

APPENDIX 1 POLICIES MATRIX

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
Strategic Policies			
Policy ST1: Health and Wellbeing (inc. HIA)	The way places are planned, designed and built can have a significant influence over health and wellbeing. All development should be designed to provide opportunities for healthy lifestyles and contribute to the creation of healthier and inclusive communities and help to reduce health inequalities for people of all ages and abilities through placemaking. The Council will continue to work with partners and health providers to improve and promote healthier and active lifestyles for our residents and communities. Health and wellbeing outcomes are embedded throughout the policies in the Plan. To achieve healthy and inclusive communities, all new development should: a) Promote healthy neighbourhood design, providing opportunities for healthy lifestyles for all by creating well-designed, safe and accessible places. b) Provide healthy and affordable homes that meet the needs of the community. c) Provide easy access to natural environments including green and blue infrastructure and open spaces. d) Promote active and sustainable environments and encourage active travel. e) Promote a healthy food environment. f) Provide access for all to health facilities and services, a range of employment opportunities, and sport and recreation facilities. g) Seek environmental improvements, minimising exposure to potential sources of environmental harm including pollutants and noise and improving air quality. Minimise, manage and mitigate against the effects of climate change. In addition, and where appropriate, new development should support the provision of healthcare infrastructure to accommodate needs, in accessible locations, in line with the requirements outlined in the Infrastructure Delivery Plan and set out in site allocation policies. A Health Impact Assessment will be required for all residential development in excess of 50 units or non-residential development in excess of 1,000sqm in order to demonstrate that the development would have an acceptable impact on health and wellbeing. The Council will	Direct	Appropriate allowances have been accounted for in the professional fee allowance. Any negative impacts and cost for mitigation required should be reflected in the land price.

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	require Health Impact Assessments to be prepared having regard to the most up to date advice and best practice for such assessments. The purpose of the Health Impact Assessment will be to identify the potential health consequences of a proposal. The assessment should include recommendations on how positive health benefits can be maximised and how negative impacts on health and inequalities can be avoided or mitigated. Where a development has a significant adverse impact on health and wellbeing, the Council will require applicants to provide for the mitigation of such impacts. Developments which will have an unacceptable significant adverse impact on health and wellbeing which cannot be mitigated, or that fail to offer reasonable provisions, will not be permitted.		
Policy ST2: Environment and the Green network and waterways	All proposals must conserve and enhance Colchester’s natural and historic environment, including the protection and enhancement of sites of international, national, regional, and local importance. The Council will safeguard the landscape character of Colchester as defined by the area’s existing biodiversity, geology, green network and waterways, history, and archaeology. The Council will support the use of Natural England’s Environmental Benefits from Nature tool. Proposals must have regard to delivering the aims and objectives of the Essex Local Nature Recovery Strategy and Essex Coast Recreational Disturbance Avoidance and Mitigation Strategy (RAMS) or any relevant successor documents. Proposals for habitat creation, enhancement and BNG should have regard to the Colchester City Strategic Biodiversity Assessment. Strategic areas that present the best opportunities for habitat creation and enhancement aimed at improving biodiversity are shown on the policies maps as ‘strategic biodiversity areas’. These strategic biodiversity areas will be protected, and support will be given to strengthening and enhancing connections between habitats to improve their contribution to the biodiversity network. All major residential development proposals must have a Green Network and Waterways Plan (which could form part of the Design and Access Statement) setting out how the development meets the Council’s Green Network and Waterways Guiding Principles. The Plan should include	Direct	This is a strategic policy – we have allowed for BNG in accordance with DEFRA Impact Assessment Biodiversity Net Gain and Local Nature Recovery Strategies Impact Assessment in our study.

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	details of the timescale for the implementation of each aspect of the Plan within that phase of development and details of the quality standard of construction and maintenance. Open spaces should be incorporated into other strategies and plans for the site, such as surface water management strategies, landscape, utilities, and biodiversity net gain to coordinate delivery, management and maintenance.		
Policy ST3: Spatial Strategy	The Plan makes provision for growth and supporting infrastructure across the Colchester area to 2041. A sufficient number of homes have been provided in the plan to meet the overall housing requirement to 2041 as set out in Policy ST5. Growth is primarily focused on settlement hierarchy having regard to sustainability merits, size function and the services provided in each locality. Growth has to be balanced against other considerations such as biodiversity, landscape, heritage, for example. Previously developed land and higher densities will be supported where this enables a more efficient use of land.	Indirect	This is an overarching policy in which we have assumed no direct impact on this study. This policy aims to provide an overall vision for other detailed policies.
Policy ST4: Development in the Countryside	The Council will consider the requirement for new development within the countryside to meet identified development needs in accordance with Colchester’s spatial strategy while supporting the vitality of rural communities. This will be balanced against ensuring development does not have an adverse impact on the different roles and relationships between settlements and their separate identities, valued landscapes, the intrinsic character and beauty of the countryside and visual amenity. Consideration will be given to the character and beauty of the countryside, the role of the landscape, any adverse impacts and access to sustainable modes of travel with the overall objective of protecting and enhancing the countryside. Sustainable rural businesses will be supported where certain criteria is met.	Indirect	Colchester through planning and development decisions, will work with partners to proactively preserve and protect the character and beauty of the countryside.
Policy ST5: Colchester’s Housing Need	The Council will plan, monitor and manage the delivery of at least 20,800 new homes in Colchester City between 2025 and 2041. The annual housing requirement for Colchester is 1,300, as identified by the Standard Methodology.	Direct	This policy has direct impact as the Local Plan Viability Assessment will demonstrate the ability of the proposals to

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	Table ST5.1: Housing Supply <table><tr><th>Housing Supply as at 31st December 2024</th><th>Net New Homes</th></tr><tr><td>Existing Commitments (sites with planning permission)</td><td>6,117</td></tr><tr><td>Tendring Colchester Borders Garden Community</td><td>1,700</td></tr><tr><td>Windfall Allowance</td><td>2,200</td></tr><tr><td>Local Plan Allocations</td><td>11,089</td></tr><tr><td>TOTAL SUPPLY</td><td>21,106</td></tr></table> The Council will maintain a sufficient supply of deliverable and developable sites to provide for at least five years’ worth of housing on a rolling basis, plus an appropriate buffer in accordance with national policy. The overall distribution of new housing across Colchester is guided by Spatial Strategy (Policy ST3).	Housing Supply as at 31st December 2024	Net New Homes	Existing Commitments (sites with planning permission)	6,117	Tendring Colchester Borders Garden Community	1,700	Windfall Allowance	2,200	Local Plan Allocations	11,089	TOTAL SUPPLY	21,106		deliver the identified housing needed through viability testing.
Housing Supply as at 31st December 2024	Net New Homes														
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Policy ST6: Colchester’s Employment Need	The Council will plan, monitor and manage the delivery of at least 41.7 ha of employment land in Colchester City to meet the projected demand up to 2041. Employment uses will be provided on a range of sites to ensure jobs are accessible to new and existing communities across Colchester. Local Plan employment provisions allow for approximately 46.9 ha of land. Proposals for new employment uses within the existing defined employment areas will be supported. Employment uses for the purposes of this policy are defined as Use Classes E(g), B2, and B8. Alternative economic class uses may contribute to the provision of jobs providing flexibility and securing delivery of additional jobs. Suitable alternative economic uses will be supported within existing and defined areas where they are in accordance with all relevant	Indirect	This is an overarching policy in which we have assumed no impact for this study. The implementation of this policy will impact the real estate market through the quality of the environment and the strength of the economy created. This will impact real estate												

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	policies in the plan, including impact assessments where these alternative uses are for town centre uses and the threshold applies.		values over time through the price mechanism.
Policy ST7: Infrastructure and Connectivity	All development must be supported by the provision of infrastructure, services and facilities that are identified as being needed to serve the needs arising from the development. Permission will only be granted if it can be demonstrated that there is sufficient and appropriate infrastructure capacity to support the development or that such capacity will be delivered by the proposal. It must further be demonstrated that all necessary infrastructure will be delivered at an appropriate time to meet the requirements of the development, and that such capacity will prove sustainable over time in physical and financial terms. Where a development proposal requires additional infrastructure capacity to be deemed acceptable, mitigation measures must be agreed with the Council and the appropriate infrastructure provider. Such measures may include: • Financial contributions towards new or expanded facilities and the maintenance thereof; • On-site provision of new facilities (which may include building works); • Off-site capacity improvement works; and/or • The provision of land. Developers will be expected to contribute towards the delivery of relevant infrastructure as required and supported by up-to-date evidence from appropriate sources including the Infrastructure Audit Delivery Plan (IADP) and any subsequent updated evidence. Developers will be required to either make direct provision or to contribute towards the provision of local and strategic infrastructure required by the development, either alone or cumulatively with other development. The requirements a) to d) below apply to all development proposals. Location specific infrastructure requirements are also contained within the relevant site allocation policies. Where an applicant/developer is seeking an exception to this policy it will only be considered whereby:	Direct	This policy will have a direct impact on viability as relevant infrastructure will be secured through agreements with the council, as required. Where possible, the necessary infrastructure will be informed by the IADP. We have included an infrastructure allowance of £5000 per unit across the residential typologies. We have allowed for additional infrastructure costs in the strategic site viability appraisals.

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	a) A fully transparent open book viability assessment has proven that full mitigation cannot be afforded, allowing only for the minimum level of developer profit and landowner receipt necessary for the development to proceed; and b) It is proven that the public benefit of the development proceeding without full mitigation outweighs the collective harm; and c) Full and thorough investigation has been undertaken to find innovative solutions to issues and all possible steps have been taken to minimise the residual level of unmitigated impacts; and d) Obligations are entered into by the developer that provide for appropriate mitigation in the event that viability improves prior to completion of the development. In such cases the Council may seek a staged review of the viability of a scheme with the aim of achieving policy compliance over time. This may include securing a review mechanism by legal agreement specifying trigger points for undertaking a review such as later phases of a scheme or reserved matters applications. The Council will consider introducing a Community Infrastructure Levy (CIL) and will implement such for areas and/or development types where a viable charging schedule would best mitigate the impacts of growth. Section 106 will remain the appropriate mechanism for securing land and works along with financial contributions where a sum for the necessary infrastructure is not secured via CIL.		
Policy ST8: Place Shaping Principles	All new development must meet high standards of urban and architectural design. Development frameworks, masterplans, design codes, and other design guidance documents will be prepared in consultation with stakeholders where they are needed to support this objective. Any adopted design documents must be taken into account. All new development should reflect the following placemaking principles, where relevant: a) Protecting and enhancing the natural environment, ensuring that development is sustainable and minimises adverse impacts on biodiversity as well as incorporating biodiversity enhancement and net gain. b) Provide an integrated and connected green network of biodiverse public open spaces and waterways, thereby helping to alleviate recreational pressure on designated nature conservation sites.	Direct	This policy outlines design principles that new developments must follow to preserve Colchester's characteristics and qualities. Costs associated with scheme design have been allowed for within the professional fee allowance. Costs

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	c) Support adaptation measures to address the impacts of climate change and ensure development is resilient to a changing climate. d) Include measures to address water efficiency and provision of appropriate water supply, wastewater and flood mitigation measures including the use of open space to provide biodiversity rich sustainable drainage solutions. e) Respond positively to local character and context to preserve and enhance the quality of existing places and their environs. f) Provide buildings that reinforce local distinctiveness and exhibit individual architectural quality within well-considered public and private realms. g) Protect and enhance assets of historical and natural value. h) Create well-connected places that prioritise the needs of pedestrians, cyclists and public transport services above use of the private car, providing opportunities for easy access to most daily needs without a car in a reasonable time. Where vehicular access is required, this must be provided with regard to highway safety and efficiency standards. i) Provide a mix of land uses, services and densities with well-defined public and private spaces to create sustainable well-designed neighbourhoods. j) Enhance the public realm through additional landscaping, street furniture and other distinctive features that help to create a sense of place. k) Provide streets and shared spaces that are accessible, overlooked and active and promote inclusive access and safety. l) Include parking facilities that are well integrated as part of the overall design and are adaptable if levels of private car ownership fall. m) Protect the amenity of existing and future residents and users with regard to noise, vibration, smell, light pollution, loss of light, overshadowing and overlooking.		associated with the construction of the houses and wider site works are included within the BCIS build cost and external works allowance, respectively.
Policy ST9: Tendering Colchester Borders Garden Community	The Development Plan Document (DPD) allocates and protects the land for the following uses: • C.7,500 homes with a range of shops, jobs, services and community facilities including education provisions • Salary Brook Country Park • Wivenhoe Strategic Green Gap • Elmstead Strategic Green Gap	Indirect	This policy will not have a direct impact at this stage as this strategic site will have significant impact on delivery trajectory and targets but no cost implication

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	• Sport and leisure facilities • 25 ha of employment land • Provision for the Rapid Transit System • 18-pitch Gypsy and Traveller Site • Park and Choose Facility Proposals within the development boundary will be determined in line with the policies and requirements set out in the DPD. Policies SP8 and SP9 of the North Essex Authorities Shared Strategic Section One Plan (Adopted February 2021) appended to this Plan will be saved and continue to apply to the Garden Community where appropriate. All other policies are replaced.		at this stage of the study.
Environment Policies			
Policy EN1: Nature Conservation Designated Sites	Development proposals that have adverse effects on the integrity of habitats sites or Sites of Special Scientific Interest, either alone or in-combination, will not be supported. Contributions will be secured from qualifying residential development, within the Zones of Influence as defined in the adopted Essex Coast Recreational disturbance Avoidance and Mitigation Strategy (RAMS, or brand name Bird Aware Essex Coast), towards avoidance and mitigation measures identified in the adopted strategy and any updates to the strategy. Reference to Bird Aware Essex Coast must be included on any signage or interpretation that relates to a Suitable Alternative Natural Greenspace (SANG) required in accordance with the Habitat Regulations Assessment. Signage and interpretation boards should explain the natural features of the open space and include places to rest within and throughout the SANG. Nature-based welcome packs will be required for new homeowners for schemes of 100 or more dwellings.	Direct	For the viability assessment, it is assumed that the cost of professional reports and studies is included in the professional fee allowance. Additionally, the cost of required mitigation measures is expected to be covered within the net-to-gross site area assumption, external works cost, and net-biodiversity gain costs. If there are significant nature conservation concerns at sensitive

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			development sites, developers are expected to be aware of these from due diligence, and the mitigation costs should be incorporated into the land price.
Policy EN2: Biodiversity Net Gain and Environmental Net Gain	All development proposals must deliver a minimum of 10% biodiversity net gain (BNG) in accordance with legislation. Proposals for habitat creation, enhancement and BNG should have regard to the Colchester City Strategic Biodiversity Assessment. All opportunities must be taken to maximise the delivery of onsite BNG. The sites listed in this policy and shown on the policies maps are the Council's preferred offsite BNG sites. These sites will deliver the best gains for biodiversity and include a range of habitat types. The strategic significance of these sites is high. Where offsite BNG units are required to meet the minimum 10% BNG where 10% BNG cannot be delivered onsite, the Council recommends that applicants purchase units from the following strategic offsite BNG sites where available: • Abbots Hall, Great Wigborough • Maydays Farm, Haycocks Lane, West Mersea • Chipping Farm, Copford • Brook Meadows, Tiptree The Essex Local Nature Recovery Strategy (LNRS) contains strategic opportunity maps, which show the habitats and locations which have been identified as having 'strategic significance'. Only the LNRS strategic opportunities and the BNG sites listed in this policy can be assigned a score of 'high' in the strategic significance category in the Biodiversity Metric. The Council will support development proposals that go beyond BNG and seek to demonstrate environmental net gain.	Direct	There will be a direct impact on viability given the financial cost associated with delivering BNG within a development. 2019 Defra figures for east of England BNG cost estimate are: Greenfield – £1,003 per unit Brownfield – £268 per unit

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Policy EN3: Biodiversity and Geodiversity	Development proposals where the principal objective is to conserve or enhance biodiversity and geodiversity interests will be supported in principle providing appropriate ecological evidence supports these actions, and the proposals are expected to conserve or enhance biodiversity. For all proposals, development will only be supported where it: a) In the case of major applications, is submitted with a completed Essex biodiversity validation checklist; and b) Is supported with appropriate ecological surveys by a suitably qualified person where necessary. Where a preliminary ecological appraisal indicates that further surveys are required to support a planning application, the results of all such surveys and associated details of necessary mitigation measures need to be submitted prior to determination; and c) In cases where there is reason to suspect the presence of a protected species (and impact to), or Species/Habitats of Principal Importance, or locally important Species/Habitats, applications should be accompanied by an ecological survey, carried out at the appropriate time of year and taking into account appropriate weather conditions, assessing their presence and, if present, the proposal must be sensitive to, and make provision for their needs; and d) Demonstrates that, in the design of the proposal, the mitigation hierarchy has been followed with respect to ecological impacts. Where impacts on habitats and species cannot be avoided, a clear explanation of why alternative sites are not feasible and what proposed mitigation measures are necessary to address all likely significant effects; and e) Incorporates and maximises opportunities for the preservation, restoration, enhancement, connectivity and creation of a mosaic of habitats in accordance with the Essex Local Nature Recovery Strategy; and f) Demonstrates that significant harm to brownfield sites of high biodiversity value is avoided and fragmentation of habitats is minimised; and g) Incorporates biodiversity enhancement measures (in addition to mandatory biodiversity net gain) such as the creating space for nature design principles included in the Biodiversity Supplementary Planning Document; and	Direct	Impact to arise from the cost of professional fees for the relevant Biodiversity Action Plans (BAPs) and Geodiversity Action Plans (GAPs) included in overall fee budget for developments. For development sites with significant nature conservation concerns, developers should be aware of these issues during site due diligence. The cost of necessary mitigation measures should be incorporated into the land purchase price.

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	h) Focuses habitat creation and enhancement measures on the habitats that are already present in the area and retaining existing communities and species populations that have been recognised as having significance; and i) Where development is proposed adjacent to, or including, a LoWS, the creation of new habitat to buffer it should be a priority of design and masterplanning. Proposals for development that would cause significant direct or indirect adverse harm to nationally designated sites or other designated areas, protected species, Habitats and Species of Principal Importance and local importance, will not be permitted unless: a) They cannot be located on alternative sites that would cause less harm; and b) The benefits of the development clearly outweigh the impacts on the features of the site and the wider network of natural habitats; and c) Satisfactory mitigation, or as a last resort, compensation measures are provided. The Council will take a precautionary approach where insufficient information is provided about avoidance, mitigation and compensation measures and will require that this information is submitted prior to determination. Mitigation and compensation measures will be secured through planning conditions/obligations where necessary. A Construction Environment Management Plan, which includes details of all necessary ecological mitigation measures including protection of retained habitats and requirements for ecological supervision during works on site using a suitably experienced Ecological Clerk of Works, will be required by condition where necessary. Where external expertise is required to review and validate ecological survey reports, applicants may be requested to reimburse the Council, arrangements will be discussed at the pre-application stage and may be secured through a Planning Performance Agreement.		
Policy EN4: Irreplaceable Habitats	Proposals that would result in the loss of irreplaceable habitats [as defined in The Biodiversity Gain Requirements (Irreplaceable Habitat) Regulations 2024] will not be permitted unless there are wholly exceptional reasons and a suitable compensation strategy, to the satisfaction of the Council, exists. Proposals predicted to result in adverse impacts upon irreplaceable habitats must be accompanied by detailed survey information and clear evidence to support the exceptional	Direct	This policy has a direct impact on viability as suitable compensation will be required if proposals result in the loss of irreplaceable

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	reasons that justify such a loss. The compensation strategy must include contribution to the enhancement and management of the habitat. Proposals close to ancient woodland must include a buffer zone of at least 15 metres from the boundary of the woodland to avoid root damage. Where surveys show that other impacts are likely to extend beyond this distance, a larger buffer zone will be required.		habitat. This will have a direct impact on development costs.
Policy EN5: New and Existing Trees	Proposals for major development must consider the opportunities for new tree planting, including street trees, alongside and in addition to the requirement for an increase in tree canopy cover. Proposals should consider planting trees that, upon maturity, would be of a scale and form that have the potential to form positive focal points or a landmark. Where new trees are proposed, consideration must be given to the possible conflict between new trees and built form, and be compatible with highway considerations, and parking areas. Tree species must reflect local conditions and management objectives of the specific site. The maintenance of new trees must be included within any landscape management plan and landscape maintenance schedule for the site for an agreed period of time to ensure establishment. All new development should incorporate existing trees. Proposals should ensure that existing trees are not damaged and are retained wherever possible. Consideration must be given to the potential for future pressure to prune or fell existing trees and the design of development must mitigate this. Tree survey information must be submitted with all planning applications where trees are present on site. The tree survey information must include protection, mitigation and management measures. In some instances, trees can cause damage to property or infrastructure requiring significant pruning or even removal. In these cases, a fair and balanced judgement will be made based on the suitability and benefits of retaining a tree against the potential risks it may pose.	Direct	This has a direct impact on the viability as an Arboricultural Impact Assessment will be required to support the planning application. The cost of this is allowed for in the professional fee allowance.
Policy EN6: Conserving and Enhancing the	Development that will lead to substantial harm to or total loss of significance of a listed building, conservation area, historic park or garden or important archaeological remains, locally significant buildings, non-heritage assets (including the setting of heritage assets) will only be permitted in wholly exceptional circumstances where the harm or loss is necessary to	Direct	Colchester will seek to protect and enhance (where possible) existing historical

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Historic Environment	achieve substantial public benefits that outweigh the harm or loss. Where development will lead to less than substantial harm this harm should be weighed against the public benefits of the proposal. Public benefits should clearly outweigh the harm in cases of substantial harm, this includes considering factors such as the optimisation of the assets viable use and the public interest in development. If development leads to less than substantial harm, this needs to be balanced against the public benefits of the proposal, focusing on the quality and public need of those benefits. Development affecting the historic environment should conserve and enhance the significance of the heritage asset and any features of specific historic, archaeological, architectural or artistic interest. There should be importance attributed to preserving the setting of the heritage assets acknowledging the relationship between the asset and its surroundings. In all cases there will be an expectation that any new development will enhance the historic environment or better reveal the significance of the heritage asset unless there are no identifiable opportunities available. Within designated Conservation Areas, proposals must preserve or enhance the character and appearance of the area in accordance with the statutory duty to consider these aspects under the Planning (Listed Buildings and Conservation Areas) Act 1990. Development should complement the form, materials, and architectural style of existing buildings and spaces. Demolition of unlisted buildings or structures within a Conservation Area will only be permitted where it can be demonstrated that the building or structure harms or contributes little to the character or appearance of the area. In all cases, detailed justification, including an assessment of alternatives, will be required. Applicants for Proposals within Conservation Areas should engage with the local community and stakeholders, including local historical societies, to ensure that the local significance of the area is recognised and respected in any proposed development. The adaptive reuse of heritage assets, including listed buildings, non-designated heritage assets, and buildings within Conservation Areas, is encouraged, provided that the proposed changes do not harm the significance of the asset. The preservation of key features, materials, and architectural elements should be a priority, and any alterations should be sympathetic to the asset's character.		buildings and environment through the implementation of various mechanisms listed in the policy. Current costs taken from the latest BCIS have been rebased to ensure they are Colchester-specific, taking into account typical development across Colchester. Construction costs are likely to be higher in relation to designated heritage assets, with values also likely to be higher for this reason. Site specific assessments for each development of a heritage asset will also account for additional cost.

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	In assessing proposals for development affecting heritage assets, consideration will be given to the broader public benefits that the development may bring, including providing access to heritage sites, educational opportunities, and enhancing public understanding of Colchester's historic environment. All development proposals should promote the adaptive reuse of buildings and the role of heritage in sustainable development (such as retrofitting for energy efficiency or considering climate change in heritage management). Heritage Impact Assessments will be required for proposals related to or impacting on the setting of heritage assets so that sufficient information is provided to understand the significance of the heritage assets and to assess the impacts of development on historic assets, together with any proposed mitigation measures.		
Policy EN7: Archaeology	All development proposals that may affect archaeological sites or areas of archaeological potential must include a desktop study and, where necessary, an archaeological field evaluation to assess the impact on below-ground heritage assets. A written scheme of investigation (WSI) will be required to outline the methodology for archaeological investigation, excavation, or preservation in situ, as appropriate. In cases where archaeological remains are likely to be impacted, the preferred approach is to preserve the remains in situ. However, where this is not feasible, appropriate recording and excavation will be required before any development can proceed. Results of such investigations should be deposited with the Historic Environment Record (HER) and made publicly available.	Direct	This policy has a direct impact which shall arise from the site-specific assessment recommended to assess the nuances of the historic environment associated to the development.
Policy EN8: Flood Risk and Sustainable Urban Drainage Systems	Development should be directed away from land at risk of flooding in accordance with the National Planning Policy Framework and Planning Practice Guidance. Planning permission will only be granted where it has been demonstrated that: - The site will remain safe from all types of flooding throughout the lifetime of the development; and - flood risk will not increase on or off site as a result of the development. Proposals that include measures to enhance the flood resilience of new or renovated buildings will be encouraged, particularly in areas with a history of local flooding.	Direct	Impact to arise from the cost of professional fees for the relevant flood risk assessments and drainage reports included in overall professional fee budget for developments. This policy will direct development to land

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	Where buildings have been demolished within the functional floodplain (Flood Zone 3b) for a significant length of time (i.e. over a year), the land should be reverted back to functional floodplain and consequently, development should be avoided within these areas. Where a building(s) is already located in the functional floodplain, any proposals to regenerate or replace such building(s) must not increase the building footprint any greater than the existing footprint. The Colchester Surface Water Management Plan identifies Critical Drainage Areas. New developments within Critical Drainage Areas will be required to provide or contribute towards the provision of flood mitigation options via CIL/S106 contributions, as identified in the Colchester Surface Water Management Plan (and its successor). This is to reduce or mitigate the risk of flooding to existing properties located within the Critical Drainage Area and to accommodate the drainage needs of new developments. Where a site specific flood risk assessment is required in accordance with national policy this should be prepared in accordance with the Colchester Level 1 Strategic Flood Risk Assessment. A Sustainable Drainage Strategy should also be submitted as part of a planning application where a site specific flood risk assessment is required. Any Sustainable Drainage Strategy should be developed having regard to the latest guidance including the CIRIA SuDS Manual, Essex County Council SuDS Design Guide, Essex County Council Green Infrastructure Strategy and Colchester's Green Network and Waterways Guiding Principles (and their successors). Where sites are at risk of groundwater flooding, construction phase groundwater monitoring during periods of high groundwater (October – March) should be included in the Flood Risk Assessment to inform the design and any mitigation measures, unless adequate justification can be provided by the applicant to exempt the proposed development from this requirement. All new development will be required to incorporate water management measures to reduce surface water run-off and adverse impact to water quality, to ensure flood risk is not increased elsewhere. Nature-based solutions are a priority for flood and water management. Surface water should be managed in accordance with the drainage hierarchy and be managed close to its source, at the surface and mimic natural drainage as much as possible. All development proposals should incorporate Sustainable Drainage Systems and consider:		that has a low risk of flooding and that the new development will remain safe from all types of flooding and flood risk will not increase on or off-site as a result of the development. Developers are guided towards the inclusion of sustainable urban drainage systems to mitigate against flooding risk. The cost of such measures is accounted for in the net to gross site areas and external work allowance.

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	a) Natural flood management at a catchment scale, including watercourses and coastal areas; b) Existing drainage features such as ditches and ponds to be retained and incorporated into developments proposals where possible; c) Developments close to rivers should consider the opportunity to improve and enhance the river environment; d) Prioritisation for soft landscaped features; e) Inclusion of grey and rain water reuse systems such as green roofs and water butts; f) Inclusion of multifunctional Sustainable Drainage Systems that enhances biodiversity and provides aesthetic and amenity value, and safe public access; g) Inclusion of permeable paving for driveways, paths and roads; h) The management and maintenance of all Sustainable Drainage Systems for the lifetime of the development including responsibility and that these remain economically proportionate. Sustainable Drainage Systems should be designed to be multifunctional, however this should not undermine their function, and these features should not be considered as making a site's entire contribution for open space as required by Policy GN1.		
Policy EN9: Pollution and Contaminated Land	Proposals will be supported that do not result in an unacceptable risk to public health or safety, the environment, general amenity, or existing uses due to the potential of air pollution, light pollution, noise nuisance, surface / ground water sources or land pollution. High quality open spaces that meet the Council's Guiding Principles for the green network and waterways must be incorporated into development proposals to minimise environmental impacts and contribute to improved environmental quality through the consideration of the selection of species (e.g. trees) and planting design to address air quality, soil erosion, noise and light pollution. Proposals that include outdoor lighting must follow best practice design principles to reduce light pollution and its impact on dark skies. Where a Lighting Plan is submitted in support of an application, it should contain information to show how the lighting is justified, what luminaires are used and where, how it complies with relevant standards and how it considers wider landscape and wildlife considerations.	Direct	This policy has a direct impact on viability through the developer submitting an assessment for Air Quality or a contamination assessment, if required. We have made a further allowance for site clearance / demolition / remediation works of

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	Proposals for developments within designated Air Quality Management Areas (AQMAs) or where development within a nearby locality may impact on an AQMA are required, firstly, to be located in such a way as to reduce emissions overall, and secondly to reduce the direct impacts of those developments. Applicants shall, prepare and submit with their application a relevant assessment, taking into account guidance current at the time of the application, which must be to the satisfaction of the Council. Permission will only be granted where the Council is satisfied that after selection of appropriate mitigation the development will not have an unacceptable significant adverse impact on air quality and health and wellbeing. Development proposals on or adjacent / in close proximity to contaminated land, or where there is reason to suspect contamination, must include a contamination risk assessment of the extent of contamination and any possible risks. Where necessary this should provide any additional environmental protection and mitigation measures, such as landfill gas and leachate migration management, post remediation and management regimes for former landfill sites. The onus is on the applicant to demonstrate that there is no likely risk to health or the environment due to contamination. Where planning permission is granted, conditions may be imposed requiring the execution of any necessary remedial works. Where a site is affected by land contamination, responsibility for securing a safe development rests with the developer and/or landowner, who will be required to carry out the above. After remediation, as a minimum, land should not be capable of being designated as contaminated land under Part IIA of the Environmental Protection Act 1990.		£100,000 per gross acre on brownfield sites.
Green Network and Waterways			
Policy GN1: Provision of Open Space and Green Network and Waterways Principles	Major residential development proposals must demonstrate, in a Green Network and Waterways Plan, that new multifunctional open space(s) of a minimum size of 10% of the gross site area is included in the proposals and must meet any relevant criteria in site allocations policies, be informed by an appraisal of local context and have regard to the following guiding principles for open spaces: a) Are multifunctional and help to create greener, beautiful, healthier, and more prosperous neighbourhoods, with a thriving nature network; b) Support sustainable drainage and help places adapt to climate change; c) Address gaps in provision to create a coherent green network;	Direct	This policy is to promote the retention of, safeguarding of and improving open space. The policy outlines the need for a contribution from major residential development proposals towards the

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	d) Connect as a living network for people and nature across multiple scales from the wider landscape to more local and neighbourhood scales; e) Include a varied mix of types and sizes that can provide a range of functions and benefits and, where appropriate, include street trees, shrubs, planters, green roofs and walls, small green spaces between buildings, gardens, 'play on the way' features/trails and the building blocks as described in the National Model Design Guide ; f) Enable people to experience and connect with nature, and seek to offer access to good quality parks, green spaces, recreational, walking and cycling routes that are inclusive, safe, welcoming, well-managed, accessible and encourage active travel; g) Are designed to be accessible and inclusive to a wide range of ages and abilities appropriate to the nature and status of the site; h) Respond to the area's character so that it contributes to the conservation, enhancement and/or restoration of the historic environment and landscapes and creates new high-quality landscapes and a strong place identity to which local people feel connected; i) Demonstrates how the green space will be managed, maintained and monitored for a minimum of 30 years. Where residential allocations are identified to provide for 'Enhanced Open Space' as indicated in the Place Policies (and shown on the Policies Map), substantively in excess of 10% of the allocation area must be provided as open space. This should include at least one area of strategic open space and multiple areas of less formal and more incidental open space.		provision of open space. This has a direct impact on the net to gross areas assumed in the viability study. This has been captured in the net to gross ratios of the sites based on size.
Policy GN2: Strategic Green Spaces and Nature Recovery	The Council will support the delivery of large scale strategic open spaces, habitat creation and restoration of wildlife rich habitats that delivers the strategic opportunities outlined in the Essex Local Nature Recovery Strategy (LNRS). The Council will work with landowners and other stakeholders to support the delivery of the Essex LNRS. All proposals should have regard to achieving the Essex LNRS principles for restoring and enhancing biodiverse and well-functioning ecological networks designed to deliver multiple benefits based on identified need and contribute towards creating and restoring habitats in strategic opportunity areas.	Indirect	This is a policy related to supporting the delivery of large scale strategic open spaces. This is an overarching policy in which we have assumed no impact for this study.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Proposals for a Roman River corridor nature recovery area, as shown on the policies map, will be supported. Any proposals within this area that are not principally related to nature recovery must demonstrate that they will not prevent nature recovery coming forward in the Strategic Opportunity Areas identified in the Essex LNRS and how they will contribute to delivering habitat creation in accordance with the Essex LNRS.		
Policy GN3: Local Green Spaces	The following areas, which are shown on the policies map, are designated as Local Green Space. These are green spaces that are demonstrably special to the local community and hold a particular local significance. a) Land at Middlewick Ranges b) Mount Bures village green Local Green Spaces are also designated in neighbourhood plans and are shown on the policies map. Proposals for development within Local Green Spaces will only be supported in very special circumstances and considered against policies for the Green Belt as set out in the NPPF.	Indirect	This is a policy related to development within Local Green Space. This is an overarching policy in which we have assumed no direct impact for this study.
Policy GN4: Tree Canopy Cover	A Tree Canopy Cover Assessment will be required for all major applications. Development proposals should seek, where appropriate, to increase the level of canopy cover on site by a minimum of 10%. For sites where the baseline canopy cover is below 10% of the total site area, applicants must secure a minimum canopy coverage of 10% across the site area. New and existing trees must be incorporated into new developments and new streets should be tree lined. Applicants must demonstrate that tree species and planting locations must be selected to enhance biodiversity, support ecosystem services, address environmental challenges, and be compatible with highway considerations. Tree species must reflect local conditions and management objectives of the specific site. Native planting should be used but consideration given to the inclusion of some non-native non-invasive species that could be suited to changing, warmer conditions.	Direct	This policy sets out design principles to ensure that a minimum tree canopy coverage is achieved on a major development site, therefore directly impacting on site coverage and professional fees associated with the assessment required to support all major developments.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	The maintenance of new trees must be included within any landscape management plan and landscape maintenance schedule for the site for an agreed period of time to ensure establishment. In circumstances where any of these requirements is not possible or desirable, compensatory provision should be identified and secured through a legal obligation. Compensatory provision will need to be discussed with the case officer on a case-by-case basis and could include provision of an additional or larger open space or tree planting elsewhere. The Council will support proposals that create pocket forests (also called Miyawaki forests) by planting native trees and shrubs together, to create a compact, biodiversity rich, and ultra-dense environment, where appropriate.		
Policy GN5: Suitable Alternative Natural Greenspace	Suitable Alternative Natural Greenspace (SANG) must be provided where the Habitat Regulations Assessment identifies a need for it to provide alternative greenspace to divert visitors from visiting sensitive sites such as the Colne and Blackwater Estuaries Special Protection Areas (SPAs) and Essex Estuaries Special Area of Conservation (SAC). All SANGs that are required must meet the Natural England standard of 8 hectares per 1,000 head of new population and must comply with the latest Natural England SANG guidance.	Direct	This policy will have a direct impact on viability through the additional need for SANGs where the Habitat Regulation Assessment identifies a need for alternative space. This will have a direct impact on costs for the developer.
Policy GN6: Retention of Open Space	The Council will retain, protect and enhance existing open spaces and secure additional open spaces where deficiencies are identified. Development, including change of use, of any existing or proposed open space (regardless of whether it is in private or public ownership), including allotments, will not be supported unless it can be demonstrated that: a) Alternative and improved provision will be created in a location well related to the functional requirements of the relocated use and its existing and future users; and	Indirect	Assessing costs typically involves examining the financial impact of implementing policy requirements. This includes calculating expenses for retaining or replacing existing

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	b) The proposal would not result in the loss of an area important for its amenity or contribution to the green network or to the character of the area in general. Development proposals resulting in a loss of open space must additionally demonstrate that: c) There is an identified excess provision within the catchment of the facility and no likely shortfall is expected within the plan period; or d) Alternative and improved provision will be supplied in a location well related to the functional requirements of the relocated use and its existing and future users. In all cases, development will not be permitted that would result in any deficiencies in open space requirements or increase existing deficiencies in the area either at the time of the proposal or be likely to result in a shortfall within the plan period. Additionally, development that would result in the loss of any small incidental areas of open space, not specifically identified on the policies map but which contribute to amenity value and the character of existing residential neighbourhoods, and any registered common, heathland or village green or which contribute to Colchester's green network will not be permitted.		playing fields, developing new sports facilities, or making financial contributions. A detailed cost assessment should consider construction expenses, land acquisition costs, ongoing management and maintenance fees, and potential revenue from the facilities. This assessment must be comprehensive and transparent, taking into account both short- and long-term financial effects on the local plan. To accurately determine the direct cost, it should be evaluated on a site-specific basis, so we have not applied any generic cost in our appraisals.
Landscape and Coast			
Policy LC1: Landscape	All proposals and associated land use change or land management must demonstrate that they are informed by, and are sympathetic to, the landscape character and qualities of the	Direct	This policy will have a direct impact on the construction costs as it

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	locality. A Landscape and Visual Impact Assessment (LVIA) is required for all major applications and must be prepared in accordance with Landscape Institute guidelines. In considering development proposals, the Council will take every opportunity to reinforce, restore, conserve, strengthen or enhance, as appropriate, the landscape character of the area in which development is proposed, as well as opportunities to create new character. Development must comply with all the following criteria: a) Development must safeguard or strengthen tranquillity, features and patterns that contribute to the landscape character and local distinctiveness of the area. b) The scale, design, materials and landscaping measures are appropriate and would lead to an enhancement of the character of the landscape. c) Proposals must consider ecological and geological features, identifying areas suitable for habitat creation, and incorporate measures in the landscape plan with details of management and maintenance. All development should take into account the sensitivity of the particular landscape to accommodate change. Development, or associated land use change or land management, which does not significantly adversely affect the landscape character of an area, will normally be allowed. Development must have regard to the Colchester Landscape Character Assessment 2024 to identify the character areas and features of the affected landscape. Development must take into account the general guidelines and landscape character area specific guidelines. The Council considers that landscape character areas with ‘high’ inherent value and sensitivity as per Appendix A of the Colchester Landscape Character Assessment 2024, are valued landscapes. Development within valued landscapes will only be permitted where it would protect and enhance the characteristics that contribute towards its character. Development should avoid reduction of and encourage traditional farming practices (including traditional orchards), retaining and enhancing sense of place whilst recognising the need to adapt to and mitigate against the effects of climate change.		sets out principles that new developments should follow in order to ensure that Colchester’s characteristics are maintained. Costs may include expenses related to architectural design, quality materials additional amenity provisions and access.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Development on Land classified as Agricultural Grade 1 (except for renewable energy projects) will not be permitted unless a landscape strategy, which would compensate for the loss or harm, is secured or where there are overriding public benefits arising from the development.		
Policy LC2: Dedham Vale National Landscape	Development will only be supported within or on land within the setting of the Dedham Vale National Landscape that: a) Makes a positive contribution to the purpose, natural beauty and special qualities of the National Landscape; and b) Does not adversely affect the tranquillity and the National Landscapes good quality night/dark skies, taking account of guidance in The Dedham Vale National Landscape Lighting Design Guide 2023; and, c) Does not adversely affect the character, quality views within, into and out of the National Landscape, and distinctiveness of the National Landscape or threaten public enjoyment of these areas, including by increased motorised vehicle movement; and d) Supports the wider environmental, social and economic objectives as set out in the Management Plan 2021 -2026 for the Dedham Vale National Landscape and Stour Valley (and successor management plans). e) Furthers the purpose of the National Landscape as per the legal test. Applications for major development within or in close proximity to the boundary of the Dedham Vale National Landscape will be refused unless in exceptional circumstances it can be demonstrated that the development is in the public interest, and this outweighs other material considerations. Where exceptional development is suitable, landscape enhancements, mitigation or compensation measures must be provided. The Council will seek opportunities to mitigate the impact of features identified as having adverse impacts. Residual impacts may be offset by other mitigation within the National Landscape or contributions to the Stour Valley Environment Fund. Proposals in or near the National Landscape must underground new infrastructure associated with electricity schemes or communication equipment to help protect the landscape qualities.	Indirect	This policy seeks to protect land within the setting of Dedham Vale National Landscape. Although this policy will may have an impact of costs for developments located within the area, we have not specifically tested the schemes is this specific area. We recommend that if there are specific costs that arise due to this national landscape area that impact viability of a scheme, then a site-specific viability assessment should be submitted.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
Policy LC3: Coastal Areas	Planning proposals within Colchester’s coastal, estuarine, intertidal and tidal environment, will need to accord with the South East Inshore Marine Plan (June 2021) and successor documents. Within the Coastal Protection Belt, an integrated approach to coastal management will be promoted and development (with the exception of householder applications) will only be supported where it can be demonstrated that it: a) Requires a coastal location due to the nature of the use and is located within the developed area of the coast; and b) Is a land use type that is appropriate to the Flood Zone, will be safe from flooding and coastal erosion over its planned lifetime and will not have an unacceptable impact on coastal change; and c) Will be compatible with the surroundings in terms of use, location, scale and design, and not have a significant adverse impact on the landscape and seascape character of the coast, nature conservation designations, heritage assets, and maritime uses; and d) Will deliver or sustain social and economic sustainability benefits considered important to the wellbeing of the coastal communities; and e) Will not hinder access to and the maintenance of the King Charles III England Coast Path. Houseboats: Proposals for new moorings for permanent residential houseboats will not be permitted in coastal areas, including Coast Road West Mersea, because of their landscape and environmental impact on designated habitats sites. Houseboat proposals for new moorings on historical vacant sites or houseboats of historical maritime significance, may be acceptable, subject to an installation method statement being submitted which avoids impacts to saltmarsh habitats (such as saltmarsh, mudflats and oyster beds) and which satisfy all other policy criteria. Applications for infrastructure to support existing houseboats including jetties, sheds, platforms and fences and for replacement houseboats or houseboat alterations considered to result in material alterations will be considered on the basis of their scale and impact on surrounding amenity, environment and landscape.	Indirect	This is an overarching policy in which we have assumed no impact for this study. The policy is intended to promote protection of the Coastal belt and to reduce unnecessary development along the coastline unless the requirement for development can be demonstrated.
Net Zero Homes and Buildings, Renewable Energy and Water			
Policy NZ1: Net Zero Carbon	<u>A) New build development (residential and non-residential)</u>	Direct	This policy will have a direct impact on

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
Development (in operation)	All new buildings must be designed and built to be Net Zero Carbon in operation. They must be ultra-low energy buildings, fossil fuel free, and generate renewable energy on-site to at least match predicted annual energy use. All new buildings (1 dwelling and above for residential; 100m² floorspace and above for non-residential) are required to comply with requirements 1 to 5 as set out below: 1. Requirement 1: Space heating demand limits - Residential buildings (apart from bungalows) and non-residential buildings must achieve a space heating demand of 15 kWh/m² GIA (gross internal floor area)/year or less. - Bungalows must achieve a space heating demand of 20 kWh/m² GIA/year or less. 2. Requirement 2: Fossil fuel free - No new buildings shall be connected to the gas grid; and - Fossil fuels must not be used on-site to provide space heating, domestic hot water or cooking. 3. Requirement 3: Energy Use Intensity (EUI) limits - Residential buildings (Use Class C3 and C4) must achieve an Energy Use Intensity (EUI) of no more than 35 kWh/m² GIA/yr. - The following non-residential buildings must achieve an Energy Use Intensity (EUI) of no more than the following (where technically feasible) by building type or nearest equivalent: - Offices – 70 kWh/m² GIA/year - Schools – 65 kWh/m² GIA/year - Light Industrial – 35 kWh/m² GIA/year - For other residential and non-residential buildings, that are not covered by a) and b) above, applicants should report their energy use intensity but are not required to comply with a certain limit. 4. Requirement 4: On-site renewable energy generation		viability through the cost of achieving Future Homes Standards and Net Zero Carbon as well as the revised Building Regulations Part L (conservation of fuel and power) and F (ventilation) on new build dwellings. We have made the following allowances in our study: Future Homes Standard (2025 Uplift) – £7,500 per unit; and Net Zero Carbon – 8% uplift on BCIS build costs <100 units, 5% uplift on BCIS build costs >100 units.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Renewable energy must be generated on-site for all new developments by whichever of the following results in the greater amount of rooftop solar PV energy (electricity) generation: a) The amount of energy generated in a year should match or exceed the predicted annual energy use of the building, i.e. Renewable energy generation (kWh/m² /year) = or > predicted annual energy use (kWh/m² /year)*; or b) the amount of energy generated in a year is: • at least 80 kWh/m² building footprint per year* for all building types; and • at least 120 kWh/m² building footprint per year* for industrial buildings. *For development proposals where it is demonstrated to the satisfaction of the Local Planning Authority that meeting Requirement 4 is not technically feasible then renewable energy generation on-site should be maximised and the residual amount of renewable energy generation (equivalent to the shortfall in meeting the annual energy use of the building in kWh/year) must be offset by a financial contribution (to cover the administration, purchasing and installation of a solar PV renewable energy (electricity) system elsewhere in the plan area or county, which is able to generate a similar amount of energy) and be paid into the Council's offset fund. The offset price is set at £1.35 per kWh or the most recent updated version and the contribution shall be calculated at the time of planning application determination. 5. Requirement 5: As-built performance confirmation and in-use monitoring a) All developments must submit as-built performance information at completion and prior to occupation; and b) In-use energy monitoring is required on a minimum of 10% of dwellings for development proposals of 100 dwellings or more, for the first 5 years of operation. <u>B) Alternative routes to meeting policy requirements</u> Proposals that are built and certified to the Passivhaus Classic or higher PassivHaus standard are deemed to have met Requirements 1 and 3. Requirements 2, 4 and 5 must also be met to achieve policy compliance.		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Extensions and Conversions Applications for residential extensions and conversions affecting existing buildings (but excluding Listed Buildings) are encouraged to meet the minimum standards approach fabric specifications set out in Table 2 and maximise renewable energy generation where practical and feasible.		
Policy NZ2: Net Zero Carbon Development – Embodied Carbon	All development proposals must demonstrate the measures taken to minimise embodied carbon (subject to meeting Policy NZ1 requirements first) and how circular economy principles have been embedded into the design. In doing so: - Priority should be given to re-using, renovating or retrofitting existing buildings and/or structures on a site and demolition will only be acceptable where justified to the satisfaction of the Local Planning Authority. - Proposals for all new residential and non-residential buildings must demonstrate that upfront embodied carbon* has been considered and reduced as far as possible through good design and material efficiency. - New major developments, major retrofits and rebuild developments are required to achieve the following set limits for upfront embodied carbon and this should be demonstrated through an embodied carbon assessment using a nationally recognised methodology: - Low rise residential (up to 11m): ≤500 kgCO₂e/m² (GIA**); - Mid and high rise residential (over 11m) - ≤500 kgCO₂e/m² (GIA) or follow NZCBS*** limits when available; - Non-domestic buildings: offices ≤600 kgCO₂e/m² (GIA); education ≤500 kgCO₂e/m² (GIA); and retail ≤550 kgCO₂e/m² (GIA) or follow NZCBS limits when available; and - For building services, meet the global warming potential refrigerant limits set out in NZCBS when available. <i>*Upfront Embodied Carbon = emissions associated with the Building Life Cycle Stages A1-A5 and RIBA stages 2/3, 4 and 6)</i> <i>**GIA = Gross internal floor area</i> <i>***NZCBS = UK Net Zero Carbon Building Standards (pilot launched September 2024).</i>	Direct	This policy has a direct impact on the viability study through costs associated with the design process and the costs associated with the construction of the properties. The costs will be captured within BICS, Net Zero Carbon and Future Homes allowances.

