

# **CIL Viability & affordable housing commuted sum calculation study**

**Client: Babergh & Mid Suffolk District  
Councils**

**Date: 11 November 2024**



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## Contents

<b>1</b>	<b>Introduction .....</b>	<b>1</b>
1.2	Previous studies .....	1
1.3	Reference to guidance, frameworks and statements .....	3
1.4	Report structure .....	3
1.5	Declaration .....	4
1.6	Limitations of report .....	5
<b>2</b>	<b>National planning policy context .....</b>	<b>5</b>
2.1	Introduction .....	5
2.2	National Planning Policy Framework (NPPF) .....	5
2.3	Planning Practice Guidance (PPG) for CIL .....	7
<b>3</b>	<b>Methodology .....</b>	<b>11</b>
3.1	Introduction .....	11
3.2	Viability modelling principles .....	11
3.3	What to test? .....	11
3.4	Development appraisal inputs .....	12
3.5	Benchmark land value .....	12
3.6	Viability modelling approach .....	17
<b>4</b>	<b>Local Plan context .....</b>	<b>19</b>
4.1	Introduction .....	19
4.2	Part 1 Local Plan policies .....	19
4.3	Current CIL charges .....	33
<b>5</b>	<b>Residential viability testing .....</b>	<b>38</b>
5.1	Introduction .....	38
5.2	Devising scenarios to test .....	38
5.3	Sale values .....	39
5.4	Affordable housing value inputs & assumptions .....	41
5.5	Development costs assumptions & inputs .....	41
5.6	Timescales .....	46
5.7	Benchmark land value .....	47
5.8	Viability testing results – generic site testing .....	56
	Rural exception sites .....	57
5.9	Sensitivity testing .....	58
<b>6</b>	<b>Older persons accommodation viability testing .....</b>	<b>61</b>
6.1	Introduction .....	61
6.2	Typologies .....	61
6.3	Value assumptions .....	61
6.4	Costs .....	63
6.5	Timescales .....	63

6.6	Land value .....	64
6.7	Viability testing results.....	64
<b>7</b>	<b>Retail viability testing.....</b>	<b>65</b>
7.1	Introduction .....	65
7.2	Typologies .....	65
7.3	Value assumptions.....	65
7.4	Costs 66	
7.5	Timescales .....	69
7.6	Land value .....	69
7.7	Viability testing results.....	69
<b>8</b>	<b>Employment viability testing .....</b>	<b>70</b>
8.1	Introduction .....	70
8.2	Typologies .....	70
8.3	Value assumptions.....	70
8.4	Costs 71	
8.5	Timescales .....	73
8.6	Land value .....	73
8.7	Viability testing results.....	73
<b>9</b>	<b>Setting of CIL rates.....</b>	<b>74</b>
9.1	Introduction .....	74
9.2	Draft CIL rates .....	74
<b>10</b>	<b>Introduction to offsite affordable housing assessment.....</b>	<b>73</b>
<b>11</b>	<b>Updated offsite affordable housing assessment .....</b>	<b>74</b>
11.2	Changes in market conditions proposed affordable housing commuted sum payments .....	74

## Figures

Figure 3-1	The residual valuation framework .....	11
Figure 3-2	Benchmark Land Value v Residual Land Value – test of viability.....	17
Figure 3-3	Extract from residual appraisal .....	17
Figure 3-4	Extract viability testing results.....	18
Figure 4-1	Babergh CIL charging schedule.....	33
Figure 4-2	Babergh charging zones.....	34
Figure 4-3	Mid Suffolk CIL charging schedule .....	34
Figure 4-4	Mid Suffolk CIL charging schedule zones .....	36
Figure 5-1	Residential typologies .....	38
Figure 5-2	Unit sizes and sale values used in the AV October 2020 study .....	39
Figure 5-3	Value zones .....	41
Figure 5-4	Appraisal timing assumptions .....	46
Figure 5-5	Land values by region since 1992 – East of England .....	48
Figure 5-6	Average prices all reported transactions .....	48
Figure 5-7	Residential property market forecasts.....	58
Figure 6-1	Typologies used in the AV October 2020 study.....	61
Figure 6-2	Unit sizes and sale values used in the AV October 2020 study .....	61
Figure 7-1	Retail sizes and values used in the AV October 2020 study .....	65
Figure 7-2	Retail timescales used in the AV October 2020 study .....	69
Figure 8-1	Unit sizes and values used in the AV October 2020 study.....	70
Figure 10-1	Draft affordable housing commuted sum rates.....	73

## Tables

Table 1-1 AV October 2020 study proposed CIL rates .....	1
Table 4-1 Review of policy contributions.....	20
Table 4-2 Indexed CIL rates – Babergh .....	33
Table 4-3 Indexed CIL rates – Mid Suffolk .....	35
Table 5-1 Sale values CIL viability testing .....	40
Table 5-2 Development costs assumptions & inputs .....	41
Table 5-3 Agricultural land values Suffolk – sold.....	49
Table 5-4 Agricultural land values Suffolk – sold – November 2024 update.....	50
Table 5-5 Agricultural land values Suffolk – asking .....	51
Table 5-6 Agricultural land values Suffolk – asking – November .....	51
Table 5-7 Development land values .....	53
Table 5-8 Residential viability testing results S106 @ £1,500 per dwelling .....	56
Table 5-9 Residential viability testing results S106 @ £10,100 per dwelling .....	57
Table 5-10 Rural exception sites viability testing results 15% affordable housing & S106 @ £1,500 per dwelling	57
Table 5-11 Rural exception sites viability testing results 30% affordable housing & S106 @ £10,100 per dwelling	57
Table 5-12 Residential viability testing results S106 @ £1,500 per dwelling – sensitivity test .....	59
Table 5-13 Residential viability testing results S106 @ £10,100 per dwellings – sensitivity test.....	60
Table 6-1 Older persons age restricted sale values CIL viability testing .....	62
Table 6-2 Extra care sale values CIL viability testing .....	62
Table 6-3 Older persons accommodation costs – additional/different to general needs .....	63
Table 6-4 Older persons viability testing results S106 @ £1,500 per dwelling .....	64
Table 6-5 Older persons viability testing results S106 @ £1,500 per dwellings – sensitivity test .....	64
Table 7-1 Summary of scenarios used in the AV October 2020 study .....	65
Table 7-2 Retail value inputs .....	66
Table 7-3 Retail costs assumptions and inputs .....	66
Table 7-4 Retail sites viability testing results.....	69
Table 8-1 Summary of employment typologies .....	70
Table 8-2 Employment value inputs.....	71
Table 8-3 Employment typologies costs – additional/different to retail costs.....	71
Table 8-4 Employment timescales.....	73
Table 8-5 Employment sites viability testing results .....	73
Table 9-1 Draft CIL rates.....	74
Table 11-1 Affordable housing proposed commuted sum payments .....	74
Table 11-2 Affordable housing indexation example.....	74

## Appendices

Appendix A	Policy Review Matrix
Appendix B	Property Market Report
Appendix C	BCIS Cost Data
Appendix D	Residential Appraisals S106 @ £1,500 per dwellings
Appendix E	Residential Appraisals S106 @ £10,100 per dwellings
Appendix F	Rural Exception Appraisals
Appendix G	Older Persons Accommodation Appraisals
Appendix H	Retail Appraisals
Appendix I	Employment Appraisals

## Executive summary

- I. Urbà has been appointed by Babergh and Mid Suffolk District Councils (the “Councils”) to provide an update to the viability evidence base to support the review of the existing Community Infrastructure Levy (CIL) charging schedules and an update to the affordable housing commuted sum set out in the draft Housing Supplementary Planning Document (SPD), May 2024. It is the intention of the Councils to publish the revised CIL Charging Schedules towards the end of 2024 with submission for Examination in 2025. The Babergh and Mid Suffolk Joint Local Plan Part 1 2018-2037 Development Plan Document (DPD) was adopted in November 2023 and contains strategic and local policies. The Joint Local Plan Part 2 DPD will focus on matters including a settlement hierarchy, a spatial distribution for any housing allocations, site allocations, a review of settlement boundaries and open space designations.

### Previous studies

- II. This study builds on the previous Local Plan viability testing undertaken by AspinallVerdi:
  - Plan Viability & CIL Review Study, June 2019.
  - Plan Viability & CIL Review Study Regulation 19 Stage, October 2020.
- III. This viability assessment broadly follows the same approach, methodology and assumptions used in the previous AspinallVerdi studies.
- IV. Of most relevance to this assessment, is the AspinallVerdi October 2020 study (herein referred to as the AV October 2020 study), this is the latest study and is being used as the evidence base to support the new Joint Local Plan. The AV October 2020 study provided recommendations on new CIL rates – these are set in Table E.1.

Table E.1 AV October 2020 study proposed CIL rates

Use	Affordable housing	CIL £ psm
Greenfield development – residential	35%	£200
Greenfield smaller sites (9 dwellings or fewer) which trigger affordable housing	35%	£80
Greenfield smaller sites (9 dwellings or fewer) which don't trigger affordable housing	N/a	£200
Brownfield housing development	20% /15%	£10 / £45
Brownfield flats development & smaller housing sites (9 dwellings or fewer) which trigger affordable housing	0%	£0
Brownfield smaller housing sites (9 dwellings or fewer) which don't trigger affordable housing	N/a	£90

Use	Affordable housing	CIL £ psm
Elderly accommodation (includes age restricted and sheltered but not general needs housing adapted).	0%	£0
All other uses	0%	£0

Source: ApinalVerdi (October 2020)

- V. At the time of preparing the AV October 2020 study the Districts had identified their planned housing growth (proposed site allocations) which was mapped, this enabled the draft CIL charges to be varied by greenfield and brownfield sites. As this study demonstrates, and mentioned above, the Local Plan is now split into two parts, with Part 2 to identify the planned growth. The planned growth has not been identified at the time of writing this study therefore a greenfield / brownfield variable CIL charge has had to be reconsidered.
- VI. The AV October 2020 study also recommended that any strategic infrastructure (e.g., Ipswich Strategic Planning Area (ISPA)) to be funded through CIL because the Districts do not have any strategic sites to support its delivery. However, it now is recognised that funding of the ISPA Transport Mitigation Strategy can be delivered through a mix of both CIL and Section 106 contributions.
- VII. The AV October 2020 study provided the following definitions for the draft CIL charging schedule as follows:
- **9 dwellings or fewer** – sites that fall below the following thresholds: ‘For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more’<sup>1</sup>
  - **Elderly accommodation** – ‘specialist older persons housing’ is used to describe developments that comprise self-contained homes with design features and support services available to enable self- care and independent living. Sometimes also known as sheltered/retirement housing and extra care accommodation’<sup>2</sup>
  - **Greenfield** – ‘Land (or a defined site) usually farmland, that has not previously been developed.’<sup>3</sup>
  - **Brownfield** – ‘Previously developed land which is or was occupied by a permanent structure, including the curtilage of the developed land and any associated fixed surface infrastructure. ...’<sup>4</sup>.
- VIII. Key relevant points from the AV October 2020 study were:
- A single charging zone was established, this was due to the market evidence at the time, despite showing a price variation on a unit basis, the analysis on a £psm basis showed a much narrower price difference. This was due to there being smaller units in

<sup>1</sup> Ministry of Housing Communities & Local Government (MHCLG), 20 December 2023, NPPF, Page 72

<sup>2</sup> Babergh District Council, 11 April 2016, CIL Charging Schedule

<sup>3</sup> [https://www.planningportal.co.uk/directory\\_record/270/greenfield\\_land\\_or\\_site](https://www.planningportal.co.uk/directory_record/270/greenfield_land_or_site)

<sup>4</sup> [https://www.planningportal.co.uk/directory\\_record/137/brownfield\\_land\\_and\\_sites](https://www.planningportal.co.uk/directory_record/137/brownfield_land_and_sites)



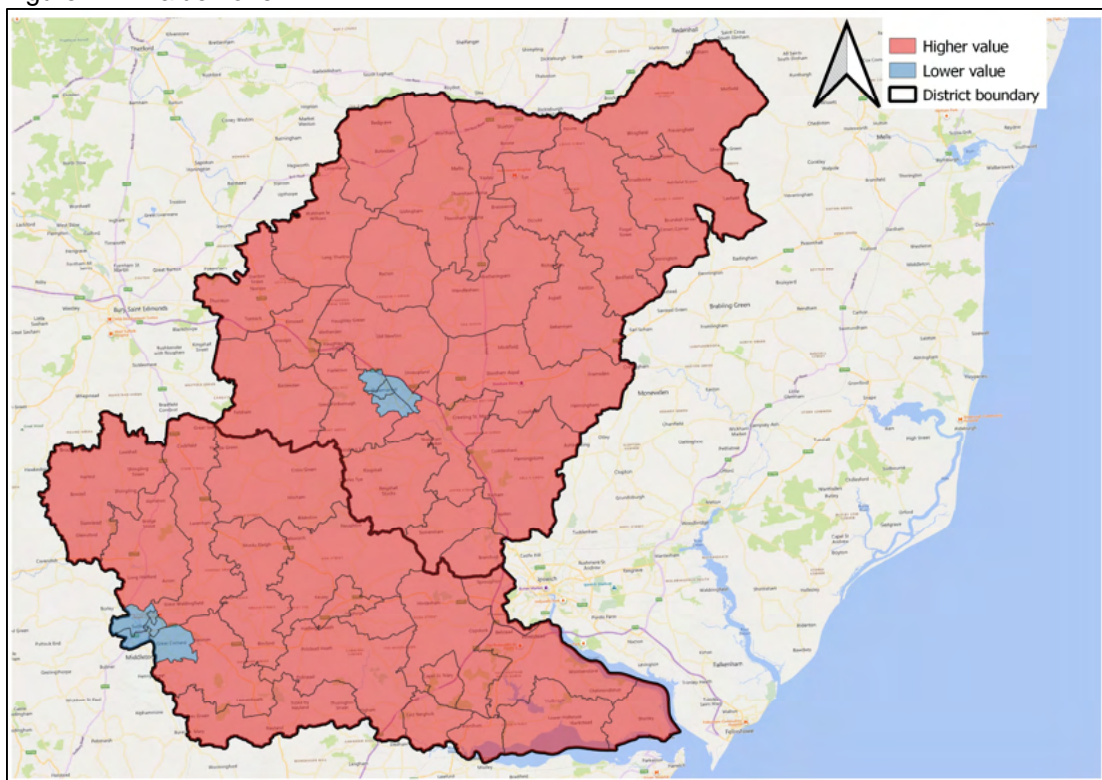
the market towns along the A14 corridor and larger units in the rural areas, which was causing the unit price variation.

- To enable the greenfield/brownfield split the Councils prepared maps of the planned residential growth on brownfield sites. But as explained above, this can no longer be carried forward due to the planned growth not yet identified.

## Updated CIL assessment

- IX. Based on our analysis in this report (which has updated values and costs from the AV October 2020 study) there is scope to revise the current CIL rates. Our updated analysis has shown that there is no evidence to vary the CIL rates by greenfield and brownfield as identified in the AV October 2020 study because the planned growth (i.e., sites) is not identified, and hence can no longer be mapped. In our updated analysis of sales values we have found evidence to vary the testing by two value zones (see Figure E.1), with the lower value zone reflecting sites coming forward in urban areas akin to the brownfield sites previously identified.

Figure E.1 Value zone



Source: QGIS, Bingmaps, Urbà (May 2023)



## Draft CIL rates

- X. Table E.2 sets out our proposed CIL rates, these rates reflect all the Councils' Joint Local Plan "Part 1" policies and allow for an enhanced S106 payment on residential scenarios, should they be required, and leave some headroom to absorb some potential market changes.

Table E.2 Draft CIL rates

Use	Draft CIL rate November 2024 £psm
Higher value zone – houses	£215
Lower value zone – houses	£20
All flats	£0
Elderly accommodation – age restricted – higher value zone (falling in Use Class C3, or as amended)	£80
Elderly accommodation – age restricted – lower value zone (falling in Use Class C3, or as amended)	£0
Extra care – higher value zone (falling in Use Class C2, or as amended)	£250
Extra care lower value zone (falling in Use Class C2, or as amended)	£125
Comparison retail	£0
Convenience retail	£0
Offices	£0
Industrial/warehouse	£0
All other uses	£0

Source: Urbà (November 2024)

- XI. The proposed CIL rates in Table E.2 are similar to that reported in the AV October 2020 study, although the zoning is marginally different. The AV October 2020 study recommended a greenfield CIL rate of £200 psm and brownfield housing rate of either £10 or £45 psm, depending on the level of affordable housing sought.

Offsite affordable housing assessment

XII. The Council’s draft Housing Supplementary Planning Document SPD, May 2024, sets out the proposed affordable housing commuted – these are summarised in Figure E.2.

Figure E.2

Unit commuted sum payment	£psm commuted sum payment
£84,037	£1,188

Source: Babergh and Mid Suffolk District Councils (May 2024)

XIII. The draft SPD explains that the rates are based on the following formula using the inputs from the AV October 2020 study:

- The open market value of units on site (less developer’s profit inclusive of marketing costs) is equated to the cost of developing the site.
- Subtract the value of the units to the Registered Provider (capitalised rents, shared ownership sales).
- Equals the cost of the affordable housing to the developer, and so the commuted sum.

XIV. Based on the viability inputs in this study we have updated the affordable commuted sums in Figure E.3 using the above formula.

Table E.3 Affordable housing proposed commuted sum payments

Higher value zone		Lower value zone	
Unit commuted sum payment	£psm commuted sum payment	Unit commuted sum payment	£psm commuted sum payment
£108,929	£1,539	£102,694	£1,451

Source: Urbà (November 2024)

XV. To allow the proposed affordable housing commuted sums in Table E.3 to reflect changes in the market (both costs and values), we recommend that they are adjusted annually for inflation through the following formula:

Commuted sums in Table E.3

**Multiply**

Change in affordable housing commuted sum payment for inflation =

(Annual percentage difference in the Land Registry House Price Index “All Property Types” for Suffolk minus The annual percentage difference change in BCIS Tender Price Index)

XVI. As shown in the worked in example in Table E.4, costs have risen quicker than values in the last 12 months, so if the formula was applied, the commuted sum would be reduced in this instance.

Table E.4 Affordable housing indexation example

HPI		TPI	
Period	Index	Period	Index
Oct-23	148.4	Q4 2023	215
Aug-24	148.4	Q4 2024	221
Percentage change	0%	Percentage change	-3%
Difference between HPI percentage & TPI percentage	-3%		

Source: Urbà (November 2024)

# 1 Introduction

1.1.1 Urbà has been appointed by Babergh and Mid Suffolk District Councils (the “Councils”) to provide an update to the viability evidence base to support the review of the existing Community Infrastructure Levy (CIL) charging schedules and an update to the affordable housing commuted sum set out in the draft Housing Supplementary Planning Document (SPD), May 2024. It is the intention of the Councils to publish the revised CIL Charging Schedules towards the end of 2024 with submission for Examination in 2025. The Babergh and Mid Suffolk Joint Local Plan Part 1 2018-2037 Development Plan Document (DPD) was adopted in November 2023 and contains strategic and local policies. The Joint Local Plan Part 2 DPD will focus on matters including a settlement hierarchy, a spatial distribution for any housing allocations, site allocations, a review of settlement boundaries and open space designations

## 1.2 Previous studies

1.2.1 This study builds on the previous Local Plan viability testing undertaken by AspinallVerdi:

- Plan Viability & CIL Review Study, June 2019.
- Plan Viability & CIL Review Study Regulation 19 Stage, October 2020.

1.2.2 This viability assessment broadly follows the same approach, methodology and assumptions used in the previous AspinallVerdi studies.

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Brownfield housing development	20% /15%	£10 / £45
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Elderly accommodation (includes age restricted and sheltered but not general needs housing adapted).	0%	£0
All other uses	0%	£0

Source: ApinallVerdi (October 2020)

- 1.2.4 At the time of preparing the AV October 2020 study the Districts had identified their planned housing growth (proposed site allocations) which was mapped, this enabled the draft CIL charges to be varied by greenfield and brownfield sites. As this study demonstrates, and mentioned above, the Local Plan is now split into two parts, with Part 2 to identify the planned growth. The planned growth has not been identified at the time of writing this study therefore a greenfield / brownfield variable CIL charge has had to be reconsidered. The AV October 2020 study also recommended that any strategic infrastructure (e.g., Ipswich Strategic Planning Area (ISPA)) to be funded through CIL because the Districts do not have any strategic sites to support its delivery. However, it is now recognised that funding of the ISPA Transport Mitigation Strategy can be delivered through a mix of both CIL and Section 106 contributions.
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  - **Greenfield** – 'Land (or a defined site) usually farmland, that has not previously been developed.'<sup>7</sup>
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<sup>5</sup> Ministry of Housing Communities & Local Government (MHCLG), 20 December 2023, NPPF, Page 72

<sup>6</sup> Babergh District Council, 11 April 2016, CIL Charging Schedule

<sup>7</sup> [https://www.planningportal.co.uk/directory\\_record/270/greenfield\\_land\\_or\\_site](https://www.planningportal.co.uk/directory_record/270/greenfield_land_or_site)

<sup>8</sup> [https://www.planningportal.co.uk/directory\\_record/137/brownfield\\_land\\_and\\_sites](https://www.planningportal.co.uk/directory_record/137/brownfield_land_and_sites)

#### 1.2.6 Key relevant points from the AV October 2020 study were:

- A single charging zone was established, this was due to the market evidence at the time, despite showing a price variation on a unit basis, the analysis on a £psm basis showed a much narrower price difference. This was due to there being smaller units in the market towns along the A14 corridor and larger units in the rural areas, which was causing the unit price variation.
- To enable the greenfield/brownfield split the Councils prepared maps of the planned residential growth on brownfield sites.

### 1.3 Reference to guidance, frameworks and statements

#### 1.3.1 Throughout our assessment, we refer to the following documents:

- National Planning Policy Framework (NPPF), published 27 March 2012, last updated 20 December 2023.
- Planning Practice Guidance (PPG) viability - published 6 March 2014 and last updated 01 September 2019.
- PPG CIL - published June 2014 and last updated 04 January 2023
- Royal Institution of Chartered Surveyor (RICS) Professional Statement, Financial viability in planning: conduct and reporting, May 2019.
- RICS Guidance Note, Assessing viability in planning under the National Planning Policy Framework 2019 for England, March 2021 [Effective from 01 July 2021].
- Local Housing Delivery Group publication 'Viability Testing Local Plans', 2012.

### 1.4 Report structure

#### 1.4.1 The remainder of this report is structured as follows:

#### Section 1 CIL Review

##### **Chapter 2 – National planning policy context**

This section sets out the statutory requirements for CIL including the NPPF (Dec 2023), CIL Regulations and PPG.

##### **Chapter 3 – Methodology**

This section sets out our methodology to establish the viability of the various land uses and development typologies used in the testing. We also set out the professional guidance used when undertaking economic viability appraisals and some important principles of land economics.

##### **Chapter 4 – Local plan context**

This section sets out the details of Part 1 of the Joint Local Plan and those policies that may have an impact on the development appraisal assumptions and inputs. Also, we review the existing CIL Charging Schedules in both Districts.

**Chapter 5 – Residential viability testing**

This section sets out our viability assumptions, inputs and results for our residential scenario testing, including sensitivity testing of our results.

**Chapter 6 – Older persons accommodation viability testing**

This section sets out our viability assumptions, inputs and results for older persons' accommodation scenario testing.

**Chapter 7 – Retail testing viability testing**

This section sets out our viability assumptions, inputs and results for our convenience and comparison retail testing.

**Chapter 8 – Employment viability testing**

This section sets out our viability assumptions, inputs and results for our office and industrial scenario testing.

**Chapter 9 – Setting of CIL Rates**

This section sets out the recommended CIL rates and justification for rates adopted.

**Section 2 Affordable housing commuted sum calculation**

**Chapter 10 – Introduction to offsite affordable housing assessment**

Here we provide an overview of the Councils' requirements for an affordable housing commuted sum calculator.

**Chapter 11 – Testing of potential commuted sum**

In this section, we test the potential commuted sum using the method set out in the draft Housing SPD, May 2024

## 1.5 Declaration

- 1.5.1 In accordance with RICS Financial Viability in Planning: Conduct and Reporting 1st edition, May 2019 we make the following declarations:

### **Objectivity, impartiality and reasonableness**

- 1.5.2 We can confirm that we have undertaken our financial viability assessment we have acted with objectivity, impartiality and without interference in doing so we have made reference to all appropriate sources of information to form our conclusions and recommendations.

### **Conflicts of interest**

- 1.5.3 We confirm that we have undertaken a conflicts of interest check in relation to this instruction and we are not aware of any conflicts or perceived conflicts in relation to this instruction. We can confirm that we have and are currently acting on behalf of Babergh and Mid Suffolk District Councils on a number of site specific viability assessments for S106 purposes. Stuart Cook, Director of Urbà and author of this report, whilst working for AspinallVerdi was the lead



director for the October 2020, Plan Viability & CIL Review Study Regulation 19 Stage and the June 2019, Plan Viability & CIL Review Study Regulation 18.

### **Date of valuation**

- 1.5.4 The initial analysis in this report was undertaken during the second and third quarters of 2023. With an update to the costs and values undertaken in November 2024, as a “refresh” to ensure these are up-to-date for publication – this is reflected in the Property Market Report in Appendix B, BCIS cost data in Appendix C, the benchmark land value assessments and is clearly shown in this report under the various sub headings of “November 2024 update.”

## **1.6 Limitations of report**

- 1.6.1 This report and the accompanying appraisals are documents in relation to the planning application. As per Valuation Standards 1 of the RICS Valuation Standards - Global and UK Edition the advice expressly given in the preparation for, or during negotiations or possible litigation does not form part of a formal “Red Book” valuation and should not be relied upon as such.

# Section 1

# CIL Review

## 2 National planning policy context

### 2.1 Introduction

- 2.1.1 CIL allows local authorities in England and Wales to raise contributions from development to help pay for infrastructure that is needed to support planned development as a whole.
- 2.1.2 Our financial viability appraisals have been carried out having regard to the various statutory requirements comprising primary legislation, planning policy, statutory regulations and guidance. The key points from these various documents are considered and summarised below.

### 2.2 National Planning Policy Framework (NPPF)

- 2.2.1 The revised NPPF was published in 2018, updated in February 2019, July 2021 and most recently on 20 December 2023. It sets out the government's planning policies for England and how these are expected to be applied. It is recognised that revisions to the NPPF are subject to consultation which closed on 24<sup>th</sup> September 2024.

#### Development contributions

- 2.2.2 To secure the right levels of infrastructure through sustainable plan making, the NPPF sets out the requirement for Plans to secure developer contributions to balance with deliverability to avoid undermining the deliverability of the plan. As such, in supporting sustainability by maintaining deliverable sites, the NPPF is concerned with ensuring that the bulk of the development is not rendered unviable by unrealistic policy costs:

*'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.'*<sup>9</sup>

- 2.2.3 To secure the right levels of infrastructure through sustainable plan making, the NPPF sets out the requirement for Plans to secure developer contributions. In preparing plans that may include CIL charging schedules for infrastructure funding, the NPPF states that:

*'The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals.'*<sup>10</sup>

- 2.2.4 So, potential CIL charges should be tested using site viability assessments, which are informed by a review of local market conditions.

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<sup>9</sup> MHCLG, 20 December 2023, NPPF, Paragraph 34

<sup>10</sup> Ibid, Paragraph 31

## Planning conditions and obligations

2.2.5 The NPPF explains that *'planning obligations must only be sought where they meet all of the following*

- a) necessary to make the development acceptable in planning terms;*
- b) directly related to the development; and*
- c) fairly and reasonably related in scale and kind to the development'*<sup>11</sup>

2.2.6 The NPPF explains in greater detail that policies are deemed to be viable:

*'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. The weight to be given to a viability assessment is a matter for the decision maker, 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.'*<sup>12</sup>

2.2.7 We understand that the government's objective is to reduce the delays to the delivery of new housing due to the site-specific viability process that was created because of the previous NPPF. After adopting a new Local Plan, no site-specific viability assessment should be required (except in exceptional circumstances) and developers should factor into their land buying decisions the cost of planning obligations (including affordable housing) and CIL.

2.2.8 The national planning guidance on viability sets out some key principles of how development viability should be considered in planning practice and provides recommendations for standardised inputs. These are looked at later in this chapter.

## Affordable housing

2.2.9 The NPPF expects affordable housing to be delivered onsite but also accepts that in some instances, offsite provision or a financial contribution of a broadly equivalent value may contribute towards creating mixed and balanced communities:

*'Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:*

- a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and*
- b) the agreed approach contributes to the objective of creating mixed and balanced communities.'*<sup>13</sup>

<sup>11</sup> Ibid, Paragraph 57

<sup>12</sup> Ibid, Paragraph 58

<sup>13</sup> Ibid, Paragraph 64

- 2.2.10 A national requirement for the threshold is the key for when affordable housing should be sought from development. The NPPF sets a threshold for seeking affordable housing on sites with major development, which in planning terms should be from sites with 10 or more residential dwellings or sites with 6 or more dwellings in rural parishes:

*'Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer).'*<sup>14</sup>

- 2.2.11 Affordable housing may not always be possible on brownfield sites, and incorporating a degree of flexibility is sensible to reflect supply side circumstances:

*'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.'*<sup>15</sup>

### Infrastructure provision

- 2.2.12 Along with meeting housing needs, the NPPF requires local planning authorities to consider the impact of infrastructure on the future delivery of the Plan so that: *'Planning policies and decisions should support development that makes efficient use of land, taking into account: ...the availability and capacity of infrastructure and services – both existing and proposed – as well as their potential for further improvement.'*<sup>16</sup>

- 2.2.13 Local authorities should address any local infrastructure deficiencies to support development and: *'...seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment.'*<sup>17</sup>

- 2.2.14 The new Joint Local Plan sets out the infrastructure requirements to support the growth across the Districts, with our analysis in Chapter 5 setting out how this infrastructure is to be funded.

## 2.3 Planning Practice Guidance (PPG) for CIL

- 2.3.1 There is a separate section of the PPG for CIL. The CIL PPG was first published in June 2014 and last updated in April 2024. The PPG is intended to provide clarity on the CIL Statutory Regulations which were first introduced in April 2010 of which there have been several amendments<sup>18</sup>. The Regulations have never been consolidated.

- 2.3.2 The PPG requires that *'charging authorities should think strategically in their use of the levy to ensure that key infrastructure priorities are delivered to facilitate growth and the economic benefit of the wider area'*.<sup>19</sup> Also, *'when deciding the levy rates, an authority must strike an appropriate balance between additional investment to support development and the potential effect on the viability of developments'*.<sup>20</sup>

<sup>14</sup> Ibid, Paragraph 65

<sup>15</sup> Ibid

<sup>16</sup> Ibid, Paragraph 128

<sup>17</sup> Ibid, Paragraph 86 c)

<sup>18</sup> <https://www.local.gov.uk/pas/pas-topics/infrastructure/cil-regulations-and-dclg-documents>

<sup>19</sup> MHCLG, 12 June 2014, PPG CIL, Paragraph: 012 Reference ID: 25-012-20190901 Revision date: 01 09 2019

<sup>20</sup> Ibid, Paragraph: 010 Reference ID: 25-010-20190901 Revision date: 01 09 2019

- 2.3.3 Paragraph 019 of the CIL guidance state that, ‘a charging authority should be able to explain how their proposed levy rate or rates will contribute towards new infrastructure to support development across their area. Charging authorities will need to summarise their economic viability assessment. Viability assessments should be proportionate, simple, transparent and publicly available in accordance with the viability guidance... This evidence should ... [show] the potential effects of the proposed levy rate or rates on the economic viability of development across the authority’s area<sup>21</sup> – hence this report.
- 2.3.4 Paragraph 020 states that, ‘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’.<sup>22</sup>

‘In addition, a charging authority should directly sample an appropriate range of types of sites across its area, in line with planning practice guidance on viability. This will require support from local developers<sup>23</sup>.

‘Charging authorities that decide to set differential rates may need to undertake more fine-grained sampling, on a higher proportion of total sites, to help them to estimate the boundaries for their differential rates. Fine-grained sampling is also likely to be necessary where they wish to differentiate between categories or scales of intended use.’<sup>24</sup>

‘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.’<sup>25</sup>

- 2.3.5 Paragraph 022 confirms that, ‘The regulations allow charging authorities to apply differential rates in a flexible way, to help ensure the viability of development is not put at risk.’<sup>26</sup> And, ‘differential rates should not be used as a means to deliver policy objectives.’<sup>27</sup>

‘Differential rates may be appropriate in relation to -

- geographical zones within the charging authority’s boundary
- types of development; and/or
- scales of development.’<sup>28</sup>

<sup>21</sup> Ibid, Paragraph: 019 Reference ID: 25-019-20190901 Revision date: 01 09 2019

<sup>22</sup> Ibid, Paragraph: 020 Reference ID: 25-020-20190901 Revision date: 01 09 2019

<sup>23</sup> Ibid

<sup>24</sup> Ibid

<sup>25</sup> Ibid

<sup>26</sup> Ibid, Paragraph: 022 Reference ID: 25-022-20230104 Revision date: 04 01 2023

<sup>27</sup> Ibid

<sup>28</sup> Ibid

- 2.3.6 The PPG also acknowledges that different existing land use will result in different uplift in values, and need to be considered when setting different CIL rates: *‘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 are created on land in an existing low value area compared to the creation of lower value uses or development on land already in a higher value 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.’*<sup>29</sup>
- 2.3.7 PPG Paragraph 022 goes on to explain that:
- ‘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. Charging authorities may wish to consider how any differential rates appropriately reflect the viability of the size, type and tenure of housing needed for different groups in the community, including accessible and adaptable housing, as set out in the National Planning Policy Framework. Charging authorities should consider the views of developers at an early stage.*
- If the evidence shows that the area includes a zone, which could be a strategic site, which has low, very low or zero viability, the charging authority should consider setting a low or zero levy rate in that area. The same principle should apply where the evidence shows similarly low viability for particular types and/or scales of development.’*<sup>30</sup>
- 2.3.8 It is the intention of the Councils to hold a stakeholder meeting on MS Teams to gain feedback on this report. If any changes are justified by evidence provided through the consultation, this will be reflected in an addendum.
- 2.3.9 Ultimately the *‘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. In all cases, the charging authority should be able to explain its approach clearly.’*<sup>31</sup>
- 2.3.10 In considering a suitable buffer, research indicates that the *‘viability buffers (typically set at around 30%) have been introduced to try and account for instances where developers have paid for land before CIL was introduced.’*<sup>32</sup>
- 2.3.11 The same research highlights though that *‘CIL is a relatively minor development cost, around 2% of total market value on average compared with the impact of s106 costs prior to the introduction of CIL. Viability modelling shows that the introduction of CIL has limited impact on development viability and does not on its own, make a viable scheme unviable.’*<sup>33</sup>

<sup>29</sup> Ibid, Paragraph: 025 Reference ID: 25-025-20190901 Revision date: 01 09 2019

<sup>30</sup> Ibid, Paragraph: 022 Reference ID: 25-022-20230104 Revision date: 04 01 2023

<sup>31</sup> Ibid, Paragraph: 020 Reference ID: 25-020-20190901 Revision date: 01 09 2019

<sup>32</sup> CIL Review Team, October 2016, A New Approach To Developer Contributions, Page 54

<sup>33</sup> Ibid



## Striking the appropriate balance

- 2.3.12 When setting a CIL rate, charging authorities '*...must strike an appropriate balance between additional investment to support development and the potential effect on the viability of developments.*

*This balance is at the centre of the charge-setting process. In meeting the regulatory requirements, charging authorities should be able to show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant plan and support development across their area (see regulation 14(1), as amended by the 2014 Regulations).*<sup>34</sup>

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<sup>34</sup> MHCLG, PPG CIL, Paragraph: 010 Reference ID: 25-010-20190901 Revision date: 01 09 2019

## 3 Methodology

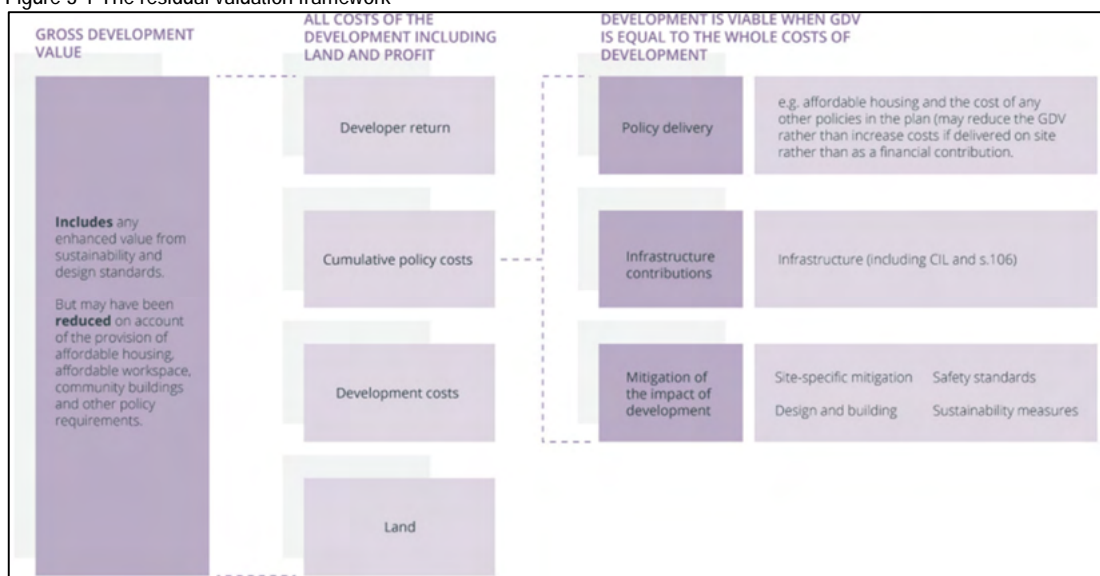
### 3.1 Introduction

- 3.1.1 In this section of the report, we set out our methodology to establish the viability of the various land uses and development typologies to use in the testing. We also set out the professional guidance that we have had regard to in undertaking the economic viability appraisals.

### 3.2 Viability modelling principles

- 3.2.1 The general principle is that CIL and planning obligations will be levied on the increase in land value resulting from the grant of planning permission. As summarised in Figure 3-1, for a development to be viable all development costs need to meet the Gross Development Value (GDV) of the scheme i.e., the value of the completed scheme. Therefore, for the purpose of the CIL viability testing, this will need to be funded through any surplus generated once we have “fixed” the development costs, known policy costs, land value, and developer return.

Figure 3-1 The residual valuation framework



Source: RICS, Financial viability in planning: conduct and reporting (May 2019)

### 3.3 What to test?

- 3.3.1 For CIL testing, it is not necessary to test every proposed development site but to base the testing on the type of sites which are reflective of the development proposed over the plan period – this is known as testing of “typologies.” Where there are key sites (strategic sites), that are fundamental to the delivery of the plan these need to be considered separately. The PPG explains this as follows:

*‘Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. Plan makers can use site typologies to determine viability at the plan making stage. Assessment of samples of sites may be helpful to support evidence. In*

*some circumstances more, detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.*<sup>35</sup>

### What is meant by a typology approach to viability?

- 3.3.2 Typologies for the viability testing are to be based on the proposed development in the plan to ensure the testing represents the type of development coming forward. In doing so it is appropriate to consider *‘shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development.*<sup>36</sup>

### Viability testing of key sites

- 3.3.3 The PPG considers key sites, as those sites that are critical to the delivery of the plan *‘...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.*<sup>37</sup>

## 3.4 Development appraisal inputs

- 3.4.1 In devising the assumptions to use in the appraisals is acceptable to standardised inputs, rather than relying on site specific assumptions and *‘... be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government’s recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available.*<sup>38</sup>

### Gross development value

- 3.4.2 The Gross development value is the cumulative value of the completed development. For plan wide viability assessments *‘...average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data.*<sup>39</sup>

### Development costs

- 3.4.3 The PPG explains like values, cost should also reflect local market conditions, it also places an emphasis to identify development costs at plan making stage: *‘As far as possible, costs should be identified at the plan making stage. Plan makers should identify where costs are unknown and identify where further viability assessment may support a planning application.*<sup>40</sup>

## 3.5 Benchmark land value

- 3.5.1 The PPG now provides a clear single method (Existing Use plus Premium) in determining land value:

<sup>35</sup> MHCLG, 06 March 2014, PPG on viability, Paragraph: 003 Reference ID: 10-003-20180724 Revision date: 24 07 2018

<sup>36</sup> Ibid, Paragraph: 004 Reference ID: 10-004-20190509 Revision date: 09 05 2019

<sup>37</sup> Ibid, Paragraph: 005 Reference ID: 10-005-20180724 Revision date: 24 07 2018

<sup>38</sup> Ibid, Paragraph: 010 Reference ID: 10-010-20180724 Revision date: 24 07 2018

<sup>39</sup> Ibid, Paragraph: 011 Reference ID: 10-011-20180724 Revision date: 24 07 2018

<sup>40</sup> Ibid, Paragraph: 012 Reference ID: 10-012-20180724 Revision date: 24 07 2018

*'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+).'<sup>41</sup>*

3.5.2 The PPG also sets out the factors that should be considered when establishing the land value:

- *'be based upon existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*
- *...be informed by market evidence of current uses, costs and values. 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 may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*
- *This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, 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 evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*
- *In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.*
- *Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).'<sup>42</sup>*

3.5.3 The RICS also supports the EUV plus method when determining land value for planning purposes. The RICS Professional Statement explains that when dealing with land value assessment RICS members must report the following:

- *'current use value – CUV, referred to as EUV or first component in the PPG (see paragraph 015 reference ID: 10-015-20190509). This equivalent use of terms – i.e. that*

<sup>41</sup> Ibid, Paragraph: 013 Reference ID: 10-013-20190509 Revision date: 09 05 2019

<sup>42</sup> Ibid, Paragraph: 014 Reference ID: 10-014-20190509 Revision date: 09 05 2019

*CUV and EUV are often interchangeable –is dealt with in paragraph 150.1 of IVS 104 Bases of Value (2017)*

- *premium – second component as set out in the PPG (see paragraph 016 reference ID: 10-016-20190509)*
- *market evidence as adjusted in accordance with the PPG (see PPG paragraph 016 reference ID: 10-016-20190509)*
- *all supporting considerations, assumptions and justifications adopted including valuation reports, where available (see PPG paragraphs 014 reference ID: 10014-20190509; 015 reference ID: 10-015-20190509; and 016 reference ID: 10016-20190509)*
- *alternative use value as appropriate (market value on the special assumption of a specified alternative use; see PPG paragraph 017 reference ID: 10-01720190509). It will not be appropriate to report an alternative use value where it does not exist.<sup>43</sup>*

3.5.4 The RICS International Valuation Standards, 2017 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.’<sup>44</sup>*

3.5.5 Despite the clarity the PPG brings, there is still uncertainty on how the premium is calculated. This was highlighted in the research undertaken by Sarah Sayce: *‘Overall, the ‘EUV plus’ approach was favoured by the majority of respondents, despite the recognition that the premium element can be difficult to assess in some circumstances.’<sup>45</sup>*

3.5.6 The PPG explains *‘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.’<sup>46</sup>*

3.5.7 In helping to inform the professional judgement, a balance needs to be struck between the competing interests (developers, landowners and the aims of the planning) *‘to secure maximum benefits in the public interest through the granting of planning permission.’<sup>47</sup>*

3.5.8 In considering suitable premiums to apply we are mindful of the following:

- **The Harman Report**<sup>48</sup> - was published in response to the introduction of viability becoming more prominent in the planning system post the introduction of the NPPF.

<sup>43</sup> RICS, May 2019, Financial viability in planning: conduct and reporting, Paragraph 2.7

<sup>44</sup> International Valuation Standards Council, 2017, International Valuation Standards, Paragraph 150.1

<sup>45</sup> Sayce, S, et al, January 2017, viability and the planning system: the relationship between economic viability testing, land values and affordable housing in London, Page 6

<sup>46</sup> MHCLG, 06 March 2014, PPG on viability, Paragraph: 016 Reference ID: 10-016-20190509 Revision date: 09 05 2019

<sup>47</sup> Ibid, Paragraph: 010 Reference ID: 10-010-20180724 Revision date: 24 07 2018

<sup>48</sup> Local Housing Delivery Group Chaired by Sir John Harman, 20 June 2012, Viability Testing Local Plans, Advice for planning practitioners

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. The Harman report also advocates that when assessing an appropriate Benchmark Land Value, consideration should be given to *'the fact that future plan policy requirements will have an impact on land values and owners' expectations.*<sup>49</sup> 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, *'it is not recommended that these are used as the basis for input into a model.'*<sup>50</sup> It also acknowledges that for large greenfield sites, *'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.'*<sup>51</sup> It refers to these 'prospective sellers' as *'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.'*<sup>52</sup> In these circumstances, Harman states that for these greenfield sites that *'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.'*<sup>53</sup>

- **HCA Area Wide Viability Model** - although now a dated document, the HCA Area Wide Viability Model (Annex 1 Transparent Viability Assumptions) provides guidance on the size of the premium. The guidance states 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.'*<sup>54</sup>
- **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.'*<sup>55</sup> 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 therefore likely to lie somewhere between a price of £50,000 and £100,000 per acre.'*<sup>56</sup>
- **East Suffolk Local Plan & CIL Review Viability Studies** – East Suffolk comprises the former local authority areas of Suffolk Coastal and Waveney Districts and lies directly

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<sup>49</sup> Ibid, Page 29

<sup>50</sup> Ibid

<sup>51</sup> Ibid, Page 30

<sup>52</sup> Ibid

<sup>53</sup> Ibid

<sup>54</sup> HCA, August 2010, Area Wide Viability Model (Annex 1 Transparent Viability Assumptions)

<sup>55</sup> Planning Inspectorate, 15 May 2020, Examination of the Shared Strategic Section 1 Plan - North Essex Authorities, Paragraph 204

<sup>56</sup> Ibid, Paragraph 205



east of Babergh and Mid Suffolk Districts – so not only considered geographically relevant but also has relatively recently prepared viability evidence base documents. Each former authority has its own separate Local Plan but a single CIL charging schedule. The author of this report was the lead author for the viability studies that support the two Local Plans and was involved in the drafting of the viability study for the most recently adopted (28 June 2023) CIL charging schedule. The Suffolk Coast Plan Viability Study, January 2019 used £197,680 per gross hectare (£80,000 per gross acre) in the lower value zone and £247,000 per gross hectare (£100,000 per gross acre) in the mid and higher value zones – these values represented a **9.4 – 13.3 x multiplier** on the evidence of agricultural land values. The Waveney Local Plan – Whole Plan Viability Assessment, March 2018 used £210,000 per gross hectare (£85,000 per gross acre) in the lower value zone £358,000 per gross hectare (£145,000 per gross acre) in the lower mid value zone £717,000 per gross hectare (£290,000 per gross acre) in the higher mid and £800,000 per gross hectare (£325,000 per gross acre) in the higher value zone – these values represented a **8.5 – 38.5 x multiplier** on the evidence of agricultural land values. The final CIL study, October 2021 which postdates the two Local Plan viability studies used a greenfield land value of £247,000 per gross hectare (£100,000 per gross acre) – these represented around a **10 – 12.5 x multiplier** on the evidence of agricultural land values.

## Conclusion on approach to land value

- 3.5.9 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.’*<sup>57</sup> Furthermore, we need to ensure that the maximum benefits in the public interest are secured once any future granting of planning permission is made.

<sup>57</sup> MHCLG, 06 March 2014, PPG on viability, Paragraph: 012 Reference ID: 10-012-20180724 Revision date: 24 07 2018



3.6 Viability modelling approach

3.6.1 To assess the land value uplift generated by the development, we undertake residual appraisals of the proposed scheme to assess its viability. In simple terms, the residual method works on the basis that a developer knows the end value of the scheme (Gross Development Value (GDV)) and knows the total development costs (construction, fees, interest and developer's profit). By deducting the total development costs from the GDV, the developer knows what they can bid for the land. The formula is expressed as:

Residual Land Value

=

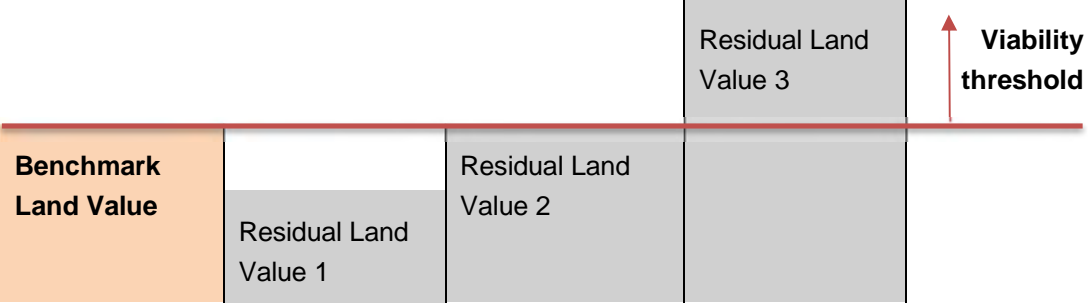
Gross Development Value  
(incl. affordable housing)

Minus

Total Development Costs  
(construction, policy contributions, CIL, fees, interest and developer's profit)

3.6.2 Once we run the appraisal, we make a comparison of the residual land value against the benchmark land value. If the residual land value equals or is greater than the benchmark land value the scheme is deemed viable. If the residual land value falls below the benchmark land value then the scheme is unviable.

Figure 3-2 Benchmark Land Value v Residual Land Value – test of viability



3.6.3 We have undertaken viability testing using a bespoke Microsoft Excel model. The model calculates the residual land value for each scenario and then this is compared to the benchmark land value. As mentioned above, the scheme is deemed viable if the residual land value is equal to or greater than the benchmark land value. As we show in the appraisal extract in Figure 3-3 we summarise the residual land value and convert this to a £per hectare to allow a comparison against our assessment of the benchmark land value.

Figure 3-3 Extract from residual appraisal

Residual Land Value		Gross site area hectares	250			
1771 sqm/ha						
Residual land value			£1392,107	SDLT	4.00%	Agents & legals
Residual land value £ per hectare			£556,843		1.75%	Residual land value + costs
Residual land value plus purchaser costs						£1,477,441

Source: Urbà (July 2023)

- 3.6.4 We then take the residual land value from each appraisal and compare that to our benchmark land value to produce our viability results – see example in Figure 3-4. If the difference is positive this creates a viability surplus (headroom) to either fund additional policy contributions or infrastructure, if this is not required, the headroom could either go to an increased land value or developer profit, or potentially be shared between the two. If the residual land value does not meet the benchmark land value, the scenario is deemed unviable. The viability results for each tested site typology are summarised using a 'traffic light' system, as follows:

Figure 3-4 Extract viability testing results

Higher	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus Epsm on net chargeable area	Viability Surplus Epsm with 30% headroom	Viable with headroom?
<b>Greenfield</b>								
15	£701,613	£701,613	£210,000	£210,000	£491,613	£538	£377	Yes
30	£1,385,241	£729,074	£399,000	£210,000	£986,241	£540	£378	Yes
50	£2,343,393	£836,926	£588,000	£210,000	£1,755,393	£577	£404	Yes
85	£7,043,288	£1,498,572	£987,000	£210,000	£6,056,288	£663	£464	Yes
150	£6,177,151	£744,235	£1,743,000	£210,000	£4,434,151	£486	£340	Yes
250	£5,732,012	£412,375	£2,919,000	£210,000	£2,813,012	£308	£216	Yes

Source: Urbà (July 2023)

- 3.6.5 The residual land value and benchmark land value per hectare in the result tables (example in Figure 3-4) are based on the gross site area i.e., gross £ per hectare and not net.
- 3.6.6 Before reviewing the results, it is important to note that CIL viability testing is necessarily generic, using a range of typologies and general development assumptions that are proportionate, utilising available data and importantly are not necessarily site specific.
- 3.6.7 In this regard, the specific results of each typology may need to include additional section 106 obligations and other site costs may allow for site mitigations that at this stage are unknown within the generic typology testing. Therefore, before concluding from these findings, it is important to consider if the residual headroom shown in the results is likely to be sufficient in most cases to meet such further unknowns.

## **4 Local Plan context**

### **4.1 Introduction**

- 4.1.1 As explained above, the Councils adopted their Joint Local Plan Part 1 Development Plan Document (DPD) in November 2023 and are now progressing with their review of the CIL Charging Schedules. The AV October 2020 study undertook a line-by-line review of the Councils' draft policies which, subject to the Main Modifications identified the Inspectors Examining the Joint Local Plan, were adopted by the Councils in the Joint Local Plan Part 1 DPD. This section summarises our review of those policies to ensure the assessments made in the AV October 2020 study are still reasonable to use in this assessment. Further details of our policy review are set out in Appendix A.

