



Eastbourne Borough Council

Strategic Housing Land
Availability Assessment

External Review of Sites with
Residential & Employment Potential

Final Report

June 2010

Prepared and checked by

**Nigel Clark
Development Director
Baker Associates**

June 2010

Contents

page

1	introduction	1
2	approach to the concept of viability	6
3	valuation variables	10
4	current housing market in 2009	21
5	approach to the valuation process and Viability Assessments	25
6	viability conclusions	26

Appendix 1 Viability Assessments

1 Introduction

- 1.1 Baker Associates has been commissioned by Eastbourne Borough Council to carry out a review of the deliverability of potential residential and employment sites identified in its Strategic Housing Land Availability Assessment (SHLAA) and Employment Scenarios, by undertaking Stage 7c of the CLG Practice Guidance “assessing achievability for housing”. The purpose of the assessment is to provide evidence to underpin the emerging Core Strategy of the Local Development Framework, which will inform annual supply trajectories and ongoing Local Development Framework (LDF) work. This will enable the Council to have confidence that site development allocations are likely to be delivered within a reasonable timescale.
- 1.2 The Council has completed a draft SHLAA, and is currently reviewing the Employment Land Review (ELR), and the site achievability and viability assessment is intended to provide evidence for a realistic delivery programme.

Context

- 1.3 A principle aim of the SHLAA is to identify the future supply of housing across the Borough for the next twenty years up to 2026.
- 1.4 In order to meet the South East Plan requirement of 4,800 net units over the period 2006-2026, the Council has had to consider a variety of existing land uses from current housing allocations in the adopted Eastbourne Borough Plan (2001-2011) through to employment land and designated areas of public amenity space.
- 1.5 The study has been comprehensive but there are a number of constraints that impede potential housing development across the Borough. These include:
- severe flood risk (large areas of fluvial and tidal flood zone 3a and functional floodplain);
 - biodiversity importance;
 - other environmental designations, including SSSI, AONB, and SNCI.
- 1.6 The findings of the Council’s SHLAA will inform emerging Core Strategy policies, in that they will indicate the potential housing growth in each of Eastbourne’s 14 neighbourhoods along with any potential delivery on greenfield sites currently outside the development boundaries. In order to demonstrate that all alternative options have been assessed in detail the Council has looked at various options to increase the housing supply through the SHLAA and Employment Scenarios.
- 1.7 The Council has undertaken targeted consultation with key stakeholders on the method of approach used for the SHLAA. The Council has also commissioned this study as an external review of sites, assessing in particular economic viability in order to complete its evidence base for its preferred spatial development strategy. This will be reflected in a final report of findings on the SHLAA which will be published later in 2010.

Aims and Objectives

- 1.9 The External Review of Sites will be used by the Council to:

- confirm the in-house assessment of housing and employment potential in order to meet future housing supply;
- indicate the 'timing' of delivery of individual sites (in 5 year groups); and
- indicate whether the alternative spatial scenarios for housing delivery made available for public consultation between November 2009 and January 2010 are achievable.

1.10 In order to achieve these aims the assessment has aimed to:

- confirm the economic viability of all large sites (5+ residential units) identified in the SHLAA, taking into consideration the current economic climate and costs that will be associated with residential development;
- confirm the economic viability of a selection of small sites which reflect the types of land available for development, as these make a valuable contribution to Eastbourne's land supply
- assess whether any other potential sites should be considered;
- meet the criteria contained in Section 7c of the SHLAA Guidance document (Department for Communities and Local Government [CLG], 2007) in assessing the achievability of housing and employment sites taking into consideration market conditions, cost and delivery factors;
- consider what actions might be needed to overcome any constraints that have been identified. (Section 43. SHLAA Practice Guidance, 2007).

Background

1.11 The Council considered a total of 384 sites as part of the SHLAA in house assessment. There was no site size threshold for consideration, so these sites can potentially accommodate one or more residential units. They are either newly identified sites, sites that have been previously allocated for residential development, sites with unimplemented planning permissions, or identified in previous urban housing potential and capacity reports.

1.12 Of the original 384 sites, 230 were considered by the Council to in principle be suitable and available for development. Of these, 83 are 'large' sites, having the potential to accommodate 5 or more residential units. Large sites are strategically important to Eastbourne's future housing delivery as they are in limited supply. These also include the employment sites in the Council's Employment Scenarios that are considered to have potential for residential, or mixed-use, development.

1.13 All 83 large sites have been individually tested in the External Review, in terms of their economic viability and the probability of coming forward for development in the remainder of the plan period (2006-2026). This has involved:

- assessing the 'achievability' taking into consideration market conditions, cost and delivery factors (Section 7c, SHLAA Practice Guidance, 2007);
- considering any abnormal or additional development costs that may make the site unviable e.g. land raising, flood mitigation, improvements to transport infrastructure;
- assess whether the projected delivery year is an accurate indication of when the site is likely to be developed.

- 1.14 In addition, 147 'small' sites (with a capacity of 1 - 4 dwellings) were considered by the Council to in principle suitable and available for development. Given time and cost implications of assessing every one of these, The External Review has only considered a sample of 10 of these 'small' sites that reflect the typical type of smaller development sites that are available for development across the Borough. The 10 small sites tested therefore represent a sample of those potentially available for development.
- 1.15 With regard to greenfield sites, Eastbourne is constrained to the west by an Area of Outstanding Natural Beauty (AONB) stretching across the South Downs which also contains Sites of Special Scientific Interest (SSSI). All of the area up to the existing built up area boundary has been included as park of the South Downs National Park which will come into effect from April 2011.
- 1.16 Eastbourne is also constrained by its green heart, an area known as Eastbourne Park, which forms the central part of the Borough. This area of low-lying grazing and marshland is affected by severe flood risk (Flood zones 3a and 3b) and has important areas of biodiversity and archaeology. Low lying land to the east of the Borough at Mountney Levels also suffers from severe flood risk and has remained a strategic countryside gap between the built up area and the surrounding villages within Wealden District.
- 1.17 The SHLAA has looked at greenfield sites within the AONB forming extensions to the built up area boundary, within Eastbourne Park (a number of which are existing housing allocations), and at Mountney Levels. The SHLAA has also considered greenfield sites within the built up area boundary including low value/quality amenity spaces which have no formal designation, and allotment sites.
- 1.18 Although a number of the Council's greenfield sites are severely constrained, a more detailed assessment of greenfield sites, ranking them in order of their sustainability has been made in order to assess the suitability to be brought forward for development. These sites have been assessed in the External Review in terms of economic viability.

Process

- 1.19 The draft SHLAA has identified approximately 230 out of a total of 400 sites that have the potential to deliver new dwellings, that the Council has assessed as being in principle both suitable and available. Some have planning permission, some have been identified through a 'Call for Sites' exercise, and others are long-standing aspirations of urban regeneration. Council officers have ensured that the SHLAA has followed the approach advocated in the Practice Guidance (Strategic Housing Land Availability Assessment Practice Guidance, CLG, July 2007). In particular, it has:
- taken a partnership approach, by engaging with key stakeholders at the outset, so that they can help shape the approach to be taken. In particular, house builders and local property agents have provided expertise and knowledge to help take a view on the deliverability and developability of sites, and how market conditions may affect economic viability
 - considered all types of site from a wide range of sources, including a full desktop review of existing information
 - carried out a detailed survey of all sites, assessed opportunities and constraints

- assessed the **suitability** of each site, taking account of policy restrictions, physical problems or limitations, potential impacts, and environmental conditions.
 - assessed the **availability** of each site by contacting owners
 - if a site is suitable and available, the SHLAA has assessed the likely dwelling yield for each site.
- 1.20 Baker Associates' role is to review the work in terms of assessing achievability of each of the 93 large and small sites identified by the Council as being suitable and available. This has been approached by first agreeing a set of criteria to assess all the potential sites with respect to achievability and viability.
- 1.21 The criteria are based upon those set out in the Practice Guidance (paras. 40-41), but developed to reflect the characteristics of the Council and the information available.
- 1.22 A site is considered achievable for development where there is a reasonable prospect that housing will be developed on the site at a particular point in time. This is essentially a judgement about the economic viability of a site, and the capacity of the developer to complete and sell the housing over a certain period. It will be affected by:
- **market factors** - such as adjacent uses, economic viability of existing, proposed and alternative uses in terms of land values, attractiveness of the locality, level of potential market demand and projected rate of sales:
 - **cost factors** - including site preparation costs relating to any physical constraints, any exceptional works necessary, relevant planning standards or obligations, prospect of funding or investment to address identified constraints or assist development; and
 - **delivery factors** - including the developer's own phasing, the realistic build-out rates on larger sites (including likely earliest and latest start and completion dates), whether there is a single developer or several developers offering different housing products, and the size and capacity of the developer.
- 1.23 There are a number of residual valuation models available to help determine whether housing is an economically viable prospect for a particular site. In addition, the views of housebuilders and local property agents are useful to inform the models. In building a valuation model this External Review of sites has carried out:
- a market assessment, considering land values, sales rates, selling prices, efficiency of residential land use, house types, and sub markets
 - a test of economic viability, considering saleable floorspace and turnover, build costs, abnormal development costs, planning contributions, profit and overheads, residual valuation, uplift in land value, leading to a clear viability conclusion
 - a consideration of delivery, including a likely start date, phasing, completions rates, taking account of the size and capacity of the developer.
- 1.24 To undertake the viability testing, all 93 sites have been assessed using the **Baker Associates Viability Toolkit**. The Site Viability Assessments follow from a detailed assessment of the different housing markets that operate in Eastbourne. For each

site, assumptions have been made about the different market elements, and all the variable revenues, costs, overheads, profit, and land value created, set out below:

- development assumptions
- location
- number and mix of dwellings
- affordable housing mix - % rent % shared ownership
- saleable floorspace
- sales turnover per unit - open market
- affordable housing revenue
- total gross turnover
- marketing costs
- build costs
- developer's profit
- overheads - architect / consultant / legal / planning fees, insurance, financing, survey, Stamp Duty, contingencies
- Planning Obligations/Contributions
- abnormal development costs, - highway/access improvements, drainage improvements, contamination, demolition, abnormal foundations etc.
- residual land value
- comparison with current or alternative value
- uplift factor
- viability conclusion.

1.25 The work for this report has been carried out in four stages:

- firstly, agreeing with the Council a set of criteria by which to assess all potential sites with respect to achievability and viability, exploring the concept of viability, and to obtain all the necessary background information for all the in principle suitable sites
- second, by carrying out detailed site survey taking account of constraints and opportunities
- thirdly, an engagement with a wide group of developers and agents, enabling an analysis of the housing market, discussions of the factors to be taken into account when carrying out viability studies, particularly relating to the variables which can lead to wide differences in valuation, followed by a Stakeholder Event at which detailed consideration was given to 20 example sites
- fourthly, the development of a Viability Assessment of each 'suitable' site, that reaches a clear viability conclusion for every site.

2 Approach to the concept of viability

- 2.1 The purpose of the viability assessment is to provide evidence to underpin the emerging Core Strategy to ensure that the housing supply trajectory is likely to be delivered within a reasonable timescale. The main driver of development viability is the change in residual land value. If the residual land value created by the proposed development is not substantially in excess of the existing use value, then the development will not be considered viable by the market.
- 2.2 The requirement for both affordable housing and other planning obligations is currently governed by a size threshold of 15 dwellings. Above this threshold, current Borough Plan (2003) policy requires 30% of all units to be affordable, which inevitably results in a lower site value, since affordable housing produces significantly lower revenues than open market. Emerging policy through the LDF will revise this requirement, seeking contributions on all sites with a split requirement of 30% to 40% for different neighbourhoods within the Borough.
- 2.3 For other planning obligations we have been guided by a recent Viability Study carried out for the Council by Three Dragons, as well as East Sussex CC's Local Sustainable Accessibility Improvement Contributions matrix for residential development (LSAICs). A key question the study addresses is whether the level of planning obligations will inhibit development generally, and what level of planning obligation can be delivered whilst maintaining economic viability.

What is economic viability?

- 2.4 Viability, or a lack of viability, is a concept frequently referred to by developers and landowners in negotiating contributions towards the provision of community facilities. The argument put forward is that the overall burden of community gain items can reduce the actual value to the owner below that of its existing or alternative value, or to such a level as to render it 'unviable', or simply not profitable enough to make a sale worthwhile to the owner, taking account of taxation liability and relocation costs.
- 2.5 A parallel piece of viability work in Eastbourne has been carried by Three Dragons (April 2010), which looks at the impact of planning obligations on the economic viability of housing schemes. The approach and draft findings are broadly compatible, considering different market areas, alternative site values as a benchmark, highlighting the difficulties of the current market conditions, and looking at different types of sites. The Three Dragons study has adopted a nominal 1 hectare model site, compared to our approach that considers 93 sites in individual detail. However, the factors considered in the Baker Associates Viability Toolkit are compatible with the Three Dragons Toolkit.
- 2.6 Viability has a central role in policy evolution and negotiations but there is little government guidance as to how viability negotiations are to be conducted or how local authorities are to make decisions based upon the outcome of a viability appraisal. The government's established aim through planning is to ensure that enough land is identified and brought forward for housing, but it recognises that in order to do so, residual land values must be high enough to encourage landowners to sell land for housing. It therefore requires local authorities not to impose a burden of planning gain and affordable housing that is so great as to depress the land value below that which is sufficient to bring land forward.

- 2.7 The critical question is what is a 'viable' land value? What should be reasonably expected by landowners as a residual value, once all costs have been deducted? The approach we have taken to this concept is that it is rational to assume that if a valuation is arrived at which is in reasonable excess of the current or alternative site value including its current or potential income, taking account of all sale and related costs, the landowner will be pursued by developers, and the site will be delivered through the operation of the market.
- 2.8 What is a 'reasonable excess' in practice? It must be a level sufficiently acceptable, given all the planning circumstances, to persuade the landowner to dispose to a developer. This must work both ways in a sale; for example, some landowners may be willing to sell at a given price, but cannot attract a purchaser, in which case the price is too high.
- 2.9 **The definition of 'viability' for the purposes of this assessment is the attainment of a site value sufficiently in excess of the current site value that all stakeholders, including the purchaser and landowner, all acting reasonably and rationally, would accept, thus securing delivery of the proposed development.**
- 2.10 Clearly, not all landowners will adhere to the same concept of reasonableness and rationality in defining viability. Studies of economic viability have taken two broad approaches. One relates to the acceptability of residential land prices to existing / alternative non-residential use values ('the economic approach'). The other relates to acceptability to expectations based on residential land prices currently being achieved ('the psychological approach').
- 2.11 There are a number of specialist consultancies in this field, notably Three Dragons, and Adams Integra. Both tend to favour the psychological approach. A recent study by Exeter City Council highlights the fact that there are no clear cut off points at which development will become viable or unviable. Much will depend both on a site's existing / alternative use value and its owner's needs and aspirations.
- 2.12 The Exeter study has explored landowners' needs and aspirations. The outcome of whether an owner sells a site will depend on landowners' needs and expectations and no hard and fast rules can be set about these. The position of a developer who bought land many years ago with hope value and who wants to keep their business running at a certain level is different from that of a farmer, whose business is farming and is under no pressure to sell, or a college or health authority needing to raise finance. So a site could be viable to one owner and not viable to another.
- 2.13 Expectations about trends in house prices and the direction in which planning policy is moving could both affect the decision to sell, since the landowner could consider whether things will get better or worse in future. A volume house-builder would consider its options in the context of its overall business including the availability of opportunities elsewhere.
- 2.14 Some studies (DTZ for Basingstoke & Deane, Winchester & East Hampshire, 2008) have used the concept of the Internal Rate of Return (IRR) as the benchmark of viability, assuming that all sites with an IRR of more than 10% will be viable. An IRR is an assessment of residual valuation through a discounted cashflow, in which all future cashflows are discounted to give the project a present value.

- 2.15 This Eastbourne SHLAA Review considers that IRR is an overly complex process and in the interests of greater clarity, Baker Associates prefers to use the simpler comparison of relative land values, comparing the value achieved on the assumption of a planning consent with the existing use value. If a value with consent is sufficiently in excess of the current site value, taking account of current and potential incomes, then the site can be considered to be viable in principle. The difference in values is measured by a simple **uplift factor**.
- 2.16 As an example, a typical small greenfield site of 0.15 ha suitable for about 10 dwellings, currently comprising of unused incidental open space, with a nominal open market value (OMV) of £10,000 without planning permission, might be worth say £220,000 with a residential consent, having allowed for all development costs and contributions.
- 2.17 The significant increase in value of £210,000 represents an **uplift factor of 22**, and would plainly demonstrate viability. The excess will vary in different circumstances, reflecting current use and taxation levels.
- 2.18 At the other end of the scale, the owner of a brownfield site with an existing use value of £400,000 that could be worth £450,000 with a residential permission would consider that the increase of £50,000 (or uplift factor of 1.1), insufficient to persuade the owner to sell, particularly given taxation on capital gains, in addition to sale and possible relocation costs. For most sites, an uplift factor of at least 1.2 will be required to enable viability, depending on site characteristics and circumstances. These uplift factors have been used in the site Viability Assessments to determine the achievement of viability, and justified in a viability conclusion for each site.
- 2.19 In addition to achieving an acceptable uplift factor taking account of the existing use value, all sites must exceed the opportunity cost of income that could be generated by an alternative use. As an example a 1 ha brownfield site in an appropriate location (eg, close to the town centre) could theoretically accommodate about 100 cars for parking at £5 per day for say 40 weeks, or 200 days, which would generate an annual income of £100k.
- 2.20 At 50% capacity taking account of overall and fluctuating demand, as well as voids, 50 cars would generate £50k per year. The uplift value should take account of potential for such income, and the potential annual interest that would be generated by the sale and forgone if the site remains a car park should exceed the potential income in an alternative use.
- 2.21 Greenfield urban extensions are often subject to option agreements, where the value is calculated at the time planning permission is granted, and where there is frequently a minimum value provision in the agreement. The typical minimum land value is about £200,000 per gross hectare, and sites that achieve less than this are deemed not to be viable. In times of market instability there may be occasions where viability is overturned because the minimum value is not reached because of falling revenues and fixed levels of contributions. Given the exceptional environmental and physical constraints in Eastbourne, there are very few greenfield urban extensions to consider.
- 2.22 Where there is doubt about viability, this assessment has introduced the concept of **marginal viability**. This happens when the uplift is not high, and where consequently it is unclear as to whether an owner would accept the uplift amount; in these circumstances the 'psychological' approach would determine the outcome. The

'economic' approach finds that the site is strictly economically viable, but the increase in land value is such that it may be insufficient to tempt owners to sell. They may decide to wait for the optimum time in their lives to realise the asset, since the sale of a site by an individual is often a once in a lifetime opportunity that may lead to a life-changing circumstances, such as retirement.