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Policy NZ3: Wastewater and Water Supply	The Council will work with Anglian Water, Affinity Water, the Environment Agency and developers to ensure that there is sufficient capacity in the water supply and wastewater infrastructure to serve new development. Where necessary, improvements to water supply infrastructure, wastewater treatment and off-site drainage should be made ahead of the occupation of dwellings to ensure compliance with environmental legislation. To achieve greater water efficiencies and support demand management, all new buildings must include water efficiency measures. Residential development will be required to meet the water efficiency standard of 80 litres per person per day. Proposals should submit a water efficiency calculator report to demonstrate compliance and include clear evidence on the approach to water conservation. Residential proposals of 100 dwellings or more will be required to demonstrate that a full range of options to significantly reduce reliance on potable water demand, including water efficiency, rainwater harvesting and greywater recycling, has been fully explored and incorporated into the scheme. Major non-residential development that requires significant non-domestic water use will be required to prepare a Water Resources Assessment and undertake early discussions with Anglian Water Services to ascertain water availability and feasibility of the scheme and demonstrate innovative solutions to reduce water demands. Land is allocated as an extension to Anglian Water Services Colchester Water Recycling Centre.	Direct	The implementation of this policy will require reports to be produced in support of the planning application (cost accounted for in professional fees) and the implementation of any strategy will be delivered through the site works (cost accounted for in external works).
Policy NZ4: Renewable Energy	Planning applications for renewable energy schemes in appropriate locations will be supported by the Council and the principle of renewable energy will not be questioned. It is accepted that this may result in the loss of Best and Most Versatile Agricultural Land. All applications for renewable energy schemes should be located and designed in such a way to minimise increases in ambient noise levels. Landscape and visual impacts should be mitigated through good design, careful siting and layout and landscaping measures. Transport	Indirect	This policy will have an indirect impact on costs in the study. The policy will impact the real estate market through the quality of the environment and

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Assessments covering the construction, operation and decommissioning of any wind farm or solar farm proposal will be required and should be produced at the pre-application stage so acceptability can be determined and mitigation measures identified. A condition will be attached to planning consents for wind turbines and solar farm proposals to ensure that the site is restored when the turbines or panels are taken out of service. The mitigation measures identified in the Environmental Statement, required for large scale renewable energy schemes, must be incorporated into the design of the scheme or secured via condition. To maximise environmental benefits, the Council encourages all solar farm proposals to deliver biodiversity net gain of at least 50% and an increase in tree canopy cover of at least 50%. Community Led Energy: The positive benefits of community energy schemes will be a material consideration in assessing renewable energy development proposals. The preference is for schemes that are led by and directly meet the needs of local communities, in line with the hierarchy and project attributes below: a) Project part or fully owned by a local community group or social enterprise; b) Local community members have a governance stake in the project or organisation e.g. with voting rights. The Council's Sustainability Checklist should be completed and submitted with all major planning applications to explain and evidence how the proposal complies with Local Plan policies and guidance that seek to improve the environmental sustainability of new development.		the strength of the economy created. This will impact real estate values over time through the price mechanism.
Homes			
Policy H1: Housing Mix	New residential developments should assist in the creation of sustainable and inclusive communities by providing an appropriate mix of dwellings in term of size, type and tenure. Residential development proposals will be supported where the housing mix is informed by the:	Direct	This policy will have a direct impact through affecting the maximum GDV on a development site, through the tenure and dwelling numbers and the range of

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment																												
	a) Needs identified in the Colchester Local Housing Needs Assessment as set out below: <table><tr><th></th><th>Market</th><th>Affordable Home Ownership</th><th colspan="2">Affordable Housing (rented)</th></tr><tr><th></th><th></th><th></th><th>General Needs</th><th>Older Persons</th></tr><tr><td>1-bedroom</td><td>4%</td><td>21%</td><td>21%</td><td>56%</td></tr><tr><td>2-bedroom</td><td>29%</td><td>44%</td><td>38%</td><td rowspan="3">44%</td></tr><tr><td>3-bedroom</td><td>44%</td><td>26%</td><td>33%</td></tr><tr><td>4-bedroom</td><td>24%</td><td>8%</td><td>8%</td></tr></table> b) Existing housing stock in the local area and character of the local area to avoid over concentration of a single size of homes where this would undermine the achievement of creating mixed and balanced communities. Where an alternative housing mix is proposed, it must be evidenced why this is considered a more appropriate mix. Viability will only be considered as a reason to vary the housing mix, where a planning application is supported by a viability assessment and independently assessed and agreed by the Local Planning Authority. Neighbourhood Plans may set out a different approach to housing type and mix specific to the local area, where this is clearly demonstrated and supported by evidence.		Market	Affordable Home Ownership	Affordable Housing (rented)					General Needs	Older Persons	1-bedroom	4%	21%	21%	56%	2-bedroom	29%	44%	38%	44%	3-bedroom	44%	26%	33%	4-bedroom	24%	8%	8%		property type achieving different values. This will also impact the construction costs for varying property types.
	Market	Affordable Home Ownership	Affordable Housing (rented)																												
			General Needs	Older Persons																											
1-bedroom	4%	21%	21%	56%																											
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Policy H2: Affordable Housing	The Council is committed to improving housing affordability in Colchester. 30% of new dwellings should be provided as affordable housing for developments of: a) 10 or more dwellings or a site area of 0.5 ha or more in urban areas; b) 5 dwellings or more in designated rural areas. Affordable dwellings should be delivered on site. In exceptional circumstances, off-site provision or a financial contribution in lieu may be accepted. This will be determined on a case-by-case basis. Where it is considered that a site forms part of a larger development area, affordable housing will be apportioned with reference to the site area as a whole. The Colchester Local Housing Needs Assessment identifies a clear and acute need for rented affordable housing, this should be prioritised where delivery does not prejudice the overall delivery of affordable homes. In exceptional circumstances where high development costs undermine the viability of housing delivery, developers will be expected to demonstrate an alternative affordable housing provision. For sites where an alternative level of affordable housing is proposed below the requirement, it will need to be supported by evidence in the form of a viability appraisal. In such cases the Council may seek a review of the viability of a scheme with the aim of achieving policy compliance over time. This may include securing a review mechanism by legal agreement specifying trigger points for undertaking a review such as later phases of a scheme or reserved matters applications with the aim of achieving policy compliance and improving the affordable housing contributions. Proposals should be designed tenure blind, demonstrating no distinctly different design characteristics between affordable and market homes. To promote social cohesion, affordable housing provision should not dominate an area, road or building across the development. 95% of affordable housing should meet Building Regulations 2015 Part M4 (2) accessible and adaptable standards (or its successor) and 5% of affordable homes to be Part M4 (3)(2)(b) wheelchair user standards (or its successor).	Direct	The affordable housing rates set out in Policy H2 have informed our typologies and the appraisals that have been undertaken to test the viability of this policy. This policy has a direct impact on the unit mix and GDV of the schemes tested.

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	<u>Rural Exception Sites</u> Affordable housing development in villages will be supported on rural exception sites where: a) Adjacent or continuous to village settlement boundaries or where it will enhance or maintain the vitality of rural communities, b) Meeting a local need that is evidenced by an approved Local Housing Needs Survey by the relevant Town or Parish Council on behalf of their residents. A proportion of market housing which facilitates the provision of significant additional affordable housing may be appropriate on rural exception sites. Information to demonstrate that the market housing is essential to cross-subsidy the delivery of the affordable housing and that the development would not be viable without this cross-subsidy will be required. At the scheme level, the number of open market units on the rural exception site will be strictly limited to only the number of units required to facilitate the provision of significant affordable housing units on a rural exception site. The number of affordable units and total floorspace on a site should always be greater than the number of open market units or floorspace. The actual number will be determined on local circumstances, evidence of local need and the overall viability of the scheme.		
Policy H3: Student Accommodation	Planning permission will be granted for purpose-built student accommodation where: a) Meets an identified need evidenced to the satisfaction of the Local Planning Authority; b) Provides a mix of cluster flats and studios; c) Located in and around the University with access to public transport; and d) The proposal will not result in an excessive concentration of student accommodation in any one locality. Provides adequate amenity space. A management and maintenance plan must be prepared for multi- occupancy buildings and implemented via planning conditions to ensure the future maintenance of the building and external spaces.	Indirect	This policy relates directly to student accommodation for which a full site-specific assessment needs to be undertaken.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Purpose Built Student Accommodation should be designed flexibly to enable conversion to other residential uses, in the event that the need for student accommodation does not materialise.		
Policy H4: Houses in Multiple Occupation (HMOs)	Where planning permission is required for HMOs, proposals will be supported where: a) There is no adverse impact to the local character and amenity including to existing neighbours; b) Provide adequate amenity space; c) Provide adequate refuse storage and services; d) Provide an appropriate level of vehicle and cycle parking informed by the Essex Parking Guidance; e) The proposal will not result in HMOs disproportionately dominating an area which significantly alters the existing character; and The proposal is designed in accordance with the National Described Space Standards. A management and maintenance plan to be prepared for multi- occupancy buildings and implemented via planning conditions to ensure the future maintenance of the building and external spaces.	Indirect	This policy relates directly to HMOs for which a full site-specific assessment needs to be undertaken.
Policy H5: Specialist Housing for an Ageing Population	The Council will support proposals for specialist and supported housing which includes the following; a) Residential care homes, b) Nursing homes c) Extra care housing (as defined by C2 Use Class), d) Retirement living or sheltered housing (housing with support) e) Supported living for people with disabilities or mental health needs); f) Other housing for people with care needs (as defined as C3(b) Use Class and other vulnerable people. New development proposals for specialist and supported housing will be supported where: a) This is meeting an identified need (supported by evidence including the Local Housing Needs Assessment and Essex County Council Housing Lin Study);	Indirect	This policy relates to proposal for specialist and supported housing proposals for which a full site-specific assessment needs to be undertaken.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	b) Located within settlements; c) Close to local facilities; d) Are accessible by public transport where appropriate; e) Integrate with the existing community; f) Provide adequate amenity space; g) It can be demonstrated that the development has been designed to provide the most appropriate type and level of support to its intended residents; h) There is support from the relevant public services and agencies required to support the housing provision; and i) A business case demonstrates the long term viability of the business, where specific care needs are provided. All proposals within the Colchester Urban Area for 500 dwellings or more, are expected to include a mix of housing to meet a range of needs. This should include housing for support (sheltered/retirement housing), housing with care or nursing and residential care homes. Neighbourhood Plans should continue to identify opportunities for meeting specialist and supported housing needs and for accessible and adaptable general needs housing within the local communities. The Council will also support development proposals for hospices through expansion of existing sites or development of new sites that are located within settlements. 80% of dwellings (in all tenures) should meet Building Regulations 2015 Part M4 (2) accessible and adaptable standards and 5% of all new market homes and 10% of all affordable homes should meet Building Regulations 2015 Part M4(3). Proposals to convert from the C3 to C2 use class, will only be supported where it is demonstrated this will not result in unacceptable or adverse harm to local amenity.		
Policy H6: Self and Custom Build	The Council will support proposals for self and custom build housing, to meet demand as indicated by registrations on the Council's self build register. Development proposals of 150 dwellings or more, should provide serviced plots to deliver at least 2% of the total number of dwellings on site as self build or custom build homes, provided	Direct	The implementation of this policy has a direct impact on the viability study through the price paid for land.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment															
	the Council’s self build register identifies a need at the time an application is submitted. All plots must meet the definition of a serviced plot as per national policy. Serviced Plots should be made available to households on the Self-Build Register for a period of 12 months. If after that time, plots have not been purchased or reserved by those on the Self Build Register, they may either remain on the open market as self-build or be built out as market housing. The Council will also consider opportunities for self and custom build dwellings as part of development proposals on Council owned land.																	
Policy H7: Gypsies, Travellers and Travelling Showpeople	The Local Planning Authority will identify sites to meet the established needs of gypsies, travellers and travelling showpeople. There is an overall need for 15 pitches up to 2041, this includes 6 pitches for households who meet the planning definition and 9 pitches for undetermined households. Table H7.1: Gypsy and Travellers Housing Need 2024 to 2041 <table><tr><th></th><th colspan="4">Year</th></tr><tr><th></th><th>2024-2028</th><th>2029-2033</th><th>2034-2038</th><th>2039-2041</th></tr><tr><td>No. of Pitches</td><td>5</td><td>3</td><td>2</td><td>5</td></tr></table> The Tendring Colchester Borders Garden Community will provide a total of 18 pitches which will count equally (9 pitches respectively) towards Tendring and Colchester’s need for Gypsy and Traveller Accommodation. The remaining need of 6 pitches to 2041 will be met through: • Expansion of the existing site at Severalls Lane. The existing site has successfully operated since 2012 and is considered a sustainable location for small scale expansion. • Strategic allocations to be finalised through Masterplanning.		Year					2024-2028	2029-2033	2034-2038	2039-2041	No. of Pitches	5	3	2	5	Indirect	This relates to the provision of pitches for Gypsies, Travellers and Travelling Showpeople across the plan period to ensure sufficient supply if provided to meet the expected needs of these groups. Supply of new development sites may impact indirectly on the property market.
	Year																	
	2024-2028	2029-2033	2034-2038	2039-2041														
No. of Pitches	5	3	2	5														

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	In the event that delivery of the pitches as outlined above is delayed, proposals for new gypsy and travellers and travelling Showpeople sites will be considered on a case by case basis. Proposals for new gypsy and travellers and travelling Showpeople sites will be supported where: a) meet an identified need; b) located within close proximity to existing settlements; c) located outside areas at high risk of flooding; d) provide access to a range of services such as shops, education, health and community facilities; e) provide adequate space for vehicles on site; f) have suitable and safe highways access; g) ensure the amenity of the Gypsy and Traveller community and the settled community is managed appropriately; h) have appropriate and sufficient drainage, water supply and other necessary utility services; and i) provides a connection to a main sewer system unless it is impractical to achieve. Planning permission will be refused for the change of use of all Gypsy and Traveller sites or Travelling Showpeople pitches identified in the Gypsy and Traveller Accommodation Assessment unless acceptable replacement accommodation can be provided, or it can be demonstrated that the site is no longer required to meet any identified needs.		
Policy H8: Rural Workers Dwellings	<u>Permanent Rural Workers Dwellings</u> Planning permission will be granted for new rural workers' dwellings as part of existing businesses where all of the following criteria are met: a) Evidence is provided to show that there is an essential functional need for a permanent dwelling; b) The need is related to a full-time worker who is primarily employed in a rural based business and a temporary rural workers dwelling has previously been granted or	Assumed no impact	This is a specific policy to rural dwellings which sits outside the parameters of our study which considers 5 dwellings or more.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	evidence is provided to justify why a temporary rural workers dwelling has not been required; c) The proposed dwelling is sensitively designed, landscaped and located to fit in with its surroundings and of a scale that reflects its functional role to support the rural business; d) The business has been established for at least 3 years, has been profitable for at least one of them, is financially viable and is likely to remain so in the future; e) The functional need cannot be met by another suitable and available dwelling; f) Evidence is provided to show the reuse, extension or conversion of an existing building on site has been considered; and g) The proposed development is not located in a high flood risk area. <u>Temporary Rural Workers Dwellings</u> Where a new dwelling is essential to support a new business, temporary accommodation in the form of a caravan/mobile home will be supported for a period of up to three years where all the following information is provided: a) Evidence of a firm intention and ability to develop the business; b) Demonstration that the business can sustain a full time worker; c) Evidence that the proposed business has been planned on a sound financial basis. The evidence should include a business plan of at least 3 years duration; d) Evidence to show that there is an essential functional need for a rural worker dwelling; e) The functional need could not be fulfilled by another existing dwelling, reuse, extension or conversion on an existing building on site or any other existing accommodation in the local area; and f) The proposed temporary accommodation is not located in a high flood risk area. If permission for temporary accommodation is granted, permission for a permanent dwelling is unlikely to be granted within 3 years. If after 3 years, a permanent dwelling is approved, the temporary dwelling must be removed from the site.		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Conditions will be attached to all permissions granted for new rural workers dwellings (permanent or temporary) to remove permitted development rights and restrict the occupancy to that required for the rural business concerned or other agricultural/rural uses nearby. <u>Existing Rural Workers Dwellings</u> Where a rural workers dwelling is no longer needed to support a rural business, applications to remove the occupancy restrictions will need to submit evidence demonstrating that an essential functional need no longer exists for the property and is unlikely to in the foreseeable future. The applicant will be expected to provide evidence demonstrating that: a) The property has been continuously marketed for rent and sale for at least 12 months to the satisfaction of the Local Planning Authority and advertised in that period at a price reflecting the occupancy condition b) confirmation of a lack of interest from marketing efforts; and c) The property has been offered both for sale and to rent on the same basis to all farmers, horticulturalists and other rural businesses where a dwelling may be justified in the locality (i.e. having holdings within a two-mile radius of the dwelling).		
Economy			
Policy E1: Protection of Employment	Land and premises currently in employment use, and employment provision as defined on the policies maps and listed in policy ST6, will be safeguarded primarily for class E(g), B2 and B8 Use Classes where appropriate to provide, protect and enhance employment provision in a range of locations across the Colchester area to enable balanced job and housing growth. Planning permission will be granted for the redevelopment or change of use for non-Class B or Class E(g) uses where: a) It can be demonstrated that there is no reasonable prospect of the site concerned being used for Class B2, B8 or E(g) class purposes. Evidence of marketing of the site / premises for at least 12 months will need to be submitted with the planning application which evidences, to the satisfaction of the Council, that genuine attempts to sell / let the site / premises for employment use and no alternative business / occupier has been found; and	Indirect	The implementation of this policy will affect the quality of environment created across the borough to enable mixed and balanced job and housing growth. This policy has an indirect impact on the viability study.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	b) The supply, availability and variety of B or E(g) use class employment land is sufficient to meet identified needs for Colchester; and c) It can be demonstrated that the alternative use cannot be reasonably located elsewhere within the area it serves; and d) The proposal does not generate potential conflict with the existing proposed B or E(g) class uses / activities on the site; and e) The use will not give rise to unacceptable traffic generation, noise, smells or vehicle parking; and f) The proposal provides the opportunity to maximise the sites potential for economic growth and support the continued operation of existing employment uses within the economic area. Opportunities to enhance and renew more dated buildings within employment areas, will be supported when proposals are promoted for improvements to existing operations or for new operations where the use and scale is appropriate and they comply with other relevant policies in the plan.		
Policy E2: Economic Development in Rural Areas and the Countryside	The Council will protect existing and proposed Employment Areas in rural Colchester that provide an economic function both on allocated sites shown on the policies maps and at other rural locations that provide a similar function. Sites and premises currently used or allocated for employment purposes in rural parts of Colchester will be safeguarded for appropriate economic uses to ensure local residents have access to local job opportunities to reduce the need to travel. Proposals for alternative uses will be supported where they comply with other relevant policies in the plan. Within allocated rural Employment Areas and on rural sites providing an economic function, the following uses are considered appropriate in principle: a) Offices to carry out any operational or administrative functions- E(g)(i); Research and development of products or processes -E(g)(ii); Industrial processes - E(g)(iii), general industrial (B2), storage and distribution (B8); b) Repair and storage of vehicles and vehicle parts, including cars, boats and caravans; and	Indirect	This policy intends to protect the economic environment in rural areas. This has an indirect impact on our viability study but a direct impact on the attractiveness of living in rural areas.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	c) Other employment-generating uses, such as those related to rural recreation and tourism, which meet local needs and/or promote rural enterprise. The following additional considerations will also be taken into account where relevant: (A) Conversion and re-use of existing rural buildings: Proposals for acceptable uses will only be supported where the building is capable of re-use without significant rebuilding, and the building is deemed to be desirable for retention. In the case of former agricultural or forestry buildings of recent construction (less than 10 years), it will also need to be demonstrated that the original need for the building was genuine and that it is no longer required for agricultural or forestry purposes. (B) Extension of existing rural employment buildings: Proposals for extensions will be supported where they are demonstrated to be beneficial to the operation of an established business. All extensions shall be accommodated satisfactorily in terms of design, scale and appearance within the existing employment site boundary. (C) Replacement rural employment buildings: Replacement buildings will only be supported where the existing development is visually intrusive or otherwise inappropriate in its context and a substantial improvement in the landscape and surroundings will be secured through replacement. New buildings should be of sympathetic design and not significantly increase the scale, height and built form of the original building. There is a presumption that heritage assets will be retained rather than replaced. (D) New rural employment buildings: Proposals will be supported where they are of an acceptable scale and meet a local employment need and a business need has been adequately demonstrated. The applicant will need to submit evidence, with the planning application, which demonstrates that there are no appropriate existing buildings, or employment land available in the locality of site/area. Proposals must minimise negative environmental		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	impacts and harmonise with the local character and surrounding countryside where they are being proposed. (E) Expansion of an existing business: Proposals to expand an existing employment use into the countryside will be supported where there is no space for the required use on the existing site, the need has been adequately demonstrated, and the proposals are essential to the operation of an established business on the site. Consideration must be given to the relocation of the business to available land within an allocated Employment Area. In all cases, any new development will be expected to have adequate landscape mitigation to compensate for any additional impact upon the surrounding countryside. Proposals in close proximity to a habitats site must demonstrate through HRA screening that the scheme will not lead to likely significant effects to the integrity of the habitats site. Where this cannot be ruled out a full appropriate assessment will be required to be undertaken. Additionally, any planning application within 400 metres of a habitats site must provide mechanisms to prevent the introduction of invasive species.		
Policy E3: Agricultural Development and Diversification	The Council will support and encourage appropriate farm diversification proposals where they help support the rural economy, are compatible with the rural environment and help to sustain the existing agricultural enterprise without the need for subdivision of the holding or separate enterprises unrelated to the existing agricultural use. All proposals must be accompanied by a satisfactory diversification plan according to the scale of proposals, which describes how it will assist in retaining the viability of the farm and how it links with any other short or long-term business plans for the farm. Proposals for farm shops as part of a farm diversification scheme must identify the products produced on site or locally and demonstrate that the location of farm-based retailing is necessary to assure farm income where their needs cannot be met within a nearby settlement or district or local centre. Proposals, that are likely to have an adverse impact on the integrity of habitats sites, Sites of Special Scientific Interest (SSSI) or the Dedham Vale National Landscape will not be supported.	Indirect	This policy intends to support rural environments through diversification opportunities. This has an indirect impact on our viability study.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	Proposals, apart from those for renewable energy generation, that have a materially negative impact or reduce the availability of Grade 1 or Grade 2 land for food growing use will not be supported unless it can be demonstrated that there is a justified need and a landscape strategy, which would compensate for the loss or harm, is secured or where there are overriding public benefits arising from the development Proposals for farm diversification schemes will be supported where they meet the following criteria: a) Existing buildings are re-used wherever possible. Schemes involving the re-use of historic farm buildings shall maintain and enhance the historic environment; including the character of the built heritage; or b) The development is well-related to existing buildings if no suitable buildings are available for re-use; and c) The development is secondary to the main agricultural use of the farm; and d) The applicant can confirm in writing that the proposal will not be likely to require new dwellings within the rural area to support the enterprise either at the time of first submission or at any future date. Where new buildings are proposed, the development should incorporate the removal of any redundant, under-used, unsightly or otherwise harmful buildings elsewhere within a site as part of the compensatory mitigation for the additional development being proposed. In all cases, any new development will be expected to have adequate landscape mitigation to compensate for any additional impact upon the surrounding countryside in accordance with policy LC1. New agricultural buildings requiring planning permission will be responsive to their setting and guided to locations on the farm where any impacts are capable of mitigation.		
Policy E4: Retail and Centres	<u>Hierarchy of Centres</u> The Council will continue to promote the role and function of its town, district and local centres to positively contribute towards their viability and vitality. In accordance with the NPPF, the hierarchy of centres in Colchester is defined below:	Direct	This policy has a direct impact on viability through community facilities associated with development

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	• <u>Town Centre</u>: Colchester City Centre is at the top of the hierarchy, reflecting its role as the principal focus for shopping, services, culture, leisure and other commercial activity in Colchester. • <u>District Centres</u>: provide an important role principally serving the convenience-based needs of their local catchments. - Highwoods - Tollgate - Turner Rise - Tiptree - West Mersea - Wivenhoe • <u>Local Centres</u>: provide an essential role providing a range of small shops and services to meet the basic needs of local communities, serving a small catchment. Local centres defined on the Policies Map <u>Town Centres, District Centres and Primary Shopping Areas</u> The Colchester Centre boundary is defined on the Policies Map and reflects the core city centre area defined in the Colchester City Centre Masterplan. A ‘town centre first’ approach will be adopted to ensure that larger scale development is focused on the city centre, helping to maintain its position at the top of the hierarchy. The District Centres identified in the hierarchy, and as defined on the Policies Map, each have their own characteristics and functions serving the day-to-day needs of the local community as well as providing access to shops and services for neighbouring areas, but not to a comparable level with Colchester City Centre. Primary Shopping Areas are defined and shown on the Policies Map for: • Colchester City Centre • Highwoods • Tollgate • Turner Rise • Tiptree,		schemes being funded through Section 106 contributions costed into viability appraisals.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	- West Mersea - Wivenhoe To ensure the vitality and viability of the centres identified in the hierarchy, these will be the preferred location for main town centre uses (as defined in the NPPF). Retail and other town centre uses will be directed towards these centres, in line with the 'town centre first' approach to continue to strengthen the role of Colchester City Centre in accordance with the hierarchy. Within the defined Primary Shopping Area boundary, support will be given to proposals for retail and other main town centre uses, and commercial, business and service uses falling within Use Class E. A balance between retail and complimentary town centre uses will be sought where appropriate to secure the vitality and viability of the primary shopping areas. Proposals which make a positive contribution to footfall and levels of activity throughout the day will be supported. <u>Sequential Test</u> Proposals for main town centre uses that are not within a defined centre and are not in accordance with this Plan, including proposals for a change or intensification of use, or variation of a planning condition, will need to demonstrate that a sequential approach has been undertaken to site selection as required by national policy. Applicants should demonstrate flexibility on issues such as format and scale. Only when in-centre sites are not suitable, and/or available, should edge and then out of centre sites be considered. In cases where the Council are satisfied that the sequential test has been met, proposals will be supported where they also comply with each of the requirements set out in criteria a - e below. a) Proposals for main town centre uses in or on the edge of centres are of a type, proportion and scale appropriate to the role and function of the centre and would not threaten the primacy of Colchester City Centre at the apex of the centre hierarchy, either individually or cumulatively with other committed proposals; and b) Proposals for main town centre uses in or on the edge of centres are suitable to the town/district centre function and maintains or adds to its vitality and enhances the		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	diversity of the centre without changing the provision of the centre within the overall hierarchy; and c) Proposals would not give rise to a detrimental effect, individually or cumulatively, on the character or amenity of the area through smell, litter, noise or traffic problems; and d) The proposal would not have a significant adverse impact on the vitality and viability of Colchester City Centre and/or any other defined centre either individually or cumulatively with other committed proposals; and e) The proposal would not have a significant adverse impact on committed and/or planned public or private investment in Colchester City Centre and/or any other defined centre either individually or cumulatively with other committed proposals. <u>Impact Assessment</u> Proposals for retail and leisure development within edge-of-centre or out-of-centre locations which are not in accordance with this plan will require an impact assessment if the development is over 280sqm (or 350sqm gross). Impact assessments should be proportionate to the scale and nature of the retail and/or leisure development proposed. The scope of the assessment should be agreed with the Council. <u>Local Centres</u> Local Centres, identified on the Policies Map, will be protected to provide shops and community services and facilities. Proposals for change of use within designated local centres will need to demonstrate that it will enhance the retail offer, leisure or service role in providing for the day-to-day needs of the area and local community and improve the centres' vitality and viability. Proposals to expand a local centre will be considered favourably where it can be demonstrated that the use is small scale, proportionate to the role and function of such centres and will serve the basic needs of local communities. Proposals outside of local centres will be assessed in accordance with the sequential test. Proposals will be required to demonstrate that they will not adversely affect residential amenity, particularly in terms of car parking, noise and hours of operation. Proposals should take every opportunity to promote active and sustainable travel.		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	New strategic residential sites should incorporate local centres at accessible locations within the site where appropriate to provide for the needs of new communities.		
Policy E5: Colchester Zoo	The Council recognises the importance of Colchester Zoo as a visitor attraction and as a contributor to the local economy. The Council will work in partnership with the Zoo to maximise the social and economic benefits associated with its operation and development while ensuring any development proposals have regard to the environmentally sensitive location. The area shown on the policies map defined as the core zoo and expansion area will be safeguarded for potential further expansion of Colchester Zoo to provide additional facilities associated with the Zoo's vision for growth. Development for zoo purposes outside of the area defined will not be supported. A comprehensive masterplanned approach to growth at the Zoo is required to ensure the Zoo's Vision for growth can be delivered with appropriate consideration and mitigation having regard to key considerations including: a) Impacts on the Scheduled Ancient Monument and archaeological resource within the site; b) Impacts on the Landscape character and setting. Any application will need to demonstrate that the proposal will conserve and restore the wooded river valley landscape by managing and protecting ancient woodland, promoting natural regeneration to extend woodland areas where appropriate, and protecting and extending areas of lowland meadow on the valley floor. c) Impacts on biodiversity including Local Wildlife Sites; d) Impacts on the Highway network including the wider strategic and local network. A comprehensive transport assessment will be required. Large scale proposals will need to ensure any necessary highway improvements as required by supporting evidence and modelling in Maldon Road and at the Warren Lane Junction are secured and delivered before expansion takes place, contributions towards any such improvements will be required; e) Provision for safe access to the site via Maldon Road, existing public rights of way and accessibility by sustainable transport modes;	Assumed no impact	This policy focuses on the importance of Colchester Zoo as a visitor attraction and how it impacts the economy. We have assumed no impact on this study.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	f) Provision of a linked off-road cycle route should be provided linking the Zoo with Gosbecks Archaeological Park to facilitate sustainable modes of travel; g) Provision for an appropriate SuDS for managing surface water runoff within the overall design and layout of the site; h) The extent of any development ancillary to the zoo, such as additional retail, hotel, and food and drink outlets (defined as town centre uses) will need to be proportionate and related to the function of the zoo and assessed against potential cumulative impacts on the defined Centres where relevant thresholds are met? (as defined in Policy E4). All proposals for new development within the area defined on the policies map for Zoo expansion will need to be considered in the context of the Zoo's wider vision for growth to ensure possible cumulative impacts are appropriately considered and mitigated. Any proposals must comply with and not prejudice the delivery of the agreed masterplan. It will need to be demonstrated that any proposals, when considered both alone and in combination with other planned development for the Zoo (whether such proposals currently benefit from planning consent or not), will not give rise to unacceptable impacts, including, but not necessarily limited to, with regards to the key considerations outlined above. Where possible adverse impacts are identified when considering any proposal, either alone or in combination with other planned development for the Zoo, adequate mitigation will need to be provided. Any proposals will also take into account the Essex Minerals Local Plan and the developer will be required to submit a Minerals Resource Assessment as part of any planning application. Should the viability of minerals extraction be proven at any time, the Council has no in principle objections to minerals workings in the area defined for zoo expansion, subject to adequate consideration of relevant impacts. Any such proposals would, however, be required to satisfactorily evidence that any minerals workings will not prejudice the future expansion of the Zoo Before granting planning consent, wintering bird surveys will be undertaken at the appropriate time of year to identify any offsite functional habitat. In the unlikely event that significant numbers are identified, development must firstly avoid impacts. Where this is not possible, development must be phased to deliver habitat creation and management either on or off-site		

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	to mitigate any significant impacts. Any such habitat must be provided and fully functional before any development takes place which would affect significant numbers of SPA birds.		
Community and Social Infrastructure			
Policy CS1: Retention of Community Facilities	The Council will seek the retention of all existing community and social infrastructure including facilities and services and allocations/proposals for such uses where they meet or will meet an identified local need. Any proposal that would result in the loss of a site or building currently or last used for, or allocated for the provision of community / social infrastructure including community facilities, services, leisure or cultural activities that benefit the community, will only be supported in cases where the Council is satisfied that: a) An alternative, equivalent community facility to meet local needs is, or will be, provided in an equally or more accessible location within a minimum walking distance of the locality (800m or the minimum distance based on that appropriate for the facility being provided as set out in the relevant evidence); or b) It has been proven to the satisfaction of the Council that there is no longer a proven need for the community facility; and c) It has been proven to the satisfaction of the Council based on written evidence indicated (a-c below) submitted with the Planning Application that it would not be economically viable to retain the site/building for the existing or an alternative community use; and (in all cases); and d) The community facility could not be provided or operated by either the current occupier or by any alternative occupier, and it has been marketed to the satisfaction of the Council in order to confirm that there is no interest for any community use and the site or building is genuinely redundant. The evidence of the marketing requirements for (b) and (c) must provide; a) Evidence that it has been offered on the open market as a whole (parts having not been identified for separate sale) and at a realistic market value. This should be for a period of not less than six months by a competent agent;	Direct	This policy has a direct impact on viability through community facilities associated with development schemes being funded through Section 106 contributions costed into viability appraisals.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	b) Evidence should include sales literature, details of approaches, and details of offers; and c) Evidence that the local community has been notified in writing of the intention to close the facility and has not, within a period of six months come forward with a realistic proposal to assume operation of the facility, including its proposals to finance and operate the facility. Applicants proposing to redevelop or convert social and community facilities serving local communities will be expected to consult with those communities about the relative importance of the facilities which could be lost and submit evidence of that engagement with a planning application. This should also show evidence of consideration as to whether the community facility satisfactorily meets the needs of the local community, including any potential for combining or rationalising facilities where appropriate. This must be informed by the most up to date relevant evidence.		
Policy CS2: Enhancement of and Provision for Community Facilities	The provision and enhancement of community facilities and services will be supported where they contribute to the quality of community life and the maintenance of cohesive and sustainable communities. Where necessary to mitigate the impacts of the development, the Council will require developers of residential schemes to provide or contribute towards the provision / enhancement of community facilities including education, to meet the needs of new and expanded communities and mitigate impacts on existing communities. These will be secured through the use of planning conditions and by Section 106 contributions or CIL/equivalent infrastructure levy. Contributions may be pooled towards larger community infrastructure projects to cumulatively contribute towards provision on a larger scale where a need has been identified. Where existing facilities can be enhanced to serve new development, the Council will work with developers and local partners to audit existing facilities and deliver any requirements for such facilities to deliver comprehensive provision of services to serve these extended communities.	Direct	This policy has a direct impact on viability through community facilities associated with development schemes being funded through Section 106 contributions costed into viability appraisals.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
Policy CS3: Education Provision	Sites that are in private or public education use or have recently ceased to be used for education purposes will be protected for that use. Where in whole or in part educational use of a site is demonstrated to be redundant (supported by appropriate evidence which confirms the facility / site is genuinely redundant) or proposals for alternative use are put forward, re-development of buildings and/or the grounds will be supported where the local community is and will remain adequately served by alternative provision and receipts from the sale of land will be invested in improved or expanded education facilities. Where the proposal involves a state funded school which is seeking to relocate into new buildings or sell assets to fund improved education this will be supported in principle subject to meeting other relevant requirements of this plan. The Council will respond positively to appropriate and well-designed applications regarding the creation of new school and education facilities. As expressed in the NPPF, the Council will use a presumption in favour of the development of schools and educational uses. The Council will engage in pre-application discussions with promoters to develop a collaborative approach to suitable applications.	Direct	This policy has a direct impact on viability through community facilities associated with development schemes being funded through Section 106 contributions costed into viability appraisals.
Policy CS4: Sports Provision	The Council will work with the Sports Delivery Group, Sports England, governing bodies and sports providers across the city to protect, enhance and deliver new and improved sports and leisure facilities to encourage active lifestyles and to increase participation in formal and informal recreation. All outdoor sports facilities will be protected for sports use. Loss of outdoor sports facilities (including lapsed or disused facilities) will only be supported where at least one of the following criteria is met: A carefully quantified and documented assessment of current and future needs has demonstrated to the satisfaction of Sport England and the Council that there is an excess of playing field provision in the catchment, and the site has no special significance to the interests of sport;	Direct	This policy seeks to protect existing sporting facilities and enhance/promote new facilities, where certain criteria are met. This may influence the design of developments and generate the need for a S106 contributions which impacts viability.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	b) The proposed development is for ancillary facilities supporting the principal use of the site as a playing field and does not affect the quantity and quality of playing pitches or otherwise adversely affect their use; c) The playing field or fields to be lost as a result of the proposed development would be replaced, prior to the commencement of development, by a new playing field site or sites of equivalent or better quality and of equivalent or greater quantity in a suitable location and subject to equivalent or better management arrangements; d) The proposed development is for an indoor or outdoor facility for sport, the provision of which would be of sufficient benefit to the development of sport as to outweigh the detriment caused by the loss, or prejudice of use, of the area of playing field. All major residential development proposals must assess the need for new sports provision including grass and 3G football pitches and cricket squares on an individual basis and utilise the findings of the Playing Pitch Strategy to determine needs. Any need generated by the development will need to be provided by the applicant to the satisfaction of the Council and Sports England. Where a housing development is not of a size to justify on-site sports provision, contributions will be required to improve existing sites or towards new facilities within the locality. Where a development is of a size to justify on-site sports provision, discussions should take place with the Council to determine what should be provided and how it should be managed and maintained. All new sports facilities and pitches must have community use agreements in place.		
Policy CS5: Tourism, Leisure, Arts, Culture and Heritage	A) Development of new and extended visitor attractions, leisure, cultural and heritage facilities along with visitor accommodation (including hotels, bed and breakfast accommodation, self-catering accommodation, holiday lodges, static and touring caravans and camping sites) will be supported in suitable locations subject to meeting other policy requirements and minimising their impact on, and demonstrating how the development will make a positive contribution to neighbouring areas and provide biodiversity enhancements (in addition to biodiversity net gain) and environmental net gain where appropriate. Any new large scale visitor attractions should be in line with the spatial strategy.	Indirect	This policy relates to enhancing the tourist economy, therefore has no direct impact on plan viability. However, an increased number of tourists and an improving visitor economy will, in turn,

