

Report

Stafford Borough Council Local Plan and CIL
Viability Assessment



Stafford Borough Council

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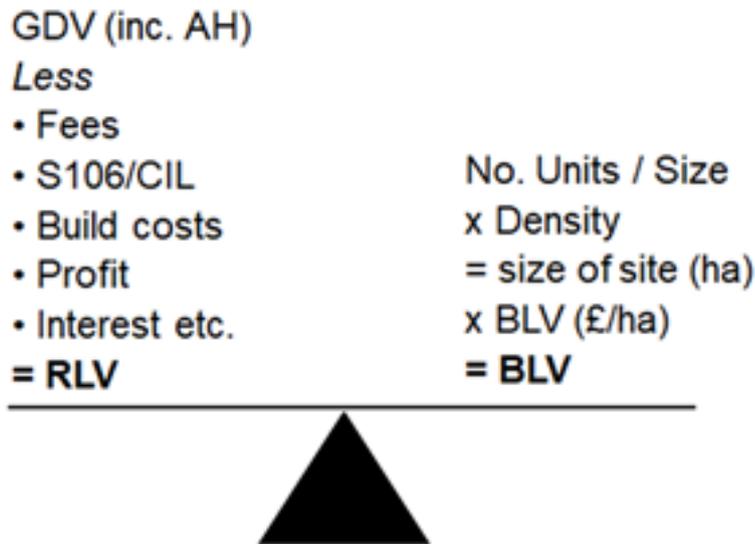
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Executive Summary

- ES 1 AspinallVerdi has been appointed by Stafford Borough Council (SBC, the Council, the Local Planning Authority (LPA) as the context requires) to provide a Financial Viability Assessment (FVA) in respect of the Council's Draft Local Plan. We have also been also been appointed to recommend whether there is sufficient surplus to fund a potential CIL charge in the Borough.
- ES 2 The primary aim of the commission is to produce an up-to-date viability assessment, which will form a robust and sound evidence base for the new Local Plan to be adopted. The new Local Plan will cover a 20-year period to the year 2040, it will be a combined strategy, policies and allocations document and will replace the existing saved policies in The Plan for Stafford Borough 2011- 2031 (Parts 1 and 2). A Community Infrastructure Levy (CIL) charging schedule was considered in 2015 and a preliminary draft charging schedule was produced, however this schedule was not adopted.
- ES 3 We have conducted our market research based on the existing available evidence and our assumptions are based on a 'business as normal' approach. Our appraisals herein include sensitivity analysis on values. This is to provide some futureproofing to the study. The assumptions used may be subject to change and we recommend that the conclusions of this report are kept under review.
- ES 4 We have reviewed the Preferred Option of the emerging Stafford Local Plan in order to test the cumulative impact of these policies in the context of the Local Plan.
- ES 5 We have carried out a review of the market for new build residential sales and development land values in Stafford Borough (see Appendices 3 and 4 respectively).
- ES 6 Our financial viability appraisal has been carried out having regard to the various statutory requirements comprising primary legislation, planning policy, statutory regulations and guidance.
- ES 7 Our general approach is illustrated on the diagram below (Figure ES.1). This is explained in more detail in Section 4 – Viability Assessment Method.

Figure ES.1 – Balance between RLV and BLV



Source: AspinallVerdi © Copyright

- ES 8 We have carried out residual appraisals to establish the Residual Land Value (RLV). This is a traditional model having regard to: the gross development value (GDV) of the scheme; including Affordable Housing; and deducting all costs to arrive at the RLV. A scheme is viable if the RLV is positive for a given level of profit. We describe this situation herein as being ‘fundamentally’ viable.
- ES 9 We have had regard to the cumulative impact of the Local Plan policies. The impact of each of the policies (either direct or indirect) is set out on the policies matrix (at Appendix 1).
- ES 10 This is then compared to the Benchmark Land Value (BLV). The BLV is the price at which a landowner will be willing to sell their land for development and is derived from benchmark Market Values and Existing Use Values (EUV), the size of the hypothetical scheme and the development density assumption.
- ES 11 The RLV less BLV results in an appraisal ‘balance’ which should be interpreted as follows:
- If the ‘balance’ is positive, then the proposal / policy is viable. We describe this as being ‘viable for plan making purposes’ herein.
 - If the ‘balance’ is negative, then the proposal / policy is ‘not viable for plan making purposes’ and the CIL and/or Affordable Housing policy should be reviewed.
- ES 12 In addition to the RLV appraisals and BLV analysis, we have also prepared a series of sensitivity scenarios for each of the typologies. This is to assist in the analysis of viability and to appreciate the sensitivity of the appraisals to key variables such as: Affordable Housing %; infrastructure

costs; density; BLV and profit; and, to consider the impact of rising construction costs. This is to de-emphasise the BLV in each typology and help consider viability 'in-the-round' i.e. in the context of sales values, development costs, contingency, developer's profit which make up the appraisal inputs.

ES 13 ***It is important to note that the BLV's contained herein are for 'high-level' plan viability purposes and the appraisals should be read in the context of the BLV sensitivity table (contained within the appraisals). It is important to emphasise that the adoption of a particular BLV £ in the base-case appraisal typologies in no way implies that this figure can be used by applicants to negotiate site specific planning applications. Where sites have obvious abnormal costs (e.g. sloping topography or limited access etc.) these costs should be deducted from the value of the land. The land value for site specific viability appraisals should be thoroughly evidenced having regard to the existing use value of the site in accordance with the PPG. This report is for plan-making purposes and is 'without prejudice' to future site-specific planning applications.***

ES 14 Our detailed assumptions and results are set out in sections 5 - 7 of this report together with our detailed appraisals which are appended. In summary we make the following recommendations:

Generic Residential Typologies

ES 15 We have appraised a wide range of borough-wide residential typologies ranging between 10 units and 250 units. Both greenfield and brownfield sites have been tested within our typologies.

ES 16 We recommend the following affordable housing rates:

	Greenfield	Brownfield
High Value Area	40%	10%
Medium Value Area	20%	5%
Low Value Area	10%	0%

Source: AspinallVerdi, 2022.

ES 17 The above rates are viable when CIL is set at £0 psm. We would therefore recommend that for the Local Plan to come forward at the above levels of affordable housing, a CIL charge should not be implemented.

Strategic Sites

ES 18 We have appraised two strategic sites. We have tested these sites at differing levels of affordable housing and undertaken sensitivity analysis:

- Meecebrook – 40%
- Station Gateway – 30%

ES 19 We have included the existing and proposed policy costs in our appraisals. These assumptions are set out in the Strategic Site Assumptions at Appendix 6 (which are based on stakeholder consultation). We would note that, due to the infancy of the sites, detailed infrastructure and site-specific costs are not currently available. We have therefore adopted high level assumptions to represent the infrastructure costs for each site which may act as a limiting factor in determining viability.

ES 20 Based on our appraisals, we recommend that:

- Meecebrook is marginally viable. Further discussions and engagement are needed with the identified landowners to solidify a red line boundary and manage expectations.
- Station Gateway is marginally viable. The large number of landowners may lead to complexities with collaboration and equalisation agreements which puts the site at risk.

1 Introduction

- 1.1 AspinallVerdi has been appointed by Stafford Borough Council (SBC, the Council, the Local Planning Authority (LPA) as the context requires) to provide a Financial Viability Assessment (FVA) in respect of the Council's Draft Local Plan.
- 1.2 The primary aim of the commission is to produce an up-to-date viability assessment, which will form a robust and sound evidence base for the new Local Plan to be adopted. The new Local Plan will cover a 20-year period to the year 2040. It will be a combined strategy, policies and allocations document and will replace the existing saved policies in The Plan For Stafford Borough 2011 – 2031 (adopted June 2014) and The Plan For Stafford Borough Part 2: 2011 – 2031 (adopted January 2017).
- 1.3 In carrying out our review of the Local Plan, we have had regard to the cumulative impact on development of the Local Plan policies. The objectives of the commission are:
- To provide an assessment including the cumulative impact of the proposed policy requirements on the viability of development across a range of site typologies and locations in order to satisfy the tests of viability and deliverability set out in the NPPF (National Planning Practice Guidance).
 - To advise on affordable housing in the context of the emerging Plan in accordance with the Community Infrastructure Levy (CIL) regulations 2010 (as amended).
 - Ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan.
 - Set viable policy requirements that take account of affordable housing and infrastructure needs.
 - Allocate sites and set polices for sites, such as affordable housing requirements, which are deliverable, without the need for further viability assessment at the decision-making stage.
 - Develop typologies for certain types of sites to determine viability at the plan making stage.
 - Explore the possibility and provide recommendations regarding the possible introduction of a CIL charge.

RICS Practice Statement & Guidance

- 1.4 Our FVA has been carried out in accordance with the RICS Financial Viability in Planning: Conduct and Reporting Practice Statement (1st Edition, May 2019).
- 1.5 Our FVA has also been carried out in accordance with the RICS Assessing Viability in Planning under the National Planning Policy Framework 2019 for England Guidance Note (1st edition,

March 2021) having regard to the latest revisions to the National Planning Policy Framework (NPPF, last updated 20 July 2021) and the Planning Practice Guidance (PPG).

Objectivity, Impartiality and Reasonableness

- 1.6 We have carried out our review in collaboration with the Council as the Local Planning Authority (LPA) and in consultation with industry (Registered Providers, developers and landowners). At all times we have acted with objectivity, impartially and without interference when carrying out our viability assessment and review.
- 1.7 At all stages of the viability process, we have advocated reasonable, transparent and appropriate engagement between the parties.

Conflicts of Interest

- 1.8 We confirm that we have no conflict of interest in providing this advice and we have acted independently and impartially.

Local Plan Reviewed

- 1.9 We have reviewed the draft emerging Stafford Borough Local Plan in order to test the cumulative impact of these policies in the context of the Local Plan.
- 1.10 The remainder of this report is structured as follows:

Section:

Contents:

Section 2 - National Policy Context

This section sets out the statutory requirements for the Local Plan and CIL viability including the NPPF, CIL Regulations and PPG website.

Section 3 - Local Policy Context

This section sets out the details of the existing evidence base and the Local Plan policies which will have a direct impact on viability. The assumptions we have made to mitigate such policies are set out in the following sections.

Section 4 – Viability Assessment Methodology

This section describes our generic methodology for appraising the viability of development which is based on the residual approach as required by guidance and best practice.

Section:	Contents:
Section 5 – Residential Assumptions	We set out the development typologies that are to be tested as part of the study and summarise the cost and value assumptions made in the financial appraisals. This section references separate papers on the residential market and land values which are appended to this report.
Section 6 – Key Large Sites / Strategic Sites	We set out the key large and / or strategic sites that are to be tested separately. This section references the emerging policy specific and infrastructure requirements that are required to deliver these sites. This section also builds on the residential assumptions set out in the previous section.
Section 7 - Conclusions and Recommendations	Finally, we make our recommendations in respect of the Local Plan including affordable housing, CIL and other planning policy costs.

2 National Policy Context

- 2.1 Our financial viability appraisal has been carried out having regard to the various statutory requirements comprising primary legislation, planning policy, statutory regulations and guidance.
- 2.2 We identify below the key cross-references in the NPPF and PPG and our comments in respect of viability and deliverability. This is not meant to be exhaustive and reference should be directly made to the relevant sections of the NPPF and PPG.

National Planning Policy Framework

- 2.3 The NPPF (last updated 20 July 2021) sets out the Government’s planning policies for England and how these should be applied and provides a framework within which locally-prepared plans for housing and other development can be produced¹.
- 2.4 It confirms the primacy of the development plan in determining planning applications. It confirms that the NPPF must be taken into account in preparing the development plan, and is a material consideration in planning decisions².
- 2.5 It is important to note that within the NPPF, paragraph 173 of the original 2012 NPPF has been deleted. The original paragraph 173 referred to viability and required ‘*competitive returns to a willing land owner and willing developer to enable the development to be deliverable*’.
- 2.6 The new NPPF refers increasingly to *deliverability* as well as *viability*.
- 2.7 We draw your attention to the following key paragraphs (Table 2-1).

Table 2-1 - NPPF Key Cross-References

Paragraph Number - Item	Quote / Comments
Para 34 - Development contributions	Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). <i>Such policies should not undermine the deliverability of the plan. (our emphasis)</i>

¹ National Planning Policy Framework, 20 July 2021, para 1

² National Planning Policy Framework, 20 July 2021, para 2

Paragraph Number - Item	Quote / Comments
Para 57 – Planning obligations [tests]	<p>Planning obligations must only be sought where they meet all of the following tests³:</p> <ul style="list-style-type: none">a) necessary to make the development acceptable in planning terms;b) directly related to the development; andc) fairly and reasonably related in scale and kind to the development. <p>Notwithstanding the latest changes to the CIL Regulations (2019) which do away with the requirements for a Regulation 123 list of infrastructure, these tests ensure that Local Authorities cannot charge S106 or CIL twice ('double-dip') for the same infrastructure (as this would not be fair and reasonable).</p>
Para 58 – Presumption of viability	<p>Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. <i>The weight to be given to a viability assessment is a matter for the decision maker</i>, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available. (our emphasis)</p> <p>We understand that the Government's objective is to reduce the delays to delivery of new housing due to the site-specific viability process that was created as a result of the previous paragraph 173. Once a new Local Plan is adopted no site-specific viability assessment should be required (except in</p>

³ Set out in Regulation 122(2) of the Community Infrastructure Levy Regulations 2010.

Paragraph Number - Item Quote / Comments

exceptional circumstances) and developers should factor into their land buying decisions the cost of planning obligations (including affordable housing).

Para 64 – 10 Unit Threshold

Provision of affordable housing should not be sought for residential developments that are not major⁴ developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer).

Para 64 – Vacant Building Credit (VBC)

To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.

The VBC provides another layer of contingency on brownfield site typologies.

Para 65 – 10% affordable home ownership

Where major development involving the provision of housing is proposed, planning policies ... should expect at least 10% of the total number of homes to be available for affordable home ownership unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.

Exemptions to this 10% requirement should also be made where the site or proposed development:

- a) provides solely for Build to Rent homes;
- b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);
- c) is proposed to be developed by people who wish to build or commission their own homes; or

⁴ Major development: For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000m² or more, or a site of 1 hectare or more, or as otherwise provided in the Town and Country Planning (Development Management Procedure) (England) Order 2015.

Paragraph Number - Item Quote / Comments

d) is exclusively for affordable housing, an entry-level exception site or a rural exception site.

Source: NPPF (last updated 20 July 2021), AspinallVerdi 2022.

Planning Practice Guidance for Viability

2.8 The Planning Practice Guidance for Viability was first published in March 2014 and substantially updated in line with the NPPF. This has subsequently been updated on numerous⁵ occasions and latterly 1 September 2019.

2.9 Below we summarise some key aspects of the PPG for this study (Table 2-2).

Table 2-2 – PPG Viability Key Cross-References

Paragraph Number - Item Quote / Comments

Para 001 – Setting Policy requirements

Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure).

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

⁵ PPG Viability has been updated in February 2019, May 2019 and 1 September 2019

Paragraph Number - Item Quote / Comments

This confirms that Local Authorities can set different levels of CIL and/or affordable housing by greenfield or brownfield typologies (see below also).

Para 002 - Deliverability

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

And, policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, *without the need for further viability assessment* at the decision making stage.

Also, it is the *responsibility of site promoters to engage in plan making*, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. (our emphasis)

In this respect we have carried out a stakeholder workshop⁶ to consult with industry (Registered Providers, developers and landowners) in respect of the cost, value and BLV assumptions of the site allocations and we have consulted privately on a one-to-one basis with land owners and site promoters of Key Large / Strategic Sites.

Para 003/4 - Typologies

Plan makers can use site typologies to determine viability at the plan making stage.

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

⁶ Wednesday 15th December 2021 14:00 – 16:00

Paragraph Number - Item Quote / Comments

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

Para 005 – Strategic Sites testing

Plan makers can undertake *site specific viability assessment for sites that are critical to delivering the strategic priorities of the plan*. This could include, for example, large sites, sites that provide a significant proportion of planned supply, sites that enable or unlock other development sites or sites within priority regeneration areas.

In this respect we have specifically tested the following strategic sites:

- Meecebrook Garden Community – 6,000 homes
- Station Gateway – 932 homes

Para 006 – Engaging Strategic site promoters

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

It is the *responsibility of site promoters to engage* in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant...

Where up-to-date policies have set out the contributions expected from development, planning applications that fully comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.

In this respect we have carried out detailed consultation and engagement on a one-to-one basis with landowners, site

Paragraph Number - Item Quote / Comments

promotors and developers of potential Key Large / Strategic Site allocations. This is to establish, not only their viability, but also their deliverability in terms of development over the new Local Plan period.

Para 010 - principles for carrying out a viability assessment (strike a balance)

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

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

Para 011 – gross development value

For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered.

For commercial development broad assessment of value in line with industry practice may be necessary.

For broad area-wide or site typology assessment at the plan making stage, *average figures can be used*, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. (Our emphasis)

Para 012 – development costs

Assessment of costs should be based on evidence which is reflective of local market conditions...costs include:

- build costs - e.g. Building Cost Information Service (BCIS)
- abnormal costs*
- site-specific infrastructure costs*
- the total cost of all relevant policy requirements*

Paragraph Number - Item Quote / Comments

	<ul style="list-style-type: none"> • general finance • professional*, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. • project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return. <p>*the PPG suggests that these costs should be taken into account when defining benchmark land value.</p>
<p>Para 013 – Benchmark Land Value (BLV)</p>	<p>a benchmark land value should be established on the basis of the <i>existing use value (EUV) of the land, plus a premium for the landowner.</i> (our emphasis)</p>
<p>Para 014 - What factors should be considered to establish BLV?</p>	<p>Benchmark land value should:</p> <ul style="list-style-type: none"> • be based upon existing use value (EUV) • allow for a premium to landowners • reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees
<p>Para 014 – Market evidence in BLV</p>	<p>Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There <i>may be a divergence between benchmark land values and market evidence;</i> and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners. (our emphasis)</p>
<p>Para 014 – Circularity of land values</p>	<p>[Market] evidence should be based on developments which are <i>fully compliant with emerging or up to date plan policies,</i> including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and <i>evidence any adjustments</i> to reflect the cost of policy compliance. This is so</p>

Paragraph Number - Item Quote / Comments

that *historic benchmark land values of non-policy compliant developments are not used to inflate values over time.* (our emphasis)

Para 015 – Existing Use Value (EUV)

EUV is the value of the land in its existing use.

Existing use value is not the price paid and should *disregard hope value.*

Existing use values will vary depending on the type of site and development types.

EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

Para 016 – Premium

[The premium] is the amount above existing use value (EUV) that goes to the landowner.

The premium should provide a *reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements.*

Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed *by professional judgement* and must be based upon the best available evidence informed by cross sector collaboration.

Market evidence can include benchmark land values from other viability assessments.

Land transactions can be used but *only as a cross check* to the other evidence.

Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site

Paragraph Number - Item Quote / Comments

scale, market performance of different building use types and reasonable expectations of local landowners.

Policy compliance means that the development complies fully with up-to-date plan policies including any policy requirements for contributions towards affordable housing requirements at the relevant levels set out in the plan.

Para 016 – Price paid evidence

Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).

The PPG emphasises throughout (para 2, 3, 6, 11, 14, 18) that the price paid for land is not a relevant justification for failing to accord with relevant policies in the plan.

However, data on actual price paid (or the price expected to be paid through an option or promotion agreement) is particularly relevant for strategic sites to ensure that they are deliverable over-time.

Para 017 – Alternative Use Value (AUV)

This is more at the decision-making stage as our site typologies herein are all for broadly defined uses.

Para 018 – Profit (return to developers)

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

In this respect we have provided sensitivities on the profit margin.

Paragraph Number - Item Quote / Comments

Para 019 – Build to rent (BTR)	The <i>economics of build to rent schemes</i> differ from build for sale as they depend on a long term income stream. For build to rent it is expected that <i>the normal form of affordable housing provision will be affordable private rent</i> . Where plan makers wish to set affordable private rent proportions or discount levels at a level differing from national planning policy and guidance, this can be justified through a viability assessment at the plan making stage. (our emphasis)
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Source: PPG Viability (last updated 1 September 2019) and AspinallVerdi, 2021.

Planning Practice Guidance for CIL

- 2.10 There is a separate section of the PPG for CIL (Community Infrastructure Levy). The key guidance for our viability assessment is set out below.
- 2.11 The CIL PPG guidance was first published in June 2014 and last updated in November 2020. The PPG is intended to provide clarity on the CIL Statutory Regulations which were first introduced in April 2010 and amended in February 2011, November 2012, April 2013, February 2014, March 2015 and September 2019⁷. The Regulations have never been consolidated.
- 2.12 We draw your attention to the following key paragraphs (Table 2-3).

Table 2-3 - PPG CIL Key Cross-References

Paragraph Number - Item Quote / Comments

Para 010 – Appropriate balance	When deciding the levy rates, an authority <i>must strike an appropriate balance</i> between additional investment to support development and the potential effect on the viability of developments. (our emphasis)
Para 017 – Infrastructure Funding Statement	The infrastructure funding statement should identify infrastructure needs, the total cost of this infrastructure, anticipated funding from developer contributions, and the choices the authority has made about how these contributions will be used.

⁷ <https://www.local.gov.uk/pas/pas-topics/infrastructure/cil-regulations-and-dclg-documents>

Paragraph Number - Item Quote / Comments

Para 019 – proportionate evidence to support a levy charge

Viability assessments should be *proportionate, simple, transparent* and publicly available in accordance with the viability guidance. (our emphasis)

Viability assessments can be prepared jointly for the purposes of both plan making and preparing charging schedules. This evidence should be presented in a document (separate from the charging schedule) that shows the potential effects of the proposed levy rate or rates on the viability of development across the authority's area.

Where the levy is introduced after a plan has been made, it may be appropriate for a local authority to supplement plan viability evidence with assessments of recent economic and development trends, and through working with developers (e.g. through local developer forums), rather than by procuring new evidence.

Para 020 - How should development be valued for the purposes of the levy?

Charging authorities should use evidence in accordance with planning practice guidance on viability. (see Table 2-2 – PPG Viability Key Cross-References above)

Para 020 - 'appropriate available evidence'

A charging authority must use '*appropriate available evidence*' (as defined in the section 211(7A) of the Planning Act 2008) to inform the preparation of their draft charging schedule. It is recognised that the available data is *unlikely to be fully comprehensive*. Charging authorities need to demonstrate that their proposed levy rate or rates are informed by 'appropriate available' evidence and *consistent* with that evidence across their area as a whole. (our emphasis)

Para 020 – sampling [typologies]

A charging authority should directly sample an appropriate range of types of sites across its area.

Charging authorities that decide to set differential rates may need to undertake more fine-grained sampling.

Paragraph Number - Item Quote / Comments

The sampling exercise should provide a robust evidence base about the potential effects of the rates proposed, *balanced against the need to avoid excessive detail.* (our emphasis)

Para 020 – viability buffer

A charging authority's proposed rate or rates should be *reasonable*, given the available evidence, but there is *no requirement for a proposed rate to exactly mirror the evidence.* For example, this might *not be appropriate if the evidence pointed to setting a charge right at the margins of viability.* There is room for some pragmatism. It would be appropriate to *ensure that a 'buffer' or margin is included*, so that the levy rate is able to support development when economic circumstances adjust. (our emphasis)

Note that the PPG does not specify what the appropriate buffer should be.

Para 022 – Differential rates

Charging authorities should consider how they could use differential rates to optimise the funding they can receive through the levy.

Differences in rates need to be justified by reference to the viability of development.

Differential rates should *not* be used as a means to deliver policy objectives. (our emphasis)

Differential rates may be appropriate in relation to

- geographical zones;
- types of development; and/or
- scales of development.

A charging authority that plans to set differential rates should seek to *avoid undue complexity.* Charging schedules with differential rates should *not have a disproportionate impact on particular sectors* or specialist forms of development. (our emphasis)

Paragraph Number - Item Quote / Comments

In all cases, differential rates must not be set in such a way that they constitute a notifiable State aid [now referred to a subsidy control since leaving the EU].

Para 023 – differential rates by use

Charging authorities may also set differential rates by reference to different intended uses of development. The definition of “use” for this purpose is not tied to the classes of the Use Classes Order although that Order does provide a useful reference point.

(Para 201 describes how changes to the Use Classes Order affect charging schedules that set differential rates according to use classes that no longer exist).

Para 024 – differential rates by scale

Rates can be set by reference to either floor area or the number of units or dwellings in a development.

Para 025 – differential rates by land value uplift [greenfield / brownfield]

The uplift in land value that development creates is affected by the existing use of land and proposed use. For example, *viability may be different if high value uses [e.g. residential] are created on land in an existing low value area [e.g. agricultural-greenfield area] compared to the creation of lower value uses or development on land already in a higher value area [e.g. urban brownfield area].*

Charging authorities can take these factors into account in the evidence used to set differential levy rates, in order to optimise the funding received through the levy.

Given the increasing emphasis in the NPPF and PPF on certainty in respect of policy obligations; innovation in respect of best practice; and the wisdom of bringing Local Plan and CIL viability reviews into synchronisation, we have long advocated differentiating CIL (and affordable housing targets) by greenfield and brownfield (previously developed land) typologies based on the evidence (herein).

This, together with PPG Viability paragraph 001, therefore confirms that CIL and affordable housing can be differentiated

Paragraph Number - Item Quote / Comments

by greenfield and brownfield existing site typologies. This should make the process of planning and development (land value capture) much simpler and more efficient.

Para 026 – differential rates for zones

Differential rates for geographic zones can be used across a charging authority’s area.

Authorities may wish to align zonal rates for strategic development sites.

Para 026 – differential rates for strategic sites

Charging authorities may want to consider how zonal rates can ensure that the levy compliments plan policies for strategic sites. This may include setting *specific rates for strategic sites* that reflect the land value uplift their development creates. *Low or zero rates may be appropriate* where plan policies require significant contributions towards housing or infrastructure through planning obligations. (our emphasis)

See also the comments above in respect of the S106 tests and double-dipping. (NPPF Para 57 – Planning obligations)

We have carried out separate appraisals of the strategic sites (see Section 8). However, the working assumption is that these sites will mitigate their own harm through S106 and not contribute through CIL (£0 psm zone(s)). This is to ensure that there is no ‘double-dipping’ of contributions.

Para 065 – Social Housing relief [inc. First Homes]

Social housing relief is a mandatory discount that can be applied to most *social rent, affordable rent, and intermediate rent dwellings, provided by a local authority or private registered provider, and shared ownership dwellings.*

Subject to meeting specific conditions, social housing relief can also apply to *discounted rental properties* provided by bodies which are neither a local authority nor a private registered provider.

Mandatory social housing relief can also apply to dwellings where the first and subsequent sales are for no more than 70% of their market value (“*First Homes*”). (our emphasis)

Paragraph Number - Item Quote / Comments

Para 128 - Can payment be made in instalments?	<p>'Yes' - Where a charging authority wishes to allow payment by instalments, they must have published an instalment policy on their website. An instalment policy can assist the viability and delivery of development by taking account of financial restrictions, for example in areas such as development of homes within the buy to let sector.</p> <p>For the purposes of our appraisals herein, we have assumed that the payment of CIL is phased.</p>
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Source: PPG CIL (last updated 16 November 2020) and AspinallVerdi

Levelling Up and Regeneration Bill

- 2.13 The Planning for the Future White Paper included proposals to reform CIL and the current system of planning obligations as a nationally set, value-based flat rate charge (the 'Infrastructure Levy'). The aim is for the new Levy to raise more revenue than under the current system of developer contributions, and deliver at least as much – if not more – on-site affordable housing as at present. The reform is to capture a greater share of the uplift in land value that comes with development.
- 2.14 DLUHC has now published the Levelling Up and Regeneration Bill which includes proposals for the Infrastructure Levy (11 May 2022).
- 2.15 The Bill sets out the framework for the new Levy and the detailed design will be delivered through Regulations⁸ (to follow).
- 2.16 The Levy will be charged on the value of property when it is sold and applied above a minimum threshold. Levy rates and minimum thresholds will be set and collected locally, and local authorities will be able to set different rates within their area. The rates will be set as a percentage of gross development value rather than based on floorspace.
- 2.17 The detail of different elements of the new Infrastructure Levy will need to be set in Regulations, following consultation which is still to take place. The aim is to introduce the Levy through a 'test and learn' approach. This means it will be rolled out nationally over several years, allowing for careful monitoring and evaluation, in order to design the most effective system possible.

⁸ Policy paper, Levelling Up and Regeneration: further information, Published 11 May 2022 - <https://www.gov.uk/government/publications/levelling-up-and-regeneration-further-information/levelling-up-and-regeneration-further-information>

- 2.18 Sites permitted before the introduction of the new Levy will continue to be subject to their CIL and Section 106 requirements.
- 2.19 For the purposes of our viability assessment, we have ignored the proposed reforms as it is too early to take them into account but they will need to be kept under review.

PPG for First Homes

- 2.20 On 24 May 2021 MHCLG (now DLUHC) issued guidance on First Homes. This is as follows (Table 2-4).

Table 2-4 - PPG for First Homes Key Cross-References

Paragraph Number - Item	Quote / Comments
Para 001 - What is a First Home?	<p>First Homes are a specific kind of discounted market sale housing and should be considered to meet the definition of ‘affordable housing’ for planning purposes. Specifically, First Homes are discounted market sale units which:</p> <p>a) must be <i>discounted by a minimum of 30%</i> against the market value;</p> <p>b) are sold to a person or persons meeting the First Homes eligibility criteria [Para 002];</p> <p>c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,</p> <p>d) after the discount has been applied, the first sale must be at a price <i>no higher than £250,000 (or £420,000 in Greater London)</i>.</p> <p>First Homes are the government’s preferred discounted market tenure and <i>should account for at least 25% of all affordable housing units</i> delivered by developers through planning obligations. (our emphasis)</p>
Para 004 – Minimum discount	<p>In order to qualify as a First Home, a property must be sold <i>at least 30% below the open market value</i>. Therefore, the required minimum discount cannot be below 30%.</p>

Paragraph Number - Item Quote / Comments

However, local authorities [have] the discretion to require a higher minimum discount of either 40% or 50% if they can demonstrate a need for this. As part of their plan-making process, local planning authorities should undertake a housing need assessment to take into account the need for a range of housing types and tenures, including various affordable housing tenures (such as First Homes).

Para 013 – 25% tenure mix

Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required.

Policies for First Homes should reflect the requirement that a *minimum of 25% of all affordable housing units secured through developer contributions should be First Homes.* (our emphasis)

Para 016 – First Homes and CIL

The Community Infrastructure Levy (CIL) Regulations 2010 (as amended) make provisions for charging authorities to give relief or grant exemptions from the levy. These regulations *allow developers of First Homes to obtain an exemption from the requirement to pay CIL.*

This is the same for all affordable housing tenures.

Para 023 - 10% of affordable homes should be available for affordable home ownership

The 25% expected First Homes contribution for any affordable product can make up or contribute to the 10% of the overall number of homes expected to be an affordable home ownership product on major developments as set out in the NPPF.

Source: PPG First Homes (Published 24 May 2021) and AspinallVerdi, 2022.

2.21 The next section of the report sets out the local planning policies which impact viability.

3 Local Planning Authority Policy Context

- 3.1 This section sets out the local policy context for our viability assessment.
- 3.2 Stafford Borough Council is the Local Planning Authority for Stafford Borough (Stafford BC). The current statutory development plans for the Borough are The Plan for Stafford 2014 and the Plan for Stafford Part 2 2017. Both Plans establish the strategic planning framework for Stafford Borough, which includes the setting of strategic policies to guide future growth and development to 2031.
- 3.3 The new Local Plan will set out the framework for the delivery of residential and employment growth across Stafford Borough between the years 2020 and 2040. The output of the study will be strategic and detailed viability testing for the New Local Plan and specific sites to demonstrate delivery of necessary infrastructure and affordable housing requirements. This will include the allocation of housing and employment sites for development within this timeframe as well as the potential for a Garden Community proposal.
- 3.4 We have analysed the draft local plan policies provided to us from Stafford Borough Council. Stafford Borough does not currently have a CIL Charging Schedule but we have also been asked to comment on the 'head room' available for a potential CIL. Those policies with a direct impact on viability have been factored into our economic assessment below. Those policies with an indirect impact have been incorporated into the viability study indirectly through the property market cost and value assumptions adopted.

Stafford Local Plan Viability Review, Preferred Options

- 3.5 We have reviewed the Stafford Borough Local Plan Preferred Options, Regulation 18, 2020 – 2040 plan.
- 3.6 A detailed matrix of all the planning policies is appended (see Appendix 1 – Policies Matrix), and this outlines how the directly influential policies have both shaped the typologies appraised and the assumptions adopted within the appraisals. We highlight the directly influential policies below.
- 3.7 The policies considered to have a direct influence on viability are set out on Table 3-1 below.

Table 3-1 – Stafford Borough Local Plan Policies with a Direct Impact on Viability

Policy No.	Policy
4	Climate Change Development Requirements
9	North of Stafford

Policy No.	Policy
10	West of Stafford
23	Affordable Housing
24	Standard Homes for Life
31	Housing Density and Mix
34	Urban Design – Major Developments
35	Architectural Design
36	Landscaping Design
37	Infrastructure to support new development
39	Protecting Community Facilities
43	Sustainable Drainage
46	Green and Blue Infrastructure Network
47	Biodiversity
48	Special Areas of Conservation (SAC)
53	Parking Standards

Source: Stafford Local Plan, Preferred Options, Regulation 18, 2020 – 2040.

- 3.8 A detailed analysis of these and all the policies, together with our response in terms of this economic assessment, is set out in the policies matrix appended (see Appendix 1 – Policies Matrix).

Previously Proposed CIL Charging Schedule 2015

- 3.9 Stafford Borough Council do not currently have a Community Infrastructure Levy (CIL) Charging Schedule; however, this was previously proposed in March 2015.
- 3.10 The Council's previously proposed charging rates are set out in Table 3-2 below.

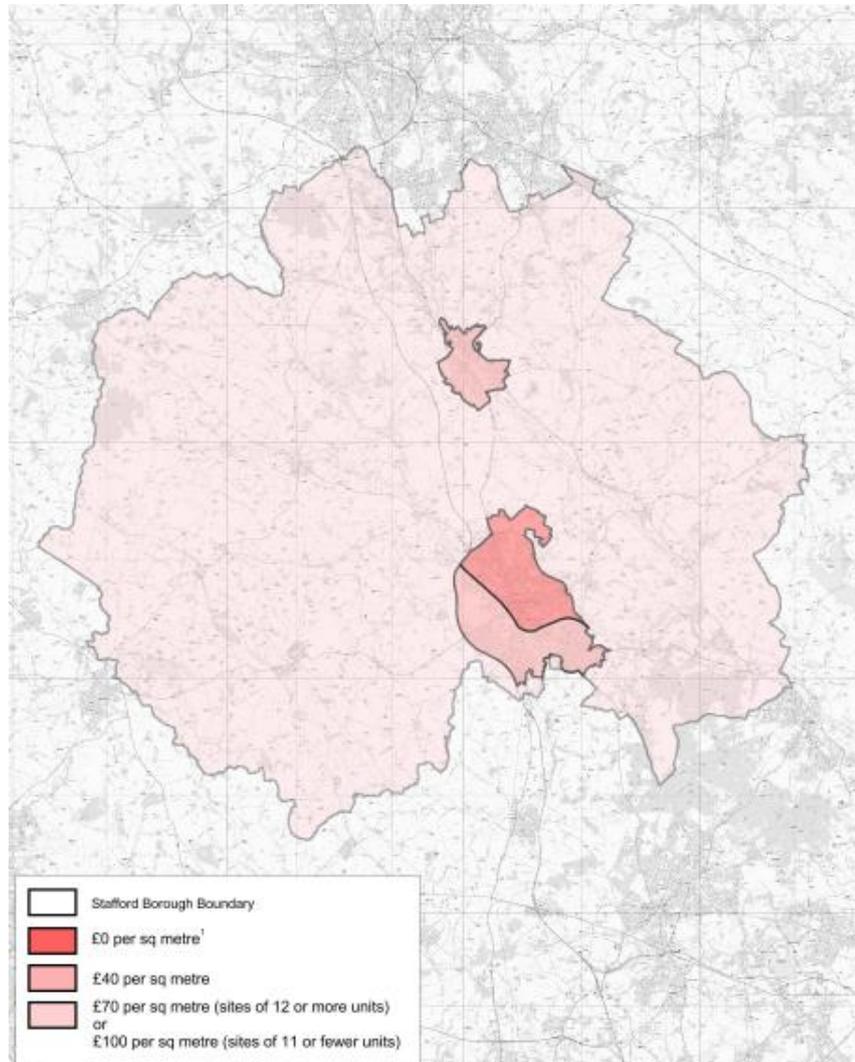
Table 3-2 – Stafford Borough Council Initial CIL Charging Rates

Area	Charging rate per square metre (Gross Internal Floorspace)
Within the northern area of Stafford – including the North Stafford Strategic Development Location	£0
Within and adjacent to Stafford and Stone, but excluding the northern area of Stafford - including the West Stafford Strategic Development Location	£40
All other areas – sites of 12 or more units	£70
All other areas – sites of 11 or fewer	£100
Older People’s Housing	£0

Source: Stafford Borough CIL Viability Assessment, HDH Planning, 2015.

- 3.11 It is important to note that this CIL charge was not adopted by the Council.
- 3.12 Figure 3.1 displays the recommended CIL charging zones from HDH’s 2015 assessment.

Figure 3.1 – Stafford Borough Recommended CIL Zones Map (2015)

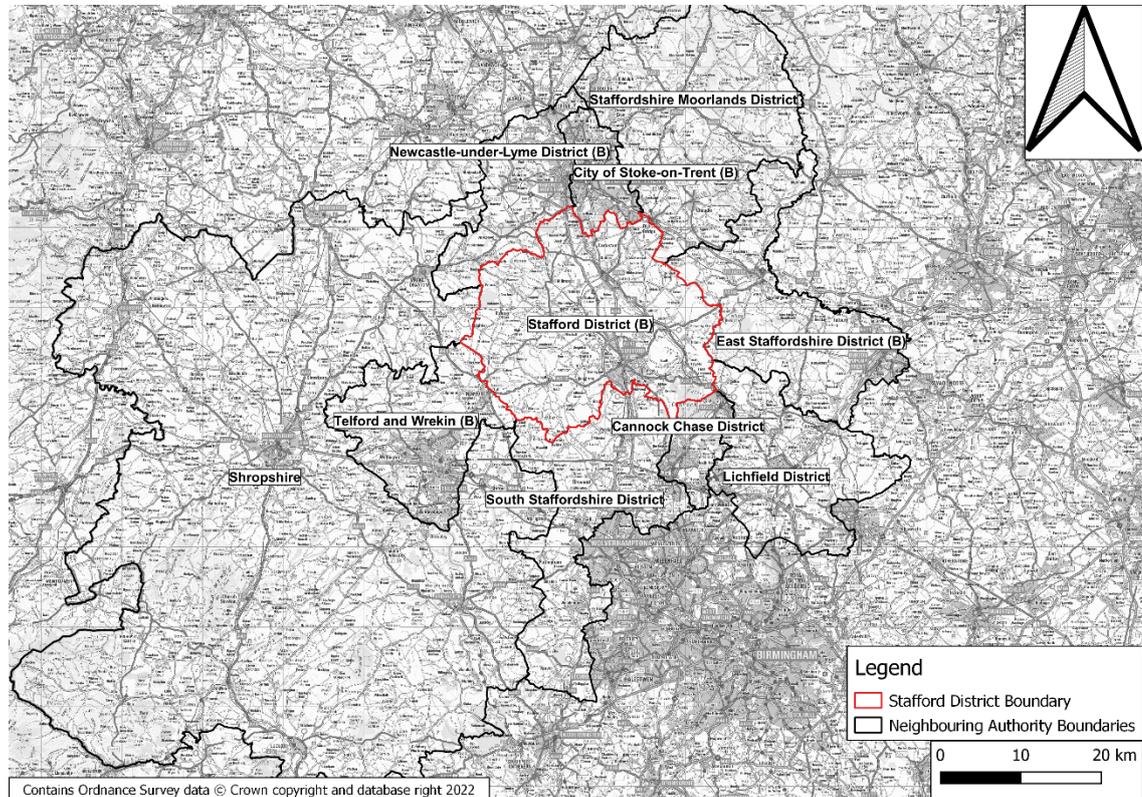


Source: HDH Planning, 2015.

Neighbouring Authority Policies

3.13 Figure 3.2 shows the local authority district boundaries surrounding Stafford Borough.

Figure 3.2 - Local Authorities Adjacent to Stafford Borough Map



Source: QGIS, 2022.

3.14 The property market for development is a continuum across boundaries within Staffordshire and beyond. It is therefore relevant to consider the Affordable Housing targets and CIL requirements in surrounding authorities/districts. That said, every local jurisdiction has unique economic circumstances and geography which could result in different FVA evidence.

3.15 We set out below the headline Affordable Housing targets and CIL rates from surrounding authorities for ease of comparison.

Table 3-3 - Neighbouring Authorities Affordable Housing and CIL Policies

Local Authority	Affordable Housing	Residential CIL	Retail / Commercial CIL	Other CIL
Cannock Chase	20% affordable housing contributions on developments of 15 units or more (Cannock Chase Local Plan, 2014)	Specialist retirement housing - £0 psm All other market housing - £40 psm	Foodstores with floorspace > 280 sqm - £60 psm Out of centre retail park developments - £60 psm All other types of retail development - £0 psm	All other uses - £0 psm
South Staffordshire	On developments of 10 or more dwellings: 30% affordable housing on brownfield land 40% affordable housing on greenfield land (South Staffordshire Core Strategy, 2012)	No CIL charge implemented	No CIL charge implemented	No CIL charge implemented
East Staffordshire	On developments of 4 or more dwellings on a site of 0.14 ha: 25% affordable housing on brownfield land in built-up areas in Burton and Uttoxeter 33% on greenfield land within & on the edge of Burton and Uttoxeter 40% on other land (East Staffordshire Local Plan, 2015)	No CIL charge implemented	No CIL charge implemented	No CIL charge implemented

Local Authority	Affordable Housing	Residential CIL	Retail / Commercial CIL	Other CIL
Staffordshire Moorlands	On developments of 10 or more dwellings or on a site of 0.5 ha: 33% affordable housing shall be required (Staffordshire Moorlands Local Plan, 2020)	No CIL charge implemented	No CIL charge implemented	No CIL charge implemented
Newcastle-under-Lyme	25% affordable housing will be required on rural developments of 5 dwellings or more. Residential development in urban areas of 15 or more dwellings will be required to provide 25% affordable housing.	No CIL charge implemented	No CIL charge implemented	No CIL charge implemented

Source: Council websites 2021; Planning Resource CIL Watch, 2021.

- 3.16 As can be seen from the above, Staffordshire's affordable housing ranges from 40% in the highest value areas to 20% in the lowest value areas. Both East and South Staffordshire have higher affordable housing targets of 40% in some parts of the Borough. Cannock Chase has lowest target (25%). This reflects the diversity of the housing markets in Staffordshire.
- 3.17 In terms of CIL, Cannock Chase is the only District that currently has an adopted CIL charging schedule.

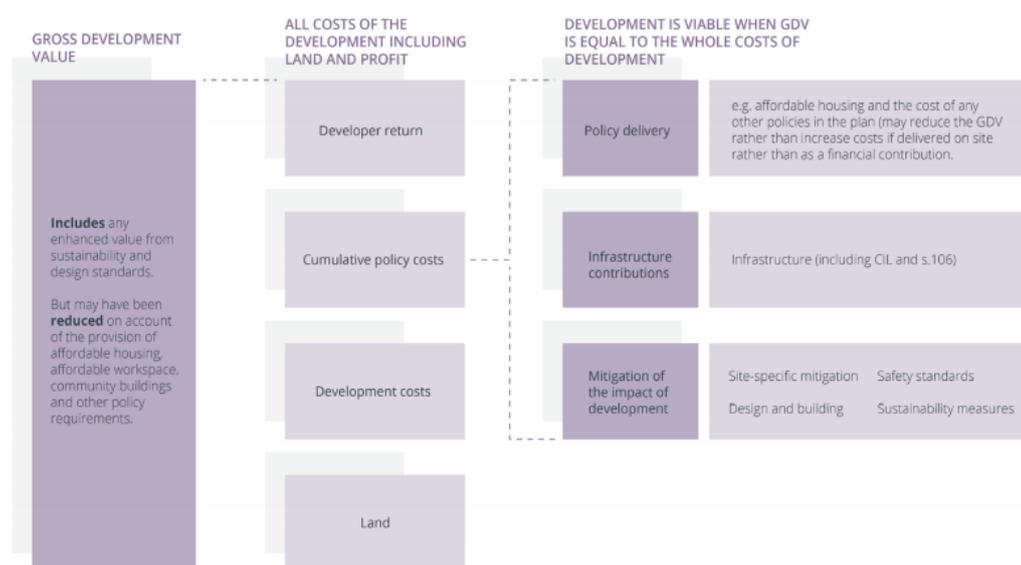
4 Viability Assessment Method

- 4.1 In this section of the report, we set out our methodology to establish the viability of the various land uses and development typologies described in the following sections.
- 4.2 Cross-reference should be made back to the Viability PPG guidance in section 2 and specifically the guidance in respect of EUV, premium and profit.
- 4.3 We also reference the professional guidance that we have had regard to in undertaking the financial viability appraisals and some important principles of land economics.

Viability Modelling Best Practice

- 4.4 The general principle is that CIL/planning obligations including affordable housing (etc.) will be levied on the increase in land value resulting from the grant of planning permission. However, there are fundamental differences between the land economics and every development scheme is different. Therefore, in order to derive the potential CIL/planning obligations and understand the ‘appropriate balance’ it is important to understand the micro-economic principles which underpin the viability analysis.
- 4.5 The uplift in value is calculated using a residual land value (RLV) appraisal. Figure 4.1 below, illustrates the principles of a RLV appraisal.

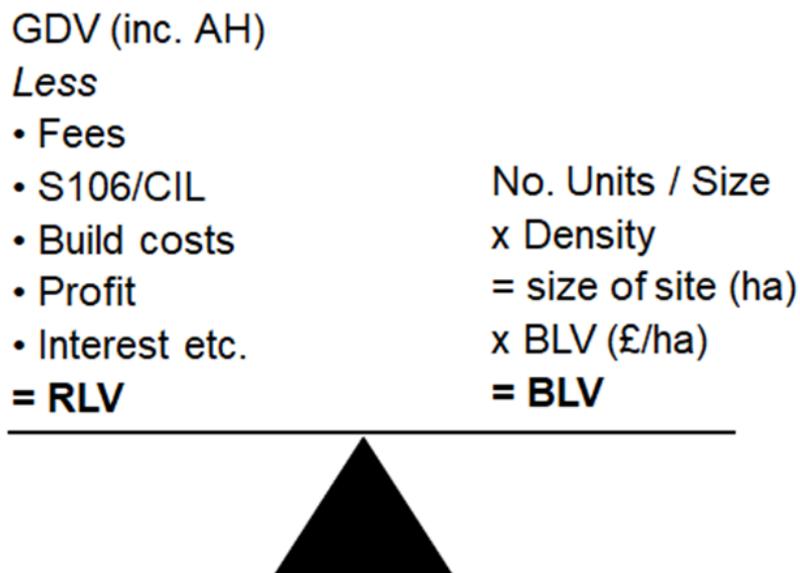
Figure 4.1 – The Residual Land Valuation Framework



Source: RICS Assessing viability in planning under the National Planning Policy Framework 2019 for England, Guidance Note, 1st edition, March 2021.

- 4.6 In the above diagram, a scheme is viable if the Gross Development Value (GDV) of the scheme is greater than the total of all the costs of development including land, development costs, cumulative policy costs and profit (developers return). Conversely, if the GDV is less than the total costs of development, the scheme will be unviable.
- 4.7 In accordance with the PPG, to advise on the ability of the proposed uses/scheme to support affordable housing and CIL/planning obligations we have benchmarked the residual land values (RLV) from the viability analysis against existing or alternative land use relevant to the particular typology – the Benchmark Land Value (BLV). This is illustrated in Figure 4.2 - Balance between RLV and BLV below.

Figure 4.2 - Balance between RLV and BLV



Source: AspinallVerdi © Copyright

- 4.8 If the balance is positive, then the policy is viable. If the balance is negative, then the policy is not viable and the CIL and/or affordable housing rates should be reviewed.
- 4.9 Our specific appraisals for each for the land uses and typologies are set out in the relevant section below.

Benchmark Land Value (BLV) Approach

- 4.10 Benchmark land value has been subject to much debate in recent years due to trying to establish the most appropriate method to determine it for planning purposes. The two most common approaches have been Existing Use plus and Market Value adjusted for policy. The latter, although a more market facing approach, has faced criticism because practitioners have not

necessarily been adjusting land values fully for policy. The PPG now provides a clear single method (Existing Use plus Premium) in determining land value.

4.11 Paragraph: 013 Reference ID: 10-013-20190509 of the Viability PPG states that,

*To define land value for any viability assessment, a benchmark land value should be established on the basis of the **existing use value (EUV)** of the land, **plus a premium** for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to 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+).*

4.12 See Table 2-2 – PPG Viability Key Cross-References above for the relevant references to the PPG for the definition of EUV and the premium.

4.13 The RICS also supports the EUV plus method when determining land value for planning purposes. The RICS Assessing Viability in Planning under the National Planning Policy Framework, Guidance Note, March 2021 states that ‘*the PPG is unambiguous that EUV+ is the primary approach.*’⁹ Land transaction evidence should only be used as a cross-check to the EUV plus premium. The RICS guidance emphasises the PPG paragraph 016 which states that ‘*any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners*’¹⁰.

4.14 The RICS defines ‘*EUV for the purposes of FVAs as the value in the existing use, ignoring any prospect of future change to that use. This may however include permitted development or change of use within the same planning use class, but only where this does not necessitate any refurbishment or redevelopment works to the existing buildings or site works.*’¹¹

4.15 The RICS International Valuation Standards, November 2019, defines EUV as:

*‘Current use/existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use.’*¹²

⁹ RICS, March 2021 (effective from 01 July 2021), Assessing viability in planning under the National Planning Policy Framework 2019 for England, paragraph 5.7.7

¹⁰ Ibid, paragraph 5.7.6

¹¹ Ibid, paragraph B.1.2

¹² RICS Valuation – Global Standards Incorporating the IVSC International Valuation Standards Issued November 2019, effective from 31 January 2020, Paragraph 150.1

Guidance on Premiums/Land Value Adjustments

- 4.16 The PPG requires the existing use value plus premium approach to land value. However, there is no specific guidance on the premium. One therefore has to ‘triangulate’ the BLV based on evidence.
- 4.17 A number of reports have commented upon the critical issue of land value, as set out below. These inform the relationship between the ‘premium’ and ‘hope value’ (see below) in the context of market value. The PPG is explicit that hope value should be disregarded for the purposes of arriving at the EUV¹³. However, hope value is a fundamental part of the market mechanism and therefore is relevant in the context of the premium.
- 4.18 We set out on the following table our consideration of suitable premiums to apply - Table 4-1 – Premium for BLV Considerations.

Table 4-1 – Premium for BLV Considerations

Evidence / Source	Quote / Comments
RICS, Assessing Viability in Planning under the National Planning Policy Framework 2019 for England, March 2021 (effective from 01 July 2021)	<p>The RICS acknowledge that <i>‘there is no standard amount for the premium and the setting of realistic policy requirements that satisfy the reasonable incentive test behind the setting of the premium is a very difficult judgement’</i>.¹⁴</p> <p>The RICS guidance further explains that <i>‘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>¹⁵</p>
Local Housing Delivery Group Chaired by Sir John Harman, 20 June 2012, Viability Testing Local Plans, Advice for planning	<p>The Harman Report was published in response to the introduction of viability becoming more prominent in the planning system post the introduction of the NPPF.</p> <p>The Harman report refers to the concept of ‘Threshold Land Value’ (TLV). Harman states that the <i>‘Threshold Land Value should represent the value at which a typical willing</i></p>

¹³ Paragraph: 015 Reference ID: 10-015-20190509, Revision date: 09 05 2019

¹⁴ RICS, March 2021 (effective from 01 July 2021), Assessing viability in planning under the National Planning Policy Framework 2019 for England, paragraph 5.3.3

¹⁵ Ibid, paragraph 5.3.7

Evidence / Source	Quote / Comments
practitioners (The Harman Report)	<p><i>landowner is likely to release land for development.</i>¹⁶ While this is an accurate description of the important value concept, we adopt the Benchmark Land Value (BLV) terminology throughout this report in-line with the terminology in the PPG.</p> <p>Although the Harman Report pre-dates the current iteration of the PPG on viability it does recommend the EUV plus approach to determine land value for planning purposes.</p> <p>The Harman report also advocates that when assessing an appropriate Benchmark Land Value, consideration should be given to <i>'the fact that future plan policy requirements will have an impact on land values and owners' expectations.</i>¹⁷</p> <p>Harman, does acknowledge that reference to market values will provide a useful 'sense check' on the Benchmark Land Values that are being used in the appraisal model; however, <i>'it is not recommended that these are used as the basis for input into a model.</i>¹⁸</p> <p>It also acknowledges that for large greenfield sites, <i>'land owners are rarely forced or distressed sellers, and generally take a much longer term view over the merits or otherwise of disposing of their asset.'</i>¹⁹ It refers to these 'prospective sellers' as <i>'potentially making a once in a lifetime decision over whether to sell an asset that may have been in the family, trust or institution's ownership for many generations.'</i>²⁰ In these circumstances, Harman states that for these greenfield sites that, <i>'the uplift to current use value sought by the landowner will invariably be significantly higher than in an urban context and requires very careful consideration.'</i>²¹</p>

¹⁶ Local Housing Delivery Group Chaired by Sir John Harman, 20 June 2012, Viability Testing Local Plans, Advice for planning practitioners, page 28

¹⁷ Ibid, page 29

¹⁸ Ibid

¹⁹ Ibid, page 30

²⁰ Ibid

²¹ Ibid

Evidence / Source

Quote / Comments

HCA Transparent Viability Assumptions (August 2010)

In terms of the EUV + premium approach, the Homes and Communities Agency (now Homes England) published a consultation paper on transparent assumptions for Area Wide Viability Modelling.

This notes that, 'typically, this gap or premium will be expressed as a percentage over EUV for previously developed land and as a multiple of agricultural value for greenfield land'.

It also notes that 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**'.²² (our emphasis)

Inspector's Post-Hearing Letter to North Essex Authorities

The Inspector's letter is in relation to, amongst other things, the viability evidence of three proposed garden communities in North Essex. The three Garden Communities would provide up to 43,000 dwellings in total. The majority of land for the Garden Communities is in agricultural use, and the Inspector recognised that the EUV for this use would be around £10,000 per gross acre. In this case, the Inspector was of the opinion that around a **x10 multiple** (£100,000 per gross acre) would provide sufficient incentive for a landowner to sell. But given '*the necessarily substantial requirements of the Plan's policies*' a price '*below £100,000/acre could be capable of providing a competitive return to a willing landowner*'.²³ The Inspector, however, judged that '*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*

²² HCA, August 2010, Area Wide Viability Model (Annex 1 Transparent Viability Assumptions)

²³ Planning Inspectorate, 15 May 2020, Examination of the Shared Strategic Section 1 Plan - North Essex Authorities, Paragraph 204

Evidence / Source

Quote / Comments

*therefore likely to lie somewhere between a price of £50,000 and £100,000 per acre.*²⁴

Parkhurst Road v SSCLG & LBI (2018)²⁵

The High Court case between Parkhurst Road Limited (Claimant) and Secretary of State for Communities and Local Government and The Council of the London Borough of Islington (Defendant(s)) addresses the issue of land valuation and the circularity of land values which are not appraised on a policy compliant basis.

In this case it was common ground that the existing use was redundant and so the existing use value (“EUUV”) was “negligible”. There was no alternative form of development which could generate a higher value for an alternative use (“AUV”) than the development proposed by Parkhurst. The site did not suffer from abnormal constraints or costs. LBI contended that there was considerable “headroom” in the valuation of such a site enabling it to provide a substantial amount of affordable housing in accordance with policy requirements. Furthermore, that the achievement of that objective was being frustrated by Parkhurst’s use of a ‘greatly inflated’ BLV for the site which failed properly to reflect those requirements. Mr Justice Holgate dismissed the challenge and agreed with LBI that what is to be regarded as comparable market evidence, or a “market norm”, should “reflect policy requirements” in order to avoid the “circularity” problem²⁶.

Land Value Capture report (Sept 2018)²⁷

The House of Commons - Housing, Communities and Local Government Committee has published a report into the principles of land value capture. This defines land value capture, the scope for capturing additional land value and the

²⁴ Ibid, Paragraph 205

²⁵ Parkhurst Road v SSCLG & LBI, Before MR JUSTICE HOLGATE Between: Parkhurst Road Limited Claimant - and - Secretary of State for Communities and Local Government and The Council of the London Borough of Islington Defendant/s, Case No: CO/3528/2017

²⁶ Ibid, paragraph 39

²⁷ House of Commons Housing, Communities and Local Government Committee Land Value Capture Tenth Report of Session 2017–19 HC 766 Published on 13 September 2018 by authority of the House of Commons

Evidence / Source

Quote / Comments

lessons learned from past attempts to capture uplifts in land value. It reviews improving existing mechanisms, potential legislative reforms and alternative approaches to land value capture. Paragraph 109 of the report states, *‘[...] the extent to which the ‘no-scheme’ principle would reduce value “very much depends on the circumstances”. For land in the middle of the countryside, which would not otherwise receive planning permission for housing, the entire development value could be attributed to the scheme. However, [...] most work was undertaken within constrained urban areas—such as town extensions and redevelopments—where the hope value was much higher’.*

Hence it is important to consider the policy context for infrastructure and investment when considering land values. For example, where existing agricultural land in the green belt is being considered for housing allocations, the entire uplift in value is attributable to the policy decision (without which there can be no development).

Land at Warburton Lane, Trafford (Appeal Ref: APP/Q4245/W/19/3243720)²⁸

Planning appeal for up to 400 dwellings, appeal dismissed. The Inspector preferred the Council’s approach to land value. The Council used agricultural land value of £8,000 per acre. They applied a x10 premium to the net developable area of 33.75 acres and £8,000 per acre to the remainder of the site. The total benchmark land value of £2,900,000. The total site area was 62 acres (25 hectares). The benchmark land value equated to £116,000 per gross hectare (£46,945 per gross acre) / 5.87 multiplier on the agricultural land value of £8,000 per acre. In considering the premium the Inspector noted that, *‘there is no evidence that I have seen that says the premium should be any particular value. The important point is that it should be sufficient to incentivise the landowner to sell the land and should also be the minimum*

²⁸ Appeal Decision, Appeal Ref: APP/Q4245/W/19/3243720, Land at Warburton Lane, Trafford by Christina Downes BSc DipTP MRTPI an Inspector appointed by the Secretary of State for Communities and Local Government Decision date: 25th January 2021

Evidence / Source

Quote / Comments

incentive for such a sale to take place'.²⁹ It was relevant to note that, 'in this case one of the two landowners had agreed in the option agreement to sell the land for whatever is left after a standard residual assessment'³⁰ and therefore had accepted lower minimum / BLV requirements.

Source: AspinallVerdi, 2021.

Land Market for Development in Practice

- 4.19 A very important aspect when considering area-wide viability is an appreciation of how the property market for development land works in practice.
- 4.20 Developers have to secure sites and premises in a competitive environment and therefore have to equal or exceed the landowners' aspirations as to value for the landowner to sell. From the developers' perspective, this price has to be agreed often many years before commencement of the development. The developer has to subsume all the risk of: acquiring the site, ground conditions; obtaining planning permission; funding the development; finding a tenant/occupier; increases in constructions costs; and changes to the economy and market demand etc. This is a significant amount of work for the developer to manage; but this is the role of the developer and to do so the developer is entitled to a normal developer's profit.
- 4.21 The developer will appraise all of the above costs and risks to arrive at their view of the residual site value of a particular site.
- 4.22 To mitigate some of these risks developers and landowners often agree to share some of these risks by entering into arrangements such as: Market Value options based on a planning outcome; 'subject to planning' land purchases; promotion agreements; and / or overage agreements whereby the developer shares any 'super-profit' over the normal benchmark.
- 4.23 From the landowners' perspective, they will have a preconceived concept of the value or worth of their site. This could be fairly straight-forward to value, for example, in the case of greenfield agricultural land which is subject to per hectare benchmarks. However, in the case of brownfield sites, the existing use value could be a lot more subjective depending upon: the previous use of the property; the condition of the premises; contamination; and/or any income from temporary lets, car parking and advertising hoardings etc. Also, whilst (say) a former manufacturing building

²⁹ Appeal Decision, Appeal Ref: APP/Q4245/W/19/3243720, Land at Warburton Lane, Trafford by Christina Downes BSc DipTP MRTPI an Inspector appointed by the Secretary of State for Communities and Local Government Decision date: 25th January 2021, para 118

³⁰ Ibid, para 119

could have been state-of-the-art when it was first purchased by the landowner, in a redevelopment context it might now be the subject of depreciation and obsolescence which the landowner finds difficult to reconcile. Accordingly, the existing use value is much more subjective in a brownfield context.