3 The valuation variables

- 3.1 A number of assumptions need to be made about the Viability Assessments in order to illustrate value and a site's ability to meet community gain, and remain viable. A site can be developed in a myriad of different ways, and the variables are so numerous that the valuation permutations are infinite. The Viability Assessments consider the variables that have the most significant effects on value, to enable the Council to input a real site's characteristics and costs in order to reach viability conclusions. The principal variable factors are explored below:

Dwelling mix

- 3.2 This reflects location and site characteristics, and the particular approach of the developer. Town centre sites are more likely to accommodate a mix of town houses and flats, whilst greenfield urban extensions will have a wide range of family dwellings across the board to reflect the entire range of market demand. Current Borough Plan (2003) policy requires that above the 15 dwelling threshold, the housing tenure mix should be 30% affordable and 70% open market.
- 3.3 Each example Viability Assessment makes reasoned assumptions about the type of dwellings and density that would be appropriate for the location and size of the site. For sites with planning permission, the number of and type of units is normally defined, and for sites without consent, the Council has arrived at dwelling yields following detailed assessment of Neighbourhood characteristics, as outlined in the SHLAA methodology report and discussed below.
- 3.4 A relatively refined approach was taken by Council planners based on the average prevailing densities for each neighbourhood. Potential dwelling yields were then calculated according to the average densities in each of the neighbourhoods, based on samples of typical sections of built form along streets.
- 3.5 The character areas in the neighbourhoods that were selected reflected the characteristic type of urban built form found in each neighbourhood. Approximately 2 to 5 areas were selected for each neighbourhood depending on the variety of urban built form in the local area. The residential densities of these areas were then used to arrive at a potential neighbourhood residential density, and this was applied to each individual site for a dwelling yield.
- 3.6 This process was double-checked by the consultants during site survey, and subsequent analysis, informed by the housing market assessment. In a very few cases, where it was found that the initial conclusions of officers were not substantiated by individual site characteristics, an alternative yield has been suggested and assessed. Each Viability Assessment starts with a Market Appraisal, detailing the assumptions made about the total number of dwellings, the mix of types, and the resultant floor areas.

Coverage, or saleable floorspace

- 3.7 In order to value the land for open market housing by the residual method, assumptions need to be made about the likely saleable floorspace. This is also known as 'coverage', which measures the efficiency of land use, and varies according to individual types of scheme, from around 3300 sq.m. per hectare (smha) for a traditional 2 storey development often with larger detached houses, to about 4250

smha for predominantly 2 - 2.5 storey development, and 4100 - 4800 smha for 2.5 - 3 storey schemes.

- 3.8 Floorspace is also affected by the loss of land given over to other uses than residential. Housing needs to be serviced by roads for instance, and, for larger developments, land is required for public open space, strategic landscaping, community buildings, employment, and possibly schools. The loss of such land uses have been taken into account in reaching net residential areas, and have been considered in the Viability Assessments. Evidently, coverage has a major effect on sales turnover, and in turn, land value, which is a consequence of the relationship between sales turnover and development costs, profit, and overhead. Total turnover is dramatically increased by greater coverage.
- 3.9 For each Viability Assessment an assumption about the amount of floorspace has been made based on the dwelling mix, and informed by different dwelling sizes favoured by private developers, and housing associations. As a guide, a range of typical floorspaces, for different dwelling types, applicable to both flats and houses, is set out below:

Dwelling type	Typical floorspace range sq.m
1-bed 2 person	40 - 50
2-bed 3 person	60 - 65
2-bed 4 person	70 - 75
3-bed 5 person	80 - 85
3-bed 6 person	90 - 95
4-bed 6 person	110 - 120
4-bed 8 person	130 - 190

Sales value

- 3.10 In order to arrive at a total sales turnover, assumptions need to be made about sales values. These have been sourced from an assessment of the housing market based on discussions with local developers and agents about their current experience, and generic websites such as the Right Move. This study has found a very wide range of selling prices across the 14 Neighbourhoods in Eastbourne, reflecting the findings of other work emerging in the Borough, notably by Three Dragons in the Affordable Housing Viability study.
- 3.11 A range of values have been established for current new developments between about £1900/sq.m and £7000/sq.m, depending upon type of development (flats, townhouses, traditional 2-storey, up-market conversions, etc.) and location (town centre, coastal west, coastal east, suburbs, etc).
- 3.12 Sales values are also affected by the specification of the development. A high specification scheme, usually in a high demand location, can lead to premium sale prices. Selling prices for a top quality scheme may achieve up to £7000/sq.m, but to reach such high values, the construction costs will be commensurately higher, and this has been reflected in the Viability Assessments. Open market sales values can also be affected by the proportion of affordable housing on a site, as well as the juxtaposition of open market housing with affordable housing, particularly social rented units.

- 3.13 The housing market analysis has considered all new developments currently on the market. This evidence has been used to establish a range of sales prices to be expected in each Neighbourhood, that have been applied to each Viability Assessment, which consider different sales values for each site, based on the location and characteristics. Evidently, the higher the sales value, the greater the chance of achieving viability. Set out in Table 1 below is a summary of the recent new developments in Eastbourne.

Table 1 CURRENT NEW DEVELOPMENTS ON MARKET				
Developer/agent	location	Dwelling types	Price £k	Price £/m2
Reid + Dean	Burlington Place	1bed flat in Victorian conversion	130	2800
Taylor Wimpey	Regency Park	2-bed flat	140-160	2300-2450
COG devts/ Emslie & Tarrant	Gresham House, Hartington Place	2-bed flat	160-235	2670-3600
Emslie & Tarrant/ Fivewalk devts	Grassington Road, Lower Meads	2-bed flat	215-250	3500-4000
Taylor Wimpey	Regency Park	4-bed t'house	230	1900
Jones Homes/ Oakfield	Sovereign Harbour	2-bed flat	235-280	3600-4300
Emslie & Tarrant	Elm Grove, Hampden Park	4 bed detached	250	2000
Leaper Stanbrook	Downs Court Meads Street	2 bed flat	250	3800
Reid + Dean	Burlington Place	2 bed flat in Victorian conversion	260	4000
Healy Partnership	Compton Street	2 bed flat	300-345	4600-5000
Berkeley Homes	All Saints	2 bed flat	325-475-600	4500-7000
Taylor Engley	Riplingham, Meads	3 bed detached 4 bed detached	350 450-575	3800-4500
COG devts/ Emslie & Tarrant	Gresham House, Hartington Place	3-bed flat	390-400	4300-4500
Reid + Dean	Bolsover Road	3-bed flat	395	4200
Sovereign Harbour second hand		1-bed flat	135-150	3000-3300
		2-bed flat	160-180	2600-3000
		2-bed flat waterfront	180-230	3000-3500
New build				
Jones Homes/ Oakfield	Chatsworth Strand, Sovereign Harbour	2-bed flats	235-280	3600-4300

Sales value for affordable housing

- 3.14 Registered Providers of Social Housing (RPSHs) - housing associations and other qualified providers - have access to funds from the Homes and Communities Agency in the form of subsidy from public funds, such as Social Housing Grant (SHG) to purchase affordable units from developers through the operation of S.106 agreements, or they may purchase land and build the units themselves. The most common way is that affordable housing is built by the developer and transferred to the RPSH at a price below the full market value. The gap between the full market value

and the price paid by a developer represents the level of private subsidy (e.g. developer or landowner subsidy).

- 3.15 In the current economic climate, it is increasingly important to ensure that the most effective use is made of public funds. This generally involves targeting SHG only to those projects that need it. The Viability Assessments use reduced land values brought about by reduced revenues for all affordable housing tenures at about 30% - 35% of the open market, representing a rate that housing associations and other providers can purchase from developers without the use of grant subsidy.
- 3.16 There are an infinite number of possible ways to provide affordable accommodation, with or without grant. We have assumed that no social housing grant will be available to support the transfer and acquisition of affordable housing through their delivery by S.106 agreements from the private housing developers to housing associations.
- 3.17 Comparing the capital values, the social rented homes are generally 50% of market entry house prices and typically around 70% below Open Market Prices. Shared ownership housing usually varies from about 80% of OMV down to about 40% depending on the proportions purchased and rented, whilst 'staircasing' arrangements enable occupiers to vary these proportions in time, eventually purchasing 100%. However, in the current market, there is little support for shared ownership, and a combined sales values have been assumed that merges all affordable incomes.
- 3.18 For each Viability Assessment, an overall figure needs to be established, and taking into account the various proportions of OMV realised through different tenures, overall sales revenues have been assumed at £1000/m², equivalent to between 25% and 40% of OMV, with exceptions in the case of very high value schemes such as All Saints Hospital. This is a reasonably cautious level of revenue that will not distort viability conclusions.

Build costs

- 3.19 The overall build costs, including on-site infrastructure, must be deducted from total turnover to give an interim land value. After wide consultation in April 2010 with the housebuilding industry operating locally a range of build costs have been used. The normal range quoted was from £900/sq.m up to £1200/sq.m, with exceptions as high as £1500/sq.m for up-market conversions.
- 3.20 The major national housebuilders usually build at an average of about £750 - £850/sq.m, including normal infrastructure, and the range reflects the ability of the volume housebuilders to achieve significant economies of scale in the purchase of materials and the use of labour.
- 3.21 Many small developers are unable to attain these economies, so their construction costs will be higher; however, this can be compensated for by lower overheads, and this often enables smaller developers to acquire sites in competition. Build costs for conversions are often as high as new build, particularly since they are in the main carried out in small schemes by individual developers without economies of scale. In addition, build costs for flats are generally higher than for traditional 2/3 storey developments, due to higher costs associated with multi-storey construction, and extra facilities such as lifts. The Stakeholder Meeting (discussed in detail in section 4)

provided useful feedback on build costs, and as a result floorspace assumptions for all flat schemes have been increased by 10% to allow for circulation space.

- 3.22 Housing Associations also tend to specify higher build costs than the volume housebuilders. This is because they frequently employ a contractor for the construction of affordable dwellings, as opposed to developers who either employ construction workers, or engage in direct sub-contracting. In this way, the volume builders build at cost, whereas the Housing Associations will be paying a profit element on top of build costs to the contractor. Typically, a Housing Association might have build costs of £1000 - £1100/sq.m. In order to compensate for these higher build costs, a Housing Association will not require the profit levels sought by the private developers, typically 20% of gross turnover, and in addition, part of the building costs fees may be absorbed in the contractor's build cost.
- 3.23 This Assessment has reflected the likely build costs of each individual site, depending on its scale and characteristics. Much of the affordable housing delivered through S.106 agreements is actually built by the volume developers at their lower rates. However, in order to allow for different circumstances, and for the higher build costs associated with conversions, and more sustainable construction techniques, build cost rates have been varied in the Viability Assessments, using a range of between £900 to £1500/sq.m, depending on the individual scheme.

The Code for Sustainable Homes

- 3.24 This build cost range is not just to test the costs of different types of developers working on different types and scales of schemes. Emerging government policy requires that up to 2013 all new and refurbished buildings achieve at least Code for Sustainable Homes Level 3. From 2013, all developments of 50+ in urban extensions should meet Level 4 (zero emissions from heating, hot water, ventilation or lighting), with Level 6 applying only after 2016.
- 3.25 The consequence for construction costs has yet to be fully assessed, but the new standards may result in higher build costs, that could affect viability. The possible increased costs for implementing the new Code have been estimated in a recent report by English Partnerships and the Housing Corporation, entitled 'A cost review of the Code for Sustainable Homes'.
- 3.26 The estimates vary significantly from site to site (e.g. depending whether site-wide combined heat and power generation is possible, whether small-scale wind-turbines could be used etc). The report suggests that Level 3 can be achieved for no more than a couple of thousand pounds per home in some instances, whereas the scenarios modelled for Level 4 show cost increases of between 4.8% and 16.6% for a detached house.
- 3.27 For the most widely applicable site/solution combination the report concluded that achieving Level 4 of the Code for Sustainable Homes would cost between 12% and 20% extra. For Level 5, the average increased cost per dwelling will be about £24,500, and taking the average house size as 90 sq.m, the HMA dwelling type requirements) the increased cost is £280/sq.m.
- 3.28 The range across dwelling types is between £180/sq.m - £370/sq.m, which if added to a volume builder's unit cost of £750/sq.m, would result in £1120/sq.m. Accordingly, it is sensible to consider a range of build costs to address the Code for Sustainable

Homes in the Viability Assessments, and the relative high build costs used in the Viability Assessments reflects the introduction of the Code.

- 3.29 As developers embrace the new standards, they will develop new technologies and become more efficient, leading eventually to lower costs. The new standards may result in higher sale prices to reflect greater demand from the public for these enhanced products, which would have the effect of partially off-setting higher construction costs.

Developer’s profit and professional fees

- 3.30 All developers have a slightly different approach to levels of profit and overhead. Profits are derived from turnover across a number of sites, some of which may have been held long-term in land banks, and others acquired as a result of option agreements where price is established at a discount to OMV. The most appropriate profit level is that which most developers assume when appraising sites for purchase for immediate development.
- 3.31 Other viability studies have reported a typical figure of 15% of gross turnover: (Three Dragons for Greater London Assembly, Adams Integra for Worthing, Horsham and Arun, Atis Real for the GLA Development Toolkit, adopted by Exeter City Council for its assessment). A recent viability study of the Northern Peninsula Housing Market Area Partnership (North Devon and North Cornwall) points to the cyclical nature of profit margins. Profits are a function of the property cycle, where profits can be squeezed in a falling market and rise at an increasing rate in a rising market. Empirical evidence attests to this cyclical behaviour in that the Barker Report [2003] cites the average rate of profit [%] based on a ratio of trading profits to turnover for the main house builders in the table 2 below.

Table 2 - changing profit margins through economic cycles

Year	Profits as a % of turnover	Profit as a % of Costs [Equivalence]	Position in the property cycle
1989/90	23%	30%	Peak
1992/93	10%	11%	Falling market; point of inflection
1994/95	13%	15%	Slow recovering market
2000/01	15%	18%	A rising market
2002/03	16%	19%	A continuing rising market

Source: Barker Review, Interim Report – Analysis, 2003, p.65.

- 3.32 Another consideration is the concept of normal profit, where each economic sector is presented as having a ‘normal’ or acceptable rate of return that needs to be achieved to keep them interested in staying in that sector or country. Consequently, if house builders are squeezed and find their returns falling much below, say, 15% they might resort to other development or related activities. Economists would explain the transfer of resources to alternative activities as an opportunity cost, and our discussion with local developers would suggest that companies see the housing market as potentially less restrictive and more lucrative as a means of diversifying and spreading risk, but that they need to retain flexibility as markets change.
- 3.33 Our discussions with developers reveal an acceptable profit margin of between 15% and 25% on turnover. In some cases, higher margins might be justified given the range of contingencies and higher risks associated with some sites. One developer

- contended that since the onset of the recession, the Board will only approve land purchase at a minimum of 25% profit on turnover to minimise the risk of further weakening in sales prices. In the longer term, developers may purchase land at lower profit margins, particularly in competitive situations or perceived rising local markets, but this rarely goes below 15% of turnover.
- 3.34 The views of those attending the Stakeholder Event considered a 20% profit margin to be a minimum, and that 25% was more appropriate in the light of accessing development finance. However, 20% has been retained in the site Viability Assessments based on wide ranging discussions with developers and agents.
- 3.35 It is also recognised that though the presence of affordable housing can be seen as potentially reducing the value of market homes, it can also introduce an element of lower risk, as pre-sales to Registered Providers of Social Housing (RPSHs) improve developers' cash flows. This has been a feature of the current recession as volume housebuilders offload units intended for the open market to RPSHs. One RPSH consulted allows for 7% to 10% for profit and overhead for its contractors providing affordable units.
- 3.36 An appropriate rate of developer profit might lie between 18% and 25% of turnover. Ultimately, this depends on a number of factors, including competition, demand, and position on the property cycle. Following discussions with individual large and small developers, and surveyors, an overall industry average of 20% of gross turnover has been used for the Viability Assessments. The profit margin is a variable in the model, and can be altered to suit future individual circumstances and changes in the economic cycle.
- 3.37 Fees need to be taken into account, including architects, engineers, planning, survey, project manager and insurances, which in total add up to about 4% of the gross construction cost. In addition, allowances have been made for finance costs on build costs at 8%, and contingencies at 8%, giving an overall level of allowance for fees, financing and contingencies of 20% of the overall build cost.
- 3.38 These costs have been factored into the Viability Assessments, in addition to allowances for marketing and legal fees, as well as land purchase financing and land acquisition costs including Stamp Duty.

Additional or 'abnormal' development costs

- 3.39 The next stage in the consideration of land valuation and variables is an examination of development costs, beyond those accounted for in the overall build costs. These will include physical items such as improvements to highway access, off-site highway improvements, additional drainage requirements, strategic landscaping, increased costs associated with development on excessive gradients, costs of demolition, remediation of contamination, and abnormal foundations.
- 3.40 There will be different levels of development costs according to the type and characteristics of each site. The approach taken is to allow for demolition costs where this is evident, a standard 'abnormal' allowance of £2500/unit for access, highway, and drainage improvements.

Community gain package

- 3.41 New development has a cumulative impact on infrastructure and often creates a need for additional or improved community services and facilities without which the development could have an adverse effect upon amenity, safety, or the environment. Planning contributions are an important way of providing the physical, economic and social infrastructure required to facilitate development and support the creation of sustainable communities.
- 3.42 One of the most significant items of community gain sought from residential development sites is affordable housing. This reflects both the significant affordable housing need but also the increasing role that planning contributions have taken in delivering new affordable housing stock. This has been taken into account with the inclusion of the 30% affordable housing policy requirement of the Borough Plan (2003) for sites above the threshold of 15 units, by applying a discounted revenue without the use of grant subsidy, and allowing for full build costs. All these details are made clear in the individual Viability Assessments.
- 3.43 As the importance of planning contributions in funding infrastructure increases, the cumulative effect of the planning contributions can lead, in some circumstances, to the economic viability of a site being called into question. Although the cost of contributions is normally factored into site financial appraisals by developers when land purchase is contemplated, the development industry needs to demonstrate a profit, since no business exists without a profit motive.
- 3.44 It is increasingly important therefore that policy relating to planning obligations is realistic and credible, taking into account the local housing market, the economics of development, including price, supply, demand, need, and profit issues.
- 3.45 The aim of the Council in seeking planning contributions can be summed up as facilitating the development of sustainable and cohesive communities. Obligations help to provide a solution to infrastructure bottlenecks, and hence drive the process of housing delivery, particularly for affordable housing, which in this context can be regarded as a form of social infrastructure. Planning obligations are also a mechanism to secure a net environmental benefit.
- 3.46 The Viability Assessments have factored in an allowance of £9000/unit for planning obligations costs, including transport, education, library, police, public art, and open space equipment and maintenance. These amounts reflect experience elsewhere in the country, and exceed the current allowance made by Three Dragons in the affordable housing viability work being carried out for the Council. Three Dragons has modelled both £6000 and £12000/unit reflecting all the work it carries out across the country; figures it agreed with the Council and which aligns with the SPD on developer contributions. This Viability Assessment has taken £9000/unit as the middle figure, which is generous without being unrealistic.
- 3.47 This level of planning obligation has been factored into all Assessments with a capacity of 15 units or more. For smaller sites, East Sussex CC's Local Sustainable Accessibility Improvement Contributions matrix for residential development (LSAICs) has been allowed for in appropriate circumstances. This transport related contribution has only been applied to sites of less than 15 units without planning permission, and existing consents are assumed to be granted without this requirement. Different contributions are required from different sized sites, in different locations within the Borough to reflect the relative accessibility to public transport. These are shown in the following Table 3:

Table 3: ESCC LSAICs transport contributions

Table 1: Local Sustainable Accessibility Improvement Contributions matrix for residential development				
Development type	Accessibility Zone			
	Zone 1	Zone 2	Zone 3	Zone 4 ³
Flat/maisonette	£250	£500	£750	£1,000
Small house (1 & 2 bedrooms) & Affordable housing	£250	£500	£750	£1,000
Medium house (3 & 4 bedrooms)	£450	£900	£1,350	£1,800
Large house (5 or more bedrooms)	£625	£1,250	£1,875	£2,500
Sheltered accommodation (units)	£65	£130	£195	£260
Residential hostel (bed spaces)	£30	£60	£90	£120

4 Application of the methodology to residential development

Development types covered

4.1 The methodology applies to a range of residential development types, including affordable housing, flats, sheltered accommodation and residential hostels.

