

**URS**

 Planning &  
Development

Blackpool  
Local Plan  
and  
Community  
Infrastructure  
Levy

Viability Study  
Report

February 2014

Prepared for:  
Blackpool Council

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# 1. Introduction

## Scope

- 1.1 Blackpool Council is working towards finalising a new Core Strategy which will be the key document in the Blackpool Local Plan. The independent examination into the soundness of the Core Strategy is expected during 2014. In due course the Council may seek to introduce CIL as a mechanism to fund, at least in part, the infrastructure required to deliver the Local Plan. URS Infrastructure and Environment UK Ltd and HDH Planning & Development (as subcontractors to URS) have been appointed to advise the Council in two regards:
- a. Firstly, to ensure that the level of affordable housing and other policy requirements imposed on developers does not generally render development unviable, as required by paragraph 173 of the National Planning Policy Framework (NPPF). This includes advice as to the financial contribution to be required from developers where affordable housing is not provided on-site; and
  - b. Secondly, to assess the effect the introduction of Community Infrastructure Levy (CIL) may have on development viability – particularly in the context of CIL Regulation 14.
- 1.2 This document sets out the methodology used, the key assumptions adopted, and contains an assessment of the cumulative impact of the Core Strategy policies before suggesting potential rates of CIL for the Preliminary Draft Charging Schedule. This will assist the Council in demonstrating if CIL could contribute to the delivery of the Core Strategy. In addition, through the preparation of this study engagement and consultation have taken place with developer and landowner stakeholders<sup>1</sup>.
- 1.3 In the past the Council has commissioned other viability research, such as the Affordable Housing Viability Appraisal, prepared in 2009. This study will draw on that work and concentrate on assessing the viability of a group of typical sites that are most likely to come forward over the plan period.
- 1.4 Not all sites will be viable, even without any policy requirements imposed or sought by the Council and it is inevitable that the Council's requirements will render some sites unviable. Where sites are unviable and vital to the delivery of the Local Plan, the Council will need to

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<sup>1</sup> The NPPF and the CIL Guidance requires stakeholder engagement – particularly with members of the development industry.

consider how it can facilitate that development, and what it, as a Local Planning Authority, can do to create the environment to encourage development to come forward.

- 1.5 This report has been prepared following a consultation process with landowners, agents and developers. Two events have been held:
- a. **23<sup>rd</sup> April 2013** – Presentation and workshops with promoters of the key development sites within the Borough and the representatives of the main developers, development site landowners and housing providers. The meeting was used to introduce the development industry to the NPPF and CIL, to set out the methodology, test the assumptions used in the report, and to put the report in context; and
  - b. **30<sup>th</sup> May 2013** – The meeting was used to set out the changes that had been made to the assumptions in light of the comments received during and following the first meeting and to set out the early findings and conclusions of the study.
- 1.6 We have set out the various comments made through the consultation process throughout this report, showing where changes in the methodology or assumptions have been made. In this report we have not attributed these comments to specific consultees with a view to a more open and frank engagement and to protect commercially sensitive matters.
- 1.7 This study is concerned with development viability which is just one element of the evidence that will be used to prepare the Core Strategy and to set CIL. The Council will strike the balance of achieving their strategic objectives within the practical constraints and commercial realities of delivery. We take this early opportunity to highlight the limitations of this report. We discuss the Guidance we have worked to in later chapters. We have followed the Harman Guidance wherever possible. This says ‘... *the viability assessment is not there to give a straightforward ‘yes or no’ to development across the whole plan area or whole plan period*’.

### **Metric or imperial**

- 1.8 The property industry uses both imperial and metric data – often working out costings in metric (£/m<sup>2</sup>) and values in imperial (£/acre and £/sqft). This is confusing so we have used metric measurements throughout this report. The following conversion rates may assist readers.

1m	=	3.28ft (3' and 3.37")
1ft	=	0.30m
1m <sup>2</sup>	=	10.76 sqft (10 sqft and 110.0 sqin)
1sqft	=	0.092903 m <sup>2</sup>

- 1.9 A useful rule of thumb to convert m<sup>2</sup> to sqft is simply to add a zero.

## Report Structure

1.10 This report examines the viability of development across Blackpool and follows the following format:

**Chapter 2** We have set out the reasons for, and approach to, viability testing, including a short review of the requirements of the CIL Regulations and NPPF;

**Chapter 3** We have set out the methodology used;

**Chapter 4** An assessment of the housing market, including market and affordable housing with the purpose of establishing the worth of different types of housing in different areas;

**Chapter 5** An assessment of the non-residential markets with the purpose of establishing the worth of different types of commercial uses;

**Chapter 6** An assessment of the costs of land to be used when assessing viability;

**Chapter 7** We have set out the costs and general development assumptions to be used in the development appraisals;

**Chapter 8** We have summarised the various policy requirements and constraints that influence the type of development that come forward;

**Chapter 9** We have set out the range of modelled sites used for the financial development appraisals;

**Chapter 10** The results of the development appraisals for residential development sites;

**Chapter 11** The results of the development appraisals for non-residential development sites;

**Chapter 12** We have set out our conclusions and recommendations in relation to the cumulative impact of policies in the Local Plan; and

**Chapter 13** We have suggested possible rates of CIL.

1.11 This report forms one of the pieces of evidence that will be used to assess whether the Core Strategy is deliverable and to inform the CIL setting process. In due course the Council will weigh up its own priorities in the context of the NPPF and other relevant matters such as the CIL Regulations and CIL Guidance and 'strike the balance' between delivering the Core Strategy, funding infrastructure and delivering its overall priorities.

## Next Steps

1.12 This report has been prepared following a consultation on the methodology, key inputs and presented draft findings to the consultees. The information in this report is an important element of the evidence for Core Strategy examination and the CIL examination, but is only



one part of the evidence; the wider context and other existing evidence must also be considered.

## 2. Viability Testing

- 2.1 Viability testing is an important part of the Development Plan making process. The requirement to assess viability forms part of the National Planning Policy Framework<sup>2</sup> (NPPF), is part of the Strategic Housing Land Availability Assessment (SHLAA) process, and is a requirement of the CIL Regulations<sup>3</sup>. In each case the requirement is slightly different but all have much in common.

### NPPF Viability Testing

- 2.2 The NPPF introduced a requirement to assess the viability of the delivery of a Local Plan and the impact on development of policies contained within it. The NPPF includes the following requirements:

#### *Ensuring viability and deliverability*

173. *Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.*

174. *Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on*

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<sup>2</sup> The NPPF was published on 27<sup>th</sup> March 2012 and the policies within it apply with immediate effect.

<sup>3</sup> SI 2010 No. 948. COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy Regulations 2010 *Made 23rd March 2010, Coming into force 6th April 2010*

SI 2011 No. 987. COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2011 *Made 28th March 2011, Coming into force 6th April 2010*

SI 2011 No. 2918. CONTRACTING OUT, ENGLAND AND WALES, The Local Authorities (Contracting Out of Community Infrastructure Levy Functions) Order 2011. *Made 6th December 2011, Coming into force 7th December 2011*

SI 2012 No. 2975. COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2012. *Made 28th November 2012, Coming into force 29th November 2012*

SI 2013 No. 982. COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24th April 2013, Coming into force 25th April 2013*

*On the 12<sup>th</sup> December 2013 further amendments were published, subject to the normal parliamentary scrutiny these are expected to come into force towards the end of January 2014.*

*development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.*

- 2.3 The duty to test in the NPPF is a broad brush one, saying ‘plans should be deliverable’. It is not a requirement that every site should be able to bear all of the local authority’s requirements – indeed there will be some sites that are unviable even with no requirements imposed on them by the local authority. The typical site should be able to bear whatever target or requirement is set and the Council should be able show, with a reasonable degree of confidence, that the Plan is deliverable.
- 2.4 Some sites within the area will not be viable and in these cases developers have scope to make specific submissions at the planning application stage; similarly some sites will be able to bear considerably more than the policy requirements.
- 2.5 This study will specifically examine the development viability of the site types that are most likely to come forward over the plan period, based on sites identified in the Strategic Housing Land Availability Assessment (SHLAA) and in the Revised Preferred Option Core Strategy.

### **CIL Economic Viability Assessment**

- 2.6 The viability testing under the CIL is different to the NPPF. CIL, once introduced, is mandatory on all developments (with a very few exceptions) that fall within the categories and areas where the levy applies, unlike other policy requirements to provide affordable housing or to build to a particular environmental standard over which there can be negotiations. This means that CIL must not prejudice the viability of most sites.
- 2.7 The CIL Regulations came into effect in April 2010 and have been subject to four subsequent amendments. On the 12<sup>th</sup> December 2013, further amendments were published. Subject to the normal parliamentary scrutiny, these are expected to come into force towards the end of January 2014.
- 2.8 In March 2010 CLG published *Community Infrastructure Levy Guidance, Charge setting and charging schedule procedures* to support the CIL Regulations. These have now been replaced by *Community Infrastructure Levy, Guidance (April 2013)*. This Guidance requires each Authority to publish a ‘Charging Schedule’. The Charging Schedule will sit within the Local Development Framework; however, it will not form part of the statutory Development Plan nor will it require inclusion within a Local Development Scheme.
- 2.9 Regulation 14 of the CIL Regulations says (we have struck out the phases that are shown as to be deleted as a result of the January 2014 Regulations):

*'councils must ~~aim to strike what appears to the charging authority to be~~ an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability'.*

2.10 Viability testing in the context of CIL will assess the 'effects' on development viability of the imposition of CIL – it should be noted that whilst the financial impact of introducing CIL is an important factor, the provision of infrastructure (or lack of it) will also have an impact on the ability of the Council to meet its objectives through development and deliver its Development Plan. The plan may not be deliverable in the absence of CIL.

2.11 Regulation 13 of the CIL Regulations says:

*A charging authority may set differential rates - (a) for different zones in which development would be situated; (b) by reference to different intended uses of development...*

2.12 The CIL Guidance makes it quite clear differential rates of CIL can be set by different areas and for different uses but these differential rates can only be set with regard to viability (CIL Guidance, paragraphs 34, 35, 36 and 37).

2.13 On preparing the evidence base on economic viability the CIL Guidance says:

*25. The legislation (section 211 (7A)) requires a charging authority to use 'appropriate available evidence' to inform their draft charging schedule. It is recognised that the available data is unlikely to be fully comprehensive or exhaustive. Charging authorities need to demonstrate that their proposed CIL rate or rates are informed by 'appropriate available' evidence and consistent with that evidence across their area as a whole.*

2.14 This study has drawn on the existing available evidence, including the Blackpool Affordable Housing viability appraisal undertaken in 2009 to inform the Affordable Housing Supplementary Planning Document (yet to be adopted), the Council's on-going work on the Strategic Housing Land Availability Assessment (SHLAA), site specific appraisals submitted to the Council as part of the Development Management process and development appraisals from schemes carried out by the Council, in partnership with others, as part of their regeneration efforts.

2.15 In due course, this study will form one part of the evidence that the Council will use to assess the deliverability of Core Strategy and to set CIL. The Council will also consider other 'existing available evidence', the comments of stakeholders and their wider priorities. The NPPF and the Harman Guidance, as referred to below, recommends that the

development and consideration of a CIL rate should be undertaken as part of the same exercise.

- 2.16 The CIL Regulations introduce restrictions on the use of the s106 and s278 mechanisms to fund infrastructure from April 2015<sup>4</sup>. These restrictions are important, and, when setting CIL, the Council will need to consider what infrastructure it will seek to fund through CIL, and what will continue to be funded under s106 and s278 agreements. The CIL Guidance provides further advice in this regard.
- 2.17 The January 2014 amendments are expected to extend the provision whereby CIL can be paid (subject to the Charging Authority's agreement) in kind through the transfer of land, to also allow CIL to be paid in the form of infrastructure<sup>5</sup>. This provision is subject to strict rules and the provision that *'the value of the infrastructure provided must be determined by an independent person, and is the cost of providing that infrastructure (including related design costs) on the day the valuation takes place'*.
- 2.18 It is clear that the purpose of this charge (which is, in effect, a tax) is to facilitate development. In due course the Council will need to 'show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant Plan and support the development of their area'.
- 2.19 The test that will be applied to the proposed rates of CIL are set out in paragraphs 9 and 10 of the CIL Guidance.

#### **The Community Infrastructure Levy examination**

9. The independent examiner should establish that: .....

- evidence has been provided that shows the proposed rate (or rates) would not threaten delivery of the relevant Plan as a whole.

10. The examiner should be ready to recommend modification or rejection of the draft charging schedule if it threatens delivery of the relevant Plan as a whole.

- 2.20 The test is whether CIL threatens delivery of the relevant Plan as a whole. CIL may well make some sites unviable, just as some schemes are unviable anyway due to factors such as site clearance and decontamination. When considering the proposed rates of CIL, it will be necessary to do so in the context of the emerging Borough Local Plan.

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<sup>4</sup> NOTE – the date in the current CIL Regulations is April 2014. The January 2014 amendments will change this to April 2015 if they come into force as currently drafted.

<sup>5</sup> CIL Regulations 59 and 73

## The NPPF and New National Planning Guidance (NPPG)

- 2.21 Late in August 2013, and as this study was being finalised, the Government published new 'supporting national planning practice guidance'. This is in the form of a website<sup>6</sup> and at the time of this report is still in 'Beta' form for testing and comment. Existing guidance will not be cancelled until the new planning practice guidance is published in its final form. The NPPF sets out the Government's planning policies for England and how these are expected to be applied and its content is finalised and has not been changed as part of the review of planning practice guidance.
- 2.22 This new Guidance includes sections on viability. In the following sections we have reviewed this new guidance and considered whether it is necessary to re-visit the viability work done to date. As set out above the NPPF says that plans should be deliverable and that the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. The NPPF Beta Guidance says:
- Understanding Local Plan viability is critical to the overall assessment of deliverability. Local Plans should present visions for an area in the context of an understanding of local economic conditions and market realities. This should not undermine ambition for high quality design and wider social and environmental benefit but such ambition should be tested against the realistic likelihood of delivery.*
- ... viability can be important where planning obligations or other costs are being introduced. In these cases decisions must be underpinned by an understanding of viability, ensuring realistic decisions are made to support development and promote economic growth. Where the viability of a development is in question, local planning authorities should look to be flexible in applying policy requirements wherever possible.*
- 2.23 These requirements are not new and are simply stating best practice and are wholly consistent with the approach taken through the preparation of the Plan. A good example is the inclusion of viability testing in relation to the affordable housing policy.
- 2.24 The new guidance does not prescribe a single approach for assessing viability. The NPPF and the new Guidance, sets out the policy principles relating to viability assessment. It rightly acknowledges that a 'range of sector led guidance on viability methodologies in plan making and decision taking is widely available'.
- 2.25 The new Guidance specifically addresses the question as to whether it applies to viability assessment for the purposes of setting a Community Infrastructure Levy charge as follows:

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<sup>6</sup> <http://planningguidance.planningportal.gov.uk/>

*The Community Infrastructure Levy has separate guidance on viability and charge setting. However, the principles for understanding viability set out in this document will also be relevant for Community Infrastructure Levy evidence collection. Above all, consistency is required.*

- 2.26 Based on this we have concluded that it would only be necessary to review the work done to date if there was a direct inconsistency and/or contradiction with the new guidance and the 'underlying principles for understanding viability in planning' that it includes. These are as follows:

**Evidence based judgement:** *assessing viability requires judgements which are informed by the relevant available facts. It requires a realistic understanding of the costs and the value of development in the local area and an understanding of the operation of the market.*

*Understanding past performance, such as in relation to build rates and the scale of historic planning obligations can be a useful start. Direct engagement with the development sector may be helpful in accessing evidence.*

**Collaboration:** *a collaborative approach involving the local planning authority, business community, developers and landowners will improve understanding of deliverability and viability. Transparency of evidence is encouraged wherever possible. Where communities are preparing a neighbourhood plan (or Neighbourhood Development Order), local planning authorities are encouraged to share evidence to ensure that local viability assumptions are clearly understood.*

**A consistent approach:** *local planning authorities are encouraged to ensure that their evidence base for housing, economic and retail policy is fully supported by a comprehensive and consistent understanding of viability across their areas. The National Planning Policy Framework requires local planning authorities to consider district-wide development costs when Local Plans are formulated, and where possible to plan for infrastructure and prepare development policies in parallel. A masterplan approach can be helpful in creating sustainable locations, identifying cumulative infrastructure requirements of development across the area and assessing the impact on scheme viability.*

- 2.27 The work to date has been based on an open and transparent process that is in line with the Harman Guidance, including a consultation process. It is important to note that the new guidance re-iterates the use of 'appropriate available evidence saying:

*Evidence should be proportionate to ensure plans are underpinned by a broad understanding of viability. Greater detail may be necessary in areas of known marginal viability or where the evidence suggests that viability might be an issue – for example in relation to policies for strategic sites which require high infrastructure investment. ... Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable; site typologies may be used to determine viability at policy level. Assessment of samples of sites may be helpful to support evidence and more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.*

- 2.28 The new Guidance then goes on to set out the main matters to be considered when assessing viability. Whilst this is in the plan making context rather than the CIL context it is common sense that they apply here as well. In relation to costs the new Guidance says:

*Plan makers should consider the range of costs on development. This can include costs imposed through national and local standards, local policies and the Community Infrastructure Levy, as well as a realistic understanding of the likely cost of Section 106 planning obligations and Section 278 agreements for highways works.*

*Their cumulative cost should not cause development types or strategic sites to be unviable. Emerging policy requirements may need to be adjusted to ensure that the plan is able to deliver sustainable development.*

2.29 The viability work specifically addresses this and tests the deliverability of the planned development against the emerging Local Plan and the anticipated costs of infrastructure required to support that new development.

2.30 Attention is specifically given as to how changes in values and costs should be treated and it is stated that:

*Plan makers should not plan to the margin of viability but should allow for a buffer to respond to changing markets and to avoid the need for frequent plan updating. Current costs and values should be considered when assessing the viability of plan policy. Policies should be deliverable and should not be based on an expectation of future rises in values at least for the first five years of the plan period. This will help to ensure realism and avoid complicating the assessment with uncertain judgements about the future. Where any relevant future change to regulation or policy (either national or local) is known, any likely impact on current costs should be considered.*

2.31 This requirement is in line with best practice as fully reflected in this report.

2.32 The new Guidance then considers how different development types should be reflected in viability assessments for plan-making, saying:

*Viability assessments should be proportionate, but reflect the range of different development, both residential and commercial, likely to come forward in an area and needed to deliver the vision of the plan. Different types of residential development, such as self-build and private rented sector housing, are funded and delivered in different ways. This should be reflected in viability assessments.*

2.33 This report considers those types of development that are important to the delivery of the plan as a whole so the level of detail is appropriate.

2.34 The Guidance sets out the following key factors to be taken into account in assessing viability in plan-making.

#### Gross Development Value

*For the purposes of plan-making, Gross Development Value is the assessment of the potential value generated by development in the area. On housing schemes, this may be total sales and/or capitalised rental income from developments. Grant and other external sources of funding should be considered. On retail and commercial development, broad assessment of value in line with industry practice may be necessary.*

*Values should be based on comparable, market information. Average figures may need to be used, based on the types of development that the plan is seeking to bring forward. Wherever possible, specific evidence from existing developments should be used after adjustment to take into account types of land use, form of property, scale, location, rents and yields. For housing, historic information about delivery rates can be informative.*



## Costs

*For an area wide viability assessment, a broad assessment of costs is required. This should be based on robust evidence which is reflective of local market conditions. All development costs should be taken into account including:*

- *build costs based on appropriate data, for example that of the Building Cost Information Service;*
- *known abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or historic costs associated with brownfield, phased or complex sites;*
- *infrastructure costs, which might include roads, sustainable drainage systems, and other green infrastructure, connection to utilities and decentralised energy, and provision of social and cultural infrastructure;*
- *the potential cumulative costs of emerging policy requirements and standards, emerging planning obligations policy and Community Infrastructure Levy charges;*
- *general finance costs including those incurred through loans; and*
- *professional, project management, sales and legal costs.*

2.35 As with the value assumptions, cost assumptions used in this study are wholly in line with the new Guidance. They are clearly set out in Chapter 7 and were checked through the consultation process so as to be in line with the process set out in the Harman Guidance.

## Land Value

*Central to the consideration of viability is the assessment of land or site value. The most appropriate way to assess land or site value will vary but there are common principles which should be reflected.*

*In all cases, estimated land or site value should:*

- *reflect emerging policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge;*
- *provide a competitive return to willing developers and land owners (including equity resulting from self build developments); and*
- *be informed by comparable, market-based evidence wherever possible. Where transacted bids are significantly above the market norm, they should not be used as part of this exercise.*

## Competitive return to developers and land owners

*The National Planning Policy Framework states that viability should consider “competitive returns to a willing landowner and willing developer to enable the development to be deliverable.” This return will vary significantly between projects to reflect the size and risk profile of the development and the risks to the project. A rigid approach to assumed profit levels should be avoided and comparable schemes or data sources reflected wherever possible.*

*A competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. Those options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.*

2.36 Overall we welcome the new Guidance as it does clarify the place of viability testing further (in addition to the Harman Guidance and RICS Guidance) and sets out best practice. The work already done by and on behalf of Blackpool Council is consistent with the Guidance.

## Viability Guidance

- 2.37 There are several sources of guidance and appeal decisions<sup>7</sup> that support the methodology we have developed. In this study we have followed the guidance in *Viability Testing in Local Plans – Advice for planning practitioners*. (LGA/HBF – Sir John Harman) June 2012<sup>8</sup> (known as the Harman Guidance). This contains the following definition:

*An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.*

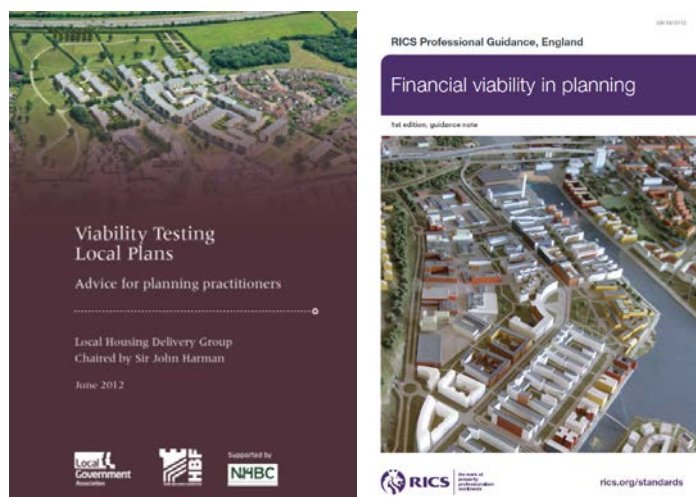
- 2.38 The planning appeal decisions and the Harman Guidance suggest that the most appropriate test of viability for planning policy purposes is to consider the residual value of schemes compared with the existing use value, plus a premium. There are several alternative and complimentary sources of guidance including *Financial viability in planning*, RICS guidance note, 1st edition (GN 94/2012) published during August 2012 (known as the RICS Guidance). Additionally, the Planning Advisory Service (PAS)<sup>9</sup> also provides viability guidance and manuals for local authorities.

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<sup>7</sup> *Barnet: APP/Q5300/A/07/2043798/NWF, Bristol: APP/P0119/A/08/2069226, Beckenham: APP/G5180/A/08/2084559, Woodstock: APP/D3125/A/09/2104658, Shinfield APP/X0360/A/12/2179141, Oxenholme Road APP/M0933/ A/13/ 2193338*

<sup>8</sup> Viability Testing in Local Plans has been endorsed by the Local Government Association and forms the basis of advice given by the, CLG funded, Planning Advisory Service (PAS).

<sup>9</sup> PAS is funded directly by DCLG to provide consultancy and peer support, learning events and online resources to help local authorities understand and respond to planning reform. (Note: Some of the most recent advice has been co-authored by URS and HDH).



- 2.39 There is much common ground between the RICS and the Harman Guidance but they are not consistent. The RICS Guidance recommends against ‘current/alternative use value plus a margin’ – which is the methodology recommended in the Harman Guidance.

*One approach has been to exclusively adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land is not released at CUV or CUV plus a margin (EUV plus).....*

*(Financial viability in planning, RICS guidance note, 1st edition (GN 94/2012) during August 2012)*

- 2.40 The Harman Guidance advocates an approach based on Threshold Land Value:

*Consideration of an appropriate **Threshold Land Value** needs to take account of the fact that future plan policy requirements will have an impact on land values and landowner expectations. Therefore, using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy. Reference to market values can still provide a useful ‘sense check’ on the threshold values that are being used in the model (making use of cost-effective sources of local information), but it is not recommended that these are used as the basis for the input to a model.*

*We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values (noting the exceptions below).<sup>10</sup>*

- 2.41 The RICS in its 2012 Guidance dismisses a Threshold Land Value approach, stating:

***Threshold land value.** A term developed by the Homes and Communities Agency (HCA) being essentially a land value at or above that which it is assumed a landowner would be prepared to sell. It is not a recognised valuation definition or approach.*

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<sup>10</sup> Viability Testing in Local Plans – Advice for planning practitioners. (LGA/HBF – Sir John Harman) June 2012

- 2.42 On face value these statements are contradictory. In order to avoid later disputes and delays, the approach taken in this study brings these two sources of guidance together. The methodology adopted is to compare the Residual Value generated by the viability appraisals for the modelled sites, with the existing use value (EUV) or an alternative use value (AUV) plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the existing use value is central to the assessment of viability. It must be set at a level to provide 'competitive returns'<sup>11</sup> to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level we make reference to the market value of the land both with and without the benefit of planning.
- 2.43 The approach taken in this study is in line with that recommended in The Harman Guidance (as endorsed by LGA, PAS and the London CIL Examiner) – but also broadly in line with the main thrust of the RICS Guidance of having reference to market value. It is relevant to note that the Harman methodology was endorsed by the Planning Inspector who approved the London Mayoral CIL Charging Schedule in January 2012<sup>12</sup>. In his report, the London Inspector dismissed the theory that using historical market value (i.e. as proposed by the RICS) to assess the value of land was a more appropriate methodology than using EUV plus a margin.

#### **Limitations of viability testing in the context of CIL and the NPPF**

- 2.44 The high level and broad brush viability testing that is appropriate to be used to assess the *cumulative impact* of policies (NPPF 173 and 174) and to set CIL (CIL Regulation 14) does have limitations. The assessment of viability is a largely quantitative process based on financial appraisals – there are however types of development where viability is not at the forefront of the developer's mind and they will proceed even if a 'loss' is shown in a conventional appraisal. By way of example, an individual may want to fulfil a dream of building a house and may spend more than the finished home is actually worth, a community may extend a village hall even through the value of the facility in financial terms is not significantly enhanced or the end user of an industrial or logistics building may build a new factory or depot that will improve its operational efficiency even if, as a property development, the resulting building may not seem to be viable.

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<sup>11</sup> As required by 173 of the NPPF

<sup>12</sup> Paragraphs 7 to 9 of REPORT ON THE EXAMINATION OF THE DRAFT MAYORAL COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE by Keith Holland BA (Hons) DipTP MRTPI ARICS an Examiner appointed by the Mayor Date: 27<sup>th</sup> January 2012

- 2.45 This sets the Council a challenge when considering its proposals. It needs to determine whether or not introducing policies or CIL that impact on a development type that may appear only to be marginally viable have any material impact on the rates of development or will the developments proceed anyway. It is clear that some development coming forward will be for operational reasons rather than property development purposes.

### **Viability Testing – Outline Methodology**

- 2.46 There is no statutory guidance on how to actually go about viability testing and assess when a site is or is not viable. We have therefore followed the Harman Guidance as set out above. The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation, which has been standard for as long as land has been traded for development, is:

$$\begin{array}{c} \textbf{Gross Development Value} \\ \text{(The combined value of the complete development)} \\ \\ \text{LESS} \\ \\ \textbf{Cost of creating the asset, including a profit margin} \\ \text{(Construction + fees + finance charges)} \\ \\ = \\ \\ \textbf{RESIDUAL VALUE} \end{array}$$

- 2.47 The result of the calculation indicates a land value, the Residual Value, which is the top limit of what a bidder could offer for a site and still make a satisfactory profit margin. It is important to note that in this study we are not trying to exactly mirror any particular developer's business model – rather we are making a broad assessment of viability in the context of Plan making and the requirements of the NPPF.
- 2.48 As evidenced through the consultation process the 'likely land value' is a difficult topic since a landowner is unlikely to be entirely frank about the price that would be acceptable, always seeking a higher one. This is one of the areas where an informed assumption has to be made about the 'uplift': the margin above the 'existing use value' which would make the landowner sell.
- 2.49 There is no specific guidance on how to test viability in the CIL Regulations or Guidance. Paragraph 173 of the NPPF says: '*..... To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.....*' This seems quite straightforward – although 'competitive returns' is not defined.

*The meaning of 'competitive return'*

- 2.50 We have given considerable thought as to the meaning of 'competitive return' as the test of viability will depend, in part, on this. The meaning of 'competitive return' is at the core of a viability assessment. The RICS Guidance includes the following definition:

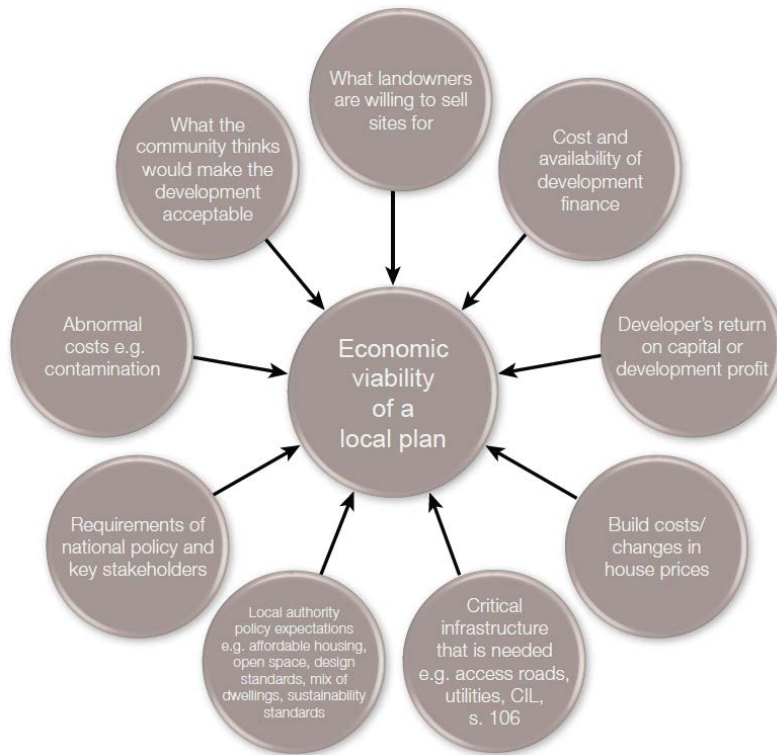
*Competitive returns - A term used in paragraph 173 of the NPPF and applied to 'a willing land owner and willing developer to enable development to be deliverable'. A 'Competitive Return' in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A 'Competitive Return' in the context of a developer bringing forward development should be in accordance with a 'market risk adjusted return' to the developer, as defined in this guidance, in viably delivering a project.*

- 2.51 Whilst this is useful it does not provide guidance as to the size of that return. To date there has been much discussion within the industry and amongst planners as to what may and may not be a competitive return. As yet the term has not been given a firm definition through the appeal, planning examination or legal processes. The amount of an appropriate competitive return was discussed at the first consultation event. Competitive return was considered at the January 2013 appeal known as Shinfield<sup>13</sup>. We have also discussed this further in Chapter 6 below.

- 2.52 It should be noted that this study is about the economics of development. Viability brings in a wider range than just financial factors. The following graphic is taken from the Harman Guidance and illustrates the some of the non-financial as well as the financial factors that contribute the assessment process. Viability is an important factor in the plan making process but it is one of many factors.

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<sup>13</sup> APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX)



2.53 The above methodology and in particular the differences between the Harman Guidance and the RICS Guidance were presented and discussed through the consultation process. There was a universal agreement that it was appropriate to follow the Harman Guidance and the general methodology adopted was the most appropriate.

### Existing Available Evidence

2.54 The NPPF, the CIL Regulations and CIL Guidance are clear that the assessment of the potential impact of CIL should, wherever possible, be based on existing available evidence rather than new evidence. We have reviewed the evidence that is available from the Council. This falls into three broad types:

2.55 The first is that which has been prepared by the Council to inform its Local Plan and in particular the Core Strategy. Viability testing has not formed part of the SHLAA process to date, however in 2009 the Council commissioned Keppie Massie to produce an Affordable Housing Viability Assessment.

2.56 Secondly, the Council holds evidence in the form of development schemes appraisals that have been submitted by developers in connection with specific developments – most often to support negotiations around the provision of affordable housing or s106 contributions.

2.57 Our approach has been to draw on this existing evidence and to consolidate it so that it can then be used as a sound base for considering the deliverability of the Local Plan.

2.58 Thirdly, the Council also holds records of past planning consents with details of the affordable housing included in projects and the contributions made under the s106 regime. This is set out in **Appendix 1**. These are practical and real evidence of what has been delivered historically. We have considered the Council's policies for developer contributions (including affordable housing) and the amounts that have actually been collected from developers.

### **Stakeholder Engagement**

2.59 The Harman Guidance puts considerable emphasis on stakeholder engagement – particularly with members of the development industry. From our experience examiners and inspectors put considerable weight on the comments of the development industry. In preparing this evidence document we have sought to engage with practitioners involved in the development industry.

2.60 As set out in Chapter 1, two events have been held:

a. **23<sup>rd</sup> April 2013** – Presentation to, and discussion with, promoters of the key development sites within the Borough and the representatives of the main developers, development site landowners and housing providers. The session was used to introduce the development industry to the NPPF and CIL, to set out the methodology test and the assumptions used in the report, to put the report in context. The event comprised of:

- i. An introduction to viability testing in the context of the CIL regulation 14 and paragraph 173 of the NPPF; and
- ii. Viability Assumptions. The methodology and main assumptions for the viability assessments were set out including development values, development costs, land prices, and developers' and landowners returns.

A general discussion then took place around the methodology and assumptions. The comments of the consultees are reflected throughout this report and the assumptions have been adjusted where appropriate. There was not agreement on all points although there was a broad consensus on most matters. Where there was not a consensus we have made a judgement and set out why we have made the assumptions we have used.

Following the consultation event on the 23<sup>rd</sup> April, the main assumptions were circulated to the consultees. The consultees were invited to make written representations. It was stressed that that the comments needed to be made in the context of the Harman Guidance and to be specific. Where specific representations were made we have re-considered the assumptions made.

b. **30<sup>th</sup> May 2013** – The event concentrated on the changes that had been made to the assumptions since the first event and the emerging findings. It was reported that development in the inner urban area and resort core was difficult – even without any



requirements imposed on developers by the Council, however development in the outer urban areas, away from the Defined Inner Area in the Revised Preferred Option Core Strategy is viable and there is scope to deliver some affordable housing and contribute to infrastructure, either through CIL or the s106 regime.

- 2.61 The consultation process was compressed and conducted over a relatively short period. This was inevitable due to the general timeframe relating to the Core Strategy. The Council is, however confident that the consultation process has captured the views of the key stakeholders operating in the area.
- 2.62 **Appendix 2** includes a list of those consulted and **Appendix 3** includes the presentations from the consultation events.

# 3. Viability Methodology

## Outline Methodology

- 3.1 The assessment of viability as required under the NPPF and the CIL Regulations is not done through a calculation or a formula. The NPPF requires that *'the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened'<sup>14</sup>* and whether *'the cumulative impact of these standards and policies should not put implementation of the plan at serious risk'<sup>15</sup>*. The CIL Regulations requires that *'councils must ~~aim to strike what appears to the charging authority to be an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability'~~<sup>16</sup>*.
- 3.2 The basic viability methodology is summarised in Figure 3.1 below. It involves preparing financial development appraisals for a representative range of sites and using these to assess whether sites are viable. The detail of the site modelling is set out in Chapter 9. The sites were modelled based on discussions with Council officers, the existing available evidence supplied to us by the Council, and on our own experience of development. This process ensures that the appraisals are representative of typical development.
- 3.3 The appraisals are based on Core Strategy policy requirements and appropriate sensitivity testing of a range of scenarios including the various different policy requirements was carried out.
- 3.4 We surveyed the local housing and commercial markets, in order to obtain a picture of sales values. We also assessed land values to calibrate the appraisals and to assess alternative use values. Alongside this we considered local development patterns, in order to arrive at appropriate built form assumptions for those sites where information from a current planning permission or application was not available. These in turn informed the appropriate build cost figures. A number of other technical assumptions were required before appraisals could be produced. The appraisal results were in the form of £/ha 'residual' land values,

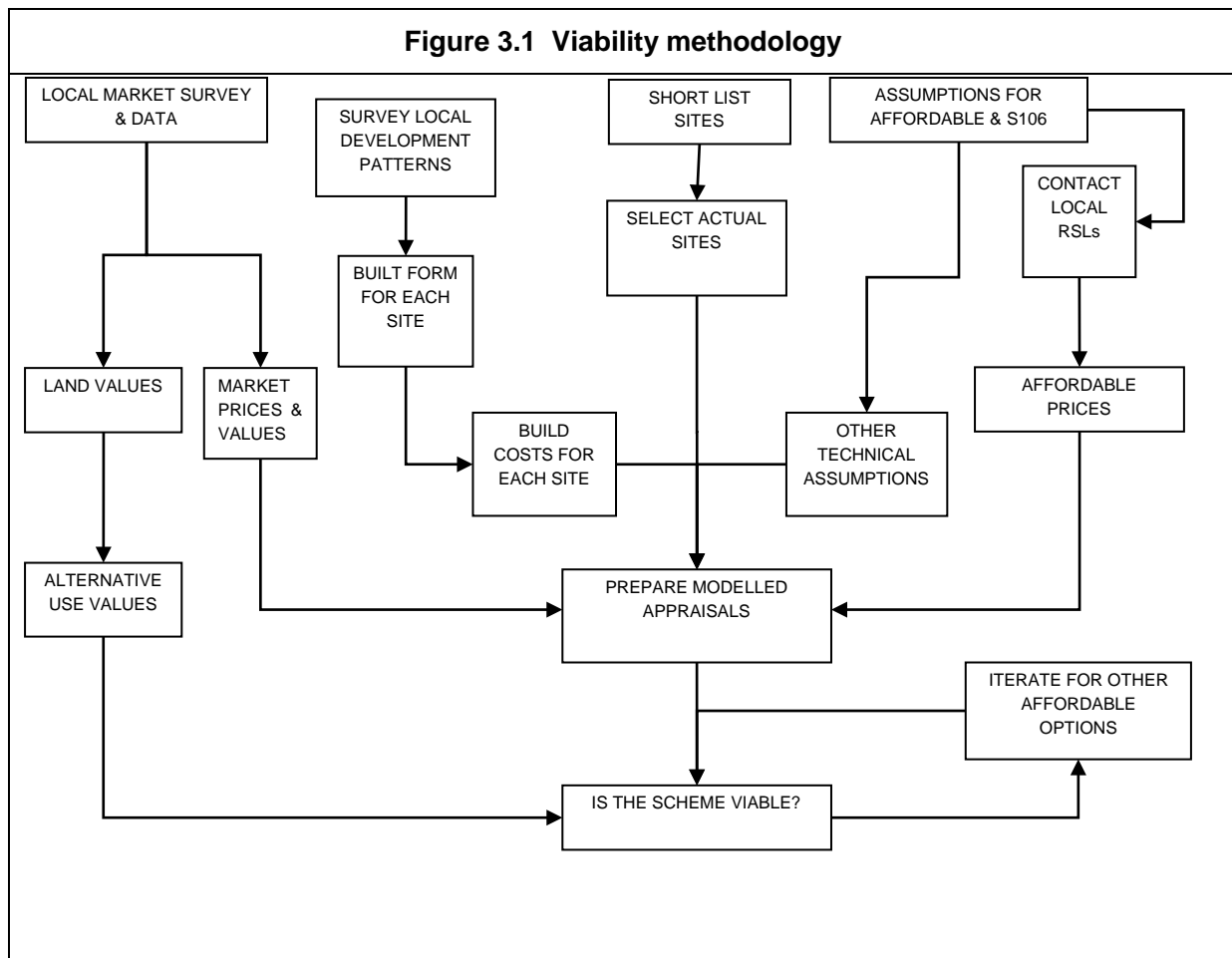
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<sup>14</sup> NPPF Paragraph 173

<sup>15</sup> NPPF Paragraph 174

<sup>16</sup> CIL Regulation 14

showing the maximum value a developer could pay for the site and still return a target profit level.



Source: HDH 2013

- 3.5 The residual value was compared to the existing or alternative use value for each site. Only if the residual value exceeded the alternative figure, and by a satisfactory margin, could the scheme be judged to be viable.
- 3.6 We have used a bespoke viability testing model designed and developed by us specifically for area wide viability testing as required by the NPPF and CIL Regulation 14<sup>17</sup>. The purpose of the viability model and testing is not to exactly mirror any particular business model used by those companies, organisations and people involved in property

<sup>17</sup> This Viability Model has is used as the basis for the Planning Advisory Service (PAS) viability workshops.

development. The purpose is to capture the generality and to provide high level advice to assist the Council in assessing the deliverability of the Core Strategy and to set CIL.

## 4. Residential Property Market

- 4.1 This chapter sets out an assessment of the housing market, providing the basis for the assumptions on house prices to be used in the financial appraisals for the sites tested in the study. We are concerned not just with the prices but the differences across different areas.
- 4.2 Although development schemes do have similarities, every scheme is unique to some degree, even schemes on neighbouring sites. Market conditions will broadly reflect a combination of national economic circumstances, and local supply and demand factors, however, even within a town there will be particular localities, and ultimately site specific factors, that generate different values and costs.

### **The Residential Market**

- 4.3 The current direction and state of the housing market is unclear, and the future is uncertain. The housing market peaked late in 2007 (see the following graph) and then fell considerably in the 2007/2008 recession during what became known as the 'Credit Crunch'.
- 4.4 Up to the peak of the market, the long term rise in house prices had, as least in part, been enabled by the ready availability of credit to home buyers. Prior to the increase in prices, mortgages were largely funded by the banks and building societies through deposits taken from savers. During a process that became common in the 1990s, but took off in the early part of the 21<sup>st</sup> Century, many financial institutions changed their business model whereby, rather than lending money to mortgagees that they had collected through deposits, they entered into complex financial instruments and engineering through which, amongst other things, they borrowed money in the international markets, to then lend on at a margin or profit. They also 'sold' portfolios of mortgages that they had granted. These portfolios also became the basis of complex financial instruments (derivatives etc).
- 4.5 During 2007 and 2008, it became clear that some financial institutions were unsustainable, as the flow of money for them to borrow was not certain. As a result, several failed and had to be rescued by governments. This was an international problem that affected countries across the world – but most particularly in North America and Europe. The first of the major banks to fail was Lehman Brothers in America. In the UK the high profile institutions that were rescued included Royal Bank of Scotland, HBoS, Northern Rock and Bradford and Bingley. The ramifications of the recession were an immediate and significant fall in house prices, and a complete reassessment of mortgage lending with financial organisations becoming averse to taking risks, lending only to borrowers who had the least risk of default and those with large deposits.

- 4.6 There are various commentators talking about a recovery in house prices, but generally there is limited evidence to support such a view. The following recent comments are typical of the current views of the market

*The housing market is “on the road to recovery”, said the Royal Institution of Chartered Surveyors today (August 13), with the highest number of potential buyers seen for four years and house prices growing at their fastest rate since 2006. RICS’ housing market survey for July showed that a net balance of 53% more chartered surveyors reported a rise rather than a fall in demand for housing compared to 38% in June. The signs of recovery were evident across the UK, RICS said, with the West Midlands and the North East seeing the largest increases in buyer activity last month. Accordingly, house prices rose across the country for the fourth consecutive month and at their fastest rate since the peak of the market in November 2006. Peter Bolton King, RICS global residential director, said: “These results are great news for the property market as it looks like at long last a recovery could be around the corner. Growth in buyer numbers and prices have been happening in some parts of the country since the beginning of the year but this is the first time that everywhere has experienced some improvement.”*

(www.housbuilder.com 13.8.13)

- 4.7 This improved sentiment can also be seen in the non-residential sectors:

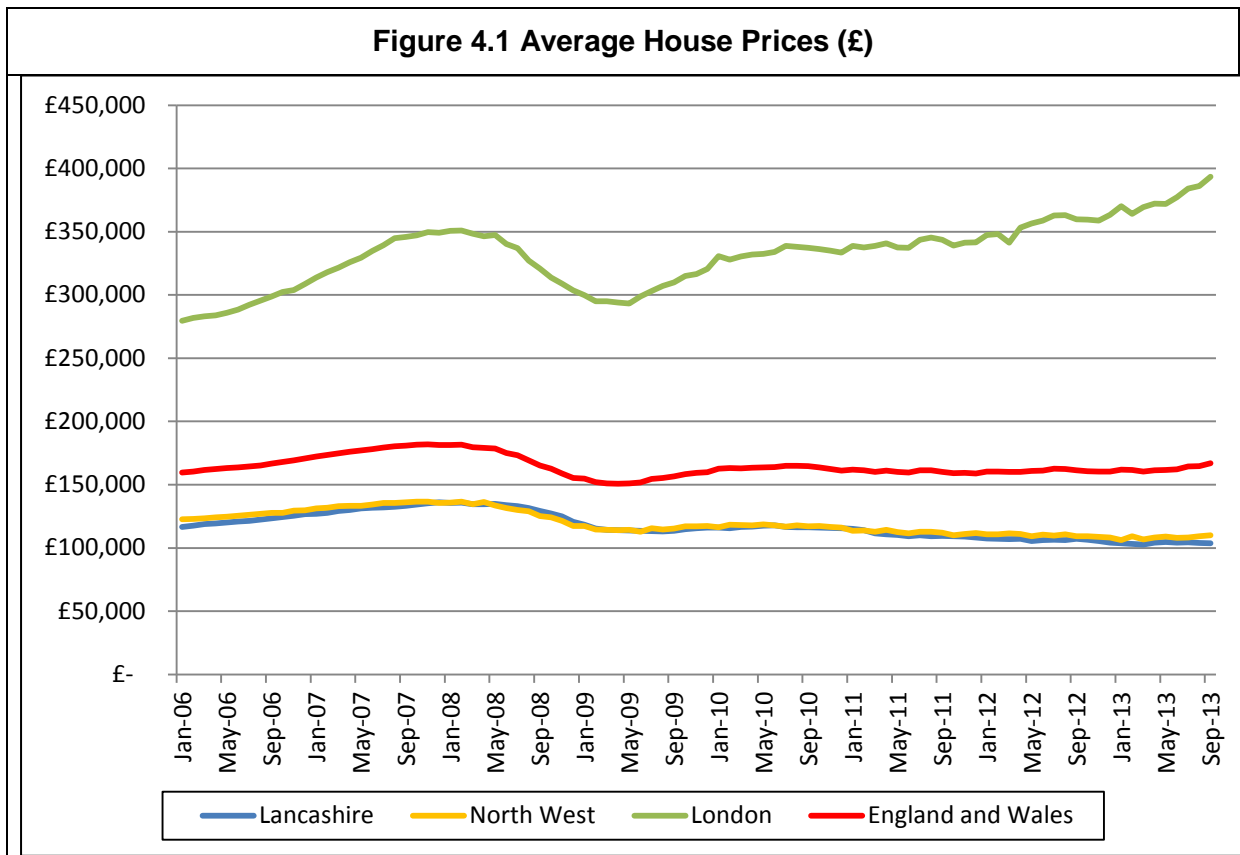
*Businesses across the country are slowly looking to expand by taking on more premises in which to house their operations, according to the latest RICS Commercial Market Survey.*

*Interest from would-be tenants of shops, offices and factories saw a rise during the run up to summer with a net balance of 15% more surveyors reporting increases in demand. While the lion’s share of this growth was seen in London, all areas of the country saw something of an uplift. Although activity is still subdued at a headline level, the results of the latest RICS report are consistent with the signs of recovery that has been visible in much other recent economic news flow.*

*In tandem with rising demand, the amount of available property dipped slightly which, in turn, led to expectations for future rents stabilising. Since 2008, predictions for the amount of rent business premises will generate has been very much in the doldrums so this could be a further sign that a corner is slowly being turned.*

(RICS 2.8.13)

- 4.8 Whilst there is anecdotal evidence of an improved sentiment and modest increase in prices we have taken a cautious approach. The following figure shows that generally prices in Lancashire have been static since the bottom of the market in mid-2009.

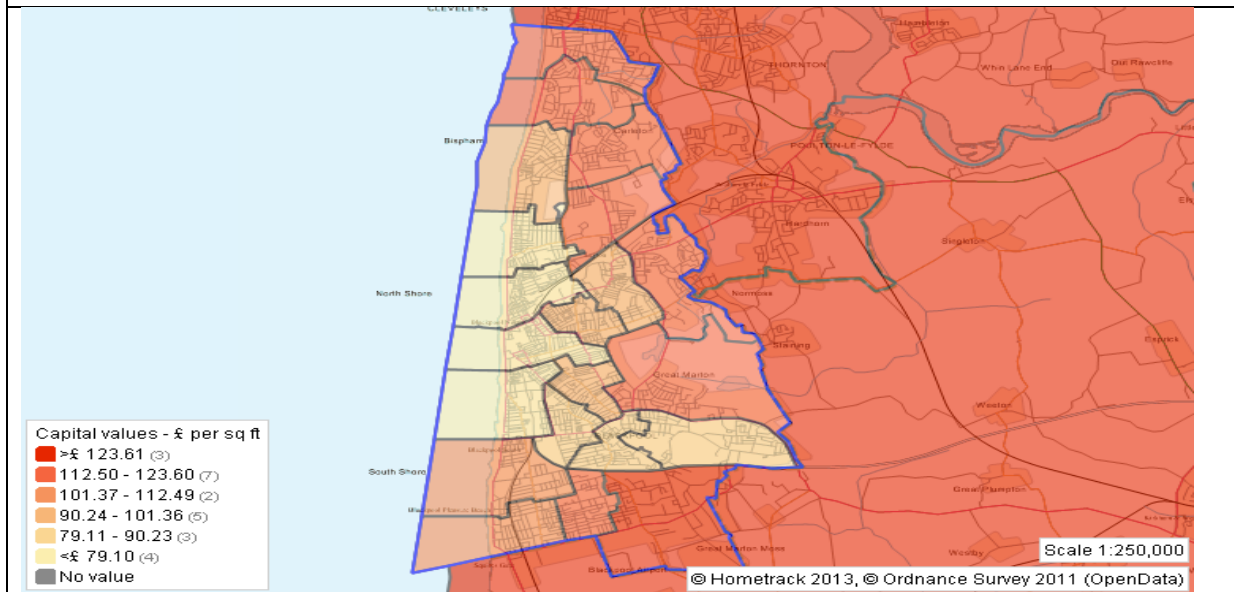


Source: Land Registry House Price Index, November 2013

- 4.9 It is important to note that the housing market is actively supported by the current Government with about one third of mortgages being through a state backed entity or scheme (a publically controlled financial institution or assisted purchase scheme such as shared ownership). It is not known how long this will continue for – but it is also noteworthy that nine out of ten mortgages in America are subject to some form of state intervention.
- 4.10 Blackpool does not have a strong residential market. When ranked across England the average house price for the Borough is the 14<sup>th</sup> lowest at just under £100,000<sup>18</sup>. To set this in context the Council at the middle of the rank (South Staffordshire) has an average price of just over £209,000.
- 4.11 The variance in residential values across Blackpool is shown below. There is a clear pattern of the outer urban areas, particularly Stanley (over £1,323/m<sup>2</sup> (£123/sqft)), in the south east commanding higher values than in the inner urban area and resort core locations such as Claremont, Talbot and Bloomfield (all less than £851/m<sup>2</sup> (£79.10/sqft)).

<sup>18</sup> See the CLG Live Table 581

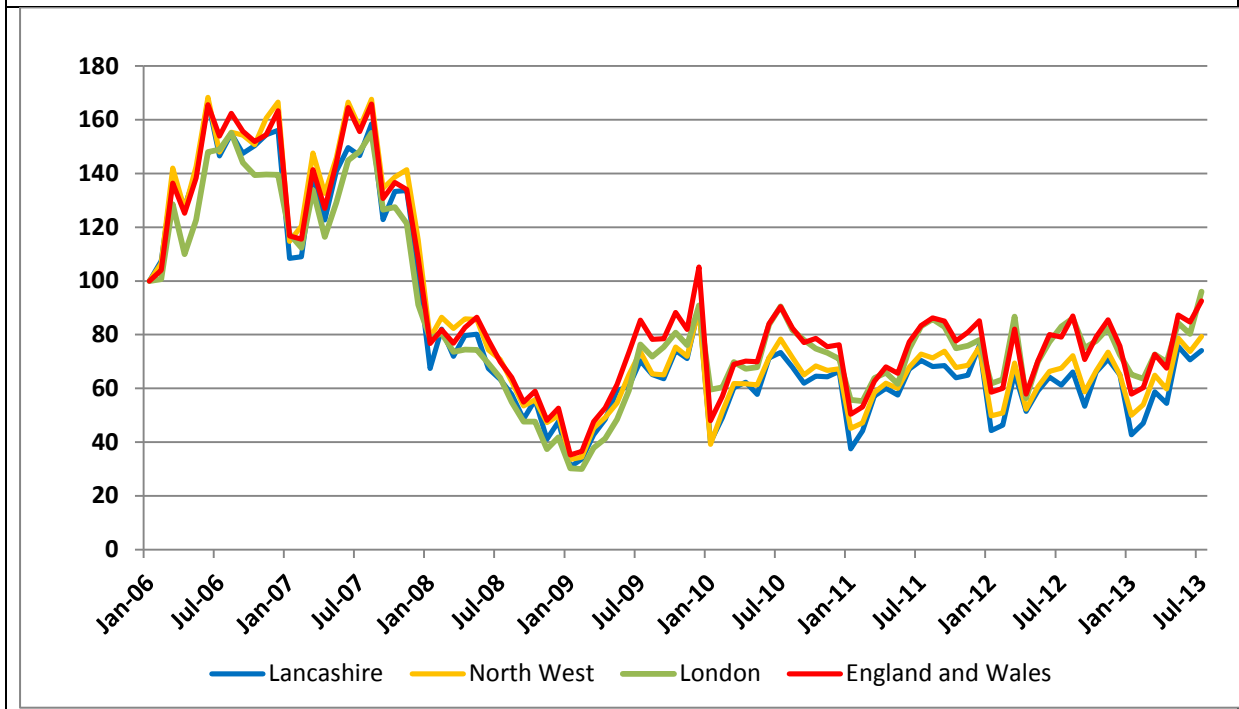
**Figure 4.2 Capital Values in Blackpool by property type**



Source: Hometrack April 2013

- 4.12 Whilst the source data from Hometrack is useful, the values indicated are less than the assumed values of newbuild properties due to the second hand nature of the stock. The rate of sales in Lancashire has fallen substantially since 2007/08 and is currently running well below that achieved at the peak of the market. It is important to recognise this when considering how fast development sites will come forward in the future and the general state of the market.

Figure 4.3 Sales per month – Indexed to January 2006

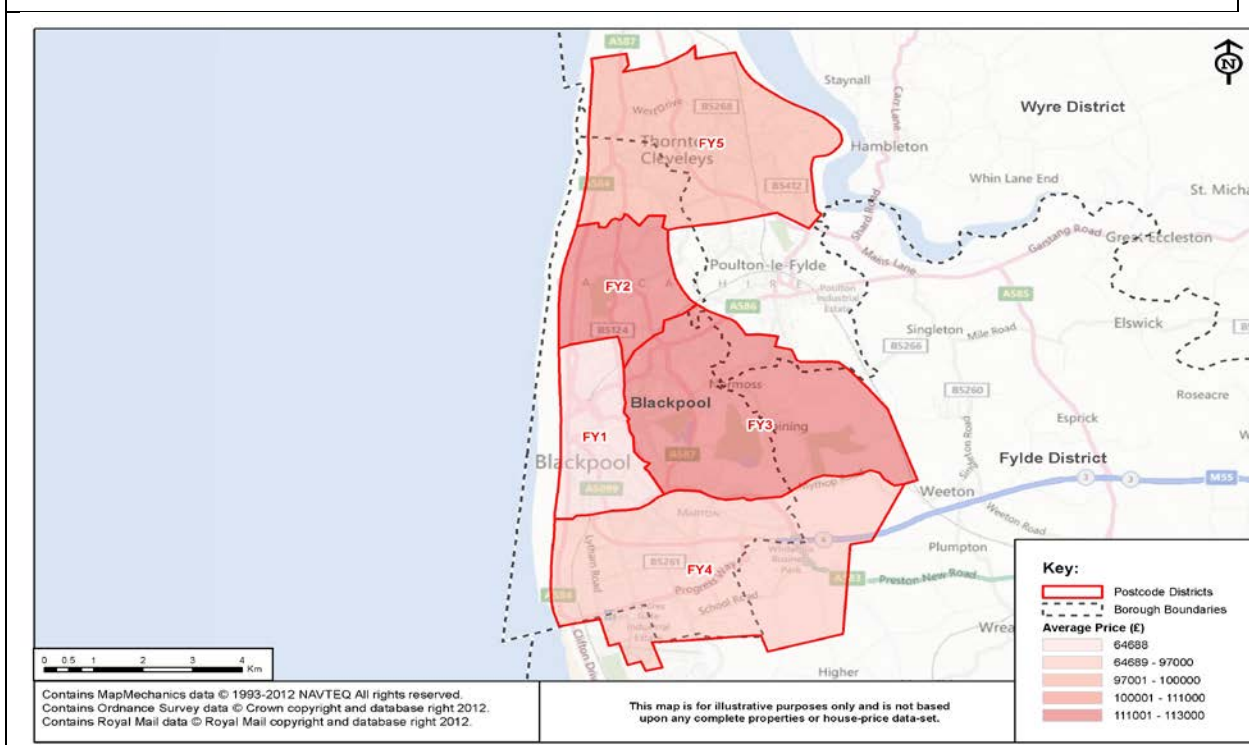


Source: Land Registry House Price Index, November 2013

4.13 To enable analysis of housing values and rents in the area post code areas have been used. The map below identifies five postcodes for the Blackpool area. FY3, 4 and 5 in part fall outside the Borough boundary and form a relevant part of the analysis as housing markets do not follow local authority boundaries.



**Figure 4.4 – Average Sold Prices (£) by postcode (Jan 2012 – Feb 2013)**



Source: Land Registry

4.14 There is clearly uncertainty in the market, and it is not for this study to try to predict how the market may change in the coming years, and whether or not there will be a recovery in house prices. The troubles in the Euro-zone are continuing and there is no clear end to them in sight. All of this together sets the Council a particular challenge when it comes to setting a rate of CIL that will prevail for several years.

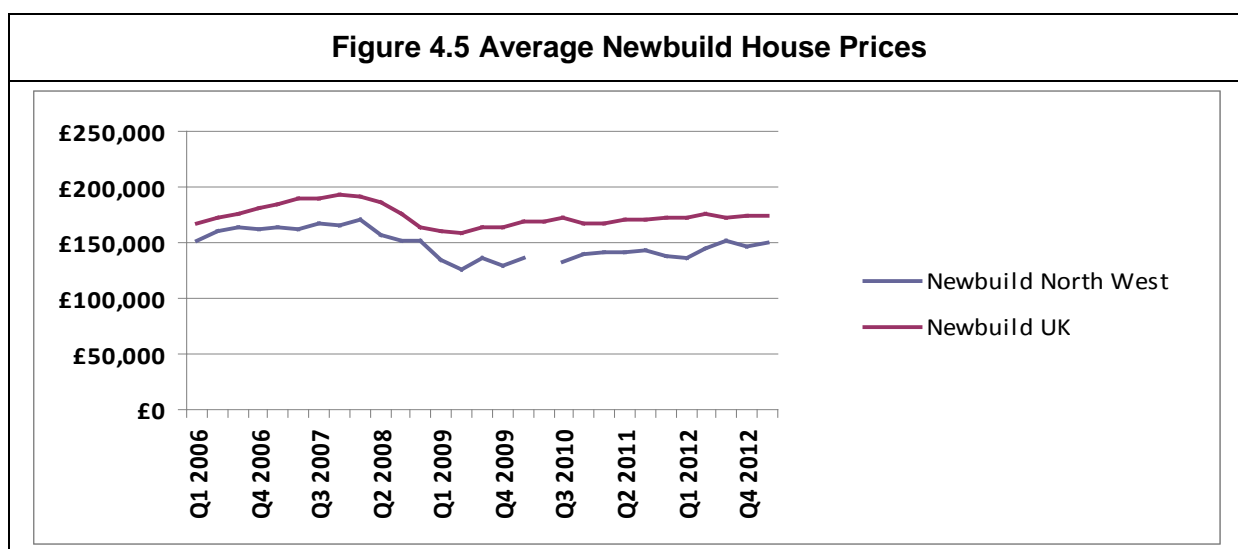
**New Build Sales Prices**

4.15 We conducted a survey of new homes for sale during April 2013 using a Market Survey and results are shown below (note the table only shows values where £/m<sup>2</sup> were available). A list setting out details of relevant new developments in the area is provided below. We found very few new homes within Blackpool so we looked a little wider. We identified over thirty new homes for sale in the market area. This low number is an illustration of the current state of the market. The information collected was not comprehensive as different developers and agents make different levels of information available.

**Table 4.1 New Build House Asking Prices**

Agent/developer	Address	Town	Area m <sup>2</sup>		Price (£)	Price per m <sup>2</sup>	
			Flat	House		Flat	House
Metcalfe	Admiral Point	Blackpool				1,700	
Entwistle Green	Keats Close	Blackpool		92	180,000		1,956
Reeds Rain	Common Edge Road	Blackpool		77	189,950		2,467
Reeds Rain	Common Edge Road	Blackpool		101	200,000		1,980
Redrow Homes	Whitehill Meadows	Fylde		103.8	237,995		2,292
Redrow Homes	Whitehill Meadows	Fylde		136.4	259,995		1,906
Redrow Homes	Whitehill Meadows	Fylde		124.5	289,995		2,329
Redrow Homes	Whitehill Meadows	Fylde		129.6	295,995		2,283
Redrow Homes	Whitehill Meadows	Fylde		130	322,995		2,484
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		68.47	124,995		1,825
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		68.47	124,995		1,825
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		68.47	127,000		1,854
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		73.95	139,995		1,893
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		73.95	139,995		1,893
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		73.95	149,995		2,028
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		88.82	179,995		2,026
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		112.32	209,995		1,869
Barratt Homes	Hawley Gardens	Thornton-Cleveleys		113.71	239,995		2,110
David Wilson	Hawley Gardens	Thornton-Cleveleys		124.03	134,995		1,851
David Wilson	Hawley Gardens	Thornton-Cleveleys		124.03	199,995		2,013
David Wilson	Hawley Gardens	Thornton-Cleveleys		124.03	204,495		2,059
David Wilson	Hawley Gardens	Thornton-Cleveleys		127.65	209,995		2,114
David Wilson	Hawley Gardens	Thornton-Cleveleys		124.03	239,995		1,935
David Wilson	Hawley Gardens	Thornton-Cleveleys		73.95	239,995		1,935
David Wilson	Hawley Gardens	Thornton-Cleveleys		73.95	239,995		1,935
David Wilson	Hawley Gardens	Thornton-Cleveleys		73.95	239,995		1,935
David Wilson	Hawley Gardens	Thornton-Cleveleys		88.82	239,995		1,935
David Wilson	Hawley Gardens	Thornton-Cleveleys		112.32	247,495		1,938
David Wilson	Hawley Gardens	Thornton-Cleveleys		113.71	259,995		2,096
Redrow Homes	Harbour Village	Fleetwood		73.8	143,995		1,951
Redrow Homes	Harbour Village	Fleetwood		73.8	146,995		1,991
Redrow Homes	Harbour Village	Fleetwood		84	159,995		1,904
Redrow Homes	Harbour Village	Fleetwood		84	159,995		1,904
Redrow Homes	Harbour Village	Fleetwood		96	169,995		1,770
Redrow Homes	Harbour Village	Fleetwood		88	169,995		1,931
Redrow Homes	Harbour Village	Fleetwood		122	199,995		1,639
Redrow Homes	Harbour Village	Fleetwood		103.8	199,995		1,926
Redrow Homes	Harbour Village	Fleetwood		130	235,995		1,815

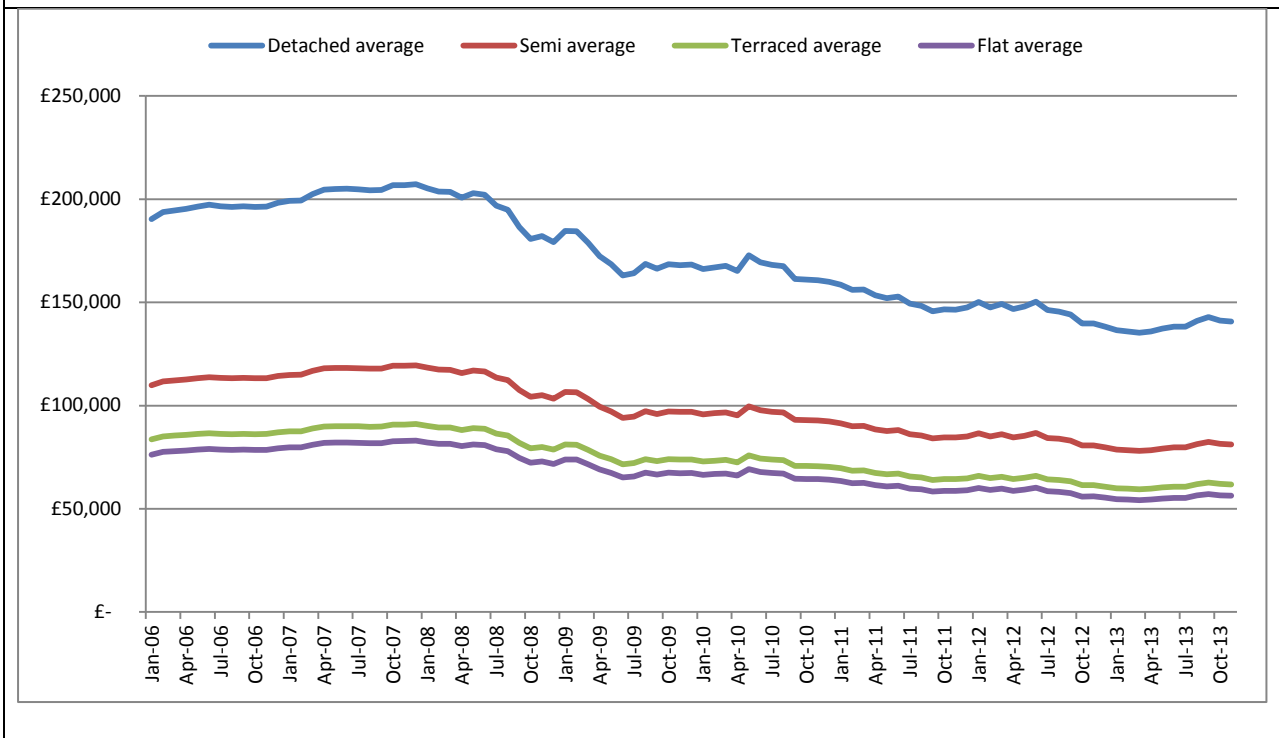
- 4.16 Based on the table above average new build asking price is £1,989/m<sup>2</sup> – although prices do vary significantly across Blackpool. It was questioned through the consultation process as to whether or not it is appropriate to include properties from beyond Blackpool’s boundaries. Ideally it would not be necessary to consider values from outside of the Borough, however due to the lack of local evidence there is no real alternative. So long as appropriate weight is placed on the evidence and it is only used to inform the values of similar units in similar locations, then this is considered to be an appropriate approach.
- 4.17 Analysis of the data collected shows that the asking prices for newbuild homes vary, even at the same address with the same floor space. An example of this is at Hawley Gardens where two houses both at 124m<sup>2</sup> have overall prices of £1,851/m<sup>2</sup> and £2,059/m<sup>2</sup>. The following figure highlights the region’s newbuild figures with North West values on the rise since late 2009, however still falling below the UK average.



Source: Nationwide Building Society 2013 Note – the gap in the graphs indicates a lack of data)

- 4.18 Further information can be gathered from the Land Registry, particularly regarding different property types and their average prices. Similar to newbuild asking prices, early 2009 saw a drop and falling prices continuing into early 2013.

