

VIABILITY STATEMENT OF COMMON GROUND

68 AND 70 KEYMER ROAD, HASSOCKS BN6 8QP

PLANNING INSPECTORATE REFERENCE: APP/D3830/W/24/3344121

LOCAL PLANNING AUTHORITY REFERENCE: DM/23/3114

JULY 2024

1.0 Background

- 1.1 This Statement of Common Ground for viability matters relates to an appeal against Mid Sussex District Council's (the Council) failure to determine the planning application for the demolition of existing buildings and redevelopment to form 41 retirement living apartments for older persons at 68 and 70 Keymer Road, Hassocks BN6 8QP.
- 1.2 Note that this Statement relates to matters of financial viability only and a separate Statement of Common Ground is provided for other matters.
- 1.3 The application was submitted on 4th December 2023 and was validated on the 5th December 2023. A report on Affordable Housing and Viability (by Planning Issues for the Appellant) was submitted as part of the planning application and was reviewed on behalf of the Council by the Dixon Searle Partnership (DSP) in February 2024.
- 1.4 This appeal is against the Council's failure to determine the application within the statutory time period.
- 1.5 Following the Council's 13th June 2024 planning committee, it can be seen that had the Council been able to determine the application, they would have refused planning permission for the following reason relating to viability and affordable housing:

Reason 3) The proposal does not satisfy the requirements of Policy DP20 of the District Plan in respect of infrastructure requirements, including affordable housing to service the development as supplemented by the Council's Supplementary Planning Documents,' Development Infrastructure and Contributions' SPD (2018). The proposal therefore would also not satisfy the requirements of Policy DP31 of the District Plan in respect of the provision of any offsite contribution towards affordable housing.

- 1.7 Planning Issues and the Council have continued to liaise on this matter in order to seek to ensure an agreed position. On the 17th July 2024, the Council confirmed their agreement to the Submission viability position by agreeing to adopt sales and marketing costs at a rate of 5% of gross development value, rather than 4.5%.
- 1.8 The following section provides a summary of the currently agreed position.

2.0 Site Description and Summary of currently agreed Viability Inputs

- 2.1 The site area is circa 0.45 hectares and comprises of two detached properties and their gardens. The existing property at no.68 is a detached chalet bungalow and the property at no.70 is a detached two storey house, both with substantial rear gardens.
- 2.2 The site is located within the built-up area of Hassocks in a predominantly residential area.
- 2.4 The scheme subject of this appeal is for the development of 41 no. Retirement Living apartments for older persons including communal facilities and associated car parking and landscaping.
- 2.5 The proposal includes a mix of 27 × 1-bed units and 14 × 2-bed units with 2,543 m² (rounded) of saleable area and 3,440 m² (rounded) of gross internal area equating to a gross to net building efficiency of 73.93%.
- 2.6 The following table sets out a summary of the agreed viability position at Submission (with the Argus appraisal attached to this statement).

Input	Agreed Position	Comment
Gross Development Value	£17,185,000	Agreed.
Build Cost (including contingency)	£7,836,865	Agreed.
Professional Fees	9%	Agreed.
Sales and Marketing Fees	5%	Agreed.
Sales Legals	£750 per unit	Agreed.
Unsold Unit Fees	£202,242	Agreed.
Finance	7.5% debit and 1.0% credit	Agreed.
Profit	20% return on GDV	Agreed.
Acquisition Costs	£317,894 Stamp Duty and Fees	Agreed.
Residual Land Value	£2,587,227	Agreed.
Benchmark Land Value	£2,472,500	Agreed.
Viability Headroom	£114,727	Agreed

- 2.7 A Section 106 agreement will be provided to secure the currently agreed sum of £114,727, to be disaggregated as deemed appropriate by the Council in accordance with the CIL regulations. The S106 will include a review mechanism to be carried out at 75% of sales or lettings.

Signed

