	3.00	3.0	-0.2
Median			3.1	4.6	3.2		84.4	3.75	3.5	1.5
OBR	Mar		1.9	2.9	3.1		84.6	3.31	3.3	2.7

Source: Forecasts for the UK economy: a comparison of independent forecasts No 465 (HM Treasury, April 2026).

- 3.16 Property agents Savills are forecasting the following changes in house prices, suggesting continued growth:

Table 3.7 Savills Property Price Forecasts

	2026	2027	2028	2029	2030	5 Years to Sept 2030
Mainstream UK	2.0%	4.0%	5.0%	5.5%	4.0%	22.2%
Prime Regional	1.5%	3.0%	4.0%	4.5%	3.5%	17.6%
Prime Wider South	1.5%	3.0%	4.0%	4.5%	3.5%	17.6%
South East	1.0%	3.0%	4.0%	4.5%	3.5%	17.0%
UK Rents	2.0%	2.0%	2.5%	2.5%	2.5%	12.0%

Source: Savills ¹⁶

3.17 In this context is relevant to note that the Nationwide Building Society reported in April 2026¹⁷:

House price growth remained resilient in April

- UK annual house price growth picked up to 3.0% in April, from 2.2% in March
- House prices were up 0.4% month on month

Headlines	Apr-26	Mar-26
Monthly Index*	554.8	552.7
Monthly Change*	0.40%	0.90%
Annual Change	3.00%	2.20%
Average Price (not seasonally adjusted)	£278,880	£277,186

* Seasonally adjusted figure (note that monthly % changes are revised when seasonal adjustment factors are re-estimated)

3.18 Nationwide produces regional figures on a quarterly basis. This data suggests, for the Outer South East, an annual -0.7% change in Q1 2026 and an annual 0.1% change from the previous quarter.

3.19 Halifax Building Society reported a slightly different situation in May 2026¹⁸:

			
Average house price	Monthly change	Quarterly change	Annual change
£299,313	-0.1%	+0.2%	+0.4%

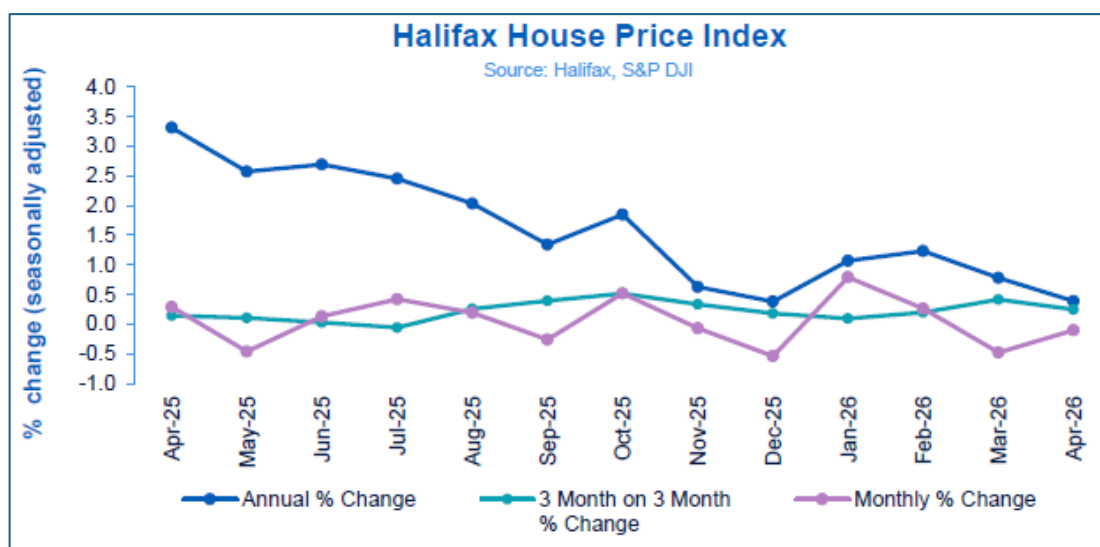
House prices remained broadly stable in April

- ***House prices edged down -0.1% in April, following a -0.5% fall in March***
- *Average property price now £299,313, compared with £299,609 in March*
- *Annual growth slowed to +0.4%, from +0.8% in March*
- *Northern Ireland continues to record the strongest annual growth at +7.6%*

¹⁶ [Savills UK | Residential Property Market Forecasts](#)

¹⁷ [Nationwide HPI News - Reports](#)

¹⁸ [Halifax UK | House Price Index | Media Centre](#)



- 3.20 Whilst there is clearly uncertainty in the market, a degree of house price growth is anticipated.
- 3.21 The final section of this note includes a further set of appraisals based on the updated policy requirements, price and cost information. Sensitivity testing to changes in values has been carried out.

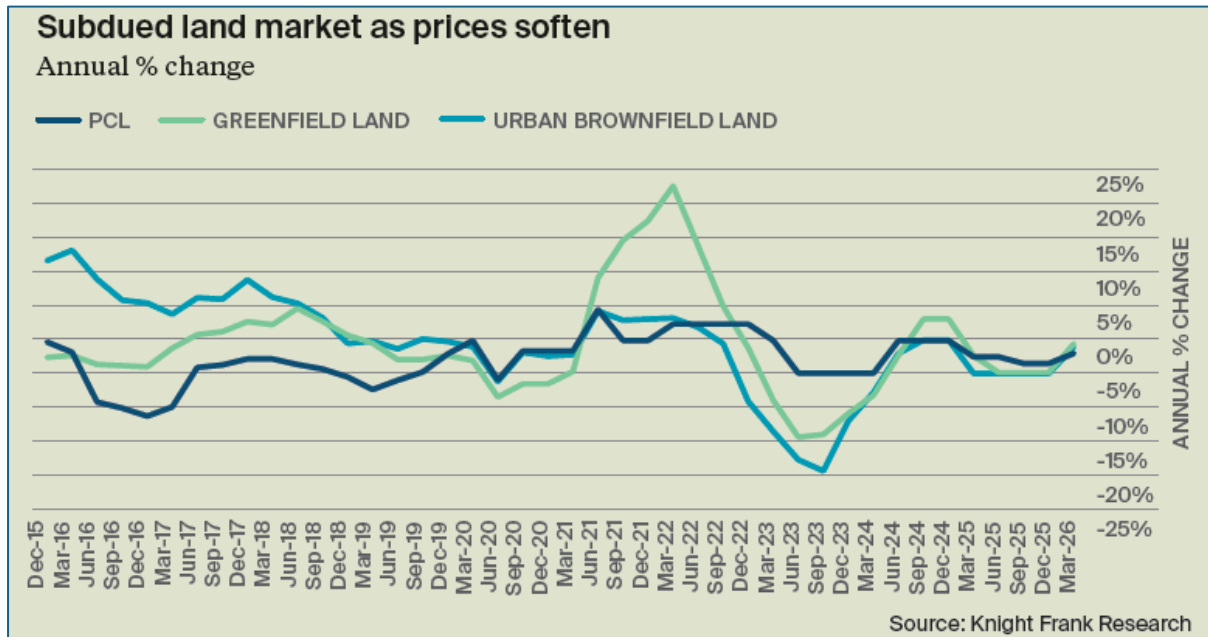
4. Changes in Development Costs

- 4.1 The build costs in the 2024 WPVA, as suggested in the PPG, were derived from the BCIS data. The cost figure for Swale for 'Estate Housing – Generally' was £1,517 per sqm at that time (April 2024). The equivalent figure now (May 2026) has increased to £1,575 per sqm. This data suggests that the cost of construction has increased by about 3.8% since the 2024 WPVA was undertaken.
- 4.2 There has been much coverage in the press around build cost inflation. The BCIS is predicting that going forward, the General Build Cost Index will increase by about 2.1% over the next year (from May 2026 – 497.7 to May 2026 – 507.8) and by about 7.1% over the next three years. (from May 2026 – 497.7 to May 2029 – 532.8).
- 4.3 The final section of this Update Note includes a further set of appraisals based on the updated policy requirements, price and cost information. Sensitivity testing to changes in (BCIS based) build costs has been carried out.

5. Changes in Land Value

- 5.1 It is timely to review how the value of development land has changed over the last few years. There are several sources of relevant information. *Development Land Index* (Knight Frank Q1 2026 – being the most recently published) suggests that land prices may have fallen over the last few years.

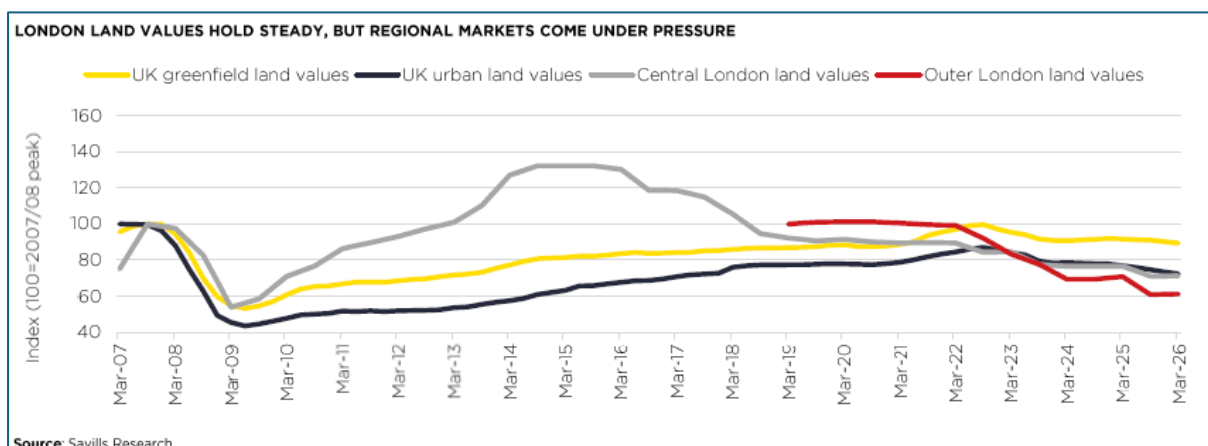
Knight Frank Development Land Index



Source: *Development Land Index* (Knight Frank Q1 2026)

- 5.2 A similar picture is given by Savills in its *Market in Minutes, Residential Development Land* (Savills Q1 2026).

Savills Indexed Residential Development Land Index (Index to 100 at 2007/2008 peak)



Source: *Market in Minutes, Residential Development Land* (Savills Q4 2025)

- 5.3 The above data suggests that the value of development land is broadly unchanged.

6. Changing Policy Requirements

6.1 In discussion with the Council, the following policy obligations were suggested in the 2024 WPVA – although it was stressed that the plan-making process was ongoing, so this needed to be kept under review, and in any event there was to be the normal political balance when prioritising and setting Local Plan policies.

- | | | | |
|----|-------------------------|---|--------------------|
| a. | Affordable Housing | Greenfield Sites | 30%. |
| | | Brownfield Sites | 10% (threshold 10) |
| | | Potential Strategic Sites | 25% |
| | | Affordable housing mix in line with the requirements for 10% AHO and 25% of affordable homes to be First Homes (30% discount) and the balance of AHO as shared ownership. The balance as Affordable Rent. | |
| b. | Design | 95% Part M4(2) Accessible and Adaptable and 5% Part M4(3) Wheelchair Accessible. | |
| | | Zero Carbon, 110LPPPD Water Efficiency, 20% Biodiversity Net Gain. | |
| c. | Developer Contributions | Birdwise payments on all sites and open space payments on brownfield sites, plus allowance of £10,000 per unit on typologies and £25,000 per unit on the potential strategic sites. | |

6.2 This was caveated as follows (paragraph 12.97):

If the Council were to follow this advice it would be necessary to be cautious in relying on brownfield sites in the five-year land supply and overall housing trajectory, as the delivery of these is likely to continue to be challenging. It will be necessary to have regard to the progress of brownfield sites through the development management process and / or commitments from site promoters. This may influence the selection of sites for allocation, although a small proportion of the possible allocations are brownfield sites.

6.3 The 2024 WPVA included a review of national policy requirements, including anticipated changes. The policies of in the emerging *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021 were reviewed and tested with various alternative options (particularly in relation to climate change and developer contributions) as discussed with the Council. The 2024 WPVA then informed the Local Plan were reviewed in Chapter 8 of the report and informed the *Swale Borough Council Local Plan Review (Regulation 18) January 2026* that was then subject to formal consultation.

6.4 The Council has now further refined the Local Plan and selected the preferred strategic sites. The policy changes are considered below.

Local Plan Policies

- 6.5 The policies of in the emerging Local Plan were reviewed in Chapter 8 of the report and informed the Regulation 18 Consultation that ended in February 2026. Several refinements / clarifications have been made which are highlighted below:

Strategic Policies

- 6.6 The draft Strategic Policies include the following:

- Policy ST1 Delivering Sustainable Development in Swale
- Policy ST2 Swale Settlement Strategy
- Policy ST3 Climate Change
- Policy ST4 Development Needs for the Borough
- Policy ST5 Building a Strong, Competitive Economy
- Policy ST6 Delivering a wide Choice of High-quality Homes
- Policy ST7 Good Design and Placemaking
- Policy ST8 Health and Wellbeing
- Policy ST9 Planning for Infrastructure
- Policy ST10 Promoting Sustainable Transport and Active Travel
- Policy ST11 Protecting and Enhancing the Natural Environment
- Policy ST12 Conserving and Enhancing the Historic Environment

- 6.7 These are general policies, which, on the whole do not include specific requirements – the specifics being sought and specified through the Development Management Policies as set out below. There is one notable exception.

Accessible and Adaptable Standard

- 6.8 Policy ST6 includes the requirement for ‘... *dwellings that meet minimum space standards M4(2) on 95% of all dwellings and the accessible standards M4(3) on the remaining 5% of dwellings*’. This is not elaborated on under the Development Management Policies.
- 6.9 This requirement was included in the 2024 WPVA. The cost of a wheelchair accessible dwelling, based on the Wheelchair Housing Design Guide for a 3 bed house, is taken to be £25,136 per dwelling¹⁹. The cost of a wheelchair adaptable dwelling, based on the Wheelchair Housing Design Guide for a 3 bed house, is taken to be £10,111 per dwelling²⁰. The cost of Category 2 is taken to be £521²¹. These costs have been indexed to £37,700 per dwelling, £15,170 per dwelling and £780 per dwelling respectively.
- 6.10 This requirement is reflected in the updated appraisals towards the end of this note.

¹⁹ Paragraph 152 Housing Standards Review – Final Implementation Impact Assessment (DCLG, March 2015).

²⁰ Paragraph 153 Housing Standards Review – Final Implementation Impact Assessment (DCLG, March 2015).

²¹ Paragraph 157 Housing Standards Review – Final Implementation Impact Assessment (DCLG, March 2015).

Development Management Policies - General Development Criteria

Policy G1 General Development Criteria

- 6.11 This policy includes a new requirement that development proposals must be '*accompanied by a statement to demonstrate the degree to which it accords with the TCPA Healthy Homes Principles*'. Whilst this is a new requirement it does not introduce standards over and above Building Regulations or those covered elsewhere in the WPVA. No additional cost is attributed to this requirement.

Development Management Policies - Good Design

Policy GD1 Local Design Principles

- 6.12 This is a broad policy that is general in nature. It does not introduce standards over and above those and above Building Regulations or those covered elsewhere in the WPVA, except in relation to Nationally Described Space Standards which are mandated.
- 6.13 Whilst NDSS were not a requirement in the previous iteration of the Local Plan, these were assumed to apply in the 2024 WPVA (paragraph 8.22).