**Figure 4.6 Average House Prices in Blackpool by Type**



Source: Land Registry November 2013

- 4.19 We have been provided with information by the Council on newbuild house prices related to various development schemes. The level of new build development currently either approved or on site is quite limited. Comparable evidence has been drawn from three sizeable developments including Whitehill Meadows. The range of asking prices is between £1,333/m<sup>2</sup> - £1,427/m<sup>2</sup>, £1,381/m<sup>2</sup> to £1,575/m<sup>2</sup> and £1,906/m<sup>2</sup> to £2,484/m<sup>2</sup>.
- 4.20 Analysis of these and other schemes in the study area shows that asking prices for newbuild homes vary across the area ranging from about £1,400/m<sup>2</sup> for estate housing to over £2,400/m<sup>2</sup> in the urban edge.
- 4.21 We have compared these prices with other information provided by the Council. These are also in connection with s106 negotiations and other parts of the planning evidence base. The overall findings are summarised below:

<b>Table 4.2 Residential prices from developer appraisals and assembled evidence</b>		
	<b>Type</b>	<b>£/m<sup>2</sup></b>
Urban Edge	Mix of family housing. Majority of the sites are detached and semi-detached homes with garages and gardens.	1,910 to 2,485
Urban Infill	Mix of flats and family housing. Assume further costs for clearance and/or demolition.	1,380 to 1,975
Guesthouse Redevelopment	Flats/small terraces on a redeveloped guest house land in need of demolition/clearing	1,500 to 1,975
Guesthouse conversion	Guesthouses typically with a number of guest suites which were let as holiday accommodation. converted to create self-contained dwellings, often as flats	1,500*

Source: Blackpool BC. \*actually sold as shared ownership at £1,000/m<sup>2</sup>

4.22 The values for typical guesthouse conversions were derived from details from several schemes, information for which was provided by the Council. These schemes formed part of a housing intervention programme seeking to establish a higher quality residential offer in the South Beach area. It is known that the specification for these conversions is much higher than that required by planning policy and includes costs for meeting the HCA design & quality standards and full Part L requirements of building regulations. These properties were developed as shared ownership housing so we have modelled these as if they are market housing to also capture and reflect the retained value held by the landlord. Details of two guesthouse conversions used to establish likely values are set out below:

- a. Dean Street: this was a large three storey mid-terrace property. The refurbishment created a large four bed eight person dwelling of 145m<sup>2</sup> with an open market value of approximately £1,500/m<sup>2</sup> ; and
- b. Rawcliffe / Moore Street: This was a large end of terrace dwelling which was converted into two smaller dwellings with a market value of approximately £1,500/m<sup>2</sup>.

### **Price Assumptions for Financial Appraisals**

4.23 It is necessary to form a view about the appropriate prices for the schemes to be appraised in the study. Based on the current asking prices from active developments, and informed by the general pattern of all house prices across the study area, we have set the prices in the appraisals based on this data. It is important to note at this stage that this is a broad brush, high level study to test the Council's policy as required by the NPPF and to inform the setting of CIL as required by CIL Regulation 14. The values between new developments and within new developments will vary considerably.

## Affordable Housing

- 4.24 The Council has a proposed policy for the provision of affordable housing within the Core Strategy Revised Preferred Option (the requirements are summarised in Chapter 8). In this study we have assumed that affordable housing is constructed by the site developer and then sold to a Registered Provider (RP) and that intermediate housing is 'sold' direct to the occupier. This is a simplification of reality as there are many ways in which affordable housing is delivered, including the transfer of free land to RPs for them to build on or the retention of the units by the schemes' overall developer.
- 4.25 There are three main types of affordable housing: Social Rent, Affordable Rent and Intermediate Housing Products for Sale. It should be noted that changes to the HCA funding regime mean that it is likely that the affordable housing that is developed in Blackpool in the future is likely to be Affordable Rent rather than Social Rent. This is because the HCA's preferred model for delivering affordable housing is now as Affordable Rent.
- 4.26 An important exception to this is where the Affordable Rent (when set at 80% of the market rent) is near to or below the level of Social Rents. In these cases the affordable housing is likely to be Social Rent. This is unlikely to occur in Blackpool.
- 4.27 It should be noted that the Council's preference is for affordable housing to be provided as Social Rented rather than Affordable Rented as it is less expensive and therefore more affordable to the householder. We have tested a scenario where affordable housing is delivered as Social Rented, although the main analysis is based on Affordable Rented.

## Social Rent

- 4.28 The value of a rented property is strongly influenced by the passing rent – although factors such as the condition and demand for the units also have a strong impact. Social Rents are set at a local level through a national formula that smooths the differences between individual properties and ensures properties of a similar type pay a similar rent:

	1 Bed	2 Bed	3 Bed
Blackpool Council	268	318	361

Source: The Continuous Recording of Letting and Sales in Social Housing in England (CORE)

- 4.29 This study concerns only the value of newly built homes. In spite of the differences in rents there seems to be relatively little difference in the amounts paid by RPs for such units across the study area.
- 4.30 The 2009 Affordable Housing Viability Appraisal (by Keppie Massie) assessed that RPs would be seeking to pay 30% to 45% of market value for units for social rent. The value of

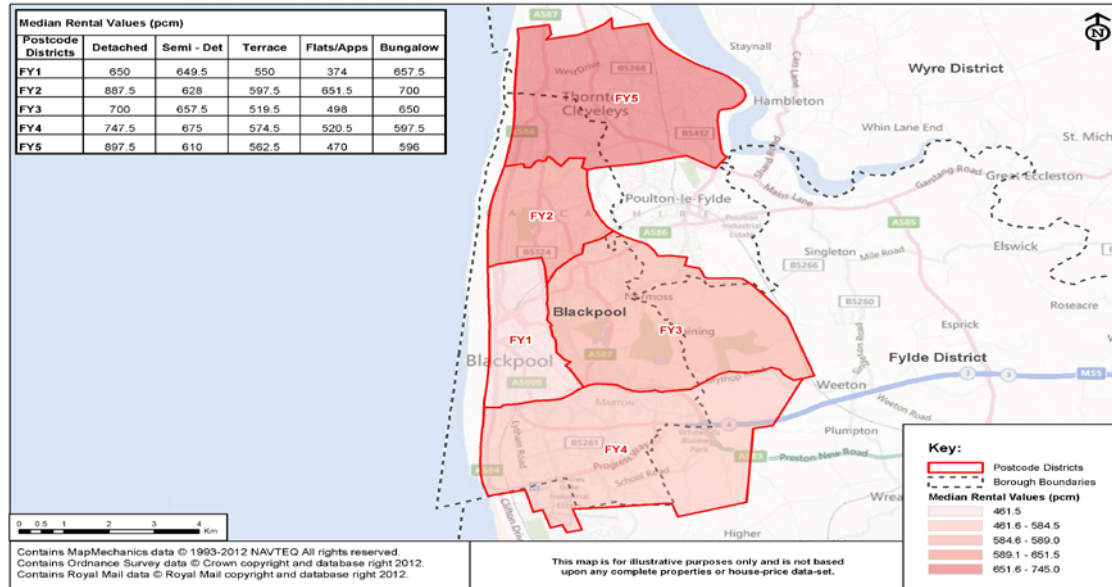
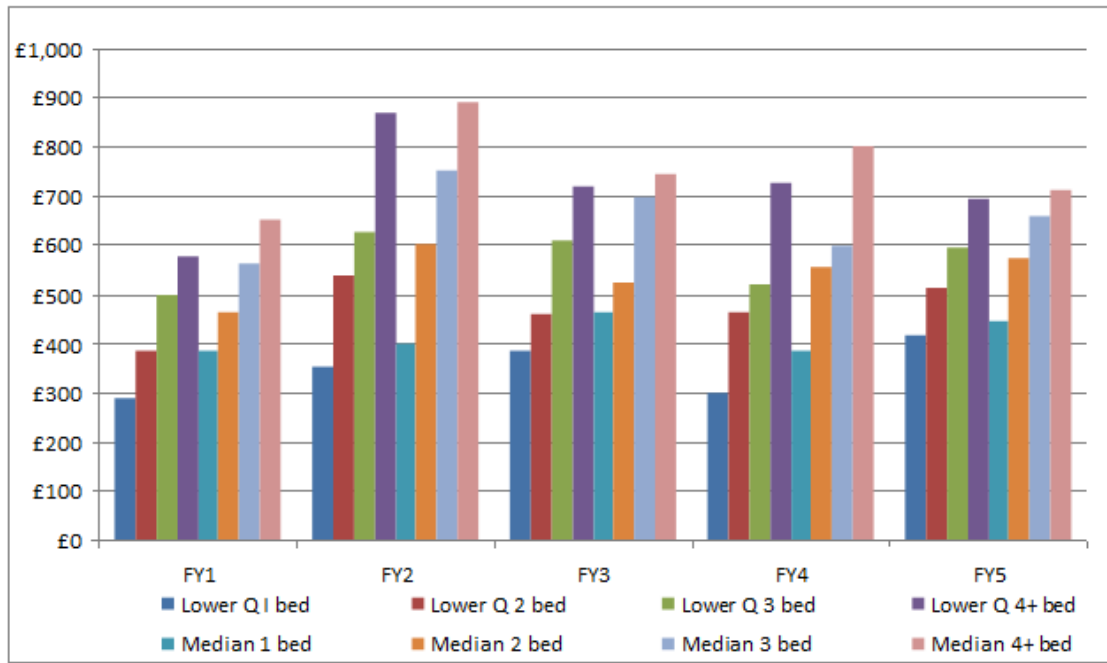
Social Rented units was discussed at the first consultation event and comments were received after the event that these units would have a value of about 40% or 50% of Open Market Value (OMV). It should be noted that this is useful contextual information, however the base modelling is based on Affordable Rent. We have modelled a scenario where the affordable housing is delivered as Social Rent and assumed a value of 40% of open market value.

### **Affordable Rent**

- 4.31 The Coalition Government introduced Affordable Rent, which is a rent of no more than 80% of the open market rent for that unit. One of the key aims of the policy on affordable housing is to make the much reduced HCA budget go further. The Affordable Rent that is over and above the social rent will be used by Registered Providers (RPs) to raise capital funding through borrowing or securitisation. This can then be used to build more affordable units – the extra borrowing replacing the grant.
- 4.32 For many years, the HCA and Local Planning Authorities (LPAs) have aspired to ensure that affordable housing is delivered without grant. When LPAs have negotiated with developers during the planning process, about the number and type of affordable housing to be provided through s106 agreements and planning conditions, the initial basis of those discussions has usually been that the affordable units would be made available without any grant. The reality was rather different, with the developer either transferring the serviced land for affordable housing to an RP for no cost, or an RP purchasing the completed units from the developer with grant assistance from the HCA.
- 4.33 The aim of Affordable Rents (new build and re-lets) is that the extra income can be used to borrow and thus to replace the grant. The RP will be able to service new borrowings to make up the gap in grant. Some grant will continue to be available based on high priority sites where there is still a funding gap after the higher Affordable Rent has been allowed for, however as the amount is uncertain we have assumed no grant will be available in the future. In the development of affordable housing for rent, the value of the units is the worth of the income that the completed let unit will produce. This will depend on the amount of the rent and the cost of managing the property (letting, voids, rent collection, repairs et cetera).
- 4.34 The amount of the affordable rent is the principal factor determining the value of the units. We have assumed that it is to be set at 80% of the full open market rent of the properties in question. We have assumed that because a typical affordable rent unit will be new, it will command a premium rent that is a little higher than equivalent older private sector accommodation.
- 4.35 In estimating the likely level of affordable rent, we have undertaken a survey of market rents across the Borough. This involved an analysis of properties currently to let in Blackpool using Rightmove and other sources. This revealed a total of 597 properties to rent.

Blackpool's rental market is not straightforward and is somewhat skewed by the predominance of tenants in receipt of Local Housing Allowance. Analysis by postcode area and property size is set out below. These show median open market rental values for varying property types across postcode areas FY1 to FY5.

**Figure 4.7 Open Market Rents by postcode (£) per month**



Source: Rightmove April 2013



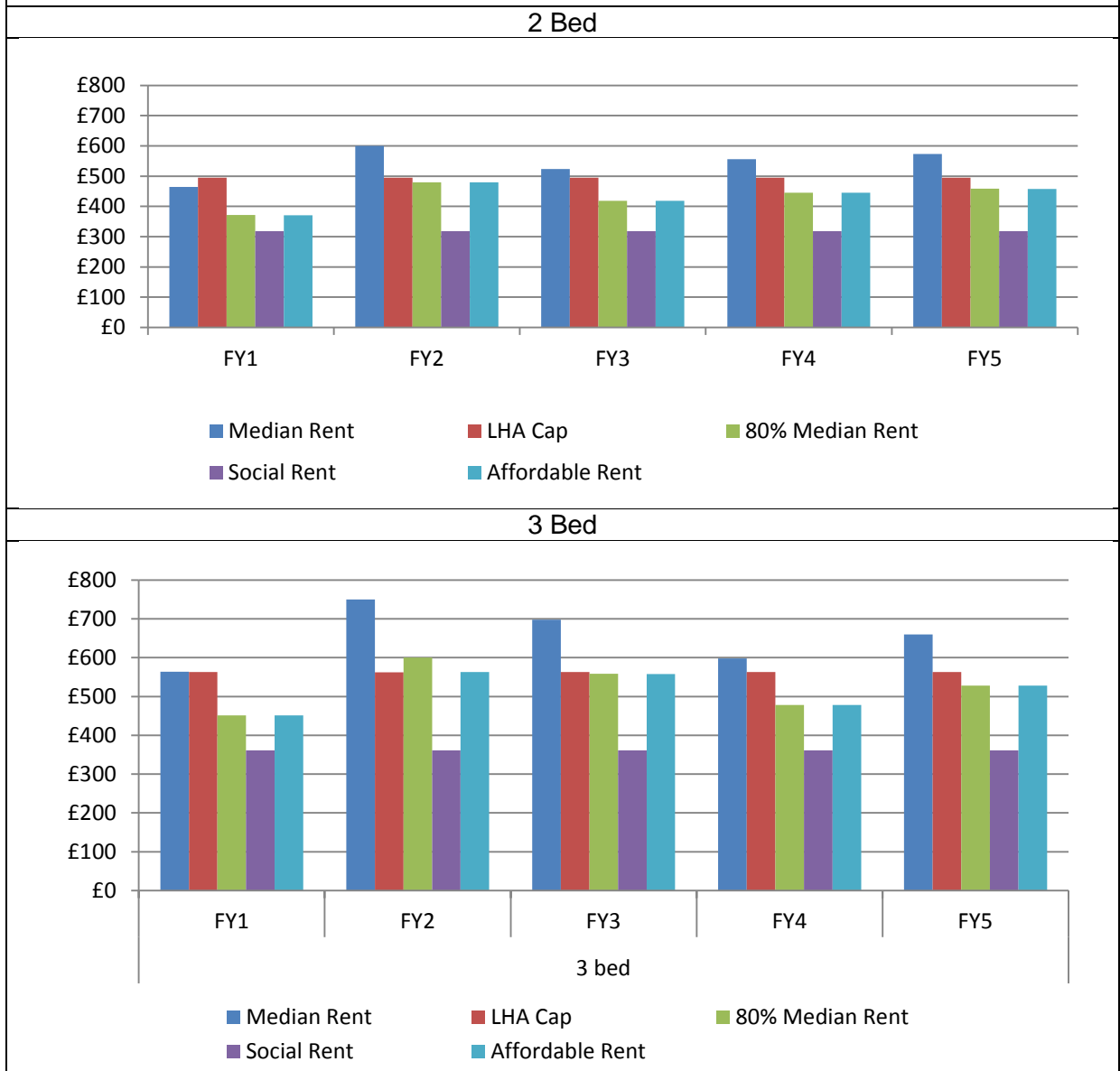
- 4.36 The Council advised that a number of individual landlords often advertise properties for rent only through the local newspaper. The Blackpool Gazette was therefore reviewed to determine if this could provide additional rental evidence. Only seventeen properties were advertised by private landlords. This is considered too small a data set to be reported on. These rents were, however, similar to those found on Rightmove. e.g. 3 no. one bed flats were advertised in FY1 with the median being £390 pcm. This is the same as found on Rightmove in April 2013.
- 4.37 The Local Housing Allowance (LHA) Cap places a limit on the maximum amount of Housing Benefit that claimants can receive taking into account the number of bedrooms required by the claimant. As part of the reforms to the social security system, housing benefit /local housing allowance is capped at the 3<sup>rd</sup> decile of open market rents for that property type, so in practice affordable rents are unlikely to be set above these levels.
- 4.38 The cap is set by the Valuation Office Agency by Broad Rental Market Area (BRMA) however these BRMAs do not follow local authority boundaries. The LHA Cap rates are set by the BRMA see below. Where this is below the level of Affordable Rent at 80% of the median rent we have assumed that the Affordable Rent is set at the LHA Cap.

<b>Table 4.4 Fylde Coast BRMA Caps (£/week)</b>		
	£/week	£/month
Shared Accommodation	59.79	259.09
One Bedroom	85.15	369.00
Two Bedrooms	114.23	495.00
Three Bedrooms	130.00	563.33
Four Bedrooms	155.77	675.00

Source: VOA

- 4.39 By assessing market rents and changing these in line with policy stipulations with regard to affordable rents and LHA Cap rates, the range of prevailing rents in Blackpool are summarised in the following graphs. This forms the basis of the appraisals.

**Figure 4.8 Rents by Tenure and Postcode – £/Month**



Source: Rightmove April 2013

4.40 We have assumed that Affordable Rent will be set at 80% of the median rent or the LHA Cap whichever is lower. In calculating the value of affordable rents we have allowed for 10% management costs, 4% voids and bad debts and 6% repairs, and capitalised the income at 5.5%. On this basis, Affordable Rented property has the worth shown in the table below in the various postcode areas.

<b>Table 4.5 Calculation of value of Affordable Rent housing (£)</b>					
Postcode	FY1	FY2	FY3	FY4	FY5
<b>2 Bed</b>					
Annual Median Rent	5,568	7,200	6,276	6,672	6,876
LHA	5,940	5,940	5,940	5,940	5,940
Median Rent (80%)	4,454	5,760	5,021	5,338	5,501
Net Rent	3,564	4,608	4,017	4,270	4,401
Worth	64,791	83,781	73,030	77,638	80,011
Approx £m <sup>2</sup>	864	1,117	974	1,035	1,067
<b>3 Bed</b>					
Annual Median Rent	6,768	9,000	8,376	7,176	7,920
LHA	6,756	6,756	6,756	6,756	6,756
Median Rent (80%)	5,414	7,200	6,701	5,741	6,336
Net Rent	4,332	5,405	5,361	4,593	5,069
Worth	78,755	98,269	97,466	83,502	92,160
Approx £m <sup>2</sup>	916	1,143	1,133	971	1,072

Source: URS 2013

- 4.41 Following the initial consultation event on 23<sup>rd</sup> April, various comments were made as to the values of affordable rent. We have assumed that affordable rent has a value of £1,000m<sup>2</sup>, this is a simplification of the reality but is appropriate in this high level study.

### **Intermediate Products for Sale**

- 4.42 These include shared ownership and shared equity products – as well as some newer emerging products. The Council's draft Affordable Housing SPD supports intermediate affordable housing for sale in appropriate locations including shared equity, shared ownership, Rent to Homebuy or other similar products. The draft SPD does not limit the initial sale price of intermediate products. It is necessary to make a broad assumption as to the value of intermediate products.
- 4.43 The value of shared ownership properties is derived from several sources being the amount paid for the initial share of the unit, the amount of rent paid on the proportion not purchased, the levels of service charges and the likelihood that the buyer will purchase more of the home over time (through staircasing). In a plan wide study of this type it is necessary to make some broad assumptions as the worth of such units. At the initial consultation event we suggested that intermediate products be modelled at 70% of their value of Open Market Value based of typical values being paid by RPs across the Northwest. This was discussed at some length and in line with representations made during the consultation we have reduced this to 65% of open market value.

- 4.44 It is important to note there is a range of shared ownership models used by different developers – although all are based on the same legal principles. The value of a shared ownership home to a Housing Association is not the same as the amount that household may pay for a shared ownership house for a home. The buyer of a home may pay as little as 30% of the open market value, or as much as 75%, depending on their financial circumstances. There are various schemes offered by the public and the private sectors with various different objectives. Some are designed to specifically provide affordable housing, other are more motivated to invigorate the housing market. These include products and schemes such as Homebuy Direct, Help to Buy and Buy to Rent.

### **Appraisal Assumptions**

- 4.45 The price assumptions used in the appraisals are set out in Chapter 9.

## 5. Non-Residential Property Market

- 5.1 This chapter sets out an assessment of the markets for non-residential property, providing a basis for the assumptions of prices to be used in financial appraisals for the sites tested in the study.
- 5.2 The CIL Regulations and CIL Guidance require the use of existing available evidence and for the viability testing to be appropriate to the likelihood of raising CIL. There is no need to consider all types of development in all situations – and certainly no point in testing the types of scheme that are unlikely to come forward – or for that matter unlikely to be viable.
- 5.3 Although development schemes do have similarities, every scheme is unique to some degree, even schemes on neighbouring sites. Market conditions will broadly reflect a combination of national economic circumstances and local supply and demand factors, however even within a town there will be particular localities, and ultimately site specific factors, that generate different values and costs.

### **Blackpool Overview**

- 5.4 As with the housing market, the various non-residential markets in the Blackpool area reflect national trends, but there are local factors that underpin the market. The key commercial centres within the Borough are the town centre, key business parks in Blackpool and the Fylde area of Lancashire located to the south of the Borough and to the north of the town centre (clustered between Faraday Way and Bristol Avenue).
- 5.5 The town centre is the main retail and cultural centre for the Fylde coast but underperforms. Works are in progress to develop the Central Business District through partnership working between the Council and Muse Developments. The planned scheme includes a new Sainsburys, up to four hotels and offices for the Council with an element available to let.
- 5.6 The Core Strategy proposes that new employment development is directed to existing, established employment locations rather than allocating new supply. This reflects economic conditions, the low historic take up of land, forecast demand/need and the existing supply. This is also a reflection of land constraints in Blackpool. The Borough's tight boundary and lack of future development land means opportunities for further employment expansion within Blackpool are extremely limited.

### **Market Survey**

- 5.7 We undertook a market survey of new and recent deals for commercial properties for sale and to let by reference to agents advertising and the Propertylink property website (a

commercial equivalent of Rightmove). Additionally we have made use of EGI data that records past transactions in the non-residential sector.

5.8 We have concentrated on newer property and not surveyed the wider market of older units and buildings. This study is concerned with development viability – there are, in nearly all situations, existing space that is available at rents and values that are substantially lower than that for newbuild, particularly commercial space above retail units and near town centres that have limited car parking and facilities.

5.9 We surveyed the following commercial property categories:

Industrial	Office	Retail	Hotels
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5.10 **Appendix 4** includes details of employment units currently available within and near to the Borough.

### **Industrial**

5.11 The industrial property market in Blackpool is quiet for both sale and lettings with existing space generally concentrated to the southern areas of the borough with clusters around the key business parks. There is lack of available modern B2 industrial or B1c light industrial accommodation with a consequent lack of direct evidence. Available stock is heavily concentrated in the small and medium sized categories (up to 5,000m<sup>2</sup>) and asking rents varied significantly across the borough.

5.12 Average annual rents achieved for industrial properties across the wider area were £45/m<sup>2</sup> for small units up to a maximum of about £30/m<sup>2</sup> for larger units. This shows a premium for smaller units, which is backed up by our wider experience. Rents were very dependent on the quality of the unit rather than the general location.

5.13 Based on the findings, for industrial new build we have assumed a rental value of £60/m<sup>2</sup> and an investment yield of 9% on the assumption of ten year lease (with break clause) and strong covenant. This produces a capital value of £833m<sup>2</sup>. It is recognised however that the ability to fund speculative schemes is very difficult and even securing funding for pre-let schemes would depend on securing strong covenants and lease terms.

### **Offices**

5.14 Most market activity around the town centre is for offices above retail with few modern developments although major office development is planned at Talbot Gateway at the northern end of the town centre. Larger-scale purpose-built office developments are located in the main business parks, to the north east (e.g. Blackpool Technology Park and KinCraig Business Park), the south east (e.g. Preston New Road and Clifton Rd) and to the south of the Borough (around Blackpool Business Park, close to the airport).

- 5.15 There is plentiful supply of existing office space particularly under 5,000m<sup>2</sup>. According to local agents this reflects the low levels of demand for office space and a cut back in government outsourcing affecting contracts for provision of back office services, such as Fujitsu/Lancaster House where a head lease for 850m<sup>2</sup> has been available for some two years.
- 5.16 Asking rents vary depending on location and quality from £75m<sup>2</sup> to £95m<sup>2</sup>. There are aspirations that the new office space within Muse's CBD scheme will command £150m<sup>2</sup>.
- 5.17 Typical rents achieved for good offices across the whole area are in the region of £80/m<sup>2</sup> to £130/m<sup>2</sup>. Where there are differences these tend to be more to do with the quality of the unit – the situation, the quality and character of the space and availability of parking etc.
- 5.18 Rents vary across the different sub-areas, with the highest averages achieved being close to the M55 link to the south of the Borough (£120/m<sup>2</sup>), and slightly lower averages in the north and the town centre (£100/m<sup>2</sup> and £90/m<sup>2</sup> respectively).
- 5.19 In terms of new space there are a number of developing and newly completed office developments in Blackpool providing office space, two of which are located to the north east of the Borough at Kincaig Business Park and Blackpool Technology Park, and also one new development in the south, at Blackpool Business Park.
- 5.20 The Kincaig Business Park (adjacent to Blackpool Technology Park) is under construction and provides shell accommodation suitable for office use or as light industrial/warehouse space. It can therefore be considered as hybrid accommodation. Asking rents are £80/m<sup>2</sup>. The development currently has two buildings under construction, both of which have already been sold. The development comprises buildings which are suited to one or two storey offices, high bay warehouses and or workshops.
- 5.21 There are also other recently completed office developments in the adjoining Blackpool Technology Park and also to the south, in Blackpool Business Park.
- 5.22 Based on the findings, for office new build we have assumed a rental value of £105/m<sup>2</sup> and an investment yield of 9% on the assumption of ten year lease (with break clause) and a strong covenant. This produces a capital value of £1,166m<sup>2</sup>. It is recognised however that the ability to fund speculative schemes is very difficult and even securing funding for pre-let schemes would depend on securing strong covenants and lease terms.

## **Retail**

- 5.23 Activity in the retail property market is concentrated in the core town centre area, particularly the key shopping streets of Bank Hey Street, Church Street and Victoria Street. There are small pockets of activity in the peripheral area, around the two centres of South Shore and

Bispham. The survey of current market activity showed that a number of the available properties were currently vacant, even along the core shopping streets<sup>19</sup>.

- 5.24 The rents for town centre shops vary greatly, particularly as one moves, even a short distance, away from the best locations into the secondary situations. In Blackpool there are numerous empty shops in all but the very best locations. Even along the same core streets, rents can vary largely according to the quality and nature of the property and proximity to key attractions. 'Zoning' is a valuation method for enabling shops of different sizes and layouts to be compared with one another and is widely used to value retail premises. It recognises that the most valuable part of the premises is the front part nearest the window. The front part, nearest the window, is zone A. The next 6.1 metres becomes zone B, and the next is zone C. The zones will continue until the entire depth of the retail area is allocated to a zone. The Houndshell Shopping Centre and immediate area which includes Primark and Debenhams is considered to be the prime location and here rents are around £100/m<sup>2</sup> for Zone A. New retail units are proposed as part of Muse's CBD scheme although this location is unlikely to command values similar to Houndshell, however we were unable to secure firm evidence of actual rents, yields and capital value.
- 5.25 For the purposes of this study and the valuation model used however we need to assume an overall rate across the entire unit rather than the limited Zone A area. We have therefore adopted a capital value of £1,680 m<sup>2</sup> based on a review of existing available evidence, discussion with retail agents and our experience elsewhere for prime town centre retail new build.
- 5.26 We have considered supermarkets and retail warehousing separately<sup>20</sup>. The economics of developing these types of units are very different to that of town centre retail units. We have based our analysis on supermarket rents of £180/m<sup>2</sup> and the rents for retail warehouses to be around £100/m<sup>2</sup>. To derive the capital values of these we have assumed a yield of 5.5% for supermarkets and 6.5% for retail warehouses to give capital values of £3,270/m<sup>2</sup> and £1,540/m<sup>2</sup> respectively.

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<sup>19</sup> This is supported by analysis in the Fylde Coast Retail Study, Roger Tym & Partners (August 2011)

<sup>20</sup> As we set out in Chapter 2, CIL Regulation 13 gives the flexibility to charge variable rates by zone and development type, however there has been some uncertainty around the charging of differential rates. This follows the objection made by supermarket operator Sainsbury's to the Poole Charging Schedule. We recommend that the Charging Authorities adopt the definitions set out by Geoff Salter in his report following his examination of the Wycombe DC CIL Charging Schedule (September 2012). These are:

**Superstores/supermarkets** are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.

**Retail warehouses** are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods) DIY items and other ranges of goods catering for mainly car-borne customers.



## Hotels

- 5.27 Activity in the market is highly concentrated in the Resort Core. A survey of market activity shows the availability of large numbers of hotels, guest houses, bed & breakfasts and holiday flats. Previous studies have found there to be a significant over-supply of visitor accommodation on the Fylde Coast, with varying degrees of quality<sup>21</sup>.
- 5.28 New build hotel values will differ from values for existing hotel accommodation and there is no recent evidence to provide a basis for assumptions. The Muse CBD scheme includes for up to four new hotels and it is understood that negotiations are ongoing with one party. Based on our experience elsewhere and comments made during the consultation process we have adopted a capital value of £1,750 m<sup>2</sup> for hotels.

## Retirement Housing and Care Homes

- 5.29 We have received representations from the Retirement Housing Group (RHG) being a trade group representing developers and operators of retirement, care and extra care homes. They have set out a case that these products should be tested separately.
- 5.30 In line with the RHG representations we have assumed the price of a 1 bed sheltered property is about 75% of price of existing 3 bed semi-detached house and a 2 bed sheltered property is about equal to the price of existing 3 bed semi-detached house. In addition we have assumed Extracare housing is 25% more expensive than sheltered. In Blackpool the median price of a 3 bed semi-detached home is £120,000<sup>22</sup> so we have used this as a starting point. On this basis we have assumed retirement housing has the following worth:

	Area	£	£/m <sup>2</sup>
3 bed semi-detached		120,000	
1 bed Sheltered	50	90,000	1,800
2 bed Sheltered	75	120,000	1,600
1 bed Extracare	65	112,500	1,731
2 bed Extracare	80	150,000	1,875

Source: HDH 2013

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<sup>21</sup> Humberts Leisure HHL (August 2009) Visitor Accommodation Study : Fylde Coast Sub-region

<sup>22</sup> Rightmove May 2013.

5.31 The above prices are applied to the net saleable areas.

### Appraisal Assumptions

5.32 Having surveyed the non-residential property markets we have found that there is a significant range of rents and values across the Borough. On further investigation we concluded that these were more to do with the specific characteristics of the location in question (access to transport network, environment, etc.) rather than the geographical location and that new development that is well located would attract broadly similar rents and values in most of the area.

5.33 We reiterate that the commercial development market is going through a difficult period and this needs to be kept under close review as whilst development may not be viable now, relatively small changes in yields will result in improved viability. Town centre retail and leisure development in the prime areas in particular has the potential to generate significant value. A key difficulty is land assembly issues and the ability to deliver large enough sites without recourse to a Compulsory Purchase Order (C.P.O.).

5.34 Through analysing the available space for rent and sale and achieved values we have formed a view as to the capital value of industrial and office space. We acknowledge that the yield will vary from property to property and will depend on the terms of the lease and the standing of the tenant, however, we believe that the figures used are broadly representative and appropriate for a study of this type.

5.35 Establishing typical rents and yields has proved more difficult in relation to retail and leisure uses given the lack of comparable evidence and we have therefore sought to establish the tone of the market by looking at rents online, discussions with agents and using our experience of achieved values elsewhere. The pre-consultation rental assumptions and yields proposed to derive capital values /m<sup>2</sup> are shown in the following table.

<b>Table 5.2 Capitalised Typical Rents - pre-consultation assumptions</b>			
	<b>Rent £/m<sup>2</sup>/year</b>	<b>Yield %</b>	<b>Capital Value £/m<sup>2</sup></b>
Light Industrial/Warehousing	60	9	833
Offices	105	9	1,166
Large Retail (Supermarkets)/Retail Warehouse	185	6	3,080
Prime Town Centre Retail	170	6.5	1,680
Hotels			1,750
Retirement Homes (Sheltered)			1,700
Extra Care			1,800

Source: URS

- 5.36 These were presented to the first consultation event on the 23<sup>rd</sup> April and there was a consensus that they were broadly representative, although it was felt that the industrial figures may be a little high as there are many units currently available at substantially less than this. We agree with this, however those units are typically of secondary quality and in secondary situations (i.e. with poor access / within residential areas etc). This study is concerned with new build property that will be built to a modern specification so the rents are likely to be at the top end of the range.
- 5.37 Following the consultation event and further review of town centre retail we have used the following values in the appraisals:

<b>Table 5.3 Final non-residential values adopted for appraisals £/m<sup>2</sup></b>	
Light Industrial/Warehousing	825
Offices	1,200
Supermarkets	3,000
Retail Warehouse	1,540
Prime Town Centre Retail	1,680
Hotels	1,750
Retirement (Sheltered)	1,700
Extra Care	1,800

Source: URS

## 6. Land Prices

- 6.1 In the section headed Viability Testing in Chapter 2 we set out the methodology used in this study to assess viability and set out the different approaches put forward in *Viability Testing in Local Plans – Advice for planning practitioners*, (LGA/HBF – Sir John Harman) (June 2012) and *Financial viability in planning, RICS guidance note, 1st edition (GN 94/2012)* (August 2012).
- 6.2 An important element of the assessment, under both sets of guidance, is the value of the land. Under the method recommended in the Harman Guidance, the worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, being the Existing Land Value (ELV) or Alternative Land Value (ALV), is the starting point for the assessment as this is one of the key variables in the financial development appraisals. In this chapter we have considered the values of different types of land. The value of land relates closely to the use to which it can be put and will range considerably from site to site; however, as this is a high level study, we have looked at the three main uses, being: agricultural, residential and industrial. We have then considered the amount of uplift that may be required to ensure that land will come forward.

### Current and Alternative Use Values

- 6.3 In order to assess development viability, it is necessary to analyse current and alternative use values. Current use values refer to the value of the land in its current use before planning consent is granted, for example, as agricultural land. Alternative use values refer to any other potential use for the site. For example, a brownfield site may have an alternative use as industrial land.
- 6.4 To assess viability, the value of the land for the particular scheme needs to be compared with the alternative use value, to determine if there is another use which would derive more revenue for the landowner. If then the Residual Value does not exceed the alternative use value, then the development is not viable, and if there is a surplus (i.e. profit) over and above the 'normal' developer's profit having paid for the land (including providing a competitive return to the landowner), then there is scope to pay CIL.
- 6.5 For the purpose of the present study, it is necessary to take a comparatively simplistic approach to determining the alternative use value. In practice, a wide range of considerations could influence the precise value that should apply in each case, and at the end of extensive analysis the outcome might still be contentious.
- 6.6 Our 'model' approach is outlined below:
- i. For sites previously in urban fringe or agricultural use, then agricultural land represents the existing use value;

- ii. Where the development is on former industrial, warehousing or similar land, then the alternative use value is considered to be industrial, and an average value of industrial land for the area is adopted as the alternative use value;
- iii. Where the site is currently in residential use we have used a residential value; and
- iv. Several of the modelled sites are based on conversions of guesthouses. Where this is the case we have assumed the value of an existing guest house that is in a poor state of repair. There will be properties that come forward in a range of states of repair, however this is a cautious assumption.

### **Industrial Land**

- 6.7 The VOA's typical industrial land values for the nearby locations are not representative of the area. We have undertaken a market survey and consulted with Blackpool Bay Area Co. (inward investment agency). The latter organisation states in its Investment Prospectus that the area offers affordability, with development land (B1 use) available from £150,000/acre. Based on this we have adopted figures of £500,000/ha (£200,000/acre) for the study area.

### **Agricultural and Paddocks**

- 6.8 Agricultural values rose for a time several years ago after a long historic period of stability. Values are around £15,000-£25,000/ha depending upon the specific use. A benchmark of £50,000/ha is assumed to apply here to reflect the urban fringe location.

### **Residential Land**

- 6.9 We have considered general figures from the Valuation Office Agency (VOA) relating to residential land values. These show values in the city regions and provide context and are the closest VOA data sets. Land values vary dramatically depending upon the development characteristics (size and nature of the site, density permitted etc.) and any affordable or other development contribution. The VOA publishes figures for residential land in the Property Market Report. These cover areas which generate sufficient activity to discern a market pattern. The nearest geographical locations for which data is available is Manchester and Liverpool. These values can only provide broad guidance, they can therefore only be indicative.

<b>Table 6.1 Residential Land Values at January 2011 Bulk Land</b> £/ha (£/acre)	
Liverpool	1,500,000 (607,000)
Manchester	1,350,000 (546,000)

Source: VOA Property Market Report 2011

- 6.10 The values in the Property Market Report are based on the assumption that land is situated in a typically average greenfield edge of centre / suburban location for the area and it has been assumed that services are available to the edge of the site and that it is ripe for development with planning permission being available. The values provided assume a maximum of a two storey construction, S106 provision and affordable housing ratios to be based on market expectations for the locality. The report cautions that values should be regarded as illustrative rather than definitive and represent typical levels of value for sites with no abnormal site constraints and a residential planning permission of a type generally found in the area. It is important to note that these values are net – that is to say they relate to the net developable area and do not take into account open space that may form part of the scheme.
- 6.11 It should also be noted that the above values will assume that grant was available to assist the delivery of affordable housing (due to the date of the VOA Report). This grant is now very restricted so these figures should be given limited weight. Further due to the date of the report, these values are well before the introduction of CIL, so do not reflect this new charge on development. As acknowledged by the RICS Guidance and confirmed at the Greater Norwich CIL Examination<sup>23</sup>, a new charge such as CIL will inevitably adversely impact on land values.
- 6.12 We also sought information about values from residential land currently on sale in the Blackpool area. Various blocks are being publicly marketed at the moment. None of the sites are cleared and ready for development and all have some abnormal costs. Furthermore all are relatively small. As we would expect in the urban areas some values are very low.

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<sup>23</sup> See CIL Examiner's report to the Greater Norwich Development Partnership (Broadland District Council, Norwich City Council and South Norfolk Council). by Keith Holland BA (Hons) Dip TP, MRTPI ARICS, dated 4 December 2012.

## Guest Houses

- 6.13 The Council has provided a range of actual acquisition costs for dwellings it has acquired to enable the comprehensive redevelopment of the Rigby Road site (in the Inner Area). These values are based around open market values set by an external agent and take into account the condition of the property and a calculation based on the rental value of the lettable bedspaces/rooms. As an illustration, these properties included a 10 bedroom hotel with planning permission for conversion to two flats acquired in 2013 at £99,000.
- 6.14 In addition the Council provided details of a range of achieved auction sales, including 10 Kirby Road, Blackpool, Lancashire, FY1 6EB located outside of a main holiday accommodation area and therefore representing an appropriate property for conversion – an end terraced three storey guesthouse with nine letting rooms and owner's accommodation, offered with vacant possession which sold at £42,000 in June 2013.

## Land Price Assumptions

- 6.15 The 2009 Affordable Housing Viability study suggested values as follows:
- a. Inner area £370,000 to £600,000/ha (£150,000 to £250,000/acre)
  - b. Inner area – Promenade £1,235,000 to £2,500,000/ha (£500,000 to £1,000,000/acre)
  - c. Suburban and outer areas £600,000 to £1,235,000/ha (£250,000 to £500,000/acre)
- 6.16 Prior to the initial consultation event we consulted agents operating in the area and we assumed the following values:
- a. Inner area £250,000/ha (£100,000/acre)
  - b. Inner area – Promenade £750,000/ha (£300,000/acre)
  - c. Suburban and outer areas £500,000/ha (£200,000/acre)
  - d. Green Urban Fringe £50,000/ha (£20,000/acre)
- 6.17 The above figures were tested with the development industry at the first consultation event. There was some discussion about the general difficult state of the market and that the lack of transaction evidence should not, necessarily, be treated as evidence of low prices as there would always be an element of land owner expectation. There was a consensus that there is very little hard evidence to work from. Taking into account the comments made we have assumed the following values in our analysis, which are a little higher than the pre consultation assumptions:
- a. Inner area £400,000/ha (£160,000/acre)

- b. Inner area – Promenade £1,000,000/ha (£400,000/acre)
- c. Suburban and outer areas £500,000/ha (£200,000/acre)
- d. Green Urban Fringe £50,000/ha (£20,000/acre)

### Use of alternative use benchmarks

6.18 The results from appraisals are compared with the alternative use values set out above in order to form a view about each of the sites' viability. This is a controversial part of the viability process and is an area of conflicting guidance (the Harman Guidance verses the RICS Guidance). In the context of this report it is important to note that it does not automatically follow that, if the residual value produces a surplus over the alternative use value benchmark, the site is viable. The land market is more complex than this and as recognised by paragraph 173 of the NPPF, the landowner and developer must receive a 'competitive return'. The phrase *competitive return* is not defined in the NPPF, nor in the Guidance.

6.19 We have set out the Shinfield appeal decision below. This provides some help as to what a competitive return is (and is not) however as yet competitive return, has not been fully defined through planning appeals and the court system<sup>24</sup>. The RICS Guidance includes the following definition:

*Competitive returns - A term used in paragraph 173 of the NPPF and applied to 'a willing land owner and willing developer to enable development to be deliverable'. A 'Competitive Return' in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A 'Competitive Return' in the context of a developer bringing forward development should be in accordance with a 'market risk adjusted return' to the developer, as defined in this guidance, in viably delivering a project.*

6.20 Whilst this is useful it does not provide any guidance as to the size of that return. To date there has been much discussion within the industry and amongst planners as to what may and may not be a competitive return, as yet the term has not been given a firm definition through the appeal, planning examination or legal processes. The January 2013 appeal APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX) does shed

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<sup>24</sup> In this context the following CIL Examination reports are relevant.

**Mid Devon District Council** by David Hogger BA MSc MRTPI MCIHT, Date: 20 February 2013

**Greater Norwich Development Partnership** – for Broadland District Council, Norwich City Council and South Norfolk Council. by Keith Holland BA (Hons) Dip TP, MRTPI ARICS Date: 4 December 2012



some light on this. We have copied a number of key paragraphs below as, whilst these do not provide a strict definition of competitive return, the inspector (Clive Hughes BA (Hons) MA DMS MRTPI) does set out his analysis clearly. The following paragraphs are necessarily rather long however as they represent the only current interpretation in this regard we have included all that are relevant.

37. Core Strategy Policy CP5 says that all residential developments ... will provide up to 50% of the net additional units proposed as affordable units, where viable. The policy includes a table which identifies the appeal site ... where the minimum percentage of affordable housing sought is 40% **subject to viability**. It is the viability, or otherwise, of the amount of affordable housing now sought that is at issue. The Council is seeking 40% of the net additional units to be affordable housing in accordance with that policy; the appellants assert that the maximum amount that would be viable is 2%....

38. Paragraph 173 of the Framework advises that to ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable. The Framework provides no advice as to what constitutes a competitive return; the interpretation of that term lies at the heart of a fundamental difference between the parties in this case. The glossary of terms appended to the very recent RICS guidance note Financial viability in planning (RICS GN) says that a competitive return in the context of land and/ or premises equates to the Site Value (SV), that is to say the Market Value subject to the assumption that the value has regard to development plan policies and all other material considerations and disregards that which is contrary to the development plan. It is also the case that despite much negotiated agreement, in respect of calculating the viability of the development, other significant areas of disagreement remain.

### **Benchmark Land Value**

57. There is a significant difference in the figures produced by the parties. The Council calculated a Benchmark Land Value of ..... During the Inquiry reference was made to Current Use Value (CUV) and Existing Use Value (EUV) but it was agreed that these definitions are interchangeable in respect of the calculations used for this site.

58. Since the use of the land by ... ceased, the site was used for a couple of years for open storage with the benefit of temporary planning permission. While that permission was personal and time limited, advice on the Decision Notice said that the development accorded with the adopted and emerging development plan. This is not surprising as the site is still allocated for employment uses. The appellants use open storage on the site as a starting point.

59. The appellants again made use of a comparator site, an open storage site ... having recently been sold. This site has the benefit, in valuation terms, of having no hope value for residential use due to potential flood risk in the access roads. That use was dismissed at appeal. ...

61. The appellants' valuation of the site is £2,325,000 based upon 8 acres of commercial open storage/ industrial land and buildings at £250,000 per acre and 13 acres of settlement fringe at £25,000 per acre. The figure of £250,000 per acre seems reasonable in the light of the recent sale value achieved at the smaller site at Paddock Road (£330,000 per acre).

62. The Council did not use comparators; instead it relied upon a valuation based upon a substantial office scheme on the appeal site. This was based upon the outline planning permission for offices on the site in 2003 that was renewed in 2006 but which has since lapsed. This development provided a value of £2.75m; from this it is necessary to subtract the cost of decontaminating the land. This gives a benchmark SV of £1.865m, a figure revised from the Council's original evidence to take account of

the agreed costs of decontamination. I am concerned about this approach in that the Council has failed to demonstrate that there is any market for such a substantial office development here. Indeed, the only recently completed (2009) office development of comparable scale, The Blade in Reading, is still largely vacant.

63. Overall, therefore, there is a difference between the parties of about £500,000 (£2.3m compared to £1.8m) in the benchmark land value. Neither figure is wholly watertight.....

### **Competitive return**

64. Determining what constitutes a competitive return inevitably involves making a subjective judgement based upon the evidence. Two very different viewpoints were put forward at the Inquiry with the appellants seeking a land value of £4,750,000 which is roughly the mid-point between the EUV/CUV and the RLV with planning permission for housing and no obligations. This ties in with the 50:50 split between the community and the landowner sought by the appellants. The Council considered that a sum of £1.865m would ensure a competitive return; that is to say the Council's calculation of the EUV/CUV.

65. Paragraph 173 of the Framework says that the costs of any requirements should provide competitive returns to a willing landowner and willing developer to enable the development to be deliverable. The paragraph heading is "Ensuring viability and deliverability"; it is clear that its objective is to ensure that land comes forward for development. I am not convinced that a land value that equates to the EUV/CUV would provide any incentive to the landowner to sell the site. Due to the particular circumstances of this site, including the need to remediate the highly significant level of contamination, such a conclusion would not provide any incentive to the landowner to carry out any remediation work. There would be no incentive to sell the land and so such a low return would fail to achieve the delivery of this site for housing development. In these circumstances, and given the fact that in this case only two very different viewpoints on what constitutes a competitive return have been put forward, the appellants' conclusions are to be preferred. In the scenario preferred by the Council, I do not consider that the appellants would be a willing vendor.

### **Viable amount of Affordable Housing**

66. The RICS GN says that any planning obligations imposed on a development will need to be paid out of the uplift in the value of the land but it cannot use up the whole of the difference, other than in exceptional circumstances, as that would remove the likelihood of land being released for development. That is exactly what is at issue here in that the Council's valuation witness, in cross examination, stated that a landowner should be content to receive what the land is worth, that is to say the SV. In his opinion this stands at £1.865m. I accept that, if this figure was agreed (and it is not), it would mean that the development would be viable. However, it would not result in the land being released for development. Not only is this SV well below that calculated by the appellants, there is no incentive to sell. In short, the appellants would not be willing landowners. If a site is not willingly delivered, development will not take place. The appellants, rightly in my opinion, say that this would not represent a competitive return. They argue that the uplift in value should be split 50:50 between the landowner and the Council. This would, in this instance, represent the identified s106 requirements being paid as well as a contribution of 2% of the dwellings as affordable housing.

70. I conclude on this issue that, allowing the landowner a competitive return of 50% of the uplift in value, the calculations in the development appraisal allowing for 2% affordable housing are reasonable and demonstrate that at this level of affordable housing the development would be viable (Document 26). The only alterations to these calculations are the relatively minor change to the s106 contribution to allow for a contribution to country parks and additions to the contributions to support sustainable modes of travel. These changes would have only a limited impact on the return to the landowner. The development would remain viable and I am satisfied that the return would remain sufficiently competitive to enable the land to come forward for development. Overall, therefore I conclude that the proposed amount of affordable housing (2%) would be appropriate in the context of

*the viability of the development, the Framework, development plan policy and all other material planning considerations.*

- 6.21 It is clear that for land to be released for development, the surplus needs to be sufficiently large to provide an incentive to the landowner to release the site and cover any other appropriate costs required to bring the site forward for development. It is therefore appropriate and an important part of this assessment to have regard to the market value of land.
- 6.22 The RICS Guidance recognises that the value of land will be influenced by the requirements imposed by planning authorities. It recognises that the cost to the developer of providing affordable housing, building to increased environmental standards, and paying CIL, all have a cumulative effect on viability and are reflected in the ultimate price of the land. A central question for this study is at what point do the requirements imposed by the planning authorities make the price of land so unattractive that it does not provide competitive returns to the land owner, and does not induce the owner to make the land available for development?
- 6.23 The reality of the market is that each and every land owner has different requirements and different needs and will judge whether or not to sell by their own criteria. We therefore have to consider how large such an 'uplift' or 'cushion' should be for each type of site to broadly provide a competitive return. The assumptions must be a generalisation as in practice the size of the uplift will vary from case to case depending on how many landowners are involved, each landowner's attitude and their degree of involvement in the current property market, the location of the site and so on. An 'uplift' of, say, 5% or £25,000/ha might be sufficient in some cases, whilst in a particular case it might need to be five times that figure, or even more.
- 6.24 Initially, we assumed that the Viability Threshold (being the amount that the Residual Value must exceed for a site to be viable) of the EUV / AUV plus a 20% uplift on all sites would be sufficient. This is supported both by work we have done elsewhere and by appeal decisions (see Chapter 2). Based on our knowledge of rural development, and from working with farmers, landowners and their agents, we have made a further adjustment for those sites coming forward on greenfield land. We added a further £250,000/ha (£100,000/acre) to reflect this premium.
- 6.25 We fully accept that this is a simplification of the market, however in a high level study of this type that is based on modelled sites, simplifications and general assumptions need to be made.

- 6.26 This approach does reflect a very considerable uplift for a landowner selling a greenfield site with consent for development<sup>25</sup>. In the event of the grant of planning consent they would receive over ten times the value compared with before consent was granted. This approach (but not the amount) is the one suggested in the *Viability Testing Local Plans* (see Chapter 2 above) and by the Planning Advisory Service (PAS). The approach was endorsed by the Planning Inspector who approved the London Mayoral CIL Charging Schedule in January 2012<sup>26</sup>.
- 6.27 We have considered how these amounts relate to prices for land in the market (see above), with a view to providing competitive returns to the land owner. Whilst there are certainly land transactions at higher values than these, we believe that they are appropriate for a study of this type.
- 6.28 This methodology was presented at both consultation events and was discussed at some length. It was agreed that the general approach of the Harman Guidance being 'existing use value plus' was an appropriate way of assessing viability in a high level study of this type. It was agreed that some broad assumptions had to be made. The amount of the specific uplift was not specifically agreed. There was some discussion as to how each landowner and site owner will have a different view, this is something we agree with but bearing mind the nature of this study it is necessary to make a broad assumption of this type.

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<sup>25</sup> See Chapter 2 for further details and debate around EUV plus v Market Value methodologies.

<sup>26</sup> Paragraphs 7 to 9 of REPORT ON THE EXAMINATION OF THE DRAFT MAYORAL COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE by Keith Holland BA (Hons) DipTP MRTPI ARICS an Examiner appointed by the Mayor Date: 27<sup>th</sup> January 2012

## 7. Appraisal Assumptions – Development Costs

- 7.1 This chapter considers the costs and other assumptions required to produce financial appraisals for the modelled sites. These figures were presented to the stakeholders at the first consultation event. On the whole there was a consensus that these were correct.

### Development Costs

#### *(i) Construction costs: baseline costs*

- 7.2 We have based the cost assumptions on the Building Cost Information Service (BCIS) data – using the figures re-based specifically for Blackpool. The costs are specific to different built forms (flats, houses, et cetera). We have considered these and made appropriate adjustments.
- 7.3 The Council has developed policies relating to the construction standards and environmental performance of new buildings. The proposed policy requirement in the Revised Preferred Option is that homes are built to the basic Building Regulation Part L 2010 Standards.
- 7.4 From April 2008, the Code for Sustainable Homes (CfSH) Level 3 has been a requirement for all homes commissioned by housing associations but would not necessarily be the case for affordable homes built by developers for disposal to a housing association, unless grant was made available from the Homes and Communities Agency.
- 7.5 The Department for Communities and Local Government (CLG) published a review of the costs of building to the CfSH in August 2011. This provides useful guidance as to the costs of the implementation of the various environmental standards. BCIS does not inflate build costs to meet the commitment to requiring zero carbon standards by 2016. This is not a statutory requirement and it is not certain that these will come into force.
- 7.6 Building to the full requirements of CfSH4 is not expected to become mandatory and will not all be incorporated into building regulations. In our base appraisals we have though modelled CfSH energy requirements that will become mandatory in April 2014, as detailed in the Part L Building Regulations 2013 Changes (Conservation of Fuel and Power), at an assumed additional cost of 2% of BCIS.
- 7.7 **Appendix 5** contains the April 2013 BCIS build costs for Blackpool. We have used the median costs for the different development types that occur on the appraisal sites. We acknowledge that this is a relatively simplistic approach however by making the adjustments set out below we are comfortable with this approach in this high level and broad brush study.

*(ii) Construction costs: site specific adjustments*

- 7.8 It is necessary to consider whether any site specific factors would suggest adjustments to these baseline cost figures. Two factors need to be considered in particular: small sites and high specification.
- 7.9 During the mid-1990s planning guidance on affordable housing was based on the view that construction costs were appreciably higher for smaller sites with the consequence that, as site size declined, an unchanging affordable housing percentage requirement would eventually render the development uneconomic. Hence the need for a 'site size threshold', below which the requirement would not be sought.
- 7.10 It is not clear to us that this view is justified. Whilst, other things being held equal, build costs would increase for smaller sites, other things are not normally equal and there are other factors which may offset the increase. The nature of the development will change. The nature of the developer will also change as small local firms with lower central overheads replace the regional and national house builders. Furthermore, very small sites may be able to secure a 'non-estate' price premium.
- 7.11 In the present study, several of the sites are considered to fall into the 'small site' category; on these sites we have used the appropriate small site costs from BCIS.

*(iii) Construction costs: affordable dwellings*

- 7.12 The procurement route for affordable housing is assumed to be through construction by the developer and then disposal to a housing association on completion. In the past, when considering the build cost of affordable housing provided through this route, we took the view that it should be possible to make a small saving on the market housing cost figure, on the basis that one might expect the affordable housing to be built to a slightly different specification than market housing. However, the pressures of increasingly demanding standards for housing association properties have meant that for conventional schemes of houses at least, it is no longer appropriate to use a reduced build cost; the assumption is of parity.

*(iv) Other normal development costs*

- 7.13 In addition to the BCIS £/m<sup>2</sup> build cost figures described above, allowance needs to be made for a range of infrastructure costs (roads, drainage and services within the site, parking, footpaths, landscaping and other external costs), off-site costs for drainage and other services and so on. Many of these items will depend on individual site circumstances and can only properly be estimated following a detailed assessment of each site. This is not practical within this broad brush study.
- 7.14 Nevertheless, it is possible to generalise. Drawing on experience and the comments of stakeholders it is possible to determine an allowance related to total build costs. This is

normally lower for higher density than for lower density schemes since there is a smaller area of external works, and services can be used more efficiently. Large greenfield sites would also be more likely to require substantial expenditure on bringing mains services to the site.

7.15 In the light of these considerations we have developed a scale of allowances for the residential sites, ranging from 10% of build costs for the smallest sites, to 20% for the larger greenfield schemes.

7.16 For conversion schemes we have assumed a lower allowance of 5%.

*(v) Abnormal development costs*

7.17 Many of the sites are modelled on, or partly on, previously developed land. We have set out the abnormal costs in **Chapter 9** where we set out the modelled sites. In some cases where the site involves redevelopment of land which was previously developed, there is the potential for abnormal costs to be incurred. Abnormal development costs might include demolition of substantial existing structures; piling or flood prevention measures at waterside locations; remediation of any land contamination; remodelling of land levels and so on. With this variable we have increased the costs by an additional 10%.

*(vi) Fees*

7.18 For residential development we have assumed professional fees amount to 10% of build costs in each case. This is made up as follows:

Architects	6%	QS and Costs	0.5%
Planning Consultants	1%	Others	2.5%

7.19 For non-residential development we initially assumed that these should be 8%, however following representations made during the consultation process amended these up to 10% (it was suggested that these can be as high as 12%).

*(vii) Contingencies*

7.20 For previously undeveloped and otherwise straightforward sites we would normally allow a contingency of 2.5% with a higher figure of 5% on more risky types of development, previously developed land and on central locations. So the 5% figure was used on the brownfield sites and the 2.5% figure on the remainder.

*(viii) S106 Contributions*

7.21 Blackpool has a policy of seeking payments from developers to mitigate the impact of the development through improvements to the local infrastructure. We have set out how we have reflected these in this study in Chapter 8.

*(iix) Conversions*

- 7.22 We have assumed that the construction costs would be 50% of the BCIS build costs. In making this assumption we have drawn on information supplied to us by the Council where they have worked with a Housing Association to bring guesthouses to new uses. It is important to note the specification for these conversions was much higher than required by planning policy (the New homes from Old Places SPD) and includes costs for meeting the HCA design and quality standards and full Part L requirements of building regulations. The properties have also been retained by the housing association and are available on a 35% shared ownership basis.
- 7.23 Conversion costs will, of course, vary tremendously from site to site and depending on the condition and nature of the building being converted. We have assumed all other costs remain the same.

**Financial and Other Appraisal Assumptions**

*(i) VAT*

- 7.24 For simplicity it has been assumed throughout, that either VAT does not arise, or that it can be recovered in full.
- 7.25 It should be noted that where the conversion is of existing residential accommodation (such as may be the case, in part, with a Guest House conversion) VAT will not be recoverable. We have assumed that any residential accommodation within a conversion is self-contained so VAT can be recovered on the remainder.

*(ii) Interest rate*

- 7.26 Our appraisals assume 7% p.a. for total debit balances and we have made no allowance for any equity provided by the developer. This does not reflect the current working of the market nor the actual business models used by developers. In most cases developers are required to provide between 30% and 40% of the funds themselves, from their own resources so as to reduce the risk to which the lender is exposed.
- 7.27 The 7% assumption may seem high given the very low base rate figure (0.5% January 2013). Developers that have a strong balance sheet, and good track record, can undoubtedly borrow less expensively than this, but this reflects banks' view of risk for housing developers in the present situation. In the residential appraisals we have prepared a simple cashflow to calculate interest.
- 7.28 For the non-residential appraisals, and in line with the 'high level' nature of this study, we have used the developer's rule of thumb to calculate the interest – being the amount due over one year on half the total cost. We accept that is a simplification, however, due to the high level and broad brush nature of this analysis, we believe that it is appropriate.



7.29 The relatively high assumption of 7% interest rate, and the assumption that interest is chargeable on all the funds employed, has the effect of overstating the total cost of interest. In this study a cautious approach is being taken, so we believe this is a sound assumption.

*(iii) Developers' profit*

7.30 Initially we assumed a developers' profit of 20% on the total development cost to reflect the risk of undertaking development. This is a cautious and conservative assumption.

7.31 Neither the NPPF nor the CIL Regulations, nor CIL Guidance provide useful guidance in this regard so, in reaching this decision, we have considered the RICS's '*Financial Viability in Planning*' (August 2012), the Harman Guidance *Viability Testing Local Plans, Advice for planning practitioners* (June 2012), and referred to the HCA's Economic Appraisal Tool. None of these documents are prescriptive, but they do set out some different approaches.

7.32 RICS's '*Financial Viability in Planning*' (August 2012) says:

*3.3.2 The benchmark return, which is reflected in a developer's profit allowance, should be at a level reflective of the market at the time of the assessment being undertaken. It will include the risks attached to the specific scheme. This will include both property-specific risk, i.e. the direct development risks within the scheme being considered, and also broader market risk issues, such as the strength of the economy and occupational demand, the level of rents and capital values, the level of interest rates and availability of finance. The level of profit required will vary from scheme to scheme, given different risk profiles as well as the stage in the economic cycle. For example, a small scheme constructed over a shorter timeframe may be considered relatively less risky and therefore attract a lower profit margin, given the exit position is more certain, than a large redevelopment spanning a number of years where the outturn is considerably more uncertain. ....*

7.33 LGA and HBF published *Viability Testing Local Plans, Advice for planning practitioners* (June 2012) which says:

**Return on development and overhead**

*The viability assessment will require assumptions to be made about the average level of developer overhead and profit (before interest and tax).*

*The level of overhead will differ according to the size of developer and the nature and scale of the development. A 'normal' level of developer's profit margin, adjusted for development risk, can be determined from market evidence and having regard to the profit requirements of the providers of development finance. The return on capital employed (ROCE) is a measure of the level of profit relative to level of capital required to deliver a project, including build costs, land purchase, infrastructure, etc.*

*As with other elements of the assessment, the figures used for developer return should also be considered in light of the type of sites likely to come forward within the plan period. This is because the required developer return varies with the risk associated with a given development and the level of capital employed.*

*Smaller scale, urban infill sites will generally be regarded as lower risk investments when compared with complex urban regeneration schemes or large scale urban extensions.*

Appraisal methodologies frequently apply a standard assumed developer margin based upon either a percentage of Gross Development Value (GDV) or a percentage of development cost. The great majority of housing developers base their business models on a return expressed as a percentage of anticipated gross development value, together with an assessment of anticipated return on capital employed. Schemes with high upfront capital costs generally require a higher gross margin in order to improve the return on capital employed. Conversely, small scale schemes with low infrastructure and servicing costs provide a better return on capital employed and are generally lower risk investments. Accordingly, lower gross margins may be acceptable.

This sort of modelling – with residential developer margin expressed as a percentage of GDV – should be the default methodology, with alternative modelling techniques used as the exception. Such an exception might be, for example, a complex mixed use development with only small scale specialist housing such as affordable rent, sheltered housing or student accommodation.

7.34 In the HCA's Economic Appraisal Tool Kit the accompanying guidance says:

**Developer's Return for Risk and Profit (including developer's overheads)**

**Open Market Housing**

*The developer 'profit' (before taxation) on the open market housing as a percentage of the value of the open market housing. A typical figure currently may be in the region of 17.5-20% and overheads being deducted, but this is only a guide as it will depend on the state of the market and the size and complexity of the scheme. Flatted schemes may carry a higher risk due to the high capital employed before income is received.*

**Affordable Housing**

*The developer 'profit' (before taxation) on the affordable housing as a percentage of the value of the affordable housing (excluding SHG). A typical figure may be in the region of 6% (the profit is less than that for the open market element of the scheme, as risks are reduced), but this is only a guide.*

7.35 More recently this was considered at the January 2013 appeal APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX) where the Inspector said:

**Developer's profit**

*43. The parties were agreed that costs should be assessed at 25% of costs or 20% of gross development value (GDV). The parties disagreed in respect of the profit required in respect of the affordable housing element of the development with the Council suggesting that the figure for this should be reduced to 6%. This does not greatly affect the appellants' costs, as the affordable housing element is 2%, but it does impact rather more upon the Council's calculations.*

*44. The appellants supported their calculations by providing letters and emails from six national housebuilders who set out their net profit margin targets for residential developments. The figures ranged from a minimum of 17% to 28%, with the usual target being in the range 20-25%. Those that differentiated between market and affordable housing in their correspondence did not set different profit margins. Due to the level and nature of the supporting evidence, I give great weight to it. I conclude that the national housebuilders' figures are to be preferred and that a figure of 20% of GDV, which is at the lower end of the range, is reasonable.*

7.36 It is unfortunate that the above are not consistent, but it is clear that the purpose of including a developers' profit figure is not to mirror a particular business model, but to reflect the risk a developer is taking in buying a piece of land, and then expending the costs of construction

before selling the property. The use of developers' profit in the context of area wide viability testing of the type required by the NPPF and CIL Regulation 14, is to reflect that level of risk.

7.37 Through the consultation process it was suggested that the profit must be calculated on Gross Development Value (GDV) as this is the 'norm'. Generally we do not agree that linking the developer's profit to GDV is reflective of risk, as the risk relates to the cost of a scheme – the cost being the money put at risk as the scheme is developed. As an example (albeit an extreme one to illustrate the point) we can take two schemes, A and B, each with a GDV £1,000,000, but scheme A has a development cost of £750,000 and scheme B a lesser cost of £500,000. All other things being equal, in A the developer stands to lose £750,000 (and make a profit of £250,000), but in B 'only' £500,000 (and make a profit of £500,000). Scheme A is therefore more risky, and it therefore follows that the developer will wish (and need) a higher return. By calculating profit on costs, the developer's return in scheme A would be £150,000 and in scheme B would be £100,000 and so reflect the risk – whereas if calculated on GDV the profits would be £200,000 in both.

7.38 Broadly there are four different approaches that could be taken:

- a. To set a different rate of return on each site to reflect the risk associated with the development of that site. This would result in a lower rate on the smaller and simpler sites – such as the greenfield sites, and a higher rate on the brownfield sites;
- b. To set a rate for the different types of unit produced – say 20% for market housing and 6% for affordable housing, as suggested by the HCA;
- c. To set the rate relative to costs – and thus reflect risks of development; and
- d. To set the rate relative to the gross development value as suggested by several of the stakeholders following the consultation event.

7.39 In deciding which option to adopt it is important to note that we are not trying to re-create any particular developer's business model. Different developers will always adopt different models and have different approaches to risk.

7.40 The argument is often made that financial institutions require a 20% return on development value and if that is not shown they will not provide development funding. In the pre-Credit Crunch era there were some lenders who did take a relatively simplistic view to risk analysis but that is no longer the case. Most financial institutions now base their decisions behind providing development finance on sophisticated financial modelling that it is not possible to replicate in a study of this type. They do require the developer to demonstrate a sufficient margin, to protect them in the case of changes in prices or development costs but they will also consider a wide range of other factors, including the amount of equity the developer is contributing – both on a loan to value and loan to cost basis, the nature of development and the development risks that may arise due to demolition works or similar, the warranties offered by the professional team, whether or not the directors will provide personal guarantees and the number of pre-sold units.

- 7.41 This is a high level study where it is necessary and proportionate to take a relatively simplistic approach, so, rather than apply a differential return (either site by site or split between market and affordable housing) it is appropriate to make some broad assumptions.
- 7.42 We have calculated the profit to reflect risk at 20% of Gross Development Value. This assumption should be considered in line with the assumption about interest rates in the previous section, where a cautious approach was taken with a relatively high interest rate, and the assumption that interest is charged on the whole of the development cost. Further consideration should be given to the contingency sum in the appraisals which also reflects the risks.

*(iv) Voids*

- 7.43 On a scheme comprising mainly individual houses, one would normally assume only a nominal void period as the housing would not be progressed if there was no demand. In the case of apartments in blocks this flexibility is reduced. Whilst these may provide scope for early marketing, the ability to tailor construction pace to market demand is more limited.
- 7.44 For the purpose of the present study a three month void period is assumed for all residential developments and non-residential developments. We have given careful consideration to this assumption in connection to the commercial developments. There is very little speculative commercial development taking place so we believe that this is the appropriate assumption to make.

*(v) Phasing and timetable*

- 7.45 The appraisals are assumed to have been prepared using prices and costs at a base date of April 2013. A pre-construction period of six months is assumed for all of the sites. Each dwelling is assumed to be built over a nine month period.
- 7.46 The phasing programme for an individual site will reflect market take-up and would, in practice, be carefully estimated taking into account the site characteristics and, in particular, the size and the expected level of market demand. We have developed a suite of modelled assumptions to reflect site size and development type.
- 7.47 Sales data collected by Housebuilder Media shows that most of the national housebuilders are building over 25 units per outlet per year – with only Bovis being below this figure. In line with representations made by the development industry we have assumed a maximum, per outlet, delivery rate of 20 market units per year. On the smaller sites we have assumed much slower rates to reflect the nature of the developer that is likely to be bringing smaller sites forward. It should however be noted that the initial assumption of 30 to 35 units per year was supported by some consultees.
- 7.48 We believe that these are conservative and do, properly, reflect the current difficult market.

## Site Acquisition and Disposal Costs

### *(i) Site holding costs and receipts*

- 7.49 Each site is assumed to proceed immediately (this is a standard approach) and so, other than interest on the site cost during construction, there is no allowance for holding costs, or indeed income, arising from ownership of the site.

### *(ii) Acquisition costs*

- 7.50 We have taken a simplistic approach and assumed an allowance of 1.5% for acquisition agents' and legal fees. Stamp duty is calculated at the prevailing rates.

### *(iii) Disposal costs*

- 7.51 For the market and the affordable housing, sales and promotion and legal fees are assumed to amount to some 3.5% of receipts. This is an increase from the 2.5% suggested at the first consultation event. For disposals of affordable housing these figures can be reduced significantly depending on the category so in fact the marketing and disposal of the affordable element is probably less expensive than this.