Development thresholds

4.2 Development thresholds which trigger the need for LSAIC are, as appropriate:-

- 15 dwellings or 30 hostel bed spaces;
- Sites of 0.5 hectares or more where outline permission for residential use is sought and the number of dwellings is not specified; or
- any other residential development which requires a transport assessment

Considerations

4.3 In addition to the LSAIC detailed in this technical note, individual developments will continue to be required to make any necessary specific improvements to the local transport network to achieve an appropriate degree of safety and accessibility (consistent with the implementation of the relevant LTP sub-strategy).

³ Includes all rural areas and any other settlement not specifically covered by an Accessibility Zoning map.

3.48 All of the valuation variables are addressed in the individual Viability Assessments which are set out in Appendix 1, and discussed in section 5, the approach to the valuation process.

4 The current housing market in 2010

- 4.1 A consideration of the current state of the housing market, and an engagement with the development industry was considered essential for the purposes of this development viability assessment, especially because it is being carried out at a time of serious downturn in the housing market.
- 4.2 Due to the recession which first became evident from the reduced availability of credit apparent since September 2007, developers, agents and private housing developers confirm a significantly downturned local housing market. During the whole of 2008 and most of 2009, the three largest volume housebuilders have (with very few exceptions) stopped land acquisition in response to reduced demand for new housing, preferring instead to rely on their current land banks.
- 4.3 Currently, developers are in particular wary of large schemes of flats, volume sales of which were highly dependent upon the buy to let market that relies on short-term capital growth, and which were frequently financed by mortgage schemes that would no longer be viable.
- 4.4 Property experts predict that after a period of re-adjustment underlying demand will return to recent levels, albeit at re-structured prices. The market emphasises that there must be a balanced delivery of a mix of house types, and an over-reliance on one type of dwelling, creates over-supply and low demand problems.
- 4.5 Because of these market difficulties, there is now evidence that residential land values have decreased by around 55% since September 2007, depending on individual and local circumstances. By then, land values had reached an unsupportable level partly due to intense competition, driving prices up because of a combination of low supply and high demand. The most obvious change in the land market is that developers have no immediate reason to acquire sites, as well as having little finance available, so in 2009 there was a further softening of land prices due to this reduction in demand. Recent evidence appears to point towards a slow recovery.
- 4.6 Whilst nationally house prices fell by some 15% from the peak in September 2007 to the trough in May 2009, a number of recent nationwide research reports bear witness to a recovery: both the CLG house price index and the Land Registry reported in March 2010 a price rise of between 7.5% and 9.7%. In Eastbourne, overall prices are now just 9% below the 2007 peak.
- 4.7 There is little evidence of local land values since there have been so few transactions, but developers and agents are united in estimating a fall of 55% - 60% from the peak in late 2007. Land values peaked at around £3.5 million per net developable hectare for open market housing, and might be worth around £1.75m/ha in May 2010, assuming a willing buyer can be secured.
- 4.8 Land trading, with few exceptions, completely halted during 2008 and 2009, as buyers for standard development sites with planning permission all but disappeared. However, some deals were salvaged by restructuring to include joint ventures, build licences and phased payments, thus minimising the loss of overall value.
- 4.9 The government's rescue package may not have averted recession, but intervention and policy initiatives look set to ease liquidity slowly. This will improve mortgage

availability and increase residential market turnover. Interest rates fell sharply, and the base rate was eventually cut to 0.5% in March 2009, where it has remained since. Property experts are now providing evidence of the start of a recovery, and Knight Frank's Residential Land Index shows that average residential land prices in England rose by 11.5% over the 12 month period to March 2010.

- 4.10 Whilst short-term demand in Eastbourne has fallen, medium and long-term demand is still considered by the market to be strong. This is underpinned by a continuing high level of new household formation. In the medium term, the housing land market will continue to be comparatively strong for most house types in all parts of the district, whilst housebuilders and private vendors will adjust prices to align with demand. The difference between this and previous recessions is that it was largely caused by a lack of available financing, as opposed to a dramatic fall in actual demand.
- 4.11 The Viability Assessments indicate that a significant number of sites are currently unviable, but it is considered that, due to the reasonably strong underlying demand, coupled with relatively high land values in the area, it is unlikely that many sites will remain unviable in the medium term because of abnormal development costs or competing land uses, although some small flat schemes may be delayed for some time, or abandoned in favour of other house types.
- 4.12 Thus in 2010 the housing market, and land values, have started to recover, and in the medium term (within the next 5 years) most abnormal development costs and community gain packages will be able to be absorbed without falling below the value for alternative uses, such as general employment and warehousing land. Whilst viability is currently a significant short term issue, over the medium term there is unlikely to be significant delivery problems for the housing sites identified in this study. Viability conclusions have been built into site Viability Assessments. Each site is concluded to be viable, unviable, or marginally viable, in which case a suggestion is made as to what adjustments might need to be made to achieve viability.

Engagement with the development industry

- 4.13 The development of the Viability Assessments has taken place against the background of wide ranging discussions with the house building industry and with agents active in the land sale and purchase process. Meetings and discussions have focussed on the variables that affect land values and viability, exploring the concept and measurement of viability, the state of the current market and variables such as developers' profit is affected by recession, levels of planning obligations, and the need to consider value generated from alternative uses for land against uplift values.

4.14 A Stakeholder Event was organised by the Council on Friday 7th May 2010, to discuss methodology and assumptions used in the viability assessments. The draft findings of 20 sample site Viability Assessments were circulated to a group of developers and agents, whose assistance has been invaluable and much appreciated. These were discussed in detail, enabling Baker Associates to reflect the evidence of the operation of the housing market from those who operate it, both in the individual Viability Assessments, and in the draft report. The group included the following professionals:

Name	Organisation
Chris Wojtulewski	Parker Dann
Tom Casey	Amicus Horizon
David Green	David Green & Co
Tony Cameron	Camerons
Marie Nagy	DPP/Carillion
Andy Mackelden	Five Walk Homes
Alan Stace	Compton Estate
Mark McFadden	Stiles Harold Williams

4.15 The main specific issues discussed are set out below, together with our responses to these issues:

Issues raised	response
Floorspace assumptions for all flat schemes should be increased by 10-12% to allow for circulation space and for increased build costs	Agree, amendments made to all flat schemes
Overall build costs should be increased, in particular for smaller flat conversions schemes, and to allow for Code costs	Agree, adjustments made to all schemes
The provision of planning obligations can in some circumstances render schemes unviable	Agree and acknowledged in the Viability Assessments
The assessments must recognise that all sites must exceed the opportunity cost of income that could be generated by an alternative use, as well as the consideration of an uplift value.	Agree and acknowledged in the Viability Assessments
Greater recognition required of contingency costs, and financing of build costs	Agree, overall fees increased from 7% to 20% of build costs
Allowance for developer's profit should be at least 20%, probably towards 25%	Agree 20% but not higher - discussions with developers/agents for market assessment show that 20% is an acceptable average
Individual existing site values to be adjusted to reflect market - on site by site basis	Agree, adjustments made to all schemes
Sales values to be adjusted on a site by site basis	Agree, adjustments made to all schemes
Allowance to be made to reflect East Sussex requirements for LSAICs	Agree, adjustments made to all qualifying schemes

4.16 The helpful discussions with the development industry and the housing market analysis, including a consideration of all the new developments currently on the market, have provided invaluable information about the various elements of the housing market, particularly about likely sales revenues. Different sales prices can be expected on different sites, and a range of price levels has been devised in the context of the homogenous Neighbourhoods established through the Core Strategy work of spatial strategy and distribution of development. Table 4 below sets out the range of sales prices to be expected in each Neighbourhood, that have been applied to each site in the Viability Assessments, taking account of the type of development, the individual characteristics, and the precise location.

Table 4 - Neighbourhood open market - Sales Prices	Sales price range £/m2
1: Town Centre	3000-3400
2: Upperton	2300-3000
3: Seaside	2200-2800
4: Old Town	2500-2800
5: Ocklynge/Rodmill	2200-2500
6: Roselands/Bridgemere	2500-2800
7: Hampden Park	2000-2600
8: Langney	2000-2500
9: Shinewater/North Langney	2200-2500
10: Summerdown/Saffrons	3500-4500
11: Meads	4000-6000
12: Ratton/Willingdon Village	2500-3200
13: St Anthony's/Langney Point	1600-2800
14: Sovereign	3500-4300

5 The approach to the valuation process and Viability Assessments

- 5.1 Each development site assessed has been subjected to a detailed Viability Appraisal, and these appear in Appendix 1. Every site has an individual set of development and market assumptions, providing: floorspace, sales turnover, development and abnormal costs, fees allowance, all of which lead to a land value. A clear conclusion has been reached about viability, and hence the likelihood of the site being delivered through the operation of the market within a short period.
- 5.2 In order to inform these conclusions, a comparison has been made with the estimated current land value to give a 'value added' figure, or uplift factor to justify to the conclusion. As discussed earlier, an uplift factor of at least 1.2 will be required to achieve viability. Each viability conclusion has to be judged not only against the 'economic' test but also against the 'psychological' approach, reflecting the behaviour and personal ambitions of individual landowners.
- 5.3 Deliverability is not just a question of viability. What is acceptable to one landowner could be unacceptable to another. A sense of built-up expectation of land value is a complicating factor in the housing market, and landowners with a certain expectation may choose not to sell a site if that expectation is not reached. The psychology of landowner behaviour is a real issue that the Council will need to consider so that deliverability rates for both open market and affordable housing are not adversely affected.
- 5.4 The Council may also want to ensure that overall development requirements are not so onerous, particularly in terms of affordable housing and other planning obligation requirements, that they thereby prevent sites from coming forward and stifle development. The Council may consider that a reasonable proportion of a large number of dwellings delivered as affordable units is preferable to a higher proportion of a much reduced number caused by the non-delivery of sites. This is particularly relevant as the housing market is emerging from recession when many developers are postponing site development because of the collapse in the new homes market; if developers cannot build homes that will sell on the open market, they will not build the accompanying affordable homes either.
- 5.5 There are an almost infinite number of variables that could be modelled. The reduction of a particular cost will evidently increase profitably and viability. However, the one variable factor that makes the greatest difference to viability is the proportion of affordable dwellings, and therefore, open market dwellings. Build costs are relatively constant, all sites have an element of abnormal development costs, whilst profits and overheads are relatively similar. A lower proportion of affordable units and a correspondingly increased share of open market dwellings immediately adds turnover that translates directly to the bottom line land value and improved viability.
- 5.6 Some of the SHLAA sites are considered not to be viable in the current market. There are various interrelating reasons including: low sales prices, low demand, relatively high construction costs, the effects of planning obligations, and critically, the existing site value. Most of the unviable sites are considered to have the potential to attain viability in the medium term, within the next 5 years, as sales prices and demand increase. The site Viability Assessments appear in full in Appendix 1, and are summarised below in Table 5:

Table 5 Development Viability Assessment summary

key	viable	V						
	marginally viable	M						
	unviable	U						
Site Ref	Site Location	Net Unit Potential	build cost £/m2	sales price £/m2	uplift	Viability conclusion	Viability within 5 years?	
Neighbourhood 1								
BA03	North Town Centre Quarter	80	1150	3500	1.28	M	NO	
BA04	Post Office Site, Southfields Road	50	1100	3450	1.5	V	YES	
BA02	Cooperative Site, Terminus Road	44	1100	2600	1.2	M	YES	
CC17	40-56 Seaside Road	14	1100	2500	0.89	U	YES	
CC116	111 Seaside Road	14	1150	2700	2.35	V	YES	
AN07	Burlington Road, Garage Premises (Town Centre)	12	1150	2800	2.5	V	YES	
CN53	Swanley Court Hotel, 18-20 Trinity Trees	11	1150	2500	0.62	U	NO	
CC155	122 Pevensey Road and 142 Langney Road	11	1200	2500	1.4	M	YES	
BA09	St Andrew's United Reform Church, Town Centre	11	1150	3300	1.6	V	YES	
XS58	147/149 Tideswell Road	10	1100	2500	0.78	U	NO	
XS13	Arch Mews, 41a Longstone Road & 102A Tideswell Road	10	1100	2500	0.78	U	NO	
CN35	Condoover House, 10-12 Burlington Place	10	1100	3200	1.1	M	YES	
CC07	72-74 Pevensey Road	7	1100	2300	1.3	M	YES	
CC106	Land within curtilage of 18-20 Trinity Trees	8	1150	2500	4.6	V	YES	
BR08	Park Lodge, Blackwater Road	8	1100	3300	0.29	U	NO	
CC18	55-61 Seaside Road	6	1100	2300	1.2	M	YES	
CN38	11 Cornfield Terrace	5	1100	3300	1.4	M	YES	
CC156	14B-E North Street	5	1100	2300	1.7	V	YES	
CC157	3 Grand Parade	5	1100	3400	1.2	M	YES	
CN20	8-9 Marine Parade	4	1100	3500	0.99	U	NO	
CN09	Coral Guest House, 45 Cavendish Place	4	1100	2900	1.2	M	YES	
XS102	46/50 South Street (1st/2nd floors)	4	1100	3200	2.2	V	YES	
CN13	31 Elms Avenue	2	1100	3000	0.8	U	NO	
Neighbourhood 2								
BA01	Bedfordwell Depot, Bedfordwell Road	155	900	2400	1.7	V	YES	
BR01	16-18 Ratton Road	9	1000	2800	5	V	YES	
BR18	Magistrates Court, 4 The Avenue	13	1100	3200	2.3	V	YES	
BR02	38 Upper Avenue	12	1100	2400	1.7	V	YES	
CC164	Pembroke House, 8-10 Upperton Road	11	1100	3400	1.9	V	YES	
BR16	54-56 Upperton Road	10	1100	2800	1.6	V	YES	
BC38	(R1) Garden Space adjacent to 1 Le Brun Road	2	1100	2800	2.5	V	YES	
CC166	Hurst Motors, Hurst Lane	2	1100	2600	0.96	U	NO	
Neighbourhood 3								
CC23	Coach and Lorry Park, Wartling Road	167	800	2300	3.1	V	YES	
BR15	Cambridge Hotel	42	1100	2800	1.1	U	YES	
CC172	The Castle Restaurant, 346 Seaside	22	1100	2200	-1.4	U	YES	
XS05	Beach Mews, Beach Road	12	1100	2200	0.5	U	NO	
CC171	Former Rose & Crown, 125 Langney Road	9	1100	2200	0.6	U	YES	
CN26	118-120 Seaside	8	1100	2100	1.5	M	YES	
CN27	148A, 156, 160 Seaside	6	1100	2100	0.4	U	YES	
CC124	75 Royal Parade	6	1100	2500	1.25	M	YES	
CC127	183A, 183B & 183C Langney Road	6	1100	2300	1	U	YES	
CC125	359-361 Seaside	5	1100	2100	0.2	U	YES	
BC03	(A7) Garages rear of 1 Sandwich Street	5	1100	2100	1.4	M	YES	
XS12	38/40 Leslie Street	5	1100	2100	0.8	U	NO	
XS59	20 Vine Square/18a Winchelsea Road	5	1100	2100	1.4	M	YES	
XS14	164 Longstone Road	3	1100	2100	1.3	M	YES	
Neighbourhood 4								
EX02	Land at Burrow Down Close/Priory Heights	40	900	2700	39	V	YES	
CC142	Towner Art Gallery, Borough Lane	11	1100	3000	1.3	M	YES	
XS78	Old Town Service Station, Church Street	6	1100	2800	0.9	U	YES	
Neighbourhood 5								
AN01	Kings Drive/Cross Levels Way	140	900	2600	44	V	YES	
CN59	Park College, Kings Drive	84	900	2500	23	V	YES	
BA06	St. Elizabeth's Church, Old Town	21	950	2400	1.2	M	YES	

Site Ref	Site Location	Net Unit Potential	build cost £/m2	sales price £/m2	uplift	Viability conclusion	Viable within 5 years?
Neighbourhood 6							
BR19	2-4 Moy Avenue	42	900	2000	0.26	J	YES
XS74	Yeomans Toyota, Former Garage, adjacent to 1 Churchdale Road	21	900	2000	-1.3	J	YES
XS28	Old Swan Laundry, Ringwood Road	11	1100	2000	0.5	J	YES
CC129	4-14 Roselands Avenue	5	1100	2000	0.5	J	YES
BC10	(D1) Churchdale Road, Adjacent to 40 Kinfaus Avenue	2	1100	2000	-1.2	J	YES
Neighbourhood 7							
OP101	Part Fletching Road Allocation/Part Disused Allotments	41	900	2000	2.6	V	YES
OP06	Holly Place Play Area	12	1100	2200	25	V	YES
BR26	Edgeland Terrace, CMS Buildings	10	1100	2300	0.45	J	NO
BC20	(F6) Land Adjacent Sumach Close/Maywood Avenue	10	1100	2200	22	V	YES
BC36	(Q2) Land at end of Lottbridge Drive	7	1100	2100	13	V	YES
BC16	(F2) Land Adjacent 86 Woburn Way	6	1100	2200	14	V	YES
BR03	Station House, Station Approach, Hampden Park	5	1100	2300	0.9	J	YES
BC37	(Q4) Garages Adjacent 83 Percival Crescent	5	1100	2300	3.5	V	YES
Neighbourhood 8							
BR07	Neighbourhood 9	61	1000	2400	8.8	V	YES
BR14	Belmont Nursing Home, Pevensey Bay Road	36	900	2800	2.7	V	YES
AN02	Langney Shopping Centre (Both Housing Allocations)	26	1100	2300	-1.75	J	YES
AN02	Comprehensive Redevelopment of Langney Shopping Centre	253	1100	2300	-0.33	J	NO
BR25	SITA Waste Transfer Station, 59-61 Pevensey Bay Road	25	900	2700	2.3	V	YES
BR06	Longford Court, Bathford Close	10	1100	2000	0.33	J	YES
BR09	MVM Site, 87-89 Pevensey Bay Road	7	1100	2800	2.7	V	YES
OP03	Faversham Road Play Area	7	1100	2200	11	V	YES
Neighbourhood 9							
AN04	Hide Hollow Farm	38	900	2500	2.2	V	YES
CC132	4 & 6 Friday Street	6	1100	3000	9.9	V	YES
Neighbourhood 10							
BC101	Dental Estimates Board Mixed Use Redevelopment including playing	200	1100	3500	4.1	V	YES
EX11	Land at Foredown Close	5	1100	3500	32	V	YES
Neighbourhood 11							
CN46	3-17 Jevington Gardens (McCarthy & Stone Development)	83	1200	3400	2.3	V	YES
CC150	27-39 Jevington Gardens	65	1100	2800	0.64	J	YES
CC39	All Saints Hospital, King Edwards Parade	55	1500	5500	2	V	YES
CN45	10-12 Jevington Gardens	13	1100	2800	1.2	M	YES
CC182	17 Granville Road	12	1100	4200	1.8	V	YES
BC30	(L2) Rear of 53 Meads Road	10	1100	4000	8.3	V	YES
BC27	(J1) Land Adjacent 5 Furness Road	6	1100	3900	1.5	V	YES
CC137	62 Meads Road	3	1100	4200	0.7	J	NO
Neighbourhood 12							
ON01	Buckhurst Close	2	1100	3200	6.3	V	YES
Neighbourhood 13							
BC68	(AC1) Land next to Manton Court, Rotunda Road	8	1100	1600	-0.62	J	NO
Neighbourhood 14							
BA21	Sovereign Harbour - Site 9	1	1300	4700	1.3	M	NO
BA10	Site 1, Sovereign Harbour	20	1150	4000	4.3	V	YES
BA11	Site 2, Sovereign Harbour	18	1100	3500	2.2	V	YES
BA12	Site 3, Sovereign Harbour	23	1150	4000	3.3	V	YES
BA13	Site 4, Sovereign Harbour	19	1150	4000	2.3	V	YES
BA14	Site 7, Sovereign Harbour	50	1100	3500	2.0	V	YES
BA15	Site 8, Sovereign Harbour	19	1100	3600	1.6	V	YES

6 Viability conclusions

- 6.1 The Development Viability Assessment summary table at the end of the previous section provides a clear viability conclusion for each site, categorised as Viable, Unviable, or Marginally Viable. For each sites, a summary illustrates the location and Neighbourhood, dwelling yield, the build costs and sales revenues.
- 6.2 The overall conclusion is that where there is a combination of favourable circumstances of high sales values and low build costs, sites are generally viable even for sites over the 15 dwelling threshold that require the delivery of a planning obligations package including 30% affordable housing.
- 6.3 Where sales prices are low and build costs increase, some sites are unviable, and for larger sites the affordable housing proportion or obligation package would need to be significantly reduced. Some larger sites in between these extremes are found to be marginally viable, and developers will take a view as to whether to adjust profit margins in order to deliver these developments.
- 6.4 The measurement of viability by an uplift factor is a reasonable guide, and most developments with an uplift factor of at least 1.6 can usually be considered viable. Previously developed sites tend to have higher overall development costs, partly because of demolition and remediation, and partly because they are generally more complex urban sites that need to fit in with their surroundings, adjoining buildings, and frequently involve refurbishment of existing buildings at a higher overall build cost than traditional construction. The Council may need to be flexible in negotiations on planning obligations on such previously developed sites so that development is not discouraged.
- 6.5 For small brownfield sites under 15 units, the requirement for a planning obligation package has not been applied, and this assists viability, although in emerging policy, the starting point will be that affordable housing requirements will be sought on all sites. However, the difference between the existing or alternative value and the value added by a permission for residential is often insufficient to motivate an owner to sell, especially in low value sales areas, and when tax liability and disposal expenses are taken into account. Many small sites are consequently found not to be viable, especially at the current time.
- 6.6 The Council considered the housing potential of a total of approximately 400 sites, which included all the employment sites in the Council's Employment Scenarios that the Council considers to have potential for residential, or mixed-use, development. Some of these employment sites are considered by the Council to be suitable in principle for housing, at least in part, and have therefore been examined in this viability assessment. Examples include Fletching Road (site OP101) and the Dental Estimates Board site (BS101), which are potentially mixed-use sites. Others such as the NPower site were considered by the Council in the SHLAA not to be suitable for housing in principle, so have not been assessed for viability.
- 6.7 A clear viability conclusion is reached for each site, based on its uplift factor, which is relationship between the existing use, and the value conferred by a planning consent for the anticipated level of development. For instance, if a site has an existing value of £100,000, and a consent would increase it to £190,000, the uplift factor is 1.9. All sites with an uplift factor of 1.6 and above are considered to be viable. Sites are

deemed to be marginally viable with an uplift factor of between 1.2 and 1.5, whilst sites with an uplift factor of less than 1.2 are categorised as unviable.