Policy GD2 Alterations & Extensions

- 6.14 This is a development management policy that does not impact on the delivery of the Local Plan.

Policy GD3 Shop fronts, signs & advertisements

- 6.15 This is a development management policy that does not impact on the delivery of the Local Plan.

Development Management Policies - Housing

Policy H1 Affordable Housing

- 6.16 This policy has been updated to seek 10% rather than 20% affordable housing on brownfield sites:

Residential development proposals will be required to make affordable housing provision as follows:

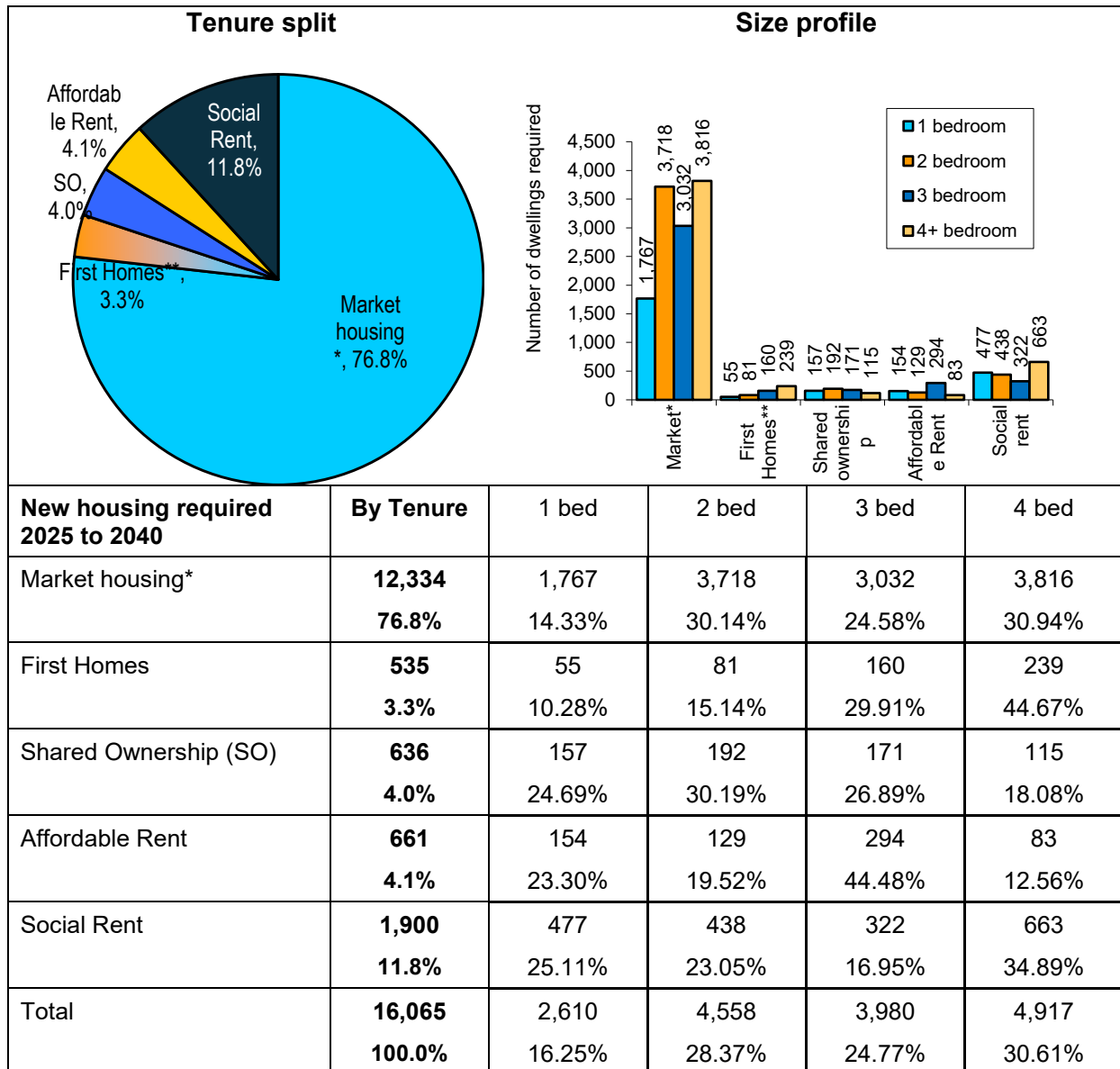
- i. on sites of 10 or more dwellings on previously developed land, 10% of the total dwellings will be in the form of affordable housing; and*
- ii. on sites of 10 or more on greenfield land, 30% of the total dwellings will be in the form of affordable housing.*

- 6.17 The policy does not specify a particular tenure mix, rather seeking:

The Council will seek an appropriate tenure mix of affordable housing to include social rented, affordable rent, intermediate rent, shared ownership affordable units and affordable home ownership tenures in line with the identified needs of the area.

- 6.18 In the 2024 WPVA, an affordable housing mix of 10% AHO and 25% of affordable homes to be First Homes (30% discount) and the balance of AHO as shared ownership. The balance as Affordable Rent.
- 6.19 Bearing in mind the dropping of the requirements for 10% AHO and First Homes the mix has been updated. The *Swale Local Housing Market Assessment Update* (HDH, May 2026) is being finalised. This includes the following mix:

Figure 8.1 Requirement for all new housing in Swale over the plan-period



*Market housing includes both owner-occupied and private rented. These figures represent the distribution of housing that should be delivered. Source: Standard Method modelling based on ONS 2022 household and population projections, Census trend data and affordability assessment

- 6.20 In discussion with the Council, the tenure mix has been updated to 30% Affordable Home Ownership, 30% Social Rent, 40% Affordable Rent. This change is reflected in the updated appraisals towards the end of this note. The unit size mix is also updated to reflect the updated analysis.

Policy H2 Small and medium sites for housing development

- 6.21 This policy has as a number of specific requirements (e.g. to provide 20% BNG) however these are covered elsewhere, under specific policies so it does not introduce standards over and above Building Regulations or those covered elsewhere in the WPVA. No additional costs are attributed to these requirements.

Policy H3 Rural exception and community-led housing development

- 6.22 This is an enabling policy that does not impact on the delivery of the Local Plan.

Policy H4 Self-build and custom build

- 6.23 Self-build and custom build were considered in the 2024 WPVA (paragraph 10.53), however, at that time, the Council was not planning to introduce such a requirement. This new policy seeks:

Sites of 20 or more homes will provide at least 5% serviced plots for sale to self-builders. In rural areas and settlements as defined via a Proposals Map, which will be available in later stages of the Local Plan, the threshold for providing self-build will be 10 homes and the percentage of provision should be rounded up to the nearest unit.

- 6.24 The impact of this new policy is considered towards the end of this note.

Policy H5 Park Homes

- 6.25 This is a development management policy that does not impact on the delivery of the Local Plan.

Policy H6 Gypsy, Traveller & Travelling Showpeople Accommodation

- 6.26 This is an enabling and development management policy that does not impact on viability.

Policy H7 Dwellings for rural workers

- 6.27 This is an enabling and development management policy that does not impact on viability.

Policy H8 Extensions to, & the replacement of, dwellings in the countryside

- 6.28 This is an enabling and development management policy that does not impact on viability.

Policy H9 Extending the garden of a dwelling in the countryside

- 6.29 This is a development management policy that does not impact on viability.

Development Management Policies - Economic Development

Policy E1 Loss of employment floorspace & land

- 6.30 This is a development management policy that does not impact on the delivery of the Local Plan.

Policy E2 The Rural Economy

- 6.31 This is an enabling and development management policy that does not impact on viability. Whilst it does include some specific requirements, these are covered under other policies considered elsewhere.

Policy E3 Proposals for Main Town Centre Uses

- 6.32 This is an enabling and development management policy that does not impact on viability.

Policy E4 New Holiday Parks or extensions to existing parks & the occupancy of holiday parks

- 6.33 This is an enabling and development management policy that does not impact on viability. Whilst it does include some specific requirements, these are covered under other policies considered elsewhere.

Development Management Policies - Infrastructure

Policy INF1 Managing transport demand & impact

- 6.34 This is a critical policy in relation to the delivery of development. It includes a requirement for a Transport Statement or Transport Assessment. It goes on to set out the detail of what is required. The preparation of a Transport Statement or Transport Assessment is a normal requirement and would be covered in the general allowances for fees. This was considered in the 2024 WPVA (paragraph 8.77).
- 6.35 It is assumed that any mitigation requirements are covered under the payments set out under the wider s106 assumptions.
- 6.36 The policy goes on to seek 'broadband / connected communities infrastructure'. This became a requirement of Part R of Building Regulations²² in 2022 so is a national requirement that does not add to the normal cost of development.

Policy INF2 Vehicle parking

- 6.37 It is understood that the Council has taken the requirement for carparking into account when establishing the potential capacity of the allocations in the draft Local Plan, to there is no impact on development viability.

²² [New build connectivity: information for developers - GOV.UK](https://www.gov.uk/building-regulations-2022/part-r)

- 6.38 Much of the policy relates to EV charging with is a requirement of Part S of Building Regulations²³. This is a national requirement that does not add to the normal cost of development over and above the costs included under the climate change policies below.

Policy INF3 Open space, sport and recreation provision

- 6.39 The requirements for openspace are unchanged.

Policy INF4 Local Green Spaces

- 6.40 This is a development management policy that does not impact on the delivery of the Local Plan.

Development Management Policies - Climate Change, Pollution & The Water Environment

Policy C1 Sustainable design and adaptation principles

- 6.41 This is a non-specific policy that amongst other things requires that '*all new developments must minimise their carbon footprint and energy impact through sustainable design and construction practices*'. It is assumed that compliance with Policy C2 below is sufficient to be policy compliant in this regard.
- 6.42 The policy requires several specific reports including (eg Climate, Energy and Waste Statement; Evidence of following TCPA's Healthy Homes Principles; Compliance with a cooling hierarchy; Overheating Assessment (major development only); elsewhere, several further reports are sought (e.g. Emissions Mitigation Assessment (also known as a Damage Cost Calculation); Arboriculture Survey: etc.).
- 6.43 Initially, in the 2024 WPVA (paragraph 7.24), for residential and non-residential development, professional fees were assumed to amount to 8% of build costs to include cost of preparing the planning application and land promotion. Separate, additional, allowances were made for planning fees, acquisition, sales and fees. This assumption was subsequently increased, as a result of the technical consultation, to 10%. The reporting requirements go well beyond the norm.
- 6.44 The policy goes on to require that water conservation and storage measures should also be integrated into designs. This is a general policy and interventions could vary from the provision of a water butt, to rainwater harvesting. The cost of rainwater harvesting was tested in the 2024 WPVA (paragraph 8.117) but at that stage was not carried forward into the suggested policy mix.
- 6.45 There are few published costs for rainwater harvesting, although figures of £2,000 to £3,000 are sometimes quoted. The provision of rainwater harvesting requires the capture of rainfall.

²³ [Infrastructure for charging electric vehicles: Approved Document S - GOV.UK](#)

This is normally done through an underground tank. A second cold water system is then installed. As this is not at 'mains' pressure, this normally utilises a pump and pressure cylinder.

- 6.46 The requirements of this policy is assumed to be met through the provision of a water butt or similar low cost solution. A £50 per unit cost is now reflected in the updated appraisals towards the end of this note.

Policy C2 Net zero operational carbon in new build residential development

- 6.47 This is a detailed policy that seeks new development to be to a net zero operational standard.
- 6.48 Moving beyond national standards was considered in the 2024 WPVA. Since then the Government has confirmed that the Future Homes Standard will be mandated through Building Regulations in March 2027.
- 6.49 In the 2024 WPVA, the cost of Zero Carbon was assumed to add 8% to the costs of residential construction and this was taken to be the base assumption. In line with advice from the Council's consultants, Bioregional, this assumptions has been updated to plus 6% for houses and plus 5% for flats. In addition, 0.7% is allowed to recognise that the BCIS costs do not yet fully reflect the costs of the 2021 changes to Part L of Building Regulations.
- 6.50 The policy is expressed using non-standard metrics (i.e. rather than Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP) as referred to in the 2023 Ministerial Statement), requires reference to Microgeneration Certification Scheme, smart energy systems and post-occupancy evaluation. The professional fees assumption has been increased by 1% to 11% of the build cost (see also Policy C1 above) in this regard.

Policy C3 Net zero operational carbon in new build non-domestic development

- 6.51 The costs of the policy requirements were considered in the 2024 WPVA.

Policy C4 Embodied carbon and waste

- 6.52 The costs of embodied carbon policies were not considered in the 2024 WPVA. The Council's climate change consultants (Bioregional) have advised with regard to the costs of such policies.
- 6.53 The policy to limits embodied carbon to 600 kgCO₂e/m² GIA. This requirement broadly aligns with typical net zero design.

Table 6.1 Embodied Carbon by Architype

Variant	Part L 2021	Net zero operational energy (NZE)	NZE with reduced embodied carbon specification 1	NZE with reduced embodied carbon specification 2	Best practice retrofit
Houses	599	606	223	237	142
Low rise flats	412	492	224	362	95
Retail	331	340	164	245	74
Primary school	419	514	292	358	138
Offices	500	543	231	428	80
Warehouse	374	415	261	377	114

Source: SO & VoWH Joint Local Plan: Net Zero Carbon Study (Bioregional, December 2023)

- 6.54 The bulk of this policy concerns reporting rather than making changes to the project design. The costs of reporting are assumed to be within the uplifted fee assumption set out above.

Policy C5 Renewable energy development and infrastructure

- 6.55 This is an enabling and development management policy that does not impact on viability.

Policy C6 Coastal Change Management

- 6.56 This is development management policy that does not impact on viability.

Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy

- 6.57 Birdwise and open space requirements were considered in the 2024 WPVA. The policy has been widened somewhat, with mitigation rates now including:

Flood Zone 2 and 3 zone rate: £500/dwelling

£20/sq m for all other buildings up to a cap of £10,000 at which point it reduces to £4/sq m for every further square meter

and/or

Isle of Sheppey rate: £100/dwelling

£4/sqm for all other buildings up to a cap of £2,000 at which point it reduces to £2/sq m for every further square meter

Sites on the Isle of Sheppey, within flood zone 2 or 3 will be required to pay both rates.

- 6.58 It is important to note that only 9 out of 47 of the residential allocations and 5 out of 18 potential non-residential allocations- are within Flood Zones 2 and 3. For the purpose of this assessment, these payments are assumed to be within the wider infrastructure and mitigation cost assumptions.

Policy C8 Flood risk

- 6.59 This is a development management policy that seeks to direct development away from flood risk areas. It does not impact directly on viability.

Policy C9 Sustainable Drainage

- 6.60 The requirements for SUDS were considered in the 2024 WPVA. The assumptions are unchanged and are reflected in the updated appraisals towards the end of this note.

Policy C10 Water quality and Water Resources

- 6.61 This is a development management policy that does not impact directly on viability, except with regard to water usage setting out a requirement for a minimum water efficiency of 100 litres per person per. This was not a considered in the 2024 WPVA.

- 6.62 *Water Ready – A report to inform HM Government’s roadmap for water efficient new homes* (Future Homes Hub, April 2024)²⁴, sets out the following costs:

- a. 100 LPPPD £350 per dwelling.
- b. 90 LPPPD £2,000 per dwelling.

- 6.63 The requirement for a minimum water efficiency of 100 litres per person per (at £350 per unit) are now reflected in the updated appraisals towards the end of this note.

Policy C11 Air Quality

- 6.64 This is a development management policy that does not impact directly on viability.