## 8. Planning Policy Requirements

- 8.1 The purpose of this study is to assess the cumulative impact of the policies that may have an impact on development viability as set out in the Part 1: Core Strategy - Revised Preferred Option of the Local Plan (May 2012). We have also considered the impact of the saved Local Plan policies.
- 8.2 In this assessment we considered each of the policies with potential to realise a development cost. In each case we have first considered whether or not they are discretionary – that is to say whether or not they are so fundamental that without full compliance the application would be turned down. By way of an example **Policy CS7 Quality of Design** requires all schemes to be of a high standard and in scale with the locality. There is no doubt that this would add to the costs of development as it will mean that it is not possible to simply follow the cheapest possible design. We do not consider this to be an additional cost of development as it is so fundamental to the requirements of the Council.

### Policy CS6: Green Infrastructure

- 8.3 This policy requires that:

*2. All development should incorporate new or enhance existing green infrastructure of an appropriate size, type and standard. Where on-site provision is not possible, financial contributions will be sought to make appropriate provision for green infrastructure.*

- 8.4 The costs, where provision is not made on-site, is set out as follows

Table 8.1 Green Infrastructure Requirements		
Size of dwelling	Open Space Requirement (m2)	Commuted Sum
1 bedroom	36 x £14.33	£516
2 bedroom	48 x £14.33	£688
3 bedroom	72 X £14.33	£1032
4+ bedroom	96 X £14.33	£1376

Source: Blackpool Council: 'Supplementary Planning Guidance 11: Open Space: provision for new residential development & the funding system'

- 8.5 In our modelling we have assumed these minimum requirements are met on-site except on small urban centre sites (0.2ha and less). We have considered small sites and in many cases it will be impractical (and probably undesirable) to have many tiny pockets of open space. On the small sites we have assumed a commuted sum of £14.33/m<sup>2</sup> rather than on-site provision.

### **Policy CS7: Quality of Design**

- 8.6 This policy requires high quality design. We do not consider this to be an extra cost of development – although development could come forward less expensively.

### **Policy CS9: Energy Efficiency and Climate Change**

- 8.7 This is a comprehensive and potentially onerous policy. As a base we have assumed that all new development is carried out to Code for Sustainable Homes as set out in Chapter 7 above.

- 8.8 Paragraph 6 of the policy requires:

*6. New developments must achieve a 15% reduction in remaining CO2 emissions in all buildings after Building Regulations (Part L) compliance has been demonstrated. This can be achieved through energy efficiency measures, incorporation of on-site low carbon and renewable technologies and connection to a district heating system.*

- 8.9 This goes somewhat beyond the requirements of building regulations. We have assumed the costs of this requirement would be £2,000 per residential unit and have modelled on the basis of an additional cost of £23/m<sup>2</sup> on all residential units<sup>27</sup>.

- 8.10 We have not considered the costs of moving to Full CfSH Level 6. We understand that it is unlikely that this increased standard will be introduced in full. Bearing in mind the extra costs (about £30,000 per house) it would be necessary to review the Plan policies should this be introduced.

- 8.11 We have considered the implications of the costs of developing to BREEAM. The additional costs can largely be met through design that does not significantly impact the overall costs. Where additional BREEAM costs are incurred it is likely that these would be offset by the energy savings (and improved value) in the completed building.

### **Policy CS10: Planning Obligations**

- 8.12 The Council seeks to ensure that the impact of development is mitigated. Currently this is done through seeking contributions from developers through the s106 regime. Lancashire County Council has developed a system as set out in Planning Obligations in Lancashire

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<sup>27</sup> Drawing on Cost of building to the Code for Sustainable Homes, Updated cost review Element Energy/Davis Langdon. August 2011 for Department for Communities and Local Government

Policy, September 2008, updated in 2012 in respect of education contributions. It is understood that Blackpool Council accepts this in principle. The document includes the following contributions for education (2012 figures):

- a. Primary Schools: £11,635 per place
- b. Secondary Schools: £17,532 per place

8.13 From April 2014 the Council's ability to pool s106 payments will be restricted<sup>28</sup>. In due course the Council may introduce CIL. This would result in changes to this area of policy. We have run a set of appraisals with a range of different assumptions about infrastructure costs ranging from zero to £15,000 per dwelling.

8.14 It is important to note that historically the Council has not asked for payments in line with the LCC Tariff. For the purpose of this high level study we have estimated a typical payment to be to about £1,200 per unit and applied this amount to all residential units in the base appraisals.

### **Policy CS12: Housing Mix, Density and Standards**

8.15 This policy sets out the mix and type of housing required as follows:

- i. On sites greater than 1 hectare a balanced mix of dwelling sizes is required within the development and the provision on the site should include:
  - 1 bedroom - a maximum of 10% of all homes;
  - 2 bedrooms - at least 20% of homes; and
  - 3 bedrooms or larger - at least 20% of homes.
- ii. On sites between 0.2 and 1 hectare a mix of dwelling sizes is required within the site or the proposed mix of dwellings should contribute towards a balanced mix of provision in the wider local area.

8.16 In the Blackpool SHLAA it is assumed that Town Centre and Inner Area sites would have a density of 100/ha and elsewhere in the built up area a density of 50/ha. In addition the following assumptions in relation to the developable area are used.

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<sup>28</sup> Under CIL Regulation 123



<b>Table 8.2 Net / Gross assumptions</b>	
Site Size (ha)	Development Ratio (Net Developable Area)
< 0.4 ha	100%
0.4 – 2 ha	80%
2.1 – 4 ha	70%
> 4 ha	60%

Source: Blackpool SHLAA

8.17 Having considered these we do not believe that any of these requirements are anything other than a developer would design when bringing forward a high-quality scheme of that the type that the Council are seeking to deliver. We have followed these gross to net ratios in our modelling. The Council also has a minimum standard for all new residential conversions and sub-divisions, as set out in a SPD adopted in 2012 titled New Homes from Old Places. These are set out below:

*Requirements for dwelling sizes*

<b>Table 1. Minimum total dwelling sizes</b>			
Number of bedrooms	Number of people	Minimum Gross Internal Area by Unit Type (metres <sup>2</sup> )	
		Flats	Maisonettes and Houses
Studio flat	2 person	55	-
1 bedroom	2 person	55	-
2 bedroom	3 person	67	-
2 bedroom	4 person	77	85
3 bedroom	4 person	81	89
3 bedroom	5 person	94	106
3 bedroom	6 person	110	112
4 bedroom	5 person	99	110
4 bedroom	6 person	110	117
4 bedroom	7 person	115	123
5 bedroom	6 person	118	125
5 bedroom	7 person	123	130

N.B.1 For dwellings designed for more than seven people add 10metres<sup>2</sup> per additional person as a rule of thumb.

N.B.2 These figures do not include spaces shared between dwellings, such as common stairs.

N.B.3 Shared circulation space between any two dwellings is taken to be a minimum of 8m<sup>2</sup>.

## Room Sizes

5.1: All rooms within dwellings resulting from conversion or sub-division must meet the minimum space standards set out in Table 2.

**Table 2 Room size standards**

<b>Purpose of room</b>	<b>Minimum area (m<sup>2</sup>)</b>	<b>Minimum dimension (m)</b>
double / twin bedroom	12	2.7
single bedroom	8	2
Kitchen		2.3
living and/or dining areas		2.9

**Total Aggregate Living/Dining/Kitchen area(m<sup>2</sup>):**

2 person	25
3 person	27
4 person	29
5 person	32

Note: For each additional person add 2m<sup>2</sup>

- 8.18 We understand that the Council is considering preparing new similar guidance for all new homes. If these make a significant difference to the development assumptions used in this study then consideration would have to be given to the impact of those new standards on viability.

### **Policy CS13: Affordable Housing**

- 8.19 The provision of high quality affordable housing is a priority for the Council. The policy requires:

- a. 15 dwellings or more, or 0.5 hectares or more - 30%; and
- b. 3 -14 dwellings, or sites less than 0.5 hectares, then a financial contribution towards off-site affordable housing provision is required.

- 8.20 As yet the level of the financial contribution has not been set. We have carried out some extra modelling to quantify this (towards the end of Chapter 10). The policy requires the affordable housing to be a similar size and mix as the market housing (in terms of bedrooms and quality). We have modelled on this basis. This is relatively unusual as in most cases typical 3 bedroom affordable units are about 86m<sup>2</sup>, whereas a typical 3 bedroom market unit would be about 100m<sup>2</sup>.

- 8.21 The policy also differentiates between the type of affordable housing to be provided in different parts of Blackpool:

*The tenure mix requirements of the affordable housing units will depend on the location of the site. Within the defined Inner Area, the general requirement will be for intermediate affordable housing provision for sale to encourage home ownership. Elsewhere, the general requirement will be for a mix of social rented and intermediate affordable housing for either sale or rent. Further detail on the tenure mix requirement will be set out in a Supplementary Planning Document*

8.22 This is supplemented in the emerging Affordable Housing SPD with the requirement that:

*Affordable housing tenure mix requirements vary across the Borough:*

- *Defined inner areas - generally intermediate affordable housing for sale;*
- *Elsewhere – generally a split of 80% social rented provision and 20% intermediate affordable provision available for either sale or rent.*

8.23 All the modelling in this study is on the assumption that affordable housing will be provided as Affordable Rented housing and intermediate housing to buy, rather than Social Rented – although we have also modelled scenario where affordable housing is provided as Social Rented.

#### **Policy CS14: Health and Education**

8.24 See CS 10 above.

#### **Local Plan (saved) PO1 Planning Obligations**

8.25 This saved policy requires developers to mitigate the impact of development. We believe that the requirements are picked up elsewhere in this study.

## 9. Modelled Sites

- 9.1 In the previous chapters we have set out the general assumptions to be inputted into the development appraisals. In this chapter we have set out the modelling. We stress that this is a high level and broad brush study that is seeking to capture the generality rather than the specific. The purpose is to establish the cumulative impact of the Council's proposed policies on development viability and to inform the CIL setting process. This information will be used with other information gathered by the Council to assess whether or not the sites are actually deliverable.
- 9.2 Our approach is to model sixteen residential development sites that are broadly representative of the type of development that is likely to come forward in the Borough in the future. In addition we have modelled a range of non-residential development types that are likely to come forward over the plan period – and have a reasonable prospect of yielding some CIL.

### **Modelled Residential Development Sites**

#### *Identifying a range of sites*

- 9.3 This study is based on modelling typical sites. In discussion with the Council it was decided that a total of sixteen representative sites should be modelled.
- 9.4 We acknowledge that modelling cannot be totally representative, however the aim of this work is to test the viability of sites likely to come forward over the plan period. This will enable the Council to assess whether the Development Plan is deliverable and the effect that CIL may have on development viability. The work is broad brush, so there are likely to be sites that will not be able to deliver the affordable housing target and CIL, indeed as set out at the start of this report, there are some sites that will be unviable even without any policy requirements from the Council (for example brownfield sites with high remediation costs), but there will also be sites that can afford more.
- 9.5 Once CIL has been adopted, there is little scope for exemptions to be granted, however, where the affordable housing target and other policy requirements cannot be met, the developer will continue to be able to negotiate with the planning authority. The planning authority will have to weigh up the factors for and against a scheme, and the ability to deliver affordable housing will be an important factor. The modelled sites are reflective of development sites in the study area that are likely to come forward during the plan period.
- 9.6 The modelled sites are informed by the sites in the SHLAA and range in size from 1 to over 510 dwellings.

*Development assumptions*

- 9.7 In arriving at appropriate assumptions for residential development on each site we have ensured that the built form used in our appraisals is appropriate to the current development practices. We have drawn on the Council's records of past consents on greenfield sites. There has only been a small number of sites completed since 2003 which could be considered as urban edge or at the very least greenfield sites. These are:

<b>Table 9.1 Historic Development Densities - Urban Edge locations</b>						
<b>Completion Year</b>	<b>Address</b>	<b>Type of Site</b>	<b>No. of dwellings given pp/ developed</b>	<b>Site Area (Gross ha)</b>	<b>Gross Density (dwellings per gross ha)</b>	<b>Net Density (dwellings per net developable area ha)</b>
2003/04	Land at Marshdale Road/ Bennets Lane/ Holgate	Medium Suburban	18	0.81	22	27
2003/04	Land at Marshdale, Bennets Lane	Large Greenfield	83	2.8	30	42
2004/05	Ryscar Way, Kinncraig Road	Large Greenfield	154	3.05	50	72
2010/11	Land at 187 Common Edge Road	Large Backland	27	0.71	38	48
Not yet commenced	Moss House Road (Outline application)	Large Greenfield	586	17	34	57
Not yet commenced	Runnell Farm	Large Greenfield	83	2.73	30	43
Mean Density					34	48

Source: Blackpool BC 2013. Note net density is calculated using the assumptions in the SHLAA in relation to the net developable area

- 9.8 Research in to densities undertaken by the Council earlier in 2013 looked at all new build completions between the monitoring years 2003/04 and 2011/2012. This identified that:
- a. Inner Area developments that have come forward since 2003 have achieved a mean net density of 129 dph and a median net density of 100 dph; and
  - b. Elsewhere across the borough developments since 2003 have achieved a mean net density of 60 dph and a median net density of 42 dph.

- 9.9 Very simplistically, the mean net density for ‘elsewhere’ of 60dph and the 44dph for the above identified sites and averaged would result in an approximate net density of 50dph, which is in line with the density applied in the SHLAA.
- 9.10 Most Council areas in which we have carried out studies such as this one display a range of development situations and corresponding variety of densities. We have developed a typology which responds to that variety, which is used to inform development assumptions for sites (actual, or potential allocations). That typology enables us to form a view about floorspace density – the amount of development, measured in net floorspace per hectare, to be accommodated upon the site. This is a key variable because the amount of floorspace which can be accommodated on a site relates directly to the residual value, and is an amount which developers will normally seek to maximise (within the constraints set by the market).
- 9.11 The typology uses as a base or benchmark a typical post-PPG3/PPS3 built form which would provide development at around 3,550 m<sup>2</sup>/ha on a substantial site, or sensibly shaped smaller site. A representative housing density might be 40-45 dwellings per ha. This has become a common development format. It provides for a majority of houses but with perhaps 15-25% flats, in a mixture of two storey and two and a half to three storey form, with some rectangular emphasis to the layout. This may well be representative over the plan period (15 years) however in the current market is substantially higher than most developers are likely consider.
- 9.12 There could, of course be some schemes of appreciably higher density development providing largely or wholly apartments, in blocks of three storeys or higher, with development densities of 6,900 m<sup>2</sup>/ha and dwelling densities of 100 units/ha upwards; and schemes of lower density, in the rural edge situations.
- 9.13 The density, in terms of units and floorspace, has been used to ensure appropriate development assumptions for a majority of the sites.
- 9.14 We have based the densities used in the site modelling on the expected density that is likely to come forward in current market conditions. These follow the densities used in the SHLAA being 100/ha in the Town Centre and Inner and 50/ha elsewhere in the built up area. In addition the following assumptions in relation to the developable area are used.

<b>Table 9.2 Net / Gross assumptions</b>	
Site Size (ha)	Development Ratio (Net Developable Area)
< 0.4 ha	100%
0.4 – 2 ha	80%
2.1 – 4 ha	70%
> 4 ha	60%

- 9.15 To achieve the densities set out in the SHLAA (100 and 50/ha) a significant proportion of units would need to be flats. There is reduced appetite from developers to build such units in the current market (although this may well change over the Plan period), although it is accepted that the location of some sites e.g. promenade, only lend themselves to flatted development. This is due to the difficulty of financing the construction of such units which is a reflection of the perceived risk of such development being substantially higher than that of developing housing.
- 9.16 The evidence gathered on achieved densities between 2003/04 and 2011/2012 support assumptions within the draft SHLAA of 50 and 100 dph. It is felt, however that if the Council was to impose a minimum density requirement in line with the SHLAA assumptions some development would not come forward particularly on sites in urban edge locations.
- 9.17 The evidence gathered was used to develop model development assumptions. We have set out the main characteristics of the modelled sites in the tables below.
- 9.18 It is important to note that these are modelled sites and not actual sites. These modelled typologies have been informed by the sites included in the SHLAA, both in terms of scale and location although we have also modelled other typologies to ensure proper consideration is given to the deliverability of the Plan. A proportion of the housing to come forward over the plan period will be on smaller sites, so several smaller sites have been included.

<b>Table 9.3 Summary of modelled sites using net development areas</b>			
Site	Details		Notes
<b>1 Urban Edge 1</b> SE Blackpool	Units	510	Mix of family housing on greenfield site. The net developable area is 10.2 ha. Good road access etc.
	Area (Gross ha)	17	
	Density (units/ha)	50	
<b>2 Urban Edge 2</b> East Fringe	Units	30	Mix of family housing. Majority of the site as semi-detached homes with garages and gardens. Net developable area is 0.8 ha (80% of gross area)
	Area (Gross ha)	1	
	Density (units/ha)	37.5	
<b>3 Urban Edge 3</b> East Fringe	Units	105	Mix of family housing. Majority of the site as detached and semi-detached homes with garages and gardens. Net developable area is 2.45 ha (70% of gross area)
	Area (Gross ha)	3.5	
	Density (units/ha)	43	
<b>4 Cleared site</b> North Promenade	Units	48	Roadside site with good road access. Assume a mix of flats and terraced houses. Net developable area is 0.96 ha (80% of gross area)
	Area (Gross ha)	1.2	
	Density (units/ha)	50	
<b>5 Urban Infill 1</b> Churchtown	Units	77	Ex-nursery site, 2.2 ha open space / urban edge. Family housing as mix of terrace and semis. Direct road access. Allow £200,000 for site clearance. Net developable area is 1.54 ha (70% of gross area).
	Area (Gross ha)	2.2	
	Density (units/ha)	50	
<b>6 Urban Infill 2</b> N Inner	Units	80	Roadside site with good road access. Assume a mix of flats and terraced houses. Net developable area is 1.6 ha (80% of gross area). Assumed cleared site ready for development
	Area (Gross ha)	2.0	
	Density (units/ha)	50	
<b>7 Urban Infill 3</b> Central Inner	Units	12	Small site developed as flats. Site to be cleared. Allow £150,000 demolition and site clearance. Net developable area is 0.12 ha (100% of gross area).
	Area (Gross ha)	0.12	
	Density (units/ha)	100	
<b>8 Urban Infill 4</b> Central Outer	Units	36	Mix of flats on constrained site. Good road access etc. Allow for substantial demotion and site clearance at £300,000 of existing commercial buildings. Net developable area is 0.39 ha (100% of gross area).
	Area (Gross ha)	0.39	
	Density (units/ha)	92	
<b>9 Urban Infill 5</b> N Inner	Units	30	Mix of flats on good site. Good road access Allow for site clearance at £200,000 of existing mixed use buildings. Net developable area is 0.3 ha (100% of gross area)
	Area (Gross ha)	0.3	
	Density (units/ha)	100	
<b>10 Guest House Conversion</b> Central Inner	Units	3	Flats in a redeveloped guest house / hotel conversion/ development. Net developable area is 0.015 ha (100% of gross area)
	Area (Gross ha)	0.015	
	Density (units/ha)	200	



<b>Table 9.3 Summary of modelled sites (continued)</b>			
<b>11 Guest House Conversion</b> Promenade	Units	14	Small flatted scheme of sea front. Existing guest house to be converted. Net developable area is 0.04 ha (100% of gross area).
	Area (Gross ha)	0.04	
	Density (units/ha)	350	
<b>12 Guest House redevelopment</b> Central Inner	Units	10	Small terraced scheme on cleared site. Allowance for clearance and abnormal costs. £150,000. Net developable area is 0.2 ha (100% of gross area)
	Area (Gross ha)	0.2	
	Density (units/ha)	50	
<b>13 Urban Infill 5</b> SE Blackpool	Units	35	Mix of family housing. Majority of the site as semi-detached and terrace homes with garages and gardens. Net developable area is 0.69 ha (80% of gross area).
	Area (Gross ha)	0.86	
	Density (units/ha)	50	
<b>14 Redevelopment</b> SE Blackpool	Units	20	Mix of family housing. Majority of the site as terrace and flats with garages and gardens. No POS. Former Pub/Car park – current use. Net developable area is 0.4 ha (100% of gross area)
	Area (Gross ha)	0.4	
	Density (units/ha)	50	
<b>15 Urban Infill 6</b> S Blackpool	Units	8	Garden land. Short terrace. Net developable area is 0.2 ha (100% of gross area). Gardens provided within scheme. No abnormalities.
	Area (Gross ha)	0.2	
	Density (units/ha)	40	
<b>16 Urban Infill</b> S Blackpool	Units	1	A single 4 bedroom detached house with its own highway access. Net developable area is 0.01 ha (100% of gross area)
	Area (Gross ha)	0.01	
	Density (units/ha)	100	

Source: HDH 2013. Note density is the net density.

- 9.19 There has been a longstanding recognition based on planning applications and development activity that conversions from holiday accommodation form an important element of Blackpool's housing supply. Comments received during the consultation process reinforce this position.
- 9.20 Given the expected important role that conversion of guest houses will play in helping to meet housing needs over the Plan period in the modelling we have included two guest house conversions. The Housing Technical Paper of May 2012 was prepared to provide further justification and explanation of the proposed housing target set out in the Blackpool Core Strategy: Revised Preferred Option May 2012. This report considered the role of former guest houses and had the following key findings:
- The dynamic of conversions of former guest houses to poor quality small flats and houses in multiple occupation has continued over the last few decades, and leaves the inner areas with a legacy of low value and unattractive homes in former guest houses;

- Managing conversions of former guest houses to deliver high quality homes suitable for a range of household types, and facilitating the creation of a higher quality housing and neighbourhood offer is essential to encourage more stable and prosperous communities, and support the local service economy; and
- The New Homes from Old Places SPD adopted in 2011 provides robust space, character, and amenity standards for conversions of former guest houses.

### **Modelled Site Development Assumptions**

9.21 The gross and net areas and the net site densities are summarised below.

Table 9.4 Modelled Site development assumptions									
Number	Typology	Location	Units	Gross Area	Net Area	Net Density	Average Unit Size	Total Floor Area	Density m <sup>2</sup> /net ha
				ha	ha	Units/ha	m <sup>2</sup>	m <sup>2</sup>	Net
1	Urban Edge 1	SE Blackpool	510	17.00	10.20	50.00	86.99	44,363	4,349
2	Urban Edge 2	East Fringe	30	1.00	0.80	37.50	83.77	2,513	3,141
3	Urban Edge 3	East Fringe	105	3.50	2.45	42.86	89.59	9,407	3,840
4	Cleared Site	North Prom	48	1.20	0.96	50.00	70.75	3,396	3,538
5	Urban Infill 1	Churchtown	77	2.20	1.54	50.00	79.92	6,154	3,996
6	Urban Infill 2	N Inner	80	2.00	1.60	50.00	70.83	5,666	3,541
7	Urban Infill 3	Inner	12	0.12	0.12	100.00	70.50	846	7,050
8	Urban Infill 4	Central Outer	36	0.39	0.39	92.31	68.92	2,481	6,362
9	Urban Infill 5	N Inner	30	0.30	0.30	100.00	68.60	2,058	6,860
10	Guest House Conv	Central Inner	3	0.02	0.02	200.00	71.00	213	14,200
11	Guest House Conv	Promenade	14	0.04	0.04	350.00	70.71	990	24,750
12	Redevelopment	Central Inner	10	0.20	0.20	50.00	73.70	737	3,685
13	Urban Infill 6	SE Blackpool	35	0.86	0.69	50.00	81.14	2,840	4,116
14	Redevelopment	SE Blackpool	20	0.40	0.40	50.00	73.05	1,461	3,653
15	Urban Infill 7	S Blackpool	8	0.20	0.20	40.00	79.50	636	3,180
16	Urban Infill 8	S Blackpool	1	0.01	0.01	100.00	130.00	130	13,000
			<b>1019</b>	<b>29.435</b>	<b>19.92</b>	<b>51.17</b>	<b>82.33</b>	<b>83,891</b>	<b>4,212</b>

Source: HDH 2013. Note: Floorspace density figures are rounded

9.22 The assumptions – expressed as m2/ha were presented to the stakeholders through the consultation process and no comments were received on this matter. In order to tailor the appraisals to the local circumstances we have applied the geographically appropriate affordable housing targets and prices.

**Table 9.5 Land Use and Affordable Housing assumptions**

				Site Area		Units	Mix			
	Location		Use	Gross	Net		Market	Intermediate	Aff Rent	Social Rent
				ha	ha					
1	SE Blackpool	Green	Amenity Land	17	10.2	510	70%	6%	24%	0%
2	East Fringe	Green	Urban Fringe	1	0.8	30	70%	6%	24%	0%
3	East Fringe	Green	Urban Fringe	3.5	2.45	105	70%	6%	24%	0%
4	North Prom	Brown	Hotel	1.2	0.96	48	70%	6%	24%	0%
5	Churchtown	Green	Amenity	2.2	1.54	77	70%	6%	24%	0%
6	N Inner	Brown	Cleared Ind	2	1.6	80	70%	30%	0%	0%
7	Inner	Brown	Res / Ind	0.12	0.12	12	100%	0%	0%	0%
8	Central Outer	Brown	Ind / Cleared	0.39	0.39	36	70%	6%	24%	0%
9	N Inner	Brown	Mixed	0.3	0.3	30	70%	30%	0%	0%
10	Central Inner	Brown	Guest House	0.015	0.015	3	70%	30%	0%	0%
11	Promenade	Brown	Guest House	0.04	0.04	14	100%	0%	0%	0%
12	Central Inner	Brown	Parking	0.2	0.2	10	100%	0%	0%	0%
13	SE Blackpool	Brown	Ind	0.86	0.69	35	70%	6%	24%	0%
14	SE Blackpool	Brown	Pub/Car park	0.4	0.4	20	70%	6%	24%	0%
15	S Blackpool	Green	Garden	0.2	0.2	8	100%	0%	0%	0%
16	S Blackpool	Brown	Industrial	0.01	0.01	1	100%	0%	0%	0%

Source HDH 2013

## Residential Price Assumptions

9.23 The price of units is one of the most significant inputs into the appraisals. This applies not just to the market homes but also the affordable uses (intermediate, social rented and affordable rented). Informed by the findings set out in Chapter 4 we have assumed the following prices.

			Market	Intermediate to Buy	Affordable Rent	Social Rent
			£/m2	£/m2	£/m2	£/m2
1	Urban Edge 1	SE Blackpool	2,400	1,560	1,000	960
2	Urban Edge 2	East Fringe	2,400	1,560	1,000	960
3	Urban Edge 3	East Fringe	2,400	1,560	1,000	960
4	Cleared Site	North Prom	1,800	1,170	1,000	720
5	Urban Infill 1	Churchtown	1,975	1,284	1,000	790
6	Urban Infill 2	N Inner	1,600	1,040	1,000	640
7	Urban Infill 3	Inner	1,600	1,040	1,000	640
8	Urban Infill 4	Central Outer	1,500	975	1,000	600
9	Urban Infill 5	N Inner	1,500	975	1,000	600
10	Guest House Conv	Central Inner	1,500	975	1,000	600
11	Guest House Conv	Promenade	1,500	975	1,000	600
12	Redevelopment	Central Inner	1,500	975	1,000	600
13	Urban Infill 6	SE Blackpool	1,975	1,284	1,000	790
14	Redevelopment	SE Blackpool	1,975	1,284	1,000	790
15	Urban Infill 7	S Blackpool	1,975	1,284	1,000	790
16	Urban Infill 8	S Blackpool	2,500	1,625	1,000	1,000

Source: HDH 2013

## Non-Residential Sites

9.24 For the purpose of this study we have assessed a number of development types. In considering the types of development to assess we have sought to include those types of development that are likely to come forward in the short to medium term. The predominant

type of development will be residential development. This is important as the NPPF requires the charging authority to use 'appropriate available evidence'<sup>29</sup>.

9.25 We have therefore based our modelling on the following development types:

- i. **Large offices.** These are more than 250m<sup>2</sup>, will be of steel frame construction, be over several floors and will be located on larger business parks. Typical larger units in the Borough are around 500m<sup>2</sup> – we will use this as the basis of our modelling.
- ii. **Small offices.** Modern offices of less than 250m<sup>2</sup>. These will normally be built of block and brick, will be of an open design and be located in established employment locations including part of larger business parks. Typical small office units in the Blackpool area are around 150m<sup>2</sup> – we will use this as the basis of our modelling.
- iii. **Large industrial.** Modern industrial units of over 500m<sup>2</sup>. There is relatively little new space being constructed. Typical larger units in the Borough are around 1,500m<sup>2</sup> – we will use this as the basis of our modelling.
- iv. **Small industrial.** Modern industrial units of less than 500m<sup>2</sup>. These will normally be on a small business park and be of simple steel frame construction, the walls will be of block work and insulated cladding, and there will be a small office area. Typical small units in the area are around 200m<sup>2</sup> – we will use this as the basis of our modelling.
- v. **Distribution.** A modern steel framed building of 5,000m<sup>2</sup> on a site of 1ha.

9.26 In developing these typologies, we have made assumptions about the site coverage and density of development on the sites. We have assumed 66% coverage on the large industrial sites, and 60% coverage on the small industrial and large offices, on the small offices we have assumed 50% coverage. These rates of coverage are typical of these development types across the country. For the offices we have assumed two storey construction. We have not looked at the plethora of other types of commercial and employment development beyond office and industrial/storage uses in this study.

#### *Hotels and Leisure*

9.27 The leisure industry is very diverse and ranges from conventional hotels and roadside budget hotels, to cinemas, theatres, historic attractions, equestrian centres, stables and ménages. We have reviewed this sector and there is very little activity at the moment, either at the planning stage or the construction stage. This is an indication that development in this sector is at the margins of viability. Having considered this further we have assessed a

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<sup>29</sup> As does CIL Regulations, and the CIL Guidance.

modern (i.e. Travelodge, Premier Inn type development) on a on a well located site which would meet the criteria of hotel operators. It is understood that both Travelodge and Premier Inn are seeking hotel sites in the area. We have assumed that this is a 60 bedroom product with ample car parking on a 0.4 ha (1 acre) site.

#### *Residential Institution/Community/Institutional*

9.28 This sector includes residential care homes. We have modelled a typical scheme on a 0.5 ha site with 55 flats of 72m<sup>2</sup> (3,960m<sup>2</sup>). We have allowed for 20% 'common areas' which we have costed in the construction side of the appraisals to which we have not attributed a value.

9.29 We have also modelled an extra care facility of 44 units of 69m<sup>2</sup> (3,168m<sup>2</sup>). In this instance we have allowed for 30% 'common areas' which we have costed in the construction side of the appraisals to which we have not attributed a value.

#### *Retail*

9.30 For the purpose of this study, we have assessed the following types of space. It is important to remember that this assessment is looking at the ability of new projects to bear an element of CIL – it is only therefore necessary to look at the main types of development likely to come forward in the future. We have modelled the following distinct types of retail development for the sake of completeness – although it should be noted that no such development is scheduled to take place on specific sites.

- i. **Supermarket**<sup>30</sup> - a single storey retail unit development with a gross (i.e. GIA) area of 4,000 m<sup>2</sup>. It is assumed to require 400 car parking spaces, and to occupy a total site area of 2.6 ha. The building is taken to be of steel construction. The development was modelled alternatively on greenfield and on previously developed sites;
- ii. **Retail Warehouse**<sup>31</sup> - a single storey retail unit development with a gross (i.e. GIA) area of 4,000 m<sup>2</sup>. It is assumed to require 150 car parking spaces, and to occupy a total site area of 1.8ha. The building is taken to be of steel construction. The development was modelled alternatively on greenfield and on previously developed sites; and

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<sup>30</sup> We recommend that the definition set out the examiner at the Wycombe DC CIL Examination is used:  
*Superstores/supermarkets are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.*

<sup>31</sup> We recommend that the definition set out the examiner at the Wycombe DC CIL Examination is used:  
*Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods) DIY items and other ranges of goods catering for mainly car-borne customers.*



iii. **Town Centre Shop** - a brick built development on two storeys, of 150 m<sup>2</sup>. No car parking or loading space is allowed for, and the total site area (effectively the building footprint) is 0.017 ha.

9.31 In line with the Guidance, we have only assessed developments of over 100 m<sup>2</sup>. There are other types of retail development, such as petrol filling stations and garden centres. We have not included these in this high level study due to the great diversity of products that may arise.

9.32 In developing these typologies, we have made assumptions about the site coverage and density of development on the sites. We have assumed 15% building coverage on the large sites, and 22% building coverage on small sites, on the town centre shops we have assumed 100% coverage. The remainder of the larger sites are car parking, internal roads and landscaping. These rates of coverage are typical of these development types across the country. We have assumed simple, single story construction and have assumed there are no mezzanine floors.

9.33 As set out at the end of Chapter 5 we have used the following price assumptions:

<b>Table 9.7 Non-residential values for appraisals £/m<sup>2</sup></b>	
Light Industrial/Warehousing	825
Offices	1,200
Supermarkets	3,000
Retail Warehouse	1,540
Prime Town Centre Retail	1,680
Hotels	1,750
Retirement (Sheltered)	1,700
Extra Care	1,800

Source: URS

# 10. Residential Appraisal Results

- 10.1 It is important to stress that the results of the appraisals do not, in themselves, determine the Council's Core Strategy or rates of CIL - the study is testing the likely effects of the Council's Revised Preferred Option Core Strategy and considers if introducing CIL is appropriate.
- 10.2 The results of this study are one of a number of factors that the Council will consider, including the need for infrastructure, other available evidence, such as the Council's track record in delivering affordable housing (see **Appendix 1**) and collecting payments under s106, and, importantly, the results of the consultation process with developers. The purpose of the appraisals is to provide an indication of the viability of different types of sites in different areas under different scenarios. In due course, the Council will have to take a view as to how to proceed with the Core Strategy and whether or not to proceed with CIL.
- 10.3 The appraisals use the residual valuation approach – that is, they are designed to assess the value of the site after taking into account the costs of development, the likely income from sales and/or rents and an appropriate amount of developer's profit. The payment would represent the sum paid in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for this value to exceed the value from an alternative use. We have discussed this in detail in Chapter 6.
- 10.4 In order to assist the Council and to inform the consultation process, we have run the following sets of appraisals. The appraisals main output is the Residual Value. The Residual Value is calculated using the formula set out in Chapter 2 above.
- a. Base Appraisals –based on full proposed policy requirements;
  - b. No Policy Requirements;
  - c. Policy requirements other than Affordable Housing;
  - d. No Policy Requirements other than Affordable Housing;
  - e. Environmental Standards policies only;
  - f. Developer Contributions with Affordable Target;
  - g. Developer Contributions with Half Affordable Target; and
  - h. Developer Contributions with no Affordable Housing.
- 10.5 The initial appraisals are based on the assumptions set out in the previous chapters of this report, including the various affordable housing requirements set out in the Council's policies. We have run further sets of appraisals assuming no provision of affordable housing and then lower levels of affordable housing, as this will be useful in helping the Council to understand the sensitivity of viability to the affordable housing target.

- 10.6 Development appraisals are also sensitive to changes in price so appraisals have been run with various changes in the cost of construction and an increase and decrease in prices.
- 10.7 In calculating the Residual Value we have assumed that the developer makes a s106 contribution in line with the current norms. We have then considered a number of different levels informed by our discussion with the Council.
- 10.8 As set out above, for each development type we have calculated the Residual Value. In the tables in this chapter we have colour coded the results using a simple traffic light system:
- a. **Green Viable** – where the Residual Value exceeds the Existing Use Value plus the appropriate uplift to provide a competitive return for the landowner.
  - b. **Amber Marginal** – where the Residual Value exceeds the Existing Use Value, but not the Existing Use Value plus appropriate uplift to provide a competitive return for the landowner. These sites should not be considered as viable as it is unlikely that the land would be made available to a developer at this level.
  - c. **Red Non-viable** – where the Residual Value does not exceed the Existing Use Value.

### Financial appraisal approach and assumptions

- 10.9 On the basis of the assumptions set out in the earlier chapters, we prepared financial appraisals for each of the modelled residential sites using a bespoke spreadsheet-based financial analysis package. We produced financial appraisals based on the build costs, abnormal costs, and infrastructure costs and financial assumptions for the different options. The detailed appraisal base results are set out in **Appendix 6**.

#### *Base Appraisals –based on full proposed policy requirements*

- 10.10 These initial appraisals are based on the base options:
- a. **Affordable Housing**                      30% on sites of 15 units or more. Delivered as 80% Affordable Rent / 20% Shared Ownership outside Defined Inner Area and 100% Shared Ownership within Defined Inner Area (see Table 9.2).  
  
Financial contribution of 5% of Open Market Value on sites of 3 to 14 units.
  - b. **Environmental Standards**            Building Regulations (Part L) BCIS +2% (mandatory energy requirements), on-site energy (£23/m<sup>2</sup>).  
  
Conversions at 50% BCIS.

- |    |                    |   |
|----|--------------------|---|
| c. | CIL and s106       | Public open space payment of £14/m <sup>2</sup> on small urban (less than 0.02ha) sites.<br>S106 payment of £1,200 per unit (market and affordable).<br>No CIL. |
| d. | Abnormals          | Demolition and site clearance as modelled.  |
| e. | Developers' Return | 20% on Gross Development Value.   |

Table 10.1 Blackpool Council Residual Values – Base Appraisals										
					Area		Units	Residual Value		
					Gross ha	Net ha		Gross ha	Net ha	£ site
1	Urban Edge 1	SE Blackpool	Green	Amenity Land	17	10.2	510	892,548	1,487,579	15,173,310
2	Urban Edge 2	East Fringe	Green	Urban Fringe	1	0.8	30	1,000,000	1,250,000	1,000,000
3	Urban Edge 3	East Fringe	Green	Urban Fringe	3.5	2.45	105	952,227	1,360,324	3,332,794
4	Cleared Site	North Prom	Brown	Hotel	1.2	0.96	48	94,624	118,280	113,549
5	Urban Infill 1	Churchtown	Green	Amenity	2.2	1.54	77	366,876	524,109	807,127
6*	Urban Infill 2	N Inner	Brown	Cleared Ind	2	1.6	80	-105,196	-131,494	-210,391
7*	Urban Infill 3	Inner	Brown	Res / Ind	0.12	0.12	12	-2,218,124	-2,218,124	-266,175
8	Urban Infill 4	Central Outer	Brown	Ind / Cleared	0.39	0.39	36	-1,941,572	-1,941,572	-757,213
9*	Urban Infill 5	N Inner	Brown	Mixed	0.3	0.3	30	-1,998,511	-1,998,511	-599,553
10*	Guest House Conv	Central Inner	Brown	Guest House	0.015	0.015	3	3,432,821	3,432,821	51,492
11*	Guest House Conv	Promenade	Brown	Guest House	0.04	0.04	14	7,464,171	7,464,171	298,567
12*	Redevelopment	Central Inner	Brown	Parking	0.2	0.2	10	-984,127	-984,127	-196,825
13	Urban Infill 6	SE Blackpool	Brown	Ind	0.86	0.69	35	745,477	929,146	641,111
14	Redevelopment	SE Blackpool	Brown	Pub/Car park	0.4	0.4	20	539,439	539,439	215,776
15	Urban Infill 7	S Blackpool	Green	Garden	0.2	0.2	8	809,912	809,912	161,982
16	Urban Infill 8	S Blackpool	Brown	Industrial	0.01	0.01	1	184,897	184,897	1,849

Source: HDH 2013, \*within Defined Inner Area

10.11 The residual value on all sites is positive on 11 out of the 16 modelled sites indicating the expected mixed results for the Blackpool market with its wide range of price areas. The Residual Value is an important figure, but on its own does not indicate whether or not a site is viable. For a site to be viable the residual value must exceed the existing use value by a sufficient amount so as to provide the landowner with a 'competitive return'. We have set out how we have considered this competitive return in the second half of Chapter 6. In the following table we have compared the Residual Value with the Viability Threshold to show which sites are viable and which are not.

<b>Table 10.2 Base Appraisals. Residual Value compared to Viability Threshold £/ha</b>					
			Alternative Use Value	Viability Threshold	Residual Value
				£/ha	£/ha
1	Urban Edge 1	SE Blackpool	50,000	310,000	892,548
2	Urban Edge 2	East Fringe	50,000	310,000	1,000,000
3	Urban Edge 3	East Fringe	50,000	310,000	952,227
4	Cleared Site	North Prom	500,000	600,000	94,624
5	Urban Infill 1	Churchtown	500,000	600,000	366,876
6*	Urban Infill 2	N Inner	400,000	480,000	-105,196
7*	Urban Infill 3	Inner	400,000	480,000	-2,218,124
8	Urban Infill 4	Central Outer	500,000	600,000	-1,941,572
9*	Urban Infill 5	N Inner	400,000	480,000	-1,998,511
10*	Guest House Conversion	Central Inner	300,000	360,000	3,432,821
11*	Guest House Conversion	Promenade	1,000,000	1,200,000	7,464,171
12*	Redevelopment	Central Inner	400,000	480,000	-984,127
13	Urban Infill 6	SE Blackpool	500,000	600,000	745,477
14	Redevelopment	SE Blackpool	500,000	600,000	539,439
15	Urban Infill 7	S Blackpool	500,000	600,000	809,912
16	Urban Infill 8	S Blackpool	500,000	600,000	184,897

Source: HDH 2013, \* within the Defined Inner Area. The figures in the above and following tables are all on a per hectare basis so that comparison can be made on a like for like basis. At first look this can give a slightly misleading impression. For example Site 11 shows a Residual Value of over £7.46M/ha. This is in fact a small site 0.04ha which is just 400m<sup>2</sup> (0.016 acres) with a site Residual Value of less than £400,000.

10.12 The above results show the full impact of the Core Strategy policy requirements – being the base appraisals and it can be clearly seen that half of the sites are not viable in the current market. This is not a surprise, as set out in Chapter 4 Blackpool is in the ten lowest average house prices areas, by local authority, in England and has very challenging circumstances in terms of property development.

10.13 Table 10.2 shows that in respect of the Base Appraisals:

- Of those modelled sites within the Inner Area, guesthouse conversions are viable, however new build residential development is unviable;
- Of those modelled sites outside of the Inner Area, Sites 4, 5, 8 and 16 (which are within lower value central areas although located outside of the Inner Area) are unviable; Sites 1, 2, 3, being larger greenfield sites and 13 and 15 being smaller infill sites in the higher value areas are viable; and Site 14 is close to achieving viability.

10.14 Based on these findings there is likely to be a variable picture in relation to viability of sites outside of the Inner Area with the full policy requirements applied. Consideration therefore needs to be given to ensuring that the emerging policies within the Local Plan provide suitable flexibility to enable development to come forward.

10.15 As set out earlier, in the Council's preference (but not expectation) is for affordable housing to be delivered as Social Rent rather than Affordable Rent. We have run an alternate scenario where the Affordable Rented housing is Social Rent and the results are shown below in Table 10.3.

<b>Table 10.3 Base Appraisals with SOCIAL RENT. Residual Value compared to Viability Threshold</b>					
			Alternative Use Value	Viability Threshold	Residual Value
			£/ha	£/ha	£/ha
1	Urban Edge 1	SE Blackpool	50,000	310,000	877,956
2	Urban Edge 2	East Fringe	50,000	310,000	993,618
3	Urban Edge 3	East Fringe	50,000	310,000	937,376
4	Cleared Site	North Prom	500,000	600,000	-28,817
5	Urban Infill 1	Churchtown	500,000	600,000	282,421
6*	Urban Infill 2	N Inner	400,000	480,000	-105,196
7*	Urban Infill 3	Inner	400,000	480,000	-2,218,124
8	Urban Infill 4	Central Outer	500,000	600,000	-2,371,791
9*	Urban Infill 5	N Inner	400,000	480,000	-1,998,511
10*	Guest House Conv	Central Inner	300,000	360,000	3,432,821
11*	Guest House Conv	Promenade	1,000,000	1,200,000	7,464,171
12*	Redevelopment	Central Inner	400,000	480,000	-984,127
13	Urban Infill 6	SE Blackpool	500,000	600,000	641,580
14	Redevelopment	SE Blackpool	500,000	600,000	418,764
15	Urban Infill 7	S Blackpool	500,000	600,000	809,912
16	Urban Infill 8	S Blackpool	500,000	600,000	184,897

Source: HDH 2013, \* within the Defined Inner Area

10.16 The Residual Value is generally lower with Social Rent than with Affordable Rent. This is as expected as the Social Rented units have a lower value than the Affordable Rented units. Analysis of the tables 10.2 and 10.3 shows:

- In the case of sites 4, 5, 8, – these are unviable in both the base appraisals and where social rent is the affordable tenure. Adopting social rent at these locations reduces the residual land value by 130%, 23% and 22% respectively – making development that is already unviable more unviable; and
- Adopting social rent to the sites within the inner area regeneration boundary (sites 6, 7, 9, 10, 11 and 12) has no effect on viability.

10.17 Based on this appraisal it is suggested that only where site specific appraisals can demonstrate viable development with social rented affordable housing, then the Council can actively seek this form of tenure.

10.18 The appraisal results for each of the various policy requirements, various levels of developer contribution are set out below.



### No Policy Requirements

10.19 These appraisals are based on the same assumptions as the base options but with the following variables. These are the absolute minimum standards, bearing in mind the wider requirements of the Plan:

- a. Affordable Housing                      None
- b. Environmental Standards            Building Regulations (Part L) BCIS +2% (mandatory energy requirements).  
Conversions at 50% BCIS
- c. CIL and s106                              No S106  
No CIL
- d. Abnormals                                Demolition and site clearance as modelled
- e. Developers' Return                    20% on Gross Development Value.

<b>Table 10.4 No Policy Requirements</b>					
			Alternative Use Value	Viability Threshold	Residual Value
			£/ha	£/ha	£/ha
1	Urban Edge 1	SE Blackpool	50,000	310,000	1,569,117
2	Urban Edge 2	East Fringe	50,000	310,000	1,695,477
3	Urban Edge 3	East Fringe	50,000	310,000	1,640,556
4	Cleared Site	North Prom	500,000	600,000	610,003
5	Urban Infill 1	Churchtown	500,000	600,000	921,476
6*	Urban Infill 2	N Inner	400,000	480,000	292,800
7*	Urban Infill 3	Inner	400,000	480,000	-1,198,522
8	Urban Infill 4	Central Outer	500,000	600,000	-992,991
9*	Urban Infill 5	N Inner	400,000	480,000	-941,803
10*	Guest House Conv	Central Inner	300,000	360,000	5,332,309
11*	Guest House Conv	Promenade	1,000,000	1,200,000	11,035,709
12*	Redevelopment	Central Inner	400,000	480,000	-536,533
13	Urban Infill 6	SE Blackpool	500,000	600,000	1,424,247
14	Redevelopment	SE Blackpool	500,000	600,000	1,310,489
15	Urban Infill 7	S Blackpool	500,000	600,000	1,248,158
16	Urban Infill 8	S Blackpool	500,000	600,000	2,513,984

Source: HDH 2013, \* within the Defined Inner Area

10.20 It can be clearly seen that in the Defined Inner Area, development on brownfield sites is not viable in the current market, even when the development is not subject to any local policies that impose an additional cost on the developer. In this context it important to note that Guest House conversions are viable, these make up a significant part of past housing delivery and this is expected to continue.

10.21 In order to be able to consider the cumulative impact of the Council's policy requirements we have considered the different elements below.

*No Affordable Housing*

10.22 The following results are based on all the policy requirements contained within the Core Strategy, other than affordable housing:

- |    |                         |   |
|----|-------------------------|---|
| a. | Affordable Housing      | None and no commuted sums   |
| b. | Environmental Standards | Building Regulations (Part L) BCIS +2% (mandatory energy requirements), on-site energy (£23/m <sup>2</sup> )<br>Conversions at 50% BCIS                       |
| c. | CIL and s106            | Public open space payment of £14/m <sup>2</sup> on small urban (less than 0.02ha) sites.<br>S106 payment of £1,200 per unit (market and affordable)<br>No CIL |
| d. | Abnormals               | Demolition and site clearance as modelled   |
| e. | Developers' Return      | 20% on Gross Development Value.   |

<b>Table 10.5 Policy Requirements other than affordable housing</b>					
			Alternative Use Value	Viability Threshold	Residual Value
			£/ha	£/ha	£/ha
1	Urban Edge 1	SE Blackpool	50,000	310,000	1,479,545
2	Urban Edge 2	East Fringe	50,000	310,000	1,603,791
3	Urban Edge 3	East Fringe	50,000	310,000	1,549,958
4	Cleared Site	North Prom	500,000	600,000	497,156
5	Urban Infill 1	Churchtown	500,000	600,000	820,710
6*	Urban Infill 2	N Inner	400,000	480,000	184,770
7*	Urban Infill 3	Inner	400,000	480,000	-1,621,091
8	Urban Infill 4	Central Outer	500,000	600,000	-1,272,612
9*	Urban Infill 5	N Inner	400,000	480,000	-1,245,860
10*	Guest House Conv	Central Inner	300,000	360,000	4,515,072
11*	Guest House Conv	Promenade	1,000,000	1,200,000	10,015,400
12*	Redevelopment	Central Inner	400,000	480,000	-694,740
13	Urban Infill 6	SE Blackpool	500,000	600,000	1,301,023
14	Redevelopment	SE Blackpool	500,000	600,000	1,176,075
15	Urban Infill 7	S Blackpool	500,000	600,000	1,123,466
16	Urban Infill 8	S Blackpool	500,000	600,000	1,862,210

Source: HDH 2013, \* within the Defined Inner Area

### *Affordable Housing Only*

10.23 The following results are based on only the affordable housing requirements:

- a. Affordable Housing
  - 30% on sites of 15 units or more. Delivered as 80% Affordable Rent / 20% Shared Ownership outside Defined Inner Area and 100% Shared Ownership within Defined Inner Area (see Table 9.2).
  - Financial contribution of 5% of Open Market Value on sites of 3 to 14 units.
- b. Environmental Standards
  - Building Regulations (Part L) BCIS +2% (mandatory energy requirements)
  - Conversions at 50% BCIS
- c. CIL and s106
  - No s106
  - No CIL
- d. Abnormals
  - Demolition and site clearance as modelled

e. Developers' Return 20% on Gross Development Value

<b>Table 10.6 Affordable housing only</b>					
			Alternative Use Value	Viability Threshold	Residual Value
			£/ha	£/ha	£/ha
1	Urban Edge 1	SE Blackpool	50,000	310,000	982,129
2	Urban Edge 2	East Fringe	50,000	310,000	1,090,992
3	Urban Edge 3	East Fringe	50,000	310,000	1,042,825
4	Cleared Site	North Prom	500,000	600,000	208,333
5	Urban Infill 1	Churchtown	500,000	600,000	464,197
6*	Urban Infill 2	N Inner	400,000	480,000	-247,757
7*	Urban Infill 3	Inner	400,000	480,000	-1,795,555
8	Urban Infill 4	Central Outer	500,000	600,000	-1,660,799
9*	Urban Infill 5	N Inner	400,000	480,000	-2,273,533
10*	Guest House Conv	Central Inner	300,000	360,000	4,250,059
11*	Guest House Conv	Promenade	1,000,000	1,200,000	6,540,686
12*	Redevelopment	Central Inner	400,000	480,000	-825,920
13	Urban Infill 6	SE Blackpool	500,000	600,000	869,870
14	Redevelopment	SE Blackpool	500,000	600,000	676,070
15	Urban Infill 7	S Blackpool	500,000	600,000	934,604
16	Urban Infill 8	S Blackpool	500,000	600,000	836,671

Source: HDH 2013, \* within the Defined Inner Area

*Environmental Standards Only*

10.24 In the following table we have shown the impact of the environmental policies. In the base appraisals we have assumed construction to the national standards with an adjustment for the improved energy requirements (by increasing the BCIS cost by 2%) and the on-site energy requirements (by allowing an extra £23/m<sup>2</sup>). These requirements apply to both market and affordable housing. In the following table we have shown the impact of these extra costs. We have also modelled the full costs of CfSH Level 4 (as BCIS +6%).

- a. Affordable Housing None
- b. Environmental Standards Building Regulations (Part L) BCIS +2% (mandatory energy requirements), on-site energy (£23/m<sup>2</sup>)  
Conversions at 50% BCIS
- c. CIL and s106 None  
No CIL

- d. Abnormals Demolition and site clearance as modelled
- e. Developers' Return 20% on Gross Development Value.

<b>Table 10.7 Environmental Standards Only</b>						
			Alternative Use Value	Viability Threshold	Residual Value	
					Part CfSH4 and on-site	Modelled with Full CfSH4 and on site
1	Urban Edge 1	SE Blackpool	50,000	310,000	1,515,517	1,447,829
2	Urban Edge 2	East Fringe	50,000	310,000	1,639,764	1,570,407
3	Urban Edge 3	East Fringe	50,000	310,000	1,585,930	1,518,401
4	Cleared Site	North Prom	500,000	600,000	545,575	454,833
5	Urban Infill 1	Churchtown	500,000	600,000	862,678	785,367
6*	Urban Infill 2	N Inner	400,000	480,000	233,652	147,213
7*	Urban Infill 3	Inner	400,000	480,000	-1,491,042	-1,760,289
8	Urban Infill 4	Central Outer	500,000	600,000	-1,152,566	-1,392,679
9*	Urban Infill 5	N Inner	400,000	480,000	-1,115,811	-1,375,764
10*	Guest House Conv	Central Inner	300,000	360,000	4,766,703	4,246,098
11*	Guest House Conv	Promenade	1,000,000	1,200,000	10,443,114	9,557,829
12*	Redevelopment	Central Inner	400,000	480,000	-629,715	-753,041
13	Urban Infill 6	SE Blackpool	500,000	600,000	1,349,823	1,257,976
14	Redevelopment	SE Blackpool	500,000	600,000	1,237,177	1,121,254
15	Urban Infill 7	S Blackpool	500,000	600,000	1,173,302	1,074,231
16	Urban Infill 8	S Blackpool	500,000	600,000	1,988,025	1,369,218

Source: HDH 2013, \* within the Defined Inner Area

## Cumulative Impact of Policies

10.25 In the earlier parts of this chapter we have set out the results of a range of appraisals considering the impact on viability of individual policies and the different levels of developer contributions that residential development can bear. In this section we have set out the cumulative impact of those policies.

			AUV	Viability Threshold	Residual Value						
					No Policy	Enviro (Part CfSH4) +on-site	Enviro (Full CfSH4)+on-site	No Affordable	Affordable Only	Base	Base + Full CfSH4
1	Urban Edge 1	SE Blackpool	50,000	310,000	1,569,117	1,515,517	1,447,829	1,479,545	982,129	892,548	824,806
2	Urban Edge 2	East Fringe	50,000	310,000	1,695,477	1,639,764	1,570,407	1,603,791	1,090,992	1,000,000	938,764
3	Urban Edge 3	East Fringe	50,000	310,000	1,640,556	1,585,930	1,518,401	1,549,958	1,042,825	952,227	884,697
4	Cleared Site	North Prom	500,000	600,000	610,003	545,575	454,833	497,156	208,333	94,624	307
5	Urban Infill 1	Churchtown	500,000	600,000	921,476	862,678	785,367	820,710	464,197	366,876	288,832
6*	Urban Infill 2	N Inner	400,000	480,000	292,800	233,652	147,213	184,770	8,911	-105,196	-195,497
7*	Urban Infill 3	Inner	400,000	480,000	-1,198,522	-1,491,042	-1,760,289	-1,621,091	-1,795,555	-2,218,124	-2,487,371
8	Urban Infill 4	Central Outer	500,000	600,000	-992,991	-1,152,566	-1,392,679	-1,272,612	-1,660,799	-1,941,572	-2,183,810
9*	Urban Infill 5	N Inner	400,000	480,000	-941,803	-1,115,811	-1,375,764	-1,245,860	-1,692,011	-1,998,511	-2,262,112
10*	Guest House Conv	Central Inner	300,000	360,000	5,332,309	4,766,703	4,246,098	4,515,072	4,250,059	3,432,821	2,912,215
11*	Guest House Conv	Promenade	1,000,000	1,200,000	11,035,709	10,443,114	9,557,829	10,015,400	8,484,480	7,464,171	6,578,886
12*	Redevelopment	Central Inner	400,000	480,000	-536,533	-629,715	-753,041	-694,740	-825,920	-984,127	-1,107,842
13	Urban Infill 6	SE Blackpool	500,000	600,000	1,424,247	1,349,823	1,257,976	1,301,023	869,870	745,477	652,760

14	Redevelopment	SE Blackpool	500,000	600,000	1,310,489	1,237,177	1,121,254	1,176,075	676,070	539,439	421,254
15	Urban Infill 7	S Blackpool	500,000	600,000	1,248,158	1,173,302	1,074,231	1,123,466	934,604	809,912	710,842
16	Urban Infill 8	S Blackpool	500,000	600,000	2,513,984	1,988,025	1,369,218	1,862,210	836,671	184,897	-433,911

Source: HDH 2013, \* within the Defined Inner Area

- 10.26 It can be seen that the impact of the Council's policies is relatively limited. The brownfield sites (not the conversions) within the inner area remain unviable, even with no policy requirements – however those sites in the more prosperous areas can bear both affordable housing and other policy requirements.
- 10.27 The final column shows the position where development is required to meet the full requirements of CfSH Level 4 (i.e. go beyond the Government's recent clarification of the future standards in this regard). It can be seen that the residual value is significantly reduced. Whilst the a similar number of sites remain viable we do have some concerns that this requirement is bringing the Residual Value close to the Viability Threshold on the smaller infill sites. These make up an important element of the Plan and we would suggest caution about moving beyond the national environmental standards in an area where much development is not viable.

### **Developer Contributions**

- 10.28 In the Base Appraisals we have modelled the current limited developer contributions asked for by the Council. In order to inform the CIL setting process we have also modelled different levels of CIL at £20/m<sup>2</sup>, £30/m<sup>2</sup>, £40/m<sup>2</sup> and £50/m<sup>2</sup> with the current affordable housing target, half of the current affordable housing target and with no affordable housing. In these we have assumed a continued s106 payment of £1,000 per unit charged on all units – whilst the £/m<sup>2</sup> rate is only applied on the market units.

#### *Developer Contributions with Affordable Target*

- |    |                         |   |
|----|-------------------------|---|
| a. | Affordable Housing      | 30% on sites of 15 units or more. Delivered as 80% Affordable Rent / 20% Shared Ownership outside Defined Inner Area and 100% Shared Ownership within Defined Inner Area (see Table 9.2).<br><br>Financial contribution of 5% of Open Market Value on sites of 3 to 14 units. |
| b. | Environmental Standards | Building Regulations (Part L) BCIS +2% (mandatory energy requirements), on-site energy (£23/m <sup>2</sup> ).<br><br>Conversions at 50% BCIS.   |
| c. | CIL and s106            | Public open space payment of £14.33/m <sup>2</sup> of small urban (less than 0.02ha) sites.<br><br>S106 payment of £1,000 per unit (market and affordable).<br><br>CIL as shown.  |
| d. | Abnormals               | Demolition and site clearance as modelled.  |
| e. | Developers' Return      | 20% on Gross Development Value.   |



**Table 10.9 Residual Value for different levels of CIL and Affordable Housing**

<b>Full Affordable Housing Requirement</b>										
			AUV	Viability Threshold	Residual Value					
					£0/m2	£20/m2	£40/m2	£60/m2	£80/m2	£100/m2
1	Urban Edge 1	SE Blackpool	50,000	310,000	898,543	862,037	825,531	789,025	752,519	716,012
2	Urban Edge 2	East Fringe	50,000	310,000	1,005,302	979,342	943,854	908,365	872,877	837,388
3	Urban Edge 3	East Fringe	50,000	310,000	958,222	920,623	883,023	845,424	807,824	770,225
4	Cleared Site	North Prom	500,000	600,000	103,012	61,472	19,931	-21,609	-63,149	-104,689
5	Urban Infill 1	Churchtown	500,000	600,000	373,937	334,434	294,931	255,428	217,991	178,110
6*	Urban Infill 2	N Inner	400,000	480,000	-96,808	-138,392	-180,824	-223,807	-266,791	-309,774
7*	Urban Infill 3	Inner	400,000	480,000	-2,196,449	-2,349,257	-2,502,065	-2,654,873	-2,807,681	-2,960,489
8	Urban Infill 4	Central Outer	500,000	600,000	-1,921,564	-2,018,084	-2,114,604	-2,211,124	-2,307,644	-2,404,164
9*	Urban Infill 5	N Inner	400,000	480,000	-1,976,836	-2,080,918	-2,185,001	-2,289,084	-2,393,167	-2,497,249
10*	Guest House Conv	Central Inner	300,000	360,000	3,474,760	3,176,995	2,879,231	2,581,467	2,283,703	1,985,938
11*	Guest House Conv	Promenade	1,000,000	1,200,000	7,535,457	7,182,593	6,829,729	6,476,865	6,243,494	5,883,745
12*	Redevelopment	Central Inner	400,000	480,000	-973,290	-1,053,162	-1,133,034	-1,212,906	-1,292,778	-1,372,649
13	Urban Infill 6	SE Blackpool	500,000	600,000	753,688	707,052	660,417	613,782	572,573	525,492
14	Redevelopment	SE Blackpool	500,000	600,000	549,822	496,732	443,641	390,551	337,461	287,172
15	Urban Infill 7	S Blackpool	500,000	600,000	818,218	752,186	686,155	625,000	559,550	492,867
16	Urban Infill 8	S Blackpool	500,000	600,000	205,866	-66,735	-339,336	-611,937	-884,538	-1,157,139
<b>Half Affordable Housing Requirement</b>										
			AUV	Viability Threshold	Residual Value					
					£0/m2	£20/m2	£40/m2	£60/m2	£80/m2	£100/m2
1	Urban Edge 1	SE Blackpool	50,000	310,000	1,192,046	1,147,718	1,103,389	1,059,060	1,014,731	970,402
2	Urban Edge 2	East Fringe	50,000	310,000	1,307,544	1,264,856	1,222,167	1,179,478	1,136,790	1,094,101
3	Urban Edge 3	East Fringe	50,000	310,000	1,257,088	1,211,431	1,165,775	1,120,118	1,074,462	1,028,805
4	Cleared Site	North Prom	500,000	600,000	305,058	256,064	208,333	161,161	111,212	61,866
5	Urban Infill 1	Churchtown	500,000	600,000	599,065	551,548	504,030	456,512	412,872	364,904
6*	Urban Infill 2	N Inner	400,000	480,000	50,906	411	-50,085	-100,580	-151,075	-202,899
7*	Urban Infill 3	Inner	400,000	480,000	-1,897,933	-2,050,741	-2,203,549	-2,356,356	-2,509,164	-2,661,972
8	Urban Infill 4	Central Outer	500,000	600,000	-1,587,084	-1,704,287	-1,821,490	-1,938,692	-2,055,895	-2,173,098
9*	Urban Infill 5	N Inner	400,000	480,000	-1,599,245	-1,725,632	-1,852,018	-1,978,404	-2,104,790	-2,231,176
10*	Guest House Conv	Central Inner	300,000	360,000	4,015,885	3,718,121	3,420,356	3,122,592	2,824,828	2,527,064
11*	Guest House Conv	Promenade	1,000,000	1,200,000	8,811,071	8,382,594	7,954,116	7,525,639	7,097,161	6,668,684
12*	Redevelopment	Central Inner	400,000	480,000	-828,596	-908,468	-988,340	-1,068,212	-1,148,084	-1,227,956
13	Urban Infill 6	SE Blackpool	500,000	600,000	1,037,626	980,998	924,369	867,740	811,112	754,483
14	Redevelopment	SE Blackpool	500,000	600,000	862,779	799,546	736,313	673,080	621,747	557,280
15	Urban Infill 7	S Blackpool	500,000	600,000	974,995	908,963	842,931	776,900	710,868	644,836
16	Urban Infill 8	S Blackpool	500,000	600,000	1,044,522	771,921	499,320	226,719	-45,882	-318,483
<b>No Affordable Housing Requirement</b>										
			AUV	Viability Threshold	Residual Value					
					£0/m2	£20/m2	£40/m2	£60/m2	£80/m2	£100/m2
1	Urban Edge 1	SE Blackpool	50,000	310,000	1,485,540	1,433,388	1,381,237	1,329,085	1,276,934	1,224,782
2	Urban Edge 2	East Fringe	50,000	310,000	1,609,787	1,559,565	1,509,343	1,459,121	1,408,899	1,358,677
3	Urban Edge 3	East Fringe	50,000	310,000	1,555,953	1,502,240	1,448,526	1,394,812	1,341,099	1,287,385
4	Cleared Site	North Prom	500,000	600,000	505,226	448,133	394,782	337,142	279,503	221,863
5	Urban Infill 1	Churchtown	500,000	600,000	827,705	771,801	715,898	659,995	604,092	548,189
6*	Urban Infill 2	N Inner	400,000	480,000	192,917	135,217	79,029	20,401	-39,005	-98,411
7*	Urban Infill 3	Inner	400,000	480,000	-1,599,416	-1,752,224	-1,905,032	-2,057,840	-2,210,648	-2,363,456
8	Urban Infill 4	Central Outer	500,000	600,000	-1,252,604	-1,390,490	-1,528,375	-1,666,261	-1,804,147	-1,942,032
9*	Urban Infill 5	N Inner	400,000	480,000	-1,224,185	-1,372,875	-1,521,564	-1,670,254	-1,818,944	-1,967,633
10*	Guest House Conv	Central Inner	300,000	360,000	4,557,010	4,259,246	3,961,482	3,663,717	3,365,953	3,068,189
11*	Guest House Conv	Promenade	1,000,000	1,200,000	10,086,686	9,582,595	9,078,503	8,574,412	8,070,321	7,566,230
12*	Redevelopment	Central Inner	400,000	480,000	-683,903	-763,775	-843,647	-923,518	-1,003,390	-1,083,262
13	Urban Infill 6	SE Blackpool	500,000	600,000	1,309,156	1,243,160	1,177,163	1,121,699	1,055,077	988,455
14	Redevelopment	SE Blackpool	500,000	600,000	1,186,259	1,111,867	1,037,476	963,084	888,692	814,301
15	Urban Infill 7	S Blackpool	500,000	600,000	1,131,772	1,065,740	999,708	933,677	867,645	801,613
16	Urban Infill 8	S Blackpool	500,000	600,000	1,883,179	1,610,578	1,337,977	1,065,376	792,775	520,173

Source: HDH 2013, \* within the Defined Inner Area

10.29 It is clear that whilst developer contributions do have a direct impact on the Residual Value and the Residual Value varies with differing levels of affordable housing the impact on the

overall delivery of the Plan is relatively unaffected – those sites within the Defined Inner Area remain unviable under all the tested circumstances and, largely, those sites outside this area could bear a level of CIL.

10.30 It can be seen that the impact of the Council’s policies is relatively limited. The brownfield sites (not the conversions) within the inner area remain unviable – however those sites in the more prosperous areas can bear both affordable housing and other policy requirements.

### **Impact of Price Change**

10.31 It is important that, whatever policies are adopted the Plan is not unduly sensitive to future changes in prices and costs. We have therefore tested various variables in this regard. We have followed the time horizons set out in the NPPF and the methodology in the Harman Guidance.

10.32 In this report we have used the build costs produced by BCIS. As well as producing estimates of build costs, BCIS also produce various indices and forecasts to track and predict how build costs may change over time. The BCIS forecast a 15% increase in prices over the next 5 years<sup>32</sup>. We have tested a scenario with this increase in build costs.

10.33 As set out in Chapter 4, we are in a current period of uncertainty in the property market. It is not the purpose of this report to predict the future of the market. We have therefore tested four price change scenarios, minus 10% and 5%, and plus 10% and 5%. In this analysis we have assumed all other matters in the base appraisals remain unchanged.

10.34 It is important to note that in the following table only the costs of construction and the value of the market housing is altered. This is a cautious assumption but an appropriate one.

10.35 This analysis is based on the following assumptions:

- a. Affordable Housing                      30% on sites of 15 units or more. Delivered as 80% Affordable Rent / 20% Shared Ownership outside Defined Inner Area and 100% Shared Ownership within Defined Inner Area (see Table 9.2).  
  
Financial contribution of 5% of Open Market Value on sites of 3 to 14 units.

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<sup>32</sup> See Table 1.1 (Page 6) of in *Quarterly Review of Building Prices* (Issue No 127 – November 2012). 15% calculated on BCIS All-in TPI change from 220 to 254.