- 6.8 Of the 230 SHLAA sites considered in principle to be suitable for housing by the Council, a sample has been tested for viability, including all 83 of the 'large' sites, plus 10 of the 147 small sites. Of the 93 sites which have been assessed, 45 are marked in green as being viable. 30 sites were found to be unviable at the current time, and are marked red, but 17 of these are considered likely to become viable within 5 years, and should remain in the Council's housing land supply.
- 6.9 The remaining 13 unviable sites are considered unlikely to become viable in the foreseeable future. These 13 sites should be removed from the Council's housing land supply, but be monitored on a regular basis to take changing circumstances into account. This will need to be addressed in any future reviews of the Core Strategy.
- 6.10 The common reason for being found unviable is the underlying value of the existing use, with little evidence to suggest that this is likely to change. The typical unviable site is on the town centre fringes within Neighbourhoods 1, 2, and 3, with a relatively high alternative site value, such as hotel or residential, or an existing employment with current occupiers. In one case (CN20) the lack of viability was proven by evidence of a recent sale of a hotel with permission for residential as a going concern because there was little demand for flats. Two large potential schemes - the North Town Centre Quarter, and Langney Shopping Centre - are not considered to be viable at the present time. These are discussed in more detail below.
- 6.11 The Assessment has further concluded that 18 sites are marginally viable and marked in amber, of which only two are considered to be unviable in the longer term; these two sites should be removed from land supply and monitored. 47 sites have been found to be viable at the current time, some of which are under construction which is fair proof of viability.
- 6.12 The Viability Assessments provide the Council with sound evidence that over 80% of the dwelling capacity of the 93 sample sites is considered to deliverable within 5 years. This will contribute a significant amount of development towards the fulfilment of the South East Plan requirements to 2026. The findings also show that 15 sites (13 unviable and 2 marginally viable) should not be included in the Council's 5 Year Housing Land Supply. These are listed in Table 5, and typically are brownfield sites with a high existing use value, often with current occupiers. It is interesting to note that most (80%) of the capacity of these 15 sites derives from just two sites, which is worth exploring.
- 6.13 The North Town Centre Quarter (site BA03) is earmarked for 80 dwellings in the SHLAA, but at the current time there is only limited evidence to suggest that it will be a viable scheme. The parameters of possible redevelopment schemes on this site are almost infinite. Discussions with local agents and developers indicate that the aspiration for such a town centre redevelopment scheme have been mooted by the Council for a number of years, and it is questionable whether sufficient investment funding will be attracted to ensure the long-term profitability.
- 6.14 The viability of a stand-alone development of about 80 flats in the town centre adjacent to the station is not disputed, but because it is intended to be part of such a major redevelopment scheme, the Council should not rely on delivery of completed

dwellings for its immediate 5 year housing supply trajectory. The viability assessment included in Appendix 1 considers just the residential element of about 80 flats, which produces an uplift from estimated current use value of £420,000, an uplift factor of 1.28. This is considered to only marginally viable, and would need to increase to at least 1.6 before it could be considered viable, although it must be stressed that the entire North Town Centre Quarter redevelopment as a mixed use scheme must be assessed for viability at the appropriate time when a detailed scheme is available. This issue will be considered in greater detail as part of the emerging Town Centre Action Area Plan.

- 6.15 There is a similar position with regard to the Langney Shopping Centre. The viability of a comprehensive redevelopment scheme is in considerable doubt, and likely to result in a considerable negative value in comparison with current value. Furthermore, there are compounding issues with a multiplicity of unexpired leases, some of which are long-term, and which would require significant compensation, exacerbating the viability problems.
- 6.16 The owners, Stockland Halladale, are investing through the current proposals in a considerable increase in floorspace, with improved entrances that will enhance the shopping environment, together with 30 residential units. In practical terms, a comprehensive redevelopment scheme is considered to be both unviable and undeliverable at the current time.
- 6.17 The Affordable Housing Viability Study recently completed by Three Dragons concludes that in certain areas of the town with relatively high sales values, the affordable housing proportion should increase from 30% to 40%, and this is likely to be translated into planning policy through the Core Strategy. This revised proportional requirement is likely to impact on developments in the following neighbourhoods:
- 2: Upperton
 - 4: Old Town
 - 5: Oclynge/Rodmill
 - 10: Summerdown
 - 11: Meads
 - 12: Ratton
 - 14: Sovereign
- 6.18 Accordingly, for the 15 sites in these areas above the affordable housing policy threshold of 15 units, this SHLAA review of sites has assessed affordable provision at both 30% as current Local Plan policy, and at 40% in the higher sales value areas. These viability appraisals at 40% appear at the end of Appendix 1 as 15 additional spreadsheet valuations. The effects on viability of the increased proportion are summarised in table 6 below:

Table 6 - effect of increased affordable housing to 40%

site	Original viability conclusion at 30%	viability conclusion at 40%
BA01	viable	unviable
EX02	viable	viable
AN01	viable	viable
CN59	viable	viable
BA06	marginally viable	unviable
BC101	viable	viable
CN46	viable	marginally viable
CC150	unviable	unviable
CC39	viable	viable
BA10	viable	viable
BA11	viable	unviable
BA12	viable	viable
BA13	viable	marginally viable
BA14	viable	unviable
BA15	viable	viable

- 6.19 The last six sites in table 6 are at Sovereign Harbour, which is a very complex one-off area, subject to detailed negotiations between EBC and Carillion regarding current applications. Accordingly, the Council may want to treat the whole area as one package, rather than look at viability issues for each individual site.
- 6.20 The Council is currently developing four possible Spatial Development Options for consideration through the Core Strategy:
1. **urban intensification**, involving developing available brownfield sites, and a number of small greenfield sites that are of low value and poor quality
 2. **creating sustainable centres**, which focuses development in centres which could become more sustainable by way of providing new facilities through balanced housing led growth. Includes the Town Centre, Sovereign area and Langney Shopping Centre.
 3. **sustainable neighbourhoods**, which focuses future housing in the Borough's most sustainable neighbourhoods which currently have the best access to services and facilities. This is achieved by maximising the density of development in these specific neighbourhoods; and
 4. **greenfield urban extensions**, which extends the current development boundary to include parcels of greenfield land at Kings Drive and Priory Heights. Although controversial this option is required to undergo public consultation to comply with national planning policy guidance.
- 6.21 The viable and deliverable site capacities shown in table 5 for each Neighbourhood will prove useful evidence for the Council in analysing the strengths and weaknesses of each of these possible strategies, assisting progress towards a Spatial Strategy based on a sound evidence base.
- 6.22 The Viability Assessments can be used in the future by the Council as a model with variable inputs to address viability issues for a range of sites that will emerge through the Core Strategy and other LDF documents. The Viability Assessments have standard variables that can be adjusted to suit individual site circumstances, which will produce automatic uplift factors and lead to clear viability conclusions for each site that is assessed.

APPENDIX 1

The Site Viability Assessments

based on affordable housing at 30%

NEIGHBOURHOOD 1		SITE BA03			
<p>Summary - Comprehensive town centre redevelopment - North Town Centre Quarter. This is a large complex developed for mixed use, and this appraisal is considering only the residential element in detailed viability terms until further details are available.</p>				model variables	
<p>Market Appraisal - Type of development - market would be suited to town centre flats at 2nd floor and above. Assumptions 80 2 bed flats on 0.8 ha @ 65m2 = 5200 m2. Town centre sales values - medium/high @ 3500/m2. New Build costs average/high @ 1150/m2</p>				total floorspace sq.m 5200	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m	1150
open market housing	3,640	3,500	12,740,000	demolition floorspace sq.m	10,000
affordable 30% total. Sales @ £1000/sq.m (RSL capability to purchase from developer @ 30% of open market - see (Cariillon valuation)	1,560	1,050	1,638,000	developer profit % of gross turnover	20
gross turnover			14,378,000	qualifying dwellings for S.106 contributions	80
less marketing/legal costs @ 2% of open market turnover			254,800	existing land value £	1,500,000
NET TURNOVER				14,123,200	site AREA ha 0.4
total floorspace	5,200			open market 70% total	3640
BUILD COSTS				affordable 30%	1560
all housing units + 10%	5,720	1,150	6,578,000		
developer's profit @ 20% of gross turnover			2,875,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,315,600		
demolition/remediation costs @ £30/sq.m			300,000		
TOTAL DEDUCTIONS				11,069,200	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				3,054,000	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit		120,000			
standard off-site drainage improvements, £1000/unit		80,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		720,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				920,000	920,000
RESIDUAL LAND VALUE , ie, ILV minus TADC				2,134,000	
financing costs @ 5% of RLV			106,700		
land acquisition fee 5% of RLV inc SDLT			106,700		
NET LAND VALUE				1,920,600	
existing use value - town centre mixed-use site, estimated value: 0.5 ha @ £3m/ha		1,500,000			
value added by consent			420,600		
uplift factor			1.28		
<p>viability conclusion - £420k uplift in value (x 1.28) is insufficient to motivate a landowner to dispose. Therefore the residential element of the site is only marginally viable, with limited evidence to suggest that it will become viable within the plan period. The residential element needs to be considered in the context of a complex re-development of the town centre, and should be addressed through the Town Centre Area Action Plan. No details are currently available of any likely scheme, and therefore only limited conclusions can be made about viability, particularly in the current recession, without further details. The permutations of redevelopment schemes are almost infinite. Discussions with agents indicate that the aspiration for a town centre redevelopment scheme have been mooted for a number of years, and it is questionable whether sufficient investment funding will be attracted to ensure long-term profitability. Such large scale schemes require immense capital investment, and there is limited evidence to suggest that this is likely to be forthcoming.</p>					

NEIGHBOURHOOD 1	SITE BA04				
Summary - Post Office site, Southfields Road. EBC car park, PO yard, main retail PO. Whilst may be developed for mixed use, considering only for residential in viability terms until further details are available				model variables	
Market Appraisal - Type of development - market would be suited to flats/townhouses at 'classical terraced high density' model. Assumptions 50 2 bed flats (111 dph) @ 65m ² = 3250 m ² . Town centre sales values - medium/high @ 3450/m ² . New Build costs average/high @ 1000/m ²				total floorspace sq.m	3250
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3450
TURNOVER				build cost £/sq.m	1100
open market housing	2,275	3,450	7,848,750	demolition floorspace sq.m	3,250
affordable @ £1100/sq.m (RSL capability to purchase from developer)	975	1,100	1,072,500	developer profit % of gross turnover	20
gross turnover			8,921,250	qualifying dwellings for S.106 contributions	50
less marketing/legal costs @ 2% of open market turnover			156,975	existing land value £	1,000,000
NET TURNOVER			8,764,275	site AREA ha	0.45
total floorspace	3,250			open market 70% total	2275
BUILD COSTS				affordable 30%	975
all housing units, + 10% for circulation	3,575	1,100	3,932,500		
developer's profit @ 20% of gross turnover			1,784,250		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			786,500		
demolition/remediation costs @ £15/sq.m			48,750		
TOTAL DEDUCTIONS			6,552,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			2,212,275		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		75,000			
standard off-site drainage improvements, £1000/unit		50,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		450,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		575,000	575,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			1,637,275		
financing costs @ 5% of RLV			81,864		
land acquisition fee 5% of RLV inc SDLT			81,864		
NET LAND VALUE			1,473,548		
existing use value - edge of town centre employment site, estimated value		1,000,000			
value added by consent			473,548		
uplift factor			1.47		
viability conclusion - £473k uplift in value (x 1.5) is sufficient to motivate a landowner to dispose. The uplift compares only the residential LV against the current LV, and there will be additional value from the non-housing elements that will increase overall LV and the uplift factor. Therefore the site can be concluded to be viable. Currently poor but recovering market, with land assembly constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 1	SITE BA02				
Summary - Cooperative Site, Terminus Road (Mixed Use Development) Whilst may be developed for mixed use, considering only residential element in viability terms until further details are available				model variables	
Market Appraisal - Type of development - PP for 31 2-bed, 13 1-bed flats (400 dph). Assumptions 31 2 bed flats @ 65m2 = 2020 m2, 13 1-bed @ 50 m2 = 650 m2. Edge of town centre sales values - medium @ 2750/m2. New Build costs average @ 1100/m2				total floorspace sq.m	2670
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2750
TURNOVER				build cost £/sq.m	1100
open market housing	1,869	2,750	5,139,750	demolition floorspace sq.m	2,670
affordable @ £1000/sq.m (RSL capability to purchase from developer)	801	1,000	801,000	developer profit % of gross turnover	20
gross turnover			5,940,750	qualifying dwellings for S.106 contributions	44
less marketing/legal costs @ 2% of open market turnover			102,795	existing land value £	250,000
NET TURNOVER			5,837,955	site AREA ha	0.11
total floorspace	2,670			open market 70% total	1869
BUILD COSTS				affordable 30%	801
all housing units, + 10% for circulation	2,937	1,100	3,230,700		
developer's profit @ 20% of gross turnover			1,188,150		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			646,140		
demolition/remediation costs @ £15/sq.m			40,050		
TOTAL DEDUCTIONS			5,105,040		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			732,915		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works		5,000			
drainage costs		5,000			
planning obligations/dwelling					
transport incl. LSAICs	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		396,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		406,000	406,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			326,915		
financing costs @ 5% of RLV			16,346		
land acquisition fee 5% of RLV inc SDLT			16,346		
NET LAND VALUE			294,223		
existing use value - edge of town centre employment site, estimated value		250,000			
value added by consent			44,223		
uplift factor			1.18		
viability conclusion - £44k uplift in value (x 1.1) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor but recovering market so development needs to be monitored for viability.					

NEIGHBOURHOOD 1		SITE CC17			
Summary - 40-56 Seaside Road. Victorian 4-storey terraces with marginal retail/leisure ground floors. No evidence of development activity.				model variables	
Market Appraisal - Type of development - PP for 18 1-bed, 1 2-bed flat, 1 studio. Assumptions 20 flats total 1000m2. Edge of town centre sales values - medium @ 2600/m2. Conversion Build costs average @ 1100/m2				total floorspace sq.m 1000	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2600
TURNOVER				build cost £/sq.m 1100	
open market housing	700	2,600	1,820,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	300	1,000	300,000	developer profit % of gross turnover 20	
gross turnover			2,120,000	qualifying dwellings for S.106 contributions 14	
less marketing/legal costs @ 2% of open market turnover			36,400	existing land value £ 150,000	
NET TURNOVER				2,083,600	
total floorspace	1,000			site AREA ha	
BUILD COSTS				open market 70% total 700	
all housing units, + 10% for circulation	1,100	1,100	1,210,000	affordable 30% 300	
developer's profit @ 20% of gross turnover			424,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			242,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				1,876,000	
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS				207,600	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works			5,000		
drainage costs			5,000		
planning obligations/dwelling					
transport incl. LSAICs	2500				
	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		126,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				136,000	
RESIDUAL LAND VALUE ie, ILV minus TADC				71,600	
financing costs @ 5% of RLV			3,580		
land acquisition fee 5% of RLV inc SDLT			3,580		
NET LAND VALUE				64,440	
existing use value - edge of town centre, 6 run down flats @ £60k = £360k		150,000			
value added by consent			-85,560		
uplift factor			0.43		
viability conclusion - £85k negative uplift in value is insufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. With an economic recovery, the site should increase in value and may reach viability, so needs to be monitored. A reduction in affordable housing or other planning obligation requirements would also assist viability in the short term					

NEIGHBOURHOOD 1		SITE CC116			
Summary - 111 Seaside Road, redundant cinema				model variables	
Market Appraisal - Type of development - PP for conversion of theatre into 14 apartments. Assumptions 12 2 bed flats @ 65+m2 = 800 m2, 2 1-bed @ 50 m2 = 100 m2. Edge of town centre sales values - medium @ 2700/m2. Conversion Build costs average @ 1150/m2				total floorspace sq.m 800	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2700
TURNOVER				build cost £/sq.m	1150
open market housing	800	2,700	2,160,000	demolition floorspace sq.m	
affordable - below threshold	0	810	0	developer profit % of gross turnover	20
gross turnover			2,160,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			43,200	existing land value £	180,000
NET TURNOVER			2,116,800	site AREA ha	
total floorspace	800			open market 70% total	800
BUILD COSTS				affordable 30%	
all housing units + 10%	880	1,150	1,012,000		
developer's profit @ 20% of gross turnover			432,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			202,400		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			1,646,400		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			470,400		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling	none				
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0		
RESIDUAL LAND VALUE , ie, ILV minus TADC			470,400		
financing costs @ 5% of RLV			23,520		
land acquisition fee 5% of RLV inc SDLT			23,520		
NET LAND VALUE			423,360		
existing use value - edge of town centre leisure value		180,000			
value added by consent			243,360		
uplift factor			2.35		
viability conclusion - £243k uplift in value (x 2.3) is sufficient to motivate a landowner to dispose. In addition, the site is under construction with sales advertised from Autumn 2010. Therefore the site can be concluded to be viable					