Policy C12 Pollution & Land Instability

- 6.65 This is a development management policy that does not impact directly on viability

Development Management Policies - Biodiversity and Landscapes

Policy B1 Biodiversity & geodiversity conservation & BNG 134

- 6.66 The policy seeks 20% BNG (rather than the 10% required nationally). This was considered in the 2024 WPVA (paragraph 8.97).
- 6.67 The assumptions are unchanged and are reflected in the updated appraisals towards the end of this note.

²⁴ [Water Ready A report to inform HM Government-s roadmap for water efficient new homes.pdf \(cdn-website.com\)](#)

Policy B2 Conserving & enhancing valued landscapes; Policy B3 Kent Downs National Landscape Management Plan; Policy B4 The separation of settlements – Important Local Countryside Gaps; Policy B5 Woodland, orchards, trees and hedgerows; Policy B6 Agricultural land; Policy B7 The Coast; Policy B8 Rural Lanes; Policy B9 The keeping & grazing of horses

- 6.68 These development management policies do not impact directly on viability.

Development Management Policies - Historic Environment

Policy HE1 Development involving Listed Buildings; Policy HE2 Development affecting a Conservation Area; Policy HE3 Parks & gardens; Policy HE4 Non-designated Heritage Assets; Policy HE5 Archaeology

- 6.69 These development management policies do not impact directly on viability.

Implementation & Monitoring

- 6.70 This part of the draft plan does not impact directly on viability.

7. Regulation 18 Responses

- 7.1 The comments made through the formal Regulation 18 consultation have been reviewed. Many of the comments made that mentioned viability or concerned the need to consider viability, or the need to update the 2024 WPVA, rather than make comments about the specifics of the 2024 WPVA. Only those comments that specifically concern the 2024 WPVA are reviewed below.

Richard Butler for Vistry

- 7.2 Questioned whether all key issues have been taken into consideration. This Update Note considers the cumulative impact of the policies in the draft Local Plan, together with national policy.

- 7.3 The assumption with regard to the costs of strategic infrastructure and mitigation are based on the most recent information available from the Council.

NHS property Services Ltd

- 7.4 Further consideration should be given to developer contributions. The assumptions used in this Update Note are based on the most up to date information – however sensitivity testing has been carried out.

Cameron Chapman of DHA Planning for Malro Homes

- 7.5 Commented as follows:

We are concerned that viability on Sheppey remains a very significant concern and ask that an appropriate viability assessment is undertaken.

- 7.6 Whilst this is noted, no viability specific comments were made. The Isle of Sheppey is treated as a distinct sub-area within the 2024 WPVA and in this Update Note.

- 7.7 Concern was raised on connection with TCPA Healthy Homes Principles (HHP) and the provision of M4(2) and M4(3) dwellings. These requirements are considered in Chapter 2 and Chapter 6 above. The draft Local Plan does not seek the provision of M4(2) and M4(3) dwellings, however 40% M4(2) is included as per the Draft NPPF.

- 7.8 Concern is raised over the requirements for 20% BNG and the potential impact on the delivery of affordable housing. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

D Lawrence of DHA Planning for Sheppey Gateway Ltd

- 7.9 Concern was raised on connection with TCPA Healthy Homes Principles (HHP) and the provision of M4(2) and M4(3) dwellings. These requirements are considered in Chapter 2 and

Chapter 6 above. The draft Local Plan does not seek the provision of M4(2) and M4(3) dwellings, however 40% M4(2) is included as per the Draft NPPF.

- 7.10 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

G Filmer of DHA Planning for Fernham Homes

- 7.11 Concern was raised on connection with TCPA Healthy Homes Principles (HHP) and the provision of M4(2) and M4(3) dwellings. These requirements are considered in Chapter 2 and Chapter 6 above. The draft Local Plan does not seek the provision of M4(2) and M4(3) dwellings, however 40% M4(2) is included as per the Draft NPPF.
- 7.12 The importance of flexibility within the affordable housing tenure mix was raised. This is noted and is tested in the appraisals at the end of this Update Note.
- 7.13 Concern was raised about 'being required to provide extensive evidence'. The fees assumption in this Update is 11% which is well above the more widely used assumption of 8%.
- 7.14 Concern is raised over the net-zero / climate change policies. The modelling in this regard has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.15 Concern is expressed over the requirement for the water use standards of 100 LPPPD. As set out in Chapter 6 above, this was not considered in the 2024 WPVA. This requirement is now tested.
- 7.16 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

CPRE Kent

- 7.17 It is highlighted that the requirements for affordable housing in Faversham is less than the 35% in the adopted neighbourhood plan. More affordable housing for rent should be sought. The policy is informed by the viability evidence, which is updated in this regard in the Update Note.

Peter Court of Petter Court Associates for various clients

- 7.18 Whilst the 10% affordable housing requirements on brownfield sites is supported, it is suggested that the 30% on greenfield sites may be over-optimistic. This is informed by the viability evidence, which has been updated in this regard.

Faversham Community Land Trust

- 7.19 A range of comments are made with regard the affordable housing, including the difference between Affordable Rent and Social Rent.
- 7.20 The Council has updated the affordable housing mix, including an element of Social Rent. This Update Note considers the impact of this.

Five Parishes Opposition Group

- 7.21 It is suggested that the affordable housing requirements of 30% is too low. This is informed by the viability evidence, which has been updated in this regard in this Update Note.

The Planning Bureau for McCarthy Stone

THIS IS A LONG AND DETAILED REP THAT WE HAVE NOT BEEN THROUGH POINT BY POINT

- 7.22 It is suggested that separate affordable housing targets should be set for specialist older peoples housing.
- 7.23 The Council does not consider this to be proportionate as the PPG (paragraph 10-008-20190509) specifically anticipates that viability will be considered for 'housing for older people' at the development management stage.

CHECK IF APPENDIX 18 OF THE 2024 WPVA IS MISSING – SBC SUGGEST NOT...

- 7.24 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Charles Glover-Short of Southern Housing

- 7.25 The importance of viability testing is highlighted. The 2024 WPVA tested the cumulative impact of the Council's emerging policies. The analysis is refreshed in this Update Note.
- 7.26 Concern is raised over the net-zero / climate change policies. The modelling in this regard has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.27 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Bashford for Quinn Estates

- 7.28 It is suggested that the viability evidence is out of date – in part because it does not reflect the Council's approach to s106 contributions. This Update Note refreshes the 2024 WPVA. It includes sensitivity testing of developer contributions.
- 7.29 They also noted that the 2024 WPVA does not consider all the policies on the Draft Plan. This is agreed, as set out in Chapter 6 above the new requirements are now tested – see Chapter 6 above.
- 7.30 The affordable housing requirement should be 25% rather than 30%. The viability evidence is refreshed in this Update Note.
- 7.31 Concern is raised over the net-zero / climate change policies. The modelling in this regard has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.32 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

E Bonthron of Esquire Developments and Kent SME Network

- 7.33 A combination of an increase in construction costs, inflation rates, landowner expectations, BNG credit costs, as well as uncompetitive offers from Registered Providers impacts on viability.
- 7.34 This is agreed. The 2024 WPVA tested the cumulative impact of the Council's emerging policies. The analysis is refreshed in this Update Note.
- 7.35 **Payments in lieu of on-site provision of affordable housing should be quantified. This was not included in the 2024 WPVA, but is included at the end of this Update Note.**
- 7.36 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.
- 7.37 Concern is raised over the requirements for self and custom build plots. As set out in Chapter 6 above, the impact of this policy is considered later in this Update.
- 7.38 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

David Churchill of Carter Jonas for Shapton Capital

- 7.39 Suggest 30% affordable housing is not supported by the 2024 WPVA. This comment makes reference to the strategic sites, most of which are not being carried forward into the new Local Plan. This is informed by the viability evidence, which has been updated in this regard in this Update Note.
- 7.40 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.41 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Sarah Muteham for Boughton under Blean Parish Council

- 7.42 The flat rate of 30% affordable housing is challenged. This is informed by the viability evidence, which has been updated in this regard in this Update Note.

M Behrendt of the Home Builders Federation

- 7.43 It is suggested that 30% affordable housing may be challenging on some greenfield sites – particularly on some allocations.. No technical evidence was submitted to support this. It is through that this comment makes reference to the strategic sites, most of which are not being carried forward into the new Local Plan.
- 7.44 Concern is raised over the requirements for self and custom build plots. As set out in Chapter 6 above, the impact of this policy is considered later in this Update
- 7.45 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.46 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Sally Furminger of Lichfields for Taylor Wimpey

- 7.47 It is suggested that the 2024 WPVA should be updated to include all the policies in the draft Local Plan. This Update Note refreshes the 2024 WPVA. The Draft Local Plan includes policies that were not in the earlier iterations. As set out in Chapter 6 above the new requirements are now tested – see Chapter 6 above.

- 7.48 The requirements that go above national standards will impact on viability. This is agreed and these are subject to viability testing in this Update Note.
- 7.49 The housing mix should be updated in the viability evidence. This is agreed and these are subject to viability testing in this Update Note.
- 7.50 Concern is raised over the requirements for self and custom build plots. As set out in Chapter 6 above, the impact of this policy is considered later in this Update.
- 7.51 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.52 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

P Atkin of Pegasus for Prudential Assurance Co. Ltd

- 7.53 It was suggested that the affordable housing requirements may be challenging. No technical evidence was submitted to support this. The viability evidence is refreshed in the Update Note.
- 7.54 Concern is raised over the requirements for self and custom build plots. As set out in Chapter 6 above, the impact of this policy is considered later in this Update.
- 7.55 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Sarah Moakes

- 7.56 The current multi-tiered policy should be maintained. The draft policy is informed by the viability evidence, which has been updated in this regard in this Update Note.

R England of WSP for Homes England

- 7.57 They note:

Whole Plan Viability Assessment (2023) assumes the large brownfield typology in the Isle of Sheppey is viable at 10% affordable housing, based on minimum developer contributions (Figure 10.10b) and 5% based on maximum developer contributions (Figure 10.10c).

This is based on standardised abnormal costs and does not account for site specific inputs for strategic infrastructure and mitigation associated with bringing forward the Q&R site. Given the extent of early infrastructure investment, enabling works undertaken by Homes England and associated costs we recommend that a site specific policy criterion is included, based on an up

to figure of 10% affordable housing provision; subject to viability testing, to ensure the site is viable and deliverable.

- 7.58 No site-specific details were provided.
- 7.59 The viability testing the 2024 WPVA and this Update Note is based on typologies (as per paragraph 10-012-20180724 of the PPG), although the South East of Faversham and West of Bobbing Village are tested individually. It is necessary to make high level assumptions in a plan-wide viability assessment.

Ian Warner of Tetlow King for Palm Developments

- 7.60 It is noted that the costs of development have changed. This is agreed and these are subject to viability testing in this Update Note.
- 7.61 It is suggested that the consideration of specialist Older Peoples Housing is too narrow. Whilst this is noted, the assessment has been informed by the representations made and a review of market evidence as per the PPG. Further, as the PPG (paragraph 10-008-20190509) specifically anticipates that viability will be considered for 'housing for older people' at the development management stage, the approach taken is proportionate.
- 7.62 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.63 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.
- 7.64 Concern is expressed over the requirement for the water use standards of 100 LPPPD. As set out in Chapter 6 above, this was not considered in the 2024 WPVA. This requirement is now tested.

T Whipps of LRM Planning for W.T. Lamb Holdings Ltd

- 7.65 It is suggested that setting the affordable housing requirements by the predominant land use (ie greenfield or brownfield) is overly simplistic and a more nuanced approach should be taken. Whilst this is noted, most of the allocations are either greenfield or brownfield rather than being mixed use. The approach taken is considered proportionate.
- 7.66 Concern is raised over the requirements for self and custom build plots. As set out in Chapter 6 above, the impact of this policy is considered later in this Update.
- 7.67 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

- 7.68 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

A Payne of DHA Planning for Cantium Land

- 7.69 They say ‘... the application of 20% BNG to small and medium sites has the potential to make the delivery of site unviable particularly as it may be difficult to incorporate a 20% BNG onsite...’.

- 7.70 It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Emily Comber of Croudace Homes

- 7.71 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

- 7.72 Concern is raised over the requirements for self and custom build plots. As set out in Chapter 6 above, the impact of this policy is considered later in this Update.

- 7.73 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

Georgina Wise of Gladman Developments

- 7.74 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Ivy Planning for AC Goatham & Sons Ltd

- 7.75 Concern is raised over the requirements for 20% BNG and the potential impact on the delivery of affordable housing. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

John Collins of DHA Planning for a landowner in Doddington.

- 7.76 Concern is raised over the requirements for 20% BNG, particularly on Sheerness and in the context of delivering affordable housing. It is understood that the requirements for 20% BNG

has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Matt Porter of DHA Planning for Frogna Properties Ltd

- 7.77 Concern is raised over the requirements for 20% BNG, particularly on small and medium sites. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

A Day of DHA Planning for Pentland Homes

- 7.78 Concern is raised over the requirements for 20% BNG. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.
- 7.79 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).
- 7.80 Concern is expressed over the requirement for the water use standards of 100 LPPPD. As set out in Chapter 6 above, this was not considered in the 2024 WPVA. This requirement is now tested.

A Payne of DHA Planning for EH Nicholls Ltd

- 7.81 Concern is raised over the requirements for 20% BNG, particularly on small and medium sites. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Kent County Council

- 7.82 Kent County Council made wide ranging comments concerning the provision of infrastructure and for the need to appropriate mitigation. The modelling in this Update is as agreed with SBC and set out in Chapter 6 above.
- 7.83 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

L Sinden of DHA Planning for Persimmon Homes

- 7.84 Concern is raised over the net-zero / climate change policies. The modelling in this regard has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

- 7.85 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Dunkirk Parish Council

- 7.86 Concern is raised over the net-zero / climate change policies. The modelling in this regard has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

Mollie Lay of Finn's

- 7.87 Concern is raised over the net-zero / climate change policies. The modelling in this regard has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

- 7.88 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

Maidstone Borough Council

- 7.89 Concern is raised over the net-zero / climate change policies. The modelling in this regard has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

- 7.90 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

C Leckie of Savills for the owners of Land at Old Ferry Road, Iwade

- 7.91 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

- 7.92 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

GHA Barnes of Shepherd Neame

- 7.93 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

Rachel Harrison for Peel Land and Peel Ports

- 7.94 Concern is raised over the net-zero / climate change policies. The modelling in this regard (including fees for the various assessments) has been updated as set out in Chapter 6 above (as advised by the Councils climate change consultants, Bioregional).

Iceni Projects for Owners of Lamberhurst Farm

- 7.95 Concern is raised over the requirements for 20% BNG and the potential impact on viability. It is understood that the requirements for 20% BNG has been taken into account when establishing site capacity by the Council. The updated appraisals towards the end of this Note include the requirements for 20% BNG.