- |    |                         |   |
|----|-------------------------|---|
| b. | Environmental Standards | Building Regulations (Part L) BCIS +2% (mandatory energy requirements), on-site energy (£23/m <sup>2</sup> ).<br>Conversions at 50% BCIS.                         |
| c. | CIL and s106            | Public open space payment of £14.33/m <sup>2</sup> on small urban (less than 0.02ha) sites.<br>S106 payment of £1,000 per unit (market and affordable)<br>CIL £0. |
| d. | Abnormals               | Demolition and site clearance as modelled.  |
| e. | Developers' Return      | 20% on Gross Development Value.   |

Table 10.10 Price Change. Residual Value £/ha										
			AUV	Viability Threshold	Residual Value					
					BCIS +15%	Price -10%	Price -5%	Base	Price +5%	Price +10%
1	Urban Edge 1	SE Blackpool	50,000	310,000	582,628	622,969	757,758	892,548	1,027,273	1,161,988
2	Urban Edge 2	East Fringe	50,000	310,000	701,591	728,686	868,732	1,000,000	1,138,038	1,276,769
3	Urban Edge 3	East Fringe	50,000	310,000	643,279	677,865	815,046	952,227	1,089,408	1,226,589
4	Cleared Site	North Prom	500,000	600,000	-305,587	-149,723	-27,549	94,624	210,574	329,240
5	Urban Infill 1	Churchtown	500,000	600,000	25,422	123,474	244,590	366,876	484,569	605,707
6*	Urban Infill 2	N Inner	400,000	480,000	-491,060	-364,234	-233,881	-105,196	20,713	142,412
7*	Urban Infill 3	Inner	400,000	480,000	-3,354,215	-2,949,937	-2,582,339	-2,218,124	-1,853,909	-1,489,694
8	Urban Infill 4	Central Outer	500,000	600,000	-2,962,473	-2,438,510	-2,189,494	-1,941,572	-1,696,838	-1,452,105
9*	Urban Infill 5	N Inner	400,000	480,000	-3,105,637	-2,649,088	-2,323,799	-1,998,511	-1,676,286	-1,356,592
10*	Guest House Conv	Central Inner	300,000	360,000	2,320,026	2,112,688	2,772,754	3,432,821	4,092,888	4,752,954
11*	Guest House Conv	Promenade	1,000,000	1,200,000	5,680,594	5,392,763	6,376,862	7,464,171	8,551,481	9,638,790
12*	Redevelopment	Central Inner	400,000	480,000	-1,508,090	-1,343,039	-1,162,902	-984,127	-807,135	-630,144
13	Urban Infill 6	SE Blackpool	500,000	600,000	359,473	448,859	595,041	745,477	895,914	1,046,351
14	Redevelopment	SE Blackpool	500,000	600,000	43,485	191,850	364,709	539,439	700,502	871,888
15	Urban Infill 7	S Blackpool	500,000	600,000	397,697	431,061	624,476	809,912	1,001,441	1,192,969
16	Urban Infill 8	S Blackpool	500,000	600,000	-2,414,096	-1,854,727	-834,915	184,897	1,204,709	2,224,521

Source: HDH 2013, \* within the Defined Inner Area

10.36 The viability of sites is sensitive to changes in the costs of development and changes in price, however the impact on overall viability of development across Blackpool is relatively limited. A fall in prices of up to 10% will have little impact on the proportion of units coming forward.

10.37 Bearing in mind the uncertain market we would suggest that it would be unwise to rely on an increase in house prices over the Plan period.

### **Commuted Sums**

10.38 The Council have a long standing practice of asking developers to pay a commuted sum in lieu of providing affordable housing on-site. There may be situations in which it is agreed that, whilst an affordable housing contribution should arise in respect of a particular development, it is appropriate that all or some of the contribution should be made off-site. Where this is the case, and where replacement affordable units are not going to be provided by the developer on another site agreed with the Council, it will be necessary to secure the due affordable housing contribution in the form of a commuted payment. This section provides guidance on the calculation of commuted sum payments in such a situation.

10.39 The financial appraisal analysis set out earlier in this report provides a basis for calculating commuted sum payments.

10.40 It is sensible to set out guidance as to how a commuted sum would be calculated – so as to provide transparency, and to avoid the undue delays that might arise during s106 negotiations if details of a payment had to be developed from first principles on each occasion. The viability study analysis provides a basis on which it would be possible to formulate appropriate arrangements for calculating the commuted sum.

#### *Review of policy formulae*

10.41 Some time ago we researched the nature of commuted sum formulations in then approved or emerging local planning policies. Whilst some relied on generalities, the vast majority - almost all of those we looked at – which had developed a specific formula, had used one which derived from the Housing Corporation's<sup>33</sup> Total Cost Indicator (TCI) system.

10.42 This system was designed to provide cost discipline, so as to ensure that affordable housing was procured by Housing Associations on terms which produced Value for Money for the public subsidy, Social Housing Grant (SHG), which had been the normal funding basis through which it was provided.

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<sup>33</sup> The Housing Corporation was the non-departmental public body that funded new affordable housing and regulated housing associations in England. In 2008, its functions were transferred to two new organisations, the Homes and Communities Agency (HCA) and the Tenant Services Authority (TSA). In 2012 the HCA and TSA were merged.

- 10.43 Given that this was its purpose, the TCI was useful in providing a basis for calculating commuted sums. It was designed to provide cost guidance specifically related to each local Council area and contained such guidance for each of a large number of different dwelling size bands. The TCI was updated through indexing and readjustment, each year so remained current.
- 10.44 Unfortunately the Housing Corporation replaced the TCI system with an approach which does not provide these benefits. This reflected, to some extent, the move towards a more targeted use of SHG and a greater reliance on developer subsidy. However, from the viewpoint of commuted sum formulation, the change is, in some respects, to be regretted.

*Alternative approach*

- 10.45 We have adopted an approach to the calculation of the developer contribution, utilising the site viability analysis. It is based upon the contribution that the developer would have made if an on-site affordable housing contribution were delivered. The calculation works as follows:
- a. Estimate the value of the site with 100% market housing (but subject to the other policies in the Plan).
  - b. Estimate the value of the site with 30% affordable housing delivered as 80% Affordable Rent / 20% Shared Ownership outside Defined Inner Area and 100% Shared Ownership within Defined Inner Area.
- 10.46 In this analysis we have included all sites other than the one of a single unit (16).
- 10.47 The difference between (a) and (b), as defined in paragraph 10.45 above, is the loss in value experienced by the developer due to the affordable housing policy contribution. Taking the appraisal for Site 3 as an example, the residual value with no affordable housing, i.e. 105 market dwellings, is £5,424,852. With the option of 30% affordable housing, the residual value falls to £3,332,794.
- 10.48 The developer's contribution is £2,092,058; divided by 31.5 affordable dwellings (30% of 105), this gives a cost of £66,415 per affordable dwelling. (It is appropriate to consider part dwellings in this analysis as it is carried out on a per m<sup>2</sup> basis).
- 10.49 The results of this calculation for the full range of sites are set out in the table below. These calculations are based on the base appraisals. A proportion of the sites included in the modelling were so small not to have a whole affordable home – these are excluded. For those sites with 3 to 14 units we have based the following analysis on an affordable housing requirement of 30%. We have applied this approach to all sites to ensure that all typologies are appropriately dealt with in the analysis. Some of these sites would not be subject to affordable housing requirements under the proposed policy.

**Table 10.11 Affordable Housing Contribution:**  
Calculations of potential contribution per affordable unit

<b>No Affordable</b>							
					Units	Residual	
1	Urban Edge 1	SE Blackpool	Green	Amenity Land	510	25,152,258	
2	Urban Edge 2	East Fringe	Green	Urban Fringe	30	1,603,791	
3	Urban Edge 3	East Fringe	Green	Urban Fringe	105	5,424,852	
4	Cleared Site	North Prom	Brown	Hotel	48	596,588	
5	Urban Infill 1	Churchtown	Green	Grazing / Amenity	77	1,805,562	
6*	Urban Infill 2	N Inner	Brown	Cleared Ind	80	369,541	
7*	Urban Infill 3	Inner	Brown	Res / Ind	12	-194,531	
8	Urban Infill 4	Central Outer	Brown	Ind / Cleared	36	-496,319	
9*	Urban Infill 5	N Inner	Brown	Mixed	30	-373,758	
10*	Guest House Conv	Central Inner	Brown	Guest House	3	67,726	
11*	Guest House Conv	Promenade	Brown	Guest House	14	400,616	
12*	Redevelopment	Central Inner	Brown	Parking	10	-138,948	
13	Urban Infill 6	SE Blackpool	Brown	Ind	35	1,118,880	
14	Redevelopment	SE Blackpool	Brown	Pub/Car park	20	470,430	
15	Urban Infill 7	S Blackpool	Green	Garden	8	224,693	
16	Urban Infill 8	S Blackpool	Brown	Industrial	1	18,622	
<b>30% Affordable Housing</b>							
					Units	Residual	
1	Urban Edge 1	SE Blackpool	Green	Amenity Land	510	15,173,310	
2	Urban Edge 2	East Fringe	Green	Urban Fringe	30	1,000,000	
3	Urban Edge 3	East Fringe	Green	Urban Fringe	105	3,332,794	
4	Cleared Site	North Prom	Brown	Hotel	48	113,549	
5	Urban Infill 1	Churchtown	Green	Grazing / Amenity	77	807,127	
6*	Urban Infill 2	N Inner	Brown	Cleared Ind	80	-210,391	
7*	Urban Infill 3	Inner	Brown	Res / Ind	12	-293,836	
8	Urban Infill 4	Central Outer	Brown	Ind / Cleared	36	-757,213	
9*	Urban Infill 5	N Inner	Brown	Mixed	30	-599,553	
10*	Guest House Conv	Central Inner	Brown	Guest House	3	45,229	
11*	Guest House Conv	Promenade	Brown	Guest House	14	298,567	
12*	Redevelopment	Central Inner	Brown	Parking	10	-219,674	
13	Urban Infill 6	SE Blackpool	Brown	Ind	35	641,111	
14	Redevelopment	SE Blackpool	Brown	Pub/Car park	20	215,776	
15	Urban Infill 7	S Blackpool	Green	Garden	8	110,163	
16	Urban Infill 8	S Blackpool	Brown	Industrial	1	-17,799	
<b>Difference</b>							
					Units	Residual Value	Potential Contribution
1	Urban Edge 1	SE Blackpool	Green	Amenity Land	510	9,978,948	65,222
2	Urban Edge 2	East Fringe	Green	Urban Fringe	30	603,791	67,088
3	Urban Edge 3	East Fringe	Green	Urban Fringe	105	2,092,058	66,415
4	Cleared Site	North Prom	Brown	Hotel	48	483,039	33,544
5	Urban Infill 1	Churchtown	Green	Grazing / Amenity	77	998,434	43,222
6*	Urban Infill 2	N Inner	Brown	Cleared Ind	80	579,932	24,164
7*	Urban Infill 3	Inner	Brown	Res / Ind	12	99,305	27,585
8	Urban Infill 4	Central Outer	Brown	Ind / Cleared	36	260,894	24,157
9*	Urban Infill 5	N Inner	Brown	Mixed	30	225,795	25,088
10*	Guest House Conv	Central Inner	Brown	Guest House	3	22,497	24,996
11*	Guest House Conv	Promenade	Brown	Guest House	14	102,049	24,297
12*	Redevelopment	Central Inner	Brown	Parking	10	80,726	26,909
13	Urban Infill 6	SE Blackpool	Brown	Ind	35	477,769	45,502
14	Redevelopment	SE Blackpool	Brown	Pub/Car park	20	254,654	42,442
15	Urban Infill 7	S Blackpool	Green	Garden	8	114,531	47,721
16	Urban Infill 8	S Blackpool	Brown	Industrial	1	36,421	N/A

Source: HDH 2013, \* within the Defined Inner Area



10.50 The calculated contributions in Table 10.11 vary, with a minimum of £24,000 and a maximum of £67,000. The average is about £39,000 – although it is important to note that the NPPF and various sources of guidance are clear that policies should not be set at the limits of viability.

10.51 Within the draft Affordable Housing SPD the Council proposes a requirement for developments comprising 3 to 14 dwellings to provide a financial contribution towards the provision of off-site affordable housing equivalent to 5% of the open market value of the dwellings. On the modelled sites this equates to the following amounts:

<b>Table 10.12 Use of 5% of GDV to calculate an Affordable Commuted Sum for modelled sites</b>				
			Per Site	Per Unit
7*	Urban Infill 3	Inner	67,680	18,800
10*	Guest House Conv	Central Inner	15,975	17,750
11*	Guest House Conv	Promenade	74,250	17,679
12*	Redevelopment	Central Inner	55,275	18,425
15	Urban Infill 7	S Blackpool	62,805	26,169
16	Urban Infill 8	S Blackpool	16,250	54,167

Source: HDH 2013, \* within the Defined Inner Area

10.52 On the whole these are lower than the per unit potential contribution identified in the previous table – although when proposing the 5% contribution there was no intention to set the amount at the limit of what sites could bear as to do so may generally deter development.

10.53 To further inform the development of policy we have run an alternate set of appraisals with a commuted sum calculated 5% to 30% of the GDV of the site.

**Table 10.13 Residual Value with Affordable Contribution as % of GDV**

			AUV	Viability Threshold	Residual Value						
	% of GDV				30%	25%	20%	15%	10%	5%	0%
7*	Urban Infill 3	Inner	400,000	480,000	-5,232,939	-4,628,051	-4,023,163	-3,418,276	-2,815,157	-2,218,124	-1,621,091
11*	Guest House Conv	Promenade	1,000,000	1,200,000	-1,057,084	837,667	2,732,418	4,582,026	6,334,688	8,175,044	10,015,400
10*	Guest House Conv	Central Inner	300,000	360,000	-1,980,174	-896,181	186,070	1,268,320	2,350,571	3,432,821	4,515,072
12*	Redevelopment	Central Inner	400,000	480,000	-2,450,257	-2,156,759	-1,863,260	-1,569,762	-1,276,264	-984,127	-694,740
15	Urban Infill 7	S Blackpool	500,000	600,000	-780,512	-453,236	-132,038	184,605	501,249	809,912	1,123,466
16	Urban Infill 8	S Blackpool	500,000	600,000	-8,381,952	-6,648,246	-4,914,540	-3,180,833	-1,492,416	184,897	1,862,210

Source: HDH 2013, \* within the Defined Inner Area

- 10.54 It is clear that raising the amount of the commuted sum above the proposed 5% would have an adverse impact on viability.
- 10.55 The above calculations assume the fixed developer contributions in the base appraisals but no CIL. Different levels of contribution would lead to a different set of results. If a decision is taken to introduce CIL then it would be necessary to revisit this analysis. Should CIL be introduced at £40/m<sup>2</sup> then in the zones that it applies to, the commuted sum payment should be reduced to 4%.<sup>34</sup>

## Conclusions

- 10.56 We have given careful consideration to the affordable housing policy in the Inner Area. The analysis shows that, in the current market and when ignoring the Council's (and other's) interventions residential development within the Inner Area is generally unviable. The notable exception is guesthouse conversions which are viable and these form an important element of the housing supply. The Council should therefore give consideration in respect of the Inner Area to lifting those policies including affordable housing which increase the cost of development over and above national standards.
- 10.57 In the Inner Area there is likely to be a need to use other forms of subsidy such as commuted affordable housing sums generated from viable schemes elsewhere in the Borough to enable development to come forward in the Inner Area.
- 10.58 Although guesthouse conversions are shown to be viable, scheme costs will vary considerably from site to site. Whilst there may be scope to have a policy requiring conversions to incorporate an element of affordable housing we would recommend against this as this is an important part of the future housing supply and as the current market remains fragile.
- 10.59 Should the housing market improve to such an extent that more development in the Inner Area is viable it would then be appropriate to re-visit application of policy requirements.
- 10.60 We take this opportunity to stress again that the results in themselves do not determine policy. We have discussed the consequences of these results in Chapter 12.

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<sup>34</sup> CIL at £40/m<sup>2</sup> would equate to about £4,000 per house. A commuted sum at 5% will equate to about £20,000 to £25,000 per house. The extra cost of CIL at £40/m<sup>2</sup> would be about 1/5<sup>th</sup> of the amount of the commuted sum. It would therefore be appropriate to reduce the commuted sum payment in the appropriate areas from 5% to 4% on the introduction of CIL

# 11. Non-Residential Appraisal Results

- 11.1 As with the residential appraisals, we have used the Residual Valuation approach – that is, we have run appraisals to assess the value of the site after taking into account the costs of development, the likely income from sales and/or rents, and an appropriate amount of developers’ profit. The payment would represent the sum paid in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for this value to exceed the value from an alternative use. To assess viability we have used exactly the same methodology with regard to the Viability Thresholds (alternative Land Use plus ‘uplift’).
- 11.2 Based on the assumptions set out previously we have run a set of development financial appraisals for non-residential uses and these are set out in Tables 11.1 and 11.2 below. The detailed appraisal results are set out in Appendix 7 and summarised at the end of this chapter.

<b>Table 11.1 Appraisal Results showing Additional Profit and Residual Value - Brownfield</b>		
	Sheltered	Extra Care
Residual Land Worth (site)	-342,359	-1,647,484
Additional Profit	-642,359	-1,947,484
£/m2	-135	-473
Existing Use Value £/ha	500,000	500,000
Viability Threshold £/ha	600,000	600,000
Residual Value £/ha	-684,719	-3,294,967

Source: HDH 2013

**Table 11.2 Appraisal Results showing Additional Profit and Residual Value - Greenfield**

	Industrial	Offices	Distribution	Supermarket	Retail Warehouse	Shops	Hotel
Residual Land Worth (site)	-124,970	-172,319	299,736	3,289,843	1,845,901		330,287
Additional Profit (/site)	-196,270	-203,319	-10,264	2,483,843	1,287,901		206,287
£/m2	-131	-407	-2	621	322		127
Existing Use Value £/ha	50,000	50,000	50,000	50,000	50,000		50,000
Viability Threshold £/ha	310,000	310,000	310,000	310,000	310,000		310,000
Residual Value £/ha	-543,347	-1,723,186	299,736	1,265,324	1,025,500		825,717

Source: HDH 2013

**Table 11.3 Appraisal Results showing Additional Profit and Residual Value - Brownfield**

	Industrial	Offices	Distribution	Supermarket	Retail Warehouse	Shops	Hotel
Residual Land Worth (site)	-333,082	-284,288	-357,698	1,795,502	989,836	-72,782	214,287
Additional Profit	-471,082	-344,288	-957,698	235,502	-90,164	-154,382	-25,713
£/m2	-314	-689	-192	59	-23	-1,029	-16
Existing Use Value £/ha	500,000	500,000	500,000	500,000	500,000	4,000,000	500,000
Viability Threshold £/ha	600,000	600,000	600,000	600,000	600,000	4,800,000	600,000
Residual Value £/ha	-1,448,184	-2,842,878	-357,698	690,578	549,909	-4,281,323	535,717

Source: HDH 2013

## Conclusions

- 11.3 The results are reflective of the current market in Blackpool. Both office and industrial development are shown as unviable, however this is not just a Blackpool issue. We have undertaken numerous CIL/Local Plan viability exercises within most regions in England. A common finding is the lack of viability with the development of speculative employment floor space except in limited areas around London.
- 11.4 Supermarkets and retail warehouses are shown as viable on greenfield sites, however only supermarkets are viable on brownfield sites. Retail warehouse development is found to be marginally viable on brownfield sites.
- 11.5 Distribution development shows a positive residual value – but not so as to exceed the viability threshold. We would suggest that a cautious approach needs to be taken.
- 11.6 Town centre retail is not showing as viable, something that is supported by the large numbers of vacant properties.
- 11.7 Neither Sheltered Housing nor extra-care housing is viable.
- 11.8 Our appraisals show potential (marginal) viability for speculative hotel development on brownfield sites but clearly viable on greenfield sites. If commitment is made by an occupier or operator and this translates into acceptable lease/acquisition terms then development may well proceed. It is not appropriate to factor such occupier driven terms into the valuation model as these are unknown and development specific.
- 11.9 We take this opportunity to stress again that the results in themselves do not determine policy. We have discussed the consequences of these results in Chapter 12.

## 12. Viability of the Core Strategy

- 12.1 This document sets out the methodology used, the key assumptions adopted, the results of an assessment of the viability of the Revised Preferred Option of the Core Strategy. The NPPF, the CIL Guidance and the Harman Viability Guidance require stakeholder engagement – particularly with members of the development industry. Consultation has taken place and whilst there was not universal agreement a broad consensus on most matters was achieved.

### Cumulative Impact of Policies

- 12.2 In Chapter 10 we set out the results of a range of appraisals considering the impact on viability of individual policies and the different levels of developer contributions that residential development can bear. The purpose of this analysis is to inform the plan-making process. As set out in Chapter 2 above the NPPF introduced a requirement to assess the viability of the delivery of the Local Plan and the impact on development of policies contained within it saying:

*173. Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.*

- 12.3 This needs to be considered in light of the fourth bullet point of paragraph 182 of the NPPF that requires that the Plan is *effective*. The other purpose of the analysis is, in the context of CIL, to assess the ‘effects’ on development viability of the imposition of CIL – Regulation 14 of the CIL Regulations says:

*‘councils must aim to strike what appears to the charging authority to be an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability’.*

- 12.4 It is clear from Table 10.2 that a proportion of the sites in the SHLAA are unlikely to be viable in the current market. This is not a surprise, as set out in Chapter 4 Blackpool is in the 10 lowest average house prices areas by local authority area in England and therefore experiences very challenging circumstances in terms of achieving viable residential property development.
- 12.5 It can be clearly seen that in the Defined Inner Area most development on brownfield sites is not viable in the current market, even when the development is not subject to any local



policies that impose an additional cost on the developer. Having said this, the modelling demonstrates the conversion of guesthouses, within the Defined Inner Area, to residential is viable in the right circumstances, including in some circumstances with an element of affordable housing. This is underpinned by the fact that such schemes have recently come forward which is clear evidence that developers are managing to achieve viable schemes.

- 12.6 As drafted the Council is proposing to introduce environmental standards (Part CfSH4 +on-site) that go above and beyond the national standards (as set out in the Building Regulations). We do have some concerns about this requirement as it brings the Residual Value close to the Viability Threshold on some urban infill sites such as Site 5 Churchtown (77 units) and below the Viability Threshold on site 4 North Promenade (48 units) (see Table 10.8 Cumulative Impact of Policies). We would suggest caution about moving beyond the national environmental standards (as set out in Building Regulations) in the Borough in light of the study findings (see Table 10.2).
- 12.7 Given the viability findings, in order to assist in delivering residential development it is recommended that that the Council seriously consider only adopting the minimum standard of Building Regulations.
- 12.8 We have not considered the costs of moving to full CfSH Level 6. We understand that it is unlikely that this increased standard will be introduced in full. Bearing in mind the extra costs (about £30,000 per house) it would be necessary to review the Plan policies should this be introduced.
- 12.9 It can be concluded that the cumulative impact of the policies within the Revised Preferred Option Core Strategy does not threaten or put the Development Plan as a whole at risk – however the Council wishes to deliver the Plan and particularly residential development and regeneration in the inner areas. The Council has a range of reasons for wishing to provide housing in these priority locations. These include:
- a. To meet the needs of the changing Blackpool population;
  - b. As a regeneration tool to bring much needed regeneration to the Inner Areas where there are areas of poor quality housing, high levels of vacancies and brownfield sites within residential areas that detract from the wider area;
  - c. As an alternative use for the numerous guesthouses and hotels that are no longer viable as going concerns;
  - d. Improving the housing offer (i.e. mix and quality) in order to attract people of different ages, incomes and lifestyles into the Inner Area to help create balanced and sustainable communities and address the existing socio-economic problems within these areas; and

- e. Securing new development which will help to improve the quality of the built and natural environment and make these neighbourhoods more attractive places to live and invest.
- 12.10 The viability assessment demonstrates variable residential development viability across the borough. It is recommended that a review takes place to determine the impact of the findings of this report on the sites identified in the draft SHLAA which will deliver the required supply of housing in order to meet need over the Local Plan period.
- 12.11 Such a review should be undertaken on the understanding that the viability findings of this report do not automatically mean that all sites in the locality of the modelled sites are unviable. It should also recognise that it is important to deliver development and regeneration in these localities, in addition to development in more viable locations, to meet the overall need for housing and the objectives of the Plan.
- 12.12 A similar conclusion can be drawn in relation to most non-residential development uses. It is not the Council's policies that render them unviable – it is a factor of the current very difficult economic climate. Blackpool Council, in its capacity as a Planning Authority and CIL Charging Authority is not a developer and can only provide an environment conducive for development, which it will need to demonstrate when it comes to showing that the Plan is deliverable.
- 12.13 The Council will need to show that it is doing what it can to facilitate development within the inner areas where achieving viable development is very challenging. The Council has a wide range of existing and emerging initiatives in this regard, although it must be noted that in the current economic climate there is limited government money to provide such help. These include:
- a. Being an active partner in the Local Enterprise Partnership (LEP) to secure any available external funding to the priority areas;
  - b. Collecting commuted sums in lieu of affordable housing from sites in the more prosperous areas to bring into use vacant, derelict, underutilised property and target implementation of comprehensive regeneration in the Defined Inner Area. This move to cross subsidy could be a key tool to achieve housing renewal and could be used to de-risk sites through assembly of land, to pay for site clearance, demolition and site servicing, to achieve mixed tenure schemes in conjunction with private sector developers and Registered Providers of social housing. Equally New Homes Bonus could be used in a similar fashion to support regeneration subject to the continuity of this grant scheme;
  - c. Through using CIL to carry out public realm works that will contribute towards environmental quality therefore enabling the delivery of housing. It will be necessary to bear this in mind when preparing the Regulation 123 List;

- d. Using CIL, other developer contributions and publicly owned land and assets to enable high quality employment space to continue to be developed;
- e. Working in partnership with developers to comprehensively redevelop key publicly owned sites, which present opportunities to deliver a better housing offer, improve the quality of the built and natural environment, and support wider neighbourhood regeneration; and
- f. The Council has designated a selective licensing scheme in the South Beach area to reduce anti-social behaviour and deal with the poor management of some privately rented accommodation. This requires every privately rented flat, house or room to have a licence to operate in the area, which includes a series of conditions relating to the management of the property, fire safety and anti-social behaviour. The Council is intending to extend the selective licensing scheme, with further phases planned across the rest of the Inner Area.

12.14 Some examples of how such initiatives have worked in practice are set out below:

**Examples of development initiatives in Blackpool**

**Rigby Road Development Sites:** The Rigby Road sites present Blackpool's most strategically important development sites for housing-led regeneration within Inner Blackpool. The Council is working with a lead development partner to deliver a distinctive, residential-led neighbourhood including approximately 400 new homes. Outline planning permission has been granted for the scheme, which includes many two and three bedroom, energy efficient, family homes and a range of green spaces, which will help to comprehensively regenerate a large part of South Shore, create jobs and provide high-quality accommodation for many Blackpool families.

**Queens Park Redevelopment:** The proposed comprehensive redevelopment of the Queens Park estate illustrates the Council's commitment to addressing the quality and mix of the housing offer in outer estate neighbourhoods. A decision has been taken by the Council to revitalise the estate into a safe and attractive neighbourhood inhabited by a balanced and sustainable community. In consultation with the resident community, the redevelopment of the estate will involve the demolition of five tower blocks and a number of lower rise blocks that are currently dominated by one-bed flats, with some provision of two-bed flats, bedsits and three bed maisonettes. During the plan period, the whole estate will be demolished in phases and replaced with low-rise housing, public and private spaces and community facilities. The redevelopment of the estate seeks to ensure that Queens Park will be a balanced and sustainable community, which sets the benchmark for neighbourhoods and well-designed housing in Blackpool.

12.15 We have given careful consideration to the affordable housing policy in the Inner Area. The analysis shows that where sites are viable (sites 10 and 11 – guest house conversions) with

no policy requirements imposed by the council they are also viable with the affordable housing policy.

- 12.16 Other inner area locations (sites 6,7,9 and 12) are unviable in any circumstances i.e. even where there are zero policy requirements. It is not therefore the cumulative impact of the policies that is making sites for redevelopment unviable at the current time. In recognition of this it is our recommendation that the Council should give consideration in respect of the Inner Area to lifting those policies including affordable housing which increase the cost of development over and above national standards.
- 12.17 Although guesthouse conversions are shown to be viable, scheme costs will vary considerably from site to site. Whilst there may be scope to have a policy requiring conversions to incorporate an element of affordable housing we would recommend against this as this is an important part of the future housing supply and as the current market remains fragile.
- 12.18 Should the housing market improve to such an extent that development in the inner area is viable it would then be appropriate to re-visit application of policy requirements.
- 12.19 What is clear is that the cumulative impact of the Core Strategy's preferred policies do not put the delivery of the Plan as a whole at serious risk – but the delivery of housing in the Inner Area, on some sites, is not viable even without any policy obligations. The Council does though have a well-developed strategy to bring development and regeneration forward in these areas. The future success of this strategy will depend in large part on the ability to implement the wide range of existing and emerging initiatives listed at paragraph 12.12 above.

### **Next Steps**

- 12.20 The recommendations in this study are 'a consultant's view' and do not reflect the particular priorities and emphasis that Blackpool Council may put on different parts of its development plan.
- 12.21 We stress that the information in this report is an important element of the assessment of deliverability - but is only one part of the evidence; the wider context needs to be considered.

## 13. Setting Community Infrastructure Levy

- 13.1 The findings of this report do not determine the rates of CIL, but are one of a number of factors that the Council may consider when setting CIL. In setting CIL there are three main elements that need to be brought together:
- a. Evidence of the Infrastructure Requirements
  - b. Viability Evidence
  - c. The input of stakeholders.
- 13.2 In this Chapter we have set out some of the factors that the Council may consider when deciding whether or not to introduce CIL and deciding at what level to set it. It is beyond the scope of this study to set the rates of CIL – that will take place during the preparation of the Preliminary Draft Charging Schedule, dependant on the requirements for infrastructure and the input of elected members. The Council will need to consider a wide range of factors including those set out below. It is beyond the scope of our instructions to consider the infrastructure evidence.
- 13.3 In setting CIL, the Council will have to weigh up various policy priorities – particularly those that are ‘paid’ for and delivered by the development industry. The payment of CIL, the delivery of affordable housing, and the construction of development to improved environmental standards are all costs to a developer and closely related. If a council wishes to introduce a new charge such as CIL, or increase an existing requirement on developers, there will be a knock on effect on the other requirements. A council that puts different weight and importance on one requirement – say the delivery of affordable housing – is likely to set CIL at a different rate to a council that puts less weight on affordable housing.

### Regulations and Guidance

- 13.4 A detailed commentary is given to the CIL Regulations and CIL Guidance at the start of this report, however it is useful to revisit these at this stage. Regulation 14 sets out the context for setting the rates of CIL – the relevant parts say:

#### **Setting rates**

- (1) *In setting rates (including differential rates) in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—*
- (a) *the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and*
  - (b) *the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.*

13.5 This is expanded on in paragraph 8 of the CIL 2013 Guidance:

*The Community Infrastructure Levy regulations place this balance of considerations at the centre of the charge-setting process. In meeting the requirements of regulation 14(1), charging authorities should show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant Plan and support the development of their area. As set out in the National Planning Policy Framework in England, the ability to develop viably the sites and the scale of development identified in the Local Plan should not be threatened.*

13.6 At present the requirement in paragraph 8 of the Guidance is only guidance, however, it is noteworthy that under recently completed consultation to the changes to the CIL regulations there is a proposal to embody this in the regulations and thus make it a requirement.

13.7 There is considerable scope to introduce different strategies for setting CIL. It may be that, for example, a council wants to maximise CIL so as to fund infrastructure that it is going to procure and deliver. Alternatively a council may set CIL at a lower level so that the responsibility of delivery is left (through the s106 regime or under s278 agreements<sup>35</sup>) to the developer. It is not for the CIL Examiner to question how the Charging Authority has struck the balance and set CIL – unless the Development Plan, as a whole is threatened. This is set out in paragraph 10.

*10. The examiner should be ready to recommend modification or rejection of the draft charging schedule if it threatens delivery of the relevant Plan as a whole.*

13.8 It is important to note that, without CIL to pay for infrastructure, the Development Plan may be put at risk and as set out above the hurdle to ‘*show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant Plan and support the development of their area*’ is a high one.

13.9 The CIL Regulations and the CIL Guidance are clear and well set out, however over recent months a number of uncertainties have come to light. Few Charging Schedules are in place and there is not yet a large body of CIL Examination reports and legal decisions in place to clarify the areas of uncertainty. There are two particular matters that are relevant to this study: differential rates and charging zones.

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<sup>35</sup> Section 278 agreements under the Highways Act are legally binding agreements between the Local Highway Authority and the developer to ensure delivery of necessary highway works. Currently, the limitations on planning obligations in CIL Regulation 123 do not apply to section 278 agreements although this is expected to come into effect from January 2014.

### *Differential Rates*

- 13.10 As we set out in Chapter 2, CIL Regulation 13 gives the flexibility to charge variable rates by zone and development type, however there has been some uncertainty around the charging of differential rates. This follows the objection made by supermarket operator Sainsbury's to the Poole Charging Schedule. We recommend that the Charging Authorities adopt the definitions set out by Geoff Salter in his report following his examination of the Wycombe DC CIL Charging Schedule (September 2012). These are:

**Superstores/supermarkets** are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.

**Retail warehouses** are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods) DIY items and other ranges of goods catering for mainly car-borne customers.

### *Charging Zones*

- 13.11 As set out in Chapter 10, development in the Inner Areas is not viable (except conversions). We recommend that two CIL zones are adopted. The first being the Defined Inner Area as used in the affordable housing policy. The second being the remainder of the Blackpool Borough. If the Council decides to follow this advice, then the CIL Regulations require that such Zones are plotted on an Ordnance Survey plan.

### *New Regulations and Guidance*

- 13.12 This Viability Study has been prepared in line with current CIL Guidance and the CIL Regulations, best practice, and the various other sources of relevant Guidance. It may be necessary to revisit the CIL setting process in the light of any new Regulations or Guidance.

### **CIL v s106**

- 13.13 Councils are not required to introduce CIL – the use of CIL by local authorities is discretionary, so some authorities may continue to seek S106 contributions, and others will seek a combination of S106 contributions and CIL payments.
- 13.14 From April 2014<sup>36</sup>, councils will be unable to pool S106 contributions from more than five developments<sup>37</sup>. This restriction will encourage councils to adopt CIL – particularly where there are large items of infrastructure to be delivered that will relate to multiple sites. This

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<sup>36</sup> DCLG has consulted on delaying this date to April 2015.

<sup>37</sup> CIL Regulations 123(3)

restriction on pooling s106 will have the effect of making those policies that set out to collect funds through the s106 regime for items like open space, education and transport unworkable and alternate approach will be required.

13.15 It is important to note that councils that have adopted CIL will still be able to raise additional S106 funds for infrastructure, provided this infrastructure can be directly linked to the site-specific needs associated with the scheme in question, and that it is not for infrastructure specifically identified to be funded by CIL, through the 'Regulation 123 List'<sup>38</sup>.

13.16 It is our firm recommendation that the Council does give careful consideration to preparing a Regulation 123 List and thus maintaining the option of agreeing further payments over and above CIL under the s106 regime (and s278 regime).

*14. The charging authority should set out at examination a draft list of the projects or types of infrastructure that are to be funded in whole or in part by the levy. The charging authorities should also set out those known site-specific matters where section 106 contributions may continue to be sought. The principal purpose is to provide transparency on what the charging authority intends to fund in whole or part through the levy and those known matters where section 106 contributions may continue to be sought.*

13.17 In this context we draw the Council's attention to Paragraphs 84 to 91 of the April 2012 CIL Guidance which supplement Paragraph 14. At present, under the Guidance, the requirement is for the charging authority to set out 'a list of the projects or types of infrastructure that are to be funded in whole or in part by the levy'. However this may become a requirement if the change suggested in the consultation on the CIL Regulations is implemented) that the 123 List is prepared and set out for at the time of the Consultation on the Preliminary Draft Charging Schedule. We recommend that the Council sets out those items of infrastructure which it plans to include on its 123 list and consults stakeholders on its content.

13.18 According to Regulation 123(4) a Charging Authority's 123 list should include those infrastructure projects or types of infrastructure that it intends will be, or may be, wholly or partly funded by CIL. There are a range of infrastructure projects or types which could feature on the 123 list, ranging from social infrastructure (such as schools and health centres) to 'hard' infrastructure (such as flood defences) and transport. In considering which items to include on the Regulation 123 list, the charging authority will wish to consider the other funding sources available, the fit with its s106 strategy (are there any major items which are best met through site-specific contributions), and how CIL can be most effective as part of its wider strategy to successfully meet local infrastructure needs.

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<sup>38</sup> This is the list of the items that the Council will spend CIL payments on.



13.19 Key to bear in mind throughout formulating the infrastructure evidence base and the subsequent CIL and s106 strategy is that the infrastructure needs in question must be associated with development (not with pre-existing deficits), and that the examiner will be looking for evidence that the strategy for CIL and s106 will assist, and not hinder, delivery of the local plan.

### **Infrastructure Delivery**

13.20 Under the current s106 regime, the delivery of site specific infrastructure largely falls to the developer of a site. If improvements to the infrastructure are required, then normally it is for the developer to procure and construct those items – albeit under the supervision of a council. The exception to this is in relation to education and public open space, where some councils have developed tariff systems for contributions to be made into a central ‘pot’ which is then spent across a general area.

13.21 The advantage of this current system is that the developer has control of the process and can carry out (directly or indirectly) improvements that are required to enable a scheme to come forward. By way of an example, these may be to provide a new roundabout and upgrade a stretch of road, and on a very big scheme provide community buildings – say a school. The developer carries all the financial and development risk associated with the process<sup>39</sup>.

13.22 If the Council is to move to a system whereby CIL is set at the upper limit of viability, it is likely that the delivery of these infrastructure items will fall to the Council. The Council will need to consider the practicalities of this. Do they want to take responsibility for delivering infrastructure that is currently delivered by developers under the s106 regime, and if so, how they will manage and fund it? If the Council does not have a mechanism in place (that may involve borrowing monies) the Development Plan could be put at risk as consented schemes may not be able to proceed until the Council has provided the infrastructure.

13.23 As part of the process of working towards getting CIL in place, the Council is making an assessment of the infrastructure required to support new development. An important part of striking the balance as to what level of CIL to charge, may be around the nature of infrastructure and how it is to be delivered.

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<sup>39</sup> It should be noted that there is some uncertainty around how the provision of infrastructure sits within the EU Procurement Rules and whether the provision of such items should be subject to competitive tendering. We recommend that the Council takes independent legal advice in this regard. The Government is aware of this uncertainty had has invited comments as part on the on-going (April 2013) consultation on the potential amendments to the CIL Regulations.

## Uncertain Market

- 13.24 There is no doubt that the future of the British economy is uncertain. Various sources of data are shown in Chapter 4 above, and, whilst the general fall in house prices seem to have stopped, there are still ups and downs. It is noticeable how low turnover (sales per month) is currently running now when compared to the peak of the market in 2007.
- 13.25 Confidence remains muted in the North West and a new high level of CIL, set close to the limits of viability could have an adverse impact on development coming forward. Based on this and the guidance within the NPPF we recommend that a cautious approach is taken.

## Neighbouring Authorities

- 13.26 The rates of CIL introduced by neighbouring local authorities are going to be a material factor when the Council comes to set its rates of CIL. A very high rate may be viable, however if a neighbouring authority has set a low rate, then the Development Plan could be put at risk as developers may prefer to develop in an area with a lower rate of CIL.
- 13.27 At present none of the neighbouring councils have published any potential rates of CIL. To provide context we have set out in the following table the rates of CIL that have been or are being considered by councils with a similar median house prices. We have set out rates and median house prices for all councils that have published CIL rates in **Appendix 8**. In this table we have averaged council's published rates of CIL across the various charging zones and applied this rate by assuming a typical 90m<sup>2</sup> new build house. This is clearly a broad estimate however does provide wider context. In the first column we have shown the rank of each council when sorted by median house price. Blackpool ranks 14<sup>th</sup> lowest out of 345 councils.

Table 13.1 Published rates of CIL				
Rank		Median Price	Average CIL	CIL as % Median
8	Rhondda, Cynon, Taff	89,950	47	4.67%
14	Blackpool UA	97,000		
21	Bolton	105,000	50	4.29%
35	Caerphilly	110,000	22	1.77%
41	Preston	115,000	70	5.48%
44	Gateshead	116,000	35	2.69%
53	Corby	119,998	100	7.50%
59	Sheffield	122,000	33	2.46%
65	Bassetlaw	123,600	27	1.94%
72	Birmingham	125,000	85	6.12%

Source: Median Prices CLG Livetable 586 and CIL watch at [www.planningresource.co.uk](http://www.planningresource.co.uk)

13.28 On average, across England and Wales the residential CIL is just under 4.5% of median property values. In Blackpool this would equate to about £4,350 per new dwelling or about £50/m<sup>2</sup>.

### S106 History

13.29 The Council mechanism for ensuring the delivery of affordable housing has responded to viability challenges by negotiating s106 contributions with developers.

13.30 As required by the CIL Guidance the Council will present evidence to the CIL Examination of details of their past track record in this regard. See **Appendix 1**. The Council's priority of seeking Affordable Housing (and financial contributions in lieu of on-site provision) is reflected in the fact that the Council has largely achieved its affordable housing targets and has not prioritised financial contributions for infrastructure. The lack of a good track record in achieving financial contributions should not be seen as an indication of poor viability – but an indication of the Council's and elected members' priorities.

### Costs of Infrastructure and Sources of Funding

13.31 The Council is in the process of examining and establishing the requirement for infrastructure to support new development and the costs of providing this. It has also considered the amounts of funding that may or may not be available from other sources though the Local Enterprise Partnership (LEP), New Homes Bonus, from Central Government and HCA, and through their own resources. The Council has a funding gap, that is to say the cost of providing the infrastructure is more than the identified funding.

- 13.32 When the Council strikes the balance and sets the levels of CIL, the amount of funding required will be a material consideration as it may be that the delivery of the Local Plan is threatened in the absence of CIL to pay for infrastructure. However, it should be stressed that CIL should be set with regard to the effect on development viability.
- 13.33 There is no expectation that CIL should pay for all of the infrastructure requirements in an area. There are a range of other sources as set out above that are taken into account. The Council will need to consider the total amount of money that may be received through the consequence of development; from CIL, from s106 payments, and from the New Homes Bonus when striking the balance as to the level of CIL.
- 13.34 Bearing in mind the requirements of paragraph 8 of the CIL Guidance and as set out above, it is best practice (and may become a requirement if the change suggested in the consultation on the CIL Regulations is implemented) that the 123 List is prepared and set out at the time of the Consultation on the Preliminary Draft Charging Schedule. We recommend that the Council sets out those items of infrastructure for which it intends to use CIL in a draft 123 list and consults stakeholders on its content, illustrating how using CIL for these items will form part of its wider strategy for delivery of the Development Plan. In this regard Blackpool Council should set out the other available sources of funding, the role CIL will play and how these items of infrastructure will enable the Plan to be delivered.
- 13.35 When setting out the costs and other sources of funding the Council will need to consider the amount that can be retained to cover the cost of administering CIL (5%) and the amount to be passed to local neighbourhoods under the localism provisions as these will substantially reduce the monies available.

### **Viability Evidence**

- 13.36 As set out earlier in this report the purpose of the viability evidence is not to set CIL, rather being to assess the effect of CIL on viability so an assessment can be made to ensure that CIL does not threaten delivery of the plan as a whole. It is inevitable that a new tax such as CIL will render some sites unviable – the question for the Council is whether the plan as a whole is rendered unviable.
- 13.37 Based on the results of the calculations of the Additional Profit set out in Chapters 10 and 11 above we would recommend that CIL is set at no more than the following rates (these are not recommended rates).

<b>Table 13.2 Maximum rates of CIL</b>	
Development Type	Maximum Rate of CIL
Residential – Defined Inner Areas	£0/m <sup>2</sup>
Residential – All other Areas	£60/m <sup>2</sup>
Supermarkets	£100/m <sup>2</sup>

Source: HDH 2013

13.38 We suggest the boundary is as for the affordable housing policy.

### **Instalment Policy**

13.39 CIL Regulation 69 sets out when CIL is payable. This is summarised as follows:

<b>Table 13.3 Payment of CIL</b>	
Equal to or greater than £40,000	Four equal instalments at the end of the periods of 60, 120, 180 and 240 days from commencement
£20,000 and less than £40,000	Three equal instalments at the end of the periods of 60, 120 and 180 days from commencement
£10,000 and less than £20,000	Two equal instalments at the end of the periods of 60 and 120 days from commencement
less than £10,000	In full at the end of the period of 60 days from commencement

Source: CIL Regulation 123

13.40 The 2011 amendment to the CIL Regulations<sup>32F40</sup> introduced, at 69B, allows the ability for Charging Authorities to adopt an Instalment Policy. If an Instalment Policy is not adopted then payment is due as set out in the table above. To require payment, particularly on large schemes in line with the above, could have a dramatic and serious impact on the delivery of projects. It is our firm recommendation that the council introduces an instalment policy. Not to do so could put the Development Plan at serious risk.

### **A Strategy for Setting CIL**

13.41 In setting CIL, the Council will need to weigh up a wide range of information – including the viability evidence. Our recommended strategy for setting CIL is to set CIL well within the

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<sup>40</sup> SI 2011 No. 987 COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES The Community Infrastructure Levy (Amendment) Regulations 2011. *Made 28th March 2011 Coming into force 6th April 2011*

limits of viability and develop a Regulation 123 list which reflects a considered approach to how CIL and s106 contributions can deliver infrastructure in the future. This will reflect the current uncertain market. Importantly this will also allow the developers to maintain control of the delivery of infrastructure for large sites – thus giving more certainty of delivery.

- 13.42 The limited Regulation 123 List will enable the Council to develop and implement a strategy of further site specific s106 payments.
- 13.43 This advice is pragmatic and will ensure that the Local Plan is delivered. The ability of the Council to achieve its affordable housing target varied, if a higher rate of CIL was charged, then even less affordable housing would be delivered, thus putting the Development Plan at risk.
- 13.44 This approach will maximise the overall contribution of developers but allow the flexibility to negotiate on a site-by-site basis. CIL will be paid on all viable sites, and then the Council will be able to ensure that each site contributes to the maximum possible extent – be that through s106 payments, or through the delivery of affordable housing.

### **Review and revision**

- 13.45 Due to the uncertain market we recommend that any rates of CIL are reviewed every three years or if house prices change by more than 10% from the date of this study.
- 13.46 Further we stress that this study has been carried out on the basis that the units will be built to Part L of the current Building Regulations and to CfSH Level 4. There is uncertainty about the increase in these levels. Should these standards be increased it will be necessary to review these rates.
- 13.47 In addition should the Council introduce onerous new space standards for new housing it will be necessary to review CIL in that context.

### **Recommended Rates**

- 13.48 The final part of this study is to recommend rates of CIL. These are set out below and are a consultant's view. These are proposed at a level that development sites will continue to be required to meet their own, site specific, infrastructure and mitigation costs and at a level that the Council will achieve the full implementation of its affordable housing targets.

<b>Table 13.4 Recommended rates of CIL</b>	
<b>Development Type</b>	<b>Maximum Rate of CIL</b>
Residential – Defined Inner Areas	£0/m <sup>2</sup>
Residential – All other areas	£40/m <sup>2</sup>
Supermarkets	£85/m <sup>2</sup>

Source: HDH 2013

- 13.49 It is important to note that not all development will be able to bear these rates of CIL – some sites are likely to be rendered unviable. The rates have been set to ensure the continued development of residential property and most importantly (as the Council puts considerable weight on its importance) that the development of employment space is not deterred in any way, and critically to ensure that the Local Plan is not threatened as a whole.
- 13.50 In addition, caution has been adopted in relation to CIL rates for retail warehouse development. The Appraisals demonstrate that viability is marginal for such development on brownfield sites and as it is expected that such development is likely to come forward in such locations then a nil rate is recommended.

### **Next Steps**

- 13.51 The recommendations in this study are ‘a consultant’s view’ and do not reflect the particular priorities and emphasis that Blackpool Council may put on different parts of its Development Plan. The above suggested rates are supported by the evidence – however there is considerable scope for the Council to strike a different balance.

# Appendices

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# 1. S106 History

S106 agreements

Date	First Party	Site	Obligation	Received	Purpose
1/4/10	Brackley Investments 7714	Newton Drive and Bathurst Avenue (09/0528). New Primary Care Centre – 1734 sqm	£58,161	Received £58,161	Off site carriageway works, upgrading Bathurst Ave calming gateway feature, bus shelters in Newton Drive, ped refuge and 2 lighting columns
5/11/10	PCT 7863	Moor Park, Bristol Avenue (09/0006). New Primary Care Centre/ Library/Sports Hall – 1275 sqm	£75,000 (also obligations re completion of landscape works, land use covenant and transfer of land)	Received £75,000	Address additional transport movements generated by the development and works required by condition 9
6/9/10	Lidl 7868	Devonshire Rd garage (08/0880). New Lidl Supermarket – 1275 sqm	£54,000 (and other obligations about use)	Received £54,000	An improvement scheme (including upgrading infrastructure) for Devonshire Road, Blackpool, between its junctions with Talbot Road and Counce Street, Blackpool, as the Council shall in its absolute discretion think fit.
21/9/10	Hay Hill Ltd 7869	40 Tyldesley Road (10/0949). Fifteen 2 bed flats.	£9,804		General POS (3,4,5)
13/4/11	Newfield Construction Ltd 7913	187 Common Edge Road (10/0418). 27 Properties: 2 detached bungalows; 2 detached houses; 23 mews.	£28,816		General POS
27/4/11	John Rochford 7922	Marton Library, Waterloo Road (10/1404). 2 maisonettes and 3 flats.	£3,268	Received: £3,268	General POS (3,4,5)
27/4/11	Fothergill 7923	75 Coronation Street (10/1510). 5 flats (all 2 bed)	£3,439		General POS (3,4,5)
10/3/11	Segesta Ltd 7924	Blackpool FC New East Stand (10/0767)	£250,000	Received £250,000	To alleviate the impact of the increased capacity of the Blackpool Football Club Stadium upon the highway network such as the Council shall, in its absolute discretion, think fit.

S106 agreements

12/1/11	JJ Hamdan 7941	25 Queen Street (10/0978) 3 self-contained flats (all 2 bed)	£2,864		General POS (3,4,5)
8/12/11	Howard Plant 7982	250 Central Drive (10/0552). 9 self-contained flats (all 2 bed)	£6,192		General POS (3,4,5)
20/12/11	Newfield Construction Ltd 7983	Norbreck Castle Former Filling Station Sites (10/0635). 15 self-contained flats (fourteen 2 bed, one 3 bed)	£10,664		General POS (1,2)
8/6/12	McGrath 7984	Bromley Close (10/1212). 12 self-contained flats (six 2 bed, six 1 bed)	£7,224		General POS (3,4,5)
2/3/12	D & S Jones 7985		£11,352		General POS (4,5)
16/4/12	Ashworth 7985	Runnell Farm, Midgeland Road (11/0260) (unilateral undertaking). 83 dwellings (21 detached, 34 semi-detached, 28 apartments)	Education £333,000 POS £30,000 AH £1619,550 Transport £100,000 (all phased payments)		<b>Education</b> -primary school places located within 3.2km of the site (as defined) <b>POS</b> off site POS in the locality of the site and more particularly in areas 3 and 4 <b>Transport</b> maintenance of no 10 bus or equivalent between site and Blackpool Town Centre <b>AH</b> – off site AH within defined Inner Area Boundary
2/3/11	Kewdeal 7997	Adelaide Street (09/0999). 156 bedroom hotel with 48 car parking spaces.	£120,000		Additional parking serving Blackpool town centre as Council thinks fit
22/6/11	Alpha Developments 7998	Land to rear of 247 Counce Street (10/1140). Terrace of four 2 storey houses)	£3,440	Received: £3,440	General POS (3)
13/7/11	G Whittle et al 7999	54 Counce Street (08/0362). 9 self-contained flats.	£6,192		General POS (2,3,4)
19/7/10 and 21/12/11	Kensington Developments Ltd 8018 and 8072	Moss House Road (09/0740)	AH £9,184,000 Education £2,430,000 Open Space £236,000 Transport		See 09/0740

S106 agreements

			£1,400,000		
27/3/13	NHS Trust	Victoria Hospital (12/0647). Multi-storey car park and new entrance	£53,839.60 (including VAT)	Received £53,839.60	Works to signal junctions Whinpark Ave and N Park Drive and the junction of the hospital ring road and E Park Drive
19/11/10	J Harrison	336 – 342 Church Street (08/0943). Terrace of 7 townhouses.	£7,224	Received £7,224	General POS (2,3,4)
13/11/12	Whittakers of Blackpool Ld	32 Grasmere Rd (10/0762). 3 self-contained flats.	£1,892		General POS (3,4,5)
13/11/12	Baxter Homes Ltd	Mazda Garage, Newton Drive (11/0611). 14 terraced houses.	£1,2384		General POS (3,4)
1/10/12	Property Let UK Ltd	9 Nelson Road (12/0266). 4 self-contained flats.	£2,752		General POS (3,4,5)
25/9/12	Konin Ltd	380-382 Talbot Road (unilateral undertaking) (12/0364). 4 self-contained flats.	£2,752	Received £2,752	The provision and/or improvement of Open Space Facilities which include open space land existing or to be provided and the equipment and facilities existing or to be provided thereupon
27/2/2013	H Plant	Shannon Street/Coop Street (10/1516). 51 self-contained flats.	POS £36,464 AH (phased) £150000 and maximum possible top-up £50000		<b>General POS (3,4,5)</b> <b>AH</b> (as defined in the NPPF) to be spent within the borough

## 2. Consultees

### Workshop 1: 23<sup>rd</sup> April 2013

#### Attendees

Name	Organisation
Nicola Harrison	Great Places Housing Association
Mark Sims	Fylde Borough Council
Mark Chadwick	Hollinwood Homes
Ian Desmond	Zell-Em Group Ltd
Mike Horner	Muse Developments
Philip Sayle	Eric Wright Group
Mike Joyce	NTJ Design
Paul Whelan	R P Tyson
Richard Camp	Lancashire County Council
Jim Kay	JMK Junior Properties
David Hagan	The Emerson Group (Jones Homes)
John Hardy	The Emerson Group (Jones Homes)
Jane Saleh	Blackpool Council
Keeley Briggs	Blackpool Council
Lyndsey Hayes	Blackpool Council
Kenji Shermer	Blackpool Council
Helen Duignan	Blackpool Council
Gary Johnston	Blackpool Council
Rob Green	Blackpool Council

David Pratt	Blackpool Council
Steve Matthews	Blackpool Council
Mark Phillips	URS
Simon Drummond-Hay	HDH Planning and Development

## Workshop 2: 30<sup>th</sup> May 2013

### Attendees

Name	Organisation
Alban Cassidy	Cassidy Ashton
Philip Helm	Simply Housing
Neil Tatton	Pioneer Property Services
Mark Evans	Fylde Borough Council
Philip Carter	Environment Agency
Lindsay Oram	Mellor Architects
Matthew Good	Home Builders Federation
Mike Horner	MUSE Developments
Jane Saleh	Blackpool Council
Keeley Briggs	Blackpool Council
Lyndsey Hayes	Blackpool Council
Helen Duignan	Blackpool Council
Gary Johnston	Blackpool Council
Steve Matthews	Blackpool Council
Simon Drummond-Hays	HDH Planning and Development

# 3. Consultation Presentations

## First Consultation Event



# **Blackpool Council**

## **Viability Study**

# **First Consultation Event**

## **Methodology, Assumptions & Appraisals**

22<sup>nd</sup> April 2013



# Agenda

NPPF, Regulations and Guidance

Viability Evidence and the use of evidence

- Serious Risk or Threatens Delivery

Main Assumptions

- House prices
- Affordable Housing
- Commercial prices
- Development costs

The Viability Test

- ‘competitive return’
- Reflecting developers risk (profit)

Moving Forward

# Key issue

- Will the plan deliver what the Council want it to deliver (will it work)?
- What effect would CIL have?
- Affordable commuted sum?

# NPPF 182

The Local Plan will be examined by an independent inspector whose role is to assess whether the plan has been prepared in accordance with the Duty to Cooperate, legal and procedural requirements, and whether it is sound. A local planning authority should submit a plan for examination which it considers is “sound” – namely that it is:

- **Positively prepared** – the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;
- **Justified** – the plan should be the .....
- **Effective** – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and
- **Consistent with national policy** – the plan should .....

# NPPF 173

## Ensuring viability and deliverability

Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, **provide competitive returns** to a willing land owner and willing developer to enable the development to be deliverable.

# NPPF 174

## Ensuring viability and deliverability

Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at **serious risk**, and **should facilitate development throughout the economic cycle**. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.

# CIL Regulations

## Regulation 14 - Setting rates

- (1) In setting rates (including differential rates) in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—
  - (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and.
  - (b) **the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area..**
- (2) .....

# March 2010 CIL Guidance (10)

The examiner should not use the CIL examination to question a charging authority's choice in terms of 'the appropriate balance', unless the evidence available to the examination shows that the proposed rate (or rates) will put the overall development of the area at serious risk. The examiner should be ready to modify or reject the draft charging schedule if it puts at serious risk the overall development of the area. In considering whether the overall development of the area has been put at serious risk, the examiner will want to consider the implications for the priorities that the authority has identified in its Development Plan (for example planned targets for housing supply and affordable housing), or in the case of the Mayor's CIL, the implications for the London Plan. In considering whether the Development Plan and its targets have been put at serious risk, the examiner should only be concerned with whether the proposed CIL rate will make a material or significant difference to the level of that risk. It may be that the Development Plan and its targets would be at serious risk in the absence of CIL.

# December 2012 CIL Guidance (9)

9. The independent examiner should establish that:

- the charging authority has complied with the requirements set out in Part 11 of the Planning Act 2008 and the Community Infrastructure Levy Regulations
- the charging authority's draft charging schedule is supported by background documents containing appropriate available evidence
- the proposed rate or rates are informed by and consistent with, the evidence on economic viability across the charging authority's area; and
- evidence has been provided that shows the proposed rate (or rates) would not threaten delivery of the relevant Plan as a whole.

10. The examiner should be ready to recommend modification or rejection of the draft charging schedule if it threatens delivery of the relevant Plan as a whole.



# December 2012 CIL Guidance (8)

By providing additional infrastructure to support development of an area, the levy is expected to have a positive economic effect on development across an area. In deciding the rate(s) of the levy for inclusion in its draft charging schedule, a key consideration is the balance between securing additional investment for infrastructure to support development and the potential economic effect of imposing the levy upon development across their area. The Community Infrastructure Levy regulations place this balance of considerations at the centre of the charge-setting process. In meeting the requirements of regulation 14(1), charging authorities should show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant Plan and support the development of their area. As set out in the National Planning Policy Framework in England, the ability to develop viably the sites and the scale of development identified in the Local Plan should not be threatened.

# CIL, s106, 123 List and other sources of funding

88. Where the regulation 123 list includes a generic item (such as education or transport), section 106 contributions should not normally be sought on any specific projects in that category' Such site-specific contributions should only be sought where this can be justified with reference to the underpinning evidence on infrastructure planning made publicly available at examination.

# Positively Prepared

In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at **should facilitate development throughout the economic cycle.**

NPPF 174

... charging authorities should show and explain how their proposed levy rate (or rates) **will contribute towards the implementation of their relevant Plan** and support the development of their area.

CIL Guidance (8)

# Viability Tests

## **NPPF**

Plan deliverability (was PPS3 Paragraph 29 Affordable Housing Target to be broadly deliverable)

Duty to co-operate

## **CIL Regulation 14**

Assess impact of viability on delivery

## **SHLAA**

Deliverability

## **Site Specific**

s106 negotiations etc

Guidance: LGA/HBF (Harman), RICS Guidance, PAS, HCA and others.

# Viability Testing - Guidance

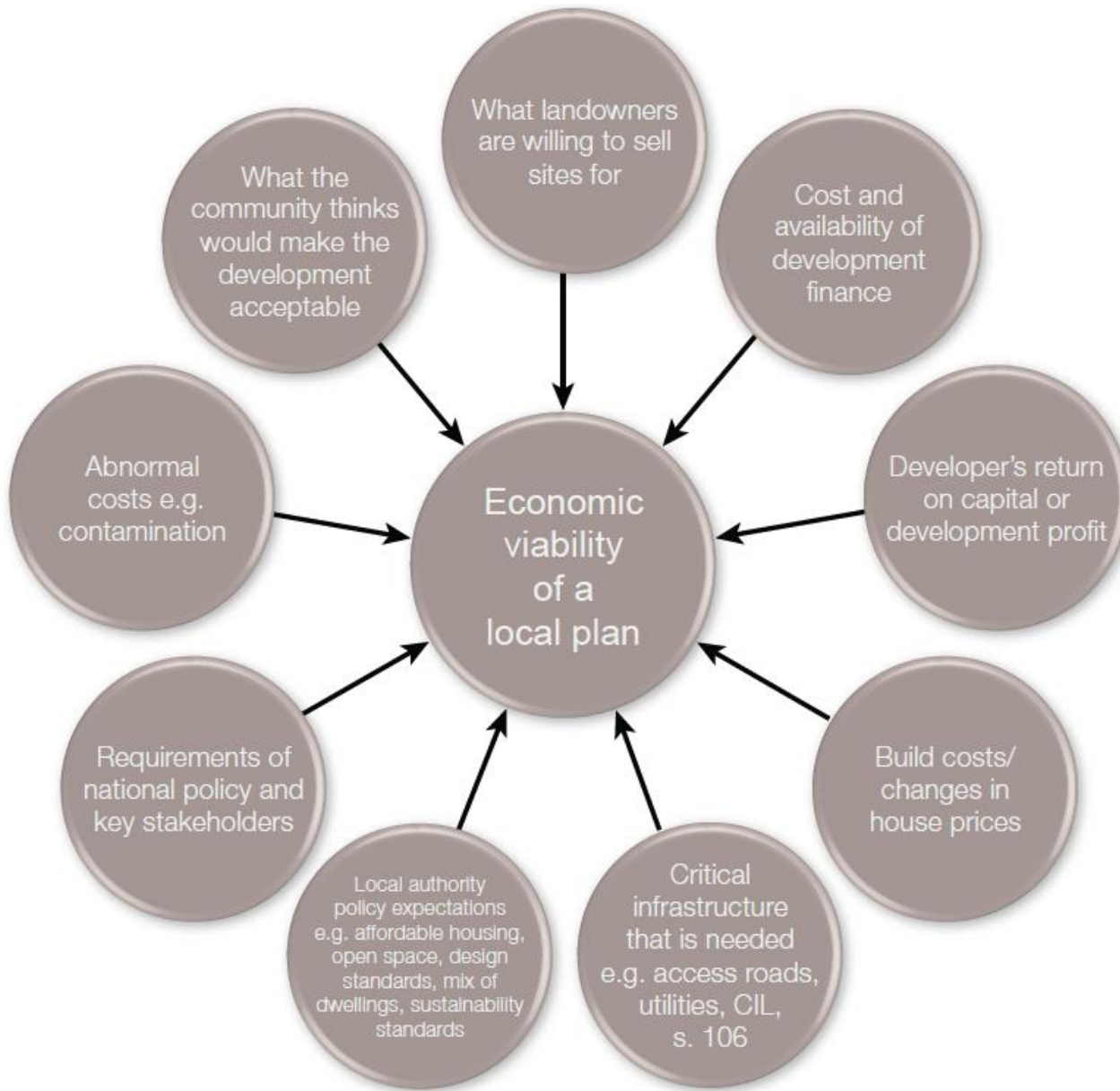
## THERE IS NO STATUTORY GUIDANCE

### **NPPF says:**

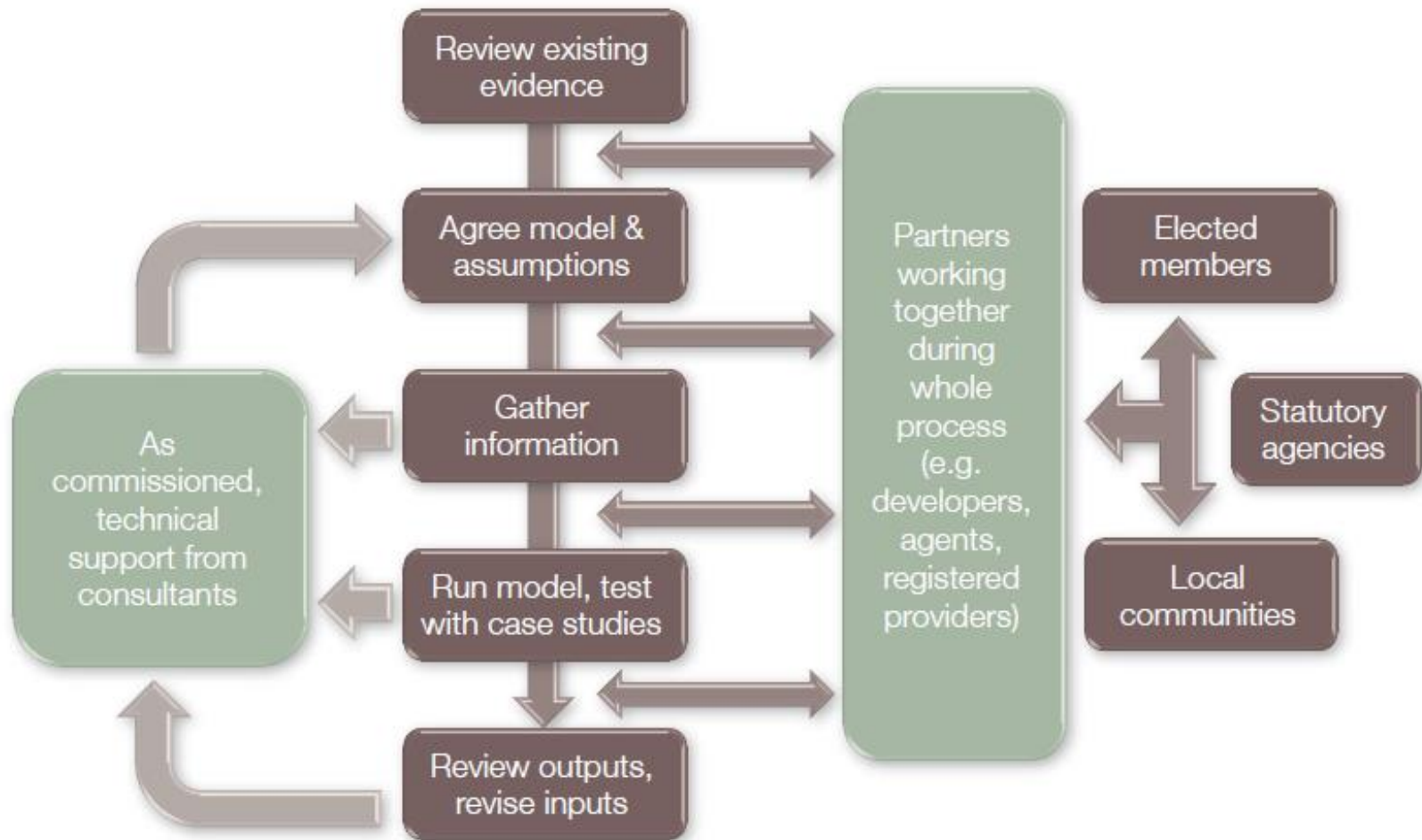
*'Evidence supporting the assessment should be proportionate, using only appropriate available evidence'.*

### **The CIL guidance says:**

*'The legislation (section 212 (4) (b)) requires a charging authority to use 'appropriate available evidence' to inform their draft charging schedule. It is recognised that the available data is unlikely to be fully comprehensive or exhaustive. Charging authorities need to demonstrate that their proposed CIL rate or rates are informed by 'appropriate available' evidence and consistent with that evidence across their area as a whole'.*



# Engagement Phases



# Consultation

Viability considerations should already form part of the strategic housing land availability assessment (SHLAA) process. Good quality information provided by landowners/site promoters at this stage is vital to assist the testing of plan policy viability. The approach to assessing plan viability should therefore seek to maximise the use of relevant SHLAA information.

Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage, rather than waiting until the development management stage. This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.

Harman Guidance – Page 23



# Consultation

46. Charging authorities must consult on their proposed levy rates in **a preliminary draft charging schedule**. This should go beyond broad proposals for the Community Infrastructure Levy and the Government encourages authorities to prepare a draft charging schedule that is evidence based and that will reduce the need for subsequent modifications, so speeding up the process of introducing the levy.

49. Early engagement with local developers and others in the property industry is clearly good practice and should help the charging schedule consultation and examination process run more smoothly. The extent to which charging authorities can do this will depend on the level of engagement from local developers.

December 2012 CIL Guidance

# Large Sites

Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage..... This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.

Harman Guidance – Page 23

.....In some cases, charging authorities could treat a major strategic site as a separate geographical zone where it is supported by robust evidence on economic viability.