NEIGHBOURHOOD 1		SITE AN07			
Summary - Burlington Road, hotel car park				model variables	
Market Appraisal - Type of development - Pre-app discussions for 12 apartments. Assumptions 12 1 bed flats @ 50m2 = 600 m2. Edge of town centre/sea front sales values - medium @ 2800/m2. New Build costs average/high @ 1150/m2				total floorspace sq.m	
				600	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1150
open market housing	600	2,800	1,680,000	demolition floorspace sq.m	
affordable - below threshold	0	840	0	developer profit % of gross turnover	20
gross turnover			1,680,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			33,600	existing land value £	100,000
NET TURNOVER			1,646,400	site AREA ha	0.14
total floorspace	600			open market 70% total	600
BUILD COSTS				affordable 30%	
all housing units + 10%	660	1,150	759,000		
developer's profit @ 20% of gross turnover			336,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			151,800		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			1,246,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			399,600		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works		5,000			
drainage & extra foundation costs		95,000			
planning obligations/dwelling					
transport LSAICs		24,000			
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		124,000	124,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			275,600		
financing costs @ 5% of RLV			13,780		
land acquisition fee 5% of RLV inc SDLT			13,780		
NET LAND VALUE			248,040		
existing use value - edge of town centre hotel car park, as employment land		100,000			
value added by consent			148,040		
uplift factor			2.48		
viability conclusion - £148k uplift in value (x 2.4) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 1		SITE CN53			
Summary - Swanley Court Hotel, 18-20 Trinity Trees				model variables	
Market Appraisal - Type of development - PP for 11 apartments. Assumptions 11 1/2 bed flats @ 60m ² = 660 m ² . Edge of town centre sales values - medium @ 2500/m ² . Conversion Build costs average @ 1150/m ²				total floorspace sq.m	
660				660	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	1150
open market housing	660	2,500	1,650,000	demolition floorspace sq.m	660
affordable - below threshold	0	750	0	developer profit % of gross turnover	20
gross turnover			1,650,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			33,000	existing land value £	400,000
NET TURNOVER			1,617,000	site AREA ha	
total floorspace	660			open market 70% total	660
BUILD COSTS				affordable 30%	
all housing units + 10%	726	1,150	834,900		
developer's profit @ 20% of gross turnover			330,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			166,980		
demolition/remediation costs @ £15/sq.m			9,900		
TOTAL DEDUCTIONS			1,341,780		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			275,220		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling	none				
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0		
RESIDUAL LAND VALUE, ie, ILV minus TADC			275,220		
financing costs @ 5% of RLV			13,761		
land acquisition fee 5% of RLV inc SDLT			13,761		
NET LAND VALUE			247,698		
existing use value - edge of town centre run down vacant hotel/flats		400,000			
value added by consent			-152,302		
uplift factor			0.62		
viability conclusion - £152k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. The site should be monitored					

NEIGHBOURHOOD 1		SITE CC155			
Summary - 122 Pevensey Road and 142 Langney Road				model variables	
Market Appraisal - Type of development - PP for 12 apartments. Assumptions 4 2-bed, 8 1- bed flats = 650 m2. Edge of town centre/sea front sales values - medium @ 2500/m2. Conversion & New Build costs average @ 1200/m2					
				total floorspace sq.m	650
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	1200
open market housing	650	2,500	1,625,000	demolition floorspace sq.m	
affordable - below threshold	0	750	0	developer profit % of gross turnover	20
gross turnover			1,625,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			32,500	existing land value £	150,000
NET TURNOVER				site AREA ha	
total floorspace	650		1,592,500	open market 70% total	650
BUILD COSTS				affordable 30%	
all housing units + 10%	715	1,200	858,000		
developer's profit @ 20% of gross turnover			325,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			171,600		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS					
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					237,900
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling	none				
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]					0
RESIDUAL LAND VALUE ie, ILV minus TADC					237,900
financing costs @ 5% of RLV			11,895		
land acquisition fee 5% of RLV inc SDLT			11,895		
NET LAND VALUE					214,110
existing use value - edge of town centre derelict auction rooms		150,000			
value added by consent			64,110		
uplift factor			1.43		
viability conclusion - £64k uplift in value (x 1.4) may be just sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 1		SITE BA09			
Summary - St Andrew's United Reform Church, Blackwater Road				model variables	
Market Appraisal - Type of development - proposal for 11 apartments. Assumptions 5 2-bed, 6 1-bed flats = 700 m2. Edge of town centre/sea front up market sales values - high @ 3300/m2. New Build costs average/high @ 1150/m2					
				total floorspace sq.m	700
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3300
TURNOVER				build cost £/sq.m	1150
open market housing	700	3,300	2,310,000	demolition floorspace sq.m	700
affordable - below threshold	0	990	0	developer profit % of gross turnover	20
gross turnover			2,310,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			46,200	existing land value £	400,000
NET TURNOVER			2,263,800	site AREA ha	
total floorspace	700			open market 70% total	700
BUILD COSTS				affordable 30%	
all housing units + 10%	770	1,150	885,500		
developer's profit @ 20% of gross turnover			462,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			177,100		
demolition/remediation costs @ £15/sq.m			10,500		
TOTAL DEDUCTIONS			1,535,100		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			728,700		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling	none				
transport - LSAICs @ £750/unit			8,250		
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			8,250	8,250	
RESIDUAL LAND VALUE , ie, ILV minus TADC				720,450	
financing costs @ 5% of RLV				36,023	
land acquisition fee 5% of RLV inc SDLT				36,023	
NET LAND VALUE				648,405	
existing use value - edge of town centre church with redevelopment potential		400,000			
value added by consent				248,405	
uplift factor				1.62	
viability conclusion - £248k uplift in value (x 1.6) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 1		SITE XS58			
Summary - 147/149 Tideswell Road				model variables	
Market Appraisal - Type of development - proposal for 10 terraced units. Assumptions 5 2-bed, 5 1-bed = 575 m2. Edge of town centre sales values - medium @ 2500/m2. New Build costs average @ 1100/m2					
				total floorspace sq.m	575
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	1100
open market housing	575	2,500	1,437,500	demolition floorspace sq.m	575
affordable - below threshold	0	750	0	developer profit % of gross turnover	20
gross turnover			1,437,500	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			28,750	existing land value £	400,000
NET TURNOVER				site AREA ha	0.1
total floorspace	575		1,408,750	open market 70% total	575
BUILD COSTS				affordable 30%	
all housing units	575	1,100	632,500		
developer's profit @ 20% of gross turnover			287,500		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			126,500		
demolition/remediation costs @ £15/sq.m			8,625		
TOTAL DEDUCTIONS					1,055,125
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					353,625
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling	none				
transport SCAICs @ £750/unit		20,000			
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]					7,500
RESIDUAL LAND VALUE ie, ILV minus TADC					346,125
financing costs @ 5% of RLV			17,306		
land acquisition fee 5% of RLV inc SDLT			17,306		
NET LAND VALUE					311,513
existing use value - edge of town centre fringe employment garage-type uses		400,000			
value added by consent			-88,488		
uplift factor			0.78		
viability conclusion - £88k negative uplift in value (x 1.09) is insufficient to motivate a landowner to dispose at this time, bearing in mind the multiple occupiers. Therefore at present the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. Availability of site needs conformation.					

NEIGHBOURHOOD 1		SITE XS13			
Summary - Arch Mews, 41a Longstone Road & 102A Tideswell Road				model variables	
Market Appraisal - Type of development - proposal for 10 terraced units. Assumptions 5 2-bed, 5 1-bed = 575 m2. Edge of town centre sales values - medium @ 2500/m2. New Build costs average @ 1100/m2				total floorspace sq.m	
	575				575
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	1100
open market housing	575	2,500	1,437,500	demolition floorspace sq.m	575
affordable - below threshold	0	750	0	developer profit % of gross turnover	20
gross turnover			1,437,500	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			28,750	existing land value £	400,000
NET TURNOVER			1,408,750	site AREA ha	0.1
total floorspace	575			open market 70% total	575
BUILD COSTS				affordable 30%	
all housing units	575	1,100	632,500		
developer's profit @ 20% of gross turnover			287,500		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			126,500		
demolition/remediation costs @ £15/sq.m			8,625		
TOTAL DEDUCTIONS			1,055,125		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			353,625		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling	none				
transport SCAICs & £750/unit		7,500			
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		7,500	7,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			346,125		
financing costs @ 5% of RLV			17,306		
land acquisition fee 5% of RLV inc SDLT			17,306		
NET LAND VALUE			311,513		
existing use value - edge of town centre fringe B1 employment		400,000			
value added by consent			-88,488		
uplift factor			0.78		
viability conclusion - £88k negative uplift in value is insufficient to motivate a landowner to dispose at this time, be35ing in mind the multiple occupiers. Therefore at present the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. Availability of site needs conformation.					

NEIGHBOURHOOD 1		SITE CN35			
Summary - Condover House, 10-12 Burlington Place				model variables	
Market Appraisal - Type of development - PP for 10 large apartments. Assumptions 5 2-bed, 5 1-bed flats = 700 m2. Edge of town centre/sea front sales values - medium/high @ 3300/m2. Conversion costs average @ 1100/m2					
				total floorspace sq.m	700
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3200
TURNOVER				build cost £/sq.m	1100
open market housing	700	3,200	2,240,000	demolition floorspace sq.m	
affordable - below threshold	0	960	0	developer profit % of gross turnover	20
gross turnover			2,240,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			44,800	existing land value £	600,000
NET TURNOVER			2,195,200	site AREA ha	0.1
total floorspace	700			open market 70% total	700
BUILD COSTS				affordable 30%	
all housing units + 10%	770	1,100	847,000		
developer's profit @ 20% of gross turnover			448,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			169,400		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			1,464,400		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			730,800		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling	none				
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0		
RESIDUAL LAND VALUE , ie, ILV minus TADC			730,800		
financing costs @ 5% of RLV			36,540		
land acquisition fee 5% of RLV inc SDLT			36,540		
NET LAND VALUE			657,720		
existing use value - edge of town centre/sea front care home		600,000			
value added by consent			57,720		
uplift factor			1.10		
viability conclusion - £57k uplift in value (x 1.1) was probably insufficient to motivate the landowner to dispose. Therefore at present the site can be concluded to be marginally viable. Despite this the site has recently been sold and developed.					

NEIGHBOURHOOD 1		SITE CC07			
Summary - 72-74 Pevensey Road				model variables	
Market Appraisal - Type of development - PP for 8 apartments. Assumptions 4 2-bed, 4 1- bed flats = 450 m2. Edge of town centre/sea front sales values - medium @ £2300/m2. Conversion costs average @ £1100/m2				total floorspace sq.m 450	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m 1100	
open market housing	450	2,300	1,035,000	demolition floorspace sq.m	
affordable - below threshold	0	690	0	developer profit % of gross turnover 20	
gross turnover			1,035,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			20,700	existing land value £ 150,000	
NET TURNOVER				site AREA ha 0.1	
total floorspace	450		1,014,300	open market 70% total 450	
BUILD COSTS				affordable 30%	
all housing units + 10%	450	1,100	495,000		
developer's profit @ 20% of gross turnover			207,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			99,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				801,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				213,300	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling	none				
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE , ie, ILV minus TADC				213,300	
financing costs @ 5% of RLV			10,665		
land acquisition fee 5% of RLV inc SDLT			10,665		
NET LAND VALUE				191,970	
existing use value - edge of town centre terraced bedsits in 2 Victorian terraced		150,000			
value added by consent			41,970		
uplift factor			1.28		
viability conclusion - £41k uplift in value (x 1.3) is just sufficient to motivate a landowner to dispose. Therefore at present the site can be concluded to be marginally viable. Despite this the site has recently been developed.					

NEIGHBOURHOOD 1		SITE CC106			
Summary - Land within curtilage of 18-20 Trinity Trees (r/o CN53)				model variables	
Market Appraisal - Type of development - PP for 8 apartments. Assumptions 4 2-bed, 4 1- bed flats = 450 m2. Edge of town centre sales values - medium @ £2500/m2. New Build costs average @ £1150/m2				total floorspace sq.m	
450	2500	1,125,000	450	2500	1150
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	
open market housing	450	2,500	1,125,000	demolition floorspace sq.m	
affordable - below threshold	0	750	0	developer profit % of gross turnover	
gross turnover				20	
less marketing/legal costs @ 2% of open market turnover				qualifying dwellings for S.106 contributions	
22,500				existing land value £	
NET TURNOVER				50,000	
1,102,500				site AREA ha	
total floorspace				0.1	
450				open market 70% total	
BUILD COSTS				affordable 30%	
all housing units				450	
450				1,150	
517,500				225,000	
developer's profit @ 20% of gross turnover				103,500	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				0	
demolition/remediation costs @ £15/sq.m				TOTAL DEDUCTIONS	
0				846,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				256,500	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling				none	
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE, ie, ILV minus TADC				256,500	
financing costs @ 5% of RLV				12,825	
land acquisition fee 5% of RLV inc SDLT				12,825	
NET LAND VALUE				230,850	
existing use value - edge of town centre garden land				50,000	
value added by consent				180,850	
uplift factor				4.62	
viability conclusion - £180k uplift in value (x 4.6) is sufficient to motivate a landowner to dispose. Therefore at present the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 1		SITE BR08			
Summary - Park Lodge, Blackwater Road				model variables	
Market Appraisal - Type of development - proposal for 25 apartments. Assumptions 13 2-bed, 12 1-bed flats = 1450 m2. Edge of town centre/sea front up market sales values - high @ 3300/m2. New Build costs average/high @ 1100/m2					
				total floorspace sq.m	1450
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3300
TURNOVER				build cost £/sq.m	1000
open market housing	1,015	3,300	3,349,500	demolition floorspace sq.m	1,100
affordable @ £1000/sq.m (RSL capability to purchase from developer)	435	1,000	435,000	developer profit % of gross turnover	20
gross turnover			3,784,500	qualifying dwellings for S.106 contributions	25
less marketing/legal costs @ 2% of open market turnover			66,990	existing land value £	2,500,000
NET TURNOVER			3,717,510	site AREA ha	0.08
total floorspace	1,450			open market 70% total	1015
BUILD COSTS				affordable 30%	435
all housing units + 10%	1,595	1,000	1,595,000		
developer's profit @ 20% of gross turnover			756,900		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			319,000		
demolition/remediation costs @ £15/sq.m			16,500		
TOTAL DEDUCTIONS			2,687,400		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,030,110		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		225,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		225,000	225,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			805,110		
financing costs @ 5% of RLV			40,256		
land acquisition fee 5% of RLV inc SDLT			40,256		
NET LAND VALUE			724,599		
existing use value - edge of town centre 17 flats		2,500,000			
value added by consent			-1,775,401		
uplift factor			0.29		
viability conclusion - £1.77m negative value, largely because of current high value created by existing use - a 6-storey well-maintained block of flats. Unless there are exceptional circumstances, the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period.					

NEIGHBOURHOOD 1		SITE CC18			
Summary - 55-61 Seaside Road. Victorian 4-storey terraces with marginal retail/leisure ground floors				model variables	
Market Appraisal - Type of development - PP for 6 flats. Assumptions 6 flats total 500m2. Edge of town centre sales values - medium @ 2300/m2. Conversion Build costs average @ 1100/m2				total floorspace sq.m	500
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	1100
open market housing	500	2,300	1,150,000	demolition floorspace sq.m	
affordable - below threshold	0	1,000	0	developer profit % of gross turnover	20
gross turnover			1,150,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			23,000	existing land value £	130,000
NET TURNOVER			1,127,000	site AREA ha	
total floorspace	500			open market 70% total	500
BUILD COSTS				affordable 30%	
all housing units + 10%	550	1,100	605,000		
developer's profit @ 20% of gross turnover			230,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			121,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			956,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			171,000		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		0	0		
RESIDUAL LAND VALUE , ie, ILV minus TADC			171,000		
financing costs @ 5% of RLV			8,550		
land acquisition fee 5% of RLV inc SDLT			8,550		
NET LAND VALUE			153,900		
existing use value - edge of town centre, run down flats & takeaways		130,000			
value added by consent			23,900		
uplift factor			1.18		
viability conclusion - £23k uplift in value (x 1.1) is not usually sufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be marginally viable. Despite this the site has recently been developed					

NEIGHBOURHOOD 1		SITE CN38			
Summary - 11 Cornfield Terrace, conversion				model variables	
Market Appraisal - Type of development - PP for 5 flats. Assumptions 5 1/2 bed flats total 300m2. Edge of town centre sales values - medium/high @ 3300/m2. Conversion Build costs average @ 1100/m2					
				total floorspace sq.m	300
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3300
TURNOVER				build cost £/sq.m	1100
open market housing	300	3,300	990,000	demolition floorspace sq.m	
affordable - below threshold	0	990	0	developer profit % of gross turnover	20
gross turnover			990,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			19,800	existing land value £	250,000
NET TURNOVER				970,200	site AREA ha
total floorspace	300			open market 70% total	300
BUILD COSTS				affordable 30%	
all housing units + 10%	330	1,100	363,000		
developer's profit @ 20% of gross turnover			198,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			25,410		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				586,410	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				383,790	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	0
RESIDUAL LAND VALUE , ie, ILV minus TADC				383,790	
financing costs @ 5% of RLV			19,190		
land acquisition fee 5% of RLV inc SDLT			19,190		
NET LAND VALUE				345,411	
existing use value - edge of town centre, townhouse for conversion		250,000			
value added by consent			95,411		
uplift factor			1.38		
viability conclusion - £95k uplift in value (x 1.4) is not usually sufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be marginally viable. Despite this the site has recently been developed					

NEIGHBOURHOOD 1		SITE CC156			
Summary - 14B-E North Street, conversion/extension				model variables	
Market Appraisal - Type of development - PP for 5 flats. Assumptions 5 1/2 bed flats total 280m2. Edge of town centre sales values - medium @ 2300/m2. Conversion Build costs average @ 1100/m2					
				total floorspace sq.m	280
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	1100
open market housing	280	2,300	644,000	demolition floorspace sq.m	
affordable - below threshold	0	690	0	developer profit % of gross turnover	20
gross turnover			644,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			12,880	existing land value £	50,000
NET TURNOVER			631,120	site AREA ha	
total floorspace	280			open market 70% total	280
BUILD COSTS				affordable 30%	
all housing units + 10%	308	1,100	338,800		
developer's profit @ 20% of gross turnover			128,800		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			67,760		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			535,360		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			95,760		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
road works					
drainage costs					
planning obligations/dwelling					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		0	0		
RESIDUAL LAND VALUE ie, ILV minus TADC			95,760		
financing costs @ 5% of RLV			4,788		
land acquisition fee 5% of RLV inc SDLT			4,788		
NET LAND VALUE			86,184		
existing use value - edge of town centre, low value derelict terraced dwelling		50,000			
value added by consent			36,184		
uplift factor			1.72		
viability conclusion - £36k uplift in value (x 1.7) is just sufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 1		SITE CC157			
Summary - 3 Grand Parade				model variables	
Market Appraisal - Type of development - PP for conversion to 5 flats. Assumptions 5 1/2 bed flats total 280m2. Edge of town centre/sea front sales values - medium/high @ 3400/m2. Conversion Build costs average @ 1100/m2					
				total floorspace sq.m	280
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3400
TURNOVER				build cost £/sq.m	1100
open market housing	280	3,400	952,000	demolition floorspace sq.m	
affordable - below threshold	0	1,020	0	developer profit % of gross turnover	20
gross turnover			952,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			19,040	existing land value £	250,000
NET TURNOVER				932,960	site AREA ha
total floorspace	280			open market 70% total	280
BUILD COSTS				affordable 30%	
all housing units + 10%	308	1,100	338,800		
developer's profit @ 20% of gross turnover			190,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			67,760		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				596,960	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				336,000	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	0
RESIDUAL LAND VALUE , ie, ILV minus TADC				336,000	
financing costs @ 5% of RLV			16,800		
land acquisition fee 5% of RLV inc SDLT			16,800		
NET LAND VALUE				302,400	
existing use value - edge of town centre/sea front, run down 5-storey town house		250,000			
value added by consent			52,400		
uplift factor			1.21		
viability conclusion - £52k uplift in value (x 1.2) is not usually sufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be marginally viable. Despite this the site has recently been developed					

NEIGHBOURHOOD 1		SITE CN20			
Summary - 8-9 Marine Parade, Royal Hotel				model variables	
Market Appraisal - Type of development - PP for conversion to 4 flats. Assumptions 4 2/3 bed flats total 350m2. Edge of town centre/sea front sales values - medium/high @ 3500/m2. Conversion Build costs average @ 1100/m2				total floorspace sq.m 350	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m 1100	
open market housing	350	3,500	1,225,000	demolition floorspace sq.m	
affordable - below threshold	0	1,050	0	developer profit % of gross turnover 20	
gross turnover			1,225,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			24,500	existing land value £ 450,000	
NET TURNOVER				1,200,500	
total floorspace	350			site AREA ha	
BUILD COSTS				open market 70% total 350	
all housing units + 10%	350	1,100	385,000	affordable 30%	
developer's profit @ 20% of gross turnover			245,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				77,000	
demolition/remediation costs @ £15/sq.m				0	
TOTAL DEDUCTIONS				707,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER					
LESS TOTAL DEDUCTIONS				493,500	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE, ie, ILV minus TADC				493,500	
financing costs @ 5% of RLV				24,675	
land acquisition fee 5% of RLV inc SDLT				24,675	
NET LAND VALUE				444,150	
existing use value - edge of town centre/sea front operational hotel				450,000	
value added by consent				-5,850	
uplift factor				0.99	
viability conclusion - £5k negative uplift in value is probably insufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. This is proven by the recent sale of the hotel as a going concern.					