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	B) Proposals for tourism, leisure, arts, culture and heritage facilities should be appropriate in scale and function to the surrounding area and existing uses in the immediate vicinity; be accessible by a choice of means of transport and promote active travel; and not cause significant harm to the amenity of people living and working nearby. C) Proposals in the countryside should help to support existing communities and facilities. Proposals must be compatible with the landscape character of the surrounding area and avoid causing undue harm to the open nature of the countryside and local wildlife sites. Where accessibility is poor, proposals should be small scale and/or involve the change of use of existing buildings or small-scale extension to existing tourist facilities. D) Proposals that are likely to have an adverse impact on the integrity of habitats sites or the Dedham Vale National Landscape will not be supported. E) In locations where residential use would be inappropriate, developments of visitor accommodation will be limited by condition or legal agreement to holiday use only and/or certain periods of the year in order to prevent permanent or long-term occupation.		improve the attractiveness of Colchester to work, live and visit, and therefore will have an indirect impact attractiveness to Colchester as a place to live.
Policy CS6: Caravan Parks	Development proposals at caravan parks, including change of use, intensification of an existing use, or change in activities on site will only be supported where they meet all the following criteria: a) Anglian Water Services confirm that there is adequate wastewater treatment and sewage infrastructure capacity to serve the caravan park and avoid adverse impacts on water quality; b) Help protect the integrity of habitats sites and minimise disturbance to designated breeding and wintering species. Any future extensions to caravan parks by the coast will require their own Habitat Regulations Assessment, including appropriate assessment where necessary, and must demonstrate how any avoidance or mitigation measures identified in the appropriate assessment will be delivered; c) Minimise impact on the amenity of residents or businesses living or operating near the site; d) Are supported with a site-specific Flood Risk Assessment and Flood Management and Flood Evacuation Plan. Proposals for caravan extensions in flood zone 3 will not generally be supported due to the increased risk to people and property from coastal flooding;	Assumed no impact	This policy relates to the caravan park proposals. This is an overarching policy in which we have assumed no impact for this study.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	e) Are supported by measures to promote sustainable and active travel for leisure; f) Any outdoor lighting proposed must follow dark sky lighting principles to ensure that lighting avoids light pollution, avoids any further reduction in tranquillity and protects landscape character and wildlife. Any lighting proposed should be justified, directed to where it is needed to avoid spill and comply with relevant standards and best practice from the Institute of Lighting Professionals and UK Dark Skies Partnership; Permission will not be granted for visitor accommodation at the caravan parks to be used as permanent residences. Visitor accommodation will be limited by condition or legal agreement to holiday use only and/or certain periods of the year in order to prevent permanent residences.		
Place and Connectivity			
Policy PC1: Healthier Food Environments	New development should safeguard and, where appropriate, create or enhance the role of allotments, orchards, community gardens and food markets to promote healthy lifestyles by providing access to healthy, fresh and locally produced food, providing food growing opportunities and for exercise and recreation. Allotment provision must be well located to residential areas and community spaces, with suitable access arrangements for all. Some locations are more suited than others for fast food outlets and takeaways. All proposals for these uses need to consider to the following factors, and should reflect the relevant evidence, to inform the planning decision: a) Proposals for hot food takeaways and fast-food outlets within 400m walking distance of the entrances/exits of a nursery, a primary school, a secondary school, a community college, playground or youth facilities and other places where children and young people frequent will be refused unless the location is within a designated centre; b) Within designated centres, proposals for hot food takeaways and fast-food outlets will be supported unless there is evidence that the impacts of clustering or cumulative impact resulting from an over concentration of such uses is having an adverse impact on local health, pollution or anti-social behaviour; c) In all other areas, proposals for hot food takeaways and fast-food outlets will require a Health Impact Assessment in order to appropriately consider the impacts of such uses on local health, pollution or anti-social behaviour. Where impacts are shown as having an adverse impact as a result of the proposal, or cumulative impacts on communities /	Assumed no impact	This policy is intended to promote healthy lifestyles with sustainable access arrangements for all. This is an overarching policy in which we have assumed no impact for this study.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	catchments they are intended to serve, proposals will be refused unless they can be satisfactorily mitigated. In cases applying to criteria b) and c), evidence will need to include indicators such as levels of obesity, areas of deprivation, or other health indications with a recognised link to healthy eating. Evidence demonstrating significant levels of adverse health impacts arising from air quality and pollution, and evidence of excessive anti-social behaviour in the immediate vicinity of the proposed use will also be relevant. Where the Council are minded to permit proposals, conditions may be used to restrict the hours of operation where this is appropriate and supported by relevant evidence.		
Policy PC2: Active and Sustainable Travel	All new development should be planned around a network of safe and accessible active travel routes, creating places that maximise opportunities for active and sustainable travel for all and support healthy and active lifestyles. Proposals for development should: a) Give priority to the movement of people walking and cycling; and b) Create safe, secure, convenient, well designed and attractive layouts that are permeable for active travel modes, prioritise desire lines and are inclusive and accessible for all; and c) Support the provision of infrastructure to encourage active and sustainable modes of travel; and d) Ensure that cycling infrastructure is designed having regard to the latest best practice (LTN 1/20 or subsequent updated guidance); and e) Protect and enhance existing active and sustainable travel infrastructure including mobility hubs; and f) locating development in close proximity to existing and proposed public transport interchanges/connections, including the potential for Rapid Transit System and ensuring public transport is a convenient way of moving within a development, providing access to destinations further afield. This may include the potential for bus priority routes; and	Direct	This is an overarching policy that will have an impact on the location of development and the design layout aiming to ensure that there are, where appropriate, safe and accessible active travel routes. With regard to this study, we have assumed that EV charging will be captured within BCIS costs, as it is now mandatory.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	g) Link the development to the surrounding walking, cycling and public transport networks, having regard to the Local Cycling and Walking Infrastructure Plan, and improve connectivity to adjoining areas and key destinations; and h) Facilitate access to high quality public transport infrastructure; and i) Promote the use of car clubs and provide the required infrastructure where appropriate; and j) Incorporate infrastructure provision for charging electric vehicles in line with the latest guidance and standards and make provision for charging electric bicycles; and k) Accommodate the efficient delivery of goods and services; and l) Include school streets and zones around new education and childcare facilities. All developments that generate significant amounts of movement will require a Transport Statement or Transport Assessment in line with thresholds set out in the latest Essex County Council guidance. The Transport Assessment or Statement must demonstrate how the development will encourage active and sustainable transport, demonstrating how opportunities for active and sustainable measures have been maximised, and mitigate traffic impacts in terms of capacity and safety. All developments that generate significant amounts of movement will be required to produce a Travel Plan in line with thresholds and guidelines set out in Essex County Council published guidance. Any Travel Plan should include an Action Plan setting out specific actions, timelines and targets to be monitored and reviewed.		
Policy PC3: Parking Standards	The Council will have regard to the parking standards set out in the Essex Planning Officer Association Parking Guidance and any locally set parking guidance or subsequent updated guidance, when determining planning applications. The amount of car parking should take account of the following factors: a) Levels of local accessibility. b) The size, type, tenure and location of any dwellings. c) The appropriate mix of parking types including opportunities for car sharing (e.g. unallocated, on-street, visitor, and car club parking).	Direct	This is a broad policy setting out the approach to parking when determining planning applications. This policy will have an impact on the parking provisions for all developments. We have accounted for the

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	A more flexible approach to the parking standards will only be considered if supported by evidence detailing the local circumstances that justify the approach. Parking for staff, visitors and operational uses on non-residential development should be managed as part of a Travel Plan. Where opportunities arise, for example on mixed use sites, shared parking and car sharing will be encourage as part of an agreed Travel Plan, to make efficient use of land and to support place making. Secure cycle parking should be incorporated into all development proposals and should be accessible, convenient to use, well laid out and used exclusively for cycle parking. In the case of flats and shared accommodation, secure cycle parking should be incorporated into development proposals and located near the entrance to the building. All cycle parking should be designed in accordance with LTN 1/20 and the Essex Parking Guidance or subsequent updated guidance. Applications for new or expanded car parking provision will be considered on an individual basis in relation to evidence and need. The existing car parking availability, current usage and, where appropriate, the existence of a Travel Plan and the current use of non-car modes, should all be demonstrated. New car parks should include electric charging points. Where possible, large car parks, for example serving both city centres and out of town retail, leisure and business parks, should be stacked and/or underground to facilitate improved place making, provide town centre equality, and result in more compact forms of development which use less land and prioritise sustainable transport. Redevelopment of existing car parking will also be considered to make efficient use of land, improve townscape and support regeneration. The use of Park and Ride and Rapid Transit System will be encouraged for trips in the city centre and other major destinations along the route of the service.		cost of parking within our external works allowance in our appraisal.
Policy PC4: Development Density	The Council will support development densities that make efficient use of land and relate to the specific opportunities and constraints of proposed development sites. Proposals with development densities that encourage sustainable transport and help sustain local amenities will be supported.	Direct	This is a broad policy where we have assumed will be a direct impact on costs as a result of residential

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	In particular all residential development will need to be at an appropriate density and massing, having regard to: a) The character of the site and its immediate surroundings, as well as the wider locality, including where applicable the setting of designated heritage assets; b) The adequacy of the access and the local road network to accommodate the traffic likely to be generated by the proposed development (that has been supported by evidence) as well as the scope to enhance walking and cycling access to local amenities and public transport; c) The existing landscaping, trees and hedgerows on the site and the need for further landscaping; d) The provision of appropriate on-site amenities to serve the development in accordance with policy PC6 and any relevant adopted guidance including the provision of open space and sustainable drainage facilities where suitable; e) Ensuring any over provision of private space within a site is balanced with an overprovision of public space; f) Achieving higher net densities within sites with a view to prioritising the provision of publicly accessible spaces over the provision of private spaces. The provision of appropriate parking to serve the development in accordance with the relevant standards and policy PC3; g) An adequate standard of residential accommodation being provided for future occupants in accordance with policy PC5; h) An appropriate mix and type of housing as informed by the various housing policies; i) A strategy for BNG acknowledging that on site delivery may be difficult. Developments with higher densities, that contrast with surroundings densities, will be supported where the wider development provides for public benefits in excess of standard policy requirements (e.g. >30% affordable housing, >10% POS, exemplar standard of design and placemaking). Benefits will need to outweigh any detrimental impacts arising from the increase in density and any resulting harm.		development density. The relevant assumptions regarding density and unit mix are detailed in the Typologies Matrix.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
Policy PC5: Domestic Development	<u>Residential alterations, extensions and outbuildings</u> Residential alterations, extensions and outbuildings will be permitted, provided the proposal meets all the following criteria: a) The proposal is compatible with the scale, appearance and character of the original dwelling including taking into account the cumulative impact of such development; b) The proposal does not result in the over-development of the site, and demonstrates design in scale with its surroundings, taking into account the footprint of the existing dwelling and the relationship to neighbouring site boundaries; c) Proposals for extensions and outbuildings result in an appropriate composition, appearing well designed and retaining the legibility of the original dwelling in terms of design and setting; d) The proposal will not result in unacceptable adverse impacts on the amenities of neighbouring residential properties, including on privacy, overbearing impact, overshadowing or loss of light; and e) The proposal will not result in adverse impact to the appearance of the street scene and character of the area. <u>Residential annexes</u> Residential annexes will be supported where the need for additional space cannot be met within an existing dwelling or buildings suitable for conversion on the site in the first instance, provided the proposal meets all of the following criteria: a) The proposal is physically attached or closely related to the main dwelling so that it cannot be subdivided from the main dwelling; b) The proposal retains some form of demonstrable dependence on the main dwelling, such as shared access (including both vehicular access and doorways) and communal amenity spaces (the use of annexes as a separate dwelling will not be permitted and the desire for annexed occupants to be independent from existing residents will not be considered as adequate justification to allow self-contained dwellings in annexes); c) The proposal respects and enhances both the character of the original dwelling and the context of the surrounding area through high quality design; and	Indirect	This is a policy related to domestic development which has no impact on this viability study that considers developments of 5 units or more.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	d) The proposal does not result in the loss of amenity to neighbouring properties. <u>Flat conversions</u> Proposals for the conversion and sub-division of existing residential premises into flats and other self-contained residential units will be considered having regard to the intensity of the use proposed and the sustainability of the location in respect of the proximity of the site to key services and public transport provision. In addition, proposals for the conversion and sub-division of existing residential premises and, conversions of non-residential buildings where planning permission is required, will only be supported if they meet all the following criteria: a) The proposal does not result in detrimental effects to the appearance of the building by reason of unsympathetic additions or alterations, either in isolation or due to cumulative impact; b) Opportunities are taken for improving the character and quality of an area and the way it functions; c) Appropriate provision is made for parking, private amenity space, cycle storage and refuse storage facilities, in a visually acceptable manner; d) The internal layout minimises possible noise disturbance and/or overlooking to the immediate neighbours; and e) Overall, the proposal will not result in an unsatisfactory living environment for prospective occupiers. <u>Replacement dwellings in the countryside</u> Replacement dwellings in the countryside within existing curtilages will be supported, provided the proposal meets the following criteria: a) It is on a one-for-one basis and the property to be demolished is a permanent lawful dwelling; b) It is of a high quality design that is appropriate to the rural area in scale and character and preserves or enhances access, siting and dwelling orientation; c) It is of a scale appropriate to the size of the existing plot;		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	d) It provides high quality landscaping, where necessary, to integrate the new dwelling into the wider rural context with no greater adverse impacts than the existing dwelling; e) There is a presumption against the demolition of properties considered to be heritage assets and/or properties which positively contribute to the character of a rural conservation area. Note: there is a presumption in favour of retaining properties considered to be heritage assets and/or properties which positively contribute to the character of a rural conservation area; and f) The flood risk sequential test will have to be applied.		
Policy PC6: Design and Amenity	All development, including new build, extensions and alterations, must be designed to a high standard, positively respond to its context, achieve good standards of amenity, and demonstrate social, economic and environmental sustainability. Development proposals should reflect the local distinctiveness of Colchester and the immediate locality, contribute to placemaking, and support the transition to a low-carbon, inclusive and climate resilient future. Great weight will be given to outstanding or innovative designs which help raise the standard of design more generally in the area. Poor design will be refused including that which fails to take the opportunity for good design or improving the local area. The Council will use and/or promote a range of planning processes and tools to help achieve high quality design, including design codes. Ultimately, development proposals must demonstrate that they, and any ancillary activities associated with them, will: a) Respect and, wherever possible, enhance the character of the site, its context and surroundings in terms of its layout, architectural approach, height, scale, form, massing, density, proportions, materials, townscape and/or landscape qualities, and detailed design features. Wherever possible development should positively enhance and integrate the existing built environment and other, heritage, biodiversity, arboricultural and landscape assets, including trees, hedgerows and watercourses, removing problems or barriers as part of the overall development process; b) Promote visually attractive, functional, coherent and distinctive environments to establish a strong sense of place for living, working and visiting, supported by high quality architecture and landscaping; c) Promote and sustain an appropriate mix and density of uses which are well located and integrated, optimise the efficient use of land (including sharing of land), contribute	Direct	This policy will have a direct impact on viability through the additional build costs associated with design codes and building regulations. We have adopted BCIS build costs rebased to Essex within the last 5 years. Our build costs have regard to costs within the locality (reflecting the distinctiveness of the area) and recent Building Regulation standards. Wider design and amenity is accounted for in our external works allowance.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	to inclusive communities, and support retail centres and active and sustainable transport networks; d) Provide attractive, well connected and legible streets and public spaces, which prioritise walking, cycling, public transport and community vitality, whilst adequately integrating safe vehicle access and encouraging vibrant community activity; e) Safeguard public and residential amenity, particularly with regard to privacy, overlooking, security, noise and disturbance, pollution (including light and odour pollution), and access to daylight and sunlight; f) Create a safe, resilient and secure environment, which supports community cohesion, resilience and pride of place, whilst reducing vulnerability to neglect or crime; g) Provide functional, robust and adaptable designs, which contribute to the long-term quality of the area and, as appropriate, can facilitate alternative activities, alterations and can accommodate evolving community needs and possible future development; h) Minimise carbon emissions and energy use through sustainable design solutions such as orientation, massing, natural ventilation and tree planting. Incorporate sustainable drainage systems and biodiversity enhancements to contribute to climate resilience; i) Incorporate an accessible refuse and recycling storage area, external drying areas and any necessary infrastructure and services including utilities, recycling and waste facilities to meet current collection requirements, highways and parking. This should be sensitively integrated to promote successful placemaking; j) Demonstrate an appreciation of the views of those directly affected and explain the design response adopted. Proposals that can demonstrate this inclusive approach will be looked on more favourably; k) Integrate principles of Active Design to encourage physical activity through layout, design and access to open spaces by providing facilities for walking, cycling and outdoor recreation; l) Incorporate a network of green infrastructure, open space and landscape as part of the design of the development to reflect the importance of these networks to biodiversity, climate change mitigation, healthy living and creating beautiful places. For the purpose of this policy, ancillary activities associated with development will be considered to include vehicle movement;		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	m) Consider flood risk at an early stage when deciding the layout and design of a site and take opportunities to make space for water; n) Where vehicular access is necessary, it shall be provided in a safe manner; o) Acceptable levels of daylight to all habitable rooms and no single aspect north-facing homes; p) Acceptable levels of privacy for rear-facing habitable rooms and sitting-out areas; q) All new build will be expected to comply with internal space standards demonstrated to be in accordance with the National Described Space Standards (DCLG, 2015) or any future replacement of this; r) All new applications for accommodation, with a top storey above 11m (about 4 storeys) in height, are required in accordance with Building Regulations to provide sprinkler systems. Consideration should also be given to the inclusion of sprinklers in houses in multiple occupation (HMOs), care homes and sheltered accommodation. Development proposals must demonstrate that they, and any ancillary activities associated with them will be in accordance with submitted Masterplans and Design Codes for strategic-scale developments, ensuring coordinated, high quality design outcomes. The Council may also implement Design Briefs and Design Codes for smaller developments.		
Policy PC7: Residential Schemes on Greenfield Sites	Major residential developments on greenfield sites must comply with the following requirements: a) The primary public open space should be located centrally within the site in order to optimise access for future residents. This space should not be dominated by adjacent parking provision. b) Include informal areas of incidental public open space within the built up areas of the site, in addition to areas of more strategic or larger public open spaces. These areas should include both multifunctional green and blue infrastructure, which should consist of a network of integrated features. c) Areas of public open space should be fronted by units in order to ensure good levels of activity and natural surveillance. Similarly, units should front boundaries with existing adjacent roads and countryside edges to avoid domination of the streetscape and	Direct	This is a broad policy where we have assumed there will be a direct impact on costs and revenue as a result of residential development. The improvement in design will increase costs but this will also have an impact on the end sales revenues.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	wider landscape views by rear boundary treatments. The layout should also avoid these sensitive edges being dominated by parking and vehicular movements. d) Built form should establish a site wide positive and coherent identity. This identity should respond to the sites context and reinforce or enhance the local vernacular. This can be achieved through a historic/traditional approach or through the adoption of a contemporary design solution; both options are valid, but whichever approach is adopted, the detailing must be of a high quality. e) The layout of the development and positioning of elements of landscape and built environment should create a series of distinct spaces and take the opportunity to create character areas within the development. Character areas can be established through the hierarchy of streets, the grain of the development, the spatial enclosure of the street, the definition between the public and private domain as well as through landscaping, materials, and the design of the buildings. Distinct and legible character areas within the site should contribute to an overall distinct sense of place for the wider site. f) A variety of vehicular parking treatments should be adopted across the site. Vehicular parking must be well-designed, landscaped and sensitively integrated into the built form so that it does not dominate the development or the street scene. Car parking areas should incorporate green infrastructure, including trees, to soften the visual impact of cars, help improve air quality and contribute to biodiversity enhancement. Car parking areas must be secure and overlooked. g) A clear and legible street hierarchy should be established and reinforced utilising materiality, landscaping and spatial treatments. h) Sites should support modal shift, embracing filtered permeability for vehicular movements and prioritising routes for active travel, including enhanced connections beyond the site for active travel modes. i) Back to back distances should comply with adopted guidance to ensure appropriate levels of amenity for existing and future occupants. Where reduced provision is proposed this should be weighed against subsequent placemaking enhancements within the wider scheme. j) Focal/nodal buildings should be included to enhance legibility and wayfinding within the site.		

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	k) Brick walls should be used to enclose boundaries that address public/semi-public realm, including parking courts. l) Design features should be applied consistently across all elevations of built environment, variations in materiality, fenestration of detailing should respond to the composition of the architecture. m) Meter housing and service intakes, and rainwater goods, should be located out of public view or should be purposefully designed into the treatment of the building's façade, so as to not cause detriment to the standard of design achieved.		
Policy PC8: Private Amenity Space	All residential proposals must provide easy access to private amenity space and in the case of flats and maisonettes, private communal amenity space. The area of amenity space should be informed by the needs of residents and the accessibility of the location. Private amenity space must be designed to a high standard to optimise its use and meet the recreational needs and promote health and wellbeing of residents. The siting, orientation, size and layout must create a secure and usable space that functions well, which has an inviting appearance for residents and is appropriate to the surrounding context. Environmental factors that may affect its usability such as sunlight and shade, noise, pollution and drainage must be considered. All private amenity spaces must be designed to avoid significant overlooking. The following standards shall apply: For houses: a) One or two bedroom houses – a minimum of 50m² b) Three bedroom houses – a minimum of 60m² c) Four bedroom houses – a minimum of 100m² For flats and maisonettes: d) A minimum of 25m² per flat provided communally (where balconies are provided the space provided may be taken off the communal requirement). A larger amount of private amenity space may be required for small infill (including backland) schemes to reflect the character of the surrounding area. Proposals for infill development will	Direct	This is a broad policy where we have assumed there will be a direct impact on costs and revenue as a result of residential development. The provision of private amenity space will increase costs but this will also have an impact on the end sales revenues.

Policy	Policy Contents	Impact on Viability	Implications for Local Plan and Delivery Assessment
	not be permitted if they unacceptably reduce the level of existing private amenity space provision for existing dwellings. For proposals in highly accessible and sustainable locations such as the city centre, where higher densities may be appropriate, reduced private amenity space for houses may be acceptable but a minimum of 25m² of useable private amenity space should be provided for every dwelling, either as gardens, balconies or roof gardens/terraces. Communal private amenity space should have regard to the design criteria for private communal space included in the Essex Design Guide.		

APPENDIX 2 TYPOLOGIES MATRIX

NEWMARK

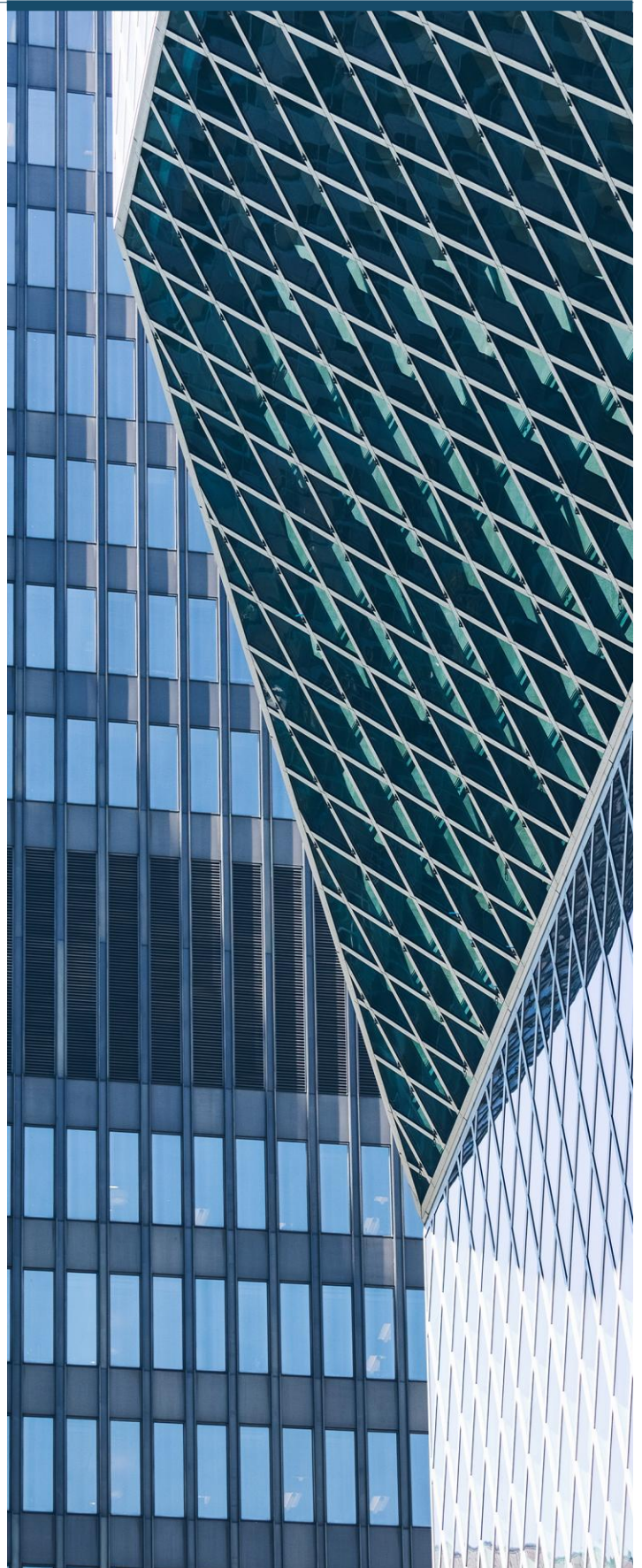
Site Typology		Affordable Housing Requirement										Scheme Typology										Affordable Housing Mix										Biodiversity									
Ref	No of Res Unit	Location Value Zone	Greenfield/Brownfield	Gross Site Area	Net to Gross Ratio	NDA(ha)	NDA(A)	Density (Dph)	(E/Unit)	%	First Homes	Affordable Rent	Intermediate	Validation	Unit Type	1Bed	2Bed	3Bed	4+Bed	1 Bed Flat	2 Bed Flat	1Bed	2Bed	3Bed	4+Bed	Biodiversity Net Gain (E/Unit)	M4(2)	M4(3)(a)	NZ	FHS 2025 (E/Unit)	Electric Charging	Building Safety Levy (E/Perm)									
1	9	High Value Zone	Brownfield	0.30	0.74	100%	0.30	0.74	30	0	Onsite	0%	0%	0%	Houses	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	8%	£7,500	£0	£16.37									
2	25	High Value Zone	Brownfield	0.88	2.17	95%	0.83	2.06	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	8%	£7,500	£0	£16.37							
3	9	High Value Zone	Brownfield	1.96	4.85	85%	1.86	4.12	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	8%	£7,500	£0	£16.37							
4	100	High Value Zone	Brownfield	4.17	10.30	80%	3.33	8.23	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses and Flats	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	5%	£7,500	£0	£16.37							
5	150	High Value Zone	Brownfield	6.25	15.44	80%	5.00	12.35	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses and Flats	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	5%	£7,500	£0	£16.37							
6	250	High Value Zone	Brownfield	10.42	25.74	80%	8.33	20.58	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses and Flats	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	5%	£7,500	£0	£16.37							
7	9	Medium Value Zone	Brownfield	0.30	0.74	100%	0.30	0.74	30	0	Onsite	0%	0%	0%	Houses	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	8%	£7,500	£0	£16.37									
8	25	Medium Value Zone	Brownfield	0.88	2.17	95%	0.83	2.06	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	8%	£7,500	£0	£16.37							
9	25	Medium Value Zone	Brownfield	1.96	4.85	85%	1.86	4.12	30	£10,600	30%	Onsite	25%	60%	15%	100%	Houses	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	8%	£7,500	£0	£16.37							
10	100	Medium Value Zone	Brownfield	4.17	10.30	80%	3.33	8.23	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses and Flats	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	5%	£7,500	£0	£16.37							
11	150	Medium Value Zone	Brownfield	6.25	15.44	80%	5.00	12.35	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses and Flats	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	5%	£7,500	£0	£16.37							
12	250	Medium Value Zone	Brownfield	10.42	25.74	80%	8.33	20.58	30	£10,500	30%	Onsite	25%	60%	15%	100%	Houses and Flats	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	5%	£7,500	£0	£16.37							
13	9	Low Value Zone	Brownfield	0.30	0.74	100%	0.30	0.74	30	0	Onsite	0%	0%	0%	Houses	0%	30%	45%	25%	20.0%	20.0%	0.0%	25.0%	25.0%	7.5%	£268	£521	£10,111	8%	£7,500	£0	£16.37									
14	25	Low Value Zone	Brownfield	0.88	2.17	95%	0.83																																		

APPENDIX 3 RESIDENTIAL SALES PAPER

Colchester City Local Plan Viability Study – Residential Sales Paper

ON BEHALF OF: COLCHESTER CITY
COUNCIL
DATE: OCTOBER 2025

NEWMARK



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1. Introduction

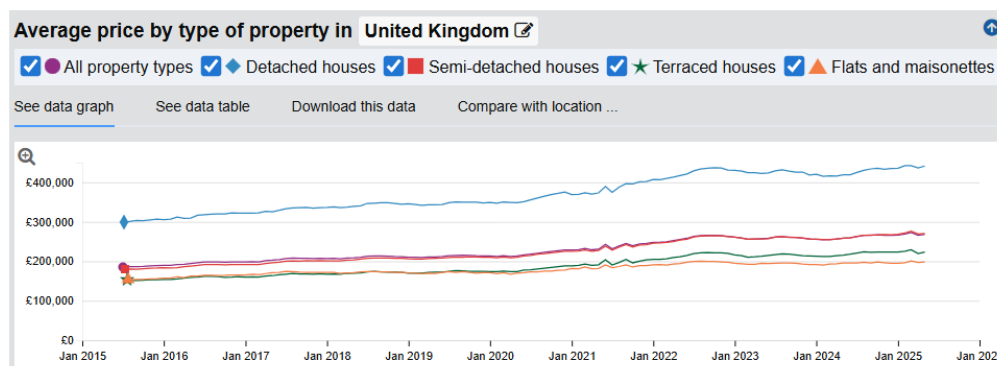
Instruction	1.1	Newmark ('We') has been instructed to undertake a Viability Assessment of Colchester City Council's ('CCC', the 'Council') Local Plan Review. To produce the Local Plan Viability Assessment ('LPVA') Report, a number of Papers are produced to feed in the supporting evidence. This Paper reviews the residential market and determines the Residential Sales Value ('RSV') assumptions and ultimately the Gross Development Value ('GDV') that Newmark will adopt in the typology appraisals in the LPVA Report.
	1.2	The residential market is influenced by a number of economic factors, and an overview of the UK residential market is included in this Paper.
	1.3	Newmark has also undertaken a review of the residential market across Colchester City Council's administrative boundary. Newmark has reviewed both new build and second-hand sales as well as current asking prices of new build properties. This evidence has been analysed and has allowed us to determine the different Value Areas within Colchester.
Structure	1.4	Our report is split into the following sections: • UK Residential Market Overview • Existing Evidence Base • Colchester Residential Market Overview • Colchester Value Areas • New Build Asking Prices • Residential Sales Values Assumptions

2. UK Residential Market Overview

Introduction	2.1	This section looks at the current global trends and market conditions in the context of the UK economy, as well as the UK residential property market. The data below provides insight as to recent activity, where the UK economy sits within this and what is projected for the coming months and years.
UK Economy	2.2	According to the Office for National Statistics, the UK economy returned to a modest growth in 2024, when GDP growth estimated at 1.1%. Moving into 2025, Q1 saw further growth of 0.7%, with it cooling slightly, moving into Q2 2025 which saw a 0.3% growth. UK GDP growth for the rest of 2025 is expected to be slower than the first half of the year, with forecasts for the full year ranging from 1.2% to 1.4%. The Bank of England Base Rate was cut by 0.25 percentage points to 4.0% in August 2025.
	2.3	Consumer Price Index, including owner occupiers' housing costs (CPIH) rose by 0.3% in June 2025, which saw a 4.1% increase in the previous 12 months. Consumer Price Index (CPI) also rose by 3.6% in the 12 months prior to June 2025, owing largely to increases in transport costs, particularly motor fuels. Although the rise in CPI in the last 12 months, it is expected to gradually ease in the coming months and years and is expected to land at around 2% by 2027.
	2.4	The most recent UK Budget was delivered by Chancellor Rachel Reeves in October 2024. The big talking points following the Budget related to increased taxation measures to be implemented and increased public spending and investment. Reeves announced a strengthened fiscal framework, requiring additional scrutiny from the Office for Budget Responsibility (OBR) to ensure a more sustainability fiscal process.
	2.5	Taxation measures introduced included increased national insurance contributions, increasing to 15%, capital gains tax rising to 18%/24% respectively, as well as an increase in carried interest taxation to a flat 32%. A total of £33bn increase was announced for day-to-day departmental spending across 2024-25 and 2025-26, with the Department for Health and Social Care accounting for about one-third of this.
	2.6	Despite an uptick in consumer spending in June and July 2025 owing to a slightly more positive outlook on the general economy, the broader sentiment remains fragile, with concerns relating to general inflation and trade tensions still impacting people's and household's spending. Retail spending saw a 2.5% year-on-year increase in July 2025, owing largely to the improved weather and sporting successes during the summer. It is forecasted that consumer spending will continue to increase for the remainder of 2025 owing to gradual interest rate reductions. However, there is still caution in the market because of current global events.
UK Economic Outlook	2.7	The KPMG UK Economic Outlook for April 2025 poses downside risks for the UK Economy this year due to uncertain global trading environments and rising tax burdens following last year's Budget. Inflation is predicted to peak at around 3.6% by Autumn 2025, as businesses look to address the increase in labour costs and increased utility bills for consumers. Although economic performance should be supported by healthy household savings and the promised public spending, it is still expected that UK GDP growth is reduced to 0.8% in 2025 and 2026, owing to broader tariffs.
	2.8	The UK outlook is becoming increasingly uncertain due to the escalating trade tensions across the world. There is a lack of clarity relating to US external policy which has led to unprecedented uncertainty for UK businesses and their investment decisions. This uncertainty is expected in the short to medium term, with longer term growth potential and productivity attached to future weaker investment risks. Whilst the implications of US tariffs on the UK economy are still unknown, it is clear that more severe tariffs adopted by the US will have a greater impact on the UK and reduce global GDP.
	2.9	The general feeling towards the UK economy is currently one of weakness, with many projections pointing towards stunted growth prospects in the coming year. Increased tax burdens are continuing to dominate business' concerns, as well as falling demand contributing to the gloomy outlook for the remainder of 2025.
UK Residential Market	2.10	The RICS Residential Market Survey (September 2025) presents a comprehensive analysis of the UK's housing market dynamics. The overall picture remains consistent with a subdued market, with the previous signs of recovery now reversing and measures of demand and agreed sales are now into negative territory. In the near term, it is projected that the current market will remain stagnant, with no significant growth

Overview	expected in the coming months.
2.11	Regarding new buyer inquiries, a net balance of -19% was reported in September 2025, down from +1% the previous month. Agreed sales were also down -16% in September 2025, however sentiment moving forward is more positive with projections of a pick-up in sales activity of +8% in the next 12 months.
2.12	We have sourced data from the Land Registry House Price Index (HPI), with Land Registry being the most complete data set available, to provide an overview on the UK residential market. It is noted that full information is not always available for the most recent six months.
2.13	At a national level, house prices were up 0.3% in September 2025, signalling a small upward turn in average house prices across the country.
2.14	Average house prices for all property types have increased over the last 10 years. The sudden spike in June 2021 was due to the 'Stamp Duty Holiday' ending but it is evident to see that following the dip in July 2021, house prices continued to increase until September 2022. Prices have been fluctuating since then, but most recent records show that average house prices across the UK are steadily increasing, now reaching the same levels as their peak in 2022.

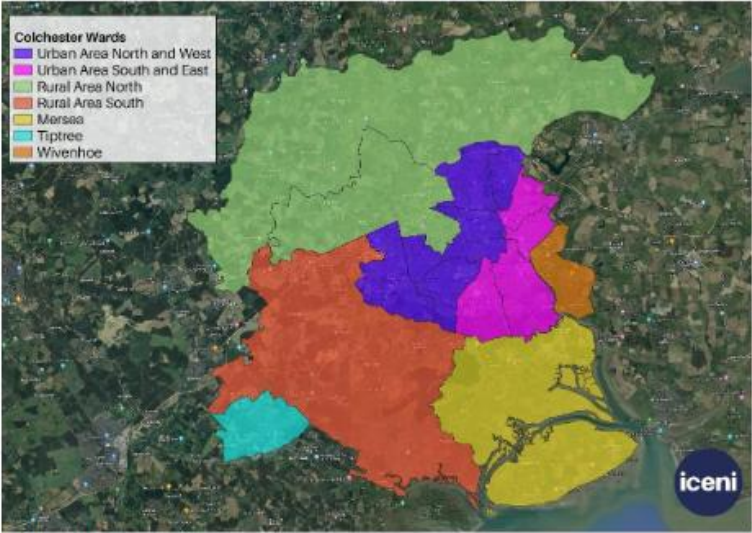
2.15 **Figure 1: Average Price by Type of Property – United Kingdom**



Source: Land Registry House Price Index, August 2025

3. Existing Evidence Base

Introduction	3.1	We have undertaken a review of the existing evidence base which consists of the following documents: • Strategic Land Availability Assessment (SLAA): Call for Sites Report (February 2024); • Colchester Local Housing Needs Assessment (LHNA) (July 2024) – produced by Iceni Projects Limited; and • Colchester City Council Strategic Director Report, Housing Insight Report, 2023.
SLAA, February 2024	3.2	The Council is undertaking a review of its Local Plan to allocate land for future residential, commercial, infrastructure, and green uses. This revision aims to meet the city's growing needs by designating appropriate land for various developmental purposes. As part of this review, the Council has drafted the Strategic Land Availability Assessment (SLAA) Methodology, which was refined through public consultation and adopted in December 2023.
	3.3	In the autumn of 2023, the Council launched a 'Call for Sites' as part of the SLAA process. The Council invited the public, landowners, developers, and other stakeholders to suggest potential development sites within the Borough. The consultation period ran from 20th October 2023 to 5th January 2024 and received 197 submissions. These submissions predominantly focused on residential development but also included proposals for commercial, infrastructure, and green projects.
	3.4	The Call for Sites report lists potential development sites with varying areas. The smallest site area submitted is 0.0173 hectares, and the largest is 453.3877 hectares. This range in site area indicates that proposals were received for both small and large developments, reflecting a diverse set of potential land uses, from small residential developments to extensive multi-use areas.
	3.5	All submitted sites are now being evaluated against the SLAA methodology criteria, which include assessing each site's suitability, availability, and achievability. The detailed results and site information are available through the Council's interactive map and Consultation Portal. The outcomes of this process will feed into the Local Plan's evidence base, although submission does not guarantee any immediate or future planning status for the suggested sites.
Colchester Local HNA, July 2024	3.6	The Council commissioned Iceni Projects and Justin Gardner Consulting to prepare a Local Housing Needs Assessment to determine the current and future housing need in respect of size, type and tenure across the Colchester Borough. The outcome of the LHNA, alongside other evidence, will be used to inform the Council's Local Plan.
	3.7	The final report was issued in July 2024 and covers the following: • Housing market & sub-market categories • Housing stock and supply trends • Housing market dynamics • Demographics and overall housing need • Affordable housing need • Need for different types & sizes of homes • Older and disabled persons • Housing needs of specific groups
	3.8	We have reviewed the LHNA and summarise the key findings below.

Housing Market & Sub-Market Geographies	3.9	Housing Market Areas (HMAs) are defined in the Planning Practice Guidance (PPG) as the following: <i>“... geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work.”</i>
	3.10	Whilst HMAs provides the spatial basis for much of the analysis, additional work is conducted at a sub-area level to support localised policy development. The figure below shows the sub-areas in the Colchester Borough, taking into account factors such as house prices, the role of the area and housing stock.
	3.11	Figure 2: Map of Sub-Area Geographies in Colchester City  Source: Icení Source: Icení / Colchester LHNA, July 2024
Housing Stock and Supply Trends	3.12	Colchester’s housing stock has grown by 11.6% in the 10 years to 2021 (Census, 2021) to 83,168 dwellings. The growth in Colchester exceeds that in the East of England region (9.1%) and England as a whole (8.5%). The current stock is largely focused towards two- and three-bedroom properties with semi-detached and detached properties being most prevalent.
	3.13	Although there has been volatility and uncertainty seen in macroeconomic market dynamics during the last five years, housing delivery in Colchester has exceeded the Objectively Assessed Needs (OAN) target of 920 dwellings per annum (dpa) with an average of 955 dpa over the last five years. The delivery has largely been focused in and around the urban areas with more subdued delivery in the rural areas which is a likely contribution to pressure on prices.
	3.14	Home ownership (private and shared ownership) is a common trend across all HMAs in Colchester with a minimum of 78% or above of the properties in ownership outside of the urban areas. The urban areas have between 55% and 60% private or shared ownership properties with private rent being the next predominant tenure followed by social rent.
Housing Dynamics	3.15	Whilst house price growth has been relatively strong in Colchester, house prices are comparatively lower in Colchester than the surrounding areas. The market has been weakening since the Covid-19 Pandemic which has also been influenced by rising interest rates. The figure below sets out the median house prices across the sub-areas as at the time of the LHNA report.

3.16 **Figure 3: Median Price by Type and Sub-Area**

Geography	All	Detached	Semi-detached	Terraced	Flat
Rural Area North	£447,500	£620,750	£380,000	£281,500	£190,500
Mersea	£418,750	£505,000	£372,250	No data	£205,000
Tiptree	£382,575	£486,250	£368,000	£302,500	£184,000
Rural Area South	£365,000	£450,000	£345,000	£300,000	£205,000
Wivenhoe	£355,000	£460,000	£327,000	£325,000	£254,000
Urban Area North and West	£301,482	£483,857	£341,071	£287,286	£180,643
Urban Area South and East	£284,375	£393,625	£302,000	£272,000	£165,100
Colchester	£325,000	£455,000	£335,000	£275,000	£175,750

Source: Icení analysis of Land registry data

Source: Icení / Colchester LHNA, July 2024

3.17 The figure above demonstrates that the urban areas have achieved the lowest median values but that is largely due to the typically smaller types of housing in urban locations compared to more rural locations. Wivenhoe has a significantly higher median for flats than any other sub-area which would indicate demand outstrips supply in this area.

Demographics and Overall Housing Need

3.18 The Standard Method identifies a requirement for 1,043 dwellings per annum in Colchester's plan period of 2023 to 2041, potentially supporting up to 21,400 additional jobs. We note however that the recent changes to the NPPF have increased this number to 1,290 dwellings per annum.

Affordable Housing Need

3.19 When looking at needs from households unable to buy or rent, the analysis identifies a need for 877 affordable homes per annum (see figure below). Although no specific target has been set for the delivery of affordable housing, the analysis stresses the importance of maximising affordable housing delivery. A need has been identified for both social and affordable rented homes with the former likely to have a wider benefit and could therefore be prioritised where delivery does not prejudice the overall delivery of affordable homes.