CIL Guidance (34)

# Methodology

# Standard Viability Test

## **Gross Development Value**

(The combined value of the complete development)

LESS

## **Cost of creating the asset, including PROFIT**

(Construction + fees + finance charges)

=

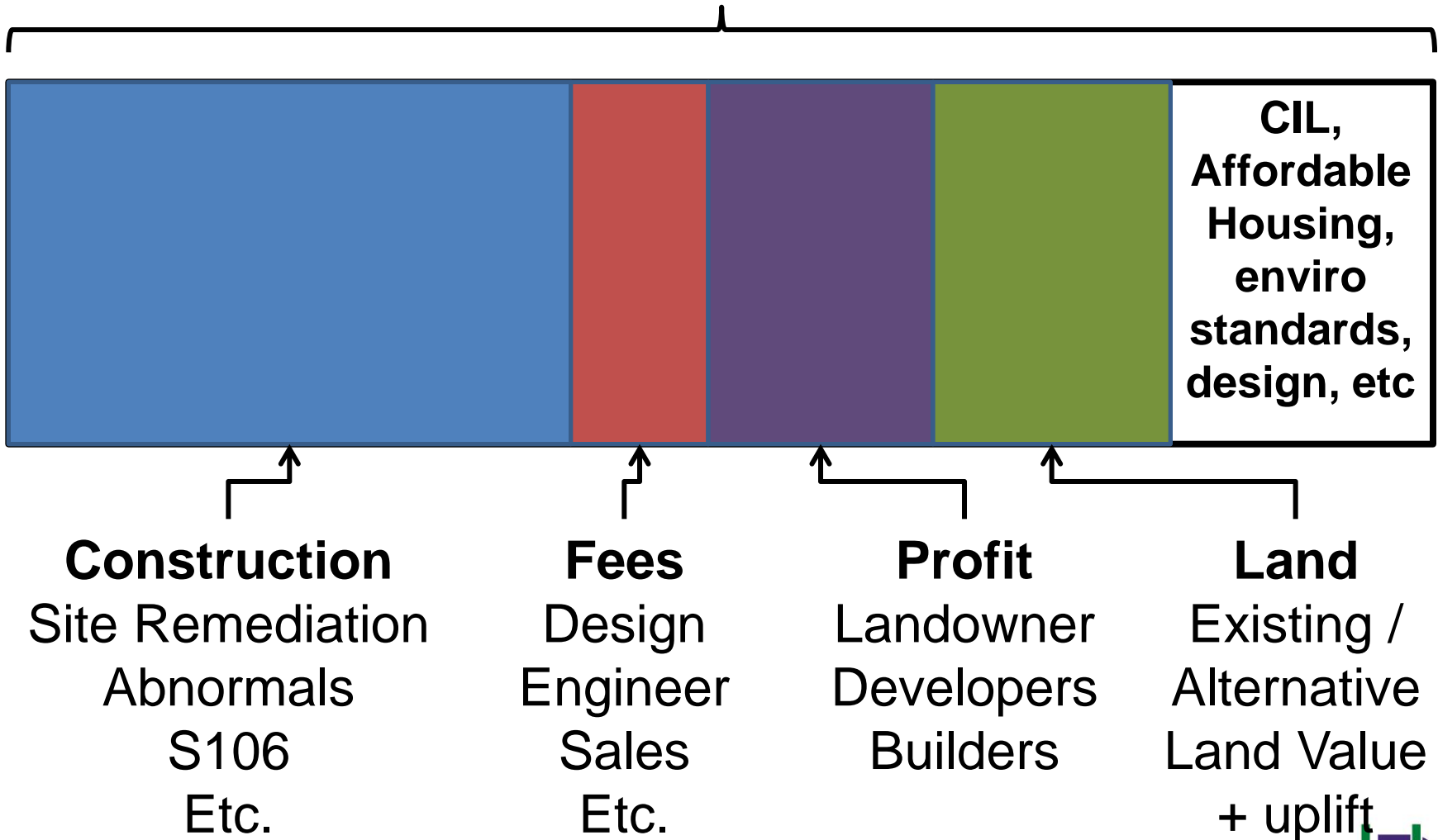
## **RESIDUAL VALUE**

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**Residual Value v Existing / Alternative Use Value**

# Gross Development Value

All income from a Scheme



# Evidence

AHVS

Keppie Massie 2009

Site Specific From DM and estates

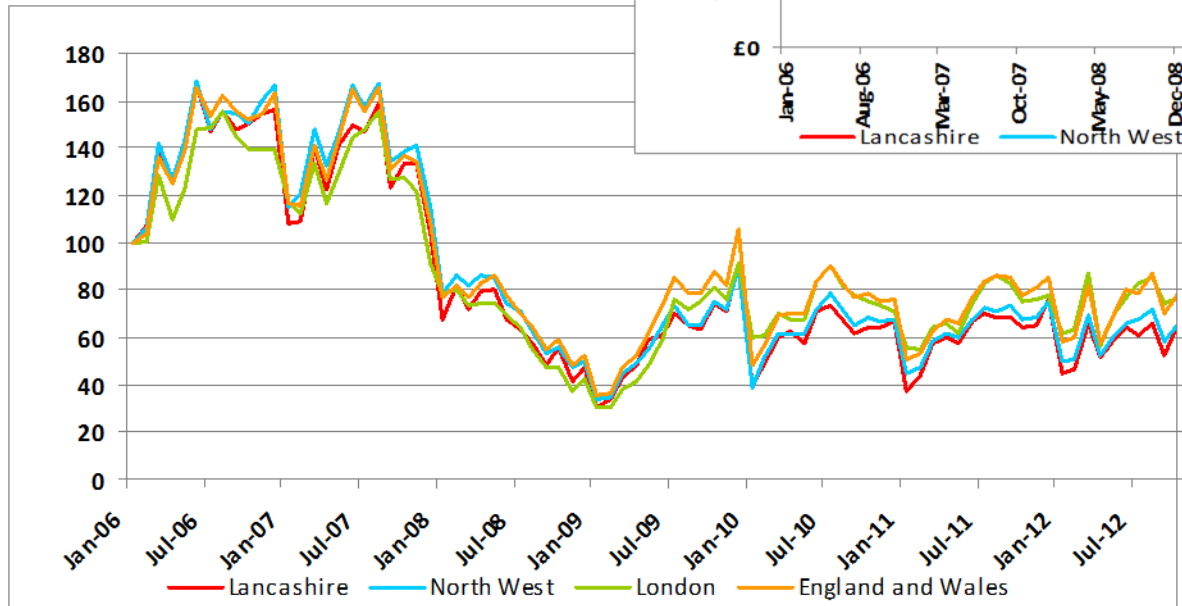
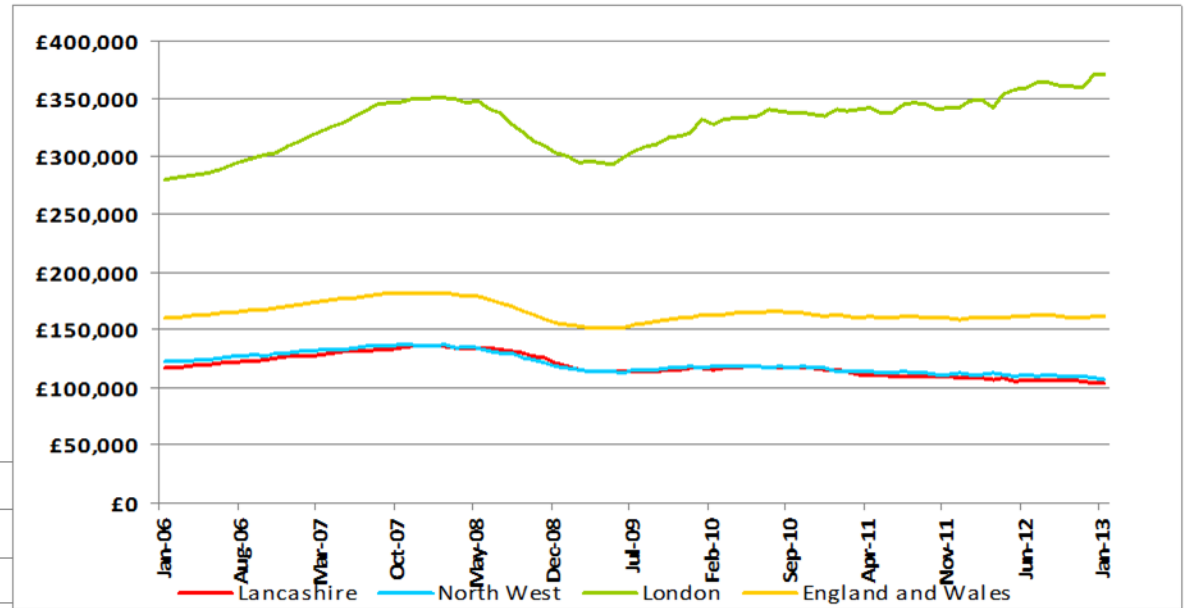
Modelled sites

16 Residential

Non-residential key types

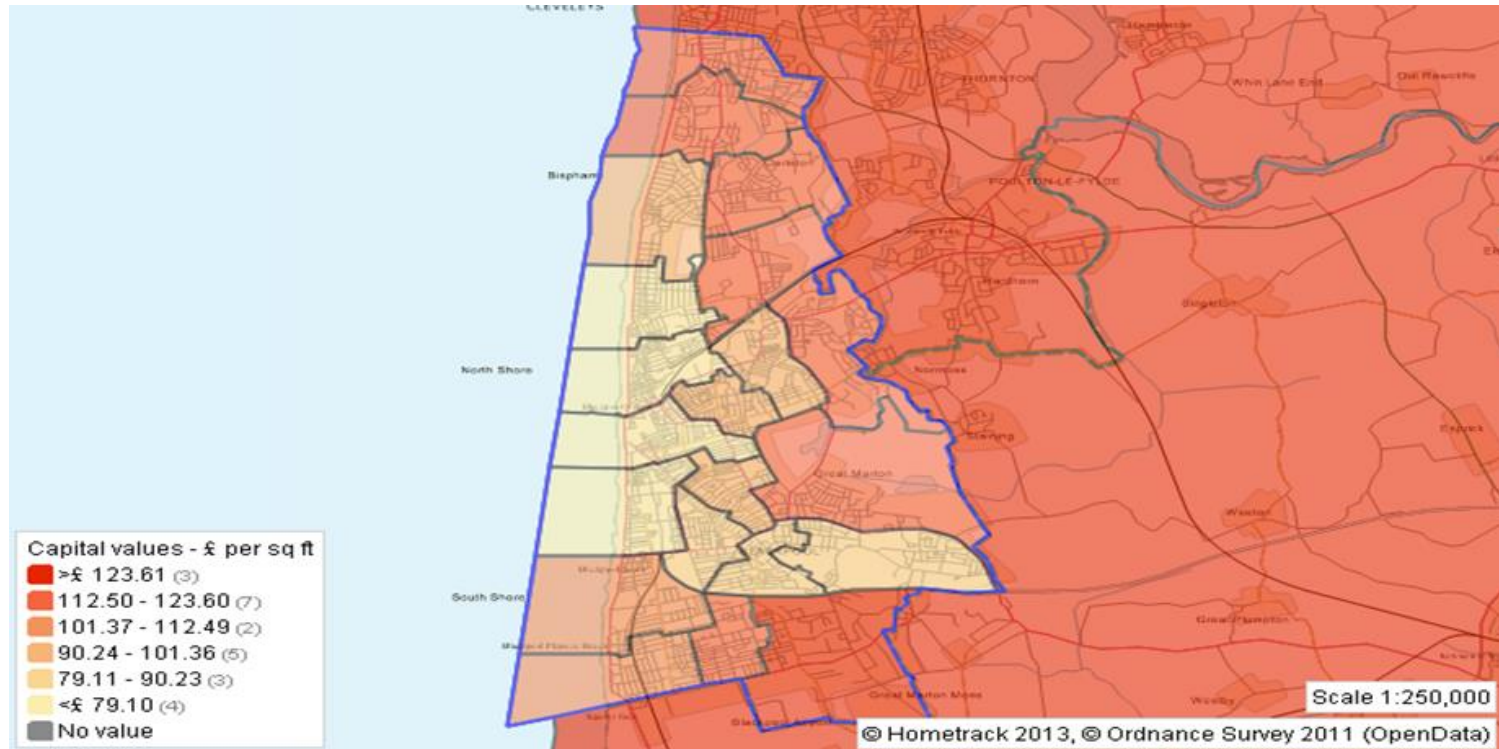
# Key Assumptions

# Average House Prices (all)

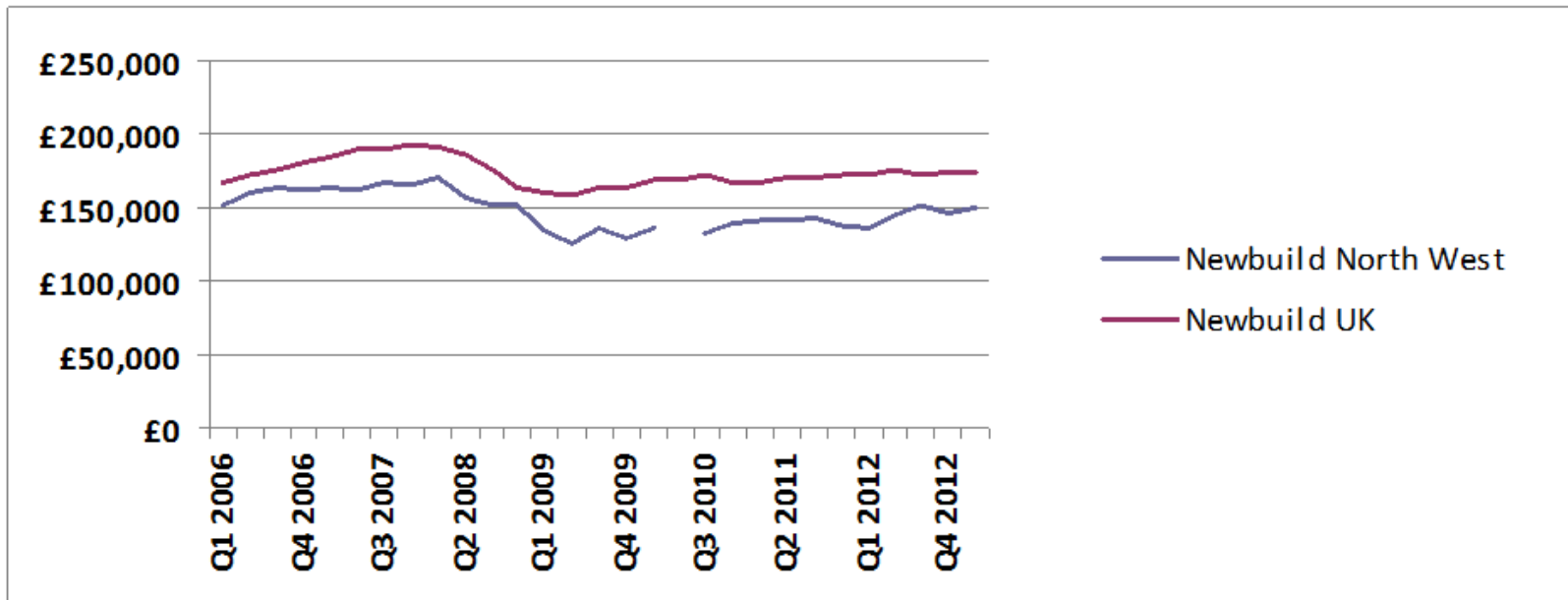




# Average House Prices (semi)



# New House Prices



**Table 4.1 New Build House Asking Prices**

Agent/developer	Address	Town	Area sq m		Price (£)	Price per m <sup>2</sup>	
			Flat	House		Flat	House
Metcalf	Admiral Point	Blackpool	0.093			1700	
Entwistle Green	Keats Close	Blackpool		92	180000		1956
Reeds Rain	Common Edge Road	Blackpool		69	189950		2752
Reeds Rain	Common Edge Road	Blackpool		92.6	200000		2159
Redrow Homes	Whitehill Meadows	Blackpool		103.8	237995		2292
Redrow Homes	Whitehill Meadows	Blackpool		136.4	259995		1906
Redrow Homes	Whitehill Meadows	Blackpool		124.5	289995		2329
Redrow Homes	Whitehill Meadows	Blackpool		129.6	295995		2283
Redrow Homes	Whitehill Meadows	Blackpool		130	322995		2484
Barratt Homes	Hawley Gardens	Blackpool		68.47	124995		1825
Barratt Homes	Hawley Gardens	Blackpool		68.47	124995		1825
Barratt Homes	Hawley Gardens	Blackpool		68.47	127000		1854
Barratt Homes	Hawley Gardens	Blackpool		73.95	139995		1893
Barratt Homes	Hawley Gardens	Blackpool		73.95	139995		1893
Barratt Homes	Hawley Gardens	Blackpool		73.95	149995		2028
Barratt Homes	Hawley Gardens	Blackpool		88.82	179995		2026
Barratt Homes	Hawley Gardens	Blackpool		112.32	209995		1869
Barratt Homes	Hawley Gardens	Blackpool		113.71	239995		2110

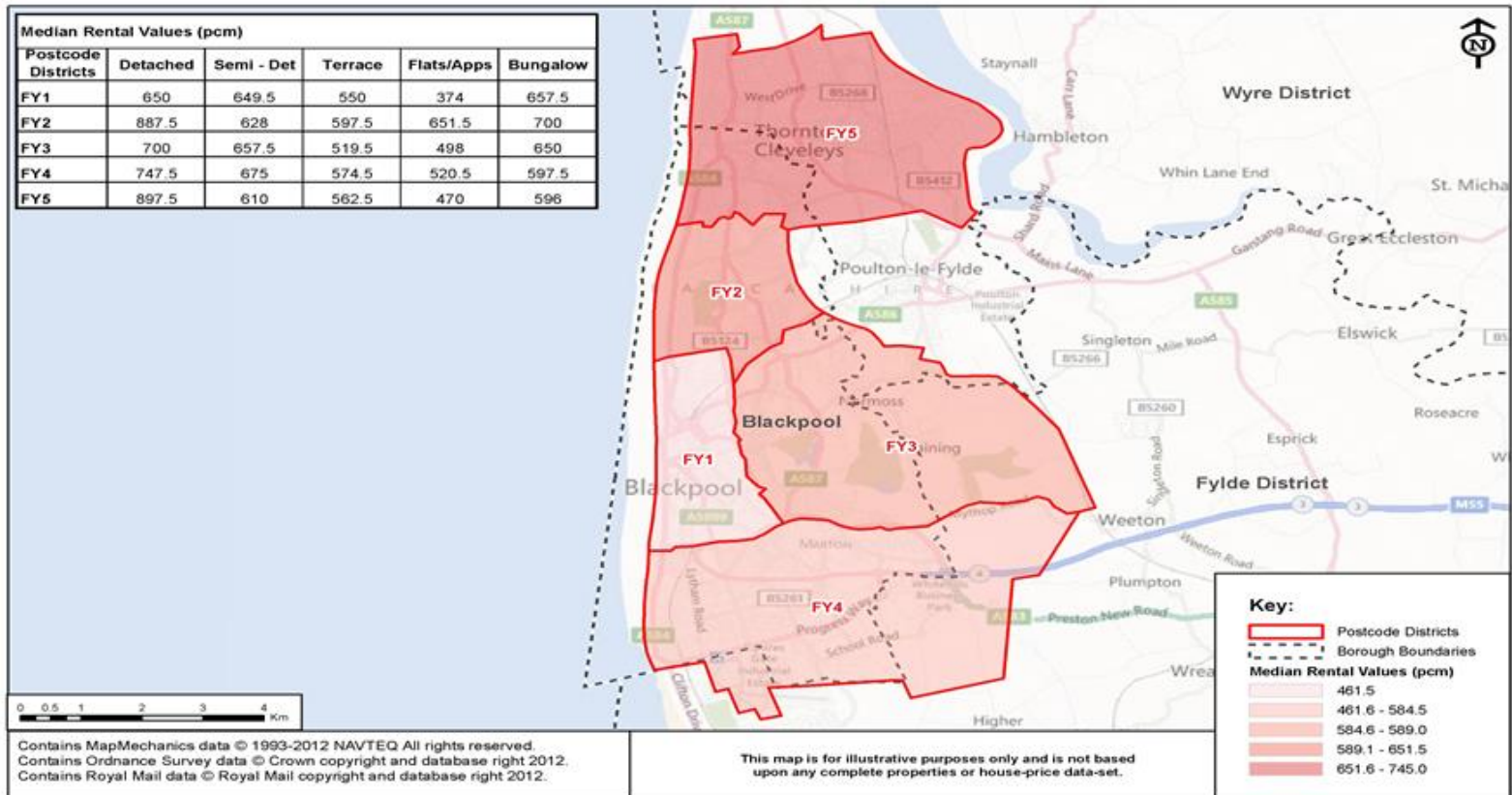
**Table 4.1 New Build House Asking Prices** (continued)

David Wilson Homes	Hawley Gardens	Blackpool		124.03	134995		1851
David Wilson Homes	Hawley Gardens	Blackpool		124.03	199995		2013
David Wilson Homes	Hawley Gardens	Blackpool		124.03	204495		2059
David Wilson Homes	Hawley Gardens	Blackpool		127.65	209995		2114
David Wilson Homes	Hawley Gardens	Blackpool		124.03	239995		1935
David Wilson Homes	Hawley Gardens	Blackpool		73.95	239995		1935
David Wilson Homes	Hawley Gardens	Blackpool		73.95	239995		1935
David Wilson Homes	Hawley Gardens	Blackpool		73.95	239995		1935
David Wilson Homes	Hawley Gardens	Blackpool		88.82	239995		1935
David Wilson Homes	Hawley Gardens	Blackpool		112.32	247495		1938
David Wilson Homes	Hawley Gardens	Blackpool		113.71	259995		2096
Redrow Homes	Harbour Village	Fleetwood		73.8	143995		1951
Redrow Homes	Harbour Village	Fleetwood		73.8	146995		1991
Redrow Homes	Harbour Village	Fleetwood		84	159995		1904
Redrow Homes	Harbour Village	Fleetwood		84	159995		1904
Redrow Homes	Harbour Village	Fleetwood		96	169995		1770
Redrow Homes	Harbour Village	Fleetwood		88	169995		1931
Redrow Homes	Harbour Village	Fleetwood		122	199995		1639
Redrow Homes	Harbour Village	Fleetwood		103.8	199995		1926
Redrow Homes	Harbour Village	Fleetwood		130	235995		1815

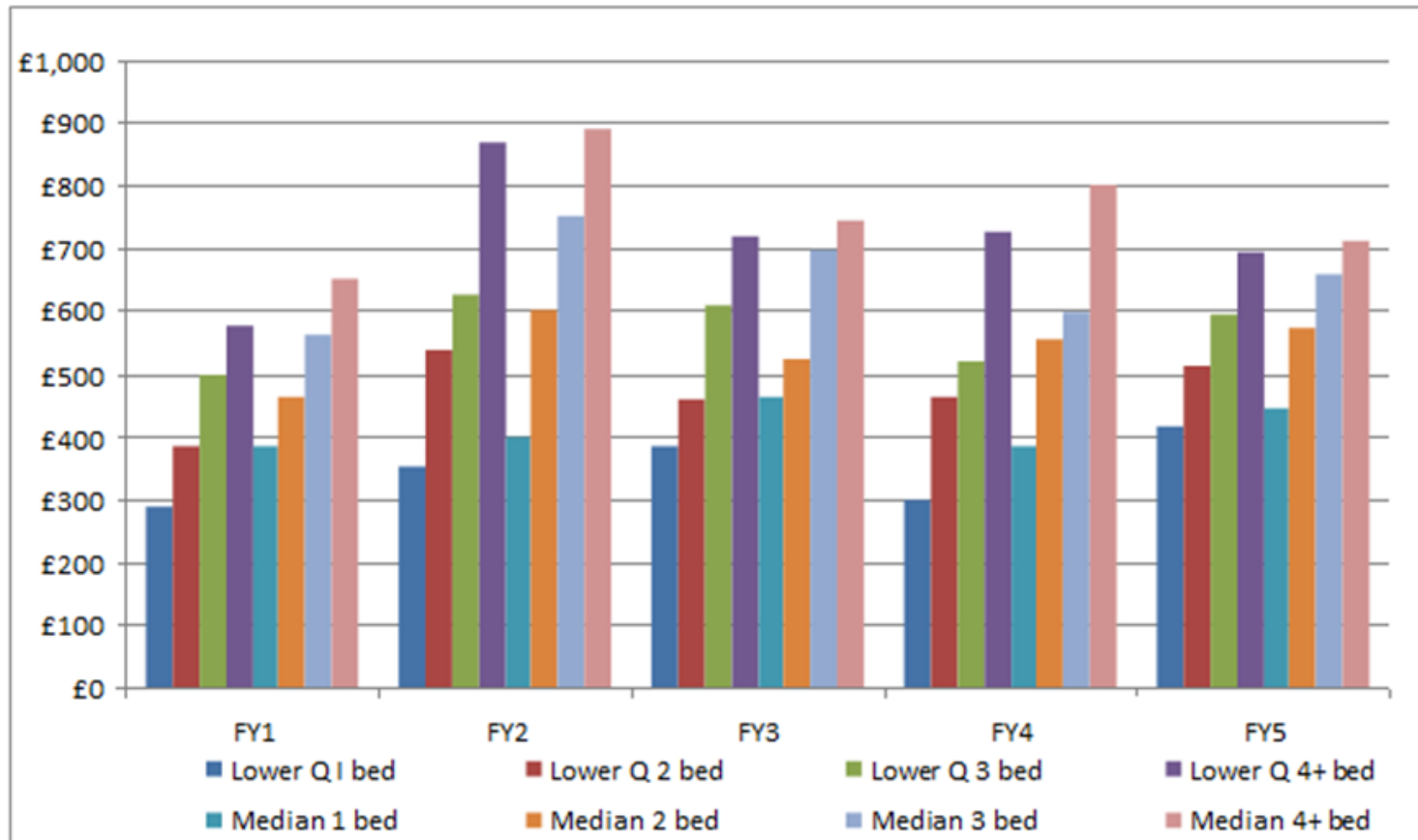
# Affordable Rent

- Rent                      80% of median rent /  
   LHA Cap
- Management 10%
- Voids                      4%
- Repairs                    6%
- Yield                        5.5% (18 YP)

# Rents, £/month



# Rents, £/month



**Table 4.8 Calculation of capital value of Affordable Rent housing**

<b>Postcode</b>	<b>FY1</b>	<b>FY2</b>	<b>FY3</b>	<b>FY4</b>	<b>FY5</b>
<b>Unit size</b>	<b>1 bed</b>	<b>1 bed</b>	<b>1 bed</b>	<b>1 bed</b>	<b>1 bed</b>
<b>Annual Rent</b>	4620	4788	5568	4608	5340
<b>Net Rent</b>	3696	3830	4454	3686	4272
<b>Worth</b>	67200	69643	80989	67025	77672
<b>Approx £m2</b>	1222	1266	1473	1219	1412
<b>Postcode</b>	<b>FY1</b>	<b>FY2</b>	<b>FY3</b>	<b>FY4</b>	<b>FY5</b>
<b>Unit size</b>	<b>2 bed</b>	<b>2 bed</b>	<b>2 bed</b>	<b>2 bed</b>	<b>2 bed</b>
<b>Annual Rent</b>	5568	7200	6276	6672	6876
<b>Net Rent</b>	4454	5760	5021	5338	5501
<b>Worth</b>	80989	104727	91287	97047	100014
<b>Approx £m2</b>	1080	1396	1217	1294	1334
<b>Postcode</b>	<b>FY1</b>	<b>FY2</b>	<b>FY3</b>	<b>FY4</b>	<b>FY5</b>
<b>Unit size</b>	<b>3 bed</b>	<b>3 bed</b>	<b>3 bed</b>	<b>3 bed</b>	<b>3 bed</b>
<b>Annual Rent</b>	6768	9000	8376	7176	7920
<b>Net Rent</b>	5414	7200	6701	5741	6336
<b>Worth</b>	98443	130909	121832	104378	115200
<b>Approx £m2</b>	1145	1522	1417	1214	1340



# Affordable Assumptions

- Affordable Rent           As calculated
- Social rent                 50% OMV
- Intermediate              70% OMV
  
- Historic Grant   Was typically £35,000/social rent  
                                  Now zero
  
- Grant, recycled grant, Right-to-buy receipts,  
  Social to affordable rent conversions?

# Price Assumptions

Table 9.6 Price assumptions

	Site		Units	Market	LCHO	Affordable Rent
				£/m2	£/m2	£/m2
1	Urban Edge 1	FY4	357	1,680	1,440	1,200
2	Urban Edge 2	FY3	28	1,680	1,440	1,200
3	Urban Edge 3	FY3	86	1,680	1,440	1,200
4	Hotel Redevelopment	FY2	48	1,260	1,080	900
5	Urban Edge 4	FY2	54	1,383	1,185	988
6	Urban Infill 1	FY1	80	1,120	960	800
7	Urban Infill 2	FY1	12	1,120	960	800
8	Urban Infill 3	FY8	36	1,050	900	750
9	Urban Infill 4	FY1	30	1,050	900	750
10	Guest House Redevelopment	FY1	20	1,050	900	750
11	Guest House Redevelopment	FY1	14	1,120	960	800
12	Guest House Redevelopment	FY4	10	1,050	900	750
13	Urban Infill 5	FY4	35	1,383	1,185	988
14	Guest House Redevelopment	FY14	20	1,383	1,185	988
15	Urban Infill 6	FY4	8	1,383	1,185	988
16	Urban Infill 7	FY4	1	1,750	1,500	1,250

# Price Assumptions

<b>Table 5.1 Capitalised Typical Rents £/m2</b>			
	<b>Rent £/m<sup>2</sup></b>	<b>Yield %</b>	<b>Capital Value £/m<sup>2</sup></b>
Light Industrial/Warehousing	60	9	833
Offices	105	9	1,166
Large Retail (Supermarkets)/Retail Warehouse	185	6	3,080
Prime City Centre Retail	170	6.5	2,615
Hotels			1,750
Leisure	180	8.5	2,117

# Alternative Use Value

Inner area	£100,000 /ha
Inner area – Promenade	£300,000 /ha
Suburban and outer areas	£200,000 /ha
Green Urban Fringe	£50,000

Per net developable ha

# Development Costs

<b>1. Construction</b>	BCIS + 6% for CFSH4
<b>2. Infrastructure</b>	10% - 20%
<b>3. Fees</b>	Res 10% Non Res 8%
<b>4. Contingencies</b>	2.5% to 5%
<b>5. Additional s106</b>	£1,000/unit
<b>6. Interest</b>	7%
<b>7. Profit</b>	20% (on Cost or GDV)

# Developer Contributions

- |                      |   |
|----------------------|---|
| <b>1. Education</b>  | Formula                                       |
| <b>2. Health</b>     | To be confirmed                               |
| <b>3. Transport</b>  | Res – site by site                            |
|                      | B1                    £364 / 20m <sup>2</sup> |
|                      | B2/B8                £364/32m <sup>2</sup>    |
| <b>4. Open space</b> | On site or commuted                           |

# Market Pace

- Over plan period – not just now
- Large sites – multiple outlets
- 30 or so per outlet year
- Down to 4 per year

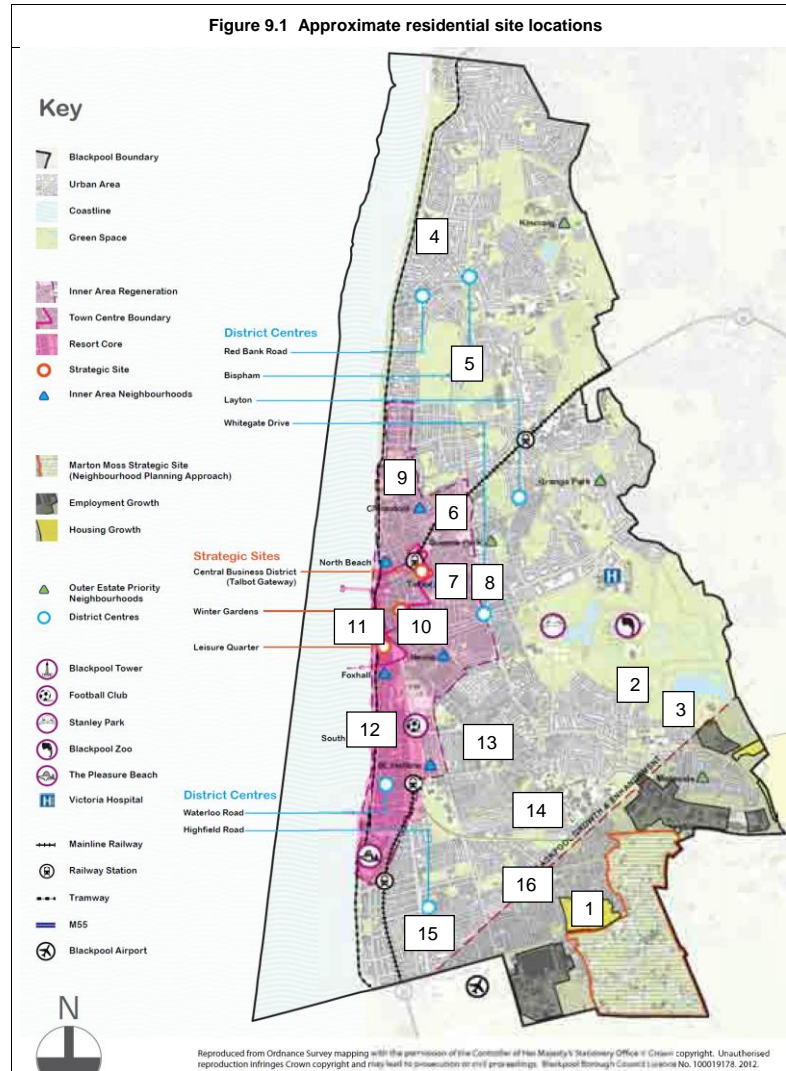
# Cumulative Impact of Policy

- CS6 Green Infrastructure
- CS9 Energy Efficiency and Climate Change
- CS10 Planning Obligations
- CS12 Housing Mix Density and Standards
- CS13 Affordable Housing
  - 15+ / >0.5ha 30%
  - 3-14 <0.5ha Financial contribution
- CS14 Health and Education



# Modelling

Figure 9.1 Approximate residential site locations



**Table 9.3 Modelled Site development assumptions**

	Site		Units	Area		Units/ net ha	Average Unit	Total GIA	Density
				Gross ha	Net Ha				
1	Urban Edge 1	FY4	357	17.00	10.20	35.00	81.99	29,272	2,870
2	Urban Edge 2	FY3	28	1.00	0.80	35.00	81.82	2,291	2,864
3	Urban Edge 3	FY3	86	3.50	2.45	35.10	87.15	7,495	3,059
4	Hotel Redevelopment	FY2	48	1.20	0.96	160.00	70.75	3,396	11,320
5	Urban Edge 4	FY2	54	2.20	1.54	35.06	77.80	4,201	2,728
6	Urban Infill 1	FY1	80	2.00	1.60	50.00	70.83	5,666	3,541
7	Urban Infill 2	FY1	12	0.12	0.12	100.00	70.50	846	7,050
8	Urban Infill 3	FY8	36	0.39	0.39	92.31	68.92	2,481	6,362
9	Urban Infill 4	FY1	30	0.30	0.30	100.00	68.60	2,058	6,860
10	Guest House Redevelopment	FY1	20	0.20	0.20	100.00	68.60	1,372	6,860
11	Guest House Redevelopment	FY1	14	0.03	0.03	466.67	70.71	990	33,000
12	Guest House Redevelopment	FY4	10	0.20	0.20	50.00	73.70	737	3,685
13	Urban Infill 5	FY4	35	0.86	0.69	50.72	81.14	2,840	4,116
14	Guest House Redevelopment	FY14	20	0.40	0.40	50.00	73.05	1,461	3,653
15	Urban Infill 6	FY4	8	0.20	0.20	40.00	79.50	636	3,180
16	Urban Infill 7	FY4	1	0.01	0.01	100.00	130.00	130	13,000
			<b>839</b>	<b>28.85</b>	<b>19.43</b>	<b>43.18</b>	<b>78.51</b>	<b>65,872</b>	<b>3,390</b>

# Standard Viability Test

## **Gross Development Value**

(The combined value of the complete development)

LESS

## **Cost of creating the asset, including PROFIT**

(Construction + fees + finance charges)

=

## **RESIDUAL VALUE**

---

**Residual Value v Existing / Alternative Use Value**


# Harman / RICS

GN 94/2012

RICS Professional Guidance, England

## Financial viability in planning

1st edition, guidance note






Viability Testing  
Local Plans

Advice for planning practitioners

.....○

Local Housing Delivery Group  
Chaired by Sir John Harman

June 2012

  Supported by 



[rics.org/standards](https://rics.org/standards)



# A Pragmatic Viability Test

We are NOT trying to replicate a particular business model  
Test should be broadly representative

***‘Existing use value plus’***

**– reality checked against market value**

- Will EUV Plus provide competitive returns?
- Land owner’s have expectations (*life changing?*)
- Will land come forward?

# Emerging Results

**Table 10.1 Blackpool Council Residual Values – Base Appraisals**

					Area		Units	Residual Value		
					Gross ha	Net ha		Gross ha	Net ha	£ site
Site 1	Urban Edge 1	FY4	Green	Amenity Land	17	10.2	357	720,698	1,201,164	12,251,873
Site 2	Urban Edge 2	FY3	Green	Grazing	1	0.8	28	1,111,837	1,389,796	1,111,837
Site 3	Urban Edge 3	FY3	Green	Grazing	3.5	2.45	86	954,285	1,363,264	3,339,998
Site 4	Hotel Redevelopment	FY2	Brown	Hotel	1.2	0.96	48	-59,561	-74,452	-71,474
Site 5	Urban Edge 4	FY2	Green	Grazing / Amenity	2.2	1.54	54	386,129	551,613	849,483
Site 6	Urban Infill 1	FY1	Brown	Cleared Ind	2	1.6	80	-189,976	-237,469	-379,951
Site 7	Urban Infill 2	FY1	Brown	Res / Ind	0.12	0.12	12	-1,613,064	-1,613,064	-193,568
Site 8	Urban Infill 3	FY8	Brown	Ind / Cleared	0.39	0.39	36	-1,405,358	-1,405,358	-548,090
Site 9	Urban Infill 4	FY1	Brown	Mixed	0.3	0.3	30	-1,380,554	-1,380,554	-414,166
Site 10	Guest House Redevelopment	FY1	Brown	Guest House	0.2	0.2	20	-1,775,185	-1,775,185	-355,037
Site 11	Guest House Redevelopment	FY1	Brown	Guest House	0.03	0.03	14	-6,510,178	-6,510,178	-195,305
Site 12	Guest House Redevelopment	FY4	Brown	Parking	0.2	0.2	10	-739,375	-739,375	-147,875
Site 13	Urban Infill 5	FY4	Brown	Ind	0.86	0.69	35	863,469	1,076,207	742,583
Site 14	Guest House Redevelopment	FY1 4	Brown	Pub/Car park	0.4	0.4	20	1,207,570	1,207,570	483,028
Site 15	Urban Infill 6	FY4	Green	Garden	0.2	0.2	8	1,159,778	1,159,778	231,956
Site 16	Urban Infill 7	FY4	Brown	Industrial	0.01	0.01	1	2,357,294	2,357,294	23,573

**Table 10.2 Base Appraisals. Residual Value compared to Viability Threshold**

			Alternative Use Value £/ha	Viability Threshold £/ha	Residual Value £/ha
Site 1	Urban Edge 1	FY4	50,000	310,000	720,698
Site 2	Urban Edge 2	FY3	50,000	310,000	1,111,837
Site 3	Urban Edge 3	FY3	50,000	310,000	954,285
Site 4	Hotel Redevelopment	FY2	200,000	240,000	-59,561
Site 5	Urban Edge 4	FY2	200,000	240,000	386,129
Site 6	Urban Infill 1	FY1	100,000	120,000	-189,976
Site 7	Urban Infill 2	FY1	100,000	120,000	-1,613,064
Site 8	Urban Infill 3	FY8	100,000	120,000	-1,405,358
Site 9	Urban Infill 4	FY1	100,000	120,000	-1,380,554
Site 10	Guest House Redevelopment	FY1	100,000	120,000	-1,775,185
Site 11	Guest House Redevelopment	FY1	300,000	360,000	-6,510,178
Site 12	Guest House Redevelopment	FY4	300,000	360,000	-739,375
Site 13	Urban Infill 5	FY4	200,000	240,000	863,469
Site 14	Guest House Redevelopment	FY14	200,000	240,000	1,207,570
Site 15	Urban Infill 6	FY4	200,000	240,000	1,159,778
Site 16	Urban Infill 7	FY4	200,000	240,000	2,357,294



**Table 10.4 No Affordable. Residual Value compared to Viability Threshold**

			Alternative Use Value £/ha	Viability Threshold £/ha	Residual Value £/ha
Site 1	Urban Edge 1	FY4	50,000	310,000	1,015,779
Site 2	Urban Edge 2	FY3	50,000	310,000	1,530,093
Site 3	Urban Edge 3	FY3	50,000	310,000	1,322,394
Site 4	Hotel Redevelopment	FY2	200,000	240,000	333,804
Site 5	Urban Edge 4	FY2	200,000	240,000	661,793
Site 6	Urban Infill 1	FY1	100,000	120,000	149,286
Site 7	Urban Infill 2	FY1	100,000	120,000	-1,613,064
Site 8	Urban Infill 3	FY8	100,000	120,000	-1,405,358
Site 9	Urban Infill 4	FY1	100,000	120,000	-1,380,554
Site 10	Guest House Redevelopment	FY1	100,000	120,000	-1,775,185
Site 11	Guest House Redevelopment	FY1	300,000	360,000	-6,510,178
Site 12	Guest House Redevelopment	FY4	300,000	360,000	-739,375
Site 13	Urban Infill 5	FY4	200,000	240,000	1,347,907
Site 14	Guest House Redevelopment	FY14	200,000	240,000	1,207,570
Site 15	Urban Infill 6	FY4	200,000	240,000	1,159,778
Site 16	Urban Infill 7	FY4	200,000	240,000	2,357,294

**Table 10.6 No Policy Requirements. Residual Value compared to Viability Threshold**

			Alternative Use Value £/ha	Viability Threshold £/ha	Residual Value £/ha
Site 1	Urban Edge 1	FY4	50,000	310,000	1,122,344
Site 2	Urban Edge 2	FY3	50,000	310,000	1,677,097
Site 3	Urban Edge 3	FY3	50,000	310,000	1,451,269
Site 4	Hotel Redevelopment	FY2	200,000	240,000	529,111
Site 5	Urban Edge 4	FY2	200,000	240,000	785,497
Site 6	Urban Infill 1	FY1	100,000	120,000	341,780
Site 7	Urban Infill 2	FY1	100,000	120,000	-1,072,940
Site 8	Urban Infill 3	FY8	100,000	120,000	-917,682
Site 9	Urban Infill 4	FY1	100,000	120,000	-849,417
Site 10	Guest House Redevelopment	FY1	100,000	120,000	-1,244,910
Site 11	Guest House Redevelopment	FY1	300,000	360,000	-3,985,779
Site 12	Guest House Redevelopment	FY4	300,000	360,000	-465,423
Site 13	Urban Infill 5	FY4	200,000	240,000	1,562,448
Site 14	Guest House Redevelopment	FY14	200,000	240,000	1,450,454
Site 15	Urban Infill 6	FY4	200,000	240,000	1,349,643
Site 16	Urban Infill 7	FY4	200,000	240,000	3,103,451

**Appraisal Results showing Additional Profit and Approximate Residual Value - Greenfield**

		Industrial	Offices	Distribution	Supermarkets	Retail Warehouse	Shops	Hotel
m2		1500	500	5000	4000	4000	150	1,750
Additional Profit		-112,519	-205,727	67,371	4,198,652	4,118,368	-26,611	207,768
Residual Land Worth (APPROX)	Site	-33,719	-167,227	384,871	5,012,152	4,683,868	-13,841	369,268
Residual Land Worth (APPROX)	£/ha	-146,605	-1,672,265	384,871	1,927,751	2,602,149	-814,176	923,171
£/m2		-75	-411	13	1,050	1,030	-177	119

**Appraisal Results showing Additional Profit and Approximate Residual Value - Brownfield**

		Industrial	Offices	Distribution	Supermarkets	Retail Warehouse	Shops	Hotel
m2		1,500	500	5,000	4,000	4,000	150	1,750
Additional Profit		-336,978	-329,793	-449,599	2,718,842	3,313,813	-50,882	81,936
Residual Land Worth (APPROX)	Site	-219,078	-274,293	-82,099	3,974,342	4,185,313	-35,222	341,436
Residual Land Worth (APPROX)	£/ha	-952,514	-2,742,930	-82,099	1,528,593	2,325,174	-2,071,871	195
£/m2		-225	-660	-90	680	828	-339	47



# TO BE CLEAR

## **The Council understands:**

1. That affordable housing, CIL, additional standards and s106 are 'paid' from the same pot – and that pot is not bottomless
2. The development market is difficult and uncertain.
3. That developers need to know that site specific infrastructure will be delivered.

# Matters to Weigh Up

1. Regulation and Guidance
2. Differential Rates
3. CIL v s106
4. Infrastructure Delivery (RISK)
5. Uncertain Market
6. Neighbouring Authorities
7. S106 History
8. Costs of Infrastructure and Sources of Funding
9. CIL Setting Strategy

# Payment of CIL

<b>Payment of CIL</b>	
Equal to or greater than £40,000	Four equal instalments at the end of the periods of 60, 120, 180 and 240 days from commencement
£20,000 and less than £40,000	Three equal instalments at the end of the periods of 60, 120 and 180 days from commencement
£10,000 and less than £20,000	Two equal instalments at the end of the periods of 60 and 120 days from commencement
less than £10,000	In full at the end of the period of 60 days from commencement

# Other Matters

Spending CIL

S106 payments

The '123 List'

# And Now?

- Comments on main assumptions
- Comments on methodology
  
- Draft report in 2 weeks or so



## Second Consultation Event



# **Blackpool Council**

## **Viability Study**

# **Second Consultation Event**

## **Methodology, Assumptions & Appraisals**

30<sup>th</sup> May 2013

# Agenda

NPPF, Regulations and Guidance

Main Assumptions

- House prices
- Affordable Housing
- Commercial prices
- Development costs

Viability Results

Emerging recommendations

# Key issue

- Will the plan deliver what the Council want it to deliver (will it work)?
- What effect would CIL have?
- Affordable commuted sum?

# NPPF 182

The Local Plan will be examined by an independent inspector whose role is to assess whether the plan has been prepared in accordance with the Duty to Cooperate, legal and procedural requirements, and whether it is sound. A local planning authority should submit a plan for examination which it considers is “sound” – namely that it is:

- **Positively prepared** – the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;
- **Justified** – the plan should be the .....
- **Effective** – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and
- **Consistent with national policy** – the plan should .....

# NPPF 173

## Ensuring viability and deliverability

Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, **provide competitive returns** to a willing land owner and willing developer to enable the development to be deliverable.

# NPPF 174

## Ensuring viability and deliverability

Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at **serious risk**, and **should facilitate development throughout the economic cycle**. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.

# CIL Regulations

## Regulation 14 - Setting rates

- (1) In setting rates (including differential rates) in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—
  - (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and.
  - (b) **the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area..**
- (2) .....



# December 2012 CIL Guidance (8)

By providing additional infrastructure to support development of an area, the levy is expected to have a positive economic effect on development across an area. In deciding the rate(s) of the levy for inclusion in its draft charging schedule, a key consideration is the balance between securing additional investment for infrastructure to support development and the potential economic effect of imposing the levy upon development across their area. The Community Infrastructure Levy regulations place this balance of considerations at the centre of the charge-setting process. In meeting the requirements of regulation 14(1), charging authorities should show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant Plan and support the development of their area. As set out in the National Planning Policy Framework in England, the ability to develop viably the sites and the scale of development identified in the Local Plan should not be threatened.

# Positively Prepared

In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at **should facilitate development throughout the economic cycle.**

NPPF 174

... charging authorities should show and explain how their proposed levy rate (or rates) **will contribute towards the implementation of their relevant Plan** and support the development of their area.

CIL Guidance (8)

# Viability Testing - Guidance

## THERE IS NO STATUTORY GUIDANCE

### **NPPF says:**

*'Evidence supporting the assessment should be proportionate, using only appropriate available evidence'.*

### **The CIL guidance says:**

*'The legislation (section 212 (4) (b)) requires a charging authority to use 'appropriate available evidence' to inform their draft charging schedule. It is recognised that the available data is unlikely to be fully comprehensive or exhaustive. Charging authorities need to demonstrate that their proposed CIL rate or rates are informed by 'appropriate available' evidence and consistent with that evidence across their area as a whole'.*

# Large Sites

Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage..... This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.

Harman Guidance – Page 23

.....In some cases, charging authorities could treat a major strategic site as a separate geographical zone where it is supported by robust evidence on economic viability.

CIL Guidance (34)

# Methodology

# Standard Viability Test

## **Gross Development Value**

(The combined value of the complete development)

LESS

## **Cost of creating the asset, including PROFIT**

(Construction + fees + finance charges)

=

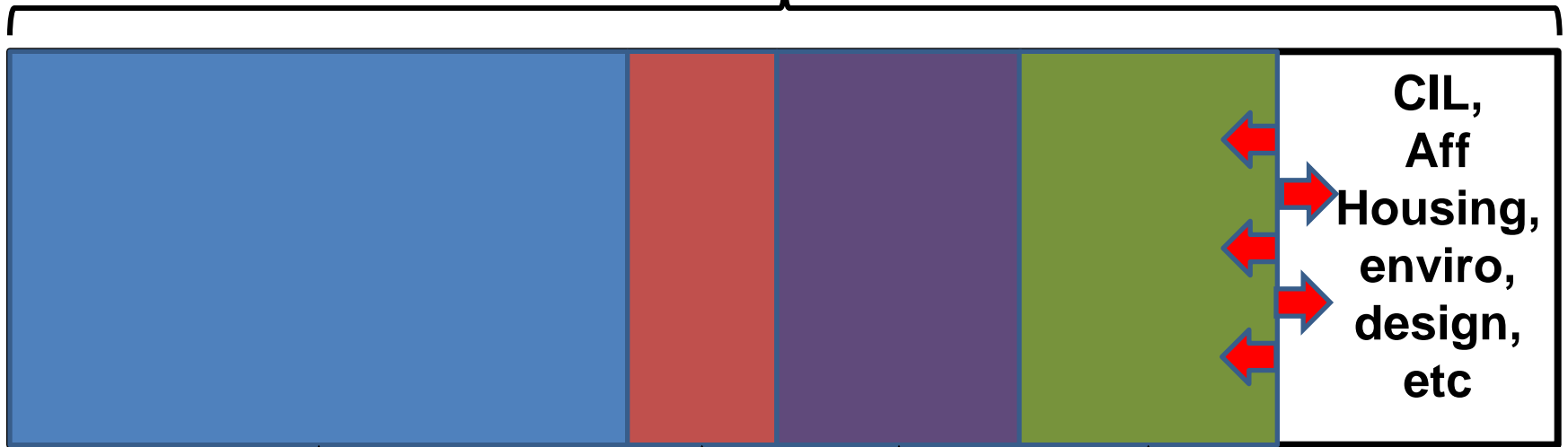
## **RESIDUAL VALUE**

---

**Residual Value v Existing / Alternative Use Value**

# Gross Development Value

All income from a Scheme



**Construction**  
Site Remediation  
Abnormals  
S106  
Etc.

**Fees**  
Design  
Engineer  
Sales  
Etc.

**Profit**  
Developers  
Builders

**Land**  
Existing /  
Alternative  
Land Value  
+ uplift

# Evidence

AHVS

Keppie Massie 2009

Site Specific From DM and estates

Modelled sites

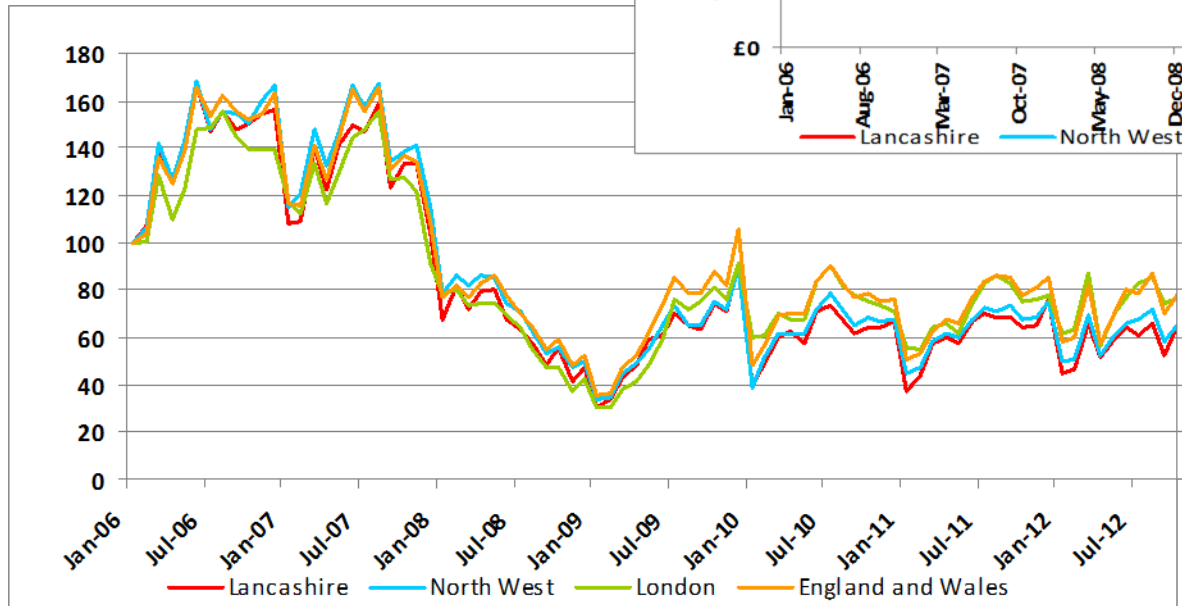
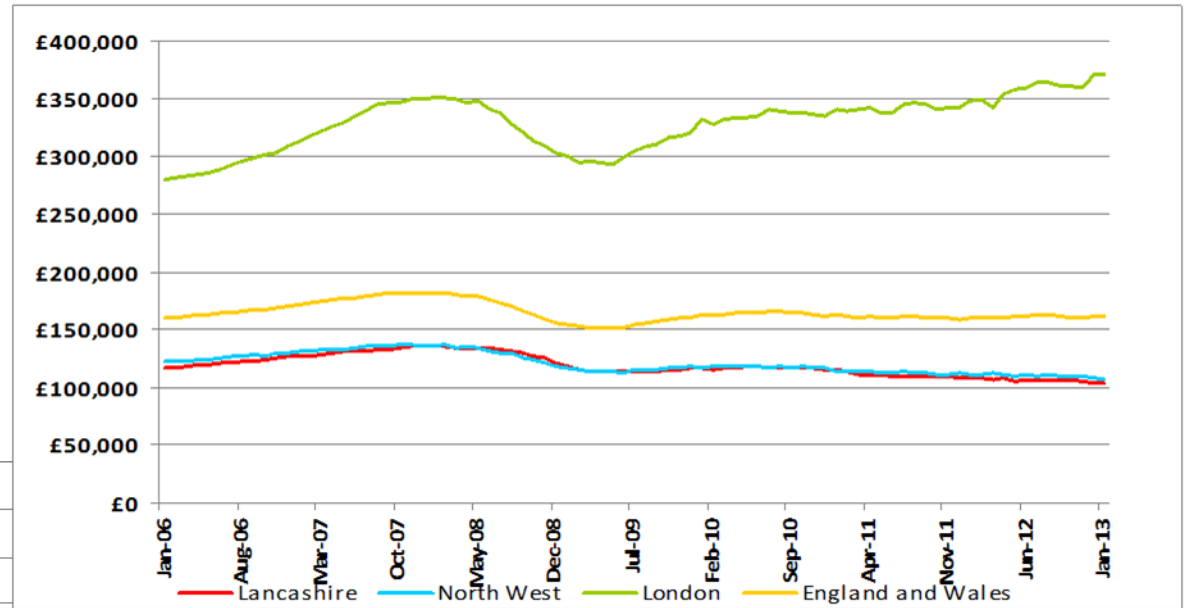
16 Residential

Non-residential key types

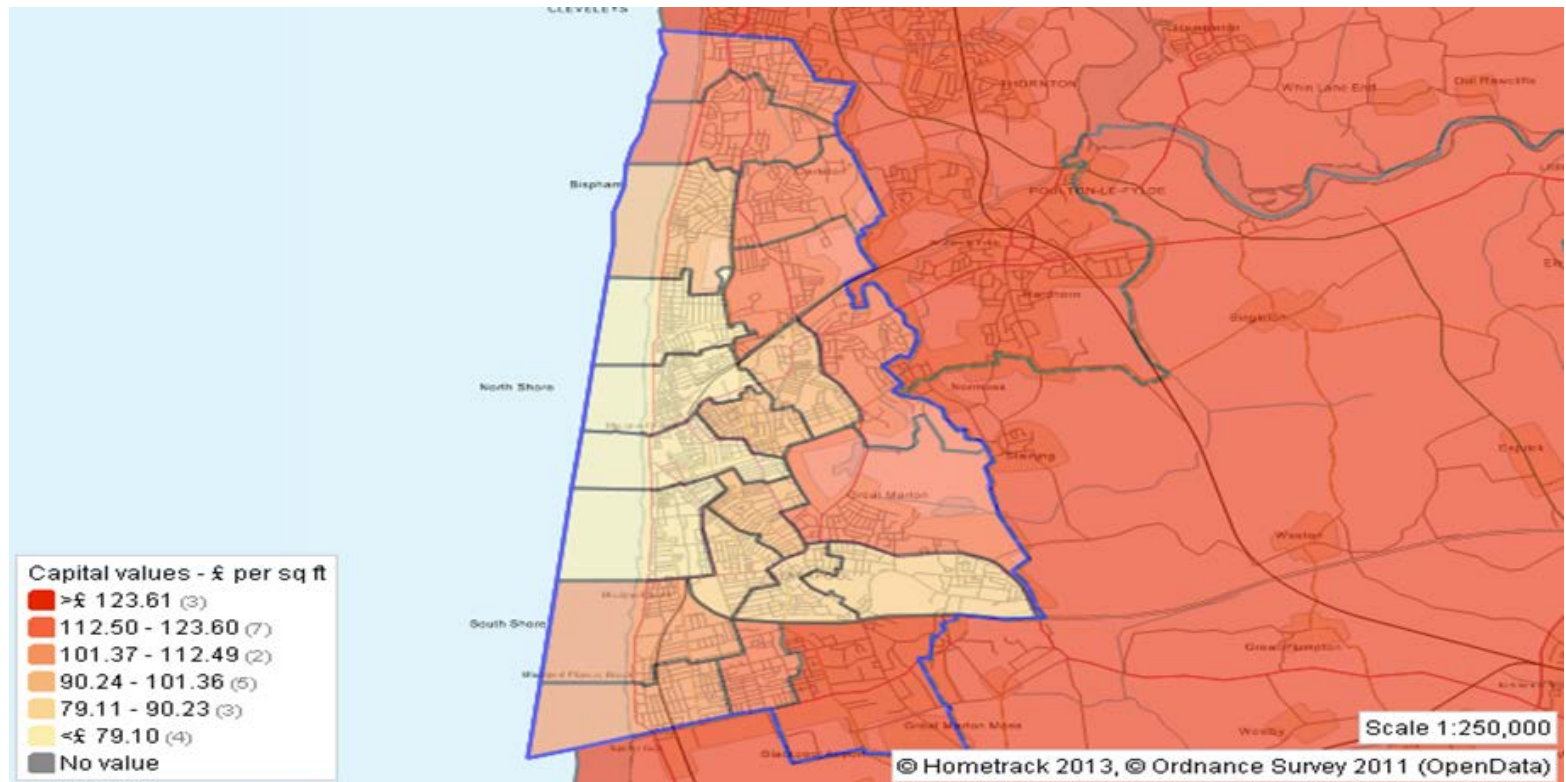


# Key Assumptions

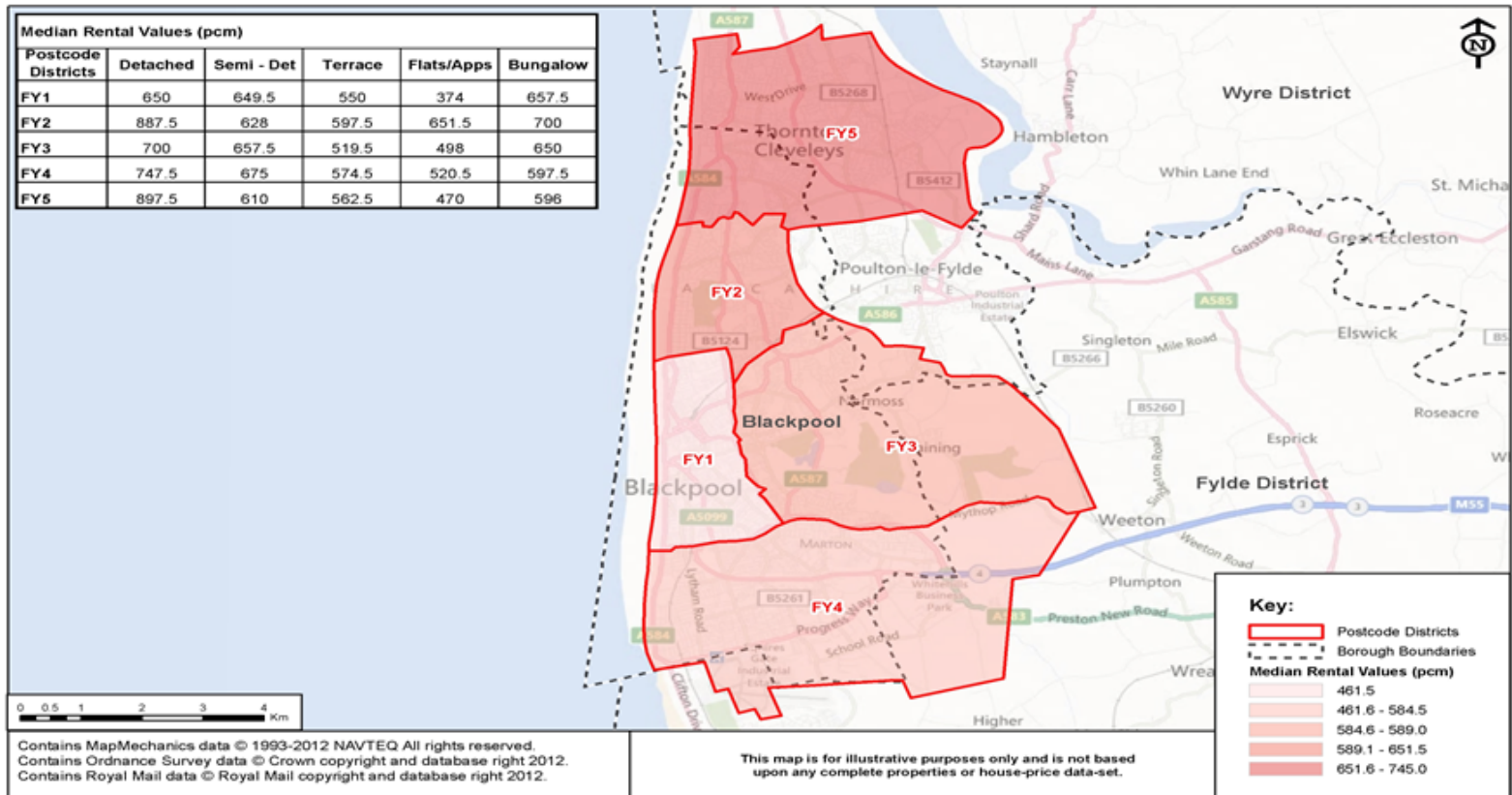
# Average House Prices (all)



# Average House Prices (semi)



# Rents, £/month



# Affordable Assumptions

	BEFORE	NOW
• Affordable Rent	As calculated	£1,000
• Social rent	50% OMV	N/A
• Intermediate	70% OMV	65% OMV

# Price Assumptions BEFORE

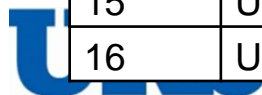
Table 9.6 Price assumptions

	Site		Units	Market	LCHO	Affordable Rent
				£/m2	£/m2	£/m2
1	Urban Edge 1	FY4	357	2,400	1,680	1,440
2	Urban Edge 2	FY3	28	2,400	1,680	1,440
3	Urban Edge 3	FY3	86	2,400	1,680	1,440
4	Hotel Redevelopment	FY2	48	1,800	1,260	1,080
5	Urban Edge 4	FY2	54	1,975	1,383	1,185
6	Urban Infill 1	FY1	80	1,600	1,120	960
7	Urban Infill 2	FY1	12	1,600	1,120	960
8	Urban Infill 3	FY8	36	1,500	1,050	900
9	Urban Infill 4	FY1	30	1,500	1,050	900
10	Guest House Redevelopment	FY1	20	1,500	1,050	900
11	Guest House Redevelopment	FY1	14	1,600	1,120	960
12	Guest House Redevelopment	FY4	10	1,500	1,050	900
13	Urban Infill 5	FY4	35	1,975	1,383	1,185
14	Guest House Redevelopment	FY14	20	1,975	1,383	1,185
15	Urban Infill 6	FY4	8	1,975	1,383	1,185
16	Urban Infill 7	FY4	1	2,500	1,750	1,500

# Price Assumptions AFTER

Table 9.6 Price assumptions

	Site		Units	Market	LCHO	Affordable Rent
				£/m2	£/m2	£/m2
1	Urban Edge 1	FY4	357	2,400	<b>1,560</b>	<b>1,000</b>
2	Urban Edge 2	FY3	28	2,400	<b>1,560</b>	<b>1,000</b>
3	Urban Edge 3	FY3	86	2,400	<b>1,560</b>	<b>1,000</b>
4	Hotel Redevelopment	FY2	48	1,800	<b>1,170</b>	<b>1,000</b>
5	Urban Edge 4	FY2	54	1,975	<b>1,284</b>	<b>1,000</b>
6	Urban Infill 1	FY1	80	1,600	<b>1,040</b>	<b>1,000</b>
7	Urban Infill 2	FY1	12	1,600	<b>1,040</b>	<b>1,000</b>
8	Urban Infill 3	FY8	36	1,500	<b>975</b>	<b>1,000</b>
9	Urban Infill 4	FY1	30	1,500	<b>975</b>	<b>1,000</b>
10	Guest House Conv	FY1	20	1,500	<b>975</b>	<b>1,000</b>
11	Guest House Conv	FY1	14	1,600	<b>1,040</b>	<b>1,000</b>
12	Guest House Redev	FY4	10	1,500	<b>975</b>	<b>1,000</b>
13	Urban Infill 5	FY4	35	1,975	<b>1,284</b>	<b>1,000</b>
14	Guest House Redev	FY14	20	1,975	<b>1,284</b>	<b>1,000</b>
15	Urban Infill 6	FY4	8	1,975	<b>1,284</b>	<b>1,000</b>
16	Urban Infill 7	FY4	1	2,500	<b>1,625</b>	<b>1,000</b>



# Price Assumptions

<b>Table 5.1 Capitalised Typical Rents £/m2</b>				
	<b>Rent £/m<sup>2</sup></b>	<b>Yield %</b>	<b>Capital Value £/m<sup>2</sup></b>	<b>FOR STUDY</b>
Light Industrial/ Warehousing	60	9	833	<b>825</b>
Offices	105	9	1,166	<b>1,150</b>
Large Retail (Supermarkets)/Retail Warehouse	185	6	3,080	<b>3,000</b>
Prime City Centre Retail	170	6.5	2,615	<b>2,500</b>
Hotels			1,750	<b>1,750</b>
Leisure	180	8.5	2,117	<b>2,117</b>



# Alternative Use Value /ha

	BEFORE	AFTER
Inner area	£100,000	£400,000
Inner area – Prom	£300,000	£1,000,000
Outer areas	£200,000	£500,000
Green Urban Fringe	£50,000	£50,000

Per net developable ha

# Development Costs

<b>1. Construction</b>	BCIS + 6% for CFSH4
<b>2. Infrastructure</b>	10% - 20%
<b>3. Fees</b>	Res 10% Non Res 8%
<b>4. Contingencies</b>	2.5% to 5%
<b>5. Additional s106</b>	£1,000/unit
<b>6. Interest</b>	7%
<b>7. Profit</b>	20% (on Cost or GDV)

# Developer Contributions

- |                      |   |
|----------------------|---|
| <b>1. Education</b>  | Formula = £14/m <sup>2</sup>                  |
| <b>2. Health</b>     | Not asked for                                 |
| <b>3. Transport</b>  | Res – site by site                            |
|                      | B1                    £364 / 20m <sup>2</sup> |
|                      | B2/B8                £364/32m <sup>2</sup>    |
| <b>4. Open space</b> | On site or commuted                           |

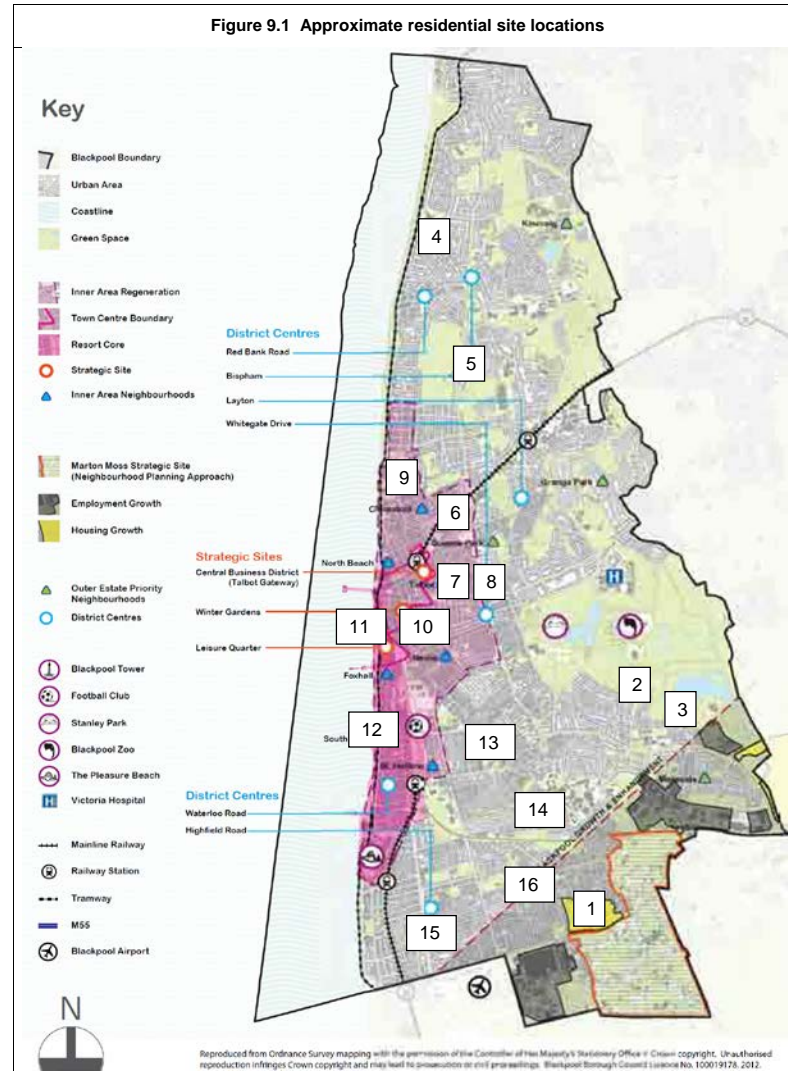
# Market Pace

- Over plan period – not just now
- Large sites – multiple outlets
- 20 or so per outlet year (**down from 30**)
- Down to 4 per year

# Cumulative Impact of Policy

- CS6 Green Infrastructure
- CS9 Energy Efficiency and Climate Change
- CS10 Planning Obligations
- CS12 Housing Mix Density and Standards
- CS13 Affordable Housing
  - 15+ / >0.5ha 30%
  - 3-14 <0.5ha Financial contribution
- CS14 Health and Education

# Modelling



**Table 9.3 Modelled Site development assumptions**

	Site		Units	Area		Units/ net ha	Average Unit	Total GIA	Density
				Gross ha	Net Ha				
1	Urban Edge 1	FY4	357	17.00	10.20	35.00	81.99	29,272	2,870
2	Urban Edge 2	FY3	28	1.00	0.80	35.00	81.82	2,291	2,864
3	Urban Edge 3	FY3	86	3.50	2.45	35.10	87.15	7,495	3,059
4	Hotel Redevelopment	FY2	48	1.20	0.96	160.00	70.75	3,396	11,320
5	Urban Edge 4	FY2	54	2.20	1.54	35.06	77.80	4,201	2,728
6	Urban Infill 1	FY1	80	2.00	1.60	50.00	70.83	5,666	3,541
7	Urban Infill 2	FY1	12	0.12	0.12	100.00	70.50	846	7,050
8	Urban Infill 3	FY8	36	0.39	0.39	92.31	68.92	2,481	6,362
9	Urban Infill 4	FY1	30	0.30	0.30	100.00	68.60	2,058	6,860
10	<b>Guest House Conversion</b>	<b>FY1</b>	20	0.20	0.20	100.00	68.60	1,372	6,860
11	<b>Guest House Conversion</b>	<b>FY1</b>	14	0.03	0.03	466.67	70.71	990	33,000
12	Guest House Redev	FY4	10	0.20	0.20	50.00	73.70	737	3,685
13	Urban Infill 5	FY4	35	0.86	0.69	50.72	81.14	2,840	4,116
14	Guest House Redev	FY14	20	0.40	0.40	50.00	73.05	1,461	3,653
15	Urban Infill 6	FY4	8	0.20	0.20	40.00	79.50	636	3,180
16	Urban Infill 7	FY4	1	0.01	0.01	100.00	130.00	130	13,000
			<b>839</b>	<b>28.85</b>	<b>19.43</b>	<b>43.18</b>	<b>78.51</b>	<b>65,872</b>	<b>3,390</b>

# Standard Viability Test

## **Gross Development Value**

(The combined value of the complete development)

LESS

## **Cost of creating the asset, including PROFIT**

(Construction + fees + finance charges)

=

## **RESIDUAL VALUE**

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**Residual Value v Existing / Alternative Use Value**



# A Pragmatic Viability Test

We are NOT trying to replicate a particular business model  
Test should be broadly representative

***‘Existing use value plus’***

**– reality checked against market value**

- Will EUV Plus provide competitive returns?
- Land owner’s have expectations (*life changing?*)
- Will land come forward?