8. Strategic Sites

- 8.1 At the time of the 2024 WPVA, the Council had not formally identified the Strategic Sites. 13 possible options were tested:

Table 8.1 2024 Potential Strategic Sites –

		Units	Area Ha
South and West of Iwade (Site B)	Iwade	1,381	65.760
West of Bobbing village	Bobbing	4,173	198.720
Land at Stickfast Lane	Bobbing	2,411	114.820
Fax Farm	Dunkirk	1,201	57.210
Winterbourne Fields	Dunkirk	1,742	82.960
SE Faversham	Faversham SE	2,745	130.720
East of Faversham Expansion	Faversham E	2,665	126.890
Iwade - Solar Farm	Iwade	2,873	136.790
Rushenden South	IoS Sheerness	3,130	149.040
South East Sittingbourne	Sittingbourne SE	16,814	800.690
Land at South-West Minster	IoS Minster-on-Sea	2,235	106.430
Ashford Road, North Street	Faversham S	6,490	309.040
Between A2 Bapchild and Northern Relief Road	Bapchild	1,925	91.680

Source: SBC (April 2024)

- 8.2 Of these, two are being taken into the new Local Plan and are modelled in this Update Note. Both the sites are well progressed through the development management process:

South East Faversham SHELAA/114

- 8.3 This site is subject to a Resolution to Grant. The scheme is for 2,500 homes (approximately 40% affordable homes). The application includes a detailed planning application of for 261 homes with 92 affordable housing units, 54,000sqm of employment space (including 3,021sqm local retail centre), the remaining 51,000sqm – likely to be 15% local centres retail, 85% warehouse.
- 8.4 Based on the committee report the costs of strategic infrastructure and mitigation of just under £44,000,000 plus the provision of a 3FE primary school (with nursery). The cost of the 3FE primary school is estimated at £16,000,000 (based on 690 places at £22,890 per place²⁵). A total cost strategic infrastructure and mitigation of about £24,000 per unit is assumed.

²⁵ *National School Delivery Cost Benchmarking Primary, Secondary & SEN Schools (A national cost benchmarking study undertaken by Hampshire County Council in conjunction with East Riding of Yorkshire Council and the Department for Education (June 2025)*

Land west of existing Bobbing Village SHELAA/012

- 8.5 An outline application as been submitted. A decision on the scheme has been deferred, but is anticipated shortly. The application is for. all matters reserved except for means of access, for a mixed use development comprising up to 2,500 dwellings, a 5.21 ha commercial employment zone including doctors' surgery, a 4.35 ha sports hub (and sports pitches), 3FE primary school, community facilities, local retail provision, public open space, children's play areas and associated parking, servicing, utilities, footpath and cycle links, drainage, ground and other infrastructure.
- 8.6 The committee report sets out the costs of strategic infrastructure and mitigation of just under £58,000,000. This is about £23,300 per unit.

9. Findings and Conclusions

- 9.1 HDH Planning & Development Ltd produced the 2024 WPVA. The study was commissioned to support the development of the Local Plan. The report was undertaken in line with the requirements set out in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG).
- 9.2 Since the earlier evidence was collected, the costs and the values, being the main inputs into a viability assessment, have changed and several changes have been made to national policy. The Council has also refined some of the policies in the draft Local Plan. This note considers how these changes may impact on viability.
- 9.3 The costs of construction has increased since the 2024 WPVA was undertaken, however the value of newbuild housing is largely unchanged. The Land Registry's latest data suggests that the average newbuild sale price has increased by about 9.7% over the last 2 years in the Council area. However analysis of the price paid data suggests that the price of newbuild homes is largely unchanged, as does the analysis of newbuild asking prices.
- 9.4 The BCIS suggests that build costs have increased by 3.8% since 2024, being more than the increase in values, suggesting, all other things being equal, that viability has worsened since 2024.
- 9.5 House price forecasts and build costs forecasts suggest that, going forward, house prices are likely to increase at a broadly similar rate to that of build costs.

Updated Policy-on Appraisals

- 9.6 Paragraphs 10.47 to 10.49 of the 2024 WPVA considered the impact of changes in costs and values on the preferred set of policies, based on further appraisals that were summarised in Appendix 17 of that report. This analysis is now repeated. As set out in the preceding chapters above, there have been a number of changes to national policy and to the draft Local Plan since the 2024 WPVA was completed. The following adjustments are made in the fresh appraisals:
- a) The value of housing is unchanged, however an updated value of £1,400 per sqm is used for Social Rent (the Affordable Rent assumption is unchanged).
 - b) The construction costs are increased to the latest BCIS costs.
 - c) The affordable housing mix has been updated, in discussion with the Council, to 30% Affordable Home Ownership (as Shared Ownership), 30% Social Rent, and 40% Affordable Rent.
 - d) The unit size mix is also updated to reflect the Council's updated Housing Market Assessment. (The requirements for 95% of units to be to the M4(2) Accessible and Adaptable standard and the remaining 5% of dwellings to be to M4(3) Wheelchair Adaptable standard is carried forward unchanged).

- e) The common areas in flatted development have been increased to allow for second staircases.
 - f) The Net Zero cost assumption has been updated to the BCIS costs plus 6.7% to the costs of construction of houses and to the BCIS plus 5.7% to the costs of flats. The professional fees are increased by 1% to allow for the use of the non-standard reporting and further supporting reports (e.g. with regard to embodied carbon).
 - g) The requirements for some rainwater harvesting (£50 per unit) are included to allow for water butts.
 - h) The requirement for a minimum water efficiency of 100 litres per person per (£350 per unit) are included.
 - i) The modelling of the Strategic Sites has been updated as per Table 8.2 above, including the updated estimates of strategic infrastructure taken from the committee reports.
 - j) For the typologies, an all-inclusive s106 cost for strategic infrastructure and mitigation of £11,000 per unit to include Medway Estuary & Swale Coastal Risk Management Strategy, but additional allowances are made for Birdwise (£324 per unit) and Open space (£593 per unit) is assumed. This is unchanged.
 - k) The Building Safety Levy has been added at £15.86 per sqm for brownfield land and £31.72 per sqm for greenfield land and would apply to major development.
 - l) The updated national planning application fees are applied.
- 9.7 The updated appraisal results are summarised in **Appendix 4** below. These results are directly comparable with those included in Appendix 17 of the 2024 WPVA.
- 9.8 As the provision of affordable housing is one of the main policy costs, additionally, a further set of appraisals is run with the overall policy requirements as per the Local Plan (30% on greenfield and 10% on brownfield), where the tenure mix includes 30% AHO, but the Social Rent / Affordable Rent is varied. The results are summarised in **Appendix 5** below
- 9.9 The results are broadly similar to those in 2024.
- a) Most greenfield typologies derive a Residual Value that is in excess of the Benchmark land Value, indicating that such development is likely to be viable.
 - b) As in 2024 not all the brownfield typologies generate a Residual Value that is in excess of the BLV, suggesting that brownfield sites are unlikely to be viable. Having said this, the analysis in Appendix 5 shows that adjusting the affordable housing tenure mix, to reduce the proportion of Social Rent and increase the proportion of Affordable Rent has a significant impact on the Residual Value and is a way to improve viability without reducing the overall affordable housing requirements. The Council should be flexible in the tenure mix of affordable housing sought (the tenure mix is not specified in the Draft policy).

- c) The flatted typologies are unlikely to be viable across the Borough, in each case deriving a Residual Value that is not only below the BLV, but negative. The Council does not rely on flatted development within its housing trajectory to deliver housing.
- d) Neither of the Strategic Sites derive a Residual Value that is more than the BLV. This is often the case with high level modelling in plan-wide viability testing. As set in the 2024 WPVA, the delivery of any large site is challenging. Both of the sites are well progressed through the development management process, and the Council anticipates that broadly policy compliant schemes will be approved shortly.

The Strategic Sites are modelled on the basis that a site is acquired by the developer in a single tranche at the start of the project. Such a scenario is relatively unlikely on very large sites, where the site is typically purchased in phases. Such an approach benefits the developer in terms of cashflow and this will have a material impact on viability.

It is recommended that that the Council continues to engage with the owners of Strategic Sites in line with the advice set out in the Harman Guidance.

- 9.10 Based on the above results, and comments, the Council can continue to confident that the development in the Local Plan will be deliverable, and that 2024 WPVA, subject to this Update Note, can be relied on. In the 2024 WPVA it was advised that the Council should be cautious in relying on brownfield sites in the housing trajectory, as the delivery of these is likely to continue to be challenging. It will be necessary to have regard to the progress of brownfield sites through the development management process and / or commitments from site promoters. This advice remains.

Commuted Sums and Payments in Lieu of Affordable Housing

- 9.11 Through the Regulation 18 Consultation, it was suggested that commuted sums in lieu of on-site provision of affordable housing should be quantified. SBC's preference is for affordable housing to be delivered on-site. This approach is in line with Paragraph 64 of the NPPF that says:

Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required (including the minimum proportion of Social Rent homes required), and expect it to be met on-site unless:

- a) *off-site provision or an appropriate financial contribution in lieu can be robustly justified; and*
- b) *the agreed approach contributes to the objective of creating mixed and balanced communities.*

- 9.12 Some councils set out guidance as to how a commuted sum would be calculated so as to provide transparency, and to avoid the undue delays that might arise during s106 negotiations if details of a payment had to be developed from first principles on each occasion. The following analysis provides a basis for calculating the commuted sum.

- 9.13 An approach to the calculation is based on the difference in the Residual Value of the development site with and without affordable housing, so is the cost of the contribution that the developer would have made if an on-site affordable contribution were delivered.
- 9.14 The calculation works as follows:
- Estimate the value of the site with 100% market housing.
 - Estimate the Residual Value of the site with the target level (10% / 30%) of affordable housing.
- 9.15 The difference between (a) and (b) is the reduction in site value due to the affordable housing policy contribution. This is set out in **Appendix 6**.
- 9.16 Taking the appraisal for Site 15, in the Sittingbourne and West SBC area as an example. The Residual Value when subject to 30% affordable housing is £446,252 and without affordable housing it is £1,151,784. The difference is £705,503 (£1,151,784 – £446,252). £705,503 divided by 90 affordable units (30% of 30) is £78,392 per unit (£705,531 ÷ 9).
- 9.17 The calculated contributions across the typologies vary, but the average is about £78,500 per affordable unit not provided on-site.
- 9.18 Paragraph 64 of the NPPF is clear that off-site provision or financial contribution in lieu is allowed where it *'can be robustly justified'*. On this basis, the above calculations provide a sound basis for determining a commuted sum figure. There are two alternatives open to the Council. The first is to work to a published standard commuted sum payment. If SBC were to take this option, a £78,500 payment per affordable unit not delivered on-site would be appropriate.
- 9.19 This opportunity is taken to highlight a weakness in the approach set out above. It is assumed that the scheme with and without affordable housing is the same scheme in terms of housing mix, type and form. As set out in Chapter 6 above, the housing mix to meet local need varies across the tenures. This nuance is not reflected in the approach set out above.
- 9.20 The Council is currently preparing a new Local Plan. This document will be long lived and is likely to be in place across several economic cycles. It is therefore suggested that separate guidance is prepared setting out the amount of the payment, and to allow a simple review should viability change.
- 9.21 Alternatively, the Council may prefer to calculate the commuted sum scheme-by-scheme as it does now. This has the advantage of being an up-to-date figure, but the disadvantage of a lack of clarity for developers. The methodology used is to assess the Open Market Value of the units that would be affordable units, and then deduct from that the amount that a housing association would pay for those units as affordable units – the difference being the commuted sum.

Self and Custom Build

- 9.22 At the time of the 2024 the Council was not planning to introduce a self and custom build policy. The draft Local Plan now includes a requirement that on 'sites of 20 or more homes will provide at least 5% serviced plots for sale to self-builders. In rural areas and settlements as defined via a Proposals Map, which will be available in later stages of the Local Plan, the threshold for providing self- build will be 10 homes and the percentage of provision should be rounded up to the nearest unit.
- 9.23 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. The developer's return per market house is generally in the £60,000 to £75,000 range.
- 9.24 There are a few serviced development sites being publicly marketed in the area at the time of this report. Having made enquiries with local agents, the general consensus is that reasonably sized, and well serviced, single plots are likely to fetch in excess £100,000 in the current market, although the price for larger plots, with land for gardens and appropriate for larger family homes are likely to achieve a price that is significantly more.
- 9.25 The modelling in this viability update is based on at least 30 units per net ha with allowance for open space. On this basis, a self-build plot is likely to be about 0.03ha or so. A conservative plot price of £100,000 would lead to a land value of over £3,000,000/ha. This is substantially above the BLV and allows scope for the services to be laid on to the plot or plots. It is also well above the developer's return that would be forgone from developing the unit.
- 9.26 Based on the above analysis it is unlikely that a requirement for self-build plots will adversely impact on viability.

Conclusion

- 9.27 Based on the analysis in this Update Note, the Council can continue to confident that the development in the Local Plan will be deliverable, and that 2024 WPVA, subject to this Update Note, can be relied on. In the 2024 WPVA it was advised that the Council should be cautious in relying on brownfield sites in the housing trajectory, as the delivery of these is likely to continue to be challenging. It will be necessary to have regard to the progress of brownfield sites through the development management process and / or commitments from site promoters. This advice remains.

Appendix 1 – Newbuild Price Paid Data by Ward

2023 to 2026

Count of price	Column Labels		
Row Labels	Flat	House	Grand Total
Abbey	1		1
Bobbing, Iwade and Lower Halstow		98	98
Borden and Grove Park		54	54
Boughton and Courtenay		2	2
Chalkwell	18	70	88
Hartlip, Newington and Upchurch		1	1
Milton Regis	2	18	20
Murston		24	24
Priory		86	86
Queenborough and Halfway	8	71	79
Sheppey Central		75	75
St Ann's		8	8
The Meads		63	63
Watling		45	45
West Downs		13	13
Grand Total	29	628	657

Average of price	Column Labels		
Row Labels	Flat	House	Grand Total
Abbey	£162,000		£162,000
Bobbing, Iwade and Lower Halstow		£437,058	£437,058
Borden and Grove Park		£502,796	£502,796
Boughton and Courtenay		£937,500	£937,500
Chalkwell	£189,306	£453,602	£399,541
Hartlip, Newington and Upchurch		£342,500	£342,500
Milton Regis	£134,500	£312,117	£294,356
Murston		£374,917	£374,917
Priory		£446,814	£446,814
Queenborough and Halfway	£220,188	£292,407	£285,093
Sheppey Central		£340,335	£340,335
St Ann's		£459,370	£459,370
The Meads		£453,976	£453,976
Watling		£450,084	£450,084
West Downs		£397,327	£397,327
Grand Total	£193,103	£415,565	£405,746

Average of £ per sqm	Column Labels		
Row Labels	Flat	House	Grand Total
Abbey	£2,946		£2,946
Bobbing, Iwade and Lower Halstow		£4,353	£4,353
Borden and Grove Park		£4,008	£4,008
Boughton and Courtenay		£3,182	£3,182
Chalkwell		£3,953	£3,953
Hartlip, Newington and Upchurch		£3,683	£3,683
Milton Regis		£3,494	£3,494
Murston		£3,966	£3,966
Priory		£4,527	£4,527
Queenborough and Halfway	£3,392	£3,840	£3,790
Sheppey Central		£3,582	£3,582
St Ann's		£3,829	£3,829
The Meads		£4,091	£4,091
Watling		£4,127	£4,127
West Downs		£4,148	£4,148
Grand Total	£3,343	£4,059	£4,049

2023

Count of price	Column Labels		
Row Labels	Flat	House	Grand Total
Abbey	1		1
Bobbing, Iwade and Lower Halstow		10	10
Borden and Grove Park		8	8
Boughton and Courtenay		2	2
Chalkwell		23	23
Hartlip, Newington and Upchurch		1	1
Milton Regis	2	18	20
Murston		9	9
Priory		30	30
Queenborough and Halfway	6	33	39
Sheppey Central		9	9
St Ann's		5	5
The Meads		29	29
Watling		10	10
West Downs		12	12
Grand Total	9	199	208