NEIGHBOURHOOD 1		SITE CN09			
Summary - Coral Guest House, 45 Cavendish Place				model variables	
Market Appraisal - Type of development - PP for conversion of guest house into 4 flats . Assumptions 4 2 bed flats total 320m2. Edge of town centre/sea front sales values - medium @ 2900/m2. Conversion Build costs average @ 1100/m2				total floorspace sq.m 320	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2900
TURNOVER				build cost £/sq.m 1100	
open market housing	320	2,900	928,000	demolition floorspace sq.m	
affordable - below threshold	0	870	0	developer profit % of gross turnover 20	
gross turnover			928,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			18,560	existing land value £ 200,000	
NET TURNOVER				909,440	
total floorspace	320			site AREA ha	
BUILD COSTS				open market 70% total 320	
all housing units + 10%	352	1,100	387,200	affordable 30%	
developer's profit @ 20% of gross turnover			185,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			77,440		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				650,240	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				259,200	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0 0	
RESIDUAL LAND VALUE , ie, ILV minus TADC				259,200	
financing costs @ 5% of RLV				12,960	
land acquisition fee 5% of RLV inc SDLT				12,960	
NET LAND VALUE				233,280	
existing use value - edge of town centre vacant boarded up Regency terrace		200,000			
value added by consent				33,280	
uplift factor				1.17	
viability conclusion - £33k uplift in value (x 1.17) may be just sufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Increasing sales values may bring the site forward later.					

NEIGHBOURHOOD 1		SITE XS102			
Summary - 46/50 South Street (1st/2nd floors)				model variables	
Market Appraisal - Type of development - PP for conversion of business space above retail into 4 1-bed flats. Assumptions 4 1 bed flats total 240m2. Edge of town centre/sea front sales values - medium/high @ 3200/m2. Conversion Build costs average @ 1100/m2				total floorspace sq.m 240	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3200
TURNOVER				build cost £/sq.m 1100	
open market housing	240	3,200	768,000	demolition floorspace sq.m	
affordable - below threshold	0	960	0	developer profit % of gross turnover 20	
gross turnover			768,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			15,360	existing land value £ 100,000	
NET TURNOVER				752,640	
total floorspace	240			site AREA ha	
BUILD COSTS				open market 70% total 240	
all housing units + 10%	264	1,100	290,400	affordable 30%	
developer's profit @ 20% of gross turnover			153,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			58,080		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				502,080	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				250,560	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE ie, ILV minus TADC				250,560	
financing costs @ 5% of RLV			12,528		
land acquisition fee 5% of RLV inc SDLT			12,528		
NET LAND VALUE				225,504	
existing use value - edge of town centre vacant business space above retail		100,000			
value added by consent			125,504		
uplift factor			2.26		
viability conclusion - £125k uplift in value (x 2.2) is sufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 1		SITE CN13			
Summary - 31 Elms Avenue				model variables	
Market Appraisal - Type of development - PP for Change of use to 3 flats. Assumptions 3 1-bed flats total 180m2. Edge of town centre/sea front sales values - medium/high @ 3000/m2. Conversion Build costs average @ 1100/m2					
				total floorspace sq.m	180
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3000
TURNOVER				build cost £/sq.m	1100
open market housing	180	3,000	540,000	demolition floorspace sq.m	
affordable - below threshold	0	900	0	developer profit % of gross turnover	20
gross turnover			540,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			10,800	existing land value £	180,000
NET TURNOVER				site AREA ha	
total floorspace	180		529,200	open market 70% total	180
BUILD COSTS				affordable 30%	
all housing units + 10%	198	1,100	217,800		
developer's profit @ 20% of gross turnover			108,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			43,560		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS					369,360
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					159,840
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
road works					
drainage costs					
planning obligations/dwelling					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]					0
RESIDUAL LAND VALUE , ie, ILV minus TADC					159,840
financing costs @ 5% of RLV					7,992
land acquisition fee 5% of RLV inc SDLT					7,992
NET LAND VALUE					143,856
existing use value - edge of town centre run down Victorian 3-bed terrace		180,000			
value added by consent					-36,144
uplift factor					0.80
viability conclusion - Negative uplift in value of £36k, so not sufficient to motivate a landowner to dispose. Therefore currently the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. Proposals insufficient to meet existing use value.					

NEIGHBOURHOOD 2		SITE BA01			
Summary - Bedfordwell Depot, Bedfordwell Road - mixed use AREA mostly dated warehousing, industrial and commercial premises. Site acquired by Places For People.				model variables	
Market Appraisal - Type of development - Assumptions - as planning application - 40 x 1 bed flats, 64 x 2 bed flats, 21 x 2 bed houses, 21 x 3 bed house, 8 x 4 bed houses, = 10,060m2. 47 affordable. AREA 2 Upperton sales values - medium @ 2400/m2. New Build costs average/high @ 900/m2				total floorspace sq.m 10060	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2400
TURNOVER				build cost £/sq.m 900	
open market housing	7,042	2,400	16,900,800	demolition floorspace sq.m 10,060	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	3,018	1,000	3,018,000	developer profit % of gross turnover 20	
gross turnover			19,918,800	qualifying dwellings for S.106 contributions 154	
less marketing/legal costs @ 2% of open market turnover			338,016	existing land value £ 1,200,000	
NET TURNOVER				19,580,784	
total floorspace	10,060			site AREA ha 1.53	
BUILD COSTS				open market 70% total 7042	
all housing units	10,060	900	9,054,000	affordable 30% 3018	
developer's profit @ 20% of gross turnover			3,983,760		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,810,800		
demolition/remediation costs @ £15/sq.m			150,900		
TOTAL DEDUCTIONS				14,999,460	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				4,581,324	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit		231,000			
standard off-site drainage improvements, £1000/unit		154,000			
ground remediation		500,000			
planning obligations					
transport incl LSAICs	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		1,386,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				2,271,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC				2,310,324	
financing costs @ 5% of RLV			115,516		
land acquisition fee 5% of RLV inc SDLT			115,516		
NET LAND VALUE				2,079,292	
existing use value -employment site, estimated value		1,200,000			
value added by consent			879,292		
uplift factor			1.73		
viability conclusion - £879k uplift in value (x 1.7) is just sufficient to motivate a landowner to dispose, or the developer to develop. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development delayed, but site acquired by Places For People, due to start in 2011, assuming PP granted					

NEIGHBOURHOOD 2		SITE BR01			
Summary - 16-18 Ratton Road				model variables	
Market Appraisal - Type of development - Assumptions - as planning permission -Demolition of bedsits and erection of 10 flats (5 x 1 bed, 4 x 2 bed, 1 x 3 bed), = 580m2. AREA 2 Upperton sales values - medium @ 2800/m2. Assume all open market. New Build costs average @ 1000/m2					
				total floorspace sq.m	580
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1000
open market housing	580	2,800	1,624,000	demolition floorspace sq.m	580
affordable - below threshold	0	840	0	developer profit % of gross turnover	20
gross turnover			1,624,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			32,480	existing land value £	100,000
NET TURNOVER				site AREA ha	0.19
total floorspace	580			open market 70% total	580
BUILD COSTS				affordable 30%	
all housing units	580	1,000	580,000		
developer's profit @ 20% of gross turnover			324,800		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			116,000		
demolition/remediation costs @ £15/sq.m			8,700		
TOTAL DEDUCTIONS					
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					562,020
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	0
RESIDUAL LAND VALUE, ie, ILV minus TADC					562,020
financing costs @ 5% of RLV			28,101		
land acquisition fee 5% of RLV inc SDLT			28,101		
NET LAND VALUE					505,818
existing use value dilapidated Council bedsits		100,000			
value added by consent			405,818		
uplift factor			5.06		
viability conclusion - £405k uplift in value (x 5) is sufficient to motivate a landowner to dispose, or the developer to develop. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 2		SITE BR18			
Summary - Magistrates Court, 4 The Avenue				model variables	
Market Appraisal - Type of development -town centre redevelopment site. Assumptions - as planning permission - Erection of 5 storey building comprising of 13 flats = 750m2. AREA 2 Upperton sales values - medium/high @ 3200/m2. Assume all open market. New Build costs average/high @ 1100/m2					
				total floorspace sq.m	750
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3200
TURNOVER				build cost £/sq.m	1100
open market housing	750	3,200	2,400,000	demolition floorspace sq.m	
affordable - below threshold	0	960	0	developer profit % of gross turnover	20
gross turnover			2,400,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			48,000	existing land value £	300,000
NET TURNOVER				2,352,000	site AREA ha
total floorspace	750			open market 70% total	750
BUILD COSTS				affordable 30%	
all housing units + 10%	825	1,100	907,500		
developer's profit @ 20% of gross turnover			480,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			181,500		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				1,569,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				783,000	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	0
RESIDUAL LAND VALUE, ie, ILV minus TADC				783,000	
financing costs @ 5% of RLV			39,150		
land acquisition fee 5% of RLV inc SDLT			39,150		
NET LAND VALUE				704,700	
existing use value - vacant cleared town centre site		300,000			
value added by consent			404,700		
uplift factor			2.35		
viability conclusion - £404k uplift in value (x 2.3) is sufficient to motivate a landowner to dispose, or the developer to develop, although no current sign during recession. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 2		SITE BR02		model variables	
Summary - 38 Upper Avenue					
Market Appraisal - Type of development -town centre redevelopment site. Assumptions - as planning permission - Demolition of building and erection of 12 apartments = 700m2. AREA 2 Upperton sales values - medium @ 2400/m2. Assume all open market. New Build costs average @ 1100/m2				total floorspace sq.m	
700				700	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2400
TURNOVER				build cost £/sq.m	
open market housing	700	2,400	1,680,000	demolition floorspace sq.m	80
affordable - below threshold	0	720	0	developer profit % of gross turnover	20
gross turnover			1,680,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			33,600	existing land value £	150,000
NET TURNOVER				1,646,400	
total floorspace	700			site AREA ha	0.1
BUILD COSTS				open market 70% total	
		£900/sq.m		affordable 30%	
all housing units + 10%	770	1,100	847,000		
developer's profit @ 20% of gross turnover			336,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			169,400		
demolition/remediation costs @ £15/sq.m			1,200		
TOTAL DEDUCTIONS				1,353,600	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				292,800	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE , ie, ILV minus TADC				292,800	
financing costs @ 5% of RLV			14,640		
land acquisition fee 5% of RLV inc SDLT			14,640		
NET LAND VALUE				263,520	
existing use value - boarded up Council detached property		150,000			
value added by consent			113,520		
uplift factor			1.76		
viability conclusion - £113k uplift in value (x 1.7) is sufficient to motivate a landowner to dispose, or the developer to develop, although no current sign during recession. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 2		SITE CC164			
Summary - Pembroke House, 8-10 Upperton Road				model variables	
Market Appraisal - Type of development -town centre redevelopment site. Assumptions - as planning permission - Demolition of building and creation of 19 large flats = 1700m2. AREA 2 Upperton (town centre) sales values - medium/high @ 3400/m2. New Build costs average/high @ 1100/m2					
	floorspace sq.m	sales value £/sq.m	turnover	total floorspace sq.m	1700
element				sales value £/sq.m	3400
TURNOVER				build cost £/sq.m	1100
open market housing	1,190	3,400	4,046,000	demolition floorspace sq.m	1,700
affordable @ £1000/sq.m (RSL capability to purchase from developer)	510	1,000	510,000	developer profit % of gross turnover	20
gross turnover			4,556,000	qualifying dwellings for S.106 contributions	19
less marketing/legal costs @ 2% of open market turnover			80,920	existing land value £	400,000
NET TURNOVER			4,475,080	site AREA ha	0.1
total floorspace	1,700			open market 70% total	1190
BUILD COSTS		£900/sq.m		affordable 30%	510
all housing units + 10%	1,870	1,100	2,057,000		
developer's profit @ 20% of gross turnover			911,200		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			411,400		
demolition/remediation costs @ £15/sq.m			25,500		
TOTAL DEDUCTIONS			3,405,100		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,069,980		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		28,500			
standard off-site drainage improvements, £1000/unit		19,000			
planning obligations					
transport, incl. LSAICs	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		171,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		218,500	218,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			851,480		
financing costs @ 5% of RLV			42,574		
land acquisition fee 5% of RLV inc SDLT			42,574		
NET LAND VALUE			766,332		
existing use value - dilapidated 19th C mansion block		400,000			
value added by consent			366,332		
uplift factor			1.92		
viability conclusion - £366k uplift in value (x 1.9) is sufficient to motivate a landowner to dispose, or the developer to develop, although no current sign during recession. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 2		SITE BR16				
Summary - 54-56 Upperton Road				model variables		
Market Appraisal - Type of development - pair of Council-owned semis. Assumptions - Proposals for demolition and erection of 11 apartments = 700m2. AREA 2 Upperton sales values - medium @ 2800/m2. Assume all open market. New Build costs average @ 1100/m2						
				total floorspace sq.m	700	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800	
TURNOVER				build cost £/sq.m	1100	
open market housing	700	2,800	1,960,000	demolition floorspace sq.m	140	
affordable - below threshold	0	840	0	developer profit % of gross turnover	20	
gross turnover			1,960,000	qualifying dwellings for S.106 contributions		
less marketing/legal costs @ 2% of open market turnover			39,200	existing land value £	280,000	
NET TURNOVER				1,920,800	site AREA ha	0.1
total floorspace	700			open market 70% total	700	
BUILD COSTS				affordable 30%		
all housing units + 10%	770	1,100	847,000			
developer's profit @ 20% of gross turnover			392,000			
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			169,400			
demolition/remediation costs @ £15/sq.m			2,100			
TOTAL DEDUCTIONS				1,410,500		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				510,300		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £		
standard highway access, eg, junction improvements, £1500/unit			0			
standard off-site drainage improvements, £1000/unit			0			
planning obligations						
transport SCAICs @ £1000/unit			11,000			
education, library, police, public art						
open space equipment /maintenance						
planning obligations total/unit (average between 3 Dragons £6k & £12k)						
planning obligations costs @ £9000/unit			0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				11,000	11,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC				499,300		
financing costs @ 5% of RLV			24,965			
land acquisition fee 5% of RLV inc SDLT			24,965			
NET LAND VALUE				449,370		
existing use value - pair of Council-owned semis		280,000				
value added by consent			169,370			
uplift factor			1.60			
viability conclusion - £169k uplift in value (x 1.6) is sufficient to motivate a landowner to dispose, or the developer to develop, although no current sign during recession. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.						

NEIGHBOURHOOD 2		SITE BC38			
Summary - Garden Space adjacent to 1 Le Brun Road				model variables	
Market Appraisal - Type of development - back garden. Assumptions - suitable only for 1 modest detached unit = 1400m2. AREA 2 Upperton sales values - medium @ 2800/m2. Assume all open market. New Build costs average @ 1100/m2					
				total floorspace sq.m	140
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1100
open market housing	140	2,800	392,000	demolition floorspace sq.m	
affordable - below threshold	0	840	0	developer profit % of gross turnover	20
gross turnover			392,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			7,840	existing land value £	50,000
NET TURNOVER				384,160	site AREA ha
total floorspace	140			open market 70% total	140
BUILD COSTS				affordable 30%	
all housing units	140	1,100	154,000		
developer's profit @ 20% of gross turnover			78,400		
building costs fees, including architects, planning permission costs, @ 7% of construction cost			10,780		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				243,180	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				140,980	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport SCAICs @ £1000/unit			1,000		
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				1,000	1,000
RESIDUAL LAND VALUE , ie, ILV minus TADC				139,980	
financing costs @ 5% of RLV			6,999		
land acquisition fee 5% of RLV inc SDLT			6,999		
NET LAND VALUE				125,982	
existing use value - back garden			50,000		
value added by consent			75,982		
uplift factor			2.52		
viability conclusion - £75k uplift in value (x 2.5) is sufficient to motivate a landowner to dispose, or the developer to develop, although no current sign during recession. Therefore the site can be concluded to be viable. Currently poor but recovering market, so development may be for delayed several years.					

NEIGHBOURHOOD 2		SITE CC166			
Summary - Hurst Motors, Hurst Lane				model variables	
Market Appraisal - Type of development - dilapidated garage premises and yard. Assumptions suitable only for 2 units as PP for change of use from workshop to 2 dwellings = 130m2. AREA 2 Upperton sales values - medium @ 2600/m2. Assume all open market. New Build costs average @ 1100/m2				total floorspace sq.m	
130					130
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2600
TURNOVER				build cost £/sq.m	1100
open market housing	130	2,600	338,000	demolition floorspace sq.m	
affordable - below threshold	0	780	0	developer profit % of gross turnover	20
gross turnover			338,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			6,760	existing land value £	70,000
NET TURNOVER			331,240	site AREA ha	0.05
total floorspace	130			open market 70% total	130
BUILD COSTS				affordable 30%	
all housing units + 10%	143	1,100	157,300		
developer's profit @ 20% of gross turnover			67,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			31,460		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			256,360		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			74,880		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations					
transport					
education, library, police, public art					
open space equipment /maintenance					
planning obligations total/unit (average between 3 Dragons £6k & £12k)					
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		0	0		
RESIDUAL LAND VALUE, ie, ILV minus TADC			74,880		
financing costs @ 5% of RLV			3,744		
land acquisition fee 5% of RLV inc SDLT			3,744		
NET LAND VALUE			67,392		
existing use value - suburban fringe employment garage-type uses		70,000			
value added by consent			-2,608		
uplift factor			0.96		
viability conclusion - £2k negative uplift in value (x 1.2) is not sufficient to motivate a landowner to dispose, or the developer to develop. Therefore the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period.					