Brownfield / Greenfield Land Economics

- 4.24 CIL has its roots in the perceived windfall profit arising from the release of greenfield land by the planning system to accommodate new residential sites and urban extensions³¹. However, lessons from previous attempts to tax betterment³² show that this is particularly difficult to achieve effectively without stymieing development. It is even harder to apply the concept to brownfield redevelopment schemes with all attendant costs and risks. The difference between greenfield and brownfield scheme economics is usually important to understand for affordable housing targets; plan viability and CIL rate setting.
- 4.25 The timing of redevelopment and regeneration of brownfield land particularly is determined by the relationship between the value of the site in its current [low value] use (“Existing Use Value”) and the value of the site in its redeveloped [higher value] use – less the costs of redevelopment. Any planning gain which impacts on these costs will have an effect on the timing of redevelopment. This is relevant to consider when setting the ‘appropriate balance’.
- 4.26 Fundamentally, CIL (and together with S106 etc.) is a form of ‘tax’ on development as a contribution to infrastructure. By definition, any differential rate of CIL/S106 will have a distorting effect on the pattern of land uses. The question as to how this will distort the market will depend upon how the CIL (and/or S106) is applied.
- 4.27 Also, consideration must be given to the ‘incidence’ of the tax i.e. who ultimately is responsible for paying it i.e. the developer out of profit, or the landowner out of price (or a bit from each).
- 4.28 This is particularly relevant in the context of brownfield sites in the town centres and built-up areas. Any CIL on brownfield redevelopment sites will impact on the timing and rate of redevelopment. This will have a direct effect on economic development, jobs and growth.
- 4.29 In the brownfield context redevelopment takes place at a point in time when buildings are economically obsolete (as opposed to physically obsolete). Over time the existing use value of buildings falls as the operating costs increase, depreciation kicks in and the rent falls by comparison with modern equivalent buildings. In contrast the value of the next best alternative use of the site increases over time due to development pressure in the urban context (assuming

³¹ See Barker Review (2004) and Housing Green Paper (2007)

³² the 2007 Planning Gain Supplement, 1947 ‘Development Charge’, 1967 ‘Betterment Levy’ and the 1973 ‘Development Gains Tax’ have all ended in repeal

- there is general economic growth in the economy). Physical obsolescence occurs when the decreasing existing use value crosses the rising alternative use value.
- 4.30 However, this is not the trigger for redevelopment. Redevelopment requires costs to be incurred on site demolition, clearance, remediation, and new build construction costs. These costs have to be deducted from the alternative use value 'curve'. The effect is to extend the time period to achieve the point where redevelopment is viable.
- 4.31 This is absolutely fundamental for the viability and redevelopment of brownfield sites. Any tariff, tax or obligation which increases the costs of redevelopment will depress the net alternative use value and simply extend the timescale to when the alternative use value exceeds the existing use value to precipitate redevelopment.
- 4.32 Contrast this with the situation for development on greenfield land. Greenfield sites are constrained by the planning designation. Once a site is 'released' for development there is significant step-up in development value – which makes the development economics much more accommodating than brownfield redevelopment. There is much more scope to capture development gain, without postponing the timing of development.
- 4.33 That said, there are some other important considerations to take into account when assessing the viability of greenfield sites. This is discussed in the Harman Report³³.
- 4.34 The existing use value may be only very modest for agricultural use and on the face of it the landowner stands to make a substantial windfall to residential land values. However, there will be a lower benchmark (Benchmark Land Value) where the land owner will simply not sell. This is particularly the case where a landowner *'is potentially making a once in a lifetime decision over whether to sell an asset that may have been in the family, trust or institution's ownership for many generations.'*³⁴ Accordingly, the 'windfall' over the existing use value will have to be a sufficient incentive to release the land and forgo the future investment returns.
- 4.35 Another very important consideration is the promotional cost of strategic greenfield sites. For example, in larger scale urban extension sites such as the Strategic Sites (e.g. Meecebrook Garden Community etc) identified as emerging site allocations, there will be significant investment in time and resources required to promote these sites through the development plan process. The benchmark land value therefore needs to take into account of the often-substantial planning promotion costs, option fees etc. and the return required by the promoters of such sites. *'This should be borne in mind when considering the [benchmark] land value adopted for large*

³³ Local Housing Delivery Group, Local Government Association / Home Builders Federation / NHBC (20 June 2012) Viability Testing Local Plans, Advice for planning practitioners, Edition 1 (the 'Harman' report) pp 29-31

³⁴ Local Housing Delivery Group, Local Government Association / Home Builders Federation / NHBC (20 June 2012) Viability Testing Local Plans, Advice for planning practitioners, Edition 1 (the 'Harman' report) page 30

*sites and, in turn, the risks to delivery of adopting too low a [benchmark] that does not adequately and reasonably reflect the economics of site promotion...*³⁵

- 4.36 This difference between the development 'gain' in the context of a greenfield windfall site and the slow-burn redevelopment of brownfield sites is absolutely fundamental to the success of any regime to capture development gain such as CIL. It is also key to the 'incidence' of the tax i.e. whether the developer or the land owner carries the burden of the tax.
- 4.37 In the case of Stafford there are a number of housing sites coming forward which are both greenfield and brownfield sites and therefore we have appraised both greenfield and brownfield scheme typologies.

Hope Value

- 4.38 Where there is a possibility of development the landowner will often have regard to 'hope value'. Hope value is the *element of* market value of a property in excess of the existing use value, reflecting the prospect of some more valuable future use or development. It takes account of the uncertain nature or extent of such prospects, including the time which would elapse before one could expect planning permission to be obtained or any relevant constraints overcome, so as to enable the more valuable use to be implemented. Therefore, in a rising market, landowners may often have high aspirations of value beyond that which the developer can justify in terms of risk and in a falling market the land owner may simply 'do nothing' and not sell in the prospect of a better market returning in the future. The actual amount paid in any particular transaction is the purchase price and this crystallises the value for the landowner.
- 4.39 Note that hope value is represented in the EUV premium and can never be in excess of policy compliant market value (RLV), given RICS guidance on the valuation of development sites (see Figure 4.1 – The Residual Land Valuation Framework above).
- 4.40 Hence land 'value' and 'price' are two very different concepts which need to be understood fully when formulating planning policy and CIL. The incidence of any S106 tariff or CIL to a certain extent depends on this relationship and the individual circumstances. For example, a farmer with a long-term greenfield site might have limited 'value' aspirations for agricultural land – but huge 'price' aspirations for residential development. Whereas an existing factory owner has a much higher value in terms of sunk costs and investment into the existing use and the tipping point between this and redevelopment is much more marginal.

³⁵ Local Housing Delivery Group, Local Government Association / Home Builders Federation / NHBC (20 June 2012) Viability Testing Local Plans, Advice for planning practitioners, Edition 1 (the 'Harman' report) page 31

Conclusions on BLV

- 4.41 Current guidance is clear that the land value assessment needs to be based on Existing Use plus premium and not a Market Value approach. Although the assessment of the Existing Use can be informed by comparable evidence the uncertainty lies in how the premium is calculated. Whatever is the resulting land value (i.e. Existing Use plus Premium) the PPG is clear that this must reflect the cost of complying with policies: *'the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value.'*³⁶
- 4.42 Detailed research and analysis in respect of land values (Benchmark Land Values) are set out within the Land Market paper appended (see Appendix 2 – Land Market Review).

BLV Caveats for Decision-Making

- 4.43 It is important to note that the BLV's contained herein are for 'high-level' plan/CIL viability purposes and the appraisals should be read in the context of the BLV sensitivity table (contained within the appraisals). The BLV's included herein are generic and include healthy premiums to provide a viability buffer for plan making purposes.
- 4.44 In the majority of circumstances, we would expect the RLV of a scheme on a policy compliant basis to be greater than the EUV (and also the BLV including premium) herein and therefore viable.
- 4.45 However, there may be site specific circumstances (e.g. brownfield sites or sites with particularly challenging demolition, contamination or other constraints) which result in a RLV which is less than the BLV herein. It is important to emphasise that the adoption of a particular BLV £ in the base-case appraisal typologies in no way implies that this figure can be used by applicants to negotiate site specific planning applications where these constraints exist. In these circumstances, the site-specific BLV should be thoroughly evidenced having regard to the EUV of the site in accordance with the PPG. This report is for plan-making purposes and is without prejudice to future site-specific planning applications.

How to Interpret the Viability Appraisals

- 4.46 In development terms, the price of a site is determined by assessment of the residual land value (RLV). This is the gross development of the site (GDV) less ALL costs including planning policy

³⁶ MHCLG, 24 July 2018, PPG, Paragraph: 012 Reference ID: 10-012-20180724

- requirements and developers' profit. If the RLV is positive the scheme is viable. If the RLV is negative the scheme is not viable.
- 4.47 Part of the skill of a developer is to identify sites that are in a lower value economic uses and purchase / option these sites to (re)develop them into a higher value uses. The landowner has a choice - to sell the site or not to sell their site, depending on their individual circumstances. Historically (pre credit-crunch and the 2012 NPPF) this would be left to 'the market' and there would be no role for planning in this mechanism.
- 4.48 A scheme is viable if the RLV is positive for a given level of profit. We describe this situation herein as being 'fundamentally' viable.
- 4.49 However, planning policy in England has become increasingly detached from the development process of real estate. Since the credit crunch and the 2012 NPPF planning policy has sought to intervene in the land market by requiring that at [an often 'arbitrary'] 'threshold' or 'benchmark' land value (BLV) is achieved as a 'return to the landowner'. This left Local Authorities 'open' to negotiations to reduce affordable housing and other contributions on viability grounds which sets up a powerful force of escalating land values (which is prejudicial to delivery in the long term). The latest iterations of the NPPF and PPG are seeking to redress this.
- 4.50 In planning viability terms, for a scheme to come forward for development the RLV for a particular scheme has to exceed the landowner's BLV.
- 4.51 In Development Management terms every scheme will be different (RLV) and every landowner's motivation will be different (BLV).
- 4.52 For Plan Making purposes it is important to benchmark the RLV's from the viability analysis against existing or alternative land use relevant to the particular typology – the Benchmark Land Value – see Figure 4.2 above.
- 4.53 The results of the appraisals should therefore be interpreted as follows:
- If the 'balance' is positive ($RLV > BLV$), then the policy requirements / CIL is viable. We describe this as being 'viable for plan making purposes herein'.
 - If the 'balance' is negative ($RLV < BLV$), then the policy / CIL is 'not viable for plan making purposes' and the CIL rates/planning obligations and/or affordable housing targets should be reviewed.
 - Thirdly, if the RLV is positive, but the appraisal is not viable due to the BLV assumed – we refer to this as being 'marginal'. In this case more scrutiny may be required of the BLV and the sensitivity analysis.
- 4.54 This is illustrated in the following boxes of our hypothetical appraisals (appended) – see Figure 4.3. In this case the RLV is calculated as £2.324m. This is based upon the residual land value

approach. The assumed BLV is £1.544m. This is based upon the evidence in our Land Market Paper appended. The RLV is some £780,500 higher than the BLV the meaning the balance is positive/in surplus – in the Plan/CIL is viable.

Figure 4.3 - Example Hypothetical Appraisal Results

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					2,652,581
SDLT		2,652,581 @	(slabbed)		(122,129)
Acquisition Agent fees		2,652,581 @	1.0%		(26,526)
Acquisition Legal fees		2,652,581 @	0.5%		(13,263)
Interest on Land		2,652,581 @	6.25%		(165,786)
Residual Land Value					2,324,877
RLV analysis:	23,249 £ per plot	743,961 £ per ha	301,077 £ per acre		
BENCHMARK LAND VALUE (BLV)					
Residential Density		32.0 dph			
Site Area (Net)		3.13 ha	7.72 acres		
Density analysis:		3,330 sqm/ha	14,506 sqft/ac		
Benchmark Land Value (Net)	15,444 £ per plot	494,200 £ per ha	200,000 £ per acre		1,544,375
BALANCE					
Surplus/(Deficit)		249,761 £ per ha	101,077 £ per acre		780,502

Source: AspinallVerdi, 2021.

Sensitivity Analysis

4.55 In addition to the above, we have also prepared a series of sensitivity scenarios for each of the typologies. This is to assist in the analysis of the viability (and particularly the viability buffer); the sensitivity of the appraisals to key variables such as planning obligations, affordable housing, BLV and profit; and to consider the impact of rising construction costs. An example of a sensitivity appraisal and how they are interpreted is shown below. Similar sensitivity tables are attached to each of our hypothetical appraisals (appended).

Figure 4.4 - Example Affordable Housing v CIL Sensitivity Analysis

TABLE 1	Balance (RLV - BLV)	Affordable Housing - % on site 30%							
		780,502	5%	10%	15%	20%	25%	30%	35%
	0		3,143,074	2,747,702	2,352,077	1,955,830	1,559,091	1,161,675	763,400
	10		3,042,228	2,651,924	2,261,164	1,870,024	1,478,323	1,085,877	692,502
	20		2,941,129	2,555,801	2,170,207	1,784,024	1,397,289	1,009,863	621,529
	30		2,839,743	2,459,538	2,078,832	1,697,730	1,316,051	933,612	550,227
	40		2,738,132	2,362,890	1,987,367	1,611,294	1,234,607	857,212	478,814
	CIL Epsm		2,636,198	2,266,140	1,895,529	1,524,507	1,152,892	780,502	407,151
	50.00		2,534,073	2,168,958	1,803,547	1,437,633	1,071,036	703,715	335,292
			2,431,584	2,071,718	1,711,244	1,350,345	988,838	626,540	263,267
			2,328,941	1,973,996	1,618,740	1,262,991	906,567	549,284	190,956
			2,225,888	1,876,220	1,525,969	1,175,235	823,879	471,718	118,555
			2,122,726	1,777,992	1,432,934	1,087,368	741,114	393,985	45,798
			2,019,102	1,679,663	1,339,693	999,168	658,007	316,026	(27,065)
			1,915,417	1,580,937	1,246,120	910,782	574,740	237,812	(100,190)
			1,811,212	1,482,046	1,152,407	822,135	491,213	159,458	(173,379)
			1,706,948	1,382,821	1,058,288	733,221	407,438	80,754	(246,876)
			1,602,210	1,283,360	964,093	644,125	323,488	2,003	(320,397)
			1,497,352	1,183,633	869,428	554,678	239,198	(77,055)	(394,265)
			1,392,084	1,083,594	774,675	465,131	154,822	(156,204)	(468,133)
			1,286,624	983,361	679,531	375,142	70,152	(235,622)	(542,366)
			1,180,822	882,738	584,211	285,141	(14,651)	(315,173)	(616,608)
			1,074,751	781,997	488,585	194,745	(99,708)	(394,957)	(691,186)
			968,414	680,780	392,833	104,288	(184,941)	(474,910)	(765,804)
			861,724	579,529	296,723	13,477	(270,391)	(555,066)	(840,732)
			754,848	477,851	200,531	(77,438)	(356,055)	(635,424)	(915,728)
			647,672	376,087	103,934	(168,669)	(441,905)	(715,958)	(991,012)
			540,254	273,941	7,295	(260,045)	(528,003)	(796,723)	(1,066,388)

Source: AspinallVerdi

4.56 This sensitivity table shows the balance (RLV – BLV) for different combinations of Affordable Housing (AH %) across the columns and different amounts of CIL (£ psm) down the rows. Thus:

- You should be able to find the appraisal balance by looking up the base case AH% (e.g. 30%) and the base case CIL (e.g. £50 psm).
- Higher % levels of CIL will reduce the 'balance' and if the balance is negative the scheme is 'not viable' for Plan Making purposes (note that it may still be viable in absolute RLV terms and viable in Plan Making terms depending on other sensitivities (e.g. BLV, Profit (see below)).
- Lower % levels of CIL will increase the 'balance' and if the balance is positive then the scheme is viable in Plan Making terms.
- Similarly, higher levels of AH (%) will reduce the 'balance'.
- And, lower levels of AH (%) will increase the 'balance'.

4.57 We have carried out the following sensitivity analysis herein (see appraisals):

- Table 1 CIL v Affordable Housing
- Table 2 Site Specific S106 v Affordable Housing
- Table 3 Profit v Affordable Housing
- Table 4 BLV v Affordable Housing
- Table 5 Density v Affordable Housing
- Table 6 Build Costs v Affordable Housing

- Table 6a: Increase in cost to achieve Net Zero over FHS Interim Uplift v Affordable Housing
- Table 7 Market Value v Affordable Housing

5 Residential Assumptions

- 5.1 The residential section of the report sets out our assumptions in relation to the costs and values for the residential typologies to be appraised, together with the viability results.
- 5.2 This section primarily deals with the rationale behind the costs assumed within our residential typologies (see Appendix 3 – Typologies Matrix).
- 5.3 In terms of values, we append our residential market paper which reviews the existing evidence base and provides a detailed residential market analysis setting out how we have arrived at our assumptions. This report provides a summary of the findings within this research paper (Appendix 3).

Residential Existing Evidence Base

- 5.4 This section summarises the evidence base, property market context, development monitoring and viability for residential (including the Strategic Sites).
- 5.5 We have reviewed the existing evidence to identify mix and density assumptions used. More detail on residential value and land value assumptions used in the existing evidence base is outlined in the Land Value Paper at Appendix 2 and Residential Market Report at Appendix 4. We have reviewed the following studies:
- Community Infrastructure Levy Viability Study, 2015, HDH Planning.
 - Strategic Housing and Employment Land Availability Assessment (SHELAA) Update, 2021.

Community Infrastructure Levy Viability Study, 2015, HDH Planning

- 5.6 In 2015, Stafford Borough Council started to develop a CIL charging schedule but it was not continued due to changes in Government policy. It is anticipated that the work will be revisited as part of the review of the Local Plan. As part of this, HDH Planning were commissioned to test the viability of a range of development types throughout the Borough of Stafford to make contributions to infrastructure requirements through the CIL.
- 5.7 HDH carried out carried out a survey of asking prices by house size and by settlement using online tools such as Rightmove, Zoopla etc. They also carried out analysis of new build asking prices. The results of this are set out in Table 5-1.

Table 5-1 - HDH New Build Asking Prices (Nov 2014)

			Minimum	Norm	Maximum
Reeds Rain	Fountain Ct, Wharf Rd	Gnosall	2,192	2,262	2,372
Reeds Rain	Radford Mews, Radford St	Stone		2,211	
Bellway	Knights Ct, Knightley Rd	Gnosall	2,315	2,365	2,436
Barratts	Yarnfield Park, Yarnfield Lane	Yarnfield	1,875	2,350	2,856
Taylor Wimpey	Sheridan Grange, Rowley Park	Stafford	2,559		2,964
Taylor Wimpey	Marston Grange, Marston Gate	Stafford	1,703	1,990	2,464
Taylor Wimpey	Tilling Drive	Stone	2,000	2,080	2,470
Bovis	St George's Park	Stafford	2,186	2,365	2,635
Bovis	Green Acres	Yarnfield	2,164	2,445	2,639
Seddon Homes	Hammond Rise	Tittensor	1,944	2,075	2,250
Reeds Rains	Creswell Grove	Stafford		1,500	
Tinsley Garner	The Oaks, Cold Norton	Stone		1,925	

Source: HDH Planning CIL Viability Study, March 2015.

5.8 Table 5-2 displays the values that HDH applied in their financial modelling.

Table 5-2 - HDH Value Assumptions (£ psm)

	Small Schemes	Estate Housing
Stafford Town North	1,950	2,250
Stafford Town South and Adjacent	2,500	2,400
Stone	2,600	2,500
Rest of Borough	2,750	2,700

Source: HDH CIL Viability Study, March 2015.

5.9 In the conclusion of the study, HDH recommended different CIL charging rates dependent on geographical location within the Borough. These recommended rates are displayed below in Table 5-3.

Table 5-3 – 2015 Study Recommended CIL Rates

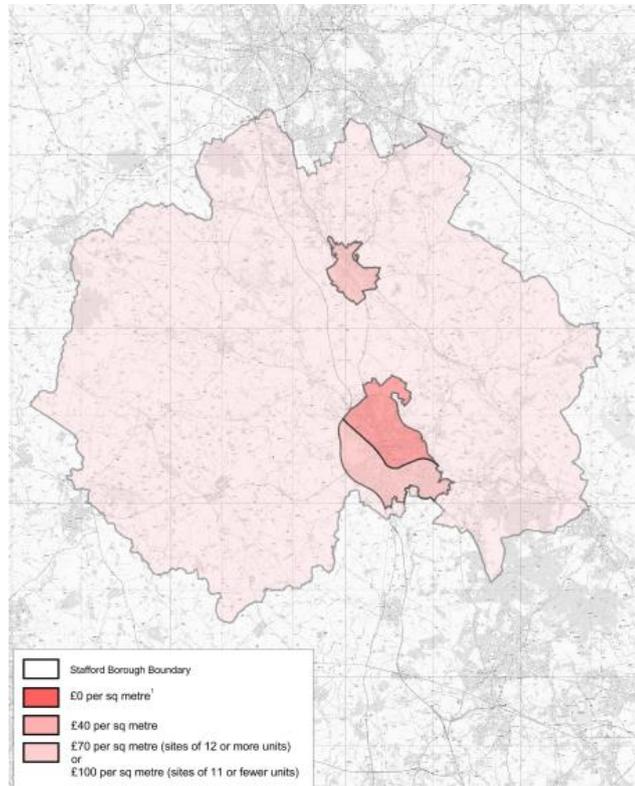
Residential Development	
Within the northern area of Stafford – including the North Stafford Strategic Development Location	£0/m ²
Within and adjacent to Stafford and Stone, but excluding the northern area of Stafford - including the West Stafford Strategic Development Location	£40/m ²
All other areas – sites of 12 or more units	£70/m ²
All other areas – sites of 11 or fewer	£100/m ²
Older People's Housing	£0/m ²

Source: SBC CIL Viability Study March 2015

Source: SBC CIL Viability Study, 2015.

5.10 Whilst a map displaying these particular value zones within the Borough is not provided in the 2015 study (see section 6 below for their zonal mapping), there is a corresponding map available on Stafford Borough Council's website. This map is displayed in Figure 3.1.

Figure 5.1 - Stafford Borough Recommended CIL Zones Map (2015)



Source: SBC, 2015.

- 5.11 As displayed in Figure 3.1, the North Stafford Strategic Development Area is allocated as a zero-charge zone as in 2015 this was expected to be an area of significant residential development. The remainder of Stafford and also Stone are recommended for a CIL charging rate of £40 psm whilst the remainder of the Borough is recommended to be charged at either £70 psm or £100 psm depending on development scale.
- 5.12 These CIL recommendations were not taken forward.

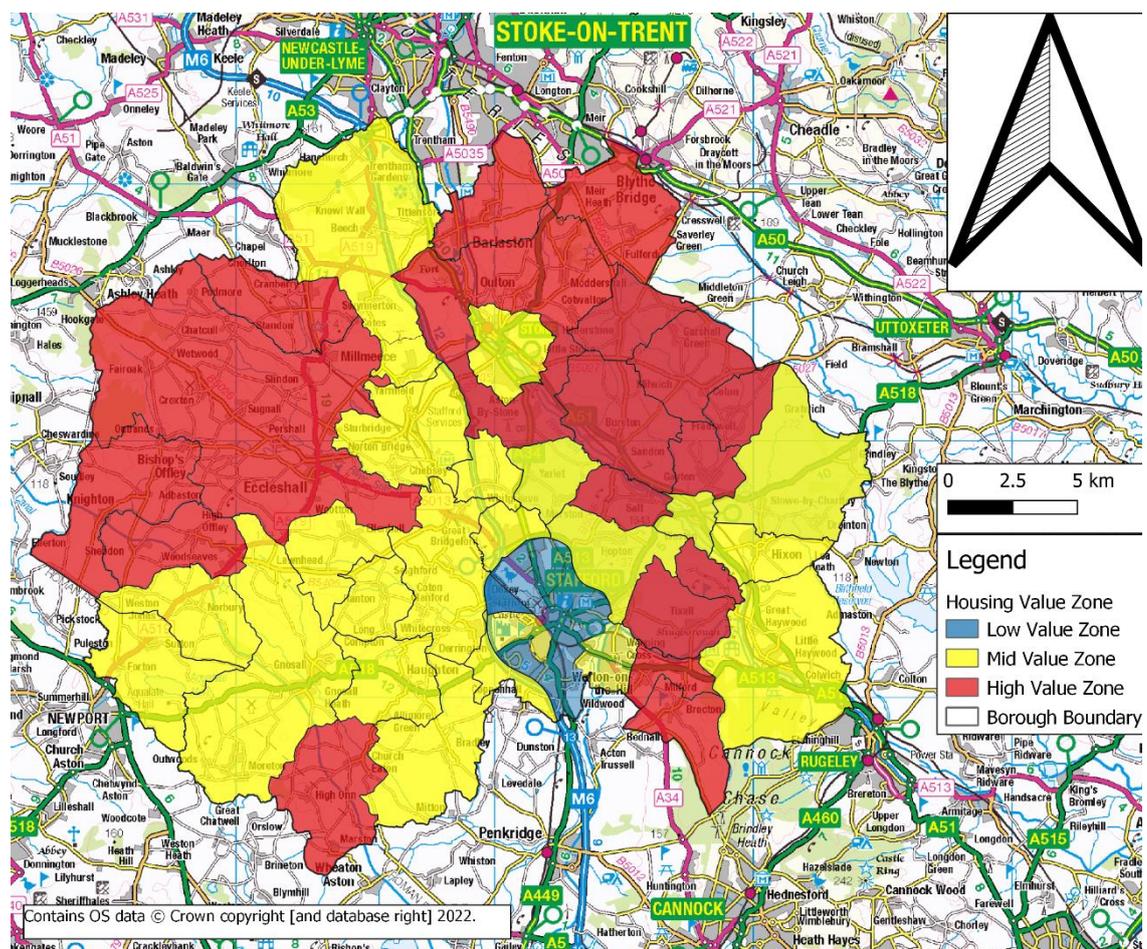
Housing Value Zones

5.13 In order to derive our Housing Market Zones, we have had regard to:

- the existing evidence base and particularly the value zone maps contained in HDH's previous CIL Viability Study 2015;
- current new-build achieved values;
- second-hand achieved values; and
- the Index of Multiple Deprivation.

5.14 Figure 5.2 shows the result of our analysis of the data listed above. We set out three value zones in this map: high, mid and low value zones. These zones 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.

Figure 5.2 - Stafford Borough Value Zone Map (By Parishes and Wards)



Source: AspinallVerdi 2021 (220606 Housing Value Zones Map_v1)

5.15 After cross-referencing the new build achieved values with the new build asking and second hand achieved, we have come to a view on where the value zones differ across the Borough. Our analysis has been refined by allocating value zones based on parishes rather than wards for the rural areas. Parish boundaries are more flexible and allow for greater detail when identifying price disparities across the rural areas of the Borough. There are no parishes in Stafford town centre which is made up of a number of smaller wards. We have therefore used wards in the town centre³⁷.

5.16 We have provided a breakdown of parishes and wards by value zone in Table 5-4.

Table 5-4 - Parishes (Rural Areas) and Wards (Town Centre) by Value Zone

	Rural Parishes	Town Centre Wards
Higher Value Zone	Adbaston, Barlaston, Berkswich, Brocton, Church Eaton, Eccleshall, Fradswell, Fulford, Gayton, High Offley, Hilderstone, Ingestre, Milwich, Salt and Enson, Sandon and Burston, Standon, Stone Rural, Tixall.	
Mid Value Zone	Bradley, Chebsey, Colwich, Creswell, Ellenhall, Forton, Gnosall, Haughton, Hixon, Hopton and Coton, Hyde Lea, Marston, Norbury, Ranton, Seighford, Stone, Stowe-by-Chartley, Swynnerton, Weston, Whitgreave. Yarnfield and Cold Meece	Rowley, Baswich, Weeping Cross & Wildwood
Lower Value Zone		Doxey Parish, Holmcroft, Common, Coton, Littleworth, Forebridge, Penside, Manor, Highfields & Western Downs

Source: AspinallVerdi 2021.

Residential Typology Assumptions

5.17 The detailed typologies are set out in the matrix appended (see Appendix 3) There are a number of assumptions within the matrix which are evidenced below.

³⁷ See - <https://www.staffordbc.gov.uk/DemServWards>

5.18 The typologies have been derived by our analysis of the site allocations (their location within the above value zone context) and consideration of the policies. These have been confirmed with the Council.

Number of Units

5.19 We have analysed the proposed site allocations to formulate the typologies by size, greenfield / brownfield and location, taking into consideration the housing market areas. The full typologies matrix is included in Appendix 3.

5.20 In summary we have appraised:

- Two greenfield sites of 10 and 50 units respectively in the higher value zones (ref. A-C)
- Three brownfield sites of 10, 18 and 110 units and two greenfield sites of 20 and 155 units in the mid-value zone (ref. D-H)
- Two brownfield sites of 15 and 250 units and one greenfield site of 250 units in the lower value zone (ref. I-J)

Mix

5.21 The unit mix that we have adopted is reflective of what is likely to be brought forward by developers given the scale and number of units in each typology. We have had regard to previous market evidence regarding unit mixes at corresponding size developments as well as our agent consultation. For example, this consultation identified that flatted development is less likely to come forward in rural areas than in the town centre. We have therefore adopted a greater proportion of larger housing types at rural greenfield sites as this is likely to be reflective of the unit mix of any future scheme.

5.22 The mix has been approved by the Council.

5.23 Please see the typologies matrix for the specific mix assumed for each typology (Appendix 3).

Unit Size Assumptions

5.24 We have based our unit size assumptions on our residential market research (Appendix 4) having regard to nationally described space standards.

5.25 We have assumed the floor areas as follows:

- 1 Bedroom Flat – 50 sqm
- 2 Bedroom Flat – 70 sqm

- 2 Bedroom House – 79 sqm
- 3 Bedroom House – 100 sqm
- 4 Bedroom House – 115 sqm
- 5 Bedroom House – 140 sqm

5.26 We have taken account of the nationally described space standards³⁸ as well as market delivery in Stafford Borough when adopting these floorspace areas.

Residential Value Assumptions

5.27 The residential market paper appended (Appendix 4) provides the background to the market housing value assumptions presented below.

5.28 Below we set out our market assumptions having regard to the following (for more detail see the residential market report in Appendix 4):

- our housing market zones;
- new build (achieved and asking) market evidence; and
- floor area assumptions.

5.29 Table 5-5 sets out our absolute value (£) assumptions for each property type across the different value areas.

Table 5-5 - Residential Value Assumptions (£ psm)

Dwelling Type	Floor Areas	Higher Value Zone	Mid Value Zone	Lower Value Zone
1 bed Flat	50	£175,000	£160,000	£145,000
2 bed Flat	70	£230,000	£210,000	£195,000
2 bed House	79	£275,000	£250,000	£215,000
3 bed House	100	£335,000	£305,000	£265,000
4 bed House	115	£375,000	£335,000	£300,000
5 bed House	140	£450,000	£400,000	£375,000

Source: AspinallVerdi, 2022.

5.30 Table 5-6 sets out our values £ psm assumptions for each property type across the value areas.

Table 5-6 - Residential Value Assumptions (£ psm)

³⁸ Department for Communities and Local Government, Technical housing standards – nationally described space standard (March, 2015)

Dwelling Type	Floor Areas	Higher Value Zone (psm)	Mid Value Zone (psm)	Lower Value Zone (psm)
1 bed Flat	50	£3,500	£3,200	£2,900
2 bed Flat	70	£3,286	£3,000	£2,786
2 bed House	79	£3,481	£3,165	£2,722
3 bed House	100	£3,350	£3,050	£2,650
4 bed House	115	£3,261	£2,913	£2,609
5 bed House	140	£2,813	£2,500	£2,344

Source: AspinallVerdi, 2022.

Garage Assumptions

5.31 We have made the following assumptions in respect of garages:

- 3 bed houses - 50% have garages;
- 4 bed houses - 100% have garages;
- 5 bed houses - 150% have garages (i.e., 1.5 garages per units – 100% have single garages and 50% have double garages).

Affordable Housing Transfer Values

5.32 We have consulted with a number of Registered Providers (RPs) who are active in the local area. The headline points from the consultations are as follows:

- RPs prefer 'land and build' packages, where they are able to secure land and develop affordable units themselves, rather than acquire units through S106 agreements which have been built by private developers. The reason given was due to higher level of control during the build and the delivery of a higher quality product.
- RPs are seeing bid levels for S106 units become more aggressive with higher levels of competition in the market. As such, the transfer values for some tenure products have increased (Shared Ownership).
- In lower value zones, the transfer values as a % of open market value (OMV) could be higher because grant funding rates.
- RPs quoted typical transfer values for different tenures in Stafford Borough:
 - Shared ownership: 70% - 75% of OMV
 - Affordable rent: 55% - 65% of OMV
 - Social rent: 48% - 56%

5.33 Taking the above evidence into account, we have adopted the following transfer values:

Table 5-7 - Transfer Value Assumptions

Tenure	Transfer Value (% of OMV)
First homes	70% of OMV (30% discount capped at £250,000)
Shared ownership	70% of OMV
Affordable rent	60% of OMV
Social rent	50% of OMV

Source: AspinallVerdi, 2021.

Affordable Housing Assumptions

5.34 Following agreement with the Council, we have tested the affordable housing rate in Table 5-8. These are our baseline assumptions for testing and as referred to above in section 4, we provide sensitivity analysis on the affordable housing target between 0% and 40% depending on value zone.

Table 5-8 – Affordable Housing Assumptions

Tenure	% Mix	Comments
Affordable Housing %	40%	30% in specific areas of the Borough (lower value zone).
Affordable Rent	n/a	The Council have advised that no affordable rent tenures are proposed at present.
Social Rent	65%	
Intermediate	10%	
First Homes	25%	

Source: AspinallVerdi, 2022.

Residential Cost Assumptions

5.35 The development costs applied within our appraisals are evidenced (where necessary) and set out below.

Initial Payments

5.36 Table 5-9 below shows the 'up-front' costs prior-to or at start-on-site.

Table 5-9 - Residential Appraisals Initial Cost Assumptions

Item	Assumption	Comments
Planning Application Professional Fees and reports	Allowance for typology	Generally x 3 Stat Planning fees
Statutory Planning Fees	Based on national formula	
CIL / IL	£0 psm	Nil baseline assumption, but will consider headroom for CIL in sensitivity analysis alongside Site Specific S106 (below)
Site Specific S106	£11,767 per unit	These are existing S106 contributions that are generally currently sought by Council and SCC. These include,; Special Area of Conservation (SAC), open space, sport provisions & educations - (see Typologies Matrix)

Source: AspinallVerdi, 2022.

Construction Costs

5.37 Table 5-10 below summarises our build cost assumptions.

Table 5-10 - Build Cost Assumptions

Item	Cost	Comments
Site Clearance, Demolition & Remediation	£50,000 per acre	If brownfield site clearance / remediation allowance (as for Local Plan viability)
Site Infrastructure Costs	Inc. in External Works for generic typologies	Strategic Sites appraised separately
Estate Housing	£1,086 – 1,219 psm	Lower – Median BCIS, Stafford (last 5 years)

Item	Cost	Comments
Flats 3-5 Storey	£1,205 - 1,348 psm	Lower – Median BCIS, Stafford (last 5 years)
Garages	£6,000 per garage	
External Works	15%	

Source: AspinallVerdi, 2022.

- 5.38 As shown in Table 5-10, we have provided a range for the construction cost for estate housing and flats. The value of higher costs are applied to generic typologies of less than 100 units whereas the lower costs are applied to typologies of 100 units or more. We have made this assumption to reflect the cost savings that volume housebuilders are likely to experience due to their economies of scale.

Design Requirement Cost Assumptions

- 5.39 Table 5-11 below summarises the additional cost assumptions which we have built into the model as a consequence of Local Plan policy requirements in respect of design standards, energy efficiency etc.

Table 5-11 – Design Requirements Cost Assumptions

Item	Cost	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 Affordable Housing: 10% on site of 10+ units (0% less than 10 units)	DCLG housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157
M4(3)(2)(b) Category 3 - Wheelchair Adaptable dwellings	+£22,791 per unit Affordable Housing: 10% on site of 10+ units (0% less than 10 units)	Equality and Human Rights Commission & Habinteg, A toolkit for local authorities in England: Planning for accessible homes
M4(2) Category 2 – Accessible and Adaptable housing	+£521 per unit OMS Units: 10% on site of 10+ units (0% less than 10 units)	DCLG housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157

Item	Cost	Comments
M4(3)(2)(b) Category 3 - Wheelchair Adaptable dwellings	Open Market Sales units: n/a	
Future Homes Standards (FHS Interim Uplift) achieving, resulting in a 31% improvement on carbon dioxide emissions.	£4,847 per house £2,256 per flat	The Future Homes Standard 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings.
Net Zero Carbon	£6,000 per unit, in addition to the FHS Interim Uplift	From previous Local Plan viability work, thereby also achieving the full FHS implementation, as at 2025.
EV Charging	£1,000 per unit house £10,000 per 4 flats (£2,500 per flat)	
Water Efficiency	£10 per unit	From Local Plan Viability

Source: AspinallVerdi, 2022.

Other Cost Assumptions

5.40 Table 5-12 below summarises all the other costs which have factored into the appraisals.

Table 5-12 - Other Cost Assumptions

Item	Cost	Comments
Contingency	+3% / 5%	Greenfield / brownfield
Professional Fees	6.5%	Based on average of recent EVA evidence
OMS Marketing and Promotion	3%	% of OMS GDV
Sales Agent	1%	As above
Sales Legal	0.25%	As above
AH Legal	£10,000	

Source: AspinallVerdi, 2022.

Profit Assumptions

5.41 Table 5-13 below sets out the overhead and profit assumptions for the appraisals.

Table 5-13 - Profit Assumptions

Item	Cost	Comments
Profit on Market Sales	18%	With sensitivities between 15% and 20%
Profit on Affordable Housing	6%	

Source: AspinallVerdi, 2022.

- 5.42 For the purposes of this viability appraisal, we have assumed a baseline profit of 18% to the private housing (open market sales (OMS) values) and 6% profit to the on-site affordable housing (where applicable). These profit margins have been the subject of industry consultation and are in line with the recommended profit margins for Plan viability in the PPG.
- 5.43 It is important to note that it is good practice for policy obligations not to be set right up to the margins of viability. However, in certain circumstances developers will agree lower profit margins in order to secure planning permission and generate turnover. The sensitivity analyses within the appendices show the 'balance' (i.e. RLV – TLV) for developer's profit from 15% on private housing to 20%. This clearly shows the significant impact of profit on viability (especially for larger schemes)³⁹.
- 5.44 Note that on volume house-builder schemes the professional fees, construction and sales functions are largely 'in-house' which means that these costs are internalised and transferred to gross profit.
- 5.45 It is important to note that the revised PPG (2019) refers to a return [profit] of 15-20% as being appropriate⁴⁰.

³⁹ Note that the final PPG (2019) now refers to profit of 15-20% which 'may be considered a suitable return to developers in order to establish viability of plan policies' which is consistent with our sensitivity analysis.

⁴⁰ Paragraph: 018 Reference ID: 10-018-20190509

Interest and Timing Assumptions

5.46 Table 5-14 below sets out the interest and timing assumptions for the appraisals.

Table 5-14 - Finance Assumptions

Item	Cost / Timing	Comments
Debit Interest	6.5%	Applies to 100% of cashflow to include Finance Fees etc.
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.

Source: AspinallVerdi, 2022.

Benchmark Land Value Assumptions

5.47 The Land Value Paper (Appendix 2) sets out our approach and analysis of the land market in Stafford Borough. Our benchmark land values (BLV) assumptions are set out on the next page.

5.48 We have applied floating multipliers or % uplifts (greenfield or brownfield respectively) to act as a premium, to then establish a benchmark land value for our viability testing purposes. A 'floating' premium is used because it is not accurate to apply a fixed premium for all development proposed across the Borough. In reality, we accept landowners will require different levels of premium (i.e., incentives), to sell their land for policy compliant development. In our previous work, we have seen premiums correlate with housing value zones.

Table 5-15 - Benchmark Land Value Assumptions

Typology	Ref.	Greenfield /Brownfield	EUV -					Uplift Multiplier x [X] x [Y]%	BLV -	
			(per acre) (gross)	(per ha) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		(per acre) (net developable)	(per ha) (net developable) (rounded)
A	BF LV 15	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	13%	£500,000	£1,235,500
B	BF LV 250	Brownfield	£400,000	£988,400	80%	£500,000	£1,235,500	10%	£550,000	£1,359,100
C	GF LV 250	Greenfield	£10,000	£24,710	75%	£13,333	£32,947	12.1	£175,000	£432,400
D	BF MV 10	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	18%	£525,000	£1,297,300
E	BF MV 18	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	18%	£525,000	£1,297,300
F	BF MV 110	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	13%	£500,000	£1,235,500
G	GF MV 20	Greenfield	£10,000	£24,710	90%	£11,111	£27,456	18.8	£220,000	£543,600
H	GF MV 115	Greenfield	£10,000	£24,710	75%	£13,333	£32,947	14.8	£210,000	£518,900
H	GF HV 10	Greenfield	£10,000	£24,710	90%	£11,111	£27,456	22.5	£250,000	£617,800
J	GF HV 50	Greenfield	£10,000	£24,710	80%	£12,500	£30,888	19.2	£240,000	£593,000

The above values are for Plan-making purposes only. This table should be read in conjunction with our Financial Viability Assessment Report and the caveats therein. No responsibility is accepted to any other party in respect of the whole or any part of its contents.

Source: AspinallVerdi, 2022.

Stakeholder Engagement – Generic Residential Typologies

- 5.1 We have held stakeholder consultations through an event held on 15th December 2021. During this event, we outlined a schedule of our key proposed inputs into the viability assessment and invited stakeholders to comment on these where appropriate and provide evidence where available. A copy of our slides for the presentation are included in Appendix 5.
- 5.2 We have not received any feedback following the stakeholder workshop. We conclude therefore that those attending were content with the assumptions presented.

Residential Viability Results

- 5.3 We set out below the results of our viability appraisals. For ease of reference, the results are set out by market area and follow our typologies matrix. Where necessary, we provide comment on any nuances in the results.
- 5.4 The residential appraisals are appended in full at Appendix 6. These include a summary table at the end of each batch of appraisals (by grouping as described below).
- 5.5 Note that in the discussion below we have rounded the values for ease of interpretation.

Typologies A & B - Low Value Area - Brownfield

- 5.6 We have appraised 2 brownfield typologies within the low value area. Typology A has 15 units and Typology B has 250 units.
- 5.7 **Typology A is unviable for plan making purposes including 30% affordable housing, £0 CIL and the identified S106 / policy costs identified in this study, of £11,767 per dwelling. Typology B is marginal (i.e. small positive RLV, but less than the BLV).**
- 5.8 Typology A has a RLV of -£407,130 per net acre. This typology is fundamentally unviable with the existing policy asks. When measured against the BLV the scheme is only further unviable.
- 5.9 Typology B is marginally unviable. The scheme produces a modest positive RLV of £24,640 per acre. However, this is a deficit of £525,360 per acre when the BLV is taken into consideration.
- 5.10 Our sensitivity analysis shows that Typology B generates a small surplus under the following conditions; providing 10% affordable housing, and the BLV is reduced to c.£150,000 per acre. Typology A doesn't generate a surplus even at 0% affordable housing.
- 5.11 Our appraisals included £0 psm CIL. Due to the lack of viability, we do not recommend charging any CIL on brownfield schemes in the lower value area (over and above site-specific S106).
- 5.12 Viability is particularly challenging in this location due to low sales values and the high existing use value of brownfield land. Our further sensitivity analysis shows that increases in density, reduced profit levels or reduced S106 contributions do not have a strong enough impact on the schemes to generate any viable surplus.
- 5.13 Grant funding and other public sector interventions may be required to mobilise development of these sites.

Table 5-16 - Appraisal Summary (A - B)

Appraisal Ref:	A	B
Scheme Typology:	BF LV 15	BF LV 250
No Units:	15	250
Location / Value Zone:	Lower	Lower
Greenfield/Brownfield:	Brownfield	Brownfield
Notes:	0	0
Total GDV (£)	3,036,563	54,506,250
Policy Assumptions		
AH Target % (& mix):	30%	30%
Affordable Rent:	0%	0%
Social Rent:	65%	65%
First Homes:	25%	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%	10%
CIL (£ psm)	-	-
CIL (£ per unit)	-	-
Site Specific S106 (£ per unit)	11,767	11,767
Sub-total CIL+S106 (£ per unit)	11,767	11,767
Site Infrastructure (£ per unit)	-	-
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767	11,767
Profit KPI's		
Developers Profit (% on OMS)	18%	18%
Developers Profit (% on AH)	6%	6%
Developers Profit (% blended)	16%	16%
Developers Profit (% on costs)	16%	19%
Developers Profit Total (£)	476,719	8,656,875
Land Value KPI's		
RLV (£/acre (net))	(407,128)	24,643
RLV (£/ha (net))	(1,006,013)	60,892
RLV (% of GDV)	-11%	1%
RLV Total (£)	(321,068)	585,499
BLV (£/acre (net))	500,000	550,000
BLV (£/ha (net))	1,235,500	1,359,050
BLV Total (£)	394,309	13,067,788
Surplus/Deficit (£/acre) [RLV-BLV]	(907,128)	(525,357)
Surplus/Deficit (£/ha)	(2,241,513)	(1,298,158)
Surplus/Deficit Total (£)	(715,377)	(12,482,289)
Plan Viability comments	Not Viable	Marginal

Source: (220614_Stafford BC_WPV_Residential Appraisals_A-C_v8)

Typology C – Lower Value Area – Greenfield

- 5.14 We have appraised 1 greenfield typology within the lower value area. Typology C has 250 units.
- 5.15 **This typology is marginal in plan viability terms.** This typology was tested with 30% affordable housing, £0 CIL and the identified S106 / policy costs identified in this study, of £13,767 per dwelling. A slightly higher S106 cost per unit was attributed to this typology. This was to reflect additional highways improvements that would likely be required for a greenfield scheme of this size. This cost was £2,000 per unit. This scheme was demonstrated to be unviable in plan-making terms, meaning that the scheme produced a positive RLV but demonstrated a viability deficit after taking the BLV into consideration.
- 5.16 Typology C was tested with a BLV of £175,000 per acre. The scheme produced a net deficit of -£114,680 per net acre. The scheme had a positive RLV of -£60,320 per net acre. Our sensitivity analysis shows that if the scheme provided 10% affordable housing, a balance would be produced at the BLV of c. £175,000 per acre.
- 5.17 Our appraisals included £0 psm CIL. Due to the lack of viability, we do not recommend charging any CIL on brownfield schemes in the lower value area (over and above site-specific S106).

Table 5-17 - Appraisal Summary (C)

Appraisal Ref:	C
Scheme Typology:	GF LV 250
No Units:	250
Location / Value Zone:	Lower
Greenfield/Brownfield:	Greenfield
Notes:	0
Total GDV (£)	53,496,875
Policy Assumptions	
AH Target % (& mix):	30%
Affordable Rent:	0%
Social Rent:	65%
First Homes:	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%
CIL (£ psm)	-
CIL (£ per unit)	-
Site Specific S106 (£ per unit)	13,767
Sub-total CIL+S106 (£ per unit)	13,767
Site Infrastructure (£ per unit)	-
Sub-total CIL+S106+Infrastructure (£ per unit)	13,767
Profit KPI's	
Developers Profit (% on OMS)	18%
Developers Profit (% on AH)	6%
Developers Profit (% blended)	16%
Developers Profit (% on costs)	19%
Developers Profit Total (£)	8,465,063
Land Value KPI's	
RLV (£/acre (net))	60,320
RLV (£/ha (net))	149,051
RLV (% of GDV)	2%
RLV Total (£)	1,330,816
BLV (£/acre (net))	175,000
BLV (£/ha (net))	432,425
BLV Total (£)	3,860,938
Surplus/Deficit (£/acre) [RLV-BLV]	(114,680)
Surplus/Deficit (£/ha)	(283,374)
Surplus/Deficit Total (£)	(2,530,121)
Plan Viability comments	Marginal

Source: (220614_Stafford BC_WPV_Residential Appraisals_A-C_v8)

Typologies D : F Mid Value Area - Brownfield

- 5.18 We have appraised 3x brownfield typologies within the mid value area ranging from 10 units to 110 units.
- 5.19 **These schemes are all marginally viable including 40% affordable housing, £0 CIL and the identified S106 / policy costs identified in this study, of £11,767 per dwelling.** These results are inclusive of the proposed draft policies that would bear impact on viability (i.e., Biodiversity Net Gain and Net Zero Carbon etc.).
- 5.20 These sites are defined as marginally viable. This means that each typology generates a positive RLV. **However, when measured against the BLV, these typologies become unviable.**
- 5.21 The 110-unit scheme (Typology F) has the highest RLV at £195,000 per net acre (due to the lower quartile BCIS costs used in this typology). This scheme has a BLV of £500,000 per net acre. This represents a deficit of over £305,000 per net acre. Where the affordable housing target is reduced to 30%, this deficit is reduced but not eliminated. However, at 5% affordable housing, the typology becomes viable at a not insignificant BLV of £400-£450,000 per acre net or with market value increases of 6%
- 5.22 Our sensitivity analysis shows that only Typology D generates a small surplus over £450,000 BLV where 5% affordable housing is included.
- 5.23 Our appraisals included £0 psm CIL. Due to the lack of viability, we do not recommend charging any CIL on brownfield schemes in the mid-value area (over and above site-specific S106).

Table 5-18 - Appraisal Summary (D - F)

Appraisal Ref:	D	E	F
Scheme Typology:	BF MV 10	BF MV 18	BF MV 110
No Units:	10	18	110
Location / Value Zone:	Mid	Mid	Mid
Greenfield/Brownfield:	Brownfield	Brownfield	Brownfield
Notes:			
Total GDV (£)	2,383,110	4,340,898	25,785,210
Policy Assumptions			
AH Target % (& mix):	40%	40%	40%
Affordable Rent:	0%	0%	0%
Social Rent:	65%	65%	65%
First Homes:	25%	25%	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%	10%	10%
CIL (£ psm)	-	-	-
CIL (£ per unit)	-	-	-
Site Specific S106 (£ per unit)	11,767	11,767	11,767
Sub-total CIL+S106 (£ per unit)	11,767	11,767	11,767
Site Infrastructure (£ per unit)	-	-	-
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767	11,767	11,767
Profit KPI's			
Developers Profit (% on OMS)	18%	18%	18%
Developers Profit (% on AH)	6%	6%	6%
Developers Profit (% blended)	15%	15%	15%
Developers Profit (% on costs)	18%	18%	20%
Developers Profit Total (£)	358,987	655,410	3,871,633
Land Value KPI's			
RLV (£/acre (net))	110,726	61,943	195,034
RLV (£/ha (net))	273,604	153,061	481,928
RLV (% of GDV)	3%	2%	9%
RLV Total (£)	72,001	102,041	2,304,872
BLV (£/acre (net))	525,000	525,000	500,000
BLV (£/ha (net))	1,297,275	1,297,275	1,235,500
BLV Total (£)	341,388	864,850	5,908,913
Surplus/Deficit (£/acre) [RLV-BLV]	(414,274)	(463,057)	(304,966)
Surplus/Deficit (£/ha)	(1,023,671)	(1,144,214)	(753,572)
Surplus/Deficit Total (£)	(269,387)	(762,809)	(3,604,041)
Plan Viability comments	Marignal	Marignal	Marignal

Source: (220614_Stafford BC_WPV_Residential Appraisals_D-H_v8)

Typologies G & H - Mid-Value Area - Greenfield

- 5.24 We have appraised 2 greenfield typologies within the mid value area. Typology G proposes 20 units and Typology H proposes 115 units.
- 5.25 **Typology G is marginal with 40% affordable housing, £0 CIL, and the identified S106 / policy costs identified in this study, of £11,767 per dwelling.** This means that the schemes produce a viability deficit, however also display a positive RLV. This is a smaller scheme with median BCIS costs included.
- 5.26 **Typology H is viable. This is a larger scheme which includes lower quartile BCIS construction costs.**
- 5.27 Typology G proposes 20 units on a greenfield site. With a BLV of £220,000 per net acre, this scheme produces a deficit of -£122,400 per net acre. It produces a positive RLV of £97,500 per net acre which demonstrates that it is commercially viable. Our sensitivity analysis shows that the scheme could support 20% affordable housing if the land value was decreased to £200,000 per net acre. Alternatively, the scheme could support 25% affordable housing if the land value was decreased further to £150,000 per net acre. Additionally, density alone would have to rise to over 70 dph (net) for this typology to become viable.
- 5.28 Typology H is larger than Typology G and proposes 115 units. With a BLV of £210,000 per net acre, this scheme produces a viability surplus of £55,000 per net acre. It also produces a positive RLV of £265,000 per net acre which demonstrates that it is commercially viable.
- 5.29 Our appraisals included £0 psm CIL.

Table 5-19 - Appraisal Summary (G - H)

Appraisal Ref:	G	H
Scheme Typology:	GF MV 20	GF MV 115
No Units:	20	115
Location / Value Zone:	Mid	Mid
Greenfield/Brownfield:	Greenfield	Greenfield
Notes:		0
Total GDV (£)	4,616,220	£26,602,088
Policy Assumptions		
AH Target % (& mix):	40%	40%
Affordable Rent:	0%	0%
Social Rent:	65%	65%
First Homes:	25%	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%	10%
CIL (£ psm)	-	£0
CIL (£ per unit)	-	£0
Site Specific S106 (£ per unit)	11,767	£11,767
Sub-total CIL+S106 (£ per unit)	11,767	£11,767
Site Infrastructure (£ per unit)	-	£0
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767	£11,767
Profit KPI's		
Developers Profit (% on OMS)	18%	18%
Developers Profit (% on AH)	6%	6%
Developers Profit (% blended)	15%	15%
Developers Profit (% on costs)	19%	20%
Developers Profit Total (£)	690,973	£3,976,625
Land Value KPI's		
RLV (£/acre (net))	97,589	£264,967
RLV (£/ha (net))	241,142	£654,733
RLV (% of GDV)	4%	10%
RLV Total (£)	178,624	£2,788,678
BLV (£/acre (net))	220,000	£210,000
BLV (£/ha (net))	543,620	£518,910
BLV Total (£)	402,681	£2,210,172
Surplus/Deficit (£/acre) [RLV-BLV]	(122,411)	£54,967
Surplus/Deficit (£/ha)	(302,478)	£135,823
Surplus/Deficit Total (£)	(224,058)	£578,506
Plan Viability comments	Marginal	Viable

Source: (220614_Stafford BC_WPV_Residential Appraisals_D-H_v8)

Typologies I(2) & J(2) - Higher Value Area - Brownfield

- 5.30 We have appraised 2 brownfield typologies within the higher value area. Typology I(2) proposes 10 units and Typology J(2) proposes 50 units. This is for completeness in order to make recommendations on a greenfield and brownfield basis. It is not anticipated that there are many (if any) brownfield site allocations in the higher value area.
- 5.31 **Both of these typologies are marginally viable with 40% affordable housing, £0 CIL, and the identified S106 / policy costs identified in this study, of £11,767 per dwelling.**
- 5.32 Typology I(2) produces a RLV of £264,000 per acre and J(2) a RLV of £246,000 per acre.
- 5.33 However, given the BLVs, both schemes are in deficit of between £261,000 and £254,000 per acre respectively.
- 5.34 At 10% affordable housing these brownfield schemes achieve in excess of £500,000 BLV and are therefore much less marginally unviable. At these affordable housing percentages, a small increase in density to c 30 dph (which is not unrealistic) makes these schemes viable.
- 5.35 Given that both of these typologies demonstrate viability in planning terms, we would recommend to the Council that there may be an opportunity to introduce a CIL charge on these developments (depending upon the affordable housing percentage target adopted).

Table 5-20 - Appraisal Summary (I - J)

Appraisal Ref:	I(2)	J(2)
Scheme Typology:	BF HV 10	BF HV 50
No Units:	10	50
Location / Value Zone:	Higher	Higher
Greenfield/Brownfield:	Brownfield	Brownfield
Notes:	0	0
Total GDV (£)	2,588,700	12,943,500
Policy Assumptions		
AH Target % (& mix):	40%	40%
Affordable Rent:	0%	0%
Social Rent:	65%	65%
First Homes:	25%	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%	10%
CIL (£ psm)	-	-
CIL (£ per unit)	-	-
Site Specific S106 (£ per unit)	11,767	11,767
Sub-total CIL+S106 (£ per unit)	11,767	11,767
Site Infrastructure (£ per unit)	-	-
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767	11,767
Profit KPI's		
Developers Profit (% on OMS)	18%	18%
Developers Profit (% on AH)	6%	6%
Developers Profit (% blended)	15%	15%
Developers Profit (% on costs)	20%	20%
Developers Profit Total (£)	388,422	1,942,110
Land Value KPI's		
RLV (£/acre (net))	264,034	245,984
RLV (£/ha (net))	652,428	607,825
RLV (% of GDV)	10%	9%
RLV Total (£)	250,934	1,215,651
BLV (£/acre (net))	525,000	500,000
BLV (£/ha (net))	1,297,275	1,235,500
BLV Total (£)	498,952	2,471,000
Surplus/Deficit (£/acre) [RLV-BLV]	(260,966)	(254,016)
Surplus/Deficit (£/ha)	(644,847)	(627,675)
Surplus/Deficit Total (£)	(248,018)	(1,255,349)
Plan Viability comments	Marginal	Marginal

Source: (220614_Stafford BC_WPV_Residential Appraisals_I-J_v8)

Typologies I & J - Higher Value Area - Greenfield

- 5.36 We have appraised 2 greenfield typologies within the higher value area. Typology I proposes 10 units and Typology J proposes 50 units.
- 5.37 **Both of these typologies are demonstrated to be viable with 40% affordable housing, £0 CIL, and the identified S106 / policy costs identified in this study, of £11,767 per dwelling. This viability is due to the higher achievable values in the area and the lower remediation costs associated with greenfield land in comparison to brownfield.**
- 5.38 Typology I produces a viability surplus of £67,400 per net acre. We have adopted a BLV of £240,000 per net acre for this site. The scheme also produces a RLV of £307,400 per net acre.
- 5.39 Typology J produces a viability surplus of £49,700 per net acre. With a BLV of £240,000 per net acre for this site. The scheme also produces a RLV of £289,700 per net acre.
- 5.40 Typology I is slightly more viable than Typology J, this is due to density and gross to net site areas.
- 5.41 Given that both of these typologies demonstrate viability in planning terms, we would recommend to the Council that there may be an opportunity to introduce a CIL charge on these developments.

Table 5-21 - Appraisal Summary (I - J)

Appraisal Ref:	I	J
Scheme Typology:	GF HV 10	GF HV 50
No Units:	10	50
Location / Value Zone:	Higher	Higher
Greenfield/Brownfield:	Greenfield	Greenfield
Notes:		
Total GDV (£)	2,588,700	12,943,500
Policy Assumptions		
AH Target % (& mix):	40%	40%
Affordable Rent:	0%	0%
Social Rent:	65%	65%
First Homes:	25%	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%	10%
CIL (£ psm)	-	-
CIL (£ per unit)	-	-
Site Specific S106 (£ per unit)	11,767	11,767
Sub-total CIL+S106 (£ per unit)	11,767	11,767
Site Infrastructure (£ per unit)	-	-
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767	11,767
Profit KPI's		
Developers Profit (% on OMS)	18%	18%
Developers Profit (% on AH)	6%	6%
Developers Profit (% blended)	15%	15%
Developers Profit (% on costs)	21%	21%
Developers Profit Total (£)	388,422	1,942,110
Land Value KPI's		
RLV (£/acre (net))	307,406	289,697
RLV (£/ha (net))	759,599	715,841
RLV (% of GDV)	11%	11%
RLV Total (£)	292,154	1,431,681
BLV (£/acre (net))	240,000	240,000
BLV (£/ha (net))	593,040	593,040
BLV Total (£)	228,092	1,186,080
Surplus/Deficit (£/acre) [RLV-BLV]	67,406	49,697
Surplus/Deficit (£/ha)	166,559	122,801
Surplus/Deficit Total (£)	64,061	245,601
Plan Viability comments	Viable	Viable

Source: (220614_Stafford BC_WPV_Residential Appraisals_I-J_v8)

Community Infrastructure Levy Headroom

- 5.42 At the time of writing, the Council have not yet decided whether to consider a CIL charge. We have been instructed to determine whether there is capacity for a CIL in Stafford.
- 5.43 Our results above outline that development is generally unviable in the low value zone, only marginally viable in the mid value zone and viable in the higher value zone. It is only in the higher value zone that there is a demonstratable surplus generated that could support a CIL. In this respect, our results show a lower viability surplus for CIL compared to the previous 2015 HDH study. This is because there are additional policy requirements included in our study e.g. Category M4(2)(3)(b) units and allowance for net zero carbon homes.
- 5.44 In Table 5-22, we outline the maximum CIL charge generated from the surpluses in the higher value zone typologies.

Table 5-22 - Maximum Residential CIL Charge

Typology	Maximum CIL Charge £ psm
I	£123.34 psm
J	£94.69psm

Source: AspinallVerdi, 2022 (220614_Stafford BC_WPV_Residential Appraisals_I-J_v8)

- 5.45 As established, Typology I is more viable than Typology J and therefore capable of generating a higher maximum CIL charge.
- 5.46 For the avoidance of doubt, the maximum CIL charge is before a viability buffer, as required by the Viability PPG. If the Council deems it necessary to investigate CIL further, we can recommend a CIL charge for this value zone that is “buffered”.

6 Strategic Sites

- 6.1 We have carried out detailed analysis of two strategic sites. These are potential site allocations which, by virtue of their size, would have a significant impact on the overall housing numbers in the Plan if they were unable to be delivered.
- 6.2 **Please note that this section contains commercially sensitive information and will be redacted for public consultation.**
- 6.3 We have appraised the following strategic sites:
- Meecebrook Garden Community (Meecebrook) - 6,000 units
 - Stafford [Station] Gateway - 932 units

Strategic Sites Market Engagement

- 6.4 We have prepared (i) a detailed strategic site questionnaire to establish BLV, profit etc. and (ii) an infrastructure/S106 cost assumptions spreadsheet proforma (to capture the social and economic infrastructure required to mitigate the site).
- 6.5 In terms of (i) we have prepared a bespoke strategic site questionnaire in MS Word to gather data from each of the site promoters and landowners/developers. This includes fields for:
- Land assembly / BLV
 - Financial Viability and Funding
 - Planning Policy and Consents
 - Delivery Mechanism etc.
- 6.6 We have also (ii), developed a strategic sites appraisal assumptions template in Excel. This sets out:
- the land budget, housing trajectory (per annum, per phase etc);
 - the quantum of site opening up infrastructure required;
 - site specific S106 assumptions.
- 6.7 We have sought to engage the strategic site promoters, developers and landowners for each of the sites to review the draft site proformas. We have then provided an opportunity for the site proformas to be updated/finalised. This work is ongoing.
- 6.8 This section sets out below our observations in respect of the viability and deliverability of each of the site.
- 6.9 We refer you to the site delivery proformas contained at Appendix 7.

- 6.10 We particularly draw your attention to the responses in respect of questions 18-24 and 51-58. Given the government's agenda that Local Plans are viable and deliverable (NPPF Paras 57 and 34) it is very important that the Council has confirmation that the land is deliverable. This requires the Council to have an understanding of specific baseline land values.
- 6.11 Sites which are unable to confirm either the EUV + premium or the minimum land value (in the case of options/promotion agreements etc.) should be considered less favourably than sites which have confirmed these figures (all other things being equal). This is because there is more uncertainty about the deliverability of the sites (irrespective of the viability position).
- 6.12 This is not to say that these are the values that the landowner expects to achieve in the future (where policy compliant residual land values could be higher than current expectations).
- 6.13 We have provided a summary of the viability results and then set out comments for each of the sites in respect of strengths / opportunities and weaknesses / constraints.

Strategic Site Assumptions

- 6.14 We set out below our baseline cost and value assumptions at this point in time.

S106 & Infrastructure Costs

- 6.15 A section of the Strategic Site questionnaire that we issued relates to S106 and infrastructure costs. However, due to the infancy of the sites, we were not provided with any actual costs for S106 or infrastructure for either strategic site. It was confirmed that there are currently ongoing studies into these costs for Meecebrook. It was also confirmed that the abnormal costs will also be provided at a later date for both sites as this is also being established by ongoing studies. Where S106/infrastructure cost information is lacking, we have made our own assumptions based on the evidence provided on similar sites.
- 6.16 The questionnaire also requests information regarding option agreements and any minimum land value clauses which might be contained in these agreements. Again, it was confirmed that the infancy of these sites means that there are currently no option agreements in place for the land. We have therefore made an assumption as to the benchmark land value of the sites (see the Land Market Paper report). These assumptions are without prejudice to the ongoing detailed site assessments.
- 6.17 We have not received completed S106/infrastructure pro-formas from the following sites and at this time there is no relevant information available. We have previously undertaken work on behalf of Homes England and other Local Authorities to evaluate Garden Community bids, part of which required us to assess likely infrastructure costs. This detailed work produced indicative economic infrastructure costs ranging from £XXXXXX - £XXXXXX per dwelling. This provides a

useful guide for likely infrastructure costs that would be incurred at both Meecebrook and Station Gateway. We have also conducted assessments of Garden Communities and Strategic Sites where Infrastructure Delivery Plans have been produced that provide a detailed breakdown of infrastructure costs. These projects matched the aforementioned range of **£XXXXXX - £XXXXXX** per dwelling.

