DVS Property Specialists for the Public Sector

REAL SITE TYPES - DEVELOPMENT APPRAISALS

Completed on behalf of Northumberland County Council

Undertaken in connection with the Council's Core Strategy

by

District Valuer Services (DVS)

June 2016

1 INTRODUCTION

1.1 Instruction

1.1.1 Northumberland County Council ("the Council") is currently in the process of developing a Local Plan: Core Strategy. The Council is therefore looking to ensure, through a robust evidence based assessment, that the Northumberland Core Strategy will be deliverable and viable.

1.1.2 District Valuer Services ("DVS"), part of the Valuation Office Agency, has been commissioned by Northumberland County Council to undertake viability appraisals of real residential site types. This is a supplement to a previous study, which focused on hypothetical site types only.

1.1.3 The Council recognises that market conditions fluctuate depending on locational factors as well as site specific factors (such as abnormal costs, gross to net ratios, development densities, development types etc etc). The Council seeks the appraisal testing to recognise this market variance and has subsequently chosen 'real' sites from a range of market locations across Northumberland.

1.2 Site testing

1.2.1 For the purposes of testing residential development, the Council has provided DVS with 9 real development sites, which we understand have been assessed through the Strategic Housing Land Availability Assessment (SHLAA) process. These can be summarised as follows:

Table 1 – Development sites

Site Name	Delivery Area	Type	Settlement	Gross Area (Ha)
Site E	Central	Main Town	Ponteland	8.12
Site F	Central	Main Town	Hexham	0.98
Site G	Central	Main Town	Prudhoe	21.95
Site H	North	Main Town	Berwick	10.70
Site I	North	Service Centre	Wooler	1.03
Site J	West	Main Town	Haltwhistle	2.91
Site K	South East	Service Centre	Seaton Delaval	3.29
Site L	South East	Main Town	Blyth	4.46
Site M	South East	Main Town	Ashington	7.36

Table 1 – Development sites

1.2.2 For each of the above sites we have tested the Council's draft policy for affordable housing, which requires a 15% on-site provision (where possible). We have also included a 'spot' allowance equivalent to £500 per dwelling to cover additional Section 106 planning policies.

1.2.3 In addition, we have also run various sensitivity tests, based on our experience and evidence, to demonstrate what we consider to be likely variances to the appraisal inputs applied. These tests include the following scenarios:

(i) Reduced abnormal costs on brownfield sites
(ii) Reduced build costs
(iii) Reduced professional fees
(iv) Inclusion of a 20% affordable housing policy based on the 'Starter Homes' tenure model, replacing the affordable rent and intermediate tenure bases

1.2.4 Please note, in assessing the hypothetical site types we also included a sensitivity test based on a low value house builder model. In this case, though, none of the houses are considered to be in 'low' value areas therefore this additional sensitivity test was not considered to be appropriate.

1.3 District Valuer Services (DVS)

1.3.1 DVS, part of The Valuation Office Agency, provides valuation advice to public bodies throughout the UK. It has extensive experience in undertaking development appraisals and employs specialists in development work, together with dedicated environmental and quantity surveyors to assist in appraisal work.

2 VIABILITY ANALYSIS

2.1 A summary of our viability appraisals are set out in Appendix 1.

2.2 We have run our appraisals using the HCA Development Appraisal Toolkit ("DAT"), which is an industry approved program designed specifically for residual / viability appraisals. We have inputted the land values and developer's profit as fixed costs within the appraisals, together with all the other inputs for a development project (such as house values, build costs, professional fees, contingency etc). The DAT runs a cash flow for the scheme based on all the fixed inputs and calculates whether there is a subsequent 'surplus' of revenue. If the results show any surplus the scheme is deemed to be viable. If the scheme shows a deficit greater than – (minus) £50,000 the scheme is considered to be unviable. If the scheme shows a deficit of less than (minus) – £50,000 the scheme is deemed to be marginally viable.