3.20 **Figure 4: Assessment of Need for Social and Affordable Rented Housing Per Annum in Colchester (2023)**

Stage	Number	Notes
Current need	124	Based on Census data (e.g. about overcrowding) and homelessness statistics and based on 2,235 households in need annualised over an 18-year period
New household formation	845	Figures based on the latest ONS household projections and based on gross formation of 1,614 households with 52% unable to afford the market.
Existing households falling into need	185	Households from other tenures annually receiving lettings or registering need.
Gross Annual Need	1,154	Total of the above categories
Lettings to new tenants	277	Based on lettings in the 2020-23 period
Net Annual Need	877	Gross need - lettings

Source: Icení affordable needs modelling

Source: Icení / Colchester LHNA, July 2024

Need for Different Types and Sizes of Homes	3.21	The analysis of Colchester's future housing needs considers demographic changes, like the number of family households and the aging population. Different types of households have varying living situations, with married couples more likely to own homes, while lone parents often live in rented accommodation.																							
	3.22	Colchester's housing stock has grown by 11.6% in the 10 years to 2021 (Census, 2021) to 83,168 dwellings. The growth in Colchester exceeds that in the East of England region (9.1%) and England as a whole (8.5%). The current stock is largely focused towards two- and three-bedroom properties with semi-detached and detached properties being most prevalent.																							
	3.23	Figure 5: Icení Project's Recommended Unit Mix <table><tr><th rowspan="2"></th><th rowspan="2">Market</th><th rowspan="2">Affordable home ownership</th><th colspan="2">Affordable housing (rented)</th></tr><tr><th>General needs</th><th>Older persons</th></tr><tr><td>1-bedroom</td><td rowspan="2">30%</td><td>20%</td><td>20%</td><td>60%</td></tr><tr><td>2-bedrooms</td><td>45%</td><td>35%</td><td rowspan="2">40%</td></tr><tr><td>3-bedrooms</td><td>45%</td><td rowspan="2">35%</td><td>35%</td></tr><tr><td>4+-bedrooms</td><td>25%</td><td>10%</td></tr></table> Source: Icení Analysis Source: Icení / Colchester LHNA, July 2024		Market	Affordable home ownership	Affordable housing (rented)		General needs	Older persons	1-bedroom	30%	20%	20%	60%	2-bedrooms	45%	35%	40%	3-bedrooms	45%	35%	35%	4+-bedrooms	25%	10%
		Market				Affordable home ownership	Affordable housing (rented)																		
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3-bedrooms	45%	35%	35%																						
4+-bedrooms	25%		10%																						
	3.24	Strategic analysis suggests that larger family homes can help free up smaller properties for other households. However, 1-bedroom properties offer limited flexibility and can lead to higher turnover and management issues. This suggested mix should be flexible to accommodate local conditions and needs, and selling 1-bedroom affordable home ownership (AHO) units can be challenging. Sometimes, 2-bedroom units might be a better alternative due to current market conditions.																							
Older and Disabled Persons	3.25	With an aging population, the number of people with disabilities is likely to increase. The following key findings for the 2023-41 period are set out in the LHNA: • “A 37% increase in the population aged 65+ (potentially accounting for 34% of total population growth); • A 51% increase in the number of people aged 65+ with dementia and a 45% increase in those aged 65+ with mobility problems; • A need for around 1,600 housing units with support (sheltered/retirement housing) – just over half in the market sector; • A need for around 1,000 additional housing units with care (e.g. extra-care) – the majority (around 63%) in the market sector; • A need for additional nursing residential care bedspaces (around 850 in the period and mainly for nursing care); and • A need for around 800 dwellings to be for wheelchair users (meeting technical standard M4(3)).”																							
	3.26	There is evidenced need to boost the supply of accessible and adaptable dwellings and to establish provisions for older peoples housing. In response to the evidence, it is suggested that a mandatory requirement of all dwellings of all tenures should meet M4(2) standards and additionally around 5% of homes in the market sector and 10% in the affordable sector should meet M4(3) standards for wheelchairs.																							
Housing Needs of Specific	3.27	The following specific groups are covered in the LHNA along with the following comments: • Students – no additional PBSAs are needed through the Local Plan review.																							

Groups		• Service Families – Colchester is Garrison Town and is home to three Army Barracks. • Children in Need of Accommodation – Colchester has one of the highest rates of children in care in Essex County. Pressure remains with post 16 space for care leavers and there are 16-17 years olds in need of accommodation. • Asylum Seekers and Refugees – Colchester has the most asylum seekers in the Essex County. • Private Rented Sector – evidence suggests that the PRS plays a small role in meeting affordable need in the Borough. • Houses in Multiple Occupation – Colchester has an above average level of HMOs in comparison to other areas.
Housing Insight Report, 2023	3.28	The Colchester City Council's Strategic Director Report on Housing for 2023 provides an in-depth analysis of the housing crisis in the UK, particularly focused on the East of England.
	3.29	The Report delves deeply into the prevailing housing crisis in the UK, with a specific focus on the East of England. The document outlines significant challenges such as the disparity between housing affordability and incomes, and the substantial imbalance between the supply of and demand for housing. The report provides a historical perspective on changes in housing tenure, indicating a growing dependency on the private rental market due to limited availability of affordable housing.
	3.30	The report also highlights intense pressures within the private rented sector and the related issues of homelessness and rising house prices. Furthermore, it emphasises the need for better-quality housing and strategic measures to address environmental concerns. The document suggests that thorough strategic planning, strong partnerships, and robust government intervention are necessary to mitigate these issues and enhance the overall housing delivery framework.
Summary and Conclusions	3.31	We have reviewed the Strategic Land Availability Assessment (SLAA) from February 2024, the Colchester Local Housing Needs Assessment (LHNA) from July 2024 by Icen Projects Limited, and the Colchester City Council Strategic Director Report on Housing from 2023.
	3.32	The reviews highlight several critical conclusions for addressing housing demand and supply in Colchester:
	3.33	Firstly, effective strategic planning and organised land allocation are essential to meet Colchester's expanding needs. These measures will ensure a balanced development of residential, commercial, and green spaces, accommodating diverse developmental purposes.
	3.34	Secondly, there is an urgent need to prioritise the delivery of affordable housing. Addressing affordability challenges and homelessness is paramount, and this requires a stringent focus on increasing the supply of affordable homes, particularly in the social and affordable rented sector, where wider socio-economic benefits can be realised.
	3.35	Thirdly, housing policies must consider demographic changes, especially the aging population and the growing number of individuals with disabilities. Ensuring that new developments are both accessible and adaptable will be critical in catering to these demographic shifts.
	3.36	Moreover, tackling Colchester's housing needs necessitates a holistic approach involving thorough public consultation, strategic government intervention, and cohesive partnerships. This approach will effectively balance supply and demand, ensuring sustainable and inclusive housing development
	3.37	Finally, housing solutions must be versatile to cater to the wide range of needs across various specific groups, including students, service families, and asylum seekers. Flexible housing policies tailored to meet these diverse requirements are vital for creating a supportive and inclusive community.
	3.38	The insights drawn from the SLAA, LHNA, and Housing Insight Report underscore the complexity and urgency of addressing housing needs in Colchester. Proactive measures, comprehensive planning, and collaborative efforts will be essential to ensuring sustainable and inclusive housing development that meets

the demands of the present and future population.

4. Colchester Housing Achieved Values

Introduction	4.1	In this section we consider the residential market in the Colchester Local Authority area. We have sourced data from the Land Registry HPI to provide an overview on the market in the administrative boundary of Colchester.																								
General Market Overview	4.2	A comparison of Colchester to the East of England and UK wide house price data shows that in August 2025, the Land Registry HPI data revealed that property prices in Colchester were generally lower than the regional averages but higher than national averages across all but one of the property types. Taking the UK average house price of £269,079 as the benchmark, Colchester's average house price of £294,717 surpasses this figure by 9.53%. However, this increase is still lower than the East of England's average of £337,920, which is 25.59% higher than the UK average.																								
	4.3	Table 1: Land Registry HPI Average House Price Data, August 2025 <table><tr><th>Property Type</th><th>UK</th><th>East of England</th><th>Colchester</th></tr><tr><td>Flat</td><td>£196,303</td><td>£194,739</td><td>£163,357</td></tr><tr><td>Terraced</td><td>£226,922</td><td>£287,494</td><td>£260,639</td></tr><tr><td>Semi-detached</td><td>£271,895</td><td>£350,137</td><td>£326,116</td></tr><tr><td>Detached</td><td>£437,904</td><td>£524,080</td><td>£497,247</td></tr><tr><td>All Property Types</td><td>£269,079</td><td>£337,920</td><td>£294,717</td></tr></table> Source: Land Registry HPI, August 2025	Property Type	UK	East of England	Colchester	Flat	£196,303	£194,739	£163,357	Terraced	£226,922	£287,494	£260,639	Semi-detached	£271,895	£350,137	£326,116	Detached	£437,904	£524,080	£497,247	All Property Types	£269,079	£337,920	£294,717
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All Property Types	£269,079	£337,920	£294,717																							
	4.4	The average price of new build and second-hand properties in Colchester, as of April 2024, are as follows: - New build – £404,060 - Second-hand – £291,957																								
	4.5	Comparing this to the UK averages, as of April 2025, which are as follows: - New build – £368,354 - Second-hand – £257,426																								
	4.6	The above evidence indicates that while new builds and second-hand properties in Colchester are relatively more expensive than the national average.																								
Colchester Market Overview	4.7	We have conducted a comprehensive review of new build and second-hand achieved values within the borough of Colchester. This review is based on analysis of the Land Registry's new build reported values for the period from August 2023 to August 2025 (most recent available data). Each transaction (approximately 327 new build and 3,900 second-hand sales) was cross-referenced with the floor areas published on the Energy Performance Certificate (EPC) database. This allowed us to derive achieved values in terms of £ per square meter (sq. m.)																								
New Build Reported Values – Houses	4.8	Within our review period, 287 new-build houses were sold and recorded on the Land Registry across the Colchester City Council area.																								
	4.9	Table 2 below provides a summary of Colchester Borough's new build house prices with the range of achieved values and achieved price per sq. m., reported by Minimum, Average, Median, and Maximum value, excluding anomalies and reported across the Borough on a whole.																								

4.10 **Table 2: Colchester New Build House Sales Values 2023 – 2025**

Colchester City (£)	Achieved Value	Achieved £/sqm
Minimum £	£234,500	£2,758
Average £	£459,514	£4,232
Median £	£425,000	£4,250
Maximum £	£1,225,000	£6,032

Source: Land Registry, August 2025

4.11 To evaluate whether specific areas within the Borough command higher values for new build properties, we have considered the average value per sq. m. achieved for new build homes, across each ward in the Borough.

4.12 **Table 3: Colchester New Build Average Sales Value per sqm by Ward**

Ward	Average £/sqm
Marks Tey & Layer	£4,665
Rural North	£3,840
Lexden & Braiswick	£4,436
Mersea & Pyefleet	£4,097
Tiptree	£4,001
Stanway	£3,929
Shrub End	£4,485
Castle	£3,582
Mile End	£4,203

Source: Land Registry, August 2025

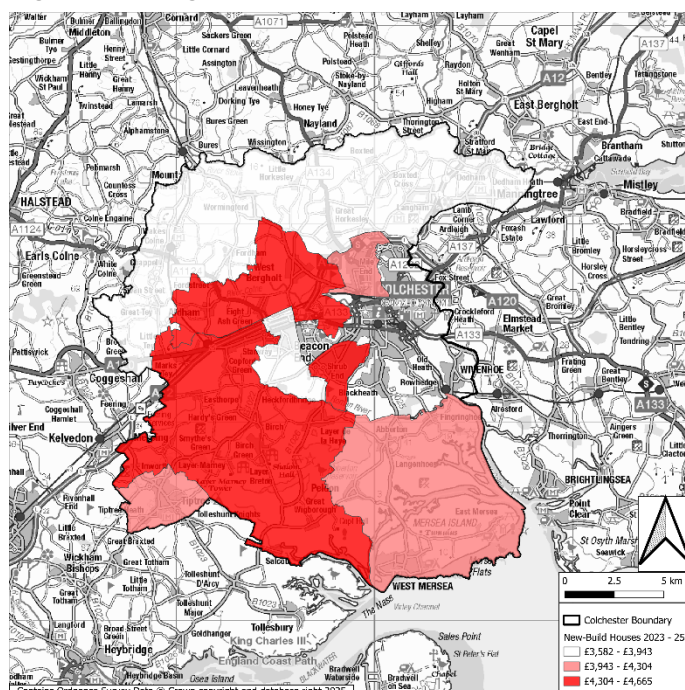
4.13 In Table 3 above we provide a summary of the average prices for new build sales per square meter across various wards based on data recorded at the Land Registry during the period August 2023 – August 2025.

4.14 Several wards lack available data for new build sales and are therefore excluded from this summary. These include:

- Wivenhoe
- Berechurch
- New Town & Christ Church
- Old Heath & The Hythe
- Prettygate
- Greenstead
- St. Anne's & St. John's
- Highwoods

4.15 We have presented this information in the Figure 6 below using a Geographic Information System (GIS) to display the results as a heat map, with dark red indicating the highest value areas. Where new build sales were not present within a particular ward, we were unable to provide an average value for this ward. These wards are indicated as blank on the below map.

4.16 **Figure 6: Average New Build House Achieved Value per Sq. M. in the Colchester Wards**



Source: Newmark, August 2025

4.17 From the analysis it can be noted:

- Marks Tey & Layer (£4,665 per sqm) records the highest average new build value, positioning it as the strongest market in Colchester. Its premium reflects both location appeal and demand for new housing.
- Shrub End (£4,485 per sqm) and Lexden & Braiswick (£4,436 per sqm) follow closely, both performing above the overall average, suggesting these wards are established higher-value markets with strong buyer demand.
- Mile End (£4,203 per sqm) and Mersea & Pyefleet (£4,097 per sqm) represent mid-range markets. Their values point to a balance between affordability and desirability, offering good opportunities for both buyers and developers.
- Tiptree (£4,001 per sqm) and Stanway (£3,929 per sqm) are slightly below this middle range, reflecting relatively more affordable new build opportunities while still maintaining healthy demand.
- Rural North (£3,840 per sqm) shows a modest value, likely reflecting a mix of location characteristics and accessibility.
- Castle (£3,582 per sqm) sits at the lowest average value among the wards. This indicates the most budget-friendly new build market, potentially appealing to price-sensitive buyers or those seeking entry-level housing.

4.18 In conclusion, the data highlights a clear hierarchy within Colchester's new build market. Marks Tey & Layer, Shrub End, and Lexden & Braiswick stand out as higher-value wards, commanding stronger premiums. Mile End and Mersea & Pyefleet occupy a balanced middle ground, while Tiptree, Stanway, Rural North, and Castle represent more affordable areas, with Castle offering the lowest-cost new build options.

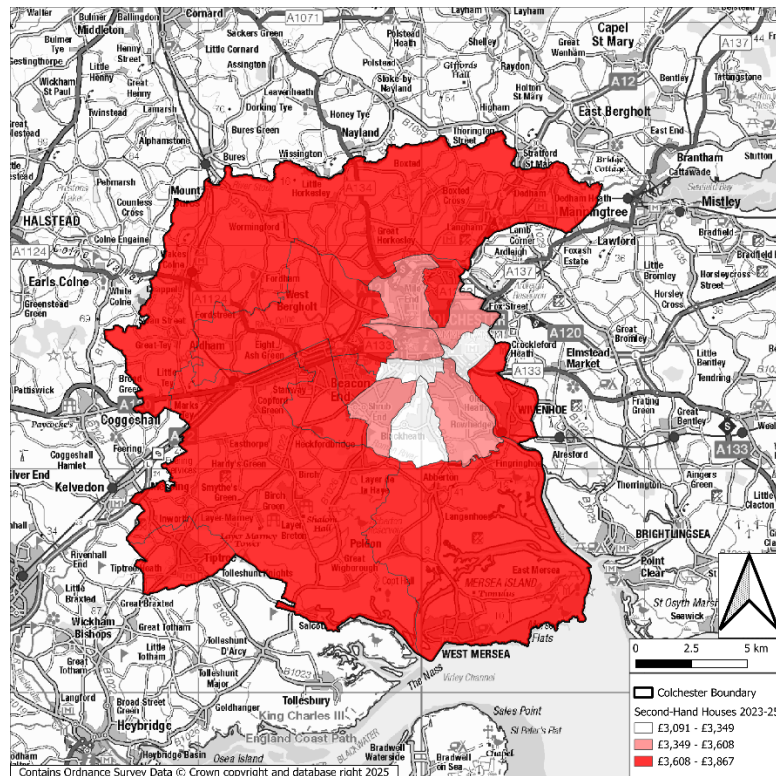
Second-hand Achieved

4.19 To further evaluate the trend in new build property values within the Colchester market, a comprehensive analysis of the second-hand housing market over the past year has been conducted. This approach allows

Values – Houses		for the identification of broader transactional trends throughout the Colchester area, thereby ensuring that our assessment accurately reflects the overall housing market dynamics within Colchester.																																				
	4.20	Within our review period from August 2023 to August 2025, 3,231 second-hand houses were sold and recorded on the Land Registry across the Colchester Borough.																																				
	4.21	Reviewing the second-hand sales and the values achieved across wards in Colchester enables us to establish the trends and provides a sense check against the new build sales recorded above, to help establish the Value Zones across the borough.																																				
	4.22	Table 4 below provides a summary of Colchester City Council second-hand house values and represented with the average value across the Borough and price per sq. m. basis, reported by Minimum, Average, Median, and Maximum value, excluding anomalies.																																				
	4.23	Table 4: Colchester Second-hand House Sales Values 2023 – 2025 <table><tr><th>Colchester City (£)</th><th>Achieved Values</th><th>Achieved £/sqm</th></tr><tr><td>Minimum £</td><td>£120,000</td><td>£1,712</td></tr><tr><td>Average £</td><td>£376,336</td><td>£3,557</td></tr><tr><td>Median £</td><td>£310,000</td><td>£3,390</td></tr><tr><td>Maximum £</td><td>£1,950,000</td><td>£7,031</td></tr></table> Source: Land Registry, August 2025	Colchester City (£)	Achieved Values	Achieved £/sqm	Minimum £	£120,000	£1,712	Average £	£376,336	£3,557	Median £	£310,000	£3,390	Maximum £	£1,950,000	£7,031																					
Colchester City (£)	Achieved Values	Achieved £/sqm																																				
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	4.24	We have further considered the average value per sq. m. achieved for second-hand homes across each ward in the Borough and shown in Table 5 below.																																				
	4.25	Table 5: Colchester Second-hand Average Sales Value per sqm by Ward 2023 - 2025 <table><tr><th>Ward</th><th>Average £/sqm</th></tr><tr><td>Marks Tey & Layer</td><td>£3,683</td></tr><tr><td>Rural North</td><td>£3,866</td></tr><tr><td>Lexden & Braiswick</td><td>£3,693</td></tr><tr><td>Mersea & Pyefleet</td><td>£3,867</td></tr><tr><td>Tiptree</td><td>£3,744</td></tr><tr><td>Stanway</td><td>£3,677</td></tr><tr><td>Wivenhoe</td><td>£3,786</td></tr><tr><td>Berechurch</td><td>£3,263</td></tr><tr><td>Shrub End</td><td>£3,479</td></tr><tr><td>New Town & Christ Church</td><td>£3,292</td></tr><tr><td>Old Heath & The Hythe</td><td>£3,391</td></tr><tr><td>Prettygate</td><td>£3,675</td></tr><tr><td>Castle</td><td>£3,354</td></tr><tr><td>Greenstead</td><td>£3,091</td></tr><tr><td>Mile End</td><td>£3,493</td></tr><tr><td>St. Anne's & St. John's</td><td>£3,533</td></tr><tr><td>Highwoods</td><td>£3,775</td></tr></table> Source: Land Registry, August 2025	Ward	Average £/sqm	Marks Tey & Layer	£3,683	Rural North	£3,866	Lexden & Braiswick	£3,693	Mersea & Pyefleet	£3,867	Tiptree	£3,744	Stanway	£3,677	Wivenhoe	£3,786	Berechurch	£3,263	Shrub End	£3,479	New Town & Christ Church	£3,292	Old Heath & The Hythe	£3,391	Prettygate	£3,675	Castle	£3,354	Greenstead	£3,091	Mile End	£3,493	St. Anne's & St. John's	£3,533	Highwoods	£3,775
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4.26 We have presented this information in Figure 7 below using a Geographic Information System (GIS) to display the results as a heat map, with red indicating those wards achieving the highest values.

4.27 **Figure 7: Average Second-hand Achieved House Value per Sq. M. in the Colchester Wards**



Source: Newmark, August 2025

5. Colchester Flats Achieved Values

New Build Achieved Values – Flats	5.1	Within our review period, 40 new-build flats were sold and recorded on the Land Registry across Colchester Borough.														
	5.2	Table 6 below provides an overall summary of new build flat sales in Colchester, with the range of achieved values and achieved value per sq. m. reported by Minimum, Average, Median, and Maximum value, excluding anomalies and reported across the Borough on a whole.														
	5.3	Table 6: Colchester New Build Flat Sales Values 2023 – 2025 <table> <tr> <th>Colchester City (£)</th><th>Achieved Values</th><th>Achieved £/sqm</th></tr> <tr> <td>Minimum £</td><td>£160,300</td><td>£2,564</td></tr> <tr> <td>Average £</td><td>£205,317</td><td>£3,435</td></tr> <tr> <td>Median £</td><td>£210,000</td><td>£3,479</td></tr> <tr> <td>Maximum £</td><td>£315,000</td><td>£5,687</td></tr> </table> <i>Source: Land Registry, August 2025</i>	Colchester City (£)	Achieved Values	Achieved £/sqm	Minimum £	£160,300	£2,564	Average £	£205,317	£3,435	Median £	£210,000	£3,479	Maximum £	£315,000
Colchester City (£)	Achieved Values	Achieved £/sqm														
Minimum £	£160,300	£2,564														
Average £	£205,317	£3,435														
Median £	£210,000	£3,479														
Maximum £	£315,000	£5,687														
Second-hand Achieved Values – Flats	5.4	Within our review period, 691 second-hand flats were sold and recorded on the Land Registry across Colchester Borough.														
	5.5	Table 7 below provides an overall summary of second-hand flat sales in Colchester, with the range of achieved values and achieved value per sq. m reported by Minimum, Average, Median, and Maximum value, excluding anomalies and reported across the Borough on a whole.														
	5.6	Table 7: Colchester Second-hand Flat Achieved Values 2023 – 2025 <table> <tr> <th>Colchester City (£)</th><th>Achieved Values</th><th>Achieved £/sqm</th></tr> <tr> <td>Minimum £</td><td>£80,000</td><td>£1,718</td></tr> <tr> <td>Average £</td><td>£183,000</td><td>£2,910</td></tr> <tr> <td>Median £</td><td>£175,000</td><td>£2,841</td></tr> <tr> <td>Maximum £</td><td>£815,000</td><td>£6,868</td></tr> </table> <i>Source: Land Registry, August 2025</i>	Colchester City (£)	Achieved Values	Achieved £/sqm	Minimum £	£80,000	£1,718	Average £	£183,000	£2,910	Median £	£175,000	£2,841	Maximum £	£815,000
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Average £	£183,000	£2,910														
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Maximum £	£815,000	£6,868														
	5.7	We have further considered the average value per sq. m. achieved for second-hand flats across each ward in the Borough.														

5.8 **Table 8: Second-hand Flat Values per sqm by Ward 2023 – 2025**

Ward	Average £/sqm
Marks Tey & Layer	£3,270
Rural North	£3,645
Lexden & Braiswick	£3,043
Mersea & Pyefleet	£3,875
Tiptree	£3,048
Stanway	£2,984
Wivenhoe	£3,889
Berechurch	£2,750
Shrub End	£2,974
New Town & Christ Church	£2,907
Old Heath & The Hythe	£2,838
Prettygate	£2,958
Castle	£2,705
Greenstead	£2,517
Mile End	£2,982
St. Anne's & St. John's	£2,597
Highwoods	£2,972

Source: Land Registry, August 2025

5.9 From the analysis it can be noted:

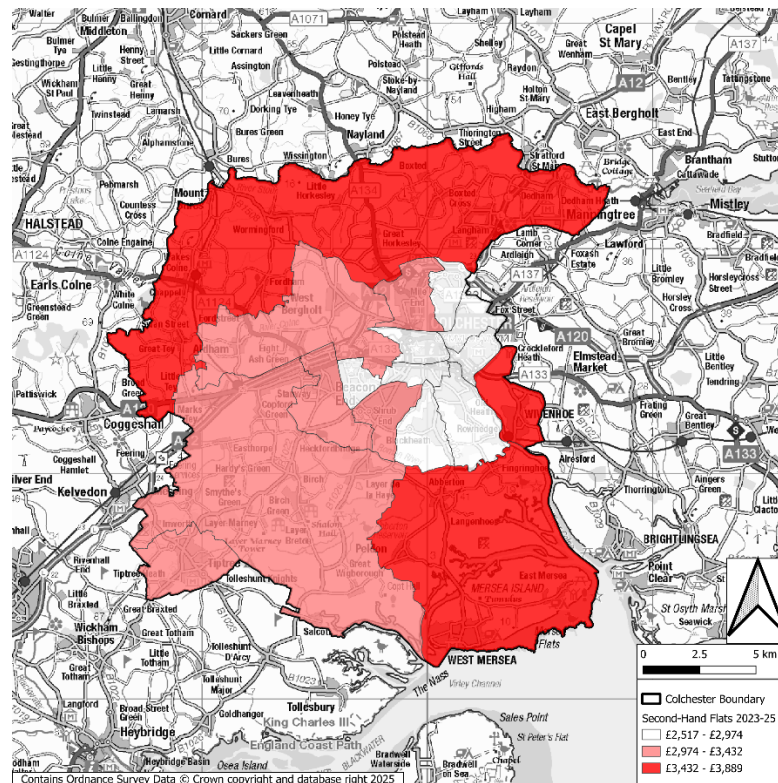
- Wivenhoe (£3,889 per sqm) and Mersea & Pyefleet (£3,875 per sqm) record the highest average flat values, positioning these wards as premium markets for flats. Their strong values likely reflect location desirability, amenities, and sustained demand.
- Rural North (£3,645 per sqm) also performs well above the wider average, indicating strong demand in this ward.
- Marks Tey & Layer (£3,270 per sqm) sits in the upper-middle range, suggesting a relatively strong but more balanced flat market compared to the highest-value wards.
- Lexden & Braiswick (£3,043 per sqm) and Tiptree (£3,048 per sqm) are in the mid-range, reflecting a stable and accessible market for buyers.
- Stanway (£2,984 per sqm), Mile End (£2,982 per sqm), Highwoods (£2,972 per sqm), Shrub End (£2,974 per sqm), Prettygate (£2,958 per sqm), and New Town & Christ Church (£2,907 per sqm) cluster closely together, offering a consistent mid-tier market with competitive but affordable values.
- Old Heath & The Hythe (£2,838 per sqm), Berechurch (£2,750 per sqm), and Castle (£2,705 per sqm) reflect more affordable flat markets, appealing to more price-sensitive buyers.
- St. Anne's & St. John's (£2,597 per sqm) and Greenstead (£2,517 per sqm) record the lowest values, highlighting the most budget-friendly wards for flats within Colchester.

5.10 To conclude, the data shows clear segmentation in Colchester's flat market. Wivenhoe and Mersea & Pyefleet stand out as premium markets, while Rural North also demonstrates strong demand. A large cluster of wards (including Stanway, Mile End, Highwoods, Shrub End, and Prettygate) form a consistent mid-tier. At the other end, St. Anne's & St. John's and Greenstead provide the lowest-cost flat opportunities,

reinforcing their role as the most affordable locations.

5.11 We have presented this information in Figure 8 below using a Geographical Information System (GIS) to display the results as a heat map, with red indicating those wards achieving the highest values.

5.12 **Figure 8: Average Second-hand Flats Achieved Value per sqm in Colchester Wards**

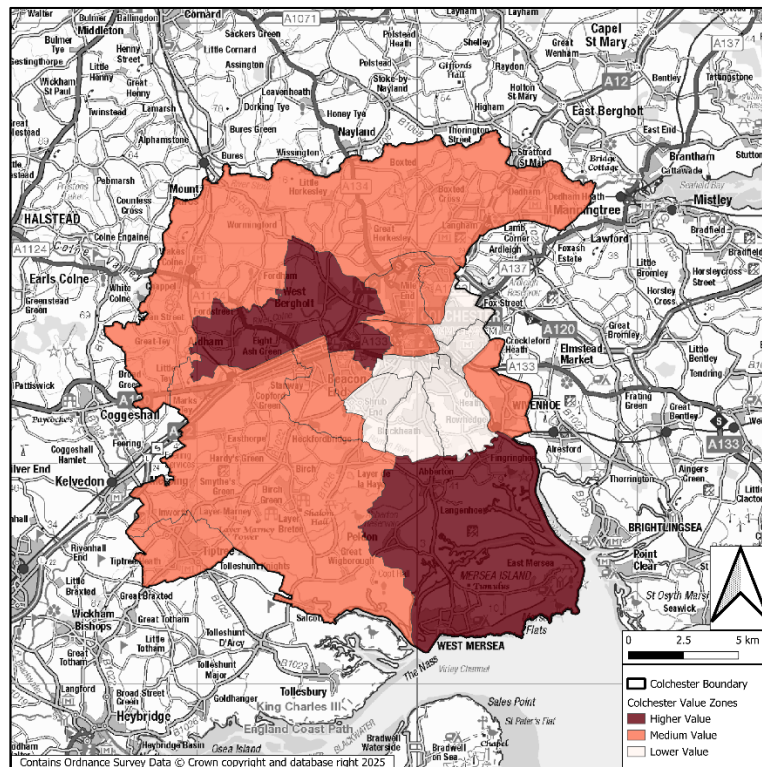


Source: Newmark, August 2025

6. Colchester Value Zones

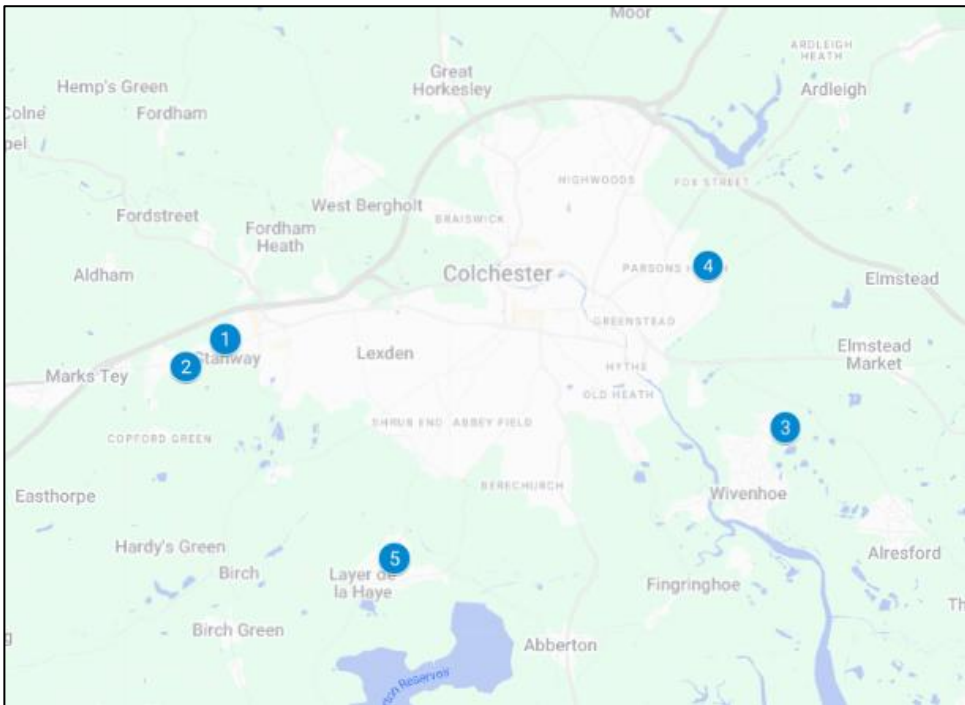
Introduction	6.1 In order to derive our Value Zones, we have had regard to: • The existing evidence base, e.g. Housing Needs Study; • New-build values; and • Second-hand values.
Colchester Value Zones	6.2 Figure 9 below shows the result of our analysis of the data listed above. We set out three Value Zones in this map. These are the 'lower', 'medium' and 'higher' Value Zones – which are mapped on a ward basis across Colchester.
	6.3 This will form the basis of our Typologies Matrix with which we will model different site typologies (e.g., greenfield and brownfields) together with current policy requirements (i.e. CIL, S106) with a view to future alignment.

6.4 **Figure 9: Colchester Value Zones**



Source: Newmark, August 2025

7. Colchester New Build Asking Prices

Introduction	7.1	We have undertaken a review of current new build asking prices across the Colchester Borough. Below sets out a summary of asking prices from five new build developments with properties ranging from 2 to 5 bedrooms.																								
	7.2	Figure 10: Current New Build Development Locations  Source: Google Maps, September 2025																								
Grange Paddocks, Stanway (1)	7.3	This Persimmon Homes development is located off London Road, Colchester CO3 8LR (no. 1 on Figure 10 above) with Phase 1 delivering 66 2 to 4-bedroom properties. There are currently five properties available. The table below sets out the asking prices for properties within the development.																								
	7.4	Table 9: Grange Paddocks Asking Prices <table><tr><th>Property Type</th><th>Size (sqm)*</th><th>Asking Price</th><th>Asking £/sqm</th></tr><tr><td>3-bed Detached</td><td>58.00</td><td>£415,000</td><td>£7,155</td></tr><tr><td>3-bed Detached</td><td>58.00</td><td>£415,000</td><td>£7,155</td></tr><tr><td>3-bed Detached</td><td>65.00</td><td>£425,000</td><td>£6,538</td></tr><tr><td>3-bed Detached</td><td>65.00</td><td>£425,000</td><td>£6,538</td></tr><tr><td>3-bed Detached</td><td>64.00</td><td>£425,000</td><td>£6,640</td></tr></table> Source: Persimmon Homes, August 2025 *Estimated from floor plans	Property Type	Size (sqm)*	Asking Price	Asking £/sqm	3-bed Detached	58.00	£415,000	£7,155	3-bed Detached	58.00	£415,000	£7,155	3-bed Detached	65.00	£425,000	£6,538	3-bed Detached	65.00	£425,000	£6,538	3-bed Detached	64.00	£425,000	£6,640
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3-bed Detached	65.00	£425,000	£6,538																							
3-bed Detached	64.00	£425,000	£6,640																							
	7.5	Current asking prices at the Grange Paddocks are in the region of £6,640 to £7,155per sq. m. These values exceed the average achieved new build values from within Stanway over the period January 2023 to August																								

		2025.																												
Oaklands, Copford (2)	7.6	This Dandara development is located off Hall Road, Colchester CO6 1BN (no. 2 on Figure 10 above) delivering 50 units ranging from 2 to 5-bedroom properties. There are currently six properties available. The table below sets out the asking prices for properties within the development.																												
	7.7	Table 10: Oaklands Asking Prices <table><tr><th>Property Type</th><th>Size (sqm)*</th><th>Asking Price</th><th>Asking £/sqm</th></tr><tr><td>3-bed Detached</td><td>71.00</td><td>£450,000</td><td>£6,338</td></tr><tr><td>4-bed Detached</td><td>86.00</td><td>£500,000</td><td>£5,814</td></tr><tr><td>4-bed Detached</td><td>86.00</td><td>£525,000</td><td>£6,105</td></tr><tr><td>4-bed Detached</td><td>120.00</td><td>£650,000</td><td>£5,417</td></tr><tr><td>5-bed Detached</td><td>132.00</td><td>£730,000</td><td>£5,530</td></tr><tr><td>5-bed Detached</td><td>172.00</td><td>£835,000</td><td>£4,855</td></tr></table> Source: Dandra, August 2025 *Estimated from floor plans	Property Type	Size (sqm)*	Asking Price	Asking £/sqm	3-bed Detached	71.00	£450,000	£6,338	4-bed Detached	86.00	£500,000	£5,814	4-bed Detached	86.00	£525,000	£6,105	4-bed Detached	120.00	£650,000	£5,417	5-bed Detached	132.00	£730,000	£5,530	5-bed Detached	172.00	£835,000	£4,855
Property Type	Size (sqm)*	Asking Price	Asking £/sqm																											
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5-bed Detached	172.00	£835,000	£4,855																											
	7.8	Current asking prices at the Grange Paddocks are in the region of £4,855 to £5,417per sq. m. These values exceed the average achieved new build values from within Stanway over the period January 2023 to August 2025.																												
	7.9	The £ per sq. m. prices range quite significantly at the Oaklands development but that is expected when there is such difference in unit size. When comparing the units of a similar size to those at Grange Paddocks, the pricing is at a similar level.																												
Wyvern Place, Wivenhoe (3)	7.10	This Taylor Wimpey development is located off Brightlingsea Road, Colchester CO7 9HF (no. 3 on Figure 10 above) delivering 115 properties consisting of 1 to 4-bedroom properties. There are currently ten properties available. The table below sets out the asking prices for properties within the development																												
	7.11	Table 11: Wyvern Place Asking Prices <table><tr><th>Property Type</th><th>Size (sqm)**</th><th>Asking Price</th><th>Asking £/sqm</th></tr><tr><td>2-bed Semi-detached (x2)</td><td>73.58</td><td>£299,995</td><td>£4,065</td></tr><tr><td>3-bed Detached</td><td>115.01</td><td>£380,000</td><td>£3,304</td></tr><tr><td>3-bed Detached</td><td>115.01</td><td>£393,000</td><td>£3,417</td></tr><tr><td>4-bed Detached (x2)</td><td>103.50</td><td>£438,000</td><td>£4,232</td></tr><tr><td>4-bed 2.5 St. Semi-detached (x3)</td><td>120.03</td><td>£459,995</td><td>£3,832</td></tr><tr><td>4-bed Detached</td><td>127.93</td><td>£480,000</td><td>£3,752</td></tr></table> Source: Taylor Wimpey, August 2025 **Actual floor areas	Property Type	Size (sqm)**	Asking Price	Asking £/sqm	2-bed Semi-detached (x2)	73.58	£299,995	£4,065	3-bed Detached	115.01	£380,000	£3,304	3-bed Detached	115.01	£393,000	£3,417	4-bed Detached (x2)	103.50	£438,000	£4,232	4-bed 2.5 St. Semi-detached (x3)	120.03	£459,995	£3,832	4-bed Detached	127.93	£480,000	£3,752
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4-bed Detached	127.93	£480,000	£3,752																											
	7.12	There is no new build transactional evidence for Wivenhoe. However, when comparing the asking prices of new build properties of a similar size across the Borough, the prices at Wyvern Place have a marginally lower price per sq. m which is line with our findings for Wivenhoe in earlier in this report.																												
Hollytree Walk, Parsons Heath (4)	7.13	This Bellway development is located off Bromley Road, Colchester CO7 7SW (no. 4 on Figure 10 above) delivering 145 properties ranging from 2 to 4-bedrooms. This development is outside but immediately adjacent to the ward extending the built form of Parsons Heath. Even though it is outside of the ward, this development will give an indication of values in the eastern suburb of Colchester. There is currently only 1																												

property available is set out below.

7.14 **Table 12: Hollytree Walk Asking Prices**

Property Type	Size (sqm)*	Asking Price	Asking £/sqm
2-bed Semi-detached	57.00	£299,995	£5,263

Source: Bellway, August 2025

*Estimated from floor plans

7.15 There is currently one asking price at Hollytree Walk, which is £5,263 per sq. m. There is no available new build transactional evidence for this ward (Greenstead) within our search criteria. However, when comparing the asking prices to the other developments, they appear to be comparatively more than those at Wyvern Place but less than Grange Paddocks and Oaklands.

Monarch Rise, Layer De La Haye (5)

7.16 This Denbury Homes development is located on the edge of Layer de la Haye, a small settlement to the south of Colchester in the ward of Marks Tey & Layer (no.5 on Figure 10). The development is delivering 70 properties ranging from 2 to 5-bedrooms. There are currently 12 properties available which are set out below

7.17 **Table 13: Monarch Rise Asking Prices**

Property Type	Size (sqm)*	Asking Price	Asking £/sqm
2-bed semi-detached	50.00	£300,000	£6,000
3-bed semi-detached	57.00	£380,000	£6,667
3-bed semi-detached	68.00	£500,000	£7,353
3-bed detached	84.00	£580,000	£6,905
4-bed detached	103.00	£665,000	£6,456
4-bed detached	107.00	£675,000	£6,308
4-bed detached	102.00	£675,000	£6,618
4-bed detached	100.00	£700,000	£7,000
4-bed detached	115.00	£725,000	£6,304
4-bed detached	110.00	£725,000	£6,591
4-bed detached	145.00	£800,000	£5,517
5-bed detached	133.00	£810,000	£6,090

Source: Denbury Homes, August 2025

*Estimated from floor plans

7.18 Current asking prices at the Monarch Rise range from £6,000 to £7,000 per sq. m. These values exceed the average achieved new build values from within Marks Tey & Layer over the period January 2023 to August 2025.

Summary of Asking Prices

7.19 We have reviewed asking prices across four different wards within the Borough. Although the property sizes vary quite significantly in each area, the asking prices generally exceed the average achieved values in each ward. The asking prices also appear to not follow the same trend of value achieved as set out in Figure 8, although it is important to note that not all wards have new build sales evidence available, and we only have a snippet of evidence for each development.

7.20 The evidence above suggests that smaller developments will command higher values per sq. m. The units at Grange Paddocks are also smaller, on average, compared to the other developments we have reviewed

		which is likely to result in the higher £ per sq. m. rates.
	7.21	Although there is no new build sales evidence within our search criteria in the east of the Borough, the new build asking prices at Wyvern Place and Hollytree Walk are comparatively lower than the other new build developments.
	7.22	The economic and political markets have changed quite significantly over recent years which has had an influence on the housing market. The benefit of reviewing current asking prices is that they are more reflective of today's market dynamics. However, they are a snapshot at that time and can vary quite significantly depending on who the developer is, and quantity of units available. In contrast, considering achieved sales data offers insights into actual prices paid and draws from a broader data set, providing more reliable information.