- 6.18 Based on the above experience, we have adopted an infrastructure cost of **£XXXXXX per dwelling for Meecebrook** and **£XXXXXX per dwelling for Station Gateway**. We anticipate that Meecebrook will require more infrastructure delivery as it is a more rural greenfield site. In contrast, Station Gateway already benefits from existing transport links as it is a brownfield site close to the centre of Stafford town. The above are working assumptions only and these need to be verified and agreed by the Council and the site promoters.
- 6.19 It is important to note that high level working S106 and infrastructure cost assumptions are not necessarily limiting to our analysis, as we appreciate that some sites have been promoted for a longer period of time than other sites. Sites which are in the early stages of development and promotion are understandably likely to have less information available. However, infrastructure cost risk has to be counter-balanced by evidence that there is an appreciation by the landowner/promotor that they have to bear this cost out of land value. Where there is limited infrastructure cost information and limited information on land value aspirations, this is the highest risk to the delivery of the Local Plan.

Value Premium for Quality

- 6.20 Garden Communities are characterised as providing high quality homes and well-designed places. These qualities are likely to attract a premium, we have therefore reviewed literature that comment on the value of quality.
- 6.21 London School of Economic (LSE) assessed the effects of conservation areas on value. Conservation areas are protected areas of special architectural or historic interest. They are designated by Local Authorities to protect their character and appearance. Conservation areas attract a premium due to their placemaking qualities, qualities which Garden Communities should exhibit. Garden Communities aspire to placemaking principles that should set them out as conservation areas of the future.
- 6.22 The LSE research is the only rigorous, large-scale analysis of the effects of conservation areas on house prices in England. This unique research on conservation areas provided evidence that a high-quality environment can add value to residential property.
- 6.23 The research, conducted by the London School of Economics in 2012, involved:

- Statistical analysis of over 1 million property transactions between 1995 and 2010, and data on the characteristics of over 8,000 conservation areas.
- A survey of residents in 10 conservation areas to measure people's perceptions of conservation areas and how these relate to house prices.
- Interviews with local planning officers.

The key findings of the report are:

- Houses in conservation areas sell for a **premium of 9% on average**, after controlling for other factors.
- Property prices inside conservation areas have grown at a rate that exceeded comparable properties elsewhere by 0.2% a year.
- Overall there was not a negative attitude toward planning regulations.
- Especially in areas with higher house prices and low deprivation, strong planning control was often linked back to protecting the coherence of a neighbourhood⁴¹.

6.24 In 2016, Savills assessed the value of placemaking. Savills produced a land value model for a theoretical urban extension of 3,000 homes on a 425-acre sites with a 50% net developable area.

6.25 The model demonstrated that an extra 50% spend on placemaking (a total of £45,000 per dwelling), can boost the land value by 25%. This is based on the assumption that placemaking increases both sales values and sales rates. A key condition to increases in sales values and sales rates is the strength of the local market. Build costs also increased by 17% to £117 psf.

6.26 The increase in sales values was based on a review of case studies. Savills found that:

- Sales values in Poundbury, Dorchester are 29% higher than other schemes in the area.
- Sales rates in Brooklands, Milton Keynes were nearly double (91% higher) that of nearby developments.

6.27 In their model, **Savills assumed that values increased by 30%** and that take up rate is 50% higher at 180 homes per annum.

6.28 In 2016, RICS also published an information paper on the value of placemaking. RICS analysed 5 case studies in order to determine which physical attributes and delivery approached create a positive sense of place and how this can create higher values.

6.29 RICS found that the value of placemaking ranges between 5% and 56%. Even, in low value areas **good place making can achieve premiums of up to 20%**. The main influences were the community provisions such as schools, parks, and community spaces that encouraged

⁴¹ <https://historicengland.org.uk/research/current/social-and-economic-research/value-and-impact-of-heritage/value-conservation-areas/>

community engagement. In general, the premium grew over time as a sense of place and community developed.

- 6.30 The highest premiums were found on terraces suggesting that young families are willing to pay a premium for good neighbourhoods, even if that means sacrificing on space. The market for large executive homes is more open as affluent families typically prefer a traditional house in a rural area with more space than is often provided on new-build estates. Nevertheless, if particular attention is paid to size, location, and the architecture of the executive homes then certain 'stand out' plots were able to outperform the rest of the development.
- 6.31 RICS agreed with Savills, that there is a general rule with community infrastructure that the earlier it can be provided, the better.
- 6.32 As shown in Figure 5.2, we have applied different housing value zones across the Borough. **We have tested Meecebrook in the high value zone despite the site straddling the high and mid-value zone.** We have assumed that, due to the size of this development, the site will effectively create its own value zone. Development on this scale will require new infrastructure and will provide public amenities such as schools and healthcare provisions. The dwellings will also be constructed to a high design quality. We therefore assume that properties at this development will likely command higher prices than properties in the surrounding area and therefore we have adopted the higher value zone assumptions.
- 6.33 Similarly, **we have tested Station Gateway in the mid-value zone despite the fact that the site is situated in the lower value zone.** The site is located in close proximity to Stafford Station and will benefit from HS2 in the future. We anticipate that property prices at this development will achieve higher prices than in the rest of the built-up urban area of Stafford, therefore the mid-value zone values more accurately represent the likely achievable prices.

Unit Mix

- 6.34 For Station Gateway, we have adopted the unit mix provided in the Masterplan produced by Hawkins Brown & WSP⁴². This unit mix is summarised in Table 6-1.

Table 6-1 - Station Gateway Unit Mix

Unit Type	% Of Overall Mix
1-Bed Flat	27.5%
2-Bed Flat	22.5%
3-Bed House	37.5%

⁴² Hawkins Brown & WSP, *Stafford Station Gateway Masterplan – Final Report*, 30/11/2020.

4-Bed House	12.5%
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Source: Station Gateway Masterplan, 2020 page 84 of 96.

- 6.35 For Meecebrook, we have broadly followed the unit mix contained within the Economic and Housing Development Needs Assessment (EHDNA) 2020⁴³. A summary of this unit mix is provided in Table 6-2.

Table 6-2 - EHDNA 2020 Recommended Unit Mix

	1-bed	2-bed	3-bed	4+-bed
Estimated future need/demand	15%	35%	40%	10%
Recommended range	10-30%	25 – 40%	35 – 50%	5 – 20%
Broad mix by sub-market area (within range)				
Stafford	↓	→	→	→
Stone	→	→	→	→
Rural	↑	↑	→	→
↓ Indicates provision should be at lower end of range → Indicates provision should be roughly at centre of range ↑ Indicates provision should be at higher end of range				

Source: EHDNA, 2020.

- 6.36 Based on this guidance, we have adopted the following mix for the Meecebrook appraisal:

Table 6-3 - Meecebrook Unit Mix

Unit Type	% Of Overall Mix
1-Bed Flat	10%
2-Bed Flat	10%
2-Bed House	20%
3-Bed House	45%
4-Bed House	10%
5-Bed House	5%

Source: AspinallVerdi, 2022.

Cost Assumptions

- 6.37 We have already outlined our baseline cost assumptions in Chapter 5. Our assumptions remain the same with the strategic sites with the exception of BCIS build costs (and the S106 and

⁴³ Lichfields, *Stafford Borough Council Economic and Housing Development Needs Assessment*, 2020.

infrastructure costs above). To reflect the economies of scale that would be achieved on these strategic sites, we have adopted lower quartile BCIS costs as opposed to the median that were used in our generic residential typology testing (<100 unit schemes).

Strategic Site Viability Results

6.38 In this section we provide the results of our strategic site testing. We provide a copy of our appraisals in Appendix 8.

Meecebrook

6.39 Our appraisal shows that Meecebrook Garden Community is currently marginally-viable at 40% affordable housing. We have adopted a BLV of £XXXXXX per net acre (£XXXXXX per gross acre). The scheme does produce a positive RLV of £XXXXXX per net acre (£XXXXXX per gross acre) which means that the scheme is technically commercially viable. However, there is currently a viability deficit of £XXXXXX per net acre (£XXXXXX per gross acre) compared to the BLV.

6.40 It follows that the BLV would need to be reduced to £XXXXXX per net acre in order to make the scheme viable. In other words, landowners must be willing to accept a lower land receipt to release their land for development. This threatens the scheme delivery.

6.41 Our sensitivity analysis shows that Meecebrook becomes viable where affordable housing is reduced to c. 30%. On this basis the scheme produces a positive RLV of £XXXXXX per net acre. Alternatively, Meecebrook becomes viable where no uplift is provided to reach the full FHS (Future Homes Standard) and affordable housing is 35%.

6.42 To maintain the full 40% affordable housing target, the scheme would need to forgo the provision of all M4(2) and M4(3) accessible housing, Net Zero extra over interim FHS Interim Uplift and provision of electric vehicle charge points. Such a movement away from policy and regulatory requirements may not be desirable.

6.43 That said, due to the scale of the development the overall RLV is £XXXXXX which is a substantial sum and potentially life-changing for an individual landowner. Similarly, the profit at a blended 14.88% equates to £XXXXXX in our appraisal. There is therefore over £XXXXXX of 'landowner' and 'developer' surplus in the model. More detailed technical due diligence and value engineering is required in order to demonstrate that the scheme is viable.

Station Gateway

6.44 Our appraisal shows that Station Gateway is currently marginally-viable at 30% affordable housing. We have adopted a BLV of £XXXXXX per net acre (£XXXXXX per gross acre). The scheme does produce a positive RLV of £XXXXXX per net acre (£XXXXXX per gross acre) which means

that the scheme is technically commercially viable. However, there is currently a viability deficit of £XXXXXX per net acre (£XXXXXX per gross acre).

- 6.45 It follows that the BLV and the affordable housing target would need to be reduced in order to make the scheme viable. In other words, landowners must be willing to accept a lower land receipt to release their land for development.
- 6.46 Our sensitivity analysis shows that Station Gateway remains unviable for plan making purposes where affordable housing is reduced to 0% (based on the current BLV assumption). On this basis, should the affordable housing be reduced to 0%, the land value would equate to c. £XXXXXX per acre net.
- 6.47 Only when the infrastructure allowance and all policy requirements are removed does the scheme become viable at 25% affordable housing. However, such a movement away from policy and regulatory requirements is not achievable.

Viability and Delivery Analysis

- 6.48 We set out below our comments in respect of strengths / opportunities and weaknesses / constraints for each of the strategic sites. It is important to note that our comments below are limited to viability and deliverability aspects, and the LPA will have additional criteria for site allocations.
- 6.49 We summarise each site with a RAG rating. This is a traffic light system and stands for Red, Amber and Green. As a rule of thumb, we score each site as follows:
- Green: if $RLV > BLV$ (viable); and the landowner/site promotor has confirmed that their minimum land value is $<$ than the RLV. Note that this does not require all the infrastructure cost to be fully developed, but there has to be sufficient 'headroom' in the appraisal between the policy compliant RLV and the BLV/minimum land value to ensure that the land can still come forward if the costs increase (and the landowner accepts this approach).
 - Amber: if $RLV < BLV$, but RLV is positive (marginally viable) and in circumstances where viability is more challenging. For example, the infrastructure costs may not be fully development but the landowner has not been transparent about the minimum land value that they would accept and therefore we have no way of confirming whether the site is deliverable. Alternatively, the landowner may have been fully transparent on land value, but the infrastructure costs are simply too large for the scheme to carry at this land value.
 - Red: if $RLV < BLV$, and RLV is negative (unviable) and/or the infrastructure costs are simply too onerous (e.g. motorway junctions and/or railway stations required) and there is not a route to positive RLV and/or the landowner(s) object and/or there are other impediments to viability and delivery.
- 6.50 In addition to the above criteria, we also take account of the information that is available to us at the time of assessment. For example, where a site is marginally viable, but only scant information in regards to landowner commitments or infrastructure has been provided, we may choose to downgrade our rating. Conversely, if we can see that scheme would be eminently viable once the infrastructure costs have been developed and the landowners is 'on-board' with the principle of land value capture for infrastructure, we may up-grade our rating.

Meecebrook

Masterplan	REDACTED FOR PUBLIC CONSULTATION
Strengths / Opportunities	<ul style="list-style-type: none"> • Contribute significantly to Council's housing requirements. • Provision of new infrastructure such as schools, healthcare provisions and rail links will benefit the proposed community. • There is alternative land that can be explored if any of the existing landowners decide not to release their land for development (see below weakness).
Weaknesses / Constraints	<ul style="list-style-type: none"> • The site is under the ownership of multiple landowners. At the time of writing a number of key landowners have been identified and are working in partnership with of writing SBC to bring forward Meecebrook. There is no option or promotion agreement in place for the site. At this moment, we understand that the minimum returns required by the landowners has not been agreed, nor explored. • Initial viability research undertaken by Faithful & Gould has demonstrated that the site has a residual land value of £XXXXXX per acre (we assume gross). Based on our experience, this is very low and there is a risk landowners may not release their land for development for such an amount. • Further research is dependent on funding from Homes England to support the ongoing commission. • There are considerable infrastructure requirements for the site. At this time, these infrastructure costs are still being developed and are unknown. We have relied on a 'standard' figure per unit in our appraisals based on previous experience. Until these costs are investigated by a cost consultant, we view the unknowns as a risk. Particularly the additional railway station. • Appraisal is marginally viable, whilst the RLV is positive, it remains lower than the BLV. The sensitivities show that the scheme becomes viable if affordable housing is reduced to 25%. • The BLV would need to be reduced to £XXXXXX per net acre in order to make the scheme viable. In other words, landowners must be willing to accept a lower land receipt to release their land for development. This threatens the scheme delivery.
RAG Rating	Meecebrook is constrained by the lack of clarity around landowner commitment and the unknown costs of infrastructure. It is important that landowners engage continuously in this process and further work is undertaken regarding infrastructure requirements. If landowners are not 'on board', or their financial expectations quantified, the delivery of this scheme is at risk.

Stafford Gateway

Masterplan	
Strengths / Opportunities	<ul style="list-style-type: none"> • Contribute significantly to Council's housing requirements. • Nearby to Stafford Station & will benefit from HS2. • Regeneration of brownfield land. • Main spine road (Martin Drive) has already been constructed. • We expect values in this area to rise above and beyond the “low value” zone due to a regeneration premium.
Weaknesses / Constraints	<ul style="list-style-type: none"> • 12 x landowners, therefore land assembly is more complex, agreements/discussions are taking place. There is a collaboration agreement in place between 3 x of the landowners and additional landowners have expressed their willingness to bring the scheme forward, according the Council. • There are considerable infrastructure requirements for the site. At this time, these infrastructure costs are still being developed and are unknown. We have relied on a ‘standard’ figure per unit in our appraisals based on previous experience. Until these costs are investigated by a cost consultant, we view the unknowns as a risk. Particularly the additional railway station. • Partial existing Local Plan allocation (West of Stafford Strategic Development Location – Policy Stafford).
RAG Rating	<p>Station Gateway is constrained by the lack of clarity around infrastructure. It is important that further work is undertaken regarding infrastructure requirements so that we may accurately model the implication on viability.</p>

7 Conclusions and Recommendations

7.1 This section sets out our conclusions and recommendations.

Recommended Affordable Housing Rates

7.2 Based on our appraisals, we recommend the following affordable housing rates:

Table 7-1 - Recommended Affordable Housing Rates

	Greenfield	Brownfield
High Value Area	40%	10%
Medium Value Area	20%	5%
Low Value Area	10%	0%

7.3 The above rates are viable when CIL is set at £0 psm. We would therefore recommend that for the Local Plan to come forward at the above levels of affordable housing, no CIL should be implemented.

Strategic Site Recommendations

7.4 Below we outline our recommendations for the two strategic sites that we have tested.

Meecebrook

7.5 The limiting factor to determine viability at Meecebrook is the S106/infrastructure cost at £XXXXX per dwelling. This may become more of a limiting factor if further work shows that the cost is higher than our assumption.

7.6 Secondly, the willingness of all landowners to release their land for development is not certain. Whilst landowners have been identified and are continuing to work with SBC, further engagement is needed to solidify the proposed red line boundary of the site. There still remains an imminent requirement to open dialogue with these landowners to discuss viability and expectations. Further information is required to add more detail to the emerging and evolving viability status of this site, which in turn enables the viability of the site to be modelled more accurately. This helps inform discussions with landowners, specifically in regards to expectations of potential land receipts.

Station Gateway

- 7.7 By far, the limiting factor to determine viability at Station Gateway is the S106/infrastructure cost at £XXXXXX per dwelling. This may become more of a limiting factor if further work shows that the cost is higher than our assumption.
- 7.8 Secondly, the large number of landowners could create complexities with regards to collaboration or equalisation agreements. This fundamentally puts the site at risk. Further information is required on both of these points to add more detail to the emerging and evolving viability status of this site.

Net Zero Policy Recommendations

- 7.9 The above recommendations include costs for Part L / FHS of:
- £4,847 per house
 - £2,256 per flat
- 7.10 This is based on the Future Homes Standard 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings. This is the FHS Interim Uplift resulting in a 31% improvement on carbon dioxide emissions.
- 7.11 In addition, the recommendations include an additional cost premium of £6,000 per unit, in addition to the FHS Interim Uplift thereby also achieving the full FHS implementation, as at 2025.
- 7.12 Based on the sensitivity Table 6a – Net Zero extra over FHS Interim Uplift – attached to our appraisals, one can see the impact of this additional element on the affordable housing percentage target.
- 7.13 If this net zero requirement (cost) were to be removed (i.e. -£6,000 in the sensitivity) the affordable housing recommendations could be uplifted to the percentages below in Table 7-2

Table 7-2 – Potential Affordable Housing Rates with No Net Zero Carbon Requirements

	Greenfield	Brownfield
High Value Area	40%	15%
Medium Value Area	30%	5%
Low Value Area	25%	0%

- 7.14 The above summary table illustrates that there is there is still no scope for affordable housing in the lower value area on brownfield sites even with no net zero requirement. However, there is

scope to secure more affordable housing from the greenfield sites – increasing the affordable housing target from 10% to 20-25%.

- 7.15 In the medium value area on brownfield sites, reducing the net zero requirement makes limited difference to the 5% brownfield target. Brownfield sites are still marginal above 5% as below 5% with net zero. The difference depends more so on the size of the scheme in terms of the shift to lower quartile BCIS costs. On greenfield sites in the medium value zone, even the 'small' 20-unit typology (G) is viable at 30% affordable housing with no net zero carbon requirement. The larger 115-unit typology (H) is still viable with over 40% affordable housing (due to the lower quartile BCIS costs).
- 7.16 Finally, for completeness, in the higher value area the greenfield sites are viable at policy target 40% affordable housing notwithstanding the inclusion of net zero carbon policy costs. On brownfield sites in the higher value area, without net zero costs, the affordable housing target 5 could be increased from 10% to 15%.

Appendix 1 – Policies Matrix

Stafford Borough Viability and Delivery Assessment

Stafford Borough Local Plan - The Preferred Option

This policies matrix sets out the emerging draft Preferred Option policies and describes how we have incorporated the cumulative impact of the policies into the viability assessment. The matrix ‘sign-posts’ the reader to particular cost and values evidence which reads across into the financial appraisals. Full consideration of the approved policies and associated details will be made available at the Preferred Option consultation stage during June and July 2022.

*Those policies with a Direct impact on viability include policies such as affordable housing, minimum housing standards etc. that have a quantifiable impact on viability. These have been explicitly factored into our economic viability appraisals through cost and value assumption etc.

Those policies with an Indirect impact have been incorporated into the viability study indirectly through the property market cost and value assumptions adopted e.g. market values, benchmark land value and BICS costs etc. It is important to note that all the policies have an indirect impact on viability. The Stafford Borough Local Plan 2020-2040 sets the ‘framework’ for the property market to operate within. All the spatial policies have an indirect impact on viability through the operation of the property market (price mechanism).

Some policies are for very narrow specific circumstances of Development Management. These policies have no material impact on the value and cost assumptions for the viability Plan-making viability assessment.

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
1: Development Strategy	Indirect	<p>This policy may influence land and property values indirectly through the price mechanism. The focus on new developments in specific areas may have an impact on land and property values creating distinct market areas. We have undertaken a thorough market analysis of land values to look into whether there is a variation in both Existing Use Values (EUV) and Market Values (MV) across the district. We have also undertaken property market research into the property values. For the purpose of this report, we have used current values and costs and values and recommend SBC keep viability under review going forward.</p> <p>We have been provided with a schedule of preferred allocations which have informed our development typologies. These typologies have been approved and signed off by Stafford Borough Council (SBC). This is reflective of the pattern of growth within the 2020 – 2040 plan period.</p>

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
2: [Commercially sensitive information]		[Commercially sensitive information]
3: Development in Open Countryside – General Principles	Indirect	<p>The policy is to support proposals for sustainable economic growth in the countryside and rural areas.</p> <p>It is important that the rural economy is strong as the urban economy is determined, in part, by the catchment / rural hinterland. This policy has no direct impact on viability.</p> <p>We have tested residential windfall sites to reflect development in rural areas.</p>
4: Climate Change Development Requirements	Direct	<p>Our testing will assess the viability of Future Homes Standards and the potential for development to delivered with net zero-carbon emissions.</p> <p>We have incorporated a cost allowance of £12,880 for houses and £7,568 for flats (per unit) to achieve zero carbon. This includes and incorporates the cost to achieve Future Homes Standards.</p>
5: Green Belt	Indirect	<p>Green Belt land is always dealt with in line with national planning policy. Within the Green Belt development will be restricted to those limited types of development which are deemed appropriate (by the NPPF), unless very special circumstances can be demonstrated.</p> <p>This policy may influence land and property values indirectly through the price mechanism. The focus on new developments in specific towns (and not in the Green Belt) may have an impact on land and property values creating distinct market areas. We have undertaken a thorough market analysis of land values to look into whether there is a variation in both Existing Use Values (EUV) and Market Values (MV) across the district. We have also undertaken property market research into the property values. For the purpose of this report, we have used current values and costs and values and recommend SBC keep viability under review going forward.</p> <p>There is no impact of the remainder of this policy on the overall viability of the Plan.</p>

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
6: Neighbourhood Plans	Indirect	Neighbourhood Plans are made in accordance with Local Plan policy. We assume that where existing Local Plan policies are changed, deleted or new policies introduced, then these policies will be given more weight in the plan system, where they differ from Neighbourhood Plan policies. Assessing each Neighbourhood Plan is also outside of our scope of study. .
7: Commercially sensitive information		[Commercially sensitive information]
8: Commercially sensitive information		[Commercially sensitive information]
9: North of Stafford	Direct	The North of Stafford Strategic Development Location is an allocation in the adopted Plan for Stafford Borough 2011-2031 with a number of extant planning consents.
10: West of Stafford	Direct	The North of Stafford Strategic Development Location is an allocation in the adopted Plan for Stafford Borough 2011-2031 with a number of extant planning consents.
11: Commercially sensitive information		[Commercially sensitive information]
12: Other housing and employment Land Allocations	Indirect	<p>This policy may influence land and property values indirectly through the price mechanism. The focus on new developments in specific areas may have an impact on land and property values creating distinct market areas. For the purpose of this report, we have used current values and costs and values and recommend SBC keep viability under review going forward.</p> <p>We have created typologies that represent the sites as proposed allocations for housing development in Appendix 2 of the draft Local Plan. These typologies are grouped based on characteristics such as greenfield / brownfield, location, density, yield etc.</p> <p>The allocation of land for employment uses impacts indirectly on the supply of land for residential use (i.e. if a site is allocated for employment use, then it cannot also be allocated for residential use (except in the context of mixed-use schemes)); and therefore, impacts the land value of residential development land due to reduced supply. Similarly, commercial property values are determined by the existing stock of premises and the supply of new development for</p>

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
		employment uses. We have sought to utilise appropriate evidenced / justified land and property values within our analysis and we recommend that values are monitored for future reviews.
13: Local Green Space Allocations	Indirect	As above. The designation of land as Green Space prevents it use for residential / commercial development and therefore impacts land values etc through the price mechanism.
14: Penk and Sow Countryside Enhancement Area	No overall Impact	Unless developers are expected to contribute toward the cost of this countryside enhancement area there will be no overall impact on viability.
15: Stone Countryside Enhancement Area	No overall impact	Unless developers are expected to contribute toward the cost of this countryside enhancement area there will be no overall impact on viability.
16: Protection of Employment Land	Indirect	Any change of use employment to residential windfall sites are captured in our brownfield typologies. The allocation of land for employment uses impacts indirectly on the supply of land for residential use (i.e. if a site is allocated for employment use, then it cannot also be allocated for residential use (except in the context of mixed-use schemes)); and therefore, impacts the land value of residential development land due to reduced supply. Similarly, commercial property values are determined by the existing stock of premises and the supply of new development for employment uses. We have sought to utilise appropriate evidenced / justified land and property values within our analysis and we recommend that values are monitored for future reviews.
17: Recognised Industrial Estates	Indirect	As above.
18: Home working and small-scale employment uses	No overall impact	This policy has no overall impact to development viability. The scale of such development falls beneath many policy requirements.

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
19: Town Centre and Main Town Centre Uses	Indirect	The vitality of the town centres impacts indirectly on the desirability of that location as a place to live; shop and work, impacting on values. We have had regard to current values as part of our viability appraisals. The vitality of the settlements should continue to be monitored as this will impact future values.
20: Agricultural and Forestry Development	Indirect	Development of agricultural and forestry businesses will indirectly impact the availability of greenfield land for other types of development. The impact of this should be monitored through future land supply studies.
21: Tourism Development	Indirect	This has no direct impact on the viability of housing, however the vibrancy of the town centres is important to maintain in order to maintain the vibrancy of the residential (and other) property markets.
22: Canals	No overall impact	This policy has no overall impact on viability.
23: Affordable Housing	Direct	<p>All residential typologies and proposed strategic sites are assessed initially at a fully policy-compliant level of affordable housing in accordance with Policy 23.</p> <p>We have spoken to Stafford Borough Council regarding their preferred tenure mix based on need evidence, which we will test.</p> <p>Unit sizes have been adopted in accordance with the Technical housing standards – nationally described space standard cross referenced with recent market delivery in the Borough.</p>
24: Standard Homes for Life	Direct	<p>All typologies have been tested to comply with the Future Homes Standards. We have incorporated a cost allowance of £12,880 for houses and £7,568 for flats (per unit) to achieve zero carbon. This includes and incorporates the cost to achieve Future Homes Standards.</p> <p>We have included additional construction costs to assume full compliancy with M4(2) & M4(3) requirements under the Building Regulations as per the policy requirements. We have included an additional cost of £521 per unit in respect of</p>

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
		<p>10% of all affordable housing units and market housing to achieve Category M4(2) on sites of over 10 units (0% less than 10 units).</p> <p>We have also included an allowance of £22,791 per unit to achieve Cat. M4(3)2b wheelchair accessible, on schemes which provide 10 or more <i>affordable</i> dwellings on sites of over 10 units (0% less than 10 units). This does not apply to the market housing.</p> <p>We assume that the relevant outdoor amenity space can be incorporated into the scheme layouts based on the relevant densities etc.</p> <p>We have assumed that all development complies with the Council's preferred tenure mix as far as reasonably possible.</p> <p>We have not appraised any housing for elderly people schemes explicitly. Housing for elderly people can be delivered in various ways from individual self-builder to larger schemes involving enabling development. All our residential typologies are on the basis that land can be acquired and developed into a new unit (including appropriate allowance for profit). Where housing for elderly people involves plot sales and / or part completed units (e.g. foundations, or 'wind and watertight') the working assumption is that the developers' profit is commensurate with the development work undertaken and therefore there is sufficient development surplus to incentivise the builder to complete the unit.</p> <p>We have adopted reasonable densities and yields for the proposed site allocations included in the draft Local Plan to ensure development complies with Policy 29.</p> <p>We will use sensitivity analysis to assess the impacts of density changes in our typologies.</p> <p>Cost and value assumptions and land supply / price should be monitored for future reviews.</p>
25: Rural Exception Sites	No overall impact	These are small scale exceptions sites for affordable housing. This policy has no overall impact on viability.
26: New Rural Dwellings	No overall impact	These are small scale exceptions sites for affordable housing. This policy has no overall impact on viability.

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
27: The replacement or extension of dwellings (including householder development)	No overall impact	This policy has no overall impact on viability.
28: Extension of Dwellings	No overall impact	This policy has no overall impact on viability.
29: Residential Sub-Division and Conversion	No overall impact	This policy has no overall impact on viability.
30: Gypsy and Traveller Accommodation	Indirect	<p>This policy is to maintain an adequate supply of pitches for Gypsies and Travellers and plots for Travelling Showpeople based on current evidence of existing and future need.</p> <p>This is not a large sector of the property market and therefore the supply of these sites will have limited, if any impact, on viability. Cost and value assumptions and land supply / price should be monitored for future reviews.</p>
31: Housing Mix and Density	Direct	<p>We have considered the Council's preferred housing types and have agreed to test an open market housing mix that is reflective of the size of units coming forward in the different areas of Stafford. These needs have been put forward in the Housing and Economic Development Needs Assessment 2020, by Lichfields.</p> <p>We have assumed that all development complies with the Council's preferred tenure mix as far as reasonably possible.</p> <p>We have not appraised any housing for the elderly or self-build schemes explicitly. These housing schemes can be delivered in various ways from individual self-builder to larger schemes involving enabling development. All our residential typologies are on the basis that land can be acquired and developed into a new unit (including appropriate allowance for profit). Where housing for the elderly or self-building involves plot sales and / or part completed units (e.g.</p>

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
		<p>foundations, or ‘wind and watertight’) the working assumption is that the developers’ profit is commensurate with the development work undertaken and therefore there is sufficient development surplus to incentivise the builder to complete the unit.</p> <p>We have adopted reasonable densities and yields for the proposed site allocations included in the draft Local Plan to ensure development complies with Policy 29.</p> <p>We will use sensitivity analysis to assess the impacts of density changes in our typologies.</p>
32: Residential Amenity	Indirect	The protection of residential amenities will have an indirect impact on the achievable property prices in an area.
33: Extension to the Curtilage of a Dwelling	No overall impact	This policy refers to small scale developments that are exempt from affordable housing. This policy has no overall impact on viability.
34: Urban Design – General Principles	Direct	This policy has a direct impact on the design. There is therefore a direct impact on the construction cost. Notwithstanding this, similar design standards have always been required and therefore these costs are reflected in the BCIS costs that we have used within our appraisals. Note also that good design leads to high quality environments which are reflected in the value of real estate. We have used current values (and costs) within our appraisals.
35: Architectural Design	Direct	<p>As above.</p> <p>Scale and massing have been indirectly considered in our adoption of densities for the residential typologies.</p>
36: Landscaping Design	Direct	Public realm and structural landscaping areas are included in our net-to-gross site ratios and local landscaping within the development density assumptions.

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
		Costs for these features have been included as external works in our viability appraisals.
37: Infrastructure to support new development	Direct	<p>Following consultation with the Council, potential infrastructure costs have been included as part of our viability appraisals to account for likely contributions that a developer would have to make.</p> <p>Costs have been included for, sport, education etc. based on the Council's recommendations and comments (see the Typologies Matrix).</p> <p>We have included for 'normal' services connections within the external works allowance. Where connectivity is very remote and / or is abnormal infrastructure, this will need to be negotiated with the provider and / or the planning authority on a site-specific level. Note that the policy is aspirational in that, new development 'should' provide appropriate infrastructure - recognising that this may not always be possible.</p>
38: Electronic Communications	Indirect	This policy indirectly impact property values if electronic infrastructure is improved in an area. It may also negatively impact development if masts or existing facilities are created near residential development.
39: Protecting Community Facilities	Direct	<p>Community facilities make a positive contribution to the vitality of the community and therefore impact positively on values. However, there is no direct impact on viability and we have used current values which reflect the protected community features. (Community uses are not generally subject to CIL charges, as they are part of the social infrastructure).</p> <p>Costs will be included for provisions of community facilities at the proposed strategic sites. These costs are based on assumptions adopted in the overall Masterplans for these sites and also from consultation with the strategic sites' developers and the Council. These discussions are ongoing.</p>
40: Renewable Energy	No overall impact	We have not been engaged to assess proposals for renewable energy infrastructure.
41: Historic Environment	Indirect	<p>We have not considered the impact on the historic environment within our typologies. None of the proposed site allocations include historic assets and the viability assessment is high-level therefore this policy has no overall impact.</p> <p>There is no impact on plan level viability. We anticipate that development involving heritage assets will require site specific viability assessment to agree the optimal viable use and / or any enabling development.</p>

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
		Note that there is often a construction cost premium for developments within a Conservation Area, but there is also a corresponding premium on the value of property within a Conservation Area.
42: Flood Risk	Indirect	<p>It is assumed that proposed development sites will not be allocated in flood plains and therefore no additional costs would be required to offset flooding issues in our generic typology testing.</p> <p>Any potential flood costs will be included in the strategic sites analysis where relevant. These discussions are ongoing with the strategic site representative however if relevant we expect them to have been accounted for in any master-planning work.</p> <p>We assume that the cost of a FRA is incorporated into the Planning Application Professional Fees and Reports budgets contained within our appraisal assumptions. Also, where sites have particular flood risk issues, the cost of mitigation (including fees) should be discounted from the value of the land</p>
43: Sustainable Drainage	Direct	<p>We assume that the cost of SuDs design is incorporated into the Planning Application Professional Fees and Reports budgets contained within our appraisal assumptions. We assume that SuDs can be delivered within the net-to-gross site allowance and external works costs assumptions (no additional costs are required).</p> <p>This policy will have been considered in the strategic sites analysis where relevant. These discussions are ongoing with the strategic site representative however if relevant we expect them to have been accounted for in any master-planning work.</p>
44: Landscapes	No overall impact	<p>Whilst costs have been included for landscaping (e.g. external works costs), the overall visual implications and effect of the quality of landscaping have not been studied in our viability assessment.</p> <p>We assume that any Landscape and Visual Impact Assessment study would be incorporated into the Planning Application Professional Fees and Reports budgets contained within our appraisal assumptions.</p>
45. Cannock Chase Area of Outstanding Natural Beauty (AONB)	No overall impact	None of the allocated sites are located in the Cannock Chase AONB.
46: Green and Blue Infrastructure	No overall impact	Green and blue infrastructure areas are included in our net-to-gross site ratios and within the development density assumptions.

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
		Costs for these features have been included as external works in our viability appraisals.
47: Biodiversity	Direct	Biodiversity net gain has been considered in accordance with national policy and costs have been included in our viability appraisals to reflect the requirement for a 10% biodiversity net gain in accordance with the Council's recommendations. We have included an allowance of £1,003 per unit for greenfield sites and £268 for brownfield sites.
48: Special Areas of Conservation (SAC)	Direct	We have applied the cost to mitigate the Cannock Chase SAC in our viability appraisals (£290.58 per unit). We have applied this cost across all development typologies regardless of their proximity to the SAC. This is a conservative approach but considered to be a minimal cost to development viability.
49: Trees	Indirect	This cost of this policy has been included indirectly via cost allowances for external works and biodiversity net gain.
50: Pollution and Residential Amenity	Indirect	We assume that the costs of the relevant professional fees / studies are incorporated into the Planning Application Professional Fees and Reports budgets contained within our appraisal assumptions. Where there is particular pollution or contamination requiring remediation, this cost should be deducted from the site purchase price / BLV based on the 'polluter pays' principle.
51: Air Quality	Indirect	We assume that the costs of the relevant professional fees / studies are incorporated into the Planning Application Professional Fees and Reports budgets contained within our appraisal assumptions. We have not directly considered the impact on air quality of development and have not included any cost assumptions to account for this policy. Where there is particular air-quality issue, this cost should be deducted from the site purchase price / BLV.

Policy Ref.	Impact on Viability *	Implications for Local Plan Viability Assessment
52: Transport	Indirect	<p>We assume that the cost of transport studies (TIAs etc) and highways design is incorporated into the Planning Application Professional Fees and Reports budgets contained within our appraisal assumptions.</p> <p>This policy has only indirect impact on the viability assessment. The locations of the site allocations are already known and this may have been considered by the Council when allocating these sites.</p> <p>Site access and internal roads are included within our external works allowances. Any additional / abnormal costs should be deducted from the price of the land (i.e. a site with no/poor access is not the same value as a site with no access impediments).</p>
53: Parking Standards	Direct	<p>We have adopted cost assumptions for EV charging points as this will become a legal requirement for new build homes in 2022. We have assumed £1,000 per EV charger for houses and £2,500 per EV charger for flats (i.e. a multi-charger for 4 x flats @ £10,000).</p>

Appendix 2 – Land Market Paper

DRAFT for consultation

Land Market Paper

Stafford Borough Land Value Paper



Stafford Borough Council

July 2022

Quality Assurance

Date of Report

July 2022

Version

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1 Introduction

1.1 The (benchmark) land value assumption(s) are fundamental in terms of Local Plan and Community Infrastructure Levy (CIL) Viability. We set out below our approach to land values for the Viability Assessment, before reviewing agricultural, commercial and residential land values across the Borough in order to inform our assumptions for the Benchmark Land Values (BLV) used in the appraisals.

1.2 The purpose of the study is to review the viability of the Council’s draft Local Plan. This has regard to the cumulative impact of policy costs and other development value and cost assumptions, including land value.

1.3 This paper includes the following sections:

2) Land Value Approach This section summarises our approach to the BLV. It should be read in conjunction with the more detailed discussion and analysis in the main Viability report.

3) Existing Evidence Base Review In this section we review the existing evidence base with regard to land values from previous viability studies.

4) UK Land Context This section provides some background context to land values at a national and regional level. This includes development land, as well as agricultural land as we are aware that some sites likely to come forward for development are greenfield.

5) Agricultural Land Values This section sets out the market information for agricultural land values across the Borough.

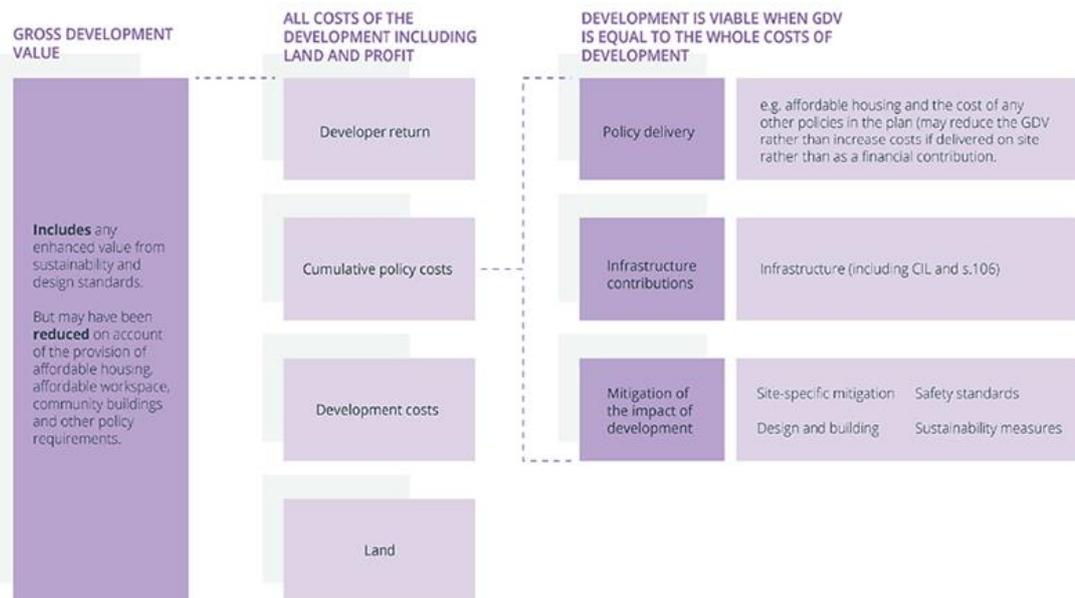
6) Residential Development Land Value This section set out residential development land value evidence (i.e., from land that has either obtained planning permission or has outline planning consent for residential use and/or is allocated for residential development). This includes commentary in respect of greenfield and brownfield development land.

7) Benchmark Land Value Assumptions Finally, we set out our BLV assumptions. These are derived from the above research and interrogation of our confidential land value database.

2 Land Values Approach

- 2.1 In a development context, the land value is calculated using a residual approach – the Residual Land Value (RLV).
- 2.2 The RLV is calculated by the summation of the total value of the development, less the development costs, planning obligations, developers return/profit to give the land value. This is illustrated on the following diagram (see Figure 2-1).

Figure 2-1 - Development Viability



Source: Royal Institution of Chartered Surveyors (RICS) Assessing viability in planning under the National Planning Policy Framework 2019 for England -1st edition, March 2021.

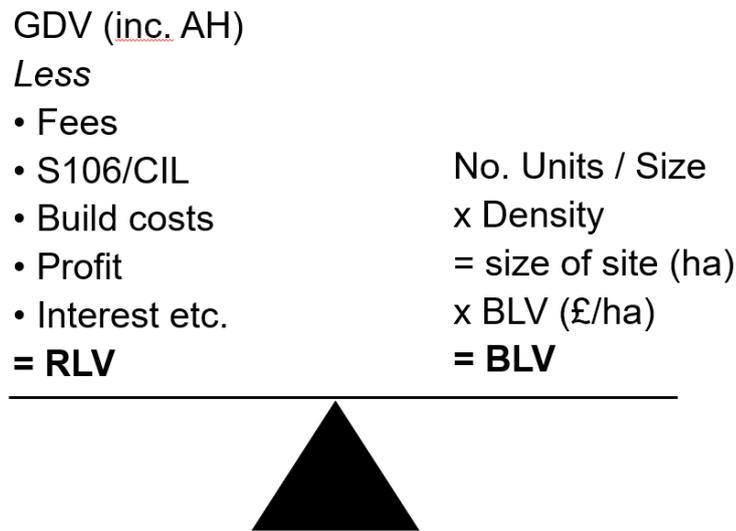
- 2.3 As above, development is only viable if the cumulative policy costs have sufficient room. If the Gross Development Value (GDV) equals the costs of development on a policy-compliant basis, then the development is viable as the necessary element of policy compliance has been included.
- 2.4 In order to determine whether development is viable in the context of area-wide studies, the NPPF (February 2019) is silent on the requirements of landowners and developers¹. It now simply states that 'all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available'.²

¹ Previously paragraph 173 of the NPPF (2012) stated that 'to ensure viability, the policy costs should provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable'.

² Paragraph 57, February 2019, Ministry of Housing, Communities and Local Government, National Planning Policy Framework

- 2.5 The NPPG Viability provides guidance on the land values and particularly benchmark land values for the purposes of viability assessment:
- How should land value be defined for the purpose of viability assessment? – ‘a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner’. Paragraph: 013 Reference ID: 10-013-20190509 Revision date: 09 05 2019
 - What factors should be considered to establish benchmark land value? – *‘In plan-making, the landowner premium should be tested and balanced against emerging policies.’* Paragraph: 014 Reference ID: ID: 10-014-20190509, Revision date: 09 05 2019 [our emphasis]
 - What is meant by existing use value in viability assessment? – ‘EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development)’. Paragraph: 015 Reference ID: 10-015-20190509, Revision date: 09 05 2019
 - How should the premium to the landowner be defined for viability assessment? – ‘The premium should provide a reasonable incentive for a landowner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements.’ Paragraph: 016 Reference ID: 10-016-20190509, Revision date: 09 05 2019
- 2.6 The above PPG guidance is described in detail in the main report (section 2 – National Policy Context). The PPG does not provide any guidance on the quantum of premiums. One therefore has to ‘triangulate’ the BLV based on market evidence.
- 2.7 In this respect we have created a land value database of Staffordshire land value evidence. This has circa 30 data points and we are able to interrogate this by evidence source, value basis and zone etc.
- 2.8 Hence for plans and schemes to be viable, the RLV has to be tested against the benchmark which would enable sites to come forward – the Benchmark Land Value (BLV). This is illustrated in the following diagram Figure 2-2.

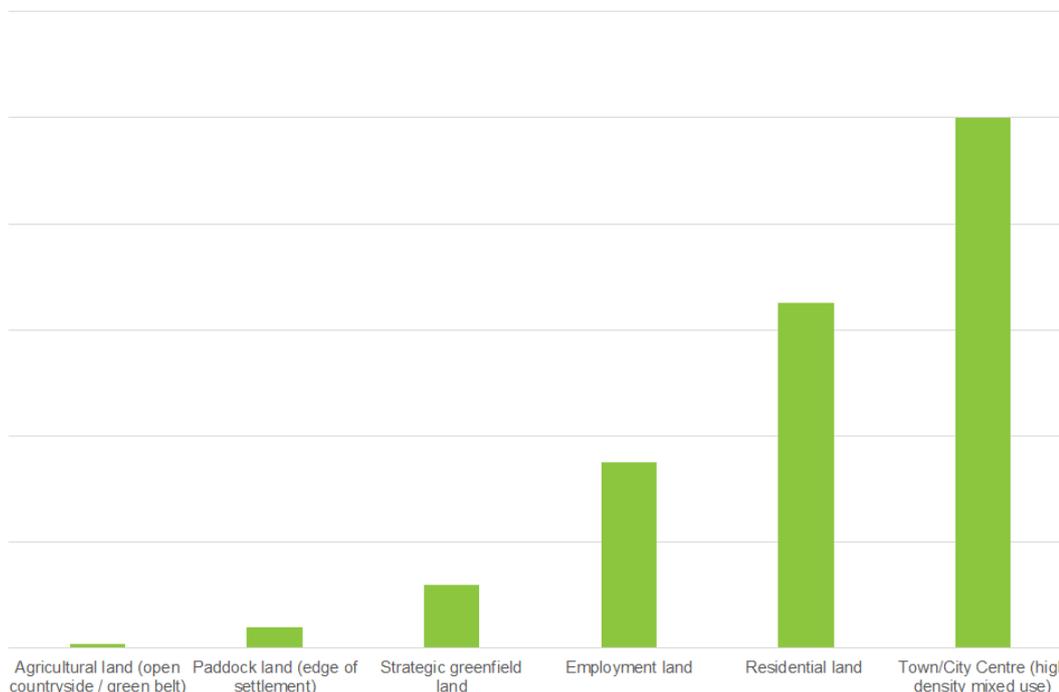
Figure 2-2 - Balance between RLV and BLV



Source: AspinallVerdi (© Copyright)

2.9 The fundamental question is, 'what is the appropriate BLV?' The land market is not perfect but there is a generally accepted hierarchy of values based on the supply and demand for different uses. This is illustrated on an indicative basis in the following chart (Figure 2-3).

Figure 2-3 - Indicative Land Value Hierarchy

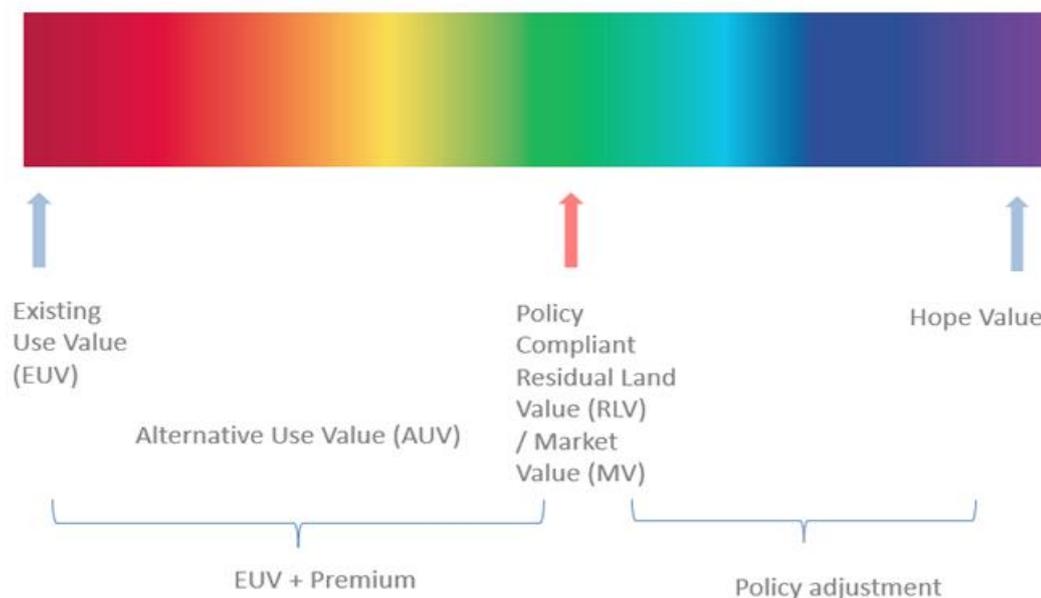


Source: AspinallVerdi (© Copyright)

- 2.10 Note that the value of individual sites depends on the specific location and site characteristics. In order for development to take place (particularly in the brownfield land context) the value of the alternative land use has to be significantly above the existing use value to cover the costs of site acquisition and all the cost of redevelopment (including demolition and construction costs) and developers profit / return for risk. In an area-wide context we can only be broad-brush in terms of the BLV as we can only appraise a representative sample of hypothetical development typologies.
- 2.11 Note also that some vendors have different motivations for selling sites and releasing land. Some investors take a very long-term view of returns, whereas other vendors could be forced sellers (e.g., when a bank forecloses).
- 2.12 Finally, 'hope value' has a big influence over land prices. Hope value is the element of value in excess of the existing use value, reflecting the prospect of some more valuable future use or development. The PPG specifically states that hope value (and the price paid) should be disregarded from the EUV. However, hope value is a fundamental part of the market mechanism and therefore is relevant in the context of the *premium*.
- 2.13 The diagram below (Figure 2-4) illustrates these concepts. It is acknowledged that there has to be a premium over EUV in order to incentivise the landowner to sell. This 'works' in the context of greenfield agricultural land, where the values are well established, however, it works less well

in urban areas where there is competition for land among a range of alternative uses. It begs the question EUV “for what use?” It is impossible to appraise every single possible permutation of the existing use (having regard to any associated legacy costs³) and development potential.

Figure 2-4 - Benchmark Land Value Approaches



Source: AspinallVerdi © (Copyright)

2.14 In this context, the Harman report ‘allows realistic scope to provide for policy requirements and is capable of adjusting to local circumstances by altering the percentage of premium used in the model. The precise figure that should be used as an appropriate premium above current use value should be determined locally. But it is important that there is [Market Value] evidence that it represents a sufficient premium to persuade landowners to sell’.⁴

2.15 The HCA Area Wide Viability Model (Annex 1 Transparent Viability Assumptions) is the only source of specific guidance on the size of the premium. The guidance states:

*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.***⁵

³ E.g. Existing buildings to be demolished and/or contamination requiring remediation.

⁴ Viability Testing Local Plans Advice for planning practitioners - Local Housing Delivery Group - Chaired by Sir John Harman (June 2012), page 29

⁵ HCA Area Wide Viability Model (Annex 1 Transparent Viability Assumptions), August 2010, Transparent Assumptions v3.2 06/08/10

- 2.16 The RICS provides a more market facing approach based on Market Value less an adjustment for emerging policy. This approach has also been endorsed in the Mayor of London CIL Inspectors Report (Jan 2012); Greater Norwich CIL Inspectors Report (Dec 2012); and the Sandwell CIL Inspectors Report (Dec 2014).
- 2.17 Greater emphasis is now being placed on the existing use value (EUV) + premium approach to planning viability to break the circularity of ever-increasing land values. Due to increasing land values (partly driven by developers negotiating a reduction in policy obligations on grounds of 'viability'), we are finding that the range between existing use value (EUV) and 'Market Values' and especially asking prices is getting larger. Therefore (say) 20 x EUV and (say) 25% reduction from 'Market Value' may not 'meet in the middle' and it is therefore a matter of professional judgement what the BLV should be (based on the evidence). Our BLVs are set out in Table 7-1 - Benchmark Land Value Table of Assumptions – at the end of this paper.
- 2.18 In order to provide comprehensive analysis, we also set out a variety of sensitivities in terms of changes to the BLV (and other) assumptions – these are shown for each of the typologies on the appraisals appended (with an explanation of how to interpret the sensitivities in the main Viability Assessment report).

3 Existing Evidence Base Review

- 3.1 We have undertaken a review of the existing evidence base in regard to land values. This includes studies for the Council and surrounding authorities, as follows:

CIL Viability Study, HDH Planning & Development Ltd (2015)

- 3.2 This study was produced in 2015 in order to assess the impact of a CIL charge on development viability. The Council ultimately did not adopt a CIL charge, however the report includes an analysis on land prices which we have therefore examined.
- 3.3 The existing use value focused initially on residential development land. The report adopts a value of £650,000 per acre (£1,600,000 per hectare). Industrial land is then assumed to be £140,000 per acre (£350,000 per hectare).
- 3.4 The report subsequently analyses agricultural and paddock land. The benchmarks adopted for agricultural land and paddock land were £10,000 per acre (£25,000 per hectare) and £20,000 per acre (50,000 per hectare) respectively.

Surrounding Local Authority Evidence Base

- 3.5 Stafford Brough is in the centre of Staffordshire. Surrounding local authorities include: Staffordshire Moorlands, East Staffordshire, Cannock Chase, South Staffordshire, Telford and Wrekin, Shropshire, Newcastle-under-Lyme, Lichfield and Stoke-on-Trent.
- 3.6 We set out below land market evidence from Local Plan and CIL viability studies from these Authorities.

Cannock Chase Local Plan Viability Assessment 2020

- 3.7 Following a review of Cannock Chase DC's Local Plan Viability Assessment 2020, we have identified transactions and listings from the land value database and have included them in our analysis. We note that the transactional evidence in this assessment also includes evidence from other authorities.
- 3.8 A summary of this evidence is provided in Table 3-1.

Table 3-1 - Cannock Chase Comparable Evidence

Land Address/Site Name	Information Type	Site Area (acres)	Site Area (ha)	Value £	Value (£/acres)	Value (£/ha)	Date
Land Adjacent to 385 Norton Road, Cannock, WS12 3HU	Transaction	0.46	0.19	£345,000	£750,000	£1,853,250	01 July 2019
Development Site, Former Playing Fields, GIrton Road, Cannock, WS11 0ED	Transaction	0.98	0.40	£650,000	£663,625	£1,638,929	01 March 2019
Land off Meadow Road, Burton on Trent, Staffordshire	Market Listing	62.41	25.26	£200,000	£3,205	£7,919	10 November 2020
Former Burrows Site, Stafford	Market Listing	1.60	0.65	£775,000	£484,375	£1,196,891	04 June 2021
Former Grove Colliery, 137 Lime Lane, Cannock	Market Listing	0.42	0.17	£125,000	£297,619	£735,417	04 June 2021

Source: AspinallVerdi, 2021.

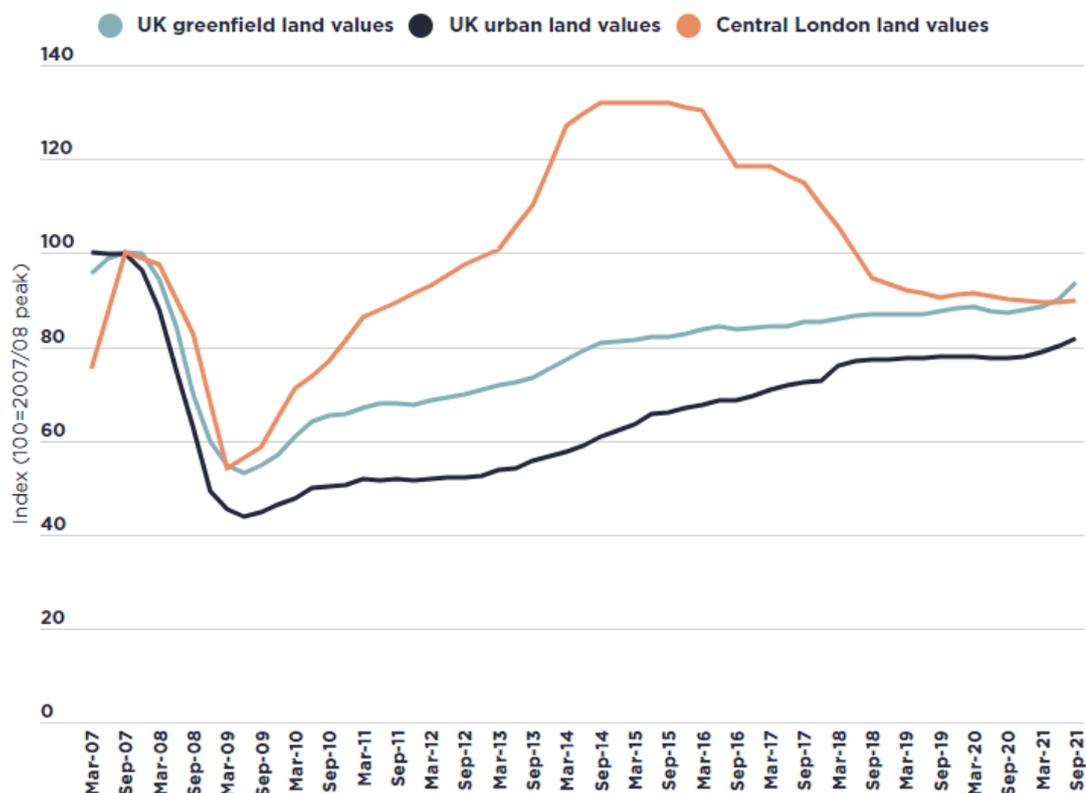
4 UK Land Context

4.1 This section provides some background context to residential development land values at a national and regional level. This includes development land, as well as agricultural land as we are aware that some sites likely to come forward for development are greenfield.

Development Land

4.2 Figure 4-1 is taken from Savills Research on the residential land market in its Q3 2021 update. The headline is that land values have grown significantly, with greenfield land values increasing by 3.9% and urban (brownfield) land values increasing by 2.2% over the quarter. This brings annual growth to 7.1% for greenfield and 5.7% brownfield and also marks the largest quarterly growth for greenfield sites since 2010.

Figure 4-1 - UK Greenfield and Urban Residential Land Value Index



Source: Savills, 2021.

4.3 Savills attribute the rising value of both green and brownfield land to a number of factors. The most significant is the strong housing market outpacing increasing build costs, leading to a larger residual surplus to be used for land purchase. Nationwide state that house prices grew by 10% in the year to September 2021 compared to the 2.7% rise in build costs according to BCIS.

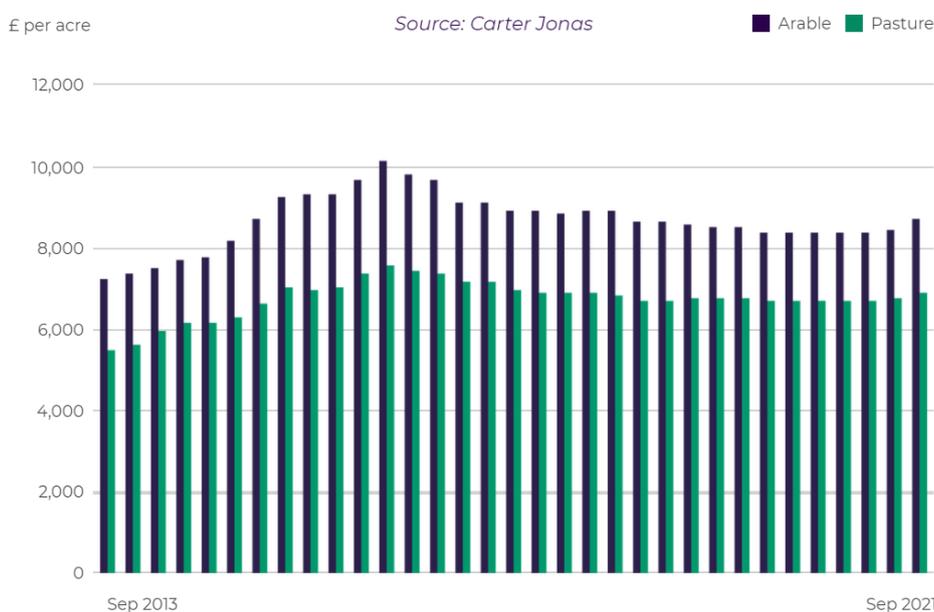
4.4 There is also increased competition for development land. Savills report that 89% of their development agents reported increased bidding levels in Q3 2021 compared to normal whilst also reporting that bid values have regularly exceeded guideline prices by significant amounts. This has been compounded by an acute shortage of suitable sites available. Savills quote fewer approved applications, slow planning decision-making, local plan reviews and stalled sites due to nutrient neutrality as contributing factors to a -13% decrease in the number of consents granted in the year to Q2 2021.

Agricultural Land

4.5 Whilst understanding the development land market is important, with the changes to the PPG on viability, exploring agricultural land values is equally as important to understand where there are new greenfield sites (e.g. through Green Belt release). This informs the Benchmark Land Value of greenfield allocations.

4.6 Figure 4-2 below shows the long-term trend in average agricultural land values by type. It shows a 2.5% and 2.0% quarter-on-quarter increase for arable and pasture land respectively, marking a 3.5% annual increase for both types of agricultural land. Carter Jonas' Farmland Market Update (Q3 2021)⁶ state that the average value for arable land in Q3 was £8,733 per acre whilst the average value for pasture land was £6,961 per acre.

Figure 4-2 - Average Agricultural Land Values Per Acre (by land type)



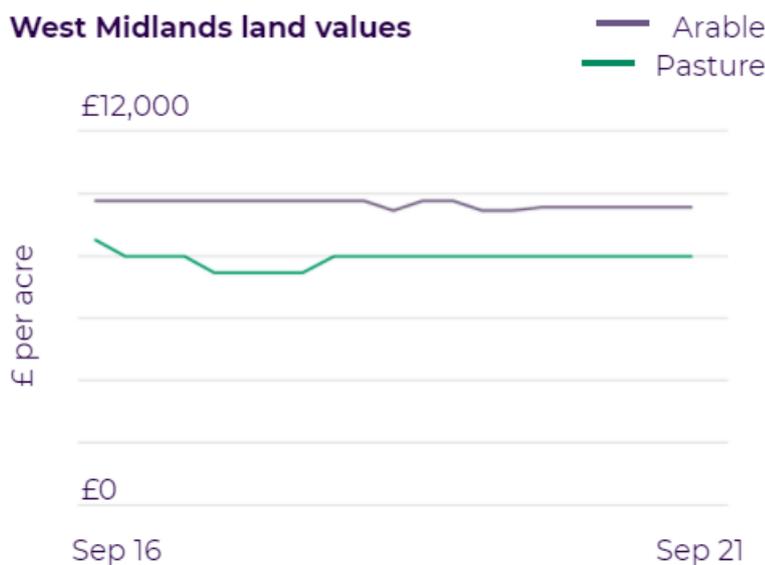
Source: Carter Jonas, 2021.

⁶ Carter Jonas, Farmland Market Update, Q3 2021.

4.7 This growth marks the largest annual increase in values for both land types since H2 (Q1 & Q2) 2016. Whilst actual values are currently significantly less than in 2016, the growth levels show positive signs for the agricultural land market.

4.8 On a regional level, agricultural land values have remained stable in recent years. Figure 4-3 displays the land values in the West Midlands since September 2016 by land type.

Figure 4-3 - Average Agricultural Land Values Per Acre (West Midlands)



Source: Carter Jonas, 2021.

4.9 Table 4-1 displays land values by type in the West Midlands as of Q3 2021.

Table 4-1 - West Midlands Agricultural Land Values (by type)

Land Type	Low £ / acre	Prime £ / acre	Average £ / acre
Arable	£7,500	£12,250	£9,600
Pasture	£6,250	£9,250	£8,000

Source: Carter Jonas, 2021.

4.10 Table 4-1 shows that arable land is typically valued higher than pasture land and that this has been the case in recent years. There is also a larger difference in the achievable value between low and prime arable land compared to pasture land.