2.3 In terms of revenue, we have researched comparable transactions for each site, seeking to arrive at a single, average figure for each location. The sales data identified can be summarized as follows:

Table 2 – Summary of sales evidence

Site	Age of comparable houses	Developer	Number of transactions	Average price achieved (£ per sq m)
Ponteland	2014 - 2016	Bellway Homes	28	£2,818
Hexham	2000 - 2009	Unknown	13	£2,031
Prudhoe	2013 - 2016	Gentoo Homes	15	£2,072
Berwick	2015	Hudson Homes / G M Craig Developments / Lindisfarne Home	13	£1,834
Wooler	2013 - 2016	Persimmon	14	£1,501
Haltwhistle	2000 - 2009	Unknown	5	£1,694

Location	Year houses built	Developer	Number of transactions	Average price achieved (£ per sq m)
Seaton Delaval	2013 - 2016	Bellway Homes, Eland Homes	77	£1,842
Blyth	2014-2015	Taylor Wimpey, Persimmon, ESH Homes, Miller Homes	87	£1,840
Ashington	2014-2015	Persimmon	53	£1,661

2.4 Please note, we have used the above figures to identify what is perceived to be a reasonable average sales value for each site. However, we would stress that we have made various adjustments from the comparable evidence, to reflect locational factors, nature of the comparable houses, site orientation, date of transaction etc.

2.5 We would also stress that where the sample size is small (e.g. Haltwhistle) we have also had regard to second-hand housing stock (i.e. older housing).

Initial testing

2.6 For our initial testing our results can be shown as follows:

Table 3 – Summary of initial residential viability testing (policy compliant scheme)

Site	Average house value (£ per sq m)	Value 'band' for location	Surplus / Deficit on DAT	Outcome (as % of GDV)	Viable?
Site E	£ 2,800	Highest	£ 5,726,299	11.91%	Yes
Site F	£ 2,500	High	£ 884,009	11.96%	Yes
Site G	£ 2,100	Medium	-£ 1,607,033	-2.66%	No
Site H	£ 1,900	Medium	-£ 1,295,070	-3.06%	No
Site I	£ 1,900	Medium	-£ 407,182	-9.26%	No
Site J	£ 1,850	Medium	-£ 615,443	-5.69%	No
Site K	£ 2,000	Medium	-£ 521,347	-5.74%	No
Site L	£ 1,850	Medium	-£ 956,905	-5.60%	No
Site M	£ 1,850	Medium	-£ 2,248,210	-11.97%	No

2.7 The data shows:

- 2 out of the 9 sites tested returned a viable scheme. These were each sites located in 'high' and 'highest' value areas for the region.

- 7 out of the 9 sites returned an unviable scheme. These were all located in what we have classed as 'medium' value areas (i.e. areas where the average sales value is between £1,600 and £2,000 per sq m.
- However, there was a strong variance in the outcome when compared against the GDV of each scheme. For example, Site G returned an unviable outcome, however the deficit produced was relatively small at –2.66% when compared against the GDV (in viability terms this is considered to be a relatively small margin). In comparison the highest deficit, when expressed as a percentage of GDV, was Site M, showing –11.97%. In this regard, we would stress that the amount of deficit produced does not necessarily appropriately show the level of 'viability' of the scheme. We note that 5 of the 7 unviable schemes produced a deficit under –6%, which in viability terms is not considered to be a particularly high level (in other words, relatively small increases in revenue / reductions in costs could potentially turn the scheme into a viable development).
- Notwithstanding this, the results are consistent with the initial testing undertaken on the hypothetical sites, which showed that if a site was located in the high or highest value areas there was a strong chance it would return a viable scheme, whereas if it was located within a medium (or low) value area it was likely to return an unviable scheme.

2.8 In short, the initial results suggest that developments in low and medium value areas are more likely to return an unviable scheme, whereas developments in the high and highest value band areas are likely to return a viable scheme.

2.9 However, and in keeping with comments previously made when we tested hypothetical sites, we note that in the last few years residential development has taken place (and continues to take place) in low to medium value areas (even with the financial burden of having to provide an affordable housing provision), as demonstrated by the Council's own records on site implementation and completions. In this regard, the results shown above do not appear to support the reality of site delivery across Northumberland. This may be down to the inputs within the appraisals being overly cautious.

2.10 Consequently, we have looked to sensitivity analysis to test likely variances in appraisal inputs. However, please note, when considering sensitivity testing the assessment should have regard to the potential impact of market changes over time (e.g. economic cycles in house prices and build costs). However, it is extremely difficult to forecast how the market will potentially change over time, particularly when looking forward over the life of a Local Plan. This means it is difficult to appropriately model the viability appraisals to reflect future flux in the market place.

2.11 In this respect the initial testing should be regarded as being at a specific 'point in time', with the sensitivity testing used to reflect potential variations. However, in this case we would stress that the initial appraisal testing has been, in our view, cautious and therefore already builds in potential cost inflation over time (i.e. the initial appraisal testing can be regarded as a reflecting a 'worst case'). Recognising this initial cautious approach, our sensitivity analysis therefore focuses on potential positive variations in the appraisal inputs (and therefore potential positive changes in the market place which would improve viability).