### **4.2 Part 1 Local Plan policies**

- 4.2.1 Table 4-1 provides a summary of those policies that have a direct impact on viability, in doing so we make a comparison with the AV October 2020 study. As we show in Table 4-1, many of the assumptions made in the AV October 2020 study have been carried forward into this assessment because they are still deemed to be reasonable.

Table 4-1 Review of policy contributions

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024																																																																											
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study																																																																								
Policy SP02 – Affordable Housing	High	<p>The policy sets out the Councils’ affordable housing policy as 35% on sites of 10 or more units or sites of 0.5 hectares or more. The policy background sets out the tenure size and profile required for the affordable housing as follows:</p> <table><caption>Babergh Affordable Housing Mix (tenure &amp; size) over the next 18 years</caption><thead><tr><th>Tenure &amp; size</th><th>1 bed</th><th>2 bed</th><th>3 bed</th><th>4 or more bed</th><th>Total</th></tr></thead><tbody><tr><td>Shared ownership</td><td>134 (26.4%)</td><td>165 (32.6%)</td><td>156 (30.9%)</td><td>51 (10.1%)</td><td>506 (100%)</td></tr><tr><td>Social rent &amp; Affordable rent</td><td>271 (27.8%)</td><td>228 (23.2%)</td><td>225 (22.9%)</td><td>259 (26.4%)</td><td>984 (100%)</td></tr><tr><td>Discount home ownership &amp; starter homes</td><td>106 (21.3%)</td><td>173 (34.8%)</td><td>145 (29.2%)</td><td>72 (14.5%)</td><td>496 (100%)</td></tr><tr><td>Total</td><td>511</td><td>566</td><td>526</td><td>382</td><td>1985</td></tr><tr><td>Total per annum</td><td>28</td><td>32</td><td>29</td><td>21</td><td>110</td></tr></tbody></table> <table><caption>Mid Suffolk Affordable Housing Mix (tenure &amp; size) over the next 18 years</caption><thead><tr><th>Tenure &amp; size</th><th>1 bed</th><th>2 bed</th><th>3 bed</th><th>4 or more bed</th><th>Total</th></tr></thead><tbody><tr><td>Shared ownership</td><td>147 (25.2%)</td><td>187 (32.1%)</td><td>148 (25.4%)</td><td>100 (17.2%)</td><td>583 (100%)</td></tr><tr><td>Social rent &amp; Affordable rent</td><td>289 (22.4%)</td><td>361 (28.0%)</td><td>303 (23.5%)</td><td>335 (26.0%)</td><td>1,288 (100%)</td></tr><tr><td>Discount home ownership &amp; starter homes</td><td>97 (18.2%)</td><td>143 (20.7%)</td><td>131 (22.5%)</td><td>59 (11.9%)</td><td>430 (100%)</td></tr><tr><td>Total</td><td>533</td><td>691</td><td>582</td><td>494</td><td>2301</td></tr><tr><td>Total per annum</td><td>30</td><td>38</td><td>32</td><td>27</td><td>127</td></tr></tbody></table>	Tenure & size	1 bed	2 bed	3 bed	4 or more bed	Total	Shared ownership	134 (26.4%)	165 (32.6%)	156 (30.9%)	51 (10.1%)	506 (100%)	Social rent & Affordable rent	271 (27.8%)	228 (23.2%)	225 (22.9%)	259 (26.4%)	984 (100%)	Discount home ownership & starter homes	106 (21.3%)	173 (34.8%)	145 (29.2%)	72 (14.5%)	496 (100%)	Total	511	566	526	382	1985	Total per annum	28	32	29	21	110	Tenure & size	1 bed	2 bed	3 bed	4 or more bed	Total	Shared ownership	147 (25.2%)	187 (32.1%)	148 (25.4%)	100 (17.2%)	583 (100%)	Social rent & Affordable rent	289 (22.4%)	361 (28.0%)	303 (23.5%)	335 (26.0%)	1,288 (100%)	Discount home ownership & starter homes	97 (18.2%)	143 (20.7%)	131 (22.5%)	59 (11.9%)	430 (100%)	Total	533	691	582	494	2301	Total per annum	30	38	32	27	127	Housing mix is included in the appraisal.	Policy SP02 – Affordable Housing	<p>Since the review of the draft policies the policy has been amended as follows:</p> <p>On sites of ten or more dwellings or 0.5ha or more, a contribution of 35% affordable housing will be required on greenfield sites. For brownfield sites a contribution of 25% affordable housing will be required.</p> <p>The Plan (Part 1) qualified under the national transitional requirements and so does not reflect the First Homes policy requirement therefore this tenure not been included in the testing.</p>	High	<p>Housing mix is included in the appraisal. But as explained in paragraph 5.18 of the AV October 2020 study Starter Homes were not being delivered on-site and the testing substituted this tenure for intermediate home homeownership.</p> <p>The Councils’ housing register equates to a tenure split of 71% affordable rent of 29% shared ownership, this is what is being currently sought on development in the Districts and has been used in our testing.</p>
Tenure & size	1 bed	2 bed	3 bed	4 or more bed	Total																																																																										
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Total per annum	30	38	32	27	127																																																																										
Policy SP08 – Infrastructure Provision	High	Infrastructure is to be funded through a combination of Community Infrastructure Levy (CIL), Planning Obligations, Developer Contributions and	The Councils already have a CIL charging schedule in place, subject	Policy SP08 – Strategic Infrastru	Infrastructure is still to be funded through a combination of Community Infrastructure Levy (CIL), Planning	High	A previously identified in the AV October 2020 study the Councils have a CIL charging schedule in place to fund some infrastructure with the County Council seeking S106																																																																								

Plan Viability & CIL Review Study Reg 19 stage - October 2020				CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
		<p>where appropriate funding assistance from the Councils / other provider organisations.</p> <p>Strategic infrastructure identified as:</p> <p>Highways improvements to the strategic road infrastructure on the A12 and A14, including an emerging Ipswich Northern Route, should the project receive endorsement from the Department of Transport during the lifetime of the Plan.</p> <p>A secondary schools expansion programme.</p> <p>Protected Habitats Mitigation Zone</p> <p>Appropriate infrastructure to support the planned growth is set out in the Councils Infrastructure Delivery Plan and the associated Joint Local Plan evidence base.</p>	<p>to review. Furthermore, the County Council collects sums that sit outside the S.123 list. The viability testing treats this cost as an output i.e. how much can development affordable to pay for infrastructure once other policy costs are included.</p>	<p>cture Provision</p>	<p>Obligations, Developer Contributions and where appropriate funding assistance from the Councils / other provider organisations.</p> <p>Strategic infrastructure is now identified along strategic transport corridors, including the delivery of the SPA Transport Mitigation Strategy. Now refers to a district wide education expansion programme to match projected population growth. Policy also calls for improvements and expansions to electronic communication networks and high-quality digital infrastructure.</p>		<p>payments in addition to funding infrastructure not listed on the Councils Community Infrastructure Levy (CIL) Expenditure Framework – Position Statements (formerly known as the S123 list). The viability testing includes S106 costs for the infrastructure not listed on the position statements. The assessment tests two different levels of S106 payments of £1,500 per dwelling and also an enhanced payment of £10,100 per dwelling (an additional £8,600 per dwelling for early years and primary education). CIL is treated as a viability output, with an assessment made as to whether the existing rates could be revised.</p>
Policy SP09 - Cross-boundary mitigation of	High	Developments in the Protected Habitats Mitigation Zone will need to make Section 106 contributions for mitigation.	Policy cost is included in appraisal.	Policy SP09 – Enhancement and	Policy requirements have been expanded to also include that development to support and contribute to the conservation,	High	The relevant RAMS zone for Babergh and Mid Suffolk is Zone A which is £142.27 per dwelling.

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Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
effects on Protected Habitats				Management of the Environment	<p>enhancement and management of the natural and local environment and networks of green infrastructure, including: landscape; biodiversity, geodiversity and the historic environment and historic landscapes. Requires the development of over 50 dwellings to demonstrate well designed open space/green infrastructure.</p> <p>Development is to protect and enhance biodiversity, through biodiversity net gain. Places an obligation on the Councils to review planning policies whereby air quality from traffic on roads within 200 metres of Protected Habitats Sites demonstrates an adverse effect on their integrity.</p>		

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
Policy SP10 - Climate Change	Low	Major development to take a proactive approach to mitigating and adapting to climate change, identifying opportunities to deliver decentralised energy systems powered by a renewable or low carbon source. Encourages new development that reduces waste.	Policy only encourages and is not mandatory therefore no direct impact on appraisal assumption.	Policy SP10 - Climate Change	Now requires all development to mitigate and adapt to climate change and lists the type of measures.	High	Mitigation measures identified are delivered through other policy costs such as water efficiency and sustainability.
Policy LP06 – Mix and type of composition	High	Development management policy which sets out the circumstances for major housing developments including supported and special needs housing, schemes must include:  35% affordable housing 50% of dwellings to be Part M4(2)  Bungalows included in the mix on schemes of 10+ or on sites of 0.5 hectares or more, if the latest housing needs assessment identifies such a need.	Appraisal assumes affordable housing included on-site, bungalows included as part of housing mix and cost included for Part M4(2) requirements. Quantum to be determined through viability testing	Policy LP06 – Supported and Special Needs Housing	Policy has been amended, affordable housing is no longer applied to general needs housing in this policy and is in Policy SP02. Policy LP06 now refers to just supported and special needs alone	Medium	Additional cost no longer needs to be included in the general needs housing assessment, under this policy but is carried across to revised Policy LP24. For elderly accommodation, the AV October study used general needs flats costs and applied an additional cost for M4(2), and again we have made the same assumption. As per the AV October 2020 study we have used a cost of £521 per dwelling applied for adaptable dwellings under Part M4 (2) of the building regulations. This cost was based on the DCLG Housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157.



		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
Policy LP18 – Biodiversity & Geodiversity	Medium	Sets out the circumstances whereby development will be supported in relation to biodiversity, this includes but limited to development to follow a hierarchy approach, seeking firstly to avoid impacts of biodiversity.	<p>Any costs associated with surveys are to be covered through our professional fees allowance.</p> <p>Any costs for mitigation assumed to be delivered through planning obligations but this is not expected to impact every site.</p>	Policy LP16 – Biodiversity & Geodiversity	Policy number has changed and the wording amended but the thrust of the policy remains unchanged	High	<p>Any costs associated with surveys are to be covered through our professional fees allowance. The Government's Environmental Act requires all major developments from November 2023 and all minor developments from April 2024 (with a few exceptions) to deliver a 10% net increase in biodiversity, which would have to be managed for at least 30 years. The Government estimates that this will impact direct development costs. Based on Biodiversity Net Gain (BNG) and Local Nature Recovery Strategies, 2019 we have used the following costs:</p> <p>£1,018 per dwelling - greenfield scenario</p> <p>£243 per dwelling - brownfield scenario only.</p> <p>In reality, the BNG costs will depend upon a range of factors including the biodiversity that already exists on the site and the potential for net gain which is entirely site specific.</p> <p>The AV October 2020 study used a cost of £42,545 per gross hectare of development land based on the BNG and Local Nature Recovery Strategies, 2019, but in more recent studies we</p>

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
							have found the dwelling cost to be more appropriate to use. This is consistent with the approach adopted in the neighbouring East Suffolk Council CIL study.
Policy LP25 - Sustainable Construction and Design	High	<p>Policy sets out the Councils Sustainable Construction and Design requirements that include:</p> <p>Achieve reductions in CO2 emissions of 19% below for the Target Emissions Rate of the 2013 Edition of 2010 Building Regulations (Part L); and</p> <p>Meet the higher water efficiency standards of 110 litres per person per day, as set out in building regulations part G2.</p> <p>To meet the above all major developments are required to submit a Sustainability Design and Construction Statement.</p> <p>The policy also explains that non-residential development of 1,000sqm and above must achieve a minimum of</p>	Cost included in the appraisal. Any costs associated with Sustainability Design and Construction Statement to be covered by professional fees allowance.	Policy LP23 - Sustainable Construction and Design	<p>Policy number has changed and the wording amended. Policy still requires a reduction in CO2 emissions but is now in line with the 2021</p> <p>With effect from 15 June 2022, Part L of the Building Regs changed which requires new build homes to produce 31% less carbon emissions and non-domestics build 27% less carbon emissions. Therefore exceeding the policy requirements.</p> <p>Policy also now requires development to provide feasible and viable on-site renewable and other low carbon energy generation</p>	High	<p>The AV October 2020 study had combined costs of £6,057 (£3,500 plus £2,557) per dwelling for sustainable construction and carbon reduction.</p> <p>The AV October 2020 study included a cost of £2,557 per dwelling for a 20% reduction in CO2, this was based on the MHCLG 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: Impact Assessment. This reflected a fabric first approach to carbon reduction. In addition, The AV October 2020 study also had a separate cost of £3,500 per dwelling for renewable/low carbon energy production. The AV October 2020 study acknowledged that there could be an element of double counting with the then Policy SP10 for 20% carbon reduction, which is not captured in this</p>

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024																					
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study																		
		BREEAM 'Very Good' standard or equivalent.			<p>to allow the greatest CO2 reduction.<sup>58</sup></p> <p>Policy still requires major development to submit a Sustainability Design and Construction Statement. And non-residential development 1,000 sqm and above must achieve a minimum of BREEAM 'Very Good' standard or equivalent but now with additional text which explains that this is required unless it is convincingly demonstrated that it is not possible.</p> <p>Policy now encourages to achieve water usage of not more than 100 litres per person per day.</p>		<p>policy LP23 but at a 19% carbon reduction.</p> <p>The Department for Levelling Up, Housing &amp; Communities (DLUHC) published the 2021 changes to the energy efficiency requirements of the Building Regulations for domestic buildings</p> <p>- Final Stage Impact Assessment. This document sets out the following additional capital costs:</p> <table><tr><th></th><th>Gas Boiler and Solar PV</th><th>AS Heat Pump</th></tr><tr><td>Detached house</td><td>£4,840</td><td>£3,750</td></tr><tr><td>Semi-detached house</td><td>£3,800</td><td>£4,360</td></tr><tr><td>Mid-Terraced house</td><td>£3,760</td><td>£4,320</td></tr><tr><td>Flats</td><td>£2,090</td><td>£4,090</td></tr><tr><td>Average (based on build mix)</td><td>£3,660</td><td>£4,070</td></tr></table> <p>The Gas Boiler &amp; Solar PV solution equates to an average dwelling cost of £3,934 based on the Councils' dwelling mix and the Air source Heat pump solution £4,186 per dwelling. We have used the higher figure in our assessment to ensure either solution can be met – we consider this to be a cautious approach to meet the policy requirement.</p> <p>The DLUHC - published the 2021 changes to the energy efficiency</p>		Gas Boiler and Solar PV	AS Heat Pump	Detached house	£4,840	£3,750	Semi-detached house	£3,800	£4,360	Mid-Terraced house	£3,760	£4,320	Flats	£2,090	£4,090	Average (based on build mix)	£3,660	£4,070
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<sup>58</sup> The Sustainability Design and Construction Statement should investigate the technical feasibility and financial viability of the on-site renewable and other low carbon energy generation options available and the CO2 savings achieved with each to allow the greatest CO2 reduction is selected.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024																														
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study																											
							<p>requirements of the Building Regulations for non- domestic buildings - Final Stage Impact Assessment. This document sets out the following additional capital costs:</p> <table><tr><th></th><th>Additional capital costs compared to 2013 requirements (£/m² GIFA)</th><th>Additional capital costs compared to 2013 requirements (% increase in build costs)</th></tr><tr><td>Office – deep plan, air conditioned</td><td>£24</td><td>0.68%</td></tr><tr><td>Office – shallow plan, naturally ventilated</td><td>£29</td><td>1.14%</td></tr><tr><td>Hotel</td><td>£40</td><td>1.32%</td></tr><tr><td>Hospital</td><td>£23</td><td>0.51%</td></tr><tr><td>Secondary School (includes sports facilities)</td><td>£36</td><td>1.20%</td></tr><tr><td>Retail Warehouse</td><td>£75</td><td>4.15%</td></tr><tr><td>Distribution Warehouse</td><td>£51</td><td>2.82%</td></tr><tr><td>Average (based on build mix)</td><td>£24</td><td>0.68%</td></tr></table> <p>We have applied the cost percentage uplifts in our assessment.</p> <p>The AV October 2020 study used a water efficiency cost of £9 per dwelling based on the Department of Communities and Local Government Housing Standards Review Cost Impact, September 2014 by EC Harris – this is still reasonable and has been included in our assessment.</p> <p>As per the AV October 2020 study, any costs associated with the Sustainability Design and Construction Statement are to be covered by professional fees allowance.</p>		Additional capital costs compared to 2013 requirements (£/m² GIFA)	Additional capital costs compared to 2013 requirements (% increase in build costs)	Office – deep plan, air conditioned	£24	0.68%	Office – shallow plan, naturally ventilated	£29	1.14%	Hotel	£40	1.32%	Hospital	£23	0.51%	Secondary School (includes sports facilities)	£36	1.20%	Retail Warehouse	£75	4.15%	Distribution Warehouse	£51	2.82%	Average (based on build mix)	£24	0.68%
	Additional capital costs compared to 2013 requirements (£/m² GIFA)	Additional capital costs compared to 2013 requirements (% increase in build costs)																																
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Policy LP26 - Design and Residential Amenity	Low	Sets out the design requirements for new residential development.	Policy is not onerous compared to what is being delivered at the moment and assumed covered through general build costs.	Policy LP24 - Design and Residential Amenity	<p>Policy number has changed and the wording amended. Removes the requirement for climate change adaptation but now requires development to adhere to the Building for a Health Life design assessment framework. Development to provide at least 50% of dwellings that meet the requirements for accessible and adaptable dwellings under Part M4(2) of Building Regulations – unless viability issues exist.</p> <p>All development must demonstrate that they have regard to the design principles set out through Suffolk Design, the Councils' Design Supplementary Planning Documents.</p>	High	<p>The AV October 2020 study used a cost of £521 per dwelling applied for adaptable dwellings under Part M4 (2) of the building regulations. This cost was based on the DCLG Housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157. This cost is still reasonable and has been applied to 50% of the dwellings as per the policy.</p>

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
LP29 - Flood Risk and Vulnerability	Medium	Policy encourages development away from flood risk areas. It requires development to mitigate existing and potential flood risks through application of a sequential approach to flood risk and implementation of Sustainable Drainage Systems, and risks to ground or surface water quality.	Proposed development only likely to suffer from surface water, which will be dealt with SuDs and the external cost allowance in the appraisal.	LP29 - Flood Risk and Vulnerability	Policy number has changed and the wording amended but the thrust remains the same.	Medium	Proposed development is only likely to suffer from surface water, which will be dealt with SuDs and the external cost allowance in the appraisal.
Policy LP31 - Services and Facilities Within the Community	Low	Sets out the circumstances where new development and loss of community facilities will be acceptable. It encourages high quality development and for schemes to minimise their impact on climate change, use sustainable construction practices etc.	No direct impact on appraisal assumption.	Policy LP28 - Services and Facilities Within the Community	Policy number has changed and the wording amended and now reflects, in part the previous Policy LP30 for open space. This new policy requires all development in excess of 1 hectare to provide onsite open space. Also the requirement to minimise the impact of development on climate change, use sustainable construction practices etc. has been removed from this policy.	Medium	Assumed that open space to be delivered onsite through the difference between gross and net developable area

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Policy LP32 - Safe, Sustainable and Active Transport	High	<p>Sets out development management policy for safe, sustainable and active transport. Developments that are expected have a major impact on highway infrastructure need to provide a travel plan and transport statement or transport assessment.</p> <p>The policy sets out appropriate provisions that development should make which includes, amongst other things; cyclists' facilities, electric vehicle charging points, and linkages to networks. There is also potential for contributions towards sustainable transport strategies and school transport contributions.</p>	<p>Cost for electric charging points included in appraisal. Assume cost for travel plan included in professional fees allowance. Any other contributions would be captured through S106s which we have made allowances for based on monitoring data. Where site specific costs are greater than assumed this will need to be captured in any surplus generated and/or a reduced land value</p>	Policy LP29 - Safe, Sustainable and Active Transport	Policy number has changed and the wording amended but the general thrust remains the same.	High	<p>Changes to Part S of the Buildings Regulations, which came into effect on June 15th 2022, require all new homes to provide an electric charging point – therefore an element of this policy is now covered in the Building Regulations. The AV October 2020 study used a cost of £1,000 per dwelling for housing schemes and a multi charge point wallbox of £10,000 for non-residential and elderly accommodation scenarios. As per the AV October 2020 study it is assumed that the cost for the travel plan included in the professional fees allowance and any other contributions would be captured through S106s which we have made allowances based on monitoring data. Where site specific costs are greater than assumed this will need to be captured in any surplus generated and/or a reduced land value.</p>



		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
Policy LP33 - Managing Infrastructure Provision	High	Development plan policy which explains that new development must be supported by necessary infrastructure and conditions or planning obligations will be used as package of the infrastructure measures.	The Council's S123 list captures some of these costs through CIL. A cost allowance has been included in the appraisal for those items not included in the CIL list which the development will need to provide for site specific mitigation. Where site specific costs are greater than assumed this will need to be captured in any surplus generated and/or a reduced land value.	Policy LP30 - Managing Infrastructure Provision	Policy number has changed and the wording amended and now includes a requirement for proposals to have regard to the Council's Infrastructure Delivery Plan and any responses to the proposals from infrastructure providers.	High	A previously identified in the AV October 2020 study the Councils have a CIL charging schedule in place to fund some infrastructure with the County Council seeking S106 payments in addition to fund infrastructure not listed on the Councils Community Infrastructure Levy (CIL) Expenditure Framework – Position Statements (formerly known as the S123 list). The viability testing includes S106 costs for the infrastructure not listed on the position statements. The assessment tests two different levels of S106 payments of £1,500 per dwelling and also an enhanced payment of £10,100 per dwelling (an additional £8,600 per dwelling for early years and primary education). CIL is treated as a viability output, with an assessment made as to whether the existing rates could be revised. Again, where site specific costs are greater than assumed this will need to be captured in any surplus generated and/or a reduced land value.



		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt within the study	Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt within the CIL study
Policy LP34 - Health and Education Provision	High	Policy protects current health and education uses and circumstances where to facilities will be supported. The policy allows for change of use, or re-development of educational establishments unless specific circumstances are met.	Ditto.	Policy LP31 - Health and Education Provision	Policy number has changed and the wording amended but the general thrust remains the same.	High	Ditto.
Policy LP35 - Developer Contributions and Planning Obligations	High	Development plan policy which explains that infrastructure to support development will be provided through a combination of Community Infrastructure Levy (CIL), Planning Obligations, Developer Contributions and where appropriate funding assistance from the Councils / other provider organisations.	Ditto.	Policy LP32 - Developer Contributions and Planning Obligations	Policy number has changed and the wording amended and now includes a requirement for proposals to have regard to the Council's Infrastructure Delivery Plan and any responses to the proposals from infrastructure providers.	High	Ditto.

Source: ApinallVerdi (October 2020), Urbà (July 2023)

### 4.3 Current CIL charges

- 4.3.1 The two Districts currently have separate CIL Charging schedules which we summaries as follows:

#### Babergh CIL

- 4.3.2 Babergh District Council's current CIL Charging Schedule came into effect in April 2016. Figure 4-1 sets out the CIL charges in the schedule.

Figure 4-1 Babergh CIL charging schedule

Development Type*	Zone	Proposed CIL rate (per sqm)
<b>Residential development (1-2 dwellings)</b> (Use Class C3, excluding 'specialist older persons housing'***)	Low	£90
<b>Residential development (3+ dwellings)</b> (Use Class C3, excluding 'specialist older persons housing'***)	Low	£50
<b>Residential development</b> (Use Class C3, excluding 'specialist older persons housing'***)	High	£115
<b>Strategic Sites</b> (Chilton Woods - Sudbury, strategic broad location for growth - East of Sudbury / Gt Cornard, Lady Lane – Hadleigh, Babergh Ipswich Fringe, Brantham Regeneration Area)	n/a	£0
<b>Wholly or mainly Convenience retail***</b>	District	£100
<b>All other uses</b>	District	£0

Source: Babergh and Mid Suffolk District Council (2016)

- 4.3.3 In accordance with Regulation 40 of the CIL Regulations, the CIL rates are subject to indexation of 1.422<sup>59</sup> - the indexed rates are summarised in Table 4-2.

Table 4-2 Indexed CIL rates – Babergh

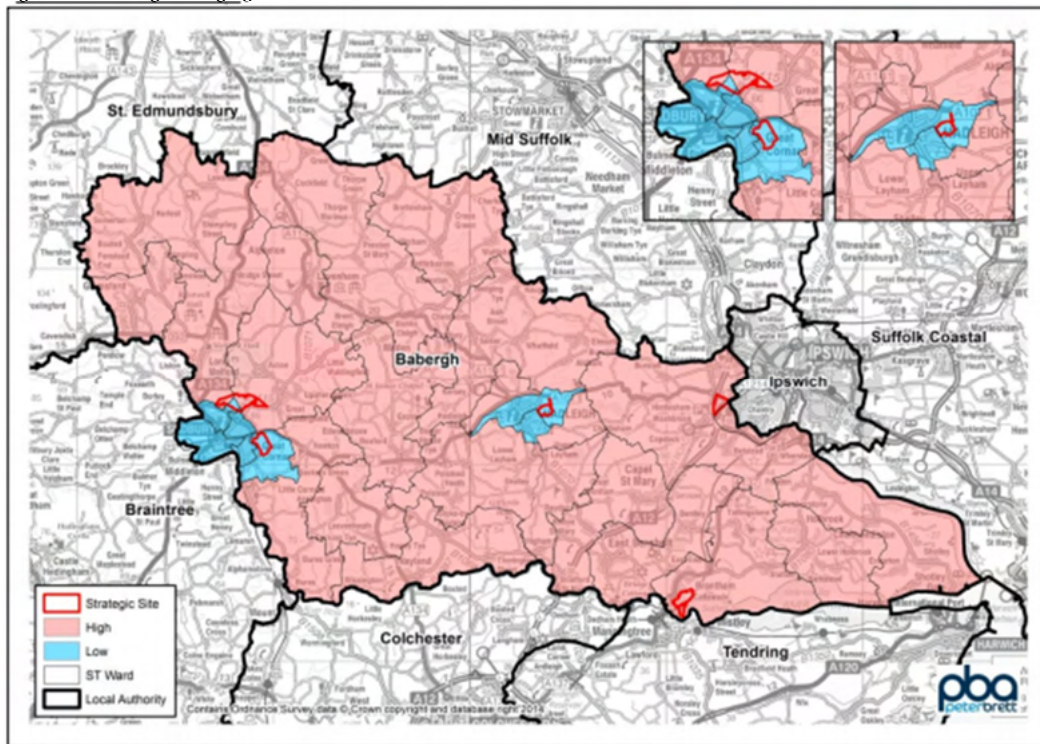
Use	Existing CIL rate £psm	Index CIL rate £psm
Residential development (1 - 2 dwellings) – low value zone	£90	£127.95
Residential development (3+ dwellings) – low value zone	£50	£71.08
Residential development – high value zone	£115	£163.49
Strategic sites	£0	£0.00
Convenience retail	£100	£142.16
All other uses	£0	£0

Source: Babergh and Mid Suffolk District Council (2016), Urbà (November 2024)

<sup>59</sup> Calculated as TPI index as of Q.4 2015 of 268 and RICS CIL index as of 23 October 2023 of 381

- 4.3.4 Figure 4-2 sets out the Charging Zones for the different residential CIL rates as set out in the Charging Schedule in Figure 4-1.

Figure 4-2 Babergh charging zones



Source: Babergh and Mid Suffolk District Councils (2016)

## Mid Suffolk CIL

- 4.3.5 Mid Suffolk's current CIL Charging Schedule, came into effect in April 2016 - Figure 4-3 sets out the current CIL charges in the schedule.

Figure 4-3 Mid Suffolk CIL charging schedule

Development Type*	Zone	Proposed CIL rate (per sqm)
<b>Residential development (1-14 dwellings)</b> (Use Class C3, excluding 'specialist older persons housing'*)	Low	£75
<b>Residential development (15+ dwellings)</b> (Use Class C3, excluding 'specialist older persons housing'*)	Low	£50
<b>Residential development</b> (Use Class C3, excluding 'specialist older persons housing'*)	High	£115
<b>Strategic Sites</b> (Chilton Leys, Ashes Farm, Farriers Road and Union Road – Stowmarket, Eye Airfield, Lake Park – Needham Market)	n/a	£0
<b>Wholly or mainly Convenience retail**</b>	District	£100
<b>All other uses</b>	District	£0

Source: Babergh and Mid Suffolk District Councils (2016)

- 4.3.6 Again, in accordance with Regulation 40 of the CIL Regulations, the CIL rates are subject to indexation of 1.422<sup>60</sup> - the indexed rates are summarised in Table 4-2.

Table 4-3 Indexed CIL rates – Mid Suffolk

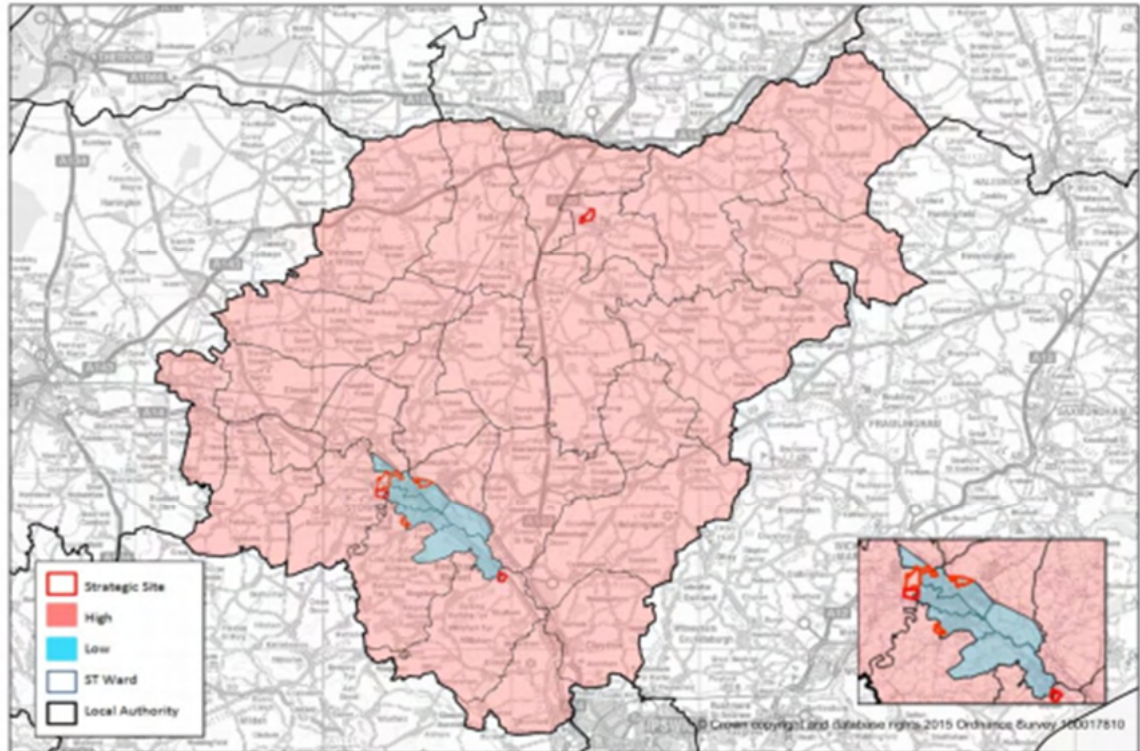
Use	Existing CIL rate £psm	Index CIL rate £psm
Residential development (1 - 14 dwellings) – low value zone	£75	£106.62
Residential development (15+ dwellings) – low value zone	£50	£71.08
Residential development – high value zone	£115	£163.49
Strategic sites	£0	£0.00
Convenience retail	£100	£142.16
All other uses	£0	£0

Source: Babergh and Mid Suffolk District Council (2016), Urbà (November 2024)

<sup>60</sup> Calculated as TPI index as of Q.4 2015 of 268 and RICS CIL index as of 23 October 2023 of 381

4.3.7 Figure 4-4 sets out the Charging Zones for the different residential CIL rates as set out in the charging schedule in Figure 4-3.

Figure 4-4 Mid Suffolk CIL charging schedule zones



Source: Babergh and Mid Suffolk District Councils (2016)

## Infrastructure Funding Statement -

4.3.8 The Districts currently collect its infrastructure through a mix of CIL and S106 contribution. The Districts produce annual infrastructure funding statements which identify where CIL will be spent, these we list as follows:

- Early years settings expansions.
- Primary school expansions.
- Secondary school expansions.
- Health – primary care.
- ISPA Transport Mitigation Strategy.
- Pedestrian & cycling network.
- Police.
- Community infrastructure – libraries.
- Community infrastructure – strategic leisure centres.
- Community infrastructure – provision of additional sporting facilities at existing Secondary Schools.
- Community infrastructure – community projects.



- Waste.
- Waste – District Councils' Depots.

4.3.9 In some instances, CIL is one of a number of funding sources for the infrastructure identified above.

## 5 Residential viability testing

### 5.1 Introduction

5.1.1 We now set out the sale values and development costs inputs and assumptions used in the residential testing along with the viability results.

### 5.2 Devising scenarios to test

5.2.1 Typologies for the viability testing are to be based on the proposed development in the Plan to ensure the testing represents the type of development coming forward. In doing so it is appropriate to consider *'shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development.'*<sup>61</sup>

#### Typologies

5.2.2 Part 2 of the new Joint Local Plan will set out the Districts' proposed allocations, the Councils envisaged that the proposed allocations will be similar to their current growth strategy therefore the typologies used in the AV October 2020 study are deemed reasonable – these have been replicated for ease in Figure 5-1.

Figure 5-1 Residential typologies

No. of dwellings	Gross dph	Gross site area ha	Gross to net	Net dph	Net site area ha
<b>Greenfield</b>					
8 – rural & policy off scenarios	20	0.4	90%	22	0.36
8 – low density	8	1	90%	9	0.90
15	15	1	90%	17	0.90
30	16	1.9	80%	20	1.52
50	18	2.8	80%	22	2.24
85	18	4.7	80%	23	3.76
150	18	8.3	70%	26	5.81
250	18	13.9	70%	26	9.73
<b>Brownfield</b>					
8 - policy off scenarios	20	0.4	90%	22	0.36
8 – low density	11	0.7	90%	13	0.63
15	20	0.8	90%	21	0.72
40	18	2.2	80%	23	1.76
40 (flats)	70	0.6	80%	83	0.48
50	20	2.5	80%	25	2.00
50 (flats)	70	0.7	80%	89	0.56
70	35	2	80%	44	1.60
<b>Greenfield – Large Sites</b>					
350	20	18	70%	28	12.50
600	24	25	70%	34	18
1,000	22	45	65%	34	30

Source: AspinallVerdi (October 2020)

<sup>61</sup> Ibid, Paragraph: 004 Reference ID: 10-004-20190509

### 5.3 Sale values

- 5.3.1 As we have set out in our Property Market Report in Appendix B, we have updated the residential market analysis used in the AV October 2020 study. Based on the available evidence in the Property Market Report we have found the need to revise the values.

#### Values used in Local Plan Viability Study

- 5.3.2 As shown in Figure 5-2, the AV October 2020 study used a single value zone, because the evidence at the time showed, that despite price variation on a per unit basis, there was less price variation when analysed on a £psm, with values generally around £3,000 - £3,200 psm.<sup>62</sup>

Figure 5-2 Unit sizes and sale values used in the AV October 2020 study

Typology	Unit Size sqm	Unit Price	£psm
1-bed flat	50	£160,000	£3,200
2-bed flat	61	£190,000	£3,115
1-bed house (single storey)	50	£180,000	£3,600
2-bed house	79	£250,000	£3,164
3-bed house	90	£290,000	£3,222
4-bed house	110	£350,000	£3,181

Source: AspinallVerdi (October 2020)

- 5.3.3 Our analysis in the Property Market Report in Appendix B shows that the sale values across the Districts are very mixed. There are price differences across the Districts to justify varying the testing by value bands, however, our analysis has shown the locations of new build prices are very variable with higher, mid and lower value sales occurring across all of the wards. There is some direct correlation between lower value wards and lower value new build prices, so it is possible to base values in these areas on evidence. But in the mid and higher value wards, we see a range of new build sales occurring, but primarily those values which fall in the mid and upper values. Because we can identify low value new build prices in the lower value wards, it is possible to create a value zone here, with the remainder of the Districts set as a single higher value band. The values used in the viability testing for the two zones are set out in Table 5-1 and the corresponding map showing the location of the zones is set out in Figure 5-3.

<sup>62</sup> AspinallVerdi, October 2020, Plan Viability & CIL Review Study Regulation 19 Stage, Paragraph 2.33

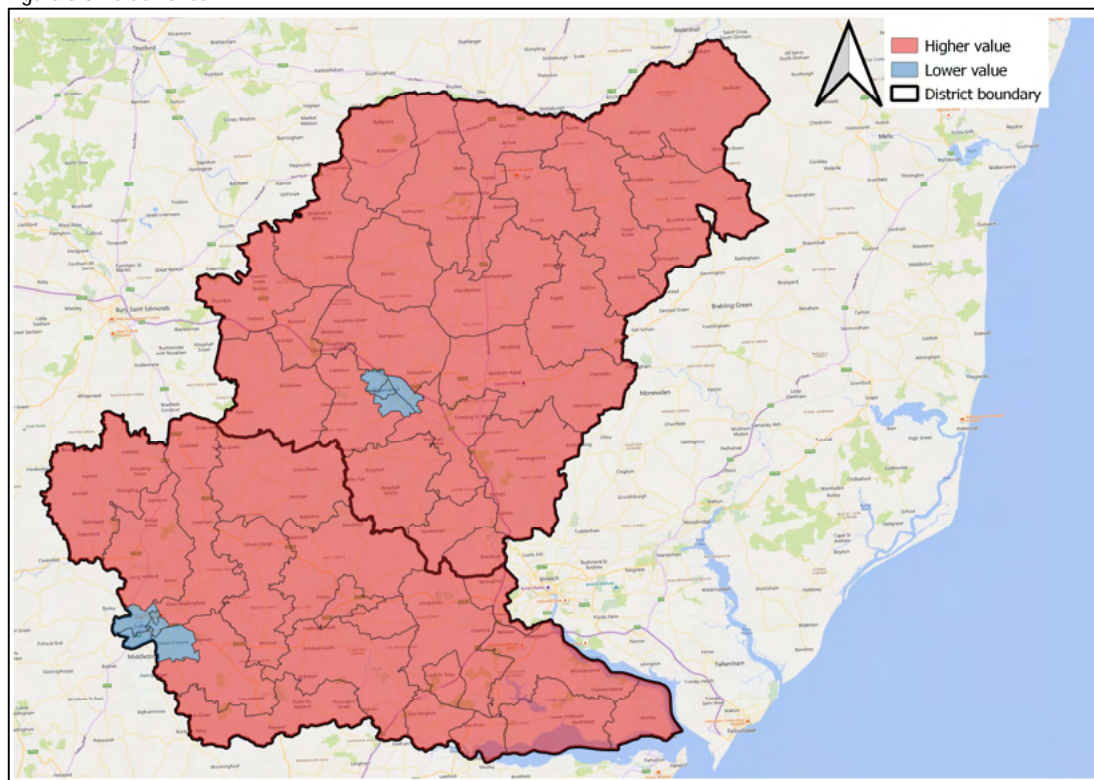


Table 5-1 Sale values CIL viability testing

Typology	Unit size sqm	Unit Price	£psm
<b>Higher value zone</b>			
1-bed flat	50	£200,000	£4,000
2-bed flat	61	£215,000	£3,525
1-bed house (single storey)	50	£270,000	£5,400
2-bed house	79	£340,000	£4,304
3-bed house	90	£375,000	£4,167
4-bed house	110	£450,000	£4,091
<b>Lower value zone</b>			
1-bed flat	50	£180,000	£3,600
2-bed flat	61	£200,000	£3,279
1-bed house (single storey)	50	£260,000	£5,200
2-bed house	79	£315,000	£3,987
3-bed house	90	£345,000	£3,833
4-bed house	110	£380,000	£3,455

Source: Urbà (November 2024)

Figure 5-3 Value zones



Source: QGIS, Bingmaps, Urbà (May 2023)

## 5.4 Affordable housing value inputs & assumptions

5.4.1 We have based the affordable housing values on those in the AV October 2020 study as these are still deemed to be reasonable. The rates are:

- Affordable rent – 50% of market value.
- Shared ownership – 70% of market value

## 5.5 Development costs assumptions & inputs

5.5.1 Table 5-2 provides a review of the development costs assumptions and inputs used in the AV October 2020 study and what adjustments, if any, we have made to these costs to reflect them in our assessment.

Table 5-2 Development costs assumptions &amp; inputs

Element	AspinalVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
Build cost - houses	£1,155 psm	£1,527 psm	The AV October 2020 study used median BCIS costs for estate housing generally - 5 year sample to reflect the then current building regulations, re-based for Suffolk. The use of BCIS data was and is still supported by the PPG. We have therefore used the latest 5-
Build cost - flats	£1,296 psm	£1,686 psm	

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
			year sample re-based for Suffolk. A copy of the BCIS costs are enclosed in Appendix C. We are seeing median BCIS achieving current Building Regulations in the local market.
External works for services and infrastructure	15% of BCIS costs	15% of BCIS costs	The AV October 2020 study used this allowance percentage based on industry norms and other schemes coming forward in the Districts. Although the study did acknowledge that external works will vary, depending on on-site requirements. The previous allowance for external works is still reasonable, based on analysis of comparable schemes, and has been used in this assessment.
Site abnormals – applied to brownfield development only	£110,000 per acre	£110,000 per acre	The AV October 2020 study had regard to HCA (now Homes England) guidance on dereliction, demolition and remediation costs, March 2015, along with comparable and other schemes coming forward in the Districts. The cost allowance reflected costs for demolition and remediation. The previous allowance for site abnormals is still reasonable, based on analysis of comparable schemes, and has been used in this assessment.
Statutory planning fees	Fees as per the calculator set out in the Planning Portal website.	Fees as per the calculator set out in the Planning Portal website.	Still considered reasonable and has been used in our assessment.
Planning application professional fees, surveys and reports	Calculated as a three times multiplier to national formula above.	Calculated as a three times multiplier to national formula above.	Still considered reasonable and has been used in our assessment
Professional fees	10% of BCIS build cost, external works, M4(2) and water efficiency costs	10% of BCIS build cost, external works, M4(2) and water efficiency costs	The AV October 2020 study explains that professional fees were calculated as a percentage of BCIS costs but in reality the appraisals show the percentage also includes the costs of external works, M4(3) and water efficiency

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
			costs, we've corrected this text in our assessment. The AV October 2020 study explains that professional fees typically range between 8% - 12%, based on industry norms and other schemes coming forward in the Districts. 10% is still considered reasonable and has been used in this assessment.
Contingency	5% of BCIS build cost, external works, M4(2) and water efficiency costs	5% of BCIS build cost, external works, M4(2) and water efficiency costs	The AV October 2020 study explains that contingency was calculated as a percentage of BCIS costs but in reality the appraisals show the percentage also includes the costs of external works, M4(3) and water efficiency costs, we've corrected this text in our assessment. The AV October 2020 study in Table 6-4 explained that contingency typically ranges between 3% - 5%, based on industry norms and other schemes coming forward in the Districts. 5% is still considered reasonable and has been used in this assessment.
Residential - sale agents costs	1.5% of market units GDV	1.5% of market units GDV	The AV October 2020 study explains that the allowance was based on evidence from the Harman report <sup>63</sup> and comparable schemes. The 1.5% allowance is still considered reasonable and has been used in this assessment.
Residential - Sale Legal Costs	1.5% of market units GDV	1.5% of market units GDV	The AV October 2020 study explains that the allowance was based on evidence from the Harman report <sup>64</sup> and comparable schemes. The 1.5% allowance is still considered reasonable and has been used in this assessment.
Residential - marketing and promotion	0.5% of market units GDV	0.5% of market units GDV	The AV October 2020 study explains that the allowance was based on evidence from the Harman report <sup>65</sup> and comparable schemes. The 1.5% allowance is

<sup>63</sup> 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 35

<sup>64</sup> Ibid

<sup>65</sup> Ibid

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
			still considered reasonable and has been used in this assessment.
Profit on market housing	20% of GDV	20% of GDV	<p>The AV October 2020 study references the PPG on viability as follows:</p> <p><i>'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.'</i><sup>66</sup></p> <p>The 20% figure used in the AV October 2020 study was at the higher in the range of that set out in the PPG on viability. We have seen some site specific assessments<sup>67</sup> being promoted with a profit on market housing GDV at 17.5%, therefore there is an argument to reduce the profit. But we have taken a cautious approach and used the highest in the range set out in the PPG on viability.</p>
Profit on affordable housing	6.0% of GDV	6.0% of GDV	<p>The AV October 2020 study references the PPG on viability as follows:</p> <p><i>'A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.'</i><sup>68</sup></p> <p>6.0% of GDV for affordable housing profit is consistent with what we are seeing on comparable schemes and has been used in our assessment.</p>

<sup>66</sup> MHCLG, 06 March 2014, PPG on viability, Paragraph: 018 Reference ID: 10-018-20190509 Revision date: 09 05 2019

<sup>67</sup> Planning references: DC/22/01606 & DC/22/04615

<sup>68</sup> MHCLG, 06 March 2014, PPG on viability, Paragraph: 018 Reference ID: 10-018-20190509 Revision date: 09 05 2019

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
Interest	7.5%	8.75%	Since the AV October 2020 study the Bank of England has increased the base rate several times which is leading to an increase in lending costs. To reflect the increase in lending costs we have adjusted the interest rate – as per the AV October 2020 study this is a gross figure, therefore inclusive of fees.
SDLT	5% - fixed rate	Variable: Up to £150k 0% £150 - £250k 2% Above £250k 5%	Our assessment is based on the HMRC variable rates for non-residential transactions.
Agents fee on land value (i.e., land disposal cost)	1.0% of land value	1.0% of land value	The AV October 2020 study explains that the allowance was based on industry norms and other schemes coming forward in the Districts. The 1.0% allowance is still considered reasonable and has been used in this assessment.
Legal fee on land value (i.e., land disposal cost)	0.5% of land value	0.5% of land value	The AV October 2020 study explains that the allowance was based on industry norms and other schemes coming forward in the Districts. The 0.5% allowance is still considered reasonable and has been used in this assessment.
Gross to net of general needs flats	85%	85%	The AV October 2020 study explains that this percentage was based on schemes analysed. The percentage is still considered reasonable and has been used in this assessment.

Source: AspinallVerdi (October 2020), Urbà (November 2024)



## 5.6 Timescales

- 5.6.1 Figure 5-4 sets out the timescales used in the AV October 2020 study. The timescales used in AV October 2020 study were informed by separate research undertaken by Lichfield's<sup>69</sup> which analysed lead-in and build rates across the Districts.

Figure 5-4 Appraisal timing assumptions

No. of Units	Lead in period	Build period	Sale period
<b>Greenfield</b>			
8	12 months	12 months	8 months (9 months after build start)
8	12 months	12 months	8 months (9 months after build start)
15	24 months	14 months	14 months (9 months after build start)
30	24 months	28 months	28 months (9 months after build start)
50	24 months	19 months	19 months (9 months after build start)
85	24 months	32 months	32 months (9 months after build start)
150	28 months	55 months	55 months (12 months after build start)
250	28 months	91 months	91 months (12 months after build start)
350	28 months	127 months	127 months (12 months after build start)
600	28 months	66 months	66 months (12 months after build start)
1,000	28 months	182 months	182 months (12 months after build start)
<b>Brownfield</b>			
8	12 months	12 months	8 months (9 months after build start)
8	12 months	12 months	8 months (9 months after build start)
15	24 months	14 months	14 months (9 months after build start)
40	24 months	37 months	37 months (9 months after build start)
50	24 months	19 months	19 months (9 months after build start)
70	24 months	26 months	26 months (9 months after build start)
<b>Brownfield – flats</b>			
40	24 months	18 months	18 months (on scheme practical completion)
50	24 months	18 months	18 months (on scheme practical completion)

Source: AspinallVerdi (October 2020)

<sup>69</sup> Lichfields, August 2020, Babergh District Council Five-Year Housing Land Supply Position Statement 2020, paragraph 3.21

- 5.6.2 The AV October 2020 study explains that the sales of affordable housing units occur during the build period, in line with how the market operates on a “golden brick” payment basis. Sale period for houses commences 7 – 9 months after the construction of units and continues 7 – 9 months post construction. For flats, they assumed market sales commence on the build completion of the units. The 600 and 1,000-unit scenarios assumed x2 outlets on-site, hence the timescales are compressed compared to the other scenarios in relation to the number of units.
- 5.6.3 The timescales used in the AV October 2020 study are still considered reasonable and have been used in this assessment.

## 5.7 Benchmark land value

- 5.7.1 The AV October 2020 study provided both a greenfield and brownfield assessment for benchmark land value, these values were based on the existing use plus premium method as set out in the PPG on viability. As we have shown in Chapter 3 the approach to determining the benchmark land value has not changed since the AV October 2020 study but we update the evidence as follows:

### Greenfield benchmark land value assessment

- 5.7.2 The AV October 2020 study used an EUV plus Premium land value of £247,000 per gross hectare (£100,000 gross per acre)<sup>70</sup> for scenarios that had an S106 payment of £1,500 per dwelling and a reduced land value of £210,000 per gross hectare (£85,000 per gross acre)<sup>71</sup> in the scenarios that included an enhanced S106 payment of £8,600 per dwelling. The land values used represented between 9 – 14 times multiplier on the analysed land values of between £18,258 and £23,310 per gross hectare (£7,389 and £9,433 per gross acre).<sup>72</sup> The EUV was based on bare and arable land of sites ranging in size between 21 and 239 hectares of sales occurring between 2018 and 2019.<sup>73</sup> With regards to the rural exception site testing the AV October 2020 study used a lower land value of £123,550 per gross hectare (£50,000 per gross acre) to reflect the fact the policy ask (i.e., affordable housing) is greater.

<sup>70</sup> ApinallVerdi, October 2020, Plan Viability & CIL Review Study Regulation 19 Stage, Paragraph 6.27

<sup>71</sup> Ibid, Paragraph 6.29

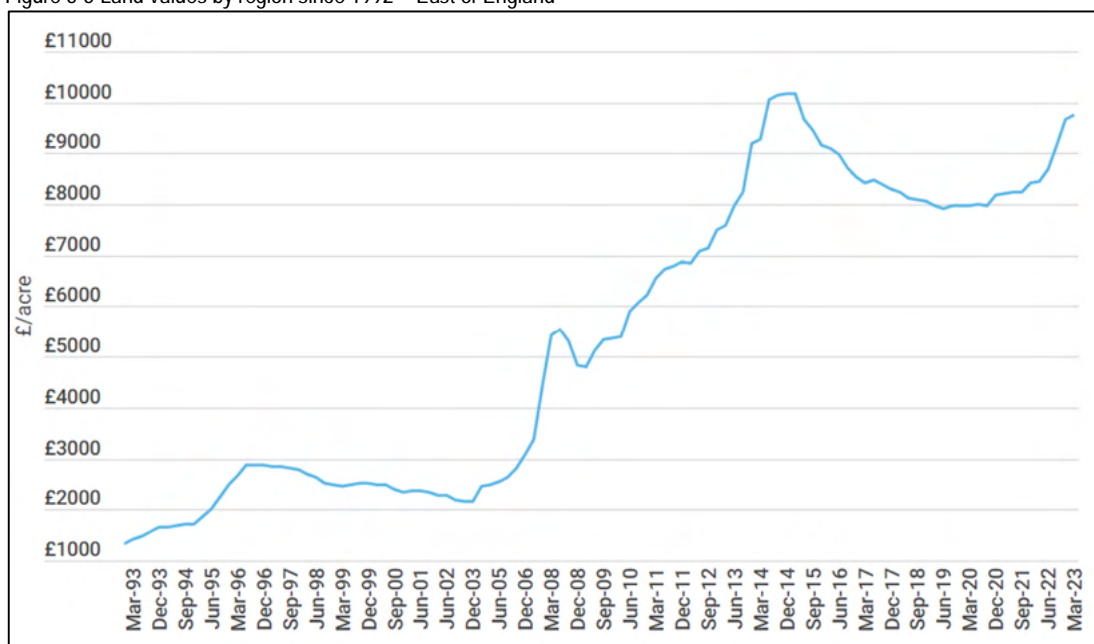
<sup>72</sup> Ibid, Paragraph 3.17

<sup>73</sup> Ibid, Table 6.8



- 5.7.3 Due to the size and type of greenfield sites analysed and the date of transactions in the AV October 2020 study, we have updated the EUV assessment.
- 5.7.4 Savills research for all land types for the East of England shows an average value of around £124,200 per hectare (£9,800 per acre) – see Figure 5-5. Although the Savills research does not distinguish between the agricultural land type as the RICS research does.