Impact of Covid-19 on Agricultural Land

- 4.11 As with development land, the graphics above do not yet provide proper indication as to how the market will respond to Covid-19. Both Savills⁷ and Knight Frank⁸ cite a shortage in supply of land as an issue in terms of market constraint that means limited deals are taking place. Knight Frank indicate that Covid-19 may result in farmland being seen as attractive, safe investment which could stimulate demand and result in price growth akin to that post Global Financial Crisis. However, their optimism is curtailed by the uncertainty which remains around Brexit which forced the current downward trends shown.
- 4.12 As with development land, the market will have to be closely monitored moving forward but we consider it unlikely that prices for agricultural land are going to increase significantly in the short to medium term. In the following chapter, we consider more regional and local evidence to inform our Benchmark Land Value assumptions for both greenfield and brownfield scenarios.

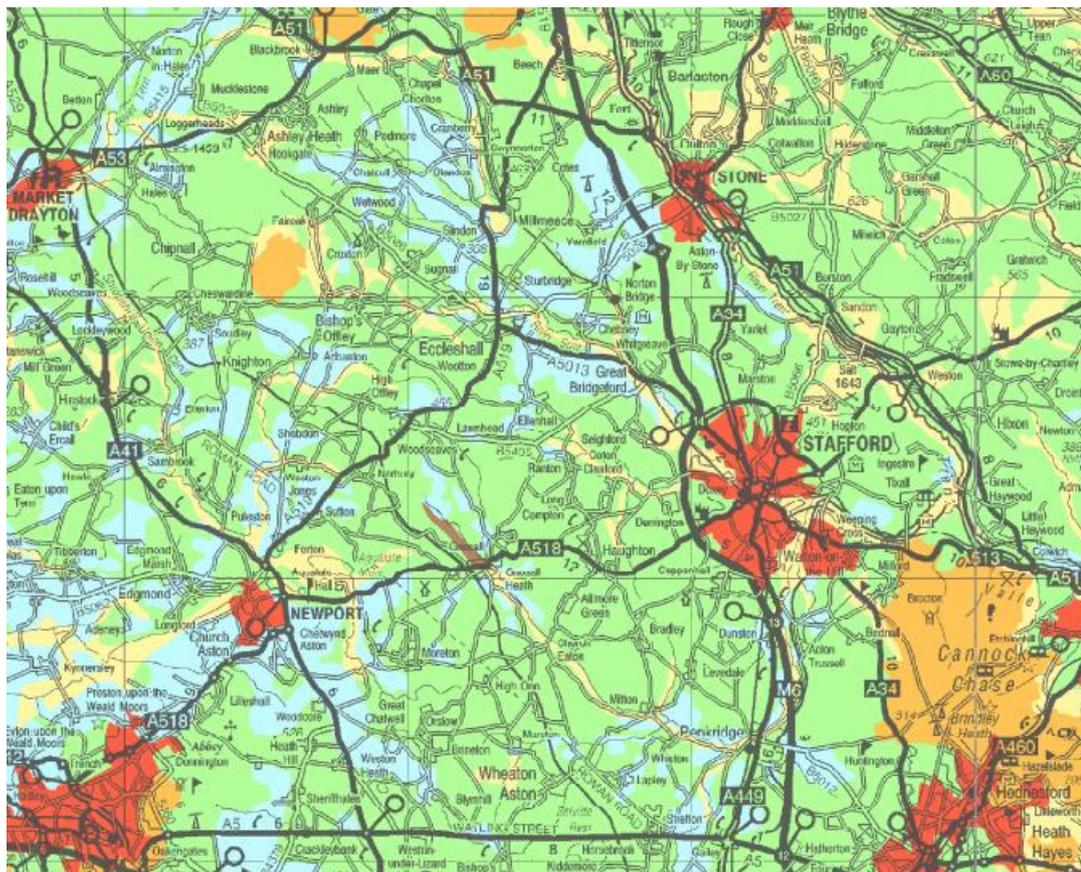
⁷ <https://www.savills.co.uk/property-values/rural-land-values.aspx>

⁸ <https://www.knightfrank.co.uk/research/article/2020-03-24-covid-rural-update>

5 Agricultural Land Values

- 5.1 In determining a value per acre / hectare (ha) for agricultural land, we have searched Estates Gazette Interactive (EGi), current quoting prices on Rightmove, CoStar and local agent websites. We have supplemented this with stakeholder evidence i.e., evidence of transactions and general anecdotal evidence from agents.
- 5.2 An extract from our land value database for agricultural land is set out on the following pages.

Figure 5-1 - Agricultural Land Classification Map for Stafford



Source: Natural England, 2021.

- 5.3 Figure 5-1 displays the Agricultural Land Classification Map for Stafford as produced by Natural England. Blue is used to symbolise excellent quality agricultural land; green is used for good to moderate quality and brown is used to display very poor-quality land. Red and orange are used to indicate land not in agricultural use.
- 5.4 The land in Stafford Borough is primarily grade 3 (Good to Moderate), with substantial bands of grade 2 (Very Good) and a single band of grade 4 (Poor) land extending through north east Gnosall.

Table 5-1 - Agricultural Land Evidence Summary

Land Address/Site Name	Information Type	Site Area (acres)	Site Area (ha)	Value £	Value (£/acres)	Value (£/ha)	Date
Yarnfield Lane, Stone, Staffordshire	Market Listing	101.6	41.2	£975,000	£9,596	£23,713	04 November 2021
Land at Childs Ercall, Market Drayton, TF9	Market Listing	55.73	22.55	£600,000	£10,766	£26,603	08 November 2021
Lot 1, Land off Bardy Lane, Longdon, WS15 4AW	Transaction Sale (STC)	38.03	15.39	£140,000	£8,240	£20,361	04 November 2021
Lot 2, Land off Bardy Lane, Longdon, WS15 4AW	Transaction Sale (STC)	21.04	8.51	£180,000	£8,555	£21,140	08 November 2021
Land off A51, Longdon Rugeley, WS15 4QD	Market Listing	36.84	14.91	£380,000	£10,315	£25,488	08 November 2021
Land at Pipe Gate, Shropshire	Market Listing	2.6	1.1	£35,000	£13,359	£33,010	04 November 2021
Lot 1, Ivetsey Bank, Wheaton, Ashford, Stafford, ST19 9QU	Market Listing	25.13	10.17	£350,000	£13,928	£34,415	08 November 2021
Woodcock Heath, Kingstone, Uttoxeter ST14 8QS	Market Listing	1.95	0.79	£30,000	£15,385	£38,015	08 November 2021

Source: AspinallVerdi, 2021

- 5.5 The above table is a selection of the comparable evidence in the database, for brevity. There is variance according to site circumstances and land quality. The data ranges from £8,240 per acre (£20,361 per ha) to a maximum value of £15,385 per acre (£38,015 per ha) in Kingstone, Uttoxeter, Staffordshire.
- 5.6 It is important to note that the transactional evidence (Lots 1 and 2 Land off Bardy Lane, Longdon, WS15 4AW) are at values of £8,240 and £8,555 per acre. The higher evidence is for market listing and we would anticipate that offers would be below these levels.

Paddock Land Values

- 5.7 We classify paddock land as agricultural / 'pony paddock' land which is on the edge of an existing settlement which may have 'hope value' attached, perhaps due to an extant planning permission or because the site (or a neighbouring site) has been identified as one with development potential. This is more for completeness, as in accordance with the PPG, hope values does not form part of the EUV.
- 5.8 We have not identified any transactions for paddock land in Stafford Borough; however, we have had regard to market listings, agent consultations and previous viability studies.
- 5.9 We were unable to identify any sales or listings of paddock land in Stafford or the neighbouring boroughs.

6 Residential Development Land Values

- 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.
- 6.2 As with agricultural land, we have utilised EGi and CoStar for transaction-based evidence and supplemented this where possible with stakeholder evidence of agreed prices paid for land. 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. Dependent upon the availability of information and stakeholder engagement, this process tries to gauge an understanding of what typical market values are for residential land (greenfield and/or brownfield).
- 6.3 It should be noted that within our database of evidence we have carried out background research wherever possible into the planning consent the site has, and whether it is policy compliant or not. However, it is difficult to be certain that developers have not offered values (and landowners have not asked for values) which are not sustainable in planning policy terms and therefore challenge viability at the detailed planning stage. This practice is contrary to the NPPF (February 2019).
- 6.4 We also recognise that it is difficult to generalise what a typical greenfield or brownfield residential development site is worth across the Borough given that all sites are unique. It is therefore important to reiterate that this is a plan-wide study and thus the purpose of our research is to establish a suitable Benchmark Land Value for the respective typologies of development to be appraised, utilising both existing use and market values for greenfield and brownfield land.

Greenfield Residential Development Land

- 6.5 The most relevant comparable evidence for greenfield development land is set out below.
- 6.6 We were unable to identify any compelled transactions for greenfield residential land in Stafford Borough or in wider Staffordshire.
- 6.7 We were able to identify 2 market listings (asking price) in neighbouring authorities:
- Land at Greenfields, Market Drayton, Shropshire, TF9 3SL. This 23.91 acre (9.67 hectares) site is sold STC. The agent was unable to disclose the final purchase price due to the timing of our request within the transaction process, however this did disclose that the asking price quoted was £440,000 per acre. They further confirmed that they were unable to disclose whether the winning bid was above or below this asking price. We have therefore assumed an asking price of £440,000 per acre (1,087,240 per hectare). This asking rate equates to a total asking price of

£10,520,400. This site benefits from outline planning permission for up to 250 dwellings. The outline planning permission is subject to a S106 agreement; however, the Applicant has submitted a draft S106 agreement that states that they have agreed the timing of the provision of 20 affordable units. Based on the outline permission of 250 homes, this would equate to an affordable housing provision of 8%. The affordable housing policy for Shropshire is 10%, therefore this site is not policy compliant.

- Land at Lamphouse Way, Newcastle Under Lyme, Staffordshire is 3.4 acres (1.38 ha) of greenfield land. As at November 2021, the site is listed as Sold STC. Consultation with agents party to the deal identified that the site was listed for £1,000,000 (The price reported equates to a value of £294,118 per acre (£726,765 per hectare)) and initial offers were around this figure. The site benefits from outline planning permission (reference no: 19/00301/OUT) for 64 open market dwellings. There is a 'Grampian Style' S106 agreement in place which requires the developer to pay c.£195,000 in Residential Framework Travel Plan monitoring fees. However, no affordable housing contributions are required through the existing S106 agreement.

Brownfield Residential Development Land

- 6.8 For plan-viability studies, assuming a brownfield land value is challenging given the numerous variables which influence the value of brownfield development land. As with greenfield land, we are reliant upon market evidence and agreed prices for brownfield sites outside of Stafford Borough as well as within.
- 6.9 We were unable to identify any accessible completed transactions recorded within the Borough for brownfield residential development land. We are aware of a planning application for development of up to 365 homes on the site known as Land off Lichfield Road, Stafford (ref – 20/32041/OUT) which is within the Borough. This application has been recommended for outline approval by special planning committee subject to s106 agreement. This s106 agreement is still yet to be signed. The site is listed as 'pending registration' on Land Registry and due to the commercially sensitive nature of the price paid information we have been unable to identify a purchase price.
- 6.10 We have been able to identify 2 current market listings for brownfield residential development land found in the Borough.
- Truview. 12 Sandon Road, Stafford, ST16. This 0.3-acre (0.12 hectare) brownfield site is available for sale for £250,000. The asking rate for this property is £833,333 per acre (£2,059,167 per hectare). This site was previously in use as a retail unit with parking,

however that has been demolished and site is currently vacant. The site previously benefitted from outline planning approval (ref: 17/25523/OUT) for 11 apartments. This permission expired as of 22/08/2020. A new application (20/33158FUL) for full planning permission was granted on 19/08/2021, with the new application providing for 10 self-contained apartments (use class C2) and 2 staff units (use class C3). The s106 agreement does not make any affordable housing contribution.

- Land at rear of 40 & 42 St Mary's Street, Newport, Shropshire, Staffordshire, TF10. This 0.39-acre (0.16 hectares) site is currently in use as a church with car park and is available for sale for £550,000. This equates to an asking price of £1,410,256 per acre (£3,484,744 per hectare). The site benefits from full planning approval for demolition of the existing buildings and erection of 6 dwelling houses and a block of 3 apartments (ref-TWC/2016/0589). This permission was granted in August 2018. This development does not currently include any provisions of affordable housing and therefore is not policy compliant.

Strategic Sites

- 6.11 The BLVs for the strategic sites are the subject of further ongoing detailed assessment in consultation with the site promoters.
- 6.12 There are two strategic sites:
- Meecebrook Garden Community – 6,000 homes
 - Station Gateway – 932 homes
- 6.13 Meecebrook Garden Community is currently the subject of further master-plan development in consultation with the landowners. The masterplan could change significantly. For the purposes of this current viability assessment we have assumed:
- the majority of the site is greenfield
 - a conservative net-to-gross ratio of 35% (net residential developable area to gross site area)
 - £10,000 per acre EUV gross
 - 10 x premium
 - £100,000 per acre gross BLV given the quantum.
- 6.14 Station Gateway is a brownfield site however, not all of the land is developable for commercial uses due to constraints. The majority of the site is in Flood Zone 2 or 3 and large parts of the site are scrubland, cleared land or sports pitches at present. It is therefore not appropriate to apply the brownfield BLV to the entire site. We have therefore assumed a net-to-gross site ratio

of 80% to reflect the parts of the site that are undevelopable and are needed for flood risk mitigation. This should suppress land value. We have therefore assumed:

- The majority of the site is brownfield (but not all is developable)
- 80% net-to-gross site area
- EUV £400,000 per acre gross
- 10% premium
- £550,000 per acre gross BLV.

6.15 Please note that the above land value assumptions are without prejudice to the ongoing detailed site assessments.

7 Benchmark Land Value Assumptions

Residential sites – greenfield land value assessment

- 7.1 In a greenfield context, we consider the existing use to be agricultural land for any potential proposed development in the draft Local Plan. This report sets out our evidence and research into land values. Our evidence suggests that an EUV of £10,000 per acre (£24,710 per hectare) would be a robust starting point.
- 7.2 We have used agricultural land values because this is the closest use that reflects the existing use of the greenfield development sites coming forward. We do recognise that some of the greenfield sites differ in their uses, for example, former playing pitches and bare land. But there is no evidence readily available to base a value for these existing uses. Therefore, in taking a pragmatic approach we have used agricultural land values for all greenfield sites because there are few alternatives uses other than agricultural.
- 7.3 We have then applied a floating multiplier to act as a premium, to then establish a benchmark land value for our viability testing purposes. A 'floating' premium is used because it is not accurate to apply a fixed premium for all development proposed across the Borough. In reality, we accept landowners will require different levels of premium (i.e., incentives), to sell their land for policy compliant development. In our previous work, we have seen premiums correlate with housing value zones. In higher value zone area, landowners might require a higher incentive to sell their land, given that a developer could achieve higher returns compared to developing a similar site in a lower value zone. We also account for the size of the site, it is likely purchasers of larger sites can benefit from economies of scale, thus slightly reducing the premium above the EUV. To reflect this in our assumptions, the smallest multiplier we have adopted is 12x EUV for typologies in lower value zones, rising to 22x EUV for typologies in higher value zones.

Residential sites – brownfield land value assessment

- 7.4 Our evidence for brownfield land indicates an EUV in the region of £200,000 to £500,000 per acre. In light of this evidence, we believe that an EUV of £400,000 per acre would be a robust starting point. We have then applied a floating % premium uplift on EUV to establish a benchmark land value for our Local Plan testing. As mentioned above and for the same reasons we have applied a 'floating' premium. The smallest % uplift on EUV we have adopted is 10% in lower value zones, rising to 18% in the mid value zone. There are no brownfield sites tested in the high value zone.

Residential sites – conclusion land value assessment

- 7.5 We have not varied the land values by our value zones as there is no evidence to suggest this is required.
- 7.6 The benchmark land values, do in our opinion, strike that balance between the competing interests (developers, landowners and the aims of the planning system) whilst still securing the maximum benefits in the public interest through the granting of planning permission – therefore meeting the aims of the PPG.
- 7.7 Should the residual land value exceed the benchmark land value once all abnormal and policies costs are taken into account in the appraisal, then there is scope for the landowner to secure a higher premium. Should any site-specific assessments incur any additional costs that have not been allowed for in our benchmark land value assessments then these costs need to be reflected in a reduced land value. In this respect these brownfield BLVs are considered to be conservative and provide an inherent ‘buffer’ as sites which are the most obsolete are likely to come forward more quickly and at conceivably lower values.
- 7.8 We set out our Benchmark Land Value assumptions in the table below.

Table 7-1 - Benchmark Land Value Table of Assumptions

Typology	Ref.	Greenfield /Brownfield	EUV -					Uplift Multiplier	BLV -	
			(per acre) (gross)	(per ha) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		x [X] x [Y]%	(per acre) (net developable)
A	BF LV 15	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	13%	£500,000	£1,235,500
B	BF LV 250	Brownfield	£400,000	£988,400	80%	£500,000	£1,235,500	10%	£550,000	£1,359,100
C	GF LV 250	Greenfield	£10,000	£24,710	75%	£13,333	£32,947	12.1	£175,000	£432,400
D	BF MV 10	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	18%	£525,000	£1,297,300
E	BF MV 18	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	18%	£525,000	£1,297,300
F	BF MV 110	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	13%	£500,000	£1,235,500
G	GF MV 20	Greenfield	£10,000	£24,710	90%	£11,111	£27,456	18.8	£220,000	£543,600
H	GF MV 115	Greenfield	£10,000	£24,710	75%	£13,333	£32,947	14.8	£210,000	£518,900
H	GF HV 10	Greenfield	£10,000	£24,710	90%	£11,111	£27,456	22.5	£250,000	£617,800
J	GF HV 50	Greenfield	£10,000	£24,710	80%	£12,500	£30,888	19.2	£240,000	£593,000
K	Meecebrook	Greenfield	£10,000	£24,710	35%	£28,571	£70,600	10.0	£285,714	£706,000
L	Station Gateway	Brownfield	£400,000	£988,400	80%	£500,000	£1,235,500	10%	£550,000	£1,359,100

The above values are for Plan-making purposes only. This table should be read in conjunction with our Financial Viability Assessment Report and the caveats therein. No responsibility is accepted to any other party in respect of the whole or any part of its contents.

Source: AspinallVerdi, 2021 (220613_Stafford BC Benchmark Land Value Database_v10).

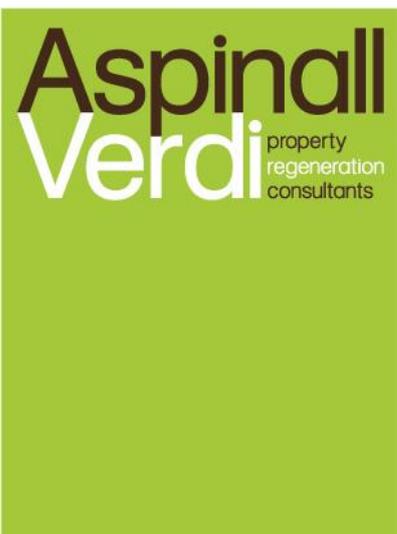
Benchmark Land Value Caveats

- 7.9 It is important to note that the BLVs contained herein are for 'high-level' plan / CIL viability purposes and the appraisals should be read in the context of the BLV sensitivity table (contained within the appraisals). It is important to emphasise that the adoption of a particular BLV in the base-case appraisal typologies in no way implies that this figure can be used by applicants to negotiate site specific planning applications. Where sites have obvious abnormal costs, these costs should be deducted from the value of the land. The land value for site specific viability appraisals should be thoroughly evidenced having regard to the existing use value of the site (as is best practice in the PPG). This report is for plan-making purposes and is 'without prejudice' to future site-specific planning applications.
- 7.10 Furthermore, we are not saying that land can *only* be acquired in the Borough for these BLVs. As the appraisals show there is often a surplus between the RLV and BLV which could be put to a stronger land bid or retained as profit. Furthermore, the sensitivity scenarios show the impact on the surplus (i.e., difference between RLV and BLV) for various levels of BLV and profit %.

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Appendix 3 – Typologies Matrix

Appraisal Ref.	Appraisal Title	Housing Capacity (# units)	Site Typology		Gross Site Area (ha)	Gross Density (site allocations)	Net to Gross ratio (%)	Net Developable Site Area (ha)	Net Developable Site Area (acres)	Development Density (dph net)	S106 / S278 Contributions (£ per unit)		
			Market Area / Value Zone	Greenfield / Brownfield							SAC	Open Space	Sport
A	BF LV 15	15	Low	Brownfield	0.36	42	90%	0.32	0.79	47	£290.58	£2,740	£736
B	BF LV 250	250	Low	Brownfield	11.90	21	80%	9.52	23.53	26	£290.58	£2,740	£736
C	GF LV 250	250	Low	Greenfield	11.90	21	75%	8.93	22.06	28	£290.58	£2,740	£736
D	BF MV 10	10	Medium	Brownfield	0.29	34	90%	0.26	0.65	38	£290.58	£2,740	£736
E	BF MV 18	18	Medium	Brownfield	0.75	24	90%	0.68	1.67	27	£290.58	£2,740	£736
F	BF MV 110	110	Medium	Brownfield	5.24	21	90%	4.71	11.65	23	£290.58	£2,740	£736
G	GF MV 20	20	Medium	Greenfield	0.83	24	90%	0.75	1.85	27	£290.58	£2,740	£736
H	GF MV 115	115	Medium	Greenfield	5.75	20	75%	4.31	10.66	27	£290.58	£2,740	£736
I(2)	BF HV 10	10	Higher	Brownfield	0.43	23	90%	0.39	0.97	26	£290.58	£2,740	£736
J(2)	BF HV 50	50	Higher	Brownfield	2.50	20	80%	2.00	4.94	25	£290.58	£2,740	£736
I	GF HV 10	10	Higher	Greenfield	0.43	23	90%	0.39	0.97	26	£290.58	£2,740	£736
J	GF HV 50	50	Higher	Greenfield	2.50	20	80%	2.00	4.94	25	£290.58	£2,740	£736
K	Meecebrook	6000	Medium	Greenfield	379.88	16	35%	132.96	328.54	45	£290.58	£2,740	£736
L	Station Gateway	932	Medium	Brownfield	37.40	25	80%	29.92	73.93	31	£290.58	£2,740	£736

Appraisal Ref.	Appraisal Title	Education	Highways	Sub-total Policy Costs	CIL - Baseline	Affordable Housing Requirements								
						AH Target	AH Basis	AH Tenure Mix:						
			Only applied where it is expected development is of a scale where it would need additional highways infrastructure	(£ per unit)	(£/psm)	(%)	(on-site, CSum, or NA)	Affordable Rent (% of AH)	Social Rent (% of AH)	Shared Ownership (% of AH)	First Homes (% of AH)	Total check	Para 65 (% of total) (>10%)	
A	BF LV 15	£8,000		£11,766.58	£0.00	30%	On-site	0%	65%	10%	25%	100%	10.5%	
B	BF LV 250	£8,000		£11,766.58	£0.00	30%	On-site	0%	65%	10%	25%	100%	10.5%	
C	GF LV 250	£8,000	£2,000	£13,766.58	£0.00	30%	On-site	0%	65%	10%	25%	100%	10.5%	
D	BF MV 10	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
E	BF MV 18	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
F	BF MV 110	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
G	GF MV 20	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
H	GF MV 115	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
I(2)	BF HV 10	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
J(2)	BF HV 50	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
I	GF HV 10	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
J	GF HV 50	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
K	Meecebrook	£8,000		£11,766.58	£0.00	40%	On-site	0%	65%	10%	25%	100%	14%	
L	Station Gateway	£8,000		£11,766.58	£0.00	30%	On-site	0%	65%	10%	25%	100%	11%	

Appraisal Ref.	Appraisal Title	Scheme Typology Unit Types	(Construction costs impacted by Policy)																		
			Market Housing Mix:								Affordable Tenures Housing Mix:								BNG (£ per unit)	Cat. M4(2)	Cat. M4(2)
			Studio F	1B F	2B F	2B H	3B H	4B H	5B+ H	Total	Studio F	1B F	2B F	2B H	3B H	4B H	5B+ H	Total			
A	BF LV 15	Housing and flats	-	10.0%	35.0%	-	40.0%	15.0%	-	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£268	£521	£521
B	BF LV 250	Housing	-	-	-	35.0%	50.0%	10.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£268	£521	£521
C	GF LV 250	Housing	-	-	-	40.0%	50.0%	10.0%	-	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£1,003	£521	£521
D	BF MV 10	Housing	-	-	-	20.0%	60.0%	20.0%	-	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£268	£521	£521
E	BF MV 18	Housing	-	-	-	20.0%	55.0%	20.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£268	£521	£521
F	BF MV 110	Housing	-	-	-	35.0%	50.0%	10.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£268	£521	£521
G	GF MV 20	Housing	-	-	-	40.0%	45.0%	15.0%	-	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£1,003	£521	£521
H	GF MV 115	Housing	-	-	-	40.0%	45.0%	15.0%	-	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£1,003	£521	£521
I(2)	BF HV 10	Housing	-	-	-	35.0%	50.0%	10.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£268	£521	£521
J(2)	BF HV 50	Housing	-	-	-	35.0%	50.0%	10.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£268	£521	£521
I	GF HV 10	Housing	-	-	-	35.0%	50.0%	10.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£1,003	£521	£521
J	GF HV 50	Housing	-	-	-	35.0%	50.0%	10.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£1,003	£521	£521
K	Meecebrook	Housing	-	10.0%	10.0%	20.0%	45.0%	10.0%	5.0%	100.0%	-	20.0%	10.0%	25.0%	35.0%	10.0%	-	100.0%	£1,003	£521	£521
L	Station Gateway	Housing	-	27.5%	22.5%	-	37.5%	12.5%	-	100.0%	-	27.5%	22.5%	-	37.5%	12.5%	-	100.0%	£268	£521	£521

Appraisal Ref.	Appraisal Title	Cat. M4(3)2b wheelchair accessible	Part L/FHS - houses (£ per house)	Part L/FHS - flats (£ per flats)	Net Zero - extra over baseline cost (£ per unit)	EV - Houses (£ per unit)	EV - Flats (£ per unit)	Water Efficiency (£ per unit)
		Affordable Housing 10% (10+ units) (n/a on market housing)	Housing only	Flats only	Houses and Flats (for sensitivity testing)	Housing only	Flats only	
A	BF LV 15	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
B	BF LV 250	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
C	GF LV 250	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
D	BF MV 10	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
E	BF MV 18	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
F	BF MV 110	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
G	GF MV 20	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
H	GF MV 115	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
I(2)	BF HV 10	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
J(2)	BF HV 50	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
I	GF HV 10	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
J	GF HV 50	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
K	Meecebrook	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10
L	Station Gateway	£22,791	£4,847	£2,256	£6,000	£1,000	£2,500	£10

Appendix 4 – Residential Market Paper

DRAFT for consultation

Residential Market
Paper

Stafford Borough Council Residential Market
Paper



Stafford Borough Council

December 2021

Quality Assurance

Date of Report

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1 Introduction

- 1.1 This paper provides the background to the value assumptions made in appraising the residential development typologies set out in the main report. The purpose of the study is a whole plan viability assessment.
- 1.2 The structure of the residential market paper is as follows:
- **National and Regional Overview** – provides an assessment of the current residential market in a national and regional context.
 - **Existing Evidence Base** – provides a review of existing market evidence which will inform our assumptions.
 - **New Build Achieved Values** – provides an assessment of new build achieved values across the Borough over the last two years based on industry recognised published data from Land Registry and Energy Performance Certificate Register (EPC).
 - **New Build Asking Prices** – provides an assessment of asking prices for new build properties across the Borough. The market assessment is based on industry recognised published data from Rightmove and developer’s websites such as Taylor Wimpey.
 - **Housing Value Zones** – provides an assessment of comparative value zones across the Borough. This is based on the new build values as well as further analysis of second hand achieved values across the Borough and the Index of Multiple Deprivation as a proxy for value areas.
 - **Residential Value Assumptions** – Based on assessment of achieved and asking value data, we set out our value assumptions (£ psm and absolute values) which could be expected across the value zones identified within Borough.
 - **Affordable Housing Transfer Values** – this section sets out our specific assumptions in respect of transfer values for S106 affordable housing.

2 National and Regional Market Overview

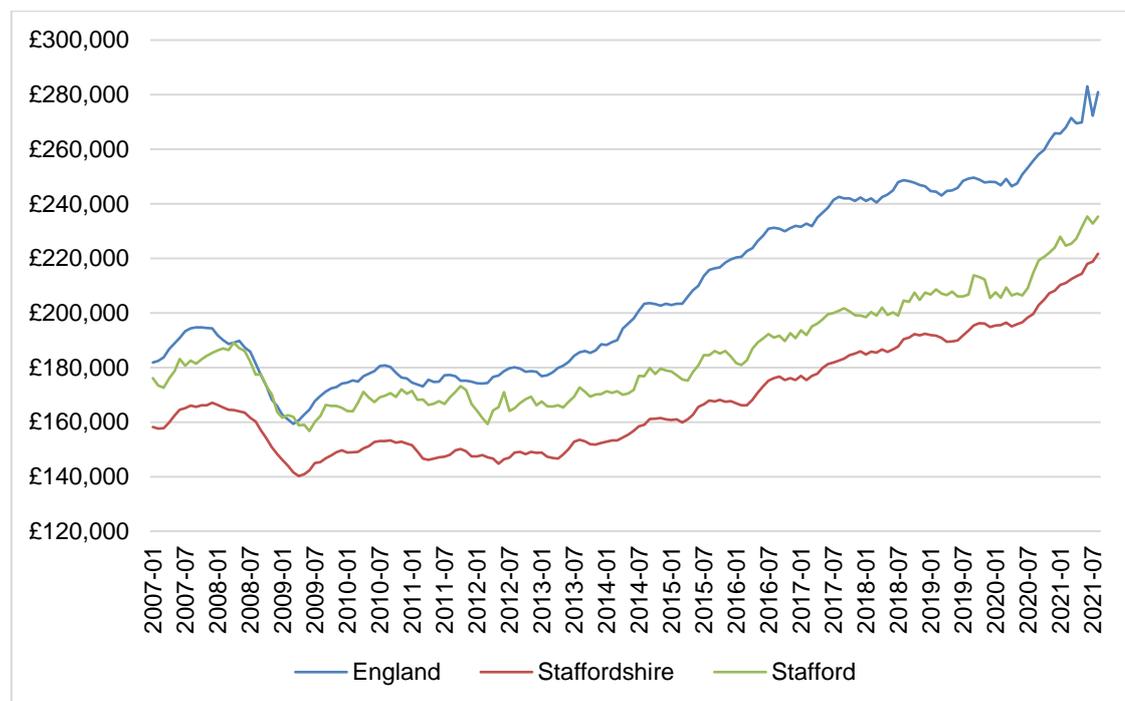
- 2.1 The RICS publishes a regular UK residential property market survey providing an overall opinion of the direction that the residential market is taking, along with commentary from surveyors from individual regions throughout the UK. The latest publication of this is July 2021 providing the following summary:
- Sales volumes are cooling down
 - The stamp duty holiday end has reduced demand
 - Lack of supply is evident across the housing market.
- 2.2 The July 2021 RICS UK Residential Survey results¹ indicate a slightly softer/falling month for new activity in residential property, due to the phasing out of the stamp duty holiday from the end of June. Despite this, housing supply shortage continues to stoke inflation. There is still subtle growth, and newly agreed sales rose over the month by a net balance of +35% of respondents noting an increase (down from +48% in March). Immediate sales expectations remain positive at the national level with a net balance of +23%, with regard to the 12-month view contributors anticipate a cooling in sales growth with the headline net balance standing at just +12%.
- 2.3 Nationally, new buyer enquiries have reduced to a net balance of -9% in July (down from a reading of +10% previously), ending four successive positive monthly returns by this measure. Meanwhile, respondents reported a monthly fall in newly agreed sales, with the net balance reducing to -21% compared with a neutral reading of -1% recorded back in June. Sales volumes declined across most of the country, but particularly in Yorkshire & the Humber, the East Midlands and East Anglia.
- 2.4 With regards to the near-term outlook for sales, a headline net balance of just +5% of contributors expect transactions to rise over the next three months; this is broadly consistent with flat trend inactivity. Likewise, at the twelve-month time horizon, the net balance stands at -2% (slightly improved on -12% last time) which again is indicative of a steady sales picture remaining in place over the year to come.
- 2.5 On the supply side, there seems to be no let-up in the recent decline in fresh listings that has been cited over recent months, as the latest net balance for new instructions moved deeper into negative territory at -46% (down from -35% previously). This is the weakest reading for the new instructions indicator since April 2020 and marks a fourth consecutive contraction in new listings. Alongside this, a national net balance of -21% of survey participants report the number of

¹ RICS UK Residential Survey – July 2021

appraisals being undertaken over the month to be down on the comparable period last year (the most subdued reading for this gauge since January 2021).

2.6 Figure 2.1 shows the average price for all property types in England, Staffordshire and Stafford since January 2007.

Figure 2.1 - Average House Prices in England, Staffordshire and Stafford



Source: Land Registry May 2021

2.7 Average property prices in Stafford have risen by c.48% since their lowest value in April 2009. This percentage increase is lower than both the Staffordshire average increase of 58% and the national average of 76%. As displayed in Figure 2.1, property prices in Stafford are generally above that of the Staffordshire average, however are also significantly below the national average. As of August 2021, the Stafford average (£235,324) is 6% higher than the average for the County (£221,710); however, they are 19% lower than the national average (£280,921).

3 Existing Evidence Base

- 3.1 We have undertaken a review of the existing evidence base having regard to the following studies listed below:

CIL Viability Study, HDH Planning (2015)

- 3.2 In 2015, Stafford Borough Council started to develop a CIL charging schedule in 2015 but it was not continued due to changes in Government policy. It is anticipated that the work will be revisited as part of the review of the Local Plan. As part of this, HDH Planning were commissioned to test the viability of a range of development types throughout the Borough of Stafford to make contributions to infrastructure requirements through the CIL.
- 3.3 HDH carried out carried out a survey of asking prices by house size and by settlement using online tools such as Rightmove, Zoopla etc. They also carried out analysis of new build asking prices. The results of this are set out in Table 3.1.

Table 3.1 - HDH New Build Asking Prices (Nov 2014)

			Minimum	Norm	Maximum
Reeds Rain	Fountain Ct, Wharf Rd	Gnosall	2,192	2,262	2,372
Reeds Rain	Radford Mews, Radford St	Stone		2,211	
Bellway	Knights Ct, Knightley Rd	Gnosall	2,315	2,365	2,436
Barratts	Yarnfield Park, Yarnfield Lane	Yarnfield	1,875	2,350	2,856
Taylor Wimpey	Sheridan Grange, Rowley Park	Stafford	2,559		2,964
Taylor Wimpey	Marston Grange, Marston Gate	Stafford	1,703	1,990	2,464
Taylor Wimpey	Tilling Drive	Stone	2,000	2,080	2,470
Bovis	St George's Park	Stafford	2,186	2,365	2,635
Bovis	Green Acres	Yarnfield	2,164	2,445	2,639
Seddon Homes	Hammond Rise	Tittensor	1,944	2,075	2,250
Reeds Rains	Creswell Grove	Stafford		1,500	
Tinsley Garner	The Oaks, Cold Norton	Stone		1,925	

Source: HDH Planning CIL Viability Study, March 2015.

- 3.4 Table 3.2 displays the values that HDH applied in their financial modelling.

Table 3.2 - HDH Value Assumptions (£ psm)

	Small Schemes	Estate Housing
Stafford Town North	1,950	2,250
Stafford Town South and Adjacent	2,500	2,400
Stone	2,600	2,500
Rest of Borough	2,750	2,700

Source: HDH CIL Viability Study, March 2015.

- 3.5 In the conclusion of the study, HDH recommended different CIL charging rates dependent on geographical location within the Borough. These recommended rates are displayed below in Table 3.3.

Table 3.3 – 2015 Study Recommended CIL Rates

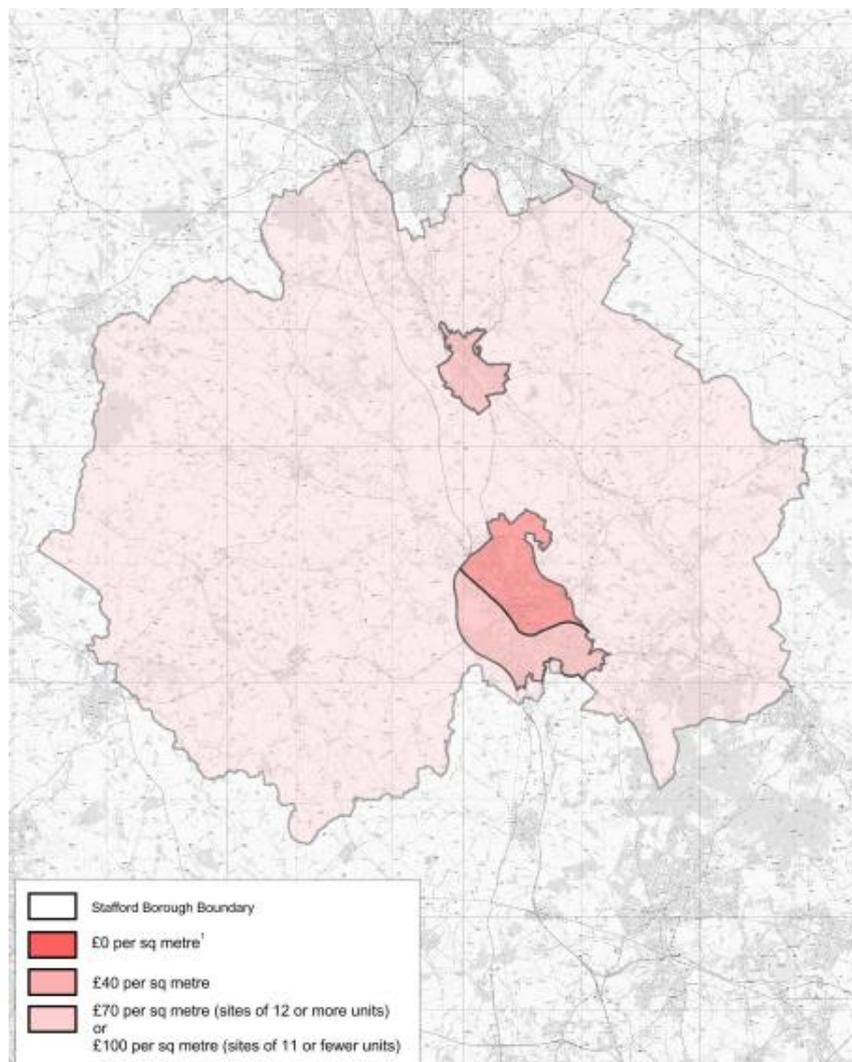
Residential Development	
Within the northern area of Stafford – including the North Stafford Strategic Development Location	£0/m ²
Within and adjacent to Stafford and Stone, but excluding the northern area of Stafford - including the West Stafford Strategic Development Location	£40/m ²
All other areas – sites of 12 or more units	£70/m ²
All other areas – sites of 11 or fewer	£100/m ²
Older People's Housing	£0/m ²

Source: SBC CIL Viability Study March 2015

Source: SBC CIL Viability Study, 2015.

- 3.6 Whilst a map displaying these particular value zones within the Borough is not provided in the 2015 study (see section 6 below for their zonal mapping), there is a corresponding map available on Stafford Borough Council's website. This map is displayed in Figure 3.1.

Figure 3.1 - Stafford Recommended CIL Zones Map (2015)



Source: SBC, 2015.

- 3.7 As displayed in Figure 3.1, the North Stafford Strategic Development Area is allocated as a zero-charge zone as in 2015 this was expected to be an area of significant residential development. The remainder of Stafford and also Stone are recommended for a CIL charging rate of £40 psm whilst the remainder of the Borough is recommended to be charged at either £70 psm or £100 psm depending on development scale.
- 3.8 These CIL recommendations were not taken forward.

4 New Build Achieved Values

4.1 We have carried out a market review of new build sales values within Stafford Borough over the previous 2 years (October 2019 – June 2021). This has been based on a detailed analysis of the Land Registry new build achieved values, cross-referenced, on an address-by-address basis (approx. 230 properties),² to the floor areas published on the EPC (Energy Performance Certificate) database in order to derive the achieved values (£ per square meter). This data gives a good baseline for comparing the average values across the Borough as it devalues each house type to a value per square meter. Note, we have removed data ‘outliers’ such as Shared Ownership registrations, extremely high values and other ‘one-off’ properties from the dataset. This is to focus on the ‘typical’ new units and avoid skewing the results.

4.2 It should also be noted that the Land Registry data for new build achieved values contains a ‘PPD Category Type’ which is defined on the gov.uk website as:

“Indicates the type of Price Paid transaction”

A = Standard Price Paid entry, includes single residential property sold for full market value.

B = Additional Price Paid entry including transfers under a power of sale/repossession, buy-to-lets (where they can be identified by a Mortgage) and transfers to non-private individuals

Note that category B does not separately identify the transaction types stated. HM Land Registry has been collecting information on Category A transactions from January 1995. Category B transactions were identified from October 2013.”³

4.3 For the purposes of this research, we have excluded new build achieved data that falls under category B as the transactions consistently presented discounted transfer values to those provided under category A, therefore not providing a reflection of the true full market value.

4.4 We note that Land Registry values include the value of garages where garages are sold as part of the house. However, the database does not specify whether a house type includes a garage. The value of garages is therefore implicit in the achieved values below.

Average Achieved New Build Values – All Property Types

4.5 We have reviewed the available data (all house types including flats) for each town/area since October 2019 on a price per square metre (£ psm) basis. This allows us to identify high and low value areas across the Borough. Table 4.1 displays the average new build values psm across

² Over a 2-year review period for new build achieved values - 1st June 2015 - 1st June 2017.

³ Price Paid Data Guidance, 14th August 2014 (<https://www.gov.uk/guidance/about-the-price-paid-data>)

the 4 main town/areas in Stafford in which we have identified a significant number (200 +) of new build transactions that have occurred.

Table 4.1 – Average New Build Price psm

Property Type	Central Stafford	Outer Stafford / Marston	Stone	Eccleshall
Flat	£3,245	n/a	n/a	n/a
Terraced	£2,337	£2,956	£3,055	n/a
Semi Detached	£2,646	£2,689	£2,808	£2,644
Detached	£2,532	£2,662	£2,460	£2,636

Source: Land Registry, 2021.

- 4.6 Cells marked 'n/a' represent locations where the relevant property types (new build) have not transacted since November 2019.
- 4.7 It is clear that, as displayed in Figure 2.1, there has been considerable house price growth since HDH's assessment in 2014. However, there is only a small difference between HDH's value assumptions and our transactional evidence. We have not seen HDH's evidence and cannot comment on their data analysis. As such, we have determined our own independent assessment of values which accounts for house price growth that has clearly occurred but has not yet been documented in the form of HM Land Registry transactions.

5 New Build Asking Prices

- 5.1 In November 2021, we reviewed a number of new build developments which have recently completed and are currently being marketed within Stafford Borough to understand the up-to-date **asking prices** associated with new build properties which can be used in our viability testing.
- 5.2 It should be noted that asking prices may be aspirational, and may not reflect the incentives offered by the developer or the actual value a willing purchaser will pay.
- 5.3 The RICS information paper on comparable evidence in property valuation⁴ states that asking prices '*cannot by themselves provide reliable evidence of value and should be treated with some caution. They will usually vary from the price achieved on exchange in the open market, but when interpreted with care by an experienced valuer they can provide some guidance as to current market sentiment and trends in value.*' Thus, whilst the achieved value data (from the Land Registry in section 4 above) provides robust data this is retrospective. The asking price analysis in this section provides a review of **current** prices for new builds. It is important to note that in arriving at our value assumptions for the appraisals will have had regard to the new build asking prices, but put more weight on the transactional data (section 4). We have also considered the assumptions for the appraisal 'in the round' e.g., having regard to the marketing cost assumptions for sales incentives and discounts (from the headline asking prices).
- 5.4 Finally, it is important to note that the supply ('flow') of new build properties has to be sold within a marketplace that includes an established 'stock' of competing properties. The asking price is therefore tempered by the wider price mechanism.
- 5.5 We have undertaken market research across the Borough which focuses mostly on Stafford and Stone where the majority of new build properties are currently listed.

Stafford

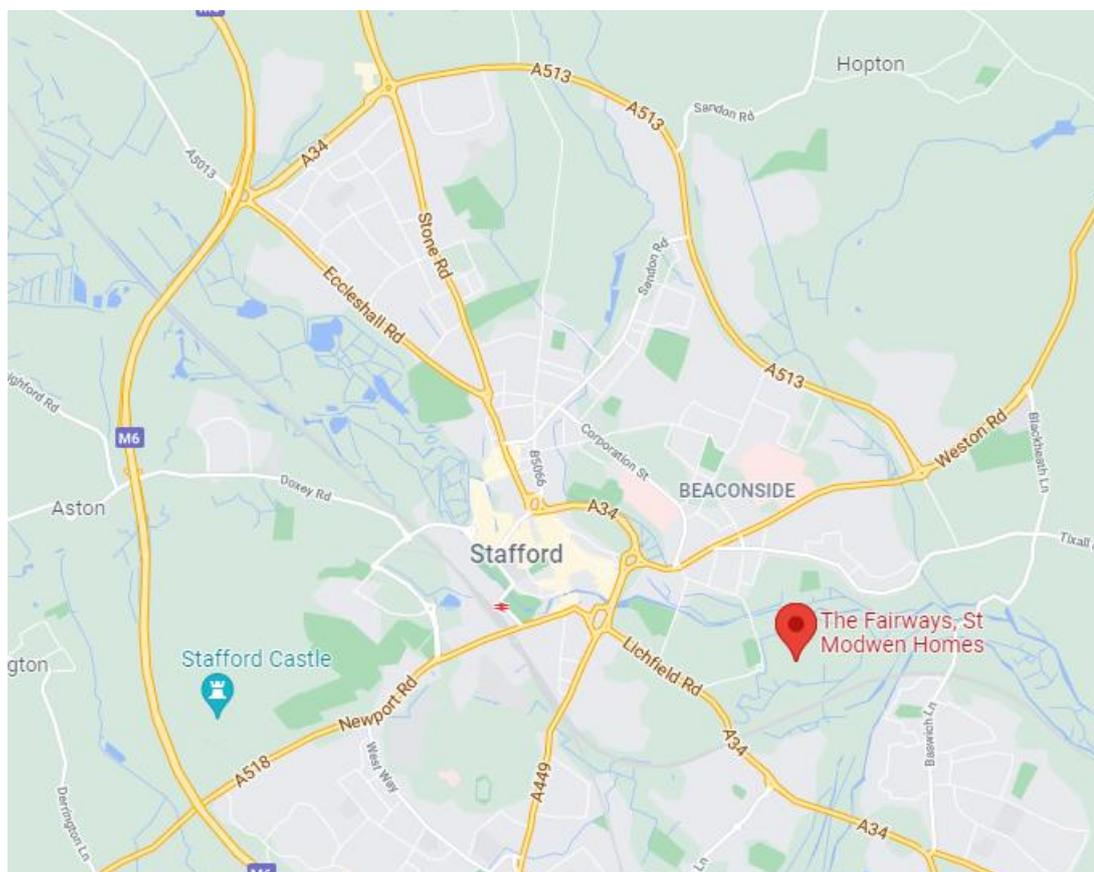
- 5.6 In August 2021, there were 3 new developments in Stafford:

The Fairways – St Modwen Homes

- 5.7 This development offers a range of 2-, 3-, 4- and five-bed homes. It is located in Forebridge - a suburb in the south east of Stafford. The location of the development is displayed in Figure 5.1.

⁴ Comparable evidence in property valuation, RICS information paper, 1st edition (IP 26/2012)

Figure 5.1 – The Fairways Location Map



Source: Google Maps 2021

Table 5.1 - The Fairways Asking Prices

Property Type	No. of Units Available	Size (sqm)	Asking Price	Asking Price psm
3-Bed Terraced	1	n/a	£237,995	n/a
3-Bed Semi-Detached	3	n/a	£237,495 - £255,995	n/a
3-Bed Detached	2	n/a	£269,995 - £301,995	n/a
4-Bed Detached	1	n/a	£333,995	n/a

Source: Rightmove, 2021.

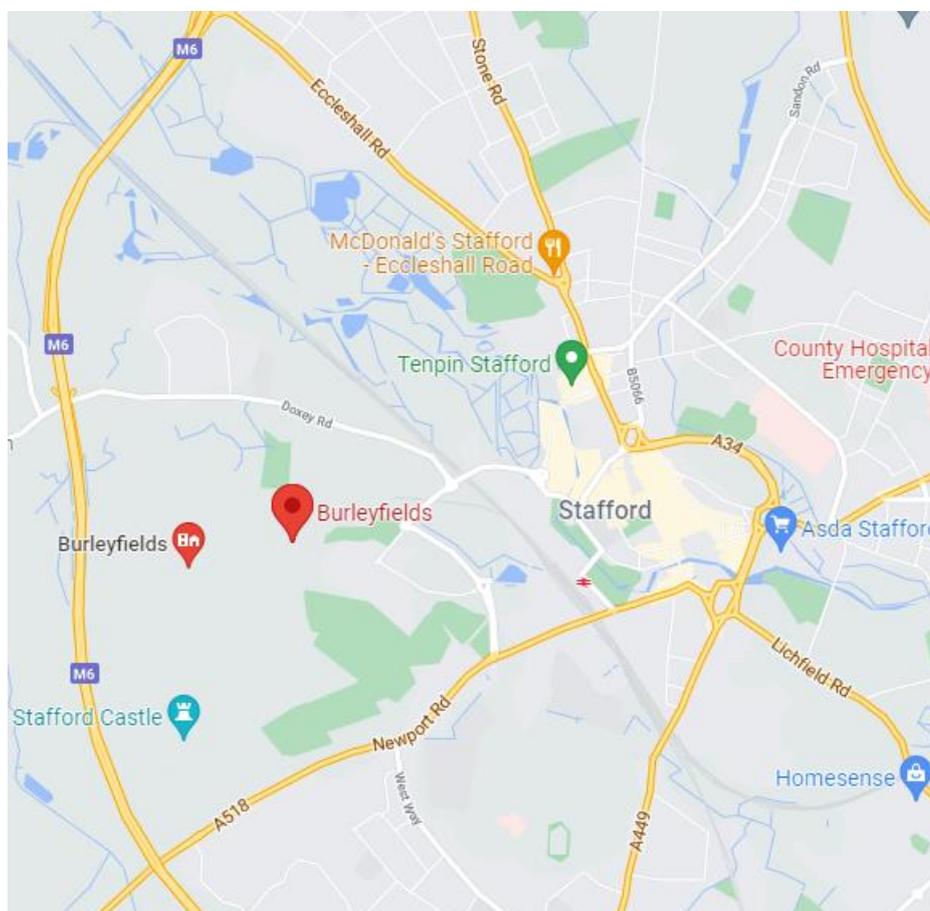
- 5.8 Floorspace areas were unavailable for the properties listed for sale at The Fairways.
- 5.9 None of these properties have a garage attached to the dwelling.

Burleyfields – Taylor Wimpey

- 5.10 A development by Taylor Wimpey, Burleyfields is located in the West of Stafford in between Castletown and Burleyfields. This development offers c.200 three-, four- and five-bedroom homes and as well as 11 2-bed apartments.

5.11 The location of this development is displayed in Figure 5.2.

Figure 5.2 - Burleyfields Location



Source: Rightmove, 2021.

5.12 Table 5.2 displays the asking prices for the available houses at Burleyfields.

Table 5.2 - Burleyfields Asking Prices

Property Type	No. of Units Available	Size (sqm)	Asking Price	Asking Price psm
3-Bed Semi-Detached	1	70	£205,950	£2,944
3-Bed Detached	4	87 – 105	£264,950 - £297,950	£2,843 - £3,063
4-Bed Detached	4	102 - 117	£284,950 - £314,950	£2,791 - £2,820

Source: Rightmove, 2021.

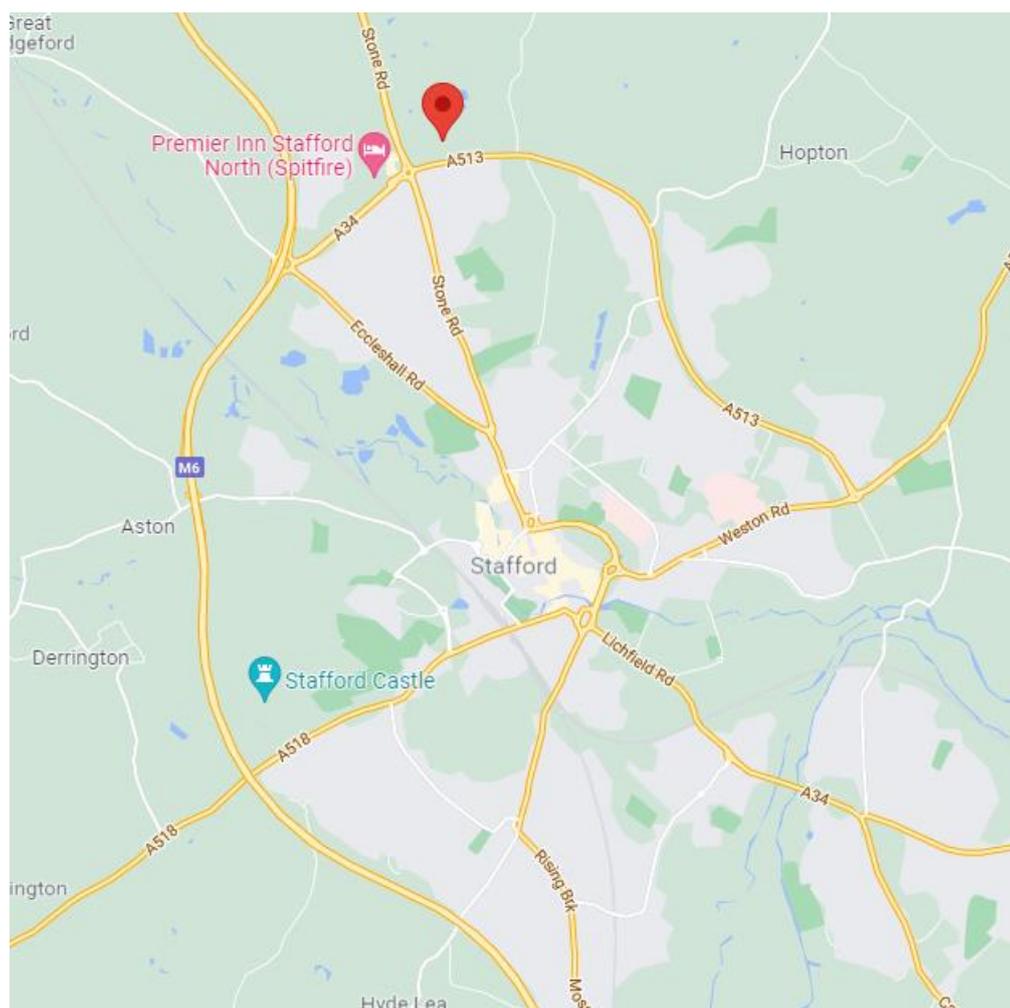
5.13 The 3-bed semi-detached houses at Burleyfields are listed at a slightly higher price to the 3-bed semi-detached units at The Fairway. The 3-bed detached units at Burleyfields are priced similar to those at The Fairway. The 4-bed detached units at Burleyfields are also listed for less than the 1 4-bed at The Fairway.

- 5.14 Only 7 of the 9 properties have a single garage attached to the property. This represents 78% of the listings.

Bertelin Fields – Barratt Homes

- 5.15 This is the first phase of a 700 dwelling development that includes 60 elderly living dwellings and 2,500 sqm of employment floorspace. The dwellings provided are 2-, 3- and 4-bedroom homes.

Figure 5.3 – Bertelin Fields Location Map



Source: Google Maps, 2021.

- 5.16 This development is located in the north of Stafford, just off the A34. The asking prices of the available homes are displayed in Table 5.3.

Table 5.3 - Bertelin Fields Asking Prices

Property Type	No. of Units Available	Size (sqm)	Asking Price	Asking Price psm
2-Bed Semi-Detached	1	63.1	£204,995	£3,249

3-Bed Semi-Detached	2	77.1	£239,995	£3,113
3-Bed Detached	2	80.2 - 85.2	£255,500 - £269,995	£3,169 - £3,186
4-Bed Detached	1	n/a	£313,995	n/a

Source: Rightmove, 2021.

- 5.17 The asking prices at Bertelin Fields for 3-bed detached units are slightly lower than the asking prices at Burleyfields. The asking prices for 3-bed semi-detached units at Bertelin Fields is higher than for those at Burleyfields and at the lower end of the range of asking prices when compared to The Fairway. The 4-bed detached unit is priced similarly to Burleyfields and slightly below that at The Fairway. Only 1 of the 3-bed detached properties and 1 of the 4-bed detached units are listed as having a garage.

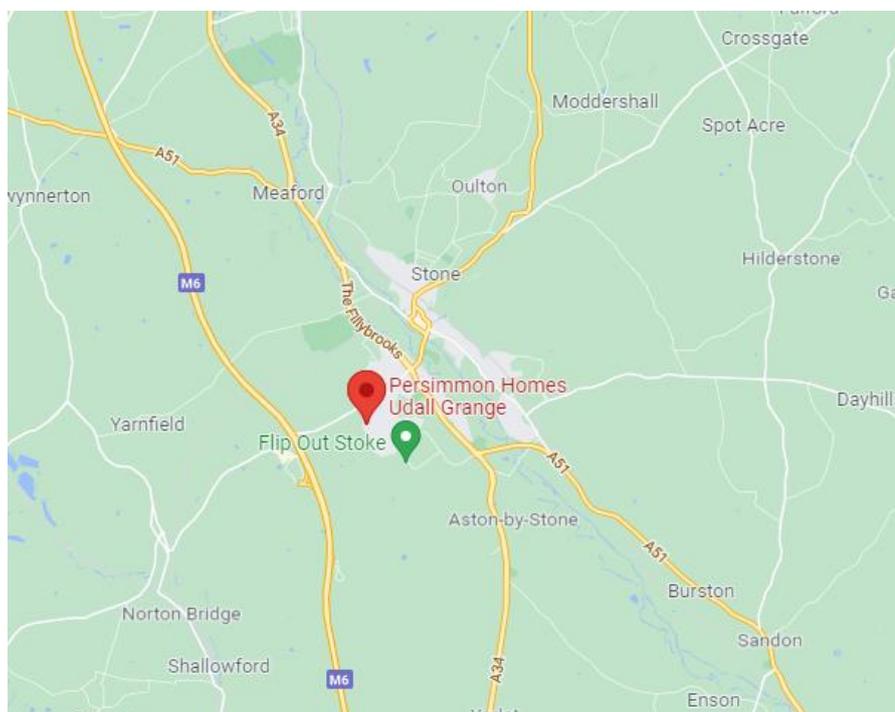
Stone

- 5.18 There is currently 1 new development with units marketed for sale in Stone.

Udall Grange – Persimmon Homes

- 5.19 This development is comprised of 198 2-, 3-, 4- and 5-bedroom homes. It lies to the south west of Stone town centre, off the A4130.
- 5.20 The location of this development is displayed in Figure 5.4.

Figure 5.4 – Udall Grange Location Map



Source: Google Maps 2021

5.21 The current availabilities at Udall Grange are displayed in Table 5.4.

Table 5.4 - Udall Grange Asking Prices

Property Type	No. of Units Available	Size (sqm)	Asking Price	Asking Price psm
2-Bed Terraced	2	n/a	£191,950 - £193,950	n/a
4-Bed Semi-Detached	1	n/a	£251,950	n/a
4-Bed Detached	3	n/a	£304,950 - £354,950	n/a

Source: Rightmove, 2021.

5.22 The asking prices for units marketed at Udall Grange appear to be higher than those that we have identified in Stafford. Asking prices for a 4-bed detached unit at Udall Grange ranged between £304,950 - £354,950 whereas a 4-bed detached unit at Burleyfields, Stafford is marketed for between £284,950 - £314,950.

5.23 2 of the 3 4-bed detached units feature a garage. None of the other units feature a garage.

6 Housing Value Zones

6.1 In this section we build upon our new-build market research to arrive at comparable value zones across the Borough. As can be seen above in Figure 3.1 - Stafford Recommended CIL Zones Map (2015), there has previously been a zoning map produced for the purpose of proposed CIL charging.

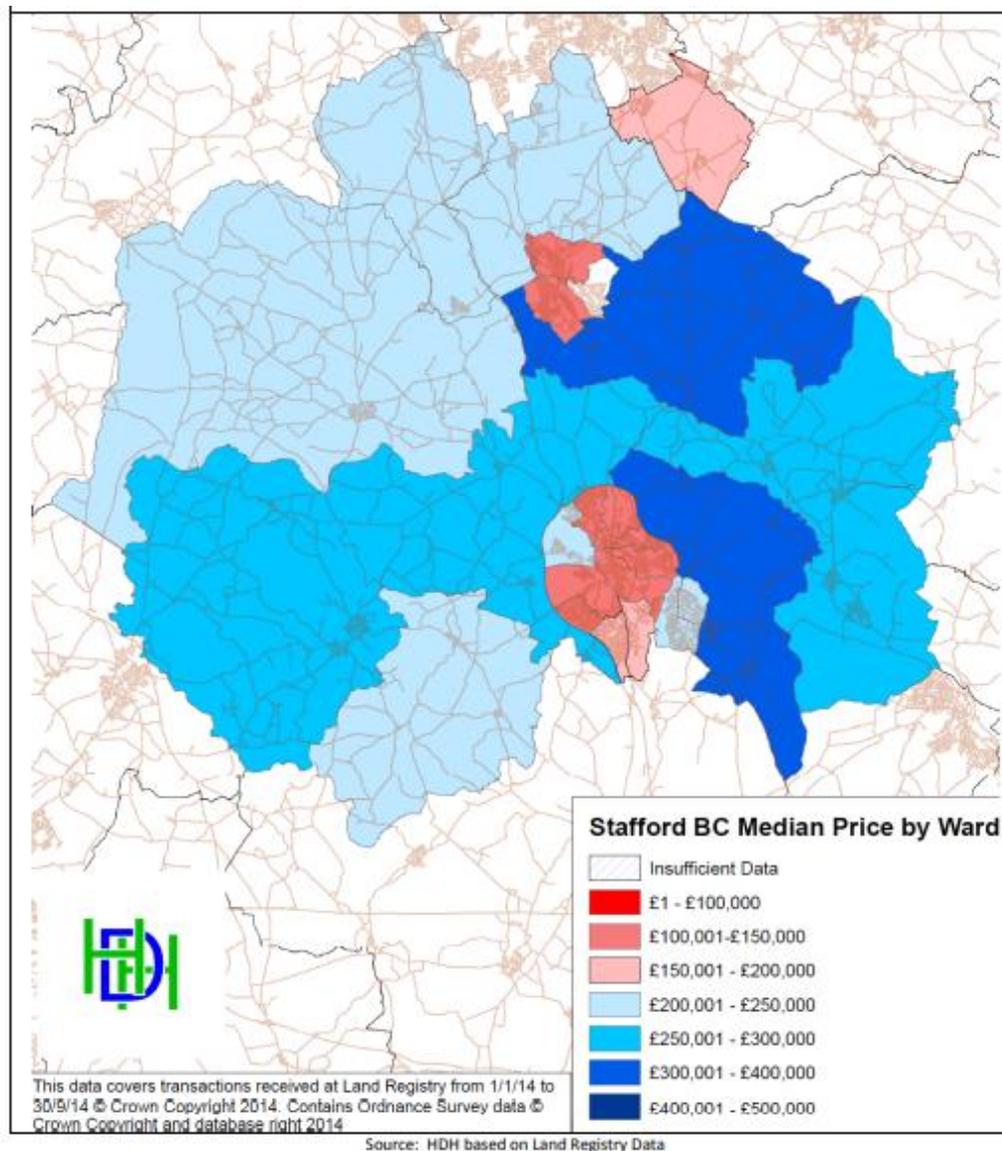
6.2 The purpose of this section is to create a visual representation of the differences in value across the Borough. We have therefore sought to rationalise and simplify the Housing Value Zones for ease of application both in terms of any future CIL charging schedule and values. All planning obligations (Affordable Housing, CIL etc.) should 'align' in terms of Housing Value Zones and viability.