Sensitivity Testing 1 – Reduced Abnormal Costs

2.12 Initially, we allowed for abnormal costs linked to underground mining works (included within the 'basic' build costs). We also made an 'over and above' allowance for abnormals, albeit restricted to brownfield sites only. Recognising that abnormal costs will fluctuate significantly from site to site, it is difficult to identify an average figure. As such, a 'spot' allowance equivalent to 10% of the basic build cost was included for brownfield sites. As part of the sensitivity testing we have subsequently reduced this spot allowance to 5% of the basic build costs.

2.13 However, please note there are only two brownfield sites in the sample (Site F and Site I), one of which (Site F) returned a viable outcome even with the 10% abnormal allowance. We have therefore subsequently only re-tested Site I with the reduced abnormal costs. The results are shown below:

Table 4 – Summary of reduced abnormal costs viability testing

Site	Average house value (£ per sq m)	Value 'band' for location	Surplus / Deficit on DAT	Outcome (as % of GDV)	Viable?
Site I	£ 1,900	Medium	-£ 278,936	-6.35%	No

2.14 The data shows that when 'over and above' abnormal costs are reduced from 10% of basic built costs to 5%:

- The scheme still shows an unviable outcome, therefore the impact of the change is relatively small.

- That said, the outcome improved from –9.36% (expressed as a percentage of income) from the initial testing, to – 6.35%.

2.15 In this respect, reducing the abnormal costs in isolation by the suggested percentage does not have a significant bearing on the overall viability outcome.

Sensitivity Testing 2 – Reduced 'Basic' Build Costs

2.16 In our initial testing we adopted a figure based on the BCIS database, rebased to Northumberland. However, the BCIS does have its limitations, particularly with regard to large schemes most likely to be implemented by volume house builders. For the purposes of this sensitivity test we have subsequently reduced the 'basic' build cost to the equivalent of £875 per sq m, plus an additional allowance of 15% to take into account external works. This figure is based on other evidence available to DVS.

2.17 Please note, we have only re-tested the 7 sites that initially returned an unviable outcome.

Table 5 – Summary of reduced build costs viability testing

Site	Average house value (£ per sq m)	Value 'band' for location	Surplus / Deficit on DAT	Outcome (as % of GDV)	Viable?
Site G	£ 2,100	Medium	£ 627,707	1.04%	Yes
Site H	£ 1,900	Medium	£ 491,895	1.16%	Yes
Site I	£ 1,900	Medium	-£ 200,754	-4.57%	No
Site J	£ 1,850	Medium	-£ 100,120	-0.93%	No
Site K	£ 2,000	Medium	-£ 126,290	-1.39%	No
Site L	£ 1,850	Medium	-£ 150,653	-0.88%	No
Site M	£ 1,850	Medium	-£ 1,363,304	-7.26%	No

2.18 The data shows that when the basic build costs are reduced to £875 per sq m:

- 2 of the 7 sites that initially showed an unviable outcome saw a change to a viable scheme.

- A further 3 schemes returned a deficit that was less than – 1.5% of the GDV, which is considered to be minimal in the context of a viability appraisal.

2.19 Reducing the build costs to £875 per sq m therefore has a significant impact on the overall outcome of viability.

Sensitivity Testing 3 – Reduced Professional Fees

2.20 In our initial testing we adopted an all-inclusive figure to cover professional fees, equivalent to 10% of the basic build costs / external works. For the purposes of this sensitivity test, and based on evidence available to DVS, we have reduced this to 6%.

2.21 Please note, we have only re-tested the 7 sites that initially returned an unviable outcome.

Table 6 – Summary of reduced professional fees viability testing

Site	Average house value (£ per sq m)	Value 'band' for location	Surplus / Deficit on DAT	Outcome (as % of GDV)	Viable?
Site G	£ 2,100	Medium	-£ 423,274	-0.70%	No
Site H	£ 1,900	Medium	-£ 362,093	-0.86%	No
Site I	£ 1,900	Medium	-£ 303,495	-6.90%	No
Site J	£ 1,850	Medium	-£ 355,354	-3.29%	No
Site K	£ 2,000	Medium	-£ 320,737	-3.53%	No
Site L	£ 1,850	Medium	-£ 547,496	-3.20%	No
Site M	£ 1,850	Medium	-£ 1,798,106	-9.58%	No

2.22 The data shows that when professional fees are reduced to 6%:

- The 7 sites still each show an unviable outcome.

- However, for 2 of the sites the outcome improved to show a deficit of less than – 1% of GDV, which is considered to be only a small deficit in viability terms.

