

VIABILITY PROOF OF EVIDENCE

RESIDENTIAL DEVELOPMENT OF 103 DWELLINGS AND ASSOCIATED ACCESS AND INFRASTRUCTURE AT EAKRING ROAD, BILSTHORPE ON BEHALF OF KEEPMOAT HOMES LIMITED

**TOWN & COUNTRY PLANNING ACT 1990 (AS AMENDED)
PLANNING AND COMPULSORY PURCHASE ACT 2004**

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	PAGE NO
1 Introduction	Page 2
2 Review of viability material and key issues	Page 4
3 Approach	Page 6
4 Data Sourcing	Page 13
5 Appraisals	Page 27
6 Summary Analysis, Findings & Conclusions	Page 43

1 INTRODUCTION

1.1 Dr Andrew Golland - background

I am Andrew Golland BSc (Hons), PhD, MRICS, a specialist in the development appraisal. I am a Chartered Surveyor and have a PhD in the field of Development Economics.

I am author of the ‘Three Dragons’ Toolkit, a development appraisal tool which operates in around 150 local authorities across England and Wales. A significant element of my work relates to policy development and I have carried out over 100 viability studies covering affordable housing, Section 106 and CIL (Community Infrastructure Levy). I believe that robust policy development is the key to delivering development schemes.

I am a retained consultant for several local authorities on scheme specific appraisals. I have also worked for the major UK house builders on strategic projects and site specific viability issues. I have worked on applied and contract research projects, in particular affordable housing and viability appraisals, housing market studies, urban capacity assessments, SHLAAs, and housing needs evaluations for a range of high profile clients. These include DCLG, WAG, the GLA, HCA, the NWRA, the EM Regional Planning Forum and the Countryside Agency.

Prior to my work in planning and development consultancy, I was a Senior Research Fellow at the Centre for Residential Development at Nottingham Trent University. I have written two books on the housing development and planning process and published in numerous professional and academics journals.

Key professional and academic qualifications

BSc (First Class Hons) Land Management; Leicester Polytechnic 1992
PhD (Housing Supply, Land and Planning policies); De Montfort University 1996
MRICS (Member of the Royal Institution of Chartered Surveyors); June 2002

1.2 The site at Bilsthorpe

1.2.1 The Statement of Common Ground (SoCG) between Keepmoat and the Council (March 2021) sets out the background to the site as follows:

‘The appeal site relates to a broadly rectangular plot of land, which is in agricultural use and extends to approximately 3.78 hectares. It is located to the east of Eakring Road, within the defined village envelope for Bilsthorpe, at the north eastern extent;’ as shown below:



1.2.2 The SoCG continues:

‘The appeal site lies adjacent to the former Bilsthorpe Colliery, which closed in 1997. An old railway line (which has been dismantled) lies to the north of the site, and now appears to be informally used as a footpath/track. This footpath/track links to the 7km leisure route called the Bilsthorpe Leisure Trail (part of National Cycle Route 645), which connects Vicar Water Country Park, Clipstone and Sherwood Pines. The formal access point is on the west side of Eakring Road. The footpath to the north of the site also gives access to the woodlands on the eastern boundary. Land to the south is currently in commercial use, whilst land to the north and east is open in nature with woodland

screening along the eastern boundary. To the west, on the opposite side of Eakring Road, are existing residential dwellings.'

1.2.3 And:

'The appeal site lies around 8km from Ollerton, 13km from Mansfield, 22km from Worksop and 24km from Nottingham, all of which offer a wide variety of shops, facilities and services. A range of local facilities and amenities can be accessed within a walking distance of 1km or less of the site. These include schools, shops, employment sites and recreation facilities as follows: Bilsthorpe Surgery; Convenience Store, The Crescent; Fast Food Outlets, The Crescent; Knights Bilsthorpe Pharmacy; Miners Welfare Social Club; Hairdressers, The Crescent; Bilsthorpe Flying High Academy; Post Office; and Bilsthorpe Library. In addition, the following local facilities (not an exhaustive list) can be reached within a walk of between 1km and approximately 2km (up to 25 minutes) from the site: Premier Convenience Store, Kirklington Road; Fast Food Outlet, Kirklington Road; Butchers/Bakers, Kirklington Road; Hairdressers; and The Limes Café, A614. The site therefore lies within a comfortable walking distance of local schools, shops and employment opportunities. The proposed convenience store to be built adjacent to the site (discussed in further detail below), will further widen the choice of retail opportunities available for existing and future residents.'

1.3 Scope of my proof

1.3.1 My proof covers a number of areas including an explanation of the general approach and main issues; a specific explanation of how I have generated bespoke data for the appraisals; setting out the appraisals themselves and then final review and conclusions.

2 REVIEW OF VIABILITY MATERIAL AND KEY ISSUES

2.1 Viability reports

2.1.1 There have been several viability reports submitted and exchanged so far on this site. These include, as far as I am aware:

- Savills' report on the extant scheme (85 units) in August 2017);
- White Land Strategies response to Savills (November 2017);

- A viability related letter (22nd June 2020) from Atlas Development Solutions) to the Council which relates I understand tot the appeal scheme for 103 units.

2.1.2 I stress that my task here is not to appraise or review these reports, but to take forward the viability issues based on the position agreed in the Statement of Common Ground (as reviewed below).

2.1 Statements of Case – Keepmoat and Newark and Sherwood DC

2.2.1 I have read the Statements of Case from both the appellant and the Council. The relevant section as far as I am concerned is Section 1.10 on Housing Mix and Viability in Keepmoat’s case; and, Sections 4.8, 4.9 and 5.4 of the Council’s Case which relate to quantum and viability.

2.2.2 From the two statements of case I draw the following main points:

- It is accepted that an 85 unit scheme would not be viable for the applicants to deliver; and hence:
- If Keepmoat are to deliver this scheme, then more units are needed. And the Council accept that in so far that this is the case, 103 units are needed for Keepmoat to bring the site forward;
- The Council however do not accept that the site is unviable for a different housing mix combined with a lower quantum of homes, where the hypothesis is that given an alternative applicant, then the site could be more viable with a lower number of dwellings;
- The Council are keen to have a development that meets Housing Needs;
- The Council have provided 2 development mixes – at 88 and 87 units, courtesy of Dr Stefan Kruczkowski, which should be viability tested by Keepmoat within the Viability Proof of Evidence.

2.3 Statement of Common Ground

2.3.1 Keepmoat and the Council have reached a Statement of Common Ground (SoCG). This is reviewed hereafter in detail. In terms of key issues generally it is important to state that there is considerable degree of consensus on the main input variables – values, costs and

land value benchmark – which is helpful towards finding a baseline position.

2.3.2 It should be noted however that the SoCG relates only to the appeal scheme for 103 units proposed to be developed by Keepmoat. It does not say anything about viability for alternative or putative schemes which is in part the essence of my analysis in this proof of evidence.

2.4 Housing Needs at Bilsthorpe

2.3.3 I stress that this proof relates to viability alone. The assessment of viability and housing needs are largely unrelated in terms of their technical exercises. The former measures economic possibility; the latter, what, where and why people might want and need to live in a particular place and in a particular type of dwelling.

2.3.4 Keepmoat have a Housing Needs specialist at the appeal – Mr Alex Roberts – and all Housing Needs related questions and issues should be directed to him, and not myself.

3 APPROACH

3.1 Introduction

3.1.1 The approach deals with the case being submitted, which is in turn a response to the concerns of the Council that, as set out in their Statement of Case (Paragraph 5.4) that *'evidence has not been submitted to suggest that a higher value product which delivers fewer dwellings overall would not be viable or that the market demand for this does not exist'*.

3.1.2 It is worth commenting on the sentence that precedes the above which states *'The Council considers that the Keepmoat product, which delivers densely arranged small houses at a price targeted at first time buyers and young people, is already adequately represented in the recent permissions in Bilsthorpe'*. This is not a (viability) question for me, but a question of Housing Needs which will be dealt with by Mr Roberts at the appeal hearing. However, I question whether, given the fact that these two sentences are placed together, there is a conflation of needs and viability matters, which should in my view, be dealt with separately.

3.1.3 My approach is concerned, in responding to the Council's Statement, with finding out whether a scheme including a lower number of units, built to 'higher value' provides an equivalent viability situation to that accepted by all sides in relation to the appeal scheme for 103 units. I believe, in doing so, that there is an implicit hypothesis on the Council's side, that increased expense on design will translate directly into increased selling prices in all locations and hence at Eakring Road as well.

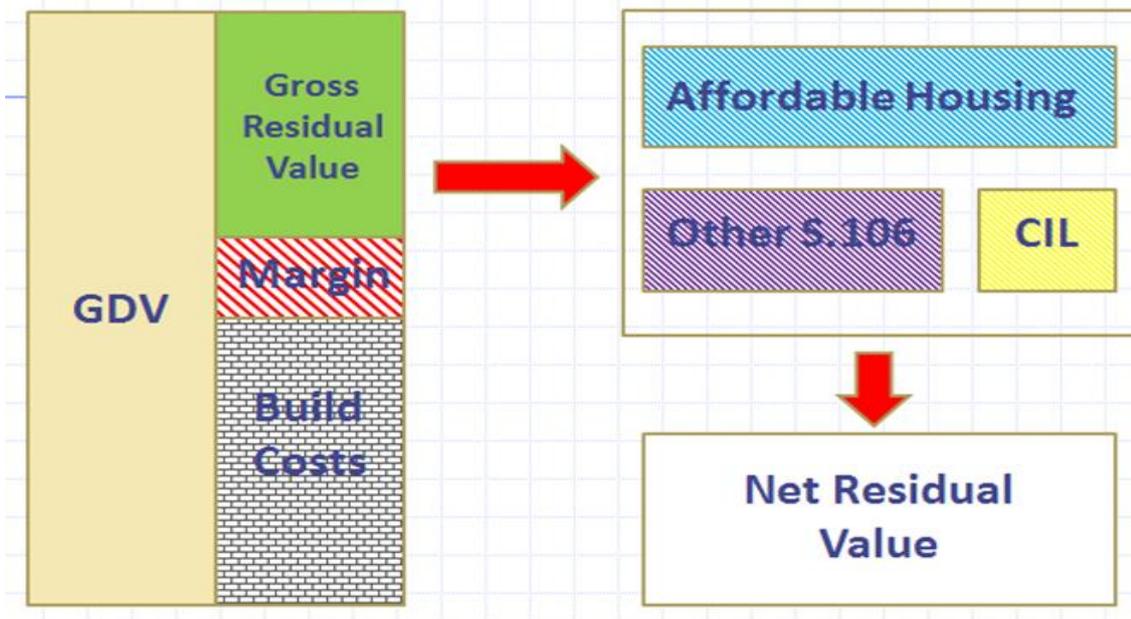
3.1.4 The approach is as follows:

- Define viability;
- Set out the agreed parameters for assessment;
- Set out the key appraisals;
- Summarise the viable option/s and conclude on the most viable option.

3.2 Defining viability

3.2.1 The assessment of viability is usually referred to a residual development appraisal approach. An understanding is illustrated in the diagram below. This shows that the starting point for negotiations is the gross residual site value which is the difference between the scheme revenue and scheme costs, including a reasonable allowance for developer return.

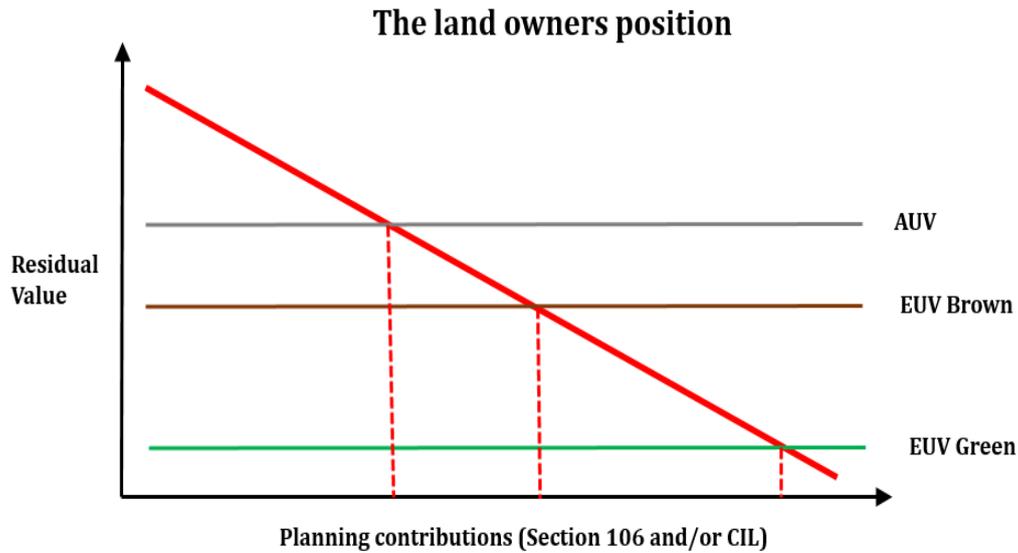
3.2.2 Once CIL or Section 106 contributions have been deducted from the gross residual value, a 'net' residual value results. The question is then whether this net residual value is sufficient in terms of development value relative to the site in its current use.