NEIGHBOURHOOD 3		SITE CC23			
Summary - former Coach and Lorry Park, Wartling Road				model variables	
Market Appraisal - Type of development - under construction. Assumptions - 167 units remain to be completed, say 50 2-bed, 67 3-bed, 50 4-bed = 14300m2. AREA 3 Seaside sales values - medium @ 2300/m2. New Build costs average @ 800/m2				total floorspace sq.m	
14300					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	800
open market housing	10,010	2,300	23,023,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	4,290	1,000	4,290,000	developer profit % of gross turnover	20
gross turnover			27,313,000	qualifying dwellings for S.106 contributions	167
less marketing/legal costs @ 2% of open market turnover			460,460	existing land value £	1,650,000
NET TURNOVER			26,852,540	site AREA ha	3.3
total floorspace	14,300			open market 70% total	10010
BUILD COSTS				affordable 30%	4290
all housing units	14,300	800	11,440,000		
developer's profit @ 20% of gross turnover			5,462,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			2,288,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			19,190,600		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			7,661,940		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		250,500			
standard off-site drainage improvements, £1000/unit		167,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		1,503,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		1,920,500	1,920,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			5,741,440		
financing costs @ 5% of RLV			287,072		
land acquisition fee 5% of RLV inc SDLT			287,072		
NET LAND VALUE			5,167,296		
existing/alternative use value - coach/lorry park, open storage, estimated value @ £500k/ha		1,650,000			
value added by consent			3,517,296		
uplift factor			3.13		
viability conclusion - £3517k uplift in value (x 3.1) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. This is verified by on-going development and sales					

NEIGHBOURHOOD 3		SITE BR15			
Summary - boarded-up former Cambridge Hotel				model variables	
Market Appraisal - Type of development assumptions - as PP - Demolition of hotel and construction of 43 apartments = 2500m2. AREA 3 Seaside sea front sales values - medium @ 2800/m2. New Build costs average/high @ 1100/m2					
				total floorspace sq.m	2500
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1100
open market housing	1,750	2,800	4,900,000	demolition floorspace sq.m	2,500
affordable @ £1000/sq.m (RSL capability to purchase from developer)	750	1,000	750,000	developer profit % of gross turnover	20
gross turnover			5,650,000	qualifying dwellings for S.106 contributions	43
less marketing/legal costs @ 2% of open market turnover			98,000	existing land value £	300,000
NET TURNOVER				5,552,000	site AREA ha
total floorspace	2,500			open market 70% total	1750
BUILD COSTS				affordable 30%	750
all housing units + 10%	2,750	1,100	3,025,000		
developer's profit @ 20% of gross turnover			1,130,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			605,000		
demolition/remediation costs @ £15/sq.m			37,500		
TOTAL DEDUCTIONS				4,797,500	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				754,500	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			387,000		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				387,000	387,000
RESIDUAL LAND VALUE , ie, ILV minus TADC				367,500	
financing costs @ 5% of RLV			18,375		
land acquisition fee 5% of RLV inc SDLT			18,375		
NET LAND VALUE				330,750	
existing/alternative use value - derelict hotel			300,000		
value added by consent			30,750		
uplift factor			1.10		
viability conclusion - £30k uplift in value (x 1.1) is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years. Occupiers interested in acquiring site for alternative uses.					

NEIGHBOURHOOD 3		SITE CC172			
Summary - The Castle Restaurant, 346 Seaside				model variables	
Market Appraisal - Type of development assumptions - as PP - Demolition of former PH/restaurant and construction of 22 flats = 1250m2. AREA 3 Seaside sales values - medium/low @ 2200/m2. New Build costs average @ 1100/m2				total floorspace sq.m 1250	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2200
TURNOVER				build cost £/sq.m	1100
open market housing	875	2,200	1,925,000	demolition floorspace sq.m	1,250
affordable @ £1000/sq.m (RSL capability to purchase from developer)	375	1,000	375,000	developer profit % of gross turnover	20
gross turnover			2,300,000	qualifying dwellings for S.106 contributions	22
less marketing/legal costs @ 2% of open market turnover			38,500	existing land value £	150,000
NET TURNOVER			2,261,500	site AREA ha	0.12
total floorspace	1,250			open market 70% total	875
BUILD COSTS				affordable 30%	375
all housing units + 10%	1,375	1,100	1,512,500		
developer's profit @ 20% of gross turnover			460,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			302,500		
demolition/remediation costs @ £15/sq.m			18,750		
TOTAL DEDUCTIONS			2,293,750		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER					
LESS TOTAL DEDUCTIONS					
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			198,000		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			198,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC					-230,250
financing costs @ 5% of RLV					-11,513
land acquisition fee 5% of RLV inc SDLT					-11,513
NET LAND VALUE					-207,225
existing/alternative use value - derelict pub			150,000		
value added by consent					-357,225
uplift factor					-1.38
viability conclusion - £357k negative uplift in value, which is obviously not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. To achieve viability, planning obligations and/or AH costs could be removed					

NEIGHBOURHOOD 3		SITE XS05				
Summary - Beach Mews, Beach Road				model variables		
Market Appraisal - Type of development - would be suitable for flats/terraced houses. Assumptions 6 2-bed, 6 1-bed flats = 700 m2. Edge of town centre sales values - medium/low @ 2200/m2. New Build costs average @ 1100/m2						
				total floorspace sq.m	700	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2200	
TURNOVER				build cost £/sq.m	1100	
open market housing	700	2,200	1,540,000	demolition floorspace sq.m	700	
affordable - below threshold	0	660	0	developer profit % of gross turnover	20	
gross turnover			1,540,000	qualifying dwellings for S.106 contributions		
less marketing/legal costs @ 2% of open market turnover			30,800	existing land value £	450,000	
NET TURNOVER				1,509,200	site AREA ha	0.1
total floorspace	700			open market 70% total	700	
BUILD COSTS				affordable 30%		
all housing units	700	1,100	770,000			
developer's profit @ 20% of gross turnover			308,000			
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			154,000			
demolition/remediation costs @ £15/sq.m			10,500			
TOTAL DEDUCTIONS				1,242,500		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER						
LESS TOTAL DEDUCTIONS				266,700		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £		
road works						
drainage costs						
planning obligations - LSAICs @ £1000/dwelling		12,000				
transport						
education, library, police, public art						
open space equipment /maintenance						
planning obligations total/unit (average between 3 Dragons £6k & £12k)						
planning obligations costs @ £9000/unit		0				
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				12,000	12,000	
RESIDUAL LAND VALUE ie, ILV minus TADC				254,700		
financing costs @ 5% of RLV			12,735			
land acquisition fee 5% of RLV inc SDLT			12,735			
NET LAND VALUE				229,230		
existing use value - edge of town centre fringe 9 occupied employment units		450,000				
value added by consent			-220,770			
uplift factor			0.51			
viability conclusion - £220k negative uplift in value is clearly insufficient to motivate a landowner to dispose at this time, bearing in mind the multiple occupiers. Therefore at present the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. Deliverability of site needs confirmation, despite owner wishing to relocate - previous applications have been refused.						

NEIGHBOURHOOD 3		SITE CC171			
Summary - Former Rose & Crown, 125 Langney Road				model variables	
Market Appraisal - Type of development assumptions - as PP - Redevelopment of pub to form 9 flats = 525m2. AREA 3 Seaside sales values - medium/low @ 2200/m2. Conversion costs average @ 1100/m2				total floorspace sq.m 525	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2200
TURNOVER				build cost £/sq.m 1100	
open market housing	525	2,200	1,155,000	demolition floorspace sq.m	
affordable - below threshold	0	660	0	developer profit % of gross turnover 20	
gross turnover			1,155,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			23,100	existing land value £ 200,000	
NET TURNOVER				1,131,900	
total floorspace	525			site AREA ha	
BUILD COSTS				open market 70% total 525	
all housing units + 10%	578	1,100	635,250	affordable 30%	
developer's profit @ 20% of gross turnover			231,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				127,050	
demolition/remediation costs @ £15/sq.m				0	
TOTAL DEDUCTIONS				993,300	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				138,600	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE , ie, ILV minus TADC				138,600	
financing costs @ 5% of RLV				6,930	
land acquisition fee 5% of RLV inc SDLT				6,930	
NET LAND VALUE				124,740	
existing/alternative use value - derelict pub				200,000	
value added by consent				-75,260	
uplift factor				0.62	
viability conclusion - £75k negative uplift in value, which is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years					

NEIGHBOURHOOD 3		SITE CN26			
Summary - 118-120 Seaside				model variables	
Market Appraisal - Type of development assumptions - as PP - Demolition of existing building and erection of 8 3-storey flats = 460m2. AREA 3 Seaside sales values - medium/low @ 2100/m2. New Build costs average @ 1100/m2					
				total floorspace sq.m	460
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	1100
open market housing	460	2,100	966,000	demolition floorspace sq.m	
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover			966,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			19,320	existing land value £	50,000
NET TURNOVER			946,680	site AREA ha	
total floorspace	460			open market 70% total	460
BUILD COSTS				affordable 30%	
all housing units + 10%	506	1,100	556,600		
developer's profit @ 20% of gross turnover			193,200		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			111,320		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			861,120		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			85,560		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg. junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0		
RESIDUAL LAND VALUE , ie, ILV minus TADC			85,560		
financing costs @ 5% of RLV			4,278		
land acquisition fee 5% of RLV inc SDLT			4,278		
NET LAND VALUE			77,004		
existing/alternative use value - single storey retail/office		50,000			
value added by consent			27,004		
uplift factor			1.54		
viability conclusion - £27k uplift in value (x 1.5), which may be sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years					

NEIGHBOURHOOD 3		SITE CN27			
Summary - 148A, 156, 160 Seaside				model variables	
Market Appraisal - Type of development assumptions - as PP - Conversion of buildings into 6 1/2 bed flats = 400m2. AREA 3 Seaside sales values - medium/low @ 2100/m2. Conversion build costs average @ 1100/m2					
				total floorspace sq.m	400
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	1100
open market housing	400	2,100	840,000	demolition floorspace sq.m	
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover			840,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			16,800	existing land value £	150,000
NET TURNOVER				823,200	site AREA ha
total floorspace	400			open market 70% total	400
BUILD COSTS				affordable 30%	
all housing units + 10%	440	1,100	484,000		
developer's profit @ 20% of gross turnover			168,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			96,800		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			748,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			74,400		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport		2500			
education, library, police, public art		5000			
open space equipment /maintenance		1500			
planning obligations total/unit (average between 3 Dragons £6k & £12k)			9000		
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0	0	
RESIDUAL LAND VALUE , ie, ILV minus TADC			74,400		
financing costs @ 5% of RLV			3,720		
land acquisition fee 5% of RLV inc SDLT			3,720		
NET LAND VALUE			66,960		
existing/alternative use value - low value office/retail/leisure			150,000		
value added by consent				-83,040	
uplift factor				0.45	
viability conclusion - £83k negative uplift in value, which is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years					

NEIGHBOURHOOD 3		SITE CC124			
Summary - 75 Royal Parade				model variables	
Market Appraisal - Type of development assumptions - as PP - Conversion of buildings into 6 1/2 bed flats = 450m2. AREA 3 Seaside sea front sales values - medium @ 2500/m2.					
Conversion costs average @ 1100/m2				total floorspace sq.m 420	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m 1100	
open market housing	420	2,500	1,050,000	demolition floorspace sq.m	
affordable - below threshold	0	750	0	developer profit % of gross turnover 20	
gross turnover			1,050,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			21,000	existing land value £ 150,000	
NET TURNOVER				1,029,000	
total floorspace	420			site AREA ha	
BUILD COSTS				open market 70% total 420	
				affordable 30%	
all housing units +10%	462	1,100	508,200		
developer's profit @ 20% of gross turnover				210,000	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				101,640	
demolition/remediation costs @ £15/sq.m				0	
TOTAL DEDUCTIONS				819,840	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				209,160	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE, ie, ILV minus TADC				209,160	
financing costs @ 5% of RLV				10,458	
land acquisition fee 5% of RLV inc SDLT				10,458	
NET LAND VALUE				188,244	
existing/alternative use value - redundant Guest House				150,000	
value added by consent				38,244	
uplift factor				1.25	
viability conclusion - £38k uplift in value (x 1.2), which has proved just sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Conversion understood to be complete.					

NEIGHBOURHOOD 3		SITE CC127			
Summary - 183A, 183B & 183C Langney Road				model variables	
Market Appraisal - Type of development assumptions - as PP - Demolition of existing building and creation of retail at ground floor and 6 net residential units on upper floors = 400m2. AREA 3 Seaside sales values - medium @ 2300/m2. New build costs average @ 1100/m2				total floorspace sq.m	
				400	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	
				1100	
open market housing	400	2,300	920,000	demolition floorspace sq.m	200
affordable - below threshold	0	690	0	developer profit % of gross turnover	20
gross turnover			920,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			18,400	existing land value £	120,000
NET TURNOVER				901,600	
total floorspace				site AREA ha	
400				open market 70% total	
				400	
BUILD COSTS				affordable 30%	
all housing units + 10%	440	1,100	484,000		
developer's profit @ 20% of gross turnover			184,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			96,800		
demolition/remediation costs @ £15/sq.m			3,000		
TOTAL DEDUCTIONS			767,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			133,800		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS			COST £		
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0	0	
RESIDUAL LAND VALUE ie, ILV minus TADC			133,800		
financing costs @ 5% of RLV			6,690		
land acquisition fee 5% of RLV inc SDLT			6,690		
NET LAND VALUE			120,420		
existing/alternative use value - 3 single storey low value retail units			120,000		
value added by consent			420		
uplift factor			1.00		
<p>viability conclusion - £400 uplift in value for residential element, which is not sufficient to motivate a landowner to dispose. Assume ground floor retail value will at least equal build costs. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years.</p>					

NEIGHBOURHOOD 3		SITE CC125			
Summary - 359-361 Seaside				model variables	
Market Appraisal - Type of development assumptions - as PP - Demolition of club building and construction of 5 1/2 bed flats = 300m2. AREA 3 Seaside sales values - medium/low @ 2100/m2. New build costs average @ 1100/m2				total floorspace sq.m	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	1100
open market housing	300	2,100	630,000	demolition floorspace sq.m	200
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover			630,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			12,600	existing land value £	180,000
NET TURNOVER			617,400	site AREA ha	
total floorspace	300			open market 70% total	300
BUILD COSTS				affordable 30%	
all housing units + 10%	330	1,100	363,000		
developer's profit @ 20% of gross turnover			126,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			72,600		
demolition/remediation costs @ £15/sq.m			3,000		
TOTAL DEDUCTIONS			564,600		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			52,800		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0	0	
RESIDUAL LAND VALUE , ie, ILV minus TADC			52,800		
financing costs @ 5% of RLV			2,640		
land acquisition fee 5% of RLV inc SDLT			2,640		
NET LAND VALUE			47,520		
existing/alternative use value - Social Club & terraced house		180,000			
value added by consent			-132,480		
uplift factor			0.26		
viability conclusion - £132k negative uplift in value, which is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years.					

NEIGHBOURHOOD 3		SITE BC03			
Summary - Garages rear of 1 Sandwich Street				model variables	
Market Appraisal - Type of development assumptions - suitable for development of 5 small terraced houses on former garage land = 300m2. AREA 3 Seaside sales values - medium/low @ 2100/m2. New build costs average @ 1100/m2				total floorspace sq.m 300	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	1100
open market housing	300	2,100	630,000	demolition floorspace sq.m	850
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover			630,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			12,600	existing land value £	50,000
NET TURNOVER			617,400	site AREA ha	
total floorspace	300			open market 70% total	300
BUILD COSTS				affordable 30%	
all housing units	300	1,100	330,000		
developer's profit @ 20% of gross turnover			126,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			66,000		
demolition/remediation costs @ £15/sq.m			12,750		
TOTAL DEDUCTIONS			534,750		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			82,650		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations LSAICs @ £1000/unit		5,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		5,000	5,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			77,650		
financing costs @ 5% of RLV			3,883		
land acquisition fee 5% of RLV inc SDLT			3,883		
NET LAND VALUE			69,885		
existing/alternative use value - garage land		50,000			
value added by consent			19,885		
uplift factor			1.40		
viability conclusion - £19k uplift in value (x 1.4), which is probably not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years.					

NEIGHBOURHOOD 3		SITE XS12			
Summary - 38/40 Leslie Street				model variables	
Market Appraisal - Type of development assumptions - suitable for development of 5 small terraced houses following demolition of Victorian employment premises = 325m2. AREA 3 Seaside sales values - medium/low @ 2100/m2. New build costs average @ 1100/m2				total floorspace sq.m	
325			325		
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	1100
open market housing	325	2,100	682,500	demolition floorspace sq.m	200
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover			682,500	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			13,650	existing land value £	100,000
NET TURNOVER			668,850	site AREA ha	
total floorspace	325			open market 70% total	325
BUILD COSTS				affordable 30%	
all housing units	325	1,100	357,500		
developer's profit @ 20% of gross turnover			136,500		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			71,500		
demolition/remediation costs @ £15/sq.m			3,000		
TOTAL DEDUCTIONS			568,500		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			100,350		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations LSAICS @ £1000/unit		5,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		5,000	5,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			95,350		
financing costs @ 5% of RLV			4,768		
land acquisition fee 5% of RLV inc SDLT			4,768		
NET LAND VALUE			85,815		
existing/alternative use value - occupied Victorian employment premises		100,000			
value added by consent			-14,185		
uplift factor			0.86		
viability conclusion - £14k negative uplift in value, which is probably not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be only unviable, with no evidence to suggest that site will become viable within the plan period.					

NEIGHBOURHOOD 3		SITE XS59			
Summary - 20 Vine Square/18a Winchelsea Road				model variables	
Market Appraisal - Type of development assumptions - suitable for development of 6 semi-detached houses = 400m2. AREA 3 Seaside sales values - medium/low @ 2100/m2. New build costs average @ 1100/m2				total floorspace sq.m	
				400	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	
				1100	
open market housing	400	2,100	840,000	demolition floorspace sq.m	300
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover				840,000	
less marketing/legal costs @ 2% of open market turnover				16,800	
NET TURNOVER				823,200	
total floorspace				400	
BUILD COSTS				site AREA ha	
all housing units				400	
developer's profit @ 20% of gross turnover				168,000	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				88,000	
demolition/remediation costs @ £15/sq.m				4,500	
TOTAL DEDUCTIONS				700,500	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				122,700	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations SCAICS @ £1000/unit				6,000	
transport				2500	
education, library, police, public art				5000	
open space equipment /maintenance				1500	
planning obligations total/unit (average between 3 Dragons £6k & £12k)				9000	
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				6,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC				116,700	
financing costs @ 5% of RLV				5,835	
land acquisition fee 5% of RLV inc SDLT				5,835	
NET LAND VALUE				105,030	
existing/alternative use value - vacant employment premises				75,000	
value added by consent				30,030	
uplift factor				1.40	
<p>viability conclusion - 30k uplift in value (x 1.4), which may be just sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years.</p>					

NEIGHBOURHOOD 3		SITE XS14		model variables	
Summary - 164 Longstone Road					
Market Appraisal - Type of development assumptions - suitable for development of 3 2-bed units following demolition = 200m2. AREA 3 Seaside sales values - medium/low @ 2100/m2. New build costs average @ 1100/m2				total floorspace sq.m	
200			200		
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	1100
open market housing	200	2,100	420,000	demolition floorspace sq.m	200
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover			420,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			8,400	existing land value £	40,000
NET TURNOVER			411,600	site AREA ha	
total floorspace	200			open market 70% total	200
BUILD COSTS				affordable 30%	
all housing units	200	1,100	220,000		
developer's profit @ 20% of gross turnover			84,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			44,000		
demolition/remediation costs @ £15/sq.m			3,000		
TOTAL DEDUCTIONS			351,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			60,600		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations LSAICs @ £500/unit		1,500			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		1,500	1,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			59,100		
financing costs @ 5% of RLV			2,955		
land acquisition fee 5% of RLV inc SDLT			2,955		
NET LAND VALUE			53,190		
existing/alternative use value - vacant employment premises		40,000			
value added by consent			13,190		
uplift factor			1.33		
viability conclusion - 13k uplift in value (x 1.3), which may be just sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years.					