# A Pragmatic Viability Test

- EUV plus 20% on all sites
- Additional £250/ha on greenfield

# Emerging Results

## Table 10.1 Blackpool Council Residual Values – Base Appraisals

					Area		Units	Residual Value		
					Gross ha	Net ha		Gross ha	Net ha	Site
Site 1	Urban Edge 1	FY4	Green	Amenity Land	17	10.2	357	517,333	862,222	8,794,669
Site 2	Urban Edge 2	FY3	Green	Grazing	1	0.8	28	824,540	1,030,675	824,540
Site 3	Urban Edge 3	FY3	Green	Grazing	3.5	2.45	86	691,740	988,200	2,421,090
Site 4	Hotel Redev	FY2	Brown	Hotel	1.2	0.96	48	-22,158	-27,697	-26,589
Site 5	Urban Edge 4	FY2	Green	Grazing / Am	2.2	1.54	54	172,875	246,964	380,325
Site 6*	Urban Infill 1	FY1	Brown	Cleared Ind	2	1.6	80	-215,122	-268,903	-430,244
Site 7*♦	Urban Infill 2	FY1	Brown	Res / Ind	0.12	0.12	12	-1,956,190	-1,956,190	-234,743
Site 8♦	Urban Infill 3	FY8	Brown	Ind / Cleared	0.39	0.39	36	-1,567,382	-1,567,382	-611,279
Site 9*♦	Urban Infill 4	FY1	Brown	Mixed	0.3	0.3	30	-1,564,903	-1,564,903	-469,471
Site 10*♦	Guest House Conv	FY1	Brown	Guest House	0.2	0.2	20	2,394,805	2,394,805	478,961
Site 11*♦	Guest House Conv	FY1	Brown	Guest House	0.03	0.03	14	13,552,427	13,552,427	406,573
Site 12*♦	Guest House Redev	FY4	Brown	Parking	0.2	0.2	10	-854,326	-854,326	-170,865
Site 13	Urban Infill 5	FY4	Brown	Ind	0.86	0.69	35	620,360	773,203	533,510
Site 14♦	Guest House Redev	FY4	Brown	Pub/Car park	0.4	0.4	20	1,027,936	1,027,936	411,174
Site 15♦	Urban Infill 6	FY4	Green	Garden	0.2	0.2	8	946,227	946,227	189,245
Site 16♦	Urban Infill 7	FY4	Brown	Industrial	0.01	0.01	1	1,016,982	1,016,982	10,170

**Table 10.2 Base Appraisals. Residual Value compared to Viability Threshold**

			Alternative Use Value	Viability Threshold	Residual Value
			£/ha	£/ha	£/ha
Site 1	Urban Edge 1	FY4	50,000	310,000	517,333
Site 2	Urban Edge 2	FY3	50,000	310,000	824,540
Site 3	Urban Edge 3	FY3	50,000	310,000	691,740
Site 4	Hotel Redevelopment	FY2	500,000	600,000	-22,158
Site 5	Urban Edge 4	FY2	500,000	600,000	172,875
Site 6*	Urban Infill 1	FY1	400,000	480,000	-215,122
Site 7*♦	Urban Infill 2	FY1	400,000	480,000	-1,956,190
Site 8♦	Urban Infill 3	FY8	500,000	600,000	-1,567,382
Site 9*♦	Urban Infill 4	FY1	400,000	480,000	-1,564,903
Site 10*♦	Guest House Conv	FY1	400,000	480,000	2,394,805
Site 11*♦	Guest House Conv	FY1	1,000,000	1,200,000	13,552,427
Site 12*♦	Guest House Redev	FY4	400,000	480,000	-854,326
Site 13	Urban Infill 5	FY4	500,000	600,000	620,360
Site 14♦	Guest House Redev	FY14	500,000	600,000	1,027,936
Site 15♦	Urban Infill 6	FY4	500,000	600,000	946,227
Site 16♦	Urban Infill 7	FY4	500,000	600,000	1,016,982

**Table 10.3 No Policy Requirements**

			Alternative Use Value	Viability Threshold	Residual Value
			£/ha	£/ha	£/ha
Site 1	Urban Edge 1	FY4	50,000	310,000	976,703
Site 2	Urban Edge 2	FY3	50,000	310,000	1,475,743
Site 3	Urban Edge 3	FY3	50,000	310,000	1,260,723
Site 4	Hotel Redevelopment	FY2	500,000	600,000	519,262
Site 5	Urban Edge 4	FY2	500,000	600,000	576,126
Site 6*	Urban Infill 1	FY1	400,000	480,000	209,163
Site 7*♦	Urban Infill 2	FY1	400,000	480,000	-1,467,769
Site 8♦	Urban Infill 3	FY8	500,000	600,000	-1,231,952
Site 9*♦	Urban Infill 4	FY1	400,000	480,000	-1,201,756
Site 10*♦	Guest House Conv	FY1	400,000	480,000	2,811,032
Site 11*♦	Guest House Conv	FY1	1,000,000	1,200,000	15,693,669
Site 12*♦	Guest House Redev	FY4	400,000	480,000	-659,858
Site 13	Urban Infill 5	FY4	500,000	600,000	1,332,401
Site 14♦	Guest House Redev	FY14	500,000	600,000	1,207,106
Site 15♦	Urban Infill 6	FY4	500,000	600,000	1,149,087
Site 16♦	Urban Infill 7	FY4	500,000	600,000	1,895,176

<b>Table 10.4 Policy Requirements other than affordable housing</b>					
			Alternative Use Value	Viability Threshold	Residual Value
			£/ha	£/ha	£/ha
Site 1	Urban Edge 1	FY4	50,000	310,000	903,096
Site 2	Urban Edge 2	FY3	50,000	310,000	1,369,384
Site 3	Urban Edge 3	FY3	50,000	310,000	1,169,592
Site 4	Hotel Redevelopment	FY2	500,000	600,000	388,484
Site 5	Urban Edge 4	FY2	500,000	600,000	489,913
Site 6*	Urban Infill 1	FY1	400,000	480,000	81,435
Site 7*♦	Urban Infill 2	FY1	400,000	480,000	-1,956,190
Site 8♦	Urban Infill 3	FY8	500,000	600,000	-1,567,382
Site 9*♦	Urban Infill 4	FY1	400,000	480,000	-1,564,903
Site 10*♦	Guest House Conv	FY1	400,000	480,000	2,394,805
Site 11*♦	Guest House Conv	FY1	1,000,000	1,200,000	13,552,427
Site 12*♦	Guest House Redev	FY4	400,000	480,000	-854,326
Site 13	Urban Infill 5	FY4	500,000	600,000	1,177,080
Site 14♦	Guest House Redev	FY14	500,000	600,000	1,027,936
Site 15♦	Urban Infill 6	FY4	500,000	600,000	946,227
Site 16♦	Urban Infill 7	FY4	500,000	600,000	1,016,982

**Table 10.8 Full Affordable Housing and differing Developer Contributions.  
Residual Value £/ha**

			Alternative Use Value	Viability Threshold	Residual Value				
					£0/m <sup>2</sup>	£20/m <sup>2</sup>	£40/m <sup>2</sup>	£60/m <sup>2</sup>	£80/m <sup>2</sup>
Site 1	Urban Edge 1	FY4	50,000	310,000	517,833	493,745	469,657	445,569	421,481
Site 2	Urban Edge 2	FY3	50,000	310,000	827,612	795,258	762,905	730,551	698,198
Site 3	Urban Edge 3	FY3	50,000	310,000	693,767	663,812	633,856	603,901	573,946
Site 4	Hotel Redevt	FY2	500,000	600,000	-23,333	-64,874	-106,414	-147,954	-189,835
Site 5	Urban Edge 4	FY2	500,000	600,000	173,505	146,281	119,056	93,623	65,867
Site 6*	Urban Infill 1	FY1	400,000	480,000	-218,351	-261,334	-304,318	-347,301	-390,284
Site 7*♦	Urban Infill 2	FY1	400,000	480,000	-1,842,569	-1,995,377	-2,148,185	-2,300,993	-2,453,801
Site 8♦	Urban Infill 3	FY8	500,000	600,000	-1,569,586	-1,707,471	-1,845,357	-1,983,243	-2,121,128
Site 9*♦	Urban Infill 4	FY1	400,000	480,000	-1,567,360	-1,716,049	-1,864,739	-2,013,429	-2,162,118
Site 10*♦	Guest House Conv	FY1	400,000	480,000	2,494,377	2,354,657	2,214,937	2,075,217	1,935,497
Site 11*♦	Guest House Conv	FY1	1,000,000	1,200,000	14,050,419	13,378,297	12,706,175	12,034,054	11,361,932
Site 12*♦	Guest House Redev	FY4	400,000	480,000	-851,794	-931,665	-1,011,537	-1,091,409	-1,171,281
Site 13	Urban Infill 5	FY4	500,000	600,000	625,039	581,395	536,857	489,775	442,694
Site 14♦	Guest House Redev	FY4	500,000	600,000	1,029,275	954,884	880,492	806,100	731,709
Site 15♦	Urban Infill 6	FY4	500,000	600,000	996,901	930,869	864,837	798,806	732,774
Site 16♦	Urban Infill 7	FY4	500,000	600,000	1,311,289	1,038,688	766,087	493,486	220,885



## Table 10.11 Full Affordable Housing. Residual Value £/ha

			Alternative Use Value	Viability Threshold	Residual Value					
					No Policy Requirement	Developer Contributions Only	Environmental Policies Only	Environmental and Developer Contributions	Affordable Housing Only	Full Policy Requirement
Site 1	Urban Edge 1	FY4	50,000	310,000	976,703	955,234	924,564	903,096	590,993	517,333
Site 2	Urban Edge 2	FY3	50,000	310,000	1,475,743	1,444,722	1,400,405	1,369,384	931,908	824,540
Site 3	Urban Edge 3	FY3	50,000	310,000	1,260,723	1,234,143	1,196,172	1,169,592	782,870	691,740
Site 4	Hotel Redeve	FY2	500,000	600,000	519,262	480,045	424,020	388,484	116,454	-22,158
Site 5	Urban Edge 4	FY2	500,000	600,000	576,126	550,980	515,059	489,913	258,266	172,875
Site 6*	Urban Infill 1	FY1	400,000	480,000	209,163	171,454	119,879	81,435	-80,082	-215,122
Site 7*♦	Urban Infill 2	FY1	400,000	480,000	-1,467,769	-1,689,764	-1,734,195	-1,956,190	-1,467,769	-1,956,190
Site 8♦	Urban Infill 3	FY8	500,000	600,000	-1,231,952	-1,329,785	-1,469,548	-1,567,382	-1,231,952	-1,567,382
Site 9*♦	Urban Infill 4	FY1	400,000	480,000	-1,201,756	-1,307,674	-1,458,985	-1,564,903	-1,201,756	-1,564,903
Site 10*♦	Guest House Conv	FY1	400,000	480,000	2,811,032	2,611,533	2,571,605	2,394,805	2,811,032	2,394,805
Site 11*♦	Guest House Conv	FY1	1,000,000	1,200,000	15,693,669	14,720,440	14,525,656	13,552,427	15,693,669	13,552,427
Site 12*♦	Guest House Redev	FY4	400,000	480,000	-659,858	-716,578	-797,606	-854,326	-659,858	-854,326
Site 13	Urban Infill 5	FY4	500,000	600,000	1,332,401	1,287,099	1,222,382	1,177,080	777,153	620,360
Site 14♦	Guest House Redev	FY4	500,000	600,000	1,207,106	1,154,848	1,080,194	1,027,936	1,207,106	1,027,936
Site 15♦	Urban Infill 6	FY4	500,000	600,000	1,149,087	1,056,884	1,038,431	946,227	1,149,087	946,227
Site 16♦	Urban Infill 7	FY4	500,000	600,000	1,895,176	1,496,023	1,416,136	1,016,982	1,895,176	1,016,982

**Table 10.12 Price Change. Residual Value £/ha**

			Alternative Use Value	Viability Threshold	Residual Value					
					BCIS Plus 15%	Price Less 10%	Price Less 5%	Base	Price Plus 5%	Price Plus 10%
Site 1	Urban Edge 1	FY4	50,000	310,000	305,628	340,205	428,769	517,333	605,898	694,432
Site 2	Urban Edge 2	FY3	50,000	310,000	532,797	568,496	696,518	824,540	952,562	1,070,438
Site 3	Urban Edge 3	FY3	50,000	310,000	437,173	472,403	582,071	691,740	801,409	911,077
Site 4	Hotel Redeve	FY2	500,000	600,000	-440,900	-269,838	-144,331	-22,158	100,016	215,811
Site 5	Urban Edge 4	FY2	500,000	600,000	-78,000	-69	88,090	172,875	256,887	342,538
Site 6*	Urban Infill 1	FY1	400,000	480,000	-621,124	-478,736	-345,568	-215,122	-87,282	38,627
Site 7*♦	Urban Infill 2	FY1	400,000	480,000	-3,131,465	-2,746,757	-2,350,257	-1,956,190	-1,562,124	-1,168,057
Site 8♦	Urban Infill 3	FY8	500,000	600,000	-2,618,639	-2,234,071	-1,898,550	-1,567,382	-1,236,214	-908,967
Site 9*♦	Urban Infill 4	FY1	400,000	480,000	-2,707,275	-2,287,511	-1,924,060	-1,564,903	-1,207,703	-850,503
Site 10*♦	Guest House Conv	FY1	400,000	480,000	1,836,019	1,724,598	2,059,701	2,394,805	2,704,032	3,035,960
Site 11*♦	Guest House Conv	FY1	1,000,000	1,200,000	10,852,308	10,096,794	11,824,610	13,552,427	15,280,243	16,846,846
Site 12*♦	Guest House Redeve	FY4	400,000	480,000	-1,396,130	-1,241,667	-1,046,856	-854,326	-662,865	-471,404
Site 13	Urban Infill 5	FY4	500,000	600,000	223,393	322,544	474,420	620,360	770,797	921,234
Site 14♦	Guest House Redeve	FY4	500,000	600,000	533,886	575,109	796,019	1,027,936	1,250,000	1,477,629
Site 15♦	Urban Infill 6	FY4	500,000	600,000	520,348	537,055	739,021	946,227	1,153,434	1,334,599
Site 16♦	Urban Infill 7	FY4	500,000	600,000	-1,674,831	-1,190,373	-86,696	1,016,982	2,120,660	3,224,337

**Table 10.13 Commuted Sum. Residual Value £/ha**

			Alternative Use Value	Viability Threshold	Residual Value						
					£/ha	£/ha	0%	5%	10%	15%	20%
Site 1	Urban Edge 1	FY4	50,000	310,000	903,096	723,566	543,916	364,259	184,602	5,189	-184,355
Site 2	Urban Edge 2	FY3	50,000	310,000	1,369,384	1,109,971	858,620	596,748	338,080	75,880	-196,312
Site 3	Urban Edge 3	FY3	50,000	310,000	1,169,592	947,323	725,054	502,785	283,175	60,356	-172,564
Site 4	Hotel Redev	FY2	500,000	600,000	388,484	148,930	-99,173	-353,650	-613,028	-874,918	-1,140,441
Site 5	Urban Edge 4	FY2	500,000	600,000	489,913	319,879	146,590	-30,640	-214,674	-403,243	-594,717
Site 6*	Urban Infill 1	FY1	400,000	480,000	81,435	-129,044	-345,958	-567,236	-792,258	-1,019,959	-1,248,453
Site 7*	Urban Infill 2	FY1	400,000	480,000	-1,956,190	-2,553,223	-3,154,607	-3,759,494	-4,364,382	-4,969,270	-5,574,157
Site 8	Urban Infill 3	FY8	500,000	600,000	-1,567,382	-2,066,534	-2,571,836	-3,077,682	-3,583,527	-4,089,373	-4,595,219
Site 9*	Urban Infill 4	FY1	400,000	480,000	-1,564,903	-2,108,591	-2,656,574	-3,204,556	-3,752,538	-4,300,521	-4,848,503
Site 10*	Guest House Conv	FY1	400,000	480,000	2,394,805	1,886,992	1,379,180	888,369	374,300	-148,522	-678,123
Site 11*	Guest House Conv	FY1	1,000,000	1,200,000	13,552,427	10,935,031	8,333,333	5,811,465	3,173,964	479,207	-2,215,550
Site 12*	Guest House Redev	FY4	400,000	480,000	-854,326	-1,145,542	-1,439,041	-1,732,539	-2,026,037	-2,319,536	-2,615,088
Site 13	Urban Infill 5	FY4	500,000	600,000	1,177,080	881,029	579,312	274,417	-42,195	-365,001	-695,466
Site 14	Guest House Redev	FY14	500,000	600,000	1,027,936	676,882	332,186	-25,971	-390,138	-763,701	-1,140,902
Site 15	Urban Infill 6	FY4	500,000	600,000	946,227	632,674	322,264	5,620	-311,023	-638,228	-965,504
Site 16	Urban Infill 7	FY4	500,000	600,000	1,016,982	-660,331	-2,337,644	-4,054,475	-5,788,182	-7,521,888	-9,255,594

## Table 10.13 Affordable Housing Contribution: calculations

			Residual Value		Difference	Units		£/Affordable Unit
			With Affordable	No Affordable		All	Affordable	
Site 1	Urban Edge 1	FY4	8,794,669	15,352,627	6,557,958	357	107.1	61,232
Site 2	Urban Edge 2	FY3	824,540	1,369,384	544,844	28	8.4	64,862
Site 3	Urban Edge 3	FY3	2,421,090	4,093,573	1,672,483	86	25.8	64,825
Site 4	Hotel Redev	FY2	-26,589	466,181	492,771	48	14.4	34,220
Site 5	Urban Edge 4	FY2	380,325	1,077,809	697,485	54	16.2	43,055
Site 6*	Urban Infill 1	FY1	-430,244	162,870	593,114	80	24	24,713
Site 7*♦	Urban Infill 2	FY1				12		
Site 8♦	Urban Infill 3	FY8				36		
Site 9*♦	Urban Infill 4	FY1				30		
Site 10*♦	Guest House Conv	FY1				20		
Site 11*♦	Guest House Conv	FY1				14		
Site 12*♦	Guest House Redev	FY4				10		
Site 13	Urban Infill 5	FY4	533,510	1,012,289	478,779	35	10.5	45,598
Site 14♦	Guest House Redev	FY4				20		
Site 15♦	Urban Infill 6	FY4				8		
Site 16♦	Urban Infill 7	FY4				1		

**Table 11.1 Appraisal Results showing Additional Profit and Approximate Residual Value - Greenfield**

		Industrial	Offices	Distribution	Supermarkets	Retail Warehouse	Shops	Hotel
m2		1500	500	5000	4000	4000		1,620
Additional Profit		-124,057	-213,418	427,926	4,198,652	7,964,288		-465,039
Residual Land Worth (APPROX)	Site	-45,257	-174,918	745,426	5,012,152	8,529,788		-289,539
Residual Land Worth (APPROX)	£/ha	-196,769	-1,749,184	745,426	1,927,751	4,738,771		-723,847
£/m2		-83	-427	86	1,050	1,991		-287

**Table 11.2 Appraisal Results showing Additional Profit and Approximate Residual Value - Brownfield**

		Industrial	Offices	Distribution	Supermarkets	retail Warehouse	Shops	Hotel
m2		1,500	500	5,000	4,000	4,000	150	1,620
Additional Profit		-383,954	-352,893	-397,204	2,318,234	6,882,389	71,154	-968,367
Residual Land Worth (APPROX)	Site	-238,454	-285,393	210,296	3,885,734	7,969,889	160,254	-400,867
Residual Land Worth (APPROX)	£/ha	-1,036,759	-2,853,929	210,296	1,494,513	4,427,716	9,426,720	-247
£/m2		-256	-706	-79	580	1,721	474	-598

# Is the Plan deliverable?

1. Yes – but it is difficult
2. Policies do not prejudice development
3. Core areas and employment not viable

# To ensure deliverability

1. No affordable housing in core area
2. Flexible approach
3. Use commuted sums
4. Participate in LEP
5. CIL to facilitate development

# CIL?

1. Regulation and Guidance
2. Differential Rates
3. CIL v s106
4. Infrastructure Delivery (RISK)
5. Uncertain Market
6. Neighbouring Authorities
7. S106 History
8. Costs of Infrastructure and Sources of Funding
9. CIL Setting Strategy



# Other Places

**Table 13.1 Published rates of CIL (May 2013)**

Rank		Median Price	Average CIL	CIL as % Median
8	Rhondda, Cynon, Taff	89,950	47	4.67%
14	<b>Blackpool UA</b>	<b>97,000</b>		
15	Durham UA	100,000	115	10.35%
21	Bolton	105,000	50	4.29%
35	Caerphilly	110,000	22	1.77%
41	Preston	115,000	70	5.48%
44	Gateshead	116,000	35	2.69%
53	Corby	119,998	100	7.50%
59	Sheffield	122,000	33	2.46%
65	Bassetlaw	123,600	27	1.94%
72	Birmingham	125,000	85	6.12%
76	Dudley	126,750	98	6.98%
78	Kettering	128,000	75	5.27%
80	Wellingborough	129,000	100	6.98%
82	Newcastle upon Tyne	130,000	35	2.40%
86	Gedling	130,000	50	3.46%
87	Peterborough UA	130,000	72	4.96%
96	Northampton	135,000	50	3.33%

**Table 13.4 Recommended rates of CIL**

Development Type	Maximum Rate of CIL
Residential – Defined Inner Areas	£0/m <sup>2</sup>
Residential – All other areas	£40/m <sup>2</sup>
Supermarkets and Retail Warehouse	£150/m <sup>2</sup>

With 123 list...

# CIL Projection +/- £650,000/year

	<b>Residential CIL Receipt by Delivery Scenario (£m)</b>			
<b>Indicative CIL rate per m<sup>2</sup></b>		<b>Low (80%) (m<sup>2</sup>)</b>	<b>Med 100%) (m<sup>2</sup>)</b>	<b>High 120% (m<sup>2</sup>)</b>
<b>Recommended</b>	<b>£40.00</b>	£7.3	£9.07	£10.89
<b>High</b>	<b>£60.00</b>	£10.9	£13.61	£16.33

# Payment of CIL

<b>Payment of CIL</b>	
Equal to or greater than £40,000	Four equal instalments at the end of the periods of 60, 120, 180 and 240 days from commencement
£20,000 and less than £40,000	Three equal instalments at the end of the periods of 60, 120 and 180 days from commencement
£10,000 and less than £20,000	Two equal instalments at the end of the periods of 60 and 120 days from commencement
less than £10,000	In full at the end of the period of 60 days from commencement

# And Now?

- Draft report in 2 weeks or so

## 4. Available Commercial Units



**Duxburys**  
Commercial

**01253 316919**  
[www.duxburyscommercial.co.uk](http://www.duxburyscommercial.co.uk)



B

Map

[UNITS 3 4, THOMAS STREET, BLACKPOOL, LANCASHIRE](#)



Rent: £20000.00 / Annum

Size: 7814 sq ft

**Date Added:** 28/03/2013

**Description:** The site occupies a convenient location providing ease of commuting along Talbot Road (A586) which connects at either end with Blackpools town centre and Devonshire Road. Ease of commuting is available around the town and to neighbouring areas as well as access on to ...





C

Map

[BARRETTS WAREHOUSE, BACK READS AVENUE /REAR OF 105 HORNBY ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £199,950.00

**Size:** 544 sq m

**Date Added:** 05/02/2013

**Description:** This retail warehouse is set over 2 storeys and can be purchased as a whole or in two parts. The building can be split between the left hand side and right hand side with each side benefiting from ground and first floor space. The building is being used by Barretts DIY...



D

Map

[Unit 11, Cocker Street Industrial Estate, Blackpool, Lancashire](#)



**Rent:** £6240.00 / Annum

**Size:** 1615 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION: This industrial estate occupies a position off Cocker Street within central Blackpool. Cocker Street is easily accessed off Dickson Road which provides ease of commuting to dense residential locations, local shops & amenities and Blackpool town centre. The pr...



E

Map

[Unit 10, Cocker Street Industrial Estate, Blackpool, Lancashire](#)



Rent: £15600.00 / Annum

Size: 5488 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION: This industrial estate occupies a position off Cocker Street within central Blackpool. Cocker Street is easily accessed off Dickson Road which provides ease of commuting to dense residential locations, local shops & amenities and Blackpool town centre. The pr...



F

Map

[Unit 14, Cocker Street Industrial Estate, Blackpool, Lancashire](#)



Rent: £5200.00 / Annum

Size: 1366 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION: This industrial estate occupies a position off Cocker Street within central Blackpool. Cocker Street is easily accessed off Dickson Road which provides ease of commuting to dense residential locations, local shops & amenities and Blackpool town centre. The pr...



G

Map

[Various Units, Cocker Street Industrial Estate, Blackpool, Lancashire](#)



Rent: £5200.00 - £15600.00 / Annum

Size: 895 - 5488 sq ft

**Date Added:** 05/02/2013

**Description:** Location: This industrial estate occupies a position off Cocker Street within central Blackpool. Cocker Street is easily accessed off Dickson Road which provides ease of commuting to dense residential locations, local shops & amenities and Blackpool town centre. The pro...



H

Map

[Unit 2 COCKER STREET INDUSTRIAL ESTATE, OFF COCKER STREET, BLACKPOOL](#)



Rent: £9100.00 / Annum

Size: 2337 sq ft

**Date Added:** 05/02/2013

**Description:** The units benefit from an electric roller loading door and additional personal door access. The units vary in shape, size and accommodation with some offering sub-divided office accommodation and mezzanine space. Each individual unit has a designated parking area with...



I

Map

[UNIT 3, 41 CLIFFORD ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £99,950.00

Rent: £9100.00 / Annum

Size: 5348 sq ft

**Date Added:** 20/02/2013

**Description:** Duxburys Commercial are pleased to have been instructed to market this two storey brick built property situated to the North of Blackpool town centre. The ground and first floor provide open plan workshop/warehouse space. The property benefits from roller shutter ac...



J

Map

[P. C. Motors, 6 Clyde Street, Blackpool, Lancashire](#)



**Price:** £299,500.00

Size: 5350 sq ft

**Date Added:** 05/02/2013

**Description:** \* Currently Operating as a Garage/Body Shop \* Ideal Development Opportunity, Subject to Planning Permission \* Close to Town Centre, Shops & Amenities \*

Situated in a Residential Area \* Extensive Outbuildings \* Viewing Recommended

DESCRIPTION: We are deligh...



K

Map

[Unit 2, Clyde Street, Blackpool, Lancashire](#)



**Price:** £65,000.00

**Size:** 1377 sq ft

**Date Added:** 13/03/2013

**Description:** This building is presently being used as a car mechanical repair garage. It would suit a workshop or warehouse use and all interest is welcomed. There is a ground floor and mezzanine floor. The building benefits from a yard area to the front providing car parking. F...



L

Map

[9-21 MELROSE AVENUE, BLACKPOOL, LANCASHIRE](#)



**Price:** £79,950.00

**Size:** 1400 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys are pleased to offer this part single and part 2 storey brick built building for sale. This substantial freehold property is situated in Layton Blackpool, close to the busy shopping area of Westcliffe Drive and benefits from overlooking playing fields. ( Ag...



M

Map

[96 RIGBY ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £490,000.00

Rent: £42500.00 / Annum

Size: 7800 sq ft

**Date Added:** 05/02/2013

**Description:** The building comprises of a substantial ground floor retail/warehouse space with ancillary WC and staff kitchen. A mezzanine floor has also been installed to the unit. Access via roller shutter door off Salthouse Avenue for loading. The front entrance is off Rigby Roa...



N

Map

[HARDSTANDING LAND HOO HILL INDUSTRIAL ESTATE, HOO HILL LANE, BLACKPOOL, LANCASHIRE](#)



Rent: £17000.00 / Annum

Size: 23400 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys Commercial is pleased to have been instructed to market this area of land which benefits from a license to store gas. The land is hard standing with water and electric and a site cabin. The area of the land is approximately 2600 sq yards. ( Agency Pilot Softwa...





O

Map

[UNIT 2 HOO HILL INDUSTRIAL ESTATE, HOO HILL LANE, BLACKPOOL, LANCASHIRE](#)



Rent: £9000.00 / Annum

Size: 1990 sq ft

**Date Added:** 05/02/2013

**Description:** Unit 2 comprises of a ground floor open plan workshop space with WC. There is an internal staircase leading to a split level first floor which also provides office accommodation and further WCs. There is parking to the front of the unit. ( Agency Pilot Software R...



P

Map

[LIGHT INDUSTRIAL UNIT, PALMER AVENUE, BLACKPOOL, LANCASHIRE](#)



Rent: £15000.00 / Annum

Size: 364 sq m

**Date Added:** 05/02/2013

**Description:** Open plan and L shaped light industrial unit. Large front yard providing an abundance of car parking positions. 3 phase electrics and gas hot air blower heating. ( Agency Pilot Software Ref: 3461 )



Q

Map

[UNIT 29, MOWBRAY DRIVE, BLACKPOOL](#)



Rent: £12000.00 / Annum

Size: 6800 sq ft

**Date Added:** 20/03/2013

**Description:** This unit can be taken as a whole or in two parts. The unit can be split into Left and Right hand side units. Car parking to the front and shared access through the middle of the unit provides access to the rear yard. The building(s) provide open plan Warehouse/Worksh...



R

Map

[UNIT 31, MOWBRAY DRIVE, BLACKPOOL](#)



Rent: £12000.00 / Annum

Size: 6054 sq ft

**Date Updated:** 09/04/2013

**Description:** This unit can be taken as a whole or in two parts. The unit can be split into Left and Right hand side units. Car parking to the front and shared access through the middle of the unit provides access to the rear yard. The building(s) provide open plan Warehouse/Worksh...



S

Map

[Rear of 211 Bispham Road, Blackpool](#)



**Price:** £69,950.00

**Size:** 1528 sq ft

**Date Added:** 05/02/2013

**Description:** This workshop / storage unit would suit a prospective buyer requiring storage space or business space form which they could operate a business. It benefits from a personal door and timber vehicle access doors. Vehicle access is available via a side road at the end of th...



T

Map

[Warehouse Industrial Premises , Burton Road, Blackpool, Lancashire](#)



**Size:** 15,503 sq ft

**Date Updated:** 15/10/2012

**Description:** The site is situated on Burton Road within Burton Road Industrial Estate being a well established industrial location 2 miles south east of Blackpool Town Centre. The property is a two-bay detached industrial unit/warehouse with ancillary two-storey offices located on th...



A

Map

[Burton Road, Blackpool, Lancashire](#)



**Price:** POA

**Size:** 15503 sq ft

**Date Added:** 07/11/2011

**Description:** The site is situated on Burton Road which is within Burton Road Industrial Estate approximately 2 miles South East of Blackpool Town Centre. The property comprises a detached two bay warehouse with ancillary two storey offices to the front elevation.



B

Map

[UNIT 7 CLIFTON TRADE PARK, BRINWELL ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £8500.00 / Annum

Size: 1494 sq ft

**Date Added:** 21/03/2013

**Description:** A modern workshop/storage unit with sectional roller doors. HGV vehicle access is available right up to the premises. The unit benefits from spacious equipped office areas, mezzanine storage, private toilet facilities and a kitchen area. The unit is available immediate...



C

Map

[WAREHOUSE / OFFICE BUILDING, NO. 1, BRINWELL ROAD, BLACKPOOL, LANCASHIRE](#)

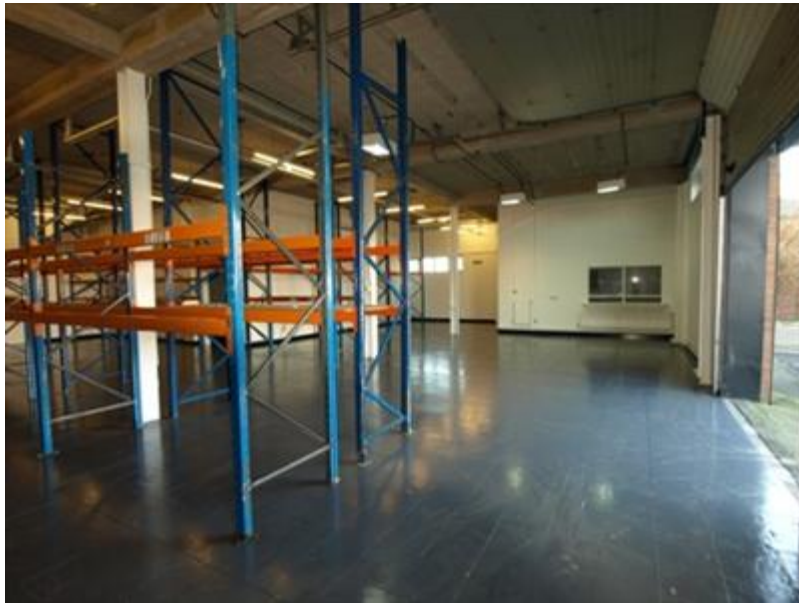


**Price:** £380,000.00

**Size:** 1422 sq m

**Date Added:** 05/02/2013

**Description:** This is an investment sale as both the warehouse and office parts are occupied by tenants. The warehouse/office space is taken as a whole but could be let occupied/separately. There is a gated yard to the front of the warehouse and off road car parking to the front o...



D

Map

[UNIT 11 CLIFTON TRADE PARK, BRINWELL ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £16000.00 / Annum

Size: 3791 sq ft

**Date Added:** 21/03/2013

**Description:** A prominent trade counter unit on Clifton Trade Park ideally located on the edge of Blackpool, second from the M55 termination. Clifton Trade Park is a popular, well occupied multi use facility offering workshop / trade counter facilities ranging from 1500-4000 sq ft a...



E

Map

[Focus Building, Brinwell Road, Blackpool, Lancashire](#)



**Price:** £285,000.00

**Rent:** £21000.00 / Annum

**Size:** 4378 sq ft

**Date Added:** 12/03/2013

**Description:** This detached single storey brick built property is on a quarter acre site with 40 private parking spaces located on four sides, some in a gated secure yard. The front entrance and spacious central reception area leads to seven high specification carpeted, data cabled ...



F

Map

[UNIT 6 TELLCOM BUSINESS CENTRE, OFF BRINWELL ROAD/CLIFTON ROAD, BLACKPOOL, LANCASHIRE](#)



**Rent:** £6750.00 / Annum

**Size:** 103 sq m

**Date Added:** 05/02/2013

**Description:** The building can be used as office space or for storage purposes. There is car parking to the front for multiple cars and a large communal turning area for large vehicles.



The premises has electricity but no gas and the rooms are individually metered at present. Ther...



G  
Map

[OFFICE/WORKSHOP BUILDING, CORNFORD ROAD, BLACKPOOL, LANCASHIRE](#)



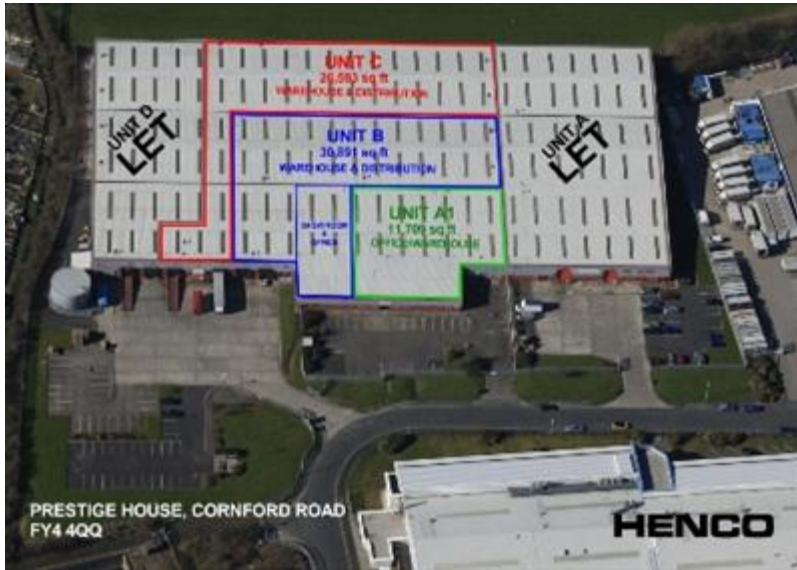
**Price:** £105,000.00

Rent: £8500.00 / Annum

Size: 1280 sq ft

**Date Added:** 05/02/2013

**Description:** This building comprises of a ground floor workshop and office. There is additional office space to the first floor as well as a kitchenette and WC facility. The office accommodation can be used as additional workshop space if required and the internal configuration of...



H

Map

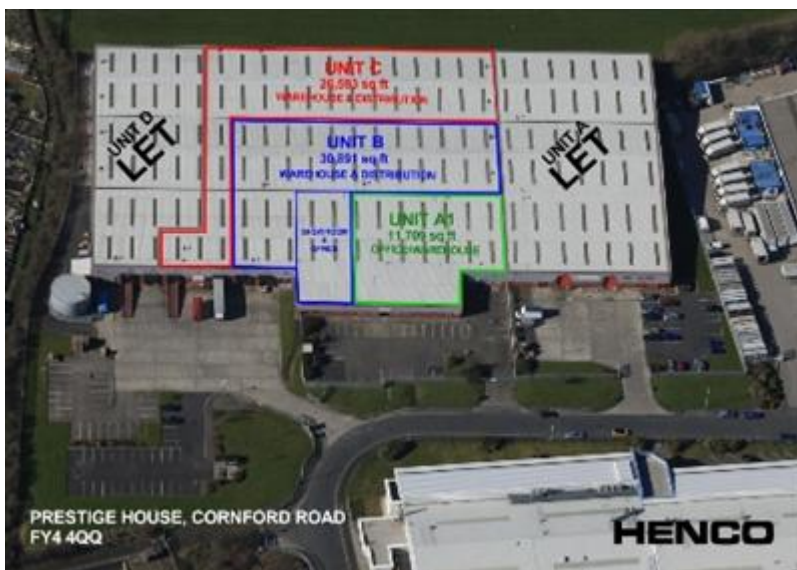
[UNITS AT PRESTIGE HOUSE, CORNFORD ROAD, BLACKPOOL, LANCASHIRE](#)



Size: 11700 - 70000 sq ft

**Date Added:** 05/02/2013

**Description:** The property has been sub divided to create up to approximately 70,000 sq ft in total. The site benefits from extensive secure yard areas along with independent offices suitable for general office use or call centre use due to the level of car parking. Units can be take...



I

Map

[UNIT C PRESTIGE HOUSE, CORNFORD ROAD, BLACKPOOL, LANCASHIRE](#)



Size: 26593 sq ft

**Date Added:** 05/02/2013

**Description:** The property has been sub divided to create up to approximately 70,000 sq ft in total. The site benefits from extensive secure yard areas along with independent offices suitable for general office use or call centre use due to the level of car parking. Units can be take...



J

Map

[UNIT 10 BANKFIELD HOUSE, 250 BRISTOL AVENUE, BLACKPOOL, LANCASHIRE](#)



Rent: £10500.00 / Annum

Size: 2000 sq ft

**Date Added:** 28/03/2013

**Description:** LOCATION This unit occupies a prominent location close to the junction of Bristol Avenue and Moor Park Avenue, forming part of Moor Park Industrial Development. Access to the industrial area is via Moor Park Avenue off Bispham Road or alternatively via Amounderness W...



K

Map

[250 BRISTOL AVENUE, BLACKPOOL, LANCASHIRE](#)



Rent: £20000.00 / Annum

Size: 425 sq m

**Date Added:** 26/02/2013

**Description:** Office building with 2 storey office section to front elevation. There is a workshop adjoined to the rear of the office building that may be able by separate negotiation (subject to availability). There is a substantial hard surfaced area at the side of the property ...



L

Map

[UNIT 1, WAKEFIELD ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £14995.00 / Annum

Size: 5880 sq ft

**Date Added:** 05/02/2013

**Description:** This detached industrial unit occupies a position on Wakefield Road, which is a cul-de-sac road accessed off Ashfield Road. Ashfield Road can be accessed off Bristol Avenue which connects with Bispham Road (A587) providing ease of commuting throughout Blackpool. The uni...



M

Map

[KINCRAIG BUSINESS PARK, KINCRAIG ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £135,000.00

Rent: £7.50 / sq ft

Size: 1484 - 3000 sq ft

**Date Added:** 05/02/2013

**Description:** The Business Park will house circa 50,000 sq ft of business unit space, set on a 3 acre site adjoining Blackpool Technology Park. The development comprises of buildings which are ideal for one or two storey offices, high bay warehouses and or workshops. The standard b...



N

Map

[Unit 5D, Moor Park Industrial Estate, Blackpool, Lancashire](#)



Rent: £10500.00 / Annum

Size: 1570 sq ft

**Date Added:** 05/03/2013

**Description:** Description Duxburys Commercial is pleased to confirm the availability to lease this light industrial unit with a gross internal ground floor area in the region of 1570 sq ft. The unit boasts a roller shutter door, additional personal door and WC facility. There is par...



O

Map

[UNIT 4B KINCRAIG BUSINESS PARK, KINCRAIG ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £135,000.00

Rent: £7.50 / sq ft

Size: 1484 sq ft

**Date Added:** 05/02/2013

**Description:** The Business Park will house circa 50,000 sq ft of business unit space, set on a 3 acre site adjoining Blackpool Technology Park. The development comprises of buildings which are ideal for one or two storey offices, high bay warehouses and or workshops. The standard b...



P

Map

[Kincraig Business Park, Kincraig Road, Blackpool](#)



**Price:** Price or rental on application.

Size: 1500 - 25000 sq ft

**Date Added:** 05/02/2013

**Description:** FOR SALE / TO LET - BRAND NEW BUSINESS UNITS Kincraig Business Park is a 3-acre site which can have up to 8 separate high quality business units ranging in size from 1,500 sq.ft. to 25,000 sq.ft., each of which is ideal for high bay warehouses two storey offices, works...



Q

Map

[2-4 Arkwright Court, BLACKPOOL, Lancashire](#)

Rent: £50000 / Annum

Size: 14644 sq ft

**Date Added:** 30/03/2012

**Description:**



R

Map

[Unit 1, Rear Castle Gardens, Carleton, Lancashire](#)



**Price:** £99,950.00

Rent: £6000.00 / Annum

Size: 1414 sq ft

**Date Added:** 13/03/2013



**Description:** Location: This workshop premises occupies a location within Carleton opposite Castle Gardens. The location provides ease of commuting into the popular village of Poulton with its array of shopping facilities and amenities. The village of Carleton also provides local sho...



S

Map

[Various Industrial/ Warehouse Units Sycamore Tradi, Blackpool, Lancashire](#)



**Price:** POA

**Size:** 750 - 23406 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION: The business centre is situated on Sycamore Trading Estate which is close to Blackpool Business Park, Blackpool Airport, and Blackpool Town Centre. The Estate provides easy access to the M55 which provides access to the national motorway network. ACCOMMODATI...



T

Map

[Squiresgate Industrial Estate \(Unit 1F\), Blackpool, Lancashire](#)



**Price:** GBP

Rent: £1.50 - £1.75

Size: 23320.00 sq ft

**Date Added:** 16/11/2012

**Description:** Squires Gate Industrial Estate is situated fronting Squires Gate Lane (A5230), approximately 2.6 miles (4.2km) to the south of Blackpool Town Centre and immediately adjacent to Blackpool Airport. Squires Gate Lane provides a dual carriageway link to Junction 4 of the M5...



A

Map

[Amy Johnson Way, Blackpool, Lancashire](#)



**Price:** GBP

Size: 194825 sq ft

**Date Added:** 18/10/2012

**Description:** Squires Gate Industrial Estate is situated fronting Squires Gate Lane (A5230), approximately 2.6 miles (4.2km) to the south of Blackpool Town Centre and immediately adjacent to Blackpool Airport. Squires Gate Lane provides a dual carriageway link to Junction 4 of the M5...



B

Map

[UNIT 3, WESTBY CLOSE, BLACKPOOL, LANCASHIRE](#)



Rent: £30000.00 / Annum

Size: 320 sq m

**Date Added:** 05/02/2013

**Description:** The accommodation is of a high specification benefiting from warehouse and office accommodation. The offices and warehouse can be separately accessed. The warehouse benefits from a roller shutter door, personal access and is open plan. The office accommodation is set ov...



C

Map

[UNIT 12, WOODSIDE, BLACKPOOL, LANCASHIRE](#)



Rent: £8000.00 / Annum

Size: 2000 sq ft

**Date Added:** 05/02/2013

**Description:** Unit 12 Woodside presently comprises part of a large unit occupied by Lytham Timber. It is the left hand side unit and benefits from a side storage area (the landlord will require right of access over this area in certain scenarios) and multiple car parking spaces. Th...



D

Map

[VARIOUS OFFICE/ WAREHOUSE UNITS, EVANS EASY SPACE, AMY JOHNSON WAY, BLACKPOOL, LANCASHIRE](#)



**Price:** POA

**Size:** 230 - 1500 sq ft

**Date Added:** 05/02/2013

**Description:** DESCRIPTION: The Evans Business Centre is a recently constructed development comprising 38 new units incorporating a mix of commercial uses including offices, manufacturing and storage. LOCATION: The business centre is situated on Blackpool Business Park which is cl...



E

Map

[Squires Gate Industrial Estate, Blackpool, Lancashire](#)

**Price:** £1,605,000.00

Rent: £132000 / Annum

Size: 32000 sq ft

**Date Updated:** 08/02/2012

**Description:**

## Office



A

Map

[241 Church Street, Blackpool, North West](#)



**Price:** GBP

**Size:** 1342.00 sq ft

**Date Added:** 11/04/2012

**Description:** 241 Church Street is a mid terraced three story Victorian Building with accommodation arranged over three floors. The ground floor comprises retail frontage with reception area and office space and additional rooms to the rear. The first floor has a variety of offices...



B

Map

[22 WHITEGATE DRIVE, BLACKPOOL, LANCASHIRE](#)



Rent: £250.00

Size: 2336 sq ft

**Date Added:** 01/03/2013

**Description:** Duxburys Commercial is pleased to have been instructed to market this office building situated in a prominent and convenient location close to Blackpool Town Centre. The property provides office accommodation and ample car parking space. The building is end terraced w...



C

Map

[56-60 Caunce Street, BLACKPOOL](#)



**Price:** £265,000.00

Rent: £24000.00 / Annum

Size: 5460.36 sq ft

**Date Added:** 12/03/2013

**Description:** DESCRIPTION/LOCATION The property comprises substantial office accommodation situated close to the centre of Blackpool. Development potential subject to planning permission, for conversion into residential flats. It has been substantially modernised by the current oc...





D

Map

[CHARLES STREET, BLACKPOOL, LANCASHIRE](#)



**Price:** £125,000.00

**Size:** 2700 sq ft

**Date Added:** 05/02/2013

**Description:** Detached office premises parking, planning permission for 5 3 storey terraced dwelling houses\*. Located in the town centre, this imposing office and former warehouse premises spread across 2 floors is approximately 2,700 sq ft internally. The adjoining car park with g...



E

Map

[CHARLES STREET, BLACKPOOL, LANCASHIRE](#)



Rent: £12400.00 / Annum

Size: 2700 sq ft

**Date Added:** 05/02/2013

**Description:** Located in the town centre, this imposing office and former warehouse spread across 2 floors is approximately 2,700 sq ft internally. The adjoining car park with gated security offers a new of growing business an excellent benefit in the town centre. Flexible in/out ter...



F

Map

[30a RAIKES PARADE, BLACKPOOL, LANCASHIRE](#)



Rent: £7500.00 / Annum

Size: 1668 sq ft

**Date Added:** 21/03/2013

**Description:** The property provides two large and open plan rooms, circulation space, kitchen and WCs. This building was previously Blackpool Quaker meeting house. There is a front garden, no off road car parking but access from the rear of the property to an external entrance. Th...



G

Map

[1st Floor Offices, 50 Topping Street, Blackpool, Lancashire](#)



Rent: £8000.00 / Annum

Size: 1356 sq ft

**Date Added:** 05/02/2013

**Description:** The accommodation is situated to the first floor and accessed from the ground floor at Topping Street. The accommodation benefits from WC and kitchen facilities. The space would be suitable for various occupiers and is ready for occupation. ( Agency Pilot Software Ref:...



H

Map

[20 Edward Street, Blackpool, Lancashire](#)



**Price:** £120,000.00

**Size:** 2384 sq ft

**Date Added:** 03/04/2013

**Description:** Spacious suite of offices situated in the town centre ideally located. Previously used as a solicitors practice and would suit similar usage. 11 offices in total, 4 storage rooms, kitchen area & toilets. Total area = 2384 sq ft (221.47 sq m). The property benefits from ...



I

Map

[Queen Street , Blackpool](#)



**Price:** POA

**Size:** 180 - 8800

**Date Updated:** 11/02/2012

**Description:** This centre has 11000sqft of office space across three floors. Benefiting from a number of outstanding services and facilities including fully furnished offices, reception and secretarial services, instant occupancy with minimum start-up costs, simple, flexible agreement...



J

Map

[Springfield Road, Blackpool](#)



Rent: 87.50 - 125.00 / sq ft

Size: 130 - 8300

**Date Updated:** 11/02/2012

**Description:** This centre has just been refurbished to a high standard. It is on three floors with full security. All offices are furnished with desks, pedestals and chairs - phones are installed with a door entry system. Adjacent to the offices are firms such as Solicitors and Stock...



K

Map

[UNIT 3A \(FIRST FLOOR OFFICES\), STANLEY ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £95.00

Size: 1313 sq ft

**Date Added:** 26/03/2013

**Description:** Duxburys Commercial is pleased to have been instructed to market these first floor offices. The offices are located off Reads Avenue providing ease of access in to the town centre and the M55 motorway. There are also public transport routes nearby. The accommodation ...



L

Map

[41 43 Springfield Road, Blackpool, Lancashire](#)



**Price:** £205,000.00

Rent: £18000.00 / Annum

Size: 556 sq m

**Date Added:** 09/04/2013

**Description:** Duxburys Commercial is pleased to have been instructed to market these office buildings, which are situated in Blackpool Town Centre. The location is close to Blackpool North Train Station, the bus station and various car parks for ease of access. The two buildings ar...



M

Map

[41 Springfield Road, Blackpool, Lancashire](#)



**Price:** £95,000.00

Rent: £9000.00 / Annum

Size: 254 sq m

**Date Added:** 05/02/2013

**Description:** Duxburys Commercial is pleased to have been instructed to market these office buildings, which are situated in Blackpool Town Centre. The location is close to Blackpool North Train Station, the bus station and various car parks for ease of access. The two buildings ar...



N

Map

[43 Springfield Road, Blackpool, Lancashire](#)



**Price:** £110,000.00

Rent: £11000.00 / Annum

Size: 303 sq m

**Date Added:** 05/02/2013

**Description:** Duxburys Commercial is pleased to have been instructed to market these office buildings, which are situated in Blackpool Town Centre. The location is close to Blackpool North Train Station, the bus station and various car parks for ease of access. The two buildings ar...





O

Map

[54 CLIFTON STREET, BLACKPOOL, LANCASHIRE](#)



**Price:** £175,000.00

**Size:** 160 sq m

**Date Added:** 05/02/2013

**Description:** The property is three storeys. The ground floor retail unit is let to Trinity Hospice. The two upper floors are presently un used and separately accessed from the rear of the building. The upper floors can be developed to increase the rental income of the building as...



P

Map

[52 CLIFTON STREET, BLACKPOOL, LANCASHIRE](#)



Rent: £12000.00 / Annum

Size: 1806 sq ft

**Date Added:** 05/02/2013

**Description:** This ground floor retail unit with offices to the upper floor occupies a town centre location in Blackpool. Clifton Street is a one way system and provides a wealth of passing pedestrian and vehicle trade. It comprises of neighbouring retail and office accommodation wit...



Q

Map

[4-10, Springfield Road, Blackpool](#)

Rent: 45000.00 / Annum

Size: 8234 sq ft

**Date Updated:** 09/02/2012

**Description:** The property comprises four terrace properties that have been converted to provide interlinking office accommodation over three floors.



R

Map

[26, Derby House, Derby Road, Blackpool](#)

**Price:** £220,000.00

**Size:** 2570 sq ft

**Date Updated:** 09/02/2012

**Description:** End terrace, two storey property of traditional brick construction. A two storey brick built extension has been added to the Northern elevation to create additional office space. Basement storage, kitchen and wc facilities.



S

Map

[9-21 MELROSE AVENUE, BLACKPOOL, LANCASHIRE](#)



**Price:** £79,950.00

**Size:** 1400 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys are pleased to offer this part single and part 2 storey brick built building for sale. This substantial freehold property is situated in Layton Blackpool, close to the busy shopping area of Westcliffe Drive and benefits from overlooking playing fields. ( Ag...



T

Map

[UNIT 2 HOO HILL INDUSTRIAL ESTATE, HOO HILL LANE, BLACKPOOL, LANCASHIRE](#)



Rent: £9000.00 / Annum

Size: 1990 sq ft

**Date Added:** 05/02/2013

**Description:** Unit 2 comprises of a ground floor open plan workshop space with WC. There is an internal staircase leading to a split level first floor which also provides office accommodation and further WCs. There is parking to the front of the unit. ( Agency Pilot Software R...



A

Map

[299 DICKSON ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £99,950.00

Size: 130 sq m

**Date Added:** 05/02/2013

**Description:** This property is arranged over four floors and presently provides office accommodation. A3/A5 planning permission was granted on the property on the 19th October 2011 providing the opportunity for restaurant/caf and hot food takeaway use. There is potential for the p...



B

Map

[UNIT 29, MOWBRAY DRIVE, BLACKPOOL](#)



Rent: £12000.00 / Annum

Size: 6800 sq ft

**Date Added:** 20/03/2013

**Description:** This unit can be taken as a whole or in two parts. The unit can be split into Left and Right hand side units. Car parking to the front and shared access through the middle of the unit provides access to the rear yard. The building(s) provide open plan Warehouse/Worksh...



C

Map

[FIRST FLOOR SPACE / OFFICES, 130 MOWBRAY DRIVE, BLACKPOOL, LANCASHIRE](#)



Rent: £11500.00 / Annum

Size: 301 sq m

**Date Added:** 05/02/2013

**Description:** The offices occupy a first floor position in a two storey building. The office provides spacious and mainly open plan accommodation and is accessed from the side of the building. The building benefits from ample car parking spaces and would suit various uses subject to ...



D

Map

[UNIT 31, MOWBRAY DRIVE, BLACKPOOL](#)



Rent: £12000.00 / Annum

Size: 6054 sq ft

**Date Updated:** 09/04/2013

**Description:** This unit can be taken as a whole or in two parts. The unit can be split into Left and Right hand side units. Car parking to the front and shared access through the middle of the unit provides access to the rear yard. The building(s) provide open plan Warehouse/Worksh...



E

Map

[340 342 LYTHAM ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £175,000.00

Rent: £15700.00 / Annum

Size: 3889 sq ft

**Date Added:** 15/03/2013

**Description:** This office building can be taken as a whole or in two parts. The building can be taken as a left hand side and right hand side building. Each side benefits from a reception office to the ground floor and suitable WC kitchen facilities. The offices benefit from a ga...



F

Map

[340 LYTHAM ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £175,000.00

Rent: £7500.00 / Annum

Size: 1845 sq ft

**Date Added:** 15/03/2013

**Description:** This office building can be taken as a whole or in two parts. The building can be taken as a left hand side and right hand side building. Each side benefits from a reception office to the ground floor and suitable WC kitchen facilities. The offices benefit from a ga...





G

Map

[342 LYTHAM ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £175,000.00

**Rent:** £8200.00 / Annum

**Size:** 2044 sq ft

**Date Added:** 15/03/2013

**Description:** This office building can be taken as a whole or in two parts. The building can be taken as a left hand side and right hand side building. Each side benefits from a reception office to the ground floor and suitable WC kitchen facilities. The offices benefit from a ga...



H

Map

[340 342 Lytham Road](#)



**Price:** £175,000.00

**Size:** 4644 sq ft

**Date Added:** 26/04/2012

**Description:** Two substantial semi-detached properties Suitable for conversion to residential apartments subject to planning 5 car parking spaces ( Agency Pilot Software Ref: 2764 )



I

Map

[3 Rawcliffe Street, BLACKPOOL, Lancashire](#)



**Price:** £35,000.00 (Guide Price)

**Size:** 2494 sq ft

**Date Added:** 25/02/2013

**Description:** \*\*\*GOING TO AUCTION 19th MARCH 2013\*\*\*GUIDE PRICE: £35,000The property comprises a two storey corner commercial property which has been utilised for various uses. Internally the property provides mainly open plan accommodation and is fitted with pedestrian and loading a...



J

Map

[SUITE 1A., NEWFIELD HOUSE, VICARAGE LANE, BLACKPOOL, LANCASHIRE](#)



**Price:** POA

**Rent:** £20000.00 / Annum

**Size:** 2859 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION: Newfield House is located on Vicarage Lane less than two miles from junction 4 of the M55 motorway and one mile from Blackpool link providing access to the M6 and the national motorway network. DESCRIPTION: Newfield House is a purpose built office premises. T...



K

Map

[Unit 3 Metropolitan Business Park, Preston New Road, Blackpool, Lancashire](#)



**Price:** £139,950.00

**Size:** 2000 sq ft

**Date Added:** 05/02/2013

**Description:** The units are both tenanted at present and are being sold as investment opportunities. Internal viewings are available by appointment through our office on 01253 316 919. No direct approach is to be made to the tenants. The business park was established approximately 2...



L

Map

[Units 3 4 Metropolitan Business Park, Preston New Road, Blackpool, Lancashire](#)



**Price:** £279,900.00

**Size:** 4000 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION The office units are situated on the prestigious Metropolitan Business Park, off Preston New Road, Blackpool. Its convenient location is close to the town centre and Junction 4 of the M55 motorway which connects onto the M6. DESCRIPTION The units are both...



M

Map

[UNIT 4 METROPOLITAN BUSINESS PARK, PRESTON NEW ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £15000.00 / Annum

Size: 2088 sq ft

**Date Added:** 08/03/2013

**Description:** The office unit is situated on the prestigious Metropolitan Business Park which is located on Preston New Road. The business park has been established for approximately twenty years and has 17 units in total. The Business Park itself is located in a convenient location ...



N

Map

[Unit 4 Metropolitan Business Park, Preston New Road, Blackpool, Lancashire](#)



**Price:** £139,950.00

Size: 2000 sq ft

**Date Added:** 05/02/2013

**Description:** The units are both tenanted at present and are being sold as investment opportunities. Internal viewings are available by appointment through our office on 01253 316 919. No direct approach is to be made to the tenants. The business park was established approximately 2...



O

Map

[Preston New Road, Blackpool](#)



Rent: 50.00 - 125.00 / sq ft

Size: 180 - 8800

**Date Updated:** 04/04/2013

**Description:** These luxury offices and suites can be licensed for a matter of hours, days, weeks, months...or as long as you want. The aim is to provide the facilities and services you need, as and when you need them, at a price that helps to keep overheads down. The ready-made offic...



P

Map

[Unit 3, Avroe Court, Avroe Crescent, Blackpool Business Park, Blackpool, Lancashire](#)



*Real value in a changing world*

Size: 2200.00 - 4400.00 sq ft

**Date Added:** 04/12/2012

**Description:** · High specification construction with facing brickwork, tiled pitched roof and aluminium double glazed windows · Feature glazed entrance enclosing staircase · Kitchen, plus male and female w.c. facilities. · Suspended ceilings incorporating recess...



Q

Map

[VARIOUS OFFICES CLIFTON TRADE PARK, BRINWELL ROAD, BLACKPOOL, LANCASHIRE](#)



Size: 177 - 1627 sq ft

**Date Added:** 27/03/2013

**Description:** Clifton Trade Park is situated on Brinwell Road which is off Cornford Road. Brinwell Business Park is located within close proximity to the M55 motorway which provides ease of access to the M6 which links with other major motorway networks. There are local bus routes ne...



R

Map

[UNIT 7 CLIFTON TRADE PARK, BRINWELL ROAD, BLACKPOOL, LANCASHIRE](#)





Rent: £8500.00 / Annum

Size: 1494 sq ft

**Date Added:** 21/03/2013

**Description:** A modern workshop/storage unit with sectional roller doors. HGV vehicle access is available right up to the premises. The unit benefits from spacious equipped office areas, mezzanine storage, private toilet facilities and a kitchen area. The unit is available immediate...



S

Map

[OFFICE 12 CLIFTON TRADE PARK, BRINWELL ROAD, BLACKPOOL, LANCASHIRE](#)



Size: 1627 sq ft

**Date Added:** 27/03/2013

**Description:** Clifton Trade Park is situated on Brinwell Road which is off Cornford Road. Brinwell Business Park is located within close proximity to the M55 motorway which provides ease of access to the M6 which links with other major motorway networks. There are local bus routes ne...



T

Map

[WAREHOUSE / OFFICE BUILDING, NO. 1, BRINWELL ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £380,000.00

**Size:** 1422 sq m

**Date Added:** 05/02/2013

**Description:** This is an investment sale as both the warehouse and office parts are occupied by tenants. The warehouse/office space is taken as a whole but could be let occupied/separately. There is a gated yard to the front of the warehouse and off road car parking to the front o...



A

Map

[Unit 5, Whitehills Drive, Blackpool, Lancashire](#)



Rent: £25000.00 / Annum

Size: 2472 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION This office building is situated in Whitehills Business Park, providing ease of commuting to junction 4 of the M55. The M55 provides access to the M6 motorway allowing ease of commuting throughout North West England and the motorway network beyond. The develop...



B

Map

[UNIT 3, WESTBY CLOSE, BLACKPOOL, LANCASHIRE](#)



Rent: £30000.00 / Annum

Size: 320 sq m

**Date Added:** 05/02/2013

**Description:** The accommodation is of a high specification benefiting from warehouse and office accommodation. The offices and warehouse can be separately accessed. The warehouse benefits from a roller shutter door, personal access and is open plan. The office accommodation is set ov...



C

Map

[Various Offices, Olympic Court, Blackpool](#)



Rent: £8.00 / sq ft

Size: 1050 - 6300 sq ft

**Date Added:** 05/02/2013

**Description:** ACCOMMODATION UNIT AREA (SQ FT) 22100 32100 42100 (FF) 82100 15 APPROX 6000 (FF) PLEASE NOTE THAT UNITS ARE AVAILABLE WHOLE OR IN PART ON A FLOOR BY FLOOR BASIS (EACH FLOOR HAS A NIA 1050 SQ FT) LEASE DETAILS A new FRI lease is available with terms ...



D

Map

[COMMERCIAL PREMISES, BROOKLANDS WAY, BLACKPOOL](#)



**Price:** £275,000.00

Rent: £20000.00 / Annum

Size: 200 sq m

**Date Added:** 13/03/2013

**Description:** This coffee shop/lunch bar and restaurant premises benefits from an open plan customer servery and restaurant area. There is a commercial kitchen, store, WCs and rear exit. Externally there is lawned grounds and areas for outdoor seating, also 10 designated car parkin...



E

Map

[Squires Gate Lane, Blackpool](#)



Rent: 37.50 - 62.50 / sq ft

Size: 240 - 9400

**Date Updated:** 04/04/2013

**Description:** The estate comprises 65 units, of which 18 are of modern steel portal frame structure with brick and metal clad elevations. The units benefit from concrete floors,

florescent strip lighting and WCs. Loading is provided by a steel roller shutter. There are 29 small offic...



F

Map

[GROUND FLOOR OFFICE 8 SKYWAYS COMMERCIAL CENTRE, AMY JOHNSON WAY, BLACKPOOL, LANCASHIRE](#)



Rent: £7800.00 / Annum

Size: 1363 sq ft

**Date Added:** 28/02/2013

**Description:** This building provides high specification office space. The office building can be taken as a whole or in two separate floors. The offices can be let on a net rental basis or an all inclusive rental basis. A meeting with the present tenant to discuss the options is avai...



G

Map

[FIRST FLOOR OFFICE 8 SKYWAYS COMMERCIAL CENTRE, AMY JOHNSON WAY, BLACKPOOL, LANCASHIRE](#)



Rent: £13200.00 / Annum

Size: 2294 sq ft

**Date Added:** 28/02/2013

**Description:** This building provides high specification office space. The office building can be taken as a whole or in two separate floors. The offices can be let on a net rental basis or an all inclusive rental basis. A meeting with the present tenant to discuss the options is avai...



H

Map

[GROUND AND FIRST FLOOR OFFICES 8 SKYWAYS COMMERCIA, AMY JOHNSON WAY, BLACKPOOL, LANCASHIRE](#)



Rent: £21000.00 / Annum

Size: 3657 sq ft

**Date Added:** 26/03/2013

**Description:** This building provides high specification office space. The office building can be taken as a whole or in two separate floors. The offices can be let on a net rental basis or an all inclusive rental basis. A meeting with the present tenant to discuss the options is avai...