3.2.3 Calculating what is likely to be the value of a site given a specific planning permission, is only one factor in deciding what is viable.

3.3 Land owner considerations

3.3.1 A site is extremely unlikely to proceed where the costs of a proposed scheme exceed the revenue. But simply having a positive residual value will not guarantee that development happens. The existing use value of the site, or indeed a realistic alternative use value for a site (e.g. commercial) will also play a role in the mind of the land owner in bringing the site forward and thus is a factor in deciding whether a site is likely to be brought forward for housing.



3.3.2 The diagram shows how this operates. The land owner will always be concerned to ensure that residual value clears the relevant land value benchmark.

3.3.3 It is understood that all viability assessments on the site, from Savills, through White Land and to Atlas, have adopted this approach in principle. I have not deviated from this.

3.3.4 It is important to stress that viability assessment, following NPPG, is not just about land owner return, but also about developer margin. So I have considered both in my viability appraisal work.

3.4 Agreed parameters for assessment

3.4.1 This viability-related assignment is atypical. Normally it is a case of demonstrating, one way or the other, that Section 106 and/or CIL is, or is not, viable to be delivered.

3.4.2 This case is different in that the viability issue relates to the quantum, type, mix and density of development needed to make the scheme viable.

3.4.3 The parameters and the data required to run appraisals are then partially agreed. Those agreed relate to:

- The appeal scheme for 103 units; and potentially to the extant scheme, where significant viability assessment work has taken place.

3.4.4 Where they are not agreed relates to my recent own work on viability which attempts to assess how viable alternative or putative schemes might be. The main work I have done relates to:

- Values and costs that I believe are representative of what the other developers could adopt if building the Eakring Road site out at Bilsthorpe. In this respect, I have researched sales values from developers (local and national) for current schemes. And I have adopted industry standard build costs using the BCIS (RICS) data source. These two sources, taken together, provide a very robust view of underlying viability for how other developers could bring forward a scheme on this site.

3.4.5 The agreed parameters, which relate to the appeal scheme for 103 units are set out in the Statement of Common Ground (SoCG). The key sections are set out below:

'6.19 White Land Strategies Ltd was instructed by the Council to provide a review of the Viability Assessment submitted by Atlas Development Solutions on behalf of the appellant. The review confirmed that the sales values provided are reasonable; build costs are substantially below equivalent benchmark BCIS costs and are very reasonable; and the overall appraisal can be considered reasonable with standard assumptions adopted across the majority of inputs.

6.20 In terms of the methodology, the review confirms that the approach adopted is sound and the Benchmark Land Value approach is an accepted basis of considering viability impact on the scheme. The findings of the review were as follows:

- *A 30% policy compliant scheme and S106 package is not viable.*
- *Any combination of S106 with affordable housing requires the applicant to reduce profit expectations.*
- *A 4% affordable housing scheme with policy compliant S106 is unviable but would be viable with no S106.*

- *A 10% affordable housing scheme is viable with no S106 against benchmark viability targets in that the Open Market profit return is within the NPPF range i.e. above 15% of open market gross development value.*

- *A 10% affordable housing scheme is unviable with S106 against benchmark viability targets unless the Applicant takes a view on the land value and/or the Open Market profit return.*

6.21 *The agreed inputs were as follows:*

- *Residential Value Per Sqft - £200 per sqft (Affordable Rent @ 68% of OMV / Intermediate @ 70% of OMV)*

- *Residential Build Costs - £116.15 per sqft*

- *Abnormals - £985,773.13*

- *Benckmark Land Value - £2,232,010 for 103 dwellings*

- *Developer Profit - 20% for market dwellings, 6% for affordable dwellings*

6.22 *The Council's consultant agrees with the appellant's position that the scheme cannot viably deliver a full suite of contributions as required by the developer contributions SPD and the site specific requests made in this instance. On this basis, the Council does not consider that there is further room for negotiation to the offer presented. The offer presented of 10% affordable housing and a Section 106 securing contributions of £258k is therefore acceptable.'*

3.4.6 I make the following observations which are important for my analysis which follows:

3.4.7 First, it is not clear from the SoCG whether a position of a viable development has been achieved, or not for the 103 units. There is no accompanying appraisal. However, Keepmoat assert by separate cover to the Council (please see e-mail below of 29th Sept 2020 from Alan Staley of Keepmoat to Laura Gardner of NSDC):

'Laura

Having considered matters internally and, given our requirement to ensure we have a commencement of development early next year, should it ensure Officer support we are willing to make a compromise offer as follows:

A provision of 10% affordable dwellings

A Section 106 contribution of £258k for the Council to spend as they best see fit, taking into account the overall planning balance considerations for the scheme.

With respect to the offer of 10% affordable housing provision, this is based on your apparent interpretation of Para 64 of the NPPF requiring a minimum overall onsite provision. As a business we have always interpreted this as an 'expectation' that 10% of the overall affordable housing provision for a site should include an affordable home ownership product. From this regard can you clarify whether, based on your interpretation of the Policy, the 10% provision offered should be made up entirely of affordable homeownership tenure product?

The above is obviously despite the viability clearing demonstrating a lack of residual to cover any S106 costs, and so offers a notable risk from our perspective.

We look forward to your view.

Alan

Alan Staley
Technical Director

- 3.4.8 This e-mail makes it clear that what I am being asked to assess is a scheme for 103 units which in practice is not viable to achieve either Affordable Housing at 10% or the £258,000 or other Section 106 contributions, at least not without a reduction in margin assumption from what might be considered an acceptable industry standard figure.

3.4.9 Second, the Council make it very clear that the scheme they have assessed (via White Land) assuming a build-out by Keepmoat has construction costs well below the BCIS costs. This is a key point when considering alternative or putative schemes for the site.

3.4.10 Third, it is agreed that an Affordable Housing contribution is viable at 10% along with other Section 106 contributions. I have held these assumptions 'constant; in all appraisals which follow.

3.5 Key appraisals

3.5.1 I have carried out the following appraisals:

- 1 103 units built by Keepmoat as per the appeal scheme;
- 2 85 units built by Keepmoat as per the extant scheme;
- 3 85 units built by the potential competition as per the extant scheme;
- 4 88 units built by the potential competition as per the NSDC schedule Option 1 (Dr Stefan Kruczkowski);
- 5 87 units built by the potential competition as per the NSDC schedule Option 2 (Dr Stefan Kruczkowski);

3.5.2 The appraisals are set out in Section 4 below:

4 DATA SOURCING FOR THE APPRAISAL WORK

4.1 Introduction

4.1.1 To deal with the main question which is whether alternative schemes with fewer units could be equally viable to the appeal scheme (see please also Sections 3.1.1 to 3.1.3), , it is necessary to develop a robust data set that can be adopted for the appraisals introduced in Section 3 above.

4.1.2 Therefore, it is important to set out the key assumptions that I have made with particular reference to schemes which might be built out by the potential competition at this site.

4.2 What is meant by the ‘potential competition’?

- 4.2.1 It is important to be clear what I mean by this term as it could mean different things to different people.
- 4.2.2 The term is intended to be helpful and to find a way of answering the question as to whether this site might be developed out more viably by another operator in the industry than Keepmoat.
- 4.2.3 The competition for the site at Eakring Road is theoretically wide. It is ultimately determined by any operator who can make the economics ‘stack up’ between scheme revenue and scheme cost. Different operators will approach this challenge in different ways and I have in effect modelled this in my proof.
- 4.2.4 It is important to stress however, that Eakring Road is a site of significant scale and hence in practice the potential ‘industry offer’ will be limited to medium and larger scale developers.

Table 4.1 Local developments of medium to larger scale currently being marketed

WITHIN 5 MILES OF BILSTHORPE - ON MARKET - SOURCED 20TH MARCH 2021				
Settlement	Development	Postcode	Dwelling Type	Dwelling Name
Ravenshead	Cornwater Fields	NG15 9AG	4 Bed Detached	
Ravenshead	Cornwater Fields	NG15 9AG	5 Bed Detached	
Mansfield	Wildflower Rise	NG18 2AN	4 Bed Detached	Poppy
Mansfield	Wildflower Rise	NG18 2AN	5 Bed Detached	Iris
Mansfield	Wildflower Rise	NG18 2AN	5 Bed Detached	Primrose
Mansfield	Wildflower Rise	NG18 2AN	5 Bed Detached	Snowdrop
Edwinstowe	Thoresby Vale	NG21 9PS	3 Bed Semi-Det	Bamberg
Edwinstowe	Thoresby Vale	NG21 9PS	3 Bed Detached	Alderton
Edwinstowe	Thoresby Vale	NG21 9PS	4 Bed Detached	Nidderton
Edwinstowe	Thoresby Vale	NG21 9PS	3 Bed Detached	Hadley
Edwinstowe	Thoresby Vale	NG21 9PS	4 Bed Detached	Exeter
Edwinstowe	Thoresby Vale	NG21 9PS	4 Bed Detached	Holden
Edwinstowe	Thoresby Vale	NG21 9PS	4 Bed Detached	Avondale
Mansfield	Black Scotch Lane	NG18 4TQ	2 Bed	Kenley
Mansfield	Black Scotch Lane	NG18 4TQ	3 Bed	Maidstone
Mansfield	Black Scotch Lane	NG18 4TQ	4 Bed	Kingsley
Mansfield	Black Scotch Lane	NG18 4TQ	4 Bed	Alderney

4.2.5 The developments in Table 4.1 represent a range of developer types; specifically:

- Cornflower Fields, Ravenshead: it is understood that this is a local promoter:developer;
- Mansfield Homes at Wildflower Rise, Mansfield: understood to be a building arm of Mansfield DC;
- Harron Homes at Thoresby Vale, Edwinstowe: a medium sized house builder;
- David Wilson Homes at Thoresby Vale, Edwinstowe: a volume UK house builder;
- Barratts at Black Scotch Lane, Mansfield: a volume UK house builder.

4.2.6 It is accepted that the products of these builders will vary, but in having this range, it is realistic to project a range of sales prices, which, if adjusted for location (which is done – please see below), can be used to project likely selling prices for the scheme proposed at Eakring Road, Bilsthorpe.

4.2.7 In Table 4.2 below, I set out my analysis of indicative selling prices per square metre for Eakring Road, based on current developments:

Table 4.2 Analysis of indicative selling prices for the Eakring Road site, based on current development in the area

WITHIN 5 MILES OF BILSTHORPE - ON MARKET - SOURCED 20TH MARCH 2021									
Settlement	Development	Dwelling Type	Price	Sq M	Price per Sq M		Location Index (3 Bed Semis)	Baseline (3 Bed Semis)	Indexed Price per Sq M (To Bilsthorpe)
					Asking	Selling			
A	B	C	D	E	F	G	H	I	J
Ravenshead	Cornwater Fields	4 Bed Detached	£540,000	185	£2,919	£2,773	£239,079	£111,113	£1,289
Ravenshead	Cornwater Fields	5 Bed Detached	£750,000	265	£2,830	£2,689	£239,079	£111,113	£1,250
Mansfield	Wildflower Rise	4 Bed Detached	£450,000	205	£2,195	£2,085	£136,183	£111,113	£1,701
Mansfield	Wildflower Rise	5 Bed Detached	£550,000	241	£2,282	£2,168	£136,183	£111,113	£1,769
Mansfield	Wildflower Rise	5 Bed Detached	£525,000	221	£2,376	£2,257	£136,183	£111,113	£1,841
Mansfield	Wildflower Rise	5 Bed Detached	£525,000	221	£2,376	£2,257	£136,183	£111,113	£1,841
Edwinstowe	Thoresby Vale	3 Bed Semi-Det	£208,995	83	£2,518	£2,392	£143,492	£111,113	£1,852
Edwinstowe	Thoresby Vale	3 Bed Detached	£248,995	82	£3,037	£2,885	£143,492	£111,113	£2,234
Edwinstowe	Thoresby Vale	4 Bed Detached	£295,450	109	£2,711	£2,575	£143,492	£111,113	£1,994
Edwinstowe	Thoresby Vale	3 Bed Detached	£269,995	91	£2,967	£2,819	£143,492	£111,113	£2,183
Edwinstowe	Thoresby Vale	4 Bed Detached	£337,995	136	£2,485	£2,361	£143,492	£111,113	£1,828
Edwinstowe	Thoresby Vale	4 Bed Detached	£374,995	148	£2,534	£2,407	£143,492	£111,113	£1,864
Edwinstowe	Thoresby Vale	4 Bed Detached	£377,995	137	£2,759	£2,621	£143,492	£111,113	£2,030
Mansfield	Black Scotch Lane	2 Bed	£155,000	57	£2,719	£2,583	£136,183	£111,113	£2,108
Mansfield	Black Scotch Lane	3 Bed	£205,995	77	£2,675	£2,541	£136,183	£111,113	£2,074
Mansfield	Black Scotch Lane	4 Bed	£270,000	100	£2,700	£2,565	£136,183	£111,113	£2,093
Mansfield	Black Scotch Lane	4 Bed	£302,995	113	£2,681	£2,547	£136,183	£111,113	£2,078

Source: site offices; Rightmove

4.2.8 I explain Table 4.2 by way of column references (in blue):

4.2.9 Columns A, B and C are descriptive; of the relevant developments and unit types.

4.2.10 Column D shows the selling prices for each of the units. It should be noted that these are example sales; therefore at any individual development there could be several sales of the same type of dwelling. Therefore the sample is much greater than shown; we are only looking for value: size relationships here in order to have information which can then be applied to the subject development.