- Likewise, a further 3 sites showed an improved deficit of less than – 4% of GDV, which is again considered to be relatively small in viability terms.

2.23 In this respect, reducing the professional fees in isolation by the suggested percentage does not have a significant bearing on the overall viability outcome, however it did improve the level of deficit produced for a number of sites, to the point where the deficit was considered to be at a relatively small level (in viability terms).

Sensitivity Testing 4 – Starter Homes

2.24 In our initial testing we adopted established affordable housing tenures, providing a maximum provision equivalent to 15% on-site units. For this scenario test we amended all of the affordable units to meet the proposed Starter Homes tenure basis, in line with that recently referenced in the Housing and Planning Act 2016, where the houses would be sold to first time buyers at the equivalent of 80% of the Market Value. Please note, given that this would provide an increased income to the developer we also increased the on-site provision of Starter Homes to 20%.

2.25 Please note, we have only re-tested the 7 sites that initially returned an unviable outcome.

Table 7 – Summary of Starter Homes viability testing

Site	Average house value (£ per sq m)	Value 'band' for location	Surplus / Deficit on DAT	Outcome (as % of GDV)	Viable?
Site G	£ 2,100	Medium	£ 622,535	1.03%	Yes
Site H	£ 1,900	Medium	£ 291,434	0.69%	Yes
Site I	£ 1,900	Medium	-£ 235,423	-5.36%	No
Site J	£ 1,850	Medium	-£ 183,377	-1.70%	No
Site K	£ 2,000	Medium	-£ 148,791	-1.64%	No
Site L	£ 1,850	Medium	-£ 250,099	-1.46%	No
Site M	£ 1,850	Medium	-£ 578,464	-3.08%	No

2.26 The data shows that when the affordable units are provided as Starter Homes, with a 20% on-site provision:

- 2 of the 7 sites that initially showed an unviable outcome saw a change to a viable scheme.

- A further 4 schemes returned a deficit that was less than circa – 3.0% of the GDV, which is considered to be low in the context of a viability appraisal.

2.27 Changing the affordable housing tenure basis to Starter Homes and increasing the provision to 20% therefore has a positive impact on viability.

Cumulative Impact of Sensitivity Testing

2.28 All of the 4 sensitivity scenarios tested have been undertaken in isolation, i.e. we have not tested more than one adjusted input when running the appraisals. However, we are of the view that this may not be particularly realistic, as we believe a number of the inputs adopted in the appraisal are cautious and in reality would be subject to downward pressure in the market place.

2.29 In this regard, we have also re-run the 7 appraisals that initially returned an 'unviable' outcome. We have tested the cumulative impact of reducing the professional fees, reducing the abnormal costs, reducing the basic build costs and applying a 20% provision of Starter Homes. The outcome is as follows:

- All 7 of the previously unviable sites return a viable outcome, producing significant surpluses.

- The effect of the cumulative impact of the changes is therefore to significantly improve the overall viability outcome.

Conclusions

2.30 The initial testing showed that schemes within high and highest value areas were viable, whereas schemes within medium value areas were unviable. However, this contradicts site delivery in the region, as demonstrated by evidence held by the Council, as schemes in low and medium value areas have come forward in recent years (whilst providing affordable housing and S106 contributions).

2.31 Having reconsidered the assessments undertaken we are of the view that this is because a number of the appraisal inputs are, in our opinion, cautious and in reality are likely to be subject to change in the market place. We subsequently ran 5 different sensitivity tests to reflect likely changes to the appraisal inputs when the schemes would be implemented in the market place, based on evidence held by DVS.

2.32 The data shows that if professional fees and abnormal costs are reduced in isolation, the impact on the viability outcome is positive, but fairly limited. Likewise, the impact of introducing Starter Homes at a provision of 20% has a positive impact on viability. However, the most significant impact is when build costs are reduced from the BCIS rates to rates more consistent with other evidence held by DVS, and also when it is specifically assumed a low-cost house builder specialist would implement the scheme. In each case a number of previously unviable schemes are shown to be viable.

2.33 In addition, we have also tested the cumulative impact of the suggested changes to professional fees, build costs, abnormal costs and the introduction of Starter Homes at a 20% provision. In the current market place, and based on evidence held by DVS (and referenced in previous reports), we consider this to be a reasonable assumption. The cumulative impact of the adjusted appraisal inputs is that all 7 previously unviable sites return a viable outcome.

3 CONCLUSIONS AND FINAL COMMENTS

3.1 The results of our residential testing showed a clear divide between medium value areas (mostly returning an unviable scheme) and high and highest value areas (most returning a viable scheme).