6.3 Note that this section on Housing Value Zones is about the *relativity* of values across zones in Stafford Borough – not the *absolute* value assumption which are contained in section 7 below.

CIL Viability Study, HDH Planning (2015)

6.4 HDH identified the following value zones (based on median prices for semi-detached houses).

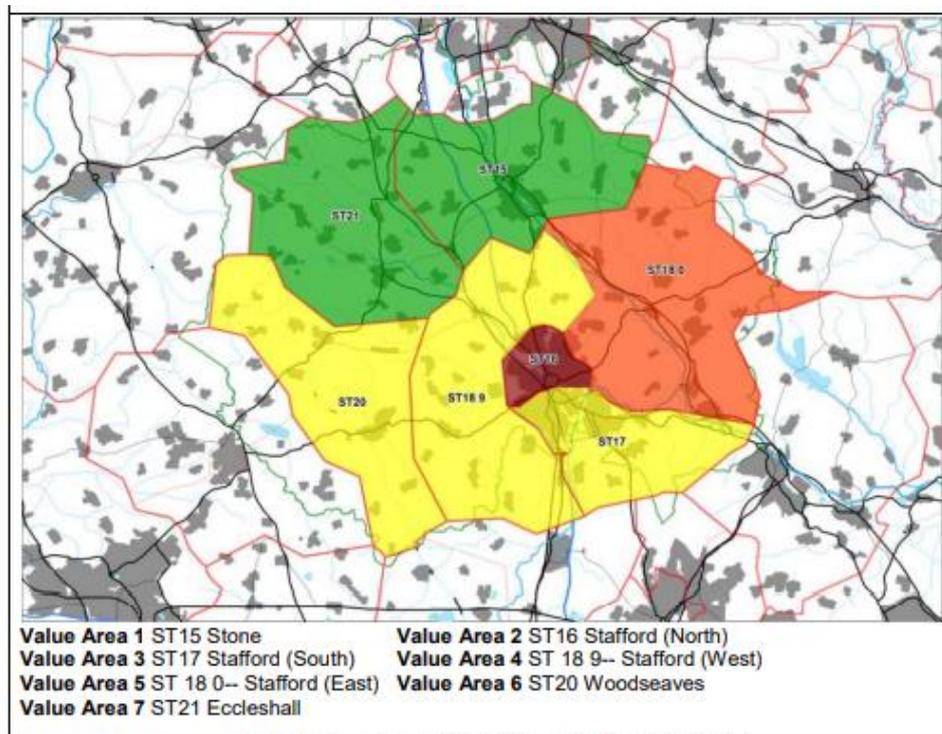
Figure 6.1 - Stafford BC Median House Price by Ward (March 2015)



Source: CIL Viability Study FINAL - March 2015, HDH Planning & Development

6.5 HDH compared this to the Council's affordable housing viability work (from July 2011). This analysis showed the following value zones

Figure 6.2 - Value Areas used in 2011 Affordable Housing Viability Assessment



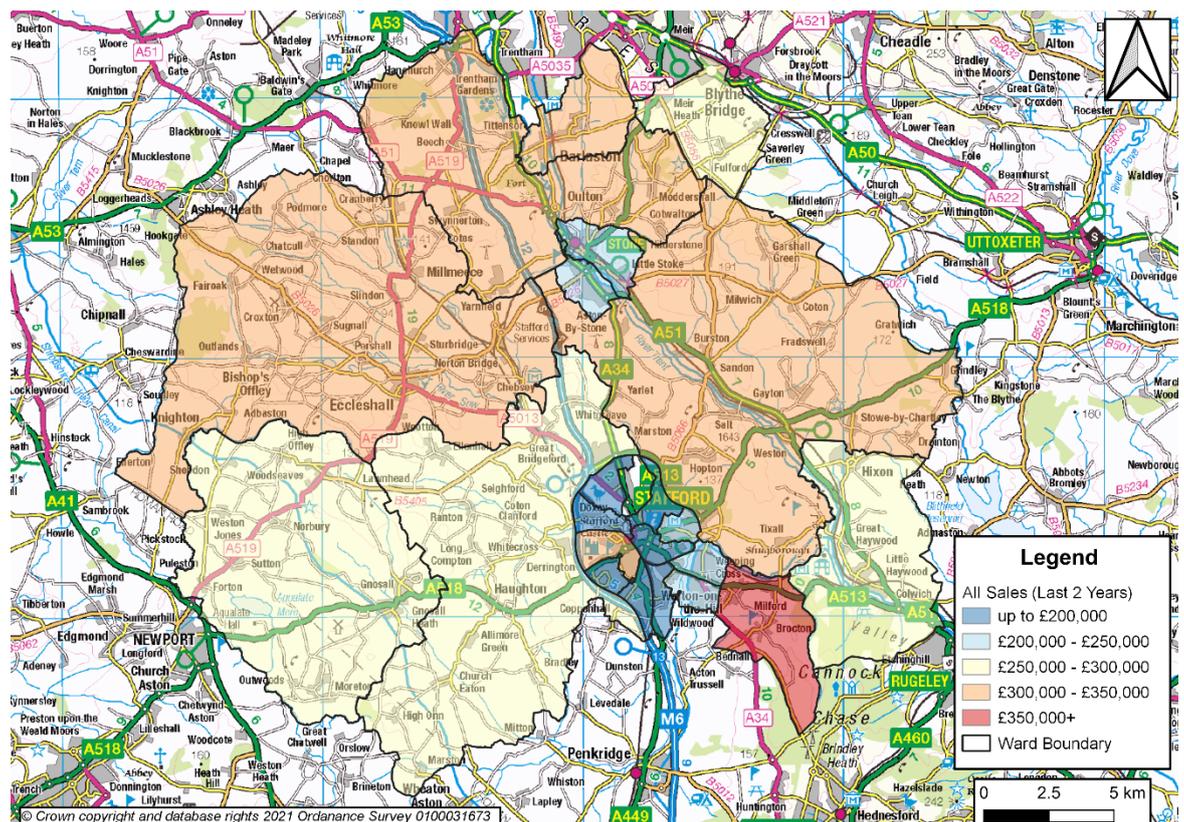
Source: Affordable Housing Viability Assessment (Level) July 2011

Source: CIL Viability Study FINAL - March 2015, HDH Planning & Development

Second-Hand Values

- 6.6 To sense check the pattern of values across the Stafford Borough, we have reviewed the second-hand market between October 2019 and October 2021. There is a greater stock of second-hand properties and turnover is higher than new builds.

Figure 6.3 – Average Second Hand Achieved Values by Ward



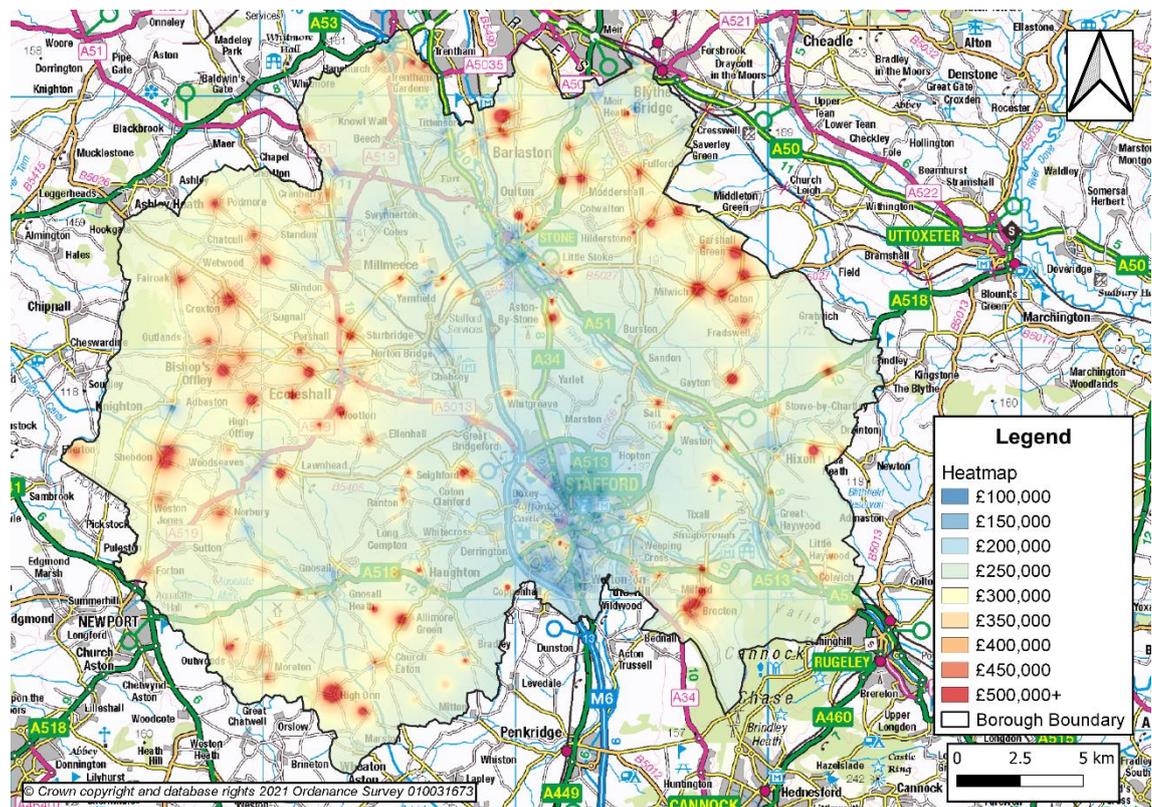
Source: AspinallVerdi, 2021.

- 6.7 This map is consistent with previous studies and shows that values in Central Stafford are lower than the surrounding rural areas with the exception of Rowley ward. We know from experience that the Rowley Park area is considered part of the premium market in Stafford town.
- 6.8 Stone has also experienced slightly lower values than the surrounding areas, however the average values here are still higher than in Central Stafford. Settlements like Gnosall and Eccleshall are located in higher value areas when compared to the urbanised Stafford area.
- 6.9 The values displayed in Figure 6.3 are broadly in line with the values indicated by the Council's CIL Viability Study in Figure 3.1.

New Build & Second-Hand Values

6.10 Figure 6.4 displays the sales values for new build and second-hand units in the Borough over the last 2 years as a 'heatmap'.

Figure 6.4 Stafford Borough Residential Values Heatmap (second hand and newbuild)



Source: Land Registry Sale Value data, Basemap ArcGIS online, October 2021.

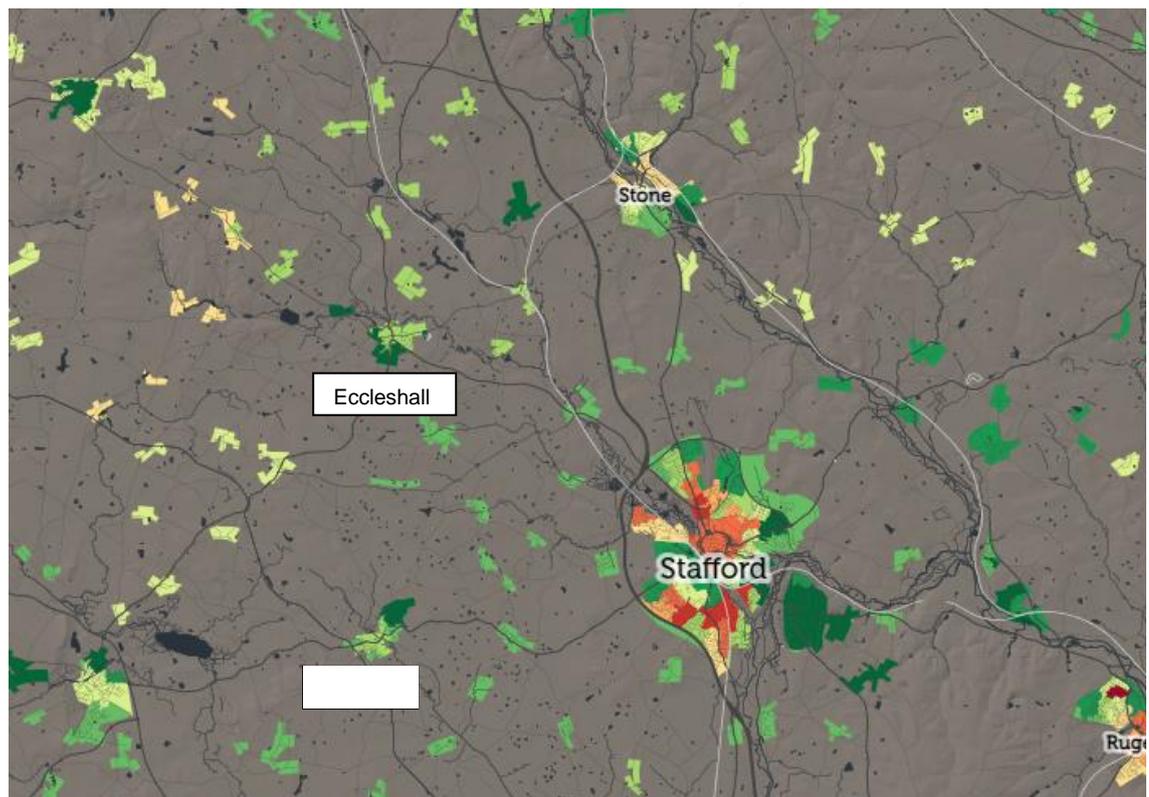
- 6.11 This data is not 'fixed' against ward boundaries (as shown in Figure 6.3) thus allowing for finer grain analysis of the areas of higher, mid and lower values. The red/orange colours represent higher average prices and the blue colours represent the lower values. The analysis shows an emphasis on the lower-value area around the Stafford town. This trend can also be observed in Stone, where the central urban area has typically achieved lower values than the surrounding rural villages, however the values do not appear to be quite as low as Stafford, or as widespread throughout the town. The higher value areas are achieved around the outer edges of the Borough which are typically more rural than the built-up town areas.
- 6.12 It should also be noted that new build properties tend to achieve higher values than second-hand properties. The locations of new build developments are therefore often displayed in red / orange in Figure 6.4 whilst the surrounding area may be represented in blue. It is important to remember that these sales have still occurred in a lower value area, however the heatmap may represent

them as being a higher value zone simply because they are achieving more than the surrounding second-hand properties in the same lower value zone.

Index of Multiple Deprivation

- 6.13 When preparing our Housing Value Zones, we have also had regard to the Index of Multiple Deprivation (IMD). The IMD provides a metric for which multiple datapoints, such as average income, health, education, crime, unemployment etc., are all amalgamated into a single rating which shows the level of deprivation that an area is experiencing, this is illustrated on a map (See Figure 6.5 - Indices of Multiple Deprivation 2021).
- 6.14 Although this is not a direct comparison to housing values, it is a very good proxy. In our experience higher values tend to be found in areas of least deprivation and values are lower in areas where there is greatest deprivation. This IMD map is therefore a good proxy for the Housing Zones Map.

Figure 6.5 - Indices of Multiple Deprivation 2021



Source: Indices of Multiple Deprivation 2021

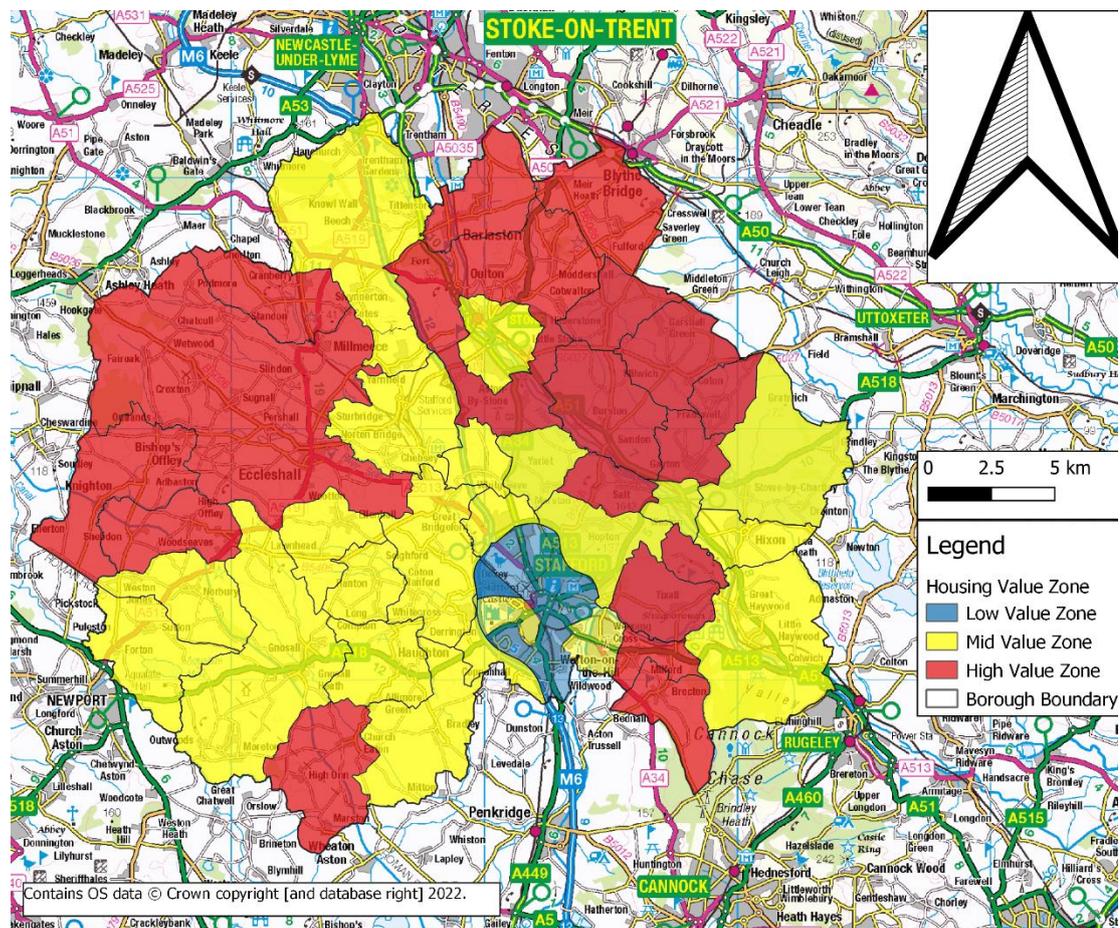
- 6.15 On the above map the red areas are those with most deprivation and the green areas the least deprivation. The grey areas are no-data areas.

- 6.16 The map clearly shows that there is higher deprivation in Stafford than anywhere else in the Borough. There are no areas of particularly high deprivation outside of Stafford which suggests that this is a lower value market area, as we have already established in our sales value analysis.
- 6.17 Stone is also indicated as having slightly higher levels of deprivation than the surrounding rural areas, as shown by the yellow shading in the centre of the town. This indicates that this area may be a mid-value zone compared to other settlements like Gnosall and Eccleshall which are shown to have lower levels of deprivation. This analysis aligns broadly with the data used to formulate our value zones.

AspinallVerdi Housing Value Zones

- 6.18 In order to derive our Housing Market Zones we have had regard to:
- the existing evidence base and particularly the heat maps and choropleth maps contained in previous market research (see section 3 above);
 - CIL Viability Study (2015);
 - current new-build achieved values;
 - second-hand achieved values; and
 - the Index of Multiple Deprivation.
- 6.19 Figure 6.6 shows the result of our analysis of the data listed above. We set out three value zones in this map: high, mid and low value zones. These zones 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.

Figure 6.6 - Stafford Value Zone Map (By Parishes and Wards)



Source: AspinallVerdi 2021 (220606 Housing Value Zones Map_v1)

- 6.20 After cross-referencing the new build achieved values with the new build asking and second hand achieved, we have come to a view on where the value zones differ across the Borough. Our analysis has been refined by allocating value zones based on parishes rather than wards for the rural areas. Parish boundaries are more flexible and allow for greater detail when identifying price disparities across the rural areas of the Borough. There are no parishes in Stafford town centre which is made up of a number of smaller wards. We have therefore used wards in the town centre⁵.
- 6.21 We have provided a breakdown of parishes and wards by value zone in Table 6.1:

⁵ See - <https://www.staffordbc.gov.uk/DemServWards>

Table 6.1 - Parishes (Rural Areas) and Wards (Town Centre) by Value Zone

	Parishes	Wards
Higher Value Zone	Adbaston, Barlaston, Berkswich, Brocton, Church Eaton, Eccleshall, Fradswell, Fulford, Gayton, High Offley, Hilderstone, Ingestre, Milwich, Salt and Enson, Sandon and Burston, Standon, Stone Rural, Tixall.	
Mid Value Zone	Bradley, Chebsey, Colwich, Creswell, Ellenhall, Forton, Gnosall, Haughton, Hixon, Hopton and Coton, Hyde Lea, Marston, Norbury, Ranton, Seighford, Stone, Stowe-by-Chartley, Swynnerton, Weston, Whitgreave. Yarnfield & Cold Meece	Rowley, Baswich, Weeping Cross & Wildwood
Lower Value Zone		Doxey & Castletown, Holmcroft, Common, Coton, Littleworth, Forebridge, Penkside, Manor, Highfields & Western Downs

Source: AspinallVerdi 2021

7 Residential Value Assumptions

7.1 Based on our market assessment above we have assumed the following values (£ and £ psm) across the Borough. For our assumptions we have divided the Borough into 3 distinct areas:

- Central Stafford (Low Value Zone)
- Outer Stafford, Marston & Stone (Mid Value Zone)
- Rest of Borough (High Value Zone)

7.2 We have assumed the floor areas as follows:

- 1 Bedroom Flat – 50 sqm
- 2 Bedroom Flat – 70 sqm
- 2 Bedroom House – 79 sqm
- 3 Bedroom House – 100 sqm
- 4 Bedroom House – 115 sqm
- 5 Bedroom House – 140 sqm

7.3 We have taken account of the nationally described space standards⁶ as well as market delivery in Stafford Borough when adopting these floorspace areas.

7.4 Based on the above evidence, our opinion of capital values are as follows:

⁶ Department for Communities and Local Government, Technical housing standards – nationally described space standard (March, 2015)

Table 7.1 - Market Value (£ psm) Assumptions (October 2021)

Property type	Higher Value Area	Medium Value Area	Lower Value Area
1 Bed Flat	£3,500	£3,200	£2,900
2 Bed Flat	£3,286	£3,000	£2,786
2 Bed House	£3,481	£3,165	£2,722
3 Bed House	£3,350	£3,050	£2,650
4 bed House	£3,261	£2,913	£2,609
5 Bed House	£2,813	£2,500	£2,344

Source: AspinallVerdi, 2021.

7.5 The values that we have adopted are higher than the achieved transactional evidence displayed in Table 4.1. As displayed in Figure 2.1, there has been considerable price growth since the end of 2020, which is the date of the most recent new build transactional evidence from HM Land Registry. We have adopted higher value assumptions to capture the value increases which may not have filtered through into the achieved data on Land Registry yet. We reserve the right to revise these values should further evidence come available.

7.6 This transposes into the following absolute values:

Table 7.2 - Market Value (£) Assumptions (October 2021)

Property type	Higher Value area	Medium Value Area	Lower Value Area
1 Bed Flat	£175,000	£160,000	£145,000
2 Bed Flat	£230,000	£210,000	£195,000
2 Bed House	£275,000	£250,000	£215,000
3 Bed House	£335,000	£305,000	£265,000
4 Bed House	£375,000	£335,000	£300,000
5 Bed House	£450,000	£400,000	£375,000

Source: AspinallVerdi 2021

7.7 We have made the following assumptions in respect of garages:

- 3 bed houses - 50% have garages;
- 4 bed houses - 100% have garages;

- 5 bed houses - 150% have garages (i.e., 1.5 garages per units – 100% have single garages and 50% have double garages).

8 Affordable Housing Transfer Values

8.1 The most recent existing evidence for affordable housing transfer values is provided by the Council's CIL Viability Study 2015 (HDH Planning). This assessment adopted £ psm values for affordable housing. We have provided these values, as well as calculating the average % of OMV which this represents based on the sales values for all schemes across the borough adopted in the same assessment:

- Intermediate – 65% of OMV
- Affordable rent – 48% of OMV (£1,182 psm)
- Social rent – 34% of OMV (£775 psm)

8.2 Since this assessment, First Homes have been introduced as an alternative method of providing affordable housing.

PPG for First Homes

8.3 On 24 May 2021 MHCLG issued guidance on First Homes. The guidance provides the following description for First Homes:

'First Homes are a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. Specifically, First Homes are discounted market sale units which:

*a) must be **discounted by a minimum of 30%** against the market value;*

b) are sold to a person or persons meeting the First Homes eligibility criteria (see below);

c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,

*d) after the discount has been applied, the first sale must be at a **price no higher than £250,000** (or £420,000 in Greater London).*

*First Homes are the government's preferred discounted market tenure and should **account for at least 25% of all affordable housing units** delivered by developers through planning obligations.'*⁷

8.4 The guidance explains that there should be a S106 agreement to secure restrictions 'on the use and sale of the property, and a legal restriction on the title of the property to ensure that these restrictions are applied to the property at each future sale [...]. The price cap of £250,000 (or

⁷ MHCLG, 24 May 2021, Paragraph: 001 Reference ID: 70-001-20210524

£420,000 in Greater London), however, applies only to the first sale and not to any subsequent sales of any given First Home.’⁸

- 8.5 The guidance explains that homes meeting First Homes criteria should be considered to meet the definition of affordable housing for planning purposes.
- 8.6 Note that PPG First Homes Paragraph: 023 Reference ID: 70-023-202105249 requires that 10% of all homes are to be for affordable homeownership. The affordable housing tenure mix is set out on the separate Typologies Matrix.

Adopted Affordable Housing Transfer Values

- 8.7 We have consulted with a number of Registered Providers (RPs) who are active in the local area. The headline points from the consultations are as follows:
- RPs prefer ‘land and build’ packages, where they are able to secure land and develop affordable units themselves, rather than acquire units through S106 agreements which have been built by private developers. The reason given was due to higher level of control during the build and the delivery of a higher quality product.
 - RPs are seeing bid levels for S106 units become more aggressive with higher levels of competition in the market. As such, the transfer values for some tenure products have increased (Shared Ownership).
 - In lower value zones, the transfer values as a % of open market value (OMV) can be higher because grant funding rates may be ‘fixed’, allowing RPs to bid for a higher % of OMV in lower value areas (Stoke was mentioned as the example).
 - RPs quoted typical transfer values for different tenures in Stafford Borough:
 - Shared ownership: 70% - 75% of OMV
 - Affordable rent: 55% - 65% of OMV
 - Social rent: 48% - 56%
- 8.8 Taking the above evidence into account, we have adopted the following transfer values:

⁸ Ibid, Paragraph: 002 Reference ID: 70-002-20210524

⁹ How does the requirement for 25% First Homes interact with the requirement in the National Planning Policy Framework that where major development is proposed, at least 10% of homes should be available for affordable home ownership?

Table 8.1 - Transfer Value Assumptions

First homes	70% of OMV
Shared ownership	70% of OMV
Affordable rent	60% of OMV
Social rent	50% of OMV

London | Leeds | Liverpool

Property | Infrastructure | Planning
Development | Regeneration

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regeneration
consultants

Appendix 5 – Stakeholder Presentation Slides



**Stafford Borough Council – Whole Plan
Viability
Stakeholder Workshop**

Wednesday 15th December 2021 14:00 16:00

Overview



1. Introduction
2. Local Plan Viability Context
3. Methodology
4. Research and Emerging Assumptions
5. Feedback and Next Steps

About AspinallVerdi

Aspinall
Verdi

- Specialist Property Development Consultants
- RICS GP and P&D Surveyors / RTPI
- Local Plan / Affordable Housing Viability
- CIL Viability Studies
- RTPI England Policy Panel / RICS FVIP Panel
- Homes England Property Panel
- Financial Viability Appraisals for S106
- Market Studies to support change of use
- Heritage - Conservation Deficit / Enabling Dev. Appraisals
- London | Leeds | Liverpool | Newcastle | Birmingham



3

Objectives of the Study

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Viability Assessment of the Stafford Borough Council's new Local Plan 2020 – 2040 and Infrastructure Levy:

- to undertake a Local Plan Viability Assessment in accordance with national policy and guidance, and to investigate the context for establishing a local viability level and the mechanisms to deliver development
- to investigate the viability of implementing an [Community] Infrastructure Levy at the local level and demonstrate the maximum charging rates
- 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).

4

Purpose of the Workshop

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- To explain our methodology and emerging assumptions
- To engage and receive feedback

- We will then refine and revise the assumptions
- Run viability appraisals
- Make recommendations to SBC

5

Overview

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1. Introduction
2. **Local Plan Viability Context**
3. Methodology
4. Research and Emerging Assumptions
5. Feedback and Next Steps

6

NPPF (July 2021)

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2012 Para 173. *Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking.To ensure viability, the costs of any requirements likely to be applied to development (affordable housing, infrastructure contributions etc.) should, when taking account of the normal cost of development, provide **competitive returns to a willing land owner and willing developer to enable the development to be deliverable***

2021 Para 58. Where up-to-date policies have set out the contributions expected from development, **planning applications that comply with them should be assumed to be viable**.....

....All viability assessments, including any undertaken at the plan-making stage, should *reflect the recommended approach in national planning guidance*, including standardised inputs, and should be made publicly available.

7

NPPF (cont.)

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2021 Para 34. Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the **deliverability** of the plan.

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PPG - Viability

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Includes sections on:

- Viability and plan making
- Viability and decision taking
- Standardised inputs to viability assessment

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PPG – Viability and Plan Making

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

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PPG – Standard Inputs

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- Paragraph 010 - What are the principles for carrying out a viability assessment? - *strike a balance*
- Paragraph 011 - How should gross development value be defined for the purpose of viability assessment? - *Sales values evidence; rents and yields*
- Paragraph 012 - How should costs be defined for the purpose of viability assessment? - *All costs; including abnormals*
- Paragraph 013 - How should land value be defined for the purpose of viability assessment? - *'existing use value plus' (EUV+).*
- Paragraph 018 -How should a return to developers be defined for the purpose of viability assessment? - *15-20% of gross development value (GDV)*

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PPG – CIL

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- Strike an **appropriate balance**
- The levy is expected to have a positive economic effect on development
- Use '**appropriate available evidence**' to inform their draft charging schedule – '*unlikely to be fully comprehensive*'
- No requirement for CIL rate to exactly mirror the evidence
- But, appropriate to ensure that a 'buffer' or margin is included
- Regulations allow charging authorities to apply **differential rates** in a flexible way.... BUT, avoid undue complexity
- Charging authorities can set differential rates that reflect differences in **land value uplift** created i.e. greenfield and brownfield

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Overview

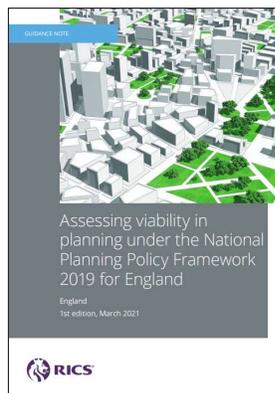
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1. Introduction
2. CIL / Local Plan Viability Context
3. **Methodology**
4. Research and Emerging Assumptions
5. Feedback and Next Steps

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RICS AVIP from 1 July 2021

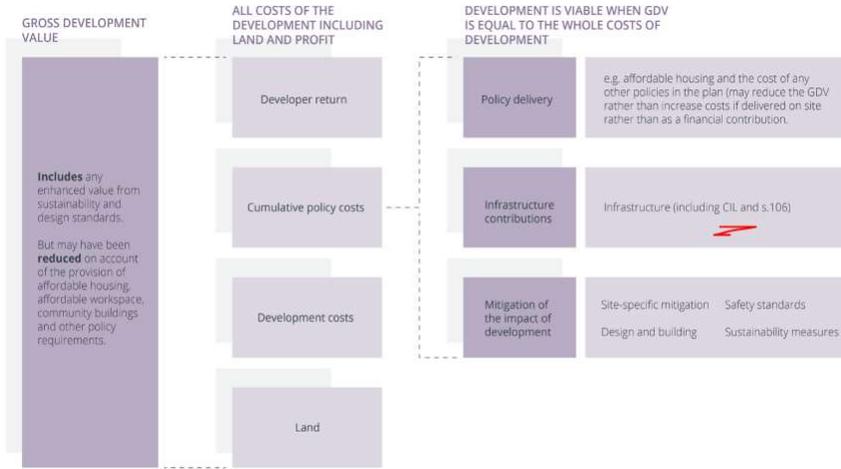
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- Best Practice for RICS Members
- Includes viability testing CIL
- Differential rates: Geographical zones; Types of development; Scale of development, Uplift in land value where, e.g. the site typologies are *greenfield or brownfield*
- Differential rates can be set for strategic sites - higher or lower - taking into account the requirement to deliver specific elements of infrastructure
- The impact of the CIL should be considered alongside the impact of other policy requirements.

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AVIP – Residual Valuation Framework



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Best Practice Model



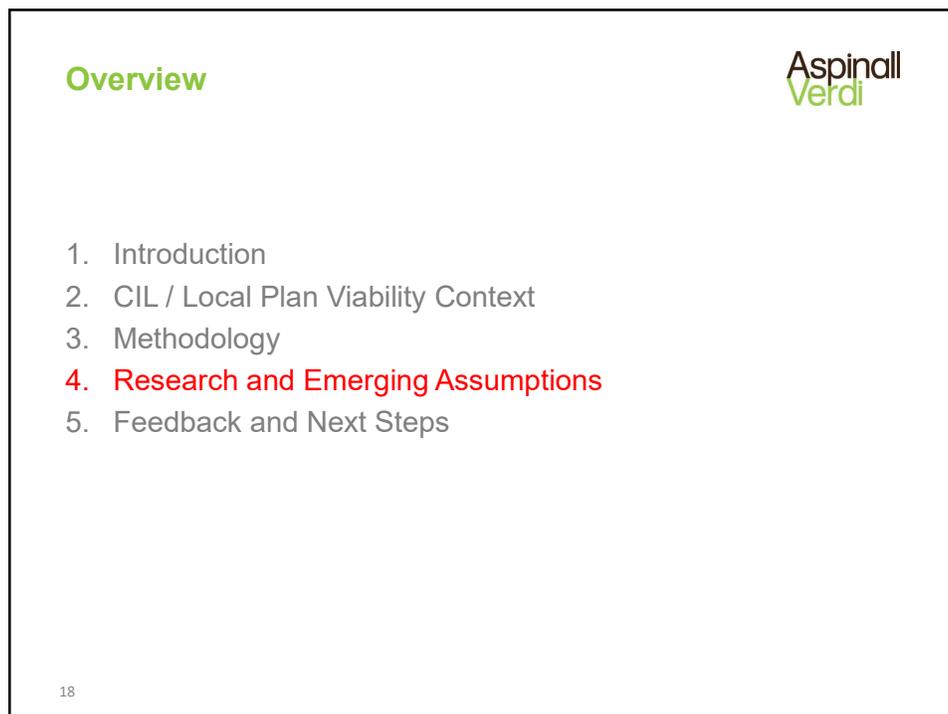
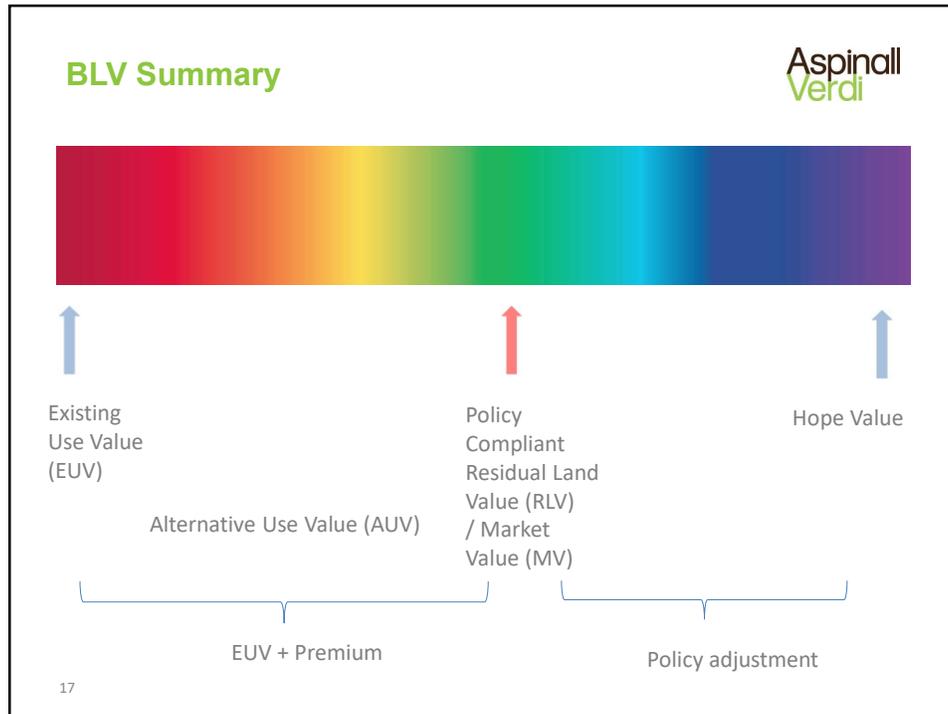
GDV (inc. AH)
 Less
 • Fees
 • S106/CIL
 • Build costs
 • Profit
 • Interest etc.
 = **RLV**

No. Units / Size
 x Density
 = size of site (ha)
 x BLV (£/ha)
 = **BLV**



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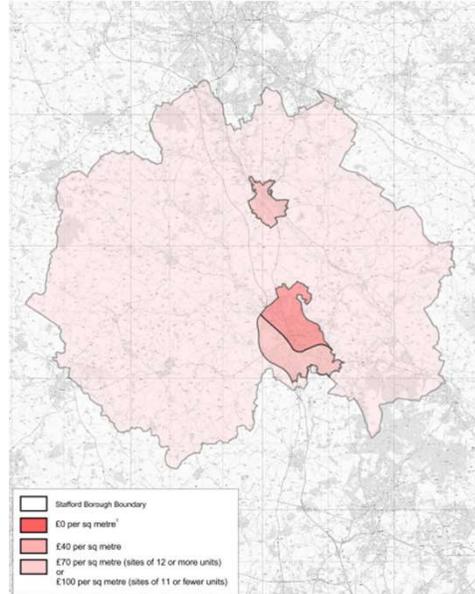


Recommended CIL Charging Schedule (2015)



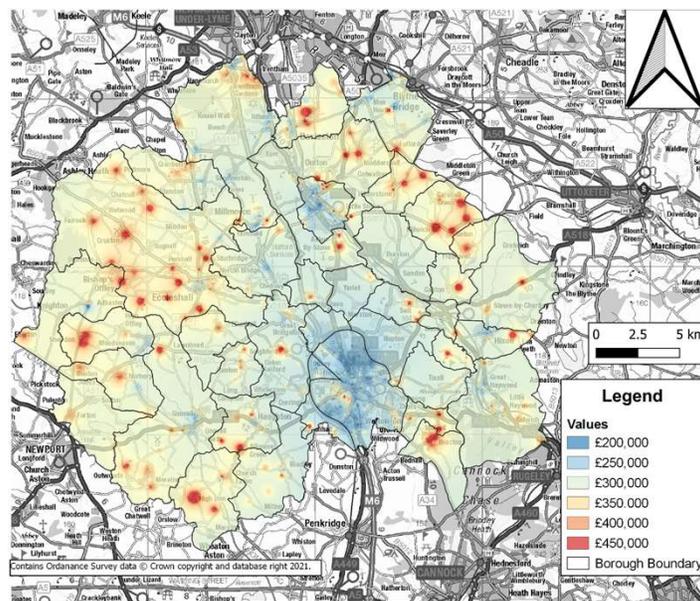
CIL rates are:

- Residential Development in northern Stafford - £0 psm
- Within and adjacent to Stafford and Stone - £40 psm
- All other areas, sites of 12 units or more - £70 psm
- All other areas, sites of 11 or fewer - £100 psm
- Older People's Housing - £0 psm



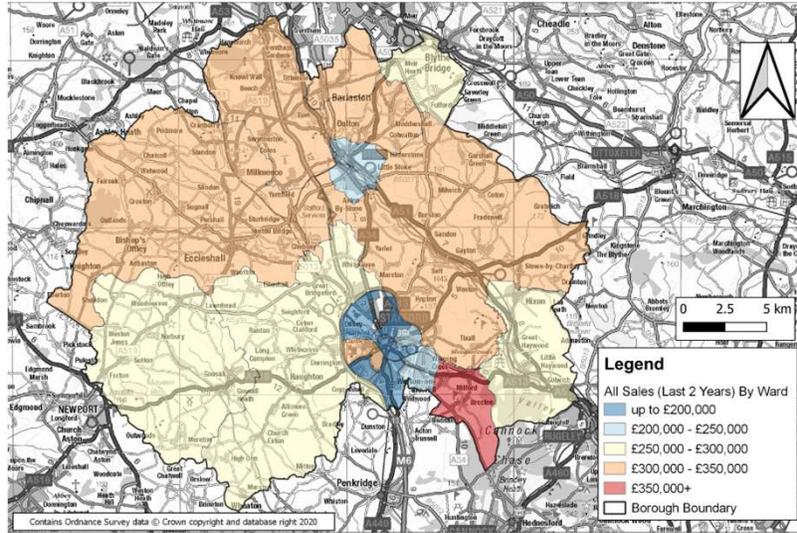
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New Build Achieved Values 2019 - 2021



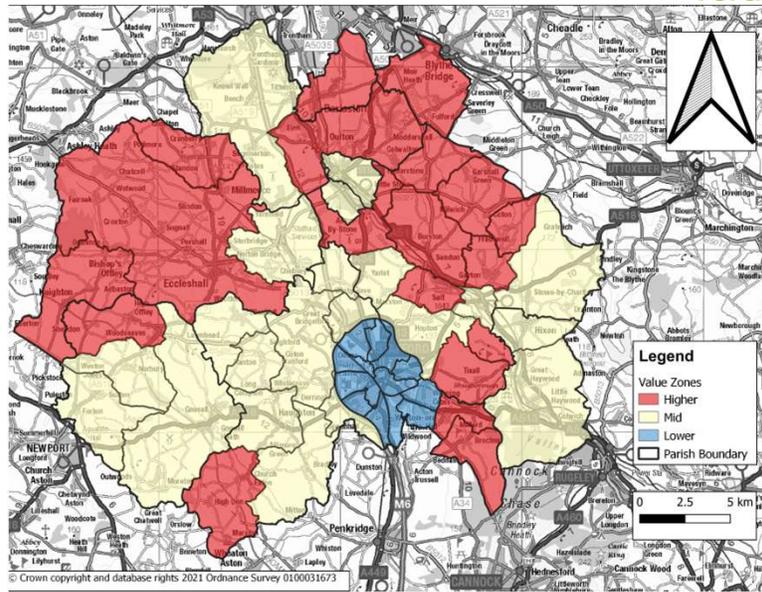
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Value Zones by Ward



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Value Zones by Parish



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Residential Value Assumptions, £ 2021

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Property type	Higher Value area	Medium Value Area	Lower Value Area
1 Bed Flat	£175,000	£160,000	£145,000
2 Bed Flat	£230,000	£210,000	£195,000
2 Bed House	£275,000	£250,000	£215,000
3 Bed House	£335,000	£305,000	£265,000
4 Bed House	£375,000	£335,000	£300,000
5 Bed House	£450,000	£400,000	£375,000

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Residential Value Assumptions, £ psm 2021

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Property type	Higher Value Area	Medium Value Area	Lower Value Area
1 Bed Flat	£3,500	£3,200	£2,900
2 Bed Flat	£3,286	£3,000	£2,786
2 Bed House	£3,481	£3,165	£2,722
3 Bed House	£3,350	£3,050	£2,650
4 bed House	£3,261	£2,913	£2,609
5 Bed House	£2,813	£2,500	£2,344

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Garage Assumptions



- 3 bed houses - 50% have garages;
- 4 bed houses - 100% have garages;
- 5 bed houses - 150% have garages (i.e. 1.5 garages per units – 100% have single garages and 50% have double garages)
- £6,000 cost per garage space

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Affordable Housing Assumptions (40% AH)



Affordable Housing Tenure	% Mix	Transfer Value (% of OMV)
Affordable Housing %		
Of which...		
Affordable Rent		
Social Rent		
Intermediate		
First Homes		

*30% in specific areas within the Borough. This will be assessed using sensitivity analysis in our development appraisals.

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Cost Assumptions – Initial Payments



Item	Assumption	Comments
Planning Application Professional Fees and reports	Allowance for typology	Generally x 3 Stat Planning fees
Statutory Planning Fees	Based on national formula	
CIL / IL	£0 psm	Nil baseline assumption, but will consider headroom for CIL in sensitivity analysis alongside Site Specific S106 (below)
Site Specific S106	£11,766 per unit	Provided by Council and SCC including: Special Area of Conservation (SAC), open space, sport provisions & educations - (see Typologies Matrix)

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Cost Assumptions – Construction



Item	Build Cost	Comments
Site Clearance, Demolition & Remediation	£50,000 per acre	If brownfield site clearance / remediation allowance (as for Local Plan viability)
Site Infrastructure Costs	Inc. in External Works for generic typologies	Strategic Sites appraised separately
Estate Housing	£1,086 – 1,219 psm	Lower – Median BCIS, Stafford (last 5 years)
Flats 3-5 Storey	£1,348 psm	Median BCIS
Garages	£6,000 per garage	
External Works	15%	

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Cost Assumptions – Design Policies



Item	Cost	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 (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	+£22,791 per unit (10% of AH units)	Equality and Human Rights Commission & Habinteg, A toolkit for local authorities in England: Planning for accessible homes

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Cost Assumptions – Design Policies (cont.)



Item	Assumption	Comments
Future Homes Standards (FHS Interim Uplift) achieving, resulting in a 31% improvement on carbon dioxide emissions.	£4,847 per house £2,256 per flat	The Future Homes Standard 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings.
Net Zero Carbon	£6,000 per unit, in addition to the FHS Interim Uplift	From previous Local Plan viability work, thereby also achieving the full FHS implementation, as at 2025.
EV Charging	£1,000 per unit house £2,500 per 4 flats	
Water Efficiency	£10 per unit	From Local Plan viability

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Cost Assumptions - Other

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Item	Assumption	Comments

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Residential Cost Assumptions – Finance, OH&P

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Item	Assumption	Comments
Debit Interest	6.5%	Applies to 100% of cashflow to include Finance Fees etc.
Profit on Market Sales	18%	With sensitivities between 15% and 20%
Profit on Affordable Housing	6%	

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Residential Typologies

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- Based on allocations and likely development in Plan period – sites provided by SBC.
- 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 navigation, checks NPPF 10% affordable home ownership requirement.
- Unit sizes based on Nationally Described Space Standards – and Market Evidence.

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Unit Sizes

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We have assumed the floor areas as follows:

- 1 Bedroom Flat – 50 sqm
- 2 Bedroom Flat – 70 sqm
- 2 Bedroom House – 79 sqm
- 3 Bedroom House – 100 sqm
- 4 Bedroom House – 115 sqm
- 5 Bedroom House – 140 sqm

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Unit Mixes (market and affordable housing)

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We have assumed the following housing mix:

- 1 Bedroom – 20%
- 2 Bedroom – 35%
- 3 Bedroom – 35%
- 4 Bedroom – 10%

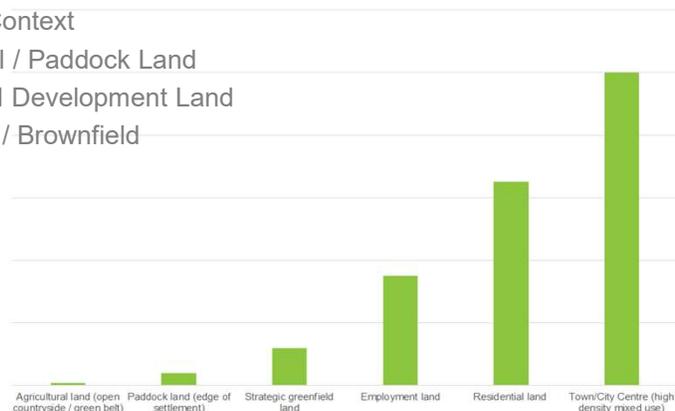
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Benchmark Land Value (BLV)

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Approach:

- Existing Evidence Base Review (inc. Neighbouring Authorities)
- UK Land Context
- Agricultural / Paddock Land
- Residential Development Land
- Greenfield / Brownfield



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BLV – Working Assumptions

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Typology	Ref.	Greenfield /Brownfield	EUV -					Uplift Multiplier	BLV -	
			(per acre) (gross)	(per ha) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		x [X] x [Y]%	(per acre) (net developable)
A	BF LV 15	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	13%	£500,000	£1,235,500
B	BF LV 250	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	10%	£490,000	£1,210,800
C	GF LV 250	Greenfield	£10,000	£24,710	75%	£13,333	£32,947	12.1	£175,000	£432,400
D	BF MV 10	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	18%	£525,000	£1,297,300
E	BF MV 18	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	18%	£525,000	£1,297,300
F	BF MV 110	Brownfield	£400,000	£988,400	90%	£444,444	£1,098,222	13%	£500,000	£1,235,500
G	GF MV 20	Greenfield	£10,000	£24,710	90%	£11,111	£27,456	18.8	£220,000	£543,600
H	GF MV 115	Greenfield	£10,000	£24,710	75%	£13,333	£32,947	14.8	£210,000	£518,900
H	GF HV 10	Greenfield	£10,000	£24,710	90%	£11,111	£27,456	22.5	£250,000	£617,800
J	GF HV 50	Greenfield	£10,000	£24,710	80%	£12,500	£30,888	19.2	£240,000	£593,000

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BLV – call for evidence

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- We would welcome more comparable land value evidence for all land uses (including any minimum land value clauses within agreed option agreements).
- We need specific details of:
 - the 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***

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Overview

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1. Introduction
2. CIL / Local Plan Viability Context
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5. **Feedback and Next Steps**

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Documents to Issue

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1. These presentation slides
2. Policies Matrix
3. Typologies Matrix
4. Residential Market Paper
5. Land Market Paper

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SBC Feedback

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Verdi

Send written observations/evidence to –

Alex Yendole
Strategic Planning & Placemaking Manager
Stafford Borough Council
By email to: ayendole@staffordbc.gov.uk

Deadline for evidence – Friday 5th January 2022

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SBC Next Steps

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1. Review workshop feedback
2. Refine assumptions
3. Run appraisals
4. Prepare recommendations / report to members
5. Publication of Viability Report – for public consultation
6. Examination

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Any final questions?

Please participate / provide feedback

Appendix 6 – District Wide Residential Appraisals

220614_Stafford BC_WPV_Residential Appraisals_A-C_v8 - Version Notes

Date	Version	Comments
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220614	v8	
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Appraisal Ref: **A** (see Typologies Matrix)
 Scheme Typology: **BF LV 15**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
 Notes: No Units: **15**

ASSUMPTIONS - RESIDENTIAL USES

Total number of units in scheme	15 Units
AH Policy requirement (% Target)	30%
Open Market Sale (OMS) housing	Open Market Sale (OMS) 70%
AH tenure split %	Affordable Rent: 0.0%
	Social Rent: 65.0% 65.0% Rented
	First Homes: 25.0%
	Other Intermediate (LCHO/Sub-Market etc.): 10.0% 10.5% of total (>10% First Homes PPG 023)
	100% 100.0%

CIL Rate (£ psm) **0.00** £ psm

Unit mix -	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0
2 bed House	0.0%	0.0	25.0%	1.1	8%	1.1
3 bed House	40.0%	4.2	35.0%	1.6	39%	5.8
4 bed House	15.0%	1.6	10.0%	0.5	14%	2.0
5 bed House	0.0%	0.0	0.0%	0.0	0%	0.0
1 bed Flat	10.0%	1.1	20.0%	0.9	13%	2.0
2 bed Flat	35.0%	3.7	10.0%	0.5	28%	4.1
Total number of units	100.0%	10.5	100.0%	4.5	100%	15.0

OMS Unit Floor areas -	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)
1 bed House	62.0	667		62.0	667
2 bed House	79.0	850		79.0	850
3 bed House	100.0	1,076		100.0	1,076
4 bed House	115.0	1,238		115.0	1,238
5 bed House	160.0	1,722		160.0	1,722
1 bed Flat	50.0	538	85.0%	58.8	633
2 bed Flat	70.0	753	85.0%	82.4	886

AH Unit Floor areas -	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)
1 bed House	62.0	667		62.0	667
2 bed House	79.0	850		79.0	850
3 bed House	100.0	1,076		100.0	1,076
4 bed House	115.0	1,238		115.0	1,238
5 bed House	160.0	1,722		160.0	1,722
1 bed Flat	50.0	538	85.0%	58.8	633
2 bed Flat	70.0	753	85.0%	82.4	886

Total Gross Floor areas -	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)	(sqft)
1 bed House	0	0	0	0	0	0
2 bed House	0	0	89	957	89	957
3 bed House	420	4,521	158	1,695	578	6,216
4 bed House	181	1,950	52	557	233	2,507
5 bed House	0	0	0	0	0	0
1 bed Flat	62	665	53	570	115	1,235
2 bed Flat	303	3,258	37	399	340	3,657
	966	10,393	388	4,178	1,354	14,571

AH % by floor area: **28.67% AH % by floor area (difference due to mix)**

Open Market Sales values (£) -	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)
1 bed House	0	0	0	0
2 bed House	215,000	2,722	253	241,875
3 bed House	265,000	2,650	246	1,530,375
4 bed House	300,000	2,609	242	607,500
5 bed House	375,000	2,344	218	0
1 bed Flat	145,000	2,900	269	282,750
2 bed Flat	195,000	2,786	259	804,375
				3,466,875

Affordable Housing values (£) -	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV
1 bed House	0	60%	0	50%	0	70%	0	75%
2 bed House	129,000	60%	107,500	50%	150,500	70%	161,250	75%
3 bed House	159,000	60%	132,500	50%	185,500	70%	198,750	75%
4 bed House	180,000	60%	150,000	50%	210,000	70%	225,000	75%
5 bed House	225,000	60%	187,500	50%	250,000	70%	281,250	75%
1 bed Flat	87,000	60%	72,500	50%	101,500	70%	108,750	75%
2 bed Flat	117,000	60%	97,500	50%	136,500	70%	146,250	75%

* capped @£250K

Scheme Typology: **BF LV 15** No Units: **15**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	215,000	-
3 bed House	4.2	@	265,000	1,113,000
4 bed House	1.6	@	300,000	472,500
5 bed House	0.0	@	375,000	-
1 bed Flat	1.1	@	145,000	152,250
2 bed Flat	3.7	@	195,000	716,625
	10.5			2,454,375
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	129,000	-
3 bed House	0.0	@	159,000	-
4 bed House	0.0	@	180,000	-
5 bed House	0.0	@	225,000	-
1 bed Flat	0.0	@	87,000	-
2 bed Flat	0.0	@	117,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.7	@	107,500	78,609
3 bed House	1.0	@	132,500	135,647
4 bed House	0.3	@	150,000	43,875
5 bed House	0.0	@	187,500	-
1 bed Flat	0.6	@	72,500	42,413
2 bed Flat	0.3	@	97,500	28,519
	2.9			329,063
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.3	@	150,500	42,328
3 bed House	0.4	@	185,500	73,041
4 bed House	0.1	@	210,000	23,625
5 bed House	0.0	@	250,000	-
1 bed Flat	0.2	@	101,500	22,838
2 bed Flat	0.1	@	136,500	15,356
	1.1			177,188
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.1	@	161,250	18,141
3 bed House	0.2	@	198,750	31,303
4 bed House	0.0	@	225,000	10,125
5 bed House	0.0	@	281,250	-
1 bed Flat	0.1	@	108,750	9,788
2 bed Flat	0.0	@	146,250	6,581
	0.5	4.5		75,938
Sub-total GDV Residential	15			3,036,563
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	430,313
		318 £ psm (total GIA sqm)	28,688 £ per unit (total units)	
Grant	5	AH units @	0	per unit
Total GDV				3,036,563

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(6,930)
Planning Application Professional Fees, Surveys and reports				(20,000)
CIL	966 sqm (Market only)	0.00 £ psm		-
	0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106 Contributions	Year 1			0
	Year 2			0
	Year 3			0
	Year 4			0
	Year 5			0
	Year 6			0
	Year 7			0
	Year 8			0
	Year 9			0
	Year 10			0
	Year 11			0
	Year 12			0
	Year 13			0
	Year 14			0
	Year 15			0
	Years 1-15	15 units @	11,767 per unit	(176,499)
	Sub-total			(176,499)
S106 analysis:	553,029 £ per ha	5.81% % of GDV	11,767 £ per unit (total units)	

Scheme Typology: **BF LV 15** No Units: **15**
Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
Notes:

AH Commuted Sum			1,354 sqm (total)		£ psm	-
	Comm. Sum analysis:		0.00% % of GDV			
Construction Costs -						
Site Clearance, Demolition & Remediation			0.32 ha @		£ per ha (if brownfield)	-
Site Infrastructure costs -	Year 1					-
	Year 2					-
	Year 3					-
	Year 4					-
	Year 5					-
	Year 6					-
	Year 7					-
	Year 8					-
	Year 9					-
	Year 10					-
	Year 11					-
	Year 12					-
	Year 13					-
	Year 14					-
	Year 15					-
	Years 1-15		15 units @		per unit	-
	Sub-total					-
	Infra. Costs analysis:	- £ per ha	0.00% % of GDV		0 £ per unit (total units)	
1 bed House			- sqm @		psm	-
2 bed House			89 sqm @		psm	(108,339)
3 bed House			578 sqm @		psm	(703,973)
4 bed House			233 sqm @		psm	(283,875)
5 bed House			- sqm @		psm	-
1 bed Flat			115 sqm @		psm	(154,624)
2 bed Flat		1,354	340 sqm @		psm	(457,924)
Garages for 3 bed House	(OMS only)		4 units @	@	£ per garage	(12,600)
Garages for 4 bed House	(OMS only)		2 units @	@	£ per garage	(9,450)
Garages for 5 bed House	(OMS only)		- units @	@	£ per garage	-
External works			1,730,783 @			(259,617)
	Ext. Works analysis:				17,308 £ per unit (total units)	
Policy Costs on design -						
Net Biodiversity costs			15 units @		268 £ per unit	(4,020)
M4(2) Category 2 Housing	Aff units	5 units @	10% @		521 £ per unit	(234)
M4(3)2b Category 3 Housing	Aff units	5 units @	10% @		22,791 £ per unit	(10,256)
M4(2) Category 2 Housing	OMS units	11 units @	10% @		521 £ per unit	(547)
M4(3)2b Category 3 Housing	OMS units	11 units @	0% @		22,791 £ per unit	-
Carbon/Energy Reduction/FHS	Houses	9 units @			4,847 £ per unit	(43,259)
Carbon/Energy Reduction/FHS	Flats	6 units @			2,256 £ per unit	(13,705)
Net Zero (including full FHS 2025 costs units)		15 units @			6,000 £ per unit	(90,000)
EV Charging Points	Houses	9 units @			1,000 £ per unit	(8,925)
EV Charging Points	Flats	6 units @			2,500 £ per units	(15,188)
Water Efficiency		15 units @			10 £ per unit	(150)
	Sub-total					(186,285)
	Policy Costs analysis: (design costs only)				12,419 £ per unit (total units)	
Contingency (on construction)			2,176,685 @		5.0%	(108,834)
Professional Fees			2,176,685 @		6.5%	(141,485)
Disposal Costs -						
OMS Marketing and Promotion		2,454,375	OMS @		3.00%	4,909 £ per unit (73,631)
Residential Sales Agent Costs		2,454,375	OMS @		1.00%	1,636 £ per unit (24,544)
Residential Sales Legal Costs		2,454,375	OMS @		0.25%	409 £ per unit (6,136)
Affordable Sale Legal Costs						lump sum (10,000)
	Disposal Cost analysis:				7,621 £ per unit	
Interest (on Development Costs) -			6.50% APR		0.526% pcm	(196,213)
Developers Profit -						
Profit on OMS		2,454,375			18.00%	(441,788)
Margin on AH		582,188			6.00% on AH values	(34,931)
	Profit analysis:	3,036,563			15.70% blended GDV	(476,719)
		2,940,956			16.21% on costs	(476,719)
TOTAL COSTS						(3,417,675)

Scheme Typology: **BF LV 15** No Units: **15**
Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
Notes:

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				(381,113)
SDLT	-	381,113 @	HMRC formula	29,556
Acquisition Agent fees	-	381,113 @	1.0%	3,811
Acquisition Legal fees	-	381,113 @	0.5%	1,906
Interest on Land	-	381,113 @	6.50%	24,772
Residual Land Value				(321,068)
RLV analysis:	(21,405) £ per plot	(1,006,013) £ per ha (net)	(407,128) £ per acre (net)	
		(905,412) £ per ha (gross)	(366,415) £ per acre (gross)	
			-10.57% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density		47.0 dph (net)		
Site Area (net)		0.32 ha (net)	0.79 acres (net)	
Net to Gross ratio		90%		
Site Area (gross)		0.355 ha (gross)	0.88 acres (gross)	
Benchmark Land Value (net)	26,287 £ per plot	1,235,500 £ per ha (net)	500,000 £ per acre (net)	394,309
BLV analysis:	Density	4,241 sqm/ha (net)	18,476 sqft/ac (net)	
		42 dph (gross)		
		1,111,950 £ per ha (gross)	450,000 £ per acre (gross)	

BALANCE			
Surplus/(Deficit)		(2,241,513) £ per ha (net)	(907,128) £ per acre (net)
			(715,377)