Average of price	Column Labels		
Row Labels	Flat	House	Grand Total
Abbey	£162,000		£162,000
Bobbing, Iwade and Lower Halstow		£468,600	£468,600
Borden and Grove Park		£508,496	£508,496
Boughton and Courtenay		£937,500	£937,500
Chalkwell		£465,365	£465,365
Hartlip, Newington and Upchurch		£342,500	£342,500
Milton Regis	£134,500	£312,117	£294,356
Murston		£402,167	£402,167
Priory		£434,633	£434,633
Queenborough and Halfway	£220,250	£304,433	£291,482
Sheppey Central		£361,972	£361,972
St Ann's		£463,995	£463,995
The Meads		£449,858	£449,858
Watling		£381,600	£381,600
West Downs		£418,250	£418,250
Grand Total	£194,722	£409,329	£400,043

Average of £ per sqm	Column Labels		
Row Labels	Flat	House	Grand Total
Abbey	£2,946		£2,946
Bobbing, Iwade and Lower Halstow		£4,241	£4,241
Borden and Grove Park		£4,225	£4,225
Boughton and Courtenay		£3,182	£3,182
Chalkwell		£4,075	£4,075
Hartlip, Newington and Upchurch		£3,683	£3,683
Milton Regis		£3,494	£3,494
Murston		£4,111	£4,111
Priory		£4,835	£4,835
Queenborough and Halfway	£3,423	£4,037	£3,942
Sheppey Central		£3,443	£3,443
St Ann's		£3,854	£3,854
The Meads		£4,067	£4,067
Watling		£3,825	£3,825
West Downs		£4,348	£4,348
Grand Total	£3,354	£4,109	£4,083

2024

Count of price	Column Labels		
Row Labels	Flat	House	Grand Total
Bobbing, Iwade and Lower Halstow		63	63
Borden and Grove Park		41	41
Chalkwell	18	26	44
Murston		9	9
Priory		31	31
Queenborough and Halfway	2	25	27
Sheppey Central		46	46
St Ann's		3	3
The Meads		23	23
Watling		11	11
West Downs		1	1
Grand Total	20	279	299

Average of price	Column Labels		
Row Labels	Flat	House	Grand Total
Bobbing, Iwade and Lower Halstow		£426,159	£426,159
Borden and Grove Park		£497,635	£497,635
Chalkwell	£189,306	£434,000	£333,898
Murston		£362,944	£362,944
Priory		£459,556	£459,556
Queenborough and Halfway	£220,000	£277,205	£272,968
Sheppey Central		£334,946	£334,946
St Ann's		£451,662	£451,662
The Meads		£437,239	£437,239
Watling		£348,638	£348,638
West Downs		£146,250	£146,250
Grand Total	£192,375	£407,807	£393,397

Average of £ per sqm	Column Labels		
Row Labels	Flat	House	Grand Total
Bobbing, Iwade and Lower Halstow		£4,326	£4,326
Borden and Grove Park		£3,930	£3,930
Chalkwell		£3,865	£3,865
Murston		£3,848	£3,848
Priory		£4,370	£4,370
Queenborough and Halfway	£3,302	£3,559	£3,539
Sheppey Central		£3,618	£3,618
St Ann's		£3,788	£3,788
The Meads		£4,042	£4,042
Watling		£3,809	£3,809
West Downs		£1,741	£1,741
Grand Total	£3,302	£3,971	£3,967

2025

Count of price	Column Labels	
Row Labels	House	Grand Total
Bobbing, Iwade and Lower Halstow	25	25
Borden and Grove Park	5	5
Chalkwell	21	21
Murston	6	6
Priory	25	25
Queenborough and Halfway	13	13
Sheppey Central	20	20
The Meads	11	11
Watling	24	24
Grand Total	150	150

Average of price	Column Labels	
Row Labels	House	Grand Total
Bobbing, Iwade and Lower Halstow	£451,907	£451,907
Borden and Grove Park	£535,995	£535,995
Chalkwell	£464,988	£464,988
Murston	£352,000	£352,000
Priory	£445,630	£445,630
Queenborough and Halfway	£291,111	£291,111
Sheppey Central	£342,993	£342,993
The Meads	£499,830	£499,830
Watling	£525,115	£525,115
Grand Total	£438,269	£438,269

Average of £ per sqm	Column Labels	
Row Labels	House	Grand Total
Bobbing, Iwade and Lower Halstow	£4,465	£4,465
Borden and Grove Park	£4,292	£4,292
Chalkwell	£3,930	£3,930
Murston	£3,926	£3,926
Priory	£4,352	£4,352
Queenborough and Halfway	£3,877	£3,877
Sheppey Central	£3,563	£3,563
The Meads	£4,256	£4,256
Watling	£4,399	£4,399
Grand Total	£4,158	£4,158

2026

NO DATA FOR 2026

Appendix 2 – Newbuild Asking Prices, May 2026

Name	Development	Address	Postcode	Name	No. Beds	D F SD T	sqm	Price	£/m2
Redrow	Regent Quay	Sittingbourne	ME10 3HH	Harrogate	4	D	135	£575,000	£4,259
Redrow	Preston Fields	Faversham	ME13 8LY	Stamford	3	T	115	£370,000	£3,217
Redrow	Preston Fields	Faversham	ME13 8LY	Hampstead	5	D	160	£745,000	£4,656
Redrow	Preston Fields	Faversham	ME13 8LY	Balmoral	4	D	173	£760,000	£4,393
Redrow	Preston Fields	Faversham	ME13 8LY	Shaftesbury	4	D	126	£585,000	£4,643
Redrow	Preston Fields	Faversham	ME13 8LY	Letchworth	3	S	90	£410,000	£4,556
Redrow	Heritage Fields	Sittingbourne	ME10 1YN						
Redrow	Amber Fields	Sittingbourne	ME10 2DD	Oxford	4	D	133	£540,000	£4,060
Redrow	Amber Fields	Sittingbourne	ME10 2DD	Oxford LS	3	D	133	£520,000	£3,910
DWH	Mulberry Rise @Applegate Park	Sittingbourne	ME10 1YN	Kennett	3	S	108	£377,995	£3,500
DWH	Mulberry Rise @Applegate Park	Sittingbourne	ME10 1YN	Kennett	3	S	108	£379,995	£3,518
DWH	Mulberry Rise @Applegate Park	Sittingbourne	ME10 1YN	Hadley	3	D	88	£414,995	£4,716
DWH	Mulberry Rise @Applegate Park	Sittingbourne	ME10 1YN	Bayswater	4	D	130	£470,995	£3,623
DWH	Mulberry Rise @Applegate Park	Sittingbourne	ME10 1YN	Bayswater	4	D	130	£472,995	£3,638
Persimmon	Moores Quarter	Sittingbourne	ME10 3JN	Ashdown	3	T	101	£395,000	£3,911
Persimmon	Moores Quarter	Sittingbourne	ME10 3JN	Ashdown	3	T	101	£380,000	£3,762
Persimmon	Moores Quarter	Sittingbourne	ME10 3JN	Whinfell	4	T	105	£399,000	£3,800
Persimmon	Burley Place	Sittingbourne	ME10 2DD						
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Kennett	4	S	108	£389,950	£3,611
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Galloway	3	S	78	£355,000	£4,551
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Sherwood	3	D	79	£375,000	£4,747
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Barndale	3	D	87	£385,000	£4,425
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Barndale	3	D	87	£385,000	£4,425
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Addleborough	2	S		£298,950	
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Galloway	3	S	78	£345,000	£4,423
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Galloway	3	S	78	£350,000	£4,487
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Galloway	3	S	78	£355,000	£4,551
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Sherwood	3	D	79	£383,950	£4,860
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Sherwood	3	D	79	£383,950	£4,860
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Barndale	3	D	87	£389,950	£4,482
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Barndale	3	D	87	£389,950	£4,482
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Barndale	3	D	87	£390,000	£4,483
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Knebworth	4	D	94	£414,950	£4,414
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Kennett	4	S	108	£425,950	£3,944
Persimmon	Ovinia Chase	Minster on Sea	ME12 3LY	Kennett	4	S	108	£425,950	£3,944
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY		2	S	70	£275,000	£3,929

Jones Homes	Shurland Park	Minster on Sea	ME12 3LY		2	S	70	£275,000	£3,929
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Marton	2	S	63	£295,000	£4,683
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Langley	3	S	68	£320,000	£4,706
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Langley	3	S	68	£320,000	£4,706
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Langley	3	S	68	£320,000	£4,706
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Langley	3	S	68	£320,000	£4,706
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Thornton	3	S	70	£335,000	£4,786
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Birch	3	S	82	£350,000	£4,268
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Birch	3	S	82	£350,000	£4,268
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Shurland	3	S	85	£350,000	£4,118
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Shurland	3	S	85	£350,000	£4,118
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Shurland	3	S	85	£350,000	£4,118
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Baycliffe	3	S	87	£375,000	£4,310
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Baycliffe	3	S	87	£375,000	£4,310
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Baycliffe	3	S	87	£375,000	£4,310
Jones Homes	Shurland Park	Minster on Sea	ME12 3LY	Baycliffe	3	S	87	£375,000	£4,310
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Thurnham	4	D	128	£575,000	£4,492
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Bridge	3	D	106	£525,000	£4,953
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Lenham	4	D	111	£500,000	£4,505
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Lenham	4	D	111	£500,000	£4,505
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Hadlow	3	S	96	£450,000	£4,688
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Throwley	3	S	88	£370,000	£4,205
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Throwley	3	S	88	£375,000	£4,261
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Throwley	3	S	88	£375,000	£4,261
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Alkham	3	S	88	£350,000	£3,977
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Barham	2	T	70	£315,000	£4,500
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Barham	2	T	70	£315,000	£4,500
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Chilham	4	D	128		
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Hollingbourne	4	D	123		
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Palmarsh	3	D	95		
Pentland Homes	Grovehurst gate	Sittingbourne	ME9 8RB	Sarre	4	D	122		
Barratt	Cherry Meadow@Applegate Park	Sittingbourne	ME9 8BT	Ellerton	3	T	70	£339,995	£4,857
Barratt	Cherry Meadow@Applegate Park	Sittingbourne	ME9 8BT	Ellerton	3	T	70	£344,995	£4,929
Barratt	Cherry Meadow@Applegate Park	Sittingbourne	ME9 8BT	Moresby	3	T	77	£359,995	£4,675
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Seaton	3	D	97	£440,000	£4,536
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Seaton	3	D	97	£440,000	£4,536
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Dorking	4	D	141	£600,000	£4,255
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Buckingham	5	D	141	£650,000	£4,610
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Windsor	5	D	163	£685,000	£4,202
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Windsor	5	D	163	£685,000	£4,202
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Windsor	5	D	163	£685,000	£4,202
Crest Nicholson	Crown Meadows	Faversham	ME13 8GW	Windsor	5	D	163	£700,000	£4,294

Matthews Homes	Blake Gardens	Minster on Sea	ME12 3LY	Holly	3	D	103	£350,000	£3,398
Matthews Homes	Blake Gardens	Minster on Sea	ME12 3LY	Holly	3	D	103	£350,000	£3,398
Matthews Homes	Blake Gardens	Minster on Sea	ME12 3LY	Hazel	3	D	107	£395,000	£3,692
Matthews Homes	Blake Gardens	Minster on Sea	ME12 3LY	Chestnut	4	D	145	£475,000	£3,276
Matthews Homes	Blake Gardens	Minster on Sea	ME12 3LY	Beech	4	D	122	£450,000	£3,689
Matthews Homes	Blake Gardens	Minster on Sea	ME12 3LY	Elm	4	D	132	£450,000	£3,409
Riverdale Developments	Scholars Place	Iwade	ME9 8TG		3	S		£369,950	
Riverdale Developments	Scholars Place	Iwade	ME9 8TG	Locke	3	S	103	£399,950	£3,883
Riverdale Developments	Scholars Place	Iwade	ME9 8TG	Austen	4		112	£450,000	£4,018
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Eastwell	3	S	109	£400,000	£3,670
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Fairfield	3	S	89	£430,000	£4,831
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Eastwell	3	S	109	£435,000	£3,991
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Wisley	3	S	95	£445,000	£4,684
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Heaversham	4	D	127	£599,000	£4,717
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Sheldwich	4	D	134	£625,000	£4,664
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Shepherdswell	5	D	172	£785,000	£4,564
Fernham Homes	Love Lane	Faversham	ME13 8YJ	Applehurst	4	D	168	£820,000	£4,881
Rosechurch Homes	Edgelake	Sittingbourne	ME10 3TF	Rosemoor	3	D	108	£450,000	£4,167
Rosechurch Homes	Edgelake	Sittingbourne	ME10 3TF	Rosemoor	3	D	108	£450,000	£4,167
Rosechurch Homes	Edgelake	Sittingbourne	ME10 3TF	Rosemoor	3	D	108	£450,000	£4,167
Rosechurch Homes	Edgelake	Sittingbourne	ME10 3TF	Molineux	3	S	114	£454,500	£3,987
Aile Homes	Monarch Place	Newington	ME9 7GJ	Fulham	3	T	105	£450,000	£4,286
Aile Homes	Monarch Place	Newington	ME9 7GJ	Hammersmith	3	T	110	£475,000	£4,318
Aile Homes	Monarch Place	Newington	ME9 7GJ	Wandsworth	3	S	108	£475,000	£4,398
Aile Homes	Monarch Place	Newington	ME9 7GJ	Westminster	3	D	112	£500,000	£4,464
Aile Homes	Monarch Place	Newington	ME9 7GJ	Chelsea	4	D	120	£550,000	£4,583
Aile Homes	Monarch Place	Newington	ME9 7GJ	Chelsea	4	D	120	£575,000	£4,792
Aile Homes	Monarch Place	Newington	ME9 7GJ	Chelsea	4	D	120	£575,000	£4,792
Aile Homes	Monarch Place	Newington	ME9 7GJ	Kensington	4	D	147	£675,000	£4,592
Aile Homes	Monarch Place	Newington	ME9 7GJ	Belgravia	5	D	180	£775,000	£4,306
Kayleigh Stevens	Callum Park	Sittingbourne	ME9 7TY		6	D	415	£1,395,000	£3,361
Kayleigh Stevens	Callum Park	Sittingbourne	ME9 7TY		5	D	357	£1,235,000	£3,459
Kayleigh Stevens	Callum Park	Sittingbourne	ME9 7TY		5	D	336	£1,125,000	£3,348
Kayleigh Stevens	Callum Park	Sittingbourne	ME9 7TY		4	D	164	£799,000	£4,872



Appendix 3 – Derivation of Affordable Housing Value Assumptions – April 2026

Social Rent

General needs (social rent) Average weekly rent (£ per week) and unit counts by unit size for Swale - large PRPs					
Unit Size	£ per week				Unit count
	Net rent	Formula rent	Service charge^	Gross rent^	
Non-self-contained	-	-	-	-	-
Bedsit	£94.04	£93.04	£7.71	£101.75	30
1 Bedroom	£102.48	£101.20	£12.23	£112.42	1,559
2 Bedroom	£118.31	£117.33	£8.08	£122.21	2,084
3 Bedroom	£131.40	£130.21	£5.77	£132.65	2,735
4 Bedroom	£147.62	£147.02	£5.55	£149.78	167
5 Bedroom	£159.50	£157.51	£7.65	£162.90	9
6+ Bedroom	£164.87	£169.51	£3.76	£166.12	3
All self-contained	£120.71	£119.56	£9.33	£124.91	6,587
All stock sizes	£120.71	£119.56	£9.33	£124.91	6,587
Owned stock. Large PRPs only - unweighted. Excludes Affordable Rent and intermediate rent, but includes other units with an exception under the Rent Policy Statement. Stock outside England is excluded. Source: SDR 2025					