4.2.11 Column E shows the dwelling sizes.

4.2.12 Column F shows the price per square metre based on dividing the sales prices in Column D by the dwelling sizes in Column E.

4.2.13 Because these are asking prices, rather than selling prices, I have adjusted the prices by 5% to reflect negotiation and incentives. The indicative selling prices are set out in Column G. The reduction from asking to selling follows recent research as identified below:

<https://www.thisismoney.co.uk/money/mortgageshome/article-7081771/Gap-asking-selling-prices-property-widens-strong-buyers-market.html>

<https://propertyhelp.uk/what-is-the-average-uk-property-sale-discount-on-the-original-asking-price/>

This is suggesting a discount at around 4%. I have taken the figure at 5% reflecting the location and the current challenges in the market of Brexit and Covid. This small additional discount could well be argued to be not enough in the current situation.

4.2.14 Columns H, I and J are there to adjust these developments for location. The aim is to discount for locational effects and to build a data set that generates indicative selling prices for this

range of developers assuming they would build out the Eakring Road site. As follows:

4.2.15 In order to adjust the developments for location I have taken the recent sales in the relevant settlements. Specifically, 3 bed semi-detached dwellings as a comparator base; a dwelling type which will be relatively standard for all types of locations. For Bilsthorpe, Ravenshead and Edwinstowe, I have taken all sales of 3 bed semis for 2019 and 2020. For Mansfield I have taken the most recent 30 sales of the same property type. The full evidence base is set out in the file 'Settlement Prices – 3 Bed Semi-Detached'. Figure 4.1 gives an illustration of what is contained in that file.

Figure 4.1 Recent sales in key development settlements

ALL SALES 2019 AND 2020			
34, Crompton Road, Bilsthorpe, Newark, Nottinghamshire NG22 8PS			
3 bed, semi-detached			
£132,500	25-Nov-20		£132,500
			£118,000
			£125,000
			£130,000
			£104,000
			£130,000
			£105,000
			£124,000
25, The Crescent, Bilsthorpe, Newark, Nottinghamshire NG22 8QX			
3 bed, semi-detached			
£118,000	30-Oct-20		£75,000
			£81,000
			£149,950
			£85,000
			£75,000
			£97,500
			£175,000
			£120,000
			£80,000
			£100,000
82, Savile Road, Bilsthorpe, Newark, Nottinghamshire NG22 8QD			
3 bed, semi-detached			
£125,000	24-Sep-20		£140,000
			£117,000
			£71,000
			£110,000
			£110,000
			£81,000
			£125,000
14, Eakring Road, Bilsthorpe, Newark, Nottinghamshire NG22 8PY			
3 bed, semi-detached			
£130,000	15-Jul-20		£110,438
			(25 Sales)
3, Eakring Road, Bilsthorpe, Newark, Nottinghamshire NG22 8PZ			

4.2.16 In adopting this methodology I assert a robust approach. I am taking a most comparable housing product in the stock of each settlement which in effect, represents the underlying 'tone' of the locations. Two bed terraces could be taken as the base, but there are insufficient examples at all locations for consistent analysis.

4.2.17 Of course, dwellings will vary in size, although I argue that a 3 bed semi presents a standard mid market product that can meaningfully be compared across different locations.

- 4.2.18 Further, it might be argued that there are micro location factors at work here and it would be unlikely if there were not. The issue is practicality. How would those micro influences be quantified and perhaps more concerningly, how would data be generated in sufficient transactional quantity to make any more micro level analysis significant?
- 4.2.19 In a perfect world, hedonic pricing would be adopted. This reaches into the world of academe however, where individual property characteristics (micro location, size, aspect, garden and plot size and condition) can all be modelled using regression analysis to arrive at predictive values for any given location or development. But this relies on huge data sets, intricate modelling techniques and a methodology that arguably is so mathematical that its method is not transparent.
- 4.2.20 The approach I put forward here is realistic, practical and gives the observer a robust picture of we might view the Bilsthorpe location in relation to other development areas.
- 4.2.21 I have summarised these in Table 4.3 below.

Table 4.3 3 Bed Semi-detached prices in the development settlements

Settlements	3 Bed Semis
Bilsthorpe	£111,113
Edwinstowe	£143,492
Ravenshead	£239,079
Mansfield	£136,183

- 4.2.22 Column H sets out these values as a location index for each of the settlements.
- 4.2.23 Column I shows the (Bilsthorpe) ‘marker’. This is the price of a 3 Bed semi-detached house at Bilsthorpe – at £111,113. This is applied to all locations (Column I).
- 4.2.24 Column J adjusts the sale price per square metre (Column G) for all developments to Bilsthorpe.

As an example:

If a 3 bed semi detached house at Thoresby Vale were to be 'picked up' and 'landed in Bilsthorpe then it would sell for:

£1,852 per square metre. Calculated:

£2,392 per sq m x £111,113/£143,492 = £1,852 per square metre.

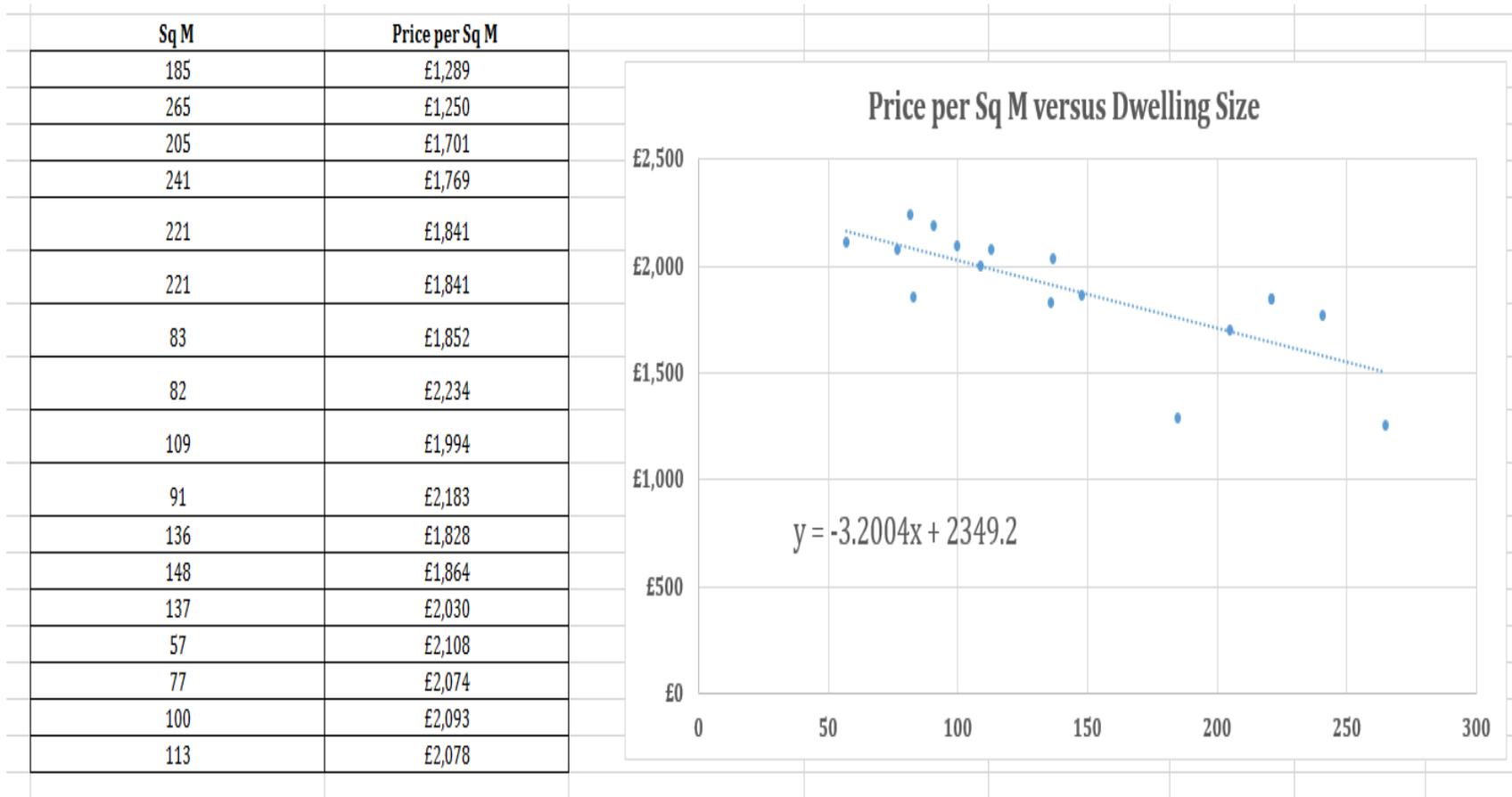
4.2.25 In this way, a set of imputed values for Bilsthorpe new build can be generated from a range of different locations.

Setting out the relationship between selling price per square metre and dwelling size

4.2.26 In order to be able to calculate gross development value (GDV) for the (5) key scenarios it is vital to be able to quantify the relationship between value per square metre and dwelling size.

4.2.27 Figure 4.2 below plots this relationship. It plots the relationship between the set of figures in Column E of Table 4.2, and Column J of Table 4.2.

Figure 4.2 Price per square metre versus Dwelling Size:



4.2.28 This relationship, once plotted, can be used to generate a formula (in the form of a regression equation) which can then be applied to any development scenario adopted or chosen.

The equation is:

$$-3.2004 + 2349.2$$

This is applied as an example in Table 4.4 below:

Table 4.4 Example showing operation of formula to a scheme of 30 dwellings

Dwelling Type	Beds	Sq M	No	Equation	Calculation	Equation	Calculation	Prices	GDV
One Bed Flats	1	45.0	4	-3.2004	-144.0	2,349.2	2,205.2	£99,233	£396,933
2 Bed Terraces	2	68.0	6	-3.2004	-217.6	2,349.2	2,131.6	£144,947	£869,682
3 Bed Semis	3	78.0	12	-3.2004	-249.6	2,349.2	2,099.6	£163,766	£1,965,196
4 Bed Detached	4	110.0	8	-3.2004	-352.0	2,349.2	1,997.2	£219,687	£1,757,497
			30						£4,989,308

4.3 Construction Costs

4.3.1. The construction costs for the Keepmoat 103 dwelling appeal scheme are agreed with the Council – at £116.15 per square foot, or £1,250 per square metre.

4.3.2 These are the costs accepted by the Council that will be incurred by Keepmoat in developing the scheme,

4.3.3 The Council, via their White Land Strategies report, found that these costs were considerably below the industry standard BCIS costs.

4.3.4 It is fair and reasonable then to model alternative scenarios on costs which represent industry standards. I have therefore adopted this approach drawing on the BCIS data source which draws on a very high number of schemes, and on a quarterly basis.

4.3.5 The latest costs are shown in Figure 4.3 below:

Figure 4.3 BCIS costs

Results

Rebased to East Midlands Region (105; sample 659) Edit

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims. ?

Last updated: 13-Mar-2021 00:40

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810. Housing, mixed developments (15)	1,329	676	1,158	1,292	1,453	3,022	1233
810.1 Estate housing							
Generally (15)	1,329	642	1,134	1,280	1,453	4,603	1569
Single storey (15)	1,491	849	1,264	1,435	1,668	4,603	252
2-storey (15)	1,285	642	1,119	1,253	1,403	2,784	1211
3-storey (15)	1,369	828	1,119	1,316	1,542	2,750	101
4-storey or above (15)	2,794	1,356	2,244	2,507	3,731	4,130	5
810.11 Estate housing detached (15)	1,717	998	1,284	1,464	1,729	4,603	21

4.3.6 The BCIS data in this form is somewhat 'raw' in this tabular state, and it needs careful adjustment to make it equivalent to the assumptions underlying the costs within the SoCG.