8. Residential Sales Values Assumptions

Conclusion	7.23	Our value assumptions have regard to new build and second-hand achieved values and current asking prices as reviewed earlier in this report. The achieved values provide a benchmark for the assumptions whilst the asking prices allow us to 'sense check' these assumptions. At the same time being mindful that asking prices are not always achieved.																																								
	7.24	For the purposes of our area-wide viability assessment, we have applied the following values and floor areas within our financial appraisals.																																								
	7.25	Table 14: Assumed Market Values Within the Defined Value Zones <table><tr><th>Property Type</th><th>Floor Area (sqm)</th><th>Lower Value Zone</th><th>Medium Value Zone</th><th>Higher Value Zone</th></tr><tr><td>1-bed Flat / Maisonette</td><td>50.00</td><td>£200,000</td><td>£210,000</td><td>£220,000</td></tr><tr><td>2-bed Flat / Maisonette</td><td>61.00</td><td>£225,000</td><td>£230,000</td><td>£240,000</td></tr><tr><td>1-bed House</td><td>58.00</td><td>£230,000</td><td>£245,000</td><td>£260,000</td></tr><tr><td>2-bed House</td><td>70.00</td><td>£285,000</td><td>£305,000</td><td>£325,000</td></tr><tr><td>3-bed House</td><td>93.00</td><td>£370,000</td><td>£400,000</td><td>£430,000</td></tr><tr><td>4-bed House</td><td>117.00</td><td>£470,000</td><td>£510,000</td><td>£550,000</td></tr><tr><td>5-bed+ House</td><td>165.00</td><td>£635,000</td><td>£670,000</td><td>£710,000</td></tr></table>	Property Type	Floor Area (sqm)	Lower Value Zone	Medium Value Zone	Higher Value Zone	1-bed Flat / Maisonette	50.00	£200,000	£210,000	£220,000	2-bed Flat / Maisonette	61.00	£225,000	£230,000	£240,000	1-bed House	58.00	£230,000	£245,000	£260,000	2-bed House	70.00	£285,000	£305,000	£325,000	3-bed House	93.00	£370,000	£400,000	£430,000	4-bed House	117.00	£470,000	£510,000	£550,000	5-bed+ House	165.00	£635,000	£670,000	£710,000
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	7.27	As discussed earlier in this market paper, the various Value Zones within the Borough of Colchester exhibit a range of differing values. The section on asking prices has clearly demonstrated that there is a wide array of properties being developed within the Borough. It can be argued that developments located in areas with excellent surroundings and amenities might command a premium compared to similar developments nearby.																																								
	7.28	Many developers take advantage of different levels of economies of scale, tailoring their product specifications to appeal to specific target markets. Some projects are large enough to benefit from a 'placemaking' premium, necessitating additional land for communal facilities like open green spaces and children's play areas.																																								

ABOUT NEWMARK

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APPENDIX 4 BENCHMARK LAND VALUE PAPER

Colchester City Local Plan Viability Study – Benchmark Land Value Paper

ON BEHALF OF: COLCHESTER CITY
COUNCIL

DATE: OCTOBER 2025

NEWMARK



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1. Introduction

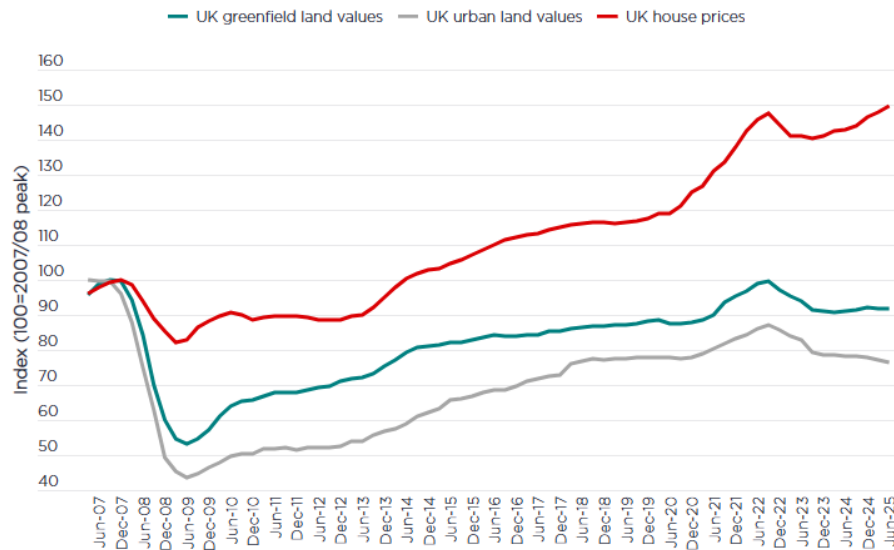
Instruction	1.1	Newmark ('we') has been instructed to undertake a Viability Assessment of Colchester City Council's ('CCC', the 'Council') Local Plan Review. To produce the Local Plan Viability Assessment ('LPVA') Report, a number of Papers are produced to feed in the supporting evidence. This Paper sets out the Benchmark Land Values ('BLV's) found across the Colchester City Council area. Below we set out the policy requirement, assessment and conclusions in regard to appropriate BLVs for the area.
Structure	1.2	Our report is divided into the following sections: • Benchmark Land Value Policy • UK Land Market Context • Existing Evidence Base Review • Agricultural Land Values • Paddock Land Values • Residential Development Land Values • Brownfield Land Values • Benchmark Land Value Assumptions

2. Benchmark Land Value Policy

Basis	2.1	National Planning Guidance (NPG') expects that viability is determined regarding a Benchmark Land Value (BLV) which reflects the site's Existing Use Value (EUV') (component 1) and a premium for incentivising the landowner to release the land for development (component 2), or an Alternative Use Value ('AUV'), having regard to policy.
Policy Basis	2.2	NPG sets out that land value for viability should be defined for the purpose as follows; <i>"To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value 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 fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+)."</i> Planning Practice Guidance Paragraph: 013 Reference ID: 10-013-20190509. Revision date: 09 05 2019.
	2.3	The NPG further adds: <i>"Benchmark land value should:</i> <i>• be based upon existing use value</i> <i>• allow for a premium to landowners (including equity resulting from those building their own homes)</i> <i>• reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees."</i> Planning Practice Guidance Paragraph: 014 Reference ID: 10-014-20190509. Revision date: 09 05 2019.
	2.4	The other method for establishing a BLV is to consider an AUV. The NPG adds that: <i>"For the purpose of viability assessment alternative use value (AUV) refers to the value of land for uses other than its existing use. AUV of the land may be informative in establishing benchmark land value. If applying alternative uses when establishing benchmark land value these should be limited to those uses which would fully comply with up to date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan. Where it is assumed that an existing use will be refurbished or redeveloped this will be considered as an AUV when establishing BLV."</i> Planning Practice Guidance Paragraph: 017 Reference ID: 10-017-20190509. Revision date: 09 05 2019.
	2.5	As set out above, the primary elements when considering a BLV are: • Component 1 – Existing Use Value • Component 2 – plus a Premium; and or • Alternative Use Value.
Newmark Approach	2.6	We have assessed the EUV+ approach as established under NPG. In this methodology, BLV is derived through the application of a market-consistent multiplier to the EUV to incentivise the landowner to sell their interest whilst also reflecting the actualities of site-specific infrastructure and abnormal costs.
	2.7	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. EUV is the value of the land in its existing use. EUV is not the price paid and should disregard hope value.

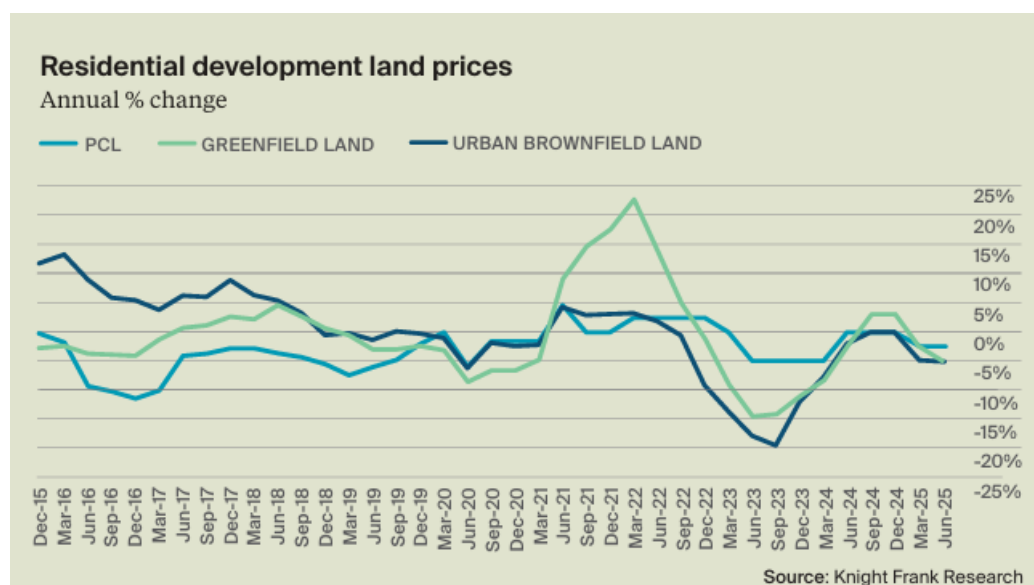
	2.8	The second component of BLV as stated by NPG is the premium. The premium should reflect the minimum return that a reasonable landowner would be willing to accept, while allowing sufficient contribution to comply with planning policy. This premium may be informed by market evidence so long as the market evidence is suitably adjusted to reflect the specifics of the site in question.
	2.9	In considering suitable premiums, we are mindful of the following: <i>“The treatment of costs expended in preparing sites for development is not addressed in the PPG. However, an adjustment to the premium may be appropriate as these costs may not affect the EUV but could affect the value of the development site. For a plan-making FVA, the EUV and the premium is likely to be the same for the same development typology, but it would be expected that a site that required higher costs to enable development would achieve a lower residual value. This should be taken account of in different site typologies at the plan-making stage.”</i> Paragraph 5.3.7 of the RICS Professional Standard ‘Assessing viability in planning under the National Planning Policy Framework 2019 for England’, dated March 2021 (effective from 01 July 2021).
	2.10	The Homes and Communities Agency (‘HCA’) Area Wide Viability Model (Annex 1 Transparent Viability Assumptions v3.2) is the only source of specific guidance on the size of the premium. The guidance states: <i>“There is some practitioner convention on the required premium above EUV, but this is some way short of consensus and the views of Planning Inspectors at Examination of Core Strategy have varied. Benchmarks and evidence from planning appeals tend to be in a range of 10% to 30% above EUV in urban areas. For greenfield land, benchmarks tend to be in a range of 10 to 20 times agricultural value.”</i>
Viability Test	2.11	To determine whether or not a development is viable, the value of the land having regard to the development is measured against the BLV. The value of the land is calculated through a residual approach, providing a Residual Land Value (RLV) which put simply is the Gross Development Value, minus costs and profit. For a scheme to be considered viable, the RLV must exceed the BLV.
	2.12	The Benchmark Land Values established below are indicative ranges for the purpose of this assessment.
	2.13	We also recognise that it is difficult to generalise what a typical greenfield or brownfield residential development site is worth across a Borough given that all sites are unique. It is therefore important to reiterate that this is a plan-wide study intended to establish a suitable Benchmark Land Value for the respective development typologies to be appraised, using both existing use and market values for greenfield and brownfield land. Our typologies are set out at Appendix 2 of the main report.

3. UK Land Market Context

Development Land Market Commentary	3.1	This section provides background context to residential development land values at national and regional levels. We have included commentary on agricultural land as we are aware that greenfield sites may come forward and that these sites may be appraised for release to satisfy housing need.
	3.2	The sources referenced in this section were the latest available at the time of writing this report in September 2025.
	3.3	In Q2 2025, Savills published a Residential Development Land report which noted a less buoyant land market than expected, despite the optimism from recent changes to the NPPF. PLCs remain active in the land market, focusing largely on strategic sites and immediate development opportunities. However, SMEs are faring badly, many withdrawing totally from new land purchases to focus on their existing development pipelines.
	3.4	Appetite for development land varied across sectors, with greenfield land values remaining largely flat, softening by -0.2% in Q2 2025, leading to an overall annual growth rate of 0.6% across all regions. The brownfield market is currently very limited with very low demand for high-density residential schemes across all regions. Overall market sentiment has dipped from 63% in Q1 2025 to 47% in Q2 in part due to planning delays and a lower appetite for risk among purchasers.
	3.5	The Figure below shows the correlation between UK greenfield land values, urban land values and house prices since June 2007.
	3.6	Figure 1: UK Residential Development Land Values Slight softening in UK greenfield land values  Source: Savills, Nationwide Source: Savills, Residential Development Land, Q2 2025
	3.7	UK interest rates stood at 4.5% in Q2, remaining above the historic lows following the 2008 economic crisis but decreasing incrementally from the high of 5.25% in 2024. Mortgage rates have started to decline although this has not led to any noteworthy surge in demand in the housing market. UK inflation stood at

	3.5% in the 12 months to May 2025. Statista [Nationwide] indicates that house prices grew by 2.9% between Q2 2024 and Q2 2025.
3.8	Knight Frank also produced a Residential Development Land report for Q2 2025, although this presents a slightly more pessimistic image than Savills. Knight Frank notes that brownfield and greenfield land values dropped over the course of the quarter, leading to annualised reductions of 5% for both. These reductions are partly attributable to a substantial fall in housing output, with London reporting just 731 starts on new private units between April and June.
3.9	As can be seen in the figure below, land prices appear to be flatlining after an upswing in 2024; this view is corroborated by research from Savills.

3.10 **Figure 2: Residential Development Land Prices**



Source: Knight Frank, Residential Development Index, Q2 2025

	3.11	Knight Frank surveys indicate that developers view planning delays as their biggest challenge in Q2 2025; nevertheless, this attitude may be temporary as several major housebuilders have expressed optimism that Labour's proposed planning reforms will yield positive results in the future. Buyer sentiment is developers' second highest concern at 37%.
	3.12	To conclude, the overall market mood is one of flatlining land values and general uncertainty. There is some indication that levels of uncertainty could change for the better once there is greater clarity on Labour's proposed planning policy changes. Moreover, developers have also noted that S106 Affordable Housing Obligations and viability are dampening developers' appetites for starting new schemes.
	3.13	Longer-term outlook remains mixed due to concerns over policy delays, rising costs and weaker levels of demand which has left Savills and Knight Frank concluding that land markets will be weaker going forward.
Agricultural Land Market Commentary	3.14	Reflecting the changes to the National Planning Guidance (NPG) on viability, it is critical to consider agricultural land values, particularly where there is a prospect of new greenfield sites (such as through Green Belt release). Agricultural use and values will inform the Benchmark Land Value of greenfield allocations.
	3.15	The supply of agricultural land coming to market has declined 15% since last year but remains well above the amounts coming to market post-Brexit and post-Covid. This is largely due to uncertainty following government changes to inheritance tax reliefs on which many farmers depend. Nevertheless, as Savills notes, due to the prospect of continued lobbying against these changes, their full impact will take several

years to play out.

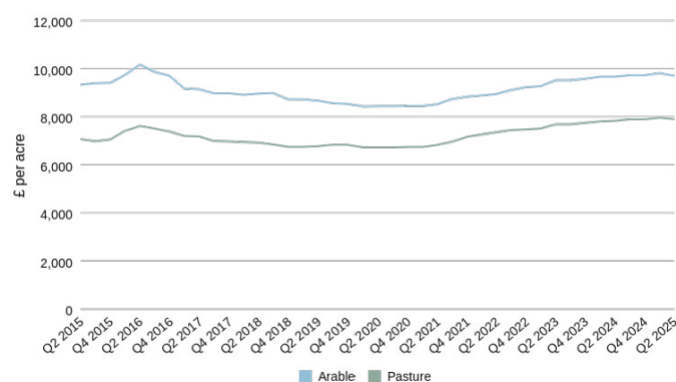
3.16 Carter Jonas published their Farmland Market Update for Q2 2025, noting that farmers are navigating a complex period due to changing regulations and levels of taxation. Changes to National Insurance standards and the minimum wage are prompting some farmers to think about diversifying away from more labour-intensive activities.

3.17 Nevertheless, the year-on-year trend in agricultural land practices remains positive, with arable land rising by an average of 0.3% from last year; pastureland rose on average by 0.9%; admittedly, these still represent reductions of 1.1% and 0.7% from the previous quarter although Carter Jonas still believes that the long-term picture is one of a growth in values, although not at previous levels which averaged annualised growth rates of 6.3% and 4.9% respectively.

3.18 Average arable land values in England and Wales were at £9,700 per acre in Q2 2025, while average pastureland values shrank by 0.7% to reach £7,900 per acre. Long-term value trends since Q2 2015 are presented in the table below.

3.19 **Figure 3: Average Farmland Values in England and Wales**

Figure 1: Average Land Values in England and Wales



Source: Carter Jonas

Source: Carter Jonas, Farmland Market Update, Q2 2025

3.20 Looking at the East of England region specifically, Carter Jonas reported an average price per acre of £9,500 for arable land and £8,000 per acre for pastureland, as shown in Figure 4 below.

3.21 **Figure 4: Average Farmland Values in England and Wales**

EAST OF ENGLAND		Low £/acre	Prime £/acre	Average £/acre
	Arable	£8,000	£12,000	£9,500
	Pasture	£7,000	£9,500	£8,000
	Lifestyle	£13,500	£25,000	£17,000
	Silts and Fen	£9,500	£17,000	£13,000

Source: Carter Jonas, Farmland Market Update Q2 2025

3.22 Strutt and Parker report that the bottom 25% of arable land in the East of England traded at £8,000 per acre on average, while the top 25% traded at £11,000 per acre.

3.23 According to Carter Jonas, Q2 2025 saw a notable increase in farmland supply after a lacklustre Q1, totalling around 58,000 acres. This represents a substantial increase over Q2 2024 (41,700 acres) and Q2 2023 (32,800 acres). When combined with the new availability from Q1, supply in H1 2025 exceeds the 5-year average by 26.5%.

3.24 Savills and Carter Jonas produced no firm predictions on future market size in 2025. However, in their Summer 2024 Farmland Update, Savills suggests that the market is likely to increase in size more rapidly in the near term, before stabilising at around 180,000 acres per year by 2028 (as shown in Figure 5, below). As a result of there being more land available on the market, there will be less inflationary pressure on farmland values.

3.25 **Figure 5: GB Farmland Supply Forecast 2024 – 2028**

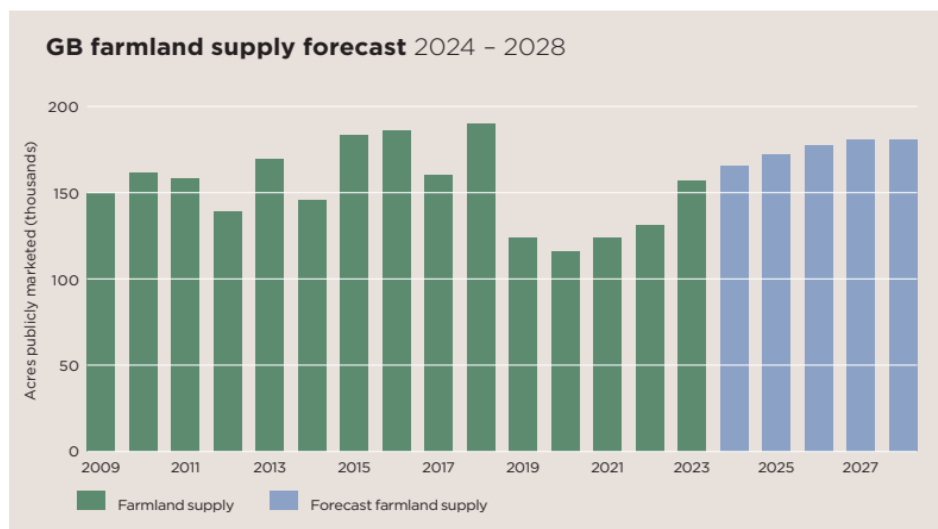


figure 4

Source Savills Research

Source: Savills, *Spotlight: The Farmland Market*, January 2024

3.26 Savills reports price stability in their Summer 2025 update, with overall average GB land value are at £8,200 per acre; this is the same as H1 2025 but £100 lower than H2 2024. Prime arable land across the nation stands at £10,000 and grade 3 pasture at £8,800.

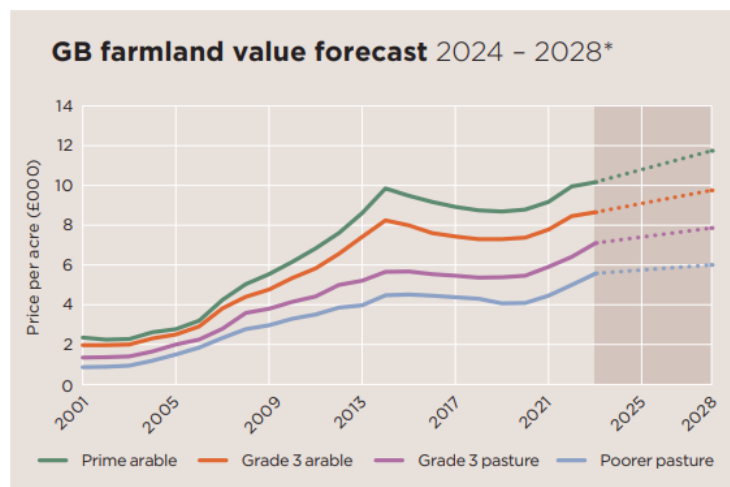
3.27 **Figure 6: GB Farmland Value Forecast 2024 – 2028**

figure 6 *current prices

Source Savills Research

Source: Savills, *Spotlight: The Farmland Market 2024, January 2024*

- 3.28 Assessing average arable land values for England specifically, Strutt and Parker note that values remain largely in line with last year, although caveat this by noting that this is based on a relatively small number of transactions. These transactions point to arable land selling for between £8,300 to £13,500 per acre, with pastureland at £5,000 to £9,400 per acre.
- 3.29 Strutt and Parker note a rising number of institutional and conservation buyers in the last two years, accounting for 9% and 4% of total buyers over this period. Nevertheless, as less than 1% of agricultural land is sold annually, this does not reflect wider trends in land ownership.
- 3.30 Farmers Weekly notes that the majority land sales in the East of England are driven by farmers looking to restructure their businesses or replanning their commercial operations.

4. Existing Evidence Base

Introduction	4.1	This section looks at the existing evidence base from the Local Plan and agreed BLVs from recent viability assessments in Colchester.												
Existing Local Plan	4.2	The June 2017 Colchester Economic Viability Study, undertaken by Three Dragons and Troy Planning + Design, assumes two value areas for Colchester (Tiptree and Rural and Central). The report sets out the following Benchmark Land Values gross per hectare.												
	4.3	Table 1: Colchester Economic Viability Study BLV Analysis, June 2017 <table><tr><th>Colchester</th><th>Small to Medium Sites</th><th>Intermediate Sites</th><th>Large Strategic Sites (over 20ha)</th></tr><tr><td>Tiptree and Rural</td><td>£1m</td><td>£0.75m</td><td>£0.44m</td></tr><tr><td>Central</td><td>£0.6m</td><td>£0.5m</td><td>£0.44m</td></tr></table> Source: Colchester Economic Viability Study, June 2017	Colchester	Small to Medium Sites	Intermediate Sites	Large Strategic Sites (over 20ha)	Tiptree and Rural	£1m	£0.75m	£0.44m	Central	£0.6m	£0.5m	£0.44m
Colchester	Small to Medium Sites	Intermediate Sites	Large Strategic Sites (over 20ha)											
Tiptree and Rural	£1m	£0.75m	£0.44m											
Central	£0.6m	£0.5m	£0.44m											
	4.4	The June 2017 Colchester Economic Viability Study specifically notes that Large Greenfield Sites would achieve a BLV of £24,000 per hectare with a multiplier of 10 – 20 times existing use value with very large sites being towards the lower end of this range. We would note this study predated the NPG.												
Agreed BLVs from Recent FVAs	4.5	The majority of the Benchmark Land Values sourced from recent FVAs in Colchester are related to planning applications on brownfield land. We have reviewed FVAs from August 2022 to June 2024, which indicate a range of agreed BLVs. Whilst these represent existing commercial uses for site specific uses therefore discounting them as appropriate comparable evidence from commercial land analysis, they do provide a helpful scale for existing use values. Further details of each FVA can be found at Appendix 1.												
Priory Walk, Colchester, Essex	4.6	In January 2023, BNP Paribas Real Estate (BNP) published their review of the Affordable Housing Viability Assessment dated August 2022 undertaken by Andrew Gollard Associates (AGA’); in relation to the proposal to redevelop the site at Priory Walk, Colchester, Essex to 31 residential dwellings and commercial floorspace.												
	4.7	The Applicant based their assessment of the BLV on an EUV+ basis. The existing site is comprised of commercial premises with mainly retail on the ground and first floor and a gym on the second floor. The Applicant’s assessment of the EUV was £1,642,500. The Applicant applied a premium of 20% to the assessed EUV bringing the BLV to £1,971,000, say £2,000,000.												
	4.8	The BNP report agreed with the EUV, however, requested further rental/transactional evidence for the above values. BNP have applied the proposed EUV+ of £2m in their report, it is not immediately clear if they have applied the 20% premium.												
Childsplay Adventureland, Clarendon Way, CO1 1XF	4.9	Colchester Borough Council commissioned BNP to undertake a review of an FVA dated September 2022 prepared by Morley Riches & Ablewhite (‘MR&A’) on behalf of Seward Properties Ltd (the Applicant’). The MR&A report has been prepared in relation to a proposed development at Childsplay Adventureland, Clarendon Way, Colchester, CO1 1XF.												
	4.10	The existing property totalled 0.37ha and consisted of a vacant commercial warehouse extending to 12,500 sq. ft. The proposed redevelopment was for “Demolition of existing commercial unit and construction of 21no. residential apartments with associated access, parking and landscaping”.												
	4.11	The Applicant proposed a BLV of £272,000 based on the site’s EUV. MR&A adopted a BLV of c.£600,000 per hectare as assumed in the Three Dragons and Troy Planning + Design 2017 Economic Viability Study prepared to support the Council’s Local Plan.												

COLCHESTER WHOLE PLAN VIABILITY ASSESSMENT – BENCHMARK LAND VALUE PAPER

	4.12	BNP agreed that the land value attributable to the site would be minimal and a premium would not be applicable. BNP applied a BLV of £222,000 with no premium.
Land off Croquet Gardens, Wivenhoe, Colchester	4.13	MR&A undertook an FVA dated June 2024 on behalf of WL 2010 ('the Applicant'). The MR&A report was prepared in relation to a proposed residential development at land off Croquet Gardens, Wivenhoe, Colchester CO7 9PQ.
	4.14	The property comprised 1.35ha of open area of neutral grassland in variable condition. The proposed development comprised the following elements: a) 25no. bungalows for senior living. b) A site for a residential care home. c) An additional 0.8 hectares (2 acres) of land to be given to Wivenhoe Town Council for new allotments adjacent to the existing allotments and backing on to the gardens of the properties in Field Way. d) All-weather footpaths and cycle tracks from Croquet Gardens to The Cross, and to the boundary with the Quarry site. e) A shared-use footpath and cycle track linking The Cross to the land in the north owned by Colchester Borough Council. f) A small area of land to be provided, suitable for the informal parking of up to 20 cars for people to access the meadow behind the Cricket Club.
	4.15	The Applicant has proposed the use of the AUV methodology as the site has been allocated for housing. MR&A adopted the rate of £1,000,000/ha for an allocated site taken from the 'Colchester City Council Local Plan Viability Report – June 2017' in the Evidence Base. The site has an area of 1.35ha giving a BLV of £1,630,000 (£1.21m per Ha). There has not yet been a review of this assessment.
Land at Flagstaff Road, Colchester, CO2 7SR	4.16	Colchester Borough Council has commissioned BNP to advise on an FVA dated March 2024 prepared by i2 Development Management and Consultancy on behalf of Countryside Partnerships (the Applicant) in relation to development proposals at Land at Flagstaff Road, Colchester, CO2 7SR. The proposed redevelopment of the site comprises 203 dwellings and commercial floorspace.
	4.17	The level site comprises approximately 4.26 hectares (10.5 acres), 10 buildings, all between 1-3 storeys in height, including pre-war stables, listed and post-war warehousing and light industrial, situated 0.3 miles south of Colchester City Centre. The Site has been vacant since 2019, having previously been used as storage, training, repair and research facilities for the military presence on site. Extensive hard standing is laid across the site.
	4.18	The Applicant assumed the existing site would generate an estimated rental value in the region of £541,000 per annum, averaging £5.65 per sq ft over the occupiable space. The Applicant assumed a yield of 8.25% is appropriate, deriving a value of £7.2m after purchaser's costs at 6.8% and an 18-month incentive package. The Applicant has further added a premium of 20% to the EUV, bringing the BLV to £8.64m.
	4.19	BNP disagreed with the approach undertaken by the Applicant and proposed assessing the EUV of the Site based upon the Valuation Office Agency's ('VOA') 2023 Rating List which provides a rateable value of £280,000 for the Site. BNP capitalised at the rateable value of 9%, which generated an EUV c. £3.11m. A landowner's premium has been added to the EUV of 20% which generated a BLV of c. £3.73m (£875,587 per Ha/£355,238 per acre).
Hythe Station Road and Greenstead Road, Colchester	4.20	In February 2023, Colchester Borough Council commissioned BNP to advise on an FVA in respect of the redevelopment of Land at the junction of Hythe Station Road and Greenstead Road, Colchester, submitted by MR&A on behalf of Star Affinity Limited.

	4.21	The 0.44ha (1.06ac) Site is located within Colchester. The Site is located at the junction of Hythe Station Road and Greenstead Road to the west of St Andrew's Avenue and south of Davey Close. The Site comprised a mix of office and industrial space and the surrounding properties include a mix of industrial, commercial and residential uses.
	4.22	According to the planning application, the proposed Development is for: <i>"Demolition of Former Bearings Factory and Erection of New Building comprising 3 no. blocks over four and five storeys containing 65 no. Residential Apartments and 2 no. Commercial Units (Class E), with undercroft car parking."</i>
	4.23	The Applicant assumed an existing land value of £600,000 per hectare based upon the 'Colchester Economic Viability Study – June 2017', adding a 20% premium. This equated to a BLV of £321,210 (£693,000 per Ha/£281,123 per acre).
	4.24	BNP state that whilst they do not agree with the methodology adopted by the Applicant in relation to the assessment of BLV, they would in these site-specific circumstances accept the BLV proposed.
4-8, 29-32 Priory Walk & 14-22 Long Wyre Street	4.25	Colchester Borough Council commissioned BNP to advise on an FVA dated March 2023 submitted by Andrew Golland Associates on behalf of Mountcrest Group Limited ('the Applicant') in relation to development proposals at 4-8, 29 -32 Priory Walk & 14-22 Long Wyre Street, Colchester, Essex.
	4.26	The Site extends to approximately 0.15ha comprising two, two-storey buildings providing 12 commercial units in between which is a public pedestrian area known as Priory Walk. The Applicant sought planning permission for: <i>"Demolition of existing retail units and erection of mixed-use development at 14-22 Long Wyre Street, 4-8 and 29-32 Priory Walk, Colchester, comprising 19 new dwellings and 8 multi-purpose commercial units."</i>
	4.27	The Applicant applied the EUV+ methodology to their BLV analysis which BNP agreed to, with a 20% premium applied. The agreed EUV was £1.43m and agreed BLV equates to £1.72m (£11.4m per Ha/£4.64m per acre).
Garden Community Section 1	4.28	The Inspectors Report for North Essex Authorities Shared Strategic Section 1 Plan, which includes the Colchester Tendring Borders Garden Community, states the below in regard to Benchmark Land Values for Garden Community Sites. <i>"204. Taking these points and the other relevant evidence into account, there seems little doubt that a land price of around £100,000/acre on any of the proposed GC sites would provide sufficient incentive for a landowner to sell. In my view, it is also reasonable to assume that a price below £100,000/acre could be capable of providing a competitive return to a willing landowner, when account is taken of the necessarily substantial requirements of the Plan's policies.</i> <i>205. In the absence of clear local evidence, it is difficult to estimate the minimum land price that would constitute a competitive return. The price achieved for development land in other places and in other circumstances is unlikely to provide a reliable guide. In my judgment, however, it is extremely doubtful that, for the proposed GCs, a land price below £50,000/acre – half the figure that appears likely to reflect current market expectations – would provide a sufficient incentive to a landowner. The margin of viability is therefore likely to lie somewhere between a price of £50,000 and £100,000 per acre."</i>
Summary	4.29	The Studies and viability assessments undertaken in recent years provide a useful benchmark for land values, particularly the Inspectors report from the North Essex Authorities Shared Strategic Section 1 Plan.
Brownfield Land Summary	4.30	The table below provides a summary of the brownfield land BLVs from the FVAs that have been prepared in recent years. There is a wide acceptance of the BLVs that formed part of the 2017 Local Plan Viability; however, the evidence that supported the Local Plan Viability pre-dated the NPG guidance on Viability. The existing evidence base provided a range of EUVs of between c.£600,000 - £9.5m per Ha (£245,000 – £3.5m per acre). A 20% premium appears to have been widely accepted in the existing evidence base discussed

above.

4.31 Table 2: Existing FVA EUV and BLV Analysis for Brownfield Sites

FVA BLV Summary	Priory Walk, Colchester, Essex	Childsplay Adventureland, Clarendon Way, CO1 1XF	Land off Croquet Gardens, Wivenhoe, Colchester	Land at Flagstaff Road, Colchester, CO2 7SR	Hythe Station Road and Greenstead Road, Colchester	4-8 & 29-32 Priory Walk & 14-22 Long Wyre Street
Existing Use	Residential/ Retail	Retail	Scrubland	MOD Land with buildings	Retail/ Industrial	Retail
EUV per Ha (per Ac)	£8,644,736 (£3,494,681)	£609,890 (£246,667)	£609,890 (£246,667)	£730,047 (£296,190)		£9,551,587 (£3,872,265)
BLV per Ha (per Ac)	£10,526,316 (£4,255,319)	£609,890 (£246,667)	£609,890 (£246,667)	£875,587 (£355,238)	£693,000 (£281,123)	£11,461,907 (£4,638,570)

Source: FVAs provided by Colchester City Council, 2024

Greenfield Land Premium

4.32 Generally, the Colchester Economic Viability Study (albeit dated) and the North Essex Authorities Shared Strategic Section 1 Plan indicate an appropriate agricultural EUV to be in the range of c.£10,000 per acre. The North Essex Authorities Shared Strategic Section 1 Plan Inspectors Report also indicated an acceptable premium to fall between 5 and 10 x EUV for large greenfield sites.

5. Agricultural Land Values

Introduction	5.1	This section looks at market reviews and comparable evidence to establish agricultural land values in the Borough. We have sourced our comparable transactions from local agents and market reports.
Market Research	5.2	According to the Ministry of Housing, Communities and Local Government's Land Value Estimates for Policy Appraisal (2019), a value of £26,000 per hectare (c.£10,000 per acre) has been assessed as reasonable for agricultural land in Hertfordshire (the nearest data set available). This is significantly dated but worth noting as a base for the analysis of agricultural land values in this study.
	5.3	The Strutt and Parker English Estates and Farmland Market Review winter 2023/2024 indicates an average sales price per acre of £11,300 for arable and £8,700 per acre for pastureland. Carter Jonas research dated Q1 2024 indicates arable ranging between £7,250 - £11,250 and pasture ranging £6,500 - £9,250 per acre for the east of England.
	5.4	We have also checked this against comparable local evidence of agricultural land sales, see Appendix 2. These transactions and marketed farms indicate a range of values achieved and asking of between £10,000 - £12,000 per acre.
Paddock Land Values	5.5	We have also assessed the transactional market evidence for paddock land, this is treated as separate from larger agricultural transactions due to its increased amenity use and wider market. We have sourced our evidence from UK Land and Farms and direct from agents.
	5.6	Carter Jonas research dated Q1 2024 indicates lifestyle land transactions ranging between £13,500 – £25,000 per acre for the east of England with an average of £17,500 per acre.
	5.7	The comparable evidence detailed at Appendix 3 indicates asking prices between £57,363 - £247,100 per Ha (c.£20,000 – £100,000 per acre). Having reviewed the market evidence and asking prices, there is an element of hope value reflected in some of the asking prices due to some sites being located adjacent to a development boundary indicating possible future development potential.
Agricultural Land Value Analysis	5.8	Whilst there are some outliers indicating higher values, these transactions include a wider variety of uses which has a subsequent increase on sale price achieved. We find an existing use value for greenfield sites of c.£30,000 per hectare (c.£12,500 per acre) to be applicable for local plan testing purposes.

6. Residential Development Land Values

Introduction	6.1	For the purpose of this research, residential development land is land which has either obtained planning permission or has outline planning consent for residential use and/or is allocated for residential development within the Council's adopted policy documents.
Market Research	6.2	As with agricultural land, we have utilised Land Registry and Land Insight for transaction-based evidence. We have also noted sites currently listed on Rightmove and local agent websites to determine a value per acre/hectare and a value on a per unit basis. This evidence is attached in Appendix 4.
	6.3	We have analysed five residential development land sales in the past two years across the Borough which appear to be typically stable with values ranging from £587,996 - c.£1.7m per Ha (£237,959 - £697,291 per gross acre). Whilst there is variance due to site size, location, density and date, three of the five transactions analysed fell within the c.£500,000 – c.£700,000 per gross acre range and achieved c.£60,000 per unit. We note that four of the five sites delivered between 30% - 40% affordable housing levels.
	6.4	We are aware that most greenfield development land transactions are subject to private agreements such as Option or Promotion Agreements, therefore we have been unable to verify the confidential details attached to the evidence.

7. Brownfield Development Land Values

Introduction	7.1	For the purposes of this study, we have assessed brownfield transactions across the Borough. Brownfield land transactions are challenging to compare on a like for like basis due to a number of factors including, site clearance costs, existing use and historic use costs. Furthermore, external factors including alterations in zoning regulations, shifts in planning policies, the prevailing economic climate, and market demand for particular types of developments also contribute to the diversity in land values. We have sourced our evidence from CoStar and other FVAs in the Borough.
Market Research	7.2	We have identified 5 brownfield land transactions within the Borough in the past three years, these are attached in Appendix 5. These transactions generate a wide range of values from £963,4400 - £2,077,465 per hectare (£389,112 - £840,456 per acre) with sizes ranging from 1.25 Ha to 4.26 Ha (3.1 to 10.53 acres). The lower end of this range is formed by a portfolio purchase of three brownfield sites by Galliard, all of which appear to have substantial existing buildings on site.
Brownfield Asking Prices	7.3	We have reviewed asking prices for brownfield development land. These are mainly retail use with potential for residential, industrial or retail redevelopment. As with the other brownfield comparable evidence, the asking prices demonstrate a wide range of values, ranging from £2.3m - £16.4m per Ha (£920,000 – c.£6.4m per acre). We consider these values reflect significant hope value or transactions that are likely to be subject to achieving planning permission for development. We have therefore applied limited weight to these transactions when determining our EUV's. Further details can be found at Appendix 5.
	7.4	When the EUVs from the existing FVA pool are compared to market transactions, there is a similarity in the wide range of values per acre which further demonstrates the site-specific nature of brownfield sites. Each site will have its own specific costs such as clearance and preparation which will impact upon price paid.