Source: Table 9, SDR 2025 – Data Tool²⁶

Affordable Rent

Affordable Rent general needs Average weekly gross rent (£ per week) and unit counts by unit size for Swale		
Unit Size	£ per week	
	Gross rent	Unit count
Non-self-contained	-	-
Bedsit	£112.13	2
1 Bedroom	£133.39	273
2 Bedroom	£164.64	659
3 Bedroom	£186.82	576
4 Bedroom	£266.21	76
5 Bedroom	£234.33	2
6+ Bedroom	-	-
All self-contained	£172.20	1,588
All stock sizes	£172.20	1,588
Owned stock. All PRPs owning Affordable Rent units - unweighted. Stock outside England is excluded. Source: SDR 2025		

Source: Table 1, SDR 2025 – Data Tool²⁷

²⁶ [Private registered provider social housing stock and rents in England 2024 to 2025 - GOV.UK](#)

²⁷ [Private registered provider social housing stock and rents in England 2024 to 2025 - GOV.UK](#)

BRMA LHA Caps - £ per week

	Canterbury BRMA	Maidstone BRMA	Medway & Swale BRMA
Shared Accommodation	£97.81	£102.37	£94.36
One Bedroom	£155.34	£172.60	£155.34
Two Bedrooms	£205.97	£208.27	£195.62
Three Bedrooms	£253.15	£276.16	£216.33
Four Bedrooms	£302.63	£356.71	£299.18

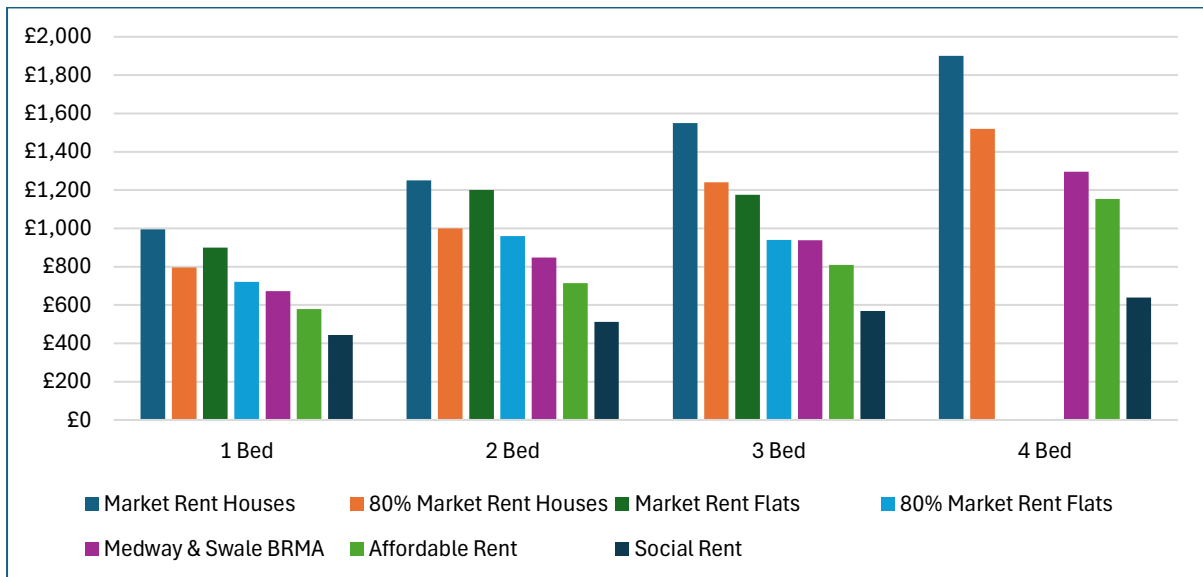
Source: VOA (May 2026)

Average Rents - March-2026 - £ per month

1 Bed	£772
2 Bed	£1,020
3 Bed	£1,232
4 Bed	£1,846
Detached	£1,567
Semidetached	£1,232
Terraced	£1,140
Flat maisonette	£861

Source: ONS (April 2026) [Price Index of Private Rents, UK: monthly price statistics - Office for National Statistics](#)

Rents by Tenure – £/Month



Source: Market Survey, SDR and VOA (May 2026)

Capitalisation of Social Rents

	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Rent (£/month)	£444	£513	£569	£640
Rent (£/annum)	£5,329	£6,152	£6,833	£7,676
Net Rent	£4,263	£4,922	£5,466	£6,141
Value	£85,263	£98,434	£109,325	£122,820
sqm	50	70	84	97
£ per sqm	£1,705	£1,406	£1,301	£1,266

Source: HDH (May 2026)

Capitalisation of Affordable Rents

	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Rent (£/month)	£673	£848	£937	£1,296
Rent (£/annum)	£8,078	£10,172	£11,249	£15,557
Net Rent	£6,462	£8,138	£8,999	£12,446
Value	£129,243	£162,756	£179,987	£248,918
sqm	50	70	84	97
£ per sqm	£2,585	£2,325	£2,143	£2,566

Source: HDH (May 2026)

Appendix 4 – Sensitivity Testing Based on Full Policy Requirements

Isle of Sheppey

			EUV	BLV	Residual Value (£ per gross ha)													
			Value Change		-10%	-5%	0%	+5%	+10%	+15%	+20%							
			BCIS Change									-10%	-5%	0%	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	341,302	713,126	1,076,941	1,440,756	1,804,572	2,168,387	2,531,339	1,675,729	1,376,335	1,076,941	777,547	472,607	162,348	-156,405
Site 2	Brown 90	IoS	1,100,000	1,320,000	163,458	583,678	1,003,899	1,424,119	1,844,339	2,264,560	2,684,780	1,716,991	1,360,445	1,003,899	647,353	290,806	-73,576	-447,686
Site 3	Brown 30	IoS	1,100,000	1,320,000	270,345	1,250,692	2,214,810	3,178,929	4,143,048	5,107,166	6,071,285	3,857,450	3,036,130	2,214,810	1,393,491	567,500	-291,767	-1,153,546
Site 4	Brown 15	IoS	1,100,000	1,320,000	183,680	768,327	1,332,396	1,894,634	2,456,872	3,019,110	3,581,348	2,287,439	1,809,918	1,332,396	854,874	361,459	-139,586	-640,631
Site 5	Brown 9	IoS	1,100,000	1,320,000	484,829	1,017,461	1,534,313	2,048,526	2,562,740	3,076,953	3,591,167	2,357,613	1,945,963	1,534,313	1,122,663	699,416	268,134	-163,794
Site 6	Brown 6	IoS	1,100,000	1,320,000	480,866	1,030,068	1,569,237	2,095,964	2,619,946	3,143,928	3,667,910	2,412,040	1,992,011	1,569,237	1,137,034	699,014	258,294	-182,427
Site 7	Central 60	IoS	1,100,000	1,320,000	4,129	498,492	985,162	1,471,832	1,958,502	2,445,171	2,931,841	1,826,838	1,406,000	985,162	564,324	141,848	-299,290	-745,252
Site 8	Central 24	IoS	1,100,000	1,320,000	-67,047	437,664	923,020	1,406,621	1,890,221	2,373,822	2,857,422	1,763,701	1,343,360	923,020	502,680	65,706	-375,341	-823,768
Site 9	Central 9	IoS	1,100,000	1,320,000	887,857	1,551,422	2,197,435	2,840,202	3,482,969	4,125,736	4,768,503	3,187,002	2,692,219	2,197,435	1,702,652	1,194,569	679,246	160,089
Site 10	Brown 90 HD Flats	IoS	1,100,000	1,320,000	-2,806,137	-2,432,233	-2,058,329	-1,684,425	-1,313,590	-946,568	-579,545	-1,151,280	-1,603,058	-2,058,329	-2,513,600	-2,968,871	-3,427,618	-3,888,942
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-2,437,991	-2,112,105	-1,791,598	-1,471,092	-1,150,585	-830,078	-509,571	-1,011,173	-1,401,386	-1,791,598	-2,181,811	-2,576,278	-2,971,938	-3,367,597
Site 12	Large Green 400 LD	IoS	25,000	325,000	54,710	250,991	446,659	637,300	827,942	1,018,583	1,209,224	801,924	624,292	446,659	263,706	80,141	-109,618	-311,148
Site 13	Large Green 400 HD	IoS	25,000	325,000	134,689	384,835	632,057	875,012	1,117,968	1,360,923	1,603,878	1,079,306	855,682	632,057	403,887	172,794	-61,896	-312,708
Site 14	Green 150	IoS	25,000	325,000	-111,578	118,442	341,613	564,783	787,954	1,011,125	1,234,296	773,576	557,594	341,613	125,631	-96,492	-323,343	-558,042
Site 15	Green 30	IoS	25,000	325,000	-103,110	131,377	357,002	580,694	804,386	1,028,078	1,251,770	786,836	571,919	357,002	140,406	-84,695	-310,199	-543,750
Site 16	Green 12	IoS	75,000	375,000	-450,206	-118,292	210,922	536,946	853,184	1,166,943	1,480,701	849,951	535,282	210,922	-116,596	-445,358	-784,610	-1,123,862
Site 17	Green 6	IoS	75,000	375,000	-26,949	398,698	822,908	1,240,330	1,646,266	2,051,929	2,457,593	1,514,655	1,172,617	822,908	467,745	111,145	-245,455	-606,640

Sittingbourne and West Swale BC

			EUV	BLV	Residual Value (£ per gross ha)													
			Value Change		-10%	-5%	0%	+5%	+10%	+15%	+20%							
			BCIS Change									-10%	-5%	0%	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Sittingbourne West	1,100,000	1,320,000	510,462	885,938	1,258,849	1,631,759	2,004,670	2,377,580	2,745,849	1,857,637	1,558,243	1,258,849	959,455	660,061	350,304	40,044
Site 2	Brown 90	Sittingbourne West	1,100,000	1,320,000	352,557	783,283	1,214,009	1,644,735	2,075,461	2,506,186	2,936,912	1,927,101	1,570,555	1,214,009	857,463	500,916	144,370	-227,226
Site 3	Brown 30	Sittingbourne West	1,100,000	1,320,000	720,052	1,708,648	2,696,870	3,685,091	4,673,313	5,661,535	6,649,756	4,339,509	3,518,189	2,696,870	1,875,550	1,054,230	214,039	-647,739
Site 4	Brown 15	Sittingbourne West	1,100,000	1,320,000	449,150	1,037,221	1,613,515	2,189,809	2,766,103	3,342,397	3,918,691	2,568,558	2,091,037	1,613,515	1,135,993	653,403	155,381	-345,664
Site 5	Brown 9	Sittingbourne West	1,100,000	1,320,000	726,446	1,264,351	1,791,420	2,318,489	2,845,557	3,372,626	3,899,695	2,614,719	2,203,069	1,791,420	1,379,770	963,976	537,906	105,978
Site 6	Brown 6	Sittingbourne West	1,100,000	1,320,000	728,273	1,286,173	1,833,973	2,371,054	2,908,136	3,445,217	3,982,299	2,674,031	2,254,002	1,833,973	1,406,619	973,911	533,191	92,470
Site 7	Central 60	Sittingbourne West	1,100,000	1,320,000	230,824	729,660	1,228,497	1,727,333	2,226,170	2,725,007	3,223,843	2,070,172	1,649,335	1,228,497	807,659	386,821	-43,968	-485,537
Site 8	Central 24	Sittingbourne West	1,100,000	1,320,000	161,293	669,130	1,164,820	1,660,511	2,156,202	2,651,892	3,147,583	2,005,501	1,585,161	1,164,820	744,480	319,042	-121,629	-562,676
Site 9	Central 9	Sittingbourne West	1,100,000	1,320,000	1,187,653	1,859,983	2,518,819	3,177,655	3,836,491	4,495,327	5,154,163	3,508,386	3,013,602	2,518,819	2,024,035	1,525,268	1,016,143	497,304
Site 10	Brown 90 HD Flats	Sittingbourne West	1,100,000	1,320,000	-2,806,137	-2,432,233	-2,058,329	-1,684,425	-1,313,590	-946,568	-579,545	-1,151,280	-1,603,058	-2,058,329	-2,513,600	-2,968,871	-3,427,618	-3,888,942
Site 11	Brown 24 HD	Sittingbourne West	1,100,000	1,320,000	-2,437,991	-2,112,105	-1,791,598	-1,471,092	-1,150,585	-830,078	-509,571	-1,011,173	-1,401,386	-1,791,598	-2,181,811	-2,576,278	-2,971,938	-3,367,597
Site 12	Large Green 400 LD	Sittingbourne West	25,000	325,000	54,710	250,991	446,659	637,300	827,942	1,018,583	1,209,224	801,924	624,292	446,659	263,706	80,141	-109,618	-311,148
Site 13	Large Green 400 HD	Sittingbourne West	25,000	325,000	134,689	384,835	632,057	875,012	1,117,968	1,360,923	1,603,878	1,079,306	855,682	632,057	403,887	172,794	-61,896	-312,708
Site 14	Green 150	Sittingbourne West	25,000	325,000	-111,578	118,442	341,613	564,783	787,954	1,011,125	1,234,296	773,576	557,594	341,613	125,631	-96,492	-323,343	-558,042
Site 15	Green 30	Sittingbourne West	25,000	325,000	-103,110	131,377	357,002	580,694	804,386	1,028,078	1,251,770	786,836	571,919	357,002	140,406	-84,695	-310,199	-543,750
Site 16	Green 12	Sittingbourne West	75,000	375,000	-450,206	-118,292	210,922	536,946	853,184	1,166,943	1,480,701	849,951	535,282	210,922	-116,596	-445,358	-784,610	-1,123,862
Site 17	Green 6	Sittingbourne West	75,000	375,000	-26,949	398,698	822,908	1,240,330	1,646,266	2,051,929	2,457,593	1,514,655	1,172,617	822,908	467,745	111,145	-245,455	-606,640
Site 19	West of Bobbing Village	Bobbing	25,000	250,000	-166,714	-7,304	138,530	280,681	420,930	560,640	697,905	406,080	273,255	138,530	690	-149,405	-307,719	-481,847