As follows:

Baseline cost (2 Storey Estate Housing), adjusted for the East Midlands = £1,285 per square metre.

4.3.7 Normally in viability assessments (policy development as well as site specific negotiations) an allowance of 15% is made for external works. This brings the cost to £1,478 per square metre.

4.3.8 I have then adjusted for green field infrastructure costs which will apply to this site and which are not included within BCIS. This brings the costs (at £200,000 per hectare as a fair marker) to £1,561 per square metre. The green field infrastructure cost is a figure I have taken from experience of carrying out viability assessments for the past 25 years.

4.3.9 Assuming a reasonable contingency of 5%, the working cost is £1,639 per square metre.

4.40 My workings are shown Table 4.5 below:

Table 4.5 Worked up costs – from BCIS Baseline

Items	Cost per Sq M
Baseline Costs - 2 Storey Estate Housing	£1,285
External Works - at 15%	£193
Sub Total (1)	£1,478
Green Field Infrastructure Costs (per Hectare)	£200,000
Hectares	3.85
Total IS Costs	£770,000
Sq M (103 unit scheme)	£9,295
Cost per Sq M	£83
Sub Total (2)	£1,561
Contingency (at 5%)	£78
Final Cost per Sq M	£1,639

4.41 It will be noted that this cost is almost £400 per square metre higher than the costs that are agreed in the SoCG.

5 APPRAISALS

5.1 This section looks at the viability of the five schemes identified earlier. To recap:

- 1 103 units built by Keepmoat as per the appeal scheme;
- 2 85 units built by Keepmoat as per the extant scheme;
- 3 85 units built by the development industry as per the extant scheme;
- 4 88 units built by the development industry as per the NSDC schedule Option 1 (Dr Stefan Kruczkowski);

5 87 units built by the development industry as per the NSDC schedule Option 2 (Dr Stefan Kruczkowski);

5.2 This approach uses a standard residual value template, factoring the agreed land value benchmark in each case. The appraisals show:

- a) The relevant mix along with unit sizes and numbers of units;
- b) The extent to which information from the SoCG is adopted; or otherwise;
- c) The appraisal itself.

Appraisal 1 103 units built by Keepmoat as per the appeal scheme

5.3 This is the scheme as promoted at appeal by Keepmoat.

5.4 Its inclusion is to test whether the appeal scheme could be built out viably by Keepmoat.

5.5 The scheme assumes 10% Affordable Housing and other Section 106 contributions of £258,000.

5.6 The values and costs are as agreed in the Statement of Common Ground. As indeed are the abnormal costs. And the developer profit margins.

5.7 Fees, finance and marketing fees are taken (as best that can be derived) from the White Land viability report (2017).

5.8 The notes in information sources are shown on the spreadsheet (and subsequent spreadsheets).

5.9 Figure 5.1 shows the viability appraisal for the appeal scheme:

Figure 5.1 Appraisal 1 - 103 units built by Keepmoat as per the appeal scheme

APPRAISAL 1 - 103 UNITS BUILT BY KEEPMOAT AS PER THE APPEAL SCHEME						Floor Area	Per Sq M	Margin %s	Notes	
KEEPMOAT SCHEME AT BILSTHORPE - FOR 103 UNITS - THE APPLICATION SCHEME						9295			Keepmoat	
Dwelling Type	No	Sq Ft	Sq M	Price	GDV					
Halstead	0	0	0.0	£145,000	£0					
Danbury	2	832	77.3	£165,000	£330,000					
Wentworth 3 Bed 5 Person	8	842	78.2	£165,000	£1,320,000					
Caddington 3 Bed 5 Person Semi	8	850	79.0	£168,000	£1,344,000	GDV	£2,109	£19,604,000	Keepmoat appraisal	
Caddington 3 Bed 5 Person Detached	11	850	79.0	£178,000	£1,958,000					
Warwick 3 Bed 5 Person	3	858	79.7	£185,000	£555,000	Construction Costs	£1,250	£11,618,750	SoCG	
Windsor 3 Bed 5 Person Detached	6	869	80.7	£185,000	£1,110,000					
Staveley 3 Bed 5 Person	4	1037	96.3	£215,000	£860,000	Abnormals		£985,773	SoCG	
Rothway 4 Bed 6 Person Semi	14	1031	95.8	£210,000	£2,940,000					
Rothway 4 Bed 6 Person Detached	5	1031	95.8	£220,000	£1,100,000	Sub Total		£12,604,523		
Eaton 4 Bed 6 Person	6	1253	116.4	£258,000	£1,548,000					
Stratten	16	1061	98.6	£190,000	£3,040,000	Fees at 6% (All fees)		£756,271	White Land Report (2017)	
Burton 4 Bed 7 Person	10	1297	120.5	£260,000	£2,600,000					
2 Bed 4 Person Affordable Rent	4	651	60.5	£72,500	£290,000	Finance 6% 4 Years (at 50%)		£1,512,543	White Land Report (2017)	
3 Bed 5 Person Affordable Rent	0	766	71.2	£0	£0					
2 Bed 4 Person Intermediate Housing	6	651	60.5	£101,500	£609,000	Marketing Fees (At 3% GDV)		£588,120	White Land Report (2017)	
3 Bed 5 Person Intermediate Housing	0	766	71.2	£115,500	£0					
				GDV	£19,604,000	Developer Margin				
<p>6.21 The agreed inputs were as follows:</p> <ul style="list-style-type: none"> Residential Value Per Sqft - £200 per sqft (Affordable Rent @ 68% of OMV / Intermediate @ 70% of OMV) Residential Build Costs - £116.15 per sqft Abnormals - £985,773.13 Benchmark Land Value - £2,232,010 for 103 dwellings Developer Profit – 20% for market dwellings, 6% for affordable dwellings 						Market Units (90%)		0.9		
								0.2	£3,528,720	SoCG
						Affordable Units (10%)		0.1		
								0.06	£117,624	SoCG
						Section 106 - agreed			£258,000	SoCG
						Total Development Costs			£19,365,801	
						Residual Value			£238,199	
						Land Value Benchmark			£2,232,010	
						Surplus/Deficit			-£1,993,811	

5.10 Appraisal 1 shows a positive residual value of £238,199. This is however well below the land value benchmark (LVB) of 2,232,010, meaning that the scheme is in deficit by £1,993,811.

Appraisal 2 85 units built by Keepmoat as per the extant scheme

5.11 This is the extant scheme which Keepmoat could, if viable, deliver.

5.12 Its inclusion is to test whether the scheme is viable to deliver as an extant consent.

5.13 The development mix is taken from the Savills Viability report of 2017 which tested the extant consent.

5.14 The scheme assumes 10% Affordable Housing and other Section 106 contributions of £258,000.

5.15 The values and costs (on a per square metre basis) are as agreed in the Statement of Common Ground. As indeed are the overall abnormal costs. And the developer profit margins.

5.16 It should be noted that the GDV for the scheme has been calculated 'pro-rata' from the 103 unit scheme; as follows:

5.17 GDV for 103 units: $19,604,000 \times 85/103 = £16,178,058$.

5.18 Fees, finance and marketing fees are taken (as best that can be derived) from the White Land viability report (2017).

5.19 The notes in information sources are shown on the spreadsheet (and subsequent spreadsheets).

Figure 5.2 shows the viability appraisal for the extant scheme:

Figure 5.2 Appraisal 2 - 85 units built by Keepmoat as per the extant scheme

85 DWELLINGS - EXTANT SCHEME - SAVILLS REPORT 2017						Floor Area	Per Sq M	Margin %s	Notes
Dwelling Type	Beds	Sq Ft	Converter	Sq M	No	8498			Savills 2017 Viability Report
A	2	800	0.0929	74.32	9	GDV	£2,109	£16,178,058	Keepmoat (GDV x 85/103)
B	3	965	0.0929	89.6485	27	Construction Costs	£1,250	£10,622,500	SoCG
C	3	995	0.0929	92.4355	12	Abnormals		£985,773	SoCG
D	3	1075	0.0929	99.8675	9	Sub Total		£11,608,273	
R	4	1200	0.0929	111.48	5	Fees at 6% (All fees)		£696,496	White Land Report (2017)
F	4	1250	0.0929	116.125	7	Finance 6% 4 Years (at 50%)		£1,392,993	White Land Report (2017)
G	4	1300	0.0929	120.77	2	Marketing Fees (At 3% GDV)		£485,342	White Land Report (2017)
H	4	1375	0.0929	127.7375	5	Developer Margin			
J	4	1350	0.0929	125.415	6	Market Units (90%)	0.9		
K	4	1400	0.0929	130.06	2		0.2	£2,912,050.44	SoCG
L	5	1475	0.0929	137.0275	1	Affordable Units (10%)	0.1		
							0.06	£97,068.35	SoCG
						Section 106 - agreed		£258,000	SoCG
						Total Development Costs		£17,450,223	
						Residual Value		-£1,272,165	
						Land Value Benchmark		£2,232,010	
						Surplus/Deficit		-£3,504,175	

6.21 The agreed inputs were as follows:

- Residential Value Per Sqft - £200 per sqft (Affordable Rent @ 68% of OMV / Intermediate @ 70% of OMV)
- Residential Build Costs - £116.15 per sqft
- Abnormals - £985,773.13
- Benchmark Land Value - £2,232,010 for 103 dwellings
- Developer Profit – 20% for market dwellings, 6% for affordable dwellings

5.20 Appraisal 2 shows a residual value of minus £1,272,165. This means that costs are higher than revenue even before the LVB is taken into account.

5.21 The scheme therefore has a large deficit of £3,504,175.

Appraisal 3 85 units built by the development competition as per the extant scheme

5.22 This is the extant scheme which an alternative developer could deliver.

5.23 Its inclusion is to test whether the competition could viably deliver it as an extant consent.

5.24 The development mix is taken from the Savills Viability report of 2017 which tested the extent consent.

5.25 The scheme assumes 10% Affordable Housing and other Section 106 contributions of £258,000.

5.26 The GDV is calculated from the methodology explained in Figure 4.2 which explains the price per square metre versus dwelling size analysis. This applied to the development mix in this scheme and shown as set out in Figure 5.3a overleaf:

Figure 5.3a GDV for 85 units built by the competition as per the extant scheme

Dwelling Type	Beds	Sq Ft	Converter	Sq M	No	Equation	Calculation	Equation	Calculation	Prices	GDV
A	2	800	0.0929	74.3	9	-3.2004	-237.9	2,349.2	£2,111	£156,915	£1,412,237
B	3	965	0.0929	89.6	27	-3.2004	-286.9	2,349.2	£2,062	£184,881	£4,991,790
C	3	995	0.0929	92.4	12	-3.2004	-295.8	2,349.2	£2,053	£189,804	£2,277,651
D	3	1075	0.0929	99.9	9	-3.2004	-319.6	2,349.2	£2,030	£202,689	£1,824,205
R	4	1200	0.0929	111.5	5	-3.2004	-356.8	2,349.2	£1,992	£222,115	£1,110,575
F	4	1250	0.0929	116.1	7	-3.2004	-371.6	2,349.2	£1,978	£229,643	£1,607,504
G	4	1300	0.0929	120.8	2	-3.2004	-386.5	2,349.2	£1,963	£237,034	£474,068
H	4	1375	0.0929	127.7	5	-3.2004	-408.8	2,349.2	£1,940	£247,860	£1,239,302
J	4	1350	0.0929	125.4	6	-3.2004	-401.4	2,349.2	£1,948	£244,286	£1,465,716
K	4	1400	0.0929	130.1	2	-3.2004	-416.2	2,349.2	£1,933	£251,400	£502,801
L	5	1475	0.0929	137.0	1	-3.2004	-438.5	2,349.2	£1,911	£261,813	£261,813
					85						£17,167,661
										ADJUST FOR AH AT 10%	Adjusted
										FROM 103 SCHEME:	
										GDV (Keepmoat)	
										£19,604,000	
										Value 90% Market Housing	
										£18,705,000	
										Therefore AH Impact	
										95.41	£16,379,665

- 5.27 In Figure 5.3a the GDV is £16,379,665 assuming a scheme of 100% Market Housing. But, in order to have equivalent appraisals these need adjusting for Affordable Housing impacts.
- 5.28 The small table in Figure 5.3a does this. It adjusts from Appraisal 1 (the appeal scheme for 103 units); and shows that a scheme of 100% Market Housing should be reduced by a factor of 0.9541 to arrive at a blended GDV for a scheme including 10% Affordable Housing.
- 5.29 Appraisal 3 is shown on the following page in Figure 5.3b:

Figure 5.3b Appraisal 3 - 85 units developed by the competition as per the extant scheme