I

Map

[VARIOUS OFFICE/ WAREHOUSE UNITS, EVANS EASY SPACE, AMY JOHNSON WAY, BLACKPOOL, LANCASHIRE](#)



**Price:** POA

Size: 230 - 1500 sq ft

**Date Added:** 05/02/2013

**Description:** DESCRIPTION: The Evans Business Centre is a recently constructed development comprising 38 new units incorporating a mix of commercial uses including



offices, manufacturing and storage. LOCATION: The business centre is situated on Blackpool Business Park which is cl...



J

Map

[9 The Pavillions, Avroe Crescent, Blackpool, Lancashire](#)



**Price:** £239,000.00

Rent: £20000.00 / Annum

Size: 2735 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION Avroe Crescent is situated on Blackpool Business Park off the A5230, Squires Gate Lane. The property is located adjacent to Blackpool Airport and has excellent access to the M55 Motorway giving access to the national motorway network. Blackpool Business Park ...



K

Map

[GROUND FLOOR OFFICES SUITES 1 2, AVROE CRESCENT, BLACKPOOL, LANCASHIRE](#)



Size: 3250 - 6600 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys Commercial is proud to have been instructed to market this ground floor office accommodation located on the prestigious Blackpool Business Park. The accommodation which is mainly open plan can be taken as a whole or in part. The property benefits from 32 car p...



L

Map

[Unit 8, Olympic Court, Blackpool, Lancashire](#)



Rent: £8.00 / sq ft

Size: 1050 - 2100 sq ft

**Date Added:** 05/02/2013

**Description:** Olympic Court is a new development of high quality office and business units. Office Suites start from 1050 sq ft. Key Features: Facing brickwork & tiled pitched roof

Aluminium powder coated window frames Double glazed windows Glazed feature bay on ground floor ...



M

Map

[Unit 4, Olympic Court, Blackpool, Lancashire](#)



Rent: £8.00 / sq ft

Size: 1050 - 2100 sq ft

**Date Added:** 05/02/2013

**Description:** Olympic Court is a new development of high quality office and business units. Office Suites start from 1050 sq ft. Key Features: Facing brickwork & tiled pitched roof Aluminium powder coated window frames Double glazed windows Glazed feature bay on ground floor ...



N

Map

[UNIT 15, OLYMPIC COURT, BLACKPOOL, LANCASHIRE](#)



Rent: £8.00 / sq ft

Size: 6000 sq ft

**Date Added:** 05/02/2013

**Description:** Olympic Court is a new development of high quality office and business units. Office Suites start from 1050 sq ft. Key Features: Facing brickwork & tiled pitched roof Aluminium powder coated window frames Double glazed windows Glazed feature bay on ground floor ...



O

Map

[Unit 3, Olympic Court, Blackpool, Lancashire](#)



Rent: £8.00 / sq ft

Size: 1050 - 2100 sq ft

**Date Added:** 05/02/2013

**Description:** Olympic Court is a new development of high quality office and business units. Office Suites start from 1050 sq ft. Key Features: Facing brickwork & tiled pitched roof Aluminium powder coated window frames Double glazed windows Glazed feature bay on ground floor ...



P

Map

[Lancaster House, Amy Johnson Way, BLACKPOOL, Lancashire](#)



**Price:** POA

**Size:** 9013 - 18026 sq ft

**Date Added:** 05/02/2013

**Description:** New air conditioned offices ready for immediate occupation. Lancaster House was completed in summer 2010; it offers a Grade A specification and arguably is the best office space available in Blackpool. The offices are fully fitted with new furniture and cabling ready ...



Q

Map

[Whitehills Business Park, Hallam Way, Blackpool, Lancashire](#)



**Price:** £260,000.00 (From)

**Rent:** £5.00 / sq ft

**Size:** 1796 - 2441 sq ft

**Date Added:** 22/03/2012

**Description:** Croft Court comprises a total of 11 two storey office units of brick construction, built circa 2006 which are surmounted by pitched concrete tiled roofs and each unit has the benefit of being self contained with their own reception entrance, aluminium double glazing and...



R

Map

[LANCASTER HOUSE, SIR FRANK WHITTLE WAY, BLACKPOOL, LANCASHIRE](#)



**Price:** £490,000.00

Rent: £49000.00 / Annum

Size: 5213 sq ft

**Date Added:** 05/02/2013

**Description:** The offices are situated on the prestigious Blackpool Business Park. The office accommodation is set over three storeys and is available to purchase or to rent consideration will be given to renting on a floor by floor basis. The office building provides modern, open pl...

## Retail



A

Map

[54 Church Street, Blackpool](#)

Rent: 74000.00 / Annum

Size: 781 - 1607 sq ft

**Date Updated:** 19/02/2012

**Description:** The accommodation is provided over ground and first floor and comprises a retail area on the ground floor with office and storage accommodation on the first floor. The accommodation includes a climate control system and security roller shutter door



B

Map

[50, Lord Street, Blackpool](#)

LONDON  
CAMBRIDGE  
PROPERTIES  
**01384 400123**  
[www.lcpproperties.co.uk](http://www.lcpproperties.co.uk)

Size: 1245

**Date Added:** 05/10/2012

**Description:**



C

Map

[BARRETT'S WAREHOUSE, BACK READS AVENUE /REAR OF 105 HORNBY ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £199,950.00

**Size:** 544 sq m

**Date Added:** 05/02/2013

**Description:** This retail warehouse is set over 2 storeys and can be purchased as a whole or in two parts. The building can be split between the left hand side and right hand side with each side benefiting from ground and first floor space. The building is being used by Barretts DIY...





D

Map

[BARRETTS DIY, 2A PALATINE ROAD / 108A CENTRAL DRIVE, BLACKPOOL, LANCASHIRE](#)



**Price:** £149,950.00

**Size:** 1881 sq ft

**Date Added:** 05/02/2013

**Description:** LOCATION This DIY store business is located in a prominent position with a wealth of passing pedestrian and vehicle trade. It is ideally located on the corner of Palatine Road and Central Drive and is highly visible. Ease of commuting is available to dense surrounding ...



E

Map

[47/49 TALBOT ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £15000.00 / Annum

Size: 1800 sq m

**Date Added:** 28/03/2013

**Description:** Spacious double fronted shop unit located in Blackpool town centre with high passing trade. Mainly open plan premises provides approximately 1,930 sq ft (180 sq m) including wc facilities. Suit a variety of uses from Hot Food Takeaway to Restaurant or retail. New effect...



F

Map

[54 CLIFTON STREET, BLACKPOOL, LANCASHIRE](#)



**Price:** £175,000.00

**Size:** 160 sq m

**Date Added:** 05/02/2013

**Description:** The property is three storeys. The ground floor retail unit is let to Trinity Hospice. The two uppers floors are presently un used and separately accessed from the rear of the building. The upper floors can be developed to increase the rental income of the building as...



G

Map

[52 CLIFTON STREET, BLACKPOOL, LANCASHIRE](#)



**Rent:** £12000.00 / Annum

**Size:** 1806 sq ft

**Date Added:** 05/02/2013

**Description:** This ground floor retail unit with offices to the upper floor occupies a town centre location in Blackpool. Clifton Street is a one way system and provides a wealth of passing pedestrian and vehicle trade. It comprises of neighbouring retail and office accommodation wit...



H

Map

[PEPPERMILL, 15 BIRLEY STREET, BLACKPOOL, LANCASHIRE](#)



Rent: £37500.00 / Annum

Size: 1488 sq ft

**Date Added:** 08/03/2013

**Description:** Duxburys Commercial are delighted to offer this well known and popular licensed Caf for sale. The Caf is situated within the heart of Blackpools Vibrant Town Centre in the newly formed pedestrianised Birley Street. ( Agency Pilot Software Ref: 3471 )



I

Map

[Atlantic Buildings, Walker Street, Blackpool, Lancashire](#)

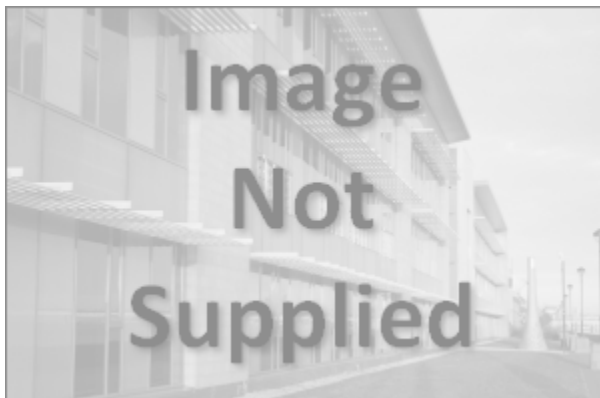


**Price:** £260,000.00

**Size:** 826 sq m

**Date Added:** 05/02/2013

**Description:** DESCRIPTION A four storey detached retail premises with refurbished accommodation providing a garage to the ground floor with refurbished showroom areas to the 1st, 2nd and 3rd floors. 500 kilogram goods lift is installed serving each floor. The property is currently ...



J

Map

[15a Clifton Street, Blackpool, Lancashire](#)

Rent: £20000 / Annum

Size: 2035 sq ft

**Date Added:** 29/11/2011

**Description:**

K

Map

[120-122 PROMENADE, BLACKPOOL, LANCASHIRE](#)



**Price:** £395,000.00

Size: 2835 sq ft

**Date Added:** 05/04/2013

**Description:** A substantial freehold commercial property on Blackpool promenade adjacent to Talbot and Queens Square and access on to The Strand Currently in use as a Chinese Restaurant combined with the adjoining property Ground floor area approximately 1,650 sq ft (153m<sup>2</sup>) plus fi...

L

Map

[114-118 PROMENADE, BLACKPOOL, LANCASHIRE](#)



**Price:** £425,000.00

Size: 1560 sq ft

**Date Added:** 05/04/2013

**Description:** A substantial 3 storey Promenade property opposite North Pier on Blackpool Promenade Currently in use as a Chinese Restaurant combined with the next door property Ground floor Restaurant area approximately 1,560 sq ft plus kitchens and basement wcs Upper floors provi...



M

Map

[Atlantic Buildings, Walker Street, Blackpool, Lancashire](#)

**Price:** £260,000.00

Size: 8898 sq ft

**Date Updated:** 27/02/2012

**Description:**



N

Map

[96 RIGBY ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £490,000.00

Rent: £42500.00 / Annum

Size: 7800 sq ft

**Date Added:** 05/02/2013

**Description:** The building comprises of a substantial ground floor retail/warehouse space with ancillary WC and staff kitchen. A mezzanine floor has also been installed to the unit. Access via roller shutter door off Salthouse Avenue for loading. The front entrance is off Rigby Roa...



O

Map

[185 PROMENADE, BLACKPOOL, LANCASHIRE](#)



Rent: £45000.00 / Annum

Size: 2678 sq ft

**Date Added:** 08/03/2013

**Description:** This building comprises of an arcade with a separate burger bar located to the corner of the building. The building is available to be leased as a whole with the landlord willing to grant an under lease or permission to create a licence in respect of the burger bar. The...





P

Map

[P RODGERS MOTOR SERVICES, HENRY STREET \(BACK\), BLACKPOOL, LANCASHIRE](#)



**Price:** £134,950.00

**Size:** 1245 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys Commercial are pleased to offer this well known and popular Motor Services business for sale. The business specialises in services and repairs of motor vehicles. ( Agency Pilot Software Ref: 3490 )



Q

Map

[STEPHENS HARDWARE AND DIY, 14 KNOWLE AVENUE, BLACKPOOL, LANCASHIRE](#)



Rent: £625.00

Size: 1483 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys Commercial are pleased to offer this well known and popular hardware and DIY shop for sale. The shop is situated in the all year round trading location of Knowle Avenue in North Shore, Blackpool. The business sells a range of household products, DIY products ...



R

Map

[4, ST ANNES ROAD 209a WATERLOO ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £14000.00 / Annum

Size: 624 - 1553 sq ft

**Date Added:** 05/02/2013

**Description:** The property comprises of two internally linked single storey shops with window displays fronting onto St Annes Road and Waterloo Road. The property adjoins a Ladbrokes bookmakers unit. The frontage onto St Annes Road is double fronted. The unit as a whole offers exte...

S

Map

[LAUNDERETTE BUSINESS, 320 LYTHAM ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £9360.00 / Annum

Size: 110 sq m

**Date Added:** 09/04/2013

**Description:** This launderette business has been successfully operated by the present owner and is only being sold due to the present owner looking to purchase another business. The business includes the sale of 15 no. washing machines, 7 no. dryers, steam iron table and a speedy p...



T

Map

[282-284 LYTHAM ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £15000.00 / Annum

Size: 2700 sq ft

**Date Added:** 21/03/2013

**Description:** Duxburys Commercial are pleased to offer this empty Retail Unit for Lease. The property occupies a highly visible position on the busy Lytham Road directly opposite Wetherspoons and neighbouring other retail units and established businesses ( Agency Pilot Softwar...



A

Map

[60, Waterloo Road, Blackpool, Lancashire](#)



Rent: £10000.00 / Annum

Size: 1239 sq ft

**Date Added:** 21/03/2013

**Description:** LOCATION: The property is located on Waterloo Road which is close to the promenade south of the main town centre of Blackpool. Waterloo Road is close to Central and South Piers and is within 1 mile of Blackpool Pleasure Beach. Nearby retailers include Iceland, Betfred...



B

Map

[56 Waterloo Road, Blackpool, Lancashire](#)



Rent: £10000.00 / Annum

Size: 293 sq m

**Date Added:** 03/04/2013

**Description:** LOCATION The property is located on Waterloo Road which is close to the promenade south of the main town centre of Blackpool. Waterloo Road is close to Central and South Piers and is within 1 mile of Blackpool Pleasure Beach. Nearby retailers include Iceland, Betfred, C...



C

Map

[68- 70 Waterloo Road, Blackpool, Lancashire](#)



Rent: £15000.00 / Annum

Size: 192.60 sq m

**Date Added:** 05/02/2013

**Description:** LOCATION The premises are situated on the north side of Waterloo Road, close to its junction with Lytham Road, in the main retail area of South Shore, Blackpool. Nearby retailers include Iceland, Betfred, Cash Generators, William Hill, Hampsons, Card Warehouse and oth...



D

Map

[FORMER SEAFOOD AND STEAK RESTAURANT, 25 BOND STREET, BLACKPOOL, LANCASHIRE](#)



**Price:** £65,000.00

Rent: £8500.00 / Annum

Size: 2250 sq ft

**Date Added:** 04/04/2013

**Description:** Duxburys Commercial are delighted to offer this rare opportunity to Buy or Lease the former well know and popular Seafood and Steak Restaurant on Bond Street. The Restaurant ceased trading some time ago, but has retained many of its original fixtures and features. (...)



E

Map

[Unit B, 128 Cherry Tree Road, Blackpool, Lancashire](#)

Rent: £65000 / Annum

Size: 6013 sq ft

**Date Updated:** 27/02/2012

**Description:**



F

Map

[11 STATION ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £120,000.00

Rent: £12000.00 / Annum

Size: 7817 sq ft

**Date Added:** 12/03/2013

**Description:** Duxburys Commercial are delighted to offer this substantial empty retail unit for let. The unit is currently being used as a Market but is offered with vacant possession. The

property is situated within close proximity of Blackpools busy South Promenade and is opposit...



G  
Map

[Metropolitan Drive, Preston New Road, Blackpool](#)



**Price:** GBP

Rent: £50000 / Annum

Size: 3728.04 sq ft

**Date Updated:** 24/02/2012

**Description:** The property occupies a very prominent corner location as part of a larger stand alone Kwik-Fit unit, fronting onto one of the main arterial (Preston New Road) roads into Blackpool from the M55. Located nearby are Wickes, MacDonalds, KFC and Johnson Dry Cleaners. The pre...



H  
Map



OCEAN BOULEVARD UNITS PLEASURE BEACH, NEW SOUTH PROMENADE, BLACKPOOL



Rent: £120.00 - £495.00

Size: 530 - 2500 sq ft

**Date Added:** 05/02/2013

**Description:** Prime trading location on Ocean Boulevard which runs along the front of Blackpools world famous Pleasure Beach amusement park. South Promenade in South Shore, Blackpool also close to Sandcastle complex, fronting onto the Promenade and beach. Units vary in shape, size...



I

Map

UNIT 20-24 OCEAN BOULEVARD, NEW SOUTH PROMENADE, BLACKPOOL, LANCASHIRE



Rent: £23000.00 / Annum

Size: 2500 sq ft

**Date Added:** 05/02/2013

**Description:** Prime trading location on Ocean Boulevard which runs along the front of Blackpools world famous Pleasure Beach amusement park. South Promenade in South Shore, Blackpool also close to Sandcastle complex, fronting onto the Promenade and beach. Formerly Mr Fus Resturan...



J

Map

[Focus Building, Brinwell Road, Blackpool, Lancashire](#)



**Price:** £285,000.00

**Rent:** £21000.00 / Annum

**Size:** 4378 sq ft

**Date Added:** 12/03/2013

**Description:** This detached single storey brick built property is on a quarter acre site with 40 private parking spaces located on four sides, some in a gated secure yard. The front entrance and spacious central reception area leads to seven high specification carpeted, data cabled ...



K

Map

[15 RED BANK ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £12000.00 / Annum

Size: 1711 sq ft

**Date Added:** 08/03/2013

**Description:** The retail unit comprises of retail space, store rooms and an office. The unit would suit a variety of types of businesses and internal viewings are highly recommended. There is a shared car park to the rear of the property with car parking spaces available on a first...



L

Map

[ELLE AMARA, 43 NORBRECK ROAD, THORNTON CLEVELEYS, LANCASHIRE](#)



**Price:** £215,000.00

Rent: £16700.00 / Annum

Size: 1770 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys are delighted to offer this beautifully appointed health and beauty salon with a 2 bedroom apartment for sale or lease. The property is situated in the desirable all year round trading location of Norbreck Road in Cleveleys. The salon is fitted to an exceptio...



M

Map

[COMMERCIAL PREMISES, BROOKLANDS WAY, BLACKPOOL](#)



**Price:** £275,000.00

Rent: £20000.00 / Annum

Size: 200 sq m

**Date Added:** 13/03/2013

**Description:** This coffee shop/lunch bar and restaurant premises benefits from an open plan customer servery and restaurant area. There is a commercial kitchen, store, WCs and rear

exit. Externally there is lawned grounds and areas for outdoor seating, also 10 designated car parkin...

## Leisure



A

Map

[BLACKPOOL SYNAGOGUE \(FRONT OF BUILDING\), LEAMINGTON ROAD, BLACKPOOL, LANCASHIRE](#)



**Price:** £130,000.00

Rent: £9000.00 / Annum

Size: 3446 sq ft

**Date Added:** 20/03/2013

**Description:** The whole building is a Grade 2 listed and 2 storey semi-detached Synagogue. The rear of the property has been retained by the Landlord to be used for their own purposes. The front section of the building is being marketed to lease or for sale. The front section of th...



B

Map

[CHARLES STREET, BLACKPOOL, LANCASHIRE](#)



**Price:** £125,000.00

**Size:** 2700 sq ft

**Date Added:** 05/02/2013

**Description:** Detached office premises parking, planning permission for 5 3 storey terraced dwelling houses\*. Located in the town centre, this imposing office and former warehouse premises spread across 2 floors is approximately 2,700 sq ft internally. The adjoining car park with g...



C

Map

[30a RAIKES PARADE, BLACKPOOL, LANCASHIRE](#)



Rent: £7500.00 / Annum

Size: 1668 sq ft

**Date Added:** 21/03/2013

**Description:** The property provides two large and open plan rooms, circulation space, kitchen and WCs. This building was previously Blackpool Quaker meeting house. There is a front garden, no off road car parking but access from the rear of the property to an external entrance. Th...



D

Map

[Hong Kong Garden, 23 Cookson Street, Blackpool, Lancashire](#)



**Price:** £159,000.00



Rent: £200.00

Size: 1511 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys are pleased to offer this Town Centre Chinese takeaway for sale. The takeaway is situated in the busy all year round trading location of Cookson Street in Blackpool. ( Agency Pilot Software Ref: 3033 )



E

Map

[PROGRESS SPORTS SOCIAL CLUB, EXCHANGE STREET, BLACKPOOL, LANCASHIRE](#)



**Price:** £299,950.00

Size: 780 sq m

**Date Added:** 05/02/2013

**Description:** This social club building is located in a predominantly a residential location with dense surrounding residential areas. It is also located near to the town centre with a major bus and train station. The social club building comprises of a ground floor public house/gam...



F

Map

[47/49 TALBOT ROAD, BLACKPOOL, LANCASHIRE](#)



Rent: £15000.00 / Annum

Size: 1800 sq m

**Date Added:** 28/03/2013

**Description:** Spacious double fronted shop unit located in Blackpool town centre with high passing trade. Mainly open plan premises provides approximately 1,930 sq ft (180 sq m) including wc facilities. Suit a variety of uses from Hot Food Takeaway to Restaurant or retail. New effect...



G

Map

[PEPPERMILL, 15 BIRLEY STREET, BLACKPOOL, LANCASHIRE](#)



Rent: £37500.00 / Annum

Size: 1488 sq ft

**Date Added:** 08/03/2013

**Description:** Duxburys Commercial are delighted to offer this well known and popular licensed Caf for sale. The Caf is situated within the heart of Blackpools Vibrant Town Centre in the newly formed pedestrianised Birley Street. ( Agency Pilot Software Ref: 3471 )



H

Map

[The Mount Pleasant, 103 High Street, Blackpool, Lancashire](#)



**Price:** £165,000.00 (plus VAT)

Size: 2352 sq ft

**Date Added:** 12/02/2013

**Description:** The Mount Pleasant Hotel is a traditional, three storey public house located in Blackpool. Prominent location close to the North Pier. Large trading floor. Scope to develop letting accommodation. Alternate use opportunity, subject to obtaining the necessary permissions.



I

Map

[TALBOT SQUARE, BLACKPOOL, LANCASHIRE](#)



**Price:** £975,000.00

Size: 2026 sq m

**Date Added:** 20/02/2013

**Description:** This nightclub premises is located in the town centre of Blackpool. It is positioned on Talbot Square at the bottom of Talbot Road located just off the Promenade. The position is ideal to benefit from the flow of customers from local bars and restaurants. It is located...



J

Map

[Roast, Brooklands Way, Blackpool, Lancashire](#)

**Price:** £395,000.00

Rent: £32000 / Annum

Size: 2153 sq ft

**Date Updated:** 27/02/2012

**Description:**

K

Map

[120-122 PROMENADE, BLACKPOOL, LANCASHIRE](#)



**Price:** £395,000.00

Size: 2835 sq ft

**Date Added:** 05/04/2013

**Description:** A substantial freehold commercial property on Blackpool promenade adjacent to Talbot and Queens Square and access on to The Strand Currently in use as a Chinese Restaurant combined with the adjoining property Ground floor area approximately 1,650 sq ft (153m<sup>2</sup>) plus fi...

L

Map

[114-118 PROMENADE, BLACKPOOL, LANCASHIRE](#)



**Price:** £425,000.00

Size: 1560 sq ft

**Date Added:** 05/04/2013

**Description:** A substantial 3 storey Promenade property opposite North Pier on Blackpool Promenade Currently in use as a Chinese Restaurant combined with the next door property Ground floor Restaurant area approximately 1,560 sq ft plus kitchens and basement wcs Upper floors provi...

M

Map

[Nightclub Premises, Church Street/Promenade, Blackpool, Lancashire](#)



Rent: £25000.00 / Annum

Size: 5768 sq ft

**Date Updated:** 09/04/2013

**Description:** Duxburys Commercial are pleased to have been instructed to let this former nightclub situated in a prominent location on the corner of Blackpool Promenade and Church Street. The location is excellent and nearby occupiers include Harry Ramsdens, Revolution and Burger Kin...



N

Map

[P. C. Motors, 6 Clyde Street, Blackpool, Lancashire](#)



**Price:** £299,500.00

**Size:** 5350 sq ft

**Date Added:** 05/02/2013

**Description:** \* Currently Operating as a Garage/Body Shop \* Ideal Development Opportunity, Subject to Planning Permission \* Close to Town Centre, Shops & Amenities \* Situated in a Residential Area \* Extensive Outbuildings \* Viewing Recommended

DESCRIPTION: We are deligh...



O

Map

[6 Central Drive, Blackpool, Lancashire](#)

**Size:** 1658 - 3072 sq ft

**Date Updated:** 27/02/2012

**Description:**



P

Map

[185 PROMENADE, BLACKPOOL, LANCASHIRE](#)



Rent: £45000.00 / Annum

Size: 2678 sq ft

**Date Added:** 08/03/2013

**Description:** This building comprises of an arcade with a separate burger bar located to the corner of the building. The building is available to be leased as a whole with the landlord willing to grant an under lease or permission to create a licence in respect of the burger bar. The...



Q

Map

[28-30 Dinmore Avenue, BLACKPOOL, Lancashire](#)



**Price:** £175,000.00

Size: 7800 - 7800 sq ft

**Date Added:** 04/03/2013

**Description:** The building is a mixture of single storey brick building under a flat roof with a two storey element under a pitched roof in the centre. The pub benefits from function suite, games room and lounge bar. There is also a disused family room and commercial kitchen. Externally ...



R

Map

[56 Waterloo Road, Blackpool, Lancashire](#)



Rent: £10000.00 / Annum

Size: 293 sq m

**Date Added:** 03/04/2013

**Description:** LOCATION The property is located on Waterloo Road which is close to the promenade south of the main town centre of Blackpool. Waterloo Road is close to Central and South Piers and is within 1 mile of Blackpool Pleasure Beach. Nearby retailers include Iceland, Betfred, C...





S

Map

[FORMER SEAFOOD AND STEAK RESTAURANT, 25 BOND STREET, BLACKPOOL, LANCASHIRE](#)



**Price:** £65,000.00

Rent: £8500.00 / Annum

Size: 2250 sq ft

**Date Added:** 04/04/2013

**Description:** Duxburys Commercial are delighted to offer this rare opportunity to Buy or Lease the former well know and popular Seafood and Steak Restaurant on Bond Street. The Restaurant ceased trading some time ago, but has retained many of its original fixtures and features. (...)



T

Map

[Tutti Frutti, South Shore, 80 Bond Street, Blackpool, Lancs](#)



**Price:** £160,000.00

**Size:** 1083 sq ft

**Date Added:** 05/02/2013

**Description:** Duxburys are delighted to offer this fabulous sandwich takeaway/cafe/ice cream parlour for sale. The property is situated in the busy all year trading location of Bond Street in the heart of Blackpool ( Agency Pilot Software Ref: 2340 )

# 5. BCIS Costs

£/m2 study

Last updated: 06-Apr-2013 12:19

Building function

(Maximum age of projects)	£/m <sup>2</sup> gross internal floor area					
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest
<b>New build</b>						
Garages (20)	568	164	401	579	711	988
Vehicle storage buildings (20)	418	164	-	453	-	600
Vehicle showrooms (25)	794	456	669	757	820	1835
<b>Factories</b>						
Generally (20)	628	152	383	526	767	2485
Up to 500m <sup>2</sup> GFA (20)	812	295	559	696	1067	1777
500 to 2000m <sup>2</sup> GFA (20)	614	152	397	517	728	2485
Over 2000m <sup>2</sup> GFA (20)	569	203	350	454	756	1399
<b>Advance factories</b>						
Generally (15)	498	260	357	463	622	957
Up to 500m <sup>2</sup> GFA (15)	668	514	558	618	721	947
500 to 2000m <sup>2</sup> GFA (15)	492	260	365	448	612	957
Over 2000m <sup>2</sup> GFA (15)	384	261	311	341	449	628
<b>Advance factories/offices - mixed facilities (class B1)</b>						
Generally (15)	815	284	521	811	1025	1477
Up to 500m <sup>2</sup> GFA (20)	1286	1036	-	1345	-	1477
500 to 2000m <sup>2</sup> GFA (15)	753	284	556	783	960	1226
Over 2000m <sup>2</sup> GFA (15)	723	305	423	719	901	1399
<b>Purpose built factories</b>						
Generally (25)	676	152	396	598	815	2485
Up to 500m <sup>2</sup> GFA (20)	845	455	591	726	1146	1257
500 to 2000m <sup>2</sup> GFA (25)	661	152	419	527	716	2485
Over 2000m <sup>2</sup> GFA (25)	668	203	370	632	838	1811
<b>Purpose built factories/offices - mixed facilities (15)</b>	647	261	384	565	958	1453
<b>Warehouses/stores</b>						
Generally (15)	496	131	336	406	545	2758
Up to 500m <sup>2</sup> GFA (15)	877	406	554	651	739	2758
500 to 2000m <sup>2</sup> GFA (15)	531	267	340	419	664	1038
Over 2000m <sup>2</sup> GFA (15)	421	131	321	366	475	1097
<b>Advance warehouses/stores (15)</b>	385	131	316	350	407	728
<b>Purpose built warehouses/stores</b>						
Generally (15)	512	163	339	412	534	2758
Up to 500m <sup>2</sup> GFA (15)	920	406	542	686	752	2758
500 to 2000m <sup>2</sup> GFA (15)	508	267	332	369	628	1038
Over 2000m <sup>2</sup> GFA (15)	421	163	332	403	475	872
<b>Cold stores/refrigerated stores (20)</b>	832	436	528	644	1101	1699
<b>Offices</b>						
Generally (15)	1110	484	839	1054	1248	3559
<b>Air-conditioned</b>						
Generally (15)	1213	484	979	1121	1299	3559
1-2 storey (15)	1087	484	870	1077	1146	2077
3-5 storey (15)	1241	766	1056	1143	1357	3559
6+ storey (15)	1488	1009	1228	1278	1694	2621
<b>Not air-conditioned</b>						
Generally (15)	1037	528	771	962	1167	1990
1-2 storey (15)	951	528	741	910	1084	1944
3-5 storey (15)	1112	548	897	1062	1249	1990
6+ storey (20)	1432	1120	-	1493	-	1622
<b>Offices with shops, banks, flats, etc</b>						
Generally (15)	1066	710	805	894	1337	1971
1-2 storey (15)	808	710	741	781	829	1023
3-5 storey (15)	1096	766	846	921	1378	1536
6+ storey (15)	1265	857	991	1240	1448	1971

APPENDICES

February, 2014

Artist's studios (20)	1115	553	1014	1024	1171	1813
Banks/Building Society branches (25)	1512	668	1406	1603	1738	2388
Mixed commercial developments (25)	1174	660	-	1320	-	1397
Wholesale trading building/auction rooms (25)	747	526	-	787	-	891
Retail warehouses						
Generally (20)	521	265	412	463	545	1628
Up to 1000m2 (20)	649	412	464	528	647	1628
1000 to 7000m2 GFA (20)	502	265	379	458	545	1080
7000 to 15000m2 (20)	480	326	386	439	509	730
Over 15000m2 GFA (25)	420	306	-	423	-	529
Market building providing accommodation for pens stalls etc (20)	638	238	-	608	-	1098
Shopping centres (20)	850	665	-	807	-	1079
Department stores (35)	852	307	-	716	-	1669
Hypermarkets, supermarkets						
Generally (30)	953	164	670	887	1259	1718
Up to 1000m2 (25)	1014	675	-	890	-	1601
1000 to 7000m2 GFA (30)	976	164	670	1015	1283	1718
7000 to 15000m2 (30)	708	641	656	674	748	832
Shops						
Generally (30)	728	322	476	610	857	1814
1-2 storey (30)	734	322	472	608	865	1814
3-5 storey (30)	677	526	572	668	757	872
Shops with domestic, office accommodation (15)	989	469	829	912	1200	1585
Health Centres, clinics, group practice surgeries						
Generally (15)	1220	361	1004	1232	1394	2582
Public (15)	1319	361	1041	1345	1518	2582
Private (15)	1150	710	1002	1168	1315	1539
Welfare consultation centres (15)	1193	727	968	1050	1288	2804
Medical research facilities (15)	1719	1082	1131	1623	2091	2888
Observation and assessment centres (25)	1357	890	-	1470	-	1598
Nursing homes, convalescent homes, short stay medical homes (15)	1192	694	853	1215	1357	1947
Hospices - Homes for chronic invalids, addicts, etc (15)	1270	996	1059	1332	1437	1568
Old people's home						
Generally (15)	1048	705	885	1033	1150	2166
Up to 500m2 GFA (25)	1006	815	-	1043	-	1160
500 to 2000m2 GFA (15)	1115	705	916	1045	1129	2166
Over 2000m2 GFA (15)	1020	727	825	998	1151	1649
Day centres (15)	1273	901	1063	1263	1343	2143
Restaurants (20)	1641	1195	1278	1467	1690	2574
Cafes, snack bars, coffee bars, milk bars (25)	1582	758	-	1341	-	2889
Public houses, licensed premises						
Generally (20)	1396	859	1253	1356	1612	1931
Up to 500m2 GFA (20)	1383	1221	-	1356	-	1601
500 to 2000m2 GFA (20)	1401	859	1251	1361	1655	1931
Function rooms, banqueting rooms, meeting rooms, etc (15)	2713	2032	-	2697	-	3425
Theatres (15)	1851	1335	1502	1691	2211	2780
Cinemas (25)	989	757	-	960	-	1279
Housing, mixed developments (15)	779	394	657	755	873	1706
Estate housing						
Generally (15)	760	391	649	742	840	1577
Single storey (15)	836	452	719	807	945	1448
2-storey (15)	740	391	643	722	821	1412
3-storey (15)	743	490	621	690	830	1577
4-storey or above (25)	1066	813	-	975	-	1411
Estate housing detached (15)	765	602	632	687	838	1037
Estate housing semi detached						
Generally (15)	759	396	648	742	848	1448
Single storey (15)	885	558	748	885	1006	1448
2-storey (15)	731	396	641	722	817	1072
3-storey (15)	663	526	592	634	723	920

## APPENDICES

February, 2014

Estate housing terraced						
Generally (15)	781	392	650	753	880	1577
Single storey (15)	828	511	690	772	952	1271
2-storey (15)	771	392	655	761	877	1195
3-storey (15)	760	496	623	686	801	1577
Flats (apartments)						
Generally (15)	894	453	746	860	998	2748
1-2 storey (15)	859	506	740	831	955	1603
3-5 storey (15)	881	453	738	859	991	1810
6+ storey (15)	1169	680	896	1105	1315	2748
Housing with shops, offices, workshops or the like (15)	1015	509	781	916	1212	2287
'One-off' housing detached (3 units or less)						
Generally (15)	1218	538	915	1084	1441	2728
Single storey (15)	1007	538	875	957	1122	1483
2-storey (15)	1257	624	961	1098	1520	2533
3-storey (15)	1605	998	1438	1511	1771	2728
4-storey or above (25)	1491	973	-	1274	-	2442
'One-off' housing semi-detached (3 units or less) (15)	864	576	765	858	957	1262
'One-off' housing terraced (3 units or less) (15)	1191	699	756	815	943	4127
Housing provided in connection with other facilities (15)	992	791	-	954	-	1269
Sheltered housing						
Generally (15)	945	515	761	880	1050	2060
Single storey (15)	1045	637	734	916	1163	2060
2-storey (15)	911	515	752	862	1050	1520
3-storey (15)	921	726	839	861	927	1361
4-storey or above (15)	867	657	715	843	923	1308
Sheltered housing with shops, restaurants or the like (5)	953	687	812	936	1140	1355
Hotels (15)	1201	680	1053	1178	1336	1849
Motels (15)	856	647	788	811	993	1042
Dormitories (15)	1241	898	992	1202	1344	1836
Students' residences, halls of residence, etc (15)	1148	709	900	1135	1294	1994
Nurses' residences (25)	908	658	840	951	1006	1060
Staff residential accommodation (20)	778	726	-	728	-	880
Barracks, mess accommodation, section houses, etc (15)	1274	1046	1166	1265	1364	1531
Youth hostels (15)	1463	920	-	1457	-	2020

## 6. Base Residential Appraisal Results

The pages in this section are not numbered

# Base for printing APP 6 Cover



Final Report

30/09/2013  
10:14



Number	1	Units	NET Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality Green	Use Brown / native Use
<b>Urban Edge 1</b>		<b>510</b>	<b>10.20</b>	<b>50.00</b>	<b>87</b>	<b>44,363</b>	<b>4,349</b>	<b>32,213,310</b>	<b>726.14</b>	SE Blackpoc Green	Amenity Lar

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4	56	92.00	5,152.00	687	3,539,424
Det 4	4	56	111.00	6,216.00	687	4,270,392
Det 5	5	56	130.00	7,280.00	687	5,001,360
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2	85	69.00	5,865.00	722	4,234,530
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3	87	83.50	7,264.50	722	5,244,969
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2	60	65.00	3,900.00	761	2,967,900
Ter 3	3		73.00	0.00	761	0
Ter 4	3	60	86.00	5,160.00	761	3,926,760
Flat 1	1		61.00	0.00	859	0
Flat 2	2	25	69.00	1,725.00	859	1,481,775
Flat 3	3	25	72.00	1,800.00	859	1,546,200
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	2	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality Green	Use Brown / native Use
<b>Urban Edge 2</b>		<b>30</b>	<b>0.80</b>	<b>37.50</b>	<b>84</b>	<b>2,513</b>	<b>3,141</b>	<b>1,798,846</b>	<b>715.82</b>	East Fringe Green	Urban Fring

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4	4	111.00	444.00	687	305,028
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2	12	75.00	900.00	722	649,800
Semi 3	3		76.00	0.00	722	0
Semi 4	3	14	83.50	1,169.00	722	844,018
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2		69.00	0.00	859	0
Flat 3	3		72.00	0.00	859	0
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0





Number	3	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Edge 3</b>	<b>105</b>		<b>2.45</b>	<b>42.86</b>	<b>90</b>	<b>9,407</b>	<b>3,840</b>	<b>6,686,754</b>	<b>710.83</b>	East Fringe	Green	Urban Fring

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4	22	111.00	2,442.00	687	1,677,654
Det 5	5	11	130.00	1,430.00	687	982,410
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2	30	75.00	2,250.00	722	1,624,500
Semi 3	3		76.00	0.00	722	0
Semi 4	3	30	83.50	2,505.00	722	1,808,610
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2	12	65.00	780.00	761	593,580
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2		69.00	0.00	859	0
Flat 3	3		72.00	0.00	859	0
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	4	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Cleared Site</b>	<b>48</b>		<b>0.96</b>	<b>50.00</b>	<b>71</b>	<b>3,396</b>	<b>3,538</b>	<b>2,750,172</b>	<b>809.83</b>	North Prom	Brown	Hotel

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2	6	65.00	390.00	761	296,790
Ter 3	3	18	73.00	1,314.00	761	999,954
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2	12	69.00	828.00	859	711,252
Flat 3	3	12	72.00	864.00	859	742,176
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0



Number	5	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Infill 1</b>	<b>77</b>	<b>1.54</b>	<b>50.00</b>	<b>80</b>	<b>6,154</b>	<b>3,996</b>	<b>4,652,720</b>	<b>756.05</b>	Churchtown Green	Grazing / Ar		

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3	10	76.00	760.00	722	548,720
Semi 4	3	12	83.50	1,002.00	722	723,444
Semi 5	4	10	110.00	1,100.00	722	794,200
Ter 1	2		59.00	0.00	761	0
Ter 2	2	11	65.00	715.00	761	544,115
Ter 3	3	11	73.00	803.00	761	611,083
Ter 4	3	11	86.00	946.00	761	719,906
Flat 1	1		61.00	0.00	859	0
Flat 2	2	12	69.00	828.00	859	711,252
Flat 3	3		72.00	0.00	859	0
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	6	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Infill 2</b>	<b>80</b>	<b>1.60</b>	<b>50.00</b>	<b>71</b>	<b>5,666</b>	<b>3,541</b>	<b>4,545,850</b>	<b>802.30</b>	N Inner	Brown	Cleared Ind	

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2	10	65.00	650.00	761	494,650
Ter 3	3	36	73.00	2,628.00	761	1,999,908
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2	20	69.00	1,380.00	859	1,185,420
Flat 3	3	14	72.00	1,008.00	859	865,872
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0



Number	7	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Infill 3</b>		<b>12</b>	<b>0.12</b>	<b>100.00</b>	<b>71</b>	<b>846</b>	<b>7,050</b>	<b>726,714</b>	<b>859.00</b>	Inner	Brown	Res / Ind

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2	6	69.00	414.00	859	355,626
Flat 3	3	6	72.00	432.00	859	371,088
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	8	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Infill 4</b>		<b>36</b>	<b>0.39</b>	<b>92.31</b>	<b>69</b>	<b>2,481</b>	<b>6,362</b>	<b>2,131,179</b>	<b>859.00</b>	Central Out	Brown	Ind / Cleare

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1	6	61.00	366.00	859	314,394
Flat 2	2	15	69.00	1,035.00	859	889,065
Flat 3	3	15	72.00	1,080.00	859	927,720
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0



Number	9	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Infill 5</b>		<b>30</b>	<b>0.30</b>	<b>100.00</b>	<b>69</b>	<b>2,058</b>	<b>6,860</b>	<b>1,767,822</b>	<b>859.00</b>	N Inner	Brown	Mixed

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1	6	61.00	366.00	859	314,394
Flat 2	2	12	69.00	828.00	859	711,252
Flat 3	3	12	72.00	864.00	859	742,176
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	10	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Guest House Conv</b>		<b>3</b>	<b>0.015</b>	<b>200.00</b>	<b>71</b>	<b>213</b>	<b>14,200</b>	<b>182,967</b>	<b>859.00</b>	Central Inner	Brown	Guest House

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2	1	69.00	69.00	859	59,271
Flat 3	3	2	72.00	144.00	859	123,696
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0



Number	11	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality Green/Brown	Native Use
<b>Guest House Conv</b>	<b>14</b>	<b>0.04</b>	<b>350.00</b>	<b>71</b>	<b>990</b>	<b>24,750</b>	<b>850,410</b>	<b>859.00</b>	Promenade Brown	Guest House	

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2	6	69.00	414.00	859	355,626
Flat 3	3	8	72.00	576.00	859	494,784
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	12	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality Green/Brown	Native Use
<b>Redevelopment</b>	<b>10</b>	<b>0.20</b>	<b>50.00</b>	<b>74</b>	<b>737</b>	<b>3,685</b>	<b>560,857</b>	<b>761.00</b>	Central Inn	Brown Parking	

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2	4	65.00	260.00	761	197,860
Ter 3	3	3	73.00	219.00	761	166,659
Ter 4	3	3	86.00	258.00	761	196,338
Flat 1	1		61.00	0.00	859	0
Flat 2	2		69.00	0.00	859	0
Flat 3	3		72.00	0.00	859	0
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0



Number	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
Urban Infill 6	13	35	0.69	50.72	81	2,840	4,116	2,015,270	709.60	SE Blackpoc Brown	Ind

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3	4	90.50	362.00	687	248,694
Det 3	4	7	92.00	644.00	687	442,428
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2	20	75.00	1,500.00	722	1,083,000
Semi 3	3		76.00	0.00	722	0
Semi 4	3	4	83.50	334.00	722	241,148
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2		69.00	0.00	859	0
Flat 3	3		72.00	0.00	859	0
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
Redevelopment	14	20	0.40	50.00	73	1,461	3,653	1,134,321	776.40	SE Blackpoc Brown	Pub/Car par

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3	2	76.00	152.00	722	109,744
Semi 4	3	4	83.50	334.00	722	241,148
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2	4	65.00	260.00	761	197,860
Ter 3	3	4	73.00	292.00	761	222,212
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2	3	69.00	207.00	859	177,813
Flat 3	3	3	72.00	216.00	859	185,544
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0



Number	15	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Infill 7</b>	<b>8</b>		<b>0.20</b>	<b>40.00</b>	<b>80</b>	<b>636</b>	<b>3,180</b>	<b>483,996</b>	<b>761.00</b>	S Blackpool Green		Garden

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5		130.00	0.00	1,098	0
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3	4	73.00	292.00	761	222,212
Ter 4	3	4	86.00	344.00	761	261,784
Flat 1	1		61.00	0.00	859	0
Flat 2	2		69.00	0.00	859	0
Flat 3	3		72.00	0.00	859	0
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0

Number	16	Units	Area ha	Density Units/ha	Average Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2	Locality	Green/Brown	Native Use
<b>Urban Infill 8</b>	<b>1</b>		<b>0.01</b>	<b>100.00</b>	<b>130</b>	<b>130</b>	<b>13,000</b>	<b>142,740</b>	<b>1,098.00</b>	S Blackpool Brown		Industrial

	Beds	No	m2	Total	BCIS	COST
Det 1	3		83.50	0.00	687	0
Det 2	3		90.50	0.00	687	0
Det 3	4		92.00	0.00	687	0
Det 4	4		111.00	0.00	687	0
Det 5	5		130.00	0.00	687	0
Det 6 Small Sc	4		92.00	0.00	1,098	0
Det 7 Small Sc	4		111.00	0.00	1,098	0
Det 8 Single	5	1	130.00	130.00	1,098	142,740
Semi 1	2		69.00	0.00	722	0
Semi 2	2		75.00	0.00	722	0
Semi 3	3		76.00	0.00	722	0
Semi 4	3		83.50	0.00	722	0
Semi 5	4		110.00	0.00	722	0
Ter 1	2		59.00	0.00	761	0
Ter 2	2		65.00	0.00	761	0
Ter 3	3		73.00	0.00	761	0
Ter 4	3		86.00	0.00	761	0
Flat 1	1		61.00	0.00	859	0
Flat 2	2		69.00	0.00	859	0
Flat 3	3		72.00	0.00	859	0
Flat 1 High	1		61.00	0.00	1,105	0
Flat 2 High	2		74.00	0.00	1,105	0
Flat 3 High	3		90.00	0.00	1,105	0



			Site 1	Site 2	Site 3	Site 4	Site 5	Site 6	Site 7	Site 8	Site 9	Site 10	Site 11	Site 12	Site 13	Site 14	Site 15	Site 16
Location			SE Blackpool	East Fringe	East Fringe	North Prom	Churchtown	N Inner	Inner	Central Outer	N Inner	Central Inner	Promenade	Central Inner	SE Blackpool	SE Blackpool	S Blackpool	S Blackpool
Green/brown field			Green	Green	Green	Brown	Green	Brown	Brown	Brown	Brown	Brown	Brown	Brown	Brown	Brown	Green	Brown
Use			Amenity Land	Urban Fringe	Urban Fringe	Hotel	Grazing / Amenity	Cleared Ind	Res / Ind	Ind / Cleared	Mixed	Guest House	Guest House	Parking	Ind	Pub/Car park	Garden	Industrial
Site Area	Gross	ha	17.00	1.00	3.50	1.20	2.20	2.00	0.12	0.39	0.30	0.015	0.04	0.20	0.86	0.40	0.20	0.01
	Net	ha	10.20	0.80	2.45	0.96	1.54	1.60	0.12	0.39	0.30	0.015	0.04	0.20	0.69	0.40	0.20	0.01
Units			510	30	105	48	77	80	12	36	30	3	14	10	35	20	8	1
Average Unit Size	m2		86.99	83.77	89.59	70.75	79.92	70.83	70.50	68.92	68.60	71.00	70.71	73.70	81.14	73.05	79.50	130.00
Mix	Intermediate to Buy		6.00%	6.00%	6.00%	6.00%	6.00%	30.00%		6.00%	30.00%		30.00%		6.00%	6.00%		
	Affordable Rent Social Ren		24.00%	24.00%	24.00%	24.00%	24.00%			24.00%					24.00%	24.00%		
Price	Market	£/m2	2,400	2,400	2,400	1,800	1,975	1,600	1,600	1,500	1,500	1,500	1,500	1,500	1,975	1,975	1,975	2,500
	Intermediate	£/m2	1,560	1,560	1,560	1,170	1,284	1,040	1,040	975	975	975	975	975	1,284	1,284	1,284	1,625
	Affordable	£/m2	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	Social Ren	£/m2	960	960	960	720	790	640	640	600	600	600	600	600	790	790	790	1,000
Grant and Intermedi	£/unit																	
	Affordable	£/unit																
	Social Ren	£/unit																
Sales per Quarter		20	5	5	7	6	6	10	8	10	10	6	3	5	5	2	1	
Unit Build Time		3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Alternative Use Value	£/ha	50,000	50,000	50,000	500,000	500,000	400,000	400,000	500,000	400,000	300,000	1,000,000	400,000	500,000	500,000	500,000	500,000	
Up Lift %	%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
Additional Uplift	£/ha	250,000	250,000	250,000														
Easements etc	£	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Legals Acquisition	% land	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Planning F <50	£/unit	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	
	>50	£/unit	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
Architects	%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	
QS / PM	%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	
Planning Consultants	%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Other Professional	%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
Build Cost - BCIS Bas	£/m2	726	716	711	810	756	802	859	859	859	859	859	761	710	776	761	1,098	
CfSH	%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Energy	£/m2	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23		
Design	£/m2																	
Lifetime	£/m2																	
Over-extra 3	£/m2							14			14							
Over-extra 4	£/m2																	
Infrastructure	%	20%	15%	20%	10%	15%	10%	10%	10%	10%	5%	5%	10%	10%	10%	10%		
Pre CIL s106	£/Unit	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200		
Post CIL s106	£/Unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	£/m2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contingency	%	2.50%	2.50%	2.50%	5.00%	2.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%		
Abnormals	%				10.00%		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	2.50%		
	£/site	0	0	0	0	200,000	0	217,680	300,000	200,000	15,975	0	205,275	0	0	62,805		
FINANCE	Fees	£	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000		
	Interest	%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%		
	Legal and 'E	£	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500		
SALES	Agents	%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
	Legals	%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%			
	Misc.	£	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000			
Developer	% of costs (before int		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		
	% of GDV		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%		





<b>SITE NAME</b>	Site 1
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INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	87.0	70%	357	2,400	74,529,000	31,054
Shared Ownership	87.0	6%	31	1,560	4,152,330	2,662
Affordable Rent	87.0	24%	122	1,000	10,647,000	10,647
Social Rent	87.0	0%	0	960	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	10.20 ha		50	/ha	<b>89,328,330</b>	<b>44,363</b>
SITE AREA - Gross	17.00 ha		30	/ha		

Sales per Quarter	20
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>15,173,310</b>	<b>1,487,579</b>	<b>892,548</b>
Alternative Use Value	850,000		50,000
Uplift	170,000		10,000
Plus /ha 25000000%	4,250,000		250,000
<b>Viability Threshold</b>	<b>5,270,000</b>		<b>310,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

	£/m2
<b>Additional Profit</b>	<b>11,531,401</b>
	<b>371</b>

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	29,752	<b>15,173,310</b>	
Stamp Duty		758,666	
Easements etc.		0	
Legals Acquisition	1.50%	227,600	986,265
PLANNING			
Planning Fee		200,100	
Architects	6.00%	2,516,435	
QS / PM	0.50%	209,703	
Planning Consultants	1.00%	419,406	
Other Professional	2.50%	1,048,515	4,394,159
CONSTRUCTION			
Build Cost - BCIS Based	909	40,320,576	
s106 / CIL	1,200	612,000	
Contingency	2.50%	1,008,014	
Abnormals		0	41,940,590
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	2,679,850	
Legals	0.5%	446,642	
Misc.		5,000	3,131,492
<b>Developers Profit</b>			<b>65,643,316</b>
% of costs (before interest)	0.00%		<b>0</b>
% of GDV	20.00%		<b>17,865,666</b>

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	510		
No dwgs under	460	335	154,100
No dwgs over !	460	100	46,000
		<b>Total</b>	<b>200,100</b>

Build Cost			/m2
BCIS		726	
CFSH		15	2.00%
Energy		23	
Over-extra 1		0	
Over-extra 2		0	
Over-extra 3		0	
Over-extra 4		0	
Infrastructure		145	20%
<b>Total</b>		<b>909</b>	

Stamp duty calc - Residual			
Land payment			
125,000	0%	1%	
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	5%	
above	5%	5%	
		<b>Total</b>	<b>758,666</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	1%	
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	5%	
above	5%	5%	
		<b>Total</b>	<b>263,500</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>612,000</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Market Housing			0	0	0	0	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059	4,384,059
Shared Ownership			0	0	0	0	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255	244,255
Affordable Rent			0	0	0	0	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294	626,294
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>5,254,608</b>	<b>0</b>
<b>EXPENDITURE</b>																								
Stamp Duty	758,666																							
Easements etc.	0																							
Legals Acquisition	227,600																							
Planning Fee	200,100																							
Architects	1,258,218			1,258,218																				
QS	104,851			104,851																				
Planning Consultants	209,703			209,703																				
Other Professional	524,257			524,257																				
Build Cost - BCIS Base		0	790,600	1,581,199	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	2,371,799	1,581,199	790,600	0	0	0	0	
s106/CIL			612,000		59,295	59,295	59,295	59,295	59,295	59,295	59,295	59,295	59,295	59,295	59,295	59,295	59,295	39,530	19,765	0	0	0	0	
Contingency		0	19,765	39,530	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	157,638	
Legals	0	0	0	0	0	0	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>3,300,895</b>	<b>0</b>	<b>3,524,394</b>	<b>1,620,729</b>	<b>2,431,094</b>	<b>2,431,094</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>2,615,005</b>	<b>1,804,640</b>	<b>994,276</b>	<b>183,911</b>	<b>183,911</b>	<b>0</b>	<b>0</b>	
<b>For Residual Valuat</b>																								
Land	<b>15,173,310</b>																							
Interest		323,299	328,956	396,390	431,690	481,788	532,764	495,894	458,379	420,208	381,368	341,849	301,638	260,724	219,094	176,735	133,635	89,780	45,158	0	0	0	0	
Profit on Costs																								
Profit on GDV																								<b>17,865,666</b>
Cash Flow	-18,474,205	-323,299	-3,853,350	-2,017,119	-2,862,783	-2,912,882	2,106,839	2,143,709	2,181,224	2,219,395	2,258,235	2,297,754	2,337,964	2,378,879	2,420,509	2,462,868	2,505,968	2,549,823	2,594,445	3,449,967	4,260,332	5,070,696	5,070,696	-17,865,666
Opening Balan	0																							
Closing Balan	-18,474,205	-18,797,503	-22,650,854	-24,667,973	-27,530,756	-30,443,637	-28,336,798	-26,193,089	-24,011,866	-21,792,470	-19,534,236	-17,236,482	-14,898,518	-12,519,639	-10,099,130	-7,636,262	-5,130,293	-2,580,471	13,974	3,463,941	7,724,273	12,794,970	17,865,666	0



<b>SITE NAME</b>	Site 2
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INCOME	Av Size m2	%	Number 30	Price £/m2	GDV £	GIA m2
Market Housing	83.8	70%	21	2,400	4,221,840	1,759
Shared Ownership	83.8	6%	2	1,560	235,217	151
Affordable Rent	83.8	24%	7	1,000	603,120	603
Social Rent	83.8	0%	0	960	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.80 ha		38 /ha		5,060,177	2,513
SITE AREA - Gross	1.00 ha		30 /ha			

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	33,333	1,000,000	
Stamp Duty		50,000	
Easements etc.		0	
Legals Acquisition	1.50%	15,000	65,000
PLANNING			
Planning Fee		10,050	
Architects	6.00%	135,151	
QS / PM	0.50%	11,263	
Planning Consultants	1.00%	22,525	
Other Professional	2.50%	56,313	235,301
CONSTRUCTION			
Build Cost - BCIS Based	861	2,162,449	
s106 / CIL	1,200	36,000	
Contingency	2.50%	54,061	
Abnormals		0	2,252,510
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	151,805	
Legals	0.5%	25,301	
Misc.		5,000	182,106 3,752,417
Developers Profit			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		1,012,035

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	30		10,050
No dwgs under	30	335	10,050
No dwgs over !	0	100	0
		<b>Total</b>	10,050

Build Cost		/m2	
BCIS	716		
CFSH	14	2.00%	
Energy	23		
Over-extra 1	0		
Over-extra 2	0		
Over-extra 3	0		
Over-extra 4	0		
Infrastructure	107	15%	
	<b>861</b>		

Stamp duty calc - Residual			
Land payment			
125,000	0%	1%	
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	5%	
above	5%	5%	
		<b>Total</b>	50,000

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	1%	
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	5%	
above	5%	5%	
		<b>Total</b>	15,500

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	36,000

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	0

Sales per Quarter	5
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	1,000,000	1,250,000	1,000,000
Alternative Use Value	50,000		50,000
Uplift	10,000		10,000
Plus /ha 25000000%	250,000		250,000
<b>Viability Threshold</b>	310,000		310,000

RUN Residual MACRO ctrl+r  
Closing balance = -894

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
correct

	£/m2
<b>Additional Profit</b>	796,030 453

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			3	5	5	5	5	5	2															
Market Housing	0	0	0	0	0	0	422,184	703,640	703,640	703,640	703,640	703,640	281,456	0	0	0	0	0	0	0	0	0	0	
Shared Ownership	0	0	0	0	0	0	23,522	39,203	39,203	39,203	39,203	15,681	0	0	0	0	0	0	0	0	0	0	0	
Affordable Rent	0	0	0	0	0	0	60,312	100,520	100,520	100,520	100,520	40,208	0	0	0	0	0	0	0	0	0	0	0	
Social Rent	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Grant and Subsidy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>INCOME</b>	0	0	0	0	0	0	506,018	843,363	843,363	843,363	843,363	337,345	0	0	0	0	0	0	0	0	0	0	0	
<b>EXPENDITURE</b>																								
Stamp Duty	50,000																							
Easements etc.	0																							
Legals Acquisition	15,000																							
Planning Fee	10,050																							
Architects	67,575			67,575																				
QS	5,631			5,631																				
Planning Consultants	11,263			11,263																				
Other Professional	28,156			28,156																				
Build Cost - BCIS Base	0	0	72,082	192,218	312,354	360,408	360,408	360,408	288,327	168,190	48,054	0	0	0	0	0	0	0	0	0	0	0	0	
s106/CIL				36,000																				
Contingency		0	1,802	4,805	7,809	9,010	9,010	9,010	7,208	4,205	1,201	0	0	0	0	0	0	0	0	0	0	0	0	
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	15,181	25,301	25,301	25,301	25,301	25,301	10,120	0	0	0	0	0	0	0	0	0	0	
Legals	0	0	0	0	0	0	2,530	4,217	4,217	4,217	4,217	4,217	1,687	0	0	0	0	0	0	0	0	0	0	
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	205,176	0	227,509	197,023	320,163	369,418	387,129	398,936	325,052	201,913	78,773	29,518	11,807	0	0	0	0	0	0	0	0	0	0	
<b>For Residual Valuat</b>																								
Land	1,000,000																							
Interest		21,091	21,460	25,817	29,716	35,839	42,931	41,602	34,553	26,087	15,318	2,206	0	0	0	0	0	0	0	0	0	0	0	
Profit on Costs																								
Profit on GDV																							1,012,035	
Cash Flow	-1,205,176	-21,091	-248,969	-222,840	-349,879	-405,258	75,958	402,825	483,758	615,363	749,271	811,639	325,538	0	0	0	0	0	0	0	0	0	-1,012,035	
Opening Balanc	0																							
Closing Balanc	-1,205,176	-1,226,266	-1,475,235	-1,698,075	-2,047,953	-2,453,211	-2,377,253	-1,974,429	-1,490,671	-875,308	-126,036	685,603	1,011,141	1,011,141	1,011,141	1,011,141	1,011,141	1,011,141	1,011,141	1,011,141	1,011,141	1,011,141	-894	



SITE NAME	Site 3
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INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	89.6	70%	74	2,400	15,803,760	6,585
Shared Ownership	89.6	6%	6	1,560	880,495	564
Affordable Rent	89.6	24%	25	1,000	2,257,680	2,258
Social Rent	89.6	0%	0	960	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	2.45 ha		43 /ha		18,941,935	9,407
SITE AREA - Gross	3.50 ha		30 /ha			

Sales per Quarter	5
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	3,332,794	1,360,324	952,227
Alternative Use Value	175,000		50,000
Uplift	20%	35,000	10,000
Plus /ha	25000000%	875,000	250,000
<b>Viability Threshold</b>	<b>1,085,000</b>		<b>310,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
correct

	£/m2
Additional Profit	2,604,420 396

DEVELOPMENT COSTS			
	/unit or m2	Total	
<b>LAND</b>			
Land	31,741	3,332,794	
Stamp Duty		166,640	
Easements etc.		0	
Legals Acquisition	1.50%	49,992	216,632
<b>PLANNING</b>			
Planning Fee		23,925	
Architects	6.00%	522,573	
QS / PM	0.50%	43,548	
Planning Consultants	1.00%	87,096	
Other Professional	2.50%	217,739	894,881
<b>CONSTRUCTION</b>			
Build Cost - BCIS Based	890	8,374,201	
s106 / CIL	1,200	126,000	
Contingency	2.50%	209,355	
Abnormals		0	8,709,556
<b>FINANCE</b>			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
<b>SALES</b>			
Agents	3.0%	568,258	
Legals	0.5%	94,710	
Misc.		5,000	667,968 13,839,329
<b>Developers Profit</b>			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		3,788,387

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	105		
No dwgs under	55	335	18,425
No dwgs over !	55	100	5,500
		<b>Total</b>	<b>23,925</b>

Build Cost /m2		
BCIS	711	
CFSH	14	2.00%
Energy	23	
Over-extra 1	0	
Over-extra 2	0	
Over-extra 3	0	
Over-extra 4	0	
Infrastructure	142	20%
<b>Total</b>	<b>890</b>	

Stamp duty calc - Residual		
Land payment		
125,000	0%	1%
250,000	1%	3%
500,000	3%	4%
1,000,000	4%	5%
above	5%	5%
		<b>Total</b>
		166,640

Stamp duty calc - Add Profit		
Land payment		
125,000	0%	1%
250,000	1%	3%
500,000	3%	4%
1,000,000	4%	5%
above	5%	5%
		<b>Total</b>
		54,250

Pre CIL s106	1,200 £/ Unit (all)	
	<b>Total</b>	<b>126,000</b>

Post CIL s106	0 £/ Unit (all)	
CIL	0 £/m2	
	<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			3	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	
Market Housing	0	0	0	0	0	0	451,536	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	903,072	
Shared Ownership	0	0	0	0	0	0	25,157	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	50,314	
Affordable Rent	0	0	0	0	0	0	64,505	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	129,010	
Social Rent	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Grant and Subsidy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>541,198</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	<b>1,082,396</b>	
<b>EXPENDITURE</b>																								
Stamp Duty	166,640																							
Easements etc.	0																							
Legals Acquisition	49,992																							
Planning Fee	23,925																							
Architects	261,287			261,287																				
QS	21,774			21,774																				
Planning Consultants	43,548			43,548																				
Other Professional	108,869			108,869																				
Build Cost - BCIS Base		0	79,754	239,263	398,771	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	478,526	
s106/CIL			126,000																					
Contingency		0	1,994	5,982	9,969	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	11,963	
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	16,236	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472		
Legals	0	0	0	0	0	0	2,706	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412		
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>693,534</b>	<b>0</b>	<b>648,226</b>	<b>245,244</b>	<b>408,741</b>	<b>490,489</b>	<b>509,431</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	<b>528,373</b>	
<b>For Residual Valuation</b>																								
Land		3,332,794																						
Interest			70,461	71,694	84,292	90,059	98,788	109,101	110,454	102,692	94,793	86,757	78,580	70,259	61,793	53,179	44,415	35,496	26,422	17,189	7,795	0	0	
Profit on Costs																								
Profit on GDV																							3,788,387	
Cash Flow	-4,026,328	-70,461	-719,920	-329,537	-498,800	-589,277	-77,333	443,570	451,332	459,230	467,267	475,444	483,764	492,230	500,844	509,609	518,527	527,601	536,834	546,229	717,520	881,016	1,044,512	
Opening Balanc	0																							
Closing Balanc	-4,026,328	-4,096,789	-4,816,708	-5,146,245	-5,645,045	-6,234,323	-6,311,656	-5,868,086	-5,416,754	-4,957,524	-4,490,257	-4,014,813	-3,531,049	-3,038,819	-2,537,975	-2,028,366	-1,509,838	-982,237	-445,403	100,826	818,346	1,699,362	2,743,875	



<b>SITE NAME</b>	Site 4
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INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	70.8	70%	34	1,800	4,278,960	2,377
Shared Ownership	70.8	6%	3	1,170	238,399	204
Affordable Rent	70.8	24%	12	1,000	815,040	815
Social Rent	70.8	0%	0	720	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.96 ha		50	/ha	5,332,399	3,396
SITE AREA - Gross	1.20 ha		40	/ha		

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	2,366	113,549	
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	1,703	1,703
PLANNING			
Planning Fee		16,080	
Architects	6.00%	202,429	
QS / PM	0.50%	16,869	
Planning Consultants	1.00%	33,738	
Other Professional	2.50%	84,345	353,462
CONSTRUCTION			
Build Cost - BCIS Based	930	3,158,301	
s106 / CIL	1,200	57,600	
Contingency	5.00%	157,915	
Abnormals		0	3,373,816
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	159,972	
Legals	0.5%	26,662	
Misc.		5,000	191,634
<b>Developers Profit</b>			<b>4,051,663</b>
% of costs (before interest)	0.00%		0
% of GDV	20.00%		1,066,480

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	48		16,080
No dwgs under	48	335	16,080
No dwgs over !	0	100	0
		<b>Total</b>	<b>16,080</b>

Build Cost		/m2	
BCIS	810		
CFSH	16	2.00%	
Energy	23		
Over-extra 1	0		
Over-extra 2	0		
Over-extra 3	0		
Over-extra 4	0		
Infrastructure	81	10%	
	<b>930</b>		

Stamp duty calc - Residual			
Land payment			
125,000	0%	0%	113,549
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	0%	
		<b>Total</b>	<b>0</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	0%	720,000
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	0%	
		<b>Total</b>	<b>0</b>

Pre CIL s106		1,200 £/ Unit (all)	
	<b>Total</b>		<b>57,600</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	0
	<b>Total</b>		<b>0</b>

Sales per Quarter	7
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>113,549</b>	<b>118,280</b>	<b>94,624</b>
Alternative Use Value	600,000		500,000
Uplift	20%	120,000	100,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>720,000</b>		<b>600,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

	£/m2
<b>Additional Profit</b>	<b>-579,680 -244</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			4	7	7	7	7	7	7	2														
Market Housing			0	0	0	0	356,580	624,015	624,015	624,015	624,015	624,015	624,015	178,290	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	19,867	34,767	34,767	34,767	34,767	34,767	34,767	9,933	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	67,920	118,860	118,860	118,860	118,860	118,860	118,860	33,960	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>444,367</b>	<b>777,642</b>	<b>777,642</b>	<b>777,642</b>	<b>777,642</b>	<b>777,642</b>	<b>777,642</b>	<b>222,183</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																								
Stamp Duty	0																							
Easements etc.	0																							
Legals Acquisition	1,703																							
Planning Fee	16,080																							
Architects	101,214		101,214																					
QS	8,435		8,435																					
Planning Consultants	16,869		16,869																					
Other Professional	42,173		42,173																					
Build Cost - BCIS Base		0	87,731	241,259	394,788	460,586	460,586	460,586	460,586	350,922	197,394	43,865	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL			57,600																					
Contingency		0	4,387	12,063	19,739	23,029	23,029	23,029	23,029	17,546	9,870	2,193	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	13,331	23,329	23,329	23,329	23,329	23,329	23,329	6,665	0	0	0	0	0	0	0	0	0	0
Legals	0	0	0	0	0	0	2,222	3,888	3,888	3,888	3,888	3,888	3,888	1,111	0	0	0	0	0	0	0	0	0	0
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>203,974</b>	<b>0</b>	<b>323,408</b>	<b>253,322</b>	<b>414,527</b>	<b>483,615</b>	<b>499,168</b>	<b>510,832</b>	<b>510,832</b>	<b>395,686</b>	<b>234,481</b>	<b>73,276</b>	<b>27,217</b>	<b>7,776</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuat</b>																								
Land	113,549																							
Interest		5,557	5,654	11,412	16,045	23,580	32,456	33,983	29,909	25,763	19,530	10,366	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																								
Profit on GDV																								1,066,480
Cash Flow	-317,523	-5,557	-329,062	-264,735	-430,572	-507,195	-87,257	232,826	236,901	356,193	523,631	693,999	750,424	214,407	0	0	0	0	0	0	0	0	0	-1,066,480
Opening Balanc	0																							
Closing Balanc	-317,523	-323,080	-652,141	-916,876	-1,347,448	-1,854,643	-1,941,901	-1,709,075	-1,472,174	-1,115,981	-592,351	101,649	852,073	1,066,480	1,066,480	1,066,480	1,066,480	1,066,480	1,066,480	1,066,480	1,066,480	1,066,480	1,066,480	0



SITE NAME	Site 5
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INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	79.9	70%	54	1,975	8,507,905	4,308
Shared Ownership	79.9	6%	5	1,284	474,012	369
Affordable Rent	79.9	24%	18	1,000	1,476,960	1,477
Social Rent	79.9	0%	0	790	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	1.54 ha		50	/ha	10,458,877	6,154
SITE AREA - Gross	2.20 ha		35	/ha		

