
Fw: Land West of Pagham Road, Pagham, West Sussex - new PO/DOV Application

[REDACTED]

[REDACTED]

[REDACTED]

 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Breezie Allwright
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Please note my working days are Monday, Tuesday, Wednesday and Friday.

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Our priorities...

 Improving the wellbeing of Arun	 Delivering the right homes in the right places	 Supporting our environment to support us	 Fulfilling Arun's economic potential	 
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From: Simon Davis <Simon.Davis@arun.gov.uk>
Sent: 27 August 2026 11:12
To: Planning <Planning@arun.gov.uk>
Cc: Rosalind Bentley <Rosalind.Bentley@arun.gov.uk>
Subject: FW: Land West of Pagham Road, Pagham, West Sussex - new PO/DOV Application

Hi, see attached and below.

Simon

From: Luke Vallin [REDACTED]
Sent: 19 August 2026 13:23
To: Simon Davis <Simon.Davis@arun.gov.uk>
Cc: Steve Birc [REDACTED]; Adam Fiel [REDACTED]
Subject: Re: Land West of Pagham Road, Pagham, West Sussex

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Hi Simon,

Further to Adam's email below, please find attached the completed DOV application form, alongside the Location Plan requested on the form.

Do let us know if you need anything further.

Kind regards,

Luke

Luke Vallins | Head of Planning - MRTPI

t: [REDACTED]

www.bargatehomes.co.uk



Address: The New Barn Vicarage Farm Business Park, Winchester Road, Fair Oak, Hampshire SO50 7HD. Company Registration Number: 05626135

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From: Adam Fiel [REDACTED]
Sent: Wednesday, August 19, 2026 11:35 AM
To: Simon Davis <Simon.Davis@arun.gov.uk>
Cc: Steve Birc [REDACTED]; Luke Vallin [REDACTED]
Subject: RE: Land West of Pagham Road, Pagham, West Sussex

Good Morning Simon,

Thank you for confirming your support for the approach outlined.

We will proceed with submission of the DOV as instructed but should you require any additional information in the meantime, please don't hesitate to contact me.

Regards

Adam Field | Development Partner

www.bargatehomes.co.uk

BARGATE

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From: Simon Davis <Simon.Davis@arun.gov.uk>

Sent: 19 August 2026 09:31

To: Adam Fiel [REDACTED]

Cc: Steve Birc [REDACTED]; Luke Vallin [REDACTED]

Subject: RE: Land West of Pagham Road, Pagham, West Sussex

Dear Adam,

Thanks for your further email. We have reviewed this and colleagues in Housing have discussed it. They see this as a very positive way forward for this development in respect of the Affordable Housing delivery and they confirm their support for the proposal as described and detailed.

Kind Regards

Simon

Simon Davis MRTPI
Principal Planning Officer, Directorate of Growth

T: 01903 737874

E: simon.davis@arun.gov.uk

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Delivering the right homes in the right places



Supporting our environment to support us



Fulfilling Arun's economic potential



Our core foundations



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From: Adam Fie [REDACTED]
Sent: 10 August 2026 12:21
To: Simon Davis <Simon.Davis@arun.gov.uk>
Cc: Steve Birc [REDACTED]; Luke Vallin [REDACTED]
Subject: FW: Land West of Pagham Road, Pagham, West Sussex

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Good afternoon Simon,

Apologies for the delay in responding. I have been seeking further clarification from our parent company, VIVID, who will ultimately be responsible for delivering the affordable dwellings at Pagham.

Whilst we are grateful for the pragmatic approach taken, unfortunately it will not be possible to secure a covenant against the "non Section 106 units". We have now confirmed that doing so would prevent the homes from qualifying for grant funding, as they need to remain capable of being charged as Market Homes for this purpose.

As an alternative, the S106 DOV can provide the necessary comfort through appropriate wording relating to the "Additional Affordable Housing Units". This will ensure that the homes are permanently maintained on affordable housing terms, with the relevant obligations remaining enforceable by Homes England.

I have attached an example where the suggested approach was recently accepted by Waverley, with VIVID working alongside another developer to deliver affordable homes with the benefit of grant funding.

VIVID would, of course, be happy to provide any further information or clarification that Arun may require.

If you could confirm the principle of this approach is acceptable, we will proceed with the DOV application.

Regards,

Adam Field | Development Partner



www.bargatehomes.co.uk



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From: Simon Davis <Simon.Davis@arun.gov.uk>
Sent: 28 July 2026 11:12
To: Luke Vallin [REDACTED]; Steve Birc [REDACTED]
Cc: Adam Fiel [REDACTED]
Subject: RE: Land West of Pagham Road, Pagham, West Sussex

Dear Luke and Steve,

My colleagues in Housing have now stated a preference for Option B as if Vivid can secure grant funding from Homes England, it will boost the numbers and it should be easy to agree a covenant that can be put on the sales of these units to ensure they remain Affordable in Perpetuity. This also ensures that the properties provided will be social homes, in perpetuity, not affordable.

A Deed of Variation (DOV) application (obtained from here: <https://www.arun.gov.uk/making-a-planning-application>) will need to be submitted along with a proposed legal DoV, and you will need to ensure the submission takes account of the Councils Three Dragons Report on Affordable housing delivery (link below) as well as the viability position.

<https://democracy.arun.gov.uk/documents/s20726/Appendix%20to%20Item%208%20-%20Affordable%20housing%20delivery%20-%20Three%20Dragons%20Report.pdf>

We may seek an external review of the viability position through such an application.