85 DWELLINGS - EXTANT SCHEME - SAVILLS REPORT 2017						Floor Area	Per Sq M	Margin %s	Notes
Dwelling Type	Beds	Sq Ft	Converter	Sq M	No	8498			Savills 2017 Viability Report
A	2	800	0.0929	74.32	9				
B	3	965	0.0929	89.6485	27				
C	3	995	0.0929	92.4355	12				
D	3	1075	0.0929	99.8675	9				
R	4	1200	0.0929	111.48	5				
F	4	1250	0.0929	116.125	7				
G	4	1300	0.0929	120.77	2				
H	4	1375	0.0929	127.7375	5				
J	4	1350	0.0929	125.415	6				
K	4	1400	0.0929	130.06	2				
L	5	1475	0.0929	137.0275	1				
						GDV		£16,379,665	
						Construction Costs	£1,639	£13,928,222	BCIS
						Abnormals		£985,773	SoCG
						Sub Total		£14,913,995	
						Fees at 6% (All fees)		£894,840	White Land Report (2017)
						Finance 6% 4 Years (at 50%)		£1,789,679	White Land Report (2017)
						Marketing Fees (At 3% GDV)		£491,390	White Land Report (2017)
						Developer Margin			
						Market Units (90%)		0.9	
								£2,948,340	SoCG
						Affordable Units (10%)		0.1	
								£98,278	SoCG
						Section 106 - agreed		£258,000	SoCG
						Total Development Costs		£21,394,522	
						Residual Value		-£5,014,857	
						Land Value Benchmark		£2,232,010	
						Surplus/Deficit		-£7,246,867	

6.21 The agreed inputs were as follows:

- ~~Residential Value Per Sqft - £200 per sqft (Affordable Rent @ 60% of OMV / Intermediate @ 70% of OMV)~~
- ~~Residential Build Costs - £116.15 per sqft~~
- Abnormals - £985,773.13
- Benchmark Land Value - £2,232,010 for 103 dwellings
- Developer Profit - 20% for market dwellings, 6% for affordable dwellings

- 5.30 The costs are based on BCIS – at £1,639 per square metre and as calculated in Table 4.5.
- 5.31 Fees, finance and marketing fees are taken (as best that can be derived) from the White Land viability report (2017).
- 5.32 The notes in information sources are shown on the spreadsheet (and subsequent spreadsheets).
- 5.33 Appraisal 3 shows a residual value of minus £1,734,975. This means that revenue is higher than costs even before the LVB is taken into account.
- 5.34 The scheme therefore has a large deficit of £7,246,867

Appraisal 4 88 units built by an alternative developer as per the NSDC schedule Option 1 (Dr Stefan Kruczkowski);

- 5.35 This is the first of two mixes provided by Dr Stefan Kruczkowski on behalf of the Council. It is assumed that these mixes reflect the Council's desired aspirations for the site in terms of housing types, needs, density and dwelling size.
- 5.36 Its inclusion is to test whether those aspirations lead to a viable solution for the site; and indeed, a more viable outcome than is produced by the development of the site as per the appeal scheme for 103 units.
- 5.37 The scheme assumes 10% Affordable Housing and other Section 106 contributions of £258,000.
- 5.38 The GDV is calculated from the methodology explained in Figure 4.2 which explains the price per square metre versus dwelling size analysis. This applied to the development mix in this scheme and shown as set out in Figure 5.4a overleaf:

Figure 5.4a GDV for 88 units built by the competition as per the NSDC schedule Option 1

Dwelling Type	No	Sq Ft	Sq M	Equation	Calculation	Equation
Danbury	9	832	77.3	-3.2004	-247.4	2,349.2
Caddington	12	850	79.0	-3.2004	-252.7	2,349.2
Wentworth	22	842	78.2	-3.2004	-250.3	2,349.2
Warwick	0	858	79.7	-3.2004	-255.1	2,349.2
Windsor	0	869	80.7	-3.2004	-258.4	2,349.2
Stratten	4	1061	98.6	-3.2004	-315.5	2,349.2
Stavely	5	1031	95.8	-3.2004	-306.5	2,349.2
Rothway	16	1028	95.5	-3.2004	-305.6	2,349.2
Eaton	0	1279	118.8	-3.2004	-380.3	2,349.2
Burton	0	1297	120.5	-3.2004	-385.6	2,349.2
Belmont	8	1229	114.2	-3.2004	-365.4	2,349.2
Halstead (AH Rented)	4	651	60.5	-3.2004	-193.6	2,349.2
Halstead (AH SO)	8	651	60.5	-3.2004	-193.6	2,309.2
	88					

5.39 In Figure 5.4a the GDV is £15,320,304 assuming a scheme of 100% Market Housing. But, in order to have equivalent appraisals these needs adjusting for Affordable Housing impacts.

5.40 The small table in Figure 5.4a does this. It adjusts from Appraisal 1 (the appeal scheme for 103 units); and shows that a scheme of 100% Market Housing should be reduced by a factor of 0.9541 to arrive at a blended GDV for a scheme including 10% Affordable Housing. This gives a GDV of £14,617,101.

5.41 Appraisal 4 is shown on the following page in Figure 5.4b:

Figure 5.4b Appraisal 4 - 88 units built by the competition as per the NSDC schedule Option 1

APPRAISAL 4 - 88 UNITS BUILT BY THE COMPETITION FOR THE NEWARK AND SHERWOOD OPTION 1 (Dr SK)				
ACCOMODATION SCHEDULE				
Option 1				
Eaking Road, Bilsthorpe				Rev -
HOUSE TYPE	NUMBER	BEDS	SQ. FOOTAGE	
Danbury	9	3B5P	832	7488
Caddington	12	3B5P	850	10200
Wentworth	22	3B5P	842	18524
Warwick	0	3B5P	858	0
Windsor	0	3B5P	869	0
Stratten	4	3B5P	1061	4244
Stavely	5	3B6P	1031	5155
Rothway	16	4B6P	1028	16448
Eaton	0	4B6P	1279	0
Burton	0	4B7P	1297	0
Belmont	8	4B8P	1229	9832
AFFORDABLE				
Halstead - Rented	4	2B4P	651	2604
Halstead - Shared Ownership	8	2B4P	651	5208
TOTALS:	88			79703
6.21 The agreed inputs were as follows:				
Residential Value Per Sqft - £200 per sqft (Affordable Rent @ 80% of OMV / Intermediate @ 70% of OMV)				
Residential Build Costs - £116.15 per sqft				
<ul style="list-style-type: none"> Abnormals - £985,773.13 Benchmark Land Value - £2,232,010 for 103 dwellings Developer Profit - 20% for market dwellings, 6% for affordable dwellings 				
Floor Area	Per Sq M	Margin %s	Notes	
7404			Savills 2017 Viability Report	
GDV			£14,617,102	
Construction Costs	£1,639		£12,135,156	BCIS
Abnormals			£985,773	SoCG
Sub Total			£13,120,929	
Fees at 6% (All fees)			£787,256	White Land Report (2017)
Finance 6% 4 Years (at 50%)			£1,574,511	White Land Report (2017)
Marketing Fees (At 3% GDV)			£438,513	White Land Report (2017)
Developer Margin				
Market Units (90%)		0.9		
		0.2	£2,631,078	SoCG
Affordable Units (10%)		0.1		
		0.06	£87,703	SoCG
Section 106 - agreed			£258,000	SoCG
Total Development Costs			£18,897,990	
Residual Value			-£4,280,888	
Land Value Benchmark			£2,232,010	
Surplus/Deficit			-£6,512,898	

- 5.42 The costs are based on BCIS – at £1,639 per square metre and as calculated in Table 4.5.
- 5.43 Fees, finance and marketing fees are taken (as best that can be derived) from the White Land viability report (2017).
- 5.44 The notes in information sources are shown on the spreadsheet (and subsequent spreadsheets).
- 5.45 Appraisal 4 shows a residual value of minus £4,280.888. This means that revenue is higher than costs even before the LVB is taken into account.
- 5.46 The scheme therefore has a large deficit of £6,512,898..

Appraisal 5 87 units built by the development industry as per the NSDC schedule Option 2 (Dr Stefan Kruczkowski);

- 5.47 This is the second of two mixes provided by Dr Stefan Kruczkowski on behalf of the Council. It is assumed that these mixes reflect the desired aspirations for the site in terms of housing types, needs, density and dwelling size.
- 5.48 Its inclusion is to test whether those aspirations lead to a viable solution for the site; and indeed, a more viable outcome than is produced by the development of the site as per the appeal scheme for 103 units.
- 5.49 The scheme assumes 10% Affordable Housing and other Section 106 contributions of £258,000.
- 5.50 The GDV is calculated from the methodology explained in Figure 4.2 which explains the price per square metre versus dwelling size analysis. This applied to the development mix in this scheme and shown as set out in Figure 5.5a overleaf:

- 5.51 In Figure 5.5a the GDV is £16,222,418 assuming a scheme of 100% Market Housing. But, in order to have equivalent appraisals these needs adjusting for Affordable Housing impacts.
- 5.52 The small table in Figure 5.5a does this. It adjusts from Appraisal 1 (the appeal scheme for 103 units); and shows that a scheme of 100% Market Housing should be reduced by a factor of 0.9541 to arrive at a blended GDV for a scheme including 10% Affordable Housing. This gives a GDV of £15,477,809.
- 5.53 Appraisal 5 is shown on the following page in Figure 5.5b:

Figure 5.5b Appraisal 5 - 87 units built by the competition as per the NSDC schedule Option 2

APPRAISAL 5 - 87 UNITS BUILT BY THE COMPETITION FOR THE NEWARK AND SHERWOOD OPTION 2 (Dr SK)				
ACCOMODATION SCHEDULE				
Option 2				
Eakring Road, Bilsthorpe			Rev -	
HOUSE TYPE	NUMBER	BEDS	SQ. FOOTAGE	
Danbury	9	3B5P	832	7488
Caddington	16	3B5P	850	13600
Wentworth	6	3B5P	842	5052
Warwick	0	3B5P	858	0
Windsor	0	3B5P	869	0
Stratten	6	3B5P	1061	6366
Stavely	6	3B6P	1031	6186
Rothway	16	4B6P	1028	16448
Eaton	8	4B6P	1279	10232
Burton	9	4B7P	1297	11673
Belmont	2	4B8P	1229	2458
AFFORDABLE				
Halstead - Rented	3	2B4P	651	1953
Halstead - Shared Ownership	6	2B4P	651	3906
TOTALS:	87			85362

6.21 The agreed inputs were as follows:

- ~~Residential Value Per Sqft - £200 per sqft (Affordable Rent @ 60% of OMV / Intermediate @ 70% of OMV)~~
- ~~Residential Build Costs - £116.16 per sqft~~
- Abnormals - £985,773.13
- Benchmark Land Value - £2,232,010 for 103 dwellings
- Developer Profit - 20% for market dwellings, 6% for affordable dwellings

Floor Area	Per Sq M	Margin %s	Notes
7930			Savills 2017 Viability Report
GDV			£15,477,809
Construction Costs	£1,639		£12,997,270 BCIS
Abnormals			£985,773 SoCG
Sub Total			£13,983,043
Fees at 6% (All fees)			£838,983 White Land Report (2017)
Finance 6% 4 Years (at 50%)			£1,677,965 White Land Report (2017)
Marketing Fees (At 3% GDV)			£464,334 White Land Report (2017)
Developer Margin			
Market Units (90%)		0.9	
		0.2	£2,786,005.62 SoCG
Affordable Units (10%)		0.1	
		0.06	£92,867 SoCG
Section 106 - agreed			£258,000 SoCG
Total Development Costs			£20,101,197
Residual Value			-£4,623,388
Land Value Benchmark			£2,232,010
Surplus/Deficit			-£6,855,398