Sales per Quarter	6
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>807,127</b>	<b>524,109</b>	<b>366,876</b>
Alternative Use Value	1,100,000		500,000
Uplift	220,000		100,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>1,320,000</b>		<b>600,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
correct

	£/m2
<b>Additional Profit</b>	<b>-467,784</b>
	<b>-109</b>

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	10,482	807,127	
Stamp Duty		32,285	
Easements etc.		0	
Legals Acquisition	1.50%	12,107	44,392
PLANNING			
Planning Fee		11,745	
Architects	6.00%	361,035	
QS / PM	0.50%	30,086	
Planning Consultants	1.00%	60,173	
Other Professional	2.50%	150,431	613,471
CONSTRUCTION			
Build Cost - BCIS Based	908	5,585,224	
s106 / CIL	1,200	92,400	
Contingency	2.50%	139,631	
Abnormals		200,000	6,017,255
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	313,766	
Legals	0.5%	52,294	
Misc.		5,000	371,061
			7,870,806
Developers Profit			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		2,091,775

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	77		
No dwgs under	27	335	9,045
No dwgs over !	27	100	2,700
		<b>Total</b>	<b>11,745</b>

Build Cost		/m2	
BCIS	756		
CFSH	15	2.00%	
Energy	23		
Over-extra 1	0		
Over-extra 2	0		
Over-extra 3	0		
Over-extra 4	0		
Infrastructure	113	15%	
<b>Total</b>	<b>908</b>		

Stamp duty calc - Residual			
Land payment			
125,000	0%	1%	
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	0%	
above	5%	4%	
		<b>Total</b>	<b>32,285</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	1%	
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	0%	
above	5%	4%	
		<b>Total</b>	<b>52,800</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>92,400</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			3	6	6	6	6	6	6	6	6	6	6	6	2									
Market Housing			0	0	0	0	331,477	662,954	662,954	662,954	662,954	662,954	662,954	662,954	662,954	662,954	662,954	662,954	220,985	0	0	0	0	0
Shared Ownership			0	0	0	0	18,468	36,936	36,936	36,936	36,936	36,936	36,936	36,936	36,936	36,936	36,936	12,312	0	0	0	0	0	
Affordable Rent			0	0	0	0	57,544	115,088	115,088	115,088	115,088	115,088	115,088	115,088	115,088	115,088	38,363	0	0	0	0	0	0	
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>407,489</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>814,977</b>	<b>271,659</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>EXPENDITURE</b>																								
Stamp Duty	32,285																							
Easements etc.	0																							
Legals Acquisition	12,107																							
Planning Fee	11,745																							
Architects	180,518			180,518																				
QS	15,043			15,043																				
Planning Consultants	30,086			30,086																				
Other Professional	75,216			75,216																				
Build Cost - BCIS Base		0	72,535	217,606	362,677	435,212	435,212	435,212	435,212	435,212	435,212	435,212	435,212	435,212	338,498	193,428	48,357	0	0	0	0	0	0	
s106/CIL				92,400																				
Contingency		0	1,813	5,440	9,067	10,880	10,880	10,880	10,880	10,880	10,880	10,880	10,880	8,462	4,836	1,209	0	0	0	0	0	0	0	
Abnormals		0	2,597	7,792	12,987	15,584	15,584	15,584	15,584	15,584	15,584	15,584	15,584	12,121	6,926	1,732	0	0	0	0	0	0	0	
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	12,225	24,449	24,449	24,449	24,449	24,449	24,449	24,449	24,449	24,449	24,449	8,150	0	0	0	0	0	
Legals	0	0	0	0	0	0	2,037	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	1,358	0	0	0	0	0	
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>374,500</b>	<b>0</b>	<b>475,209</b>	<b>230,839</b>	<b>384,731</b>	<b>461,677</b>	<b>475,939</b>	<b>490,201</b>	<b>490,201</b>	<b>490,201</b>	<b>490,201</b>	<b>490,201</b>	<b>490,201</b>	<b>490,201</b>	<b>490,201</b>	<b>387,606</b>	<b>233,714</b>	<b>79,822</b>	<b>28,524</b>	<b>9,508</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuat</b>																								
Land		<b>807,127</b>																						
Interest			20,678	21,040	29,725	34,285	41,617	50,425	52,505	47,741	42,892	37,959	32,940	27,833	22,637	17,349	11,969	4,700	0	0	0	0	0	
Profit on Costs																								
Profit on GDV																								<b>2,091,775</b>
Cash Flow	-1,181,627	-20,678	-496,249	-260,563	-419,015	-503,294	-118,875	272,271	277,036	281,884	286,817	291,836	296,943	302,140	307,427	415,402	576,564	735,156	786,453	262,151	0	0	0	-2,091,775
Opening Balan	0																							
Closing Balan	-1,181,627	-1,202,306	-1,698,555	-1,959,118	-2,378,134	-2,881,428	-3,000,303	-2,728,032	-2,450,997	-2,169,113	-1,882,296	-1,590,460	-1,293,517	-991,378	-683,950	-268,548	308,015	1,043,171	1,829,624	2,091,775	2,091,775	2,091,775	2,091,775	0

Base for printing APP 6  
Site 6



SITE NAME	Site 6
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INCOME	Av Size m2	%	Number 80	Price £/m2	GDV £	GIA m2
Market Housing	70.8	70%	56	1,600	6,345,920	3,966
Shared Ownership	70.8	30%	24	1,040	1,767,792	1,700
Affordable Rent	70.8	0%	0	1,000	0	0
Social Rent	70.8	0%	0	640	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	1.60 ha		50 /ha		8,113,712	5,666
SITE AREA - Gross	2.00 ha		40 /ha			

Sales per Quarter	6
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	-210,391	-131,494	-105,196
Alternative Use Value	800,000		400,000
Uplift	20% 160,000		80,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>960,000</b>		<b>480,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
correct

	£/m2
Additional Profit	-1,133,889 -286

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	-2,630	-210,391	
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	-3,156	-3,156
PLANNING			
Planning Fee		13,050	
Architects	6.00%	334,725	
QS / PM	0.50%	27,894	
Planning Consultants	1.00%	55,788	
Other Professional	2.50%	139,469	570,925
CONSTRUCTION			
Build Cost - BCIS Based	922	5,221,670	
s106 / CIL	1,200	96,000	
Contingency	5.00%	261,084	
Abnormals		0	5,578,754
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	243,411	
Legals	0.5%	40,569	
Misc.		5,000	288,980
			6,242,612
Developers Profit			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		1,622,742

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	80		
No dwgs under	30	335	10,050
No dwgs over !	30	100	3,000
		<b>Total</b>	<b>13,050</b>

Build Cost		/m2
BCIS	802	
CFSH	16	2.00%
Energy	23	
Over-extra 1	0	
Over-extra 2	0	
Over-extra 3	0	
Over-extra 4	0	
Infrastructure	80	10%
	<b>922</b>	

Stamp duty calc - Residual		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		0

Stamp duty calc - Add Profit		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		960,000

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>96,000</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			3	6	6	6	6	6	6	6	6	6	6	6	5									
Market Housing				0	0	0	237,972	475,944	475,944	475,944	475,944	475,944	475,944	475,944	475,944	475,944	475,944	475,944	475,944	396,620	0	0	0	0
Shared Ownership				0	0	0	66,292	132,584	132,584	132,584	132,584	132,584	132,584	132,584	132,584	132,584	132,584	132,584	132,584	110,487	0	0	0	0
Affordable Rent				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>304,264</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>608,528</b>	<b>507,107</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>EXPENDITURE</b>																								
Stamp Duty	0																							
Easements etc.	0																							
Legals Acquisition	-3,156																							
Planning Fee	13,050																							
Architects	167,363			167,363																				
QS	13,947			13,947																				
Planning Consultants	27,894			27,894																				
Other Professional	69,734			69,734																				
Build Cost - BCIS Base		0	65,271	195,813	326,354	391,625	391,625	391,625	391,625	391,625	391,625	391,625	391,625	391,625	369,868	239,327	108,785	0	0	0	0	0	0	
s106/CIL				96,000	16,318	19,581	19,581	19,581	19,581	19,581	19,581	19,581	19,581	19,581	18,493	11,966	5,439	0	0	0	0	0	0	
Contingency		0	3,264	9,791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	9,128	18,256	18,256	18,256	18,256	18,256	18,256	18,256	18,256	18,256	18,256	18,256	15,213	0	0	0	0	
Legals	0	0	0	0	0	0	1,521	3,043	3,043	3,043	3,043	3,043	3,043	3,043	3,043	3,043	3,043	3,043	2,536	0	0	0	0	
Misc.				5,000																				
<b>COSTS BEFORE LAND INT AND P</b>	<b>306,332</b>	<b>0</b>	<b>448,472</b>	<b>205,603</b>	<b>342,672</b>	<b>411,207</b>	<b>421,856</b>	<b>432,505</b>	<b>432,505</b>	<b>432,505</b>	<b>432,505</b>	<b>432,505</b>	<b>432,505</b>	<b>432,505</b>	<b>409,660</b>	<b>272,591</b>	<b>135,523</b>	<b>21,298</b>	<b>17,749</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>For Residual Valuat</b>																								
Land	-210,391																							
Interest		1,679	1,708	9,587	13,352	19,583	27,122	29,654	27,093	24,486	21,834	19,136	16,391	13,597	10,755	7,862	4,520	0	0	0	0	0	0	
Profit on Costs																								
Profit on GDV																								1,622,742
Cash Flow	-95,941	-1,679	-450,180	-215,190	-356,024	-430,789	-144,713	146,369	148,931	151,537	154,189	156,887	159,633	162,426	165,269	191,006	331,417	473,006	587,230	489,358	0	0	0	-1,622,742
Opening Balanc	0																							
Closing Balanc	-95,941	-97,620	-547,800	-762,990	-1,119,014	-1,549,803	-1,694,517	-1,548,147	-1,399,216	-1,247,679	-1,093,490	-936,603	-776,970	-614,544	-449,275	-258,269	73,148	546,154	1,133,384	1,622,742	1,622,742	1,622,742	1,622,742	0



SITE NAME	Site 7
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INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	70.5	100%	12	1,600	1,353,600	846
Shared Ownership	70.5	0%	0	1,040	0	0
Affordable Rent	70.5	0%	0	1,000	0	0
Social Rent	70.5	0%	0	640	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.12 ha		100	/ha	1,353,600	846
SITE AREA - Gross	0.12 ha		100	/ha		

Sales per Quarter	10
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	-266,175	-2,218,124	-2,218,124
Alternative Use Value	48,000		400,000
Uplift	20%	9,600	80,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>57,600</b>		<b>480,000</b>

	£/m2
Additional Profit	-319,032 -377

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	-22,181		-266,175
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	-3,993	-3,993
PLANNING			
Planning Fee		4,020	
Architects	6.00%	67,191	
QS / PM	0.50%	5,599	
Planning Consultants	1.00%	11,199	
Other Professional	2.50%	27,996	116,006
CONSTRUCTION			
Build Cost - BCIS Based	999	845,501	
s106 / CIL	1,200	14,400	
Contingency	5.00%	42,275	
Abnormals		217,680	1,119,856
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	40,608	
Legals	0.5%	6,768	
Misc.		5,000	52,376
			<b>1,035,570</b>
Developers Profit			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		270,720

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	12		4,020
No dwgs under	12	335	4,020
No dwgs over !	0	100	0
		<b>Total</b>	<b>4,020</b>

Stamp duty calc - Residual			
Land payment			
125,000	0%	0%	-266,175
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	0%	
		<b>Total</b>	<b>0</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	0%	57,600
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	0%	
		<b>Total</b>	<b>0</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>14,400</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	0
		<b>Total</b>	<b>0</b>

Build Cost			/m2
BCIS	859		
CFSH	17	2.00%	
Energy	23		
Over-extra 1	0		
Over-extra 2	0		
Over-extra 3	14		
Over-extra 4	0		
Infrastructure	86	10%	
	<b>999</b>		

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			6	6																				
Market Housing				0	0	0	676,800	676,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>676,800</b>	<b>676,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>EXPENDITURE</b>																								
Stamp Duty	0																							
Easements etc.	0																							
Legals Acquisition	-3,993																							
Planning Fee	4,020																							
Architects	33,596		33,596																					
QS	2,800		2,800																					
Planning Consultants	5,599		5,599																					
Other Professional	13,998		13,998																					
Build Cost - BCIS Base		0	140,917	281,834	281,834	140,917	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
s106/CIL			14,400																					
Contingency		0	7,046	14,092	14,092	7,046	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Abnormals		0	36,280	72,560	72,560	36,280	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	20,304	20,304	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Legals	0	0	0	0	0	0	3,384	3,384	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>73,520</b>	<b>0</b>	<b>259,635</b>	<b>368,485</b>	<b>368,485</b>	<b>184,243</b>	<b>23,688</b>	<b>23,688</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>For Residual Valuation</b>																								
Land	-266,175																							
Interest		0	0	1,172	7,641	14,223	17,697	6,577	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Profit on Costs																							0	
Profit on GDV																							270,720	
Cash Flow	192,655	0	-259,635	-369,657	-376,126	-198,466	635,415	646,535	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-270,720	
Opening Balan	0																							
Closing Balan	192,655	192,655	-66,981	-436,638	-812,765	-1,011,231	-375,815	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	270,720	0	



SITE NAME	Site 8
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INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	68.9	70%	25	1,500	2,605,050	1,737
Shared Ownership	68.9	6%	2	975	145,139	149
Affordable Rent	68.9	24%	9	1,000	595,440	595
Social Rent	68.9	0%	0	600	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.39 ha		92	/ha	<b>3,345,629</b>	<b>2,481</b>
SITE AREA - Gross	0.39 ha		92	/ha		

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	-21,034		<b>-757,213</b>
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	-11,358	-11,358
PLANNING			
Planning Fee		12,060	
Architects	6.00%	174,563	
QS / PM	0.50%	14,547	
Planning Consultants	1.00%	29,094	
Other Professional	2.50%	72,735	302,998
CONSTRUCTION			
Build Cost - BCIS Based	985	2,443,983	
s106 / CIL	1,200	43,200	
Contingency	5.00%	122,199	
Abnormals		300,000	2,909,383
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	100,369	
Legals	0.5%	16,728	
Misc.		5,000	122,097
<b>2,583,407</b>			
Developers Profit			
% of costs (before interest)	0.00%		<b>0</b>
% of GDV	20.00%		<b>669,126</b>

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	36		
No dwgs under	36	335	12,060
No dwgs over !	0	100	0
		<b>Total</b>	<b>12,060</b>

Build Cost		/m2
BCIS	859	
CFSH	17	2.00%
Energy	23	
Over-extra 1	0	
Over-extra 2	0	
Over-extra 3	0	
Over-extra 4	0	
Infrastructure	86	10%
<b>985</b>		

Stamp duty calc - Residual		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>-757,213</b>

Stamp duty calc - Add Profit		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>234,000</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>43,200</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	<b>0</b>

Sales per Quarter	8
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>-757,213</b>	<b>-1,941,572</b>	<b>-1,941,572</b>
Alternative Use Value	195,000		500,000
Uplift	20%	39,000	100,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>234,000</b>		<b>600,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

	£/m2
<b>Additional Profit</b>	<b>-977,446</b>
	<b>-563</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>INCOME</b>																									
UNITS Started			4	8	8	8	8																		
Market Housing			0	0	0	0	289,450	578,900	578,900	578,900	578,900	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	16,127	32,253	32,253	32,253	32,253	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	66,160	132,320	132,320	132,320	132,320	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>371,737</b>	<b>743,473</b>	<b>743,473</b>	<b>743,473</b>	<b>743,473</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																									
Stamp Duty	0																								
Easements etc.	0																								
Legals Acquisition	-11,358																								
Planning Fee	12,060																								
Architects	87,281		87,281																						
QS	7,273		7,273																						
Planning Consultants	14,547		14,547																						
Other Professional	36,367		36,367																						
Build Cost - BCIS Base		0	90,518	271,554	452,590	543,107	543,107	362,072	181,036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL			43,200		22,629	27,155	27,155	18,104	9,052	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency		0	4,526	13,578	55,556	66,667	66,667	44,444	22,222	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	11,111	33,333																					
Finance Fees	10,000																								
Legal and Valuation	7,500																								
Agents	0	0	0	0	0	0	11,152	22,304	22,304	22,304	22,304	0	0	0	0	0	0	0	0	0	0	0	0	0	
Legals	0	0	0	0	0	0	1,859	3,717	3,717	3,717	3,717	0	0	0	0	0	0	0	0	0	0	0	0	0	
Misc.			5,000																						
<b>COSTS BEFORE LAND INT AND P</b>	<b>163,671</b>	<b>0</b>	<b>299,824</b>	<b>318,465</b>	<b>530,775</b>	<b>636,929</b>	<b>649,940</b>	<b>450,641</b>	<b>238,331</b>	<b>26,022</b>	<b>26,022</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuation</b>																									
Land		<b>-757,213</b>			433	9,729	21,046	26,283	21,618	13,156	831	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest		0	0	0																					
Profit on Costs																									
Profit on GDV																									<b>669,126</b>
Cash Flow	593,542	0	-299,824	-318,465	-531,208	-646,659	-299,249	266,549	483,524	704,295	716,620	0	0	0	0	0	0	0	0	0	0	0	0	-669,126	
Opening Balan	0																								
Closing Balan	593,542	593,542	293,718	-24,747	-555,954	-1,202,613	-1,501,863	-1,235,313	-751,790	-47,495	669,126	669,126	669,126	669,126	669,126	669,126	669,126	669,126	669,126	669,126	669,126	669,126	669,126	0	





<b>SITE NAME</b>	Site 9
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INCOME	Av Size m2	%	Number 30	Price £/m2	GDV £	GIA m2
Market Housing	68.6	70%	21	1,500	2,160,900	1,441
Shared Ownership	68.6	30%	9	975	601,965	617
Affordable Rent	68.6	0%	0	1,000	0	0
Social Rent	68.6	0%	0	600	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.30 ha		100	/ha	2,762,865	2,058
SITE AREA - Gross	0.30 ha		100	/ha		

Sales per Quarter	10
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>-599,553</b>	<b>-1,998,511</b>	<b>-1,998,511</b>
Alternative Use Value	120,000		400,000
Uplift	20%	24,000	80,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>144,000</b>		<b>480,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

	£/m2
<b>Additional Profit</b>	<b>-729,014</b>
	<b>-506</b>

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	-19,985		<b>-599,553</b>
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	-8,993	-8,993
PLANNING			
Planning Fee		10,050	
Architects	6.00%	141,880	
QS / PM	0.50%	11,823	
Planning Consultants	1.00%	23,647	
Other Professional	2.50%	59,116	246,516
CONSTRUCTION			
Build Cost - BCIS Based	985	2,027,295	
s106 / CIL	1,200	36,000	
Contingency	5.00%	101,365	
Abnormals		200,000	2,364,659
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	82,886	
Legals	0.5%	13,814	
Misc.		5,000	101,700
			<b>2,121,829</b>
Developers Profit			
% of costs (before interest)	0.00%		<b>0</b>
% of GDV	20.00%		<b>552,573</b>

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	30		10,050
No dwgs under	30	335	10,050
No dwgs over !	0	100	0
		<b>Total</b>	<b>10,050</b>

Build Cost		/m2
BCIS	859	
CFSH	17	2.00%
Energy	23	
Over-extra 1	0	
Over-extra 2	0	
Over-extra 3	0	
Over-extra 4	0	
Infrastructure	86	10%
	<b>985</b>	

Stamp duty calc - Residual		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>-599,553</b>

Stamp duty calc - Add Profit		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>144,000</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>36,000</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			10	10			10																	
Market Housing			0	0	0	0	720,300	720,300	720,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	200,655	200,655	200,655	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>920,955</b>	<b>920,955</b>	<b>920,955</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																								
Stamp Duty	0																							
Easements etc.	0																							
Legals Acquisition	-8,993																							
Planning Fee	10,050																							
Architects	70,940			70,940																				
QS	5,912			5,912																				
Planning Consultants	11,823			11,823																				
Other Professional	29,558			29,558																				
Build Cost - BCIS Base		0	225,255	450,510	675,765	450,510	225,255	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL				36,000	33,788	22,525	11,263	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency		0	11,263	22,525	66,667	44,444	22,222	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	22,222	44,444																				
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	27,629	27,629	27,629	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legals	0	0	0	0	0	0	4,605	4,605	4,605	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.				5,000																				
<b>COSTS BEFORE LAND INT AND P</b>	<b>136,790</b>	<b>0</b>	<b>417,973</b>	<b>517,480</b>	<b>776,220</b>	<b>517,480</b>	<b>290,973</b>	<b>32,233</b>	<b>32,233</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuation</b>																								
Land		<b>-599,553</b>			8,272	22,001	31,442	20,967	5,781	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest			0	0																				
Profit on Costs																								
Profit on GDV																								<b>552,573</b>
Cash Flow	462,763	0	-417,973	-517,480	-784,492	-539,481	598,540	867,754	882,940	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-552,573
Opening Balan	0																							
Closing Balan	462,763	462,763	44,791	-472,689	-1,257,181	-1,796,662	-1,198,122	-330,367	552,573	552,573	552,573	552,573	552,573	552,573	552,573	552,573	552,573	552,573	552,573	552,573	552,573	552,573	0	



SITE NAME Site 10

INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	71.0	100%	3	1,500	319,500	213
Shared Ownership	71.0	0%	0	975	0	0
Affordable Rent	71.0	0%	0	1,000	0	0
Social Rent	71.0	0%	0	600	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.02 ha		200	/ha	319,500	213
SITE AREA - Gross	0.02 ha		200	/ha		

Sales per Quarter	10
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	51,492	3,432,821	3,432,821
Alternative Use Value	4,500		300,000
Uplift	20% 900		60,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>5,400</b>		<b>360,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

	£/m2
Additional Profit	52,035 244

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	17,164	51,492	
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	772	772
PLANNING			
Planning Fee		1,005	
Architects	6.00%	8,246	
QS / PM	0.50%	687	
Planning Consultants	1.00%	1,374	
Other Professional	2.50%	3,436	14,748
CONSTRUCTION			
Build Cost - BCIS Based	527	112,242	
s106 / CIL	1,200	3,600	
Contingency	5.00%	5,612	
Abnormals		15,975	137,430
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	9,585	
Legals	0.5%	1,598	
Misc.		5,000	16,183
			238,125
Developers Profit			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		63,900

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	3		1,005
No dwgs under	3	335	1,005
No dwgs over !	0	100	0
		<b>Total</b>	<b>1,005</b>

Build Cost		/m2	
BCIS	859		
CFSH	17		2.00%
Energy	23		
Over-extra 1	-430		
Over-extra 2	0		
Over-extra 3	14		
Over-extra 4	0		
Infrastructure	43		5%
	<b>527</b>		

Stamp duty calc - Residual			
Land payment			
125,000	0%	0%	51,492
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	0%	
		<b>Total</b>	<b>0</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	0%	5,400
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	0%	
		<b>Total</b>	<b>0</b>

Pre CIL s106	1,200 £/ Unit (all)	
	<b>Total</b>	<b>3,600</b>

Post CIL s106	0 £/ Unit (all)	
CIL	0 £/ m2	
	<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			1	1	1																			
Market Housing			0	0	0	0	106,500	106,500	106,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>106,500</b>	<b>106,500</b>	<b>106,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>EXPENDITURE</b>																								
Stamp Duty	0																							
Easements etc.	0																							
Legals Acquisition	772																							
Planning Fee	1,005																							
Architects	4,123		4,123																					
QS	344		344																					
Planning Consultants	687		687																					
Other Professional	1,718		1,718																					
Build Cost - BCIS Base		0	12,471	24,943	37,414	24,943	12,471	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL			3,600																					
Contingency		0	624	1,247	1,871	1,247	624	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	1,775	3,550	5,325	3,550	1,775	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	3,195	3,195	3,195	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legals	0	0	0	0	0	0	533	533	533	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>26,149</b>	<b>0</b>	<b>30,341</b>	<b>29,740</b>	<b>44,610</b>	<b>29,740</b>	<b>18,597</b>	<b>3,728</b>	<b>3,728</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>For Residual Valuat</b>																								
Land	51,492																							
Interest		1,359	1,382	1,938	2,492	3,316	3,895	2,425	669	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Profit on Costs																								
Profit on GDV																								63,900
Cash Flow	-77,641	-1,359	-31,724	-31,678	-47,102	-33,056	84,008	100,348	102,104	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-63,900
Opening Balanc	0																							
Closing Balanc	-77,641	-79,000	-110,724	-142,401	-189,503	-222,560	-138,552	-38,204	63,900	63,900	63,900	63,900	63,900	63,900	63,900	63,900	63,900	63,900	63,900	63,900	63,900	63,900	0	



<b>SITE NAME</b>	Site 11
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INCOME	Av Size m2	%	Number 14	Price £/m2	GDV £	GIA m2
Market Housing	70.7	70%	10	1,500	1,039,500	693
Shared Ownership	70.7	30%	4	975	289,575	297
Affordable Rent	70.7	0%	0	1,000	0	0
Social Rent	70.7	0%	0	600	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.04 ha		350	/ha	1,329,075	990
SITE AREA - Gross	0.04 ha		350	/ha		

Sales per Quarter	6
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>298,567</b>	<b>7,464,171</b>	<b>7,464,171</b>
Alternative Use Value	40,000		1,000,000
Uplift	20% 8,000		200,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>48,000</b>		<b>1,200,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

	£/m2
<b>Additional Profit</b>	<b>287,887 415</b>

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	21,326	298,567	
Stamp Duty		8,957	
Easements etc.		0	
Legals Acquisition	1.50%	4,479	13,436
PLANNING			
Planning Fee		4,690	
Architects	6.00%	32,981	
QS / PM	0.50%	2,748	
Planning Consultants	1.00%	5,497	
Other Professional	2.50%	13,742	59,658
CONSTRUCTION			
Build Cost - BCIS Based	513	507,504	
s106 / CIL	1,200	16,800	
Contingency	5.00%	25,375	
Abnormals		0	549,679
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	39,872	
Legals	0.5%	6,645	
Misc.		5,000	990,357
Developers Profit			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		265,815

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	14		4,690
No dwgs under	14	335	4,690
No dwgs over !	0	100	0
		<b>Total</b>	<b>4,690</b>

Build Cost		/m2	
BCIS	859		
CFSH	17		2.00%
Energy	23		
Over-extra 1	-430		
Over-extra 2	0		
Over-extra 3	0		
Over-extra 4	0		
Infrastructure	43		5%
	<b>513</b>		

Stamp duty calc - Residual			
Land payment			
125,000	0%	1%	298,567
250,000	1%	3%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	3%	
		<b>Total</b>	<b>8,957</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	1%	48,000
250,000	1%	3%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	3%	
		<b>Total</b>	<b>1,440</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>16,800</b>

Post CIL s106	0	£/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			6	6	2																			
Market Housing			0	0	0	0	445,500	445,500	148,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	124,104	124,104	41,368	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>569,604</b>	<b>569,604</b>	<b>189,868</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																								
Stamp Duty	8,957																							
Easements etc.	0																							
Legals Acquisition	4,479																							
Planning Fee	4,690																							
Architects	16,490		16,490																					
QS	1,374		1,374																					
Planning Consultants	2,748		2,748																					
Other Professional	6,871		6,871																					
Build Cost - BCIS Base		0	72,501	145,001	169,168	96,667	24,167	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL			16,800																					
Contingency		0	3,625	7,250	8,458	4,833	1,208	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	17,088	17,088	5,696	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legals	0	0	0	0	0	0	2,848	2,848	949	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>63,109</b>	<b>0</b>	<b>125,409</b>	<b>152,251</b>	<b>177,626</b>	<b>101,501</b>	<b>45,311</b>	<b>19,936</b>	<b>6,645</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuat</b>																								
Land	298,567																							
Interest		6,329	6,440	8,747	11,565	14,876	16,912	8,033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																								
Profit on GDV																								265,815
Cash Flow	-361,676	-6,329	-131,850	-160,999	-189,191	-116,377	507,380	541,634	183,222	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-265,815
Opening Balanc	0																							
Closing Balanc	-361,676	-368,006	-499,855	-660,854	-850,045	-966,422	-459,042	82,593	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	265,815	0



SITE NAME Site 12

INCOME	Av Size m2	%	Number 10	Price £/m2	GDV £	GIA m2
Market Housing	73.7	100%	10	1,500	1,105,500	737
Shared Ownership	73.7	0%	0	975	0	0
Affordable Rent	73.7	0%	0	1,000	0	0
Social Rent	73.7	0%	0	600	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.20 ha		50	/ha	1,105,500	737
SITE AREA - Gross	0.20 ha		50	/ha		

Sales per Quarter	3
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	-196,825	-984,127	-984,127
Alternative Use Value	80,000		400,000
Uplift	20%	16,000	80,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>96,000</b>		<b>480,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
correct

	£/m2
Additional Profit	-290,974 -395

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	-19,683	-196,825	
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	-2,952	-2,952
PLANNING			
Planning Fee		3,350	
Architects	6.00%	53,678	
QS / PM	0.50%	4,473	
Planning Consultants	1.00%	8,946	
Other Professional	2.50%	22,366	92,814
CONSTRUCTION			
Build Cost - BCIS Based	875	645,111	
s106 / CIL	1,200	12,000	
Contingency	5.00%	32,256	
Abnormals		205,275	894,641
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	33,165	
Legals	0.5%	5,528	
Misc.		5,000	43,693
			<b>848,870</b>
Developers Profit			
% of costs (before interest)	0.00%		0
% of GDV	20.00%		221,100

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	10		3,350
No dwgs under	10	335	3,350
No dwgs over !	0	100	0
		<b>Total</b>	<b>3,350</b>

Build Cost		/m2
BCIS	761	
CFSH	15	2.00%
Energy	23	
Over-extra 1	0	
Over-extra 2	0	
Over-extra 3	0	
Over-extra 4	0	
Infrastructure	76	10%
<b>Total</b>	<b>875</b>	

Stamp duty calc - Residual		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>-196,825</b>

Stamp duty calc - Add Profit		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>96,000</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>12,000</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	
		<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			3	3	3	1																		
Market Housing			0	0	0	0	331,650	331,650	331,650	110,550	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>331,650</b>	<b>331,650</b>	<b>331,650</b>	<b>110,550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>EXPENDITURE</b>																								
Stamp Duty	0																							
Easements etc.	0																							
Legals Acquisition	-2,952																							
Planning Fee	3,350																							
Architects	26,839			26,839																				
QS	2,237			2,237																				
Planning Consultants	4,473			4,473																				
Other Professional	11,183			11,183																				
Build Cost - BCIS Base		0	64,511	129,022	193,533	150,526	86,015	21,504	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
s106/CIL			12,000		9,677	7,526	4,301	1,075	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Contingency		0	3,226	6,451	61,583	47,898	27,370	6,843	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Abnormals		0	20,528	41,055																				
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	9,950	9,950	9,950	3,317	0	0	0	0	0	0	0	0	0	0	0	0	0	
Legals	0	0	0	0	0	0	1,658	1,658	1,658	553	0	0	0	0	0	0	0	0	0	0	0	0	0	
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>62,630</b>	<b>0</b>	<b>149,996</b>	<b>176,528</b>	<b>264,792</b>	<b>205,950</b>	<b>129,293</b>	<b>41,029</b>	<b>11,608</b>	<b>3,869</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>For Residual Valuation</b>																								
Land			-196,825																					
Interest			0	0	277	3,371	8,063	11,809	8,474	3,537	0	0	0	0	0	0	0	0	0	0	0	0	0	
Profit on Costs																								
Profit on GDV																								221,100
Cash Flow	134,196	0	-149,996	-176,805	-268,163	-214,013	190,548	282,147	316,506	106,681	0	0	0	0	0	0	0	0	0	0	0	0	-221,100	
Opening Balance	0																							
Closing Balance	134,196	134,196	-15,800	-192,605	-460,768	-674,781	-484,233	-202,086	114,419	221,100	221,100	221,100	221,100	221,100	221,100	221,100	221,100	221,100	221,100	221,100	221,100	221,100	0	



SITE NAME Site 13

INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	81.1	70%	25	1,975	3,926,300	1,988
Shared Ownership	81.1	6%	2	1,284	218,751	170
Affordable Rent	81.1	24%	8	1,000	681,600	682
Social Rent	81.1	0%	0	790	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.69 ha		51	/ha	4,826,651	2,840
SITE AREA - Gross	0.86 ha		41	/ha		

Sales per Quarter	5
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	641,111	929,146	745,477
Alternative Use Value	430,000		500,000
Uplift	20%	86,000	100,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>516,000</b>		<b>600,000</b>

	£/m2
Additional Profit	178,652 90

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

DEVELOPMENT COSTS				
LAND	/unit or m2	Total		
Land	18,317	641,111		
Stamp Duty		25,644		
Easements etc.		0		
Legals Acquisition	1.50%	9,617	35,261	
PLANNING				
Planning Fee		11,725		
Architects	6.00%	148,833		
QS / PM	0.50%	12,403		
Planning Consultants	1.00%	24,805		
Other Professional	2.50%	62,014	259,779	
CONSTRUCTION				
Build Cost - BCIS Based	818	2,322,422		
s106 / CIL	1,200	42,000		
Contingency	5.00%	116,121		
Abnormals		0	2,480,544	
FINANCE				
Fees		10,000		
Interest	7.00%			
Legal and Valuation		7,500	17,500	
SALES				
Agents	3.0%	144,800		
Legals	0.5%	24,133		
Misc.		5,000	173,933	3,608,127
Developers Profit				
% of costs (before interest)	0.00%			0
% of GDV	20.00%			965,330

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	35		11,725
No dwgs under	35	335	11,725
No dwgs over !	0	100	0
		<b>Total</b>	<b>11,725</b>

Stamp duty calc - Residual			
Land payment			
125,000	0%	1%	641,111
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	0%	
above	5%	4%	
		<b>Total</b>	<b>25,644</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	1%	516,000
250,000	1%	3%	
500,000	3%	4%	
1,000,000	4%	0%	
above	5%	4%	
		<b>Total</b>	<b>20,640</b>

Pre CIL s106	1,200 £/ Unit (all)		
	<b>Total</b>	<b>42,000</b>	

Post CIL s106	0 £/ Unit (all)		
CIL	0 £/ m2		
	<b>Total</b>	<b>0</b>	

Build Cost /m2		
BCIS	710	
CFSH	14	2.00%
Energy	23	
Over-extra 1	0	
Over-extra 2	0	
Over-extra 3	0	
Over-extra 4	0	
Infrastructure	71	10%
	<b>818</b>	

RESIDUAL CASH FLOW FOR INTEREST

	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
<b>INCOME</b>																										
UNITS Started			3	5	5	5	5	5	5	2																
Market Housing			0	0	0	0	336,540	560,900	560,900	560,900	560,900	560,900	224,360	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	18,750	31,250	31,250	31,250	31,250	12,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	58,423	97,371	97,371	97,371	97,371	38,949	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>413,713</b>	<b>689,522</b>	<b>689,522</b>	<b>689,522</b>	<b>689,522</b>	<b>689,522</b>	<b>275,809</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																										
Stamp Duty	25,644																									
Easements etc.	0																									
Legals Acquisition	9,617																									
Planning Fee	11,725																									
Architects	74,416			74,416																						
QS	6,201			6,201																						
Planning Consultants	12,403			12,403																						
Other Professional	31,007			31,007																						
Build Cost - BCIS Base		0	66,355	176,946	287,538	331,775	331,775	331,775	331,775	265,420	154,828	44,237	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL			42,000		14,377	16,589	16,589	16,589	16,589	13,271	7,741	2,212	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency		0	3,318	8,847	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	10,000																									
Legal and Valuation	7,500																									
Agents	0	0	0	0	0	0	12,411	20,686	20,686	20,686	20,686	20,686	8,274	0	0	0	0	0	0	0	0	0	0	0	0	
Legals	0	0	0	0	0	0	2,069	3,448	3,448	3,448	3,448	3,448	1,379	0	0	0	0	0	0	0	0	0	0	0	0	
Misc.			5,000																							
<b>COSTS BEFORE LAND INT AND P</b>	<b>188,513</b>	<b>0</b>	<b>240,700</b>	<b>185,794</b>	<b>301,915</b>	<b>348,363</b>	<b>362,843</b>	<b>372,497</b>	<b>372,497</b>	<b>302,824</b>	<b>186,703</b>	<b>70,582</b>	<b>24,133</b>	<b>9,653</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuat</b>																										
Land	641,111																									
Interest		14,518	14,772	19,243	22,831	28,514	35,110	34,834	29,896	24,871	18,539	10,064	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																										
Profit on GDV																										965,330
Cash Flow	-829,624	-14,518	-255,472	-205,037	-324,746	-376,878	15,760	282,191	287,129	361,827	484,280	608,876	665,388	266,155	0	0	0	0	0	0	0	0	0	0	-965,330	
Opening Balanc	0																									
Closing Balanc	-829,624	-844,142	-1,099,615	-1,304,652	-1,629,398	-2,006,276	-1,990,516	-1,708,325	-1,421,196	-1,059,369	-575,089	33,787	699,175	965,330	965,330	965,330	965,330	965,330	965,330	965,330	965,330	965,330	965,330	965,330	0	



<b>SITE NAME</b>	Site 14
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INCOME	Av Size m2	%	Number 20	Price £/m2	GDV £	GIA m2
Market Housing	73.1	70%	14	1,975	2,019,833	1,023
Shared Ownership	73.1	6%	1	1,284	112,534	88
Affordable Rent	73.1	24%	5	1,000	350,640	351
Social Rent	73.1	0%	0	790	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.40 ha		50	/ha	<b>2,483,006</b>	<b>1,461</b>
SITE AREA - Gross	0.40 ha		50	/ha		

Sales per Quarter	5
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>215,776</b>	<b>539,439</b>	<b>539,439</b>
Alternative Use Value	200,000		500,000
Uplift	20% 40,000		100,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>240,000</b>		<b>600,000</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

	£/m2
<b>Additional Profit</b>	<b>-1,706</b>
	<b>-2</b>

DEVELOPMENT COSTS			
LAND	/unit or m2	Total	
Land	10,789	<b>215,776</b>	
Stamp Duty		2,158	
Easements etc.		0	
Legals Acquisition	1.50%	3,237	5,394
PLANNING			
Planning Fee		6,700	
Architects	6.00%	83,595	
QS / PM	0.50%	6,966	
Planning Consultants	1.00%	13,932	
Other Professional	2.50%	34,831	146,024
CONSTRUCTION			
Build Cost - BCIS Based	893	1,304,043	
s106 / CIL	1,200	24,000	
Contingency	5.00%	65,202	
Abnormals		0	1,393,245
FINANCE			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
SALES			
Agents	3.0%	74,490	
Legals	0.5%	12,415	
Misc.		5,000	91,905
			<b>1,869,844</b>
Developers Profit			
% of costs (before interest)	0.00%		<b>0</b>
% of GDV	20.00%		<b>496,601</b>

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	20		
No dwgs under	20	335	6,700
No dwgs over !	0	100	0
		<b>Total</b>	<b>6,700</b>

Build Cost		/m2	
BCIS	776		
CFSH	16		2.00%
Energy	23		
Over-extra 1	0		
Over-extra 2	0		
Over-extra 3	0		
Over-extra 4	0		
Infrastructure	78		10%
	<b>893</b>		

Stamp duty calc - Residual			
Land payment			
125,000	0%	1%	<b>215,776</b>
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	1%	
		<b>Total</b>	<b>2,158</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	1%	<b>240,000</b>
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	1%	
		<b>Total</b>	<b>2,400</b>

Pre CIL s106		1,200 £/ Unit (all)	
		<b>Total</b>	<b>24,000</b>

Post CIL s106		0 £/ Unit (all)	
CIL	0	£/m2	<b>Total</b> <b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>INCOME</b>																									
UNITS Started			3	5	5	5	2																		
Market Housing			0	0	0	0	302,975	504,958	504,958	504,958	201,983	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	16,880	28,133	28,133	28,133	11,253	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	52,596	87,660	87,660	87,660	35,064	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>372,451</b>	<b>620,752</b>	<b>620,752</b>	<b>620,752</b>	<b>248,301</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																									
Stamp Duty	2,158																								
Easements etc.	0																								
Legals Acquisition	3,237																								
Planning Fee	6,700																								
Architects	41,797			41,797																					
QS	3,483			3,483																					
Planning Consultants	6,966			6,966																					
Other Professional	17,416			17,416																					
Build Cost - BCIS Base		0	65,202	173,872	282,543	326,011	260,809	152,138	43,468	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL				24,000	14,127	16,301	13,040	7,607	2,173	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency		0	3,260	8,694	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	10,000																								
Legal and Valuation	7,500																								
Agents	0	0	0	0	0	0	11,174	18,623	18,623	18,623	7,449	0	0	0	0	0	0	0	0	0	0	0	0	0	
Legals	0	0	0	0	0	0	1,862	3,104	3,104	3,104	1,242	0	0	0	0	0	0	0	0	0	0	0	0	0	
Misc.			5,000																						
<b>COSTS BEFORE LAND INT AND P</b>	<b>99,257</b>	<b>0</b>	<b>167,124</b>	<b>182,566</b>	<b>296,670</b>	<b>342,311</b>	<b>286,885</b>	<b>181,472</b>	<b>67,368</b>	<b>21,726</b>	<b>8,691</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuation</b>																									
Land	<b>215,776</b>																								
Interest		5,513	5,610	8,632	11,978	17,380	23,674	22,591	15,299	5,883	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																									
Profit on GDV																									<b>496,601</b>
Cash Flow	-315,032	-5,513	-172,734	-191,198	-308,648	-359,691	61,892	416,689	538,085	593,143	239,610	0	0	0	0	0	0	0	0	0	0	0	0	-496,601	
Opening Balanc	0																								
Closing Balanc	-315,032	-320,545	-493,279	-684,478	-993,126	-1,352,817	-1,290,925	-874,236	-336,151	256,991	496,601	496,601	496,601	496,601	496,601	496,601	496,601	496,601	496,601	496,601	496,601	496,601	496,601	0	



<b>SITE NAME</b>	Site 15
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INCOME	Av Size m2	%	Number 8	Price £/m2	GDV £	GIA m2
Market Housing	79.5	100%	8	1,975	1,256,100	636
Shared Ownership	79.5	0%	0	1,284	0	0
Affordable Rent	79.5	0%	0	1,000	0	0
Social Rent	79.5	0%	0	790	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.20 ha		40	/ha	1,256,100	636
SITE AREA - Gross	0.20 ha		40	/ha		

Sales per Quarter	2
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>161,982</b>	<b>809,912</b>	<b>809,912</b>
Alternative Use Value	100,000		500,000
Uplift	20%	20,000	100,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>120,000</b>		<b>600,000</b>

	£/m2
<b>Additional Profit</b>	<b>54,151 85</b>

RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

DEVELOPMENT COSTS			
	/unit or m2	Total	
<b>LAND</b>			
Land	20,248	<b>161,982</b>	
Stamp Duty		1,620	
Easements etc.		0	
Legals Acquisition	1.50%	2,430	4,050
<b>PLANNING</b>			
Planning Fee		2,680	
Architects	6.00%	38,582	
QS / PM	0.50%	3,215	
Planning Consultants	1.00%	6,430	
Other Professional	2.50%	16,076	66,983
<b>CONSTRUCTION</b>			
Build Cost - BCIS Based	875	556,704	
s106 / CIL	1,200	9,600	
Contingency	2.50%	13,918	
Abnormals		62,805	643,026
<b>FINANCE</b>			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
<b>SALES</b>			
Agents	3.0%	37,683	
Legals	0.5%	6,281	
Misc.		5,000	48,964
			<b>942,504</b>
<b>Developers Profit</b>			
% of costs (before interest)	0.00%		<b>0</b>
% of GDV	20.00%		<b>251,220</b>

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	8		
No dwgs under	8	335	2,680
No dwgs over !	0	100	0
		<b>Total</b>	<b>2,680</b>

Stamp duty calc - Residual			
Land payment			
125,000	0%	1%	<b>161,982</b>
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	1%	
		<b>Total</b>	<b>1,620</b>

Stamp duty calc - Add Profit			
Land payment			
125,000	0%	1%	<b>120,000</b>
250,000	1%	0%	
500,000	3%	0%	
1,000,000	4%	0%	
above	5%	1%	
		<b>Total</b>	<b>1,200</b>

Pre CIL s106	1,200 £/ Unit (all)	
	<b>Total</b>	<b>9,600</b>

Post CIL s106	0 £/ Unit (all)	
CIL	0 £/m2	
	<b>Total</b>	<b>0</b>

Build Cost /m2		
BCIS	761	
CFSH	15	2.00%
Energy	23	
Over-extra 1	0	
Over-extra 2	0	
Over-extra 3	0	
Over-extra 4	0	
Infrastructure	76	10%
	<b>875</b>	

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>INCOME</b>																								
UNITS Started			2	2	2	2																		
Market Housing			0	0	0	0	314,025	314,025	314,025	314,025	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>314,025</b>	<b>314,025</b>	<b>314,025</b>	<b>314,025</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																								
Stamp Duty	1,620																							
Easements etc.	0																							
Legals Acquisition	2,430																							
Planning Fee	2,680																							
Architects	19,291			19,291																				
QS	1,608			1,608																				
Planning Consultants	3,215			3,215																				
Other Professional	8,038			8,038																				
Build Cost - BCIS Base		0	46,392	92,784	139,176	139,176	92,784	46,392	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL			9,600																					
Contingency		0	1,160	2,320	3,479	3,479	2,320	1,160	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	5,234	10,468	15,701	15,701	10,468	5,234	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	10,000																							
Legal and Valuation	7,500																							
Agents	0	0	0	0	0	0	9,421	9,421	9,421	9,421	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legals	0	0	0	0	0	0	1,570	1,570	1,570	1,570	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.			5,000																					
<b>COSTS BEFORE LAND INT AND P</b>	<b>56,381</b>	<b>0</b>	<b>99,537</b>	<b>105,571</b>	<b>158,357</b>	<b>158,357</b>	<b>116,562</b>	<b>63,776</b>	<b>10,991</b>	<b>10,991</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuat</b>																								
Land	<b>161,982</b>																							
Interest		3,821	3,888	5,698	7,645	10,550	13,506	10,287	6,088	891	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																								
Profit on GDV																								<b>251,220</b>
Cash Flow	-218,363	-3,821	-103,425	-111,269	-166,002	-168,907	183,957	239,962	296,946	302,143	0	0	0	0	0	0	0	0	0	0	0	0	-251,220	
Opening Balan	0																							
Closing Balan	-218,363	-222,185	-325,610	-436,879	-602,881	-771,788	-587,831	-347,869	-50,923	251,220	251,220	251,220	251,220	251,220	251,220	251,220	251,220	251,220	251,220	251,220	251,220	251,220	0	



<b>SITE NAME</b>	Site 16
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INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	130.0	100%	1	2,500	325,000	130
Shared Ownership	130.0	0%	0	1,625	0	0
Affordable Rent	130.0	0%	0	1,000	0	0
Social Rent	130.0	0%	0	1,000	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	0.01 ha		100	/ha	325,000	130
SITE AREA - Gross	0.01 ha		100	/ha		

Sales per Quarter	1
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
<b>Residual Land Value</b>	<b>1,849</b>	<b>184,897</b>	<b>184,897</b>
Alternative Use Value	5,000		500,000
Uplift	20% 1,000		100,000
Plus /ha	0%	0	0
<b>Viability Threshold</b>	<b>6,000</b>		<b>600,000</b>

<b>Additional Profit</b>	<b>-3,162</b>	<b>-24</b>
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RUN Residual MACRO ctrl+r  
Closing balance = 0

RUN CIL MACRO ctrl+l  
Closing balance = 0

Check on phasing dwgs nos  
**correct**

DEVELOPMENT COSTS			
	/unit or m2	Total	
<b>LAND</b>			
Land	1,849	<b>1,849</b>	
Stamp Duty		0	
Easements etc.		0	
Legals Acquisition	1.50%	28	28
<b>PLANNING</b>			
Planning Fee		335	
Architects	6.00%	11,424	
QS / PM	0.50%	952	
Planning Consultants	1.00%	1,904	
Other Professional	2.50%	4,760	19,376
<b>CONSTRUCTION</b>			
Build Cost - BCIS Based	1,267	164,722	
s106 / CIL	1,200	1,200	
Contingency	5.00%	8,236	
Abnormals		16,250	190,408
<b>FINANCE</b>			
Fees		10,000	
Interest	7.00%		
Legal and Valuation		7,500	17,500
<b>SALES</b>			
Agents	3.0%	9,750	
Legals	0.5%	1,625	
Misc.		5,000	16,375
			<b>245,535</b>
<b>Developers Profit</b>			
% of costs (before interest)	0.00%		<b>0</b>
% of GDV	20.00%		<b>65,000</b>

Planning fee calc			
Planning app f	dwgs	rate	
No dwgs	1		335
No dwgs under	1	335	335
No dwgs over !	0	100	0
		<b>Total</b>	<b>335</b>

Build Cost			/m2
BCIS	1,098		
CFSH	22	2.00%	
Energy	23		
Over-extra 1	0		
Over-extra 2	0		
Over-extra 3	14		
Over-extra 4	0		
Infrastructure	110	10%	
	<b>1,267</b>		

Stamp duty calc - Residual		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>1,849</b>

Stamp duty calc - Add Profit		
Land payment		
125,000	0%	0%
250,000	1%	0%
500,000	3%	0%
1,000,000	4%	0%
above	5%	0%
		<b>Total</b>
		<b>6,000</b>

Pre CIL s106	1,200 £/ Unit (all)	
	<b>Total</b>	<b>1,200</b>

Post CIL s106	0 £/ Unit (all)	
CIL	0 £/ m2	
	<b>Total</b>	<b>0</b>

RESIDUAL CASH FLOW FOR INTEREST	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>INCOME</b>																												
UNITS Started	1																											
Market Housing			0	0	0	0	325,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>325,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURE</b>																												
Stamp Duty	0																											
Easements etc.	0																											
Legals Acquisition	28																											
Planning Fee	335																											
Architects	5,712		5,712																									
QS	476		476																									
Planning Consultants	952		952																									
Other Professional	2,380		2,380																									
Build Cost - BCIS Base		0	54,907	54,907	54,907	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL			1,200																									
Contingency		0	2,745	2,745	2,745	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	5,417	5,417	5,417	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	10,000																											
Legal and Valuation	7,500																											
Agents	0	0	0	0	0	0	9,750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legals	0	0	0	0	0	0	1,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.			5,000																									
<b>COSTS BEFORE LAND INT AND P</b>	<b>27,383</b>	<b>0</b>	<b>78,790</b>	<b>63,069</b>	<b>63,069</b>	<b>0</b>	<b>11,375</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>For Residual Valuat</b>																												
Land	<b>1,849</b>																											
Interest		512	521	1,908	3,046	4,203	4,276	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																												
Profit on GDV																												<b>65,000</b>
Cash Flow	-29,232	-512	-79,310	-64,978	-66,115	-4,203	309,349	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-65,000
Opening Balanc	0																											
Closing Balanc	-29,232	-29,744	-109,054	-174,032	-240,146	-244,349	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	0



			Site 1	Site 2	Site 3	Site 4	Site 5	Site 6	Site 7	Site 8	Site 9	Site 10	Site 11	Site 12	Site 13	Site 14	Site 15	Site 16
Location			SE Blackpool	East Fringe	East Fringe	North Prom	Churchtown	N Inner	Inner	Central Outer	N Inner	Central Inner	Promenade	Central Inner	SE Blackpool	SE Blackpool	S Blackpool	S Blackpool
Green/brown field			Green	Green	Green	Brown	Green	Brown	Brown	Brown	Brown	Brown	Brown	Brown	Brown	Brown	Green	Brown
Use			Amenity Land	Urban Fringe	Urban Fringe	Hotel	Grazing / Amenity	Cleared Ind	Res / Ind	Ind / Cleared	Mixed	Guest House	Guest House	Parking	Ind	Pub/Car park	Garden	Industrial
Site Area	Gross	ha	17	1	3.5	1.2	2.2	2	0.12	0.39	0.3	0.015	0.04	0.2	0.86	0.4	0.2	0.01
	Net	ha	10.2	0.8	2.45	0.96	1.54	1.6	0.12	0.39	0.3	0.015	0.04	0.2	0.69	0.4	0.2	0.01
Units		0 0	510	30	105	48	77	80	12	36	30	3	14	10	35	20	8	1
Mix	Market		70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	100.00%	70.00%	70.00%	100.00%	70.00%	100.00%	70.00%	70.00%	100.00%	100.00%
	Intermediate to Buy		6.00%	6.00%	6.00%	6.00%	6.00%	30.00%	0.00%	6.00%	30.00%	0.00%	30.00%	0.00%	6.00%	6.00%	0.00%	0.00%
	Affordable Rent		24.00%	24.00%	24.00%	24.00%	24.00%	0.00%	0.00%	24.00%	0.00%	0.00%	0.00%	0.00%	24.00%	24.00%	0.00%	0.00%
	Social Rent		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Alternative Land Value	£/ha		50,000	50,000	50,000	500,000	500,000	400,000	400,000	500,000	400,000	300,000	1,000,000	400,000	500,000	500,000	500,000	500,000
	£ site		850,000	50,000	175,000	600,000	1,100,000	800,000	48,000	195,000	120,000	4,500	40,000	80,000	430,000	200,000	100,000	5,000
Uplift	£/ha		260,000	260,000	260,000	100,000	100,000	80,000	80,000	100,000	80,000	60,000	200,000	80,000	100,000	100,000	100,000	100,000
	£ site		4,420,000	260,000	910,000	120,000	220,000	160,000	9,600	39,000	24,000	900	8,000	16,000	86,000	40,000	20,000	1,000
Viability Threshold	£/ha		310,000	310,000	310,000	600,000	600,000	480,000	480,000	600,000	480,000	360,000	1,200,000	480,000	600,000	600,000	600,000	600,000
	£ site		5,270,000	310,000	1,085,000	720,000	1,320,000	960,000	57,600	234,000	144,000	5,400	48,000	96,000	516,000	240,000	120,000	6,000
Residual V. Gross	£/ha		892,548	1,000,000	952,227	94,624	366,876	-105,196	-2,218,124	-1,941,572	-1,998,511	3,432,821	7,464,171	-984,127	745,477	539,439	809,912	184,897
	£/ha		1,487,579	1,250,000	1,360,324	118,280	524,109	-131,494	-2,218,124	-1,941,572	-1,998,511	3,432,821	7,464,171	-984,127	929,146	539,439	809,912	184,897
	£ site		15,173,310	1,000,000	3,332,794	113,549	807,127	-210,391	-266,175	-757,213	-599,553	51,492	298,567	-196,825	641,111	215,776	161,982	1,849
Additional Profit	£ site		11,531,401	796,030	2,604,420	-579,680	-467,784	-1,133,889	-319,032	-977,446	-729,014	52,035	287,887	-290,974	178,652	-1,706	54,151	-3,162
	£/m2		371	453	396	-244	-109	-286	-377	-563	-506	244	415	-395	90	-2	85	-24

## 7. Non Residential Appraisal Results

			Greenfield						
			Industrial	Offices	Distribution	Supermarket	Reatil Warehouse	Shops	
Income	m2		1500	500	5,000	4,000	4,000		
	£/m2		825	1,200	825	3,000	1,540		
	<b>Capital Value</b>		<b>1,237,500</b>	<b>600,000</b>	<b>4,125,000</b>	<b>12,000,000</b>	<b>6,160,000</b>		
Costs	Land Used	ha	0.230	0.100	1.000	2.600	1.800		
		£/ha	50,000	50,000	50,000	50,000	50,000		
		Uplift £/ha	250,000	250,000	250,000	250,000	250,000		
		20.00%	10,000	10,000	10,000	10,000	10,000		
		<b>Cost</b>	<b>71,300</b>	<b>31,000</b>	<b>310,000</b>	<b>806,000</b>	<b>558,000</b>		
	Strategic Promotion		10,000	10,000	10,000	10,000	10,000		
	Planning		10,000	10,000	10,000	10,000	10,000		
	Construction	/m2	517	910	403	1015	458		
		£	775,500	455,000	2,015,000	4,060,000	1,832,000		
	Infrastructure	10.00%	77,550	45,500	201,500	406,000	183,200		
	Abnormals	15.00%							
	Fees	8.00%	62,040	36,400	161,200	324,800	146,560		
	Contingency	2.5% & 5%	19,388	11,375	50,375	101,500	45,800		
	Finance Costs		5,000	5,000	5,001	5,000	5,000		
	Sales	3.00%	37,125	18,000	123,750	360,000	184,800		
	Misc. Financial		5,000	5,000	5,001	5,000	5,000		
	<b>Subtotal</b>		<b>1,001,603</b>	<b>596,275</b>	<b>2,581,827</b>	<b>5,282,300</b>	<b>2,422,360</b>		
	Interest	7.00%	35,056	20,870	90,364	184,881	84,783		0
	Profit % GDV	20.00%	254,511	124,174	843,073	2,436,976	1,248,957		
	<b>COSTS</b>		<b>1,362,470</b>	<b>772,319</b>	<b>3,825,264</b>	<b>8,710,157</b>	<b>4,314,099</b>		
	<b>Residual Land Worth (APPROX.)</b>		<b>-124,970</b>	<b>-172,319</b>	<b>299,736</b>	<b>3,289,843</b>	<b>1,845,901</b>		
	Additional Profit		-196,270	-203,319	-10,264	2,483,843	1,287,901		
			-131	-407	-2	621	322		
	Existing Use Value		50,000	50,000	50,000	50,000	50,000		
	Viability Threshold		310,000	310,000	310,000	310,000	310,000		
	<b>Residual Value</b>		<b>-543,347</b>	<b>-1,723,186</b>	<b>299,736</b>	<b>1,265,324</b>	<b>1,025,500</b>		

			Brownfield					
			Industrial	Offices	Distribution	Supermarket	Retail Warehouse	Shops
Income	m2		1,500	500	5,000	4,000	4,000	150
	£/m2		825	1,200	825	3,000	1,540	1,677
	<b>Capital Value</b>		<b>1,237,500</b>	<b>600,000</b>	<b>4,125,000</b>	<b>12,000,000</b>	<b>6,160,000</b>	<b>251,550</b>
Costs	Land Used	ha	0.230	0.100	1.000	2.600	1.800	0.017
		£/ha	500,000	500,000	500,000	500,000	500,000	4,000,000
		Uplift £/ha	0	0	0	0	0	0
		20%	100,000	100,000	100,000	100,000	100,000	800,000
		<b>Cost</b>	<b>138,000</b>	<b>60,000</b>	<b>600,000</b>	<b>1,560,000</b>	<b>1,080,000</b>	<b>81,600</b>
	Strategic Promotion		10,000	10,000	10,000	10,000	10,000	0
	Planning		10,000	10,000	10,000	10,000	10,000	0
Construction	/m2		517	910	403	1015	458	610
	£		775,500	455,000	2,015,000	4,060,000	1,832,000	91,500
Infrastructure	15.00%		77,550	45,500	201,500	406,000	183,200	50,000
Abnormals	10.00%		116,325	68,250	302,250	609,000	274,800	13,725
Fees	8.00%		62,040	36,400	161,200	324,800	146,560	7,320
Contingency	5.00%		38,775	22,750	100,750	203,000	91,600	4,575
Finance Costs			5,000	5,000	5,000	5,000	5,000	5,000
Sales	3.00%		37,125	18,000	123,750	360,000	184,800	7,547
Misc. Financial			5,000	5,000	5,001	5,000	5,000	5,000
<b>Subtotal</b>			<b>1,137,315</b>	<b>675,900</b>	<b>2,934,451</b>	<b>5,992,800</b>	<b>2,742,960</b>	<b>184,667</b>
Interest	7.00%		39,806	23,657	102,706	209,748	96,004	6,463
Profit % Costs	20.00%		255,461	124,731	845,541	2,441,950	1,251,201	51,603
<b>COSTS</b>			<b>1,570,582</b>	<b>884,288</b>	<b>4,482,698</b>	<b>10,204,498</b>	<b>5,170,164</b>	<b>324,332</b>
<b>Residual Land Worth (APPROX.)</b>			<b>-333,082</b>	<b>-284,288</b>	<b>-357,698</b>	<b>1,795,502</b>	<b>989,836</b>	<b>-72,782</b>
Additional Profit			-471,082	-344,288	-957,698	235,502	-90,164	-154,382
£/m2			-314	-689	-192	59	-23	-1,029
Existing Use Value			500,000	500,000	500,000	500,000	500,000	4,000,000
Viability Threshold			600,000	600,000	600,000	600,000	600,000	4,800,000
Residual Value			-1,448,184	-2,842,878	-357,698	690,578	549,909	-4,281,323

			Greenfield	Brownfield		Brownfield	Brownfield
			Hotel			Sheltered	Extra Care
Income	m2		1,620	1,620		4,752	4,118
	£/m2		1,750	1,750		1,700	1,800
	<b>Capital Value</b>		<b>2,835,000</b>	<b>2,835,000</b>		<b>6,732,000</b>	<b>5,490,667</b>
Costs	Land Used	ha	0.40	0.40		0.50	0.50
		£/ha	50,000	500,000		500,000	500,000
		Uplift £/ha	250,000				
		20%	10,000	100,000		100,000	100,000
		<b>Cost</b>	<b>124,000</b>	<b>240,000</b>		<b>300,000</b>	<b>300,000</b>
	Strategic Promotion		10,000	10,000		10,000	10,000
	Planning		10,000	10,000		10,000	10,000
	Construction	/m2	923	923		880	1,033
		£	1,495,260	1,495,260		4,181,760	4,253,894
	Infrastructure	15.00%	149,526	149,526		418,176	425,389
	Abnormals	10.00%					
	Fees	8.00%	119,621	119,621		334,541	340,312
	Contingency	2.50%	37,382	37,382		104,544	106,347
	Finance Costs		5,000	5,000		10,000	10,000
	Sales	3.00%	85,050	85,050		201,960	164,720
	Misc. Financial		5,000	5,000		5,000	5,000
	<b>Subtotal</b>		<b>1,916,838</b>	<b>1,916,838</b>		<b>5,275,981</b>	<b>5,325,662</b>
	Interest	7.00%	67,089	67,089		369,319	372,796
	Profit % Costs	20.00%	396,786	396,786		1,129,060	1,139,692
	<b>COSTS</b>		<b>2,504,713</b>	<b>2,620,713</b>		<b>7,074,359</b>	<b>7,138,150</b>
	<b>Residual Land Worth (APPROX.)</b>		<b>330,287</b>	<b>214,287</b>		<b>-342,359</b>	<b>-1,647,484</b>
	Additional Profit		206,287	-25,713		-642,359	-1,947,484
	£/m2		127	-16		-135	-473
	Existing Use Value		50,000	500,000		500,000	500,000
	Viability Threshold		310,000	600,000		600,000	600,000
	Residual Value		825,717	535,717		-684,719	-3,294,967

## 8. National emerging CIL rates.

The following table shows the local authorities in England and Wales ranked by median house price (lowest first). The fourth column shows the average rate of CIL for that authority. These average rates of CIL have been estimated where the Authority has more than one charging zone and a simple, un-weighted average is used. The median prices are sourced from CLG Livetable 586 and the CIL rates from the CIL watch webpages at [www.planningresource.co.uk](http://www.planningresource.co.uk). These rates include pre-consultation rates that are likely to be subject to change.

Published Residential Rates of CIL				
Rank		Median Price	Average CIL	CIL as % Median
8	Rhondda, Cynon, Taff	89,950	47	4.67%
14	Blackpool	97,000		
21	Bolton	105,000	50	4.29%
35	Caerphilly	110,000	22	1.77%
41	Preston	115,000	70	5.48%
44	Gateshead	116,000	35	2.69%
53	Corby	119,998	100	7.50%
59	Sheffield	122,000	33	2.46%
65	Bassetlaw	123,600	27	1.94%
72	Birmingham	125,000	85	6.12%
76	Dudley	126,750	98	6.98%
78	Kettering	128,000	75	5.27%
80	Wellingborough	129,000	100	6.98%
82	Newcastle upon Tyne	130,000	35	2.40%
86	Gedling	130,000	50	3.46%
87	Peterborough UA	130,000	72	4.96%
96	Northampton	135,000	50	3.33%
103	Norwich	138,000	95	6.20%
104	Newark and Sherwood	138,500	42	2.71%
105	South Ribble	139,500	70	4.52%
108	Leeds	140,000	47	3.00%
109	Waveney	140,000	77	4.93%
116	Plymouth UA	142,500	30	1.89%
124	Chorley	145,950	70	4.32%
127	Portsmouth UA	149,000	105	6.34%
128	Medway UA	149,739	125	7.51%
135	Swindon UA	150,000	28	1.65%
138	Rugby	152,500	75	4.43%
141	East Northamptonshire	154,000	100	5.84%
149	West Lancashire	157,000	43	2.44%
151	Dover	157,000	75	4.30%
156	Southampton UA	160,000	90	5.06%
157	Torbay UA	161,000	100	5.59%
158	Sedgemoor	162,950	60	3.31%
161	Broadland	168,000	95	5.09%
166	Thurrock UA	170,000	19	1.01%
167	Barking and Dagenham	170,000	37	1.94%
169	Bristol, City of UA	170,000	60	3.18%
171	Shropshire UA	171,000	60	3.16%
177	Daventry	175,000	100	5.14%
179	Huntingdonshire	175,000	85	4.37%
180	South Norfolk	175,000	95	4.89%
184	South Somerset	175,000	94	4.83%

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185	Taunton Deane	175,000	65	3.34%
187	Colchester	177,500	120	6.08%
190	Bedford UA	179,950	92	4.58%
193	Herefordshire, County of UA	180,000	97	4.83%
196	South Gloucestershire UA	180,000	68	3.38%
200	Exeter	182,500	80	3.95%
201	Mid Devon	183,500	40	1.96%
203	North Somerset UA	184,725	33	1.62%
204	Havant	184,750	95	4.60%
206	Trafford	185,000	47	2.27%
207	East Cambridgeshire	185,000	65	3.16%
209	Dartford	185,000	150	7.30%
210	Cornwall UA	185,000	47	2.27%
217	Central Bedfordshire UA	189,951	140	6.63%
221	Reading UA	190,250	140	6.62%
222	Teignbridge	191,000	183	8.64%
228	Worthing	195,000	100	4.62%
231	Solihull	199,000	75	3.39%
232	Hambleton	200,000	85	3.83%
236	Rushmoor	200,000	180	8.10%
241	Fareham	204,000	105	4.63%
242	Wiltshire UA	204,475	70	3.08%
243	Rutland UA	205,000	100	4.39%
247	South Northamptonshire	210,000	100	4.29%
250	Poole UA	210,000	108	4.64%
254	Watford	215,000	60	2.51%
255	Bexley	215,000	50	2.09%
257	Newham	219,000	60	2.47%
258	Chelmsford	220,000	125	5.11%
260	North Hertfordshire	220,000	100	4.09%
261	Croydon	220,000	60	2.45%
263	Bracknell Forest UA	224,950	132	5.27%
264	East Devon	225,000	87	3.48%
267	Wealden	230,000	147	5.74%
268	Bath and North East Somerset UA	230,000	150	5.87%
269	Purbeck	231,000	107	4.16%
272	Sutton	233,000	100	3.86%
276	West Dorset	235,000	91	3.49%
279	Lewisham	240,000	85	3.19%
282	Dacorum	242,000	167	6.20%
287	Christchurch	246,250	100	3.65%
288	West Berkshire UA	247,000	100	3.64%
290	Hillingdon	249,950	95	3.42%
291	Mid Sussex	249,950	198	7.14%
294	Redbridge	250,000	70	2.52%
295	Wycombe	250,000	138	4.95%
297	Woking	250,000	100	3.60%
302	Oxford	260,000	100	3.46%
303	Cambridge	263,000	125	4.28%
304	Reigate and Banstead	265,500	125	4.24%
311	Wokingham UA	275,000	365	11.95%
312	Surrey Heath	275,000	225	7.36%
314	Hertsmere	280,000	130	4.18%
315	Sevenoaks	282,000	100	3.19%
316	Hart	285,000	392	12.37%
317	Tandridge	290,000	120	3.72%
319	Harrow	293,500	110	3.37%
320	Merton	295,000	168	5.11%
321	Winchester	295,000	67	2.03%
323	Three Rivers	299,000	100	3.01%
324	Kingston upon Thames	299,950	163	4.90%

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325	Tower Hamlets	300,000	100	3.00%
326	Brent	300,000	200	6.00%
327	Haringey	305,000	148	4.38%
328	Lambeth	310,000	245	7.10%
329	Hackney	312,000	77	2.21%
331	Southwark	322,000	233	6.52%
332	Barnet	325,000	135	3.74%
336	Mole Valley	340,000	125	3.31%
339	Wandsworth	390,000	288	6.63%
341	Elmbridge	393,950	125	2.86%
342	Islington	397,725	300	6.79%
343	Richmond upon Thames	420,000	243	5.20%
344	Hammersmith and Fulham	464,250	233	4.52%
345	City of London	465,000	123	2.37%
346	Camden	480,000	300	5.63%
348	Kensington and Chelsea	795,000	383	4.34%