8. Summary of Adopted Existing Use Values

Introduction	8.1	The above research demonstrates the sensitivity of land values to both intrinsic and extrinsic influences. In our assessment of development land values within the Colchester City Council Borough, we have adopted a more conservative approach to valuation, which has resulted in estimates that are lower than some observed values. This conservative stance is derived from several key factors.																
	8.2	We have given significant weight to the inherent attributes of the land, such as its size, topography, proximity to amenities, and access to infrastructure, which fundamentally determines the land's value for development.																
Summary of Existing Use Values	8.3	The table below sets out our assessment of EUVs within the Colchester City Council Boroughs.																
	8.4	Table 3: Existing Use Values <table border="1"> <thead> <tr> <th>Location</th><th>Type</th><th>EUV Per Acre (gross)</th><th>EUV Per Hectare (gross)</th></tr> </thead> <tbody> <tr> <td>Low Value Zone</td><td>Brownfield</td><td>£450,000</td><td>£1,111,950</td></tr> <tr> <td>Medium & High Value Zones</td><td>Brownfield</td><td>£450,000</td><td>£1,111,950</td></tr> <tr> <td>All Zones</td><td>Greenfield</td><td>£12,500</td><td>£30,888</td></tr> </tbody> </table> Source: Newmark, 2025		Location	Type	EUV Per Acre (gross)	EUV Per Hectare (gross)	Low Value Zone	Brownfield	£450,000	£1,111,950	Medium & High Value Zones	Brownfield	£450,000	£1,111,950	All Zones	Greenfield	£12,500
Location	Type	EUV Per Acre (gross)	EUV Per Hectare (gross)															
Low Value Zone	Brownfield	£450,000	£1,111,950															
Medium & High Value Zones	Brownfield	£450,000	£1,111,950															
All Zones	Greenfield	£12,500	£30,888															

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Site	Priority Walk, Colchester, Essex
1	St James's Works, Port Lane, Colchester
	06/03/2024
	05/06/2023
2	Andrew Gifford
	Total
3	London Rd, Colchester
4	Stained Rd
	Old Ipswich Rd, Ardleigh, Colchester
5	Old Ipswich Rd, Ardleigh, Colchester
6	0.20

CD 1 2N2

Site	Clarendon Way, Colchester planning application Ref.220085
06/03/2024	Termination
Date of FVR	05/02/2023
Agreed?	
Author	ESPRIME
Use	"Demolition of existing commercial site and construction of 22no. residential apartments with associated access, parking and landscaping"
Base	
as E10th	
BLV	The property currently comprises a vacant single storey commercial warehouse extending to 12,500 sqft
Premium multiplier	N/A

Colstar

Site	Croquet Gardens, Withwoke
06/03/2024	6.3
Date of FVR	01st June 2024
Agreed?	
Author	
Use	Outline Application with all matters reserved except Access for the erection of 25no. Bungalows, a 60no. Bed Care Homes (G 2 use)
Base	
as E10th	
BLV	The site comprises an open area of rural grassland in variable condition with scattered patches of rubble and scrub, and a line of trees and scrub along the northern boundary
Premium multiplier	

Commerc 21

Site	Flagstaff Road, Colchester planning application Ref.
06/03/2024	3447600
Date of FVR	05/09/2024
Agreed?	
Author	ESPRIME
Use	The development comprises the redevelopment of the site to provide 203 dwellings and commercial buildings
Base	
as E10th	
BLV	
EUV	
Premium multiplier	0.20

530400

Site	Junction of Pythe Station Road and Greenstead Road, Colchester
234600 3395	
Date of FVR	05/06/2023
Agreed?	
Author	ESPRIME
Use	
Base	
as E10th	
BLV	
EUV	
Premium multiplier	0.20

Site	4 3 5 & 29 3 32 Priority Walk & 14 3 22 Long Wyre Street
234600 3395	
Date of FVR	05/05/2023
Agreed?	
Author	ESPRIME
Use	Demolition of existing retail units and erection of mixed-use development at 14-22 Long Wyre Street, 4 3 5 and 29-32 Priority Walk, Colchester, comprising 19 new dwellings and 8 small-scale commercial units
Base	
as E10th	
BLV	over the last 4-6 years Priority Walk and Long Wyre Street have experienced less occupancy and high change-over of retail and charity shops with very few larger units remaining commercially viable due to lack of footfall and parking for business users
EUV	
Premium multiplier	0.20

EUV per hectare	BRF01
BLV per hectare	BRF01
EUV per acre	BRF01
BLV per acre	BRF01

EUV per hectare	BRF01
BLV per hectare	BRF01
EUV per acre	BRF01
BLV per acre	BRF01

EUV per hectare	N/A
BLV per hectare	£1,000,000
EUV per acre	N/A
BLV per acre	£405,473

EUV per hectare	£730,047
BLV per hectare	£875,587
EUV per acre	£296,190
BLV per acre	£355,238

EUV per hectare	N/A
BLV per hectare	£693,000
EUV per acre	N/A
BLV per acre	£281,128

EUV per hectare	£9,551,587
BLV per hectare	£11,461,907
EUV per acre	£3,872,265
BLV per acre	£11,461,907

Agricultural Land Value Evidence

Asking Price	Sold Price	Size (acres)	Price Per Acre	Location	Description	Sold Date	Source
£1	St Leonards Works, Port Lane, Colchester	CO 1 2NX	45,359	Transaction	CoStar	16/01/1900	6.5
Commerical							
3447600 530400 214649.9							
£2	£346,000	18	19,615	Parcel 1 Swards End, Saffron Walden, CB10 2LE	Two plots of pasture land sold together. The arable land extends to 171.62 acres and is designated as mainly grade 2.	01/03/2022	Bidwells
	£1,840,000	171	10,760	Parcel 2 Swards End, Saffron Walden, CB10 2LE	171 acres of arable land. Sale included 94 acres of woodland but on a lease from 1995 into the next century, income 'pathetically low', £60,000 was roughly attributed to this part of the purchase price (£1.9m total)	01/05/2023	Bidwells
		890	0	Sampford Hall Lane, Little Sampford, Saffron Walden, CB10 2QG	Tewes Farm comprises 890.10 acres arable land with 17.28 acres woodland and the balance being yards, tracks and residential property. The arable land is mainly Grade 2 with two small areas of Grade 3.	Under Offer	Bidwells
	Total	74	0	Farm Land Dunmow	74.14 acres of bare arable land with mature hedgerow and ditch boundaries currently cropped for cereals.		
£3	London Rd, Colchester,	210	#VALUE!	Mitchells Farm in west Essex,	At 210 acres, the land has Grade 2 soils, but no house or buildings were included in the sale. Sale Exceed £10,000 per acre but undisclosed amount.		S&P
£4	Boxted Rd,						
£5	Old Ipswich Rd, Ardleigh, Colchester						
£6	Old Ipswich Rd, Ardleigh, Colchester						

Paddock Land Value Evidence

Asking Price	Size (acres)	Price Per Acre	Price Per Ha	Location	Description	Source
E1	St Leonards Works, Port Lane, Colchester	CO 1 2NX	£45,359	Transaction	CoStar	16.0615
	5.6	£0	£1	Maldon, Essex	The land is currently suitable for a range of recreational and amenity uses, such as grazing or hobby farming. Other uses are subject to any relevant consents, but it should be noted that planning permission has been granted on a parcel of land on Maypole Road to the south for a new housing development. The land is situated between Maldon and Wickham Bishops close to the A12 trunk road. Excellent transport links provide easy access to the cities of Chelmsford and Colchester, as well as London – making the area much sought after by tourists and commuters alike.	https://www.uklandandfarms.co.uk/rural-property-for-sale/south-east/essex/maldon-jmijcn/
E2	5.35	£0	£0	Plaistow Green Road, Halstead CO9	5.35 Acres (stts) Planning for 5 stables Planning for Arena (30x45) (surface included) Planning application 22/00939/FUL	https://www.onthemarket.com/details/15801851/
	2.5	£0	£0	Thorpe Le Soken	This parcel of 2.5 acres (stts) of agricultural land is located off of the Frinton Road in the charming village of Thorpe-Le-Soken. A gated entrance provides access to the grounds from the road and are by in large completely flat, well drained and laid to pasture. Nestled in the North – West corner is a L-Shaped Stable block consisting of four stables and tack room/feed store with power and water connected and enjoys gated access directly onto the fields to the rear.	https://www.rightmove.co.uk/properties/1508727868/?channel=COM_BUY
	Total	#VALUE!	#VALUE!	Land off Poore Street, Wicken Bonhunt, Saffron Walden, Essex, CB11 3UL	This gently sloping site is approximately 5 acres in area (stms) and sits on the outskirts of the village adjacent open countryside.	https://www.onthemarket.com/details/15378004/
E3	London Rd, Colchester	#VALUE!	#VALUE!	The Causeway, Halstead CO9	Two well positioned plots of agricultural land in a central village location with gated road access. The plots are separated by an access track leading to additional plots to the rear.	https://www.onthemarket.com/details/14234152/
E4	Boxted Rd,					
5	Old Ipswich Rd, Ardleigh, Colchester					
6	Old Ipswich Rd, Ardleigh, Colchester					

Residential Development Land Value Evidence

Site	Ref 1 - Boxted Road, Colchester, CO4 5HF	Ref 2 - Land Adjacent To 67, Braiswick, Colchester CO4 5BQ	Ref 3 - LAND ON THE NORTH-EAST SIDE OF The Moors, The Green, Great Bentley, Colchester (CO7 8PG).	Ref 4 - Land at Station Field Plough Road Great Bentley Essex CO7 8LG	Ref 5 - Land Between Long Green And Baintree Road Long Green Cressing Essex
1	St Leonards Works, Port Lane, Colchester	CO 1 2NX	08/03/2024	Transaction	CoStar
		AA48844	AA56476	AA51300	AA53006
2	Costar	Granted at appeal		Cala purchased from Richborough with outline post planning appeal	
	162399	191522	21/02176/FUL	16/00950/OUT	18/00549/OUT
				Granted at Appeal in 2019	APP/21510/W/20/3253661
	Total	15/10/2020	20 01 2023		01/12/2020
3	London Rd, Colchester,	27 dwellings and associated development with site access to be considered and all other matters reserved	Construction of 26 dwellings with associated access, parking, public open space, landscaping and other works	Outline application for up to 150 market and affordable dwellings including open space, structural landscaping and minor diversion of bridleway.	Outline application with some matters reserved, for residential development of up to 250 dwellings with access considered
4	Boxted Rd,	3.59	3.52	13.66	31.75
	Old Ipswich Rd, Ardleigh, Colchester	30%	30%	40%	40%
5	Old Ipswich Rd, Ardleigh, Colchester	£1,650,000	£837,614	£9,525,000	£21,600,000
6	#VALUE!	£459,610	£237,959	£697,291	£680,315
£ per unit					

Brownfield Development Land Value Evidence

Ref	Property Address	Postcode	Transaction Date	Type of Evidence	Source	Site Area (Ha)	Site Area (Acres)	Existing Use	Development Potential	Purchase Price	Price per acre	Price Per Ha	Comments
1	St Leonards Works, Port Lane, Colchester	CO 1 2NX	06/03/2024	Transaction	CoStar	2.63	6.50	Commercial		£3,447,600	£530,400	£1,313,270	
2	Port Ln (Part of a 3 Property Portfolio) Colchester Essex	CO1 2HW	07/03/2024	Transaction	CoStar			Light Industrial	Residential/Industrial	£2,704,052			MAN Energy Solutions UK have sold this freehold investment of 103,090 sq ft within three industrial units at 23 Peaches Road, CO1 2FR, Port Lane, CO1 2HW and Unit 1 Chandlers Row, CO1 2HG to Galliard Group for £2,873,000. The property was fully vacant at the time of sale.
	23 Peache Rd (Part of a 3 Property Portfolio)		07/03/2024	Transaction	CoStar			Industrial	Residential/Industrial	£91,969			
	Chandlers Row (Part of a 3 Property Portfolio)		07/03/2024	Transaction	CoStar			Industrial	Residential/Industrial	£76,978			
	Total					2.98	7.38			£2,872,999	£389,112	£963,440	
3	Boated Rd,		08/12/2021	Transaction	CoStar	1.25	3.10	Land		£1,600,000	£516,129	£1,277,935	
4	Old Ipswich Rd, Ardleigh, Colchester	CO7	31/03/2022	Transaction	CoStar	2.21	5.47	Land	Industrial	£4,400,000	£804,388	£1,991,664	MCR Property Group Ltd have acquired the freehold piece of land at Old Ipswich Road, Essex from R.V.L Properties Limited for £4,400,000. Old Ipswich Road, Systematic Business Park extends to 5.47 acres (2.2ha) and will offer a new-build industrial park with 30 light industrial units ranging in size from 1,700 - 4,867 sq ft. Construction is due to break ground June 2023.
	Old Ipswich Rd, Ardleigh, Colchester	CO7	08/12/2021	Transaction	CoStar	1.37	3.39	Land	variety of uses	£1,674,000	£493,660	£1,222,301	Lot 29 has sold at Aislop Auction on 8th December 2021. The property may lend itself to a variety of alternative uses and redevelopment in the future, subject to obtaining possession and all the necessary consents.
5	ABRO development site, Flagstaff Road, Colchester, CO2 7SR	CO2 7SR	31/08/2022	Transaction	Costar	4.26	10.53	Land	Residential	£8,850,000	£840,456	£2,077,465	Outline applicatin for redevelopment refused in 2024
Ref	Property Address		Type of Evidence	Source	Site Area (Ha)	Site Area (Acres)	Unit Area (sqft)	Existing Use	Development Potential	Asking Price	Price per acre		Comments
1	Reeves Lane, Roydon	CM19	Asking	https://www.onthemarket.com/details/14301314/	0.72	1.78		Glass houses	Industrial	£2,300,000	£1,292,135	£3,192,865	The site is approximately 0.72 hectares (1.78 acres) with approx 5500sqm of existing glasshouses. About 2200sqm of this would be demolished, leaving 3300sqm to be converted into 14 x B1/B8 Units. Details of the planning permission can be obtained via the Epping Forest District Council Planning Portal using Reference EPF/1322/20 - for the proposal part demolition of the existing glasshouse and the ancillary nursery buildings change of use and conversion of the remaining glasshouses to form 14 units.
2	16-18 High St, Colchester	CO1 1DA	Asking	CoStar	0.11	0.28	11,637	Retail	Retail/Residential	£1,800,000	£6,428,571	£15,885,000	Plans have been created to effectively knock down and rebuild the property to create two retail units, one fronting High Street and the other fronting Culver Street, with the upper floors converted into residential accommodation (1 x one-bedroom, 1 x two-bedroom). The response to a pre-app application (dated March 2023) was positive and a copy is available for inspection in the galp pack. Alternatively there may be potential to create 5 flats on the upper floors through permitted development and maintain the existing retail layout on the ground floor, subject to obtaining all the necessary consents.
3	Bounstead Rd Colchester	CO2 0DE	Asking	CoStar	0.66	1.63	10,850	Retail	Commercial/Residential	£1,500,000	£920,245	£2,273,926	We understand the building has permission for use as Tai Chi Relaxation and Health Centre which we believe forms part of the Use Class E category (Gym). The building and site could lend itself to alternative commercial uses and residential development, subject to planning. Interested parties are advised to make their own enquiries of Colchester City Council.
4	38-42 Long Wyre St Colchester	CO1 1LU	Asking	CoStar	0.06	0.15	6,501	Retail	Residential	£575,000	£3,833,333	£9,472,167	3 ground floor shops and vacant first floor office which could be converted in to residential STP.
5	London Rd Braintree	CO5 9ET	Asking	CoStar	0.22	0.54	4,601	Office	Commercial/Residential	£1,000,000	£1,851,852	£4,575,926	We are advised that use as a police station ceased approximately 22 years ago and has been used as offices and workshop since.
6	12-13 Magdalen St Colchester	CO1 2JT	Asking	CoStar	0.03	0.08	2,961	Retail	Residential	£530,000	£6,625,000	£16,370,375	Planning permission has been granted on 18th May 2023 (ref: 222734) for the demolition of existing buildings. Proposal for two buildings separated by a courtyard space to provide HMO use with a total of 23 ensuite bedrooms. Front building to be 3 storeys plus 1 storey in roof space, rear building to be 2 storeys.
7	14B Maldon Rd Colchester	CO5 0LL	Asking	CoStar	0.05	0.13	2,070	Industrial	Commercial/Residential	£150,000	£1,153,846	£2,851,154	

APPENDIX 5 STAKEHOLDER CONSULTATION PRESENTATION



Colchester

Local Plan Review

VIABILITY ASSESSMENT

COLCHESTER LOCAL PLAN REVIEW – VIABILITY ASSESSMENT

JANUARY 2025



INTRODUCTIONS



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AGENDA

- Viability and Policy
- Methodology
- Research and Initial Assumptions
 - Benchmark Land Values
 - Residential Values
 - Appraisal Assumptions
- Stakeholder feedback

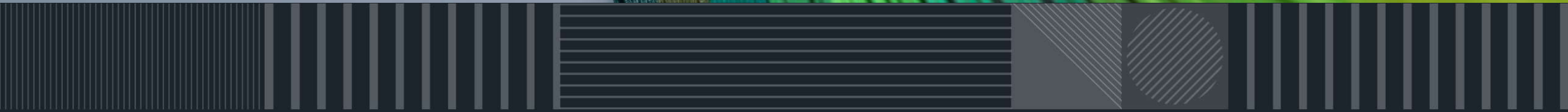
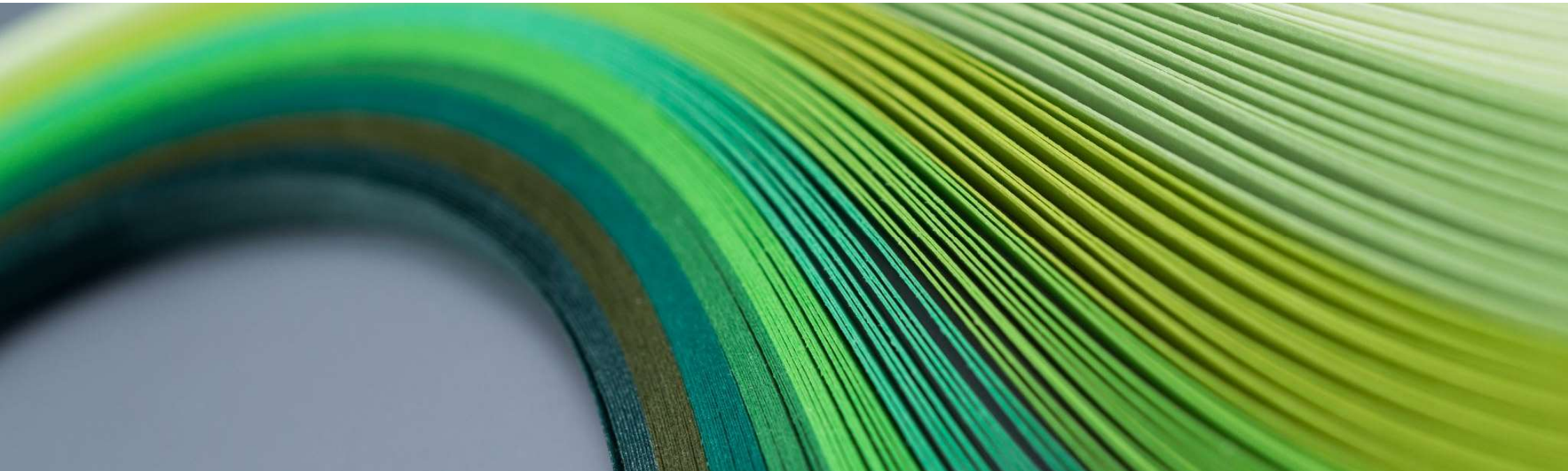
PURPOSE

- To expand on our methodology and the evolving assumptions
- To engage and receive feedback
- Refine our appraisals to incorporate your feedback
- Run our assessment
- Make our recommendations to Colchester City Council

VIABILITY AND POLICY

NPPF December 2024

- Mandatory Housing Targets
- Grey Belt Land
- Brownfield First Approach
- Presumption in favour of Sustainable Development
- Build Out Timelines
- Design Quality and Sustainability



METHODOLOGY

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METHODOLOGY – POLICY LED

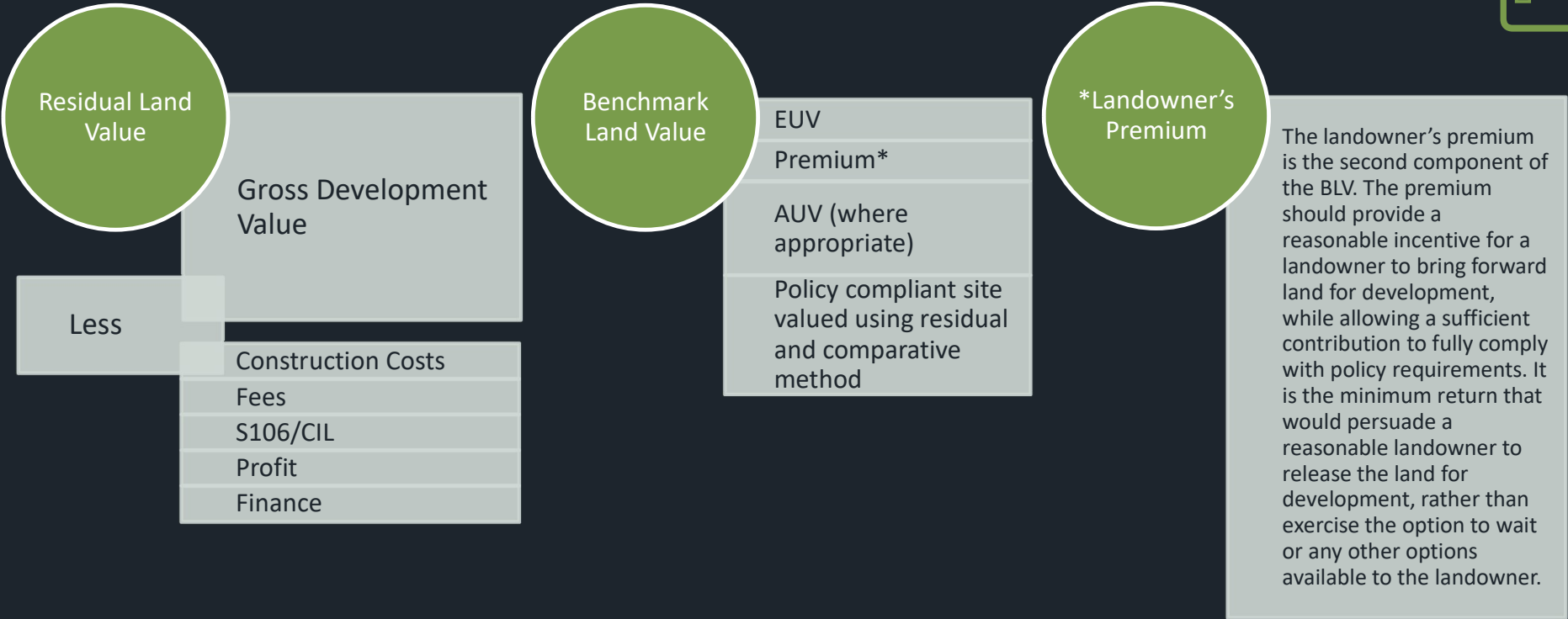


Our review is in accordance with....

- National Planning Policy Framework 2024
- National Planning Policy Guidance 2024
- RICS Professional Standards ‘Financial Viability in Planning: Conduct and Reporting (2019)’ and ‘Assessing Viability in Planning Under the National Planning Policy Framework 2019 (for England) (2021)’

The Viability Study will provide evidence that the policies are realistic and do not undermine the delivery of the Plan, in accordance with the guidance in the National Planning Policy Framework (NPPF).

METHODOLOGY – BENCHMARK LAND VALUE



METHODOLOGY – RESIDENTIAL MARKET ASSESSMENT

Our Research

- UK Market Trends
- New Build Achieved Values
- Second-Hand Achieved Values
- New Build Asking Prices
- Site-specific Viability Assessments

Conclusions

- Market Housing Value Assumptions
- Heat Map indicating variances across the Borough



BENCHMARK LAND VALUES

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BENCHMARK LAND VALUE – REVIEW



Below we set out our Benchmark Land Value assumptions proposed to be adopted in our typology testing. We have based our BLV assumptions on the following sources;

- The 2017 Colchester Economic Viability Assessment (2017)
- Existing financial viability assessments
- Transactional evidence
- Market evidence
- The North Essex Local Plan Section 1 Inspectors Report*
- Stakeholder Engagement

	Small Greenfield £ per Ha (£ per acre)	Medium and Large Greenfield £ per Ha (£ per acre)	Urban area Brownfield £ per Ha (£ per acre)	Rural area Brownfield £ per Ha (£ per acre)
Benchmark Land Value	£250,000 - £500,000 (£125,000 - £250,000)	£247,100 (£100,000)*	£2,471,000 (£1,000,000)	£1,111,950 (£450,000)

BENCHMARK LAND VALUE – EVIDENCE



We would welcome any land transactional evidence for all land uses (including any minimum land value clauses within agreed option agreements) across the borough that we will take into consideration for our final assessment.

We would require specific details including:

- existing use (greenfield / brownfield);
- transaction date;
- net and gross site area;
- price paid;
- planning consent (including affordable housing % and S106 details)
- abnormal costs

**Any confidential information will be treated as such*



RESIDENTIAL MARKET ASSESSMENT

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RESIDENTIAL MARKET ASSESSMENT – NATIONAL MARKET OVERVIEW

- The UK economy experienced moderate growth with GDP recovering post a brief recession. Inflation rose due to higher energy prices, affecting monetary policies.
- House prices show modest growth with fluctuations due to economic pressures, though regional variations exist showing stronger growth in Northern Ireland and regions in the North.
- Interest rates have declined slightly, affecting mortgage costs and sales values.



RESIDENTIAL MARKET ASSESSMENT – COLCHESTER OVERVIEW

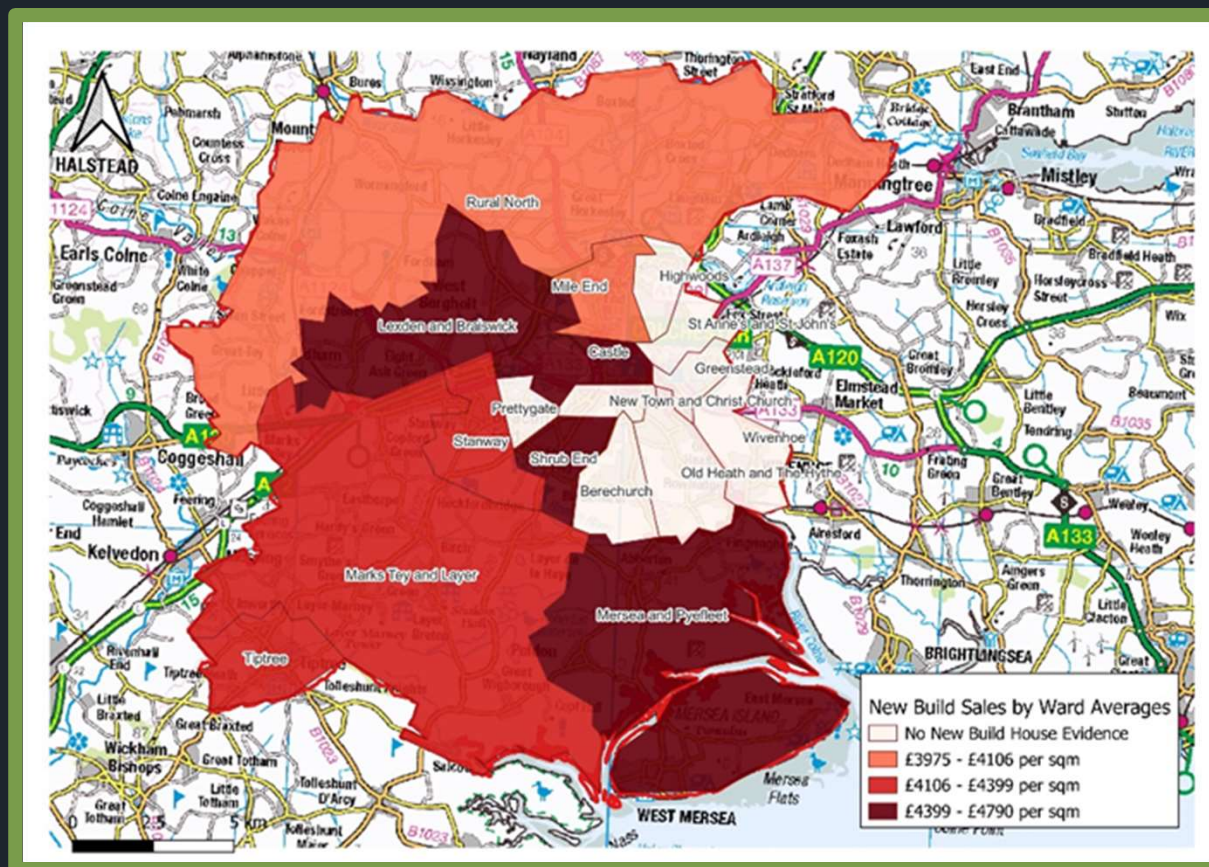
- Colchester's property prices are higher than the UK average but lower than the East of England's, with new builds similar to national trends but second-hand properties pricier.



Property Type	UK	East of England	Colchester
Flat	£232,436	£207,457	£177,240
Terraced	£239,000	£289,530	£271,373
Semi-detached	£280,895	£352,452	£332,098
Detached	£439,974	£512,497	£513,420
All Property Types	£287,924	£339,440	£310,357

RESIDENTIAL MARKET ASSESSMENT

NEW BUILD SALES



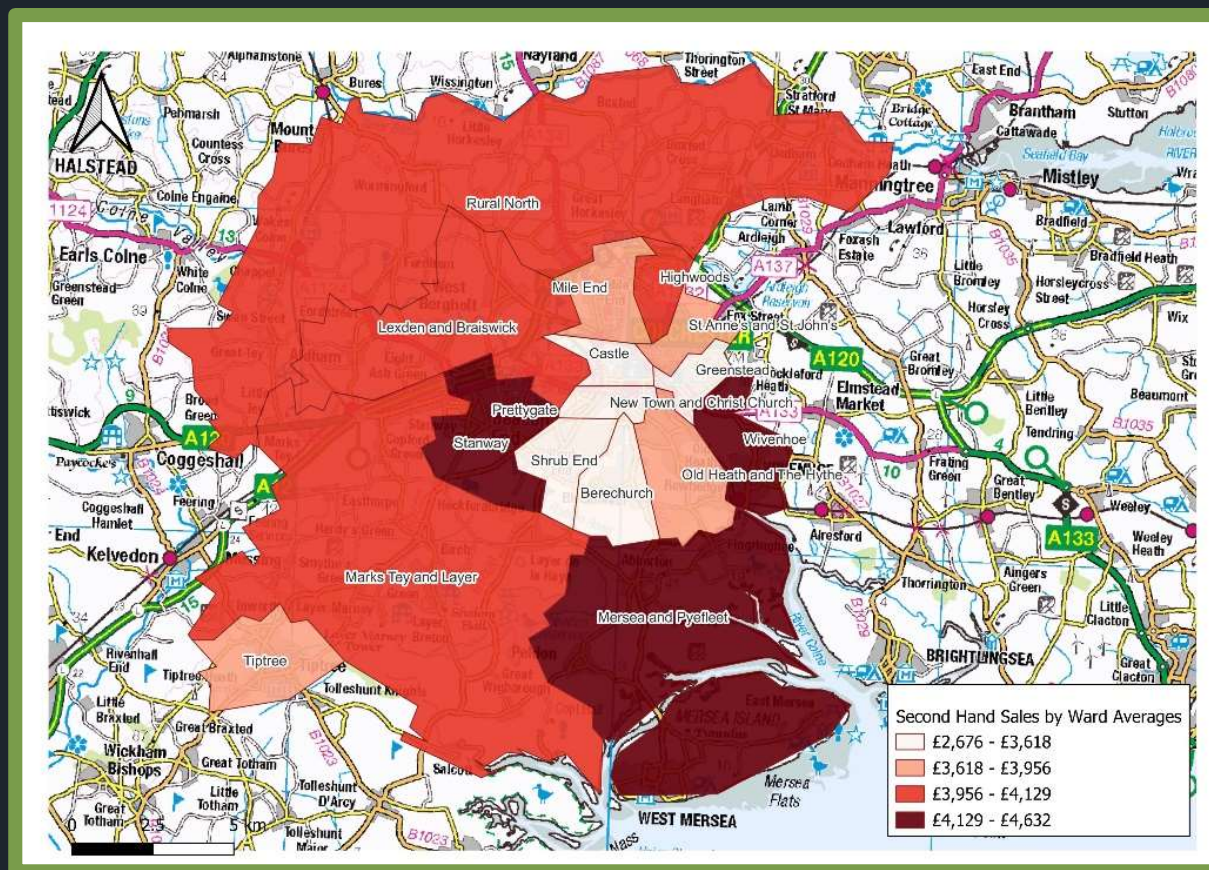
- High-value areas like Shrub End and Castle command premium prices.
- Despite economic fluctuations, demand for new builds remains strong, driven by their appeal and strategic location advantages.

Ward	Average £/sqm
Castle	£4,790
Lexden and Braiswick	£4,704
Marks Tey and Layer	£4,153
Mersea and Pyefleet	£4,404
Mile End	£3,975
Rural North	£4,036
Shrub End	£4,744
Stanway	£4,283
Tiptree	£4,377



RESIDENTIAL MARKET ASSESSMENT

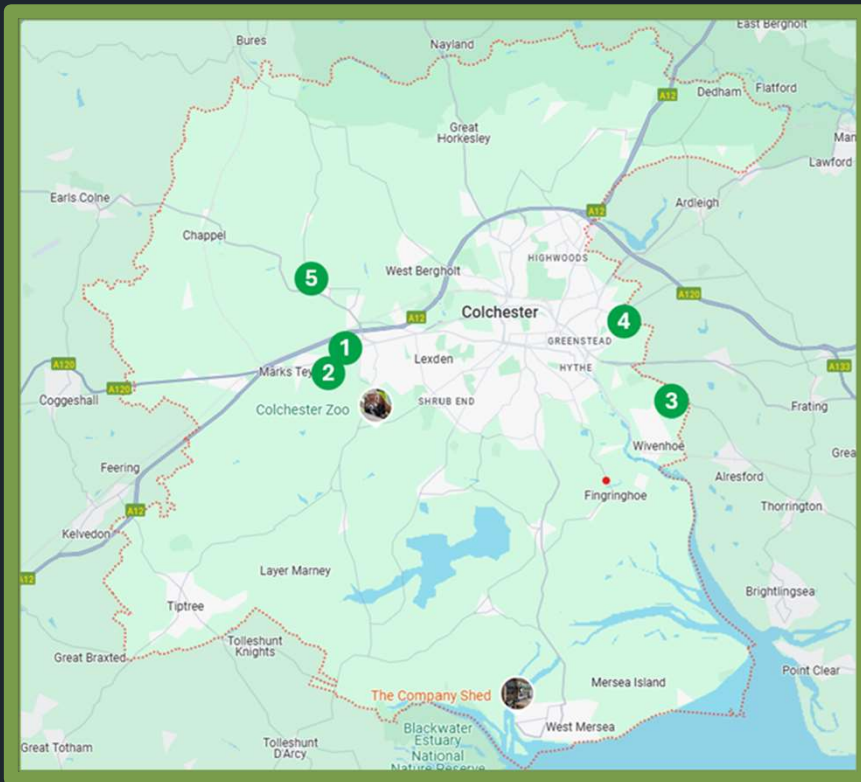
SECOND HAND SALES



- Despite economic fluctuations, the second-hand market in Colchester has shown stability.
- Different wards exhibit varying demand levels, influencing prices. Areas like Mersea and Pyefleet see higher demand, reflected in their pricing.
- The type and size of properties significantly impact sales trends, with family homes in desirable areas maintaining robust demand.

RESIDENTIAL MARKET ASSESSMENT

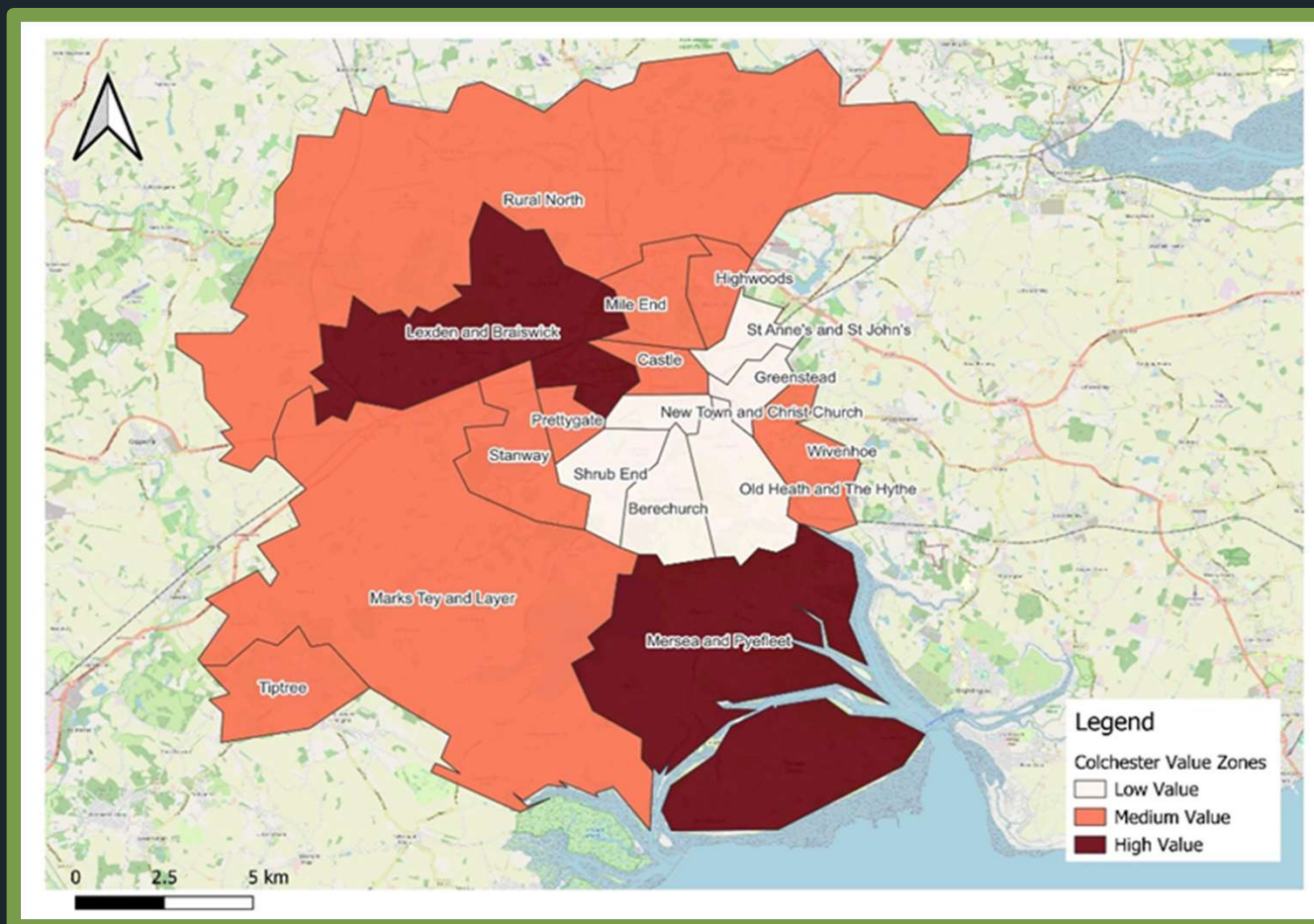
NEW BUILD – ASKING PRICES



- The review of asking prices shows that they generally exceed the average achieved values, but do not necessarily follow the same trend.
- Smaller developments, like those at Grange Paddocks, command higher values per square meter due to their size and location near higher-value areas.
- New build evidence is sparse in some areas, such as the east of the Borough, lower asking prices are noted at Wyvern Place and Hollytree Walk.
- Market changes have influenced dynamics, making current asking prices reflect the latest conditions, though these can vary widely based on developer and availability. Achieved sales data provide a broader and more reliable pricing perspective.

RESIDENTIAL MARKET ASSESSMENT

PROPOSED VALUE ZONES



RESIDENTIAL MARKET ASSESSMENT

VALUE ASSUMPTIONS

Property Type	Lower Value Zone	Medium Value Zone	Higher Value Zone
1-bed Flat / Maisonette	£200,000	£210,000	£220,000
2-bed Flat / Maisonette	£225,000	£230,000	£240,000
2-bed House	£285,000	£305,000	£325,000
3-bed House	£370,000	£400,000	£430,000
4-bed House	£470,000	£510,000	£550,000
5-bed+ House	£635,000	£670,000	£710,000

RESIDENTIAL MARKET ASSESSMENT

VALUE ASSUMPTIONS PER SQM

Property Type	Floor Area (sqm)	Lower Value Zone	Medium Value Zone	Higher Value Zone
1-bed Flat / Maisonette	50.00	£4,000	£4,200	£4,400
2-bed Flat / Maisonette	61.00	£3,689	£3,770	£3,852
2-bed House	70.00	£4,071	£4,357	£4,623
3-bed House	93.00	£3,978	£4,301	£4,623
4-bed House	117.00	£4,017	£4,358	£4,700
5-bed+ House	165.00	£3,848	£4,061	£4,303



COST ASSUMPTIONS FOR APPRAISALS

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COST ASSUMPTIONS FOR APPRAISALS

Item	Assumptions	Comments
Build Costs – Estate Housing Generally	£1,416 – £1,657 per sqm	Lower – Median BCIS, Essex, 5 years Build Out Rate – 3-6 units per month dependant on typology
Build Costs – Flats 3-5 Storey	£1,834 per sqm	Median BCIS, Essex, 5 years
Build Costs – Flat 6+ Storey	£1,866 per sqm	Median BCIS, Essex, 5 years
Part L & F	4.00% uplift on BCIS	
Future Homes	£7,500 per Unit	
Net Zero Carbon	5.00 – 8.00% Uplift on Base Construction Cost	
Site Clearance / Demolition / Remediation	£100,000 per Acre	
External Works	15.00% of Base Construction Costs	
Site Infrastructure Costs	Included in External Works	
Section 106 Contributions	£10,500 per Unit	Estimated average amount provided by the Council to include: open space; sport provisions; education and healthcare (see Typologies Matrix). Please note further S106 costs will be analysed at a site-specific basis.

COST ASSUMPTIONS FOR APPRAISALS

Item	Assumptions	Comments
Net Biodiversity Costs (BNG)	£1,003 per unit for Greenfield sites £268 per unit for brownfield sites	DEFRA Biodiversity net gain and local nature recovery strategies Impact Assessment (15/10/2019) (Reference No: RPC-4277(1)-DEFRA-EA).
M4(2) Category 2 – Accessible and Adaptable housing	+£521 per unit 100% of all units	DCLG housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157.
M4(3)(2)(b) Category 3 - Wheelchair Adaptable dwellings	+£10,111 per unit 10% of units on major development sites	Equality and Human Rights Commission & Habinteg, A toolkit for local authorities in England: Planning for accessible homes.
EV Charging	£500 per unit	

COST ASSUMPTIONS FOR APPRAISALS

Item	Assumptions	Comments
Professional Fees	8.00% - 12.00%	Dependent on complexity of scheme
Contingency	5.00%	On all incurred build costs
Marketing Fees – Market	1.00%	
Sales Agent Fee – Market	1.00%	
Sales Legal Fee – Market	0.35%	
Sales Legal Fee – Affordable	0.25%	
Finance – Debit	7.50%	
Profit on Market Sales	20.00%	Reflecting consideration of developer risk
Profit on Affordable Sales	6.00%	
Site Acquisition – Stamp Duty	At the Prevailing Rate	
Site Acquisition – Agent Fee	1.00% of Land Value	
Site Acquisition – Legal Fee	0.50% of Land Value	



RESIDENTIAL TYPOLOGIES

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RESIDENTIAL TYPOLOGIES



- Typologies are sites with shared characteristics such as location/Value Zone, 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.
- Typologies matrix – Easy to navigate, checks NPPF 10% affordable home ownership requirement.
- Unit sizes based on Nationally Described Space Standards – and Market Evidence.

RESIDENTIAL TYPOLOGIES SPACE STANDARDS



We propose to adopt the floor areas for Market Sales as follows:

- 1 Bedroom Flat – 50 sqm
- 2 Bedroom Flat – 61 sqm
- 2 Bedroom House – 70 sqm
- 3 Bedroom House – 93 sqm
- 4 Bedroom House – 117 sqm
- 5 Bedroom House – 165 sqm

RESIDENTIAL TYPOLOGIES PROPOSED HOUSING MIX



			Affordable Housing (Rented)	
	Market	Affordable Home Ownership	General Needs	Older Persons
1-bedroom	30%	20%	20%	60%
2-bedroom		45%	35%	40%
3-bedroom	45%	35%	35%	
4+-bedroom	25%		10%	

RESIDENTIAL TYPOLOGIES SITE COVERAGE



- Typologies have assumed the below net to gross ratios to take account of any open space and on-site infrastructure.
- Typologies over 0.2ha are assumed to have a net to gross of around 90%.
- Typologies over 2ha are assumed to have a net to gross of around 80%.
- Typologies over 8ha are assumed to have a net to gross of around 65%.



FEEDBACK

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FEEDBACK



- You have an opportunity to comment upon our methodology and present your own evidence or findings to be considered.
- Responses will be required within 2 weeks to the following email address:
Local.plan@colchester.gov.uk

FEEDBACK FINAL STEPS



Upon receipt of feedback from this workshop we will:

- Refine our assumptions where appropriate
- Run our appraisals
- Prepare recommendations to members
- Prepare viability assessment for public consultation

FEEDBACK DURING SESSION

Initial feedback during the session related to the following areas:

- BNG– Evidence of higher costs within the market to be submitted, review of how this impacts BLV taking into consideration NPPF 2024.
- Finance Rates – General feedback this figure is considered low. Evidence to be submitted, GE to review taking into consideration SME's. Could result in separate typology to allow for many variances, i.e. profits levels etc.
- Infrastructure Costs – Comments received stating Infrastructure costs included in the 15% externals is not consistent with market, evidence to be submitted and reviewed.

APPENDIX 6 STAKEHOLDER CONSULTATION FEEDBACK MATRIX

Colchester WPVA Stakeholder Consultation Feedback and Analysis

Item Feedback	Consultee	Newmark's Comments
BCIS Costs		
Lower-Median BCIS costs for estate housing are discussed, but it's unclear whether they plan to use Lower Quartile or Median BCIS rates overall. It is specified that flats will use Median rates. It is highlighted that Median BCIS rates accurately reflect current construction costs, while using Lower Quartile rates might underestimate these costs and overestimate project viability. Also, there is no mention of garage costs, which are not covered in the BCIS build cost or within standard external allowances, suggesting that these need to be accounted for separately.	Turner Morum	Median BCIS rates have been used for development up to 99 homes. Lower Quarter have been used for development over 100 homes. which is consistent with the evidence we have gathered from actual costs in the market. Garage costs have been allowed for separately across 3 , 4 and 5 bedroom homes. Sensitivity has also been carried out across construction costs.
The GE presentation discusses the use of "Lower-Median BCIS" costs within the Estate Housing Generally category. There is ambiguity about whether they will use Lower Quartile, Median BCIS rates, or a rate in between. However, it is specified that the build costs for flats will be calculated using Median rates. The recommendation is to use Median BCIS rates as they better represent current build costs, despite being lower than the recommending organization's costs. Suggesting lower quartile costs would reduce build quality and is considered a negative approach. Additionally, costs for garages are not covered in the BCIS build cost allowance or standard external percentage allowances and should be accounted for separately.	Mersea Homes	Median BCIS rates have been used for development up to 99 homes. Lower Quarter have been used for development over 100 homes which is consistent with the evidence we have gathered from actual costs in the market. Garage costs have been allowed for separately across 3 , 4 and 5 bedroom homes. Sensitivity has also been carried out across construction costs.
The general approach RE: current 5-years costs for Essex is generally agreed., subject to following comments: 1. The provision of both lower quartile and median rates lacks clarity on their intended usage circumstances. For a broad viability test,	Morley Riches	Median BCIS rates have been used for development up to 99 homes. Lower Quarter have been used for development over 100 homes which is

the median rate is more suitable to maintain development standards. Using lower quartile rates may inadvertently encourage lower standard developments in the Local Plan. - No costs have been allocated for garages or car ports, which should be considered to ensure comprehensive budgeting. - The assessment does not include rates for 1 and 2 storey flats, leaving a gap in cost estimation for these property types. - No rates for bungalows are provided, necessitating the inclusion of these to more accurately reflect potential costs. - The build out rate mentioned is ambiguous and ineffective without clear guidance on which rate is applicable. Utilizing the BCIS Duration Calculator can help establish precise rates for various development typologies, improving clarity and effectiveness in planning.		consistent with the evidence we have gathered from actual costs in the market. Garage costs have been allowed for separately across 3 , 4 and 5 bedroom homes. Sensitivity has also been carried out across construction costs. 1-2 Storey flats have been included at a rate of £ psqm Each typology has been assessed for build out rates and sales rate which can be seen in the wider paper.
Value Assumptions		
According to the Nationally Described Space Standards (NDSS), there are minimum size requirements for various property types, such as a one-bedroom, two-person flat at 50m² and a four-bedroom, six-person house at 106m², among others. However, market evidence indicates that many new builds exceed these standards, driven by consumer preferences and higher price points. Consequently, calculating rates per square meter based on minimum space standards can result in unrealistically high values. To address this, the square meter measurements (in Appendix 1) have been adjusted to better reflect Colchester's housing market realities	Mersea Homes	
See Table 1 in Morley Riches response for detailed comments.	Morley Riches	
Externals / Strategic Infra. Costs / Abnormal Costs		

The presentation outlines a 15% externals allowance based on BCIS costs but omits separate allowances for strategic infrastructure and abnormal costs. These are substantial omissions, as strategic infrastructure and abnormal costs can range from £300k-£500k per acre on strategic sites and should be included separately. The typical 10% - 15% externals allowance is standard for residential projects but insufficient for covering all external works, strategic infrastructure, and abnormal costs. Strategic infrastructure examples include spine roads, access junctions, strategic serviced connections, and drainage systems. Feedback indicated that including infrastructure costs in the 15% externals allowance is inconsistent with market practices, and this issue was noted for further review and evidence submission.	Turner Morum	The initial test relates to non-strategic allocations. Strategic costs have been assessed separately and can be seen in the addendum.
The presentation includes a 15% allowance for "externals" based on BCIS costs but lacks separate provisions for infrastructure or abnormal costs. It remains silent on abnormal costs, and Infrastructure Costs are claimed to be part of External Costs. While the 15% allowance for externals is standard in viability assessments, additional costs for strategic infrastructure and abnormalities should be itemized separately. Omitting these costs significantly overstates scheme viability. Examples of infrastructure necessary for schemes include access junctions, bus stops, pedestrian improvements, highway obligations (s278), utilities connections (such as pump stations and substations), service diversions, strategic drainage/SUDS, public open spaces, play areas, land remodelling, ground conditions, and archaeological/ecological mitigation. This list is not exhaustive, and every scheme tends to have substantial infrastructure requirements. Based on past evidence, small schemes should budget between £15,000 - £20,000 per plot for infrastructure, while large sites may need over £30,000 per plot.	Mersea Homes	An allowance for site remediation has been included in the assessment for brownfield land. Strategic sites have been assessed separately where an allowance for site infrastructure has been accounted for.