3.2 However, this contradicts evidence held by the Council which shows schemes in low and medium value areas having been brought forward in recent years (whilst providing affordable housing contributions). This suggests the initial appraisal testing is overly cautious.

3.3 Having reconsidered the initial appraisals we have identified a number of inputs which are likely to be subject to variance when the schemes are implemented, which would have a positive impact on viability. For example, the BCIS costs used in the initial testing are considered to be high when compared against the market place (as demonstrated through other evidence held by DVS and previously submitted to the Council). Furthermore, we note there has been a general fall in BCIS data in recent months which could suggest the previous figures were anomalous. We have subsequently run a number of sensitivity tests to allow for likely variances in certain appraisal inputs, all of which would have a positive impact on viability (to varying degrees).

3.4 The sensitivity tests show that development sites in medium value areas can comfortably return a viable scheme, even with the application of a 15% affordable housing provision. In this regard, we have concluded that the suggested policy of 15% is reasonable and proportionate, albeit acknowledging that development sites will still need to be tested on a ‘site by site’ basis through individual viability assessments, taking into account the specific details of the scheme.

David Newham MRICS RICS Registered Valuer

District Valuer Services

June 2016

Appendix 1

Residential Viability Analysis – Summary

Appendix 1

Original

Site	Value area	Units	Gross site (Ha)	Net site (Ha)	Land value	Land value (per gross acre)	MV average (£per sq m)	GDV	Average house size	Affordable rent	Affordable inter	BCIS Median & Externals (£ per sq m)	Total cost of garages	Prof fees	Contingency	Total abnorm	Total S106
Site E	Highest	186	8.12	6.90	£ 6,019,356	£ 300,000	£ 2,800	£ 48,099,189	99.51	10.22%	4.84%	£ 1,082.15	£ 744,000	10.00%	3.75%	£ -	£ 93,000
Site F	High	32	0.98	0.83	£ 302,698	£ 125,000	£ 2,500	£ 7,388,767	99.51	9.38%	6.25%	£ 1,082.15	£ 128,000	10.00%	3.75%	£ 344,668	£ 16,000
Site G	Medium	312	21.95	18.66	£ 7,593,383	£ 140,000	£ 2,100	£ 60,503,493	99.51	10.26%	4.81%	£ 1,082.15	£ 1,248,000	10.00%	3.75%	£ -	£ 156,000
Site H	Medium	241	10.70	9.10	£ 3,040,566	£ 115,000	£ 1,900	£ 42,333,445	99.51	9.96%	4.98%	£ 1,082.15	£ 964,000	10.00%	3.75%	£ -	£ 120,500
Site I	Medium	25	1.03	0.88	£ 318,141	£ 125,000	£ 1,900	£ 4,395,947	99.51	8.00%	8.00%	£ 1,082.15	£ 100,000	10.00%	3.75%	£ 269,239	£ 12,500
Site J	Medium	63	2.91	2.47	£ 826,920	£ 115,000	£ 1,850	£ 10,811,097	99.51	9.52%	4.76%	£ 1,082.15	£ 252,000	10.00%	3.75%	£ -	£ 31,500
Site K	Medium	49	3.29	2.80	£ 1,138,143	£ 140,000	£ 2,000	£ 9,075,495	99.51	10.20%	4.09%	£ 1,082.15	£ 196,000	10.00%	3.75%	£ -	£ 24,500
Site L	Medium	100	4.46	3.79	£ 1,267,376	£ 115,000	£ 1,850	£ 17,098,010	99.51	10.00%	5.00%	£ 1,082.15	£ 400,000	10.00%	3.75%	£ -	£ 50,000
Site M	Medium	110	7.36	6.26	£ 2,091,454	£ 115,000	£ 1,850	£ 18,777,895	99.51	10.00%	5.45%	£ 1,082.15	£ 440,000	10.00%	3.75%	£ -	£ 55,000

Abnormals

Site	Value area	Units	Gross site (Ha)	Net site (Ha)	Land value	Land value (per gross acre)	MV average (£per sq m)	GDV	Average house size	Affordable rent	Affordable inter	BCIS Median & Externals (£ per sq m)	Total cost of garages	Prof fees	Contingency	Total abnorm	Total S106
Site I	Medium	25	1.03	0.88	£ 318,141	£ 125,000	£ 1,900	£ 4,395,947	99.51	8.00%	8.00%	£ 1,082.15	£ 100,000	10.00%	3.75%	£ 134,620	£ 12,500