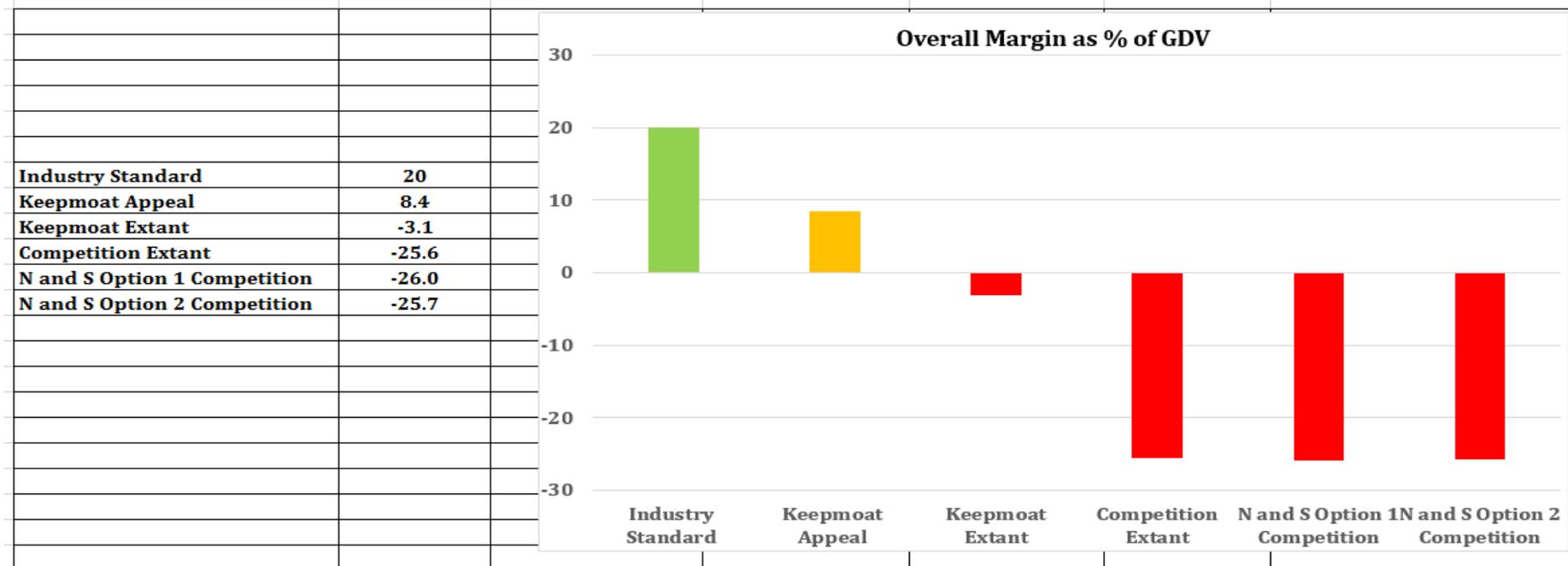
- 5.54 The costs are based on BCIS – at £1,639 per square metre and as calculated in Table 4.5.
- 5.55 Fees, finance and marketing fees are taken (as best that can be derived) from the White Land viability report (2017).
- 5.56 The notes in information sources are shown on the spreadsheet (and subsequent spreadsheets).
- 5.57 Appraisal 5 shows a residual value of minus £4,623,388. This means that revenue is higher than costs even before the LVB is taken into account.
- 5.58 The scheme therefore has a large deficit of £6,855,398.

6 SUMMARY ANALYSIS, FINDINGS AND CONCLUSIONS

- 6.1 Table 6.1 sets out a summary of findings from the five appraisals.
- 6.2 The table shows, for each of the schemes:
- The deficit in £s, of the residual value to the land value benchmark (at £2.23 million);
 - The amount of profit generated by each of the schemes – the developer margin;
 - The overall viability. This is calculated by deducting the scheme deficit from the scheme profit;
 - The overall margin taken as a percentage of the GDV generated for each scheme.

Table 6.1 Summary of the results from the five appraisals

Scenarios	No of Units	Deficit (RV to LVB)	Developer Margin	Overall Viability	GDV	Overall Margin as % of GDV
Keepmoat Appeal	103	£1,993,811	£3,646,344	£1,652,533	£19,604,000	8.4
Keepmoat Extant	85	£3,504,175	£3,009,119	-£495,056	£16,178,058	-3.1
Competition Extant	85	£7,246,867	£3,046,618	-£4,200,249	£16,379,665	-25.6
N and S Option 1 Competition	88	£6,512,898	£2,718,781	-£3,794,117	£14,617,102	-26.0
N and S Option 2 Competition	87	£6,855,398	£2,878,872	-£3,976,526	£15,477,809	-25.7



- 6.3 Table 6.1 demonstrates the following points:
- 6.4 First, all schemes assessed are non-viable when considering a (NPPG) rate of profit return at 20% of GDV. This 20% is marginally high and will vary by policy and percentage of Affordable Housing. It provides however a useful yardstick by which to judge the viability of these schemes.
- 6.5 Second, only the Keepmoat appeal scheme for 103 units is significantly more viable than any of the other options. It returns 8.4% on GDV as against all the other options which have a negative rate of return and fall far short of the 20% margin required. This means that none of the other schemes are likely to be deliverable on viability grounds and are hence unrealistic scenarios.
- 6.6 Third, when offsetting deficits against total developer margin, it is possible to judge whether a scheme is likely to come forward. This analysis then suggests only the Keepmoat appeal scheme is likely of be delivered.
- 6.7 Fourth, all other schemes than the appeal scheme would need significant amounts of subsidy to deliver them.
- 6.8 Table 6.2 demonstrates the level of subsidy required to achieve an 8.4% return on GDV for each of the schemes, in order for them to be competitive with the Keepmoat appeal scheme for 103 units.

Table 6.2 Levels of subsidy required to make the schemes viable – green column

Scenarios	No of Units	Deficit (RV to LVB)	Developer Margin	Overall Viability	GDV	Overall Margin as % of GDV	At 8.4%	Subsidy Required to achieve 8.4% return
Keepmoat Appeal	103	£1,993,811	£3,646,344	£1,652,533	£19,604,000	8.4	£1,652,539	£6
Keepmoat Extant	85	£3,504,175	£3,009,119	-£495,056	£16,178,058	-3.1	£1,363,746	£1,858,802
Competition Extant	85	£7,246,867	£3,046,618	-£4,200,249	£16,379,665	-25.6	£1,380,740	£5,580,989
N and S Option 1 Competition	88	£6,512,898	£2,718,781	-£3,794,117	£14,617,102	-26.0	£1,232,163	£5,026,280
N and S Option 2 Competition	87	£6,855,398	£2,878,872	-£3,976,526	£15,477,809	-25.7	£1,304,717	£5,281,243

Why this set of results?

- 6.9 On an all other things equal basis, a development having a lower number of units than is proposed in the appeal scheme would be expected to generate a worse viability position.
- 6.10 There is some 'weight' of explanation in this, in that losing units reduces the opportunity of maximising gross development value, unless a smaller number of units is compensated for by more valuable and/or larger units. Here the appeal scheme is 9,295 square metres of floor space; as against: the extant scheme at 8,498 square metres; and the two Council options at 7,404 and 7930 square metres respectively.
- 6.11 However, additional floor space only matters for viability in that it provides a positive relationship between values and costs. Moreover, it is the nature of the development mix and the unit sizes that also affect viability.
- 6.12 As has been demonstrated, the relationship between dwelling size and selling prices per square is key. If this is different between schemes, then different outcomes result.
- 6.13 It is always difficult to be precise on the full explanation because there is great complexity involved. I believe this accepted by all sides. My conclusion is that is what is happening here to give the appeal scheme the 'edge' is that: although the Keepmoat values are lower than for the competition they are only marginally lower. Table 6.1 shows that for a direct comparable scheme – the Extant 85 dwellings, the competition would only be likely to 'beat' the prices agreed for the appeal scheme by less than 1%.
- 6.14 Indeed, the phrase 'marginally lower' is key here. Because what matters as well are build costs, where the values agreed for the appeal scheme are significantly lower than the industry standard; this is accepted by the Council. What is then happening in the relevant appraisals is that any additional value achieved by the alternative schemes are negated by the higher cost of BCIS.
- 6.15 Therefore, in so far that we are comparing other (smaller) schemes with the appeal scheme the greater number of units appears to

'trump' any additional residual value created by the other schemes (but my analysis suggests that this is marginal anyway).

- 6.16 What we can read from the results is that the appeal scheme is the only one generating a positive residual value; and hence, on the basis of the schemes as they are (mix, values and costs) it might be expected that all the other schemes would have worsening viability as the number of units increased.
- 6.17 Ultimately however, on the basis of my analysis, I conclude that if the appeal scheme does not obtain consent then it is unlikely that another provider will come in to develop a scheme in the range 80 to 105 homes on a profitable basis, and of course to deliver the Section 106 agreed. There is therefore the loss of some 100 additional homes to the Council.
- 6.18 I believe on the basis of the evidence that the scheme for 103 units is deliverable, although at a profit margin of around 10%. This is tight as an industry 'marker' but not unrealistic given the challenges of the current market. In addition there are a number of areas where economies might be gained. The analysis I have carried out follows some which look 'heavy' to me; particularly with respect to finance, which ultimately if cash flowed in any detailed way, could deliver significant additional residual particularly if there is any widening of the gap between GDV and costs as the scheme progresses. I don't think there is much 'cushion' in the appraisals but it shouldn't be discounted.

Conclusions

- 6.19 My analysis shows that the Keepmoat appeal scheme is the only viable option for housing at this site. The Council have asked the question whether a smaller scheme with different housing mixes would be more viable.
- 6.20 The evidence suggests the answer is a firm 'no'. It is even unlikely that if the alternative mixes were increased to 103 units (which the Council does not want) schemes delivered by competitors would then become viable.
- 6.21 This is a difficult location at which to develop housing. My analysis suggests that not only are a greater number of units needed, but that

there would be very few 'takers' for this site because the economics for the local industry are really not there. Keepmoat are going to deliver at what appears a lower cost than the general industry 'marker' but others would not do so. But the 'others' in my view would fail to 'beat' the price agreed by Keepmoat and the Council by any significant margin.

6.22 Indeed my analysis suggests that other competitors, even building a different product would generate a GDV pretty much in line with that agreed in the SoCG.

6.23 The applicant has made me aware of a letter from Savills which records interest from the industry in general for the site. I reproduce this below:

30 March 2021
Savills Marketing Letter March 2021



Mr Alan Stanley
Technical Director
Keepmoat Homes
Unit D1
Orchard Place
Nottingham Business Park
Nottingham
NG8 6PX

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E: ataylor@savills.com
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Enfield Chambers
18 Low Pavement
Nottingham NG1 7DG
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Dear Alan

LAND AT EAKRING ROAD, BILSTHORPE, NOTTINGHAMSHIRE

We write as requested to outline the marketing campaign undertaken for the development land at Eakring Road, Bilsthorpe.

Opportunity Overview

Savills Nottingham Development Team were initially instructed to market this development site with an allocation in 2013. Following a comprehensive marketing campaign over a number of years, limited interest and no offers were generated.

In order to derisk the opportunity and provide more certainty around the sale, the landowner, Harworth Group plc, submitted an outline planning application for a residential development for up to 85 dwellings (Class C3), up to 3,000 sqft (280 sqm) retail development (Class A1) and associated access works including details of a new access junction into the site from Eakring Road.

Planning permission was subsequently granted on 01 June 2018. The site was remarketed and subsequently interest and offers were generated in the consented site, which resulted in the selection of the preferred purchaser Keepmoat Homes.

Marketing

First Round Marketing 2013 to 2016

Savills undertook a marketing campaign based on the allocation and despite a comprehensive marketing exercise targeted to the East Midlands active house builders, limited interest and no offers were received.

The principal reasons for the limited interest were as follows:

- Bilsthorpe was not an area of focus, it was regarded as a secondary location;
- Limited appetite to progress a strategic opportunity in this location;
- The anticipated low end sales values; and
- The anticipated low sales rates.

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

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[http://pdsavills.co.uk/network/Office/Nottingham/Debt/Dev/Agency/View/Job/Eakring Rd, Bilsthorpe%4](http://pdsavills.co.uk/network/Office/Nottingham/Debt/Dev/Agency/View/Job/Eakring%20Rd,%20Bilsthorpe%204). General Correspondence/Savills Marketing Letter March 2021.docx



Second Round Marketing 2018

Upon submission of planning in 2018, Savills was instructed to market the opportunity, with the benefit of the resolution to grant planning permission, whilst the S106 was finalised. The site was launched to the market in May 2018 with a full technical pack of information. Again the site was marketed to the Savills comprehensive database of active East Midlands house builders. Interest was generated from volume, regional and local house builders with the majority of interest generated from volume house builders and partnership providers. Due to abortive negotiations, with a volume house builder, the site was taken back to the market at the end of 2018.

Third Round Marketing 2018 – 2020

In December 2018 Savills relaunched the opportunity to the market, contacting the comprehensive Savills database of developer contacts. In addition to the targeted marketing campaign outlined above, Savills marketed the opportunity on Savills Website, Rightmove and LinkedIn to maximise the exposure of the site.

Following the launch interest was generated from a mix of volume house builders, some regional and local house builders.

Limited interest was generated because of concerns regarding the following:

- the secondary location
- anticipated low sales rates
- anticipated low sales values
- the low density scheme and inability to make the scheme stack up in terms of viability and delivery

Upon receipt of offers in February 2019, Keepmoat Homes was identified as the preferred purchaser and the legals were progressed.

Interest Summary

Savills has comprehensively marketed this development site over a number of years spanning from 2013 to 2020, marketing it with an allocation for mixed use development and subsequently with an outline planning consent.

The various marketing campaigns have been extensive and the opportunity has been comprehensively marketed using the Savills database of developer contacts. Savills distribution list comprises circa 400 house builder organisations and in excess of 550 individual land buyer contacts. In addition to this, the Savills database of Registered Providers was also contacted whilst marketing, which comprises 85 organisations and in excess of 120 land buyer contacts.