GE assumes site infrastructure costs at 15% of basis build costs. Appendix 3 offers information on five recently reviewed and agreed upon Financial Viability Assessments (FVAs) that included allowances for additional site-specific costs, along with details of the reviewer. This approach has been accepted in various other districts as well. The table displays costs per dwelling, ranging from below £5,000 to over £35,000. The overall average cost across the five schemes is £16,000 per dwelling. When excluding the two outlier figures, the average cost per dwelling adjusts to £13,500.	Morley Riches	
ESNEFT is seeking clarification that acute and community hospitals fall within the range of infrastructure and development projects that are eligible for CIL funding. In this way, related healthcare development projects to be identified in the Local Plan Review and associated Infrastructure Audit and Delivery Plan (IADP) would become eligible for CIL funding. It is also requested that, should the VA be used to inform the introduction of a CIL Charging Schedule, it makes clear which types of development would be eligible to contribute towards a CIL if/ when introduced. It is requested that the draft VA and related policy documentation makes clear that CIL contributions would not be applied to Class C2: hospital development, whilst acknowledging that any impacts of such development may be mitigated via related planning conditions and S106 agreement	Lawson Planning Partnership (on behalf of East Suffolk and North Essex NHS Foundation Trust)	Newmark have not been appointed to review CIL.
Benchmark Land Value (BLV)		
The presentation mentions BLV ranging from £125k-£250k per acre for small greenfield sites and £100k per acre for medium and large sites. It is noted that £100k per acre is the minimum for large sites, with higher values needed for smaller ones.	Turner Morum	

According to the June 2012 Harman Report, landowners of large strategic sites typically require at least 10 to 20 times the existing use value (EUV) to release their land, and many sites are secured under option agreements guaranteeing these minimum prices. The presentation's net to gross ratio assumption of 65% for sites over 8 hectares is considered too high; the typical range is 40-50% due to updated Biodiversity Net Gain (BNG) and other requirements. This inflated net to gross ratio assumption can underestimate the total land required, thus overstating the site's viability.		
The presentation outlines a BLV (Benchmark Land Value) range of £125k-£250k per acre for small greenfield sites and £100k per acre for medium and large greenfield sites. Sizes are roughly categorized as 50-75 acres for small, 75-200 acres for medium, and 250-500 acres for large, as stated during the presentation. It is suggested that £125k per acre is the minimum a reasonable landowner would expect to release their land for development, which is deemed suitable only for large sites. The June 2012 Harman Report highlights that landowners of large strategic sites are typically not distressed sellers and require a substantial value, often between 10 and 20 times the Existing Use Value (EUV), to consider development. Many strategic sites are secured under option agreements with set minimum prices necessary for acquisition. Despite farmland values stagnating recently, inflation has surged, with the Retail Price Index (RPI) increasing by 25% since 2021. Consequently, the Benchmark Land Value (BLV) for large strategic sites is estimated at £125,000 per acre, with higher rates expected for smaller schemes. The overall value received by the landowner, not just per acre, is a crucial factor.	Mersea Homes	Strategic sites have been assessed separately where an allowance for land values has been accounted for.
From the presentation, developers might assume that they can use standard high figures for any site: whereas BLV is meant to be the EUV plus an incentive uplift. It will vary site by site. Very important that this is made clear even if some generic numbers are needed to test the plan.	Cllr William Sunnucks	A range has been applied to the multiplier to reflect this.

Remember that inspector Roger Clewes said that the BLV for agricultural land should be £50-£100k per acre, not simply £100k. We need to capture that uplift. If it is just for training purposes would it make sense to let members see a standard form appraisal? The assumptions don't hang together without it. Finally, can we make sure that Gerald Eve doesn't misuse Argus developer for projects longer than 10 years. There is a huge difference between earning a 20% developer profit now and getting the money in 20 or 30 years' time. Their approach unduly favours big developments.		
Can the BLV set out in this document now used as a guide for all developments in the Borough? I.e. Can we quote this when arguing viability of developer's assessment? Now and once we have reviewed the plan? If so, and bearing in mind - these figures will go out of date as the market changes - for how long?	Cllr Andrea Luxford Vaughan	Viability testing is to test the local plan policies do not negatively impact on potential development within the borough. In order to do this a benchmark is required. Whilst it is evidenced based, the results are averages across the borough and should not therefore be relied upon for site specific valuations.
Value Zones		
We concur with the Low Value assumptions but disagree with the High Value assessments, as there is little discernible difference between high and medium value areas in new builds according to our evidence. It suggests categorizing all these areas as medium value and eliminating the high value category. Additionally, the mapping of Lexden/Braiswick is skewed because it is primarily shown north of the A12, and Mersea & Pyefleet does not qualify as a high value area.	Mersea Homes	The evidence indicates that Lexdon and Braiswick and Mersea and Pyfleet are achieving higher values than the rest of the borough. This is comparative only to Colchester. It is known as a higher value zone (although this shouldn't be read as a "high Value Zone" outside of Colchester.
GE's adopted zones are widely adopted. The major drawback of using zonal categorization is that it may not accurately apply to all dwelling types within a given area. For instance, while Pyefleet might be considered a high-value area for large, detached houses, this classification might not hold true for flats. The value zones, which are based on ward boundaries, assume uniform property values across each ward, potentially misrepresenting actual values. In the Lexden and Braiswick ward,	Morley Riches	

although some roads and properties might have higher values, this ward also includes areas like West Bergholt, Eight Ash Green, and Aldham, where such high values may not be applicable.		
Affordable Housing Values		
The presentation lacks details about assumptions concerning affordable housing values, which are crucial for viability assessments. Currently, there is limited interest from Registered Providers (RPs), leading to low or no offers on several sites, creating significant hurdles for scheme viability and deliverability. It is essential that proper affordable revenue assumptions are made, ideally not exceeding 55% of open market value (OMV) on a blended basis. Given the low offers from RPs for Section 106 affordable housing, there is a significant impact on viability analysis, and this needs to be accurately represented in the GE analysis.	Turner Morum	
The current assessment is missing a detailed analysis of Affordable Housing (AH) values. The affordable housing sector is struggling to meet demand, as highlighted by the government's Affordable Homes Programme 2021-2026, which targets delivering up to 180,000 affordable homes nationwide. It is essential to account for the declining AH values and rising specification requirements, as these factors significantly influence overall development economics. A comprehensive analysis of Affordable Housing (AH) values and updated viability assumptions is necessary, reflecting current offers from Registered Providers (RPs). Generally, allowing 50-55% of the Open Market Value (OMV) for an 80/20 tenure split is advisable, depending on the scheme's location and size. Viability is being pressured by static sales values and rising costs due to construction inflation, infrastructure needs, increased finance cost, and heightened regulatory costs. As a result, it may be necessary for CCC to reassess the AH tenure mix and consider reducing or freezing additional regulatory requirements to alleviate these pressures	Mersea Homes	

Finance Costs / Rate		
The presentation indicates a recommended finance allowance rate of 7.5% by Gerald Eve, which is considered low, given that the current Bank of England base rate is 4.75%. The base rate significantly impacts the cost of debt and the availability of finance. Consequently, using a 7.5% finance rate would likely underestimate true finance costs. It is suggested that the finance rate should be adjusted to at least 8.0% to 8.5% to more accurately reflect current financial conditions.	Turner Morum	
Given the current Bank of England Base Rate of 4.75%, the 7.5% finance rate recommended by Gerald Eve is seen as too low because this base rate affects the cost of debt and finance availability. A more realistic finance rate would be 8.0% to 8.5% to accurately reflect finance costs. Additionally, build-out rate assumptions should be adjusted according to the scheme size: • 50–75 units: 2 dwellings per month (including Affordable Housing) • 75–250 units: 3.5 dwellings per month (including Affordable Housing) • 250–500 units: 4–5 dwellings per month (including Affordable Housing)	Mersea Homes	
We agree with GE's observation that their rates are based on the assumption of 100% debt financing, a standard method in site-specific Financial Viability Assessments (FVAs). While GE's rate might be fitting for PLC house builders, it is not applicable to SMEs, who typically face a rate of Base +5%, equating to 9.75% currently. GE suggests that this rate should apply for the assessment's 5-year review period, which we contest due to the following reasons: 1. The high base rates have been in effect for the past three years. 2. The likelihood of rate increases is high. GE also don't account for arrangement fees, which are a common practice. These fees vary depending on the scheme's complexity, the	Morley Riches	

borrower's track record, and lender-specific fees. Generally, these rates range from 1% to 1.5% and are charged on both drawdown and repayment.		
Residential Mix		
It is recommended that the Affordable Housing (AH) mix aligns with the greatest housing needs identified by the Strategic Housing Market Assessment (SHMA), instead of being proportional to market dwellings. This approach enhances viability and targets AH delivery to areas with the highest need. Regarding market dwelling mix, attention should be given to density and coverage, ensuring that the density and mix combination does not exceed 13,500 to 14,000 square feet per acre.	Mersea Homes	The affordable housing mix has been informed by the SHMA and Iceni evidence.
BNG		
The cost for biodiversity credits ranges from £25,000 to £30,000 per unit, with higher fees applicable if credits are acquired through government schemes. Developers must also cover the Council's legal and monitoring fees. When biodiversity gain is achieved within the development or on developer-controlled land, additional costs arise for ongoing management and adhering to the Council's monitoring requirements. GE has proposed deducting Biodiversity Net Gain (BNG) costs exceeding proposed figures from the Benchmark Land Value (BLV), a suggestion we oppose. Given that BNG costs are highly site-specific, they should be considered a development expense against which the BLV is evaluated, rather than being subtracted from it.	Morley Riches	
General Comments		
Can we make sure that Gerald Eve doesn't misuse Argus developer for projects longer than 10 years. There is a huge difference between earning a 20% developer profit now and getting the money in 20 or 30 years' time. Their approach unduly favours big developments.	Cllr William Sunnucks	

The Residential market assessment doesn't state the number of bedrooms so not very helpful as a comparison guide – can this be incorporated please? The Residential market assessment on second hand sales sets a value range but doesn't specify if this is a price per sm. Can this be confirmed please? I don't agree that Profit on market sales should be set at 20%. I thought (might be wrong) that the NPPG set a range of 15% to 20 %? So, we should stick to that or settle for the average of 17.5%	Cllr Andrea Luxford Vaughan	
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APPENDIX 7

RESIDENTIAL APPRAISALS

251010_HVBF_v0.1 - Summary Table

Appraisal Ref:	1	2	3	4	5	6
Scheme Typology:	Higher Value Brownfield	Higher Value Brownfield	Higher Value Brownfield	Higher Value Brownfield	Higher Value Brownfield	Higher Value Brownfield
No Units:	9	25	50	100	150	250
Location / Value Zone:	Higher	Higher	Higher	Higher	Higher	Higher
Greenfield/Brownfield:	Brownfield	Brownfield	Brownfield	Brownfield	Brownfield	Brownfield
Total GDV (£)	4,000,500	9,578,417	19,156,834	38,313,669	57,470,503	95,784,172
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	0%	30%	30%	30%	30%	30%
Site Specific S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Site Infrastructure (£ per unit)	5,000	5,000	5,000	5,000	5,000	5,000
Sub-total CIL+S106+Infrastructure (£ per unit)	15,500	15,500	15,500	15,500	15,500	15,500
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	20.00%	17.37%	17.37%	17.37%	17.37%	17.37%
Developers Profit (% on costs)	29.34%	23.62%	23.72%	27.32%	27.43%	27.50%
Developers Profit Total (£)	800,100	1,663,730	3,327,460	6,654,920	9,982,380	16,637,300
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	563,592	369,306	378,383	763,406	773,632	779,589
RLV (£/ha (net))	1,392,637	912,556	934,984	1,886,377	1,911,645	1,926,365
RLV (% of GDV)	10.44%	7.94%	8.13%	16.41%	16.63%	16.76%
RLV Total (£)	417,791	760,463	1,558,306	6,287,925	9,558,224	16,053,042
BLV (£/acre (net))	450,000	450,000	450,000	450,000	450,000	450,000
BLV (£/ha (net))	1,111,950	1,111,950	1,111,950	1,111,950	1,111,950	1,111,950
BLV Total (£)	333,585	926,625	1,853,250	3,706,500	5,559,750	9,266,250
Surplus/Deficit (£/acre) [RLV-BLV]	113,592	(80,694)	(71,617)	313,406	323,632	329,589
Surplus/Deficit (£/ha)	280,687	(199,394)	(176,966)	774,427	799,695	814,415
Surplus/Deficit Total (£)	84,206	(166,162)	(294,944)	2,581,425	3,998,474	6,786,792
Plan Viability comments	Viable	Marginal	Marginal	Viable	Viable	Viable

Plan Viability comments	Viable	if RLV > BLV
	Marginal	if RLV < BLV, but RLV is positive
	Not Viable	if RLV < BLV, and RLV is negative



251010_MVBF_v0.1 - Summary Table

Appraisal Ref:	7	8	9	10	11	12
Scheme Typology:	Medium Value Brownfield	Medium Value Brownfield	Medium Value Brownfield	Medium Value Brownfield	Medium Value Brownfield	Medium Value Brownfield
No Units:	9	25	50	100	150	250
Location / Value Zone:	Medium	Medium	Medium	Medium	Medium	Medium
Greenfield/Brownfield:	Brownfield	Brownfield	Brownfield	Brownfield	Brownfield	Brownfield
Total GDV (£)	3,735,000	8,959,089	17,918,178	35,836,356	53,754,534	89,590,891
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	0%	30%	30%	30%	30%	30%
Site Specific S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Site Infrastructure (£ per unit)	5,000	5,000	5,000	5,000	5,000	5,000
Sub-total CIL+S106+Infrastructure (£ per unit)	15,500	15,500	15,500	15,500	15,500	15,500
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	20.00%	17.35%	17.35%	17.35%	17.35%	17.35%
Developers Profit (% on costs)	27.55%	22.12%	22.24%	25.65%	25.25%	25.78%
Developers Profit Total (£)	747,000	1,554,295	3,108,591	6,217,181	9,325,772	15,542,953
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	334,499	163,111	175,989	563,075	522,395	574,744
RLV (£/ha (net))	826,546	403,048	434,870	1,391,358	1,290,839	1,420,192
RLV (% of GDV)	6.64%	3.75%	4.04%	12.94%	12.01%	13.21%
RLV Total (£)	247,964	335,873	724,783	4,637,859	6,454,195	11,834,931
BLV (£/acre (net))	450,000	450,000	450,000	450,000	450,000	450,000
BLV (£/ha (net))	1,111,950	1,111,950	1,111,950	1,111,950	1,111,950	1,111,950
BLV Total (£)	333,585	926,625	1,853,250	3,706,500	5,559,750	9,266,250
Surplus/Deficit (£/acre) [RLV-BLV]	(115,501)	(286,889)	(274,011)	113,075	72,395	124,744
Surplus/Deficit (£/ha)	(285,404)	(708,902)	(677,080)	279,408	178,889	308,242
Surplus/Deficit Total (£)	(85,621)	(590,752)	(1,128,467)	931,359	894,445	2,568,681
Plan Viability comments	Marginal	Marginal	Marginal	Viable	Viable	Viable

Plan Viability comments	Viable	if RLV > BLV
	Marginal	if RLV < BLV, but RLV is positive
	Not Viable	if RLV < BLV, and RLV is negative



251010_LVBF_v0.1 - Summary Table

Appraisal Ref:	13	14	15	16	17	18
Scheme Typology:	Lower Value Brownfield	Lower Value Brownfield	Lower Value Brownfield	Lower Value Brownfield	Lower Value Brownfield	Lower Value Brownfield
No Units:	9	25	50	100	150	250
Location / Value Zone:	Lower	Lower	Lower	Lower	Lower	Lower
Greenfield/Brownfield:	Brownfield	Brownfield	Brownfield	Brownfield	Brownfield	Brownfield
Total GDV (£)	3,474,000	8,348,511	16,697,022	38,600,000	50,091,066	83,485,109
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	0%	30%	30%	5%	30%	30%
Site Specific S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Sub-total CIL+S106 (£ per unit)	10,500	10,500	10,500	40,500	10,500	10,500
Site Infrastructure (£ per unit)	5,000	5,000	5,000	5,000	5,000	5,000
Sub-total CIL+S106+Infrastructure (£ per unit)	15,500	15,500	15,500	45,500	15,500	15,500
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	20.00%	17.33%	17.33%	20.00%	17.33%	17.33%
Developers Profit (% on costs)	25.61%	20.56%	20.63%	29.89%	23.46%	24.06%
Developers Profit Total (£)	694,800	1,446,611	2,893,221	7,720,000	8,679,664	14,466,107
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	81,289	(64,612)	(53,641)	795,558	307,903	372,176
RLV (£/ha (net))	200,866	(159,657)	(132,547)	1,743,434	760,827	919,648
RLV (% of GDV)	1.73%	-1.59%	-1.32%	11.29%	7.59%	9.18%
RLV Total (£)	60,260	(133,047)	(220,912)	4,358,586	3,804,137	7,663,729
BLV (£/acre (net))	450,000	450,000	450,000	450,000	450,000	450,000
BLV (£/ha (net))	1,111,950	1,111,950	1,111,950	1,111,950	1,111,950	1,111,950
BLV Total (£)	333,585	926,625	1,853,250	2,779,875	5,559,750	9,266,250
Surplus/Deficit (£/acre) [RLV-BLV]	(368,711)	(514,612)	(503,641)	255,558	(142,097)	(77,824)
Surplus/Deficit (£/ha)	(911,084)	(1,271,607)	(1,244,497)	631,484	(351,123)	(192,302)
Surplus/Deficit Total (£)	(273,325)	(1,059,672)	(2,074,162)	1,578,711	(1,755,613)	(1,602,521)
Plan Viability comments	Marginal	Not Viable	Not Viable	Marginal	Marginal	Marginal

Plan Viability comments	Viable	if RLV > BLV
	Marginal	if RLV < BLV, but RLV is positive
	Not Viable	if RLV < BLV, and RLV is negative



251013_HVGF_v0.1 - Summary Table

Appraisal Ref:	19	20	21	22	23	24
Scheme Typology:	Higher Value Greenfield	Higher Value Greenfield	Higher Value Greenfield	Higher Value Greenfield	Higher Value Greenfield	Higher Value Greenfield
No Units:	9	25	50	100	150	250
Location / Value Zone:	Higher	Higher	Higher	Higher	Higher	Higher
Greenfield/Brownfield:	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield
Total GDV (£)	4,000,500	9,578,417	19,156,834	38,313,669	57,470,503	95,784,172
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	0%	30%	30%	30%	30%	30%
Site Specific S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Sub-total CIL+S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Site Infrastructure (£ per unit)	5,000	5,000	5,000	5,000	5,000	5,000
Sub-total CIL+S106+Infrastructure (£ per unit)	15,500	15,500	15,500	15,500	15,500	15,500
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	20.00%	17.37%	17.37%	17.37%	17.37%	17.37%
Developers Profit (% on costs)	27.90%	22.84%	22.93%	26.30%	26.42%	26.48%
Developers Profit Total (£)	800,100	1,663,730	3,327,460	6,654,920	9,982,380	16,637,300
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	400,457	267,897	277,889	664,374	676,041	682,244
RLV (£/ha (net))	989,529	661,973	686,665	1,641,667	1,670,497	1,685,824
RLV (% of GDV)	7.42%	5.76%	5.97%	14.28%	14.53%	14.67%
RLV Total (£)	296,859	551,645	1,144,441	5,472,223	8,352,485	14,048,535
BLV (£/acre (net))	125,000	125,000	125,000	125,000	125,000	125,000
BLV (£/ha (net))	308,875	308,875	308,875	308,875	308,875	308,875
BLV Total (£)	92,663	257,396	514,792	1,029,583	1,544,375	2,573,958
Surplus/Deficit (£/acre) [RLV-BLV]	275,457	142,897	152,889	539,374	551,041	557,244
Surplus/Deficit (£/ha)	680,654	353,098	377,790	1,332,792	1,361,622	1,376,949
Surplus/Deficit Total (£)	204,196	294,249	629,650	4,442,640	6,808,110	11,474,577
Plan Viability comments	Viable	Viable	Viable	Viable	Viable	Viable

Plan Viability comments	Viable	if RLV > BLV
	Marginal	if RLV < BLV, but RLV is positive
	Not Viable	if RLV < BLV, and RLV is negative



251013_MVGF_v0.1 - Summary Table

Appraisal Ref:	25	26	27	28	29	30
Scheme Typology:	Medium Value Greenfield	Medium Value Greenfield	Medium Value Greenfield	Medium Value Greenfield	Medium Value Greenfield	Medium Value Greenfield
No Units:	9	25	50	100	150	250
Location / Value Zone:	Medium	Medium	Medium	Medium	Medium	Medium
Greenfield/Brownfield:	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield
Total GDV (£)	3,735,000	8,959,089	17,918,178	35,836,356	53,754,534	89,590,891
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	0%	30%	30%	30%	30%	30%
Site Specific S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Sub-total CIL+S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Site Infrastructure (£ per unit)	5,000	5,000	5,000	5,000	5,000	5,000
Sub-total CIL+S106+Infrastructure (£ per unit)	15,500	15,500	15,500	15,500	15,500	15,500
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	20.00%	17.35%	17.35%	17.35%	17.35%	17.35%
Developers Profit (% on costs)	26.53%	21.86%	21.87%	24.98%	24.53%	25.11%
Developers Profit Total (£)	747,000	1,554,295	3,108,591	6,217,181	9,325,772	15,542,953
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	211,499	128,687	127,238	495,350	447,341	507,899
RLV (£/ha (net))	522,615	317,985	314,404	1,224,011	1,105,380	1,255,019
RLV (% of GDV)	4.20%	2.96%	2.92%	11.39%	10.28%	11.67%
RLV Total (£)	156,784	264,987	524,006	4,080,036	5,526,899	10,458,494
BLV (£/acre (net))	125,000	125,000	125,000	125,000	125,000	125,000
BLV (£/ha (net))	308,875	308,875	308,875	308,875	308,875	308,875
BLV Total (£)	92,663	257,396	514,792	1,029,583	1,544,375	2,573,958
Surplus/Deficit (£/acre) [RLV-BLV]	86,499	3,687	2,238	370,350	322,341	382,899
Surplus/Deficit (£/ha)	213,740	9,110	5,529	915,136	796,505	946,144
Surplus/Deficit Total (£)	64,122	7,592	9,215	3,050,452	3,982,524	7,884,535
Plan Viability comments	Viable	Viable	Viable	Viable	Viable	Viable

Plan Viability comments	Viable	if RLV > BLV
	Marginal	if RLV < BLV, but RLV is positive
	Not Viable	if RLV < BLV, and RLV is negative



251013_LVGF_v0.1 - Summary Table

Appraisal Ref:	31	32	33	34	35	36
Scheme Typology:	Lower Value Greenfield	Lower Value Greenfield	Lower Value Greenfield	Lower Value Greenfield	Lower Value Greenfield	Lower Value Greenfield
No Units:	9	25	50	100	150	250
Location / Value Zone:	Lower	Lower	Lower	Lower	Lower	Lower
Greenfield/Brownfield:	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield
Total GDV (£)	3,474,000	8,348,511	16,697,022	33,394,044	50,091,066	83,485,109
Policy Assumptions	-	-	-	-	-	-
AH Target %	0%	30%	30%	30%	30%	30%
Site Specific S106 (£ per unit)	10,500	10,500	10,500	10,500	10,500	10,500
Site Infrastructure (£ per unit)	5,000	5,000	5,000	5,000	5,000	5,000
Sub-total CIL+S106+Infrastructure (£ per unit)	15,500	15,500	15,500	15,500	15,500	15,500
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	20.00%	17.33%	17.33%	17.33%	17.33%	17.33%
Developers Profit (% on costs)	25.07%	20.24%	20.31%	23.27%	22.76%	23.42%
Developers Profit Total (£)	694,800	1,446,611	2,893,221	5,786,443	8,679,664	14,466,107
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	9,089	(118,545)	(106,978)	287,433	229,327	303,397
RLV (£/ha (net))	22,459	(292,924)	(264,343)	710,246	566,668	749,693
RLV (% of GDV)	0.19%	-2.92%	-2.64%	7.09%	5.66%	7.48%
RLV Total (£)	6,738	(244,103)	(440,572)	2,367,486	2,833,338	6,247,441
BLV (£/acre (net))	62,500	62,500	62,500	62,500	62,500	62,500
BLV (£/ha (net))	154,438	154,438	154,438	154,438	154,438	154,438
BLV Total (£)	46,331	128,698	257,396	514,792	772,188	1,286,979
Surplus/Deficit (£/acre) [RLV-BLV]	(53,411)	(181,045)	(169,478)	224,933	166,827	240,897
Surplus/Deficit (£/ha)	(131,978)	(447,361)	(418,781)	555,808	412,230	595,255
Surplus/Deficit Total (£)	(39,594)	(372,801)	(697,968)	1,852,695	2,061,150	4,960,462
Plan Viability comments	Marginal	Not Viable	Not Viable	Viable	Viable	Viable

Plan Viability comments	Viable	if RLV > BLV
	Marginal	if RLV < BLV, but RLV is positive
	Not Viable	if RLV < BLV, and RLV is negative

APPENDIX 8

STRATEGIC SITE ASSESSMENT

Colchester City Local Plan Viability Study – Strategic Site Assessment

ON BEHALF OF: COLCHESTER CITY
COUNCIL

DATE: OCTOBER 2025

NEWMARK



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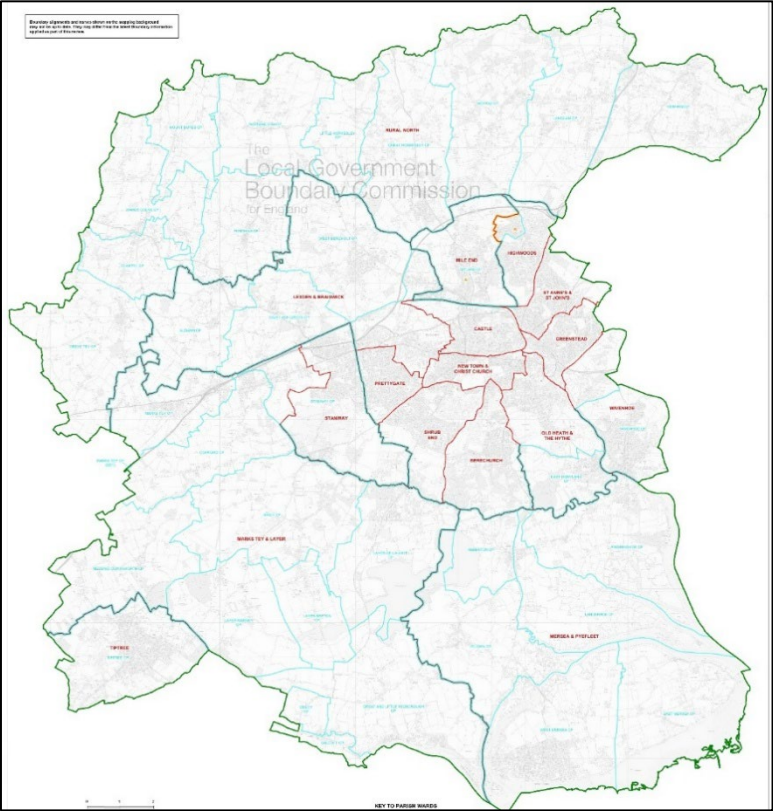
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Executive Summary

Purpose of the Report	I.	This report is an addendum to the Full Financial Viability Assessment commissioned by Colchester City Council to inform the emerging Colchester Local Plan Review.
	II.	The purpose of the study is to assess whether potential revisions to the Local Plan could affect the deliverability and viability of the districts' strategic development sites.
	III.	The Council is seeking to understand whether current planning policies may be constraining the viability of large-scale mixed-use and residential-led schemes. This is particularly important given the need to support increased housing delivery, with the Council's 5-year housing target rising from 920 pa (4600) to 1300 pa (6,500) dwellings, representing a 41% increase under the 2024 National Planning Policy Framework (NPPF) and revised Standard Method.
	IV.	Newmark has been appointed to review the viability of ten strategic sites identified by the Council. The assessment considers how existing and emerging Local Plan policy requirements influence scheme viability, enabling the Council to determine whether current policy expectations are impacting the deliverability of strategic housing development across Colchester.
Findings	V.	The viability testing undertaken as part of this study demonstrates that of those tested for viability purposes, the proposed strategic site allocations within Colchester City Council's emerging Local Plan Review are viable at a policy-compliant level of 30% affordable housing, alongside standard infrastructure and planning obligation assumptions.
	VI.	All sites tested produced a positive residual land value (RLV) above the relevant benchmark land value (BLV), indicating that the Council's current affordable housing and policy requirements are deliverable in the prevailing market context. The analysis also confirms that sites are capable of accommodating typical Section 106 contributions and site infrastructure costs ranging from £25,000 to £35,000 per unit without compromising viability.
	VII.	Engagement with landowners and promoters has generally been constructive. Most parties provided supporting information on infrastructure assumptions, delivery timescales, and phasing strategies. In particular, Land North of Oak Road and Land at East Dawes Lane benefitted from active promoter engagement and a good understanding of delivery mechanisms. Several other sites, including North East Colchester, Land South of Marks Tey Village, and Land North of Park Lane, have established masterplanning frameworks and clear infrastructure strategies that align well with the Council's growth objectives.
	VIII.	Conversely, engagement was more limited for Land North of Coach Road (Bloor / Hawkspur), where discussions between land interests are ongoing. While this site remains viable in appraisal terms, further collaboration will be important to confirm deliverability and timing.
	IX.	Overall, the findings indicate that the strategic growth strategy for the Colchester District is financially deliverable, with sufficient viability headroom to support affordable housing and infrastructure requirements across all tested sites.
Conclusions and Recommendations	X.	Based on the results of this assessment, the strategic sites within the emerging Colchester Local Plan Review are considered viable and deliverable under current market conditions. The testing demonstrates that the Plan's policy requirements, including 30% affordable housing, can generally be supported without the need for adjustment. It is recommended that the Council:
		1. Maintain the existing 30% affordable housing policy, as this has been shown to be achievable across all site typologies and value areas. 2. Continue proactive engagement with site promoters, particularly for those sites where delivery strategies or land assembly remain in progress - notably Land North of Coach Road

	(Bloor / Hawkspur). 3. Monitor market conditions and cost inflation, particularly as the 2025 Future Homes Standard and updated net zero construction requirements are implemented, to ensure future appraisals remain reflective of market reality. 4. Keep infrastructure cost assumptions under review, ensuring consistency with emerging evidence from transport, education, and utilities studies. 5. Encourage coordinated delivery across larger, multi-promoter sites (e.g. North of A120) to ensure infrastructure dependencies are aligned and housing trajectories are achievable.
	XI. In conclusion, the evidence demonstrates that the strategic sites forming the basis of Colchester's Local Plan Review are broadly viable and capable of supporting sustainable housing growth to 2041. The Council's current policy framework is deliverable, provided ongoing monitoring and collaborative engagement continue through the next stages of plan preparation.
Report Structure	XII. The report is structured in the following sections. • Introduction - Outlines the purpose of the study, its role in supporting the Colchester Local Plan Review, and the methodology used to assess the financial viability and deliverability of strategic development sites. • Residential Assumptions - Sets out the key appraisal inputs including sales values, build costs, developer profit, Benchmark Land Values (BLVs), and allowances for infrastructure, site abnormalities, and policy costs such as the Future Homes Standard. • Strategic Site Assessment - Describes the methodology for testing the strategic sites, including market engagement with landowners and promoters, appraisal approach, typologies, and key viability testing assumptions applied across the sites. • Deliverability Analysis - Presents the viability results for each strategic site, summarising Residual Land Values (RLVs), comparison with BLVs, and qualitative RAG-rated commentary on viability, infrastructure requirements, ownership, and deliverability considerations. • Summary and Recommendations - Draws together the overall findings of the study, providing conclusions on plan-wide viability and recommendations for Local Plan policy formulation, monitoring, and next steps.

1. Introduction

Overview	1.1 Newmark ('we') has been appointed by Colchester City Council ('CCC' the 'Council') to provide financial viability advice to inform whether the emerging policies as part of the Local Plan Review have a direct impact on the viability of the development of the strategic sites. To be read as addendum to Newmark's Colchester Whole Plan Viability Assessment, dated October 2025. This addendum will review the viability of those proposed strategic site allocations which are considered to make a considerable contribution to the required housing units to be delivered over the Plan period.
	1.2 The Colchester Local Plan ('CLP') covers the area encompassed by Colchester town and some of its peripheral settlements. The geography is illustrated on the map below:
	1.3 Figure 1: Colchester City Council Wards 
	1.4 The Colchester Local Plan comprises two parts: the Section 1 Plan, adopted in February 2021, which sets out the shared strategic policies for North Essex (Braintree, Tendring and Colchester); and the Section 2 Plan, adopted in July 2022, which contains the Colchester-specific policies and site allocations.
	1.5 Colchester City Council has since commenced a review of its strategic sites as part of the Local Plan Review, launched in October 2023 through a Call for Sites consultation. The Review is currently at the early evidence-gathering stage, with consultation on the Preferred Options draft anticipated in 2025.
	1.6 The review of strategic sites will establish an updated spatial strategy up to 2041, setting out how future growth will be distributed across the borough. It is required to determine how best to accommodate an increasing housing requirement, reflecting the higher local housing need figure of approximately 1,300 dwellings per annum under the revised Standard Method set out in the new National Planning Policy

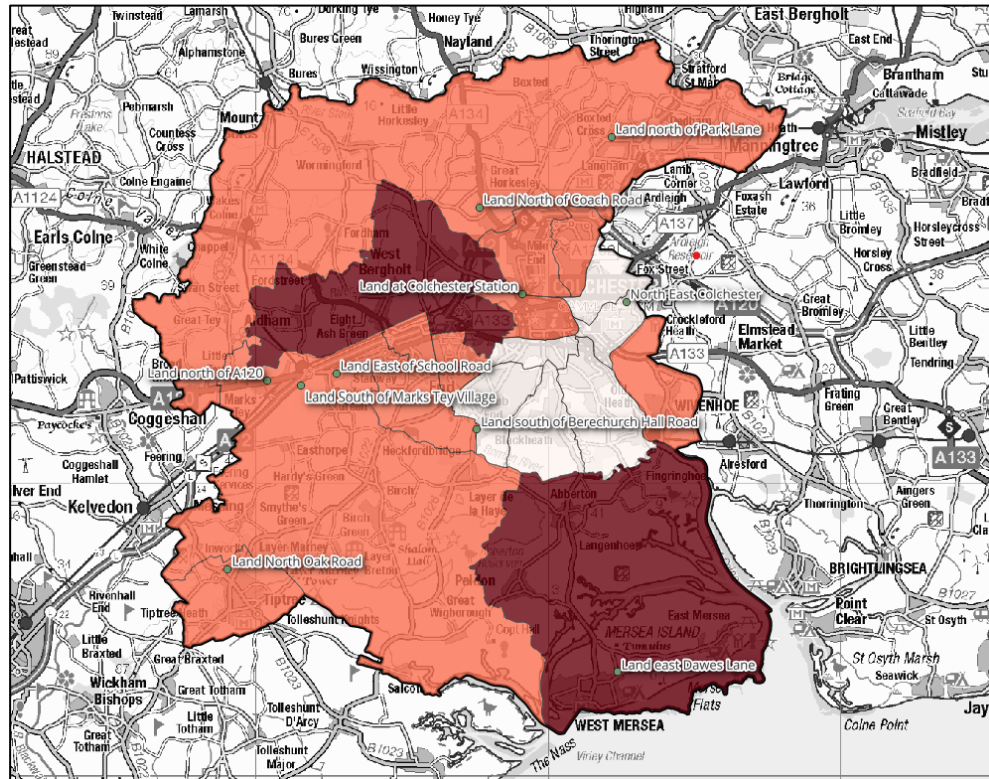
COLCHESTER WHOLE PLAN VIABILITY ASSESSMENT – STRATEGIC SITE ASSESSMENT

		Framework (NPPF).
	1.7	This paper will inform and feed into the next stage of the Local Plan Review, providing evidence on the deliverability and viability of the strategic sites to support the forthcoming consultation draft.
Aim and Objectives of the Study	1.8	The aim and objectives of the study are: • To determine if the Colchester Local Plan allows for viable development within the criteria it sets. • To determine if the Sites identified by the Council will be viable within the planning policy framework set by Colchester County Council
RICS Practice Statement	1.9	This VA has been carried out in accordance with the RICS Financial Viability in Planning: Conduct and Reporting Practice Statement (1 st Edition, May 2019)
	1.10	This VA has been conducted in accordance with the RICS Assessing Viability in Planning under the National Planning Policy Framework 2019 for England Guidance Note (1 st edition, March 2021); all work was completed in line with the latest edition of the National Planning Policy Framework (NPPF, last updated 7 February 2025) and the Planning Practice Guidance (PPG).
Objectivity, Impartiality and Reasonableness	1.11	This Assessment has been carried out with the support and collaboration of Colchester City Council. We have consistently acted objectively, impartially and without interference to conduct all elements of this viability assessment.
	1.12	The writing of this report requires interface with different stakeholders; we confirm that all engagements have been conducted with the highest levels of transparent engagement.
Conflicts of Interest	1.13	No conflicts of interest were identified during the writing of this report; as such, all findings are the result of independent and impartial analysis.

2. Residential Assumptions

	2.1	This chapter of the report lays out the assumptions we have made in relation to the general needs residential typologies. We have applied the same assumptions to the strategic sites except in areas where evidence supplied by stakeholders indicates that a different figure would be more appropriate.																																				
Existing Evidence Base	2.2	This report has been informed by a large quantum of existing evidence available from previous studies. This is set out in the Residential Market Paper at Appendix 3 of the main report.																																				
Strategic Site Locations and Housing Zones	2.3	The CLP includes ten strategic site allocations; these are:																																				
	2.4	Table 1: List of Allocations <table> <tr> <th>Site Name</th><th>No. Units</th><th>Value Zone</th></tr> <tr> <td>North East Colchester</td><td>2000</td><td>Lower Value</td></tr> <tr> <td>Land south of Berechurch Hall Road</td><td>875</td><td>Medium Value</td></tr> <tr> <td>Land North Oak Road, Tiptree</td><td>600</td><td>Medium Value</td></tr> <tr> <td>Land east Dawes Lanem, West Mesea</td><td>300</td><td>Higher Value</td></tr> <tr> <td>Land West of Station Road, Wakes Colne</td><td>200</td><td>Medium Value</td></tr> <tr> <td>Land North of Coach Road, Gt Horkesley</td><td>400</td><td>Medium Value</td></tr> <tr> <td>Land north of Park Lane, Langham</td><td>900</td><td>Medium Value</td></tr> <tr> <td>Land South of Marks Tey Village</td><td>1,500</td><td>Medium Value</td></tr> <tr> <td>Land north of A120 (Stantec and L&Q), Marks Tey</td><td>1,000</td><td>Medium Value</td></tr> <tr> <td>Land north of A120 (Dandara), Marks Tey</td><td>140</td><td>Medium Value</td></tr> <tr> <td>Land at Colchester Station</td><td>250</td><td>Medium Value</td></tr> </table>	Site Name	No. Units	Value Zone	North East Colchester	2000	Lower Value	Land south of Berechurch Hall Road	875	Medium Value	Land North Oak Road, Tiptree	600	Medium Value	Land east Dawes Lanem, West Mesea	300	Higher Value	Land West of Station Road, Wakes Colne	200	Medium Value	Land North of Coach Road, Gt Horkesley	400	Medium Value	Land north of Park Lane, Langham	900	Medium Value	Land South of Marks Tey Village	1,500	Medium Value	Land north of A120 (Stantec and L&Q), Marks Tey	1,000	Medium Value	Land north of A120 (Dandara), Marks Tey	140	Medium Value	Land at Colchester Station	250	Medium Value
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Land at Colchester Station	250	Medium Value																																				
	2.5	We have noted the location of these sites on the Housing Market Zones map below:																																				

Figure 2: Strategic Site Location and Housing Market Areas Map



Source: Newmark, September 2025

Residential
Typology
Assumptions

2.6

Table 2: Residential Assumptions

Item	Assumptions	Comments
Build Costs – Estate Housing Generally	£1,416 – £1,657 per sqm	Lower – Median BCIS, Essex, 5 years Build Out Rate – 3-6 units per month dependant on typology Lower Quartile Applied to <100 Median Applied to >100
Build Costs – Flats 3-5 Storey	£1,834 per sqm	Median BCIS, Essex, 5 years
Build Costs – Flat 6+ Storey	£1,866 per sqm	Median BCIS, Essex, 5 years
Affordable Housing	30%	Policy H2: Affordable Housing
2025 Future Homes Standard	£7,500 per Unit	Future Homes Standard 2025: Consultation Impact Assessment (DLUHC, December 2021).
Additional Net Zero	8% on Build Costs <100 units 5% on Build Costs > 100 Units	Approach used in Horsham District council's Local Plan Viability Assessment.