Sittingbourne and East Swale BC

			EUV	BLV	Residual Value (£ per gross ha)													
			Value Change		-10%	-5%	0%	+5%	+10%	+15%	+20%							
			BCIS Change									-10%	-5%	0%	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Sittingbourne East	1,100,000	1,320,000	510,462	885,938	1,258,849	1,631,759	2,004,670	2,377,580	2,745,849	1,857,637	1,558,243	1,258,849	959,455	660,061	350,304	40,044
Site 2	Brown 90	Sittingbourne East	1,100,000	1,320,000	352,557	783,283	1,214,009	1,644,735	2,075,461	2,506,186	2,936,912	1,927,101	1,570,555	1,214,009	857,463	500,916	144,370	-227,226
Site 3	Brown 30	Sittingbourne East	1,100,000	1,320,000	720,052	1,708,648	2,696,870	3,685,091	4,673,313	5,661,535	6,649,756	4,339,509	3,518,189	2,696,870	1,875,550	1,054,230	214,039	-647,739
Site 4	Brown 15	Sittingbourne East	1,100,000	1,320,000	449,150	1,037,221	1,613,515	2,189,809	2,766,103	3,342,397	3,918,691	2,568,558	2,091,037	1,613,515	1,135,993	653,403	155,381	-345,664
Site 5	Brown 9	Sittingbourne East	1,100,000	1,320,000	726,446	1,264,351	1,791,420	2,318,489	2,845,557	3,372,626	3,899,695	2,614,719	2,203,069	1,791,420	1,379,770	963,976	537,906	105,978
Site 6	Brown 6	Sittingbourne East	1,100,000	1,320,000	728,273	1,286,173	1,833,973	2,371,054	2,908,136	3,445,217	3,982,299	2,674,031	2,254,002	1,833,973	1,406,619	973,911	533,191	92,470
Site 7	Central 60	Sittingbourne East	1,100,000	1,320,000	230,824	729,660	1,228,497	1,727,333	2,226,170	2,725,007	3,223,843	2,070,172	1,649,335	1,228,497	807,659	386,821	-43,968	-485,537
Site 8	Central 24	Sittingbourne East	1,100,000	1,320,000	161,293	669,130	1,164,820	1,660,511	2,156,202	2,651,892	3,147,583	2,005,501	1,585,161	1,164,820	744,480	319,042	-121,629	-562,676
Site 9	Central 9	Sittingbourne East	1,100,000	1,320,000	1,187,653	1,859,983	2,518,819	3,177,655	3,836,491	4,495,327	5,154,163	3,508,386	3,013,602	2,518,819	2,024,035	1,525,268	1,016,143	497,304
Site 10	Brown 90 HD Flats	Sittingbourne East	1,100,000	1,320,000	-2,806,137	-2,432,233	-2,058,329	-1,684,425	-1,313,590	-946,568	-579,545	-1,151,280	-1,603,058	-2,058,329	-2,513,600	-2,968,871	-3,427,618	-3,888,942
Site 11	Brown 24 HD	Sittingbourne East	1,100,000	1,320,000	-2,437,991	-2,112,105	-1,791,598	-1,471,092	-1,150,585	-830,078	-509,571	-1,011,173	-1,401,386	-1,791,598	-2,181,811	-2,576,278	-2,971,938	-3,367,597
Site 12	Large Green 400 LD	Sittingbourne East	25,000	325,000	253,444	459,766	661,131	862,495	1,063,860	1,265,225	1,466,589	1,016,395	838,763	661,131	483,498	300,957	117,392	-69,976
Site 13	Large Green 400 HD	Sittingbourne East	25,000	325,000	387,962	648,760	905,382	1,162,003	1,418,625	1,675,247	1,931,868	1,352,631	1,129,006	905,382	681,757	454,207	223,114	-9,097
Site 14	Green 150	Sittingbourne East	25,000	325,000	121,231	356,956	592,680	828,404	1,064,128	1,299,853	1,535,577	1,024,644	808,662	592,680	376,698	160,716	-59,678	-286,299
Site 15	Green 30	Sittingbourne East	25,000	325,000	134,254	372,381	608,655	844,930	1,081,205	1,317,479	1,553,754	1,038,489	823,572	608,655	393,739	178,208	-46,149	-271,653
Site 16	Green 12	Sittingbourne East	75,000	375,000	-114,177	233,556	577,302	910,053	1,241,461	1,572,868	1,904,275	1,202,929	890,787	577,302	253,770	-73,748	-401,266	-739,477
Site 17	Green 6	Sittingbourne East	75,000	375,000	404,019	851,606	1,291,310	1,719,792	2,148,274	2,576,756	3,005,238	1,971,027	1,631,168	1,291,310	942,799	589,998	233,398	-123,202

Faversham and Adjacent

			EUV	BLV	Residual Value (£ per gross ha)													
			Value Change		-10%	-5%	0%	+5%	+10%	+15%	+20%							
			BCIS Change									-10%	-5%	0%	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	676,745	1,058,750	1,440,756	1,822,762	2,204,768	2,584,967	2,960,360	2,039,545	1,740,150	1,440,756	1,141,362	841,968	538,260	228,000
Site 2	Brown 90	Faversham	1,100,000	1,320,000	541,656	982,888	1,424,119	1,865,350	2,306,582	2,747,813	3,189,045	2,137,212	1,780,665	1,424,119	1,067,573	711,027	354,480	-6,765
Site 3	Brown 30	Faversham	1,100,000	1,320,000	1,154,280	2,166,604	3,178,929	4,191,254	5,203,578	6,215,903	7,228,227	4,821,568	4,000,249	3,178,929	2,357,609	1,536,290	714,438	-141,933
Site 4	Brown 15	Faversham	1,100,000	1,320,000	710,473	1,304,284	1,894,634	2,484,984	3,075,334	3,665,684	4,256,034	2,849,677	2,372,156	1,894,634	1,417,112	939,591	450,348	-50,697
Site 5	Brown 9	Faversham	1,100,000	1,320,000	964,550	1,508,602	2,048,526	2,588,451	3,128,375	3,668,299	4,208,223	2,871,826	2,460,176	2,048,526	1,636,877	1,225,227	804,953	375,750
Site 6	Brown 6	Faversham	1,100,000	1,320,000	975,681	1,542,279	2,095,964	2,646,145	3,196,326	3,746,507	4,296,688	2,936,022	2,515,993	2,095,964	1,675,935	1,244,000	808,087	367,367
Site 7	Central 60	Faversham	1,100,000	1,320,000	449,825	960,829	1,471,832	1,982,835	2,493,838	3,004,842	3,515,845	2,313,507	1,892,670	1,471,832	1,050,994	630,156	209,319	-230,215
Site 8	Central 24	Faversham	1,100,000	1,320,000	387,902	898,840	1,406,621	1,914,401	2,422,182	2,929,963	3,437,743	2,247,301	1,826,961	1,406,621	986,280	565,940	132,082	-308,965
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,485,282	2,165,297	2,840,202	3,515,107	4,190,012	4,864,918	5,539,823	3,829,769	3,334,986	2,840,202	2,345,418	1,850,635	1,346,842	834,519
Site 10	Brown 90 HD Flats	Faversham	1,100,000	1,320,000	-2,806,137	-2,432,233	-2,058,329	-1,684,425	-1,313,590	-946,568	-579,545	-1,151,280	-1,603,058	-2,058,329	-2,513,600	-2,968,871	-3,427,618	-3,888,942
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-2,437,991	-2,112,105	-1,791,598	-1,471,092	-1,150,585	-830,078	-509,571	-1,011,173	-1,401,386	-1,791,598	-2,181,811	-2,576,278	-2,971,938	-3,367,597
Site 12	Large Green 400 LD	Faversham	25,000	325,000	319,689	527,682	732,621	937,560	1,142,499	1,347,439	1,552,378	1,087,886	910,253	732,621	554,989	374,562	190,997	7,255
Site 13	Large Green 400 HD	Faversham	25,000	325,000	472,386	735,313	996,490	1,257,667	1,518,844	1,780,021	2,041,198	1,443,740	1,220,115	996,490	772,865	548,012	316,918	85,825
Site 14	Green 150	Faversham	25,000	325,000	196,552	436,460	676,369	916,278	1,156,186	1,396,095	1,636,004	1,108,333	892,351	676,369	460,387	244,405	28,064	-198,487
Site 15	Green 30	Faversham	25,000	325,000	211,602	452,071	692,540	933,009	1,173,478	1,413,947	1,654,415	1,122,374	907,457	692,540	477,623	262,706	41,868	-183,636
Site 16	Green 12	Faversham	75,000	375,000	-3,067	350,838	696,305	1,033,596	1,370,886	1,708,176	2,045,466	1,320,589	1,008,447	696,305	377,183	49,708	-277,810	-611,348
Site 17	Green 6	Faversham	75,000	375,000	547,674	1,000,312	1,443,434	1,879,522	2,315,610	2,751,699	3,187,787	2,123,150	1,783,292	1,443,434	1,099,332	749,615	393,015	36,415
Site 18	South East Faversham	Faversham	25,000	250,000	-464,951	-272,444	-106,922	48,879	195,839	339,186	481,904	203,171	52,899	-106,922	-276,561	-465,431	-700,673	-944,557

Appendix 5 – Varied Affordable Housing Tenure Mix

Isle of Sheppey

			EUV	BLV	Residual Value (£ per gross ha)									
			Affordable Housing		10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%
				Social Rent	70%	60%	50%	40%	35%	30%	20%	10%	0%	
				Affordable Rent	0%	10%	20%	30%	35%	40%	50%	60%	70%	
			Affordable Home Ownership		30%	30%	30%	30%	30%	30%	30%	30%	30%	
Site 1	Large Brown 300	loS	1,100,000	1,320,000	1,007,854	1,025,126	1,042,398	1,059,669	1,068,305	1,076,941	1,094,213	1,111,485	1,128,757	
Site 2	Brown 90	loS	1,100,000	1,320,000	922,538	942,878	963,218	983,558	993,729	1,003,899	1,024,239	1,044,579	1,064,920	
Site 3	Brown 30	loS	1,100,000	1,320,000	2,054,083	2,094,265	2,134,447	2,174,628	2,194,719	2,214,810	2,254,992	2,295,174	2,335,356	
Site 4	Brown 15	loS	1,100,000	1,320,000	1,221,288	1,249,065	1,276,842	1,304,619	1,318,507	1,332,396	1,360,173	1,387,950	1,415,727	
Site 5	Brown 9	loS	1,100,000	1,320,000	1,534,313	1,534,313	1,534,313	1,534,313	1,534,313	1,534,313	1,534,313	1,534,313	1,534,313	
Site 6	Brown 6	loS	1,100,000	1,320,000	1,569,237	1,569,237	1,569,237	1,569,237	1,569,237	1,569,237	1,569,237	1,569,237	1,569,237	
Site 7	Central 60	loS	1,100,000	1,320,000	910,330	929,038	947,746	966,454	975,808	985,162	1,003,870	1,022,578	1,041,286	
Site 8	Central 24	loS	1,100,000	1,320,000	853,157	870,622	888,088	905,554	914,287	923,020	940,486	957,952	975,418	
Site 9	Central 9	loS	1,100,000	1,320,000	2,197,435	2,197,435	2,197,435	2,197,435	2,197,435	2,197,435	2,197,435	2,197,435	2,197,435	
Site 10	Brown 90 HD Flats	loS	1,100,000	1,320,000	-2,160,939	-2,135,286	-2,109,634	-2,083,982	-2,071,155	-2,058,329	-2,032,677	-2,007,024	-1,981,372	
Site 11	Brown 24 HD	loS	1,100,000	1,320,000	-1,868,209	-1,849,056	-1,829,904	-1,810,751	-1,801,175	-1,791,598	-1,772,446	-1,753,293	-1,734,141	
Site 12	Large Green 400 LD	loS	25,000	325,000	303,337	339,321	375,304	411,287	429,279	446,659	481,406	516,153	550,901	
Site 13	Large Green 400 HD	loS	25,000	325,000	446,749	493,807	540,865	586,612	609,334	632,057	677,502	722,947	768,393	
Site 14	Green 150	loS	25,000	325,000	179,904	220,331	260,758	301,185	321,399	341,613	382,040	422,467	462,894	
Site 15	Green 30	loS	25,000	325,000	203,558	241,919	280,280	318,641	337,821	357,002	395,363	433,724	472,085	
Site 16	Green 12	loS	75,000	375,000	46,452	87,570	128,687	169,805	190,363	210,922	252,040	293,157	334,275	
Site 17	Green 6	loS	75,000	375,000	822,908	822,908	822,908	822,908	822,908	822,908	822,908	822,908	822,908	

Sittingbourne and West Swale BC

			EUV	BLV	Residual Value (£ per gross ha)								
			Affordable Housing		10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%
				Social Rent	70%	60%	50%	40%	35%	30%	20%	10%	0%
			Affordable Rent		0%	10%	20%	30%	35%	40%	50%	60%	70%
			Affordable Home Ownership		30%	30%	30%	30%	30%	30%	30%	30%	30%
Site 1	Large Brown 300	Sittingbourne Wes	1,100,000	1,320,000	1,189,762	1,207,034	1,224,305	1,241,577	1,250,213	1,258,849	1,276,121	1,293,392	1,310,664
Site 2	Brown 90	Sittingbourne Wes	1,100,000	1,320,000	1,132,648	1,152,988	1,173,328	1,193,669	1,203,839	1,214,009	1,234,349	1,254,689	1,275,030
Site 3	Brown 30	Sittingbourne Wes	1,100,000	1,320,000	2,536,142	2,576,324	2,616,506	2,656,688	2,676,779	2,696,870	2,737,051	2,777,233	2,817,415
Site 4	Brown 15	Sittingbourne Wes	1,100,000	1,320,000	1,502,407	1,530,184	1,557,961	1,585,738	1,599,626	1,613,515	1,641,292	1,669,069	1,696,846
Site 5	Brown 9	Sittingbourne Wes	1,100,000	1,320,000	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420
Site 6	Brown 6	Sittingbourne Wes	1,100,000	1,320,000	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973
Site 7	Central 60	Sittingbourne Wes	1,100,000	1,320,000	1,153,665	1,172,373	1,191,081	1,209,789	1,219,143	1,228,497	1,247,205	1,265,913	1,284,621
Site 8	Central 24	Sittingbourne Wes	1,100,000	1,320,000	1,094,957	1,112,423	1,129,889	1,147,355	1,156,087	1,164,820	1,182,286	1,199,752	1,217,218
Site 9	Central 9	Sittingbourne Wes	1,100,000	1,320,000	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819
Site 10	Brown 90 HD Flats	Sittingbourne Wes	1,100,000	1,320,000	-2,160,939	-2,135,286	-2,109,634	-2,083,982	-2,071,155	-2,058,329	-2,032,677	-2,007,024	-1,981,372
Site 11	Brown 24 HD	Sittingbourne Wes	1,100,000	1,320,000	-1,868,209	-1,849,056	-1,829,904	-1,810,751	-1,801,175	-1,791,598	-1,772,446	-1,753,293	-1,734,141
Site 12	Large Green 400 LD	Sittingbourne Wes	25,000	325,000	303,337	339,321	375,304	411,287	429,279	446,659	481,406	516,153	550,901
Site 13	Large Green 400 HD	Sittingbourne Wes	25,000	325,000	446,749	493,807	540,865	586,612	609,334	632,057	677,502	722,947	768,393
Site 14	Green 150	Sittingbourne Wes	25,000	325,000	179,904	220,331	260,758	301,185	321,399	341,613	382,040	422,467	462,894
Site 15	Green 30	Sittingbourne Wes	25,000	325,000	203,558	241,919	280,280	318,641	337,821	357,002	395,363	433,724	472,085
Site 16	Green 12	Sittingbourne Wes	75,000	375,000	46,452	87,570	128,687	169,805	190,363	210,922	252,040	293,157	334,275
Site 17	Green 6	Sittingbourne Wes	75,000	375,000	822,908	822,908	822,908	822,908	822,908	822,908	822,908	822,908	822,908
Site 19	West of Bobbing Village	Bobbing	25,000	250,000	39,780	64,467	89,155	113,842	126,186	138,530	163,217	187,905	211,941