Despite comprehensive mailing and advertising on the Savills website, Rightmove and LinkedIn, interest was not forthcoming from any of the following parties:

- Avant Homes
- Barratt Homes
- Bellway Homes
- Bloor Homes
- Cameron Homes
- Chevin Homes
- Crest Nicholson
- Countryside Properties PLC
- Davidsons
- David Wilson Homes



- Jelson Homes
- Ilke Homes
- Miller Homes
- Morris Homes
- Persimmon Homes
- Peveril Homes
- Redrow Homes
- St Modwen Homes
- Taggart Homes
- Taylor Wimpey
- Wheeldon Homes
- William Davis
- Urban Splash
- Vistry Homes (merger of Linden Homes and Bovis Homes)

In our experience, these house builders are all active in the East Midlands development market, but they focus their interest on land opportunities which benefit from stronger road profile, accessibility to large employment and catchment areas, larger scale development opportunities to create efficiencies around site set up costs and locations benefitting from higher sales values and sales rates.

The principal interest in Eakring Road over the past 7 years has largely been generated from volume and partnership house builders; with the key interested parties including:

- Galliford Try Partnerships – looking to deliver a PRS scheme
- Gleeson Homes – looking to deliver high density housing
- Persimmon Homes - looking to increase the density of the scheme to nearer 120 units
- Newark and Sherwood Council – looking to deliver an affordable scheme and
- Keepmoat Homes – looking to increase the density on site

In our opinion this is a higher density, residential led smaller family housing product location. This is not a low density executive home site. Bilsthorpe may be regarded as a secondary location; at no point during the marketing process has interest been generated from developers wanting to build executive higher end units at lower densities – for the reasons set out above.

Given the extensive marketing undertaken to date and the interest which has been generated from volume house builders and partnership organisations, in our opinion the interest from Keepmoat Homes should be progressed in order to ensure delivery of the housing scheme and the retail unit. The delivery of the Lincolnshire Co-operative retail unit is predicated on their own planning but also the Keepmoat Homes planning consent being secured, and Keepmoat Homes acting as master developer to deliver of the road infrastructure on site to deliver the store.

We trust this letter provides a sufficient update regarding the market and demand for this development site, but if you require any further detail, please do not hesitate to contact me.

Yours sincerely

Ann Taylor BSc (Hons) MRICS
Director

- 6.24 My analysis is essentially quantitative, looking at the numbers and analysing them in spreadsheets. Savills letter is in essence qualitative, recording interest for the site (or lack of it) and setting out the context for the local market. But both pieces of evidence add up to the same conclusion – that this is not a location where the Council can ‘pick and choose’ what type of development and/or developer builds the site out. Viability determines who builds and the best local product to increase supply.
- 6.25 The Council’s position therefore is unrealistic and impractical in seeking to change the nature of the scheme proposed. More so when it is considered that it seeks 30% Affordable Housing (Amended Core Strategy, March 2019) at this location, albeit subject to viability tests. This position alone suggests a lack of joined-up thinking on viability and its impact on policy. In particular, if there is no CIL set for Bilsthorpe then how can 30% Affordable Housing be the target for the Council? Alleviating developers from a CIL contribution gets a builder nowhere near to 30% Affordable Housing contribution in a location such as this, where selling prices in the general market are likely to be around £2,000 per square metre but with development costs and on-costs at, approaching and in some cases, greater than that.
- 6.26 This proof has therefore presented extensive evidence to show that the scheme for 103 units, built at competitive value, is the only realistic way of getting the site developed and valuable additional homes added to the district’s housing stock.

AJ Golland

Dr Andrew Golland BSc (Hons) PhD MRICS

Appendix 1 Experience, skills and CV – Andrew Golland and AGA

AGA are a leading UK consultancy in the field of viability assessment. The company has worked extensively on policy development projects (Affordable Housing and CIL) and is a retained viability consultant for several local authorities. More specifically, the company operates at three levels:

- 1) Policy development project work. This covers affordable housing viability studies, CIL (Community Infrastructure Levy) viability studies, small site and commuted sum viability studies. The company has also worked on high level policy development including affordable housing policy development for ODPM and the HCA.
- 2) Scheme specific appraisals. These include major schemes for local authorities, a few of which are listed below.
 - West Ham United – Upton Park – Residential Development – 800 dwellings; client LB Newham;
 - Land north of Bingham, Rushcliffe BC – Mixed use development including 1,000 new homes; client Rushcliffe BC and the Crown Estate;
 - Land to the east of Gainsborough, East Lindsey District Council – 2,000 new homes; client East Lindsey DC;
 - The Rock, Bury – Large mixed use scheme including 400 dwellings; client Bury MBC;
 - Byker Estate Regeneration – large housing scheme; client: Newcastle City Council;
 - Stonebridge Estate Regeneration – renewal and new build scheme in Nottingham; client: Nottingham City Council;
 - Stanton Iron Works (2,000 homes and commercial development). Client Erewash BC;
 - Torbay Development (White Rock) large mixed use scheme including retail, offices and industrial (Torbay DC);
 - Peruvian Wharf, London Borough of Newham - Mixed Use development including 3,000 homes;

AGA has also completed independent appraisals on behalf of all the major UK house builders and hence understands the issues involved from the private sector side.

3) Viability software development. AGA are the company responsible (with Three Dragons) for the development of the Viability 'Toolkit'. This was initially developed (2000) for the Greater London Authority (GLA) to help produce an evidence base for the London Plan (Affordable Housing targets). It was subsequently developed as a tool for development control and site specific negotiations during 2001-2. Similar Toolkits have been developed since then and which now operate in over 140 local authority areas across England and Wales.

Andrew Golland BSc (Hons), PhD, MRICS

Andrew Golland is a specialist in the field of development appraisal. He is a Chartered Surveyor and has a PhD in Development Economics.

He is author of the 'Three Dragons' Toolkit, a development appraisal tool which operates in around 150 local authorities across England and Wales. A significant element of his work relates to policy development and he has carried out over 80 viability studies covering affordable housing, Section 106 and CIL (Community Infrastructure Levy). Andrew believes that robust policy development is the key to delivering development schemes.

Andrew has extensive experience in Core Strategy/LDP Exam and Appeal forums.

Andrew is a retained consultant for several local authorities on scheme specific appraisals. He has also worked for the major UK house builders on strategic projects and site specific viability issues. He has worked on applied and contract research projects, in particular affordable housing and viability appraisals, housing market studies, urban capacity assessments, SHLAAs, and housing needs evaluations for a range of high profile clients. These include DCLG, WAG, the GLA, HCA, the NWRA, the EM Regional Planning Forum and the Countryside Agency.

Prior to his work in planning and development consultancy, Andrew was a Senior Research Fellow at the Centre for Residential Development at Nottingham Trent University. He has written two books on the housing development and planning process and published in numerous professional and academics journals.

Key professional and academic qualifications

BSc (First Class Hons) Land Management; Leicester Polytechnic 1992
PhD (Housing Supply, Land and Planning policies); De Montfort University
1996
MRICS (Member of the Royal Institution of Chartered Surveyors); June
2002

Projects completed 2010 to 2020:

Policy Development Viability Studies: Clients

Ashfield BC
Aylesbury Vale DC
B&NES
Barnsley MBC
Bassetlaw DC
Birmingham CC
Blaby DC
Braintree DC
Braintree DC
Brecon Beacons NPA AHVS
Bridgend CBC
Broxtowe BC
Carmarthenshire CBC
Charnwood BC
Chelmsford BC
Cherwell DC AHVS
Chorley BC
Christchurch BC
Conwy CBC
Daventry DC
East Dorset DC
East Northants BC AHVS
Erewash BC
Gedling BC
Gravesham BC
Great Yarmouth BC
Gwynedd and Anglesey
Harborough DC
Hart DC
Herefordshire DC
Hertsmere BC

Hinckley & Bosworth BC
Hull CC
Leicester City Council
Maldon DC
Mansfield DC
Medway Council
Melton BC
Mendip DC
Merthyr Tydfil CBC AHVS
New Forest DC
New Forest NPA AHVS
Newark & Sherwood DC
Newport City Council
North Dorset DC
North Somerst DC
North West Leics DC
Northampton BC
Nottingham City Council
Notts Core LAs
Oadby & Wigston BC
Pembrokeshire Coast NPA
Preston CC AHVS
Redditch BC
Rhondda, Cynon and Taf
Richmondshire DC
Rochford DC AHVS
Rushcliffe BC
Rushmoor BC
Ryedale DC AHVS
Sefton MBC
Snowdonia NPA
South Bucks DC
South Ribble DC
St Albans DC
Swansea City Council
Telford & Wrekin BC
Torfaen CBC
Vale of Glamorgan CBC
Wealden DC
Wealden DC
Welwyn Hatfield BC
West Dorset DC

West Oxon DC
Weymouth and Portland BC
Yorkshire Dales NPA

CIL Viability Studies: Clients

Barnsley MBC
Blaenau Gwent
Bridgend CBC
Conwy CBC CIL
Denbighshire CBC
Flintshire CBC
Medway Council CIL
Purbeck DC
Rushcliffe CIL
Torfaen CBC
Wrexham CBC

Policy and Best Practice Reports: Clients and nature of study

Nature of work	Client
Site assessment and development of formula	Ashfield Borough Council
Precedent; integral policy approach	Ashford Borough Council
Site assessment and development of formula	Bassetlaw District Council
Development of Housing SPD	Charnwood BC
Site assessment and development of formula	Cherwell District Council
Literature review; Interviews; practice proofing	DCLG
Literature review and policy proofing	East Midlands Regional Assembly
Advice on Affordable Housing SPD	Hertsmere Borough Council
Site assessment and development of formula	Redditch Borough Council
Literature review; policy analysis; survey work	South East Counties Leaders
Best Practice; workshops; developing guidance	South East Wales Planning Group
Viability definition; procedures; models for use	Stevenage Borough Council
Interviews; policy analysis; report writing	The Affordable Homes Partnership, Dublin
Viability assessment for case study areas	The Housing Corporation
Comparative analysis and formula development	Vale of Glamorgan CBC
Comparative analysis and formula development	West Oxfordshire DC

Viability Software – Toolkits: Clients

Arun DC
Ashfield BC

Ashford District Council
Babergh DC
Bassetlaw DC
Blaby DC
Bleanau Gwent County Borough Council
Bridgend County Borough Council
Bristol City Council
Broxbourne BC
Broxtowe BC
Cairngorm National Park
Cardiff Council
Carmarthenshire County Council
Charnwood BC
Chelmsford BC
Christchurch BC
City and County of Swansea
Colchester BC
Conwy County Borough Council
Crawley BC
Daventry DC
Denbighshire County Council
East Dorset DC
Erewash BC
Former LAs of Cornwall
Gedling BC
Gravesham BC
Greater London Authority (33 Boroughs)
Gwynedd CBC
Harborough DC
Harlow DC
Hart DC
Hertsmere BC
Hertsmere BC
Hinckley & Bosworth BC
Horsham DC
Ipswich BC
Leicester City Council
Maldon DC
Mansfield DC
Medway Council
Mendip DC
Merthyr Tydfil County Borough Council

Mid Suffolk DC
Monmouthshire County Council
Newark and Sherwood DC
Newport City Council
North Dorset DC
North West Leics DC
Northampton BC
Nottingham City Council
Oadby and Wigston BC
Pembrokeshire County Council
Purbeck DC
Rhondda Cynon Taf County Borough Council
Rushcliffe BC
Rushmoor Borough Council
South Northants DC
St Albans Council
St Albans DC
Stevenage BC
Telford and Wrekin BC
The County Borough of Caerphilly
Torfaen County Borough Council
Vale of Glamorgan Council
Welwyn Hatfield BC
Welwyn Hatfield BC
West Dorset DC
Weymouth and Portland DC