Figure 5-5 Land values by region since 1992 – East of England



Source: Savills Research (accessed May 2023)

- 5.7.5 RICS report (see Figure 5-6) that the average price of bare land is £21,500 per hectare (£8,718 per acre).

Figure 5-6 Average prices all reported transactions

Property Type	Overall	England	Wales	Scotland
	£/acre			
Bare Land	8,724	8,718	9,002	
Land and Buildings	21,239	21,852	18,548	
Dwelling(s), land and buildings	23,408	25,100	9,827	13,696

Source: RICS ~ RAU Farmland Market Directory of Land Sales Summary (January ~ June 2021)

- 5.7.6 There has been a lack of recent agricultural land value transactions recorded by the RICS of similar sized sites in Suffolk. The only relatively recent transactions (see Table 5-3) are in Halesworth at £9,550 per acre (£23,600 per hectare) and in Beyton at £9,779 per acre (£24,164 per hectare) – both of which were sold close to the guide price.

Table 5-3 Agricultural land values Suffolk – sold

Sold date	Address	Description	Acres	Hectare	Asking price	Asking price per acre	Asking price per ha	Sold at
Apr 2020	Land on the east side of Saxons Way, Halesworth	Bare land	6.28	2.54	£60,000	£9,550	£23,600	Sold close to guide price
Jul 21	Land at Drinkstone Road, Beyton	Grade 3. The property extends to approximately 206.14 acres (83.42 ha) made up of four arable blocks with areas of woodland on the margin and one field of permanent pasture running alongside a brook, this parcel includes a small building.	226	91.5	£2.21m	£9,779	£24,164	Sold close to guide price

Source: RICS ~ RAU Farmland Market Directory of Land Sales Summary (January 2020 ~ June 2022)

## November 2024 update

5.7.7 As shown in Table 5-4 there have been more transactions occurring, with the evidence showing the general tone of values between £22,650 - £26,629 per hectare (£9,166 - £10,772 per acre).

Table 5-4 Agricultural land values Suffolk – sold – November 2024 update

Sold date	Address	Description	Acres	Hectare	Asking price	Asking e price per acre	Asking price per ha	Sold at
Nov-22	Land in the Upper Stour Valley, Great Bradley, Newmarket	Bare land	504	203.9	£4,850,000	£9,626	£23,786	Well above guide price
Jun-23	Land at Gosbeck lot 1	Arable bare land	70	28.3	£715,000	£10,214	£25,241	Close to guide
May-23	Land at Rookery Farm, Framlingham, lot 1	Arable bare land	106	43.0	£1,130,000	£10,624	£26,254	Well above guide price
May-23	Land at Rookery Farm, Framlingham, lot 2	Arable bare land	68	27.6	£700,000	£10,255	£25,341	Close to guide
Jun- 23	Land adjoining Stoney Road, Grundisburgh	Bare amenity land	14	5.6	£135,000	£9,677	£23,914	Well above guide price
Jun- 23	Land at Peacock Farm, Thorington	Bare pasture land	75	30.5	£740,000	£9,818	£24,262	Well above guide price
Mar-24	Land at Sweffling	Bare arable land	4	1.7	£65,000	£15,258	£37,705	Sold substantially above guide price
Mar-24	Land at Monk Soham	Bare arable land	149	60.3	£1,562,500	£10,487	£25,913	Sold close to asking price
Mar-24	Snape Aldeburgh	Bare amenity land	11	4.4	£100,000	£9,166	£22,650	Sold substantially above guide price
Jan-24	Land at Shop Rd Clopton	Bare arable land	4	1.8	£47,181	£10,772	£26,618	Sold substantially above guide price
Jan-24	Land at Shop Rd Clopton	Bare arable land	10	4.2	£111,167	£10,772	£26,619	Sold close to asking price

Source: RICS ~ RAU Farmland Market Directory of Land Sales Summary (January 2023 ~ June 2024)

- 5.7.8 To supplement the evidence of sold prices, we have also analysed asking prices, although in accordance with RICS guidance, we treat these with caution because they often differ substantially from the agreed final transaction price.<sup>74</sup> As seen in the evidence in Table 5-5 quoting prices range between £8,904 and £9,905 per acre (£22,002 - £24,477 per hectare).

Table 5-5 Agricultural land values Suffolk – asking

Address	Description	Acres	Hectares	Asking price	Asking price per acre	Asking price per ha
Creeting St. Peter, Ipswich, IP6	Grade 2 farmland in a single block	111.05	45	£1,100,000	£9,905	£24,477
Land At Woodditton Road, Kirtling, Newmarket, CB8,	The land is classified as Grade 2	101.08	41	£900,000	£8,904	£22,002
Lower Road, Middleton, Sudbury	Grade 2/3 soils	31.7	13	£300,000	£9,464	£23,386

Source: uklandandfarms.co.uk (May 2023)

### November 2024 update

- 5.7.9 As shown in Table 5-6, there is little relevant evidence of asking prices currently advertised in Suffolk with a single large site of 97.6 ha (241 acres), having an asking price £24,613 per ha (£10,365 per acre) which is consistent with the RICS sold evidence.

Table 5-6 Agricultural land values Suffolk – asking – November

Address	Description	Acres	Hectares	Asking price	Asking price per acre	Asking price per ha
Hill Farm, Chedburgh, Bury St Edmunds, IP29	Grade 2 farmland	241.2	97.6	£2,500,000	£10,365	£25,613

Source: uklandandfarms.co.uk (November 2024)

### Greenfield benchmark land value premium

- 5.7.10 As explained above, the AV October 2020 study used values of £247,000 per gross hectare (£100,000 gross per acre)<sup>75</sup> for scenarios which had an S106 payment of £1,500 per dwelling

<sup>74</sup> RICS, October 2019, Comparable evidence in real estate valuation, paragraph 4.1.4

<sup>75</sup> ApinallVerdi, October 2020, Plan Viability & CIL Review Study Regulation 19 Stage, Paragraph 6.27

and a reduced land value of £210,000 per gross hectare (£85,000 per gross acre),<sup>76</sup> which equated to premiums of between 9 – 14 times agricultural land values. If we apply those same benchmark land values to the range of agricultural values (achieved and quoting prices) above, this results in premiums between 8 – 11 times - which we consider still be reasonable, as such, indicates the AV October 2020 study greenfield benchmark land values are still appropriate to use in this assessment. The approach used in the AV October 2020 study regards the rural exception site's lower land value of £123,550 per gross hectare (£50,000 per gross acre) to reflect the fact the greater policy ask (i.e., affordable housing) is also deemed to be reasonable and has been used in this assessment.

### Brownfield benchmark land value assessment

- 5.7.11 For the brownfield land value assessment, the AV October 2020 study used an existing use value of £370,665 per gross hectare (£150,000 per gross acre), this represented at the time low grade employment land value. To the existing use value, a 10% premium as applied, to generate a benchmark land value of £407,732 per gross hectare (£165,000 per gross acre).
- 5.7.12 Analysis of CoStar data shows there is no new evidence that supports a change of assumption for the brownfield land value existing use value. Furthermore, there has been no change in guidance which supports a variation in the assumption of the 10% premium. Again, overall, the AV October 2020 study brownfield benchmark land value is still appropriate to use in this assessment.

### Cross check – sold prices

- 5.7.13 The AV October 2020 study also analysed development land values (sold and quoting prices) as a “cross check” in accordance with the PPG on viability. However, the AV October 2020 study stated that due to the large variance in prices achieved and sought it did not allow for any meaningful analysis.<sup>77</sup>

We have updated the analysis of development land values - see Table 5-7. We see land values for those sites of 10 dwellings or less (the affordable housing threshold) range between £902,014 - £2.4 million per gross hectare (£365,025 - £986,842 per gross acre). For sites above the 10 dwellings threshold, we see land values between £157,905 - £702,017 per gross hectare (£63,901 - £284,091 per gross acre) – when we cross reference this with the proposed greenfield land value of between £210,000 - £247,000 per gross hectare (£85,000 - £100,000 gross per acre), the proposed values fall in the range of achieved prices. Notwithstanding, this, the PPG on viability explains that *‘there may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.’*<sup>78</sup> Hence, not all of the evidence of sold prices reflect the proposed benchmark land values for this assessment.

<sup>76</sup> Ibid, Paragraph 6.29

<sup>77</sup> Ibid, Paragraph 6.25

<sup>78</sup> MHCLG, 06 March 2014, PPG on viability, Paragraph 014 Reference ID: 10-014-20190509 Revision date: 09 05 2019

Table 5-7 Development land values

Address	Proposal	Units	Status	Proprietor name	Date last sold	Site area ha (acres)	Price paid £ per ha (£ per acre)
Land On The North Side Of Norton Road Thurston Suffolk	Full Planning Application - Erection of 56 No dwellings (inc. 20 affordable) together with associated access, infrastructure, landscaping and amenity space.	56	Awaiting decision	LINDEN (THURSTON) LLP	30.10.2018	13.03 (32.2)	£577,485 (£233,696)
Land To The West Of The Former Bacon Factory, Elmswell	Outline Planning Application (access to be considered, all other matters reserved) - Site remediation works (Phase 1) and the erection of up to 65 dwellings with the safeguarding of land for the potential future delivery of a relief road, public open space and associated landscaping (Phase 2)	65	Granted 21.01.2021	REDROW HOMES LIMITED	01.07.2021	8.19 (20.23)	£280,918 (£113,681)
Land East Of King George's Field Green Road Haughley IP14 3RA	Submission of details under Outline Planning Permission DC/17/04113 - Appearance, Landscaping, Layout and Scale for the erection of 98 dwellings (including 34 affordable homes), provision of a junior football pitch, areas of public open space and off-site highway improvements.	98	Granted 29.04.2020	Bloor Homes	23.06.2022	2.80 (6.92)	£157,905 (£63,901)
Hill Farm Barns, Hill Farm Old London Road Copdock And Washbrook IP8 3LE	Application for Outline Planning Permission (Access to be considered) - Demolition of existing redundant farm buildings and erection of up to 19No dwellings. Creation of a new vehicular & pedestrian access off The Marvens.	19	Awaiting decision	SUFFOLK COUNTY COUNCIL	09.04.2019	1.97 (4.87)	£203,007 (£82,152)

Address	Proposal	Units	Status	Proprietor name	Date last sold	Site area ha (acres)	Price paid £ per ha (£ per acre)
Site 3C And 3D Land South Of Gun Cotton Way Stowmarket Suffolk	Full Planning Application - Residential Development of No141 dwellings (49 affordable dwellings) with associated access, landscaping amenity space and parking.	141	Granted 04.08.2021	ATEX DEVELOPMENTS LIMITED	19.12.2016	1.59 (3.92)	£511,001 (£206,791)
Shrubland Park Nurseries Maltings Farm Whatfield Road Elmsett Suffolk IP7 6LZ	Submission of Details (Reserved Matters in Part) Application for Outline Planning Permission DC/17/05204. Appearance, Scale and Landscaping to be considered for the residential development comprising of 18 no. dwellings	18	Granted 19.04.2023	N/a	31.07.2000	0.74 (1.84)	£571,703 (£231,355)
Land Off Pear Tree Place Great Finborough Suffolk	Full Planning Application - Erection of 18No dwellings (including 9No affordable units) with associated parking and external works.	19	Awaiting decision	RUBY HOMES (EAST ANGLIA) LIMITED	09.08.2019	0.46 (1.13)	£702,017 (£284,091)
Blue House Forward Green Earl Stonham Suffolk IP14 5EN	Application for Outline Planning Permission(all matters reserved)Town and Country Planning Act 1990 - Erection of up to 3no dwellings (following demolition of existing dwelling).	3	Withdrawn 30.03.2022		28.11.2022	0.14 (0.34)	£2,405,301 (£973,373)
Land Off Queen Street Stradbroke IP21 5HG	Planning Application - Erection of 8No dwellings.	8	Awaiting decision	POSITIVE HOMES LTD	12.06.2017	0.12 (0.30)	£2,438,586 (£986,842)
Land West Of New Road Worlingworth Woodbridge Suffolk IP13 7PA	Full Planning Application - Erection of 4No dwellings (following demolition of existing agricultural buildings (as alternative to Prior Approval DC/19/03434).	4	Granted 10.02.2022	GAYWOOD INVESTMENTS LIMITED	14.06.2022	0.48 (1.18)	£902,014 (£365,025)

Address	Proposal	Units	Status	Proprietor name	Date last sold	Site area ha (acres)	Price paid £ per ha (£ per acre)
Land On North Side Of Fen Road Hinderclay Suffolk	Full Planning Application - Erection of 3No dwellings and change of use of land to residential (following demolition of 2No agricultural buildings, one with extant permission for conversion to 5No dwellings approved under Class Q DC/21/06207) (revised scheme resubmission of DC/22/02551).	5	Awaiting decision	N/a	06.04.2022	0.30 (0.73)	£2,028,263 (£820,793)

Source: Nimbus, Babergh & Mid Suffolk District Councils planning portal, Urbà (May 2023)



## 5.8 Viability testing results – generic site testing

5.8.1 We now set out the results of our viability testing, in line with the AV October 2020 study we have tested two levels of S106 obligations of £1,500 per dwelling and a higher figure of ££10,100 per dwelling. As explained in Table 4-1 of the AV October 2020 study the S106 costs are based on comparable schemes and reflect site specific mitigation measures – these S106 costs are still deemed appropriate for this assessment.

### S106 @ £1,500 per dwelling

5.8.2 The viability testing results in Table 5-8 show that most scenarios are viable with an S106 payment of £1,500 per dwelling. Copies of the appraisals are contained in Appendix D. In the higher value zone, a CIL of £170 psm would be viable on houses and allow at least 30% headroom, this could increase to £243 psm without headroom in one scenario, but there would still be some headroom in all other scenarios. In the lower value zone, a CIL charge of £76 psm would be viable in all but one housing scenario and allow at least 30% headroom, at £108 psm the full 30% headroom only exists on one scenario. Flats in both value zones would need to be zero rated for CIL because they are unviable.

Table 5-8 Residential viability testing results S106 @ £1,500 per dwelling

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus Epsm on net chargeable area	Viability Surplus Epsm with 30% headroom	Viable with headroom?
<b>Higher</b>								
<b>Greenfield</b>								
8 - policy off	£601,522	£1,503,805	£84,000	£210,000	£517,522	£691	£484	Yes
8 - low density policy on	£386,802	£386,802	£210,000	£210,000	£176,802	£363	£254	Yes
15	£647,633	£647,633	£210,000	£210,000	£437,633	£479	£336	Yes
30	£1,274,665	£670,876	£399,000	£210,000	£875,665	£480	£336	Yes
50	£2,152,881	£768,886	£588,000	£210,000	£1,564,881	£514	£360	Yes
85	£6,207,410	£1,320,726	£987,000	£210,000	£5,220,410	£572	£400	Yes
150	£5,465,131	£658,450	£1,743,000	£210,000	£3,722,131	£408	£285	Yes
250	£5,141,334	£369,880	£2,919,000	£210,000	£2,222,334	£243	£170	Yes
350	£8,052,293	£447,350	£3,780,000	£210,000	£4,272,293	£281	£197	Yes
600	£21,704,069	£868,163	£5,250,000	£210,000	£16,454,069	£451	£315	Yes
1000	£29,193,227	£648,738	£9,450,000	£210,000	£19,743,227	£324	£227	Yes
<b>Brownfield houses</b>								
8 - policy off scenarios	£448,151	£1,120,377	£163,093	£407,732	£285,058	£507	£355	Yes
8 - low density	£448,151	£640,215	£285,412	£407,732	£162,738	£290	£203	Yes
15	£749,421	£936,776	£326,186	£407,732	£423,235	£402	£281	Yes
40	£1,942,226	£882,830	£897,010	£407,732	£1,045,216	£372	£260	Yes
50	£2,489,739	£995,895	£1,019,330	£407,732	£1,470,409	£419	£293	Yes
70	£3,348,592	£1,674,296	£815,464	£407,732	£2,533,128	£515	£361	Yes
<b>Brownfield – flats</b>								
40	-£1,133,820	-£1,889,700	£244,639	£407,732	-£1,378,459	-£631	-£442	No
50	-£1,133,820	-£1,619,743	£285,412	£407,732	-£1,419,232	-£650	-£455	No
<b>Lower Value</b>								
<b>Brownfield houses</b>								
8 - policy off scenarios	£396,218	£990,544	£163,093	£407,732	£233,125	£311	£218	Yes
8 - low density	£273,775	£391,107	£285,412	£407,732	-£11,637	-£21	-£14	No
15	£453,260	£566,575	£326,186	£407,732	£127,074	£121	£84	Yes
40	£1,201,202	£546,001	£897,010	£407,732	£304,191	£108	£76	Yes
50	£1,516,247	£606,499	£1,019,330	£407,732	£496,917	£142	£99	Yes
70	£2,011,979	£1,005,989	£815,464	£407,732	£1,196,515	£243	£170	Yes
<b>Brownfield – flats</b>								
40	-£1,623,230	-£2,705,383	£244,639	£407,732	-£1,867,869	-£855	-£599	No
50	-£1,623,230	-£2,318,899	£285,412	£407,732	-£1,908,642	-£874	-£612	No

Source: Urbà (November 2024)

## S106 @ £10,100 per dwelling

- 5.8.3 The viability testing results in Table 5-9 show in the higher value zone development remains viable with an S106 payment of £10,100 per dwelling but the surplus for CIL reduces. Taking the £243 psm from the above analysis would not be viable five of the 17 scenarios, reducing this to £215 would reduce this to three of the 17 scenarios. In the lower value zone, a CIL charge of £23 psm would be viable and leave headroom in most scenarios. Copies of the appraisals are contained in Appendix E.

Table 5-9 Residential viability testing results S106 @ £10,100 per dwelling

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus Epsm on net chargeable area	Viability Surplus Epsm with 30% headroom	Viable with headroom?
<b>Higher</b>								
<b>Greenfield</b>								
8 - policy off	£542,119	£1,355,297	£84,000	£210,000	£458,119	£612	£428	Yes
8 low density policy on	£327,399	£327,399	£210,000	£210,000	£117,399	£241	£169	Yes
15	£545,213	£545,213	£210,000	£210,000	£335,213	£367	£257	Yes
30	£1,069,826	£563,066	£399,000	£210,000	£670,826	£367	£257	Yes
50	£1,811,484	£646,958	£588,000	£210,000	£1,223,484	£402	£281	Yes
85	£5,183,218	£1,102,812	£987,000	£210,000	£4,196,218	£460	£322	Yes
150	£4,469,179	£538,455	£1,743,000	£210,000	£2,726,179	£299	£209	Yes
250	£4,145,382	£298,229	£2,919,000	£210,000	£1,226,382	£134	£94	Yes
350	£6,392,373	£355,132	£3,780,000	£210,000	£2,612,373	£172	£120	Yes
600	£17,720,260	£708,810	£5,250,000	£210,000	£12,470,260	£341	£239	Yes
1000	£22,553,545	£501,190	£9,450,000	£210,000	£13,103,545	£215	£151	Yes
<b>Brownfield houses</b>								
8 - policy off scenarios	£388,747	£971,869	£163,093	£407,732	£225,655	£402	£281	Yes
8 - low density	£388,747	£555,353	£285,412	£407,732	£103,335	£184	£129	Yes
15	£647,001	£808,752	£326,186	£407,732	£320,816	£305	£213	Yes
40	£1,669,108	£758,686	£897,010	£407,732	£772,098	£275	£192	Yes
50	£2,148,341	£859,336	£1,019,330	£407,732	£1,129,011	£322	£225	Yes
70	£2,870,636	£1,435,318	£815,464	£407,732	£2,055,172	£418	£293	Yes
<b>Brownfield - flats</b>								
40	£1,557,465	£2,595,776	£244,639	£407,732	£1,802,105	£825	£577	No
50	£1,557,465	£2,224,951	£285,412	£407,732	£1,842,878	£844	£591	No
<b>Lower Value</b>								
<b>Brownfield houses</b>								
8 - policy off scenarios	£336,814	£842,036	£163,093	£407,732	£173,722	£232	£162	Yes
8 - low density	£213,339	£304,770	£285,412	£407,732	£172,073	£128	£90	No
15	£350,841	£438,551	£326,186	£407,732	£24,655	£23	£16	Yes
40	£928,084	£421,856	£897,010	£407,732	£31,073	£11	£8	Yes
50	£1,174,850	£469,940	£1,019,330	£407,732	£155,520	£44	£31	Yes
70	£1,534,022	£767,011	£815,464	£407,732	£718,558	£146	£102	Yes
<b>Brownfield - flats</b>								
40	£2,046,875	£3,411,458	£244,639	£407,732	£2,291,514	£1,049	£734	No
50	£2,046,875	£2,924,107	£285,412	£407,732	£2,332,287	£1,068	£747	No

Source: Urbà (November 2024)

## Rural exception sites

- 5.8.4 The viability testing results in Table 5-10 and Table 5-11 show that rural exception sites will need to include an element of market housing to enable viable development and leave headroom to support a CIL of circa. £215 psm. Copies of the appraisals are contained in Appendix F.

Table 5-10 Rural exception sites viability testing results 15% affordable housing & S106 @ £1,500 per dwelling

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus Epsm on net chargeable area	Viability Surplus Epsm with 30% headroom	Viable with headroom?
<b>Higher</b>								
<b>Greenfield</b>								
8 rural exception	£73,378	£183,445	£24,710	£61,775	£48,668	£433	£303	Yes

Source: Urbà (November 2024)

Table 5-11 Rural exception sites viability testing results 30% affordable housing & S106 @ £10,100 per dwelling

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus Epsm on net chargeable area	Viability Surplus Epsm with 30% headroom	Viable with headroom?
<b>Higher</b>								
<b>Greenfield</b>								
8 rural exception	£107,782	£269,455	£24,710	£61,775	£83,072	£370	£259	Yes

Source: Urbà (November 2024)

## 5.9 Sensitivity testing

5.9.1 In accordance with RICS Financial viability in planning: conduct and reporting we have undertaken sensitivity testing; this is explained as follows:

*'Sensitivity analysis (all reports) All FVAs and subsequent reviews must provide a sensitivity analysis of the results and an accompanying explanation and interpretation of respective calculations on viability, having regard to risks and an appropriate return(s). This is to:*

- *allow the applicant, decision- and plan-maker to consider how changes in inputs to a financial appraisal affect viability and*
- *understand the extent of these results to arrive at an appropriate conclusion on the viability of the application scheme (or of an area-wide assessment).'<sup>79</sup>*

5.9.2 For a scheme of this nature, we deem proportionate<sup>80</sup> sensitivity testing to be changes in costs and values of the viable scenario of the development proposal and we have assessed how these changes impact the viability surplus available to fund a CIL charge.

5.9.3 The sensitivity test considers changes to the appraisal assumptions using forecasts of sale values and build cost changes over the next 5 years, as follows:

- For sales values, the sensitivity test is based on the Savills' latest 5-year estimated change in house prices in the East of England region (see Figure 5-7), which is for an increase of 19.9% between 2025 and 2029. The forecast is for second hand prices because no data is provided for new build. We consider this data sufficiently robust for a study of this nature.

Figure 5-7 Residential property market forecasts

	2025	2026	2027	2028	2029	5 years to 2029
North West	5.0%	7.0%	6.5%	4.5%	3.5%	29.4%
North East	5.0%	6.5%	6.0%	4.5%	3.5%	28.2%
Yorkshire and The Humber	5.0%	6.5%	6.0%	4.5%	3.5%	28.2%
West Midlands	4.5%	6.0%	6.0%	4.5%	3.0%	26.4%
Scotland	5.0%	6.0%	5.5%	4.0%	3.0%	25.8%
Wales	3.5%	5.5%	6.0%	4.5%	3.5%	25.2%
East Midlands	4.0%	5.5%	5.5%	4.5%	3.0%	24.6%
<b>UK</b>	<b>4.0%</b>	<b>5.5%</b>	<b>5.0%</b>	<b>4.0%</b>	<b>3.0%</b>	<b>23.4%</b>
South West	2.5%	5.5%	5.0%	4.0%	3.0%	21.6%
East of England	2.5%	5.0%	4.5%	3.5%	3.0%	19.9%

Source: Savills (N.s)

<sup>79</sup> RICS, May 2019, Financial viability in planning: conduct and reporting, Section 2.9

<sup>80</sup> RICS, March 2021 [effective from 01 July 2021], Assessing viability in planning under the National Planning Policy Framework 2019 for England, Paragraph 4.3.3

- For build costs, the sensitivity test is based on the BCIS All-In Tender Price Index, which reflects RICS researchers' expectations for national build cost changes over the next 5 years. The current BCIS forecast is for tender prices to increase by 20% between Q3 2024 and Q3 2029, which is the latest published forecast.<sup>81</sup>

### S106 @ £1,500 per dwelling – sensitivity test

- 5.9.4 The viability sensitivity testing results in Table 5-12 show that all housing scenarios become viable with an S106 payment of £1,500 per dwelling but flatted development remain unviable. The results show that in the higher value zone a CIL charge of £257 psm is viable and leaves a 30% headroom in all housing scenarios. In the lower value zone, a CIL charge of £60 psm would be viable and also leave a 30% headroom in all scenarios.

Table 5-12 Residential viability testing results S106 @ £1,500 per dwelling – sensitivity test

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus £psm on net chargeable area	Viability Surplus £psm with 30% headroom	Viable with headroom?
<b>Higher</b>								
<b>Greenfield</b>								
8 - policy off	£726,324	£1,815,810	£84,000	£210,000	£642,324	£857	£600	Yes
8 low density policy on	£469,091	£469,091	£210,000	£210,000	£259,091	£532	£372	Yes
15	£784,759	£784,759	£210,000	£210,000	£574,759	£630	£441	Yes
30	£1,544,280	£812,779	£399,000	£210,000	£1,145,280	£627	£439	Yes
50	£2,607,220	£931,150	£588,000	£210,000	£2,019,220	£663	£464	Yes
85	£7,548,800	£1,606,128	£987,000	£210,000	£6,561,800	£719	£503	Yes
150	£6,657,167	£802,068	£1,743,000	£210,000	£4,914,167	£538	£377	Yes
250	£6,270,651	£451,126	£2,919,000	£210,000	£3,351,651	£367	£257	Yes
350	£9,824,597	£545,811	£3,780,000	£210,000	£6,044,597	£397	£278	Yes
600	£26,400,786	£1,056,031	£5,250,000	£210,000	£21,150,786	£579	£405	Yes
1000	£35,651,698	£792,260	£9,450,000	£210,000	£26,201,698	£430	£301	Yes
<b>Brownfield houses</b>								
8 - policy off scenarios	£542,586	£1,356,465	£163,093	£407,732	£379,493	£675	£473	Yes
8 - low density	£542,586	£775,123	£285,412	£407,732	£257,173	£458	£320	Yes
15	£906,697	£1,133,371	£326,186	£407,732	£580,511	£551	£386	Yes
40	£2,349,642	£1,068,019	£897,010	£407,732	£1,452,631	£517	£362	Yes
50	£3,010,762	£1,204,305	£1,019,330	£407,732	£1,991,432	£567	£397	Yes
70	£4,071,632	£2,035,816	£815,464	£407,732	£3,256,168	£662	£464	Yes
<b>Brownfield – flats</b>								
40	£-1,310,087	£-2,183,479	£244,639	£407,732	£-1,554,727	£-712	£-498	No
50	£-1,310,087	£-1,871,553	£285,412	£407,732	£-1,595,500	£-730	£-511	No
<b>Lower Value</b>								
<b>Brownfield houses</b>								
8 - policy off scenarios	£480,164	£1,200,410	£163,093	£407,732	£317,071	£423	£296	Yes
8 - low density	£333,510	£476,442	£285,412	£407,732	£48,097	£86	£60	Yes
15	£551,600	£689,501	£326,186	£407,732	£225,415	£214	£150	Yes
40	£1,461,153	£664,161	£897,010	£407,732	£564,143	£201	£141	Yes
50	£1,843,545	£737,418	£1,019,330	£407,732	£824,215	£235	£164	Yes
70	£2,469,032	£1,234,516	£815,464	£407,732	£1,653,568	£336	£235	Yes
<b>Brownfield – flats</b>								
40	£-1,896,931	£-3,161,552	£244,639	£407,732	£-2,141,570	£-980	£-686	No
50	£-1,896,931	£-2,709,902	£285,412	£407,732	£-2,182,344	£-999	£-699	No

Source: Urbà (November 2024)

<sup>81</sup> Published: 24/09/2024

## S106 @ £10,100 per dwelling – sensitivity test

- 5.9.5 The viability sensitivity testing results in Table 5-13 show that most housing scenarios are viable with an S106 payment of £10,100 per dwelling but flats remain unviable. The results show the higher value zone could support a CIL charge of up to £258 psm on houses, which would allow some headroom in all scenarios except one. In the lower value zone, a CIL charge of £73 psm would be viable and leave headroom in all housing scenarios except one. Flatted development across both value zones remains unviable.

Table 5-13 Residential viability testing results S106 @ £10,100 per dwellings – sensitivity test

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus Epsm on net chargeable area	Viability Surplus Epsm with 30% headroom	Viability with headroom?
<b>Higher</b>								
<b>Greenfield</b>								
8 - policy off	£666,921	£1,667,302	£84,000	£210,000	£582,921	£778	£545	Yes
8 low density policy on	£409,687	£409,687	£210,000	£210,000	£199,687	£410	£287	Yes
15	£682,340	£682,340	£210,000	£210,000	£472,340	£517	£362	Yes
30	£1,339,442	£704,969	£399,000	£210,000	£940,442	£515	£361	Yes
50	£2,265,822	£809,222	£588,000	£210,000	£1,677,822	£551	£386	Yes
85	£6,524,607	£1,388,214	£987,000	£210,000	£5,537,607	£607	£425	Yes
150	£5,661,215	£682,074	£1,743,000	£210,000	£3,918,215	£429	£300	Yes
250	£5,274,699	£379,475	£2,919,000	£210,000	£2,355,699	£258	£181	Yes
350	£8,164,677	£453,593	£3,780,000	£210,000	£4,384,677	£288	£202	Yes
600	£22,416,978	£896,679	£5,250,000	£210,000	£17,166,978	£470	£329	Yes
1000	£29,012,017	£644,711	£9,450,000	£210,000	£19,562,017	£321	£225	Yes
<b>Brownfield houses</b>								
8 - policy off scenarios	£483,183	£1,207,957	£163,093	£407,732	£320,090	£570	£399	Yes
8 - low density	£483,183	£690,261	£285,412	£407,732	£197,770	£352	£246	Yes
15	£804,278	£1,005,347	£326,186	£407,732	£478,092	£454	£318	Yes
40	£2,076,524	£943,874	£897,010	£407,732	£1,179,513	£420	£294	Yes
50	£2,669,364	£1,067,746	£1,019,330	£407,732	£1,650,034	£470	£329	Yes
70	£3,593,675	£1,796,838	£815,464	£407,732	£2,778,211	£565	£396	Yes
<b>Brownfield – flats</b>								
40	£1,733,733	£2,889,555	£244,639	£407,732	£1,978,372	£906	£634	No
50	£1,733,733	£2,476,761	£285,412	£407,732	£2,019,145	£924	£647	No
<b>Lower Value</b>								
<b>Brownfield houses</b>								
8 - policy off scenarios	£420,761	£1,051,902	£163,093	£407,732	£257,668	£344	£241	Yes
8 - low density	£274,106	£391,581	£285,412	£407,732	£111,306	£20	£14	No
15	£449,181	£561,476	£326,186	£407,732	£122,996	£117	£82	Yes
40	£1,188,035	£540,016	£897,010	£407,732	£291,025	£104	£73	Yes
50	£1,502,148	£600,859	£1,019,330	£407,732	£482,818	£137	£96	Yes
70	£1,991,076	£995,538	£815,464	£407,732	£1,175,612	£239	£167	Yes
<b>Brownfield – flats</b>								
40	£2,320,576	£3,867,627	£244,639	£407,732	£2,565,216	£1,174	£822	No
50	£2,320,576	£3,315,109	£285,412	£407,732	£2,605,989	£1,193	£835	No

Source: Urbà (November 2024)

## 6 Older persons accommodation viability testing

### 6.1 Introduction

- 6.1.1 For older persons accommodation the AV October 2020 study tested age restricted and extra care, these scenarios are deemed reasonable to use in this assessment.

### 6.2 Typologies

- 6.2.1 The typologies used in the AV October 2020 are summarised in Figure 6-1.

Figure 6-1 Typologies used in the AV October 2020 study

Scenario	Type of specialist accommodation	No. of units	Development density per net ha	Dwelling mix
Brownfield	Over 55 flatted accommodation	50	100	75% 1-Bed & 25% 2-Bed
Greenfield	Extra care flatted accommodation	50	100	75% 1-Bed & 25% 2-Bed

Source: AspinallVerdi (October 2020)

- 6.2.2 The two scenarios are still reasonable to use, although we have created two value zones in this assessment for general needs housing, and we have carried that forward for older persons accommodation.

### 6.3 Value assumptions

- 6.3.1 The values used in the AV October 2020 study are shown in Figure 6-2.

Figure 6-2 Unit sizes and sale values used in the AV October 2020 study

Type	Average unit size sqm	Unit price
Sheltered Housing 1-Bed	55	£230,000
Sheltered Housing 2-Bed	70	£280,000
Extra-Care 1-Bed	55	£287,500
Extra-Care 2-Bed	70	£350,000

Source: AspinallVerdi (October 2020)

- 6.3.2 Based on our Property Market Report in Appendix B there is justification for changing the values used, these revised values are set out in Table 6-1 age restricted accommodation and Table 6-2 for extra care.

Table 6-1 Older persons age restricted sale values CIL viability testing

Typology	Unit size sqm	Unit Price	£psm
<b>Higher value zone</b>			
1-bed	55	£281,250	£5,114
2-bed	70	£375,000	£5,357
<b>Lower value zone</b>			
1-bed	55	£258,750	£4,705
2-bed	70	£345,000	£4,929

Source: Urbà (November 2024)

Table 6-2 Extra care sale values CIL viability testing

Typology	Unit size sqm	Unit Price	£psm
<b>Higher value zone</b>			
1-bed	55	£351,563	£6,648
2-bed	70	£468,750	£6,964
<b>Lower value zone</b>			
1-bed	55	£323,438	£5,682
2-bed	70	£431,250	£5,982

Source: Urbà (November 2024)

## 6.4 Costs

- 6.4.1 The AV October 2020 study used many of the same assumptions and inputs for the older persons accommodation as was used in the general need testing – this approach is still deemed to be reasonable. Table 6-3 sets out the adjustment made to the general needs assumptions and inputs for the older persons accommodation testing along with a comparison to the AV October 2020 study.

Table 6-3 Older persons accommodation costs – additional/different to general needs

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
Build cost - flats	£1,296 psm	£1,686	The AV October 2020 study used the general needs build costs for flats, median, 5 years sample rebased for Suffolk.  . We have used the latest 5-year sample re-based for Suffolk. A copy of the BCIS costs are enclosed in Appendix C. We are seeing median BCIS achieving current Building Regulations in the local market.
Gross to net	75%	75%	Due to these types of schemes providing communal facilities the gross to net area ratio is reduced when compared to general needs flatted developments. Based on schemes we have analysed previously this is around 75% compared
Marketing and Promotion	5% market value	5% market value	Comparable scheme analysis shows higher costs over 'general needs market housing'. Cost allowance assumed still in line with the Harman report (P.35) but at the higher end.

Source: AspinallVerdi (October 2020), Urbà (November 2024)

## 6.5 Timescales

- 6.5.1 The AV October 2020 study used the following timescales:
- Lead in period: 24 months
  - Construction - 18 months
  - Sales period - 24 months
- 6.5.2 The AV October 2020 study explained that the timescales for older persons accommodation had been extended compared to general needs housing to reflect the narrow market that can access these units, with the sale commencing on build complete of the units. The timescales



used in the AV October 2020 study are still reasonable and have been used in this assessment.

## 6.6 Land value

- 6.6.1 The AV October 2020 study envisaged that elderly accommodation development would come forward on brownfield sites, and therefore used the same benchmark land value as general needs housing above £407,732 per gross hectare (£165,000 per gross acre) with a gross to net of 90% to reflect typical development in the area. As we have established in the general needs housing assessment in the previous chapter, the AV October 2020 study brownfield land value is still appropriate, and we have used that in this assessment.

## 6.7 Viability testing results

- 6.7.1 The viability testing results in Table 6-4 show with an S106 payment of £1,500 per dwelling that most scenarios that most scenarios are viable, except the elderly accommodation in the lower value zone. Copies of the appraisals are contained in Appendix G. The results show that in the higher value zone a CIL of £80 psm would be viable for elderly accommodation and £382 psm for extra care and allow at least 30% headroom. In the lower value zone, a CIL charge of £252 psm would be viable and allow at least 30% headroom on extra care.

Table 6-4 Older persons viability testing results S106 @ £1,500 per dwelling

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus £psm on net chargeable area	Viability Surplus £psm with 30% headroom	Viable with headroom?
<b>Higher</b>								
Elderly	£539,631	£971,337	£226,518	£407,732	£313,114	£80	£56	Yes
Extra care	£2,363,839	£4,254,909	£226,518	£407,732	£2,137,321	£546	£382	Yes
<b>Lower</b>								
Elderly	-£66,974	-£120,553	£226,518	£407,732	-£293,491	-£75	-£52	No
Extra care	£1,634,159	£2,941,487	£226,518	£407,732	£1,407,642	£359	£252	Yes

Source: Urbà (November 2024)

### S106 @ £1,500 per dwelling – sensitivity test

- 6.7.2 Again, we have undertaken sensitivity testing of the results using the same parameters of the general needs housing of 19.9% increase in GDV and 20% increase in BCIS build costs – the results are summarised in Table 6-5. The results show that the higher value zone can still support a CIL of £80 psm for elderly accommodation and £382 psm for extra care and allow at least 30% headroom. In the lower value zone a CIL charge of £252 psm remains viable and allows more than a 30% headroom on extra care. Elderly accommodation in the lower value zone remains unviable.

Table 6-5 Older persons viability testing results S106 @ £1,500 per dwellings – sensitivity test

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus	Viability Surplus £psm on net chargeable area	Viability Surplus £psm with 30% headroom	Viable with headroom?
<b>Higher</b>								
Elderly	£691,395	£1,244,511	£226,518	£407,732	£464,877	£119	£83	Yes
Extra care	£2,880,444	£5,184,799	£226,518	£407,732	£2,653,926	£678	£474	Yes
<b>Lower</b>								
Elderly	-£23,523	-£42,341	£226,518	£407,732	-£250,041	-£64	-£45	No
Extra care	£2,004,829	£3,608,691	£226,518	£407,732	£1,778,311	£454	£318	Yes

Source: Urbà (November 2024)

## 7 Retail viability testing

### 7.1 Introduction

- 7.1.1 For retail, the AV October 2020 study tested both convenience and comparison retail, such an approach is deemed reasonable to use in this assessment.

### 7.2 Typologies

- 7.2.1 The AV October 2020 study tested two convenience and two comparison retail scenarios which are summarised in Table 7-1 – these are still considered reasonable and have been used in this assessment.

Table 7-1 Summary of scenarios used in the AV October 2020 study

Typology	Unit size sqm	Site coverage	Gross to net
<b>Convenience</b>			
Express	350	20%	90%
Budget	2,000	35%	85%
<b>Comparison</b>			
Smaller format – town centre	500	80%	90%
Larger format – town centre	1,000	40%	90%

Source: AspinallVerdi (October 2020), Urbà (July 2023)

### 7.3 Value assumptions

- 7.3.1 The retail values used in the AV October 2020 study are shown in Figure 7-1.

Figure 7-1 Retail sizes and values used in the AV October 2020 study

Scenario	GIA sqm	Rent psf	Yield	Rent free/void
Convenience - Express	350	£18.00 psf (£194 psm)	5.9%	9 months
Convenience - Budget	2,000	£15.00 psf (£161 psm)	5.9%	9 months
Comparison - Smaller format – town centre	500	£20 psf (£215 psm)	8.5%	12 months
Comparison- larger format – town centre	1,000	£20 psf (£215 psm)	10.5%	12 months

Source: AspinallVerdi (October 2020)

- 7.3.2 Based on our Property Maret Report in Appendix B there is justification for changing the values used, these revised values are set out in Table 7-2.

Table 7-2 Retail value inputs

Date of transaction	Rent £psm	Yield	Rent fee months
Retail convenience – small format Express	£175	6.00%	9
Retail convenience – medium format Budget	£175	6.00%	9
Retail comparison town centre small	£150	8.50%	9
Retail comparison larger format	£150	10.50%	9

Source: Urbà (November 2024)

## 7.4 Costs

- 7.4.1 Table 7-3 provides a review of the development costs assumptions and inputs the AV October 2020 study used and what adjustments, if any, we have made to these costs for this assessment.

Table 7-3 Retail costs assumptions and inputs

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
Convenience retail – build costs	£1,993 psm	£1,593 psm	<p>The AV October 2020 study explained that the costs were based on BCIS median build costs for hypermarkets and supermarkets, re-based to Suffolk, with a 25 year period in order to have a higher number of sample.</p> <p>We have updated the costs by using BCIS build costs using hypermarkets, supermarkets median “generally” default period to ensure a large enough sample. The BCIS data shows that the cut off period for its analysis is 35 years. The data is rebased for Suffolk.</p>
Comparison retail build costs	£1,927 psm	£1,593 psm	<p>The AV October 2020 study explained that the costs were based on BCIS median build costs for shops, re-based to Suffolk, with a 10-year period in order to ensure a sufficient sample size.</p> <p>We have updated the costs by using BCIS build costs using shops “generally” default period to ensure</p>

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
			a large enough sample. The BCIS data shows that the cut off period for its analysis is 25-year. The data is rebased for Suffolk.
External works for services and infrastructure	15% of BCIS build costs	15% of BCIS	The percentage allowance is still considered reasonable and has been used in this assessment.
Site abnormals – applied to brownfield development only	£110,000 per net developable acre	£110,000 per net developable acre	The AV October 2020 study explained that site abnormals will vary significantly from site to site. They assumed that their allowance included the cost for demolition and remediation. They had regard to HCA (now Homes England) guidance on dereliction, demolition and remediation costs, March 2015, along with comparable and other schemes coming forward in the Districts. The approach used in the AV October 2020 study is considered reasonable and has been used in this assessment.
Statutory Planning Fees	Based on national formula.	Based on national formula.	The approach used in the AV October 2020 study is considered reasonable and has been used in this assessment.
Planning Application Professional Fees, Surveys and reports	Calculated as a three times multiplier to national formula above.	Calculated as a three times multiplier to national formula above.	The approach used in the AV October 2020 study is considered reasonable and has been used in this assessment.
Professional fees	10% of BCIS build cost	10% of BCIS build cost	The percentage allowance is still considered reasonable and has been used in this assessment.
Contingency	5% of BCIS build cost	5% of BCIS build cost	The percentage allowance is still considered reasonable and has been used in this assessment.
Marketing and Promotion – commercial	1% of GDV	1% of GDV	The percentage allowance is still considered reasonable and has been used in this assessment.
Profit on retail, office and industrial	20% of build costs	20% of build costs	The percentage allowance is still considered reasonable and has been used in this assessment.

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
Interest	7.5%	8.75%	As explained in the residential testing since the AV October 2020 study the Bank of England has increased the base rate several times which is leading to an increase in lending costs. To reflect the increase in lending costs we have adjusted the interest rate – as per the AV October 2020 study this is a gross figure, therefore inclusive of fees.
SDLT on land value	5%	Variable: Up to £150k 0% £150 - £250k 2% Above £250k 5%	Our assessment is based on the HMRC variable rates for non-residential transactions.
Agents fee on land value	1% of residual land value	1% of residual land value	The percentage allowance is still considered reasonable and has been used in this assessment
Legal fee on land value	0.5% % of residual land value	0.5% of residual land value	The percentage allowance is still considered reasonable and has been used in this assessment
Letting Agents Costs	10% rental value	10% rental value	The percentage allowance is still considered reasonable and has been used in this assessment
Letting Legal Costs	5% rental value	5% rental value	The percentage allowance is still considered reasonable and has been used in this assessment
Investment Sale Agents Costs	1% of GDV	1% of GDV	The percentage allowance is still considered reasonable and has been used in this assessment
Investment Sale Legal Costs	0.50% of GDV	0.50% of GDV	The percentage allowance is still considered reasonable and has been used in this assessment

Source: AspinallVerdi (October 2020), Urbà (November 2024)

## 7.5 Timescales

- 7.5.1 The AV October 2020 study used the timescales set out in Figure 7-2, these are still deemed reasonable and have been used in this assessment. The investment sale of the completed unit occurs on build complete.

Figure 7-2 Retail timescales used in the AV October 2020 study

Scenario	GIA sqm	Lead in period	Development period
Convenience retail - Express	350	6 months	9 months
Convenience retail - Budget	2,000	6 months	9 months
Comparison retail - Smaller format	500	6 months	9 months
Comparison retail - Larger format	10,00	6 months	9 months

Source: AspinallVerdi (October 2020)

## 7.6 Land value

- 7.6.1 The AV October 2020 study assumed that convenience and comparison retail would come forward on brownfield sites, and they used the brownfield existing use value of £370,665 per gross hectare (£150,000 per gross acre) in their assessment – this is still deemed reasonable and has been used in this assessment.

## 7.7 Viability testing results

- 7.7.1 Table 7-4 shows that comparison and convenience retail is unviable and cannot support a CIL charge. Copies of the appraisals are contained in Appendix H.

Table 7-4 Retail sites viability testing results

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus per ha	Viability Surplus £psm on net chargeable area	Viability Surplus £psm with 30% headroom	Viable with headroom?
Retail convenience - small format Express	-£25,150	-£129,344	£72,042	£370,665	-£97,192	-£278	-£194	No
Retail convenience - medium format Budget	-£182,044	-£270,790	£249,076	£370,665	-£431,119	-£216	-£151	No
Retail comparison town centre small	-£445,571	-£6,416,222	£25,729	£370,665	-£471,300	-£943	-£660	No
Retail comparison larger format	-£1,144,522	-£4,120,278	£102,917	£370,665	-£1,247,438	-£1,247	-£873	No

Source: Urbà (November 2024)

## 8 Employment viability testing

### 8.1 Introduction

- 8.1.1 For the employment the AV October 2020 study tested both office and industrial/warehouse uses, such an approach is deemed reasonable to use in this assessment.

### 8.2 Typologies

- 8.2.1 The AV October 2020 study tested one typology office of 500 sqm and one industrial typology of 1,000 sqm. Since the AV October 2020 study there has been industrial/warehouse development occurring therefore we have extended the test to include additional industrial/warehouse scenarios. Table 8-1 sets out the two employment scenarios used in the AV October 2020 study, which have been carried forward in this testing, along with the additional typologies used in this testing.

Table 8-1 Summary of employment typologies

Typology	Unit size sqm	Site coverage	Gross to net
<b>Office</b>			
Office	500 (85% gross to net)	40%	90%
<b>Industrial/warehouse</b>			
Small industrial	1,000	40%	90%
Mid box	5,000	40%	90%
Large scale	15,000	40%	90%

Source: AspinallVerdi (October 2020), Urbà (November 2024)

### 8.3 Value assumptions

- 8.3.1 The employment values used in the AV October 2020 study are shown in Figure 8-1.

Figure 8-1 Unit sizes and values used in the AV October 2020 study

Scenario	GIA sqm	Rent psf	Yield	Rent free/void
<b>Office</b>	500	£15 psf (£161 psm)	5.8%	12 months
<b>Industrial</b>	1,000	£10.00 psf (£108 psm)	6.5%	12 months

Source: AspinallVerdi (October 2020)



- 8.3.2 Based on our Property Maret Report in Appendix B there is justification for changing the values used, these revised values are set out in Table 8-2, along with the values used for the additional typologies applied in our testing.

Table 8-2 Employment value inputs

Typology	Rent £psm	Yield	Rent fee months
<b>Offices</b>			
Office 500 sqm	£180	9.00%	9
<b>Industrial/warehouses</b>			
Small industrial 1,000 sqm	£125	6.25%	9
Mid box: 5,000 sqm	£115	6.00%	9
Large scale: 15,000 sqm	£105	7.00%	9

Source: Urbà (November 2024)

## 8.4 Costs

- 8.4.1 The AV October 2020 study employment typologies shared many of the same inputs and assumptions as the retail testing, this approach is reasonable and has been carried through into our testing. Table 8-3 sets out the additional/different costs used in the employment testing compared to the retail testing.

Table 8-3 Employment typologies costs – additional/different to retail costs

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
Office build costs	£1,879 psm	£2,199 psm	<p>The AV October 2020 study explained that the costs were based on BCIS median build costs “generally” for offices, re-based to Suffolk, with a 10-year period in order to ensure a sufficient sample size.</p> <p>We have updated the costs by using BCIS build costs offices “generally” default period to ensure a large enough sample. The BCIS data shows that the cut off period for its analysis is 15 years. The data is rebased for Suffolk. A copy of the BCIS costs is contained in Appendix C.</p>
Small industrial 1,000 sqm	£747 psm	£1,380 psm	<p>The AV October 2020 study explained that the costs were based on BCIS median build cost warehouse/stores ‘generally’, re-based to Suffolk, with a 15-year period in order to ensure a sufficient sample size.</p> <p>We have updated the costs by using BCIS build costs warehouse/store “up to 500 sqm” default period, rebased for Suffolk. Although we note there is a small sample size. The reason for</p>

Element	AspinallVerdi October 2020	Urbà November 2024	
	Input	Input	Comment
			using this cost because we expect the build costs for the smaller units to be higher £psm than the larger units. A copy of the BCIS costs is contained in Appendix C.
Mid box: 5,000 sqm	N/a	£851 psm	<p>This scenario was not tested in the AV October 2020 study.</p> <p>We have used BCIS build costs warehouse/store “generally” default period, rebased for Suffolk. The reason for using this cost is because we would expect that the build costs for the larger units to be lower £psm than the smaller units due to economies of scale. A copy of the BCIS costs is contained in Appendix C.</p>
Large scale: 15,000 sqm	N/a	£851 psm	<p>This scenario was not tested in the AV October 2020 study.</p> <p>We have used BCIS build costs warehouse/store “generally” default period, rebased for Suffolk. The reason for using this cost is because we would expect that the build costs for the larger units to be lower £psm than the smaller units due to economies of scale. A copy of the BCIS costs is contained in Appendix C.</p>

Source: AspinallVerdi (October 2020), Urbà (November 2024)

## 8.5 Timescales

- 8.5.1 The timescales used in the AV October 2020 study for the two typologies tested are considered reasonable and have been used in our testing. Table 8-4 sets out the timescales for the two employment scenarios used in the AV October 2020 study, which have been carried forward in this testing, along with timescales for the additional typologies used in this testing.

Table 8-4 Employment timescales

Typology	Lead in period	Development period
<b>Offices</b>		
Office 500 sqm	6 months	12 months
<b>Industrial/warehouses</b>		
Small industrial 1,000 sqm	6 months	12 months
Mid box: 5,000 sqm	6 months	12 months
Large scale: 15,000 sqm	6 months	18 months

Source: AspinallVerdi (October 2020), Urbà (July 2023)

## 8.6 Land value

- 8.6.1 The AV October 2020 study assumed that employment would be developed on greenfield sites and used a land value of £247,000 per gross hectare (£100,000 per gross acre), which they explained represented a suitable premium over existing use agricultural land values. The assumptions are still reasonable and have been used in this assessment.

## 8.7 Viability testing results

- 8.7.1 Table 8-5 shows that office development is unviable and cannot support a CIL charge. The industrial/warehouse testing shows that development is either unviable or marginally viable, and in the marginally viable scenarios, there is not sufficient headroom to fund a CIL charge. Copies of the appraisals are contained in Appendix I.

Table 8-5 Employment sites viability testing results

	Residual Land Value	Residual Land Value per ha	Benchmark Land Value	Benchmark Land Value per ha	Viability Surplus per ha	Viability Surplus £psm on net chargeable area	Viability Surplus £psm with 30% headroom	Viable with headroom?
Office	-£866,069	-£6,235,695	£34,306	£247,000	-£900,374	-£1,801	-£1,261	No
Light industrial	-£446,678	-£1,608,039	£68,611	£247,000	-£515,289	-£515	-£361	No
Mid box	£785,817	£565,788	£343,056	£247,000	£442,761	-£103	-£72	No
Large scale	-£1,728,602	-£518,581	£823,333	£247,000	-£2,551,935	-£34	-£24	No

Source: Urbà (November 2024)

## 9 Setting of CIL rates

### 9.1 Introduction

- 9.1.1 Based on our above analysis and the results of our viability testing there is scope to revise the current CIL rates, which we now set out below.

### 9.2 Draft CIL rates

- 9.2.1 Table 9-1 sets out our proposed CIL rates, these rates reflect all the Councils' Joint Local Plan "Part 1" policies and allow for an enhanced S106 payment on residential scenarios, should they be required, and leave some headroom to absorb some potential market changes.