Scheme Typology: **BF LV 15** No Units: **15**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
CIL £ psm 0.00	0.00		(719,699)	(750,932)	(782,165)	(813,399)	(844,632)	(875,865)	(907,128)
	5.00		(728,217)	(759,024)	(789,832)	(820,639)	(851,446)	(882,254)	(913,122)
	10.00		(736,735)	(767,117)	(797,498)	(827,880)	(858,261)	(888,642)	(919,116)
	15.00		(745,253)	(775,209)	(805,164)	(835,120)	(865,075)	(895,031)	(925,110)
	20.00		(753,772)	(783,301)	(812,831)	(842,360)	(871,890)	(901,420)	(931,104)
	25.00		(762,290)	(791,393)	(820,497)	(849,601)	(878,704)	(907,808)	(937,098)
	30.00		(770,808)	(799,486)	(828,163)	(856,841)	(885,519)	(914,197)	(943,092)
	35.00		(779,326)	(807,578)	(835,830)	(864,082)	(892,333)	(920,616)	(949,086)
	40.00		(787,844)	(815,670)	(843,496)	(871,322)	(899,148)	(927,038)	(955,080)
	45.00		(796,362)	(823,762)	(851,162)	(878,562)	(905,963)	(933,460)	(961,075)
	50.00		(804,880)	(831,855)	(858,829)	(885,803)	(912,777)	(939,882)	(967,069)
	55.00		(813,399)	(839,947)	(866,495)	(893,043)	(919,592)	(946,304)	(973,063)
	60.00		(821,917)	(848,039)	(874,161)	(900,284)	(926,406)	(952,727)	(979,057)
	65.00		(830,435)	(856,131)	(881,828)	(907,524)	(933,247)	(959,149)	(985,051)
	70.00		(838,953)	(864,223)	(889,494)	(914,765)	(940,097)	(965,571)	(991,045)
	75.00		(847,471)	(872,316)	(897,160)	(922,005)	(946,948)	(971,993)	(997,039)
	80.00		(855,989)	(880,408)	(904,827)	(929,245)	(953,798)	(978,416)	(1,003,033)
	85.00		(864,507)	(888,500)	(912,493)	(936,486)	(960,648)	(984,838)	(1,009,027)
	90.00		(873,025)	(896,592)	(920,159)	(943,738)	(967,499)	(991,260)	(1,015,021)
	95.00		(881,544)	(904,685)	(927,826)	(951,016)	(974,349)	(997,882)	(1,021,015)
100.00		(890,062)	(912,777)	(935,492)	(958,295)	(981,199)	(1,004,104)	(1,027,009)	
105.00		(898,580)	(920,869)	(943,158)	(965,573)	(988,050)	(1,010,527)	(1,033,003)	
110.00		(907,098)	(928,961)	(950,825)	(972,852)	(994,900)	(1,016,949)	(1,038,997)	
115.00		(915,616)	(937,054)	(958,510)	(980,130)	(1,001,751)	(1,023,371)	(1,044,992)	
120.00		(924,134)	(945,146)	(966,216)	(987,409)	(1,008,601)	(1,029,793)	(1,050,986)	
125.00		(932,652)	(953,238)	(973,923)	(994,687)	(1,015,451)	(1,036,215)	(1,056,980)	

TABLE 2

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
Site Specific S106 per unit 11,767	(50,000)		411,482	380,372	349,261	318,151	287,041	255,860	224,579
	(48,000)		375,199	344,088	312,978	281,868	250,757	219,647	188,485
	(46,000)		338,915	307,805	276,695	245,584	214,474	183,363	152,253
	(44,000)		302,632	271,521	240,411	209,301	178,190	147,080	115,970
	(42,000)		266,348	235,238	204,128	173,017	141,907	110,796	79,686
	(40,000)		229,945	198,925	167,844	136,734	105,623	74,513	43,403
	(38,000)		193,470	162,451	131,431	100,412	69,340	38,230	7,119
	(36,000)		156,996	125,976	94,957	63,937	32,918	1,898	(29,164)
	(34,000)		120,522	89,502	58,482	27,463	(3,577)	(34,576)	(65,596)
	(32,000)		84,047	53,028	22,008	(9,011)	(40,031)	(71,051)	(102,070)
	(30,000)		47,573	16,553	(14,466)	(45,486)	(76,505)	(107,525)	(138,545)
	(28,000)		11,099	(19,921)	(50,941)	(81,960)	(112,980)	(143,999)	(175,019)
	(26,000)		(25,376)	(56,395)	(87,415)	(118,435)	(149,454)	(180,474)	(211,493)
	(24,000)		(61,882)	(92,892)	(123,901)	(154,911)	(185,929)	(216,948)	(247,968)
	(22,000)		(98,549)	(129,558)	(160,568)	(191,577)	(222,587)	(253,596)	(284,606)

TABLE 3

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
Profit 18.0%	15.0%		(603,656)	(640,692)	(677,727)	(714,763)	(751,798)	(788,833)	(825,898)
	16.0%		(642,337)	(677,439)	(712,540)	(747,641)	(782,743)	(817,844)	(852,975)
	17.0%		(681,018)	(714,185)	(747,353)	(780,520)	(813,687)	(846,855)	(880,051)
	18.0%		(719,699)	(750,932)	(782,165)	(813,399)	(844,632)	(875,865)	(907,128)
	19.0%		(758,380)	(787,679)	(816,978)	(846,277)	(875,577)	(904,876)	(934,205)
	20.0%		(797,061)	(824,426)	(851,791)	(879,156)	(906,521)	(933,886)	(961,281)

TABLE 4

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
BLV (£ per acre) 500,000	-		(219,699)	(250,932)	(282,165)	(313,399)	(344,632)	(375,865)	(407,128)
	50,000		(269,699)	(300,932)	(332,165)	(363,399)	(394,632)	(425,865)	(457,128)
	100,000		(319,699)	(350,932)	(382,165)	(413,399)	(444,632)	(475,865)	(507,128)
	150,000		(369,699)	(400,932)	(432,165)	(463,399)	(494,632)	(525,865)	(557,128)
	200,000		(419,699)	(450,932)	(482,165)	(513,399)	(544,632)	(575,865)	(607,128)
	250,000		(469,699)	(500,932)	(532,165)	(563,399)	(594,632)	(625,865)	(657,128)
	300,000		(519,699)	(550,932)	(582,165)	(613,399)	(644,632)	(675,865)	(707,128)
	350,000		(569,699)	(600,932)	(632,165)	(663,399)	(694,632)	(725,865)	(757,128)
	400,000		(619,699)	(650,932)	(682,165)	(713,399)	(744,632)	(775,865)	(807,128)
	450,000		(669,699)	(700,932)	(732,165)	(763,399)	(794,632)	(825,865)	(857,128)
	500,000		(719,699)	(750,932)	(782,165)	(813,399)	(844,632)	(875,865)	(907,128)
	550,000		(769,699)	(800,932)	(832,165)	(863,399)	(894,632)	(925,865)	(957,128)
	600,000		(819,699)	(850,932)	(882,165)	(913,399)	(944,632)	(975,865)	(1,007,128)
	650,000		(869,699)	(900,932)	(932,165)	(963,399)	(994,632)	(1,025,865)	(1,057,128)
	700,000		(919,699)	(950,932)	(982,165)	(1,013,399)	(1,044,632)	(1,075,865)	(1,107,128)
	750,000		(969,699)	(1,000,932)	(1,032,165)	(1,063,399)	(1,094,632)	(1,125,865)	(1,157,128)

Scheme Typology: **BF LV 15** No Units: **15**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
Density (dph)	40		(686,978)	(713,559)	(740,141)	(766,722)	(793,304)	(819,885)	(846,467)
	45		(710,350)	(740,254)	(770,158)	(800,063)	(829,967)	(859,871)	(889,803)
	50		(733,722)	(766,949)	(800,176)	(833,403)	(866,630)	(899,857)	(933,115)
	55	47.0	(757,095)	(793,644)	(830,194)	(866,743)	(903,293)	(939,842)	(976,426)
	60		(780,467)	(820,339)	(860,211)	(900,083)	(939,956)	(979,828)	(1,019,738)
	65		(803,839)	(847,034)	(890,229)	(933,424)	(976,619)	(1,019,813)	(1,063,049)
	70		(827,211)	(873,729)	(920,246)	(966,764)	(1,013,282)	(1,059,799)	(1,106,361)
	75		(850,584)	(900,424)	(950,264)	(1,000,104)	(1,049,945)	(1,099,785)	(1,149,672)
	80		(873,956)	(927,119)	(980,282)	(1,033,445)	(1,086,608)	(1,139,770)	(1,192,984)
	85		(897,328)	(953,814)	(1,010,299)	(1,066,785)	(1,123,270)	(1,179,756)	(1,236,295)
90		(920,700)	(980,509)	(1,040,317)	(1,100,125)	(1,159,933)	(1,219,742)	(1,279,607)	

TABLE 6

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
Build Cost	55%		517,681	481,912	446,080	410,165	374,250	338,335	302,420
	60%		381,375	346,124	310,874	275,623	240,372	205,121	169,870
	65%		245,028	210,336	175,603	140,870	106,136	71,403	36,670
	70%	100%	108,005	73,864	39,723	5,582	(28,560)	(62,701)	(96,842)
	75%	(105% = 5% increase)	(29,017)	(62,638)	(96,259)	(129,880)	(163,501)	(197,122)	(230,743)
	80%		(166,621)	(199,722)	(232,824)	(265,925)	(299,027)	(332,129)	(365,230)
	85%		(304,365)	(336,943)	(369,522)	(402,100)	(434,680)	(467,338)	(499,996)
	90%		(442,517)	(474,650)	(506,782)	(538,914)	(571,046)	(603,178)	(635,310)
	95%		(580,966)	(612,592)	(644,199)	(675,805)	(707,549)	(739,311)	(771,072)
	100%		(719,699)	(750,932)	(782,165)	(813,399)	(844,632)	(875,865)	(907,128)
105%		(858,896)	(889,601)	(920,306)	(951,060)	(981,997)	(1,012,933)	(1,043,870)	
110%		(998,180)	(1,028,585)	(1,058,990)	(1,089,396)	(1,119,801)	(1,149,666)	(1,189,932)	

TABLE 6a

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
Net Zero extra over FHS Interim Uplift	£0		(607,560)	(638,793)	(670,026)	(701,260)	(732,493)	(763,726)	(794,959)
	£1,000		(626,250)	(657,483)	(688,716)	(719,950)	(751,183)	(782,416)	(813,649)
	£2,000		(644,940)	(676,173)	(707,406)	(738,639)	(769,873)	(801,106)	(832,339)
	£3,000		(663,630)	(694,863)	(726,096)	(757,329)	(788,562)	(819,796)	(851,029)
	£4,000		(682,319)	(713,553)	(744,786)	(776,019)	(807,252)	(838,485)	(869,726)
	£5,000		(701,009)	(732,242)	(763,476)	(794,709)	(825,942)	(857,175)	(888,427)
	£6,000		(719,699)	(750,932)	(782,165)	(813,399)	(844,632)	(875,865)	(907,128)
	£7,000		(738,389)	(769,622)	(800,855)	(832,089)	(863,322)	(894,555)	(925,829)
	£8,000		(757,079)	(788,312)	(819,545)	(850,778)	(882,012)	(913,245)	(944,530)
	£9,000		(775,769)	(807,002)	(838,235)	(869,468)	(900,701)	(931,935)	(963,231)
£10,000		(794,458)	(825,692)	(856,925)	(888,158)	(919,391)	(950,624)	(981,932)	
£11,000		(813,148)	(844,381)	(875,615)	(906,848)	(938,081)	(969,314)	(1,000,633)	

TABLE 7

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(907,128)	0%	5%	10%	15%	20%	25%	30%
Market Values	80%		(2,236,658)	(2,334,833)	(2,433,009)	(2,531,184)	(2,629,359)	(2,727,534)	(2,825,710)
	82%		(1,830,777)	(1,949,246)	(2,067,715)	(2,186,185)	(2,304,654)	(2,423,123)	(2,541,593)
	84%		(1,424,896)	(1,563,659)	(1,702,422)	(1,841,186)	(1,979,949)	(2,118,712)	(2,257,476)
	86%	100%	(1,154,698)	(1,178,091)	(1,337,129)	(1,496,187)	(1,655,244)	(1,814,302)	(1,973,359)
	88%	(105% = 5% increase)	(1,092,358)	(1,105,124)	(1,117,890)	(1,151,195)	(1,330,539)	(1,509,891)	(1,689,242)
	90%		(1,030,018)	(1,045,901)	(1,061,784)	(1,077,667)	(1,093,550)	(1,205,480)	(1,405,125)
	92%		(967,679)	(986,679)	(1,005,679)	(1,024,679)	(1,043,679)	(1,062,679)	(1,121,008)
	94%		(905,615)	(927,552)	(949,573)	(971,690)	(993,807)	(1,015,924)	(1,038,041)
	96%		(843,643)	(868,679)	(893,715)	(918,751)	(943,935)	(969,169)	(994,403)
	98%		(781,671)	(809,805)	(837,940)	(866,075)	(894,209)	(922,415)	(950,766)
100%		(719,699)	(750,932)	(782,165)	(813,399)	(844,632)	(875,865)	(907,128)	
102%		(657,816)	(692,059)	(726,391)	(760,723)	(795,054)	(829,386)	(863,718)	
104%		(596,178)	(633,422)	(670,667)	(708,047)	(745,477)	(782,907)	(820,338)	
106%		(534,540)	(574,866)	(615,192)	(655,519)	(695,900)	(736,429)	(776,958)	
108%		(472,901)	(516,309)	(559,718)	(603,126)	(646,534)	(689,950)	(733,577)	
110%		(411,263)	(457,753)	(504,243)	(550,733)	(597,224)	(643,714)	(690,204)	
112%		(349,625)	(399,197)	(448,769)	(498,341)	(547,913)	(597,485)	(647,057)	
114%		(288,224)	(340,702)	(393,294)	(445,948)	(498,602)	(551,256)	(603,910)	
116%		(226,885)	(282,430)	(337,975)	(393,556)	(449,292)	(505,027)	(560,763)	
118%		(165,546)	(224,158)	(282,770)	(341,382)	(399,994)	(458,799)	(517,617)	
120%		(104,207)	(165,886)	(227,565)	(289,244)	(350,923)	(412,602)	(474,470)	

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

Appraisal Ref: **B** (see Typologies Matrix)
 Scheme Typology: **BF LV 250**
 Site Typology: Location / Value Zone: **Lower** No Units: **250** Greenfield/Brownfield: **Brownfield**
 Notes:

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme		250 Units							
AH Policy requirement (% Target)		30%							
Open Market Sale (OMS) housing		70%							
AH tenure split %		Open Market Sale (OMS)		Affordable Rent:		Social Rent:		65.0% Rented	
				0.0%		65.0%			
				First Homes:		25.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		10.0%		10.5% % of total (>10% First Homes PPG 023)	
				100%		100.0%			
CIL Rate (£ psm)		0.00 £ psm							
Unit mix -									
	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units			
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
2 bed House	35.0%	61.3	25.0%	18.8	32%	80.0			
3 bed House	50.0%	87.5	35.0%	26.3	46%	113.8			
4 bed House	10.0%	17.5	10.0%	7.5	10%	25.0			
5 bed House	5.0%	8.8	0.0%	0.0	4%	8.8			
1 bed Flat	0.0%	0.0	20.0%	15.0	6%	15.0			
2 bed Flat	0.0%	0.0	10.0%	7.5	3%	7.5			
Total number of units	100.0%	175.0	100.0%	75.0	100%	250.0			
OMS Unit Floor areas -									
	Net area per unit (sqm)		Net to Gross %		Gross (GIA) per unit (sqm)				
1 bed House	62.0	667			62.0	667			
2 bed House	79.0	850			79.0	850			
3 bed House	100.0	1,076			100.0	1,076			
4 bed House	115.0	1,238			115.0	1,238			
5 bed House	140.0	1,507			140.0	1,507			
1 bed Flat	50.0	538	85.0%		58.8	633			
2 bed Flat	70.0	753	85.0%		82.4	886			
AH Unit Floor areas -									
	Net area per unit (sqm)		Net to Gross %		Gross (GIA) per unit (sqm)				
1 bed House	62.0	667			62.0	667			
2 bed House	79.0	850			79.0	850			
3 bed House	100.0	1,076			100.0	1,076			
4 bed House	115.0	1,238			115.0	1,238			
5 bed House	140.0	1,507			140.0	1,507			
1 bed Flat	50.0	538	85.0%		58.8	633			
2 bed Flat	70.0	753	85.0%		82.4	886			
Total Gross Floor areas -									
	OMS Units GIA (sqm)		AH units GIA (sqm)		Total GIA (all units) (sqm)				
1 bed House	0	0	0	0	0	0			
2 bed House	4,839	52,084	1,481	15,944	6,320	68,028			
3 bed House	8,750	94,184	2,625	28,255	11,375	122,439			
4 bed House	2,013	21,662	863	9,284	2,875	30,946			
5 bed House	1,225	13,186	0	0	1,225	13,186			
1 bed Flat	0	0	882	9,498	882	9,498			
2 bed Flat	0	0	618	6,648	618	6,648			
	16,826	181,116	6,469	69,629	23,295	250,745			
AH % by floor area:		27.77% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)					
1 bed House	0	0	0	0					
2 bed House	215,000	2,722	253	17,200,000					
3 bed House	265,000	2,650	246	30,143,750					
4 bed House	300,000	2,609	242	7,500,000					
5 bed House	375,000	2,679	249	3,281,250					
1 bed Flat	145,000	2,900	269	2,175,000					
2 bed Flat	195,000	2,786	259	1,462,500					
				61,762,500					
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	0	60%	0	50%	0	70%	0	70%	
2 bed House	129,000	60%	107,500	50%	150,500	70%	150,500	70%	
3 bed House	159,000	60%	132,500	50%	185,500	70%	185,500	70%	
4 bed House	180,000	60%	150,000	50%	210,000	70%	210,000	70%	
5 bed House	225,000	60%	187,500	50%	250,000	70%	262,500	70%	
1 bed Flat	87,000	60%	72,500	50%	101,500	70%	101,500	70%	
2 bed Flat	117,000	60%	97,500	50%	136,500	70%	136,500	70%	
* capped @£250K									

Scheme Typology: **BF LV 250** No Units: **250**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	61.3	@	215,000	13,168,750
3 bed House	87.5	@	265,000	23,187,500
4 bed House	17.5	@	300,000	5,250,000
5 bed House	8.8	@	375,000	3,281,250
1 bed Flat	0.0	@	145,000	-
2 bed Flat	0.0	@	195,000	-
	175.0			44,887,500
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	129,000	-
3 bed House	0.0	@	159,000	-
4 bed House	0.0	@	180,000	-
5 bed House	0.0	@	225,000	-
1 bed Flat	0.0	@	87,000	-
2 bed Flat	0.0	@	117,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	12.2	@	107,500	1,310,156
3 bed House	17.1	@	132,500	2,260,781
4 bed House	4.9	@	150,000	731,250
5 bed House	0.0	@	187,500	-
1 bed Flat	9.8	@	72,500	706,875
2 bed Flat	4.9	@	97,500	475,313
	48.8			5,484,375
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	4.7	@	150,500	705,469
3 bed House	6.6	@	185,500	1,217,344
4 bed House	1.9	@	210,000	393,750
5 bed House	0.0	@	250,000	-
1 bed Flat	3.8	@	101,500	380,625
2 bed Flat	1.9	@	136,500	255,938
	18.8			2,953,125
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	1.9	@	150,500	282,188
3 bed House	2.6	@	185,500	486,938
4 bed House	0.8	@	210,000	157,500
5 bed House	0.0	@	262,500	-
1 bed Flat	1.5	@	101,500	152,250
2 bed Flat	0.8	@	136,500	102,375
	7.5	75.0		1,181,250
Sub-total GDV Residential	250			54,506,250
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	7,256,250
		311 £ psm (total GIA sqm)	29,025 £ per unit (total units)	
Grant	75	AH units @	0	per unit
Total GDV				54,506,250

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(50,459)
Planning Application Professional Fees, Surveys and reports				(150,000)
CIL	16,826 sqm (Market only)	0.00 £ psm		-
	CIL analysis:	0.00% % of GDV	0 £ per unit (total units)	
Site Specific S106 Contributions	Year 1			-
	Year 2			-
	Year 3			-
	Year 4			-
	Year 5			-
	Year 6			-
	Year 7			-
	Year 8			-
	Year 9			-
	Year 10			-
	Year 11			-
	Year 12			-
	Year 13			-
	Year 14			-
	Year 15			-
	Years 1-15	250 units @	11,767 per unit	(2,941,645)
	Sub-total			(2,941,645)
S106 analysis:	305,931 £ per ha	5.40% % of GDV	11,767 £ per unit (total units)	

Scheme Typology:		BF LV 250		No Units: 250			
Site Typology:		Location / Value Zone: Lower		Greenfield/Brownfield: Brownfield			
Notes:							
AH Commuted Sum		23,295	sqm (total)		£ psm	-	
Comm. Sum analysis:		0.00%	% of GDV				
Construction Costs -							
Site Clearance, Demolition & Remediation		9.62	ha @		£ per ha (if brownfield)	(1,187,981)	
Site Infrastructure costs -							
	Year 1					-	
	Year 2					-	
	Year 3					-	
	Year 4					-	
	Year 5					-	
	Year 6					-	
	Year 7					-	
	Year 8					-	
	Year 9					-	
	Year 10					-	
	Year 11					-	
	Year 12					-	
	Year 13					-	
	Year 14					-	
	Year 15					-	
	Years 1-15	250	units @		per unit	-	
	Sub-total					-	
Infra. Costs analysis:		-	£ per ha	0.00%	% of GDV	0 £ per unit (total units)	
1 bed House		-	sqm @		psm	-	
2 bed House		6,320	sqm @		psm	(6,863,520)	
3 bed House		11,375	sqm @		psm	(12,353,250)	
4 bed House		2,875	sqm @		psm	(3,122,250)	
5 bed House		1,225	sqm @		psm	(1,330,350)	
1 bed Flat		882	sqm @		psm	(1,063,235)	
2 bed Flat		23,295	618 sqm @		psm	(744,265)	
Garages for 3 bed House (OMS only)		88	units @	@	£ per garage	(262,500)	
Garages for 4 bed House (OMS only)		18	units @	@	£ per garage	(105,000)	
Garages for 5 bed House (OMS only)		9	units @	@	£ per garage	(78,750)	
External works		25,923,120	@			(3,888,468)	
Ext. Works analysis:					15,554	£ per unit (total units)	
Policy Costs on design -							
Net Biodiversity costs		250	units @		268 £ per unit	(67,000)	
M4(2) Category 2 Housing Aff units		75	units @	10% @	521 £ per unit	(3,908)	
M4(3)2b Category 3 Housing Aff units		75	units @	10% @	22,791 £ per unit	(170,933)	
M4(2) Category 2 Housing OMS units		175	units @	10% @	521 £ per unit	(9,118)	
M4(3)2b Category 3 Housing OMS units		175	units @	0% @	22,791 £ per unit	-	
Carbon/Energy Reduction/FHS Houses		228	units @		4,847 £ per unit	(1,102,693)	
Carbon/Energy Reduction/FHS Flats		23	units @		2,256 £ per unit	(50,760)	
Net Zero (including full FHS 2025 costs units)		250	units @		6,000 £ per unit	(1,500,000)	
EV Charging Points Houses		228	units @		1,000 £ per unit	(227,500)	
EV Charging Points Flats		23	units @		2,500 £ per unit	(56,250)	
Water Efficiency		250	units @		10 £ per unit	(2,500)	
	Sub-total					(3,190,660)	
Policy Costs analysis: (design costs only)					12,763	£ per unit (total units)	
Contingency (on construction)		34,190,229	@		5.0%	(1,709,511)	
Professional Fees		34,190,229	@		6.5%	(2,222,365)	
Disposal Costs -							
OMS Marketing and Promotion		44,887,500	OMS @		3.00%	5,387 £ per unit	(1,346,625)
Residential Sales Agent Costs		44,887,500	OMS @		1.00%	1,796 £ per unit	(448,875)
Residential Sales Legal Costs		44,887,500	OMS @		0.25%	449 £ per unit	(112,219)
Affordable Sale Legal Costs						lump sum	(10,000)
Disposal Cost analysis:					7,671	£ per unit	
Interest (on Development Costs) -			6.50% APR		0.526%	pcm	(2,006,528)
Developers Profit -							
Profit on OMS		44,887,500			18.00%	(8,079,750)	
Margin on AH		9,618,750			6.00%	on AH values	(577,125)
Profit analysis:		54,506,250			15.88%	blended GDV	(8,656,875)
		45,188,456			19.16%	on costs	(8,656,875)
TOTAL COSTS						(53,845,331)	

Scheme Typology: **BF LV 250** No Units: **250**
Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
Notes:

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				660,919
SDLT	660,919	@	HMRC formula	(22,546)
Acquisition Agent fees	660,919	@	1.0%	(6,609)
Acquisition Legal fees	660,919	@	0.5%	(3,305)
Interest on Land	660,919	@	6.50%	(42,960)
Residual Land Value				585,499
RLV analysis:	2,342 £ per plot	60,892 £ per ha (net)	24,643 £ per acre (net)	
		48,714 £ per ha (gross)	19,714 £ per acre (gross)	
			1.07% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density		26.0	dph (net)	
Site Area (net)		9.62	ha (net)	23.76 acres (net)
Net to Gross ratio		80%		
Site Area (gross)		12,019	ha (gross)	29.70 acres (gross)
Benchmark Land Value (net)	52,271 £ per plot	1,359,050	£ per ha (net)	550,000 £ per acre (net)
BLV analysis:	Density	2,423	sqm/ha (net)	10,553
		21	dph (gross)	
		1,087,240	£ per ha (gross)	440,000 £ per acre (gross)
				13,067,788

BALANCE			
Surplus/(Deficit)		(1,298,158) £ per ha (net)	(525,357) £ per acre (net)
			(12,482,289)

Scheme Typology: **BF LV 250** No Units: **250**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
CIL £ psm	0.00		(347,619)	(377,046)	(406,569)	(436,201)	(465,862)	(495,590)	(525,357)
	5.00		(352,740)	(381,935)	(411,225)	(440,622)	(470,222)	(499,511)	(529,036)
	10.00		(357,860)	(386,824)	(415,901)	(445,042)	(474,202)	(503,432)	(532,715)
	15.00		(362,993)	(391,738)	(420,582)	(449,462)	(478,384)	(507,353)	(536,394)
	20.00		(368,140)	(396,653)	(425,262)	(453,883)	(482,567)	(511,273)	(540,072)
	25.00		(373,287)	(401,582)	(429,943)	(458,304)	(486,749)	(515,214)	(543,751)
	30.00		(378,460)	(406,523)	(434,623)	(462,747)	(490,931)	(519,155)	(547,430)
	35.00		(383,633)	(411,463)	(439,304)	(467,191)	(495,114)	(523,097)	(551,128)
	40.00		(388,823)	(416,403)	(443,984)	(471,635)	(499,296)	(527,038)	(554,826)
	45.00		(394,023)	(421,344)	(448,679)	(476,078)	(503,493)	(530,980)	(558,524)
	50.00		(399,224)	(426,284)	(453,384)	(480,522)	(507,697)	(534,921)	(562,222)
	55.00		(404,424)	(431,225)	(458,089)	(484,966)	(511,902)	(538,866)	(565,921)
	60.00		(409,625)	(436,178)	(462,794)	(489,410)	(516,106)	(542,828)	(569,619)
	65.00		(414,825)	(441,145)	(467,499)	(493,875)	(520,310)	(546,790)	(573,322)
	70.00		(420,026)	(446,111)	(472,204)	(498,342)	(524,515)	(550,752)	(577,039)
	75.00		(425,247)	(451,078)	(476,909)	(502,809)	(528,719)	(554,715)	(580,757)
80.00		(430,474)	(456,044)	(481,629)	(507,276)	(532,943)	(558,677)	(584,474)	
85.00		(435,702)	(461,011)	(486,359)	(511,743)	(537,169)	(562,639)	(588,192)	
90.00		(440,930)	(465,977)	(491,088)	(516,210)	(541,396)	(566,609)	(591,909)	
95.00		(446,158)	(470,959)	(495,818)	(520,680)	(545,622)	(570,593)	(595,627)	
100.00		(451,386)	(475,952)	(500,548)	(525,171)	(549,848)	(574,576)	(599,355)	
105.00		(456,614)	(480,945)	(505,278)	(529,661)	(554,075)	(578,559)	(603,092)	
110.00		(461,867)	(485,937)	(510,008)	(534,152)	(558,304)	(582,542)	(606,829)	
115.00		(467,122)	(490,930)	(514,757)	(538,642)	(562,553)	(586,525)	(610,566)	
120.00		(472,377)	(495,922)	(519,512)	(543,133)	(566,801)	(590,508)	(614,304)	
125.00		(477,633)	(500,915)	(524,267)	(547,624)	(571,050)	(594,505)	(618,041)	

TABLE 2

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
Site Specific S106 per unit	(100,000)		738,586	709,195	679,804	650,352	620,890	591,360	561,812
	(90,000)		644,734	615,455	586,132	556,797	527,406	497,996	468,533
	(80,000)		550,617	521,418	492,206	462,947	433,677	404,354	375,009
	(70,000)		456,152	427,063	397,925	368,782	339,601	310,402	281,159
	(60,000)		361,282	332,282	303,241	274,201	245,127	216,037	186,916
	(50,000)		265,903	236,987	208,052	179,099	150,145	121,156	92,161
	(40,000)		169,907	141,056	112,204	83,352	54,488	25,606	(3,276)
	(30,000)		73,094	44,309	15,524	(13,261)	(42,046)	(70,830)	(99,631)
	(20,000)		(24,764)	(53,515)	(82,267)	(111,018)	(139,769)	(168,520)	(197,271)
	(10,000)		(123,991)	(152,772)	(181,566)	(210,365)	(239,165)	(267,965)	(296,786)
	-		(225,103)	(254,053)	(283,011)	(312,005)	(341,032)	(370,097)	(399,213)
	10,000		(328,920)	(358,238)	(387,633)	(417,133)	(446,752)	(476,413)	(506,132)
	20,000		(436,362)	(466,114)	(495,956)	(525,837)	(555,798)	(585,868)	(616,045)
	30,000		(545,938)	(576,051)	(606,260)	(636,603)	(667,075)	(697,706)	(728,559)
	40,000		(657,308)	(687,891)	(718,626)	(749,542)	(780,670)	(812,071)	(843,792)

TABLE 3

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
Profit	15.0%		(277,178)	(310,126)	(343,171)	(376,326)	(409,509)	(442,759)	(476,048)
	16.0%		(300,658)	(332,433)	(364,304)	(396,284)	(428,293)	(460,369)	(492,485)
	17.0%		(324,139)	(354,739)	(385,436)	(416,243)	(447,078)	(477,979)	(508,921)
	18.0%		(347,619)	(377,046)	(406,569)	(436,201)	(465,862)	(495,590)	(525,357)
	19.0%		(371,100)	(399,352)	(427,701)	(456,160)	(484,646)	(513,200)	(541,794)
	20.0%		(394,580)	(421,659)	(448,834)	(476,118)	(503,431)	(530,811)	(558,230)

TABLE 4

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
BLV (£ per acre)	50,000		202,381	172,954	143,431	113,799	84,138	54,410	24,643
	100,000		152,381	122,954	93,431	63,799	34,138	4,410	(25,357)
	150,000		102,381	72,954	43,431	13,799	(15,862)	(45,590)	(75,357)
	200,000		52,381	22,954	(6,569)	(36,201)	(65,862)	(95,590)	(125,357)
	250,000		2,381	(27,046)	(56,569)	(86,201)	(115,862)	(145,590)	(175,357)
	300,000		(47,619)	(77,046)	(106,569)	(136,201)	(165,862)	(195,590)	(225,357)
	350,000		(97,619)	(127,046)	(156,569)	(186,201)	(215,862)	(245,590)	(275,357)
	400,000		(147,619)	(177,046)	(206,569)	(236,201)	(265,862)	(295,590)	(325,357)
	450,000		(197,619)	(227,046)	(256,569)	(286,201)	(315,862)	(345,590)	(375,357)
	500,000		(247,619)	(277,046)	(306,569)	(336,201)	(365,862)	(395,590)	(425,357)
	550,000		(297,619)	(327,046)	(356,569)	(386,201)	(415,862)	(445,590)	(475,357)
	600,000		(347,619)	(377,046)	(406,569)	(436,201)	(465,862)	(495,590)	(525,357)
	650,000		(397,619)	(427,046)	(456,569)	(486,201)	(515,862)	(545,590)	(575,357)
	700,000		(447,619)	(477,046)	(506,569)	(536,201)	(565,862)	(595,590)	(625,357)
	750,000		(497,619)	(527,046)	(556,569)	(586,201)	(615,862)	(645,590)	(675,357)

Scheme Typology: **BF LV 250** No Units: **250**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Brownfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
Density (dph)	40		(204,068)	(249,134)	(294,321)	(339,649)	(385,175)	(430,807)	(476,497)
	45		(152,834)	(203,490)	(254,276)	(305,227)	(356,359)	(407,694)	(459,052)
	50		(101,629)	(157,876)	(214,257)	(270,805)	(327,581)	(384,581)	(441,621)
	55		(50,424)	(112,262)	(174,248)	(236,408)	(298,802)	(361,468)	(424,212)
	60		781	(66,649)	(134,239)	(202,020)	(270,024)	(338,356)	(406,803)
	65		51,985	(21,035)	(94,230)	(167,631)	(241,270)	(315,243)	(389,395)
	70		103,174	24,553	(54,232)	(133,242)	(212,520)	(292,130)	(371,986)
	75		154,354	70,141	(14,248)	(98,854)	(183,770)	(269,017)	(354,577)
	80		205,534	115,729	25,736	(64,484)	(155,019)	(245,907)	(337,168)
	85		256,715	161,317	65,720	(30,118)	(126,269)	(222,816)	(319,759)
90		307,895	206,905	105,705	4,249	(97,519)	(199,725)	(302,351)	

TABLE 6

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
Build Cost	55%		253,869	222,633	191,373	160,105	128,838	97,546	66,244
	60%		189,424	158,481	127,530	96,579	65,629	34,654	3,676
	65%		124,613	93,966	63,319	32,672	2,025	(28,623)	(59,290)
	70%		59,372	29,025	(1,328)	(31,684)	(62,041)	(92,397)	(122,753)
	75%		(6,375)	(36,452)	(66,528)	(96,605)	(126,682)	(156,758)	(186,835)
	80%		(72,720)	(102,549)	(132,377)	(162,206)	(192,034)	(221,866)	(251,709)
	85%		(139,811)	(169,423)	(199,035)	(228,670)	(258,307)	(287,956)	(317,622)
	90%		(207,812)	(237,270)	(266,733)	(296,237)	(325,763)	(355,322)	(384,928)
	95%		(276,976)	(306,349)	(335,772)	(365,248)	(394,792)	(424,431)	(454,175)
	100%		(347,619)	(377,046)	(406,569)	(436,201)	(465,862)	(495,590)	(525,357)
	105%		(420,039)	(449,490)	(478,950)	(508,506)	(538,109)	(567,788)	(597,570)
110%		(493,428)	(522,796)	(552,211)	(581,700)	(611,309)	(641,036)	(670,905)	

TABLE 6a

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
Net Zero extra over FHS Interim Uplift	£0		(285,340)	(314,719)	(344,185)	(373,771)	(403,431)	(433,120)	(462,872)
	£1,000		(295,719)	(325,105)	(354,577)	(384,176)	(413,836)	(443,531)	(473,284)
	£2,000		(306,099)	(335,491)	(364,975)	(394,581)	(424,242)	(453,943)	(483,695)
	£3,000		(316,479)	(345,876)	(375,373)	(404,986)	(434,647)	(464,355)	(494,107)
	£4,000		(326,858)	(356,262)	(385,772)	(415,391)	(445,052)	(474,766)	(504,521)
	£5,000		(337,238)	(366,654)	(396,170)	(425,796)	(455,457)	(485,178)	(514,939)
	£6,000		(347,619)	(377,046)	(406,569)	(436,201)	(465,862)	(495,590)	(525,357)
	£7,000		(358,005)	(387,438)	(416,967)	(446,606)	(476,267)	(506,002)	(535,776)
	£8,000		(368,391)	(397,830)	(427,366)	(457,011)	(486,672)	(516,413)	(546,194)
	£9,000		(378,777)	(408,222)	(437,764)	(467,417)	(497,077)	(526,825)	(556,612)
	£10,000		(389,163)	(418,614)	(448,163)	(477,822)	(507,484)	(537,237)	(567,031)
	£11,000		(399,548)	(429,006)	(458,566)	(488,227)	(517,896)	(547,648)	(577,449)

TABLE 7

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(525,357)	0%	5%	10%	15%	20%	25%	30%
Market Values	80%		(763,657)	(773,319)	(783,025)	(792,789)	(802,602)	(812,487)	(822,469)
	82%		(720,662)	(732,368)	(744,097)	(755,883)	(767,731)	(779,642)	(791,640)
	84%		(678,061)	(691,762)	(705,528)	(719,324)	(733,174)	(747,106)	(761,114)
	86%		(635,781)	(651,513)	(667,266)	(683,077)	(698,939)	(714,858)	(730,856)
	88%		(593,828)	(611,552)	(629,311)	(647,116)	(664,957)	(682,886)	(700,881)
	90%		(552,167)	(571,864)	(591,628)	(611,401)	(631,257)	(651,157)	(671,126)
	92%		(510,762)	(532,458)	(554,184)	(575,958)	(597,778)	(619,642)	(641,597)
	94%		(469,598)	(493,282)	(516,966)	(540,728)	(564,507)	(588,357)	(612,276)
	96%		(428,662)	(454,323)	(479,983)	(505,701)	(531,441)	(557,262)	(583,136)
	98%		(387,952)	(415,565)	(443,190)	(470,865)	(498,571)	(526,343)	(554,166)
	100%		(347,619)	(377,046)	(406,569)	(436,201)	(465,862)	(495,590)	(525,357)
	102%		(307,762)	(338,995)	(370,310)	(401,736)	(433,292)	(464,981)	(496,700)
	104%		(268,282)	(301,331)	(334,458)	(367,676)	(401,013)	(434,496)	(468,173)
	106%		(229,123)	(263,994)	(298,935)	(333,960)	(369,084)	(404,349)	(439,780)
	108%		(190,236)	(226,934)	(263,693)	(300,528)	(337,454)	(374,501)	(411,696)
	110%		(151,573)	(190,103)	(228,687)	(267,337)	(306,069)	(344,914)	(383,890)
	112%		(113,127)	(153,481)	(193,884)	(234,352)	(274,901)	(315,548)	(356,308)
114%		(74,842)	(117,022)	(159,263)	(201,556)	(243,917)	(286,364)	(328,930)	
116%		(36,703)	(80,730)	(124,794)	(168,907)	(213,087)	(257,350)	(301,715)	
118%		1,295	(44,566)	(90,454)	(136,389)	(182,393)	(228,467)	(274,645)	
120%		39,177	(8,516)	(56,233)	(104,001)	(151,829)	(199,722)	(247,700)	

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

Appraisal Ref: **C** (see Typologies Matrix)
 Scheme Typology: **GF LV 250**
 Site Typology: Location / Value Zone: **Lower** No Units: **250**
 Greenfield/Brownfield: **Greenfield**
 Notes:

ASSUMPTIONS - RESIDENTIAL USES

Total number of units in scheme	250 Units
AH Policy requirement (% Target)	30%
Open Market Sale (OMS) housing	Open Market Sale (OMS) 70%
AH tenure split %	Affordable Rent: 0.0%
	Social Rent: 65.0% 65.0% Rented
	First Homes: 25.0%
	Other Intermediate (LCHO/Sub-Market etc.): 10.0% 10.5% of total (>10% First Homes PPG 023)
	100% 100.0%

CIL Rate (£ psm) **0.00** £ psm

Unit mix -	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0
2 bed House	40.0%	70.0	25.0%	18.8	36%	88.8
3 bed House	45.0%	78.8	35.0%	26.3	42%	105.0
4 bed House	15.0%	26.3	10.0%	7.5	14%	33.8
5 bed House	0.0%	0.0	0.0%	0.0	0%	0.0
1 bed Flat	0.0%	0.0	20.0%	15.0	6%	15.0
2 bed Flat	0.0%	0.0	10.0%	7.5	3%	7.5
Total number of units	100.0%	175.0	100.0%	75.0	100%	250.0

OMS Unit Floor areas -	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)
1 bed House	62.0	667		62.0	667
2 bed House	79.0	850		79.0	850
3 bed House	100.0	1,076		100.0	1,076
4 bed House	115.0	1,238		115.0	1,238
5 bed House	140.0	1,507		140.0	1,507
1 bed Flat	50.0	538	85.0%	58.8	633
2 bed Flat	70.0	753	85.0%	82.4	886

AH Unit Floor areas -	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)
1 bed House	62.0	667		62.0	667
2 bed House	79.0	850		79.0	850
3 bed House	100.0	1,076		100.0	1,076
4 bed House	115.0	1,238		115.0	1,238
5 bed House	160.0	1,722		160.0	1,722
1 bed Flat	50.0	538	85.0%	58.8	633
2 bed Flat	70.0	753	85.0%	82.4	886

Total Gross Floor areas -	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)	(sqft)
1 bed House	0	0	0	0	0	0
2 bed House	5,530	59,524	1,481	15,944	7,011	75,468
3 bed House	7,875	84,766	2,625	28,255	10,500	113,021
4 bed House	3,019	32,494	863	9,284	3,881	41,777
5 bed House	0	0	0	0	0	0
1 bed Flat	0	0	882	9,498	882	9,498
2 bed Flat	0	0	618	6,648	618	6,648
	16,424	176,784	6,469	69,629	22,893	246,413

AH % by floor area: **28.26% AH % by floor area (difference due to mix)**

Open Market Sales values (£) -	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)
1 bed House	0	0	0	0
2 bed House	215,000	2,722	253	19,081,250
3 bed House	265,000	2,650	246	27,825,000
4 bed House	300,000	2,609	242	10,125,000
5 bed House	375,000	2,679	249	0
1 bed Flat	145,000	2,900	269	2,175,000
2 bed Flat	195,000	2,786	259	1,462,500
				60,668,750

Affordable Housing values (£) -	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV
1 bed House	0	60%	0	50%	0	70%	0	75%
2 bed House	129,000	60%	107,500	50%	150,500	70%	161,250	75%
3 bed House	159,000	60%	132,500	50%	185,500	70%	198,750	75%
4 bed House	180,000	60%	150,000	50%	210,000	70%	225,000	75%
5 bed House	225,000	60%	187,500	50%	250,000	70%	281,250	75%
1 bed Flat	87,000	60%	72,500	50%	101,500	70%	108,750	75%
2 bed Flat	117,000	60%	97,500	50%	136,500	70%	146,250	75%

* capped @£250K

Scheme Typology: **GF LV 250** No Units: **250**
 Site Typology: Location / Value Zone: **Lower Greenfield/Brownfield: Greenfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	70.0	@	215,000	15,050,000
3 bed House	78.8	@	265,000	20,868,750
4 bed House	26.3	@	300,000	7,875,000
5 bed House	0.0	@	375,000	-
1 bed Flat	0.0	@	145,000	-
2 bed Flat	0.0	@	195,000	-
	175.0			43,793,750
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	129,000	-
3 bed House	0.0	@	159,000	-
4 bed House	0.0	@	180,000	-
5 bed House	0.0	@	225,000	-
1 bed Flat	0.0	@	87,000	-
2 bed Flat	0.0	@	117,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	12.2	@	107,500	1,310,156
3 bed House	17.1	@	132,500	2,260,781
4 bed House	4.9	@	150,000	731,250
5 bed House	0.0	@	187,500	-
1 bed Flat	9.8	@	72,500	706,875
2 bed Flat	4.9	@	97,500	475,313
	48.8			5,484,375
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	4.7	@	150,500	705,469
3 bed House	6.6	@	185,500	1,217,344
4 bed House	1.9	@	210,000	393,750
5 bed House	0.0	@	250,000	-
1 bed Flat	3.8	@	101,500	380,625
2 bed Flat	1.9	@	136,500	255,938
	18.8			2,953,125
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	1.9	@	161,250	302,344
3 bed House	2.6	@	198,750	521,719
4 bed House	0.8	@	225,000	168,750
5 bed House	0.0	@	281,250	-
1 bed Flat	1.5	@	108,750	163,125
2 bed Flat	0.8	@	146,250	109,688
	7.5	75.0		1,265,625
Sub-total GDV Residential	250			53,496,875
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	7,171,875
		313 £ psm (total GIA sqm)	28,688 £ per unit (total units)	
Grant	75	AH units @	0 per unit	-
Total GDV				53,496,875

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(50,459)
Planning Application Professional Fees, Surveys and reports				(150,000)
CIL	16,424 sqm (Market only)	0.00 £ psm		-
	CIL analysis:	0.00% % of GDV	0 £ per unit (total units)	
Site Specific S106 Contributions	Year 1			-
	Year 2			-
	Year 3			-
	Year 4			-
	Year 5			-
	Year 6			-
	Year 7			-
	Year 8			-
	Year 9			-
	Year 10			-
	Year 11			-
	Year 12			-
	Year 13			-
	Year 14			-
	Year 15			-
	Years 1-15	250 units @	13,767 per unit	(3,441,645)
	Sub-total			(3,441,645)

Scheme Typology: **GF LV 250** No Units: **250**
Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Greenfield**
Notes:

S106 analysis:		385,464	£ per ha	6.43%	% of GDV	13,767	£ per unit (total units)	
AH Commuted Sum				22,893	sqm (total)		£ psm	-
Comm. Sum analysis:				0.00%	% of GDV			
Construction Costs -								
Site Clearance, Demolition & Remediation				8.93	ha @		£ per ha (if brownfield)	-
Site Infrastructure costs -								
	Year 1							-
	Year 2							-
	Year 3							-
	Year 4							-
	Year 5							-
	Year 6							-
	Year 7							-
	Year 8							-
	Year 9							-
	Year 10							-
	Year 11							-
	Year 12							-
	Year 13							-
	Year 14							-
	Year 15							-
	Years 1-15			250	units @		per unit	-
	Sub-total							-
Infra. Costs analysis:		-	£ per ha	0.00%	% of GDV	0	£ per unit (total units)	
1 bed House					sqm @		psm	-
2 bed House				7,011	sqm @		psm	(7,614,218)
3 bed House				10,500	sqm @		psm	(11,403,000)
4 bed House				3,881	sqm @		psm	(4,215,038)
5 bed House				-	sqm @		psm	-
1 bed Flat				882	sqm @		psm	(1,063,235)
2 bed Flat		22,893		618	sqm @		psm	(744,265)
Garages for 3 bed House	(OMS only)	79	units @		@		£ per garage	(236,250)
Garages for 4 bed House	(OMS only)	26	units @		@		£ per garage	(157,500)
Garages for 5 bed House	(OMS only)	-	units @		@		£ per garage	-
External works				25,433,505	@			(3,815,026)
Ext. Works analysis:						15,260	£ per unit (total units)	
Policy Costs on design -								
Net Biodiversity costs				250	units @	1,003	£ per unit	(250,750)
M4(2) Category 2 Housing	Aff units	75	units @	10%	@	521	£ per unit	(3,908)
M4(3)2b Category 3 Housing	Aff units	75	units @	10%	@	22,791	£ per unit	(170,933)
M4(2) Category 2 Housing	OMS units	175	units @	10%	@	521	£ per unit	(9,118)
M4(3)2b Category 3 Housing	OMS units	175	units @	0%	@	22,791	£ per unit	-
Carbon/Energy Reduction/FHS	Houses	228	units @			4,847	£ per unit	(1,102,693)
Carbon/Energy Reduction/FHS	Flats	23	units @			2,256	£ per unit	(50,760)
Net Zero (including full FHS 2025 costs)	units	250	units @			6,000	£ per unit	(1,500,000)
EV Charging Points	Houses	228	units @			1,000	£ per unit	(227,500)
EV Charging Points	Flats	23	units @			2,500	£ per unit	(56,250)
Water Efficiency	units	250	units @			10	£ per unit	(2,500)
	Sub-total							(3,374,410)
Policy Costs analysis: (design costs only)						13,498	£ per unit (total units)	
Contingency (on construction)				32,622,941	@	5.0%		(1,631,147)
Professional Fees				32,622,941	@	6.5%		(2,120,491)
Disposal Costs -								
OMS Marketing and Promotion				43,793,750	OMS @	3.00%	5,255	£ per unit (1,313,813)
Residential Sales Agent Costs				43,793,750	OMS @	1.00%	1,752	£ per unit (437,938)
Residential Sales Legal Costs				43,793,750	OMS @	0.25%	438	£ per unit (109,484)
Affordable Sale Legal Costs							lump sum	(10,000)
Disposal Cost analysis:						7,485	£ per unit	
Interest (on Development Costs) -				6.50%	APR	0.526%	pcm	(1,626,290)
Developers Profit -								
Profit on OMS				43,793,750		18.00%		(7,882,875)
Margin on AH				9,703,125		6.00%	on AH values	(582,188)
Profit analysis:		53,496,875		15.82%	blended GDV	(8,465,063)		
		43,514,208		19.45%	on costs	(8,465,063)		
TOTAL COSTS								(51,979,270)

Scheme Typology: **GF LV 250** No Units: **250**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Greenfield**
 Notes:

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				1,517,605
SDLT	1,517,605	@	HMRC formula	(65,380)
Acquisition Agent fees	1,517,605	@	1.0%	(15,176)
Acquisition Legal fees	1,517,605	@	0.5%	(7,588)
Interest on Land	1,517,605	@	6.50%	(98,644)
Residual Land Value				1,330,816
RLV analysis:	5,323 £ per plot	149,051 £ per ha (net)	60,320 £ per acre (net)	
		111,789 £ per ha (gross)	45,240 £ per acre (gross)	
			2.49% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density		28.0	dph (net)	
Site Area (net)		8.93	ha (net)	22.06 acres (net)
Net to Gross ratio		75%		
Site Area (gross)		11.90	ha (gross)	29.42 acres (gross)
Benchmark Land Value (net)	15,444 £ per plot	432,425	£ per ha (net)	175,000 £ per acre (net)
BLV analysis:	Density	2,564	sqm/ha (net)	11,169 sqft/ac (net)
		21	dph (gross)	
		324,319	£ per ha (gross)	131,250 £ per acre (gross)

BALANCE			
Surplus/(Deficit)		(283,374) £ per ha (net)	(114,680) £ per acre (net)
			(2,530,121)

Scheme Typology: **GF LV 250** No Units: **250**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Greenfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
CIL £ psm 0.00	0.00		68,575	38,255	7,864	(22,612)	(53,205)	(83,926)	(114,680)
	5.00		63,272	33,193	3,044	(27,202)	(57,555)	(88,026)	(118,506)
	10.00		57,955	28,116	(1,798)	(31,801)	(61,920)	(92,126)	(122,349)
	15.00		52,626	23,029	(6,642)	(36,407)	(66,293)	(96,226)	(126,195)
	20.00		47,297	17,939	(11,498)	(41,029)	(70,666)	(100,326)	(130,042)
	25.00		41,942	12,826	(16,367)	(45,653)	(95,039)	(104,426)	(133,889)
	30.00		36,587	7,713	(21,240)	(50,299)	(119,413)	(108,537)	(137,736)
	35.00		31,218	2,583	(26,134)	(54,946)	(143,786)	(112,659)	(141,582)
	40.00		25,836	(2,557)	(31,028)	(59,592)	(168,159)	(116,780)	(145,429)
	45.00		20,451	(7,705)	(35,946)	(64,239)	(192,532)	(120,902)	(149,281)
	50.00		15,041	(12,871)	(40,865)	(68,885)	(216,904)	(125,023)	(153,148)
	55.00		9,631	(18,039)	(45,785)	(73,532)	(241,277)	(129,145)	(157,015)
	60.00		4,199	(23,232)	(50,705)	(78,179)	(265,650)	(133,266)	(160,882)
	65.00		(1,239)	(28,425)	(55,625)	(82,838)	(290,023)	(137,392)	(164,749)
	70.00		(6,692)	(33,618)	(60,545)	(87,509)	(314,396)	(141,535)	(168,616)
	75.00		(12,158)	(38,812)	(65,465)	(92,180)	(338,769)	(145,678)	(172,483)
	80.00		(17,625)	(44,005)	(70,401)	(96,851)	(363,142)	(149,821)	(176,360)
85.00		(23,091)	(49,198)	(75,347)	(101,523)	(387,515)	(153,965)	(180,247)	
90.00		(28,558)	(54,392)	(80,293)	(106,194)	(411,888)	(158,108)	(184,135)	
95.00		(34,024)	(59,612)	(85,238)	(110,865)	(436,261)	(162,251)	(188,022)	
100.00		(39,491)	(64,833)	(90,184)	(115,546)	(460,634)	(166,403)	(191,909)	
105.00		(44,977)	(70,053)	(95,130)	(120,242)	(485,007)	(170,568)	(195,797)	
110.00		(50,472)	(75,274)	(100,076)	(124,937)	(509,380)	(174,733)	(199,684)	
115.00		(55,967)	(80,494)	(105,038)	(129,633)	(533,753)	(178,898)	(203,586)	
120.00		(61,463)	(85,715)	(110,010)	(134,329)	(558,126)	(183,063)	(207,494)	
125.00		(66,958)	(90,939)	(114,981)	(139,024)	(582,500)	(187,228)	(211,402)	

TABLE 2

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
Site Specific S106 per unit 13,767	(22,000)		454,641	424,760	394,878	364,997	335,098	305,196	275,294
	(21,000)		444,179	414,299	384,417	354,536	324,655	294,769	264,867
	(20,000)		433,684	403,819	373,954	344,075	314,194	284,312	254,431
	(19,000)		423,188	393,323	363,458	333,593	303,728	273,851	243,970
	(18,000)		412,682	382,827	352,962	323,098	293,233	263,368	233,503
	(17,000)		402,151	372,299	342,446	312,594	282,737	252,872	223,007
	(16,000)		391,620	361,767	331,915	302,062	272,210	242,357	212,505
	(15,000)		381,064	351,220	321,376	291,531	261,679	231,826	201,974
	(14,000)		370,496	340,652	310,808	280,964	251,119	221,275	191,431
	(13,000)		359,921	330,081	300,240	270,396	240,551	210,707	180,863
	(12,000)		349,316	319,476	289,636	259,795	229,955	200,115	170,275
	(11,000)		338,710	308,870	279,030	249,190	219,350	189,509	159,669
	(10,000)		328,072	298,232	268,392	238,552	208,712	178,872	149,032
	(9,000)		317,428	287,588	257,748	227,907	198,067	168,223	138,379
	(8,000)		306,761	276,916	247,072	217,227	187,383	157,539	127,694

TABLE 3

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
Profit 18.0%	15.0%		142,587	108,566	74,474	40,298	6,004	(28,418)	(62,872)
	16.0%		117,916	85,129	52,271	19,328	(13,732)	(46,921)	(80,141)
	17.0%		93,246	61,692	30,067	(1,642)	(33,469)	(65,423)	(97,410)
	18.0%		68,575	38,255	7,864	(22,612)	(53,205)	(83,926)	(114,680)
	19.0%		43,905	14,818	(14,340)	(43,582)	(72,941)	(102,429)	(131,949)
	20.0%		19,234	(8,619)	(36,543)	(64,552)	(92,678)	(120,932)	(149,218)

TABLE 4

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
BLV (£ per acre) 175,000	-		243,575	213,255	182,864	152,388	121,795	91,074	60,320
	50,000		193,575	163,255	132,864	102,388	71,795	41,074	10,320
	100,000		143,575	113,255	82,864	52,388	21,795	(8,926)	(39,680)
	150,000		93,575	63,255	32,864	2,388	(28,205)	(58,926)	(89,680)
	200,000		43,575	13,255	(17,136)	(47,612)	(78,205)	(108,926)	(139,680)
	250,000		(6,425)	(36,745)	(67,136)	(97,612)	(128,205)	(158,926)	(189,680)
	300,000		(56,425)	(86,745)	(117,136)	(147,612)	(178,205)	(208,926)	(239,680)
	350,000		(106,425)	(136,745)	(167,136)	(197,612)	(228,205)	(258,926)	(289,680)
	400,000		(156,425)	(186,745)	(217,136)	(247,612)	(278,205)	(308,926)	(339,680)
	450,000		(206,425)	(236,745)	(267,136)	(297,612)	(328,205)	(358,926)	(389,680)
	500,000		(256,425)	(286,745)	(317,136)	(347,612)	(378,205)	(408,926)	(439,680)
	550,000		(306,425)	(336,745)	(367,136)	(397,612)	(428,205)	(458,926)	(489,680)
	600,000		(356,425)	(386,745)	(417,136)	(447,612)	(478,205)	(508,926)	(539,680)
	650,000		(406,425)	(436,745)	(467,136)	(497,612)	(528,205)	(558,926)	(589,680)
	700,000		(456,425)	(486,745)	(517,136)	(547,612)	(578,205)	(608,926)	(639,680)
	750,000		(506,425)	(536,745)	(567,136)	(597,612)	(628,205)	(658,926)	(689,680)

Scheme Typology: **GF LV 250** No Units: **250**
 Site Typology: Location / Value Zone: **Lower** Greenfield/Brownfield: **Greenfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
Density (dph)	22		16,381	(7,442)	(31,321)	(55,266)	(79,304)	(103,442)	(127,605)
	24		33,779	7,790	(18,260)	(44,381)	(70,604)	(96,937)	(123,297)
	26		51,177	23,023	(5,198)	(33,497)	(61,905)	(90,432)	(118,988)
	28		68,575	38,255	7,864	(22,612)	(53,205)	(83,926)	(114,680)
	30		85,974	53,488	20,926	(11,727)	(44,505)	(77,421)	(110,371)
	32		103,372	68,720	33,987	(842)	(35,806)	(70,916)	(106,063)
	34		120,770	83,953	47,049	10,043	(27,106)	(64,411)	(101,754)
	36		138,168	99,185	60,111	20,928	(18,406)	(57,905)	(97,445)
	38		155,566	114,418	73,172	31,813	(9,707)	(51,400)	(93,137)
	40		172,965	129,650	86,234	42,698	(1,007)	(44,895)	(88,828)
42		190,363	144,883	99,296	53,582	7,693	(38,390)	(84,520)	

TABLE 6

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
Build Cost	98%		98,124	67,848	37,521	7,129	(23,342)	(53,904)	(84,604)
	100%		68,575	38,255	7,864	(22,612)	(53,205)	(83,926)	(114,680)
	102%		38,724	8,333	(22,157)	(52,773)	(83,438)	(114,144)	(144,902)
	104%		8,538	(21,973)	(52,550)	(83,141)	(113,811)	(144,521)	(175,296)
	(105% = 5% increase)		(22,014)	(52,503)	(83,074)	(113,655)	(144,336)	(175,071)	(205,889)
	108%		(52,692)	(83,184)	(113,738)	(144,329)	(175,025)	(205,794)	(236,667)
	110%		(83,496)	(113,998)	(144,547)	(175,159)	(205,880)	(236,694)	(267,631)
	112%		(114,437)	(144,950)	(175,504)	(206,145)	(236,901)	(267,770)	(298,784)
	114%		(145,531)	(176,040)	(206,609)	(237,290)	(268,092)	(299,027)	(330,126)
	116%		(176,756)	(207,270)	(237,865)	(268,595)	(299,453)	(330,464)	(361,679)
	118%		(208,111)	(238,642)	(269,281)	(300,062)	(330,986)	(362,087)	(393,436)
	120%		(239,600)	(270,157)	(300,854)	(331,692)	(362,694)	(393,912)	(425,390)

TABLE 6a

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
Net Zero extra over FHS Interim Uplift	£0		135,560	105,274	74,927	44,497	13,964	(16,693)	(47,447)
	£1,000		124,401	94,109	63,754	33,312	2,772	(27,899)	(58,652)
	£2,000		113,236	82,941	52,576	22,127	(8,419)	(39,104)	(69,858)
	£3,000		102,071	71,770	41,398	10,942	(19,611)	(50,310)	(81,063)
	£4,000		90,906	60,598	30,220	(242)	(30,808)	(61,515)	(92,269)
	£5,000		79,740	49,427	19,042	(11,427)	(42,007)	(72,721)	(103,474)
	£6,000		68,575	38,255	7,864	(22,612)	(53,205)	(83,926)	(114,680)
	£7,000		57,410	27,084	(3,314)	(33,796)	(64,403)	(95,132)	(125,885)
	£8,000		46,245	15,912	(14,492)	(44,987)	(75,602)	(106,337)	(137,091)
	£9,000		35,080	4,741	(25,670)	(56,178)	(66,800)	(117,543)	(148,296)
	£10,000		23,915	(6,431)	(36,849)	(67,370)	(97,999)	(128,748)	(159,506)
	£11,000		12,750	(17,603)	(48,033)	(58,562)	(109,200)	(139,954)	(170,718)

TABLE 7

		Affordable Housing - % on site 30%							
Balance (RLV - BLV £ per acre (n))		(114,680)	0%	5%	10%	15%	20%	25%	30%
Market Values	80%		(365,803)	(375,410)	(385,081)	(394,757)	(404,509)	(414,298)	(424,148)
	82%		(320,912)	(332,694)	(344,480)	(356,320)	(368,180)	(380,118)	(392,108)
	84%		(276,430)	(290,312)	(304,246)	(318,196)	(332,204)	(346,242)	(360,355)
	86%		(232,259)	(248,286)	(264,312)	(280,399)	(296,497)	(312,672)	(328,890)
	88%		(188,426)	(206,541)	(224,698)	(242,862)	(261,093)	(279,351)	(297,665)
	90%		(144,879)	(165,086)	(185,337)	(205,611)	(225,923)	(246,273)	(266,692)
	92%		(101,591)	(123,899)	(146,218)	(168,595)	(190,976)	(213,431)	(235,921)
	94%		(58,546)	(82,944)	(107,342)	(131,795)	(156,263)	(180,787)	(205,342)
	96%		(15,731)	(42,206)	(68,680)	(95,199)	(121,746)	(148,331)	(174,959)
	98%		26,694	(1,713)	(30,202)	(58,787)	(87,401)	(116,051)	(144,749)
	100%		68,575	38,255	7,864	(22,612)	(53,205)	(83,926)	(114,680)
	102%		110,030	77,789	45,485	13,100	(19,379)	(51,973)	(84,730)
104%		151,121	116,946	82,721	48,432	14,063	(20,422)	(55,037)	
106%		191,906	155,805	119,655	83,450	47,173	10,802	(25,691)	
108%		232,434	194,409	156,336	118,208	80,019	41,748	3,365	
110%		272,760	232,789	192,790	152,746	112,640	72,457	32,181	
112%		312,886	270,996	229,062	187,086	145,060	102,969	60,795	
114%		352,862	309,035	265,169	221,273	177,331	133,323	89,236	
116%		392,701	346,932	301,142	255,318	209,442	163,516	117,523	
118%		432,417	384,710	336,994	289,234	241,436	193,593	145,685	
120%		472,021	422,382	372,737	323,045	273,324	223,561	173,739	

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

220614_Stafford BC_WPV_Residential Appraisals_A-C_v8 - Summary Table

Appraisal Ref:	A	B	C
Scheme Typology:	BF LV 15	BF LV 250	GF LV 250
No Units:	15	250	250
Location / Value Zone:	Lower	Lower	Lower
Greenfield/Brownfield:	Brownfield	Brownfield	Greenfield
Notes:	0	0	0
Total GDV (£)	3,036,563	54,506,250	53,496,875
Policy Assumptions			
AH Target % (& mix):	30%	30%	30%
Affordable Rent:	0%	0%	0%
Social Rent:	65%	65%	65%
First Homes:	25%	25%	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%	10%	10%
CIL (£ psm)	-	-	-
CIL (£ per unit)	-	-	-
Site Specific S106 (£ per unit)	11,767	11,767	13,767
Sub-total CIL+S106 (£ per unit)	11,767	11,767	13,767
Site Infrastructure (£ per unit)	-	-	-
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767	11,767	13,767
Profit KPI's			
Developers Profit (% on OMS)	18%	18%	18%
Developers Profit (% on AH)	6%	6%	6%
Developers Profit (% blended)	16%	16%	16%
Developers Profit (% on costs)	16%	19%	19%
Developers Profit Total (£)	476,719	8,656,875	8,465,063
Land Value KPI's			
RLV (£/acre (net))	(407,128)	24,643	60,320
RLV (£/ha (net))	(1,006,013)	60,892	149,051
RLV (% of GDV)	-11%	1%	2%
RLV Total (£)	(321,068)	585,499	1,330,816
BLV (£/acre (net))	500,000	550,000	175,000
BLV (£/ha (net))	1,235,500	1,359,050	432,425
BLV Total (£)	394,309	13,067,788	3,860,938
Surplus/Deficit (£/acre) [RLV-BLV]	(907,128)	(525,357)	(114,680)
Surplus/Deficit (£/ha)	(2,241,513)	(1,298,158)	(283,374)
Surplus/Deficit Total (£)	(715,377)	(12,482,289)	(2,530,121)
Plan Viability comments	Not Viable	Marginal	Marginal