Kind Regards

Simon

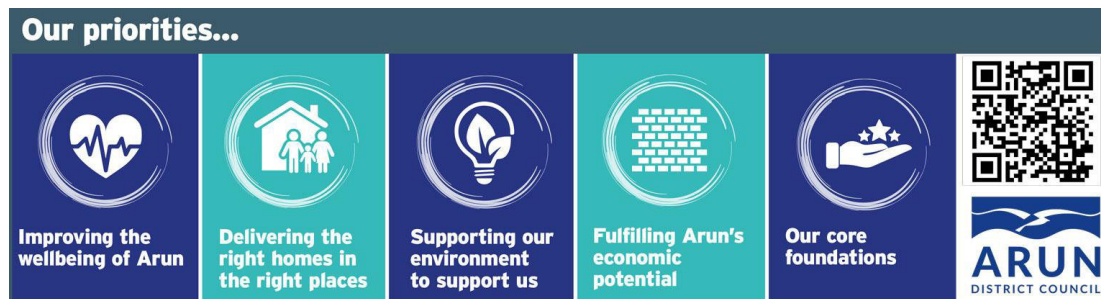
Simon Davis MRTPI
Principal Planning Officer, Directorate of Growth

T: 01903 737874

E: simon.davis@arun.gov.uk

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From: Steve Birc [REDACTED]
Sent: 25 June 2026 15:51
To: Simon Davis <Simon.Davis@arun.gov.uk>
Cc: Luke Vallin [REDACTED]
Subject: FW: Land West of Pagham Road, Pagham, West Sussex

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Dear Mr Davis

Further to your recent discussion with my colleague, Luke Vallins, I am writing as suggested to raise the issue of non-commercial viability in respect to the above development site.

As you are aware the site benefits from outline and a reserved matters planning consents detailing 95 units and is subject to a S106 Agreement detailing a policy compliant 30% affordable units, 21 social units and 8 First Homes.

A combination of factors has resulted in the loss of commercial viability on this and other Bargate schemes. This is defined as the percentage of financial return on Delivery Costs falling below the point at which Bank Funding is available to facilitate development. As matters stand currently, Bargate is unable to deliver this site with the compliant level of affordable housing on site.

This position is not unique to Bargate but indicative of commercial pressures impacting on both National Housebuilders and SME's Nationwide.

Listed below are some of the key issues which are impacting negatively upon the commercial viability of these schemes. Effectively prestart taxes on development.

- Increases in CIL and S106 contributions through indexation.
- Higher standards for energy efficiency, with a move towards the Future Homes Standards.
- The impending Building Safety Levy.
- Landfill tax.

In addition to the above we have seen unprecedented increases in the cost of delivery of development. Inflation, Central Government Policies and the overall global economy have conspired to increase delivery costs by some 25% while the value of private housing units which generate the Gross Development Values of these sites remain static.

The value of Affordable Housing delivered by way of s106 Agreements has fallen significantly, this as a direct result of steep rises in interest rates. At the time the Pagham site was purchased the assumed value of affordable housing was set at some 70% of Open Market Value, current values equate to circa 50% of Open Market Value.

Planning costs have also increased over recent years to unprecedented levels. Navigating an ever more complex and involved planning system with ever increasing demands for additional reports, detail and clarification from LPA's and statutory consultees have seen third party planning costs to date in respect to this site to be in excess of £256k. This figure excluding the cost of Bargate's internal resource and any further third party costs incurred

Bargate is a wholly owned subsidiary of VIVID Homes, the largest provider of affordable housing in Hampshire with Charitable Trust status. As such any and all profits generated by Bargate are gifted back to our Parent Company to be re invested in the delivery of further housing. This request is not to facilitate dividend payments to shareholders, it is to enable these developments to qualify for the bank funding required to deliver them.

Attached and titled Appendix A is a generic Viability Report released by the House Builders Federation in March this year detailing the overarching fiscal pressures facing developers Nationwide

Also attached a RICS Viability Report relating to the Pagham site prepared on behalf of Bargate by Vail Williams. This report conclude that current levels of viability would support the removal of Affordable Housing from this site entirely.

However, our preference would be to work with the Local Planning Authority to deliver that Affordable Housing which can be achieved, albeit at reduced levels.

With assistance from our colleagues at Vivid we have we have prepared two potential options as to how delivery of affordable housing might be structured. A briefing note from VIVID (Affordable Housing Delivery Out of S106 Agreement) is attached setting out Option B, how affordable housing can be secured as such and where this has previously been employed with case studies.

Option A – The number of Section 106 secured affordable housing units is reduced and the tenure mix is varied. This to allow an increase in delivery of private units to boost the scheme viability.

Option B – Delivery of affordable housing outside of a s106 Agreement. This would still require a reduction in affordable unit numbers but to a lesser degree as under these circumstances Vivid would be able to apply Homes England Grant Funding to the Affordable Housing so increasing the Contract Price. Vivid would undertake to enter into a covenant or contract with Arun to give comfort that these units would remain as social housing in perpetuity.

We have set out below the impact on the site in regard to **Option A** and **Option B** showing what level of affordable housing might be deliverable.

Land West of Pagham Road, Pagham (29 affordable units – 30%)

Option A - 18 affordable units (19% affordable delivery)
Option B – 23 affordable units (24% affordable delivery)

We appreciate these variations must be both agreed and with officers and approved at Committee before they can be implemented. We would reiterate our willingness to work collaboratively with Arun to agree a way forward for these sites and trust the above clearly sets out the issues we have encountered and our proposed options to resolution.

We look forward to hearing from you further on this matter and do please contact us should any further detail or clarification be required.

Kind regards

STEVE BIRCH | Land & Planning Director



Address: The New Barn Vicarage Farm Business Park, Winchester Road, Fair Oak, Hampshire SO50 7HD. Company Registration Number: 05626135

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