Table 9-1 Draft CIL rates

Use	Draft CIL rate November 2024 £psm
Higher value zone – houses	£215
Lower value zone – houses	£20
All flats	£0
Elderly accommodation – age restricted – higher value zone (falling in Use Class C3, or as amended)	£80
Elderly accommodation – age restricted – lower value zone (falling in Use Class C3, or as amended)	£0
Extra care – higher value zone (falling in Use Class C2, or as amended)	£250
Extra care lower value zone (falling in Use Class C2, or as amended)	£125
Comparison retail	£0
Convenience retail	£0
Offices	£0
Industrial/warehouse	£0
All other uses	£0

Source: Urbà (November 2024)

- 9.2.2 The proposed residential CIL rates in Table 9-1 are similar to that reported in the AV October 2020 study, although the zoning is marginally different. The AV October 2020 study recommended a greenfield CIL rate of £200 psm and brownfield housing rate of either £10 or £45 psm, depending on the level of affordable housing sought. It was possible to recommend greenfield and brownfield rates because the location of the planned growth was known,

therefore “brownfield zones” could be mapped which reflected the planned growth. In this assessment we do not have the details of the planned growth, just that it is likely to follow the existing pattern of growth. Clearly, across the Districts greenfield and brownfield development have different economics. In our updated analysis of sales values we have found evidence to vary the testing by two value zones, with the lower value zone reflecting sites coming forward in urban areas, akin to the brownfield rate previously recommended.

# **Section 2**

# **Affordable housing commuted sum calculation**

## 10 Introduction to offsite affordable housing assessment

10.1.1 The Council's draft Housing Supplementary Planning Document SPD, May 2024, sets out the proposed affordable housing commuted – these are summarised in Figure 10-1.

Figure 10-1 Draft affordable housing commuted sum rates

Unit payment	commuted sum	£psm payment	commuted sum
£84,037		£1,188	

Source: Babergh and Mid Suffolk District Councils (May 2024)

10.1.2 The draft SPD explains that the rates are based on the following formula using the inputs from the AV October 2020 study:

- The open market value of units on site (less developer's profit inclusive of marketing costs) is equated to the cost of developing the site.
- Subtract the value of the units to the Registered Provider (capitalised rents, shared ownership sales).
- Equals the cost of the affordable housing to the developer, and so the commuted sum.

10.1.3 Based on the viability inputs in this study we have updated the affordable commuted sums in Figure 10-1 using the above formula.



# 11 Updated offsite affordable housing assessment

11.1.1 Based on the viability inputs in this study, the revised affordable commuted sums are set out in Table 11-1

Table 11-1 Affordable housing proposed commuted sum payments

Higher value zone		Lower value zone	
Unit commuted sum payment	£psm commuted sum payment	Unit commuted sum payment	£psm commuted sum payment
£108,929	£1,539	£102,694	£1,451

Source: Urbà (November 2024)

## 11.2 Changes in market conditions proposed affordable housing commuted sum payments

11.2.1 To allow the proposed affordable housing commuted sums in Table 11-1 to reflect changes in the market (both costs and values), we recommend that they are adjusted annually for inflation through the following formula:

Commuted sums in Table 11-1

**Multiply**

Change in affordable housing commuted sum payment for inflation =

(Annual percentage difference in the Land Registry House Price Index “All Property Types” for Suffolk *minus* The annual percentage difference change in BCIS Tender Price Index)

11.2.2 As shown in the worked in example in Table 11-2, costs have risen quicker than values in the last 12 months, so if the formula was applied, the commuted sum would be reduced in this instance.

Table 11-2 Affordable housing indexation example

HPI		TPI	
Period	Index	Period	Index
Oct-23	148.4	Q4 2023	215
Aug-24	148.4	Q4 2024	221
Percentage change	0%	Percentage change	-3%
Difference between HPI percentage & TPI percentage	-3%		

Source: Urbà (November 2024)

## **Appendix A      Policy Review Matrix**

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
Policy SP01 – Housing Needs	Low	<p>The policy sets out the following minimum number of new dwellings over the plan period (2018 – 2036):</p> <ul style="list-style-type: none"> <li>Babergh - 7,560 dwellings (420 dwellings per annum)</li> <li>Mid Suffolk - 10,008 dwellings (556 dwellings per annum)</li> </ul>	Policy does not have a direct policy cost but policy is reflected in our testing through the typologies and large site testing.	Policy SP01 – Housing Needs	<p>Reference to the plan period date removed. Since the review of the draft policies, the dwelling numbers have slightly changed. The current policy sets out the following minimum number of new dwellings over the plan period</p> <ul style="list-style-type: none"> <li>Babergh District – 7,904 dwellings (416 dwellings per annum)</li> </ul>	Low	As per the AV October 2020 study, the policy does not have a direct policy cost but the policy is reflected in our testing through the typologies and large site testing.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					<ul style="list-style-type: none"> <li>Mid Suffolk – 10,165 dwellings (535 dwellings per annum)</li> </ul> <p>In addition, the policy now states that the mix, type and size of new housing development be informed by the relevant District need assessment.</p>		
Policy SP02 – Affordable Housing	High	The policy sets out the Councils' affordable housing policy as 35% on sites of 10 or more units or sites of 0.5 hectares or more. The policy	Housing mix is included in the appraisal.	Policy SP02 – Affordable Housing	Since the review of the draft policies the policy has been amended as follows:	High	Housing mix is included in the appraisal. But as explained in paragraph 5.18 of the AV October 2020 study Starter Homes were not being delivered on-site and

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024																																																																					
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study																																																																		
		<p>background sets out the tenure size and profile required for the affordable housing as follows:</p> <table><caption>Babergh Affordable Housing Mix (tenure &amp; size) over the next 15 years</caption><thead><tr><th>Tenure &amp; size</th><th>1 bed</th><th>2 bed</th><th>3 bed</th><th>4 or more bed</th><th>Total</th></tr></thead><tbody><tr><td>Shared ownership</td><td>134 (26.4%)</td><td>165 (32.6%)</td><td>156 (30.9%)</td><td>51 (10.1%)</td><td>506 (100%)</td></tr><tr><td>Social rent &amp; Affordable rent</td><td>271 (27.6%)</td><td>228 (23.2%)</td><td>225 (22.9%)</td><td>259 (26.4%)</td><td>983 (100%)</td></tr><tr><td>Discount home ownership &amp; starter homes</td><td>106 (21.3%)</td><td>173 (34.8%)</td><td>145 (29.2%)</td><td>72 (14.5%)</td><td>496 (100%)</td></tr><tr><td>Total</td><td>511</td><td>566</td><td>526</td><td>382</td><td>1985</td></tr><tr><td>Total per annum</td><td>28</td><td>32</td><td>29</td><td>21</td><td>110</td></tr></tbody></table> <table><caption>Mid Suffolk Affordable Housing Mix (tenure &amp; size) over</caption><thead><tr><th>Tenure &amp; size</th><th>1 bed</th><th>2 bed</th><th>3 bed</th><th>4 or more</th></tr></thead><tbody><tr><td>Shared ownership</td><td>147 (25.2%)</td><td>187 (32.1%)</td><td>148 (25.4%)</td><td>100</td></tr><tr><td>Social rent &amp; Affordable rent</td><td>289 (22.4%)</td><td>361 (28.0%)</td><td>303 (23.5%)</td><td>335</td></tr><tr><td>Discount home ownership &amp; starter homes</td><td>97 (18.2%)</td><td>143 (20.7%)</td><td>131 (22.5%)</td><td>59</td></tr><tr><td>Total</td><td>533</td><td>691</td><td>582</td><td></td></tr><tr><td>Total per annum</td><td>30</td><td>38</td><td>32</td><td></td></tr></tbody></table>	Tenure & size	1 bed	2 bed	3 bed	4 or more bed	Total	Shared ownership	134 (26.4%)	165 (32.6%)	156 (30.9%)	51 (10.1%)	506 (100%)	Social rent & Affordable rent	271 (27.6%)	228 (23.2%)	225 (22.9%)	259 (26.4%)	983 (100%)	Discount home ownership & starter homes	106 (21.3%)	173 (34.8%)	145 (29.2%)	72 (14.5%)	496 (100%)	Total	511	566	526	382	1985	Total per annum	28	32	29	21	110	Tenure & size	1 bed	2 bed	3 bed	4 or more	Shared ownership	147 (25.2%)	187 (32.1%)	148 (25.4%)	100	Social rent & Affordable rent	289 (22.4%)	361 (28.0%)	303 (23.5%)	335	Discount home ownership & starter homes	97 (18.2%)	143 (20.7%)	131 (22.5%)	59	Total	533	691	582		Total per annum	30	38	32				<p>On sites of ten or more dwellings or 0.5ha or more, a contribution of 35% affordable housing will be required on greenfield sites. For brownfield sites a contribution of 25% affordable housing will be required.</p> <p>The Plan (Part 1) qualified under the national transitional requirements and so does not reflect the First Homes policy requirement therefore this tenure</p>		<p>the testing substituted this tenure for intermediate home homeownership.</p> <p>The Councils’ housing register equates to a tenure split of 71% affordable rent of 29% shared ownership, this is what is being currently sought on development in the Districts and has been used in our testing.</p>
Tenure & size	1 bed	2 bed	3 bed	4 or more bed	Total																																																																				
Shared ownership	134 (26.4%)	165 (32.6%)	156 (30.9%)	51 (10.1%)	506 (100%)																																																																				
Social rent & Affordable rent	271 (27.6%)	228 (23.2%)	225 (22.9%)	259 (26.4%)	983 (100%)																																																																				
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		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					not been included in the testing.		
Policy SP03 - Settlement Hierarchy	Low	The policy outlines the settlement hierarchy across the districts.	No direct impact on appraisal assumptions.	Policy SP03 - The sustainable location of new development	Policy now explains that new housing development will come forward through extant planning permissions, allocations in made Neighbourhood Plans, windfall development in accordance with the relevant policies of the Plan and any allocations which are made in the	Low	No direct impact on appraisal assumptions

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					forthcoming Part 2 Plan.		
Policy SP04 - Housing Spatial Distribution	Low	The spatial distribution policy explains the districts broad pattern for the distribution of new dwellings.	No direct impact on appraisal assumptions.	Policy SP04 – Provision for Gypsy and Traveller and Travelling Showpeople	Policy no longer deals with the spatial distribution of housing but the provision for Provision for Gypsy and Traveller and Travelling Showpeople and explains that proposals will be approved if they accord with Policy SPO9 and their current use will be protected.	Low	No direct impact on appraisal assumptions



		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
Policy SP05 – Employment Land	Low	The policy sets out the protected employment sites across the districts and that development of net additional employment sites will be supported along the strategic transport corridors (A12, A14 and A140). The policy also lists the three Enterprise Zones across the districts.	No direct impact on appraisal assumptions but employment scenarios have been viability tested.	Policy SP05 – Employment Land	The policy still sets out the protected employment sites across the districts and amends reference to new development along strategic transport corridors but removes the list of roads and instead makes a cross-reference to the glossary of the definition. Reference to Enterprise Zones is also removed. Also, weight to be given to proposals that make provision	Low	Appraisal assumes that the Water Capacity Statement is covered through professional fees. Also, any administration costs for skills and training packages will be covered through company overheads that are reflected in the gross profit assumption in the appraisal.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					for skills and training packages. Applications that require heavy water usage will be required to demonstrate capacity through a Water Management Statement.		
Policy SP06 – Retail and Leisure	Low	New retail and town centre uses to be prioritised to the strategically important retail settlements of Sudbury, Hadleigh and Stowmarket. Where there are no suitable opportunities in strategically important retail settlements then proposals may be	No direct impact on appraisal assumptions but retail scenarios have been viability tested.	Policy SP06 – Retail and Town Centre Uses	Now explains that new town centre uses will be supported in Sudbury, Hadleigh and Stowmarket town centres and centres that are defined in the	Low	No direct impact on appraisal assumptions but retail scenarios have been viability tested.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		appropriate in the district centres of Needham Market, Eye and Debenham.			Neighbourhood plans. Sequential test for proposals for main town centre uses which are not in town centre areas, not in accordance with an up to date plan.		
Policy SP07 – Tourism	Low	The policy encourages appropriate new tourism development but does not identify any specific schemes or sites.	No direct impact on appraisal assumption.		Policy still encourages new tourism development but now an emphasis on sustainable tourism.	Low	No direct impact on appraisal assumption.
Policy SP08 – Infrastructure Provision	High	Infrastructure is to be funded through a combination of Community Infrastructure Levy (CIL), Planning	The Councils already have a CIL charging schedule in place, subject to review.	Policy SP08 – Strategic Infrastructure Provision	Infrastructure is still to be funded through a combination of Community Infrastructure Levy	High	A previously identified in the AV October 2020 study the Councils have a CIL charging schedule in place to fund some infrastructure with the County Council seeking S106

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		<p>Obligations, Developer Contributions and where appropriate funding assistance from the Councils / other provider organisations.</p> <p>Strategic infrastructure identified as:</p> <ul style="list-style-type: none"> <li>Highways improvements to the strategic road infrastructure on the A12 and A14, including an emerging Ipswich Northern Route, should the project receive endorsement from the Department</li> </ul>	<p>Furthermore, the County Council collects sums that sit outside the S.123 list. The viability testing treats this cost as an output i.e. how much can development affordable to pay for infrastructure once other policy costs are included.</p>		<p>(CIL), Planning Obligations, Developer Contributions and where appropriate funding assistance from the Councils / other provider organisations.</p> <p>Strategic infrastructure is now identified along strategic transport corridors, including the delivery of the SPA Transport Mitigation Strategy. Now refers to a district wide education expansion programme to match projected population growth. Policy also calls for improvements and expansions to electronic</p>		<p>payments in addition to funding infrastructure not listed on the Councils Community Infrastructure Levy (CIL) Expenditure Framework – Position Statements (formerly known as the S123 list). The viability testing includes S106 costs for the infrastructure not listed on the position statements. The assessment tests two different levels of S106 payments of £1,500 per dwelling and also an enhanced payment of £10,100 per dwelling (an additional £8,600 per dwelling for early years and primary education). CIL is treated as a viability output, with an assessment made as to whether the existing rates could be revised.</p>

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		<p>of Transport during the lifetime of the Plan.</p> <ul style="list-style-type: none"> <li>• A secondary schools expansion programme.</li> <li>• Protected Habitats Mitigation Zone</li> </ul> <p>Appropriate infrastructure to support the planned growth is set out in the Councils Infrastructure Delivery Plan and the associated Joint Local Plan evidence base.</p>			communication networks and high-quality digital infrastructure.		
Policy SP09 - Cross-boundary	High	Developments in the Protected Habitats Mitigation Zone will need to make	Policy cost is included in appraisal.	Policy SP09 – Enhancement and Management	Policy requirements have been expanded to also include that development to	High	The relevant RAMS zone for Babergh and Mid Suffolk is Zone A which is £142.27 per dwelling.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
mitigation of effects on Protected Habitats		Section 106 contributions for mitigation.		of the Environment	support and contribute to the conservation, enhancement and management of the natural and local environment and networks of green infrastructure, including: landscape; biodiversity, geodiversity and the historic environment and historic landscapes. Requires the development of over 50 dwellings to demonstrate well designed open		

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					space/green infrastructure. Development is to protect and enhance biodiversity, through biodiversity net gain. Places an obligation on the Councils to review planning policies whereby air quality from traffic on roads within 200 metres of Protected Habitats Sites demonstrates an adverse effect on their integrity.		



		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
Policy SP10 - Climate Change	Low	Major development to take a proactive approach to mitigating and adapting to climate change, identifying opportunities to deliver decentralised energy systems powered by a renewable or low carbon source. Encourages new development that reduces waste.	Policy only encourages and is not mandatory therefore no direct impact on appraisal assumption.	Policy SP10 - Climate Change	Now requires all development to mitigate and adapt to climate change and lists the type of measures.	High	Mitigation measures identified are delivered through other policy costs such as water efficiency and sustainability.
Policy LP01 - Hamlets and Clusters of development in the Countryside	Low	Development management policy which sets out the circumstances whereby development in hamlets and countryside is acceptable.	No direct impact on appraisal assumption.	Policy LP01 – Windfall infill development outside settlement boundaries	Policy has been amended and now specifically related to windfall infill development outside settlement boundaries, and set out the criteria	Low	No direct impact on appraisal assumption.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					whereby it would be acceptable.		
Policy LP02 - Residential Annexes	Low	Development management policy which sets out the circumstances whereby development of residential annexes is acceptable.	No direct impact on appraisal assumption.	Policy LP02 - Residential Annexes	The policy wording has been amended but it still is a development management policy which sets out the circumstances whereby the development of residential annexes is acceptable.	Low	No direct impact on appraisal assumption.
Policy LP03 - Residential Extensions and	Low	Development management policy which sets out the circumstances whereby residential extensions and conversions is acceptable.	No direct impact on appraisal assumption.	Policy LP03 - Residential Extensions and Conversions	The policy wording has been amended but it still is a development management policy which sets out the	Low	No direct impact on appraisal assumption.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
Conversion s					circumstances whereby residential extensions and conversions are acceptable.		
Policy LP04 - Replacement Dwellings In The Countryside (Outside of Settlement Boundaries )	Low	Development management policy that explains that replacement of an existing dwelling in the countryside or the conversion/erection of ancillary buildings is acceptable if it meets the criteria in the residential extensions and conversions policy. And sets additional criteria this type of development it needs to meet.	No direct impact on appraisal assumption.	Policy LP04 - Replacement Dwellings and Conversions	The policy wording has been amended but it still is a development management policy that explains that replacement of an existing dwelling in the countryside or the conversion/erection of ancillary buildings is acceptable if it meets the criteria in	Low	No direct impact on appraisal assumption.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					the residential extensions and conversions policy. And sets additional criteria this type of development needs to meet.		
Policy LP05 – Replacement Dwellings and Additional Dwellings on Sub-Divided Plots Within	Low	Development management policy which that sets out the circumstances whereby development will be permitted of replacement dwellings and additional dwellings on sub-divided plots within settlement boundaries.	No direct impact on appraisal assumption.	Policy LP05 – Rural Worker Dwellings	Policy has changed and now sets out the criteria for the development of residential accommodation for a rural worker, outside settlement boundaries.	Low	No direct impact on appraisal assumption.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
Settlement Boundaries							
Policy LP06 – Mix and type of composition	High	<p>Development management policy which sets out the circumstances for major housing developments including supported and special needs housing, schemes must include:</p> <ul style="list-style-type: none"> <li>35% affordable housing</li> <li>50% of dwellings to be Part M4(2)</li> <li>Bungalows included in the mix on schemes of 10+ or on sites of 0.5 hectares or more, if</li> </ul>	<p>Appraisal assumes affordable housing included on-site, bungalows included as part of housing mix and cost included for Part M4(2) requirements. Quantum to be determined through viability testing</p>	Policy LP06 – Supported and Special Needs Housing	Policy has been amended, affordable housing is no longer applied to general needs housing in this policy and is in Policy SP02. Policy LP06 now refers to just supported and special needs alone	Medium	<p>Additional cost no longer needs to be included in the general needs housing assessment, under this policy but is carried across to revised Policy LP24. For elderly accommodation, the AV October study used general needs flats costs and applied an additional cost for M4(2), and again we have made the same assumption. As per the AV October 2020 study we have used a cost of £521 per dwelling applied for adaptable dwellings under Part M4 (2) of the building regulations. This cost was based on the DCLG Housing Standards Review, Final</p>

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		the latest housing needs assessment identifies such a need.					Implementation Impact Assessment, March 2015, paragraphs 153 and 157.
LP07 – Supported and Special Needs Housing	High	<p>Policy which defines specialist accommodation and sets out criteria for which these schemes will be assessed. It requires proposals to:</p> <ul style="list-style-type: none"> <li>Protects and enhances biodiversity and geodiversity.</li> <li>Meets shared facility standards.</li> </ul>	We have appraised this typology and included costs for meeting standards in terms of biodiversity and M4(2). Separate typology for elderly accommodation has been included in the testing.	Policy deleted.			

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		<ul style="list-style-type: none"> <li>Meet the requirements for accessible and adaptable dwellings under Part M4(2) of Building Regulations.</li> <li>Ensure heritage assets and their settings are maintained, protected and enhanced.</li> </ul>					
Policy LP08 – Affordable Housing	High	Development management policy which sets the Councils 35% policy on relevant sites of ten or more units or sites of 0.5ha or more. The policy sets out the tenure split as:	Policy cost is included in appraisal, assumed delivered on site in testing.	Policy LP07 – Community led and rural exception housing	Policy LP08 and changed to Policy LP07. Wording has been amended to purely focus on whereby community	Low	No direct impact on appraisal assumption.



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		<ul style="list-style-type: none"> <li>984 for Babergh and 1,288 for Mid Suffolk is to be for affordable rent / social rent</li> <li>506 for Babergh and 583 for Mid Suffolk is to be for shared ownership</li> <li>495 for Babergh and 430 for Mid Suffolk is to be for discounted home ownership/starter homes.</li> </ul> <p>The policy explains that neighbourhood Plans may set requirements for a greater proportion of affordable housing, if</p>			led housing would be acceptable.		

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		<p>supported by viability evidence.</p> <p>Volume up to 35% market housing allowed on rural exception sites.</p> <p>10% of housing on major sites must be affordable home ownership as part of the overall housing mix unless the exemptions are met in policy.</p>					
Policy LP09 – Provision for Gypsy and Traveller and Travelling	Low	Sets out the considerations for new Gypsy and Traveller and Travelling Showpeople sites across the districts.	No direct impact on appraisal assumption.	Policy deleted.			

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
Showpeople							
Policy LP10 - Moorings, Marinas and Houseboats	Low	Sets out the requirements for development of mooring of houseboats.	No direct impact on appraisal assumption.	Policy deleted			
Policy LP11 - Self-Build and Custom-Build	Low	Councils support for self-build/custom-build housing or proposals that make a proportion of serviced dwelling plots available for sale to self-builders or custom builders, on appropriate sites and comply with policies in the Joint Local Plan.	Policy only supports and is not mandatory therefore no direct impact on appraisal assumption. Any provision of serviced plots will be offset from revenue received.	Policy LP08 - Self-Build and Custom-Build	Policy number has changed and wording amended (removing specific criteria and instead links development to relevant plan policies) but there remains support from the Councils for self-	Low	Policy only supports and is not mandatory therefore no direct impact on appraisal assumption. Any provision of serviced plots will be offset from the revenue received.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					build/custom-build housing.		
Policy LP12 - Employment Development	Low	Development management policy which sets out acceptable employment development and the circumstances for change of use to small scale employment use in predominantly residential.	No direct impact on appraisal assumptions but employment scenarios have been viability tested.	Policy LP09 – Supporting a Prosperous Economy	Policy number has changed and the wording amended (removing the need to demonstrate sustainable elements of design and construction and providing adequate servicing) but still sets out the criteria for employment development and change of use of small scale employment within residential curtilage.	Low	No direct impact on appraisal assumptions but employment scenarios have been viability tested

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
Policy LP13 - Safeguardi ng Economic Opportuniti es	Low	Development management policy for safeguarding employment sites.	No direct impact on appraisal assumption.	Policy LP10 – Change from Employment Uses	Policy number has changed and wording amended – removes the requirement for relocation of employment uses and the protection of the operation of existing businesses and instead requires not to compromise.	Low	No direct impact on appraisal assumption
Policy LP14 – Town Centre and Retail	Low	Development management policy which sets out the minimum threshold for A1 units in the Primary Shopping Frontages and in Secondary Shopping Frontages development of Use Classes	No direct impact on appraisal assumption.	Policy LP11 – Retail and Town Centres	Policy number has changed and the wording amended, which includes referencing Class E instead of Class A & D.	Low	No direct impact on appraisal assumption.

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		A1-A5, D1 and D2, may be permitted in circumstances listed in the policy. Impact assessment will be required for retail and leisure development outside of town centre boundaries, is in excess of 400 sqm.					
Policy LP15 - Tourism	Low	Development management which sets out circumstances where tourism and leisure development will be supported.	No direct impact on appraisal assumption.	Policy LP12 - Tourism	Policy number has changed and the wording amended but still deals addresses the circumstances where tourism and leisure development will be supported.	Low	No direct impact on appraisal assumption.
Policy LP16 -	Low	Restricts holiday lets to a maximum of 28 days.	No direct impact on appraisal	Policy LP13 - Countryside	Policy number has changed and the	Low	No direct impact on appraisal assumption. Scenario not tested

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Countryside Tourist Accommodation			assumption. Scenario not tested separately. Growth is not significant to the delivery of the plan.	Tourist Accommodation	wording amended, no longer a 28-day requirement but explains that new tourism accommodation will be controlled by planning conditions.		separately. Growth is not significant to the delivery of the plan.
				Policy LP14 – Intensive Livestock and Poultry Farming	New policy that sets out criteria for proposals for intensive livestock and poultry units and associated structures and facilities for the storage and disposal of waste.	Low	No direct impact on appraisal assumption.



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Policy LP17 - Environmental Protection	Low	Development management policy which explains that development of previously development land to be prioritised and sets out the environmental aspects development must have regard to including; Efficient and Effective Use of Resources/Land, Land Contamination and Instability, Pollution and Environmental Amenity and ground and surface water.	Assume development will comply with policy and not tested separately.	Policy LP15 - Environmental Protection and Conservation	Policy number has changed and the wording amended but the thrust of policy remains unchanged.	Low	Assume development will comply with policy and not tested separately.
Policy LP18 – Biodiversity &	Medium	Sets out the circumstances whereby development will be supported in relation to biodiversity, this includes but	Any costs associated with surveys are to be covered through our professional fees allowance.	Policy LP16 – Biodiversity & Geodiversity	Policy number has changed and the wording amended but the thrust of the	High	Any costs associated with surveys are to be covered through our professional fees allowance. The Government's Environmental Act requires all major developments

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Geodiversity		limited to development to follow a hierarchy approach, seeking firstly to avoid impacts of biodiversity.	Any costs for mitigation assumed to be delivered through planning obligations but this is not expected to impact every site.		policy remains unchanged		<p>from November 2023 and all minor developments from April 2024 (with a few exceptions) to deliver a 10% net increase in biodiversity, which would have to be managed for at least 30 years. The Government estimates that this will impact direct development costs. Based on Biodiversity Net Gain (BNG) and Local Nature Recovery Strategies, 2019 we have used the following costs:</p> <p>£1,018 per dwelling - greenfield scenario</p> <p>£243 per dwelling - brownfield scenario only.</p> <p>In reality, the BNG costs will depend upon a range of factors including the biodiversity that</p>

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							<p>already exists on the site and the potential for net gain which is entirely site specific.</p> <p>The AV October 2020 study used a cost of £42,545 per gross hectare of development land based on the BNG and Local Nature Recovery Strategies, 2019, but in more recent studies we have found the dwelling cost to be more appropriate to use. This is consistent with the approach adopted in the neighbouring East Suffolk Council CIL study.</p>
LP19 - Landscape	Low	Sets out the circumstances whereby the Councils will support development that amongst others, considers	Assume development will comply with policy	LP17 - Landscape	Policy number has changed and wording amended – now requires to	Low	Assume development will comply with policy and not tested separately.

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		the effects on the natural environment, integrates positively with the existing landscape character, and enhances and protects the landscape.	and not tested separately.		conserve rather than protect and engage landscape character development. Removes requirements to enhance and protect landscape character and values and heritage assets.		
LP20 – Area of Outstanding Natural Beauty	Low	Policy sets out the circumstances where they will support development in or near the AONBs.	Assume development will comply with policy and not tested separately.	LP18 – Area of Outstanding Natural Beauty	Policy number has changed and wording amended – now explains major development will be refused in AONB other than exceptional circumstances. The	Low	Assume development will comply with policy and not tested separately.

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Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					policy now supports non-major development in AONB and sets out the criteria.		
LP21 - The Historic Environment	Low	Policy sets out the circumstances where they will support development in or near heritage assets and the historic environment.	Scenario testing assumes that development will not impact the historic environment. Where development is impacted by the historic environment then this will be treated as an abnormal cost and will need to be reflected in a reduced land value.	Policy LP 19 - The Historic Environment	Policy number has changed and the wording amended – the policy still sets out the circumstances where they will support development in or near heritage assets and the historic environment, but these criteria have been amended slightly.	Low	Scenario testing assumes that development will not impact the historic environment. Where development is impacted by the historic environment then this will be treated as an abnormal cost and will need to be reflected in a reduced land value.

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Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
LP22 - Change in Land Use for Equestrian or other animal/rural land base uses	Low	Sets out the circumstances whereby equestrian uses or other animal/rural land-based uses in the countryside is acceptable.	No direct impact on appraisal assumption.	LP22 - Equestrian or similar other animal/ land base uses	Policy number has changed and wording amended – greater focus on the use of land, rather than a change of use and provides greater clarity that the policy relates to other animals which are similar to equestrian	Low	No direct impact on appraisal assumption.
Policy LP23 – Agricultural Land To Residential Garden Land	Low	Sets out the circumstances whereby the change in use of agricultural land to residential garden land or land ancillary to a residential dwelling may be permitted.	No direct impact on appraisal assumption.	Policy LP21 – Agricultural Land To Residential Garden Land	Policy number has changed and wording amended but still sets out the circumstances whereby the change in use of agricultural land to residential	Low	No direct impact on appraisal assumption.

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					garden land or land ancillary to a residential dwelling may be permitted.		
Policy LP24 – New agricultural / rural buildings in the Countryside	Low	Policy requires planning applications to undertake necessary assessments to ensure development is suitable and sustainable.	We have not appraised agricultural / rural development.	Policy LP22 – New Agricultural Buildings	Policy number has changed and wording amended – now explains that proposals will be subject to all of the considerations listed in the policy.	Low	We have not appraised agricultural buildings.
Policy LP25 - Sustainable Construction and Design	High	Policy sets out the Councils Sustainable Construction and Design requirements that include: <ul style="list-style-type: none"> <li>Achieve reductions in CO2 emissions of 19% below for the Target Emissions Rate of the</li> </ul>	Cost included in the appraisal. Any costs associated with Sustainability Design and Construction Statement to be covered by professional fees allowance.	Policy LP23 - Sustainable Construction and Design	Policy number has changed and the wording amended. Policy still requires a reduction in CO2 emissions but now in line with the 2021	High	The AV October 2020 study had combined costs of £6,057 (£3,500 plus £2,557) per dwelling for sustainable construction and carbon reduction.  The AV October 2020 study included a cost of £2,557 per dwelling for 20% reduction in CO2, this was based on

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		<p>2013 Edition of 2010 Building Regulations (Part L); and</p> <ul style="list-style-type: none"> <li>Meet the higher water efficiency standards of 110 litres per person per day, as set out in building regulations part G2.</li> </ul> <p>To meet the above all major developments are required to submit a Sustainability Design and Construction Statement.</p> <p>The policy also explains that non-residential development of 1,000sqm and above must achieve a minimum of BREEAM 'Very Good' standard or equivalent.</p>			<p>With effect from the 15 June 2022, Part L of the Building Regs changed which requires new build homes to produce 31% less carbon emissions and non-domestics build 27% less carbon emissions. Therefore exceeding the policy requirements.</p> <p>Policy also now requires development to provide feasible and viable on-site renewable and other low carbon energy generation to allow the</p>		<p>the MHCLG 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: Impact Assessment. This reflected a fabric first approach to carbon reduction. In addition, The AV October 2020 study also had a separate cost of £3,500 per dwelling for renewable/low carbon energy production. The AV October 2020 study acknowledged that there could be an element of double counting with then Policy SP10 for 20% carbon reduction, which is not captured in this policy LP23 but at a 19% carbon reduction.</p> <p>The Department for Levelling Up, Housing &amp; Communities (DLUHC) published the 2021 changes to the energy efficiency requirements of the</p>



		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024																					
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study																		
					<p>greatest CO2 reduction.<sup>1</sup></p> <p>Policy still requires major development to submit a Sustainability Design and Construction Statement. And non-residential development 1,000 sqm and above must achieve a minimum of BREEAM ‘Very Good’ standard or equivalent but now with additional text which explains that this is required unless it is convincingly</p>		<p>Building Regulations for domestic buildings</p> <p>- Final Stage Impact Assessment.</p> <p>This document sets out the following additional capital costs:</p> <table><tr><td></td><td>Gas Boiler and Solar PV</td><td>AS Heat Pump</td></tr><tr><td>Detached house</td><td>£4,840</td><td>£3,750</td></tr><tr><td>Semi-detached house</td><td>£3,800</td><td>£4,360</td></tr><tr><td>Mid-Terraced house</td><td>£3,760</td><td>£4,320</td></tr><tr><td>Flats</td><td>£2,090</td><td>£4,090</td></tr><tr><td>Average (based on build mix)</td><td>£3,660</td><td>£4,070</td></tr></table> <p>The Gas Boiler &amp; Solar PV solution equates to an average dwelling cost of £3,934 based on the Councils’ dwelling mix and the Air source Heat pump solution £4,186 per dwelling. We have used the higher figure in our assessment to ensure either solution can be met – we consider this to be a cautious approach.</p>		Gas Boiler and Solar PV	AS Heat Pump	Detached house	£4,840	£3,750	Semi-detached house	£3,800	£4,360	Mid-Terraced house	£3,760	£4,320	Flats	£2,090	£4,090	Average (based on build mix)	£3,660	£4,070
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Average (based on build mix)	£3,660	£4,070																							

<sup>1</sup> The Sustainability Design and Construction Statement should investigate the technical feasibility and financial viability of the on-site renewable and other low carbon energy generation options available and the CO2 savings achieved with each to allow the greatest CO2 reduction is selected.

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					<p>demonstrated that it is not possible.</p> <p>Policy now encourages to achieve water usage of not more than 100 litres per person per day.</p>		<p>The DLUHC - published the 2021 changes to the energy efficiency requirements of the Building Regulations for non- domestic buildings - Final Stage Impact Assessment. This document sets out the following additional capital costs:</p> <table><tr><th></th><th>Additional capital costs compared to 2013 requirements (£/m² GIFA)</th><th>Additional capital costs compared to requirement increase in built</th></tr><tr><td>Office – deep plan, air conditioned</td><td>£24</td><td>0.68%</td></tr><tr><td>Office – shallow plan, naturally ventilated</td><td>£29</td><td>1.14%</td></tr><tr><td>Hotel</td><td>£40</td><td>1.32%</td></tr><tr><td>Hospital</td><td>£23</td><td>0.51%</td></tr><tr><td>Secondary School (includes sports facilities)</td><td>£36</td><td>1.20%</td></tr><tr><td>Retail Warehouse</td><td>£75</td><td>4.15%</td></tr><tr><td>Distribution Warehouse</td><td>£51</td><td>2.82%</td></tr><tr><td>Average (based on build mix)</td><td>£24</td><td>0.68%</td></tr></table> <p>We have applied the cost percentage uplifts in our assessment.</p> <p>The AV October 2020 study used a water efficiency cost of £9 per dwelling based on the Department of Communities and Local Government Housing Standards Review Cost Impact, September 2014 by EC Harris</p>		Additional capital costs compared to 2013 requirements (£/m² GIFA)	Additional capital costs compared to requirement increase in built	Office – deep plan, air conditioned	£24	0.68%	Office – shallow plan, naturally ventilated	£29	1.14%	Hotel	£40	1.32%	Hospital	£23	0.51%	Secondary School (includes sports facilities)	£36	1.20%	Retail Warehouse	£75	4.15%	Distribution Warehouse	£51	2.82%	Average (based on build mix)	£24	0.68%
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							<p>– this is still reasonable and has been included in our assessment.</p> <p>As per the AV October 2020 study any costs associated with Sustainability Design and Construction Statement are to be covered by professional fees allowance.</p>
Policy LP26 - Design and Residential Amenity	Low	Sets out the design requirements for new residential development.	Policy is not onerous compared to what is being delivered at the moment and assumed covered through general build costs.	Policy LP24 - Design and Residential Amenity	Policy number has changed and the wording amended. Removes the requirement for climate change adaptation but now requires development to adhere to the Building for a Health	High	The AV October 2020 study used a cost of £521 per dwelling applied for adaptable dwellings under Part M4 (2) of the building regulations. This cost was based on the DCLG Housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157. This cost is still reasonable and has

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					<p>Life design assessment framework.</p> <p>Development to provide at least 50% of dwellings which meet the requirements for accessible and adaptable dwellings under Part M4(2) of Building Regulations – unless viability issues exist.</p> <p>All development must demonstrate that they have regard to the design principles set out</p>		been applied to 50% of the dwellings as per the policy.

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					through Suffolk Design, the Councils' Design Supplementary Planning Documents.		
Policy LP27 - Energy Sources, Storage and Distribution	Low	Policy sets out the circumstances where renewable, decentralised and community energy generating proposals will be supported. It also explains that the Council will use planning obligations to restore when energy generation ceases or becomes non-functioning for a period of three months. And also explains the conditions for renewable and	No direct impact on appraisal assumption.	Policy LP25 - Energy Sources, Storage and Distribution	Policy number has changed and the wording amended but the thrust remains the same.	Low	No direct impact on appraisal assumption.

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		low carbon energy are located in nature conservation sites, the Area of Outstanding Natural Beauty, or impact on the setting of heritage assets (including conservation areas) or any other designated areas.					
Policy LP28 – Water Resources and Infrastructure	Low	Policy states that development will be supported where it can demonstrate it has consulted with the relevant authority regarding waste water treatment and that there is capacity within the network.	Cost of complying with policy covered by professional fees allowance.	Policy LP26 – Water Resources and Infrastructure	Policy number has changed and the wording amended but the thrust remains the same.	Low	Cost of complying with policy covered by professional fees allowance.

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LP29 - Flood Risk and Vulnerability	Medium	Policy encourages development away from flood risk areas. It requires development to mitigate existing and potential flood risks through application of a sequential approach to flood risk and implementation of Sustainable Drainage Systems, and risks to ground or surface water quality.	Proposed development only likely to suffer from surface water, which will be dealt with SuDs and the external cost allowance in the appraisal.	LP29 - Flood Risk and Vulnerability	Policy number has changed and the wording amended but the thrust remains the same.	Medium	Proposed development is only likely to suffer from surface water, which will be dealt with SuDs and the external cost allowance in the appraisal.
Policy LP30 - Designated Open Spaces	Medium	Sets out where total or partial loss of open space will be permitted. Developments in excess of 1 hectare will be required to provide on-site open space provision to meet identified needs/deficits.	Assumed that open space to be delivered on-site through the difference between gross and net developable area.	Policy deleted			

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Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		Open space to be provided in line with the open space standards identified in the Open Space Assessment.					
Policy LP31 - Services and Facilities Within the Community	Low	Sets out the circumstances where new development and loss of community facilities will be acceptable. It encourages high quality development and for schemes to minimise their impact on climate change, use sustainable construction practices etc.	No direct impact on appraisal assumption.	Policy LP28 - Services and Facilities Within the Community	Policy number has changed and the wording amended and now reflects, in part the previous Policy LP30 for open space. This new policy requires all development in excess of 1 hectare to provide onsite open space. Also the requirement to minimise the impact of development on	Medium	Assumed that open space to be delivered on-site through the difference between gross and net developable area



		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
					climate change, use sustainable construction practices etc. has been removed from this policy.		
Policy LP32 - Safe, Sustainable and Active Transport	High	Sets out development management policy for safe, sustainable and active transport. Developments that are expected have a major impact on highway infrastructure need to provide a travel plan and transport statement or transport assessment.  The policy sets out appropriate provisions that development should make	Cost for electric charging points included in appraisal. Assume cost for travel plan included in professional fees allowance. Any other contributions would be captured through S106s which we have made allowances for based on monitoring data.	Policy LP29 - Safe, Sustainable and Active Transport	Policy number has changed and the wording amended but the general thrust remains the same.	High	Changes to Part S of the Buildings Regulations, which came into effect on June 15th 2022, requires all new homes to provide an electric charging point – therefore an element of this policy is now covered in Building Regulations. The AV October 2020 study used a cost of £1,000 per dwelling for housing schemes and a multi charge point wallbox of £10,000 for non-residential and elderly accommodation scenarios.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		which includes, amongst other things; cyclists' facilities, electric vehicle charging points, and linkages to networks. There is also potential for contributions towards sustainable transport strategies and school transport contributions.	Where site specific costs are greater than assumed this will need to be captured in any surplus generated and/or a reduced land value				As per the AV October 2020 study it is assumed that the cost for the travel plan included in the professional fees allowance and any other contributions would be captured through S106s which we have made allowances based on monitoring data. Where site specific costs are greater than assumed this will need to be captured in any surplus generated and/or a reduced land value.
Policy LP33 - Managing Infrastructure Provision	High	Development plan policy which explains that new development must be supported by necessary infrastructure and conditions or planning obligations will be	The Council's S123 list captures some of these costs through CIL. A cost allowance has been included in the appraisal for those	Policy LP30 - Managing Infrastructure Provision	Policy number has changed and the wording amended and now includes a requirement for proposals to have regard to the	High	A previously identified in the AV October 2020 study the Councils have a CIL charging schedule in place to fund some infrastructure with the County Council seeking S106 payments in addition to fund infrastructure not listed on the

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		used as package of the infrastructure measures.	items not included in the CIL list which the development will need to provide for site specific mitigation. Where site specific costs are greater than assumed this will need to be captured in any surplus generated and/or a reduced land value.		Council's Infrastructure Delivery Plan and any responses to the proposals from infrastructure providers.		Councils Community Infrastructure Levy (CIL) Expenditure Framework – Position Statements (formerly known as the S123 list). The viability testing includes S106 costs for the infrastructure not listed on the position statements. The assessments tests two different levels of S106 payments of £1,500 per dwelling and also an enhanced payment of £10,100 per dwelling (an additional £8,600 per dwelling for early years and primary education). CIL is treated as a viability output, with an assessment made whether the existing rates could be revised. Again, where site specific costs are greater than assumed this will

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
							need to be captured in any surplus generated and/or a reduced land value.
Policy LP34 - Health and Education Provision	High	Policy protects current health and education uses and circumstances where to facilities will be supported. The policy allows for change of use, or re-development of educational establishments unless specific circumstances are met.	Ditto.	Policy LP31 - Health and Education Provision	Policy number has changed and the wording amended but the general thrust remains the same.	High	Ditto.
Policy LP35 - Developer Contributions and Planning Obligations	High	Development plan policy which explains that infrastructure to support development will be provided through a combination of Community Infrastructure Levy (CIL), Planning	Ditto.	Policy LP32 - Developer Contributions and Planning Obligations	Policy number has changed and the wording amended and now includes a requirement for proposals to have regard to the	High	Ditto.

		Plan Viability & CIL Review Study Reg 19 stage - October 2020		CIL Review 2024			
Draft Planning Policy No.	Impact on viability	Local Plan Viability implications	How have these costs been dealt with in the study	Draft Planning Policy No.	How as the policy changed?	Impact on viability	How have these costs been dealt with in the CIL study
		Obligations, Developer Contributions and where appropriate funding assistance from the Councils / other provider organisations.			Council's Infrastructure Delivery Plan and any responses to the proposals from infrastructure providers.		

## **Appendix B    Property Market Report**

# **Property Market Assessment**

## **CIL Viability & affordable housing commuted**

**Client: Babergh & Mid Suffolk District  
Councils**

**Date: 11 November 2024**



## Document Control Sheet

**Report Title:** Property Market Assessment CIL Viability & affordable housing commuted sum calculation study

**Project Ref:** 2302

**Doc Ref:** Final

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## Quality Assurance

	Name	Position	Signature	Date
Prepared by	Stuart Cook	Director	SC	11/11/2024
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	Type	Date	Initials
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Version 3	Final Client Issue	11/11/2024	SC



## Contents

<b>1</b>	<b>Introduction .....</b>	<b>1</b>
1.2	Documents referenced.....	1
<b>2</b>	<b>Residential .....</b>	<b>2</b>
2.1	Introduction.....	2
2.2	Market overview.....	2
2.3	Regional overview.....	6
2.4	Conclusion.....	11
<b>3</b>	<b>Older persons accommodation .....</b>	<b>13</b>
3.1	Introduction.....	13
3.2	Market overview.....	13
3.3	Sold prices.....	14
3.4	Quoting prices.....	14
3.5	Conclusion.....	16
<b>4</b>	<b>Retail.....</b>	<b>17</b>
4.1	Introduction.....	17
4.2	Market overview.....	18
4.3	Convenience sector .....	19
4.4	Comparison retail.....	25
4.5	Conclusion.....	28
<b>5</b>	<b>Office.....</b>	<b>29</b>
5.1	Introduction.....	29
5.2	Market overview.....	29
5.3	Babergh & Mid Suffolk office market.....	30
5.4	Conclusion.....	32
<b>6</b>	<b>Industrial/warehouse.....</b>	<b>33</b>
6.1	Introduction.....	33
6.2	Market overview.....	33
6.3	Babergh & Mid Suffolk Industrial/warehouse market.....	33
6.4	Industrial/warehouse rents .....	34
6.5	Industrial/warehouse yields .....	35
6.6	Conclusion.....	37

## Figures

Figure 2-1	Unit sizes and sale values used in the AV October 2020 study .....	2
Figure 2-2	Gross Domestic Product: chained volume measures: seasonally adjusted £m.....	3
Figure 2-3	All sales – volume – England.....	4
Figure 2-4	Change in Bank of England Base Rate.....	5
Figure 2-5	Average prices – all properties .....	6

Figure 2-6 Comparison of average prices by ward boundaries.....	7
Figure 2-7 Location of new build sales – c. 79 sqm.....	2
Figure 2-8 Selected new build sales – c.79 sqm units.....	3
Figure 2-9 Selected new build sales – c.79 sqm units – November 2024 update.....	4
Figure 2-10 Location of new build sales – c. 90 sqm.....	5
Figure 2-11 Selected new build sales – c.90 sqm units.....	6
Figure 2-12 Selected new build sales – c.90 sqm units – November 2024 update.....	7
Figure 2-13 Location of new build sales – c. 110 sqm.....	8
Figure 2-14 Selected new build sales – c.110 sqm units.....	9
Figure 2-15 Selected new build sales – c.110 sqm units – November 2024 update.....	10
Figure 2-14 Value zones .....	12
Figure 3-1 Unit sizes and sale values used in the AV October 2020 study .....	13
Figure 3-2 Price premium for sheltered housing & extra care.....	13
Figure 4-1 Convenience retail values .....	17
Figure 4-2 Comparison retail values.....	17
Figure 4-3 Internet sales as a percentage of total retail sales (ration) (%) .....	18
Figure 4-4 Quarterly UK retail construction starts .....	19
Figure 4-5 Great Britain Grocery market share 12 weeks ending 06/02/11 & 09/07/23.....	20
Figure 5-1 Office occupancy rates UK.....	29

## Tables

Table 2-3 Sale values CIL viability testing .....	11
Table 3-1 Sold prices Manor Gardens, Hadleigh – detached .....	14
Table 3-2 Quoting prices – wider Suffolk area .....	14
Table 3-3 Older persons age restricted sale values CIL viability testing .....	16
Table 3-4 Extra care sale values CIL viability testing .....	16
Table 4-1 Supermarket new store requirements .....	20
Table 4-2 Comparable evidence convenience retail rents.....	22
Table 4-3 Comparable evidence convenience retail rents - November 2024 update.....	23
Table 4-3 Comparable evidence convenience retail investment yields.....	23
Table 4-5 Comparable evidence convenience retail investment yields – October 2024 .....	25
Table 4-6 Comparable evidence comparison retail rents .....	26
Table 4-7 Comparable evidence comparison retail rents – November 2024 update .....	26
Table 4-8 Comparable evidence comparison retail investment yields.....	27
Table 4-5 Retail value inputs .....	28
Table 5-1 Comparable evidence office rents.....	30
Table 5-2 Comparable evidence office rents - November 2024 update .....	31
Table 5-3 Office investment transactions.....	31
Table 5-4 Office investment transactions - November 2024 update .....	32
Table 6-1 Examples of industrial/warehouse rents.....	34
Table 6-2 Examples of industrial/warehouse rents – November 2024 update.....	34
Table 6-2 Industrial/warehouse investment yields.....	35
Table 6-4 Industrial/warehouse investment yields – November 2024 update.....	36
Table 4-5 Industrial/warehouse value inputs.....	37

# 1 Introduction

1.1.1 The purpose of this property market assessment is to support the values used in the development appraisals for the review of the existing Community Infrastructure Levy (CIL) charging schedules and in the affordable housing commuted sum calculation.

## 1.2 Documents referenced

1.2.1 Our analysis draws on various data:

- Land Registry - analysis of residential sold prices.
- Energy Performance Certificates (EPCs) – analysis of floor areas of new build properties which have then been cross-referenced with the Land Registry sold price data to provide prices on a £psm basis.
- Rightmove – analysis of sold and quoting prices.
- Published commercial property reports.
- Commercial agents' websites.
- CoStar – subscription database that records commercial transactions recorded by agents.

## 2 Residential

### 2.1 Introduction

- 2.1.1 In our assessment of values, we are mindful of the proposed unit sizes to be used in the viability assessment which have been based on a combination of dwelling mix and market evidence – these are summarised in Figure 2-1 along with the sales values used in the AV October 2020 study. As shown in Figure 2-1, the AV October 2020 study used a single value zone, because the evidence showed that despite price variation on a per unit basis there was less price variation when analysed on a £psm, with values generally around £3,000 - £3,200 psm.<sup>1</sup>

Figure 2-1 Unit sizes and sale values used in the AV October 2020 study

Typology	Unit Size sqm	Unit Price	£psm
1-bed flat	50	£160,000	£3,200
2-bed flat	61	£190,000	£3,115
1-bed house (single storey)	50	£180,000	£3,600
2-bed house	79	£250,000	£3,164
3-bed house	90	£290,000	£3,222
4-bed house	110	£350,000	£3,181

Source: AspinallVerdi (October 2020)

- 2.1.2 As per the AV October 2020 study we provide an overview of the national and regional markets to help provide context, this is then followed by a detailed assessment of the Babergh and Mid Suffolk markets. In our assessment of the Land Registry data, we have inflated any historic sales value data of sold price using the house price index<sup>2</sup> (HPI) to bring them to current day prices. But due to the time lag between sales being recorded and the Land Registry publishing their index, there is still a gap, at the time of the analysis the HPI last published date was December 2022. To take account of market changes since the HPI we have not used values at the very top of the range and sensitivity testing has been undertaken of the results to reflect changes in sale values and build costs, both up and down.

### 2.2 Market overview

- 2.2.1 During the global financial crisis (2007/08), the housing market came to a virtual standstill as both developers and purchasers were unable to access finance. Banks stopped lending as they needed to recapitalise and there were concerns about their exposure to the property

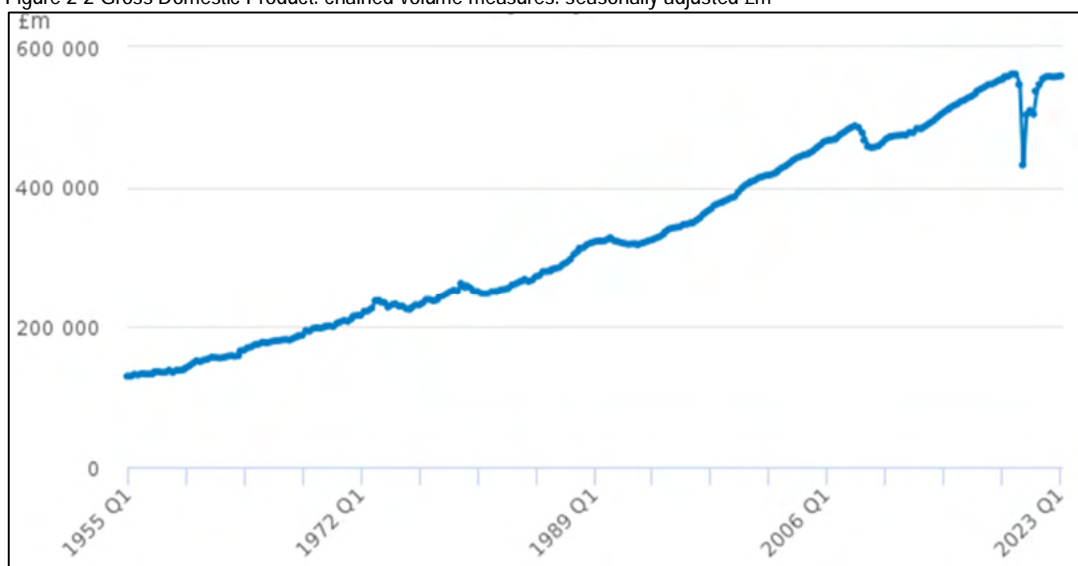
<sup>1</sup> AspinallVerdi, October 2020, Plan Viability & CIL Review Study Regulation 19 Stage, Paragraph 2.33

<sup>2</sup> HPI is applied to local authority level, so this varies between the two districts

market following the failures of Fannie Mae and Freddie Mac in the USA and Northern Rock and Royal Bank of Scotland in the UK.