220614_Stafford BC_WPV_Residential Appraisals_D-H_v8 - Version Notes

Date	Version	Comments
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220614	v8	
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Appraisal Ref: **D** (see Typologies Matrix)
 Scheme Typology: **BF MV 10**
 Site Typology: Location / Value Zone: **Mid** No Units: **10**
 Greenfield/Brownfield: **Brownfield**
 Notes:

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme		10 Units							
AH Policy requirement (% Target)		40%							
Open Market Sale (OMS) housing		60%							
AH tenure split %		Open Market Sale (OMS)		Affordable Rent:		Social Rent:		65.0% Rented	
				0.0%		65.0%			
				First Homes:		25.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		10.0%		14.0% % of total (>10% First Homes PPG 023)	
				100%		100.0%			
CIL Rate (£ psm)		0.00 £ psm							
Unit mix -									
	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units			
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
2 bed House	20.0%	1.2	25.0%	1.0	22%	2.2			
3 bed House	60.0%	3.6	35.0%	1.4	50%	5.0			
4 bed House	20.0%	1.2	10.0%	0.4	16%	1.6			
5 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
1 bed Flat	0.0%	0.0	20.0%	0.8	8%	0.8			
2 bed Flat	0.0%	0.0	10.0%	0.4	4%	0.4			
Total number of units	100.0%	6.0	100.0%	4.0	100%	10.0			
OMS Unit Floor areas -									
	Net area per unit (sqm)		Net to Gross %		Gross (GIA) per unit (sqm)				
1 bed House	62.0	667			62.0	667			
2 bed House	79.0	850			79.0	850			
3 bed House	100.0	1,076			100.0	1,076			
4 bed House	115.0	1,238			115.0	1,238			
5 bed House	140.0	1,507			140.0	1,507			
1 bed Flat	50.0	538	85.0%		58.8	633			
2 bed Flat	70.0	753	85.0%		82.4	886			
AH Unit Floor areas -									
	Net area per unit (sqm)		Net to Gross %		Gross (GIA) per unit (sqm)				
1 bed House	62.0	667			62.0	667			
2 bed House	79.0	850			79.0	850			
3 bed House	100.0	1,076			100.0	1,076			
4 bed House	115.0	1,238			115.0	1,238			
5 bed House	140.0	1,507			140.0	1,507			
1 bed Flat	50.0	538	85.0%		58.8	633			
2 bed Flat	70.0	753	85.0%		82.4	886			
Total Gross Floor areas -									
	OMS Units GIA (sqm)		AH units GIA (sqm)		Total GIA (all units) (sqm)				
1 bed House	0	0	0	0	0	0			
2 bed House	95	1,020	79	850	174	1,871			
3 bed House	360	3,875	140	1,507	500	5,382			
4 bed House	138	1,485	46	495	184	1,981			
5 bed House	0	0	0	0	0	0			
1 bed Flat	0	0	47	507	47	507			
2 bed Flat	0	0	33	355	33	355			
	593	6,381	345	3,714	938	10,094			
AH % by floor area:		36.79% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)					
1 bed House	0	0	0	0					
2 bed House	250,000	3,165	294	550,000					
3 bed House	305,000	3,050	283	1,525,000					
4 bed House	335,000	2,913	271	536,000					
5 bed House	400,000	2,857	265	0					
1 bed Flat	160,000	3,200	297	128,000					
2 bed Flat	210,000	3,000	279	84,000					
				2,823,000					
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	0	60%	0	50%	0	70%	0	70%	
2 bed House	150,000	60%	125,000	50%	175,000	70%	175,000	70%	
3 bed House	183,000	60%	152,500	50%	213,500	70%	213,500	70%	
4 bed House	201,000	60%	167,500	50%	234,500	70%	234,500	70%	
5 bed House	240,000	60%	200,000	50%	250,000	70%	280,000	70%	
1 bed Flat	96,000	60%	80,000	50%	112,000	70%	112,000	70%	
2 bed Flat	126,000	60%	105,000	50%	147,000	70%	147,000	70%	
* capped @£250K									

Scheme Typology: **BF MV 10** No Units: **10**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	1.2	@	250,000	300,000
3 bed House	3.6	@	305,000	1,098,000
4 bed House	1.2	@	335,000	402,000
5 bed House	0.0	@	400,000	-
1 bed Flat	0.0	@	160,000	-
2 bed Flat	0.0	@	210,000	-
	6.0			1,800,000
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	150,000	-
3 bed House	0.0	@	183,000	-
4 bed House	0.0	@	201,000	-
5 bed House	0.0	@	240,000	-
1 bed Flat	0.0	@	96,000	-
2 bed Flat	0.0	@	126,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.7	@	125,000	81,250
3 bed House	0.9	@	152,500	138,775
4 bed House	0.3	@	167,500	43,550
5 bed House	0.0	@	200,000	-
1 bed Flat	0.5	@	80,000	41,600
2 bed Flat	0.3	@	105,000	27,300
	2.6			332,475
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.3	@	175,000	43,750
3 bed House	0.4	@	213,500	74,725
4 bed House	0.1	@	234,500	23,450
5 bed House	0.0	@	250,000	-
1 bed Flat	0.2	@	112,000	22,400
2 bed Flat	0.1	@	147,000	14,700
	1.0			179,025
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.1	@	175,000	17,500
3 bed House	0.1	@	213,500	29,890
4 bed House	0.0	@	234,500	9,380
5 bed House	0.0	@	280,000	-
1 bed Flat	0.1	@	112,000	8,960
2 bed Flat	0.0	@	147,000	5,880
	0.4	4.0		71,610
Sub-total GDV Residential	10			2,383,110
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	439,890
			469 £ psm (total GIA sqm)	43,989 £ per unit (total units)
Grant	4	AH units @	0	per unit
Total GDV				2,383,110

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(4,620)
Planning Application Professional Fees, Surveys and reports				(10,000)
CIL	593 sqm (Market only)		0.00 £ psm	-
	0.00% % of GDV		0 £ per unit (total units)	-
Site Specific S106 Contributions	Year 1			0
	Year 2			0
	Year 3			0
	Year 4			0
	Year 5			0
	Year 6			0
	Year 7			0
	Year 8			0
	Year 9			0
	Year 10			0
	Year 11			0
	Year 12			0
	Year 13			0
	Year 14			0
	Year 15			0
	Years 1-15	10 units @	11,767 per unit	(117,666)
	Sub-total			(117,666)
S106 analysis:	447,130 £ per ha	4.94% % of GDV	11,767 £ per unit (total units)	

Scheme Typology:		BF MV 10	No Units:	10	
Site Typology:		Location / Value Zone:	Mid	Greenfield/Brownfield:	Brownfield
Notes:					
AH Commuted Sum			938 sqm (total)		£ psm
Comm. Sum analysis:			0.00% % of GDV		
Construction Costs -					
Site Clearance, Demolition & Remediation			0.26 ha @		£ per ha (if brownfield)
(32,513)					
Site Infrastructure costs -					
	Year 1				-
	Year 2				-
	Year 3				-
	Year 4				-
	Year 5				-
	Year 6				-
	Year 7				-
	Year 8				-
	Year 9				-
	Year 10				-
	Year 11				-
	Year 12				-
	Year 13				-
	Year 14				-
	Year 15				-
	Years 1-15		10 units @		per unit
Sub-total					-
Infra. Costs analysis:		- £ per ha	0.00% % of GDV		0 £ per unit (total units)
1 bed House					
			- sqm @		psm
-					
2 bed House					
			174 sqm @		psm
(211,862)					
3 bed House					
			500 sqm @		psm
(609,500)					
4 bed House					
			184 sqm @		psm
(224,296)					
5 bed House					
			- sqm @		psm
-					
1 bed Flat					
			47 sqm @		psm
(63,435)					
2 bed Flat					
		938	33 sqm @		psm
(44,405)					
Garages for 3 bed House (OMS only)			4 units @	@	£ per garage
(10,800)					
Garages for 4 bed House (OMS only)			1 units @	@	£ per garage
(7,200)					
Garages for 5 bed House (OMS only)			- units @	@	£ per garage
-					
External works					
			1,171,498 @		
(175,725)					
Ext. Works analysis:					17,572 £ per unit (total units)
Policy Costs on design -					
Net Biodiversity costs					
M4(2) Category 2 Housing Aff units			4 units @	10% @	268 £ per unit
(2,680)					
M4(3)2b Category 3 Housing Aff units			4 units @	10% @	521 £ per unit
(208)					
M4(2) Category 2 Housing OMS units			6 units @	10% @	22,791 £ per unit
(9,116)					
M4(3)2b Category 3 Housing OMS units			6 units @	10% @	521 £ per unit
(313)					
Carbon/Energy Reduction/FHS Houses			6 units @	0% @	22,791 £ per unit
-					
Carbon/Energy Reduction/FHS Flats			9 units @		4,847 £ per unit
(42,654)					
Carbon/Energy Reduction/FHS Flats			1 units @		2,256 £ per unit
(2,707)					
Net Zero (including full FHS 2025 costs units)			10 units @		6,000 £ per unit
(60,000)					
EV Charging Points Houses			9 units @		1,000 £ per unit
(8,800)					
EV Charging Points Flats			1 units @		2,500 £ per units
(3,000)					
Water Efficiency			10 units @		10 £ per unit
(100)					
Sub-total					(129,578)
Policy Costs analysis: (design costs only)					12,958 £ per unit (total units)
Contingency (on construction)					
			1,509,314 @	5.0%	
(75,466)					
Professional Fees					
			1,509,314 @	6.5%	
(98,105)					
Disposal Costs -					
OMS Marketing and Promotion			1,800,000 OMS @	3.00%	5,400 £ per unit
(54,000)					
Residential Sales Agent Costs			1,800,000 OMS @	1.00%	1,800 £ per unit
(18,000)					
Residential Sales Legal Costs			1,800,000 OMS @	0.25%	450 £ per unit
(4,500)					
Affordable Sale Legal Costs					lump sum
(10,000)					
Disposal Cost analysis:					8,650 £ per unit
Interest (on Development Costs) -					
			6.50% APR		0.526% pcm
(51,761)					
Developers Profit -					
Profit on OMS			1,800,000	18.00%	
(324,000)					
Margin on AH			583,110	6.00% on AH values	
(34,987)					
Profit analysis:			2,383,110	15.06% blended GDV	(358,987)
			1,953,432	18.38% on costs	(358,987)
TOTAL COSTS					
(2,312,419)					

Scheme Typology: **BF MV 10** No Units: **10**
Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
Notes:

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				70,691
SDLT		70,691 @	HMRC formula	6,965
Acquisition Agent fees		70,691 @	1.0%	(707)
Acquisition Legal fees		70,691 @	0.5%	(353)
Interest on Land		70,691 @	6.50%	(4,595)
Residual Land Value				72,001
RLV analysis:	7,200 £ per plot	273,604 £ per ha (net)	110,726 £ per acre (net)	
		246,244 £ per ha (gross)	99,654 £ per acre (gross)	
			3.02% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density		38.0 dph (net)		
Site Area (net)		0.26 ha (net)	0.65 acres (net)	
Net to Gross ratio		90%		
Site Area (gross)		0.292 ha (gross)	0.72 acres (gross)	
Benchmark Land Value (net)	34,139 £ per plot	1,297,275 £ per ha (net)	525,000 £ per acre (net)	341,388
BLV analysis:	Density	3,564 sqm/ha (net)	15,524 sqft/ac (net)	
		34 dph (gross)		
		1,167,548 £ per ha (gross)	472,500 £ per acre (gross)	

BALANCE			
Surplus/(Deficit)		(1,023,671) £ per ha (net)	(414,274) £ per acre (net)
			(269,387)

Scheme Typology: **BF MV 10** No Units: **10**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%
CIL £ psm	0.00		(19,436)	(68,720)	(118,069)	(167,436)	(216,804)	(266,171)	(315,539)
	5.00		(26,384)	(75,336)	(124,355)	(173,373)	(222,391)	(271,410)	(320,428)
	10.00		(33,332)	(81,972)	(130,641)	(179,310)	(227,979)	(276,648)	(325,317)
	15.00		(40,287)	(88,607)	(136,927)	(185,247)	(233,567)	(281,886)	(330,206)
	20.00		(47,272)	(95,242)	(143,213)	(191,184)	(239,154)	(287,125)	(335,095)
	25.00		(54,256)	(101,878)	(149,499)	(197,120)	(244,742)	(292,363)	(339,985)
	30.00		(61,241)	(108,513)	(155,785)	(203,057)	(250,329)	(297,602)	(344,874)
	35.00		(68,225)	(115,148)	(162,071)	(208,994)	(255,917)	(302,840)	(349,763)
	40.00		(75,210)	(121,784)	(168,357)	(214,931)	(261,505)	(308,076)	(354,652)
	45.00		(82,194)	(128,419)	(174,643)	(220,868)	(267,092)	(313,317)	(359,541)
	50.00		(89,179)	(135,054)	(180,929)	(226,805)	(272,680)	(318,555)	(364,430)
	55.00		(96,163)	(141,689)	(187,216)	(232,742)	(278,268)	(323,794)	(369,320)
	60.00		(103,148)	(148,325)	(193,502)	(238,678)	(283,855)	(329,032)	(374,209)
	65.00		(110,133)	(154,960)	(199,788)	(244,615)	(289,443)	(334,270)	(379,098)
	70.00		(117,117)	(161,595)	(206,074)	(250,552)	(295,030)	(339,509)	(383,987)
	75.00		(124,102)	(168,231)	(212,360)	(256,489)	(300,618)	(344,747)	(388,876)
80.00		(131,086)	(174,866)	(218,646)	(262,426)	(306,206)	(349,986)	(393,766)	
85.00		(138,071)	(181,501)	(224,932)	(268,363)	(311,793)	(355,224)	(398,655)	
90.00		(145,055)	(188,137)	(231,218)	(274,300)	(317,381)	(360,462)	(403,544)	
95.00		(152,040)	(194,772)	(237,504)	(280,236)	(322,969)	(365,701)	(408,433)	
100.00		(159,024)	(201,407)	(243,790)	(286,173)	(328,556)	(370,939)	(413,322)	
105.00		(166,009)	(208,043)	(250,076)	(292,110)	(334,144)	(376,178)	(418,211)	
110.00		(172,993)	(214,678)	(256,362)	(298,047)	(339,731)	(381,416)	(423,101)	
115.00		(179,978)	(221,313)	(262,648)	(303,984)	(345,319)	(386,654)	(427,990)	
120.00		(186,962)	(227,948)	(268,935)	(309,921)	(350,907)	(391,893)	(432,879)	
125.00		(193,947)	(234,584)	(275,221)	(315,857)	(356,494)	(397,131)	(437,768)	

TABLE 2

		Affordable Housing - % on site 40%								
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%	
Site Specific S106 per unit	1,000		146,058	96,774	47,490	(1,794)	(51,077)	(100,361)	(149,645)	
	2,000		131,993	82,709	33,425	(15,858)	(65,142)	(114,426)	(163,710)	
	3,000		117,928	68,644	19,361	(29,923)	(79,207)	(128,491)	(177,774)	
	4,000		103,863	54,580	5,296	(43,988)	(93,272)	(142,555)	(191,839)	
	5,000		89,799	40,515	(8,769)	(58,053)	(107,336)	(156,620)	(205,904)	
	6,000		75,734	26,450	(22,833)	(72,117)	(121,401)	(170,685)	(219,968)	
	7,000		61,669	12,386	(36,898)	(86,182)	(135,466)	(184,749)	(234,033)	
	8,000		47,605	(1,679)	(50,963)	(100,247)	(149,530)	(198,814)	(248,145)	
	9,000		33,540	(15,744)	(65,028)	(114,311)	(163,595)	(212,917)	(262,284)	
	10,000		19,475	(29,809)	(79,092)	(128,376)	(177,688)	(227,055)	(276,423)	
	11,000		5,410	(43,873)	(93,157)	(142,459)	(191,827)	(241,194)	(290,562)	
	12,000		(8,654)	(57,938)	(107,230)	(156,598)	(205,965)	(255,333)	(304,700)	
	13,000		(22,719)	(72,003)	(121,369)	(170,736)	(220,104)	(269,471)	(318,839)	
	14,000		(36,784)	(86,140)	(135,508)	(184,875)	(234,243)	(283,610)	(332,978)	
				(50,911)	(100,279)	(149,646)	(199,014)	(248,381)	(297,749)	(347,116)

TABLE 3

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%
Profit	15.0%		100,977	45,672	(9,697)	(65,085)	(120,473)	(175,862)	(231,250)
	16.0%		60,839	7,542	(45,821)	(99,202)	(152,584)	(205,965)	(259,346)
	17.0%		20,702	(30,589)	(81,945)	(133,319)	(184,694)	(236,068)	(287,442)
	18.0%		(19,436)	(68,720)	(118,069)	(167,436)	(216,804)	(266,171)	(315,539)
	19.0%		(59,574)	(106,851)	(154,192)	(201,553)	(248,914)	(296,274)	(343,635)
	20.0%		(99,711)	(144,981)	(190,316)	(235,670)	(281,024)	(326,378)	(371,731)

TABLE 4

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%
BLV (£ per acre)	50,000		505,564	456,280	406,931	357,564	308,196	258,829	209,461
	100,000		455,564	406,280	356,931	307,564	258,196	208,829	159,461
	150,000		405,564	356,280	306,931	257,564	208,196	158,829	109,461
	200,000		355,564	306,280	256,931	207,564	158,196	108,829	59,461
	250,000		305,564	256,280	206,931	157,564	108,196	58,829	9,461
	300,000		255,564	206,280	156,931	107,564	58,196	8,829	(40,539)
	350,000		205,564	156,280	106,931	57,564	8,196	(41,171)	(90,539)
	400,000		155,564	106,280	56,931	7,564	(41,804)	(91,171)	(140,539)
	450,000		105,564	56,280	6,931	(42,436)	(91,804)	(141,171)	(190,539)
	500,000		55,564	6,280	(43,069)	(92,436)	(141,804)	(191,171)	(240,539)
	550,000		5,564	(43,720)	(93,069)	(142,436)	(191,804)	(241,171)	(290,539)
	600,000		(44,436)	(93,720)	(143,069)	(192,436)	(241,804)	(291,171)	(340,539)
	650,000		(94,436)	(143,720)	(193,069)	(242,436)	(291,804)	(341,171)	(390,539)
	700,000		(144,436)	(193,720)	(243,069)	(292,436)	(341,804)	(391,171)	(440,539)
	750,000		(194,436)	(243,720)	(293,069)	(342,436)	(391,804)	(441,171)	(490,539)
				(244,436)	(293,720)	(343,069)	(392,436)	(441,804)	(491,171)

Scheme Typology: **BF MV 10** No Units: **10**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%
Density (dph)	38.0	40	9,909	(41,969)	(93,901)	(145,866)	(197,832)	(249,798)	(301,764)
		45	83,271	24,909	(33,480)	(91,942)	(150,404)	(208,865)	(267,327)
		50	156,633	91,786	26,939	(38,018)	(102,975)	(167,932)	(232,889)
		55	229,995	158,663	87,332	15,907	(55,546)	(126,999)	(198,452)
		60	303,357	225,541	147,724	69,831	(8,118)	(86,066)	(164,015)
		65	376,719	292,418	208,117	123,756	39,311	(45,133)	(129,578)
		70	450,081	359,296	268,510	177,680	86,740	(4,200)	(95,141)
		75	523,444	426,173	328,902	231,604	134,168	36,733	(60,703)
		80	596,806	493,050	389,295	285,529	181,597	77,665	(26,266)
		85	670,168	559,928	449,688	339,448	229,026	118,598	8,171
	90	743,530	626,805	510,080	393,356	276,454	159,531	42,608	

TABLE 6

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%
Build Cost	100%	90%	198,920	148,483	98,047	47,610	(2,827)	(53,263)	(103,700)
		92%	155,249	105,043	54,837	4,631	(45,575)	(95,782)	(145,988)
		94%	111,578	61,602	11,627	(38,349)	(88,324)	(138,300)	(188,275)
		96%	67,906	18,162	(31,583)	(81,328)	(131,073)	(180,818)	(230,563)
		98%	24,235	(25,279)	(74,793)	(124,308)	(173,830)	(223,429)	(273,029)
		100%	(19,436)	(68,720)	(118,069)	(167,436)	(216,804)	(266,171)	(315,539)
		102%	(63,235)	(112,370)	(161,506)	(210,642)	(259,778)	(308,913)	(358,049)
		104%	(107,136)	(156,040)	(204,944)	(253,847)	(302,751)	(351,655)	(400,559)
		106%	(151,037)	(199,709)	(248,381)	(297,053)	(345,725)	(394,397)	(443,069)
		108%	(194,938)	(243,378)	(291,818)	(340,259)	(388,699)	(437,139)	(485,697)
		110%	(238,839)	(287,047)	(335,256)	(383,464)	(431,689)	(480,060)	(528,431)
		112%	(282,740)	(330,717)	(378,693)	(426,751)	(474,889)	(523,027)	(571,165)

TABLE 6a

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%
Net Zero extra over FHS Interim Uplift	£0	£0	70,595	21,312	(27,986)	(77,353)	(126,721)	(176,088)	(225,456)
	£1,000	£1,000	55,590	6,306	(43,000)	(92,367)	(141,735)	(191,102)	(240,470)
	£2,000	£2,000	40,585	(8,699)	(58,013)	(107,381)	(156,749)	(206,116)	(255,484)
	£3,000	£3,000	25,580	(23,704)	(73,027)	(122,395)	(171,762)	(221,130)	(270,497)
	£4,000	£4,000	10,574	(38,709)	(88,041)	(137,409)	(186,776)	(236,144)	(285,511)
	£5,000	£5,000	(4,431)	(53,715)	(103,055)	(152,422)	(201,790)	(251,157)	(300,525)
	£6,000	£6,000	(19,436)	(68,720)	(118,069)	(167,436)	(216,804)	(266,171)	(315,539)
	£7,000	£7,000	(34,441)	(83,725)	(133,082)	(182,450)	(231,817)	(281,185)	(330,553)
	£8,000	£8,000	(49,447)	(98,730)	(148,096)	(197,464)	(246,831)	(296,199)	(345,566)
	£9,000	£9,000	(64,452)	(113,742)	(163,110)	(212,478)	(261,845)	(311,213)	(360,580)
	£10,000	£10,000	(79,457)	(128,756)	(178,124)	(227,491)	(276,859)	(326,228)	(375,594)
	£11,000	£11,000	(94,462)	(143,770)	(193,138)	(242,505)	(291,873)	(341,240)	(390,608)

TABLE 7

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(414,274)	0%	5%	10%	15%	20%	25%	30%
Market Values	100%	80%	(657,142)	(674,757)	(692,394)	(710,030)	(727,667)	(745,304)	(762,941)
		82%	(593,183)	(613,937)	(634,691)	(655,445)	(676,223)	(697,075)	(717,927)
		84%	(529,223)	(553,175)	(577,127)	(601,079)	(625,031)	(648,984)	(672,936)
		86%	(465,263)	(492,413)	(519,564)	(546,714)	(573,864)	(601,014)	(628,164)
		88%	(401,304)	(431,652)	(462,000)	(492,348)	(522,696)	(553,044)	(583,392)
		90%	(337,379)	(371,034)	(404,689)	(437,982)	(471,528)	(505,074)	(538,620)
		92%	(273,930)	(310,567)	(347,205)	(383,843)	(420,480)	(457,118)	(493,849)
		94%	(210,281)	(250,101)	(289,921)	(329,741)	(369,561)	(409,381)	(449,202)
		96%	(146,632)	(189,634)	(232,637)	(275,639)	(318,642)	(361,645)	(404,647)
		98%	(82,983)	(129,168)	(175,353)	(221,538)	(267,723)	(313,908)	(360,093)
		100%	(19,436)	(68,720)	(118,069)	(167,436)	(216,804)	(266,171)	(315,539)
		102%	43,937	(8,515)	(60,967)	(113,420)	(165,885)	(218,434)	(270,984)
	104%	107,311	51,690	(3,931)	(59,552)	(115,174)	(170,795)	(226,430)	
	106%	170,684	111,894	53,105	(5,685)	(64,475)	(123,265)	(182,054)	
	108%	234,058	172,099	110,141	48,182	(13,776)	(75,735)	(137,693)	
	110%	297,431	232,304	167,177	102,050	36,923	(28,204)	(93,332)	
	112%	360,805	292,509	224,213	155,917	87,621	19,326	(48,970)	
	114%	424,068	352,688	281,249	209,785	138,320	66,856	(4,609)	
	116%	487,201	412,664	338,126	263,589	189,019	114,386	39,753	
	118%	550,334	472,640	394,946	317,252	239,558	161,864	84,114	
	120%	613,467	532,616	451,766	370,915	290,064	209,214	128,363	

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

Appraisal Ref: **E** (see Typologies Matrix)
 Scheme Typology: **BF MV 18**
 Site Typology: Location / Value Zone: **Mid** No Units: **18**
 Greenfield/Brownfield: **Brownfield**
 Notes:

ASSUMPTIONS - RESIDENTIAL USES

Total number of units in scheme	18 Units		
AH Policy requirement (% Target)	40%		
Open Market Sale (OMS) housing	Open Market Sale (OMS)	60%	
AH tenure split %	Affordable Rent:	0.0%	65.0% Rented
	Social Rent:	65.0%	
	First Homes:	25.0%	
	Other Intermediate (LCHO/Sub-Market etc.):	10.0%	
		100%	100.0%
			14.0% % of total (>10% First Homes PPG 023)

CIL Rate (£ psm) **0.00** £ psm

Unit mix -	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0
2 bed House	20.0%	2.2	25.0%	1.8	22%	4.0
3 bed House	55.0%	5.9	35.0%	2.5	47%	8.5
4 bed House	20.0%	2.2	10.0%	0.7	16%	2.9
5 bed House	5.0%	0.5	0.0%	0.0	3%	0.5
1 bed Flat	0.0%	0.0	20.0%	1.4	8%	1.4
2 bed Flat	0.0%	0.0	10.0%	0.7	4%	0.7
Total number of units	100.0%	10.8	100.0%	7.2	100%	18.0

OMS Unit Floor areas -	Net area per unit		Net to Gross %	Gross (GIA) per unit	
	(sqm)	(sqft)		(sqm)	(sqft)
1 bed House	62.0	667		62.0	667
2 bed House	79.0	850		79.0	850
3 bed House	100.0	1,076		100.0	1,076
4 bed House	115.0	1,238		115.0	1,238
5 bed House	140.0	1,507		140.0	1,507
1 bed Flat	50.0	538	85.0%	58.8	633
2 bed Flat	70.0	753	85.0%	82.4	886

AH Unit Floor areas -	Net area per unit		Net to Gross %	Gross (GIA) per unit	
	(sqm)	(sqft)		(sqm)	(sqft)
1 bed House	62.0	667		62.0	667
2 bed House	79.0	850		79.0	850
3 bed House	100.0	1,076		100.0	1,076
4 bed House	115.0	1,238		115.0	1,238
5 bed House	140.0	1,507		140.0	1,507
1 bed Flat	50.0	538	85.0%	58.8	633
2 bed Flat	70.0	753	85.0%	82.4	886

Total Gross Floor areas -	OMS Units GIA		AH units GIA		Total GIA (all units)	
	(sqm)	(sqft)	(sqm)	(sqft)	(sqm)	(sqft)
1 bed House	0	0	0	0	0	0
2 bed House	171	1,837	142	1,531	313	3,367
3 bed House	594	6,394	252	2,713	846	9,106
4 bed House	248	2,674	83	891	331	3,565
5 bed House	76	814	0	0	76	814
1 bed Flat	0	0	85	912	85	912
2 bed Flat	0	0	59	638	59	638
	1,089	11,718	621	6,684	1,710	18,402

AH % by floor area: **36.32% AH % by floor area (difference due to mix)**

Open Market Sales values (£) -	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)
1 bed House	0	0	0	0
2 bed House	250,000	3,165	294	990,000
3 bed House	305,000	3,050	283	2,580,300
4 bed House	335,000	2,913	271	964,800
5 bed House	400,000	2,857	265	216,000
1 bed Flat	160,000	3,200	297	230,400
2 bed Flat	210,000	3,000	279	151,200
				5,132,700

Affordable Housing values (£) -	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV
1 bed House	0	60%	0	50%	0	70%	0	70%
2 bed House	150,000	60%	125,000	50%	175,000	70%	175,000	70%
3 bed House	183,000	60%	152,500	50%	213,500	70%	213,500	70%
4 bed House	201,000	60%	167,500	50%	234,500	70%	234,500	70%
5 bed House	240,000	60%	200,000	50%	250,000	70%	280,000	70%
1 bed Flat	96,000	60%	80,000	50%	112,000	70%	112,000	70%
2 bed Flat	126,000	60%	105,000	50%	147,000	70%	147,000	70%

* capped @£250K

Scheme Typology: **BF MV 18** No Units: **18**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	2.2	@	250,000	540,000
3 bed House	5.9	@	305,000	1,811,700
4 bed House	2.2	@	335,000	723,600
5 bed House	0.5	@	400,000	216,000
1 bed Flat	0.0	@	160,000	-
2 bed Flat	0.0	@	210,000	-
	10.8			3,291,300
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	150,000	-
3 bed House	0.0	@	183,000	-
4 bed House	0.0	@	201,000	-
5 bed House	0.0	@	240,000	-
1 bed Flat	0.0	@	96,000	-
2 bed Flat	0.0	@	126,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	1.2	@	125,000	146,250
3 bed House	1.6	@	152,500	249,795
4 bed House	0.5	@	167,500	78,390
5 bed House	0.0	@	200,000	-
1 bed Flat	0.9	@	80,000	74,880
2 bed Flat	0.5	@	105,000	49,140
	4.7			598,455
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.5	@	175,000	78,750
3 bed House	0.6	@	213,500	134,505
4 bed House	0.2	@	234,500	42,210
5 bed House	0.0	@	250,000	-
1 bed Flat	0.4	@	112,000	40,320
2 bed Flat	0.2	@	147,000	26,460
	1.8			322,245
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.2	@	175,000	31,500
3 bed House	0.3	@	213,500	53,802
4 bed House	0.1	@	234,500	16,884
5 bed House	0.0	@	280,000	-
1 bed Flat	0.1	@	112,000	16,128
2 bed Flat	0.1	@	147,000	10,584
	0.7	7.2		128,898
Sub-total GDV Residential	18			4,340,898
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	791,802
		463 £ psm (total GIA sqm)	43,989 £ per unit (total units)	
Grant	7	AH units @	0	per unit
Total GDV				4,340,898

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(8,316)
Planning Application Professional Fees, Surveys and reports				(20,000)
CIL	1,089 sqm (Market only)	0.00 £ psm		-
	0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106 Contributions	Year 1			-
	Year 2			-
	Year 3			-
	Year 4			-
	Year 5			-
	Year 6			-
	Year 7			-
	Year 8			-
	Year 9			-
	Year 10			-
	Year 11			-
	Year 12			-
	Year 13			-
	Year 14			-
	Year 15			-
	Years 1-15	18 units @	11,767 per unit	(211,798)
	Sub-total			(211,798)

Scheme Typology: **BF MV 18** No Units: **18**
Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
Notes:

	S106 analysis:	317,698 £ per ha	4.88% % of GDV	11,767 £ per unit (total units)	
AH Commuted Sum			1,710 sqm (total)	£ psm	-
	Comm. Sum analysis:		0.00% % of GDV		
Construction Costs -					
Site Clearance, Demolition & Remediation			0.67 ha @	£ per ha (if brownfield)	(82,367)
Site Infrastructure costs -					
Year 1					-
Year 2					-
Year 3					-
Year 4					-
Year 5					-
Year 6					-
Year 7					-
Year 8					-
Year 9					-
Year 10					-
Year 11					-
Year 12					-
Year 13					-
Year 14					-
Year 15					-
Years 1-15			18 units @	per unit	-
Sub-total					-
	Infra. Costs analysis:	- £ per ha	0.00% % of GDV	0 £ per unit (total units)	
1 bed House			sqm @	psm	-
2 bed House			313 sqm @	psm	(381,352)
3 bed House			846 sqm @	psm	(1,031,274)
4 bed House			331 sqm @	psm	(403,733)
5 bed House			76 sqm @	psm	(92,156)
1 bed Flat			85 sqm @	psm	(114,184)
2 bed Flat			59 sqm @	psm	(79,928)
Garages for 3 bed House (OMS only)			6 units @	@ £ per garage	(17,820)
Garages for 4 bed House (OMS only)			2 units @	@ £ per garage	(12,960)
Garages for 5 bed House (OMS only)			1 units @	@ £ per garage	(4,860)
External works			2,138,267 @		(320,740)
	Ext. Works analysis:			17,819 £ per unit (total units)	
Policy Costs on design -					
Net Biodiversity costs			18 units @	268 £ per unit	(4,824)
M4(2) Category 2 Housing Aff units			7 units @	10% @ 521 £ per unit	(375)
M4(3)2b Category 3 Housing Aff units			7 units @	10% @ 22,791 £ per unit	(16,410)
M4(2) Category 2 Housing OMS units			11 units @	10% @ 521 £ per unit	(563)
M4(3)2b Category 3 Housing OMS units			11 units @	0% @ 22,791 £ per unit	-
Carbon/Energy Reduction/FHS Houses			16 units @	4,847 £ per unit	(76,776)
Carbon/Energy Reduction/FHS Flats			2 units @	2,256 £ per unit	(4,873)
Net Zero (including full FHS 2025 costs) units			18 units @	6,000 £ per unit	(108,000)
EV Charging Points Houses			16 units @	1,000 £ per unit	(15,840)
EV Charging Points Flats			2 units @	2,500 £ per unit	(5,400)
Water Efficiency			18 units @	10 £ per unit	(180)
Sub-total					(233,241)
	Policy Costs analysis: (design costs only)			12,958 £ per unit (total units)	
Contingency (on construction)			2,774,615 @	5.0%	(138,731)
Professional Fees			2,774,615 @	6.5%	(180,350)
Disposal Costs -					
OMS Marketing and Promotion			3,291,300 OMS @	3.00%	5,486 £ per unit (98,739)
Residential Sales Agent Costs			3,291,300 OMS @	1.00%	1,829 £ per unit (32,913)
Residential Sales Legal Costs			3,291,300 OMS @	0.25%	457 £ per unit (8,228)
Affordable Sale Legal Costs				lump sum	(10,000)
	Disposal Cost analysis:			8,327 £ per unit	
Interest (on Development Costs) -			6.50% APR	0.526% pcm	(96,579)
Developers Profit -					
Profit on OMS			3,291,300	18.00%	(592,434)
Margin on AH			1,049,598	6.00% on AH values	(62,976)
	Profit analysis:		4,340,898	15.10% blended GDV	(655,410)
			3,580,269	18.31% on costs	(655,410)
TOTAL COSTS					(4,235,679)

Scheme Typology: **BF MV 18** No Units: **18**
Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
Notes:

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				105,219
SDLT		105,219 @	HMRC formula	5,239
Acquisition Agent fees		105,219 @	1.0%	(1,052)
Acquisition Legal fees		105,219 @	0.5%	(526)
Interest on Land		105,219 @	6.50%	(6,839)
Residual Land Value				102,041
RLV analysis:	5,669 £ per plot	153,061 £ per ha (net)	61,943 £ per acre (net)	
		137,755 £ per ha (gross)	55,749 £ per acre (gross)	
			2.35% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density		27.0 dph (net)		
Site Area (net)		0.67 ha (net)	1.65 acres (net)	
Net to Gross ratio		90%		
Site Area (gross)		0.741 ha (gross)	1.83 acres (gross)	
Benchmark Land Value (net)	48,047 £ per plot	1,297,275 £ per ha (net)	525,000 £ per acre (net)	864,850
BLV analysis:	Density	2.564 sqm/ha (net)	11,171 sqft/ac (net)	
		24 dph (gross)		
		1,167,548 £ per ha (gross)	472,500 £ per acre (gross)	

BALANCE			
Surplus/(Deficit)		(1,144,214) £ per ha (net)	(463,057) £ per acre (net)
			(762,809)

Scheme Typology: **BF MV 18** No Units: **18**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
CIL £ psm 0.00	0.00		(182,303)	(217,398)	(252,492)	(287,586)	(322,680)	(357,774)	(392,869)
	5.00		(187,367)	(222,208)	(257,049)	(291,890)	(326,731)	(361,572)	(396,413)
	10.00		(192,430)	(227,018)	(261,605)	(296,193)	(330,781)	(365,369)	(399,957)
	15.00		(197,493)	(231,828)	(266,162)	(300,497)	(334,832)	(369,167)	(403,501)
	20.00		(202,556)	(236,638)	(270,719)	(304,801)	(338,882)	(372,964)	(407,046)
	25.00		(207,619)	(241,448)	(275,276)	(309,104)	(342,933)	(376,761)	(410,590)
	30.00		(212,682)	(246,258)	(279,833)	(313,408)	(346,983)	(380,559)	(414,134)
	35.00		(217,745)	(251,068)	(284,390)	(317,712)	(351,034)	(384,356)	(417,678)
	40.00		(222,809)	(255,878)	(288,947)	(322,015)	(355,084)	(388,153)	(421,222)
	45.00		(227,872)	(260,688)	(293,503)	(326,319)	(359,135)	(391,951)	(424,767)
	50.00		(232,935)	(265,498)	(298,060)	(330,623)	(363,185)	(395,748)	(428,311)
	55.00		(237,998)	(270,308)	(302,617)	(334,927)	(367,236)	(399,546)	(431,855)
	60.00		(243,061)	(275,118)	(307,174)	(339,230)	(371,287)	(403,343)	(435,399)
	65.00		(248,124)	(279,928)	(311,731)	(343,534)	(375,337)	(407,140)	(438,943)
	70.00		(253,188)	(284,738)	(316,288)	(347,838)	(379,388)	(410,938)	(442,488)
	75.00		(258,251)	(289,548)	(320,844)	(352,141)	(383,438)	(414,735)	(446,032)
	80.00		(263,314)	(294,358)	(325,401)	(356,445)	(387,489)	(418,532)	(449,576)
85.00		(268,377)	(299,168)	(329,958)	(360,749)	(391,539)	(422,330)	(453,120)	
90.00		(273,440)	(303,978)	(334,515)	(365,052)	(395,590)	(426,127)	(456,664)	
95.00		(278,503)	(308,788)	(339,072)	(369,356)	(399,640)	(429,924)	(460,209)	
100.00		(283,566)	(313,598)	(343,629)	(373,660)	(403,691)	(433,722)	(463,753)	
105.00		(288,630)	(318,408)	(348,185)	(377,963)	(407,741)	(437,519)	(467,297)	
110.00		(293,693)	(323,218)	(352,742)	(382,267)	(411,792)	(441,317)	(470,841)	
115.00		(298,756)	(328,027)	(357,299)	(386,571)	(415,842)	(445,114)	(474,385)	
120.00		(303,819)	(332,837)	(361,856)	(390,874)	(419,893)	(448,911)	(477,930)	
125.00		(308,882)	(337,647)	(366,413)	(395,178)	(423,943)	(452,709)	(481,474)	

TABLE 2

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
Site Specific S106 per unit 11,767	-		(64,696)	(99,732)	(134,768)	(169,805)	(204,841)	(239,877)	(274,913)
	1,000		(74,689)	(109,726)	(144,762)	(179,798)	(214,834)	(249,870)	(284,907)
	2,000		(84,683)	(119,719)	(154,755)	(189,791)	(224,828)	(259,864)	(294,900)
	3,000		(94,676)	(129,712)	(164,749)	(199,785)	(234,821)	(269,857)	(304,893)
	4,000		(104,669)	(139,706)	(174,742)	(209,778)	(244,814)	(279,851)	(314,887)
	5,000		(114,663)	(149,699)	(184,735)	(219,771)	(254,808)	(289,844)	(324,892)
	6,000		(124,656)	(159,692)	(194,729)	(229,765)	(264,801)	(299,844)	(334,938)
	7,000		(134,649)	(169,686)	(204,722)	(239,758)	(274,795)	(309,890)	(344,984)
	8,000		(144,643)	(179,679)	(214,715)	(249,752)	(284,841)	(319,936)	(355,030)
	9,000		(154,636)	(189,672)	(224,709)	(259,793)	(294,887)	(329,982)	(365,076)
	10,000		(164,630)	(199,666)	(234,745)	(269,839)	(304,933)	(340,028)	(375,122)
	11,000		(174,623)	(209,659)	(244,791)	(279,885)	(314,979)	(350,073)	(385,168)
	12,000		(184,648)	(219,743)	(254,837)	(289,931)	(325,025)	(360,119)	(395,214)
	13,000		(194,694)	(229,788)	(264,883)	(299,977)	(335,071)	(370,165)	(405,260)
14,000		(204,740)	(239,834)	(274,929)	(310,023)	(345,117)	(380,211)	(415,306)	

TABLE 3

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
Profit 18.0%	15.0%		(95,392)	(134,832)	(174,272)	(213,712)	(253,151)	(292,591)	(332,031)
	16.0%		(124,363)	(162,354)	(200,345)	(238,336)	(276,328)	(314,319)	(352,310)
	17.0%		(153,333)	(189,876)	(226,418)	(262,961)	(299,504)	(336,047)	(372,589)
	18.0%		(182,303)	(217,398)	(252,492)	(287,586)	(322,680)	(357,774)	(392,869)
	19.0%		(211,274)	(244,919)	(278,565)	(312,211)	(345,857)	(379,502)	(413,148)
	20.0%		(240,244)	(272,441)	(304,638)	(336,836)	(369,033)	(401,230)	(433,427)

TABLE 4

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
BLV (£ per acre) 525,000	-		342,697	307,602	272,508	237,414	202,320	167,226	132,131
	50,000		292,697	257,602	222,508	187,414	152,320	117,226	82,131
	100,000		242,697	207,602	172,508	137,414	102,320	67,226	32,131
	150,000		192,697	157,602	122,508	87,414	52,320	17,226	(17,869)
	200,000		142,697	107,602	72,508	37,414	2,320	(32,774)	(67,869)
	250,000		92,697	57,602	22,508	(12,586)	(47,680)	(82,774)	(117,869)
	300,000		42,697	7,602	(27,492)	(62,586)	(97,680)	(132,774)	(167,869)
	350,000		(7,303)	(42,398)	(77,492)	(112,586)	(147,680)	(182,774)	(217,869)
	400,000		(57,303)	(92,398)	(127,492)	(162,586)	(197,680)	(232,774)	(267,869)
	450,000		(107,303)	(142,398)	(177,492)	(212,586)	(247,680)	(282,774)	(317,869)
	500,000		(157,303)	(192,398)	(227,492)	(262,586)	(297,680)	(332,774)	(367,869)
	550,000		(207,303)	(242,398)	(277,492)	(312,586)	(347,680)	(382,774)	(417,869)
	600,000		(257,303)	(292,398)	(327,492)	(362,586)	(397,680)	(432,774)	(467,869)
	650,000		(307,303)	(342,398)	(377,492)	(412,586)	(447,680)	(482,774)	(517,869)
700,000		(357,303)	(392,398)	(427,492)	(462,586)	(497,680)	(532,774)	(567,869)	
750,000		(407,303)	(442,398)	(477,492)	(512,586)	(547,680)	(582,774)	(617,869)	

Scheme Typology: **BF MV 18** No Units: **18**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
Density (dph) 27.0	40		7,759	(44,146)	(96,121)	(148,113)	(200,104)	(252,096)	(304,087)
	45		80,853	22,459	(35,979)	(94,469)	(152,959)	(211,450)	(269,940)
	50		153,946	89,064	24,164	(40,825)	(105,815)	(170,804)	(235,793)
	55		227,039	155,669	84,299	12,818	(58,670)	(130,158)	(201,646)
	60		300,133	222,275	144,416	66,462	(11,525)	(89,512)	(167,500)
	65		373,226	288,880	204,533	120,105	35,619	(48,867)	(133,353)
	70		446,320	355,485	264,650	173,749	82,764	(8,221)	(99,206)
	75		519,413	422,090	324,767	227,393	129,909	32,425	(65,059)
	80		592,507	488,695	384,884	281,036	177,053	73,071	(30,912)
	85		665,600	555,301	445,001	334,680	224,198	113,716	3,234
90		738,693	621,906	505,119	388,324	271,343	154,362	37,381	

TABLE 6

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
Build Cost 100% (105% = 5% increase)	90%		(23,995)	(60,008)	(96,020)	(132,032)	(168,045)	(204,057)	(240,070)
	92%		(55,653)	(91,470)	(127,287)	(163,104)	(198,922)	(234,739)	(270,556)
	94%		(87,311)	(122,932)	(158,554)	(194,176)	(229,798)	(265,420)	(301,042)
	96%		(118,968)	(154,395)	(189,822)	(225,248)	(260,675)	(296,102)	(331,575)
	98%		(150,626)	(185,857)	(221,089)	(256,351)	(291,614)	(326,932)	(362,222)
	100%		(182,303)	(217,398)	(252,492)	(287,586)	(322,680)	(357,774)	(392,869)
	102%		(214,128)	(249,026)	(283,924)	(318,822)	(353,719)	(388,617)	(423,515)
	104%		(245,952)	(280,654)	(315,355)	(350,057)	(384,759)	(419,460)	(454,162)
	106%		(277,776)	(312,282)	(346,787)	(381,292)	(415,798)	(450,303)	(484,811)
	108%		(309,600)	(343,910)	(378,219)	(412,528)	(446,837)	(481,194)	(515,619)
	110%		(341,425)	(375,538)	(409,650)	(443,763)	(477,973)	(512,200)	(546,426)
	112%		(373,249)	(407,166)	(441,116)	(475,146)	(509,175)	(543,205)	(577,234)

TABLE 6a

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
Net Zero extra over FHS Interim Uplift £6,000	£0		(118,314)	(153,391)	(188,486)	(223,580)	(258,674)	(293,768)	(328,863)
	£1,000		(128,976)	(164,059)	(199,153)	(234,248)	(269,342)	(304,436)	(339,530)
	£2,000		(139,637)	(174,727)	(209,821)	(244,915)	(280,009)	(315,104)	(350,198)
	£3,000		(150,300)	(185,395)	(220,489)	(255,583)	(290,677)	(325,771)	(360,866)
	£4,000		(160,968)	(196,062)	(231,156)	(266,251)	(301,345)	(336,439)	(371,533)
	£5,000		(171,636)	(206,730)	(241,824)	(276,918)	(312,013)	(347,107)	(382,201)
	£6,000		(182,303)	(217,398)	(252,492)	(287,586)	(322,680)	(357,774)	(392,869)
	£7,000		(192,971)	(228,065)	(263,160)	(298,254)	(333,348)	(368,442)	(403,536)
	£8,000		(203,639)	(238,733)	(273,827)	(308,921)	(344,016)	(379,110)	(414,204)
	£9,000		(214,306)	(249,401)	(284,495)	(319,589)	(354,683)	(389,778)	(424,872)
	£10,000		(224,974)	(260,068)	(295,163)	(330,257)	(365,351)	(400,445)	(435,539)
	£11,000		(235,642)	(270,736)	(305,830)	(340,925)	(376,019)	(411,113)	(446,207)

TABLE 7

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(463,057)	0%	5%	10%	15%	20%	25%	30%
Market Values 100% (105% = 5% increase)	80%		(642,831)	(655,018)	(667,205)	(679,392)	(691,578)	(703,765)	(715,952)
	82%		(596,588)	(611,028)	(625,467)	(639,939)	(654,447)	(668,954)	(683,462)
	84%		(550,424)	(567,171)	(583,919)	(600,666)	(617,414)	(634,161)	(650,972)
	86%		(504,259)	(523,315)	(542,371)	(561,426)	(580,482)	(599,538)	(618,593)
	88%		(458,094)	(479,458)	(500,822)	(522,186)	(543,550)	(564,914)	(586,278)
	90%		(412,005)	(435,614)	(459,274)	(482,946)	(506,619)	(530,291)	(553,963)
	92%		(366,065)	(391,971)	(417,877)	(443,783)	(469,689)	(495,667)	(521,648)
	94%		(320,124)	(348,328)	(376,531)	(404,734)	(432,937)	(461,140)	(489,343)
	96%		(274,184)	(304,684)	(335,184)	(365,685)	(396,185)	(426,685)	(457,185)
	98%		(228,244)	(261,041)	(293,838)	(326,635)	(359,433)	(392,230)	(425,027)
	100%		(182,303)	(217,398)	(252,492)	(287,586)	(322,680)	(357,774)	(392,869)
	102%		(136,362)	(173,865)	(211,189)	(248,537)	(285,928)	(323,319)	(360,710)
	104%		(90,401)	(130,411)	(170,021)	(209,632)	(249,242)	(288,864)	(328,552)
	106%		(45,059)	(86,957)	(128,854)	(170,752)	(212,649)	(254,547)	(296,444)
	108%		682	(43,502)	(87,687)	(131,871)	(176,056)	(220,240)	(264,425)
	110%		46,424	(48)	(46,520)	(92,991)	(139,463)	(185,934)	(232,406)
112%		92,165	43,406	(5,352)	(54,111)	(102,870)	(151,628)	(200,387)	
114%		137,907	86,861	35,815	(15,231)	(66,276)	(117,322)	(168,368)	
116%		183,488	130,222	76,956	23,650	(29,683)	(83,016)	(136,349)	
118%		229,056	173,512	117,967	62,423	6,878	(48,710)	(104,330)	
120%		274,624	216,801	158,978	101,155	43,332	(14,491)	(72,314)	

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

Appraisal Ref: **F** (see Typologies Matrix)
 Scheme Typology: **BF MV 110**
 Site Typology: Location / Value Zone: **Mid** No Units: **110**
 Greenfield/Brownfield: **Brownfield**
 Notes:

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme		110 Units							
AH Policy requirement (% Target)		40%							
Open Market Sale (OMS) housing		60%							
AH tenure split %		Open Market Sale (OMS)		Affordable Rent:		Social Rent:		65.0% Rented	
				0.0%		65.0%			
				0.0%		25.0%			
				10.0%		10.0%		14.0% % of total (>10% First Homes PPG 023)	
				100%		100.0%			
CIL Rate (£ psm)		0.00 £ psm							
Unit mix -									
	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units			
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
2 bed House	35.0%	23.1	25.0%	11.0	31%	34.1			
3 bed House	50.0%	33.0	35.0%	15.4	44%	48.4			
4 bed House	10.0%	6.6	10.0%	4.4	10%	11.0			
5 bed House	5.0%	3.3	0.0%	0.0	3%	3.3			
1 bed Flat	0.0%	0.0	20.0%	8.8	8%	8.8			
2 bed Flat	0.0%	0.0	10.0%	4.4	4%	4.4			
Total number of units	100.0%	66.0	100.0%	44.0	100%	110.0			
OMS Unit Floor areas -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)				
1 bed House	62.0	667		62.0	667				
2 bed House	79.0	850		79.0	850				
3 bed House	100.0	1,076		100.0	1,076				
4 bed House	115.0	1,238		115.0	1,238				
5 bed House	140.0	1,507		140.0	1,507				
1 bed Flat	50.0	538	85.0%	58.8	633				
2 bed Flat	70.0	753	85.0%	82.4	886				
AH Unit Floor areas -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)				
1 bed House	62.0	667		62.0	667				
2 bed House	79.0	850		79.0	850				
3 bed House	100.0	1,076		100.0	1,076				
4 bed House	115.0	1,238		115.0	1,238				
5 bed House	140.0	1,507		140.0	1,507				
1 bed Flat	50.0	538	85.0%	58.8	633				
2 bed Flat	70.0	753	85.0%	82.4	886				
Total Gross Floor areas -									
	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)	(sqft)			
1 bed House	0	0	0	0	0	0			
2 bed House	1,825	19,643	869	9,354	2,694	28,997			
3 bed House	3,300	35,521	1,540	16,576	4,840	52,097			
4 bed House	759	8,170	506	5,447	1,265	13,616			
5 bed House	462	4,973	0	0	462	4,973			
1 bed Flat	0	0	518	5,572	518	5,572			
2 bed Flat	0	0	362	3,900	362	3,900			
	6,346	68,307	3,795	40,849	10,141	109,156			
AH % by floor area:		37.42% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)					
1 bed House	0	0	0	0					
2 bed House	250,000	3,165	294	8,525,000					
3 bed House	305,000	3,050	283	14,762,000					
4 bed House	335,000	2,913	271	3,685,000					
5 bed House	400,000	2,857	265	1,320,000					
1 bed Flat	160,000	3,200	297	1,408,000					
2 bed Flat	210,000	3,000	279	924,000					
				30,624,000					
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	0	60%	0	50%	0	70%	0	70%	
2 bed House	150,000	60%	125,000	50%	175,000	70%	175,000	70%	
3 bed House	183,000	60%	152,500	50%	213,500	70%	213,500	70%	
4 bed House	201,000	60%	167,500	50%	234,500	70%	234,500	70%	
5 bed House	240,000	60%	200,000	50%	250,000	70%	280,000	70%	
1 bed Flat	96,000	60%	80,000	50%	112,000	70%	112,000	70%	
2 bed Flat	126,000	60%	105,000	50%	147,000	70%	147,000	70%	
* capped @£250K									

Scheme Typology: **BF MV 110** No Units: **110**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	23.1	@	250,000	5,775,000
3 bed House	33.0	@	305,000	10,065,000
4 bed House	6.6	@	335,000	2,211,000
5 bed House	3.3	@	400,000	1,320,000
1 bed Flat	0.0	@	160,000	-
2 bed Flat	0.0	@	210,000	-
	66.0			19,371,000
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	150,000	-
3 bed House	0.0	@	183,000	-
4 bed House	0.0	@	201,000	-
5 bed House	0.0	@	240,000	-
1 bed Flat	0.0	@	96,000	-
2 bed Flat	0.0	@	126,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	7.2	@	125,000	893,750
3 bed House	10.0	@	152,500	1,526,525
4 bed House	2.9	@	167,500	479,050
5 bed House	0.0	@	200,000	-
1 bed Flat	5.7	@	80,000	457,600
2 bed Flat	2.9	@	105,000	300,300
	28.6			3,657,225
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	2.8	@	175,000	481,250
3 bed House	3.9	@	213,500	821,975
4 bed House	1.1	@	234,500	257,950
5 bed House	0.0	@	250,000	-
1 bed Flat	2.2	@	112,000	246,400
2 bed Flat	1.1	@	147,000	161,700
	11.0			1,969,275
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	1.1	@	175,000	192,500
3 bed House	1.5	@	213,500	328,790
4 bed House	0.4	@	234,500	103,180
5 bed House	0.0	@	280,000	-
1 bed Flat	0.9	@	112,000	98,560
2 bed Flat	0.4	@	147,000	64,680
	4.4	44.0		787,710
Sub-total GDV Residential	110			25,785,210
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	4,838,790
			477 £ psm (total GIA sqm)	43,989 £ per unit (total units)
Grant	44	AH units @	0 per unit	-
Total GDV				25,785,210

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(31,139)
Planning Application Professional Fees, Surveys and reports				(90,000)
CIL	6.346 sqm (Market only)	0.00 £ psm		-
	CIL analysis:	0.00% % of GDV	0 £ per unit (total units)	
Site Specific S106 Contributions	Year 1			-
	Year 2			-
	Year 3			-
	Year 4			-
	Year 5			-
	Year 6			-
	Year 7			-
	Year 8			-
	Year 9			-
	Year 10			-
	Year 11			-
	Year 12			-
	Year 13			-
	Year 14			-
	Year 15			-
	Years 1-15	110 units @	11,767 per unit	(1,294,324)
	Sub-total			(1,294,324)
S106 analysis:	270,631 £ per ha	5.02% % of GDV	11,767 £ per unit (total units)	
AH Commuted Sum	10,141 sqm (total)		0 £ psm	-

Scheme Typology:	BF MV 110		No Units: 110	
Site Typology:	Location / Value Zone:	Mid	Greenfield/Brownfield:	Brownfield
Notes:				
	Comm. Sum analysis:		0.00% % of GDV	
	<i>cont./</i>			

Scheme Typology: **BF MV 110** No Units: **110**
Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
Notes:

Construction Costs -						
Site Clearance, Demolition & Remediation		4.78 ha @			£ per ha (if brownfield)	(590,891)
Site Infrastructure costs -						
	Year 1					-
	Year 2					-
	Year 3					-
	Year 4					-
	Year 5					-
	Year 6					-
	Year 7					-
	Year 8					-
	Year 9					-
	Year 10					-
	Year 11					-
	Year 12					-
	Year 13					-
	Year 14					-
	Year 15					-
	Years 1-15	110 units @			per unit	-
	Sub-total					-
Infra. Costs analysis:		- £ per ha	0.00% % of GDV		0 £ per unit (total units)	
1 bed House		- sqm @			psm	-
2 bed House		2,694 sqm @			psm	(2,925,575)
3 bed House		4,840 sqm @			psm	(5,256,240)
4 bed House		1,265 sqm @			psm	(1,373,790)
5 bed House		462 sqm @			psm	(501,732)
1 bed Flat		518 sqm @			psm	(623,765)
2 bed Flat		362 sqm @			psm	(436,635)
		10,141				
Garages for 3 bed House (OMS only)		33 units @		@	£ per garage	(99,000)
Garages for 4 bed House (OMS only)		7 units @		@	£ per garage	(39,600)
Garages for 5 bed House (OMS only)		3 units @		@	£ per garage	(29,700)
External works		11,286,037 @				(1,692,906)
Ext. Works analysis:					15,390 £ per unit (total units)	
Policy Costs on design -						
Net Biodiversity costs		110 units @			268 £ per unit	(29,480)
M4(2) Category 2 Housing Aff units		44 units @	10% @		521 £ per unit	(2,292)
M4(3)2b Category 3 Housing Aff units		44 units @	10% @		22,791 £ per unit	(100,280)
M4(2) Category 2 Housing OMS units		66 units @	10% @		521 £ per unit	(3,439)
M4(3)2b Category 3 Housing OMS units		66 units @	0% @		22,791 £ per unit	-
Carbon/Energy Reduction/FHS Houses		97 units @			4,847 £ per unit	(469,190)
Carbon/Energy Reduction/FHS Flats		13 units @			2,256 £ per unit	(29,779)
Net Zero (including full FHS 2025 costs units)		110 units @			6,000 £ per unit	(660,000)
EV Charging Points Houses		97 units @			1,000 £ per unit	(96,800)
EV Charging Points Flats		13 units @			2,500 £ per units	(33,000)
Water Efficiency		110 units @			10 £ per unit	(1,100)
Sub-total						(1,425,360)
Policy Costs analysis: (design costs only)					12,958 £ per unit (total units)	
Contingency (on construction)		14,995,195 @			5.0%	(749,760)
Professional Fees		14,995,195 @			6.5%	(974,688)
Disposal Costs -						
OMS Marketing and Promotion		19,371,000 OMS @			3.00%	5,283 £ per unit (581,130)
Residential Sales Agent Costs		19,371,000 OMS @			1.00%	1,761 £ per unit (193,710)
Residential Sales Legal Costs		19,371,000 OMS @			0.25%	440 £ per unit (48,428)
Affordable Sale Legal Costs						lump sum (10,000)
Disposal Cost analysis:					7,575 £ per unit	
Interest (on Development Costs) -			6.50% APR		0.526% pcm	(307,996)
Developers Profit -						
Profit on OMS		19,371,000			18.00%	(3,486,780)
Margin on AH		6,414,210			6.00% on AH values	(384,853)
Profit analysis:		25,785,210			15.01% blended GDV	(3,871,633)
		19,276,368			20.08% on costs	(3,871,633)
TOTAL COSTS						(23,148,000)

RESIDUAL LAND VALUE (RLV)						
Residual Land Value (gross)						2,637,210
SDLT		2,637,210 @			HMRC formula	(121,360)
Acquisition Agent fees		2,637,210 @			1.0%	(26,372)
Acquisition Legal fees		2,637,210 @			0.5%	(13,186)
Interest on Land		2,637,210 @			6.50%	(171,419)
Residual Land Value						2,304,872
RLV analysis:		20,953 £ per plot	481,928 £ per ha (net)		195,034 £ per acre (net)	
			433,735 £ per ha (gross)		175,530 £ per acre (gross)	
					8.94% % RLV / GDV	

Scheme Typology: **BF MV 110** No Units: **110**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

BENCHMARK LAND VALUE (BLV)					
Residential Density			23.0	dph (net)	
Site Area (net)			4.78	ha (net)	11.82 acres (net)
Net to Gross ratio			90%		
Site Area (gross)			5.314	ha (gross)	13.13 acres (gross)
Benchmark Land Value (net)	53,717 £ per plot		1,235,500	£ per ha (net)	500,000 £ per acre (net)
					5,908,913
	BLV analysis:	Density	2,120	sqm/ha (net)	9,237 sqft/ac (net)
			21	dph (gross)	
			1,111,950	£ per ha (gross)	450,000 £ per acre (gross)
BALANCE					
Surplus/(Deficit)			(753,572)	£ per ha (net)	(304,966) £ per acre (net)
					(3,604,041)

Scheme Typology: **BF MV 110** No Units: **110**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		0%	5%	10%	15%	20%	25%	30%	
CIL £ psm 0.00	0.00	(304,966)	(53,991)	(85,324)	(116,657)	(148,022)	(179,391)	(210,760)	(242,138)
	5.00		(58,055)	(89,185)	(120,327)	(151,491)	(182,656)	(213,821)	(245,008)
	10.00		(62,119)	(93,046)	(124,000)	(154,961)	(185,921)	(216,882)	(247,878)
	15.00		(66,183)	(96,917)	(127,674)	(158,430)	(189,187)	(219,949)	(250,748)
	20.00		(70,247)	(100,795)	(131,347)	(161,900)	(192,452)	(223,024)	(253,618)
	25.00		(74,324)	(104,672)	(135,021)	(165,369)	(195,717)	(226,099)	(256,488)
	30.00		(78,405)	(108,550)	(138,694)	(168,838)	(198,989)	(229,174)	(259,358)
	35.00		(82,487)	(112,427)	(142,367)	(172,308)	(202,269)	(232,249)	(262,228)
	40.00		(86,569)	(116,305)	(146,041)	(175,777)	(205,549)	(235,324)	(265,098)
	45.00		(90,650)	(120,182)	(149,714)	(179,260)	(208,829)	(238,398)	(267,968)
	50.00		(94,732)	(124,060)	(153,388)	(182,745)	(212,109)	(241,473)	(270,851)
	55.00		(98,813)	(127,937)	(157,071)	(186,230)	(215,389)	(244,548)	(273,734)
	60.00		(102,895)	(131,815)	(160,761)	(189,715)	(218,669)	(247,623)	(276,618)
	65.00		(106,977)	(135,701)	(164,451)	(193,200)	(221,949)	(250,709)	(279,501)
	70.00		(111,058)	(139,596)	(168,141)	(196,685)	(225,229)	(253,799)	(282,385)
	75.00		(115,152)	(143,491)	(171,830)	(200,170)	(228,509)	(256,888)	(285,268)
80.00		(119,252)	(147,386)	(175,520)	(203,655)	(231,804)	(259,977)	(288,151)	
85.00		(123,352)	(151,281)	(179,210)	(207,140)	(235,099)	(263,067)	(291,035)	
90.00		(127,452)	(155,176)	(182,900)	(210,632)	(238,394)	(266,156)	(293,919)	
95.00		(131,552)	(159,071)	(186,590)	(214,133)	(241,690)	(269,246)	(296,816)	
100.00		(135,652)	(162,966)	(190,285)	(217,635)	(244,985)	(272,335)	(299,714)	
105.00		(139,752)	(166,861)	(193,992)	(221,136)	(248,280)	(275,424)	(302,611)	
110.00		(143,852)	(170,761)	(197,699)	(224,637)	(251,575)	(278,528)	(305,509)	
115.00		(147,952)	(174,674)	(201,406)	(228,139)	(254,871)	(281,632)	(308,406)	
120.00		(152,061)	(178,587)	(205,114)	(231,640)	(258,170)	(284,737)	(311,304)	
125.00		(156,180)	(182,501)	(208,821)	(235,141)	(261,481)	(287,841)	(314,201)	