Low Build Cost

Site	Value area	Units	Gross site (Ha)	Net site (Ha)	Land value	Land value (per gross acre)	MV average (£per sq m)	GDV	Average house size	Affordable rent	Affordable inter	BCIS Median & Externals (£ per sq m)	Total cost of garages	Prof fees	Contingency	Total abnorm	Total S106
Site G	Medium	312	21.95	18.66	£ 7,593,383	£ 140,000	£ 2,100	£ 60,503,493	99.51	10.26%	4.81%	£ 1,006.25	£ 1,248,000	10.00%	3.75%	£ -	£ 156,000
Site H	Medium	241	10.70	9.10	£ 3,040,566	£ 115,000	£ 1,900	£ 42,333,445	99.51	9.96%	4.98%	£ 1,006.25	£ 964,000	10.00%	3.75%	£ -	£ 120,500
Site I	Medium	25	1.03	0.88	£ 318,141	£ 125,000	£ 1,900	£ 4,395,947	99.51	8.00%	8.00%	£ 1,006.25	£ 100,000	10.00%	3.75%	£ 269,239	£ 12,500
Site J	Medium	63	2.91	2.47	£ 826,920	£ 115,000	£ 1,850	£ 10,811,097	99.51	9.52%	4.76%	£ 1,006.25	£ 252,000	10.00%	3.75%	£ -	£ 31,500
Site K	Medium	49	3.29	2.80	£ 1,138,143	£ 140,000	£ 2,000	£ 9,075,495	99.51	10.20%	4.09%	£ 1,006.25	£ 196,000	10.00%	3.75%	£ -	£ 24,500
Site L	Medium	100	4.46	3.79	£ 1,267,376	£ 115,000	£ 1,850	£ 17,098,010	99.51	10.00%	5.00%	£ 1,006.25	£ 400,000	6.00%	3.75%	£ -	£ 50,000
Site M	Medium	110	7.36	6.26	£ 2,091,454	£ 115,000	£ 1,850	£ 18,777,895	99.51	10.00%	5.45%	£ 1,006.25	£ 440,000	10.00%	3.75%	£ -	£ 55,000

Prof Fees

Site	Value area	Units	Gross site (Ha)	Net site (Ha)	Land value	Land value (per gross acre)	MV average (£per sq m)	GDV	Average house size	Affordable rent	Affordable inter	BCIS Median & Externals (£ per sq m)	Total cost of garages	Prof fees	Contingency	Total abnorm	Total S106
Site G	Medium	312	21.95	18.66	£ 7,593,383	£ 140,000	£ 2,100	£ 60,503,493	99.51	10.26%	4.81%	£ 1,082.15	£ 1,248,000	6.00%	3.75%	£ -	£ 156,000
Site H	Medium	241	10.70	9.10	£ 3,040,566	£ 115,000	£ 1,900	£ 42,333,445	99.51	9.96%	4.98%	£ 1,082.15	£ 964,000	6.00%	3.75%	£ -	£ 120,500
Site I	Medium	25	1.03	0.88	£ 318,141	£ 125,000	£ 1,900	£ 4,395,947	99.51	8.00%	8.00%	£ 1,082.15	£ 100,000	6.00%	3.75%	£ 269,239	£ 12,500
Site J	Medium	63	2.91	2.47	£ 826,920	£ 115,000	£ 1,850	£ 10,811,097	99.51	9.52%	4.76%	£ 1,082.15	£ 252,000	6.00%	3.75%	£ -	£ 31,500
Site K	Medium	49	3.29	2.80	£ 1,138,143	£ 140,000	£ 2,000	£ 9,075,495	99.51	10.20%	4.09%	£ 1,082.15	£ 196,000	6.00%	3.75%	£ -	£ 24,500
Site L	Medium	100	4.46	3.79	£ 1,267,376	£ 115,000	£ 1,850	£ 17,098,010	99.51	10.00%	5.00%	£ 1,082.15	£ 400,000	6.00%	3.75%	£ -	£ 50,000
Site M	Medium	110	7.36	6.26	£ 2,091,454	£ 115,000	£ 1,850	£ 18,777,895	99.51	10.00%	5.45%	£ 1,082.15	£ 440,000	6.00%	3.75%	£ -	£ 55,000