- 2.2.2 During this period, average prices fell by around 25% and the government intervened to help “kick start” the housing market. The government agency, Homes & Community Agency (now Homes England) offered funding solutions to the development industry (e.g. commercial loans, grants etc.) and assistance to buyers (e.g. Help to Buy). In addition, the government was providing liquidity to the financial markets through quantitative easing.
- 2.2.3 Initially, along with the economy, the recovery of average prices was slow. Prices initially started to recover in London, where the economic recovery was quickest to “bounce back.” This then rippled out to the wider southeast. Those locations within an hour’s commute of London “the golden hour” saw the greatest increase in prices. Other regions saw a much slower recovery in prices to their pre-global financial peak. But by around 2014, average prices across England had recovered. In the following years, average prices continued to rise against the backdrop of a growing economy. But uncertainty re-entered the market following the 2016 referendum voting in favour to leave the European Union (EU).
- 2.2.4 Just as stability started to re-enter the housing market during the EU transition period the market faced a further shock with the Covid-global-pandemic. As well documented, as part of the government’s responses to try and control the spread of the virus in England they put in place several restrictions, this included a number of lockdowns (ordering people to stay at home), social distancing measures and travel restrictions. The first lockdown in March 2020 had a significant impact with the UK economy shrinking by around 22% (see Figure 2-2) during the first two quarters of 2020. The UK economy is now marginally below that of the pre-pandemic level.

Figure 2-2 Gross Domestic Product: chained volume measures: seasonally adjusted £m

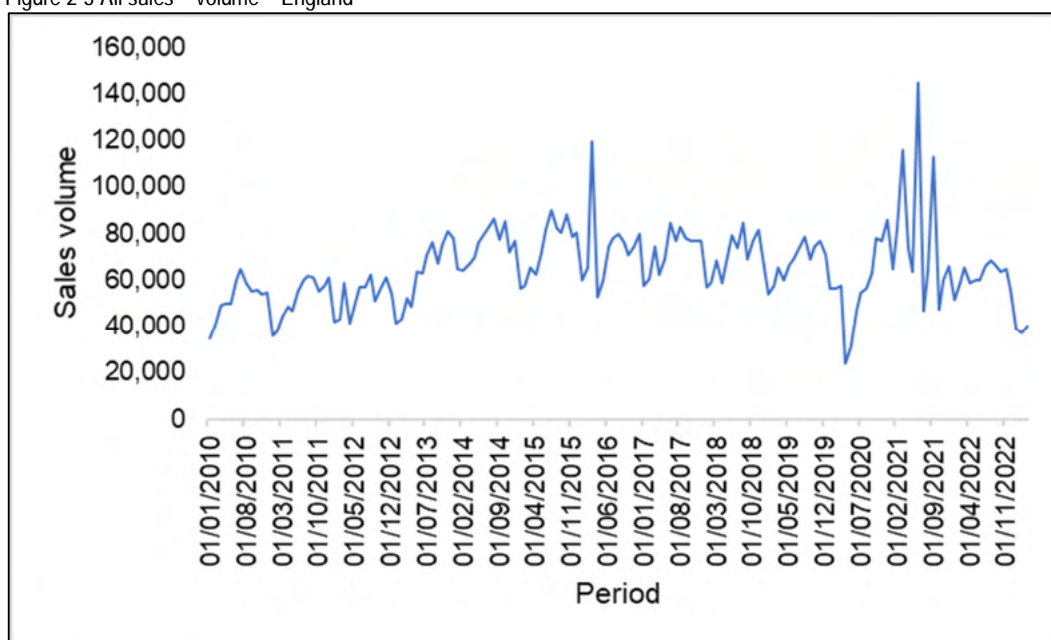


Source: ONS (July 2023)

- 2.2.5 During the first national lockdown, there were concerns about the impact this would have on the housing market because; construction sites closed or were working at reduced capacity, estate agents could not undertake viewings, the mortgage market reduced the availability of some products (especially higher loan to value), removal companies could not operate (people

could not physically move) and economic uncertainty, with the government providing financial support to individuals who were not working (e.g. furlough scheme). Despite these uncertainties, the housing market remained robust. As shown in Figure 2-3 there was an initial delay in transactions occurring but when the economy started to open in the summer of 2020 volumes returned. The housing market remained robust as the government extended the help to buy scheme until the end of March 2021 and introduced a stamp duty holiday (i.e., 0% on the first £500,000) from June 2020 to July 2021. Subsequently, the government launched a new Help to Buy: Equity Loan scheme which will run until March 2023. In addition, households re-evaluated their space requirements (seeking more space) and location requirements (with working from home or some form of hybrid started to be part of the likely “new normal” working practices, close proximity to employment markets has become now less important).

Figure 2-3 All sales – volume – England



Source: Land Registry (July 2023)

- 2.2.6 With the lifting of the final Covid restrictions at the beginning of 2022 there were aspirations that the economy would continue to recover but in February 2022 we saw Russia invade Ukraine, which in turn has impacted global prices leading to global prices leading to inflation. This was further compounded when in June 2022 Boris Johnson resigned as Prime Minister and was replaced in September by Liz Truss. She announced an emergency budget in September 2022 which set out a series of tax cuts that sent the financial markets into turmoil. Following Liz Truss' resignation in October 2022 and being replaced by Rishi Sunak the financial markets turmoil has eased but the inflation has become embedded into the UK economy.

- 2.2.7 The Bank of England is tasked with controlling inflation with its primary tool through raising the base rate. As we can see from Figure 2-4 the Base Rate was 0.1% in October 2020 and now stands at 5.0%, this means the cost of mortgages has increased significantly.

Figure 2-4 Change in Bank of England Base Rate



Source: Bank of England (July 2023)

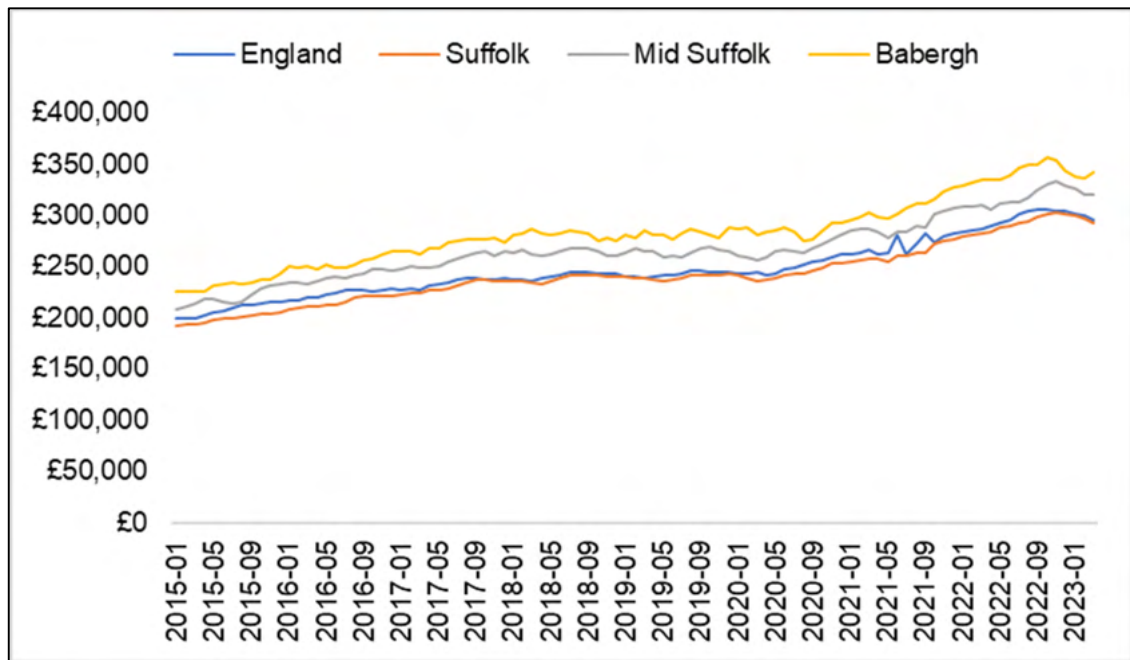
- 2.2.8 Nationwide's (one of the UK's biggest mortgage lenders) reported in June 2023 that there was 'annual house price growth was broadly stable at -3.5% in June, little changed from the 3.4% decline recorded in May. Prices were also fairly stable over the month, rising by a modest 0.1%, after taking account of seasonal effects, reversing the 0.1% decline seen in May.'<sup>3</sup>

<sup>3</sup> Nationwide, June 2023, House Price Index

## 2.3 Regional overview

- 2.3.1 Average prices across the Districts have followed the same trend nationally and for Suffolk. We see in Figure 2-5 that average prices in Babergh have constantly been higher than the England, Suffolk, and Mid Suffolk averages, whereas Mid Suffolk average prices have been above that of England and Suffolk. The Land Registry data shows the cooling in prices with average prices in the Districts around 4% lower than their October/November 2022 prices.

Figure 2-5 Average prices – all properties

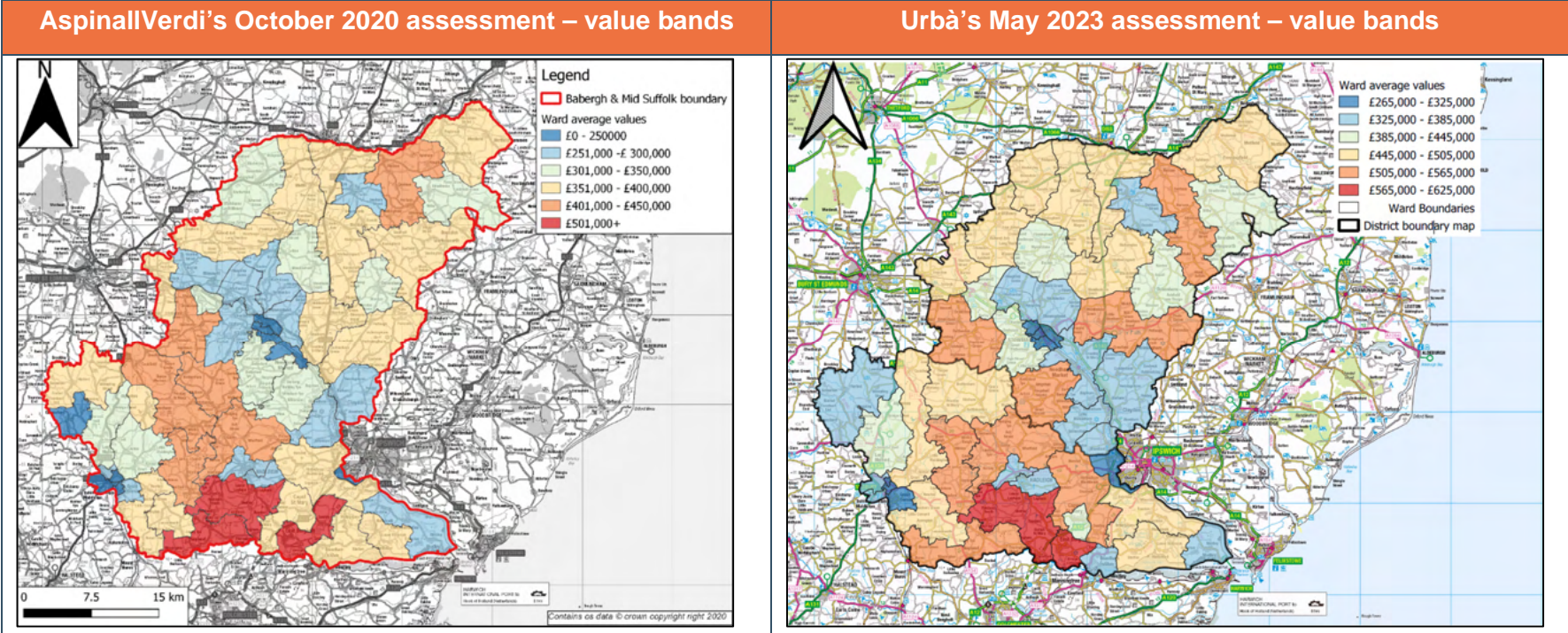


Source: Land Registry (July 2023), Urbà (July 2023)

- 2.3.2 As with the AV October 2020 study we have analysed average sold prices against ward boundaries. Our updated analysis reflects different ward boundaries than those used in the AV October 2020 study, as these represent the latest boundaries. As we can see from the side-by-side analysis (see Figure 2-6), the pattern of different values is broadly the same with clearly defined lower values, on a unit basis, around the urban areas of Sudbury, Stowmarket / Needham Market and the edge of Ipswich.



Figure 2-6 Comparison of average prices by ward boundaries





Source: AspinallVerdi, Property Market Report Appendix 2 (October 2020), Land Registry, QGIS, Bingmaps, Urbà (May 2023)

## Is there justification for creating value zones?



2.3.3 Based on the most up to date sold price data for the Districts we have retested the proposition on whether it is possible to create separate value zones to use in the viability testing, but on the basis that we do not know where sites will come forward so the testing cannot be varied by greenfield / brownfield. In our analysis, we have compared the location of new build sold prices of the different unit sizes to use in the testing against the value bands in Figure 2-6. For the purpose of our analysis, we have divided the new build sold prices into three bands of lower, mid and higher. The division of values is generated by taking the lowest in the range of values and placing them into a lower band, the highest in the range of values falls in the higher value band with the balance between the two forming the mid values. These are all based on professional judgment rather than a mathematical formula. Because some unit sizes have a low number of sales, we have included units of similar sizes in our analysis. We have focused our analysis on the three unit sizes of 79 sqm, 90 sqm and 110 sqm because these unit sizes have seen the majority of sales occurring compared to the other unit sizes, so they allow for meaningful analysis. We have cross referenced the sold prices on Land Registry with the floor areas recorded on the Energy Performance Certificate (EPC) register, to get a value £psm and identify which sale values correspond with the unit sizes in the viability testing.

2.3.4 For the purposes of our analysis, we consider the value bands of the wards as:



- **Lower value bands:**

	£265,000 - £325,000
	£325,000 - £385,000

- **Mid value bands:**

	£385,000 - £445,000
	£445,000 - £505,000

- **Higher value bands:**

	£505,000 - £565,000
	£565,000 - £625,000

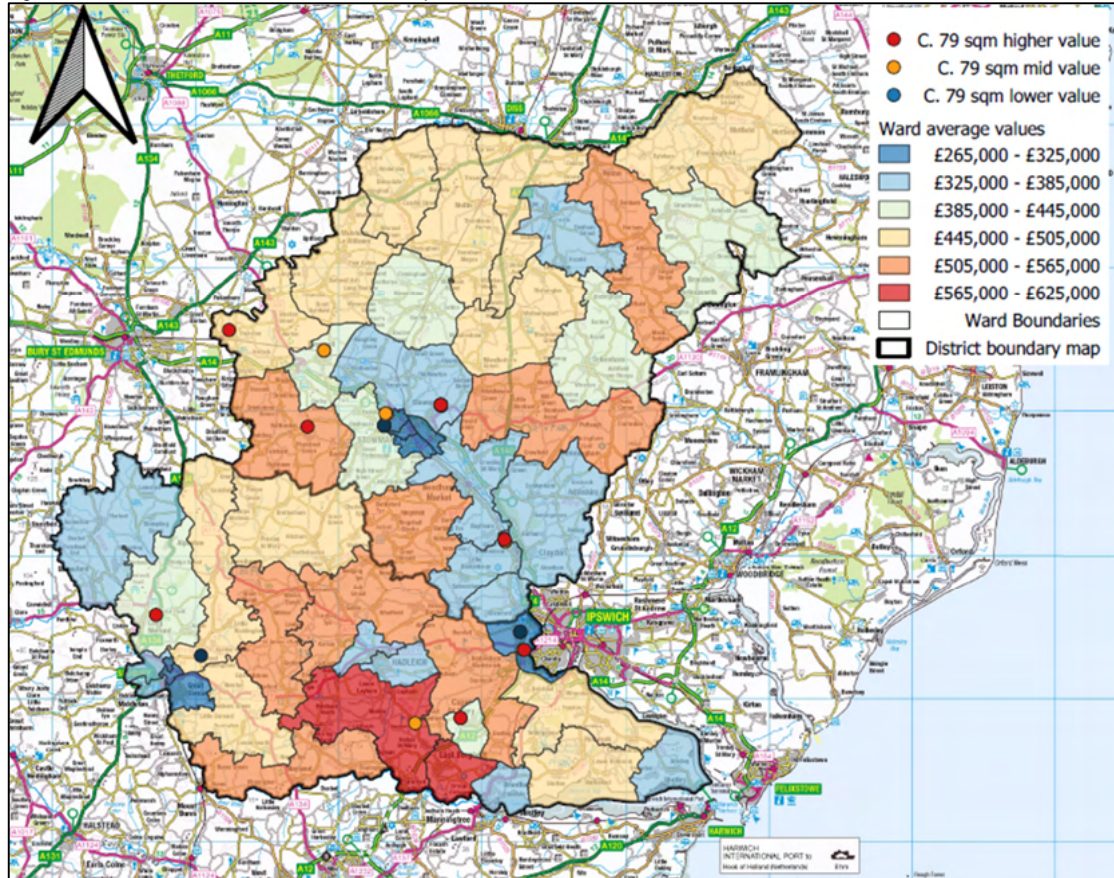
2.3.5 Where there have been one or two new build sales occurring on a particular development, we have treated these as outliers because they do not provide sufficient robustness.



## Analysis of c. 79 sqm units

- 2.3.6 We see through analysis of the location of new build sales of units of circa 79 sqm (see Figure 2-7) that some lower value sales have occurred in the lower value band but mid and higher value sales have occurred across all value bands.

Figure 2-7 Location of new build sales – c. 79 sqm



Source: Land Registry, QGIS, Bingmaps, Urbà (May 2023)

2.3.7 Figure 2-8 sets out the achieved new build values for units, as identified in Figure 2-7. The analysis shows that there is around a £30,000 per average unit price variation between the value bands.

Figure 2-8 Selected new build sales – c.79 sqm units

Date	Typology	Address	Postcode	Unit size sqm	Sold price £psm	Unit sold price	Adjusted sold price HPI £psm	Adjusted unit price HPI				
Lower value												
14/05/2021	Detached	99, Onehouse Way, Onehosue, Stowmarket	IP14 1FF	78	£2,949	£230,000	£3,563	£277,935				
16/04/2021	Terraced	3, Drury Close, Onehouse, Stowmarket	IP14 1FS	80	£3,031	£242,500	£3,595	£287,635				
25/10/2021	Terraced	24, Roman Lane, Great Waldingfield	CO10 0HW	81	£3,272	£265,000	£3,625	£293,639				
11/12/2020	Semi detached	17, Ladder Field, Sproughton	IP8 3BF	81	£3,025	£245,000	£3,632	£294,216				
01/04/2021	Terraced	1, Drury Close, Onehouse, Stowmarket	IP14 1FS	80	£3,063	£245,000	£3,633	£290,600				
23/04/2021	Terraced	5, Drury Close, Onehouse, Stowmarket	IP14 1FS	80	£3,063	£245,000	£3,633	£290,600				
29/07/2020	Semi detached	14, Ladder Field, Sproughton	IP8 3BF	81	£2,963	£240,000	£3,653	£295,932	Lower value			
										Average	Lowest	Highest
										£290,080	£277,935	£295,932
Mid value												
30/09/2021	Semi detached	37, Fuller Way, Stowmarket	IP14 1XH	80	£3,375	£270,000	£3,953	£316,203				
18/12/2020	Semi detached	2, Elm Close, Great Blakenham	IP6 0NT	79	£3,291	£260,000	£3,987	£315,009				
18/12/2020	Semi detached	4, Elm Close, Great Blakenham	IP6 0NT	79	£3,291	£260,000	£3,987	£315,009				
09/11/2020	Terraced	The Nest, The Street, Raydon	IP7 5LT	78	£3,333	£260,000	£3,998	£311,867				
02/03/2021	Semi detached	51, St Edmunds Drive, Elmswell	IP30 9NP	81	£3,395	£275,000	£4,007	£324,592				
31/03/2021	Terraced	45, St Edmunds Drive, Elmswell	IP30 9NP	81	£3,395	£275,000	£4,007	£324,592				
30/09/2021	Terraced	6, Amis Close, Stowmarket	IP14 1XE	80	£3,438	£275,000	£4,026	£322,059				
26/06/2020	Semi detached	17, Vale View Road, Sproughton	IP8 3FG	79	£3,354	£265,000	£4,066	£321,218				
05/02/2021	Semi detached	6, Chamomile Close, Stowupland	IP14 4FE	79	£3,443	£272,000	£4,074	£321,825				
19/02/2021	Semi detached	4, Chamomile Close, Stowupland	IP14 4FE	79	£3,443	£272,000	£4,074	£321,825				
30/09/2020	Semi detached	3, Hornbeam Close, Great Blakenham	IP6 0NR	79	£3,228	£255,000	£4,078	£322,124				
21/01/2021	Semi detached	5, Chamomile Close, Stowupland	IP14 4FE	79	£3,418	£270,000	£4,082	£322,472	Mid value			
										Average	Lowest	Highest
										£319,900	£311,867	£324,592
Higher value												
06/11/2020	Semi detached	6, Felchurch Road, Sproughton	IP8 3FF	79	£3,671	£290,000	£4,403	£347,852				
22/04/2021	Semi detached	3, Lady Road, Thurston, Bury St Edmunds	IP31 3FL	80	£3,712	£296,995	£4,403	£352,273				
14/08/2020	Semi detached	62, Braithwaite Road, Long Melford, Sudbry	CO10 9FS	80	£3,475	£278,000	£4,422	£353,783				
27/03/2020	Semi detached	86, Oxlip Way, Stowupland, Stowmarket	IP14 4DT	79	£3,354	£264,995	£4,430	£350,001				
21/05/2021	Semi detached	1, Fox Earth Close, Capel St Mary	IP9 2PF	79	£3,797	£300,000	£4,449	£351,476				
18/03/2021	Semi detached	2, Fox Earth Close, Capel St Mary	IP9 2PF	79	£3,861	£305,000	£4,454	£351,860				
30/10/2020	Detached	46, Meadow Drive, Great Blakenham	IP6 0NH	79	£3,570	£282,000	£4,459	£352,277				
30/09/2021	Semi detached	Snowdrops, Lower Road, Rattlesden	IP30 0RJ	80	£3,813	£305,000	£4,465	£357,193				
27/01/2021	Detached	3, Chamomile Close, Stowupland	IP14 4FE	79	£3,797	£300,000	£4,535	£358,302	Higher value			
										Average	Lowest	Highest
										£352,780	£347,852	£358,302

Source: Land Registry, EPC, Urbà (May 2023)

## November 2024 update analysis of c. 79 sqm units

2.3.8 As shown in Figure 2-9, there have been more sales occurring across all the value bands in the November 2024 update of circa 79 sq m units. Although there has only been a small number of sales in the higher value band. The updated evidence shows there is a £24,000 difference in the average unit values between the lower and mid value bands, with a much larger difference between the mid and higher (albeit a small sample) value bands of £200,000. Although this data does show some overlap between the lowest values in the mid value band and the lower value band. The evidence shows that the average prices across all value bands have increased.

Figure 2-9 Selected new build sales – c.79 sqm units – November 2024 update

Date of sale	Typology	Address	Postcode	Unit size sqm	Sold price £psm	Unit sold price	Adjusted sold price HPI £psm	Adjusted unit price HPI				
Lower value												
15/08/2022	Semi detached	14 Storeys Road Brantham	CO11 1FP	79	£4,241	£335,000	£4,053	£320,151				
19/08/2022	Semi detached	16 Storeys Road Brantham	CO11 1FP	79	£4,177	£330,000	£3,900	£308,130				
31/03/2023	Semi detached	10 Wardle Close Brantham	CO11 1FQ	79	£4,367	£345,000	£4,283	£338,343				
22/09/2022	Semi detached	10 Golding Way Stowmarket	IP14 1XL	80	£3,750	£300,000	£3,823	£305,831				
23/09/2022	Semi detached	23 Jarman Road Stowmarket	IP14 1XN	81	£3,704	£300,000	£3,776	£305,831				
08/08/2022	Semi detached	21 Jarman Road Stowmarket	IP14 1XN	81	£3,704	£300,000	£3,866	£313,178				
24/10/2022	Detached	9 Hither Close Needham Market	IP6 8FZ	79	£4,304	£340,000	£4,324	£341,572				
28/10/2022	Terraced	6 Golding Way Stowmarket	IP14 1XG	81	£3,951	£320,000	£3,969	£321,480				
11/11/2022	Terraced	2 Bradley Mill Way Needham Market	IP6 8FG	80	£3,938	£315,000	£3,902	£312,127				
21/12/2022	Semi detached	3 Black Oak Drive Stowupland	IP14 4FQ	80	£3,750	£299,995	£3,755	£300,390				
05/08/2022	Semi detached	3 Dunford Way Needham Market	IP6 8FF	80	£3,875	£310,000	£4,045	£323,617				
16/09/2022	Detached	7 Hither Close Needham Market	IP6 8FZ	79	£5,000	£395,000	£5,097	£402,678				
31/10/2022	Semi detached	2 Cardman Drive Hadleigh	IP7 6DH	79	£4,177	£330,000	£3,900	£308,130				
31/10/2022	Semi detached	3 Cardman Drive Hadleigh	IP7 6DH	79	£4,051	£320,000	£3,782	£298,793				
28/03/2023	Semi detached	2 Hillier Road Stowmarket	IP14 1XR	79	£3,924	£310,000	£4,027	£318,158				
15/09/2023	Terraced	5 Nelson Avenue Shotley Gate	IP9 1FF	78	£3,333	£260,000	£3,278	£255,688				
23/08/2023	Semi detached	2 Archer Drive Stowmarket	IP14 1XS	79	£3,658	£289,000	£3,816	£301,488				
31/08/2023	Terraced	3 Bradley Mill Way Needham Market	IP6 8FG	80	£3,625	£290,000	£3,782	£302,531				
05/10/2023	Semi detached	1 Archer Drive Stowmarket	IP14 1XS	79	£3,547	£280,250	£3,755	£296,632				
Mid value												
05/08/2022	Semi detached	9 Roman Lane Great Waldingfield	CO10 0HW	81	£4,877	£395,000	£4,660	£377,492				
09/12/2022	Detached	1 Scotts Way Cockfield	IP30 0DD	78	£4,808	£375,000	£4,657	£363,257				
01/08/2022	Semi detached	19 Long Gilberts Road Elmswell	IP30 9FZ	79	£3,753	£296,500	£3,918	£309,524				
31/08/2022	Semi detached	21 Long Gilberts Road Elmswell	IP30 9FZ	79	£3,778	£298,500	£3,944	£311,612				
28/10/2022	Semi detached	15 Glebe Crescent, Elmswell	IP30 9GR	79	£3,778	£298,500	£3,796	£299,880				
30/09/2022	Semi detached	11 Glebe Crescent, Elmswell	IP30 9GR	79	£3,778	£298,500	£3,852	£304,302				
30/09/2022	Semi detached	22 Glebe Crescent, Elmswell	IP30 9GR	79	£3,778	£298,500	£3,852	£304,302				
07/10/2022	Flat	53 Onehouse Way Onehouse	IP14 1FU	78	£3,077	£240,000	£3,091	£241,110				
21/12/2022	Semi detached	51 Bassett Road Thurston	IP31 3UT	79	£4,089	£323,000	£4,094	£323,425				
13/01/2023	Semi detached	1 Glebe Crescent, Elmswell	IP30 9GR	79	£3,772	£298,000	£3,807	£300,768				
13/01/2023	Semi detached	53 Bassett Road Thurston	IP31 3UT	79	£4,051	£320,000	£4,088	£322,973				
31/03/2023	Semi detached	44 Bassett Road Thurston	IP31 3UT	79	£4,114	£325,000	£4,222	£333,553				
20/04/2023	Detached	11 Everetts Way Tostock	IP30 9ZA	80	£5,000	£400,000	£5,125	£409,973				
05/05/2023	Detached	56 Moore Road, Onehouse	IP14 1FH	78	£5,769	£450,000	£6,035	£470,736				
30/06/2023	Semi detached	42 Bassett Road Thurston	IP31 3UT	79	£3,987	£315,000	£4,232	£334,344				
10/05/2024	Detached	2 Everetts Way Tostock	IP30 9ZA	80	£4,813	£385,000	£5,069	£405,530				
Higher value												
10/03/2023	Semi detached	2 St. Johns Bams Church Road Battisford	IP14 2HE	78	£5,064	£395,000	£5,197	£405,395				
15/08/2022	Detached	Lindale Folly Lane Copdock	IP8 3JQ	81	£7,840	£635,000	£7,492	£606,854				
04/08/2022	Detached	Cortlands, Folv Lane Copdock	IP8 3JQ	81	£7,840	£635,000	£7,492	£606,854				
HPI adjusted												
									Lower value			
									Average	Lowest	Highest	
									£314,460	£255,688	£402,678	
										HPI adjusted		
									Mid value			
									Average	Lowest	Highest	
									£338,299	£241,110	£470,736	
										HPI adjusted		
									Higher value			
									Average	Lowest	Highest	
									£539,701	£405,395	£606,854	

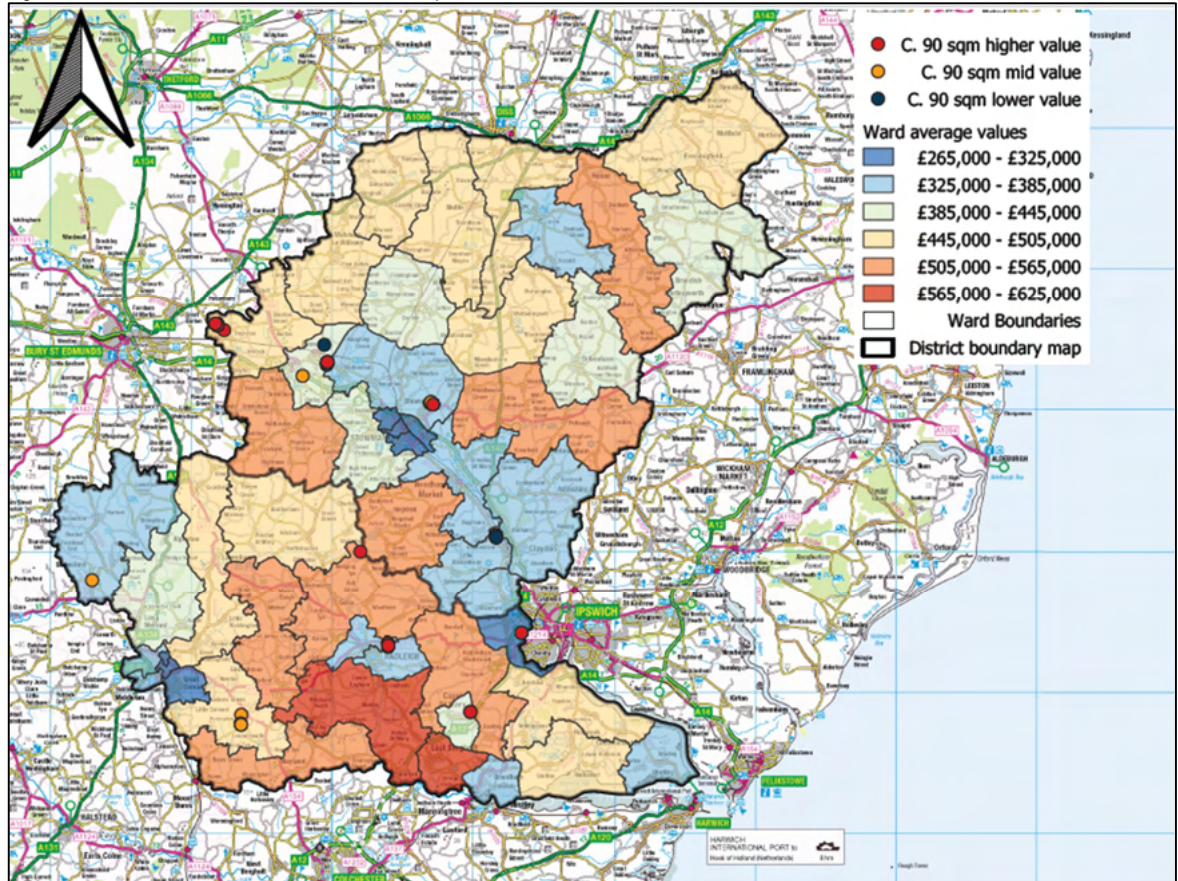
Source: Land Registry, EPC, Urbà (November 2024)



## Analysis of c. 90 sqm units

- 2.3.9 We see through analysis of the location of new build sales of circa 90 sqm units in Figure 2-10 that some lower value sales have occurred in the lower value band but again mid and higher value sales have occurred across all bands.

Figure 2-10 Location of new build sales – c. 90 sqm



Source: Land Registry, QGIS, Bingmaps, Urbà (May 2023)

2.3.10 Figure 2-11 sets out the achieved new build values for units, as identified in Figure 2-10. The analysis shows that there is around a £40,000 per average unit price variation between the lower and mid value bands and around £58,000 per average unit price variation between the mid and higher value bands for the circa 90 sqm units.

Figure 2-11 Selected new build sales – c.90 sqm units

Date	Typology	Address	Postcode	Unit size sqm	Sold price £psm	Unit sold price	Adjusted sold price HPI £psm	Adjusted unit price HPI
<b>Lower value</b>								
14/12/2020	Detached	119, Stowmarket Road, Great Blakenham	IP6 0LU	90	£3,000	£270,000	£3,635	£327,125
12/07/2022	Semi detached	7, Levant Close, Elmswell	IP30 9YS	92	£3,424	£315,000	£3,662	£336,934
14/12/2020	Detached	117, Stowmarket Road, Great Blakenham	IP6 0LU	90	£3,056	£275,000	£3,702	£333,183
23/06/2021	Detached	5, Chestnut Close, Great Blakenham	IP6 0NS	90	£3,144	£283,000	£3,735	£336,116
31/03/2021	Detached	3, Chestnut Close, Great Blakenham	IP6 0NS	90	£3,167	£285,000	£3,738	£336,395
21/10/2022	Detached	1, Jervises Croft, Elmswell	IP30 9YL	92	£3,728	£343,000	£3,765	£346,355
18/12/2020	Detached	36, Meadow Drive, Great Blakenham	IP6 0NH	90	£3,111	£280,000	£3,769	£339,240
19/03/2021	Detached	4, Chestnut Close, Great Blakenham	IP6 0NS	90	£3,211	£289,000	£3,790	£341,117
<b>HPI adjusted</b>								
<b>Lower value</b>								
<b>Average</b>								
<b>Lowest</b>								
<b>Highest</b>								
<b>Mid value</b>								
29/01/2021	Detached	7, Painter Close, Hadleigh	IP7 6FR	88	£3,466	£305,000	£4,107	£361,374
05/11/2021	Detached	18, Garman Way, Hadleigh	IP7 6DQ	88	£3,801	£334,500	£4,107	£361,459
16/07/2021	Detached	2, Shaw Drive, Thurston	IP31 3UR	91	£3,462	£315,000	£4,111	£374,122
30/09/2022	Detached	11, Little Tufts, Capel St Mary	IP9 2UD	88	£4,148	£365,000	£4,125	£362,988
30/09/2021	Detached	2, Hudson Way, Hadleigh	IP7 6FN	91	£3,681	£335,000	£4,125	£375,387
26/02/2021	Detached	2, Painter Close, Hadleigh	IP7 6FR	88	£3,523	£310,000	£4,133	£363,742
10/03/2022	Detached	5, Gants Meadow, Nedding Tye	IP7 7FH	90	£4,000	£360,000	£4,151	£373,582
26/03/2021	Detached	11, Gates Close, Thurston	IP31 3UL	91	£3,516	£320,000	£4,151	£377,707
28/10/2021	Detached	19, Garman Way, Hadleigh	IP7 6DQ	88	£3,750	£330,000	£4,155	£365,664
27/08/2021	Semi detached	14, Lady Road, Thurston	IP31 3FL	90	£3,570	£321,295	£4,174	£375,652
30/06/2021	Detached	28, Double Road, Thurston	IP31 3UJ	88	£3,523	£310,000	£4,184	£368,183
13/08/2021	Detached	4, Farthing Land, Elmswell	IP30 9YH	92	£3,587	£330,000	£4,194	£385,829
03/12/2020	Detached	16, Larchwood Close	IP2 0DA	90	£3,500	£315,000	£4,203	£378,278
29/01/2021	Detached	8, Farrow Close, Elmswell	IP30 9YG	92	£3,533	£325,000	£4,219	£388,161
29/06/2021	Detached	8, Garman Way, Hadleigh	IP7 6DQ	88	£3,636	£320,000	£4,221	£371,430
18/06/2021	Detached	4, Shaw Drive, Thurston	IP31 3UR	88	£3,563	£313,500	£4,231	£372,340
07/01/2021	Detached	15, Double Road, Thurston	IP31 3UJ	91	£3,544	£322,500	£4,233	£385,175
18/12/2020	Detached	2, Gates Close, Thurston	IP31 3UL	91	£3,495	£318,000	£4,234	£385,280
25/06/2021	Detached	3, Shaw Drive, Thurston	IP31 3UR	88	£3,574	£314,500	£4,245	£373,528
05/03/2021	Detached	4, Gates Close, Thurston	IP31 3UL	88	£3,597	£316,500	£4,245	£373,576
23/04/2021	Detached	10, Gates Close, Thurston	IP31 3UL	88	£3,580	£315,000	£4,246	£373,629
25/09/2020	Terraced	23, Selion Way, Elmswell	IP30 9YA	88	£3,364	£296,000	£4,249	£373,917
31/03/2021	Detached	20, Shaw Drive, Thurston	IP31 3UR	91	£3,604	£328,000	£4,254	£387,150
27/11/2020	Detached	2, Double Road, Thurston	IP31 3UJ	91	£3,462	£315,000	£4,255	£387,174
30/10/2020	Detached	10, Farrow Close, Elmswell	IP30 9YG	91	£3,407	£310,000	£4,256	£387,255
30/06/2022	Detached	38, Little Tufts, Capel St Mary	IP9 2UD	88	£4,159	£366,000	£4,259	£374,794
11/12/2020	Detached	17, Larchwood Close	IP2 0DA	90	£3,556	£320,000	£4,270	£384,282
31/08/2021	Detached	1, Bennett Close, Thurston	IP31 3US	88	£3,659	£322,000	£4,278	£376,476
29/04/2021	Detached	40, Oxlip Way, Stowupland	IP14 4DT	89	£3,618	£322,000	£4,291	£381,932
25/06/2021	Detached	8, Bennett Close, Thurston	IP31 3US	88	£3,614	£318,000	£4,292	£377,685
<b>HPI adjusted</b>								
<b>Mid value</b>								
<b>Average</b>								
<b>Lowest</b>								
<b>Highest</b>								
<b>Higher value</b>								
31/07/2020	Detached	6, Farrow Close, Elmswell	IP30 9YG	92	£3,533	£325,000	£4,500	£414,003
13/03/2020	Detached	1, Cranesbill Way, Stowupland	IP14 4FB	92	£3,424	£314,995	£4,522	£416,040
24/09/2020	Detached	15, Larchwood Close	IP2 0DA	90	£3,583	£322,500	£4,526	£407,306
26/02/2020	Detached	82, Oxlip Way, Stowupland	IP14 4DT	90	£3,478	£312,995	£4,533	£408,011
14/08/2020	Detached	94, Oxlip Way, Stowupland	IP14 4DT	89	£3,539	£314,995	£4,549	£404,854
24/01/2020	Detached	3, Selion Way, Elmswell	IP30 9YA	88	£3,523	£310,000	£4,580	£403,037
23/04/2020	Detached	2, Radford Drive, Glensford	CO10 7FU	91	£3,736	£340,000	£4,588	£417,511
13/03/2020	Detached	83, Oxlip Way, Stowupland	IP14 4DT	92	£3,478	£319,995	£4,594	£422,644
03/12/2020	Detached	95, Oxlip Way, Stowupland	IP14 4DT	92	£3,826	£352,000	£4,636	£426,474
30/06/2020	Detached	3, Comfrey Road, Stowupland	IP14 4FD	92	£3,674	£337,995	£4,648	£427,633
27/03/2020	Detached	3, Cranesbill Way, Stowupland	IP14 4FB	92	£3,533	£324,995	£4,666	£429,248
12/03/2021	Detached	3, Warner Rise, Assington	CO10 5AN	91	£4,049	£368,500	£4,672	£425,116
30/06/2020	Detached	89, Oxlip Way, Stowupland	IP14 4DT	92	£3,696	£339,995	£4,676	£430,163
17/12/2020	Detached	93, Oxlip Way, Stowupland	IP14 4DT	92	£3,880	£357,000	£4,701	£432,532
11/09/2020	Detached	91, Oxlip Way, Stowupland	IP14 4DT	92	£3,750	£345,000	£4,737	£435,815
06/11/2020	Detached	101, Oxlip Way, Stowupland	IP14 4DT	92	£3,859	£355,000	£4,743	£436,339
30/06/2020	Detached	6, Comfrey Road, Stowupland	IP14 4FD	92	£3,804	£349,995	£4,813	£442,815
30/07/2021	Detached	5, Pippin Close, Assington	CO10 5NH	91	£4,396	£400,000	£5,003	£455,294
24/09/2021	Detached	4, Beaker Place, Woolpit	IP30 9YW	91	£4,286	£389,995	£5,019	£456,732
30/06/2021	Semi detached	8, Orchard Road, Assington	CO10 5NJ	91	£4,341	£395,000	£5,038	£458,484
30/06/2021	Detached	3, Pippin Close, Assington	CO10 5NH	91	£4,396	£400,000	£5,102	£464,287
10/03/2021	Detached	3, Orchard Road, Assington	CO10 5NJ	92	£4,891	£450,000	£5,643	£519,138
<b>HPI adjusted</b>								
<b>Higher value</b>								
<b>Average</b>								
<b>Lowest</b>								
<b>Highest</b>								

Source: Land Registry, EPC, Urbà (May 2023)

2.3.11 As shown in Figure 2-12 there have been more sales occurring across all the value bands in the November 2024 update of circa 90 sq m units. The evidence shows that there have been some low value sales occurring in the mid value band, with these values being lower than those lower value band. But the highest value achieved in the mid value band is around £85,000 higher than that achieved in the mid value band. Only a single sale has occurred in the higher value band, so it is not possible to draw any conclusion. The evidence shows that the average price in the lower band has increased.

Table 12: Selected non-band sales - 1962 sqm units - November 2021 update									
Date of sale	Typology	Address	Postcode	Unit size sqm	Sold price £psm	Unit sold price	Adjusted sold price HPI £psm	Adjusted unit price HPI	
Lower value									
25/11/2022	Detached	2 Reason Drive Hadleigh	IP7 6FS	88	£4,091	£360,000	£3,860	£339,708	
16/12/2022	Terraced	14 Middle Meadow Hadleigh	IP7 6FW	91	£3,846	£350,000	£3,726	£339,040	
13/01/2023	Detached	50 Garman Way Hadleigh	IP7 6DQ	91	£3,923	£357,000	£3,871	£352,296	
03/03/2023	Terraced	12 Middle Meadow Hadleigh	IP7 6FW	91	£3,571	£325,000	£3,476	£316,330	
19/05/2023	Terraced	11 Middle Meadow Hadleigh	IP7 6FW	90	£3,611	£325,000	£3,546	£319,168	
31/10/2023	Semi detached	16 Hudson Way Hadleigh	IP7 6FN	91	£3,681	£335,000	£3,610	£328,535	
20/09/2022	Detached	7 Barn Field Drive Needham Market	IP6 8FY	89	£3,933	£350,000	£4,009	£356,803	
21/10/2022	Detached	2 Red Oak Drive Stowupland	IP14 4FP	90	£3,611	£324,995	£3,628	£326,498	
09/12/2022	Semi detached	5 Bradley Mill Way Needham Market	IP6 8FG	92	£3,804	£350,000	£3,809	£350,461	
16/12/2022	Semi detached	4 Bradley Mill Way Needham Market	IP6 8FG	92	£3,750	£345,000	£3,755	£345,454	
16/12/2022	Detached	1 Holme Close Stowupland	IP14 4FN	90	£3,722	£334,995	£3,727	£335,436	
28/06/2023	Detached	16 Barn Field Drive Needham Market	IP6 8FY	92	£3,967	£365,000	£4,211	£387,415	
30/06/2023	Detached	2 Holme Close Stowupland	IP14 4FN	90	£3,767	£338,995	£3,998	£359,813	
04/08/2023	Semi detached	18 Barn Field Drive Needham Market	IP6 8FY	89	£3,989	£355,000	£4,161	£370,340	
31/08/2023	Detached	16 Jervis Close Eye	IP23 7FD	88	£3,636	£320,000	£3,793	£333,827	HPI adjusted
01/09/2023	Detached	10 Barn Field Drive Needham Market	IP6 8FY	92	£3,804	£350,000	£4,002	£368,154	Average
29/09/2023	Semi detached	1 Black Oak Drive Stowupland	IP14 4FQ	90	£3,667	£329,995	£3,857	£347,111	Lower value
									Lowest
									Highest
Mid value									
30/11/2022	Detached	4 Yarrow Close Capel St Mary	IP9 2YG	88	£4,239	£373,000	£4,000	£351,975	
21/12/2022	Semi detached	7 Fawcett Road Chilton	CO10 0WX	89	£3,348	£298,000	£3,243	£288,668	
22/12/2022	Semi detached	37 Aubrey Drive Chilton	CO10 0XP	89	£3,315	£295,000	£3,211	£285,762	
22/12/2022	Semi detached	39 Aubrey Drive Chilton	CO10 0XP	89	£3,348	£298,000	£3,243	£288,668	
22/12/2022	Semi detached	41 Aubrey Drive Chilton	CO10 0XP	89	£3,483	£310,000	£3,374	£300,293	
22/12/2022	Semi detached	1 Fawcett Road Chilton	CO10 0WX	89	£3,315	£295,000	£3,211	£285,762	
23/12/2022	Semi detached	43 Aubrey Drive Chilton	CO10 0XP	89	£3,292	£293,000	£3,189	£283,825	
23/12/2022	Semi detached	3 Fawcett Road Chilton	CO10 0WX	89	£3,348	£298,000	£3,243	£288,668	
23/12/2022	Semi detached	5 Fawcett Road Chilton	CO10 0WX	89	£3,348	£298,000	£3,243	£288,668	
23/12/2022	Detached	2 Red Campion Capel St Mary	IP9 2YH	91	£4,308	£392,000	£4,173	£379,725	
28/04/2023	Detached	6 Yarrow Close Capel St Mary	IP9 2YG	88	£3,920	£345,000	£3,840	£337,877	
31/05/2023	Detached	9 Yarrow Close Capel St Mary	IP9 2YG	88	£4,261	£375,000	£4,185	£368,271	
30/06/2023	Semi detached	29 Fawcett Road Chilton	CO10 0WX	89	£3,483	£310,000	£3,400	£302,558	
30/06/2023	Semi detached	5 Pretty Way Chilton	CO10 0ZD	89	£3,528	£314,000	£3,443	£306,462	
30/06/2023	Semi detached	31 Fawcett Road Chilton	CO10 0WX	89	£3,483	£310,000	£3,400	£302,558	
30/06/2023	Semi detached	1 Bluebell Drive Capel St Mary	IP9 2YB	91	£4,066	£370,000	£3,968	£361,118	
08/08/2023	Semi detached	1 Rendell Close Chilton	CO10 0YB	89	£3,528	£314,000	£3,420	£304,375	
15/09/2023	Semi detached	5 Rendell Close Chilton	CO10 0YB	89	£3,438	£306,000	£3,381	£300,925	
29/09/2023	Semi detached	3 Rendell Close Chilton	CO10 0YB						

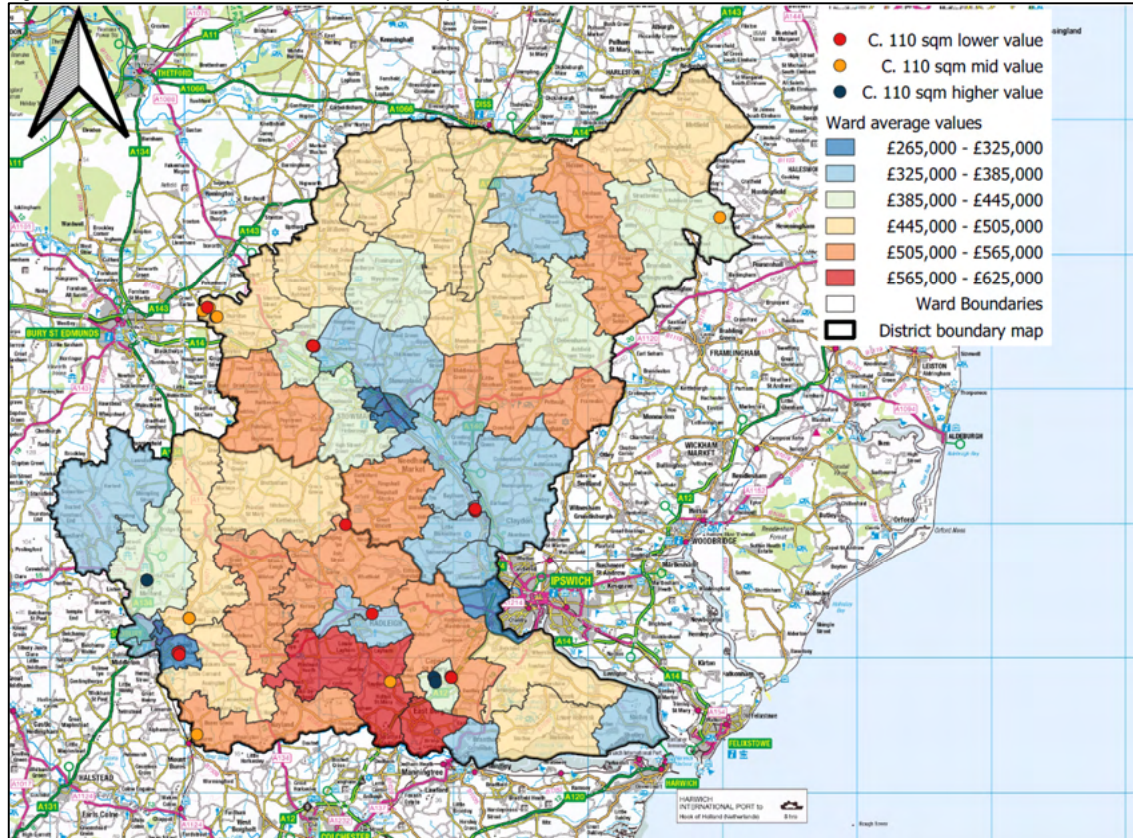
Source: Land Registry, EPC, Urbà (November 2024)



## Analysis of c.110 sqm units

- 2.3.12 We see through analysis of the location of new build sales of circa 110 sqm housing in Figure 2-13 that higher value sales have occurred across all value ward bands and lower value sales have occurred in the mid value band.

Figure 2-13 Location of new build sales – c. 110 sqm



Source: Land Registry, QGIS, Bingmaps, Urbà (May 2023)

2.3.13 Figure 2-14 sets out the achieved new build values for units, as identified in Figure 2-13. The analysis shows that there is around a £63,000 per average unit price variation between the lower and mid value bands and around £70,000 per average unit price variation between the mid and higher value bands for the circa 110 sqm units.