TABLE 2

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		0%	5%	10%	15%	20%	25%	30%	
Site Specific S106 per unit 11,767	-	(304,966)	45,100	13,810	(17,480)	(48,769)	(80,059)	(111,349)	(142,653)
	1,000		36,714	5,424	(25,866)	(57,156)	(88,459)	(119,765)	(151,072)
	2,000		28,327	(2,963)	(34,265)	(65,571)	(96,878)	(128,185)	(159,492)
	3,000		19,930	(11,377)	(42,684)	(73,991)	(105,297)	(136,604)	(167,911)
	4,000		11,510	(19,797)	(51,103)	(82,410)	(113,717)	(145,024)	(176,332)
	5,000		3,091	(28,216)	(59,523)	(90,829)	(122,136)	(153,452)	(184,785)
	6,000		(5,328)	(36,635)	(67,942)	(99,249)	(130,573)	(161,906)	(193,239)
	7,000		(13,748)	(45,055)	(76,361)	(107,694)	(139,027)	(170,360)	(201,693)
	8,000		(22,167)	(53,482)	(84,815)	(116,148)	(147,481)	(178,814)	(210,150)
	9,000		(30,603)	(61,936)	(93,269)	(124,602)	(155,935)	(187,271)	(218,640)
	10,000		(39,056)	(70,389)	(101,722)	(133,055)	(164,392)	(195,761)	(227,130)
	11,000		(47,510)	(78,843)	(110,176)	(141,514)	(172,883)	(204,251)	(235,620)
	12,000		(55,964)	(87,297)	(118,635)	(150,004)	(181,373)	(212,741)	(244,129)
	13,000		(64,418)	(95,756)	(127,125)	(158,494)	(189,863)	(221,243)	(252,657)
	14,000		(72,878)	(104,246)	(135,615)	(166,984)	(198,357)	(229,771)	(261,185)

TABLE 3

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		0%	5%	10%	15%	20%	25%	30%	
Profit 18.0%	15.0%	(304,966)	17,312	(17,587)	(52,486)	(87,415)	(122,349)	(157,283)	(192,226)
	16.0%		(6,456)	(40,166)	(73,875)	(107,617)	(141,363)	(175,109)	(208,864)
	17.0%		(30,223)	(62,745)	(95,266)	(127,820)	(160,377)	(192,934)	(225,501)
	18.0%		(53,991)	(85,324)	(116,657)	(148,022)	(179,391)	(210,760)	(242,138)
	19.0%		(77,758)	(107,903)	(138,048)	(168,224)	(198,405)	(228,585)	(258,775)
	20.0%		(101,526)	(130,482)	(159,438)	(188,427)	(217,419)	(246,411)	(275,412)

TABLE 4

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		0%	5%	10%	15%	20%	25%	30%	
BLV (£ per acre) 500,000	-	(304,966)	446,009	414,676	383,343	351,978	320,609	289,240	257,862
	50,000		396,009	364,676	333,343	301,978	270,609	239,240	207,862
	100,000		346,009	314,676	283,343	251,978	220,609	189,240	157,862
	150,000		296,009	264,676	233,343	201,978	170,609	139,240	107,862
	200,000		246,009	214,676	183,343	151,978	120,609	89,240	57,862
	250,000		196,009	164,676	133,343	101,978	70,609	39,240	7,862
	300,000		146,009	114,676	83,343	51,978	20,609	(10,760)	(42,138)
	350,000		96,009	64,676	33,343	1,978	(29,391)	(60,760)	(92,138)
	400,000		46,009	14,676	(16,657)	(48,022)	(79,391)	(110,760)	(142,138)
	450,000		(3,991)	(35,324)	(66,657)	(98,022)	(129,391)	(160,760)	(192,138)
	500,000		(53,991)	(85,324)	(116,657)	(148,022)	(179,391)	(210,760)	(242,138)
	550,000		(103,991)	(135,324)	(166,657)	(198,022)	(229,391)	(260,760)	(292,138)
	600,000		(153,991)	(185,324)	(216,657)	(248,022)	(279,391)	(310,760)	(342,138)
	650,000		(203,991)	(235,324)	(266,657)	(298,022)	(329,391)	(360,760)	(392,138)
	700,000		(253,991)	(285,324)	(316,657)	(348,022)	(379,391)	(410,760)	(442,138)
	750,000		(303,991)	(335,324)	(366,657)	(398,022)	(429,391)	(460,760)	(492,138)

Scheme Typology: **BF MV 110** No Units: **110**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Brownfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(304,966)	0%	5%	10%	15%	20%	25%	30%
Density (dph) 23.0	40		315,162	260,678	206,186	151,694	97,202	42,710	(11,821)
	45		423,703	362,444	301,140	239,836	178,533	117,229	55,916
	50		532,245	464,187	396,094	327,979	259,863	191,748	123,633
	55		640,786	565,922	491,048	416,121	341,194	266,267	191,341
	60		749,328	667,658	585,988	504,263	422,525	340,787	259,048
	65		857,869	769,394	680,918	592,406	503,856	415,306	326,756
	70		966,411	871,129	775,848	680,548	585,187	489,825	394,464
	75		1,074,952	972,865	870,778	768,690	666,517	564,344	462,171
	80		1,183,494	1,074,601	965,708	856,815	747,848	638,864	529,879
	85		1,292,035	1,176,337	1,060,638	944,939	829,179	713,383	597,587
90		1,400,577	1,278,072	1,155,568	1,033,063	910,510	787,902	665,295	

TABLE 6

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(304,966)	0%	5%	10%	15%	20%	25%	30%
Build Cost 100% (105% = 5% increase)	90%		59,266	27,524	(4,218)	(35,960)	(67,703)	(99,445)	(131,187)
	92%		36,697	5,045	(26,607)	(58,259)	(89,920)	(121,590)	(153,260)
	94%		14,101	(17,479)	(49,058)	(80,637)	(112,216)	(143,796)	(175,375)
	96%		(8,559)	(40,048)	(71,536)	(103,028)	(134,543)	(166,058)	(197,574)
	98%		(31,236)	(62,660)	(94,084)	(125,509)	(156,933)	(188,364)	(219,824)
	100%		(53,991)	(85,324)	(116,657)	(148,022)	(179,391)	(210,760)	(242,138)
	102%		(76,770)	(108,047)	(139,324)	(170,601)	(201,900)	(233,222)	(264,544)
	104%		(99,624)	(130,809)	(162,029)	(193,259)	(224,490)	(255,756)	(287,041)
	106%		(122,527)	(153,665)	(184,803)	(215,977)	(247,169)	(278,376)	(309,631)
	108%		(145,485)	(176,567)	(207,667)	(238,767)	(269,929)	(301,094)	(332,329)
	110%		(168,535)	(199,542)	(230,599)	(261,668)	(292,784)	(323,925)	(355,147)
	112%		(191,640)	(222,616)	(253,612)	(284,660)	(315,745)	(346,875)	(378,004)

TABLE 6a

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(304,966)	0%	5%	10%	15%	20%	25%	30%
Net Zero extra over FHS Interim Uplift £6,000	£0		460	(30,873)	(62,206)	(93,546)	(124,914)	(156,283)	(187,652)
	£1,000		(8,615)	(39,948)	(71,281)	(102,625)	(133,994)	(165,363)	(196,731)
	£2,000		(17,690)	(49,023)	(80,356)	(111,704)	(143,073)	(174,442)	(205,811)
	£3,000		(26,765)	(58,098)	(89,431)	(120,784)	(152,153)	(183,521)	(214,890)
	£4,000		(35,840)	(67,173)	(98,507)	(129,863)	(161,232)	(192,601)	(223,970)
	£5,000		(44,916)	(76,249)	(107,582)	(138,943)	(170,311)	(201,680)	(233,054)
	£6,000		(53,991)	(85,324)	(116,657)	(148,022)	(179,391)	(210,760)	(242,138)
	£7,000		(63,066)	(94,399)	(125,733)	(157,101)	(188,470)	(219,839)	(251,222)
	£8,000		(72,141)	(103,474)	(134,812)	(166,181)	(197,550)	(228,919)	(260,306)
	£9,000		(81,216)	(112,549)	(143,891)	(175,260)	(206,629)	(237,998)	(269,390)
	£10,000		(90,291)	(121,624)	(152,971)	(184,340)	(215,709)	(247,077)	(278,474)
	£11,000		(99,367)	(130,700)	(162,050)	(193,419)	(224,788)	(256,157)	(287,557)

TABLE 7

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(304,966)	0%	5%	10%	15%	20%	25%	30%
Market Values 100% (105% = 5% increase)	80%		(437,459)	(449,853)	(462,248)	(474,642)	(487,037)	(499,432)	(511,826)
	82%		(398,633)	(412,952)	(427,270)	(441,588)	(455,907)	(470,225)	(484,543)
	84%		(359,828)	(376,072)	(392,332)	(408,591)	(424,850)	(441,110)	(457,369)
	86%		(321,188)	(339,356)	(357,525)	(375,693)	(393,862)	(412,030)	(430,199)
	88%		(282,548)	(302,648)	(322,749)	(342,849)	(362,949)	(383,050)	(403,150)
	90%		(244,102)	(266,068)	(288,059)	(310,050)	(332,041)	(354,070)	(376,102)
	92%		(205,827)	(229,666)	(253,538)	(277,410)	(301,283)	(325,179)	(349,094)
	94%		(167,694)	(193,416)	(219,162)	(244,908)	(270,654)	(296,424)	(322,211)
	96%		(129,680)	(157,293)	(184,906)	(212,519)	(240,132)	(267,782)	(295,436)
	98%		(91,796)	(121,271)	(150,746)	(180,220)	(209,721)	(239,234)	(268,748)
	100%		(53,991)	(85,324)	(116,657)	(148,022)	(179,391)	(210,760)	(242,138)
	102%		(16,238)	(49,455)	(82,676)	(115,897)	(149,118)	(182,349)	(215,612)
	104%		21,403	(13,668)	(48,739)	(83,810)	(118,913)	(154,022)	(189,130)
	106%		96,559	57,762	18,965	(19,832)	(58,655)	(97,490)	(136,325)
	110%		134,091	93,420	52,746	12,073	(28,601)	(69,275)	(109,976)
	112%		171,530	129,016	86,502	43,978	1,427	(41,123)	(83,674)
	114%		208,968	164,582	120,196	75,810	31,424	(12,972)	(57,399)
116%		246,370	200,145	153,891	107,633	61,375	15,117	(31,141)	
118%		283,720	235,628	187,535	139,443	91,326	43,196	(4,934)	
120%		321,071	271,111	221,151	171,191	121,231	71,271	21,273	

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

Appraisal Ref: **G** (see Typologies Matrix)
 Scheme Typology: **GF MV 20**
 Site Typology: Location / Value Zone: **Mid** No Units: **20**
 Greenfield/Brownfield: **Greenfield**
 Notes:

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme		20 Units							
AH Policy requirement (% Target)		40%							
Open Market Sale (OMS) housing		60%							
AH tenure split %		Open Market Sale (OMS)		Affordable Rent:		Social Rent:		65.0% Rented	
				0.0%		65.0%			
				0.0%		25.0%			
				0.0%		10.0%		14.0% % of total (>10% First Homes PPG 023)	
				100%		100.0%			
CIL Rate (£ psm)		0.00 £ psm							
Unit mix -									
	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units			
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
2 bed House	40.0%	4.8	25.0%	2.0	34%	6.8			
3 bed House	45.0%	5.4	35.0%	2.8	41%	8.2			
4 bed House	15.0%	1.8	10.0%	0.8	13%	2.6			
5 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
1 bed Flat	0.0%	0.0	20.0%	1.6	8%	1.6			
2 bed Flat	0.0%	0.0	10.0%	0.8	4%	0.8			
Total number of units	100.0%	12.0	100.0%	8.0	100%	20.0			
OMS Unit Floor areas -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)				
1 bed House	62.0	667		62.0	667				
2 bed House	79.0	850		79.0	850				
3 bed House	100.0	1,076		100.0	1,076				
4 bed House	115.0	1,238		115.0	1,238				
5 bed House	140.0	1,507		140.0	1,507				
1 bed Flat	50.0	538	85.0%	58.8	633				
2 bed Flat	70.0	753	85.0%	82.4	886				
AH Unit Floor areas -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)				
1 bed House	62.0	667		62.0	667				
2 bed House	79.0	850		79.0	850				
3 bed House	100.0	1,076		100.0	1,076				
4 bed House	115.0	1,238		115.0	1,238				
5 bed House	140.0	1,507		140.0	1,507				
1 bed Flat	50.0	538	85.0%	58.8	633				
2 bed Flat	70.0	753	85.0%	82.4	886				
Total Gross Floor areas -									
	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)	(sqft)			
1 bed House	0	0	0	0	0	0			
2 bed House	379	4,082	158	1,701	537	5,782			
3 bed House	540	5,813	280	3,014	820	8,826			
4 bed House	207	2,228	92	990	299	3,218			
5 bed House	0	0	0	0	0	0			
1 bed Flat	0	0	94	1,013	94	1,013			
2 bed Flat	0	0	66	709	66	709			
	1,126	12,122	690	7,427	1,816	19,549			
AH % by floor area:		37.99% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)					
1 bed House	0	0	0	0					
2 bed House	250,000	3,165	294	1,700,000					
3 bed House	305,000	3,050	283	2,501,000					
4 bed House	335,000	2,913	271	871,000					
5 bed House	400,000	2,857	265	0					
1 bed Flat	160,000	3,200	297	256,000					
2 bed Flat	210,000	3,000	279	168,000					
				5,496,000					
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	0	60%	0	50%	0	70%	0	70%	
2 bed House	150,000	60%	125,000	50%	175,000	70%	175,000	70%	
3 bed House	183,000	60%	152,500	50%	213,500	70%	213,500	70%	
4 bed House	201,000	60%	167,500	50%	234,500	70%	234,500	70%	
5 bed House	240,000	60%	200,000	50%	250,000	70%	280,000	70%	
1 bed Flat	96,000	60%	80,000	50%	112,000	70%	112,000	70%	
2 bed Flat	126,000	60%	105,000	50%	147,000	70%	147,000	70%	
					* capped @£250K				

Scheme Typology: **GF MV 20** No Units: **20**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	4.8	@	250,000	1,200,000
3 bed House	5.4	@	305,000	1,647,000
4 bed House	1.8	@	335,000	603,000
5 bed House	0.0	@	400,000	-
1 bed Flat	0.0	@	160,000	-
2 bed Flat	0.0	@	210,000	-
	12.0			3,450,000
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	150,000	-
3 bed House	0.0	@	183,000	-
4 bed House	0.0	@	201,000	-
5 bed House	0.0	@	240,000	-
1 bed Flat	0.0	@	96,000	-
2 bed Flat	0.0	@	126,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	1.3	@	125,000	162,500
3 bed House	1.8	@	152,500	277,500
4 bed House	0.5	@	167,500	87,100
5 bed House	0.0	@	200,000	-
1 bed Flat	1.0	@	80,000	83,200
2 bed Flat	0.5	@	105,000	54,600
	5.2			664,950
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.5	@	175,000	87,500
3 bed House	0.7	@	213,500	149,450
4 bed House	0.2	@	234,500	46,900
5 bed House	0.0	@	250,000	-
1 bed Flat	0.4	@	112,000	44,800
2 bed Flat	0.2	@	147,000	29,400
	2.0			358,050
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.2	@	175,000	35,000
3 bed House	0.3	@	213,500	59,780
4 bed House	0.1	@	234,500	18,760
5 bed House	0.0	@	280,000	-
1 bed Flat	0.2	@	112,000	17,920
2 bed Flat	0.1	@	147,000	11,760
	0.8	8.0		143,220
Sub-total GDV Residential	20			4,616,220
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	879,780
		484 £ psm (total GIA sqm)	43,989 £ per unit (total units)	
Grant	8	AH units @	0	per unit
Total GDV				4,616,220

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(9,240)
Planning Application Professional Fees, Surveys and reports				(30,000)
CIL	1,126 sqm (Market only)	0.00 £ psm		-
	0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106 Contributions	Year 1			-
	Year 2			-
	Year 3			-
	Year 4			-
	Year 5			-
	Year 6			-
	Year 7			-
	Year 8			-
	Year 9			-
	Year 10			-
	Year 11			-
	Year 12			-
	Year 13			-
	Year 14			-
	Year 15			-
	Years 1-15	20 units @	11,767 per unit	(235,332)
	Sub-total			(235,332)
S106 analysis:	317,698 £ per ha	5.10% % of GDV	11,767 £ per unit (total units)	

Scheme Typology:		GF MV 20	No Units: 20	
Site Typology:		Location / Value Zone: Mid	Greenfield/Brownfield: Greenfield	
Notes:				
AH Commuted Sum		1,816 sqm (total)		£ psm
Comm. Sum analysis:		0.00% % of GDV		
Construction Costs -				
Site Clearance, Demolition & Remediation		0.74 ha @		£ per ha (if brownfield)
Site Infrastructure costs -				
	Year 1			
	Year 2			
	Year 3			
	Year 4			
	Year 5			
	Year 6			
	Year 7			
	Year 8			
	Year 9			
	Year 10			
	Year 11			
	Year 12			
	Year 13			
	Year 14			
	Year 15			
	Years 1-15	20 units @		per unit
	Sub-total			
Infra. Costs analysis:		- £ per ha	0.00% % of GDV	0 £ per unit (total units)
1 bed House		- sqm @		psm
2 bed House		537 sqm @		psm (654,847)
3 bed House		820 sqm @		psm (999,580)
4 bed House		299 sqm @		psm (364,481)
5 bed House		- sqm @		psm
1 bed Flat		94 sqm @		psm (126,871)
2 bed Flat		1,816 66 sqm @		psm (88,809)
Garages for 3 bed House (OMS only)		5 units @	@	£ per garage (16,200)
Garages for 4 bed House (OMS only)		2 units @	@	£ per garage (10,800)
Garages for 5 bed House (OMS only)		- units @	@	£ per garage
External works		2,261,588 @		(339,238)
Ext. Works analysis:			16,962	£ per unit (total units)
Policy Costs on design -				
Net Biodiversity costs		20 units @	1,003	£ per unit (20,060)
M4(2) Category 2 Housing Aff units		8 units @	10% @	521 £ per unit (417)
M4(3)2b Category 3 Housing Aff units		8 units @	10% @	22,791 £ per unit (18,233)
M4(2) Category 2 Housing OMS units		12 units @	10% @	521 £ per unit (625)
M4(3)2b Category 3 Housing OMS units		12 units @	0% @	22,791 £ per unit
Carbon/Energy Reduction/FHS Houses		18 units @		4,847 £ per unit (85,307)
Carbon/Energy Reduction/FHS Flats		2 units @		2,256 £ per unit (5,414)
Net Zero (including full FHS 2025 costs) units		20 units @		6,000 £ per unit (120,000)
EV Charging Points Houses		18 units @		1,000 £ per unit (17,600)
EV Charging Points Flats		2 units @		2,500 £ per units (6,000)
Water Efficiency		20 units @		10 £ per unit (200)
Sub-total				(273,856)
Policy Costs analysis: (design costs only)			13,693	£ per unit (total units)
Contingency (on construction)		2,874,682 @	5.0%	(143,734)
Professional Fees		2,874,682 @	6.5%	(186,854)
Disposal Costs -				
OMS Marketing and Promotion		3,450,000 OMS @	3.00%	5,175 £ per unit (103,500)
Residential Sales Agent Costs		3,450,000 OMS @	1.00%	1,725 £ per unit (34,500)
Residential Sales Legal Costs		3,450,000 OMS @	0.25%	431 £ per unit (8,625)
Affordable Sale Legal Costs				lump sum (10,000)
Disposal Cost analysis:			7,831	£ per unit
Interest (on Development Costs) -		6.50% APR	0.526%	pcm (95,534)
Developers Profit -				
Profit on OMS		3,450,000	18.00%	(621,000)
Margin on AH		1,166,220	6.00%	on AH values (69,973)
Profit analysis:		4,616,220	14.97% blended GDV	(690,973)
		3,732,001	18.51% on costs	(690,973)
TOTAL COSTS				(4,422,974)

Scheme Typology: **GF MV 20** No Units: **20**
Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
Notes:

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				193,246
SDLT	193,246	@	HMRC formula	838
Acquisition Agent fees	193,246	@	1.0%	(1,932)
Acquisition Legal fees	193,246	@	0.5%	(966)
Interest on Land	193,246	@	6.50%	(12,561)
Residual Land Value				178,624
RLV analysis:	8,931 £ per plot	241,142 £ per ha (net)	97,589 £ per acre (net)	
		217,028 £ per ha (gross)	87,830 £ per acre (gross)	
			3.87% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density		27.0	dph (net)	
Site Area (net)		0.74	ha (net)	1.83 acres (net)
Net to Gross ratio		90%		
Site Area (gross)		0.823	ha (gross)	2.03 acres (gross)
Benchmark Land Value (net)	20,134 £ per plot	543,620	£ per ha (net)	220,000 £ per acre (net)
BLV analysis:	Density	2,452	sqm/ha (net)	10,681
		24	dph (gross)	
		489,258	£ per ha (gross)	198,000 £ per acre (gross)

BALANCE			
Surplus/(Deficit)		(302,478) £ per ha (net)	(122,411) £ per acre (net)
			(224,058)

Scheme Typology: **GF MV 20** No Units: **20**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

Balance (RLV - BLV £ per acre (n))		Affordable Housing - % on site 40%							
		15%	20%	25%	30%	35%	40%	45%	
CIL £ psm 0.00	(122,411)	0.00	51,295	16,598	(18,135)	(52,894)	(87,652)	(122,411)	(157,170)
		5.00	47,309	12,847	(21,671)	(56,194)	(90,717)	(125,240)	(159,763)
		10.00	43,323	9,081	(25,206)	(59,493)	(93,781)	(128,068)	(162,355)
		15.00	39,337	5,310	(28,742)	(62,793)	(96,845)	(130,896)	(164,948)
		20.00	35,351	1,539	(32,277)	(66,093)	(99,909)	(133,725)	(167,541)
		25.00	31,348	(2,233)	(35,813)	(69,393)	(102,973)	(136,553)	(170,133)
		30.00	27,341	(6,004)	(39,348)	(72,693)	(106,037)	(139,382)	(172,726)
		35.00	23,334	(9,775)	(42,884)	(75,993)	(109,101)	(142,210)	(175,319)
		40.00	19,327	(13,546)	(46,419)	(79,292)	(112,166)	(145,039)	(177,912)
		45.00	15,320	(17,318)	(49,955)	(82,592)	(115,230)	(147,867)	(180,504)
		50.00	11,313	(21,089)	(53,490)	(85,892)	(118,294)	(150,695)	(183,097)
		55.00	7,306	(24,860)	(57,026)	(89,192)	(121,358)	(153,524)	(185,690)
		60.00	3,299	(28,631)	(60,562)	(92,492)	(124,422)	(156,352)	(188,283)
		65.00	(708)	(32,403)	(64,097)	(95,792)	(127,486)	(159,181)	(190,875)
		70.00	(4,715)	(36,174)	(67,633)	(99,091)	(130,550)	(162,009)	(193,468)
		75.00	(8,722)	(39,945)	(71,168)	(102,391)	(133,614)	(164,838)	(196,061)
		80.00	(12,729)	(43,716)	(74,704)	(105,691)	(136,679)	(167,666)	(198,653)
		85.00	(16,736)	(47,488)	(78,239)	(108,991)	(139,743)	(170,494)	(201,246)
		90.00	(20,743)	(51,259)	(81,775)	(112,291)	(142,807)	(173,323)	(203,839)
		95.00	(24,750)	(55,030)	(85,310)	(115,591)	(145,871)	(176,151)	(206,432)
	100.00	(28,757)	(58,801)	(88,846)	(118,891)	(148,935)	(178,980)	(209,024)	
	105.00	(32,764)	(62,573)	(92,381)	(122,190)	(151,999)	(181,808)	(211,617)	
	110.00	(36,771)	(66,344)	(95,917)	(125,490)	(155,063)	(184,637)	(214,210)	
	115.00	(40,777)	(70,115)	(99,453)	(128,790)	(158,128)	(187,465)	(216,803)	
	120.00	(44,784)	(73,886)	(102,988)	(132,090)	(161,192)	(190,294)	(219,395)	
	125.00	(48,791)	(77,657)	(106,524)	(135,390)	(164,256)	(193,122)	(221,988)	

TABLE 2

Balance (RLV - BLV £ per acre (n))		Affordable Housing - % on site 40%							
		15%	20%	25%	30%	35%	40%	45%	
Site Specific S106 per unit 11,767	(122,411)	(5,000)	218,849	184,153	149,456	114,760	80,063	45,367	10,670
		(4,000)	208,856	174,159	139,463	104,766	70,070	35,373	677
		(3,000)	198,863	164,166	129,469	94,773	60,076	25,380	(9,317)
		(2,000)	188,869	154,173	119,476	84,780	50,083	15,386	(19,310)
		(1,000)	178,876	144,179	109,483	74,786	40,090	5,393	(29,303)
		-	168,883	134,186	99,489	64,793	30,096	(4,600)	(39,297)
		1,000	158,889	124,193	89,496	54,800	20,103	(14,594)	(49,290)
		2,000	148,896	114,199	79,503	44,806	10,110	(24,587)	(59,284)
		3,000	138,902	104,206	69,509	34,813	116	(34,580)	(69,277)
		4,000	128,909	94,213	59,516	24,819	(9,877)	(44,574)	(79,270)
		5,000	118,916	84,219	49,523	14,826	(19,870)	(54,567)	(89,264)
		6,000	108,922	74,226	39,529	4,833	(29,864)	(64,560)	(99,257)
		7,000	98,929	64,232	29,536	(5,161)	(39,857)	(74,554)	(109,250)
		8,000	88,936	54,239	19,543	(15,154)	(49,851)	(84,547)	(119,243)
		9,000	78,942	44,246	9,549	(25,147)	(59,860)	(94,540)	(129,236)

TABLE 3

Balance (RLV - BLV £ per acre (n))		Affordable Housing - % on site 40%							
		15%	20%	25%	30%	35%	40%	45%	
Profit 18.0%	(122,411)	15.0%	120,988	82,192	43,359	4,500	(34,358)	(73,216)	(112,074)
		16.0%	97,757	60,327	22,861	(14,631)	(52,123)	(89,614)	(127,106)
		17.0%	74,526	38,463	2,363	(33,762)	(69,888)	(106,013)	(142,138)
		18.0%	51,295	16,598	(18,135)	(52,894)	(87,652)	(122,411)	(157,170)
		19.0%	28,064	(5,266)	(38,633)	(72,025)	(105,417)	(138,809)	(172,202)
		20.0%	4,833	(27,130)	(59,131)	(91,156)	(123,182)	(155,208)	(187,233)

TABLE 4

Balance (RLV - BLV £ per acre (n))		Affordable Housing - % on site 40%							
		15%	20%	25%	30%	35%	40%	45%	
BLV (£ per acre) 220,000	(122,411)	-	271,295	236,598	201,865	167,106	132,348	97,589	62,830
		50,000	221,295	186,598	151,865	117,106	82,348	47,589	12,830
		100,000	171,295	136,598	101,865	67,106	32,348	(2,411)	(37,170)
		150,000	121,295	86,598	51,865	17,106	(17,652)	(52,411)	(87,170)
		200,000	71,295	36,598	1,865	(32,894)	(67,652)	(102,411)	(137,170)
		250,000	21,295	(13,402)	(48,135)	(82,894)	(117,652)	(152,411)	(187,170)
		300,000	(28,705)	(63,402)	(98,135)	(132,894)	(167,652)	(202,411)	(237,170)
		350,000	(78,705)	(113,402)	(148,135)	(182,894)	(217,652)	(252,411)	(287,170)
		400,000	(128,705)	(163,402)	(198,135)	(232,894)	(267,652)	(302,411)	(337,170)
		450,000	(178,705)	(213,402)	(248,135)	(282,894)	(317,652)	(352,411)	(387,170)
		500,000	(228,705)	(263,402)	(298,135)	(332,894)	(367,652)	(402,411)	(437,170)
		550,000	(278,705)	(313,402)	(348,135)	(382,894)	(417,652)	(452,411)	(487,170)
		600,000	(328,705)	(363,402)	(398,135)	(432,894)	(467,652)	(502,411)	(537,170)
		650,000	(378,705)	(413,402)	(448,135)	(482,894)	(517,652)	(552,411)	(587,170)
		700,000	(428,705)	(463,402)	(498,135)	(532,894)	(567,652)	(602,411)	(637,170)
		750,000	(478,705)	(513,402)	(548,135)	(582,894)	(617,652)	(652,411)	(687,170)

Scheme Typology: **GF MV 20** No Units: **20**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(122,411)	15%	20%	25%	30%	35%	40%	45%
Density (dph) 27.0	20		(19,041)	(44,742)	(70,470)	(96,218)	(121,965)	(147,712)	(173,459)
	30		81,439	42,887	4,294	(34,326)	(72,947)	(111,568)	(150,189)
	40		181,918	130,516	79,059	27,565	(23,929)	(75,424)	(126,918)
	50		282,398	218,145	153,824	89,456	25,088	(39,280)	(103,648)
	60		382,878	305,774	228,589	151,347	74,106	(3,136)	(80,377)
	70		483,357	393,403	303,354	213,238	123,123	33,008	(57,107)
	80		583,837	481,032	378,118	275,130	172,141	69,152	(33,836)
	90		684,316	568,661	452,883	337,021	221,159	105,296	(10,566)
	100		784,796	656,290	527,648	398,912	270,176	141,440	12,705
	110		885,276	743,919	602,413	460,803	319,194	177,584	35,975
	120		985,755	831,548	677,178	522,695	368,212	213,728	59,245

TABLE 6

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(122,411)	15%	20%	25%	30%	35%	40%	45%
Build Cost 100% (105% = 5% increase)	90%		197,378	162,251	127,124	91,997	56,870	21,743	(13,385)
	92%		168,161	133,120	98,079	63,038	27,997	(7,044)	(42,085)
	94%		138,945	103,990	69,035	34,080	(875)	(35,830)	(70,785)
	96%		109,728	74,859	39,991	5,122	(29,747)	(64,616)	(99,484)
	98%		80,512	45,729	10,946	(23,836)	(58,628)	(93,474)	(128,319)
	100%		51,295	16,598	(18,135)	(52,894)	(87,652)	(122,411)	(157,170)
	102%		22,012	(12,660)	(47,332)	(82,004)	(116,677)	(151,349)	(186,021)
	104%		(7,358)	(41,944)	(76,530)	(111,115)	(145,701)	(180,286)	(214,872)
	106%		(36,729)	(71,228)	(105,727)	(140,226)	(174,725)	(209,224)	(243,834)
	108%		(66,099)	(100,512)	(134,924)	(169,336)	(203,776)	(238,306)	(272,837)
	110%		(95,469)	(129,795)	(164,121)	(198,509)	(232,953)	(267,396)	(301,839)
	112%		(124,840)	(159,079)	(193,417)	(227,773)	(262,129)	(296,486)	(330,842)

TABLE 6a

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(122,411)	15%	20%	25%	30%	35%	40%	45%
Net Zero extra over FHS Interim Uplift £6,000	£0		115,265	80,568	45,871	11,112	(23,646)	(58,405)	(93,164)
	£1,000		104,603	69,906	35,203	445	(34,314)	(69,073)	(103,831)
	£2,000		93,941	59,245	24,536	(10,223)	(44,982)	(79,740)	(114,499)
	£3,000		83,280	48,583	13,868	(20,891)	(55,649)	(90,408)	(125,167)
	£4,000		72,618	37,922	3,200	(31,558)	(66,317)	(101,076)	(135,834)
	£5,000		61,957	27,260	(7,467)	(42,226)	(76,985)	(111,743)	(146,502)
	£6,000		51,295	16,598	(18,135)	(52,894)	(87,652)	(122,411)	(157,170)
	£7,000		40,633	5,937	(28,803)	(63,561)	(98,320)	(133,079)	(167,837)
	£8,000		29,972	(4,725)	(39,470)	(74,229)	(108,988)	(143,746)	(178,505)
	£9,000		19,310	(15,386)	(50,138)	(84,897)	(119,655)	(154,414)	(189,173)
	£10,000		8,648	(26,048)	(60,806)	(95,565)	(130,323)	(165,082)	(199,841)
	£11,000		(2,013)	(36,715)	(71,474)	(106,232)	(140,991)	(175,750)	(210,508)

TABLE 7

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		(122,411)	15%	20%	25%	30%	35%	40%	45%
Market Values 100% (105% = 5% increase)	80%		(317,742)	(330,864)	(344,026)	(357,189)	(370,352)	(383,515)	(396,678)
	82%		(280,723)	(296,004)	(311,284)	(326,564)	(341,890)	(357,242)	(372,595)
	84%		(243,705)	(261,163)	(278,620)	(296,078)	(313,536)	(330,994)	(348,512)
	86%		(206,686)	(226,321)	(245,957)	(265,592)	(285,228)	(304,863)	(324,499)
	88%		(169,667)	(191,480)	(213,293)	(235,106)	(256,919)	(278,732)	(300,545)
	90%		(132,648)	(156,736)	(180,860)	(204,920)	(228,911)	(252,902)	(276,892)
	92%		(95,629)	(122,064)	(148,155)	(174,246)	(200,336)	(226,471)	(252,639)
	94%		(59,135)	(87,392)	(115,650)	(143,908)	(172,165)	(200,423)	(228,685)
	96%		(22,296)	(52,720)	(83,145)	(113,570)	(143,994)	(174,419)	(204,844)
	98%		14,543	(18,048)	(50,640)	(83,232)	(115,823)	(148,415)	(181,007)
	100%		51,295	16,598	(18,135)	(52,894)	(87,652)	(122,411)	(157,170)
	102%		87,974	51,120	14,266	(22,588)	(59,481)	(96,407)	(133,333)
104%		124,654	85,642	46,630	7,618	(31,393)	(70,405)	(109,496)	
106%		161,333	120,164	78,994	37,825	(3,344)	(44,514)	(85,683)	
108%		198,013	154,686	111,359	68,032	24,705	(18,622)	(61,949)	
110%		234,692	189,208	143,723	98,238	52,754	7,269	(38,216)	
112%		271,372	223,729	176,087	128,445	80,803	33,160	(14,482)	
114%		307,960	258,222	208,451	158,652	108,852	59,052	9,252	
116%		344,500	292,613	240,725	188,838	136,901	84,943	32,986	
118%		381,040	327,003	272,967	218,930	164,894	110,835	56,719	
120%		417,580	361,394	305,208	249,022	192,836	136,650	80,453	

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

Appraisal Ref: **H** (see Typologies Matrix)
 Scheme Typology: **GF MV 115**
 Site Typology: Location / Value Zone: **Mid** No Units: **115** Greenfield/Brownfield: **Greenfield**
 Notes:

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme		115 Units							
AH Policy requirement (% Target)		40%							
Open Market Sale (OMS) housing		60%							
AH tenure split %		Open Market Sale (OMS)		Affordable Rent:		Social Rent:		65.0% Rented	
				0.0%		65.0%			
				0.0%		25.0%			
				10.0%		10.0%		14.0% % of total (>10% First Homes PPG 023)	
				100%		100.0%			
CIL Rate (£ psm)		0.00 £ psm							
Unit mix -									
	OMS Unit mix%	MV # units	AH mix%	AH # units	Overall mix%	Total # units			
1 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
2 bed House	40.0%	27.6	25.0%	11.5	34%	39.1			
3 bed House	45.0%	31.1	35.0%	16.1	41%	47.2			
4 bed House	15.0%	10.4	10.0%	4.6	13%	15.0			
5 bed House	0.0%	0.0	0.0%	0.0	0%	0.0			
1 bed Flat	0.0%	0.0	20.0%	9.2	8%	9.2			
2 bed Flat	0.0%	0.0	10.0%	4.6	4%	4.6			
Total number of units	100.0%	69.0	100.0%	46.0	100%	115.0			
OMS Unit Floor areas -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)				
1 bed House	62.0	667		62.0	667				
2 bed House	79.0	850		79.0	850				
3 bed House	100.0	1,076		100.0	1,076				
4 bed House	115.0	1,238		115.0	1,238				
5 bed House	140.0	1,507		140.0	1,507				
1 bed Flat	50.0	538	85.0%	58.8	633				
2 bed Flat	70.0	753	85.0%	82.4	886				
AH Unit Floor areas -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Gross (GIA) per unit (sqm)	(sqft)				
1 bed House	62.0	667		62.0	667				
2 bed House	79.0	850		79.0	850				
3 bed House	100.0	1,076		100.0	1,076				
4 bed House	115.0	1,238		115.0	1,238				
5 bed House	140.0	1,507		140.0	1,507				
1 bed Flat	50.0	538	85.0%	58.8	633				
2 bed Flat	70.0	753	85.0%	82.4	886				
Total Gross Floor areas -									
	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)	(sqft)			
1 bed House	0	0	0	0	0	0			
2 bed House	2,180	23,470	909	9,779	3,089	33,249			
3 bed House	3,105	33,422	1,610	17,330	4,715	50,752			
4 bed House	1,190	12,812	529	5,694	1,719	18,506			
5 bed House	0	0	0	0	0	0			
1 bed Flat	0	0	541	5,825	541	5,825			
2 bed Flat	0	0	379	4,078	379	4,078			
	6,476	69,703	3,968	42,706	10,443	112,409			
AH % by floor area:		37.99% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm	£ psf	total MV £ (no AH)					
1 bed House	0	0	0	0					
2 bed House	250,000	3,165	294	9,775,000					
3 bed House	305,000	3,050	283	14,380,750					
4 bed House	335,000	2,913	271	5,008,250					
5 bed House	400,000	2,857	265	0					
1 bed Flat	160,000	3,200	297	1,472,000					
2 bed Flat	210,000	3,000	279	966,000					
				31,602,000					
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	0	60%	0	50%	0	70%	0	75%	
2 bed House	150,000	60%	125,000	50%	175,000	70%	187,500	75%	
3 bed House	183,000	60%	152,500	50%	213,500	70%	228,750	75%	
4 bed House	201,000	60%	167,500	50%	234,500	70%	251,250	75%	
5 bed House	240,000	60%	200,000	50%	250,000	70%	300,000	75%	
1 bed Flat	96,000	60%	80,000	50%	112,000	70%	120,000	75%	
2 bed Flat	126,000	60%	105,000	50%	147,000	70%	157,500	75%	
* capped @£250K									

Scheme Typology: **GF MV 115** No Units: **115**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
 Notes:

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	0	-
2 bed House	27.6	@	250,000	6,900,000
3 bed House	31.1	@	305,000	9,470,250
4 bed House	10.4	@	335,000	3,467,250
5 bed House	0.0	@	400,000	-
1 bed Flat	0.0	@	160,000	-
2 bed Flat	0.0	@	210,000	-
	69.0			19,837,500
Affordable Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	150,000	-
3 bed House	0.0	@	183,000	-
4 bed House	0.0	@	201,000	-
5 bed House	0.0	@	240,000	-
1 bed Flat	0.0	@	96,000	-
2 bed Flat	0.0	@	126,000	-
	0.0			-
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	7.5	@	125,000	934,375
3 bed House	10.5	@	152,500	1,595,913
4 bed House	3.0	@	167,500	500,825
5 bed House	0.0	@	200,000	-
1 bed Flat	6.0	@	80,000	478,400
2 bed Flat	3.0	@	105,000	313,950
	29.9			3,823,483
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	2.9	@	175,000	503,125
3 bed House	4.0	@	213,500	859,338
4 bed House	1.2	@	234,500	269,675
5 bed House	0.0	@	250,000	-
1 bed Flat	2.3	@	112,000	257,600
2 bed Flat	1.2	@	147,000	169,050
	11.5			2,058,788
Other Intermediate GDV -				
1 bed House	0.0	@	0	-
2 bed House	1.2	@	187,500	215,625
3 bed House	1.6	@	228,750	368,288
4 bed House	0.5	@	251,250	115,575
5 bed House	0.0	@	300,000	-
1 bed Flat	0.9	@	120,000	110,400
2 bed Flat	0.5	@	157,500	72,450
	4.6	46.0		882,338
Sub-total GDV Residential	115			26,602,088
AH on-site cost analysis:			£MV (no AH) less £GDV (inc. AH)	4,999,913
			479 £ psm (total GIA sqm)	43,478 £ per unit (total units)
Grant	46	AH units @	0	per unit
Total GDV				26,602,088

DEVELOPMENT COSTS				
Initial Payments -				
Statutory Planning Fees (Residential)				(31,829)
Planning Application Professional Fees, Surveys and reports				(100,000)
CIL	6.476 sqm (Market only)	0.00 £ psm		-
	0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106 Contributions	Year 1			-
	Year 2			-
	Year 3			-
	Year 4			-
	Year 5			-
	Year 6			-
	Year 7			-
	Year 8			-
	Year 9			-
	Year 10			-
	Year 11			-
	Year 12			-
	Year 13			-
	Year 14			-
	Year 15			-
	Years 1-15	115 units @	11,767	per unit
Sub-total				(1,353,157)

Scheme Typology: **GF MV 115** No Units: **115**
Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
Notes:

S106 analysis:		317,698	£ per ha	5.09%	% of GDV	11,767	£ per unit (total units)	
AH Commuted Sum				10,443	sqm (total)		£ psm	-
Comm. Sum analysis:				0.00%	% of GDV			
Construction Costs -								
Site Clearance, Demolition & Remediation				4.26	ha @		£ per ha (if brownfield)	-
Site Infrastructure costs -								
	Year 1							-
	Year 2							-
	Year 3							-
	Year 4							-
	Year 5							-
	Year 6							-
	Year 7							-
	Year 8							-
	Year 9							-
	Year 10							-
	Year 11							-
	Year 12							-
	Year 13							-
	Year 14							-
	Year 15							-
	Years 1-15			115	units @		per unit	-
	Sub-total							-
Infra. Costs analysis:		-	£ per ha	0.00%	% of GDV	0	£ per unit (total units)	
1 bed House					sqm @		psm	-
2 bed House				3,089	sqm @		psm	(3,354,545)
3 bed House				4,715	sqm @		psm	(5,120,490)
4 bed House				1,719	sqm @		psm	(1,867,106)
5 bed House				-	sqm @		psm	-
1 bed Flat				541	sqm @		psm	(652,118)
2 bed Flat				379	sqm @		psm	(456,482)
Garages for 3 bed House	(OMS only)	31	units @		@		£ per garage	(93,150)
Garages for 4 bed House	(OMS only)	10	units @		@		£ per garage	(62,100)
Garages for 5 bed House	(OMS only)	-	units @		@		£ per garage	-
External works								
				11,605,991	@			(1,740,899)
Ext. Works analysis:						15,138	£ per unit (total units)	
Policy Costs on design -								
Net Biodiversity costs				115	units @	1,003	£ per unit	(115,345)
M4(2) Category 2 Housing	Aff units	46	units @		10%	@	521	£ per unit (2,397)
M4(3)2b Category 3 Housing	Aff units	46	units @		10%	@	22,791	£ per unit (104,839)
M4(2) Category 2 Housing	OMS units	69	units @		10%	@	521	£ per unit (3,595)
M4(3)2b Category 3 Housing	OMS units	69	units @		0%	@	22,791	£ per unit -
Carbon/Energy Reduction/FHS	Houses	101	units @				4,847	£ per unit (490,516)
Carbon/Energy Reduction/FHS	Flats	14	units @				2,256	£ per unit (31,133)
Net Zero (including full FHS 2025 costs)	units	115	units @				6,000	£ per unit (690,000)
EV Charging Points	Houses	101	units @				1,000	£ per unit (101,200)
EV Charging Points	Flats	14	units @				2,500	£ per unit (34,500)
Water Efficiency		115	units @				10	£ per unit (1,150)
	Sub-total							(1,574,674)
Policy Costs analysis: (design costs only)						13,693	£ per unit (total units)	
Contingency (on construction)								
				14,921,564	@	5.0%		(746,078)
Professional Fees								
				14,921,564	@	6.5%		(969,902)
Disposal Costs -								
OMS Marketing and Promotion		19,837,500	OMS @		3.00%		5,175	£ per unit (595,125)
Residential Sales Agent Costs		19,837,500	OMS @		1.00%		1,725	£ per unit (198,375)
Residential Sales Legal Costs		19,837,500	OMS @		0.25%		431	£ per unit (49,594)
Affordable Sale Legal Costs								lump sum (10,000)
Disposal Cost analysis:						7,418	£ per unit	
Interest (on Development Costs) -								
				6.50%	APR		0.526%	pcm (456,531)
Developers Profit -								
Profit on OMS		19,837,500				18.00%		(3,570,750)
Margin on AH		6,764,588				6.00%	on AH values	(405,875)
Profit analysis:		26,602,088				14.95%	blended GDV	(3,976,625)
		19,432,154				20.46%	on costs	(3,976,625)
TOTAL COSTS								(23,408,779)

Scheme Typology: **GF MV 115** No Units: **115**
Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
Notes:

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				3,193,309
SDLT	3,193,309	@	HMRC formula	(149,165)
Acquisition Agent fees	3,193,309	@	1.0%	(31,933)
Acquisition Legal fees	3,193,309	@	0.5%	(15,967)
Interest on Land	3,193,309	@	6.50%	(207,565)
Residual Land Value				2,788,678
RLV analysis:	24,249 £ per plot	654,733 £ per ha (net)	264,967 £ per acre (net)	
		491,050 £ per ha (gross)	198,725 £ per acre (gross)	
			10.48% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density		27.0	dph (net)	
Site Area (net)		4.26	ha (net)	10.52 acres (net)
Net to Gross ratio		75%		
Site Area (gross)		5.68	ha (gross)	14.03 acres (gross)
Benchmark Land Value (net)	19,219 £ per plot	518,910	£ per ha (net)	210,000 £ per acre (net)
BLV analysis:	Density	2,452 sqm/ha (net)	10,681 sqft/ac (net)	
		20 dph (gross)		
		389,183 £ per ha (gross)	157,500 £ per acre (gross)	

BALANCE			
Surplus/(Deficit)		135,823 £ per ha (net)	54,967 £ per acre (net)
			578,506

Scheme Typology: **GF MV 115** No Units: **115**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
 Notes:

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 40%						
Balance (RLV - BLV £ per acre (n))		15%	20%	25%	30%	35%	40%	45%
	0.00	227,345	192,869	158,393	123,918	89,442	54,967	20,491
	5.00	223,283	189,046	154,809	120,573	86,336	52,100	17,863
	10.00	219,221	185,223	151,225	117,228	83,230	49,233	15,235
	15.00	215,159	181,400	147,641	113,883	80,124	46,365	12,607
	20.00	211,097	177,577	144,057	110,538	77,018	43,498	9,978
	25.00	207,035	173,754	140,473	107,193	73,912	40,631	7,350
	30.00	202,973	169,931	136,889	103,848	70,806	37,764	4,722
	35.00	198,911	166,108	133,305	100,502	67,700	34,897	2,094
	40.00	194,850	162,286	129,721	97,157	64,593	32,029	(537)
	45.00	190,788	158,461	126,133	93,805	61,477	29,149	(3,179)
	50.00	186,705	154,618	122,530	90,442	58,354	26,267	(8,821)
	55.00	182,622	150,775	118,927	87,079	55,232	23,384	(14,463)
	60.00	178,539	146,931	115,324	83,717	52,109	20,502	(20,105)
	65.00	174,456	143,088	111,721	80,354	48,987	17,620	(25,747)
	70.00	170,372	139,245	108,118	76,991	45,865	14,738	(31,389)
	75.00	166,289	135,402	104,516	73,629	42,742	11,855	(37,031)
	80.00	162,206	131,559	100,913	70,266	39,620	8,973	(42,674)
	85.00	158,123	127,716	97,310	66,903	36,497	6,091	(48,316)
	90.00	154,039	123,873	93,707	63,541	33,375	3,208	(53,958)
	95.00	149,956	120,030	90,104	60,178	30,252	326	(59,600)
	100.00	145,873	116,187	86,501	56,815	27,130	(2,556)	(65,242)
	105.00	141,790	112,344	82,898	53,453	24,007	(5,438)	(70,884)
	110.00	137,706	108,501	79,296	50,090	20,885	(8,321)	(76,526)
	115.00	133,623	104,658	75,693	46,727	17,762	(11,203)	(82,168)
	120.00	129,540	100,815	72,090	43,365	14,640	(14,085)	(87,810)
	125.00	125,457	96,972	68,487	40,002	11,517	(16,968)	(93,452)

TABLE 2

		Affordable Housing - % on site 40%						
Balance (RLV - BLV £ per acre (n))		15%	20%	25%	30%	35%	40%	45%
	(5,000)	397,400	362,897	328,395	293,893	259,391	224,888	190,349
	(4,000)	387,322	352,820	318,318	283,816	249,313	214,811	180,309
	(3,000)	377,227	342,743	308,241	273,738	239,236	204,734	170,231
	(2,000)	367,097	332,614	298,132	263,649	229,159	194,656	160,154
	(1,000)	356,967	322,484	288,002	253,519	219,037	184,554	150,071
	-	346,836	312,354	277,871	243,389	208,906	174,424	139,941
	1,000	336,706	302,224	267,741	233,258	198,776	164,293	129,811
	2,000	326,576	292,093	257,611	223,128	188,646	154,163	119,681
	3,000	316,445	281,963	247,480	212,998	178,515	144,033	109,550
	4,000	306,315	271,833	237,350	202,868	168,385	133,902	99,420
	5,000	296,185	261,702	227,220	192,737	158,255	123,772	89,290
	6,000	286,054	251,572	217,089	182,607	148,124	113,642	79,159
	7,000	275,924	241,441	206,934	172,459	137,983	103,508	69,029
	8,000	265,792	231,226	196,751	162,275	127,800	93,324	58,849
	9,000	255,518	221,043	186,567	152,092	117,616	83,141	48,665

TABLE 3

		Affordable Housing - % on site 40%						
Balance (RLV - BLV £ per acre (n))		15%	20%	25%	30%	35%	40%	45%
	15.0%	297,037	258,462	219,887	181,312	142,737	104,162	65,587
	16.0%	273,806	236,598	199,389	162,181	124,972	87,764	50,555
	17.0%	250,575	214,733	178,891	143,049	107,207	71,365	35,523
	18.0%	227,345	192,869	158,393	123,918	89,442	54,967	20,491
	19.0%	204,114	171,005	137,896	104,787	71,678	38,569	5,460
	20.0%	180,883	149,140	117,398	85,655	53,913	22,170	(9,572)

TABLE 4

		Affordable Housing - % on site 40%						
Balance (RLV - BLV £ per acre (n))		15%	20%	25%	30%	35%	40%	45%
	-	437,345	402,869	368,393	333,918	299,442	264,967	230,491
	50,000	387,345	352,869	318,393	283,918	249,442	214,967	180,491
	100,000	337,345	302,869	268,393	233,918	199,442	164,967	130,491
	150,000	287,345	252,869	218,393	183,918	149,442	114,967	80,491
	200,000	237,345	202,869	168,393	133,918	99,442	64,967	30,491
	250,000	187,345	152,869	118,393	83,918	49,442	14,967	(19,509)
	300,000	137,345	102,869	68,393	33,918	(558)	(35,033)	(69,509)
	350,000	87,345	52,869	18,393	(16,082)	(50,558)	(85,033)	(119,509)
	400,000	37,345	2,869	(31,607)	(66,082)	(100,558)	(135,033)	(169,509)
	450,000	(12,655)	(47,131)	(81,607)	(116,082)	(150,558)	(185,033)	(219,509)
	500,000	(62,655)	(97,131)	(131,607)	(166,082)	(200,558)	(235,033)	(269,509)
	550,000	(112,655)	(147,131)	(181,607)	(216,082)	(250,558)	(285,033)	(319,509)
	600,000	(162,655)	(197,131)	(231,607)	(266,082)	(300,558)	(335,033)	(369,509)
	650,000	(212,655)	(247,131)	(281,607)	(316,082)	(350,558)	(385,033)	(419,509)
	700,000	(262,655)	(297,131)	(331,607)	(366,082)	(400,558)	(435,033)	(469,509)
	750,000	(312,655)	(347,131)	(381,607)	(416,082)	(450,558)	(485,033)	(519,509)

Scheme Typology: **GF MV 115** No Units: **115**
 Site Typology: Location / Value Zone: **Mid** Greenfield/Brownfield: **Greenfield**
 Notes:

TABLE 5

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		54,967	15%	20%	25%	30%	35%	40%	45%
	26	211,147	177,948	144,749	111,551	78,352	45,153	11,955	
	28	243,542	207,790	172,038	136,285	100,533	64,780	29,028	
Density (dph)	30	275,938	237,632	199,326	161,020	122,714	84,408	46,102	
	32	308,334	267,474	226,614	185,755	144,895	104,035	63,175	
27.0	34	340,730	297,317	253,903	210,489	167,076	123,662	80,248	
	36	373,126	327,159	281,191	235,224	189,257	143,289	97,322	
	38	405,522	357,001	308,480	259,959	211,437	162,916	114,395	
	40	437,918	386,843	335,768	284,693	233,618	182,544	131,469	
	42	470,314	416,685	363,057	309,428	255,799	202,171	148,542	
	44	502,710	446,527	390,345	334,163	277,980	221,798	165,616	
	46	535,105	476,369	417,633	358,897	300,161	241,425	182,689	

TABLE 6

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		54,967	15%	20%	25%	30%	35%	40%	45%
	90%	359,589	324,723	289,857	254,991	220,125	185,259	150,393	
	92%	333,199	298,410	263,620	228,831	194,041	159,252	124,463	
Build Cost	94%	306,808	272,096	237,383	202,670	167,958	133,245	98,533	
	96%	280,403	245,773	211,144	176,510	141,874	107,238	72,602	
100% (105% = 5% increase)	98%	253,874	219,321	184,769	150,216	115,663	81,111	46,558	
	100%	227,345	192,869	158,393	123,918	89,442	54,967	20,491	
	102%	200,815	166,417	132,018	97,620	63,220	28,808	(5,604)	
	104%	174,200	139,865	105,531	71,196	36,862	2,527	(31,808)	
	106%	147,531	113,274	79,017	44,760	10,503	(23,754)	(58,013)	
	108%	120,862	86,683	52,503	18,304	(15,915)	(50,135)	(84,355)	
	110%	94,154	60,012	25,871	(8,271)	(42,413)	(76,555)	(110,696)	
	112%	67,345	33,281	(783)	(34,847)	(68,910)	(103,022)	(137,152)	

TABLE 6a

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		54,967	15%	20%	25%	30%	35%	40%	45%
	£0	291,447	256,971	222,496	188,020	153,545	119,069	84,593	
	£1,000	280,763	246,287	211,812	177,336	142,861	108,385	73,910	
Net Zero extra over FHS Interim Uplift £6,000	£2,000	270,079	235,604	201,128	166,653	132,177	97,702	63,226	
	£3,000	259,396	224,920	190,445	155,969	121,493	87,018	52,542	
	£4,000	248,712	214,236	179,761	145,285	110,810	76,334	41,859	
	£5,000	238,028	203,553	169,077	134,602	100,126	65,651	31,175	
	£6,000	227,345	192,869	158,393	123,918	89,442	54,967	20,491	
	£7,000	216,661	182,185	147,710	113,234	78,759	44,283	9,808	
	£8,000	205,977	171,502	137,026	102,551	68,075	33,600	(876)	
	£9,000	195,293	160,818	126,342	91,867	57,391	22,916	(11,560)	
	£10,000	184,610	150,134	115,659	81,183	46,708	12,232	(22,243)	
	£11,000	173,926	139,451	104,975	70,500	36,024	1,548	(32,927)	

TABLE 7

		Affordable Housing - % on site 40%							
Balance (RLV - BLV £ per acre (n))		54,967	15%	20%	25%	30%	35%	40%	45%
	80%	(146,843)	(159,318)	(171,794)	(184,269)	(196,745)	(209,220)	(221,696)	
	82%	(109,083)	(123,777)	(138,471)	(153,165)	(167,859)	(182,553)	(197,251)	
Market Values	84%	(71,481)	(88,387)	(105,293)	(122,199)	(139,104)	(156,010)	(172,916)	
	86%	(33,879)	(52,997)	(72,115)	(91,232)	(110,350)	(129,468)	(148,585)	
100% (105% = 5% increase)	88%	3,586	(17,732)	(39,051)	(60,370)	(81,689)	(103,007)	(124,326)	
	90%	41,022	17,501	(6,020)	(29,541)	(53,061)	(76,582)	(100,103)	
	92%	78,420	52,702	26,984	1,266	(24,452)	(50,170)	(75,888)	
	94%	115,699	87,788	59,877	31,967	4,056	(23,855)	(51,766)	
	96%	152,979	122,875	92,771	62,667	32,564	2,460	(27,644)	
	98%	190,211	157,920	125,629	93,337	61,046	28,755	(3,536)	
	100%	227,345	192,869	158,393	123,918	89,442	54,967	20,491	
	102%	264,478	227,818	191,158	154,498	117,839	81,179	44,519	
	104%	301,611	262,767	223,923	185,079	146,235	107,391	68,546	
	106%	338,630	297,618	256,607	215,595	174,584	133,572	92,561	
108%	375,627	332,439	289,252	246,064	202,876	159,688	116,500		
110%	412,625	367,261	321,897	276,532	231,168	185,804	140,440		
112%	449,622	402,082	354,541	307,001	259,460	211,920	164,379		
114%	486,539	436,855	387,170	337,469	287,753	238,036	188,319		
116%	523,411	471,557	419,704	367,850	315,996	264,143	212,259		
118%	560,240	506,247	452,238	398,215	344,192	290,170	236,147		
120%	596,996	540,841	484,686	428,531	372,376	316,197	260,005		

NOTES
 Cells highlighted in yellow are input cells
 Cells highlighted in green are sensitivity input cells
 Figures in brackets, thus (00,000.00), are negative values / costs

Scheme Typology: GF MV 115
Site Typology: Location / Value Zone: Mid
Notes: No Units: 115
Greenfield/Brownfield: Greenfield

[KPI's for Report Summary Table]

[note that this table is combined with other similar Scheme Typologies as a Summary table]

[please check that it captures the required KPI's that you would like carried forward to the Summary Table]

Appraisal Ref:	H
Scheme Typology:	GF MV 115
No Units:	115
Location / Value Zone:	Mid
Greenfield/Brownfield:	Greenfield
Notes:	0
Total GDV (£)	26,602,088
Policy Assumptions	
AH Target % (& mix):	40%
Affordable Rent:	0%
Social Rent:	65%
First Homes:	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%
CIL (£ psm)	-
CIL (£ per unit)	-
Site Specific S106 (£ per unit)	11,767
Sub-total CIL+S106 (£ per unit)	11,767
Site Infrastructure (£ per unit)	-
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767
Profit KPI's	
Developers Profit (% on OMS)	18.0%
Developers Profit (% on AH)	6.0%
Developers Profit (% blended)	14.95%
Developers Profit (% on costs)	20.46%
Developers Profit Total (£)	3,976,625
Land Value KPI's	
RLV (£/acre (net))	264,967
RLV (£/ha (net))	654,733
RLV (% of GDV)	10.48%
RLV Total (£)	2,788,678
BLV (£/acre (net))	210,000
BLV (£/ha (net))	518,910
BLV Total (£)	2,210,172
Surplus/Deficit (£/acre) [RLV-BLV]	54,967
Surplus/Deficit (£/ha)	135,823
Surplus/Deficit Total (£)	578,506
Plan Viability comments	Viable

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

220614_Stafford BC_WPV_Residential Appraisals_D-H_v8 - Summary Table

Appraisal Ref:	D	E	F	G	H
Scheme Typology:	BF MV 10	BF MV 18	BF MV 110	GF MV 20	GF MV 115
No Units:	10	18	110	20	115
Location / Value Zone:	Mid	Mid	Mid	Mid	Mid
Greenfield/Brownfield:	Brownfield	Brownfield	Brownfield	Greenfield	Greenfield
Notes:					0
Total GDV (£)	2,383,110	4,340,898	25,785,210	4,616,220	£26,602,088
Policy Assumptions					
AH Target % (& mix):	40%	40%	40%	40%	40%
Affordable Rent:	0%	0%	0%	0%	0%
Social Rent:	65%	65%	65%	65%	65%
First Homes:	25%	25%	25%	25%	25%
Other Intermediate (LCHO/Sub-Market etc.):	10%	10%	10%	10%	10%
CIL (£ psm)	-	-	-	-	£0
CIL (£ per unit)	-	-	-	-	£0
Site Specific S106 (£ per unit)	11,767	11,767	11,767	11,767	£11,767
Sub-total CIL+S106 (£ per unit)	11,767	11,767	11,767	11,767	£11,767
Site Infrastructure (£ per unit)	-	-	-	-	£0
Sub-total CIL+S106+Infrastructure (£ per unit)	11,767	11,767	11,767	11,767	£11,767
Profit KPI's					
Developers Profit (% on OMS)	18%	18%	18%	18%	18%
Developers Profit (% on AH)	6%	6%	6%	6%	6%
Developers Profit (% blended)	15%	15%	15%	15%	15%
Developers Profit (% on costs)	18%	18%	20%	19%	20%
Developers Profit Total (£)	358,987	655,410	3,871,633	690,973	£3,976,625
Land Value KPI's					
RLV (£/acre (net))	110,726	61,943	195,034	97,589	£264,967
RLV (£/ha (net))	273,604	153,061	481,928	241,142	£654,733
RLV (% of GDV)	3%	2%	9%	4%	10%
RLV Total (£)	72,001	102,041	2,304,872	178,624	£2,788,678
BLV (£/acre (net))	525,000	525,000	500,000	220,000	£210,000
BLV (£/ha (net))	1,297,275	1,297,275	1,235,500	543,620	£518,910
BLV Total (£)	341,388	864,850	5,908,913	402,681	£2,210,172
Surplus/Deficit (£/acre) [RLV-BLV]	(414,274)	(463,057)	(304,966)	(122,411)	£54,967
Surplus/Deficit (£/ha)	(1,023,671)	(1,144,214)	(753,572)	(302,478)	£135,823
Surplus/Deficit Total (£)	(269,387)	(762,809)	(3,604,041)	(224,058)	£578,506
Plan Viability comments	Marignal	Marignal	Marignal	Marignal	Viabile

Appendix 7 – Strategic Site Proformas

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Appendix 8 – Strategic Site Appraisals

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