Viability Scheme assessments for local authorities and nature of schemes

Scheme	Nature of scheme	Client
Papplewick Lane, Ashfield	Large housing scheme	Ashfield DC
Lingford Street, Hucknall	Housing scheme	Ashfield DC
Jarmin Road, Colchester	57 units on former school site	Ashford BC
Conningbrook Park, Ashford	Large Housing Scheme & County Park	Ashford Borough Council
K College and Jemmett Road, Ashford	Regeneration scheme for housing	Ashford Borough Council
Knoll Lane, Ashford	Scheme of 60 dwellings - houses and flats	Ashford DC
Low Barugh Scheme, Barnsley	175 homes family housing	Barnsley MBC
Carmarthen West Update	1200 Homes	Carmarthenshire CBC
Admiral Nelson scheme	Pub to small housing scheme	Carrick DC
St Johns Hospital, Chelmsford	Conversion and new build housing scheme	Chelmsford BC
Cherry Tree Chelmsford	Sheltered Housing scheme - appeal	Chelmsford BC
Homefield School	Small housing scheme	Christchurch BC
Ty Mawr, Conwy CBC	250 dwelling scheme	Conwy CBC
Nash Mills, Dacorum	Larger housing scheme	Dacorum BC
Denbighshire sites	Large and Small site Analysis	Denbighshire CBC
Gardner Aerospace, Erewash	70 units family housing brownfield site	Erewash BC
Briars Chase, Ilkeston	86 units on allotments site	Erewash BC
Magna Seating Works, Sandiacre	Regeneration scheme for housing	Erewash BC
Bestwood Business Park	220 Homes - Regeneration site	Gedling BC
White House Hotel, Abersoch	Hotel and apartment scheme	Gwynedd Council
Brankenswood Road, Hart	Family housing scheme	Hart DC
Clarks Farm, Yateley	80 units mixed land use - family housing	Hart DC
Bedhampton scheme	Large housing development	Hart DC
Grobby, Leicestershire	Large green field housing scheme	Hinckley and Bosworth DC
50 sites Kerrier DC	Range of site - High Level Testing	Kerrier DC
Street Farm, Hoo	49 family housing units	Medway Council
Scheme at Horsted, Medway BC	Large housing scheme	Medway Council
Ollerton & Bevercotes Miners Club	88 homes; low value area: phasing analysis	Newark and Sherwood DC
The Meadows, New Ollerton	200 homes; low value area: phasing analysis	Newark and Sherwood DC
Hoval Works, Newark	Regeneration scheme for housing	Newark and Sherwood DC
Parnham's Island	Housing scheme	Newark and Sherwood DC
Rainworth scheme	Small housing scheme	Newark and Sherwood DC
Collingham site	Small housing scheme	Newark and Sherwood DC
Kirk Drive, Boughton	Small housing scheme	Newark and Sherwood DC
Lighthouse, Lace Market, N'ham	200 unit housing scheme	Nottingham City Council
Timber Grove, Ragleigh	43 units green field site - family housing	Rochford DC
Road Development Northants	Large housing development	S Northants DC
Akenside Road, Bootle	32 units affordable housing scheme	Sefton MBC
Seaforth Castle Pub Site	Small apartment scheme	Sefton MBC
Birkdale School, Birkdale	Small high value housing scheme	Sefton MBC
Crown Packaging site	Housing site resulting from re-location	Sefton MBC
Ribble Buildings, Southport	Regeneration scheme for housing & hotel	Sefton MBC
The Mount, Bootle	Small housing scheme	Sefton MBC
Ashworth Hospital, Maghull, Sefton	100 units on brown field site	Sefton MBC
Southport Hospital Site	Brownfield housing scheme	Sefton MBC
Bliss Nightclub site, Southport	Regeneration scheme for housing	Sefton MBC
Town Lane, Southport	Green field development	Sefton MBC
The Powerhouse, Formby	Large conversion scheme	Sefton MBC
Palmerston Avenue, Seaforth	Regeneration scheme for housing	Sefton MBC
Leaf factory scheme, Southport	Regeneration scheme for housing	Sefton MBC
Iver Housing Scheme	Feasibility Study	South Bucks DC
Chorley House	Sheltered Housing scheme	South Northants DC
Newhaven Care Home, Stevenage	20 Unit Conversion Apartment scheme	Stevenage
Site at Crowborough, Wealden DC	Small housing scheme	Wealden DC
The Frythe, Welwyn Hatfield	Industrial site for housing	Welwyn Hatfield BC
Waterg Lane, Wrexham	Apartment and family housing scheme	Wrexham CBC
Stansty Road, Wrexham	47 homes family housing	Wrexham CBC
Brother Works Site, Wrexham	Brownfield site - 76 new homes	Wrexham CBC
Brymbo Steel Works, Wrexham	Reclaimed site for 70 units	Wrexham CBC
Gatewen Wrexham	230 dwellings family housing	Wrexham CBC

Independent viability assessments (developers) with clients and nature of schemes

Scheme	Nature of scheme	Client
Site of Adventure Land, Colchester	19 two and three bed apartment scheme	Adventure Land
Radstock Street, Wandsworth	8 New build apartments	Ampersand Homes
Golden Manor, Hanwell	Small housing scheme	Anderson Group
Haywards Heath scheme	Small housing development	Antler Homes
Brackley development	Large, family housing on green field development	Barratts
Spa Road Southwark	Housing scheme	Bellway Homes
Whitehorse Land LB Croydon	Small housing scheme	Berrylake Properties
Bow Wharf, LB Tower Hamlets	Regeneration housing scheme	British Waterways
Norwood Yard, Ealing	Small housing scheme	British Waterways
Bow Wharf, LB Tower Hamlets	Apartment scheme	British Waterways
Hertford Road, LB Enfield	Small apartment scheme	Buckley Gray Yeoman
Scheme at White City	100 Homes - balancing Affordable Housing tenure	Bulding Better Homes
Peruvian Wharf, LB Newham	Mixed use, including 3000 Homes	Capital and Provident
South Quays, LB Tower Hamlets	Resi and Hotel Scheme; 100 units	Chantrey Davis
Chitts Hill, Stanway, Colchester	16 new dwellings incl demolition and back land	Chitts Hill LLP
Fairhurst, Arlington Road	Demolition and construction of 2 new dwellings	Chris Lyndon
Princess Louise Hospital	Conversion and New Build scheme	Clarendon
Mitcham Road, Tooting	Small mixed use scheme	CS Architects
Deepcut Road, Camberley	13 New Dwellings on site of former social club	Daniel Conway
West Hendon Broadway	18 flats over motor retail	Dartland Properties
Scheme at Cherry Willingham	Small housing scheme	David Wilson Homes
St Austell development	Large housing scheme	EcoBos
Beech Hill, Hadley Wood	Development of 13 Flats	Elixir
Barnet College	Former education site for housing	Fairview Homes
Colindale Hospital	Regeneration scheme for housing	Fairview Homes
The Turrets, LB Brent	Small apartment scheme	Fruition Properties
Brook Avenue, LB Brent	Small apartment scheme	Fruition Properties
Salisbury Pavement and Sherbrooke Road	Commercial to 3 Flats	George Banat
Scheme at Caistor, Lincolnshire	Small housing scheme	Goldcrest Homes
Bedford House, LB Croydon	Larger apartment scheme	Grainger Planning
The Oaks, Bracknell	66 new flats replacing commercial	Hampton Commercial
4, Raglan Road, LB Enfield	Development of 2 new dwellings	Huseyin Ogel
22, Latymer Road, LB Richmond	3 new build flats	James Lloyd Associates
Trinity Road, LB Richmond	3 Terraces following demolition of commercial	James Lloyd Associates
Rayleigh House, LB Richmond	Conversion to single family house from offices	James Lloyd Associates
272-278 St Margarets Road, Twickenham	3 new homes on garden land	James Lloyd Associates
Upper Richmond Road, West Sheen	Single dwelling office conversion	James Lloyd Associates
Upper Richmond Road, West Sheen	Large individual dwelling from Exchange	James Lloyd Associates
Waldegrave Road, LB Richmond	Single flat from office unit - conversion viability	James Lloyd Associates
The Fighting Cocks, Kingston	Conversion scheme - 7 flats and bar facilities	Jamie O'Grady
Cooks Yard, Wivenhoe	8 Units in regeneration site	Jonathan Frank
Larkfield Road, LB Richmond	Conversion of 3 flats to single family dwelling	Kenneth Price

Scheme	Nature of scheme	Client
Armorex Works, Lavenham, Babergh	45 family housing units	Knight Developments
Land at Europa Way, Warwick	Large housing development	Land owner consortia
Haydon Road, LB Richmond	One dwelling to two flats	LIS Properties
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2, Broad Street, Teddington	HMO conversion to 8 flats	LJS Property
Cable and Ratcliffe Street, LB Tower Hamlets	57 apartments	Magri Developments
24-26 Bow Road, LB Tower Hamlets	30 apartment with commercial at ground floor	Magri Developments
Scheme at Marks Tey	32 unit apartment scheme	Magri Developments
The Old Office, Teddington	Small development - 3 terraced houses	Mark Chapman Associates
Marlborough Road, Havering	20 unit development	Mark Norman Construction
46, Halford Street, LB Richmond	Two flats conversion into a single dwelling	Mary Hughes
Granville Road, Childs Hill, LB Barnet	12 Unit apartment scheme on brown field site	Mimonic Limited
Radwinter Mushroom Farm	Development of 23 dwellings: commuted sum	Moody Homes
Bective Road, Kingsthorpe	Small housing scheme	MRP Developments
133-135 Kew Road	Conversion of upper floor to residential	Natalie Leake
The Old Exchange, Richmond	Single dwelling conversion	Nigel Jones
Westow Hill, LB Lambeth	10 apartments	Northstar
Maybrey Works, Beckenham	150 units on former industrial site	Northstar
Townsend House, South Harrow	49 units - Conversion from office block	Origin Housing
Heather Road, Bournemouth	Single dwelling scheme	Paul Scott Architects
52, Tedder Way, Totton	Two new homes, back land	Perry Gibbs
Brook House, Alfreton Road, Nottingham	80 Flats - Commuted sum calculation	Phillip Rusted
Knockhall Road, Dartford	66 apartments - one, two and three beds	PJ Mullan & Sons
Watling Street, Dartford	Small apartment scheme	PJ Mullan & Sons
Willow Grange, Latchingdon	53 new homes and medical centre	Premier Piling
Parr Street, LB Hackney	42 unit apartment scheme	R Goldman
Bourne Mill, Farnham	Care Home and affordable housing	Re-Format LLP
Abbotswood Road, East Dulwich	Development of 8 dwellings	Reliant Construction
Desborough Road, Plymouth	Family housing scheme	Reliant Construction
Kings Road, Spalding	Family housing scheme	Reliant Construction
Mandeville Way, Basildon	20 dwellings, family housing	Reliant Construction
Station Road, Whittlesey	52 dwellings family housing	Reliant Construction
Mynachdy Road, Cardiff	Regeneration scheme for flats	Reliant Construction
Bridge Road, Desborough	Small scheme family housing	Reliant Construction
Ferndale Road, Harwich	14 unit housing scheme	Reliant Construction
Kings Road, Spalding	40 dwelling residential scheme	Reliant Construction
Midland Road, Nuneaton	84 Units family housing	Reliant Construction
New Cross Gate, LB Lewisham	Apartment scheme - 148 Units	Reliant Construction
Silverdale, Newcastle-u-Lyme	24 homes	Reliant Construction
Scheme at Whittlesey	50 home development	Reliant Construction
Tweedmouth Scheme	Small housing scheme	Reliant Construction

Scheme	Nature of scheme	Client
3-5 Richmond Hill, LB Richmond	Conversion of offices to single family dwelling	Richard Poulter
Church Lane, Bocking	19 units family housing	RMBI
105, West Hendon Broadway	18 apartments over car showroom	Robert O'Hara Architects
Kensal Green site	20 apartments on former garage site	Rontec Ltd
353-355 Kingston Road	Mixed use development	Shrimplin Brown
Pemberton Road, East Molesley	5 New build units on an industrial site	Sinclair Properties
Shoeburyness Garrison	126 dwellings	Stockplace Investments
Riverside, Bocking	20 dwelling family housing scheme	Stockplace Investments
Land at Bingham, Rushcliffe BC	Large scale housing development and mixed use	The Crown Estate
Land at Hemel Hempstead	Large housing development	The Crown Estate
Green Lane, Hemel Hempstead	Small housing scheme	The Crown Estate
Charters Road, Sunningdale, Ascot	High value small housing scheme	The Halebourne Group
Pearce's Factory Site	New build & conversion to housing Weston Favell	The Pearce family
Goat Lane, LB Enfield	One unit development	Tilbury Projects
London Road, Copford	7 new houses replacing existing dwellings	Tocia Properties Ltd
Kitchener House, West Drayton	23 apartments on former industrial site	Townside Homes
Prior End, Camberley	10 new dwellings replacing 2 existing dwellings	Townside Homes
75 High Street, Southall	26 units within a mixed use scheme	Vertice Development
Stanford Hall	Conversion of Stately Home & New Build Scheme	Whyte Construction
Scheme at Moreton, Essex	Small housing scheme	Wickford Developments
Scheme at Moreton, Essex	Small housing scheme	Wickford Developments
Tiptree, Colchester BC	Factory re-location scheme	Wilkin and Sons
Tiptree, Colchester BC	Enabling development	Wilkin and Sons

Housing Land Availability Studies – viability work – Clients

Birmingham City
Ceredigion
Chichester
Cornwall
Denbighshire
East Herts DC
Erewash
Manchester Urban Capacity Study
South Staffs Council
Telford and Wrekin
Waltham Forest
Wrexham CBC