Figure 2-14 Selected new build sales – c.110 sqm units

Date	Typology	Address	Postcode	Unit size sqm	Sold price £psm	Unit sold price	Adjusted sold price HPI	Adjusted unit price HPI	
<b>Lower value</b>									
31/03/2021	Detached	1, Chestnut Close, Great Blakenham, Ipswich	IP6 0NS	111	£2,973	£330,000	£3,509	£389,511	
18/06/2021	Detached	15, Chestnut Close, Great Blakenham, Ipswich	IP6 0NS	111	£2,973	£330,000	£3,531	£391,937	
30/06/2022	Detached	9, Snowdrop Drive, Capel St Mary, Ipswich	IP9 2YE	111	£3,477	£386,000	£3,561	£395,275	
18/12/2020	Detached	2, Chestnut Close, Great Blakenham, Ipswich	IP6 0NS	111	£2,973	£330,000	£3,602	£399,819	
25/03/2022	Detached	4, New Breck Road, Elmswell, Bury St Edmunds	IP30 9YN	109	£3,349	£365,000	£3,613	£393,821	
30/06/2022	Detached	2, Foxglove Road, Capel St Mary, Ipswich	IP9 2YF	111	£3,559	£395,000	£3,644	£404,491	
28/05/2021	Detached	7, Chestnut Close, Great Blakenham, Ipswich	IP6 0NS	111	£3,018	£335,000	£3,647	£404,818	
29/04/2022	Detached	24, Procession Way, Elmswell, Bury St Edmunds	IP30 9YJ	109	£3,349	£365,000	£3,649	£397,687	
13/12/2021	Detached	2, Tanner Walk, Hadleigh, Ipswich	IP7 6FT	112	£3,415	£382,500	£3,649	£408,715	
30/10/2020	Detached	30, Meadow Drive, Great Blakenham, Ipswich	IP6 0NH	111	£2,928	£325,000	£3,658	£405,993	
30/10/2020	Detached	24, Meadow Drive, Great Blakenham, Ipswich	IP6 0NH	111	£2,928	£325,000	£3,658	£405,993	
28/01/2022	Detached	4, Gants Meadow, Nedding Tye, Ipswich	IP7 7FH	110	£3,455	£380,000	£3,663	£402,880	
21/12/2020	Detached	6, Marshall Drive, Great Cornard, Sudbury	CO10 0DR	108	£3,056	£330,000	£3,669	£396,291	
17/04/2020	Detached	108, Grace Farrant Road, Great Cornard, Sudbury	CO10 0ED	108	£2,991	£323,000	£3,673	£396,636	
29/05/2020	Detached	18, Wakelin Close, Great Cornard, Sudbury	CO10 0FN	108	£3,009	£324,995	£3,675	£396,886	
18/11/2021	Detached	2, Bere Road, Elmswell, Bury St Edmunds	IP30 9YP	109	£3,349	£365,000	£3,704	£403,712	
26/08/2022	Detached	22, New Breck Road, Elmswell, Bury St Edmunds	IP30 9YN	109	£3,486	£380,000	£3,704	£403,769	
22/05/2020	Detached	24, Wakelin Close, Great Cornard, Sudbury	CO10 0FN	108	£3,056	£330,000	£3,731	£402,999	
30/06/2022	Detached	7, Snowdrop Drive, Capel St Mary, Ipswich	IP9 2YE	111	£3,649	£405,000	£3,736	£414,731	HPI adjusted
12/11/2021	Detached	59, Ghent Field Circle, Thurston, Bury St Edmunds	IP31 3UP	111	£3,378	£375,000	£3,737	£414,773	Average
30/06/2021	Detached	107, Stowmarket Road, Great Blakenham, Ipswich	IP6 0LU	111	£3,153	£350,000	£3,745	£415,691	Lowest Highest
<b>Mid value</b>									
18/12/2020	Detached	2, Ghent Field Circle, Thurston, Bury St Edmunds	IP31 3UP	111	£3,360	£373,000	£4,071	£451,917	
26/03/2021	Detached	1, Oakes Close, Laxfield, Woodbridge	IP13 8FH	110	£3,500	£385,000	£4,131	£454,429	
07/12/2021	Detached	28, Roman Lane, Great Waldingfield, Sudbury	CO10 0HW	108	£3,935	£425,000	£4,205	£454,128	
01/09/2020	Detached	11, Double Road, Thurston, Bury St Edmunds	IP31 3UJ	111	£3,333	£370,000	£4,211	£467,396	
12/08/2020	Detached	Dedham Lodge, The Street, Raydon, Ipswich	IP7 5LT	108	£3,310	£357,500	£4,213	£454,955	
31/03/2022	Detached	1, Kings Road, Thurston, Bury St Edmunds	IP31 3GE	110	£3,909	£429,995	£4,218	£463,948	HPI adjusted
31/03/2022	Detached	6, Gatekeeper Close, Thurston, Bury St Edmunds	IP31 3UF	112	£4,018	£450,000	£4,335	£485,533	Mid value
04/09/2020	Detached	3, Apple Tree Mews, Bures	CO8 5HX	112	£3,482	£390,000	£4,398	£492,556	Average
<b>Higher value</b>									
10/09/2021	Detached	6, Skipper Close, Thurston, Bury St Edmunds	IP31 3UH	112	£3,929	£440,000	£4,601	£515,294	
09/07/2020	Detached	21, Pipistrelle Way, Capel St Mary, Ipswich	IP9 2RH	112	£3,737	£418,500	£4,607	£516,031	
16/04/2021	Detached	72, Braithwaite Road, Long Melford, Sudbury	CO10 9FS	112	£4,018	£450,000	£4,700	£526,380	
09/04/2020	Detached	19, Roe Deer Drive, Capel St Mary, Ipswich	IP9 2LN	112	£3,839	£430,000	£4,715	£528,029	
28/10/2021	Detached	5, Roman Lane, Great Waldingfield, Sudbury	CO10 0HW	110	£4,318	£475,000	£4,785	£526,334	
30/10/2020	Detached	74, Braithwaite Road, Long Melford, Sudbury	CO10 9FS	112	£3,929	£440,000	£4,830	£540,908	
01/08/2022	Detached	15, Roman Lane, Great Waldingfield, Sudbury	CO10 0HW	110	£5,000	£550,000	£4,982	£548,022	HPI adjusted
30/10/2020	Detached	Madgwicks, The Drift, Capel St Mary, Ipswich	IP9 2DU	110	£4,091	£450,000	£5,029	£553,202	Higher value
21/08/2020	Detached	70, Braithwaite Road, Long Melford, Sudbury	CO10 9FS	112	£4,018	£449,995	£5,113	£572,664	Average
									Lowest Highest

Source: Land Registry, EPC, Urbà (May 2023)

## November 2024 update analysis of c.110 sqm units

2.3.14 The updated analysis in Figure 2-15 shows that there is a variation of £58,000 between the average price in the lower and mid value bands and around £40,000 between the mid and higher value bands. The average prices in the update, are lower than the previous evidence, although the highest prices in the mid value zone are higher in the update.

Figure 2-15 Selected new build sales – c.110 sqm units – November 2024 update

Date of sale	Typology	Address	Postcode	Unit size sqm	Sold price £psm	Unit sold price	Adjusted sold price HPI	Adjusted unit price HPI			
Lower value											
11/08/2022	Detached	66 Vale View Road Sproughton	IP8 3FS	108	£3,657	£395,000	£3,495	£377,492	Lower value	Average	Lowest
14/09/2022	Detached	33 Garman Way Hadleigh	IP7 6DQ	111	£3,468	£385,000	£3,288	£364,993			
22/09/2022	Detached	63 Vale View Road Sproughton	IP8 3FS	108	£3,657	£395,000	£3,467	£374,474			
30/09/2022	Detached	37 Hudson Way Hadleigh	IP7 6FN	112	£3,634	£407,000	£3,445	£385,850			
25/11/2022	Semi detached	29 Hudson Way Hadleigh	IP7 6FN	110	£3,091	£340,000	£2,917	£320,836			
25/11/2022	Semi detached	35 Hudson Way Hadleigh	IP7 6FN	110	£3,045	£335,000	£2,874	£316,117			
30/11/2022	Semi detached	33 Hudson Way Hadleigh	IP7 6FN	110	£3,136	£345,000	£2,960	£325,554			
30/06/2023	Detached	31 Garman Way Hadleigh	IP7 6DQ	111	£3,514	£390,000	£3,429	£380,638			
28/07/2023	Detached	26 Hudson Way Hadleigh	IP7 6FN	111	£3,445	£382,420	£3,340	£370,697			
28/07/2023	Semi detached	31 Hudson Way Hadleigh	IP7 6FN	110	£2,909	£320,000	£2,820	£310,191			
05/10/2023	Semi detached	22 Hudson Way Hadleigh	IP7 6FN	110	£3,182	£350,000	£3,120	£343,246			
17/11/2023	Semi detached	20 Hudson Way Hadleigh	IP7 6FN	110	£3,055	£336,000	£3,089	£339,821			
07/10/2022	Terraced	83 Quarry Avenue Needham Market	IP6 8FA	108	£3,148	£340,000	£3,163	£341,572			
14/10/2022	Terraced	79 Quarry Avenue Needham Market	IP6 8FA	108	£3,102	£335,000	£3,116	£336,549			
18/11/2022	Terraced	81 Quarry Avenue Needham Market	IP6 8FA	108	£3,194	£345,000	£3,165	£341,853			
Mid value											
01/08/2022	Detached	15 Roman Lane Great Waldingfield	CO10 0HV	110	£5,000	£550,000	£4,778	£525,621	Mid value	Average	Lowest
31/08/2022	Detached	4 Foxglove Road Capel St Mary	IP9 2YF	111	£3,860	£428,500	£3,689	£409,507			
27/09/2022	Detached	1 Snowdrop Drive Capel St Mary	IP9 2YE	111	£3,811	£423,000	£3,613	£401,019			
14/10/2022	Detached	14 Fison Place Stutton	IP9 2TN	112	£4,598	£515,000	£4,293	£480,869			
11/11/2022	Detached	11 Roman Lane Great Waldingfield	CO10 0HV	110	£4,977	£547,500	£4,697	£516,640			
25/11/2022	Detached	22 Clay Pond Way Wherstead	IP2 8NE	111	£3,676	£407,995	£3,468	£384,998			
30/11/2022	Detached	20 Clay Pond Way Wherstead	IP2 8NE	111	£3,676	£407,995	£3,468	£384,998			
22/12/2022	Semi detached	9 Fawcett Road Chilton	CO10 0WV	109	£3,073	£335,000	£2,977	£324,510			
22/12/2022	Semi detached	49 Aubrey Drive Chilton	CO10 0XP	109	£3,028	£330,000	£2,933	£319,666			
22/12/2022	Semi detached	51 Aubrey Drive Chilton	CO10 0XP	109	£2,982	£325,000	£2,888	£314,823			
23/12/2022	Semi detached	11 Fawcett Road Chilton	CO10 0WV	109	£3,119	£340,000	£3,022	£329,353			
23/12/2022	Semi detached	47 Aubrey Drive Chilton	CO10 0XP	109	£3,028	£330,000	£2,933	£319,666			
27/01/2023	Detached	5 Foxes Close Wherstead	IP2 8NF	111	£3,604	£399,995	£3,556	£394,725			
27/01/2023	Detached	12 Foxes Close Wherstead	IP2 8NF	111	£3,964	£439,995	£3,912	£434,198			
31/01/2023	Detached	3 Foxes Close Wherstead	IP2 8NF	111	£3,694	£409,995	£3,645	£404,593			
21/03/2023	Detached	7 Fison Place Stutton	IP9 2TN	112	£4,464	£500,000	£4,345	£486,662			
31/03/2023	Detached	8 Red Campion Capel St Mary	IP9 2YH	111	£3,919	£435,000	£3,814	£423,396			
30/06/2023	Detached	34 Clay Pond Way Wherstead	IP2 8NE	111	£3,495	£388,000	£3,412	£378,686			
15/09/2023	Semi detached	11 Rendell Close Chilton	CO10 0YB	109	£2,982	£325,000	£2,932	£319,610			
19/09/2023	Detached	32 Roman Lane Great Waldingfield	CO10 0HV	110	£4,682	£515,000	£4,604	£506,458			
29/09/2023	Detached	10 Foxes Close Wherstead	IP2 8NF	111	£3,730	£413,995	£3,668	£407,128			
30/11/2023	Detached	9 Foxes Close Wherstead	IP2 8NF	111	£3,378	£374,995	£3,417	£379,259			
19/12/2023	Detached	4 Foxes Close Wherstead	IP2 8NF	111	£3,243	£359,995	£3,212	£356,488			
26/08/2022	Detached	22 New Breck Road Elmswell	IP30 9YN	109	£3,486	£380,000	£3,639	£396,692			
23/09/2022	Detached	23 Old Cannon Way Thurston	IP31 3GF	110	£4,000	£439,995	£4,078	£448,547			
29/09/2022	Detached	6 Speckled Wood Close Thurston	IP31 3UD	112	£4,018	£450,000	£4,096	£458,747			
30/09/2022	Detached	5 Bassett Road Thurston	IP31 3UT	111	£3,649	£405,000	£3,720	£412,872			
17/10/2022	Semi detached	4 Ribbon Close Brockford	IP14 5XT	109	£2,936	£320,000	£2,949	£321,480			
21/10/2022	Terraced	47 Onehouse Way, Onehouse	IP14 1FU	111	£2,973	£330,000	£2,987	£331,526			
28/10/2022	Detached	5 Speckled Wood Close Thurston	IP31 3UD	112	£4,063	£455,000	£4,081	£457,104			
28/10/2022	Terraced	49 Onehouse Way, Onehouse	IP14 1FU	111	£2,928	£325,000	£2,941	£326,503			
31/10/2022	Semi detached	6 Ribbon Close Brockford	IP14 5XT	109	£2,936	£320,000	£2,949	£321,480			
11/11/2022	Terraced	51 Onehouse Way, Onehouse	IP14 1FU	111	£3,153	£350,000	£3,124	£346,808			
18/11/2022	Detached	11 Speckled Wood Close Thurston	IP31 3UD	112	£4,063	£455,000	£4,025	£450,850			
29/11/2022	Detached	9 Glebe Crescent Elmswell	IP30 9GR	108	£3,472	£375,000	£3,441	£371,580			
30/11/2022	Detached	7 Glebe Crescent Elmswell	IP30 9GR	108	£3,519	£380,000	£3,486	£376,534			
16/12/2022	Detached	52 Moore Road Onehouse	IP14 1FH	111	£3,243	£360,000	£3,248	£360,474			
21/12/2022	Detached	5 Glebe Crescent Elmswell	IP30 9GR	108	£3,588	£387,500	£3,593	£388,010			
15/02/2023	Semi detached	5 Ribbon Close Brockford	IP14 5XT	109	£2,890	£315,000	£2,964	£323,071			
31/03/2023	Detached	49 Bassett Road Thurston	IP31 3UT	111	£3,694	£410,000	£3,791	£420,789			
21/04/2023	Detached	15 Everetts Way Tostock	IP30 9ZA	111	£4,505	£500,000	£4,617	£512,466			
26/05/2023	Detached	5 Everetts Way Tostock	IP30 9ZA	111	£4,369	£485,000	£4,571	£507,349			
09/06/2023	Detached	48 Bassett Road Thurston	IP31 3UT	111	£3,622	£402,000	£3,844	£426,687			
24/08/2023	Detached	4 Everetts Way Tostock	IP30 9ZA	111	£4,505	£500,000	£4,699	£521,605			
31/08/2023	Detached	47 Bassett Road Thurston	IP31 3UT	111	£3,712	£412,000	£3,872	£429,802			
21/09/2023	Detached	3 Everetts Way Tostock	IP30 9ZA	111	£4,279	£475,000	£4,501	£499,637			
19/12/2023	Detached	22 Pipistrelle Drive Onehouse	IP14 1GS	111	£3,468	£385,000	£3,664	£406,656			
29/02/2024	Detached	4 Billingford Grove Laxfield	IP13 8FQ	112	£4,018	£450,000	£4,250	£475,974			
Higher value											
07/02/2023	Semi detached	6 Apple Tree Mews Bures	CO8 5HX	112	£3,723	£417,000	£410,651	£3,667	Higher value	Average	Lowest
31/01/2023	Detached	3 St. Johns Bams Battisford	IP14 2HE	111	£4,279	£475,000	£479,413	£4,319			
									£445,032	£410,651	£479,413

Source: Land Registry, EPC, Urbà (November 2024)

## 2.4 Conclusion

- 2.4.1 Our analysis has shown that the sale values across the Districts are very mixed. There is price variation across the Districts to justify varying the testing by value bands, however, our analysis has shown the locations of new build prices are very variable with higher, mid and lower value sales occurring across all of the value wards. There is some direct correlation between the lower value wards and lower value new build prices, so it is possible to base values in this area on the available evidence and create a separate zone for the testing – this is akin to the brownfield sites previously identified. In the mid and higher value wards, we see a range of new build sale values occurring, but they are primarily mid and upper values. Due to the more mixed nature of values across the mid and higher value wards, we've grouped them into a single higher value zone. The values used in the viability testing for the two zones are set out in Table 2-1 and the corresponding map showing the location of the zones is set out in Figure 2-16.

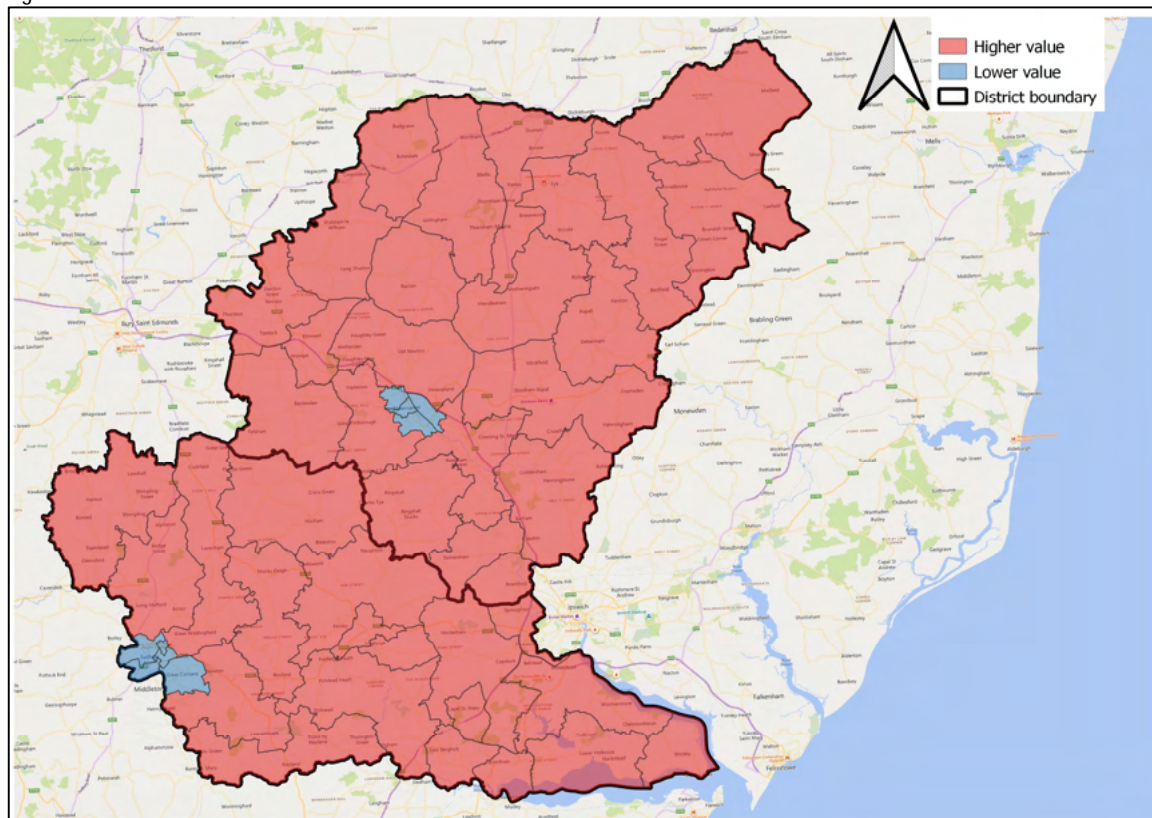
Table 2-1 Sale values CIL viability testing

Typology	Unit Size sqm	Unit Price	£psm
<b>Higher value zone</b>			
1-bed flat	50	£200,000	£4,000
2-bed flat	61	£215,000	£3,525
1-bed house (single storey)	50	£270,000	£5,400
2-bed house	79	£340,000	£4,304
3-bed house	90	£375,000	£4,167
4-bed house	110	£450,000	£4,091
<b>Lower value zone</b>			
1-bed flat	50	£180,000	£3,600
2-bed flat	61	£200,000	£3,279
1-bed house (single storey)	50	£260,000	£5,200
2-bed house	79	£315,000	£3,987
3-bed house	90	£345,000	£3,833
4-bed house	110	£380,000	£3,455

Source: Urbà (November 2024)



Figure 2-16 Value zones



Source: QGIS, Bingmaps, Urbà (May 2023)

## 3 Older persons accommodation

### 3.1 Introduction

- 3.1.1 Figure 3-1 sets out the values used in the AV October 2020 study for sheltered housing and extra care. The sheltered housing values were based on market research of comparable evidence but there was no direct evidence for extra care so the values were based on premiums applied to the sheltered housing. The premiums were based on research from The Retirement Housing Group (RHG) – these premiums were 25% of a 1-bed and 2-bed flat.

Figure 3-1 Unit sizes and sale values used in the AV October 2020 study

Type	Average unit size sqm	Unit price
Sheltered Housing 1-Bed	55	£230,000
Sheltered Housing 2-Bed	70	£280,000
Extra-Care 1-Bed	55	£287,500
Extra-Care 2-Bed	70	£350,000

Source: AspinallVerdi (October 2020)

### 3.2 Market overview

- 3.2.1 As shown in Figure 3-2 the RHG research also considers the value of sheltered housing against general needs values. We have found in recent studies that the research undertaken by RHG is broadly reasonable to use, as a rule of thumb, when benchmarking general needs 3-bed values against purpose built older person accommodation.
- 3.2.2 Using the RHG rule of thumb approach against our proposed 3-bed values, in the lower value, equates to a 1-bed value of £258,750 and 2-bed value of £345,000. For the higher value zone, a 1-bed value would be £281,250 and 2-bed £375,000.

Figure 3-2 Price premium for sheltered housing & extra care

**House prices:** Practitioners should use local market values for newbuild retirement housing where they exist. Where they do not exist the following formula is an indicative guide to the price of lower value units which are likely to be affordable by most local home owners.

Methods of price setting for retirement housing vary by location.

In medium and low value areas the price of a 1 bed sheltered property = approx 75% of price of existing 3 bed semi detached house. A 2 bed sheltered property = approx 100% of price of existing 3 bed semi detached

In high value areas with a high proportion of flats the price of a 1 bed sheltered property is linked to the price of high value flats, normally with a 10-15% premium

ExtraCare housing is 25% more expensive than sheltered: if a sheltered 1 bed flat sells for £100,000 then an extracare 1 bed flat will sell for £125,000

Source: Three Dragons, RHG (May 2013, amended February 2016)

### 3.3 Sold prices

- 3.3.1 On Land Registry we have only been able to identify a single older persons scheme, and this is in Hadleigh. The development in Hadleigh is a mix of apartments and bungalows, with the most recent recorded sales being the bungalows. As shown in Table 3-1 all the sales have been detached units of 67 sqm. Again, we have adjusted the sold pieces by the Land Registry HPI. The adjusted sales values range between £416,000 and £479,000 (£6,200 and £7,150 psm).

Table 3-1 Sold prices Manor Gardens, Hadleigh – detached

Typology	Address	Unit size sqm	Sold price	Sold price £psm	Sold price adjusted for HPI	Sold price £psm adjusted for HPI
09/01/2020	18 Manor Gardens	67	£374,950	£5,596	£458,722	£6,847
31/03/2020	9 Manor Gardens	67	£384,950	£5,746	£479,003	£7,149
13/07/2020	8 Manor Gardens	67	£364,950	£5,447	£450,002	£6,716
05/11/2020	6 Manor Gardens	67	£360,950	£5,387	£432,956	£6,462
29/01/2021	11 Manor Gardens	67	£384,950	£5,746	£456,101	£6,807
01/04/2021	15 Manor Gardens	67	£375,950	£5,611	£439,761	£6,564
05/05/2021	5 Manor Gardens	67	£355,000	£5,299	£415,914	£6,208

Source: Land Registry, EPC, Urbà (May 2023)

### 3.4 Quoting prices

- 3.4.1 Due to the lack of new build sold prices in the Districts, we have also considered quoting prices, but as per RICS guidance, we treat this with caution.<sup>4</sup> Analysis of Rightmove has shown there are no new build schemes currently advertised in the Districts therefore we have considered the wider Suffolk market. As shown in Table 3-2, the evidence of new build quoting prices for 1-beds range between £217,950 and £355,950, and 2-beds range between £344,950 and £481,950.

Table 3-2 Quoting prices – wider Suffolk area

<sup>4</sup> Ibid, Paragraph 4.1.4

Typology	Address	Unit size sqm	Quoting price	Quoting price £psm
2-bed flat	Liberty Lodge, Risbygate Street, Bury St Edmunds	N/a	£481,950	N/a
2-bed flat	Thomas Wolsey Place, Lower Brook Street, Ipswich	N/a	£344,850	N/a
2-bed flat	Camps Road, Haverhill	N/a	£344,950	N/a
1-bed flat	Liberty Lodge, Risbygate Street, Bury St Edmunds	N/a	£355,950	N/a
1-bed flat	Off Gosford Road, Beccles	N/a	£217,950	N/a
1-bed flat	Camps Road, Haverhill	N/a	£259,950	N/a

Source: Rightmove, Urbà (July 2023)



### 3.5 Conclusion

- 3.5.1 Our assessment has shown that there has not been a significant number of recent transactions for older persons accommodation, although there is evidence of quoting prices in the wider Suffolk market. The available evidence suggests that the RHG rule of thumb approach is broadly reasonable given the lack of evidence, although not an exact match, and we have used this as the basis of our assessment. The values used in our testing are set out in Table 3-3 and Table 3-4.

Table 3-3 Older persons age restricted sale values CIL viability testing

Typology	Unit Size sqm	Unit Price	£psm
<b>Higher value zone</b>			
1-bed	55	£281,250	£5,114
2-bed	70	£375,000	£5,357
<b>Lower value zone</b>			
1-bed	55	£258,750	£4,705
2-bed	70	£345,000	£4,929

Source: Urbà (November 2024)

Table 3-4 Extra care sale values CIL viability testing

Typology	Unit Size sqm	Unit Price	£psm
<b>Higher value zone</b>			
1-bed	55	£351,563	£6,648
2-bed	70	£468,750	£6,964
<b>Lower value zone</b>			
1-bed	55	£323,438	£5,682
2-bed	70	£431,250	£5,982

Source: Urbà (November 2024)

## 4 Retail

### 4.1 Introduction

- 4.1.1 The AV October 2020 study tested two convenience and two compassion retail scenarios, as shown in Figure 4-1 and Figure 4-2, and we have carried forward these in the CIL viability testing.
- 4.1.2 Figure 4-1 sets out the rents, yields and rent free periods used in the AV October 2020 study convenience retail testing.

Figure 4-1 Convenience retail values

Scenario	GIA sq m	Rent psf	Rent psm	Yield	Rent Free
Express	350	£18.00	£194	5.9%	9 months
Budget	2,000	£15.00	£161	5.9%	9 months

Source: AspinallVerdi (October 2020)

- 4.1.3 Figure 4-2 sets out the rents, yields and rent free periods used in the AV October 2020 study comparison retail testing.

Figure 4-2 Comparison retail values

Scenario	GIA sq m	Rent psf	Rent psm	Yield	Rent Free
Smaller format	500	£20.00	£215	8.5%	12 months
Larger format	1,000	£20.00	£215	10.5%	12 months

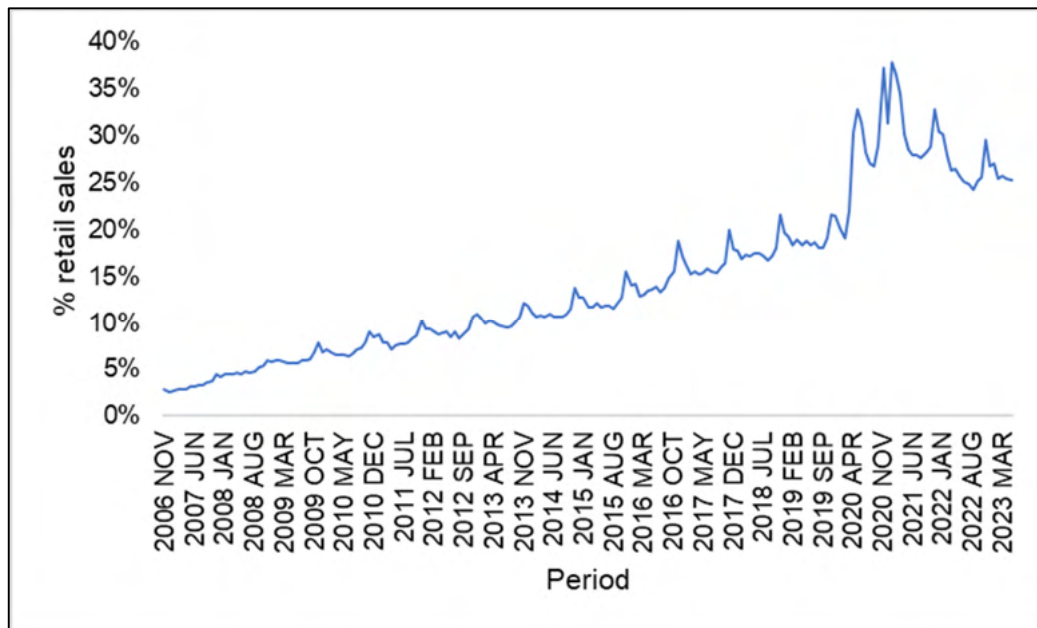
Source: AspinallVerdi (October 2020)

- 4.1.4 We now update the retail market assessment which was undertaken in the AV October 2020 study to establish if the value inputs need to be revised as part of the CIL viability testing.

## 4.2 Market overview

- 4.2.1 Prior to the global pandemic, the retail market was going through a structural change. The structural changes in the retail market were being caused by the growth in online sales and falling footfall in town centres. As shown in Figure 4-3, this was a relatively gradual increase year-on-year but the global pandemic significantly accelerated the growth. Following the lifting of restrictions internet sales have fallen but remain above the pre pandemic level.

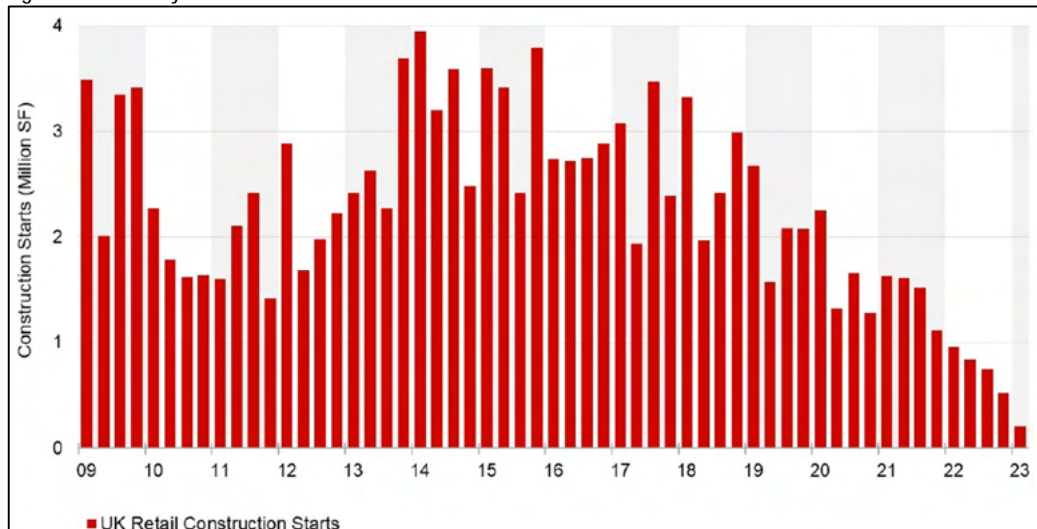
Figure 4-3 Internet sales as a percentage of total retail sales (ration) (%)



Source: Retail Sales Index time series (22 October 2021)

- 4.2.2 Due to the weakening of physical format retail, this has led to a fall in development activity. CoStar reported that the final quarter of 2022 saw the lowest quantum of floorspace starting construction this century – see Figure 4-4. CoStar reported that rising interest rates, inflation and construction costs compounded already-weak sentiment towards the sector.<sup>5</sup>

Figure 4-4 Quarterly UK retail construction starts



Source: CoStar (06 March 2023)

- 4.2.3 CoStar further highlight that the converting of shopping centres and department stores into other uses is gathering pace with net delivery of retail spacing falling to their lowest level in more than 20 years in 2022.<sup>6</sup>

### 4.3 Convenience sector

#### Market overview

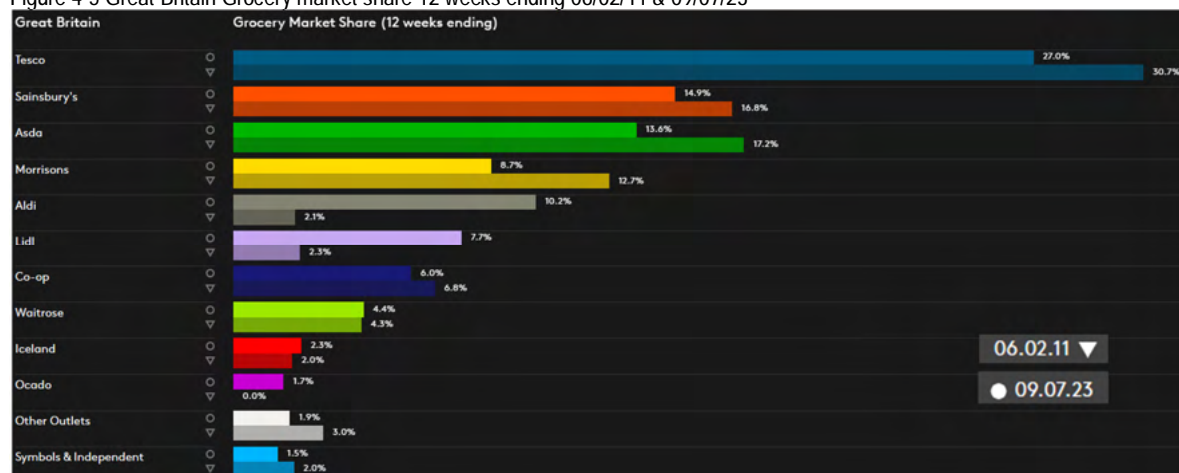
- 4.3.1 With supermarkets being one of the few retailers permitted to be open during the pandemic and the various Covid-19 lockdowns forcing people to remain at home supermarket sales increased both in store and online. At some points, demand appeared to outstrip supply, with the likes of Ocado temporarily suspending their ordering application and restricted access to their website. The pressures faced by supermarkets during the Covid-19 lockdowns were; maintaining social distancing in their physical stores, through restricting customers numbers; maintaining supply chains (resulting in less choice of items and restricting the number of purchasers; and increasing capacity for home deliveries to meet demand.
- 4.3.2 As we have been emerging from the global pandemic there have been different challenges faced by the sector, most notably food price inflation and the wider “cost of living crisis.” Food price inflation is being caused by the rising cost of energy and restrictions on food imports caused by the Russian invasion of Ukraine. Russia and Ukraine are ranked among the top three global exporters of wheat, barley, maize, rapeseed and rapeseed oil, sunflower seed

<sup>5</sup> CoStar, 06 March 2023, UK Retail Development Plunges to Lowest Level This Century

<sup>6</sup> Ibid

and sunflower oil.<sup>7</sup> The cost of living crisis is caused by the high inflation driven by food producers passing on increasing costs, the higher energy bills and the government increasing interest rates to try and control inflation. Households are having to be more careful about their food shopping spending. Kantar reported that discount supermarkets Aldi and Lidl are the fastest growing supermarket retailers in 2022, with the former reportedly taking £170m of sales from the former 'Big 4' (Tesco, Sainsbury's, Asda and Morrisons) in the three months to early September, resulting in Aldi overtaking Morrisons over the summer to be crowned Britain's fourth biggest supermarket.<sup>8</sup> Figure 4-5 graphically shows how the changes in the market have affected the relevant supermarket operators' market share in recent years.

Figure 4-5 Great Britain Grocery market share 12 weeks ending 06/02/11 & 09/07/23



Source: Kantar WorldPanel, July 2023

#### 4.3.3 The larger operators all have active requirements for new stores, which are summarised in Table 4-1.

Table 4-1 Supermarket new store requirements

Operator	Floorspace requirement sqm	Site requirement ha	Comment
Tesco <sup>9</sup> express stores	232 – 465 sqm of retail space	N/a	Sites on busy and accessible roads with parking, in neighbourhood centres, high streets or locations close to transport hubs.
Tesco <sup>10</sup> large format	1,400 – 3,250 of retail space	N/a	N/a

<sup>7</sup> UK Parliament, 10 February 2023, Cost of living: Food price inflation

<sup>8</sup> Grocery Gazette, 16 December 2022, Year in Review: How the Cost-of Living Crisis Impacted Supermarkets in 2022

<sup>9</sup> <https://www.tescopl.com/contacts/property/>

<sup>10</sup> <https://www.tescopl.com/contacts/property/>

Operator	Floorspace requirement sqm	Site requirement ha	Comment
Sainsbury's <sup>11</sup>	140 – 885	N/a	Locations; on prime pitch/strong adjacencies, busy urban high streets, neighbourhood or local centres with good residential catchments, merging housing developments, main roads, out facing shopping centres or close to transport hubs.
Morrisons <sup>12</sup>	N/a	0.8 – 2	Central, neighbourhood and out of town locations considered.
Asda <sup>13</sup> – convenience format	370 – 465	N/a	Parking is not essential in urban locations but is required in rural.
Asda <sup>14</sup> – superstore/supermarket format	1,115 – 5,575	0.4 – 2.8	Parking circa 80 - 400 spaces
Lidl <sup>15</sup>	1,670 – 2,460	0.6 hectare plus for standalone stores or up to 1.6 hectares for mixed-use schemes.	Town centre or edge of centre and retail parks. 100+ dedicated car parking spaces.
Aldi	1,670 – 1,860	Minimum of 0.8 hectares.	100+ dedicated car parking spaces. Town centre, edge of centre or retail parks.

<sup>11</sup> <https://www.about.sainsburys.co.uk/about-us/property/property-development-and-estates>

<sup>12</sup> <https://www.morrisons-corporate.com/about-us/property/>

<sup>13</sup> <https://www.asda.com/property>

<sup>14</sup> <https://www.asda.com/property>

<sup>15</sup> <https://www.lidl.co.uk/about-us/property#:~:text=Our%20Requirements%3A&text=Ideally%20main%20road%20frontage%20with,acres%20for%20mixed%2Duse%20schemes>

## Convenience retail rents

- 4.3.4 Despite operators having active requirements for new stores there have been no recent lettings recorded on CoStar for supermarkets in the Districts. In our assessment, we have considered rents achieved across the wider market. Such an approach is acceptable because the ability of an operator to pay the rent is driven by footfall and nearby competition rather than geographical boundaries. Table 4-2 shows that rents are between £134 and £283 psm. Generally, leases are for terms of 15 years plus, but with breaks at year 10.

Table 4-2 Comparable evidence convenience retail rents

Sign Date	Address	Size sqm	Tenant	Rent £psm	Comment
13/01/2021	105 London Rd N, Lowestoft	484	Tesco	£134 Effective	New 15-year lease with break at year 10.
10/03/2022	33-34 High St, Colchester	593	Tesco Express	£150 Effective	New 20-year lease with break at year 10. 16 months rent free.
28/02/2022	96 High St, Rayleigh	253	Tesco Express	£238 Achieved	New 15-year lease with break at year 10. 9 months rent free.
25/08/2021	Fleming Rd, Grays	327	Tesco Express	£222 Effective	Renewal, new 15 year lease.
02/03/2022	67 High St, Brentwood	265	Tesco	£283 Asking	New lease, on undisclosed terms.
01/02/2021	Village, Chelmsford	6,441	ASDA	£159 Effective	New 20year lease.

Source: CoStar (July 2023)

## November 2024 update

- 4.3.5 Table 4-3 shows that there have been three further transactions recorded on CoStar with rents still in the range previously reported.

Table 4-3 Comparable evidence convenience retail rents - November 2024 update

Sign date	Address	Size sqm	Tenant	Rent £psm	Comment
24/01/2024	Tavern Street, Ipswich	256	Morrisons	£175	New 5-year lease
20/03/2023	1 Brazen Gate, Norwich	6,939	Sainsbury's	£225 Effective	Lease renewal
27/12/2022	Queens Hill, Norwich	400	Co-operative Group Food Limited	£175	15-year lease

Source: CoStar (November 2024)

## Convenience retail yields

- 4.3.6 In considering yields, convenience retail yields are less driven by location but by footfall, competition, the health of the sector compared to other asset classes and the strength of the operator at the current point in the cycle. Therefore, similar to the rent analysis, we have considered the wider market.
- 4.3.7 Table 4-4 shows that convenience retail yields have achieved between 4.0% and 5.10%, with the smaller format stores seeing the highest yields.

Table 4-4 Comparable evidence convenience retail investment yields

Date of transaction	Address	Size sqm	Tenant	Net initial yield	Comment
21/04/2021	Greenstead Rd, Colchester	7,866	Tesco	4.50%	<p>The property was refurbished in 2011 and comprises 5,045 sqm of net sales area, a 16-pump petrol station and 570 car parking spaces. The remainder of the NIA supports home delivery services of Tesco.</p> <p>The property is currently occupied by Tesco on an FRI lease with 19 years remaining. There are annual, upward only, RPI-linked rent reviews subject to 0%-4% collar and cap. Having newly</p>



Date of transaction	Address	Size sqm	Tenant	Net initial yield	Comment
					uplifted, the rent now equated to £350 psm on the main store.
07/09/2022	12-14 Eastwood Rd, Rayleigh	3,565	M&S Foodhall	4.00%	Marks & Spencer Plc on an effective full repairing and insuring lease for a term of 20 years commencing 21 July 2015, expiring 20 July 2035. The current effective rent that has been in place since 21 July 2020 is £538,701 per annum.
18/10/2021	Main Rd, Chelmsford, Boreham	502	Co-op	5.10%	N/a
15/11/2021	Silfield Rd, Wymondham	385	Co-Operative Group Food Limited	4.75%	New 15-year unbroken FRI lease at £90,000 per annum (£234 psm)  5 yearly upward only rent reviews linked to CPI (collared and cap 1% - 3%)
14/04/2022	144 Watling St, Milton Keynes	3,447	Unit 1 Aldi Food Stores & Unit The Food Warehouse by Aldi	4.00%	The asset generates a total rental income of £555,000 per annum, with an unexpired lease term of 10.6 years.  Unit 1 is let to Aldi Food Stores, on a 10 years lease, commencing on 03/07/2017. It benefits from RPI index linked. Unit 2 is let to The Food Warehouse by Aldi on a 20 year lease, commencing on 13/06/2017

Source: CoStar (March 2023)

### November 2024 update

- 4.3.8 Table 4-5 shows that there have been three further transactions recorded on CoStar with yields higher than previously reported for a small Tesco format attracting a yield of circa. 7%. Whereas we do not see much difference with the Co-op, achieving a yield of 5.2% compared to a previous transaction of a smaller store at 5.1%.

Table 4-5 Comparable evidence convenience retail investment yields – October 2024

Date of transaction	Address	Size sqm	Tenant	Net initial yield	Comment
30/07/2024	Laundon Way, Leicester	908	Co-op	5.20%	15-year term from 2015 at a current rent of £62,365 per annum
01/05/2024	1 Glynne Avenue, Kingswinford	399	Tesco Express	7.14%	15-year lease expiring in 2028, upon the time of sale
12/12/2023	12 King Street Sandy	376	Tesco	6.88%	New 15-year lease on completion. Rent review every 5th year. Tenant's option to break in the 10th year/

Source: CoStar (November 2024)

## 4.4 Comparison retail

### Market overview

4.4.1 Prior to the global pandemic, the shift from bricks to clicks was being significantly felt in the comparison sector. Well known names were being lost such as; Austin Reed, BHS, Staples and Maplin. The global pandemic only sought to accelerate the decline and we saw further changes that included:

- Intu – one of the UK's largest shopping centre owners, with the likes of Trafford Centre and Lakeside entered administration.
- All Saints – the fashion retailer agreed to a Company Voluntary Arrangement (CVA) which has resulted in them changing to turnover rents rather than fixed rents.
- Go Outdoors - entered administration end of June 2020 and was bought by JD Sports and the business was restructured.
- Oasis and Warehouse – entered administration in April 2020 with all of its 92 stores closed and 400 concessions terminated. The brands and e-commerce platforms were sold in June 2020 online fashion retailer BooHoo.
- Debenhams – entered administration in April 2020, despite previously agreeing to a CVA in March 2020, which led closing of all stores in 2021.

## Comparison retail rents

- 4.4.2 Due to changes in the sector, Carter Jonas<sup>16</sup> reported that average retail rental values were declining for 18 months before the global pandemic, and accelerated sharply during the lockdowns, with rental levels levelling off in early 2022. Table 4-6 shows that rents are between £113 and £183 psm for secondary space.

Table 4-6 Comparable evidence comparison retail rents

Sign Date	Address	Size sqm	Tenant	Rent £psm	Comment
01/08/2022	Unit C Interchange Retail Park, London Rd, Ipswich	953	Regatta	£137 Achieved	Let on a 5-year lease.
19/05/2021	34-35 King St, Sudbury	310	N/a	£113 Asking	N/a
13/09/2021	98-99 North St, Sudbury	259	N/a	£183 Asking	N/a
19/05/2021	29 Market Hill, Sudbury	234	N/a	£153 Asking	N/a
07/06/2021	11 North Street, Sudbury	180	Kessler Kitchens of Sudbury	£134 Effective	Let on a 10-year lease with break at year 5, with 12 month rent free.

Source: CoStar (July 2023)

## November 2024 update

- 4.4.3 Table 4-7 shows that there have been three further transactions recorded on CoStar with rents below that previously reported, which is likely due to the continuing weakening of the market.

Table 4-7 Comparable evidence comparison retail rents – November 2024 update

Sign date	Address	Size sqm	Tenant	Rent £psm	Comment
01/06/2022	22 King St, Sudbury	528	Weston's Bakery	£70	10-year lease at a starting rent of £30,000 per annum. This will increase to £32,500 in the second year, and then to £40,000 in

<sup>16</sup> Carter Jonas, 23 February 2023, Commercial Market Outlook

Sign date	Address	Size sqm	Tenant	Rent £psm	Comment
					the third year; continuing at this rate until the lease's completion. The lease is also subject to a period of three months rent free.
14/05/2024	Back Ln, Ipswich	325	Crawford FH Limited	£103	5-year lease
07/05/2024	12-13 North St, Sudbury	279	Mind Charity	£126	N/a

Source: CoStar (November 2024)

## Comparison retail yields

- 4.4.4 Due to the relatively weak nature of the Districts comparison retail market, there is very limited published evidence of investment transactions. Again, we have considered the wider market to ensure a sufficient level of transactions. Table 4-8 shows that where space has a secured income to a good covenant then yields are under 7.0% whereas shorter term leases have yields of 11% plus.

Table 4-8 Comparable evidence comparison retail investment yields

Date of transaction	Address	Size sqm	Tenant	Net initial yield	Comment
20/03/2023	Taylor Square, Newgate, Beccles	461	Fat Face Holland & Barrett, Angling Direct & Iceland	16.00%	Parade of shops sold at auction. Lease expires 2024.
20/03/2023		550		16.00%	
08/12/2022	36-36B Buttermarket, Bury St Edmunds	1,676	Waterstones & Edinburgh Woollen Mill	11.06%	Sold at auction, upper floors vacant. Waterstone lease expiry 2023 and Woollen Mill 2025.
09/02/2023	8-10 Ipswich Street, Stowmarket	1,255	Esquire Retail Limited (t/a Clintons), Argos & G James	10.02%	X3 flats on upper floors, x2 flats vacant. Sold at auction.

Date of transaction	Address	Size sqm	Tenant	Net initial yield	Comment
			(t/a Handy Hardware)		
15/06/2023	14 Cornhill, Bury St Edmunds	376	The Works Stores t/a The Works	9.47%	5-year lease from September 2022
31/01/2023	15 Abbeygate St, Bury St Edmunds	186	Savers	7.41%	New 5-year lease from 2022
30/03/2022	21-25 Buttermarket, Bury St Edmunds	588	Holland & Barrett & Shoe Zone	6.80%	Holland & Barrett 15-year lease until Jan 2025 and Shoe Zone, 5-year lease until October 2024.

Source: CoStar (July 2023)

## November 2024 update

4.4.5 There is no further evidence of comparison retail yields recorded on CoStar.

## 4.5 Conclusion

4.5.1 Based on the above evidence we have adjusted the retail values as set out in Table 4-9.

Table 4-9 Retail value inputs

Date of transaction	Rent £psm	Yield	Rent fee months
Retail convenience - small format Express	£175	6.00%	9
Retail convenience - medium format Budget	£175	6.00%	9
Retail comparison town centre small	£150	8.50%	9
Retail comparison larger format	£150	10.50%	9

Source: Urbà (November 2024)

## 5 Office

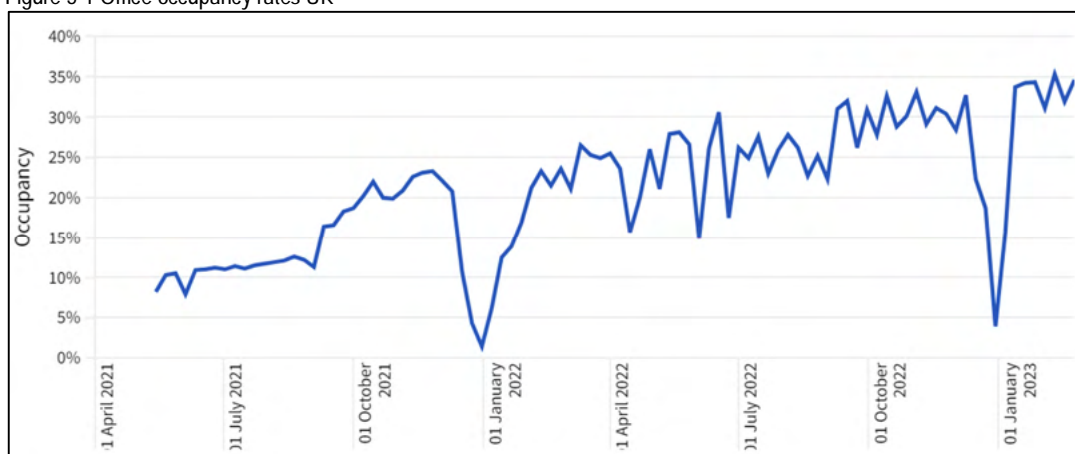
### 5.1 Introduction

- 5.1.1 The AV October 2020 study assumed a single office unit of 500 sqm with a rent of £161 psm capitalised at a yield of 5.8% and 18 months' rent free period. Again, we update the market assessment which was undertaken in the AV October 2020 study to establish whether the office value inputs need to be revised as part of the CIL viability testing.

### 5.2 Market overview

- 5.2.1 Before the pandemic, speculative office development was only occurring in strong and established office markets such as in central London, Thames Valley (e.g. around Reading) and key regional centres such as Birmingham and Manchester. In other markets, new development required a pre-let in place to a blue-chip covenant on institutional lease terms. At this time, we were also seeing a shift in office requirements from out of town locations into town and city centres. This was driven by office workers wanting to be close to public transport links and amenities. More latterly, corporate occupier requirements are providing greater emphasis on Environmental and Social Governance (ESG).
- 5.2.2 The global pandemic has had a significant impact on the office market because, during the pandemic, the government encouraged working from home measures resulting in unoccupied offices or greatly reduced occupancy. Companies were forced to embrace video conferencing and other measures to ensure business continuity. The change in working practices brought forward during the pandemic is having a lasting impact with most companies allowing some form of working from home, either fully remote or hybrid (i.e., a certain number of days per week).
- 5.2.3 Remit research published by CoStar (see Figure 5-1) shows that the average office occupancy rates are around 33%, with Tuesdays, Wednesdays and Thursdays being the busiest days, with a monthly national average of over 38.5% occupancy for these three days.

Figure 5-1 Office occupancy rates UK



Source: Remit (March 2023)

- 5.2.4 Remit Consulting also highlight that the majority of UK organisations that participated in a four-day working week trial are continuing with it, which in turn will impact the working patterns and demand for office space.<sup>17</sup>
- 5.2.5 The change in working practices has led to many companies reassessing their real estate footprint – Carter Jonas reports that fewer occupiers are looking to expand due to uncertainties around the impact of the hybrid working model and are placing an ever-greater emphasis on smaller but higher quality space (flight to quality). This, they explain is driven by a desire to create a vibrant and attractive work environment to encourage employees back to the office and assist with recruitment, retention and productivity strategies, as well as staff health and wellbeing issues. In addition, there is a greater focus on buildings that are sustainable and energy-efficient, as occupiers try to meet increasingly ambitious Environmental, Social, and Governance (ESG) aspirations.<sup>18</sup>

### 5.3 Babergh & Mid Suffolk office market

- 5.3.1 As established in the AV October 2020 study the Districts do not have a significant quantum of office accommodation, the majority of stock is either found in the town centres or the established industrial estates/business parks.

#### Office rents

- 5.3.2 In our assessment of office rents, we have focused on the newer build and better quality units across the Districts. Evidence of recent office transactions (see Table 5-1) shows that rents for second hand space have ranged between £113 and £162 psm.