Starter Homes

Site	Value area	Units	Gross site (Ha)	Net site (Ha)	Land value	Land value (per gross acre)	MV average (£per sq m)	GDV	Average house size	Starter Homes	BCIS Median & Externals (£ per sq m)	Total cost of garages	Prof fees	Contingency	Total abnorm	Total S106	Total finance
Site G	Medium	312	21.95	18.66	£ 7,593,383	£ 140,000	£ 2,100	£ 60,503,493	99.51	19.87%	£ 1,082.15	£ 1,248,000	10.00%	3.75%	£ -	£ 156,000	£ 1,054,296
Site H	Medium	241	10.70	9.10	£ 3,040,566	£ 115,000	£ 1,900	£ 42,333,445	99.51	19.92%	£ 1,082.15	£ 964,000	10.00%	3.75%	£ -	£ 120,500	£ 396,762
Site I	Medium	25	1.03	0.88	£ 318,141	£ 125,000	£ 1,900	£ 4,395,947	99.51	20.00%	£ 1,082.15	£ 100,000	10.00%	3.75%	£ 269,239	£ 12,500	£ 65,560
Site J	Medium	63	2.91	2.47	£ 826,920	£ 115,000	£ 1,850	£ 10,811,097	99.51	20.63%	£ 1,082.15	£ 252,000	10.00%	3.75%	£ -	£ 31,500	£ 130,894
Site K	Medium	49	3.29	2.80	£ 1,138,143	£ 140,000	£ 2,000	£ 9,075,495	99.51	20.41%	£ 1,082.15	£ 196,000	10.00%	3.75%	£ -	£ 24,500	£ 153,359
Site L	Medium	100	4.46	3.79	£ 1,267,376	£ 115,000	£ 1,850	£ 17,098,010	99.51	20.00%	£ 1,082.15	£ 400,000	10.00%	3.75%	£ -	£ 50,000	£ 218,127
Site M	Medium	110	7.36	6.26	£ 2,091,454	£ 115,000	£ 1,850	£ 18,777,895	99.51	20.00%	£ 1,082.15	£ 440,000	10.00%	3.75%	£ -	£ 55,000	£ 387,342

Low Cost House Builder

Address	Value area	Units	Gross site (Ha)	Net site (Ha)	Land value	Land value (per gross acre)	MV average (£per sq m)	GDV	Average house size	Affordable rent	Affordable inter	BCIS Median & Externals (£ per sq m)	Total cost of garages	Prof fees	Contingency	Total abnorm	Total S106
Site H	Medium	241	10.70	9.10	£ 2,643,970	£ 100,000	£ 1,900	£ 42,333,445	99.51	9.96%	4.98%	£ 900.00	£ 964,000	5.50%	3.75%	£ -	£ 120,500
Site I	Medium	25	1.03	0.88	£ 127,257	£ 50,000	£ 1,900	£ 4,395,947	99.51	8.00%	8.00%	£ 900.00	£ 100,000	5.50%	3.75%	£ 269,239	£ 12,500
Site J	Medium	63	2.91	2.47	£ 719,061	£ 100,000	£ 1,850	£ 10,811,097	99.51	9.52%	4.76%	£ 900.00	£ 252,000	5.50%	3.75%	£ -	£ 31,500
Site L	Medium	100	4.46	3.79	£ 1,102,066	£ 100,000	£ 1,850	£ 17,098,010	99.51	10.00%	5.00%	£ 900.00	£ 400,000	5.50%	3.75%	£ -	£ 50,000
Site M	Medium	110	7.36	6.26	£ 1,818,656	£ 100,000	£ 1,850	£ 18,777,895	99.51	10.00%	5.45%	£ 900.00	£ 440,000	5.50%	3.75%	£ -	£ 55,000

All (rough figures)

Address	Value area	Units	Original viability	Original outcome	Difference (as £)	New outcome	Viable (Yes, No, Marginal)
Site I	Medium	25	-£ 407,182	No	-£ 610,120	£ 202,938	Yes
Site J	Medium	63	-£ 615,443	No	-£ 1,846,329	£ 1,230,886	Yes
Site K	Medium	49	-£ 521,347	No	-£ 1,564,041	£ 1,042,694	Yes
Site L	Medium	100	-£ 956,905	No	-£ 2,870,715	£ 1,913,810	Yes
Site M	Medium	110	-£ 2,248,210	No	-£ 6,744,630	£ 4,496,420	Yes

Total finance	Marketing costs	Profit on GDV (MV)	Profit on Cost (AH)	Outcome	Outcome % of GDV	Viable (Yes, No, Marginal)
£ 238,379	4.00%	20.00%	6.00%	£ 5,726,299	11.91%	Yes
£ 26,350	4.00%	20.00%	6.00%	£ 884,009	11.96%	Yes
£ 1,356,762	4.00%	20.00%	6.00%	-£ 1,607,033	-2.66%	No
£ 557,462	4.00%	20.00%	6.00%	-£ 1,295,070	-3.06%	No
£ 89,861	4.00%	20.00%	6.00%	-£ 407,182	-9.26%	No
£ 147,007	4.00%	20.00%	6.00%	-£ 615,443	-5.69%	No
£ 174,101	4.00%	20.00%	6.00%	-£ 521,347	-5.74%	No
£ 257,601	4.00%	20.00%	6.00%	-£ 956,905	-5.60%	No
£ 432,140	4.00%	20.00%	6.00%	-£ 2,248,210	-11.97%	No