	Building Safety Levy 2025	£16.37 psm – Previously Developed Land £32.74 psm Non-Previously Developed Land	MHCLGL: Building Safety Levy: Guidance – Section 2: Levy Rates and calculations. (July 2025)
	Site Clearance / Demolition / Remediation	£100,000 per Gross Acre	Applied to Brownfield Sites only.
	Biodiversity Net Gain (BNG) 10%	£1,003 per unit for Greenfield sites £268 per unit for brownfield sites	DEFRA Biodiversity net gain and local nature recovery strategies Impact Assessment (15/10/2019) (Reference No: RPC-4277(1)-DEFRA-EA).
	External Works	10.00% of Base Construction Costs	Drainage and utilities connections, boundary treatments, landscaping and open space, plot works, retaining structures, minor earthworks, external lighting and signage.
	Site Abnormals	£5,000 per unit	Allowance for abnormal site works including ground remediation, abnormal foundations, demolition and site clearance, cut and fill, retaining structures, SuDS and drainage attenuation, utility diversions and off-site connections, access improvements, and other site-specific enabling works not captured in base build costs.
	M4(2) Category 2 – Accessible and Adaptable housing	Cost Applied to 100% of all units.	Set to become the mandatory minimum standard across England.
	M4(3)(2)(b) Category 3 - Wheelchair Adaptable dwellings	Costs applied to 5% of Affordable Units	Equality and Human Rights Commission & Habinteg, A toolkit for local authorities in England: Planning for accessible homes.
	EV Charging	£0	Now Mandatory, Assuming will be included in BCIS.
	Site Infrastructure Costs	£5,000 per unit	Excluding Strategic Sites.
	Strategic Site Infrastructure Costs	£35,000 per unit	Evidence provided during strategic site assessment.
	Section 106 Contributions	£10,500 per Unit	Estimated average amount provided by the Council to include: open space; sport provisions; education and

				healthcare (see Typologies Matrix). Please note further S106 costs will be analysed at a site-specific basis.
	2.7	Table 3: Other Development Costs		
		Item	Assumptions	Comments
		Professional Fees	8.00%	Dependent on complexity of scheme.
		Contingency	5.00%	BCIS + Abnormals.
		Marketing & Disposal	3.00%	Industry Standard Allowance.
		Finance – Debit	7.50%	
		Profit on Market Sales	20.00%	Reflecting consideration of developer risk.
		Profit on Affordable Sales	6.00%	Industry Standard Profit Assumption.
		Site Acquisition – Stamp Duty	At the Prevailing Rate	
		Site Acquisition – Agent Fee	1.00% of Land Value	Industry Standard Allowance.
		Site Acquisition – Legal Fee	0.50% of Land Value	Industry Standard Allowance.
	2.8	Table 4: Development Programme		
		Item	Cost / Timing	Comments
		Site acquisition	day-one	In reality for larger sites the land will be drawn down in phases/tranches. Therefore, interest is only calculated on land for 1 year.
		Initial payments	c 6 months	For 6 months after site acquisition to start on site depending on the size of the typology.
		Construction	4 per month	Assumed build out rate – per outlet.
		Sales rates	4 per month	Lagging construction by 3 months for OMS and 1 month for affordable housing.
Residential Value Assumptions	2.9	The residential value assumptions provided in this report are fully detailed in the Residential Market Paper in Appendix 3 of the main report.		
	2.10	Based on our market assessment, we have assumed the following values (absolute values (£) and value £ per square metre). We consulted on these values with stakeholders at the one-to-one workshops.		

	2.11	Table 55: Residential Value Assumptions (£)				
	Property Type		Floor Area (sqm)	Lower Value Zone	Medium Value Zone	Higher Value Zone
	1-Bed Flat / Maisonette		50.00	£200,000	£210,000	£220,000
	2-Bed Flat / Maisonette		61.00	£225,000	£230,000	£240,000
	2-Bed House		70.00	£285,000	£305,000	£325,000
	3-Bed House		93.00	£370,000	£400,000	£430,000
	4-Bed House		117.00	£470,000	£510,000	£550,000
	5-Bed+ House		165.00	£635,000	£670,000	£710,000
	2.12	Table 66: Residential Value Assumptions (£psm)				
	Property Type		Floor Area (sqm)	Lower Value Zone	Medium Value Zone	Higher Value Zone
	1-Bed Flat / Maisonette		50.00	£4,000	£4,200	£4,400
	2-Bed Flat / Maisonette		61.00	£3,689	£3,770	£3,852
	2-Bed House		70.00	£4,071	£4,357	£4,623
	3-Bed House		93.00	£3,978	£4,301	£4,624
	4-Bed House		117.00	£4,017	£4,358	£4,700
	5-Bed+ House		165.00	£3,848	£4,061	£4,303
	2.13	We note that none of these values reflect premiums for place making.				
Affordable Housing Transfer Values	2.14	These are the same as those presented in the main viability report; they are as follows:				
	2.15	Table 77: Affordable Housing Transfer Values				
	Tenure		Mix	Discount OMV		
	Affordable Rent		60%	55% OMV		
	First Homes		25%	70% OMV		
	Other Intermediate		15%	75% OMV		
	Total		100%			
Residential Land Value Assumptions	2.16	Table 88: Residential Land Value Assumptions				
LOCATION		ALL VALUE ZONES	MEDIUM & LOW VALUE ZONE		HIGH VALUE ZONE	
Type		Brownfield	Greenfield		Greenfield	
EUV Per Acre (gross)		£375,000	£12,500		£12,500	
EUV Per Ha (gross)		£925,000	£30,888		£30,888	
Landowner Premium		20%	5 x		10 x	
BLV Per Acre (gross)		£450,000	£62,500		£125,000	
BLV Per Ha (gross)		£1,111,950	£154,438		£308,900	

3. Strategic Site Assessment Appraisals

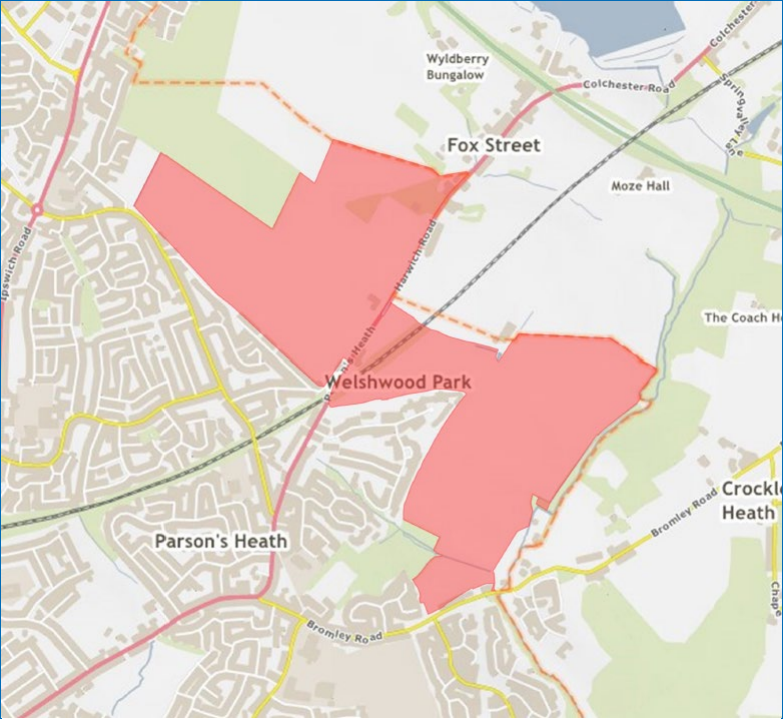
Summary of Methodology	3.1	This section details the viability and deliverability assessment that we have undertaken to assess the strategic sites allocated to us by the Council.
	3.2	We have prepared (i) an in-depth proforma to understand more comprehensively the Developers' visions for their respective sites. This was supported by (ii) a detailed Microsoft Excel-based proforma which was used to consult on Unit Sales, Strategic Infrastructure Costs, and Contributions for S106 and S278 agreements from the County and District Councils.
	3.3	In terms of (i), we produced a bespoke questionnaire in Microsoft Word for data gathering from the developers, landowners and site promoters. This included queries on: • Scheme Details • Land Assembly • Infrastructure Costs • Planning Policy / Consents • Financial Viability / Funding • Delivery Mechanism
	3.4	For (ii), we have set up an appraisal template in Microsoft Excel with inputs for: • Development trajectory (units per year) • Strategic Infrastructure Costs • District Council S106/S278 Contributions • County Council S106/S278 Contributions
	3.5	We have held a series of one-to-one workshops between ourselves and the strategic site developers/promoters/owners. This enabled stakeholders to comment further on their input into the proformas, raise queries, explain their visions for the site and note any areas where their assumptions would diverge from ours. This enabled site proformas to be updated and finalised.
	3.6	Government requires that Local Plans stipulate the contributions expected from development and that policies should not undermine the deliverability of the Local Plan (NPPF Paragraph 35 and 81), Councils must be able to show that the Local Plan in its totality will be deliverable. This means that Councils must understand specific baseline land values.
Strategic Sites Market Engagement Summary	3.7	Our findings from the proformas and one-to-one engagements with site promoters are summarised in the RAG tables below. We note that one promoter failed to provide any information and that a further promoter did not attend the one-to-one meetings although this latter party did provide some information via email; failure to engage increases the risk (RAG rating) of the site(s)/Plan.
	3.8	Where site-specific information was unavailable or schemes remain at an early stage of preparation, we have applied our standard viability assumptions to ensure consistency across the assessment. These include a strategic infrastructure allowance of £35,000 per unit, a strategic Section 106 allowance of £25,000 per unit, and Benchmark Land Values (BLVs) of £62,500 per gross acre in lower value zones and £125,000 per gross acre in medium and higher value zones.
	3.9	The information provided by strategic site promoters is set out below.

COLCHESTER WHOLE PLAN VIABILITY ASSESSMENT – STRATEGIC SITE ASSESSMENT

Table 99: Strategic Site Response Summary Table

Ref	North East Colchester	Land South of Berechurch Hall Road	Land North Oak Road	Land East Dawes Lane	Lane West Of Station Road, Wakes Colne	Land North of Coach Road	Land North of Park Lane	Land South of Marks Tey Village	Land North of A120 (1000)	Land North of A120 (140)	Land At Colchester Station
No. of Units	2000	875	500-600	Not given	200	Not Given	900	1500	1000	140	Not Given
Value Zone	Lower	Medium	Medium	Higher	Medium	Medium	Medium	Medium	Medium	Medium	Medium
1-2-1 Meeting held?	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N
Landowner	Anthony Wooldridge	RF West	Not Given	Not Given	Nicholas Percival	Not Given	Williamson Developments Limited	RF West	G120 Consortium	Private	Not Given
Developer / Promoter	Gleeson Land	RF West	Mersea Homes	Mersea Homes	Nicholas Percival	Not Given	Mac Mic Strategic Land Limited	RF West	L&Q	Dandara	Not Given
Prof. Advisors	Gleeson Land	Pomery Planning Consultants	ADP	ADP	Phase 2 Planning & Development Ltd.	Not Given	Bidwells LLP	Pomery Planning Consultants	Stantec	Ceres Property	Not Given
Word Proforma Received?	Y	Y	Y	N	Y	N	Y	Y	Y	Y	N
Excel Proforma Received?	Y	N	N	N	Y	N	N	N	N	Y	N
EUV	Reflective of typical agricultural values	N/A	N/A	N/A	£10,000 per acre	N/A	N/A	N/A	£15k-£20k per acre	N/A	N/A
Min Land Value / Ac	£62.5k	£125k	£125k	£125k	£125k	£125k	£125k	£125k	£125k	£125k	£125k
Profit on GDV	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
S106 Cost / Unit	£25k	£25k	£25k	£25k	£25k	£25k	£25k	£25k	£25k	£25k	£25k
Infrastructure / Abnormals	£29.5m	£35k	£35k	£35k	£35k	£35k	£35k	£35k	£35k	£35k	£35k

4. Deliverability Analysis

Introduction	4.1	Our notes and comments concerning the strengths and weaknesses of each of the strategic sites are presented below. These comments only concern viability and deliverability aspects of the sites. As such, these comments are not definitive, and the LPA will have additional criteria for site allocations.	
	4.2	Each site has been given an RAG rating to show our considered opinion of its viability; the criteria is as follows: • Green: The Site is financially viable and deliverable • Amber: The Site's viability and deliverability are marginal • Red: The Site is not financially viable or deliverable	
	4.3	Sites where we have been unable to confirm either the EUV + premium or the minimum land value are considered less favourably than sites which do (all other things being equal) due to the added layer of uncertainty about the deliverability of the sites, even if they are financially viable.	
North East Colchester	4.4	Table 10: North East Colchester	
		Masterplan 	Strengths / Opportunities • There is an existing promotion agreement for the Site. • Housing is deliverable across the entire Site. • BNG requirements can be delivered within the Site boundaries. • No major planning risks have been identified for this Site. • Full policy compliance is achievable. • The Site has strong precedent as similar schemes have been approved in Colchester in recent years. • There may be potential for hybrid planning application as

		Weaknesses / Constraints - opposed to outline. - There is potential for a school on site, although visioning at present is purely residential. - Generates a positive RLV of £121,000 per acre, which is above the BLV of £62,500 per acre. Risk Mitigation - There is only one access point to the Site. - A gas main diversion will be required, costing circa. £5 million; this will take 2 years, and development cannot start until this is completed. The developer has reflected this in the cash flows. - Potential for 700-750 units on site on Gleeson site. 2000 in total including Gladman Site. - Existing visioning is for a purely residential site at present. - The nearby Gladman site is flatter and has easier terrain. - There have not yet been conversations with potential delivery partners. RAG Rating Site generates an RLV of £113,000 which is above the BLV of £62,500 per acre with a policy compliant scheme (30% Affordable Housing). Site promoters have also provided a detailed breakdown of site infrastructure cost which total £29,333 per plot which can comfortably be supported on site. Our sensitivities show that this scheme is still viable with a reduction of market values of 2%.
Land south of Berechurch Hall Road	4.5	Table 11: Land South of Berechurch Hall Road Masterplan  Strengths / Opportunities - The Site only consists of agricultural land at present. - Access rights to the Site have been retained, even though these pass through a Persimmon development.

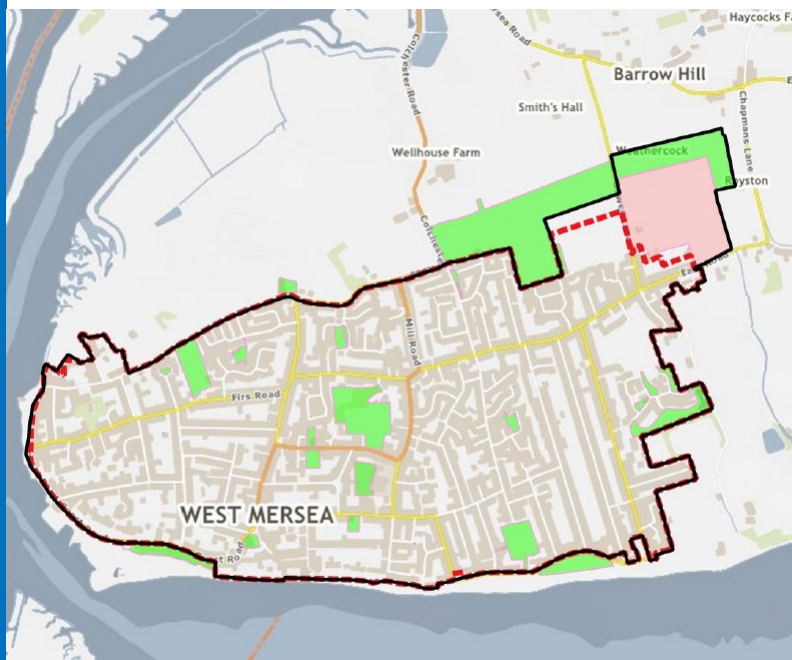
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Land at North Oak Road	4.6	Same promoter as Land east Dawes Lane.
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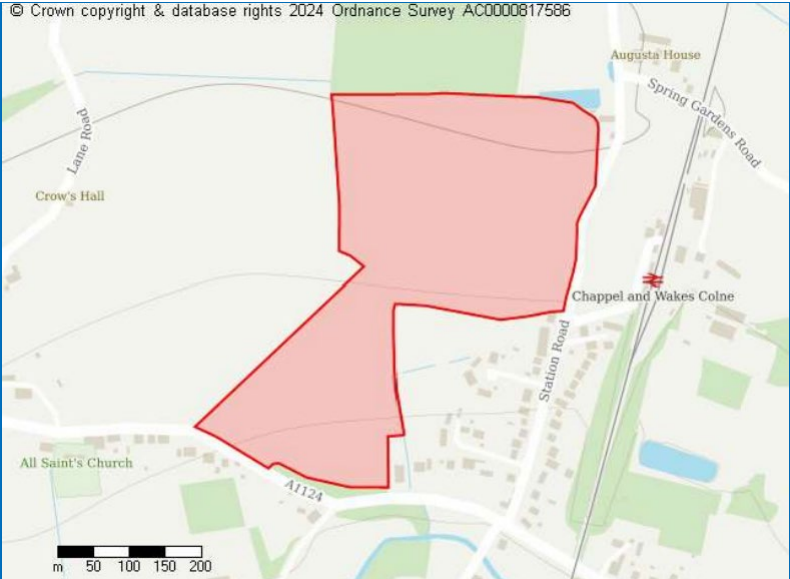
4.7	Table 12: Land at North Oak Road Masterplan Strengths / Opportunities • The Site is well-situated within the wider planning context: ○ First phases, for which planning will likely soon be given and which contain 400 units, already have sufficient community infrastructure (surgery, allotments, etc.). ○ Two anchor roads will be completed by the schemes to the east and west, marking completion of the final stretch of connecting road, around which the development will be built,
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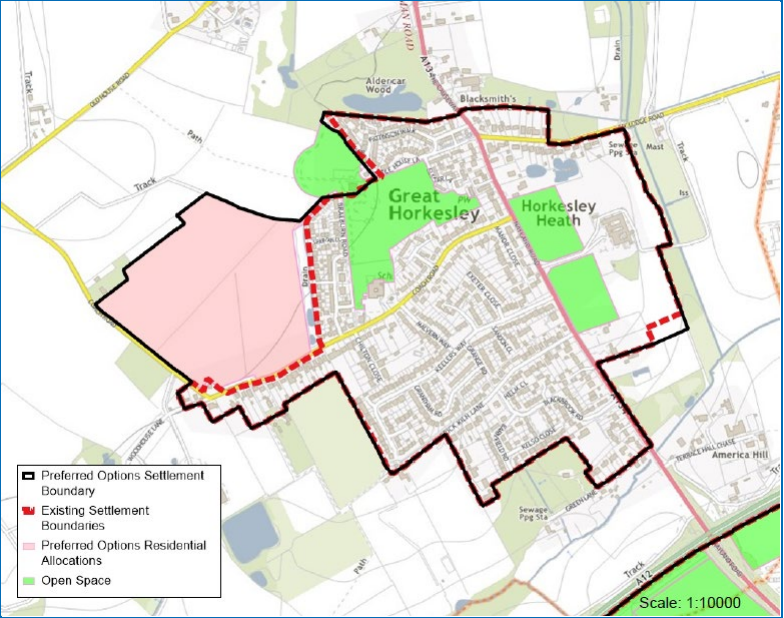
			easier to achieve. • The unit mix is policy compliant. • The only major piece of infrastructure required is the link road; as noted above, delivery of this will be made easier by two anchor roads to the east and west. • There is a large country park planned within scheme. • The land is in single family ownership; an option agreement is in place for purchase of lot subject to planning. • Any development would be completed before end of current plan period (2042). • There is no dependence on external funding. • The site generates a RLV of £314,000 per acre which is £251,500 per acre above the BLV of £62,500 per acre.
		Weaknesses / Constraints	• There is no detailed design at this stage • No detailed application until the site is allocated. • The linking road is the responsibility of different parish council; this means that a local plan process needed to get this off the ground.
		Risk Mitigation	• While there is no commercial employment in site, this is mitigatable by noting that east and west sites have employment allocations within them. • The developer raised concerns over specific local net zero policy, esp. the idea that power must be generated by the development. • Colchester build costs tend to be higher than average; as such, no assumption should be lower quartile.
		RAG Rating	The Site is viable at 30% affordable housing and generates a RLV of £314,000 per acre which is £189,000 per acre above the BLV of £125,000 per acre. Our sensitivity analysis indicates that the site can support up to £40,000 per unit S106 whilst remaining policy compliant at 30% Affordable Housing. Overall, the developer / promotor was willing to engage in the process and was transparent.
Land at East Dawes Lane	4.8	This site has the same promoter as Land North Oak Road. In our engagements with the representatives of this land, comparatively little information was given concerning its strengths, weaknesses and opportunities, and strategies for their mitigation.	

4.9

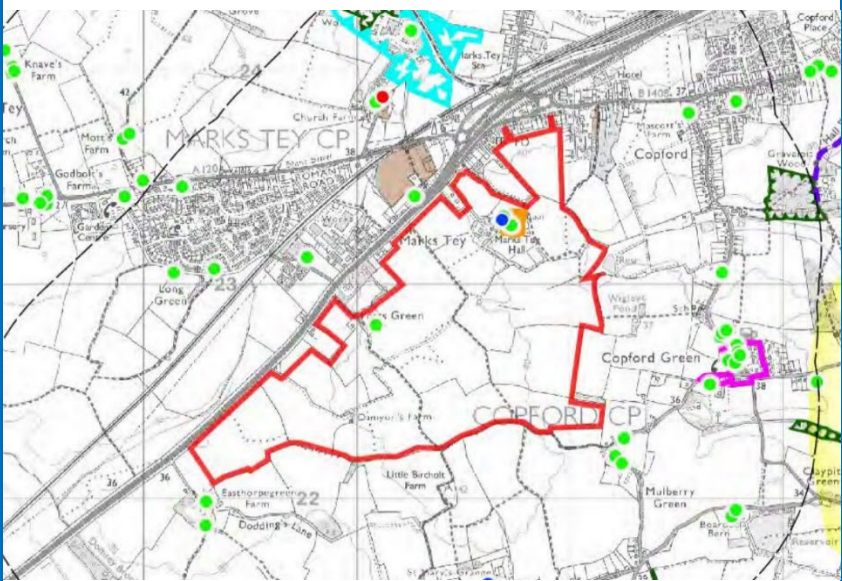
Table 13: Land at East Dawes Lane**Masterplan****Strengths / Opportunities**

- The development is the extension of existing site.
- The site is a flat farmer's field; therefore, no special infrastructure problems have been identified.
- The Site is adjacent to existing settlement boundary.
- Development of this site would not lead to coalescence between two existing settlements.
- There are no known site-specific issues that would limit the developability of this plot.
- Development of this Site has strong potential to create green

		Weaknesses / Constraints	infrastructure. - The site is viable and generates a positive RLV of £476,000 per acre, which is a surplus of c. £351,000 per acre. - There are two landowners.
		Risk Mitigation	There is a possibility of contamination although this is likely remediable without affecting development viability.
		RAG Rating	The site generates a strong RLV of £476,000 per acre, approximately £351,000 per acre above the BLV of £125,000. It is viable at 30% affordable housing with modest infrastructure costs. The site forms a logical extension to the existing settlement and benefits from flat topography and limited physical constraints. While part of the land lies within a Coastal Protection Belt, no site-specific issues have been identified that would preclude development.
Land West of Station Road, Wakes Colne	4.10	Table 14: Land West of Station Road	
		Master plan	© Crown copyright & database rights 2024 Ordnance Survey AC0000817586 
		Strengths / Opportunities	- There is sufficient capacity in local schools to take this development except at primary school. - There is sufficient existing health capacity in area at present. - Drainage for site would go via Braintree which has sufficient drainage capacity; this circumvents Colchester which has drainage problems. - No promotion agreement is in place. - There are no barriers to land assembly; Land owner by the company who is promoting. - No planning risks are anticipated; however, the developer caveated this whilst they await the new local plan. - Any development could be delivered within the plan period. - The area has much less housing than other local areas; the developer believes that this strengthens their case. - The Site is within walking distance of railway station. - No tree problems have been identified. - The developer has had some informal discussions with the

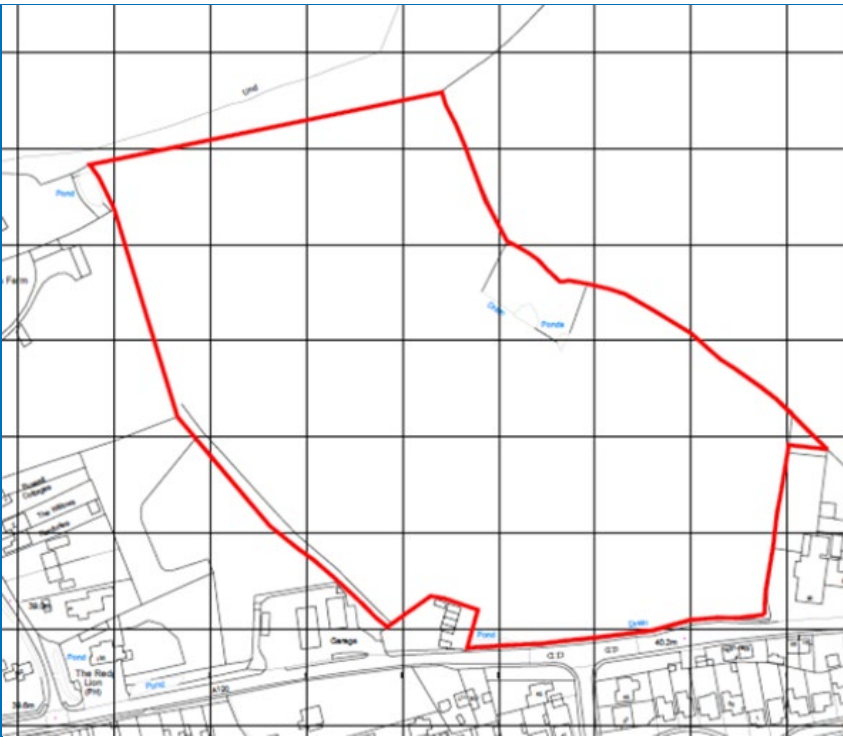
		Weaknesses / Constraints council; formal discussions have recently commenced. - The Site is currently at the very early stages of development; many elements of the site vision have limited detail. - The wood to north of site may present some environmental risks. RAG Rating The site is viable at 30% affordable housing, generating an RLV of £212,000 per acre. Above the benchmark BLV. The promoter has begun early engagement with the Council, and no significant abnormal or infrastructure costs have been identified. However, the scheme is at an early conceptual stage.
Land North of Coach Road	4.11	Table 15: Land North of Coach Road Masterplan  Strengths / Opportunities - The Landowners are hoping to secure an option agreement with a developer. - The Landowner intends to undertake a pre app with Highway Authority in the near future. - Colchester City Council is unaware of any 'abnormals' on the site; there is an expectation that delivery will be similar to that neighbouring site. - The Landowner confident policy-compliant quantum of housing will be deliverable at the Site. - The Landowner is willing to complete any additional work necessary before a Regulation 19 Plan being finalised. - Fairly well progressed planning application submitted by Bloor Homes. Weaknesses / Constraints - Works are at a very early stage. Risk Mitigation - Uncertainty over possibility of engaging with Developer, likely to have definitive answer within the next few weeks. RAG Rating The site is viable at 30% affordable housing with an RLV of £305,000 per

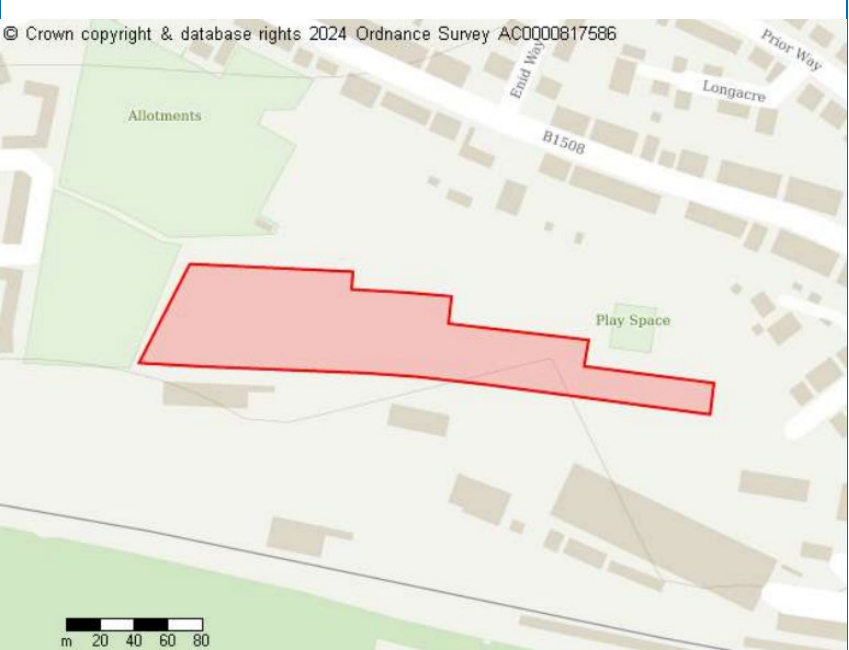
			acre, exceeding the BLV by £243,000 per acre. Engagement with promoters has been limited to date, although Hawkspur and Bloor have expressed willingness to engage further. We note that the Bloor Homes element of the site is a well progressed planning application that has been submitted to Colchester Council and is awaiting a decision at the time of writing (October 2025)
Land north of Park Lane	4.12	Table 16: Land North of Park Lane Masterplan  Strengths / Opportunities • Mac Mic and Colchester City Council are aligned on vision. • The Site occupies a strategic location near to the A12 and employment opportunities. • The proposed scheme is mixed-use but residential led. • The proposed scheme provides good supporting infrastructure including an early year's centre, primary school, open space and village cricket pitch. • There have been active conversations with Colchester City Council to clarify details; they have reached out to Essex but not met them yet. • The housing mix is policy compliant. • 30% affordable housing. • Proposed School. • Minimal abnormal costs identified • National Highways have expressed no concerns. • No planning risks have been identified. • There is potential to add leisure infrastructure to the southern part of the site. • The site has three access points. • The Site will be completed within the plan period. Weaknesses / Constraints • The site is not under single ownership: there are two parcels owned by two separate landowners. • The eastern parcel has no agreements in place; however, engagements with the landowner are positive and ongoing. • Extra sewage infrastructure will be required on site due to limited	

		Risk Mitigation	existing capacity; Anglian Water will require an onsite solution. - Mac Mic confident that they will be able to get both sites to come forward together at the right time. 2-3 different housebuilders will likely be necessary due to the scale of the site. - The existing plan sets the development apart from existing listed buildings; the listed buildings are also not particularly sensitive.
		RAG Rating	The site is viable at 30% affordable housing, generating an RLV of £289,000 per acre, comfortably above the BLV. The site benefits from a clear masterplan, multiple access points and alignment between the promoter (Mac Mic) and Colchester City Council. Sewage infrastructure is the main abnormal cost identified but is not considered prohibitive.
Land South of Marks Tey Village	4.13	Table 17: Land South of Marks Tey	
		Masterplan	
		Strengths / Opportunities	- The Site is being promoted for 1500 units; this matches the draft land allocation. - There is a commercial centre included on site. - The strategy is to establish a masterplan and then sell plots onto housebuilders in future. - The land is entirely owned by the West family; there are no third parties. - The West family are also the promoters. - There is space for a primary school on Site. - The Site has good proximity to the transport network. - There are no ecology concerns. - There are no abnormal remediation costs.
		Weaknesses / Constraints	- Some of the land is still subject to a development order. - Highway Access Costs: - Bridge over A12 identified as key cost for highway access. 4 low-value residential properties will need to be demolished. - Roundabout works will be required. £10-12 million in education costs will need to be met by this development.

		Risk Mitigation - There is a conservation deficit on Marks Tey Hall; this consists of Grade II listed house with chapel and moat, of which all are in disrepair. - Costs for this were established 10 years ago and need to be recalculated. - The development is likely to aggravate congestion; this will be difficult to resolve. - A selling strategy has not yet been formulated. - Masterplanning would take place after allocation. RAG Rating The site is viable at 30% affordable housing with an RLV of £304,000 per acre, representing a surplus of £179,000 per acre above the BLV of £125,000 per acre. The land is under single ownership and being promoted by the West family, who also own adjacent land holdings. The site benefits from good transport connectivity, no known remediation costs, and a clear masterplanning strategy that includes a primary school and local centre. While there are notable infrastructure costs associated with highways access, bridge works, and education contributions these are considered deliverable within the viability headroom. The site is viable, well-located, and in single ownership, but overall, the site is infrastructure-heavy and will require careful phasing and cost management to ensure timely delivery.	
Land north of A120, Marks Tey 1000	4.14	This site is split between two developers: Stantec and L&Q are responsible for the larger part of the allocation, comprising circa. 1000 homes; Dandara is responsible for a smaller portion of the land. For this reason, we have split the deliverability assessment into two sections for this Site. These are presented below.	
Land north of A120, Marks Tey 1000	4.15	Table 18: Land North A120, Marks Tey 1000 Masterplan 	

		
Strengths / Opportunities	• There is good connectivity to the local train station. • The northern part of site is maintained for ecology. • The pre-application meeting has already taken place. • Two-Form entry primary school and local centre are to be built as part of the scheme; the local centre will be sold off. • The local centre presents opportunity for higher values. • The Site is subject to promotion agreement between two landowners • Sustainability is at the core of site vision; this intermeshes well with local and national policy guidance.	
Weaknesses / Constraints	• There is only one site access point • The overall scheme is divided between L&Q (1000 units) and Dandara (140 units). • There will be a 12-month planning period post-allocation.	
Risk Mitigation	• Creating a temporary construction access is a possibility	
RAG Rating	The site is viable at 30% affordable housing and generates an RLV of £208,000 per acre, which is £83,000 per acre above the BLV of £125,000 per acre. The site benefits from strong sustainability credentials, an active promotion agreement and positive early engagement with Colchester City Council. A pre-application meeting has taken place and the scheme includes a two-form entry primary school and a local centre, providing opportunities for value generation through mixed-use components. While reliance on a single access point and coordination with the adjoining Dandara land parcel presents some delivery risks, these are considered manageable. The site is viable and deliverable, with a clear masterplanning framework and strong policy alignment.	

Land north of A120, Marks Tey 140	4.16	Table 19: Land North of A120, Marks Tey 140	
	Masterplan		
		Strengths / Opportunities	• The Developers see this as potential first phase in a larger scheme • The Site is owned by one couple so there are no assembly issues. • The land is held under an option. • There is some possibility for retail fronting onto A120 due to lots of interacting uses nearby. • There is scope to improve landscaping and tree planting to the north of the site; the LA supports provision of green spaces so this is likely to be viewed favourably. • There are limited infrastructure requirements beyond roundabout and possible pedestrian crossing. • There are no contamination issues as the Site is a standard agricultural field. • Dandara aims for full policy compliance for all aspects of the scheme; discussions with the Council to facilitate this are ongoing. • No viability challenges are identifiable at present. • Dandara has a good relationship with Colchester City Council. • There are no dependencies on external funding; everything is privately funded from within the company • Dandara has had initial conversations with Stantec/L&Q
Weaknesses / Constraints	• The proposals are still at very early stages; it is still too early to comment on tenure mix • Only very early discussions have been held with adjacent landowners		

		- The masterplan strategy is still being developed; it remains unclear if they want scheme within larger strategy or prefer more immediate development - The Site is small: 120-150 units depending on ecological requirements - New access will need to come via an existing roundabout; this will need to be expanded - A greater mix of houses limited by small size of scheme
		Risk Mitigation N/A RAG Rating The site is viable at 30% affordable housing, generating an RLV of £496,000 per acre, which exceeds the BLV of £125,000 per acre by a substantial margin. The land is under single ownership and subject to an option agreement, with no significant infrastructure or contamination issues identified. The scheme is modest in scale and can likely deliver early within the plan period, with potential for complementary uses fronting onto the A120. Discussions between Dandara, L&Q, and Stantec have commenced to ensure coordinated delivery. While masterplanning is still at an early stage, the site's strong market values, limited infrastructure needs, and good relationship with the Council provide confidence in deliverability. The site is highly viable with low constraints, though continued coordination with adjoining land interests will be important.
Land at Colchester Station	4.17	This land is being promoted by LCR Property, who did not engage with us during this process. For this reason, the following deliverability assessment is in no way informed by their input.
	4.18	Table 20: Land at Colchester Station Masterplan  Strengths / Opportunities - The Site occupies a central location within Colchester town. - The Site is located next to Colchester Railway station, with mainline

		Weaknesses / Constraints	services to London and other regional centres. • No site-specific issues that would impede development noted by Council documents. • The Site represents a brownfield opportunity. • Despite its urban location, no neighbouring use issues have been noted in Council documentation. • The Site offers the opportunity to enhance or create green infrastructure. • The Site has no unimplemented permissions. • The Site is surrounded by other residential schemes. • The Site is located within an existing settlement boundary. • The Site is under single ownership.
			• The Council's preferred number of dwellings would likely not fit within the existing site boundaries. • Potential for higher noise levels emanating from nearby station and railyard.
			N/A
		RAG Rating	The site is viable at 30% affordable housing, generating an RLV of £462,643 per acre, which is £337,643 per acre above the BLV of £125,000 per acre. This brownfield site occupies a highly sustainable location adjacent to Colchester Railway Station, benefiting from strong transport connectivity and access to town centre amenities. It presents a clear opportunity for high-density residential-led redevelopment, aligning with regeneration objectives for the city centre. However, the promoter (LCR Property) did not engage in the viability process, and limited information has been made available regarding design, layout, or delivery strategy. While the site is viable in principle, there remains uncertainty over the development capacity and timescales for delivery. The site is financially viable but currently lacks sufficient promoter engagement and certainty on delivery approach.

5. Summary and Recommendations

Findings	5.1	The viability testing undertaken as part of this study demonstrates that the majority of the strategic site allocations within Colchester City Council's emerging Local Plan Review are viable at a policy-compliant level of 30% affordable housing, alongside standard infrastructure and planning obligation assumptions.
	5.2	All sites tested produced a positive residual land value (RLV) above the relevant benchmark land value (BLV), indicating that the Council's current affordable housing and policy requirements are deliverable in the prevailing market context. The analysis also confirms that sites can accommodate typical Section 106 contributions and site infrastructure costs ranging from £25,000 to £35,000 per unit without compromising viability.
	5.3	Engagement with landowners and promoters has generally been constructive. Most parties provided supporting information on infrastructure assumptions, delivery timescales, and phasing strategies. In particular, Land North of Oak Road and Land at East Dawes Lane benefitted from active promoter engagement and a good understanding of delivery mechanisms. Several other sites, including North East Colchester, Land South of Marks Tey Village, and Land North of Park Lane, have established masterplanning frameworks and clear infrastructure strategies that align well with the Council's growth objectives.
	5.4	Conversely, engagement was more limited for Land North of Coach Road (Bloor / Hawkspur), where discussions between land interests are ongoing. While this site remains viable in appraisal terms, further collaboration will be important to confirm deliverability and timing.
	5.5	Overall, the findings indicate that the strategic growth strategy for Colchester is financially deliverable, with sufficient viability headroom to support affordable housing and infrastructure requirements across all tested sites.
Conclusions and Recommendations	5.6	Based on the results of this assessment, the strategic sites within the emerging Colchester Local Plan Review are considered viable and deliverable under current market conditions. The testing demonstrates that the Plan's policy requirements, including 30% affordable housing, can generally be supported without the need for adjustment.
	5.7	It is recommended that the Council: 1. Maintain the existing 30% affordable housing policy, as this has been shown to be achievable across all site typologies and value areas. 2. Continue proactive engagement with site promoters, particularly for those sites where delivery strategies or land assembly remain in progress - notably Land North of Coach Road (Bloor / Hawkspur). 3. Monitor market conditions and cost inflation, particularly as the 2025 Future Homes Standard and updated net zero construction requirements are implemented, to ensure future appraisals remain reflective of market reality. 4. Keep infrastructure cost assumptions under review, ensuring consistency with emerging evidence from transport, education, and utilities studies. 5. Encourage coordinated delivery across larger, multi-promoter sites (e.g. North of A120) to ensure infrastructure dependencies are aligned and housing trajectories are achievable.
	5.8	In conclusion, the evidence demonstrates that the strategic sites forming the basis of Colchester's Local Plan Review are broadly viable and capable of supporting sustainable housing growth to 2041. The Council's current policy framework is deliverable, provided ongoing monitoring and collaborative engagement continue through the next stages of plan preparation.

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251006_Strategic Site Appraisals_v0.1 - Summary Table

Appraisal Ref:	North East Colchester	Land South of Berechurch Hall Road	Land North of Oak Road	Land at East Dawes Lane	Land West of Station Road	Land North of Coach Road	Land North of Park Lane	Land South of Marks Tey Village	Land North of A120 (L&Q + Stantec)	Land North of A120 (Dandara)	Land at Colchester Station
Scheme Typology:	North East Colchester	Land South of Berechurch Hall Road	Land North of Oak Road	Land at East Dawes Lane	Land West of Station Road	Land North of Coach Road	Land North of Park Lane	Land South of Marks Tey Village	Land North of A120 (L&Q + Stantec)	Land North of A120 (Dandara)	Land at Colchester Station
No Units:	2000	875	600	300	200	400	900	1500	1000	140	250
Location / Value Zone:	Lower	Medium	Medium	Higher	Medium	Medium	Medium	Medium	Medium	Medium	Medium
Greenfield/Brownfield:	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield	Greenfield	Brownfield	Brownfield	Brownfield	Brownfield
Total GDV (£)	667,880,875	313,568,117	215,018,138	114,941,006	71,672,713	143,345,425	322,527,206	574,705,031	383,136,688	53,639,136	95,784,172
Policy Assumptions	-	-	-	-	-	-	-	-	-	-	-
AH Target %	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Site Specific S106 (£ per unit)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Site Infrastructure (£ per unit)	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Sub-total CIL+S106+Infrastructure (£ per unit)	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Profit KPI's	-	-	-	-	-	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	17.33%	17.35%	17.35%	17.37%	17.35%	17.35%	17.35%	17.37%	17.37%	17.37%	17.37%
Developers Profit (% on costs)	21.21%	22.79%	22.67%	24.19%	22.62%	22.63%	22.69%	24.34%	24.33%	24.20%	24.28%
Developers Profit Total (£)	115,728,853	54,400,337	37,303,088	19,964,760	12,434,363	24,868,726	55,954,632	99,823,802	66,549,201	9,316,888	16,637,300
Land Value KPI's	-	-	-	-	-	-	-	-	-	-	-
RLV (£/acre (net))	113,741	395,670	314,016	475,865	211,549	304,810	289,015	304,358	208,330	496,083	462,643
RLV Total (£)	5,696,942	17,603,489	11,348,023	10,700,352	3,680,077	7,403,772	17,173,362	55,671,055	37,064,452	5,016,063	9,145,518
BLV (£/acre (net))	62,500	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
BLV Total (£)	3,130,448	5,561,294	4,517,297	2,810,763	2,174,480	3,036,226	7,427,548	22,864,163	22,239,000	1,263,917	2,471,000
Surplus/Deficit (£/acre) [RLV-BLV]	51,241	270,670	189,016	350,865	86,549	179,810	164,015	179,358	83,330	371,083	337,643
Surplus/Deficit (£/ha)	126,615	668,825	467,058	866,988	213,863	444,310	405,280	443,193	205,909	916,947	834,315
Surplus/Deficit Total (£)	2,566,493	12,042,194	6,830,726	7,889,589	1,505,597	4,367,546	9,745,814	32,806,892	14,825,452	3,752,147	6,674,518
Plan Viability comments	Viable	Viable	Viable	Viable	Viable	Viable	Viable	Viable	Viable	Viable	Viable

Plan Viability comments	Viable	if RLV > BLV
	Marginal	if RLV < BLV, but RLV is positive
	Not Viable	if RLV < BLV, and RLV is negative