Table 5-1 Comparable evidence office rents

Sign date	Address	Tenant	Size sq m	£ psm	Comment
07/06/2022	Harbour Landing, Fox's Marina	N/a	494	£162	Modern offices with heating and cooling
04/04/2021	Unit 1 Appletree Barns, Copdock	N/a	165	£121	Modern offices in barn conversion
01/06/2022	Unit 7- 8 Hadleigh Enterprise Park	N/a	231	£119	Modern two storey detached office
01/05/2022	Norfolk House, Williamsport Way, Lion Barn Industrial Estate, Needham Market	N/a	65	£115	Modern two storey detached office with aircon
13/10/2021	Woodview, Bull Ln, Bull Lane Industrial Estate, Sudbury	N/a	88	£114	Modern detached office with aircon

<sup>17</sup> CoStar, 03 March 2023, February Has Highest Figures for Average Office Occupancy Since Pandemic Started

<sup>18</sup> Carter Jonas, 31 March 2022, Commercial Market Outlook

Sign date	Address	Tenant	Size sq m	£ psm	Comment
01/11/2021	Unit 2 Brickfields Business Park, Old Stowmarket Rd, Woolpit	Fellowships Production	166	£113	Tennant breaks: Nov 2024, Nov 2027 & Nov 2029

Source: CoStar (March 2023)

## November 2024 update

- 5.3.3 Table 5-2 shows that there have been two further transactions recorded on CoStar with rents higher, than previously shown, at between £177 – £231 psm, although the higher rent is for a small suite and we would expect some discounting on a £psm for a larger suite.

Table 5-2 Comparable evidence office rents - November 2024 update

Sign date	Address	Tenant	Size sq m	£ psm	Comment
01/02/2023	Suite S3 Stevens House, Station Rd West, Stowmarket	Turquoise Collection Ltd	51	£231	Gas central heating, perimeter trunking and suspended ceiling with cat 2 lighting
07/03/2023	Broomvale Business Centre, Little Blakenham, Ipswich	N/a	341	£177	Kitchenette, a WC, carpet tiles and strip lighting

Source: CoStar (November 2024)

## Office yields

- 5.3.4 Due to the weakening of the occupier market the office investment has weakened. Savills report that to the 6 months to February 2023 prime regional yields moved 125 basis points to 6.0%<sup>19</sup> but have stabilised in recent months.<sup>20</sup> There has been no recent office investment transactions recorded on CoStar for the Districts so we have considered the wider market. Our analysis of office investment yields (see Table 5-3) shows that units that are let to good covenants on long term leases achieve yields just under 6.0% whereas we see shorter term leases, therefore less secure income, yields move out.

Table 5-3 Office investment transactions

Date of transaction	Address	Tenant	Size sqm	Net initial yield	Comment
14/02/2022	120 Nexus Business Park, Braintree	Nexus Park Ltd and guaranteed by Nexus	3,258	5.78%	Sale and leaseback deal. On completion of the sale on full repairing and insuring lease for an

<sup>19</sup> Savills, 24 February 2023, Market in Minutes: UK Regional Office Investment Market Watch

<sup>20</sup> Savills, 23 June 2023, Market in Minutes: UK Regional Office Investment Market Watch



Date of transaction	Address	Tenant	Size sqm	Net initial yield	Comment
		Infrastructure Plc			unbroken term of 20 years. Five yearly rent reviews are subject to the higher market rent and RPI indexed rent subject to a cap and collar of 1% and 4% respectively.
10/05/2021	The Drive, Brentwood	Countryside Plc	3,763	5.90%	The property is fully let to Countryside, plc, on an unbroken 15-year lease.
19/08/2021	Janus House, 1 Endeavour Drive, Basildon	FDR	10,869	6.22%	Fully let to FDR Ltd. until 31 August 2029
25/08/2022	Discovery House, 4 Whiting Road, Norwich	Clydesdale Bank Plc	2,054	7.85%	1990s pavilion style office. 8 years unexpired term with review in June 2025.

Source: CoStar (March 2023)

## November 2024 update

- 5.3.5 Table 4-5 shows that there has been one further transaction recorded on CoStar with a higher yield of 9.6%.

Table 5-4 Office investment transactions - November 2024 update

Date of transaction	Address	Tenant	Size sqm	Net initial yield	Comment
17/05/2023	The Old Chapel , 5-7 Willow Lane, Norwich	Rogers and Norton Ltd	820	9.61%	New 10-year lease

Source: CoStar (November 2024)

## 5.4 Conclusion

- 5.4.1 Based on our updated analysis we have adjusted the values from the AV October 2020 study to £180 psm, 9 months' rent-free period at a yield of 9%.

## 6 Industrial/warehouse

### 6.1 Introduction

6.1.1 The AV October 2020 study assumed a single industrial unit of 1,000 sqm with a rent of £108 psm capitalised at a yield of 6.5%, with 9 months rent free. As part of this CIL review, we have agreed with the Councils that we will test two further scenarios because the Districts have seen viable development and hence there is a need to consider a range of scenarios to ensure a robust assessment is made. We have therefore considered the additional scenarios:

- Mid box: 5,000 sqm
- Large scale: 15,000 sqm

### 6.2 Market overview

- 6.2.1 Before the global pandemic, the majority of the new build market focus was strategic warehousing which was driven by requirements from online retailers and third-party logistics companies (3PLs). Demand was also strong for small and mid-sized units, with these requirements seeking good quality units, that were flexible in nature to respond to market needs, in well-landscaped environments.
- 6.2.2 During the pandemic, demand for strategic warehousing increased due to a growth in online sales. We also saw small and mid-sized units being re-purposed to respond to the pandemic e.g. Gtech and Dyson went from manufacturing vacuum cleaners to ventilators.
- 6.2.3 Because the focus of the industrial market has been on large units, the supply of micro to mid-size units has fallen further. Smaller units do not benefit from the economies of scale of the build costs of larger units and the type of occupiers generally are not prepared to commit to a pre-let therefore financing these is more challenging than the larger units. Due to the economies of scale for large units, developers can also competitively bid for sites, therefore generating higher land values than small and mid-size developments.
- 6.2.4 What we are now seeing is a slight cooling of the strategic warehouse market as online sales have fallen, due to a combination of the high street re-opening, inflationary pressures on households reducing spending, and occupiers growing into space they have acquired. In the small and mid-size units, market vacancy rates are low due to a lack of new build occurring.
- 6.2.5 Overall occupiers are seeking accommodation with high levels of sustainability, in well-landscaped environments that have good access to major motorways and principal A-roads to allow easy transport of goods.

### 6.3 Babergh & Mid Suffolk Industrial/warehouse market

- 6.3.1 As established in the AV October 2020 study the Districts industrial market is found around the settlements such as Sudbury, Hadleigh, Stowmarket and Needham Market – these areas have defined industrial areas with purpose built units. New build development has occurred in the Districts, with the most recent proposals being the presale of a 109,000 sqm unit for the retailer The Range, at the Mid Suffolk Council owned Gateway 14 site.

## 6.4 Industrial/warehouse rents

6.4.1 We can see from the CoStar data (see

6.4.2 Table 6-1) that even for dated purpose built units rents are effective rents range between £90-£129 psm, we would expect new build rents to be higher than what this evidence shows.

Table 6-1 Examples of industrial/warehouse rents

Sign date	Address	Tenant	Size sqm	£ psm	Comment
25/12/2022	Unit 11 Byford Court, Crockatt Road, Lady Lane Industrial Estate, Hadleigh	N/a	72	£129	Dated purpose built industrial unit.
09/03/2022	Unit A Atex Business Park, Gun Cotton Way, Stowmarket	Kwik Fit	450	£105	Modern trade counter units let on a 15 year lease with a tenant break option year 10
14/05/2021	Unit 2 Drury Drive, Woodhall Business Park, Sudbury	Harry Bo and Co	104	£106	Purpose built industrial unit.
27/02/2023	H2 Station Road Industrial Estate, Elmswell	N/a	172	£97	Purpose built industrial unit.
01/07/2021	Unit A Bridge Trading Estate, Great Blakenham	Bouygues E & S Solutions	399	£90	Dated purpose built industrial unit. Bouygues E & S Solutions have taken on a new 5 year with a mutual break in year 2

Source: CoStar (March 2023)

### November 2024 update

6.4.3 Table 6-2 shows that there have been four further transactions recorded on CoStar, with higher rents than previously shown for a smaller unit of 132 sqm at £181 psm, the other rents are similar to what was previously reported.

Table 6-2 Examples of industrial/warehouse rents – November 2024 update

Sign date	Address	Tenant	Size sqm	£ psm	Comment
23/05/2023	Lady Lane Industrial Est, Ipswich	N/a	132	£181	Purpose built industrial unit.

Sign date	Address	Tenant	Size sqm	£ psm	Comment
01/07/2023	Port One Logistics Park, Addison Way Ipswich	LinkTrans	5,175	£104	New build unit
06/02/2023	Station Road Industrial Estate Bury St Edmunds	N/a	172	£97	Purpose built industrial unit.
01/07/2023	Port One Logistics Park, Addison Way Ipswich	DFS Furniture PLC	5,088	£90	New build unit

Source: CoStar (November 2024)

## 6.5 Industrial/warehouse yields

- 6.5.1 There have been few recent industrial/warehouse investment transactions recorded on CoStar for the Districts, so we again have extended our search radius. We can see from the evidence in Table 6-3 that the industrial yields range between 3.48% and 4.53%.

Table 6-3 Industrial/warehouse investment yields

Date of transaction	Address	Tenant	Size sqm	Net initial yield	Comment
21/11/2021	Fortress Way, Bury St Edmund	Hermes Parcelnet	7,137	3.48%	Forward funded development.
16/04/2021	Crane Blvd, Futura Park, Ipswich	Hubbard Refrigeration	7,432	4.50%	The unit's construction completed in April 2021 and had been pre-let to Hubbard Refrigeration on a 20-year FRI lease
03/11/2022	Unit C Gun Cotton Way, ATEX Business Park, Stowmarket	Howdens	924	4.53%	Let to Toolstation Ltd on a new 10-year lease from 04 September 2020 until 03 September 2030 with 5 yearly upward only market rent reviews and a break at the end of year 5.

Source: CoStar (March 2023)

## November 2024 update

6.5.2 Table 6-4 shows that there have been two further transactions recorded on CoStar with yields higher than previously reported, with yields now around 6%, reflecting a slight cooling in the market.

Table 6-4 Industrial/warehouse investment yields – November 2024 update

Date of transaction	Address	Tenant	Size sqm	Net initial yield	Comment
22/04/2024	Unit A, Atex Business Park, Gun Cotton Way, Stowmarket	Kwik-Fit (GB) Limited	449	5.78%	Let is a 15-year lease from 9th March 2022 at £47,370 per annum. There is a tenant only break on the 10th anniversary, and upwards only five-yearly rent reviews.
17/11/2023	Units 7-10 on 10 Addison Way, Port One Logistics Park, Ipswich	Multi let	24,225	6.15%	<p>Ecommerce Supply Chain Limited occupies unit 7 at 72,428 square feet, they signed a 15-year lease at an agreed rental of £767,737 per annum.</p> <p>Buckle Shipping (Ipswich) Limited occupies unit 8 at 86,369 square feet, they signed a 15-year lease at an agreed rental of £668,559 per annum.</p> <p>Linktrans Logistics (UK) Limited occupies unit 9 at 56,549 square feet, they signed a 16-year lease at an agreed rental of £545,425 per annum.</p> <p>DFS Trading Limited occupies unit 10 at 52,626 square feet, they signed a 15-year lease at an agreed rental of £438,425 per annum.</p>

Source: CoStar (November 2024)

## 6.6 Conclusion

6.6.1 Based on the above evidence we have adjusted the industrial/warehouse values as set out in Table 4-9.

Table 6-5 Industrial/warehouse value inputs

Typology	Rent £psm	Yield	Rent fee months
Small industrial 1,000 sqm	£125	6.25%	9
Mid box: 5,000 sqm	£115	6.00%	9
Large scale: 15,000 sqm	£105	7.00%	9

Source: Urbà (November 2024)

## **Appendix C      BCIS Cost Data**

BCIS Average Prices: £/m2 study																						
Downloaded: 11-Nov-2024 14:47																						
Updated: 02-Nov-2024 07:12																						
Rate per m2 gross internal floor area for the building Cost including prelims.																						
Rebased to Suffolk ( 95; sample 196 )																						
Type of Work																						
Building function		Sub-Class		Cut-off years		Sample	Mean	Standard deviation	Decile 0 (lowest)	Decile 1	Decile 2	Decile 3	Decile 4	Decile 5 (median)	Decile 6	Decile 7	Decile 8	Decile 9	Decile 10 (highest)	Lower quartile	Upper quartile	
810.1	Estate housing	Generally				5	219	1549	358	752	1177	1272	1338	1433	1527	1588	1641	1771	1991	3218	1304	1708
		Single storey				5	38	1769	473	973	1384	1531	1563	1581	1632	1715	1772	1844	2476	3218	1541	1814
		2-storey				5	176	1505	312	752	1148	1240	1311	1383	1481	1579	1617	1727	1916	2470	1292	1658
810.12	Estate housing semi detached	3-storey				5	5	1421		1074					1424					1818	1202	1585
		Generally				5	59	1642	385	914	1232	1324	1435	1569	1591	1668	1770	1827	2130	3218	1374	1813
		Single storey				5	19	1686	416	1199	1358	1459	1549	1577	1675	1702	1766	1787	1818	3218	1503	1770
810.13	Estate housing terraced	2-storey				5	39	1616	377	914	1200	1295	1355	1511	1586	1614	1759	1927	2195	2470	1320	1835
		3-storey				5	1	1818														
		Generally				5	9	1389	342	857					1341					1996	1234	1586
816	Flats (apartments)	Single storey				5	1	1378														
		2-storey				5	7	1436	370	857					1341					1996	1271	1657
		3-storey				5	1	1074														
816	Flats (apartments)	Generally				5	167	1790	503	900	1266	1418	1473	1560	1686	1793	1950	2144	2391	3533	1456	2043
		1-2 storey				5	31	1736	564	994	1153	1282	1425	1480	1554	1719	1940	2210	2618	3251	1352	2095
		3-5 storey				5	115	1805	509	900	1307	1446	1498	1594	1695	1794	1974	2113	2354	3533	1466	2043
816	6 storey or above					5	21	1786	378	1249	1393	1460	1525	1580	1725	1799	1941	2127	2384	2483	1473	1947



BCIS Average Prices: £/m2 study	
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Updated: 02-Nov-2024 07:12	
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Rate per m2 gross internal floor area for the building Cost including prelims.	
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Type of Work		Building function																				
		Sub-Class	Cut-off years	Sample	Mean	Standard deviation	Decile 0 (lowest)	Decile 1	Decile 2	Decile 3	Decile 4	Decile 5 (median)	Decile 6	Decile 7	Decile 8	Decile 9	Decile 10 (highest)	Lower quartile	Upper quartile			
New build																						
	284. Warehouses/stores	Generally	15	38	1080	815	418	526	629	672	735	851	999	1072	1292	1630	4868	641	1221			
		Up to 500m2 GFA	15	8	1941	1395	701					1380					4868	1079	2287			
		500 to 2000m2 GFA	15	14	946	364	497	568	658	705	849	859	965	1017	1155	1477	1715	679	1059			
		Over 2000m2 GFA	15	16	767	316	418	449	581	620	639	685	737	742	1009	1151	1594	608	808			
	284.1 Advance warehouses/stores		15	7	808	236	433					742					1107	693	993			
	284.2 Purpose built warehouses/stores	Generally	15	29	1149	906	418	572	632	682	729	852	1010	1186	1365	1777	4868	641	1273			
		Up to 500m2 GFA	15	6	2238	1517	701					1740					4868	1343	2811			
		500 to 2000m2 GFA	15	13	943	378	497	558	652	693	820	852	894	1036	1194	1506	1715	669	1076			
		Over 2000m2 GFA	15	10	765	257	418					683					1260	618	941			
	284.5 Cold stores/refrigerated stores		30	5	1465		1008					1273					1987	1072	1984			

BCIS Average Prices: £/m2 study																			
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Updated: 02-Nov-2024 07:12																			
Rate per m2 gross internal floor area for the building Cost including prelims.																			
Rebased to Suffolk ( 95; sample 196 )																			
Type of Work																			
Building function	Sub-Class	Cut-off years	Sample	Mean	Standard deviation	Decile 0 (lowest)	Decile 1	Decile 2	Decile 3	Decile 4	Decile 5 (median)	Decile 6	Decile 7	Decile 8	Decile 9	Decile 10 (highest)	Lower quartile	Upper quartile	
New build																			
	320. Offices	Generally	15	35	2283	681	1092	1487	1600	1909	2080	2199	2459	2582	2808	3240	3567	1701	2625
		Air-conditioned	15	12	2129	450	1316	1506	1775	1918	2066	2196	2355	2459	2553	2611	2636	1855	2489
		1-2 storey	15	7	1995	413	1316					1981					2636	1819	2196
		3-5 storey	15	4	2283		1480					2518					2615		
		6 storey or above	20	8	2480	502	1890					2369					3554	2238	2537
		Not air-conditioned	15	15	2465	810	1092	1516	1592	2075	2244	2483	2644	3030	3321	3491	3567	1838	3193
		1-2 storey	15	11	2572	715	1500	1604	2072	2085	2351	2584	2734	3104	3282	3477	3500	2078	3193
		3-5 storey	20	24	2083	747	1092	1222	1530	1593	1721	1922	2165	2346	2677	3169	3746	1539	2442
		6 storey or above	25	4	2609		2044					2691					3010		
	341.1 Retail warehouses	Generally	25	44	1046	478	516	667	766	808	874	926	962	1067	1215	1578	3053	790	1127
		Up to 1000m2	25	11	1151	645	764	820	831	886	953	964	983	1066	1117	1223	3053	858	1091
		1000 to 7000m2 GFA	25	29	1049	427	516	644	740	832	883	931	962	1123	1280	1720	2158	796	1210
		7000 to 15000m2	25	2	790		772										808		
		Over 15000m2 GFA	30	2	876		767										984		
	342. Shopping centres		30	2	1405		1228										1582		
	344. Hypermarkets, supermarkets	Generally	35	33	1811	711	747	997	1166	1303	1494	1593	1952	2339	2464	2791	3103	1252	2395
		Up to 1000m2	35	4	1866		1252					1616					2981		
		1000 to 7000m2 GFA	35	27	1810	742	747	904	1122	1260	1440	1593	2151	2364	2475	2771	3103	1177	2414

## **Appendix D    Residential Appraisals S106 @ £1,500 per dwellings**

Total No. of units		No. of private	No. of affordable	Affordable %		Affordable Rent	Shared Ownership	First Homes
8.00		8.00	0.00	0%		71%	29%	0%
		8.00					100%	check
Development Value								
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0	
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0	
1-bed house	3%	0.26	58	15.31	£270,000	£4,855	£71,280	
2-bed house	21%	1.67	79	132.09	£340,000	£4,304	£568,480	
3-bed house	41%	3.26	90	293.76	£375,000	£4,167	£1,224,000	
4-bed house	35%	2.80	110	308.00	£450,000	£4,091	£1,260,000	
	100%	8.00		749.16			50%	£3,123,760
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	0.00	50	0.00	£100,000	£2,000	£0	
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0	
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0	
2-bed house	57%	0.00	70	0.00	£150,633	£2,152	£0	
3-bed house	24%	0.00	84	0.00	£175,000	£2,083	£0	
4-bed house	3%	0.00	97	0.00	£198,409	£2,045	£0	
	100%	0.00		0.00			70%	£0
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0	
3-bed house	24%	0.00	84	0.00	£245,000	£2,917	£0	
4-bed house	3%	0.00	97	0.00	£277,773	£2,864	£0	
	100%	0.00		0.00			70%	£0
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value	
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0	
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0	
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0	
	100%	0.00		0.00				£0
Gross Development Value		8.00		749.16				£3,123,760
Residual Land Value								
1880 sqm/ha		Gross site area hectares						
		0.40						
Residual land value		£601,522		SDLT	Agents & legals	Residual land value + costs		
Residual land value £ per hectare		£1,503,805		£19,576	1.50%	£630,121		
Residual land value plus purchaser costs						£630,121		
Unit Build Costs								
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs		
1-bed flat	0.00	0	£1,686	85%		£0		
2-bed flat	0.00	0	£1,686			£0		
1-bed house	0.26	18	£1,527			£27,508		
2-bed house	1.67	132	£1,527			£201,698		
3-bed house	3.26	294	£1,527			£448,572		
4-bed house	2.80	308	£1,527			£470,316		
Total unit build costs		8.00	752			£1,148,093		
Additional Costs								
Plot external		15%		of build costs		£172,214		
Statutory planning fees		£3,696		fixed cost		£3,696		
Planning application professional fees, surveys and reports		£11,088		fixed cost		£11,088		
Total additional costs						£186,998		
Policy Costs								
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142		per unit		£1,138		
Biodiversity net gain		£1,018		per unit		£8,144		
EV charging points - houses		£1,000		per unit		£8,000		
EV charging points - flats		£10,000		per unit		£0		
Policy LP06 - Mix and type of co M4 (2)		£521		per unit		£2,084		
Policy LP25 - Sustainable Const Water efficiency		£9		per unit		100% of units		
Total policy costs						£19,438		
Professional Fees								
Based on percentage of construction costs (build and additional )		10%				£133,509		
Total professional fees						£133,509		
Contingency								
Based on percentage of construction costs (build and additional )		5%				£66,755		
Total contingency						£66,755		
Developer Contributions - S106		£1,500		per unit		£12,000		
Total S106						£12,000		
CIL								
		£0		indexed rate Epsm		£0		
Total CIL						£0		
Legal Costs								
Legals		1.50%		GDV		£46,856		
Sales agents fee -		1.25%		GDV		£39,047		
Marketing cost -		1.00%		GDV		£31,238		
Total sale costs						£117,141		
TOTAL DEVELOPMENT COSTS						£2,314,055		
Developers' Profit								
Based upon percentage of gross development value		Rate						
Private -		20.0%		market units GDV		£624,752		
Affordable -		6.0%		Affordable units GDV		£0		
						£624,752		
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£2,938,807		
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£184,953		
Finance Costs		APR				PCM		
Assumes 100% debt financed		8.75%				0.701%		-£184,953
								5.92%
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£3,123,760		
This appraisal has been prepared by Urbal. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.								

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Total No. of units	No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes	
30.00	19.50	10.50	35%	71%	29%	0%	
30.00					100%		check
Development Value							
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house	3%	0.64	58	37.32	£270,000	£4,655	£173,745
2-bed house	21%	4.08	79	321.96	£340,000	£4,304	£1,385,670
3-bed house	41%	7.96	90	716.04	£375,000	£4,167	£2,983,500
4-bed house	35%	6.83	110	750.75	£450,000	£4,091	£3,071,250
	100%	19.50		1826.08			£7,614,165
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	16%	1.22	50	61.06	£100,000	£2,000	£122,113
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house	57%	4.28	70	299.28	£150,633	£2,152	£644,022
3-bed house	24%	1.75	84	147.29	£175,000	£2,083	£306,848
4-bed house	3%	0.21	97	19.89	£198,409	£2,045	£40,676
	100%	7.46		527.51			£1,113,659
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	16%	0.50	50	24.94	£140,000	£2,800	£69,828
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	1.75	70	122.24	£210,886	£3,013	£368,272
3-bed house	24%	0.72	84	60.16	£245,000	£2,917	£175,465
4-bed house	3%	0.08	97	8.12	£277,773	£2,864	£23,260
	100%	3.05		215.46			£636,825
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Unit price	£psm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0
	100%	0.00		0.00			£0
Gross Development Value		30.00		2,569.05			£9,364,649
Residual Land Value							
1364 sqm/ha	Gross site area hectares						
		1.90					
	Residual land value		£1,274,665	SDLT	£53,233	Agents & legals	Residual land value + costs
	Residual land value £ per hectare		£670,876		1.50%		£1,347,018
Residual land value plus purchaser costs							£1,347,018
Unit Build Costs							
	No. of units	Total sqm GIA	Cost per sqm	Gross net flats			Total Costs
	1.72	101	£1,686	85%			£170,574
1-bed flat	0.00	0	£1,686				£0
2-bed flat	0.64	44	£1,527				£87,050
1-bed house	10.10	743	£1,527				£1,135,305
2-bed house	10.43	923	£1,527				£1,410,164
3-bed house	7.11	779	£1,527				£1,189,165
4-bed house							
Total unit build costs		30.00	2,591				£3,972,256
Additional Costs							
Plot external		15%	of build costs				£595,838
Statutory planning fees		£3,696	fixed cost				£3,696
Planning application professional fees, surveys and reports		£11,088	fixed cost				£11,088
Total additional costs							£610,622
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142	per unit		100% of units		£4,268
Biodiversity net gain		£1,018	per unit		100% of units		£30,540
EV charging points - houses		£1,000	per unit		100% of units		£28,280
EV charging points - flats		£10,000	per unit		25% of units		£4,350
Policy LP06 - Mix and type of co M4 (2)		£521	per unit		50% of units		£7,815
Policy LP25 - Sustainable Const Water efficiency		£9	per unit		100% of units		£270
Total policy costs							£75,473
Professional Fees							
Based on percentage of construction costs (build and additional )		10%					£458,288
Total professional fees							£458,288
Contingency							
Based on percentage of construction costs (build and additional )		5%					£229,144
Total contingency							£229,144
Developer Contributions - S106							
		£1,500	per unit				£45,000
Total S106							£45,000
CIL							
		£0	indexed rate £psm				£0
Total CIL							£0
Sale Costs							
Legals -		1.50%	GDV				£140,470
Sales agents fee -		1.25%	GDV				£117,058
Marketing cost -		1.00%	GDV				£93,646
Total sale costs							£351,174
TOTAL DEVELOPMENT COSTS							£7,088,976
Developer's Profit							
Based upon percentage of gross development value		Rate					
Private -		20.0%	market units GDV				£1,522,833
Affordable -		6.0%	Affordable units GDV				£105,029
							£1,627,862
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£8,716,838
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£647,811
Finance Costs							
Assumes 100% debt financed		APR	8.75%		PCM	0.701%	-£647,811
						6.92%	
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£9,364,649

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Total No. of units		No. of private	No. of affordable	Affordable %		Affordable Rent	Shared Ownership	First Homes
50.00		32.50	17.50	35%		71%	29%	0%
		50.00					100%	check
Development Value								
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0	
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0	
1-bed house	3%	1.07	58	£2.21	£270,000	£4,655	£289,575	
2-bed house	21%	6.79	79	£36.61	£340,000	£4,304	£2,309,450	
3-bed house	41%	13.26	90	£193.40	£375,000	£4,167	£4,972,500	
4-bed house	35%	11.38	110	£251.25	£450,000	£4,091	£5,118,750	
	100%	32.50		3043.46		50%	£10,690,275	
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	2.04	50	101.76	£100,000	£2,000	£203,522	
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0	
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0	
2-bed house	57%	7.13	70	£498.80	£150,633	£2,152	£1,073,371	
3-bed house	24%	2.92	84	£245.48	£175,000	£2,083	£511,413	
4-bed house	3%	0.34	97	£33.14	£198,409	£2,045	£67,794	
	100%	12.43		£79.18		70%	£1,856,099	
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	0.83	50	41.56	£140,000	£2,800	£116,380	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	2.91	70	£203.74	£210,886	£3,013	£613,787	
3-bed house	24%	1.19	84	£100.27	£245,000	£2,917	£292,442	
4-bed house	3%	0.14	97	£13.54	£277,773	£2,864	£39,767	
	100%	5.08		£359.10		70%	£1,061,375	
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value	
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0	
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0	
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0	
	100%	0.00		0.00			£0	
Gross Development Value		50.00		4,281.75			£15,607,749	
Residual Land Value								
1542 sqm/ha		Gross site area hectares						
		2.80						
Residual land value		£2,152,881		SDLT	Agents & legals	Residual land value + costs		
Residual land value £ per hectare		£768,886		£97,144	1.50%	£2,282,318		
Residual land value plus purchaser costs						£2,282,318		
Unit Build Costs								
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		85%	Total Costs	
1-bed flat	2.87	169	£1,686				£284,289	
2-bed flat	0.00	0	£1,686				£0	
1-bed house	1.07	73	£1,527				£111,749	
2-bed house	16.83	1,239	£1,527				£1,892,174	
3-bed house	17.38	1,539	£1,527				£2,350,273	
4-bed house	11.86	1,298	£1,527				£1,981,941	
Total unit build costs		50.00	4,318				£6,620,427	
Additional Costs								
Plot external		15%		of build costs		£993,064		
Statutory planning fees		£3,696		fixed cost		£3,696		
Planning application professional fees, surveys and reports		£11,088		fixed cost		£11,088		
Total additional costs						£1,007,848		
Policy Costs								
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142		per unit		100% of units	£7,114	
Biodiversity net gain		£1,018		per unit		100% of units	£50,900	
EV charging points - houses		£1,000		per unit		100% of units	£47,134	
EV charging points - flats		£10,000		per unit		25% of units	£7,166	
Policy LP06 - Mix and type of co M4 (2)		£521		per unit		50% of units	£13,025	
Policy LP25 - Sustainable Const Water efficiency		£9		per unit		100% of units	£450	
Total policy costs						£125,788		
Professional Fees								
Based on percentage of construction costs (build and additional )		10%				£762,828		
Total professional fees						£762,828		
Contingency								
Based on percentage of construction costs (build and additional )		5%				£381,414		
Total contingency						£381,414		
Developer Contributions - S106								
		£1,500		per unit		£75,000		
Total S106						£75,000		
CIL								
		£0		indexed rate Epsm		£0		
Total CIL						£0		
Legal Costs								
Legals		1.50%		GDV		£234,116		
Sales agents fee -		1.25%		GDV		£195,097		
Marketing cost -		1.00%		GDV		£156,077		
Total sale costs						£585,291		
TOTAL DEVELOPMENT COSTS						£11,840,914		
Developers' Profit								
Based upon percentage of gross development value		Rate						
Private -		20.0%		market units GDV		£2,538,055		
Affordable -		6.0%		Affordable units GDV		£175,048		
						£2,713,103		
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£14,554,017		
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£1,053,732		
Finance Costs								
Assumes 100% debt financed		APR		PCM				
		8.75%		0.701%		-£1,053,732		
						6.75%		
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£15,607,749		
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Total No. of units	No. of private	No. of affordable	Affordable %	Affordable Area	Shared Ownership	First Homes	
150.00	97.50	52.50	35%	71%	29%	0%	
							check
Development Value							
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	0%	0.00	50	0.00	E200,000	E4,000	E0
2-bed flat	0%	0.00	61	0.00	E215,000	E3,525	E0
1-bed house	3%	3.22	58	186.62	E270,000	E4,655	E868,725
2-bed house	21%	20.38	79	1609.82	E340,000	E4,304	E6,928,350
3-bed house	41%	39.78	90	3580.20	E375,000	E4,167	E14,901,500
4-bed house	35%	34.13	110	3753.75	E450,000	E4,091	E15,356,250
100%		97.50		9130.39			E38,070,825
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	6.11	50	305.28	E100,000	E2,000	E10,565
2-bed flat	0%	0.00	61	0.00	E107,500	E1,762	E0
1-bed house	0%	0.00	50	0.00	E116,379	E2,328	E0
2-bed house	57%	21.38	70	1496.40	E150,633	E2,152	E3,220,112
3-bed house	24%	8.77	84	736.43	E175,000	E2,083	E1,534,299
4-bed house	3%	1.03	97	99.43	E198,409	E2,045	E203,382
100%		37.28		2637.55			E5,568,297
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	2.49	50	124.69	E140,000	E2,800	E349,140
2-bed flat	0%	0.00	61	0.00	E150,500	E2,467	E0
1-bed house	0%	0.00	50	0.00	E162,931	E3,259	E0
2-bed house	57%	8.73	70	611.21	E210,886	E3,013	E1,841,360
3-bed house	24%	3.58	84	300.80	E245,000	E2,917	E877,325
4-bed house	3%	0.42	97	40.61	E277,773	E2,864	E116,300
100%		15.23		1077.31			E3,184,125
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Unit price	Epsm	Total Value
1-bed flat	16%	0.00	50	0.00	E140,000	E2,800	E0
2-bed flat	0%	0.00	61	0.00	E150,500	E2,467	E0
1-bed house	0%	0.00	50	0.00	E162,931	E3,259	E0
2-bed house	57%	0.00	70	0.00	E210,886	E3,013	E0
3-bed house	24%	0.00	84	0.00	E250,000	E2,917	E0
4-bed house	3%	0.00	97	0.00	E250,000	E2,864	E0
100%		0.00		0.00			E0
Gross Development Value		150.00		12,845.25			E46,823,247
Residual Land Value							
2756 sqm/ha	Gross site area hectares						
	4.70						
	Residual land value		E6,207,410	SDLT	Agents & legals		Residual land value + costs
	Residual land value £ per hectare		E1,320,726	E299,871	1.50%		E6,600,392
Residual land value plus purchaser costs							E6,600,392
Unit Build Costs							
		No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs
	1-bed flat	8.60	506	E1,686	85%		E852,868
	2-bed flat	0.00	0	E1,686			E0
	1-bed house	3.22	220	E1,527			E335,248
	2-bed house	50.49	3,717	E1,527			E5,676,523
	3-bed house	52.13	4,617	E1,527			E7,050,819
	4-bed house	35.57	3,894	E1,527			E5,945,823
Total unit build costs		150.00	12,954				E19,861,281
Additional Costs							
Plot external			15%	of build costs			E2,979,192
Statutory planning fees			E43,559	fixed cost			E43,559
Planning application professional fees, surveys and reports			E130,677	fixed cost			E130,677
Total additional costs							E3,153,428
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).			E142	per unit	100% of units		E21,341
Biodiversity net gain			E1,018	per unit	100% of units		E152,700
EV charging points - houses			E1,000	per unit	100% of units		E141,401
EV charging points - flats			E10,000	per unit	25% of units		E21,499
Policy LP06 - Mix and type of co M4 (2)			E521	per unit	50% of units		E39,075
Policy LP25 - Sustainable Const Water efficiency			E9	per unit	100% of units		E1,350
Total policy costs							E377,365
Professional Fees							
Based on percentage of construction costs (build and additional )			10%				E2,

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Total No. of units	No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes	
150.00	97.50	52.50	35%	71%	29%	0%	
150.00							check
Development Value							
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house	3%	3.22	58	186.62	£270,000	£4,655	£868,725
2-bed house	21%	20.38	79	1609.82	£340,000	£4,304	£6,928,350
3-bed house	41%	39.78	90	3580.20	£375,000	£4,167	£14,917,500
4-bed house	35%	34.13	110	3753.75	£450,000	£4,091	£15,356,250
100%		97.50		9130.39			£38,070,825
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	16%	6.11	50	305.28	£100,000	£2,000	£10,565
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house	57%	21.38	70	1496.40	£150,633	£2,152	£3,220,112
3-bed house	24%	8.77	84	736.43	£175,000	£2,083	£1,534,299
4-bed house	3%	1.03	97	99.43	£198,409	£2,045	£203,382
100%		37.28		2637.55			£5,568,297
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	16%	2.49	50	124.69	£140,000	£2,800	£349,140
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	8.73	70	611.21	£210,886	£3,013	£1,841,360
3-bed house	24%	3.58	84	300.80	£245,000	£2,917	£877,325
4-bed house	3%	0.42	97	40.61	£277,773	£2,864	£116,300
100%		15.23		1077.31			£3,184,125
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	£psm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0
100%		0.00		0.00			£0
Gross Development Value		150.00		12,845.25			£46,823,247
Residual Land Value							
932 sqm/ha	Gross site area hectares						
	13.90						
				SDLT	Agents & legals		Residual land value + costs
	Residual land value		£5,141,334	£246,567	1.50%		£5,465,021
	Residual land value £ per hectare		£369,880				
Residual land value plus purchaser costs							£5,465,021
Unit Build Costs							
		No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs
					85%		
	1-bed flat	8.60	506	£1,686			£852,868
	2-bed flat	0.00	0	£1,686			£0
	1-bed house	3.22	220	£1,527			£335,248
	2-bed house	50.49	3,717	£1,527			£5,676,523
	3-bed house	52.13	4,617	£1,527			£7,050,819
	4-bed house	35.57	3,894	£1,527			£5,945,823
Total unit build costs		150.00	12,954				£19,861,281
Additional Costs							
Plot external			15%	of build costs			£2,979,192
Statutory planning fees			£43,559	fixed cost			£43,559
Planning application professional fees, surveys and reports			£130,677	fixed cost			£130,677
Total additional costs							£3,153,428
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).			£142	per unit	100% of units		£21,341
Biodiversity net gain			£1,018	per unit	100% of units		£152,700
EV charging points - houses			£1,000	per unit	100% of units		£141,401
EV charging points - flats			£10,000	per unit	25% of units		£21,499
Policy LP06 - Mix and type of co M4 (2)			£521	per unit	50% of units		£39,075
Policy LP25 - Sustainable Const Water efficiency			£9	per unit	100% of units		£1,350
Total policy costs							£377,365
Professional Fees							
Based on percentage of construction costs (build and additional )			10%				£2,301,471
Total professional fees							£2,301,471
Contingency							
Based on percentage of construction costs (build and additional )			5%				£1,150,735
Total contingency							£1,150,735
Developer Contributions - S106							
			£1,500	per unit			£225,000
Total S106							£225,000
CIL							
			£0	indexed rate £psm			£0
Total CIL							£0
Sale Costs							
Legals -			1.50%	GDV			£702,349
Sales agents fee -			1.25%	GDV			£565,291
Marketing cost -			1.00%	GDV			£468,232
Total sale costs							£1,755,872
TOTAL DEVELOPMENT COSTS							£34,290,174
Developer's Profit							
Based upon percentage of gross development value			Rate				
Private -			20.0%	market units GDV			£7,614,165
Affordable -			6.0%	Affordable units GDV			£525,145
							£8,139,310
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£42,429,484
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£4,393,763
Finance Costs							
Assumes 100% debt financed			APR		PCM		
			8.75%		0.701%		-£4,393,763
							9.38%
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£46,823,247


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250 units		Greenfield		Urbà			
Total No. of units		No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes
250.00		162.50	87.50	35%	71%	29%	0%
		250.00				100%	check
Development Value							
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house	3%	5.36	58	311.03	£270,000	£4,655	£1,447,875
2-bed house	21%	33.96	79	2683.04	£340,000	£4,304	£11,547,250
3-bed house	41%	66.30	90	5967.00	£375,000	£4,167	£24,862,500
4-bed house	35%	56.88	110	6256.25	£450,000	£4,091	£25,593,750
	100%	162.50		15217.31			£63,451,375
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	4.16	50	207.82	£100,000	£2,000	£1,017,608
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house	57%	35.63	70	2494.01	£150,633	£2,152	£5,366,853
3-bed house	24%	14.61	84	1227.39	£175,000	£2,083	£2,557,065
4-bed house	3%	1.71	97	165.72	£198,409	£2,045	£338,970
	100%	62.13		4395.92			£9,280,495
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	4.16	50	207.82	£140,000	£2,800	£581,900
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	14.55	70	1018.68	£210,886	£3,013	£3,068,933
3-bed house	24%	5.97	84	501.33	£245,000	£2,917	£1,462,209
4-bed house	3%	0.70	97	67.69	£277,773	£2,864	£193,833
	100%	25.38		1795.52			£5,306,875
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0
	100%	0.00		0.00			£0
Gross Development Value		250.00		21,408.75			£78,038,745
Residual Land Value							
1199 sqm/ha		Gross site area hectares					
		18.00					
Residual land value		£8,052,293		SDLT	Agents & legals	Residual land value + costs	
Residual land value £ per hectare		£447,350		£392,115	1.50%	£8,565,192	
Residual land value plus purchaser costs						£8,565,192	
Unit Build Costs							
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs	
1-bed flat	14.33	843	£1,686	85%		£1,421,447	
2-bed flat	0.00	0	£1,686			£0	
1-bed house	5.36	366	£1,527			£558,747	
2-bed house	84.14	6,196	£1,527			£9,460,872	
3-bed house	66.88	7,696	£1,527			£11,751,364	
4-bed house	59.28	6,490	£1,527			£9,909,705	
Total unit build costs		250.00	21,590			£33,102,136	
Additional Costs							
Plot external		15%	of build costs			£4,965,320	
Statutory planning fees		£57,359	fixed cost			£57,359	
Planning application professional fees, surveys and reports		£172,077	fixed cost			£172,077	
Total additional costs						£5,194,756	
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142	per unit	100% of ulits		£35,568	
Biodiversity net gain		£1,018	per unit	100% of ulits		£254,500	
EV charging points - houses		£1,000	per unit	100% of ulits		£235,668	
EV charging points - flats		£10,000	per unit	25% of ulits		£35,831	
Policy LP06 - Mix and type of co M4 (2)		£521	per unit	50% of ulits		£65,125	
Policy LP25 - Sustainable Const Water efficiency		£9	per unit	100% of ulits		£2,250	
Total policy costs						£628,941	
Professional Fees							
Based on percentage of construction costs (build and additional )		10%				£3,829,689	
Total professional fees						£3,829,689	
Contingency							
Based on percentage of construction costs (build and additional )		5%				£1,914,845	
Total contingency						£1,914,845	
Developer Contributions - S106							
		£1,500	per unit			£375,000	
Total S106						£375,000	
CIL							
		£0	indexed rate Epsm			£0	
Total CIL						£0	
Sales Costs							
Legals -		1.50%	GDV			£1,170,581	
Sales agents fee -		1.25%	GDV			£975,484	
Marketing cost -		1.00%	GDV			£780,387	
Total sale costs						£2,926,453	
TOTAL DEVELOPMENT COSTS						£56,537,012	
Development Profit							
Based upon percentage of gross development value		Rate					
Private -		20.0%	market units GDV /			£12,690,275	
Affordable -		6.0%	Affordable units GDV			£875,242	
						£13,565,517	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£70,102,529	
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£7,936,216	
Finance Costs							
Assumes 100% debt financed		APR		PCM		£7,936,216	
		8.75%		0.701%	10.17%		
TOTAL PROJECT COSTS (INCLUDING INTEREST)						£78,038,745	
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8 units		Brownfield					
Total No. of units	No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes	
8.00	6.00	2.00	25%	71%	29%	0%	
		8.00			100%	check	
Development Value							
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house	3%	0.20	58	11.48	£270,000	£4,655	£53,460
2-bed house	21%	1.25	79	99.07	£340,000	£4,304	£426,360
3-bed house	41%	2.45	90	220.32	£375,000	£4,167	£918,000
4-bed house	35%	2.10	110	231.00	£450,000	£4,091	£945,000
	100%	6.00		561.87			£2,342,820
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	0.23	50	11.63	£100,000	£2,000	£23,260
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house	57%	0.81	70	57.01	£150,633	£2,152	£122,671
3-bed house	24%	0.33	84	28.05	£175,000	£2,083	£58,447
4-bed house	3%	0.04	97	3.79	£198,409	£2,045	£7,748
	100%	1.42		100.48			£212,126
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	0.10	50	4.75	£140,000	£2,800	£13,301
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.33	70	23.28	£210,886	£3,013	£70,147
3-bed house	24%	0.14	84	11.46	£245,000	£2,917	£33,422
4-bed house	3%	0.02	97	1.55	£277,773	£2,864	£4,430
	100%	0.58		41.04			£121,300
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0
	100%	0.00		0.00			£0
Gross Development Value		8.00		703.39		£2,676,246	
Residual Land Value							
1012 sqm/ha		Gross site area hectares		0.70			
Residual land value		£448,151		SDLT		Residual land value + costs	
Residual land value £ per hectare		£640,215		£11,908		£466,780	
Residual land value plus purchaser costs						£466,780	
Unit Build Costs							
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs	
1-bed flat	0.33	19	£1,686	85%		£32,490	
2-bed flat	0.00	0	£1,686			£0	
1-bed house	0.20	14	£1,527			£20,631	
2-bed house	2.40	179	£1,527			£73,877	
3-bed house	2.92	260	£1,527			£396,766	
4-bed house	2.16	236	£1,527			£360,884	
Total unit build costs		8.00		708		£1,084,647	
Additional Costs							
Plot external		15%		of build costs		£162,697	
Statutory planning fees		£3,696		fixed cost		£3,696	
Planning application professional fees, surveys and reports		£11,088		fixed cost		£11,088	
Total additional costs						£177,481	
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS):		£142		per unit		100% of ulits	£1,138
Biodiversity net gain		£1,018		per unit		100% of ulits	£8,144
EV charging points - houses		£1,000		per unit		100% of ulits	£7,672
EV charging points - flats		£10,000		per unit		25% of ulits	£819
Policy LP06 - Mix and type of co M4 (2)		£521		per unit		50% of ulits	£2,084
Policy LP25 - Sustainable Const Water efficiency		£9		per unit		100% of ulits	£72
Total policy costs							£19,930
Professional Fees							
Based on percentage of construction costs (build and additional )		10%					£126,213
Total professional fees							£126,213
Contingency							
Based on percentage of construction costs (build and additional )		5%					£63,106
Total contingency							£63,106
Developer Contributions - S106							
		£1,500		per unit			£12,000
Total S106							£12,000
CIL							
		£0		indexed rate Epsm			£0
Total CIL							£0
Sales Costs							
Legals -		1.50%		GDV			£40,144
Sales agents fee -		1.25%		GDV			£33,453
Marketing cost -		1.00%		GDV			£26,762
Total sale costs							£100,359
TOTAL DEVELOPMENT COSTS							£2,050,516
Development Profit							
Based upon percentage of gross development value		Rate					
Private -		20.0%		market units GDV			£468,564
Affordable -		6.0%		Affordable units GDV			£20,006
							£488,570
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£2,539,086
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£137,160
Finance Costs							
Assumes 100% debt financed		APR		PCM			
		8.75%		0.701%			5.13%
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£2,676,246
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70 units		Lower value		Brownfield			
Total No. of units		No. of private		No. of affordable		Affordable %	
70.00		52.50		17.50		25%	
		70.00				71%	
						29%	
						100%	
						check	
Development Value							
Market Units		Dwelling mix		No. of units		Size sqm	
1-bed flat		0%		0.00		50	
2-bed flat		0%		0.00		61	
1-bed house		3%		1.73		58	
2-bed house		21%		10.97		79	
3-bed house		41%		21.42		90	
4-bed house		35%		18.38		110	
		100%		52.50		4916.36	
Affordable Rent		Dwelling mix		No. of units		Size sqm	
1-bed flat		16%		2.04		50	
2-bed flat		0%		0.00		61	
1-bed house		0%		0.00		50	
2-bed house		57%		7.13		70	
3-bed house		24%		2.92		84	
4-bed house		3%		0.34		97	
		100%		12.43		879.18	
Shared Ownership		Dwelling mix		No. of units		Size sqm	
1-bed flat		16%		0.83		50	
2-bed flat		0%		0.00		61	
1-bed house		0%		0.00		50	
2-bed house		57%		2.91		70	
3-bed house		24%		1.19		84	
4-bed house		3%		0.14		97	
		100%		5.08		359.10	
First Homes		Dwelling mix		No. of units		Size sqm	
1-bed flat		16%		0.00		50	
2-bed flat		0%		0.00		61	
1-bed house		0%		0.00		50	
2-bed house		57%		0.00		70	
3-bed house		24%		0.00		84	
4-bed house		3%		0.00		97	
		100%		0.00		0.00	
Gross Development Value		70.00		6,154.65		£20,959,731	
Residual Land Value							
3099 sqm/ha		Gross site area hectares		2.00			
Residual land value		£2,011,979		SDLT		Agents & legals	
Residual land value £ per hectare		£1,005,989		£90,099		1.50%	
Residual land value plus purchaser costs						£2,132,257	
Unit Build Costs							
		No. of units		Total sqm GIA		Cost per sqm	
1-bed flat		2.87		169		£1,686	
2-bed flat		0.00		0		£1,686	
1-bed house		1.73		118		£1,527	
2-bed house		21.01		1,569		£1,527	
3-bed house		25.54		2,274		£1,527	
4-bed house		18.86		2,068		£1,527	
Total unit build costs		70.00		6,198		£9,490,661	
Additional Costs							
Plot external		15%		of build costs		£1,423,599	
Statutory planning fees		£32,518		fixed cost		£32,519	
Planning application professional fees, surveys and reports		£97,557		fixed cost		£97,557	
Total additional costs						£1,553,675	
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142		per unit		100% of ulits	
Biodiversity net gain		£1,018		per unit		100% of ulits	
EV charging points - houses		£1,000		per unit		100% of ulits	
EV charging points - flats		£10,000		per unit		25% of ulits	
Policy LP06 - Mix and type of co M4 (2)		£521		per unit		50% of ulits	
Policy LP25 - Sustainable Const Water efficiency		£9		per unit		100% of ulits	
Total policy costs						£174,384	
Professional Fees							
Based on percentage of construction costs (build and additional )		10%				£1,104,434	
Total professional fees						£1,104,434	
Contingency							
Based on percentage of construction costs (build and additional )		5%				£552,217	
Total contingency						£552,217	
Developer Contributions - S106							
		£1,500		per unit		£105,000	
Total S106						£105,000	
CIL							
		£0		indexed rate Epsm		£0	
Total CIL						£0	
Sales Costs							
Legals -		1.50%		GDV		£314,396	
Sales agents fee -		1.25%		GDV		£261,997	
Marketing cost -		1.00%		GDV		£209,597	
Total sale costs						£785,990	
TOTAL DEVELOPMENT COSTS						£15,898,617	
Based upon percentage of gross development value							
Private -		20.0%		market units GDV		£3,655,838	
Affordable -		6.0%		Affordable units GDV		£160,833	
						£3,816,670	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£19,715,287	
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£1,244,444	
Finance Costs							
Assumes 100% debt financed		APR		PCM		5.94%	
		8.75%		0.701%		-£1,244,444	
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£20,959,731	
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## **Appendix E     Residential Appraisals S106 @ £10,100 per dwellings**