Total finance	Marketing costs	Profit on GDV (MV)	Profit on Cost (AH)	Outcome	Outcome % of GDV	Viable (Yes, No, Marginal)	Original	Diff
£ 66,534	4.00%	20.00%	6.00%	-£ 278,936	-6.35%	No	-£ 407,182	-£ 128,246

Total finance	Marketing costs	Profit on GDV (MV)	Profit on Cost (AH)	Outcome	Outcome % of GDV	Viable (Yes, No, Marginal)	Original	Diff
£ 980,710	4.00%	20.00%	6.00%	£ 627,707	1.04%	Yes		
£ 333,360	4.00%	20.00%	6.00%	£ 491,895	1.16%	Yes		
£ 63,037	4.00%	20.00%	6.00%	-£ 200,754	-4.57%	No	-£ 407,182	-£ 206,428
£ 122,995	4.00%	20.00%	6.00%	-£ 100,120	-0.93%	No	-£ 615,443	-£ 515,323
£ 147,815	4.00%	20.00%	6.00%	-£ 126,290	-1.39%	No	-£ 521,347	-£ 395,057
£ 204,266	4.00%	20.00%	6.00%	-£ 150,653	-0.88%	No	-£ 956,905	-£ 806,252
£ 387,342	4.00%	20.00%	6.00%	-£ 1,363,304	-7.26%	No	-£ 2,248,210	-£ 884,906

Total finance	Marketing costs	Profit on GDV (MV)	Profit on Cost (AH)	Outcome	Outcome % of GDV	Viable (Yes, No, Marginal)	Original	Diff
£ 1,070,309	4.00%	20.00%	6.00%	-£ 423,274	-0.70%	No		
£ 389,005	4.00%	20.00%	6.00%	-£ 362,093	-0.86%	No		
£ 66,452	4.00%	20.00%	6.00%	-£ 303,495	-6.90%	No	-£ 407,182	-£ 103,687
£ 164,991	4.00%	20.00%	6.00%	-£ 355,354	-3.29%	No	-£ 615,443	-£ 260,089
£ 156,433	4.00%	20.00%	6.00%	-£ 320,737	-3.53%	No	-£ 521,347	-£ 200,610
£ 221,544	4.00%	20.00%	6.00%	-£ 547,496	-3.20%	No	-£ 956,905	-£ 409,409
£ 387,342	4.00%	20.00%	6.00%	-£ 1,798,106	-9.58%	No	-£ 2,248,210	-£ 450,104

Marketing costs	Profit on GDV (MV)	Profit on Cost (AH)	Outcome	Outcome % of GDV	Viable (Yes, No, Marginal)	Original	Diff
4.00%	20.00%	6.00%	£ 622,535	1.03%	Yes		
4.00%	20.00%	6.00%	£ 291,434	0.69%	Yes		
4.00%	20.00%	6.00%	-£ 235,423	-5.36%	No	-£ 407,182	-£ 171,759
4.00%	20.00%	6.00%	-£ 183,377	-1.70%	No	-£ 615,443	-£ 432,066
4.00%	20.00%	6.00%	-£ 148,791	-1.64%	No	-£ 521,347	-£ 372,556
4.00%	20.00%	6.00%	-£ 250,099	-1.46%	No	-£ 956,905	-£ 706,806
4.00%	20.00%	6.00%	-£ 578,464	-3.08%	No	-£ 2,248,210	-£ 1,669,746

Total finance	Marketing costs	Profit on GDV (MV)	Profit on Cost (AH)	Outcome	Outcome % of GDV	Viable (Yes, No, Marginal)
-£ 192,479	4.00%	20.00%	20.00%	£ 3,882,990	9.17%	Yes
£ 27,472	4.00%	20.00%	20.00%	£ 339,586	7.72%	Yes
£ 69,281	4.00%	20.00%	20.00%	£ 870,121	8.05%	Yes
£ 88,299	4.00%	20.00%	20.00%	£ 1,355,694	7.93%	Yes
£ 198,628	4.00%	20.00%	20.00%	£ 388,435	2.07%	Yes