Sittingbourne and East Swale BC

			EUV	BLV	Residual Value (£ per gross ha)								
			Affordable Housing		10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%
				Social Rent	70%	60%	50%	40%	35%	30%	20%	10%	0%
				Affordable Rent	0%	10%	20%	30%	35%	40%	50%	60%	70%
			Affordable Home Ownership		30%	30%	30%	30%	30%	30%	30%	30%	30%
Site 1	Large Brown 300	Sittingbourne East	1,100,000	1,320,000	1,189,762	1,207,034	1,224,305	1,241,577	1,250,213	1,258,849	1,276,121	1,293,392	1,310,664
Site 2	Brown 90	Sittingbourne East	1,100,000	1,320,000	1,132,648	1,152,988	1,173,328	1,193,669	1,203,839	1,214,009	1,234,349	1,254,689	1,275,030
Site 3	Brown 30	Sittingbourne East	1,100,000	1,320,000	2,536,142	2,576,324	2,616,506	2,656,688	2,676,779	2,696,870	2,737,051	2,777,233	2,817,415
Site 4	Brown 15	Sittingbourne East	1,100,000	1,320,000	1,502,407	1,530,184	1,557,961	1,585,738	1,599,626	1,613,515	1,641,292	1,669,069	1,696,846
Site 5	Brown 9	Sittingbourne East	1,100,000	1,320,000	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420	1,791,420
Site 6	Brown 6	Sittingbourne East	1,100,000	1,320,000	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973	1,833,973
Site 7	Central 60	Sittingbourne East	1,100,000	1,320,000	1,153,665	1,172,373	1,191,081	1,209,789	1,219,143	1,228,497	1,247,205	1,265,913	1,284,621
Site 8	Central 24	Sittingbourne East	1,100,000	1,320,000	1,094,957	1,112,423	1,129,889	1,147,355	1,156,087	1,164,820	1,182,286	1,199,752	1,217,218
Site 9	Central 9	Sittingbourne East	1,100,000	1,320,000	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819	2,518,819
Site 10	Brown 90 HD Flats	Sittingbourne East	1,100,000	1,320,000	-2,160,939	-2,135,286	-2,109,634	-2,083,982	-2,071,155	-2,058,329	-2,032,677	-2,007,024	-1,981,372
Site 11	Brown 24 HD	Sittingbourne East	1,100,000	1,320,000	-1,868,209	-1,849,056	-1,829,904	-1,810,751	-1,801,175	-1,791,598	-1,772,446	-1,753,293	-1,734,141
Site 12	Large Green 400 LD	Sittingbourne East	25,000	325,000	522,142	556,889	591,636	626,383	643,757	661,131	695,878	730,625	765,372
Site 13	Large Green 400 HD	Sittingbourne East	25,000	325,000	723,601	769,046	814,491	859,936	882,659	905,382	950,827	996,272	1,041,718
Site 14	Green 150	Sittingbourne East	25,000	325,000	430,971	471,398	511,825	552,253	572,466	592,680	633,107	673,534	713,962
Site 15	Green 30	Sittingbourne East	25,000	325,000	455,211	493,572	531,933	570,294	589,475	608,655	647,016	685,378	723,739
Site 16	Green 12	Sittingbourne East	75,000	375,000	416,011	456,333	496,656	536,979	557,141	577,302	617,625	657,020	696,207
Site 17	Green 6	Sittingbourne East	75,000	375,000	1,291,310	1,291,310	1,291,310	1,291,310	1,291,310	1,291,310	1,291,310	1,291,310	1,291,310

Faversham and Adjacent

			EUV	BLV	Residual Value (£ per gross ha)								
			Affordable Housing		10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%	10% / 30%
				Social Rent	70%	60%	50%	40%	35%	30%	20%	10%	0%
				Affordable Rent	0%	10%	20%	30%	35%	40%	50%	60%	70%
			Affordable Home Ownership		30%	30%	30%	30%	30%	30%	30%	30%	30%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	1,371,669	1,388,941	1,406,213	1,423,485	1,432,121	1,440,756	1,458,028	1,475,300	1,492,572
Site 2	Brown 90	Faversham	1,100,000	1,320,000	1,342,758	1,363,098	1,383,439	1,403,779	1,413,949	1,424,119	1,444,459	1,464,800	1,485,140
Site 3	Brown 30	Faversham	1,100,000	1,320,000	3,018,202	3,058,383	3,098,565	3,138,747	3,158,838	3,178,929	3,219,111	3,259,293	3,299,474
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,783,526	1,811,303	1,839,080	1,866,857	1,880,745	1,894,634	1,922,411	1,950,188	1,977,965
Site 5	Brown 9	Faversham	1,100,000	1,320,000	2,048,526	2,048,526	2,048,526	2,048,526	2,048,526	2,048,526	2,048,526	2,048,526	2,048,526
Site 6	Brown 6	Faversham	1,100,000	1,320,000	2,095,964	2,095,964	2,095,964	2,095,964	2,095,964	2,095,964	2,095,964	2,095,964	2,095,964
Site 7	Central 60	Faversham	1,100,000	1,320,000	1,397,000	1,415,708	1,434,416	1,453,124	1,462,478	1,471,832	1,490,540	1,509,248	1,527,956
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,336,757	1,354,223	1,371,689	1,389,155	1,397,888	1,406,621	1,424,087	1,441,552	1,459,018
Site 9	Central 9	Faversham	1,100,000	1,320,000	2,840,202	2,840,202	2,840,202	2,840,202	2,840,202	2,840,202	2,840,202	2,840,202	2,840,202
Site 10	Brown 90 HD Flats	Faversham	1,100,000	1,320,000	-2,160,939	-2,135,286	-2,109,634	-2,083,982	-2,071,155	-2,058,329	-2,032,677	-2,007,024	-1,981,372
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,868,209	-1,849,056	-1,829,904	-1,810,751	-1,801,175	-1,791,598	-1,772,446	-1,753,293	-1,734,141
Site 12	Large Green 400 LD	Faversham	25,000	325,000	593,633	628,380	663,127	697,874	715,247	732,621	767,368	802,115	836,862
Site 13	Large Green 400 HD	Faversham	25,000	325,000	814,709	860,154	905,599	951,045	973,767	996,490	1,041,935	1,087,381	1,132,826
Site 14	Green 150	Faversham	25,000	325,000	514,660	555,087	595,514	635,942	656,155	676,369	716,796	757,223	797,651
Site 15	Green 30	Faversham	25,000	325,000	539,096	577,457	615,818	654,179	673,359	692,540	730,901	769,262	807,623
Site 16	Green 12	Faversham	75,000	375,000	537,080	577,403	617,726	657,118	676,712	696,305	735,492	774,679	813,867
Site 17	Green 6	Faversham	75,000	375,000	1,443,434	1,443,434	1,443,434	1,443,434	1,443,434	1,443,434	1,443,434	1,443,434	1,443,434
Site 18	South East Faversham	Faversham	25,000	250,000	-228,457	-197,286	-166,278	-136,600	-121,761	-106,922	-77,245	-47,567	-18,500

Appendix 6 - Commuted Sums Calculation

Isle of Sheppey

					Units		Residual Value (£)		Difference	
					All	Affordable	No Aff	With Aff	Site	Per Affordable
Site 1	Large Brown 300	loS	Brown	PDL	300	30	11,587,494	9,230,925	2,356,570	78,552
Site 2	Brown 90	loS	Brown	PDL	90	9	2,960,546	2,258,772	701,774	77,975
Site 3	Brown 30	loS	Brown	PDL	30	3	993,550	755,049	238,501	79,500
Site 4	Brown 15	loS	Brown	PDL	15	1.5	517,003	399,719	117,284	78,189
Site 5	Brown 9	loS	Brown	PDL	9	0.9	345,220	345,220	0	0
Site 6	Brown 6	loS	Brown	PDL	6	0.6	235,386	235,386	0	0
Site 7	Central 60	loS	Brown	PDL	60	6	1,721,360	1,231,453	489,908	81,651
Site 8	Central 24	loS	Brown	PDL	24	2.4	649,017	461,510	187,507	78,128
Site 9	Central 9	loS	Brown	PDL	9	0.9	329,615	329,615	0	0
Site 10	Brown 90 HD Flats	loS	Brown	PDL	90	9	-2,853,001	-3,308,029	455,028	50,559
Site 11	Brown 24 HD	loS	Brown	PDL	24	2.4	-786,397	-895,799	109,402	45,584
Site 12	Large Green 400 LD	loS	Green	Agricultural	400	120	17,896,129	8,507,797	9,388,332	78,236
Site 13	Large Green 400 HD	loS	Green	Agricultural	400	120	18,067,696	9,029,384	9,038,312	75,319
Site 14	Green 150	loS	Green	Agricultural	150	45	5,584,817	2,091,506	3,493,311	77,629
Site 15	Green 30	loS	Green	Agricultural	30	9	1,151,784	446,252	705,531	78,392
Site 16	Green 12	loS	Green	Paddock	12	3.6	375,426	84,369	291,057	80,849
Site 17	Green 6	loS	Green	Paddock	6	1.8	164,582	164,582	0	0

Sittingbourne and West Swale BC

					Units		Residual Value (£)		Difference	
					All	Affordable	No Aff	With Aff	Site	Per Affordable
Site 1	Large Brown 300	Sittingbourne Wes	Brown	PDL	300	30	13,285,785	10,790,133	2,495,653	83,188
Site 2	Brown 90	Sittingbourne Wes	Brown	PDL	90	9	3,475,229	2,731,520	743,709	82,634
Site 3	Brown 30	Sittingbourne Wes	Brown	PDL	30	3	1,172,307	919,387	252,919	84,306
Site 4	Brown 15	Sittingbourne Wes	Brown	PDL	15	1.5	608,905	484,054	124,851	83,234
Site 5	Brown 9	Sittingbourne Wes	Brown	PDL	9	0.9	403,069	403,069	0	0
Site 6	Brown 6	Sittingbourne Wes	Brown	PDL	6	0.6	275,096	275,096	0	0
Site 7	Central 60	Sittingbourne Wes	Brown	PDL	60	6	2,053,231	1,535,621	517,610	86,268
Site 8	Central 24	Sittingbourne Wes	Brown	PDL	24	2.4	781,122	582,410	198,712	82,797
Site 9	Central 9	Sittingbourne Wes	Brown	PDL	9	0.9	377,823	377,823	0	0
Site 10	Brown 90 HD Flats	Sittingbourne Wes	Brown	PDL	90	9	-2,853,001	-3,308,029	455,028	50,559
Site 11	Brown 24 HD	Sittingbourne Wes	Brown	PDL	24	2.4	-786,397	-895,799	109,402	45,584
Site 12	Large Green 400 LD	Sittingbourne Wes	Green	Agricultural	400	120	17,896,129	8,507,797	9,388,332	78,236
Site 13	Large Green 400 HD	Sittingbourne Wes	Green	Agricultural	400	120	18,067,696	9,029,384	9,038,312	75,319
Site 14	Green 150	Sittingbourne Wes	Green	Agricultural	150	45	5,584,817	2,091,506	3,493,311	77,629
Site 15	Green 30	Sittingbourne Wes	Green	Agricultural	30	9	1,151,784	446,252	705,531	78,392
Site 16	Green 12	Sittingbourne Wes	Green	Paddock	12	3.6	375,426	84,369	291,057	80,849
Site 17	Green 6	Sittingbourne Wes	Green	Paddock	6	1.8	164,582	164,582	0	0

Sittingbourne and East Swale BC

					Units		Residual Value (£)		Difference	
					All	Affordable	No Aff	With Aff	Site	Per Affordable
Site 1	Large Brown 300	Sittingbourne East	Brown	PDL	300	30	13,285,785	10,790,133	2,495,653	83,188
Site 2	Brown 90	Sittingbourne East	Brown	PDL	90	9	3,475,229	2,731,520	743,709	82,634
Site 3	Brown 30	Sittingbourne East	Brown	PDL	30	3	1,172,307	919,387	252,919	84,306
Site 4	Brown 15	Sittingbourne East	Brown	PDL	15	1.5	608,905	484,054	124,851	83,234
Site 5	Brown 9	Sittingbourne East	Brown	PDL	9	0.9	403,069	403,069	0	0
Site 6	Brown 6	Sittingbourne East	Brown	PDL	6	0.6	275,096	275,096	0	0
Site 7	Central 60	Sittingbourne East	Brown	PDL	60	6	2,053,231	1,535,621	517,610	86,268
Site 8	Central 24	Sittingbourne East	Brown	PDL	24	2.4	781,122	582,410	198,712	82,797
Site 9	Central 9	Sittingbourne East	Brown	PDL	9	0.9	377,823	377,823	0	0
Site 10	Brown 90 HD Flats	Sittingbourne East	Brown	PDL	90	9	-2,853,001	-3,308,029	455,028	50,559
Site 11	Brown 24 HD	Sittingbourne East	Brown	PDL	24	2.4	-786,397	-895,799	109,402	45,584
Site 12	Large Green 400 LD	Sittingbourne East	Green	Agricultural	400	120	23,282,578	12,592,963	10,689,615	89,080
Site 13	Large Green 400 HD	Sittingbourne East	Green	Agricultural	400	120	23,205,136	12,934,024	10,271,112	85,593
Site 14	Green 150	Sittingbourne East	Green	Agricultural	150	45	7,616,382	3,628,652	3,987,730	88,616
Site 15	Green 30	Sittingbourne East	Green	Agricultural	30	9	1,569,763	760,819	808,944	89,883
Site 16	Green 12	Sittingbourne East	Green	Paddock	12	3.6	564,527	230,921	333,606	92,668
Site 17	Green 6	Sittingbourne East	Green	Paddock	6	1.8	258,262	258,262	0	0

Faversham and Adjacent

					Units		Residual Value (£)		Difference	
					All	Affordable	No Aff	With Aff	Site	Per Affordable
Site 1	Large Brown 300	Faversham	Brown	PDL	300	30	14,984,076	12,349,340	2,634,736	87,825
Site 2	Brown 90	Faversham	Brown	PDL	90	9	3,989,911	3,204,268	785,643	87,294
Site 3	Brown 30	Faversham	Brown	PDL	30	3	1,351,064	1,083,726	267,338	89,113
Site 4	Brown 15	Faversham	Brown	PDL	15	1.5	700,807	568,390	132,417	88,278
Site 5	Brown 9	Faversham	Brown	PDL	9	0.9	460,918	460,918	0	0
Site 6	Brown 6	Faversham	Brown	PDL	6	0.6	314,395	314,395	0	0
Site 7	Central 60	Faversham	Brown	PDL	60	6	2,385,101	1,839,790	545,312	90,885
Site 8	Central 24	Faversham	Brown	PDL	24	2.4	913,228	703,310	209,918	87,466
Site 9	Central 9	Faversham	Brown	PDL	9	0.9	426,030	426,030	0	0
Site 10	Brown 90 HD Flats	Faversham	Brown	PDL	90	9	-2,853,001	-3,308,029	455,028	50,559
Site 11	Brown 24 HD	Faversham	Brown	PDL	24	2.4	-786,397	-895,799	109,402	45,584
Site 12	Large Green 400 LD	Faversham	Green	Agricultural	400	120	25,078,061	13,954,685	11,123,376	92,695
Site 13	Large Green 400 HD	Faversham	Green	Agricultural	400	120	24,917,616	14,235,571	10,682,046	89,017
Site 14	Green 150	Faversham	Green	Agricultural	150	45	8,293,570	4,141,034	4,152,536	92,279
Site 15	Green 30	Faversham	Green	Agricultural	30	9	1,709,090	865,675	843,415	93,713
Site 16	Green 12	Faversham	Green	Paddock	12	3.6	627,561	278,522	349,039	96,955
Site 17	Green 6	Faversham	Green	Paddock	6	1.8	288,687	288,687	0	0

HDH Planning and Development Ltd is a specialist planning consultancy providing evidence to support planning authorities, landowners and developers. The firm is regulated by the RICS. The main areas of expertise are:

- Community Infrastructure Levy (CIL)
- District wide and site specific Viability Analysis
- Local and Strategic Housing Market Assessments and Housing Needs Assessments

HDH Planning and Development have clients throughout England and Wales.

HDH Planning and Development Ltd
Registered in England Company Number 08555548
Clapham Woods Farm, Keasden, Nr Clapham, Lancaster. LA2 8ET
info@hdhplanning.co.uk, 015242 51831