Total No. of units	No. of private	No. of affordable	Affordable %		Affordable Rent	Shared Ownership	First Homes
8.00	8.00	0.00	0%		71%	29%	0%
		8.00				100%	check
Development Value							
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house	3%	0.26	58	15.31	£270,000	£4,855	£71,280
2-bed house	21%	1.67	79	132.09	£340,000	£4,304	£568,480
3-bed house	41%	3.26	90	293.76	£375,000	£4,167	£1,224,000
4-bed house	35%	2.80	110	308.00	£450,000	£4,091	£1,260,000
	100%	8.00		749.16		50%	£3,123,760
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	0.00	50	0.00	£100,000	£2,000	£0
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house	57%	0.00	70	0.00	£150,633	£2,152	£0
3-bed house	24%	0.00	84	0.00	£175,000	£2,083	£0
4-bed house	3%	0.00	97	0.00	£198,409	£2,045	£0
	100%	0.00		0.00			£0
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£245,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£277,773	£2,864	£0
	100%	0.00		0.00			£0
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0
	100%	0.00		0.00			£0
Gross Development Value		8.00		749.16			£3,123,760
Residual Land Value							
1880 sqm/ha		Gross site area hectares					
		0.40					
Residual land value		£542,119		SDLT	Agents & legals	Residual land value + costs	
Residual land value £ per hectare		£1,355,297		£16,606	1.50%	£566,857	
Residual land value plus purchaser costs						£566,857	
Unit Build Costs							
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs	
1-bed flat	0.00	0	£1,686	85%		£0	
2-bed flat	0.00	0	£1,686			£0	
1-bed house	0.26	18	£1,527			£27,508	
2-bed house	1.67	132	£1,527			£201,698	
3-bed house	3.26	294	£1,527			£448,572	
4-bed house	2.80	308	£1,527			£470,316	
Total unit build costs		8.00	752			£1,148,093	
Additional Costs							
Plot external		15%		of build costs		£172,214	
Statutory planning fees		£3,696		fixed cost		£3,696	
Planning application professional fees, surveys and reports		£11,088		fixed cost		£11,088	
Total additional costs						£186,998	
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142		per unit		£1,138	
Biodiversity net gain		£1,018		per unit		£8,144	
EV charging points - houses		£1,000		per unit		£8,000	
EV charging points - flats		£10,000		per unit		£0	
Policy LP06 - Mix and type of co M4 (2)		£521		per unit		£2,084	
Policy LP25 - Sustainable Const Water efficiency		£9		per unit		£72	
Total policy costs						£19,438	
Professional Fees							
Based on percentage of construction costs (build and additional )		10%				£133,509	
Total professional fees						£133,509	
Contingency							
Based on percentage of construction costs (build and additional )		5%				£66,755	
Total contingency						£66,755	
Developer Contributions - S106							
		£10,100		per unit		£80,800	
Total S106						£80,800	
CIL							
		£0		indexed rate Epsm		£0	
Total CIL						£0	
Sale Costs							
Legals		1.50%		GDV		£46,856	
Sales agents fee -		1.25%		GDV		£39,047	
Marketing cost -		1.00%		GDV		£31,238	
Total sale costs						£117,141	
TOTAL DEVELOPMENT COSTS						£2,319,591	
Developers' Profit							
Based upon percentage of gross development value		Rate					
Private -		20.0%		market units GDV		£624,752	
Affordable -		6.0%		Affordable units GDV		£0	
						£624,752	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£2,944,343	
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£179,417	
Finance Costs							
Assumes 100% debt financed		APR 8.75%		PCM 0.701%		5.74% -£179,417	
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£3,123,760	
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Total No. of units		No. of private	No. of affordable	Affordable %		Affordable Rent	Shared Ownership	First Homes
15.00		9.75	5.25	35%		71%	29%	0%
		15.00					100%	check
Development Value								
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0	
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0	
1-bed house	3%	0.32	58	18.66	£270,000	£4,555	£86,873	
2-bed house	21%	2.04	79	160.98	£340,000	£4,304	£692,835	
3-bed house	41%	3.98	90	358.02	£375,000	£4,167	£1,491,750	
4-bed house	35%	3.41	110	375.38	£450,000	£4,091	£1,535,625	
	100%	9.75		913.04			£3,807,083	
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	0.61	50	30.53	£100,000	£2,000	£61,056	
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0	
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0	
2-bed house	57%	2.14	70	149.64	£150,633	£2,152	£322,011	
3-bed house	24%	0.88	84	73.64	£175,000	£2,083	£153,424	
4-bed house	3%	0.10	97	9.94	£198,409	£2,045	£20,338	
	100%	3.73		263.76			£556,830	
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	0.25	50	12.47	£140,000	£2,800	£34,914	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	0.87	70	61.12	£210,886	£3,013	£184,136	
3-bed house	24%	0.36	84	30.08	£245,000	£2,917	£87,733	
4-bed house	3%	0.04	97	4.06	£277,773	£2,864	£11,630	
	100%	1.52		107.73			£318,412	
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value	
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0	
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0	
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0	
	100%	0.00		0.00			£0	
Gross Development Value		15.00		1,284.53			£4,682,325	
Residual Land Value								
1295 sqm/ha		Gross site area hectares						
		1.00						
Residual land value		£545,213		SDLT	Agents & legals	Residual land value + costs		
Residual land value £ per hectare		£545,213		£16,761	1.50%	£570,152		
Residual land value plus purchaser costs							£570,152	
Unit Build Costs								
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs		
1-bed flat	0.86	51	£1,686	85%		£85,287		
2-bed flat	0.00	0	£1,686			£0		
1-bed house	0.32	22	£1,527			£33,525		
2-bed house	5.05	372	£1,527			£567,652		
3-bed house	5.21	462	£1,527			£705,082		
4-bed house	3.56	389	£1,527			£594,582		
Total unit build costs		15.00	1,295			£1,986,128		
Additional Costs								
Plot external		15%	of build costs			£297,919		
Statutory planning fees		£3,696	fixed cost			£3,696		
Planning application professional fees, surveys and reports		£11,088	fixed cost			£11,088		
Total additional costs							£312,703	
Policy Costs								
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142	per unit	100% of units	£2,134			
Biodiversity net gain		£1,018	per unit	100% of units	£15,270			
EV charging points - houses		£1,000	per unit	100% of units	£14,140			
EV charging points - flats		£10,000	per unit	25% of units	£2,150			
Policy LP06 - Mix and type of co M4 (2)		£521	per unit	50% of units	£3,908			
Policy LP25 - Sustainable Const Water efficiency		£9	per unit	100% of units	£135			
Total policy costs							£37,736	
Professional Fees								
Based on percentage of construction costs (build and additional )		10%			£229,883			
Total professional fees							£229,883	
Contingency								
Based on percentage of construction costs (build and additional )		5%			£114,942			
Total contingency							£114,942	
Developer Contributions - S106								
		£10,100	per unit	£151,500				
Total S106							£151,500	
CIL								
		£0	indexed rate Epsm	£0				
Total CIL							£0	
Sale Costs								
Legals		1.50%	GDV	£70,235				
Sales agents fee -		1.25%	GDV	£58,529				
Marketing cost -		1.00%	GDV	£46,823				
Total sale costs							£175,587	
TOTAL DEVELOPMENT COSTS							£3,578,632	
Developers' Profit								
Based upon percentage of gross development value		Rate						
Private -		20.0%	market units GDV	£761,417				
Affordable -		6.0%	Affordable units GDV	£52,515				
							£813,931	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£4,392,563	
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£289,762	
Finance Costs								
Assumes 100% debt financed		APR	8.75%	PCM		0.701%	-£289,762	
						6.19%		
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£4,682,325	
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30 units										Greenfield																																																																																									
Total No. of units										No. of private										No. of affordable										Affordable %										Affordable Rent										Shared Ownership										First Homes																																							
30.00										19.50										10.50										35%										71%										29%										100%										0%																													
30.00										19.50										10.50										35%										71%										29%										100%										0%																													
Development Value																																																																																																			
Market Units										Dwelling mix										No. of units										Size sqm										Total NIA sqm										Unit price										£psm										Total Value																													
1-bed flat										0%										0.00										50										0.00										£200,000										£4,000										£0																													
2-bed flat										0%										0.00										61										0.00										£215,000										£3,525										£0																													
1-bed house										3%										0.64										58										37.32										£270,000										£4,655										£173,745																													
2-bed house										21%										4.08										79										321.96										£340,000										£4,304										£1,385,670																													
3-bed house										41%										7.96										90										716.04										£375,000										£4,167										£2,983,500																													
4-bed house										35%										6.83										110										750.75										£450,000										£4,091										£3,071,250																													
										100%										19.50																				1626.08																														£7,614,165																													
Affordable Rent										Dwelling mix										No. of units										Size sqm										Total NIA sqm										Unit price										£psm										Total Value																													
1-bed flat										16%										1.22										50										61.06										£100,000										£2,000										£122,113																													
2-bed flat										0%										0.00										61										0.00										£107,500										£1,762										£0																													
1-bed house										0%										0.00										50										0.00										£116,379										£2,328										£0																													
2-bed house										57%										4.28										70										299.28										£150,633										£2,152										£644,022																													
3-bed house										24%										1.75										84										147.29										£175,000										£2,083										£306,848																													
4-bed house										3%										0.21										97										19.89										£198,409										£2,045										£40,676																													
										100%										7.46																				527.51																														£1,113,659																													
Shared Ownership										Dwelling mix										No. of units										Size sqm										Total NIA sqm										Unit price										£psm										Total Value																													
1-bed flat										16%										0.50										50										24.94										£140,000										£2,800										£69,828																													
2-bed flat										0%										0.00										61										0.00										£150,500										£2,467										£0																													
1-bed house										0%										0.00										50										0.00										£162,931										£3,259										£0																													
2-bed house										57%										1.75										70										122.24										£210,886										£3,013										£368,272																													
3-bed house										24%										0.72										84										60.16										£245,000										£2,917										£175,465																													
4-bed house										3%										0.08										97										8.12										£277,773										£2,864										£23,260																													
										100%										3.05																				215.46																														£636,825																													
First Homes										Dwelling mix										No. of units										Size sqm										Total sqm										Unit price										£psm										Total Value																													
1-bed flat										16%										0.00										50										0.00										£140,000										£2,800										£0																													
2-bed flat										0%										0.00										61										0.00										£150,500										£2,467										£0																													
1-bed house										0%										0.00										50										0.00										£162,931										£3,259										£0																													
2-bed house										57%										0.00										70										0.00										£210,886										£3,013										£0																													
3-bed house										24%										0.00										84										0.00										£250,000										£2,917										£0																													
4-bed house										3%										0.00										97										0.00										£250,000										£2,864										£0																													
										100%										0.00																				0.00																														£0																													
Gross Development Value										30.00																														2,569.05																														£9,364,649																													
Residual Land Value																																																																																																			
1364 sqm/ha										Gross site area hectares										1.90																																																																															
Residual land value																														£1,069,826										SDLT										£42,991										Agents & legals										1.50%										Residual land value + costs																			
Residual land value £ per hectare																														£563,066																																																												£1,128,865									
Residual land value plus purchaser costs																																																																																																			
Unit Build Costs																																																																																																			
1-bed flat										No. of units										Total sqm GIA										Cost per sqm										Gross to net flats										Total Costs																																																	
1-bed flat										1.72										101										£1,686										85%										£170,574																																																	
2-bed flat										0.00										0										£1,686																				£0																																																	
1-bed house										0.64										44										£1,527																				£67,050																																																	
2-bed house										10.10										743										£1,527																				£1,135,305																																																	
3-bed house										10.43										923										£1,527																				£1,410,164																																																	
4-bed house										7.11										779										£1,527																				£1,189,165																																																	
Total unit build costs										30.00										2,591																																								£3,972,256																																							
Additional Costs																																																																																																			
Plot external																				15%										of build costs																														£595,838																																							
Statutory planning fees																														£3,686										fixed cost																				£3,696																																							
Planning application professional fees, surveys and reports																														£11,088										fixed cost																				£11,088																																							
Total additional costs																																																																																																			
Policy Costs																																																																																																			
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).																				£142										per unit										100% of uilts										£4,268																																																	
Biodiversity net gain																				£1,018										per unit										100% of uilts										£30,540																																																	
EV charging points - houses																				£1,000										per unit										100% of uilts										£28,280																																																	
EV charging points - flats																				£10,000										per unit										25% of uilts										£4,300																																																	
Policy LP06 - Mix and type of co M4 (2)																				£521										per unit										50% of uilts										£7,815																																																	
Policy LP25 - Sustainable ConstWater efficiency																				£9										per unit										100% of uilts										£270																																																	
Total policy costs																																																																																																			
Professional Fees																																																																																																			
Based on percentage of construction costs (build and additional )																				10%																																								£458,288																																							
Total professional fees																																																																																																			
Contingency																																																																																																			
Based on percentage of construction costs (build and additional )																				5%																																								£229,144																																							
Total contingency																																																																																																			
Developer Contributions - S106																																																																																																			
																				£10,100										per unit																														£303,000																																							
Total S106																																																																																																			
CIL																																																																																																			
																				£0										indexed rate Epsm																														£0																																							
Total CIL																																																																																																			
Sale Costs																																																																																																			
Legals -																				1.50%										GDV																														£140,470																																							
Sales agents fee -																				1.25%										GDV																														£117,058																																							
Marketing cost -																				1.00%										GDV																														£93,646																																							
Total sale costs																																																																																																			
TOTAL DEVELOPMENT COSTS																																																																																																			
Based upon percentage of gross development value																																																																																																			
Private -																				Rate										20.0%										market units GDV																				£1,522,833																																							
Affordable -																				6.0%										Affordable units GDV																				£105,029																																																	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]																																																																																																			
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]																																																																																																			
Finance Costs																																																																																																			
Assumes 100% debt financed																				APR										8.75%																				PCM										0.701%										-£607,964																													
TOTAL PROJECT COSTS [INCLUDING INTEREST]																																																																																																			

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Total No. of units		No. of private	No. of affordable	Affordable %		Affordable Rent	Shared Ownership	First Homes
50.00		32.50	17.50	35%		71%	29%	0%
		50.00					100%	check
Development Value								
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0	
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0	
1-bed house	3%	1.07	58	£2.21	£270,000	£4,655	£289,575	
2-bed house	21%	6.79	79	£36.61	£340,000	£4,304	£2,309,450	
3-bed house	41%	13.26	90	£193.40	£375,000	£4,167	£4,972,500	
4-bed house	35%	11.38	110	£251.25	£450,000	£4,091	£5,118,750	
	100%	32.50		3043.46			50%	£10,690,275
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	2.04	50	101.76	£100,000	£2,000	£203,522	
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0	
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0	
2-bed house	57%	7.13	70	£498.80	£150,633	£2,152	£1,073,371	
3-bed house	24%	2.92	84	£245.48	£175,000	£2,083	£511,413	
4-bed house	3%	0.34	97	£33.14	£198,409	£2,045	£67,794	
	100%	12.43		£79.18			70%	£1,856,099
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value	
1-bed flat	16%	0.83	50	41.56	£140,000	£2,800	£116,380	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	2.91	70	£203.74	£210,886	£3,013	£613,787	
3-bed house	24%	1.19	84	£100.27	£245,000	£2,917	£292,442	
4-bed house	3%	0.14	97	£13.54	£277,773	£2,864	£39,767	
	100%	5.08		£39.10			70%	£1,061,375
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	70% Epsm	Total Value	
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0	
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0	
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0	
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0	
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0	
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0	
	100%	0.00		0.00			£0	
Gross Development Value		50.00		4,281.75			£15,607,749	
Residual Land Value								
1542 sqm/ha		Gross site area hectares						
		2.80						
Residual land value		£1,811,484		SDLT	Agents & legals	Residual land value + costs		
Residual land value £ per hectare		£646,958		£80,074	1.50%	£1,918,730		
Residual land value plus purchaser costs							£1,918,730	
Unit Build Costs								
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		85%	Total Costs	
1-bed flat	2.87	169	£1,686				£284,289	
2-bed flat	0.00	0	£1,686				£0	
1-bed house	1.07	73	£1,527				£111,749	
2-bed house	16.83	1,239	£1,527				£1,892,174	
3-bed house	17.38	1,539	£1,527				£2,350,273	
4-bed house	11.86	1,298	£1,527				£1,981,941	
Total unit build costs		50.00	4,318				£6,620,427	
Additional Costs								
Plot external		15%		of build costs		£993,064		
Statutory planning fees		£3,696		fixed cost		£3,696		
Planning application professional fees, surveys and reports		£11,088		fixed cost		£11,088		
Total additional costs							£1,007,848	
Policy Costs								
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142		per unit		100% of units	£7,114	
Biodiversity net gain		£1,018		per unit		100% of units	£50,900	
EV charging points - houses		£1,000		per unit		100% of units	£47,134	
EV charging points - flats		£10,000		per unit		25% of units	£7,166	
Policy LP06 - Mix and type of co M4 (2)		£521		per unit		50% of units	£13,025	
Policy LP25 - Sustainable Const Water efficiency		£9		per unit		100% of units	£450	
Total policy costs							£125,788	
Professional Fees								
Based on percentage of construction costs (build and additional )		10%				£762,828		
Total professional fees							£762,828	
Contingency								
Based on percentage of construction costs (build and additional )		5%				£381,414		
Total contingency							£381,414	
Developer Contributions - S106								
		£10,100		per unit		£505,000		
Total S106							£505,000	
CIL								
		£0		indexed rate Epsm		£0		
Total CIL							£0	
Legal Costs								
Legals		1.50%		GDV		£234,116		
Sales agents fee -		1.25%		GDV		£195,097		
Marketing cost -		1.00%		GDV		£156,077		
Total sale costs							£585,291	
TOTAL DEVELOPMENT COSTS							£11,907,325	
Developers Profit								
Based upon percentage of gross development value		Rate						
Private -		20.0%		market units GDV		£2,538,055		
Affordable -		6.0%		Affordable units GDV		£175,048		
							£2,713,103	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£14,620,429	
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£987,320	
Finance Costs								
Assumes 100% debt financed		APR		PCM				
		8.75%		0.701%		-£987,320		
						6.33%		
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£15,607,749	
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Total No. of units	No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes	
150.00	97.50	52.50	35%	71%	29%	0%	
							check
Development Value							
Market Units	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house	3%	3.22	58	186.62	£270,000	£4,655	£868,725
2-bed house	21%	20.38	79	1609.82	£340,000	£4,304	£6,928,350
3-bed house	41%	39.78	90	3580.20	£375,000	£4,167	£14,917,500
4-bed house	35%	34.13	110	3753.75	£450,000	£4,091	£15,356,250
	100%	97.50		9130.39			£38,070,825
Affordable Rent	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	16%	6.11	50	305.28	£100,000	£2,000	£10,565
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house	57%	21.38	70	1496.40	£150,633	£2,152	£3,220,112
3-bed house	24%	8.77	84	736.43	£175,000	£2,083	£1,534,299
4-bed house	3%	1.03	97	99.43	£198,409	£2,045	£203,382
	100%	37.28		2637.55			£5,568,297
Shared Ownership	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	£psm	Total Value
1-bed flat	16%	2.49	50	124.69	£140,000	£2,800	£349,140
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	8.73	70	611.21	£210,886	£3,013	£1,841,360
3-bed house	24%	3.58	84	300.80	£245,000	£2,917	£877,325
4-bed house	3%	0.42	97	40.61	£277,773	£2,864	£116,300
	100%	15.23		1077.31			£3,184,125
First Homes	Dwelling mix	No. of units	Size sqm	Total sqm	Unit price	£psm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0
	100%	0.00		0.00			£0
Gross Development Value		150.00		12,845.25			£46,823,247
Residual Land Value							
2756 sqm/ha	Gross site area hectares						
		4.70					
				SDLT	Agents & legals		Residual land value + costs
	Residual land value		£5,183,218	£248,661	1.50%		£5,509,627
	Residual land value £ per hectare		£1,102,812				
Residual land value plus purchaser costs							£5,509,627
Unit Build Costs							
		No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs
		8.60	506	£1,686	85%		£852,868
1-bed flat		0.00	0	£1,686			£0
2-bed flat		0.00	220	£1,527			£335,248
1-bed house		50.49	3,717	£1,527			£5,676,523
2-bed house		52.13	4,617	£1,527			£7,050,819
3-bed house		35.57	3,894	£1,527			£5,945,823
Total unit build costs		150.00	12,954				£19,861,281
Additional Costs							
Plot external			15%	of build costs			£2,979,192
Statutory planning fees			£43,559	fixed cost			£43,559
Planning application professional fees, surveys and reports			£130,677	fixed cost			£130,677
Total additional costs							£3,153,428
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).			£142	per unit	100% of units		£21,341
Biodiversity net gain			£1,018	per unit	100% of units		£152,700
EV charging points - houses			£1,000	per unit	100% of units		£141,401
EV charging points - flats			£10,000	per unit	25% of units		£21,499

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150 units		Greenfield						
Total No. of units		No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes	
150.00		97.50	52.50	35%	71%	29%	0%	
		150.00				100%	check	
Development Value								
Market Units		Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat		0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat		0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house		3%	3.22	58	186.62	£270,000	£4,655	£868,725
2-bed house		21%	20.38	79	1609.82	£340,000	£4,304	£6,928,350
3-bed house		41%	39.78	90	3580.20	£375,000	£4,167	£14,917,500
4-bed house		35%	34.13	110	3753.75	£450,000	£4,091	£15,355,250
		100%	97.50		9130.39			£38,070,825
Affordable Rent		Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat		16%	6.11	50	305.26	£100,000	£2,000	£610,565
2-bed flat		0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house		0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house		57%	21.38	70	1496.40	£150,633	£2,152	£3,220,112
3-bed house		24%	8.77	84	736.43	£175,000	£2,083	£1,534,239
4-bed house		3%	1.03	97	89.43	£198,409	£2,045	£203,382
		100%	37.28		2637.55			£5,568,297
Shared Ownership		Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat		16%	2.49	50	124.69	£140,000	£2,800	£349,140
2-bed flat		0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house		0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house		57%	8.73	70	611.21	£210,886	£3,013	£1,841,360
3-bed house		24%	3.58	84	300.80	£245,000	£2,917	£877,325
4-bed house		3%	0.42	97	40.61	£277,773	£2,864	£116,300
		100%	15.23		1077.31			£3,184,125
First Homes		Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value
1-bed flat		16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat		0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house		0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house		57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house		24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house		3%	0.00	97	0.00	£250,000	£2,864	£0
		100%	0.00		0.00			£0
Gross Development Value			150.00		12,845.25			£46,823,247
Residual Land Value								
1561 sqm/ha		Gross site area hectares						
		8.30						
Residual land value		£4,469,179		SDLT	£212,959	Agents & legal's	1.50%	Residual land value + costs
Residual land value £ per hectare		£538,455						£4,749,176
Residual land value plus purchaser costs								£4,749,176
Unit Build Costs								
		No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		85%	Total Costs
1-bed flat		8.60	506	£1,686				£852,868
2-bed flat		0.00	0	£1,686				£0
1-bed house		3.22	220	£1,527				£335,248
2-bed house		50.49	3,717	£1,527				£5,676,523
3-bed house		52.13	4,617	£1,527				£7,050,819
4-bed house		35.57	3,894	£1,527				£5,945,823
Total unit build costs		150.00	12,954					£19,861,281
Additional Costs								
Plot external			15%	of build costs				£2,879,192
Statutory planning fees			£43,559	fixed cost				£43,559
Planning application professional fees, surveys and reports			£130,677	fixed cost				£130,677
Total additional costs								£3,153,428
Policy Costs								
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).			£142	per unit	100% of ulits			£21,341
Biodiversity net gain			£1,018	per unit	100% of ulits			£1,62,700
EV charging points - houses			£1,000	per unit	100% of ulits			£141,401
EV charging points - flats			£10,000	per unit	25% of ulits			£21,499
Policy LP06 - Mix and type of co M4 (2)			£521	per unit	50% of ulits			£39,075
Policy LP25 - Sustainable Const/Water efficiency			£9	per unit	100% of ulits			£1,350
Total policy costs								£377,365
Professional Fees								
Based on percentage of construction costs (build and additional )			10%					£2,301,471
Total professional fees								£2,301,471
Based on percentage of construction costs (build and additional )								£1,150,735
Total contingency								£1,150,735
Developer Contributions - S106								
			£10,100	per unit				£1,515,000
Total S106								£1,515,000
CIL								
			£0	indexed rate Epsm				£0
Total CIL								£0
Sales Costs								
Legals -			1.50%	GDV				£702,349
Sales agents fee -			1.25%	GDV				£585,291
Marketing cost -			1.00%	GDV				£468,232
Total sale costs								£1,755,872
TOTAL DEVELOPMENT COSTS								£34,864,328
Based upon percentage of gross development value								
Private -			20.0%	market units GDV				£7,614,165
Affordable -			6.0%	Affordable units GDV				£525,145
								£8,139,310
TOTAL PROJECT COSTS [EXCLUDING INTEREST]								£43,003,638
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]								£3,819,608
Finance Costs								
Assumes 100% debt financed			APR		PCM			
			8.75%		0.701%		-£3,819,608	
					6.16%			
TOTAL PROJECT COSTS [INCLUDING INTEREST]								£46,823,247
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Total No. of units		No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes
150.00		97.50	52.50	35%	71%	29%	0%
150.00		check					
Development Value							
Market Units							
	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat	0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house	3%	3.22	58	186.62	£270,000	£4,655	£868,725
2-bed house	21%	20.38	79	1609.82	£340,000	£4,304	£6,928,350
3-bed house	41%	39.78	90	3580.20	£375,000	£4,167	£14,917,500
4-bed house	35%	34.13	110	3753.75	£450,000	£4,091	£15,356,250
100%		97.50		9130.39			£38,070,825
Affordable Rent							
	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	6.11	50	305.28	£100,000	£2,000	£610,565
2-bed flat	0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house	0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house	57%	21.38	70	1496.40	£150,633	£2,152	£3,220,112
3-bed house	24%	8.77	84	736.43	£175,000	£2,083	£1,534,238
4-bed house	3%	1.03	97	99.43	£198,409	£2,045	£203,382
100%		37.28		2637.55			£5,568,297
Shared Ownership							
	Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat	16%	2.49	50	124.69	£140,000	£2,800	£349,140
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house	57%	8.73	70	611.21	£210,886	£3,013	£1,841,360
3-bed house	24%	3.58	84	300.80	£245,000	£2,917	£877,325
4-bed house	3%	0.42	97	40.61	£277,773	£2,864	£116,300
100%		15.23		1077.31			£3,184,125
First Homes							
	Dwelling mix	No. of units	Size sqm	Total sqm	Unit price	Epsm	Total Value
1-bed flat	16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat	0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house	0%	0.00	50	0.00	£162,931	£3,259	£0
3-bed house	57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house	24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house	3%	0.00	97	0.00	£250,000	£2,864	£0
100%		0.00		0.00			£0
Gross Development Value		150.00		12,845.25			£46,823,247
Residual Land Value							
932 sqm/ha	Gross site area hectares						
	13.90						
	Residual land value		£4,145,382	SDLT	Agents & legals	Residual land value + costs	
	Residual land value £ per hectare		£298,229	£196,769	1.50%	£4,404,332	
Residual land value plus purchaser costs		£4,404,332					
Unit Build Costs							
	No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs	
1-bed flat	8.60	506	£1,686	85%		£852,868	
2-bed flat	0.00	0	£1,686			£0	
1-bed house	3.22	220	£1,527			£335,248	
2-bed house	50.49	3,717	£1,527			£5,676,523	
3-bed house	52.13	4,617	£1,527			£7,050,819	
4-bed house	35.57	3,894	£1,527			£5,945,823	
Total unit build costs		150.00	12,954			£19,961,281	
Additional Costs							
Plot external		15%	of build costs	£2,979,192			
Statutory planning fees		£43,559	fixed cost	£43,559			
Planning application professional fees, surveys and reports		£130,677	fixed cost	£130,677			
Total additional costs		£3,153,428					
Policy Costs							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS).		£142	per unit	100% of units		£21,341	
Biodiversity net gain		£1,018	per unit	100% of units		£152,700	
EV charging points - houses		£1,000	per unit	100% of units		£141,401	
EV charging points - flats		£10,000	per unit	25% of units		£21,499	
Policy LP06 - Mix and type of co M4 (2)		£521	per unit	50% of units		£39,075	
Policy LP25 - Sustainable Const Water efficiency		£9	per unit	100% of units		£1,350	

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1000 units		Greenfield						
Total No. of units		No. of private	No. of affordable	Affordable %	Affordable Rent	Shared Ownership	First Homes	
1000.00		650.00	350.00	35%	71%	29%	0%	
1000.00						100%	check	
Development Value								
Market Units		Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat		0%	0.00	50	0.00	£200,000	£4,000	£0
2-bed flat		0%	0.00	61	0.00	£215,000	£3,525	£0
1-bed house		3%	21.45	58	1244.10	£270,000	£4,655	£5,791,500
2-bed house		21%	135.85	79	10732.15	£340,000	£4,304	£46,189,000
3-bed house		41%	265.20	90	23868.00	£375,000	£4,167	£99,450,000
4-bed house		35%	227.50	110	25025.00	£450,000	£4,091	£102,375,000
		100%	650.00		60869.25			£253,805,500
Affordable Rent		Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat		16%	40.70	50	2035.22	£100,000	£2,000	£4,070,430
2-bed flat		0%	0.00	61	0.00	£107,500	£1,762	£0
1-bed house		0%	0.00	50	0.00	£116,379	£2,328	£0
2-bed house		57%	142.51	70	9976.03	£150,633	£2,152	£21,467,412
3-bed house		24%	58.45	84	4909.56	£175,000	£2,083	£10,226,260
4-bed house		3%	6.83	97	662.87	£198,409	£2,045	£1,355,878
		100%	248.50		17583.69			£37,121,980
Shared Ownership		Dwelling mix	No. of units	Size sqm	Total NIA sqm	Unit price	Epsm	Total Value
1-bed flat		16%	16.63	50	831.29	£140,000	£2,800	£2,327,598
2-bed flat		0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house		0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house		57%	58.21	70	4074.72	£210,886	£3,013	£12,275,731
3-bed house		24%	23.87	84	2005.32	£245,000	£2,917	£5,848,836
4-bed house		3%	2.79	97	270.75	£277,773	£2,864	£775,333
		100%	101.50		7182.07			£21,227,498
First Homes		Dwelling mix	No. of units	Size sqm	Total sqm	Capped Unit price	Epsm	Total Value
1-bed flat		16%	0.00	50	0.00	£140,000	£2,800	£0
2-bed flat		0%	0.00	61	0.00	£150,500	£2,467	£0
1-bed house		0%	0.00	50	0.00	£162,931	£3,259	£0
2-bed house		57%	0.00	70	0.00	£210,886	£3,013	£0
3-bed house		24%	0.00	84	0.00	£250,000	£2,917	£0
4-bed house		3%	0.00	97	0.00	£250,000	£2,864	£0
		100%	0.00		0.00			£0
Gross Development Value		1000.00		85,635.01				£312,154,978
Residual Land Value								
1919 sqm/ha		Gross site area hectares		45.00				
Residual land value		£22,853,545		SDLT		Agents & legals		
Residual land value £ per hectare		£501,190		£1,117,177		1.50%		
Residual land value plus purchaser costs						Residual land value + costs		
						£24,009,026		
Unit Build Costs								
		No. of units	Total sqm GIA	Cost per sqm	Gross to net flats		Total Costs	
1-bed flat		57.33	3,372	£1,686	85%		£5,685,787	
2-bed flat		0.00	0	£1,686			£0	
1-bed house		21.45	1,464	£1,527			£2,234,989	
2-bed house		336.58	24,783	£1,527			£37,943,488	
3-bed house		347.52	30,783	£1,527			£47,006,458	
4-bed house		237.13	25,959	£1,527			£38,638,820	
Total unit build costs		1000.00	86,360			£132,408,543		
Additional Costs								
Plot external		15%		of build costs		£19,861,281		
Statutory planning fees		£160,859		fixed cost		£160,859		
Planning application professional fees, surveys and reports		£482,577		fixed cost		£482,577		
Total additional costs						£20,504,717		
Policy Costs								
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS):		£142		per unit		100% of ulits		
Biodiversity net gain		£1,018		per unit		25% of ulits		
EV charging points - houses		£1,000		per unit		100% of ulits		
EV charging points - flats		£10,000		per unit		25% of ulits		
Policy LP06 - Mix and type of co M4 (2)		£521		per unit		50% of ulits		
Policy LP25 - Sustainable Const/Water efficiency		£9		per unit		100% of ulits		
Total policy costs						£2,515,765		
Professional Fees								
Based on percentage of construction costs (build and additional )		10%				£15,291,326		
Total professional fees						£15,291,326		
Based on percentage of construction costs (build and additional )								
		5%				£7,645,663		
Total contingency						£7,645,663		
Developer Contributions - S106								
		£10,100		per unit		£10,100,000		
Total S106						£10,100,000		
CIL								
		£0		indexed rate Epsm		£0		
Total CIL						£0		
Sales Costs								
Legals -		1.50%		GDV		£4,682,325		
Sales agents fee -		1.25%		GDV		£3,901,937		
Marketing cost -		1.00%		GDV		£3,121,550		
Total sale costs						£11,705,812		
TOTAL DEVELOPMENT COSTS						£224,180,851		
Based upon percentage of gross development value								
Private -		20.0%		market units GDV		£50,761,100		
Affordable -		6.0%		Affordable units GDV		£3,500,969		
						£54,262,069		
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£278,442,920		
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£33,712,058		
Finance Costs								
Assumes 100% debt financed		APR		PCM		10.80%		
		8.75%		0.701%				
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£312,154,978		
This appraisal has been prepared by Urbà. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.								

8 units		Brownfield		Urbà																			
Total No. of units		No. of private		No. of affordable		Affordable %		Affordable Rent		Shared Ownership		First Homes											
8.00		6.00		2.00		25%		71%		29%		0%											
		8.00								100%		check											
Development Value																							
Market Units		Dwelling mix		No. of units		Size sqm		Total NIA sqm		Unit price		Epsm		Total Value									
1-bed flat		0%		0.00		50		0.00		£200,000		£4,000		£0									
2-bed flat		0%		0.00		61		0.00		£215,000		£3,525		£0									
1-bed house		3%		0.20		58		11.48		£270,000		£4,655		£53,460									
2-bed house		21%		1.25		79		99.07		£340,000		£4,304		£426,360									
3-bed house		41%		2.45		90		220.32		£375,000		£4,167		£918,000									
4-bed house		35%		2.10		110		231.00		£450,000		£4,091		£945,000									
		100%		6.00				561.87						£2,342,820									
Affordable Rent		Dwelling mix		No. of units		Size sqm		Total NIA sqm		Unit price		Epsm		Total Value									
1-bed flat		16%		0.23		50		11.63		£100,000		£2,000		£23,260									
2-bed flat		0%		0.00		61		0.00		£107,500		£1,762		£0									
1-bed house		0%		0.00		50		0.00		£116,379		£2,328		£0									
2-bed house		57%		0.81		70		57.01		£150,633		£2,152		£122,671									
3-bed house		24%		0.33		84		28.05		£175,000		£2,083		£58,447									
4-bed house		3%		0.04		97		3.79		£198,409		£2,045		£7,748									
		100%		1.42				100.48						£212,126									
Shared Ownership		Dwelling mix		No. of units		Size sqm		Total NIA sqm		Unit price		Epsm		Total Value									
1-bed flat		16%		0.10		50		4.75		£140,000		£2,800		£13,301									
2-bed flat		0%		0.00		61		0.00		£150,500		£2,467		£0									
1-bed house		0%		0.00		50		0.00		£162,931		£3,259		£0									
2-bed house		57%		0.33		70		23.28		£210,886		£3,013		£70,147									
3-bed house		24%		0.14		84		11.46		£245,000		£2,917		£33,422									
4-bed house		3%		0.02		97		1.55		£277,773		£2,864		£4,430									
		100%		0.58				41.04						£121,300									
First Homes		Dwelling mix		No. of units		Size sqm		Total sqm		Capped Unit price		Epsm		Total Value									
1-bed flat		16%		0.00		50		0.00		£140,000		£2,800		£0									
2-bed flat		0%		0.00		61		0.00		£150,500		£2,467		£0									
1-bed house		0%		0.00		50		0.00		£162,931		£3,259		£0									
2-bed house		57%		0.00		70		0.00		£210,886		£3,013		£0									
3-bed house		24%		0.00		84		0.00		£250,000		£2,917		£0									
4-bed house		3%		0.00		97		0.00		£250,000		£2,864		£0									
		100%		0.00				0.00						£0									
Gross Development Value				8.00				703.39				£2,676,246											
Residual Land Value																							
1771 sqm/ha				Gross site area hectares				0.40															
Residual land value				£385,717				SDLT				Agents & legals				Residual land value + costs							
Residual land value £ per hectare				£971,869				£8,937				1.50%				£403,516							
Residual land value plus purchaser costs																£403,516							
Unit Build Costs																							
				No. of units				Total sqm GIA				Cost per sqm				Gross to net flats				Total Costs			
1-bed flat				0.33				19				£1,686				85%				£32,490			
2-bed flat				0.00				0				£1,686								£0			
1-bed house				0.20				14				£1,527								£20,631			
2-bed house				2.40				179				£1,527								£273,877			
3-bed house				2.92				260				£1,527								£396,766			
4-bed house				2.16				236				£1,527								£360,884			
Total unit build costs				8.00				708												£1,084,647			
Additional Costs																							
Plot external								15%				of build costs				£162,697							
Statutory planning fees								£3,696				fixed cost				£3,696							
Planning application professional fees, surveys and reports								£11,088				fixed cost				£11,088							
Total additional costs																£177,481							
Policy Costs																							
Recreational Disturbance Avoidance and Mitigation Strategy (RAMS)				£142				per unit				100% of ulits				£1,138							
Biodiversity net gain				£1,018				per unit				100% of ulits				£8,144							
EV charging points - houses				£1,000				per unit				100% of ulits				£7,672							
EV charging points - flats				£10,000				per unit				25% of ulits				£819							
Policy LP06 - Mix and type of co M4 (2)				£521				per unit				50% of ulits				£2,084							
Policy LP25 - Sustainable Const Water efficiency				£9				per unit				100% of ulits				£72							
Total policy costs																£19,930							
Professional Fees																							
Based on percentage of construction costs (build and additional )				10%												£126,213							
Total professional fees																£126,213							
Based on percentage of construction costs (build and additional )				5%												£63,106							
Total contingency																£63,106							
Developer Contributions - S106																							
				£10,100				per unit								£80,800							
Total S106																£80,800							
CIL																							
				£0				indexed rate Epsm								£0							
Total CIL																£0							
Sales Costs																							
Legals -				1.50%				GDV								£40,144							
Sales agents fee -				1.25%				GDV								£33,453							
Marketing cost -				1.00%				GDV								£26,762							
Total sale costs																£100,359							
TOTAL DEVELOPMENT COSTS																£2,056,052							
Development Profit																							
Based upon percentage of gross development value				Rate																			
Private -				20.0%				market units GDV								£468,564							
Affordable -				6.0%				Affordable units GDV								£20,006							
																£488,570							
TOTAL PROJECT COSTS [EXCLUDING INTEREST]																£2,544,622							
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]																£131,624							
Finance Costs																							
Assumes 100% debt financed				APR				8.75%				PCM				4.92%							
												0.701%				£131,624							
TOTAL PROJECT COSTS [INCLUDING INTEREST]																£2,676,246							
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## **Appendix F     Rural Exception Appraisals**

This appraisal has been prepared by Urbà. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.

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## **Appendix G      Older Persons Accommodation Appraisals**

This appraisal has been prepared by Urbà. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.

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This appraisal has been prepared by Urbà. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.

## **Appendix H     Retail Appraisals**

## Retail convenience - small format Express

### Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Retail convenience - small form	1	350	£175	6.0%	£1,020,833	£1,020,833
				No. of months	Rent free period	Adjusted for rent free
					9	£977,181.97
					Less Purchaser Costs	£55,854
					Adjusted cap value	£921,328

**Net Development Value** 1 350 **£921,328**

### Residual Land Value

8193 sqm/ha	Gross site area hectares	0.19				
	Residual land value	-£25,150	SDLT	Agents & legals	Residual land value + costs	
	Residual land value £ per hectare	-£129,344	£0	1.50%	-£25,528	

**Residual land value plus purchaser costs** **-£25,528**

### Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Retail convenience - small form	1	350	£1,593	£557,550
				£557,550

### Externals

External works as a percentage of build costs	15.0%	£83,633
Statutory planning fees	£2,156	£2,156
Planning application professional fees, surveys and reports	£6,468	£6,468

**£92,257**

### Professional Fees

as percentage of build costs & externals	10%	£64,981
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**£64,981**

### Contingency

Based upon percentage of construction costs	5%	£35,739
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**£35,739**

### Developer Contributions - S106

Treated as viability surplus/deficit  psm GIA

**Total S106** **£0**

### CIL

£0 indexed rate £psm **£0**

**Total CIL** **£0**

### Sale costs

Marketing costs	1%	of GDV	£10,208
Letting agent fee	10%	of rent	£6,125
Letting legal fees	5%	of rent	£3,063

**£19,396**

**TOTAL DEVELOPMENT COSTS** **£744,395**

### Developers' Profit

Based upon percentage of total development costs	Rate	20%	£148,879
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**£148,879**

**TOTAL PROJECT COSTS [EXCLUDING INTEREST]** **£893,274**

**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]** **£28,054**

### Finance Costs

APR	PCM	
8.75%	0.701%	-£28,054
		3.04%

**TOTAL PROJECT COSTS [INCLUDING INTEREST]** **£921,328**

This appraisal has been prepared by Urbà. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.

## Retail convenience - medium format Budget

### Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Retail convenience - medium format	1	2000	£175	6.0%	£5,833,333	£5,833,333
				No. of months	Rent free period	Adjusted for rent free
					9	£5,583,896.95
					Less Purchaser Costs	£368,667
					Adjusted cap value	£5,215,230

**Net Development Value** 1 2,000 **£5,215,230**

### Residual Land Value

2370 sqm/ha	Gross site area hectares	0.67				
	Residual land value	-£182,044	SDLT	Agents & legals	Residual land value + costs	
	Residual land value £ per hectare	-£270,790	£0	1.50%	-£184,774	

**Residual land value plus purchaser costs** **-£184,774**

### Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Retail convenience - medium format	1	2,000	£1,593	£3,186,000
				<b>£3,186,000</b>

### Externals

External works as a percentage of build costs	15.0%	£477,900
Statutory planning fees	£12,320	£12,320
Planning application professional fees, surveys and reports	£36,960	£36,960

**£527,180**

### Professional Fees

as percentage of build costs & externals	10%	£371,318
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**£371,318**

### Contingency

Based upon percentage of construction costs	5%	£204,225
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**£204,225**

### Developer Contributions - S106

Treated as viability surplus/deficit  psm GIA

**Total S106** **£0**

### CIL

£0 indexed rate £psm **£0**

**Total CIL** **£0**

### Sale costs

Marketing costs	1%	of GDV	£58,333
Letting agent fee	10%	of rent	£35,000
Letting legal fees	5%	of rent	£17,500

**£110,833**

**TOTAL DEVELOPMENT COSTS** **£4,214,782**

### Developers' Profit

Based upon percentage of total development costs	Rate	£842,956
	20%	

**£842,956**

**TOTAL PROJECT COSTS [EXCLUDING INTEREST]** **£5,057,738**

**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]** **£157,492**

### Finance Costs

APR	PCM	
8.75%	0.701%	-£157,492
		3.02%

**TOTAL PROJECT COSTS [INCLUDING INTEREST]** **£5,215,230**

This appraisal has been prepared by Urbà. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.

## Retail comparison town centre small

### Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Retail comparison town centre	1	500	£150	8.5%	£882,353	£882,353
				No. of months	Rent free period	Adjusted for rent free
					9	£829,984.60
					Less Purchaser Costs	£46,853
					Adjusted cap value	£783,132

**Net Development Value** 1 500 **£783,132**

### Residual Land Value

22939 sqm/ha	Gross site area hectares	0.07			
Residual land value		-£445,571	SDLT	Agents & legals	Residual land value + costs
Residual land value £ per hectare		-£6,416,222	£0	1.50%	-£452,255

**Residual land value plus purchaser costs** **-£452,255**

### Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Retail comparison town centre	1	500	£1,593	£796,500
				£796,500

### Externals

External works as a percentage of build costs	15.0%	£119,475
Statutory planning fees	£3,080	£3,080
Planning application professional fees, surveys and reports	£9,240	£9,240

**£131,795**

### Professional Fees

as percentage of build costs & externals	10%	£92,830
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**£92,830**

### Contingency

Based upon percentage of construction costs	5%	£51,056
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**£51,056**

### Developer Contributions - S106

Treated as viability surplus/deficit  psm GIA

**Total S106** **£0**

### CIL

£0 indexed rate £psm **£0**

**Total CIL** **£0**

### Sale costs

Marketing costs	1%	of GDV	£8,824
Letting agent fee	10%	of rent	£7,500
Letting legal fees	5%	of rent	£3,750

**£20,074**

**TOTAL DEVELOPMENT COSTS** **£640,000**

### Developers' Profit

Based upon percentage of total development costs	Rate	20%	£128,000
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**£128,000**

**TOTAL PROJECT COSTS [EXCLUDING INTEREST]** **£768,000**

**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]** **£15,132**

### Finance Costs

APR	PCM	
8.75%	0.701%	-£15,132
		1.93%

**TOTAL PROJECT COSTS [INCLUDING INTEREST]** **£783,132**

This appraisal has been prepared by Urbà. The appraisal has been prepared in line with the RICS valuation guidance. The purpose of the appraisal is to inform the Council as to the impact of planning policy has on viability at a strategic level. This appraisal is not a formal 'Red Book' (RICS Valuation – Global Standards) valuation and should not be relied upon as such.

## Retail comparison larger format

### Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Retail comparison larger forma	1	1000	£150	10.5%	£1,428,571	£1,428,571
				No. of months	Rent free period	Adjusted for rent free
					9	£1,325,501.59
					Less Purchaser Costs	£82,357
					Adjusted cap value	£1,243,144

**Net Development Value** 1 1,000 **£1,243,144**

### Residual Land Value

5735 sqm/ha	Gross site area hectares	0.28				
	Residual land value	-£1,144,522	SDLT	Agents & legals	Residual land value + costs	
	Residual land value £ per hectare	-£4,120,278	£0	1.50%	-£1,161,689	

**Residual land value plus purchaser costs** **-£1,161,689**

### Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Retail comparison larger forma	1	1,000	£1,593	£1,593,000

### Externals

External works as a percentage of build costs	15.0%	£238,950
Statutory planning fees	£6,160	£6,160
Planning application professional fees, surveys and reports	£18,480	£18,480

**£263,590**

### Professional Fees

as percentage of build costs & externals	10%	£185,659
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**£185,659**

### Contingency

Based upon percentage of construction costs	5%	£102,112
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**£102,112**

### Developer Contributions - S106

Treated as viability surplus/deficit		psm GIA
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**Total S106** **£0**

### CIL

	£0	indexed rate £psm	£0
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**Total CIL** **£0**

### Sale costs

Marketing costs	1%	of GDV	£14,286
Letting agent fee	10%	of rent	£15,000
Letting legal fees	5%	of rent	£7,500

**£36,786**

**TOTAL DEVELOPMENT COSTS** **£1,019,458**

### Developers' Profit

Based upon percentage of total development costs	Rate	20%	£203,892
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**£203,892**

**TOTAL PROJECT COSTS [EXCLUDING INTEREST]** **£1,223,349**

**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]** **£19,795**

### Finance Costs

	APR	PCM	
	8.75%	0.701%	-£19,795
			1.59%

**TOTAL PROJECT COSTS [INCLUDING INTEREST]** **£1,243,144**

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## **Appendix I      Employment Appraisals**



## Office



## Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Office	1	425	£180	9.0%	£850,000	£850,000
				No. of months	Rent free period	Adjusted for rent free
					9	£796,799.50
					Less Purchaser Costs	£44,750
					Adjusted cap value	£752,049

Net Development Value 1 425 £752,049

## Residual Land Value

15833 sqm/ha	Gross site area hectares	0.14				
	Residual land value	-£866,069	SDLT	Agents & legals	Residual land value + costs	
	Residual land value £ per hectare	-£6,235,695	£0	1.50%	-£879,060	

Residual land value plus purchaser costs -£879,060

## Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Office	1	500	£2,199	£1,099,500
				£1,099,500

## Externals

External works as a percentage of build costs	15.0%	£164,925
Statutory planning fees	£3,080	£3,080
Planning application professional fees, surveys and reports	£9,240	£9,240

£177,245

## Professional Fees

as percentage of build costs & externals	10%	£127,675
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£127,675

## Contingency

Based upon percentage of construction costs	5%	£70,221
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£70,221

## Developer Contributions - S106

Treated as viability surplus/deficit psm GIA

Total S106 £0

## CIL

£0 indexed rate £psm £0

Total CIL £0

## Sale costs

Marketing costs	1%	of GDV	£8,500
Letting agent fee	10%	of rent	£7,650
Letting legal fees	5%	of rent	£3,825

£19,975

TOTAL DEVELOPMENT COSTS £615,556

## Developers' Profit

Based upon percentage of total development costs	Rate	20%	£123,111
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£123,111

TOTAL PROJECT COSTS [EXCLUDING INTEREST] £738,667

TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST] £13,383

## Finance Costs

APR	PCM	
8.75%	0.701%	-£13,383
		1.78%

TOTAL PROJECT COSTS [INCLUDING INTEREST] £752,049

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## Light industrial

### Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Light industrial	1	1000	£125	6.25%	£2,000,000	£2,000,000
				No. of months	Rent free period	Adjusted for rent free
					9	£1,911,099.47
					Less Purchaser Costs	£119,500
					Adjusted cap value	£1,791,599

<b>Net Development Value</b>	<b>1</b>	<b>1,000</b>	<b>£1,791,599</b>
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### Residual Land Value

4968 sqm/ha	Gross site area hectares	0.28			
	Residual land value	-£446,678	SDLT	Agents & legals	Residual land value + costs
	Residual land value £ per hectare	-£1,606,039	£0	1.50%	-£453,378

<b>Residual land value plus purchaser costs</b>	<b>-£453,378</b>
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### Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Light industrial	1	1,000	£1,380	£1,380,000
				£1,380,000

### Externals

External works as a percentage of build costs	15.0%	£207,000
Statutory planning fees	£6,160	£6,160
Planning application professional fees, surveys and reports	£18,480	£18,480
		£231,640

### Professional Fees

as percentage of build costs & externals	10%	£161,164
		£161,164

### Contingency

Based upon percentage of construction costs	5%	£88,640
		£88,640

### Developer Contributions - S106

Treated as viability surplus/deficit		psm GIA	
<b>Total S106</b>			<b>£0</b>

### CIL

	£0	indexed rate £psm	£0
<b>Total CIL</b>			<b>£0</b>

### Sale costs

Marketing costs	1%	of GDV	£20,000
Letting agent fee	10%	of rent	£12,500
Letting legal fees	5%	of rent	£6,250
			£38,750

<b>TOTAL DEVELOPMENT COSTS</b>	<b>£1,446,816</b>
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### Developers' Profit

Based upon percentage of total development costs	Rate	20%	£289,363
			£289,363

<b>TOTAL PROJECT COSTS [EXCLUDING INTEREST]</b>	<b>£1,736,180</b>
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<b>TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]</b>	<b>£55,420</b>
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### Finance Costs

	APR	PCM	
	8.75%	0.701%	-£55,420
			3.09%

<b>TOTAL PROJECT COSTS [INCLUDING INTEREST]</b>	<b>£1,791,599</b>
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## Mid box

### Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Mid box	1	5000	£115	6.0%	£9,583,333	£9,583,333
				No. of months	Rent free period	Adjusted for rent free
					9	£9,173,544.99
					Less Purchaser Costs	£612,417
					Adjusted cap value	£8,561,128

<b>Net Development Value</b>	<b>1</b>	<b>5,000</b>				<b>£8,561,128</b>
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### Residual Land Value

	613 sqm/ha	Gross site area hectares				
		1.39				
	Residual land value	£785,817	SDLT	Agents & legals	Residual land value + costs	
	Residual land value £ per hectare	£565,788	£50,365	1.50%	£847,969	

<b>Residual land value plus purchaser costs</b>						<b>£847,969</b>
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### Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Mid box	1	5,000	£851	£4,255,000
				<b>£4,255,000</b>

### Externals

External works as a percentage of build costs	15.0%	£638,250
Statutory planning fees	£22,918	£22,918
Planning application professional fees, surveys and reports	£68,753	£68,753

		<b>£729,921</b>
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### Professional Fees

as percentage of build costs & externals	10%	£498,492
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		<b>£498,492</b>
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### Contingency

Based upon percentage of construction costs	5%	£274,171
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		<b>£274,171</b>
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### Developer Contributions - S106

Treated as viability surplus/deficit		psm GIA
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<b>Total S106</b>		<b>£0</b>
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### CIL

	£0	indexed rate £psm	£0
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<b>Total CIL</b>		<b>£0</b>
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### Sale costs

Marketing costs	1%	of GDV	£95,833
Letting agent fee	10%	of rent	£57,500
Letting legal fees	5%	of rent	£28,750

		<b>£182,083</b>
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<b>TOTAL DEVELOPMENT COSTS</b>		<b>£6,787,637</b>
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### Developers' Profit

Based upon percentage of total development costs	Rate		
	20%		£1,357,527

		<b>£1,357,527</b>
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<b>TOTAL PROJECT COSTS [EXCLUDING INTEREST]</b>		<b>£8,145,164</b>
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<b>TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]</b>		<b>£415,965</b>
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### Finance Costs

	APR	PCM	
	8.75%	0.701%	-£415,965
			4.86%

<b>TOTAL PROJECT COSTS [INCLUDING INTEREST]</b>		<b>£8,561,128</b>
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## Large scale

### Development Value

	No. of units	Size net sqm	Rent	Yield	Value per Unit	Total Value
Large scale	1	15000	£105	7.0%	£22,500,000	£22,500,000
				No. of months	Rent free period	Adjusted for rent free
					9	£21,386,744.68
					Less Purchaser Costs	£1,452,000
					Adjusted cap value	£19,934,745

**Net Development Value** 1 15,000 **£19,934,745**

### Residual Land Value

255 sqm/ha	Gross site area hectares	3.33				
	Residual land value	£1,728,602	SDLT	Agents & legals	Residual land value + costs	
	Residual land value £ per hectare	-£518,581	£0	1.50%	-£1,754,531	

**Residual land value plus purchaser costs** **-£1,754,531**

### Unit Costs

	No. of units	Size sqm	Cost £ psm	Total Costs
Large scale	1	15,000	£851	£12,765,000
				<b>£12,765,000</b>

### Externals

External works as a percentage of build costs	15.0%	£1,914,750
Statutory planning fees	£23,035	£23,035
Planning application professional fees, surveys and reports	£69,106	£69,106

**£2,006,892**

### Professional Fees

as percentage of build costs & externals	10%	£1,477,189
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**£1,477,189**

### Contingency

Based upon percentage of construction costs	5%	£812,454
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**£812,454**

### Developer Contributions - S106

Treated as viability surplus/deficit		psm GIA
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**Total S106** **£0**

### CIL

	£0	indexed rate £psm	£0
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**Total CIL** **£0**

### Sale costs

Marketing costs	1%	of GDV	£225,000
Letting agent fee	10%	of rent	£157,500
Letting legal fees	5%	of rent	£78,750

**£461,250**

**TOTAL DEVELOPMENT COSTS** **£15,768,254**

### Developers' Profit

Based upon percentage of total development costs	Rate	20%	£3,153,651
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**£3,153,651**

**TOTAL PROJECT COSTS [EXCLUDING INTEREST]** **£18,921,905**

**TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]** **£1,012,840**

### Finance Costs

APR	PCM	
8.75%	0.701%	-£1,012,840
		5.06%

**TOTAL PROJECT COSTS [INCLUDING INTEREST]** **£19,934,745**

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