NEIGHBOURHOOD 4		SITE EX02			
Summary - greenfield site - Land at Burrow Down Close/Priory Heights. Currently open space for horse grazing, steeply sloping in places. Access difficult.				model variables	
Market Appraisal - developers would seek a lower density than that assumed by Council (56 units @ 50 dph). Capacity also limited by topography. Type of development: Assumptions - 40 units say 10 2-bed, 20 3-bed, 10 4-bed = 3450m2. AREA 4 Old Town sales values - medium @ 2700/m2, taking account of attractive greenfield location, but accessed through lower value AREAs. New Build costs average @ 900/m2 taking account of topography				total floorspace sq.m	3450
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2700
TURNOVER				build cost £/sq.m	900
open market housing	2,415	2,700	6,520,500	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	1,035	1,000	1,035,000	developer profit % of gross turnover	20
gross turnover			7,555,500	qualifying dwellings for S.106 contributions	40
less marketing/legal costs @ 2% of open market turnover			130,410	existing land value £	40,000
NET TURNOVER			7,425,090	site AREA ha	1.15
total floorspace	3,450			open market 70% total	2415
BUILD COSTS				affordable 30%	1035
all housing units	3,450	900	3,105,000		
developer's profit @ 20% of gross turnover			1,511,100		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			621,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			5,237,100		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			2,187,990		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		60,000			
standard off-site drainage improvements, £1000/unit		40,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		360,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		460,000	460,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			1,727,990		
financing costs @ 5% of RLV			86,400		
land acquisition fee 5% of RLV inc SDLT			86,400		
NET LAND VALUE			1,555,191		
existing/alternative use value - paddocks @ £35k/ha		40,000			
value added by consent			1,515,191		
uplift factor			38.88		
viability conclusion - £1515k uplift in value (x 38) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 4		SITE CC142			
Summary - Towner Art Gallery, Borough Lane - vacant art gallery, vacant Regency Villa, Conservation issues				model variables	
Market Appraisal - Type of development assumptions - suitable for development Conversion of old gallery to 11 2/3-bed flats = 850m2. AREA 4 Old Town sales values - medium/high @ 3000/m2. Conversion costs average @ 1100/m2					
				total floorspace sq.m	850
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3000
TURNOVER				build cost £/sq.m	1100
open market housing	850	3,000	2,550,000	demolition floorspace sq.m	
affordable - below threshold	0	900	0	developer profit % of gross turnover	20
gross turnover			2,550,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			51,000	existing land value £	500,000
NET TURNOVER			2,499,000	site AREA ha	
total floorspace	850			open market 70% total	850
BUILD COSTS				affordable 30%	
all housing units + 10%	935	1,100	1,028,500		
developer's profit @ 20% of gross turnover			510,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			205,700		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			1,744,200		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			754,800		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit					
standard off-site drainage improvements, £1000/unit					
planning obligations LSAICS @ £1800/unit		19,800			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		19,800	19,800		
RESIDUAL LAND VALUE , ie, ILV minus TADC			735,000		
financing costs @ 5% of RLV			36,750		
land acquisition fee 5% of RLV inc SDLT			36,750		
NET LAND VALUE			661,500		
existing/alternative use value - vacant run down Regency Villa		500,000			
value added by consent			161,500		
uplift factor			1.32		
viability conclusion - 161k uplift in value (x 1.3), which is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years.					

NEIGHBOURHOOD 4		SITE XS78			
Summary - Old Town Service Station, Church Street				model variables	
Market Appraisal - Type of development assumptions - suitable for re-development demolition followed by 11 2-bed flats = 700m2. AREA 4 Old Town sales values - medium/high @ 2800/m2. New Build costs average @ 1100/m2				total floorspace sq.m	
700				700	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1100
open market housing	700	2,800	1,960,000	demolition floorspace sq.m	500
affordable - below threshold	0	840	0	developer profit % of gross turnover	20
gross turnover			1,960,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			39,200	existing land value £	400,000
NET TURNOVER			1,920,800	site AREA ha	
total floorspace	700			open market 70% total	700
BUILD COSTS				affordable 30%	
all housing units + 10%	770	1,100	847,000		
developer's profit @ 20% of gross turnover			392,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			169,400		
demolition/remediation costs @ £15/sq.m			7,500		
TOTAL DEDUCTIONS			1,415,900		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			504,900		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, contamination		100,000			
standard off-site drainage improvements, £1000/unit					
planning obligations SCAICs @ £1000/unit		11,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		111,000	111,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			393,900		
financing costs @ 5% of RLV			19,695		
land acquisition fee 5% of RLV inc SDLT			19,695		
NET LAND VALUE			354,510		
existing/alternative use value - petrol filling station		400,000			
value added by consent			-45,490		
uplift factor			0.89		
viability conclusion - 45k negative uplift in value, which is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market for flats so development may be for delayed several years.					

NEIGHBOURHOOD 5		SITE AN01			
Summary - greenfield site - Land at Kings Drive/Cross Levels Way. Currently open space for grazing, adjacent to flood plain.				model variables	
Market Appraisal - developers would seek a lower density than that assumed by Council (140 units @ 43 dph). Design has been limited by landscaping requirements. Type of development: Assumptions - 119 units proposed in application - 10 2-bed, 20 3-bed, 10 4-bed = 7800 m2. AREA 5 Ocklynge/Ratton sales values - medium @ 2600/m2, taking account of attractive greenfield location. New Build costs average @ 900/m2.				total floorspace sq.m	7800
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2600
TURNOVER				build cost £/sq.m	900
open market housing	5,460	2,600	14,196,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	2,340	1,000	2,340,000	developer profit % of gross turnover	20
gross turnover			16,536,000	qualifying dwellings for S.106 contributions	119
less marketing/legal costs @ 2% of open market turnover			283,920	existing land value £	65,000
NET TURNOVER			16,252,080	site AREA ha	3.25
total floorspace	7,800			open market 70% total	5460
BUILD COSTS				affordable 30%	2340
all housing units	7,800	900	7,020,000		
developer's profit @ 20% of gross turnover			3,307,200		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,404,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			11,731,200		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER					
LESS TOTAL DEDUCTIONS			4,520,880		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		178,500			
standard off-site drainage improvements, £1000/unit		119,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		1,071,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		1,368,500	1,368,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			3,152,380		
financing costs @ 5% of RLV			157,619		
land acquisition fee 5% of RLV inc SDLT			157,619		
NET LAND VALUE			2,837,142		
existing/alternative use value - pasture land agric value @ £20k/ha		65,000			
value added by consent			2,772,142		
uplift factor			43.65		
viability conclusion - £2772k uplift in value (x 43) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 5		SITE CN59			
Summary - Park College, Kings Drive				model variables	
Market Appraisal - mix of types to reflect wide market demand, but highest proportion of family units. Type of development: Assumptions - 84 units proposed in SHLAA - 30 2-bed flats/houses, 34 3-bed, 20-bed = 6840m2. AREA 5 Ocklyng/Ratton sales values - medium @ 2500/m2, taking account of attractive campus location. New Build costs average @ 900/m2.				total floorspace sq.m	
6840					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	
				900	
open market housing	4,788	2,500	11,970,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	2,052	1,000	2,052,000	developer profit % of gross turnover	
				20	
gross turnover			14,022,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			239,400	84	
NET TURNOVER				existing land value £	
				100,000	
				13,782,600	
total floorspace				site AREA ha	
6,840				2	
BUILD COSTS				open market 70% total	
				4788	
all housing units				affordable 30%	
6,840				2052	
developer's profit @ 20% of gross turnover					
				2,804,400	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost					
				1,231,200	
demolition/remediation costs @ £15/sq.m					
				0	
TOTAL DEDUCTIONS				10,191,600	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					
				3,591,000	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg. junction improvements, £1500/unit				126,000	
standard off-site drainage improvements, £1000/unit				84,000	
planning obligations					
transport				2500	
education, library, police, public art				5000	
open space equipment /maintenance				1500	
planning obligations total/unit (average between 3 Dragons £6k & £12k)				9000	
planning obligations costs @ £9000/unit				756,000	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				966,000	
RESIDUAL LAND VALUE, ie, ILV minus TADC				2,625,000	
financing costs @ 5% of RLV				131,250	
land acquisition fee 5% of RLV inc SDLT				131,250	
NET LAND VALUE				2,362,500	
existing/alternative use value - education land value @ £50k/ha				100,000	
value added by consent				2,262,500	
uplift factor				23.63	
viability conclusion - £2262k uplift in value (x 23) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 5		SITE BA06			
Summary - St. Elizabeth's Church, Old Town - landmark massive bulk 1930s brick Listed Building				model variables	
Market Appraisal - mix of types to reflect wide market demand, but highest proportion of family units. Type of development: Assumptions - 21 units proposed - houses & flats = 1450 m2. AREA 5 Ocklynge/Ratton sales values - medium @ 2400/m2, taking account of neighbouring AREA. Conversion costs average/high @ 950/m2.				total floorspace sq.m	
1150					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2400
TURNOVER				build cost £/sq.m	950
open market housing	805	2,400	1,932,000	demolition floorspace sq.m	2,000
affordable @ £1000/sq.m (RSL capability to purchase from developer)	345	1,000	345,000	developer profit % of gross turnover	20
gross turnover			2,277,000	qualifying dwellings for S.106 contributions	21
less marketing/legal costs @ 2% of open market turnover			38,640	existing land value £	150,000
NET TURNOVER			2,238,360	site AREA ha	0.2
total floorspace	1,150			open market 70% total	805
BUILD COSTS				affordable 30%	345
all housing units	1,150	950	1,092,500		
developer's profit @ 20% of gross turnover			455,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			218,500		
demolition/remediation costs @ £15/sq.m			30,000		
TOTAL DEDUCTIONS			1,796,400		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			441,960		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		31,500			
standard off-site drainage improvements, £1000/unit		21,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		189,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		241,500	241,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			200,460		
financing costs @ 5% of RLV			10,023		
land acquisition fee 5% of RLV inc SDLT			10,023		
NET LAND VALUE			180,414		
existing/alternative use value - church land value - estimate		150,000			
value added by consent			30,414		
uplift factor			1.20		
viability conclusion - £30k uplift in value (x1.2) is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. Could be viable with reduction/elimination of AH and/or planning obligations. Currently poor market for flats so development may be for delayed several years.					

NEIGHBOURHOOD 6		SITE BR19			
Summary - 2-4 Moy Avenue - derelict factory in mixed use AREA				model variables	
Market Appraisal - mix of types to reflect market demand. Type of development: Assumptions - 42 units proposed - 10 2-bed flats, 10 2-bed, 20 3-bed houses = 2650 m2. AREA 6 Roselands/Bridgemere sales values - medium/low @ 2000/m2, taking account of mixed use AREA location. New Build costs average @ 900/m2.				total floorspace sq.m 2650	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2000
TURNOVER				build cost £/sq.m	900
open market housing	1,855	2,000	3,710,000	demolition floorspace sq.m	2,650
affordable @ £1000/sq.m (RSL capability to purchase from developer)	795	1,000	795,000	developer profit % of gross turnover	20
gross turnover			4,505,000	qualifying dwellings for S.106 contributions	42
less marketing/legal costs @ 2% of open market turnover			74,200	existing land value £	500,000
NET TURNOVER			4,430,800	site AREA ha	0.65
total floorspace	2,650			open market 70% total	1855
BUILD COSTS				affordable 30%	795
all housing units	2,650	900	2,385,000		
developer's profit @ 20% of gross turnover			901,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			477,000		
demolition/remediation costs @ £15/sq.m			39,750		
TOTAL DEDUCTIONS			3,802,750		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			628,050		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		63,000			
standard off-site drainage improvements, £1000/unit		42,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		378,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		483,000	483,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			145,050		
financing costs @ 5% of RLV			7,253		
land acquisition fee 5% of RLV inc SDLT			7,253		
NET LAND VALUE			130,545		
existing/alternative use value - employment land value estimate		500,000			
value added by consent			-369,455		
uplift factor			0.26		
viability conclusion - £369k negative uplift in value is evidently not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. This is caused by a combination of low sales value and relatively high existing value. Site can be made viable by reducing affordable element. Reducing Planning obligations would also assist. Currently poor market so development may be for delayed several years.					

NEIGHBOURHOOD 6		SITE XS74			
Summary - Yeomans Toyota, vacant Former Garage, adj to 1 Churchdale Road				model variables	
Market Appraisal - mix of types to reflect market demand. Type of development: Assumptions - PP for 23 units plus commercial on ground floor (low demand producing no land value) - 11 1-bed, 12 2-bed flats, = 1330 m2. AREA 6 Roselands/Bridgemere sales values - medium/low @ 2000/m2, taking account of location. New Build costs average @ 900/m2.				total floorspace sq.m 1330	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2000
TURNOVER				build cost £/sq.m	900
open market housing	931	2,000	1,862,000	demolition floorspace sq.m	1,330
affordable @ £1000/sq.m (RSL capability to purchase from developer)	399	1,000	399,000	developer profit % of gross turnover	20
gross turnover			2,261,000	qualifying dwellings for S.106 contributions	21
less marketing/legal costs @ 2% of open market turnover			37,240	existing land value £	130,000
NET TURNOVER			2,223,760	site AREA ha	0.2
total floorspace	1,330			open market 70% total	931
BUILD COSTS				affordable 30%	399
all housing units + 10%	1,463	900	1,316,700		
developer's profit @ 20% of gross turnover			452,200		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			263,340		
demolition/remediation costs @ £100/sq.m - oil contamination			133,000		
TOTAL DEDUCTIONS			2,165,240		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			58,520		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		31,500			
standard off-site drainage improvements, £1000/unit		21,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		189,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		241,500	241,500		
RESIDUAL LAND VALUE ie, ILV minus TADC			-182,980		
financing costs @ 5% of RLV			-9,149		
land acquisition fee 5% of RLV inc SDLT			-9,149		
NET LAND VALUE			-164,682		
existing/alternative use value - employment land value estimate		130,000			
value added by consent			-294,682		
uplift factor			-1.27		
viability conclusion - £294k negative land value is evidently not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. This is caused by a combination of low sales value and relatively high existing value. Also high remediation costs (oil tanks). Site can be made viable by eliminating affordable element. Reducing Planning obligations would also assist. Currently poor market so development may be for delayed several years.					

NEIGHBOURHOOD 6		SITE XS28			
Summary - Old Swan Laundry, Ringwood Road - vacant cleared backland PDL site				model variables	
Market Appraisal - mix of types to reflect market demand. Type of development: Assumptions - Pre-application discussions indicate potential for 11 2-bed terraced/flats =715 m2. AREA 6 Roselands/Bridgemere sales values - medium/low @ 2000/m2, taking account of location. New Build costs average @ 1100/m2.					
				total floorspace sq.m	715
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2000
TURNOVER				build cost £/sq.m	1100
open market housing	715	2,000	1,430,000	demolition floorspace sq.m	
affordable - below threshold	0	600	0	developer profit % of gross turnover	20
gross turnover			1,430,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			28,600	existing land value £	200,000
NET TURNOVER			1,401,400	site AREA ha	0.34
total floorspace	715			open market 70% total	715
BUILD COSTS				affordable 30%	
all housing units	715	1,100	786,500		
developer's profit @ 20% of gross turnover			286,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			157,300		
demolition/remediation costs - possible contamination			50,000		
TOTAL DEDUCTIONS			1,279,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			121,600		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations LSAICS @ £1000/unit			11,000		
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			11,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			110,600		
financing costs @ 5% of RLV			5,530		
land acquisition fee 5% of RLV inc SDLT			5,530		
NET LAND VALUE			99,540		
existing/alternative use value - employment land value estimate		200,000			
value added by consent			-100,460		
uplift factor			0.50		
viability conclusion - £100k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market so development may be for delayed several years.					

NEIGHBOURHOOD 6		SITE CC129			
Summary - 4-14 Roselands Avenue. NB - needs to include rear gardens otherwise site not capable of accommodating 5 units				model variables	
Market Appraisal - mix of types to reflect market demand. Type of development: Assumptions - PP indicates market preference for redevelopment of garage block to provide 5 2-bed family homes = 325 m2. AREA 6 Roselands/Bridgemere sales values - medium/low @ 2000/m2, taking account of location. New Build costs average @ 1100/m2.				total floorspace sq.m	
325				325	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2000
TURNOVER				build cost £/sq.m	1100
open market housing	325	2,000	650,000	demolition floorspace sq.m	100
affordable - below threshold	0	600	0	developer profit % of gross turnover	20
gross turnover			650,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			13,000	existing land value £	50,000
NET TURNOVER			637,000	site AREA ha	0.34
total floorspace	325			open market 70% total	325
BUILD COSTS				affordable 30%	
all housing units	325	1,100	357,500		
developer's profit @ 20% of gross turnover			130,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			71,500		
demolition/remediation costs - possible contamination			50,000		
TOTAL DEDUCTIONS			609,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			28,000		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0		
RESIDUAL LAND VALUE, ie, ILV minus TADC			28,000		
financing costs @ 5% of RLV			1,400		
land acquisition fee 5% of RLV inc SDLT			1,400		
NET LAND VALUE			25,200		
existing/alternative use value - garage block land value -estimate		50,000			
value added by consent			-24,800		
uplift factor			0.50		
viability conclusion - £24k negative uplift in value (x 1.9) is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market but development understood to start in 2010					

NEIGHBOURHOOD 6		SITE BC10			
Summary - Churchdale Road, Adjacent to 40 Kinfaus Avenue - gardens and garage space				model variables	
Market Appraisal - mix of types to reflect market demand. Type of development: Assumptions - Pre-application discussions indicates market preference for redevelopment to provide 2 2/3-bed family homes = 140 m2. AREA 6 Roselands/Bridgemere sales values - medium/low @ 2000/m2, taking account of location. New Build costs average @ 1100/m2.				total floorspace sq.m	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2000
TURNOVER				build cost £/sq.m	
open market housing	140	2,000	280,000	demolition floorspace sq.m	
affordable - below threshold	0	600	0	developer profit % of gross turnover	
gross turnover			280,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			5,600	existing land value £	
NET TURNOVER				274,400	
total floorspace	140			site AREA ha	
BUILD COSTS				open market 70% total	
all housing units	140	1,100	154,000	affordable 30%	
developer's profit @ 20% of gross turnover				56,000	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				30,800	
demolition/remediation costs - possible contamination				50,000	
TOTAL DEDUCTIONS				290,800	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				-16,400	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit				0	
standard off-site drainage improvements, £1000/unit				0	
planning obligations LSAICs @ £1800/unit				3,600	
transport				2500	
education, library, police, public art				5000	
open space equipment /maintenance				1500	
planning obligations total/unit (average between 3 Dragons £6k & £12k)				9000	
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				3,600	
RESIDUAL LAND VALUE , ie, ILV minus TADC				-20,000	
financing costs @ 5% of RLV				-1,000	
land acquisition fee 5% of RLV inc SDLT				-1,000	
NET LAND VALUE				-18,000	
existing/alternative use value - garden land value - estimate				15,000	
value added by consent				-33,000	
uplift factor				-1.20	
viability conclusion - £33k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market so development may be for delayed several years.					

NEIGHBOURHOOD 7		SITE OP101			
Summary - greenfield site - Part Fletching Road Allocation/Part Disused Allotments. No evident access, some allotments in use, both of which need to be resolved. Overhead pylons limit capacity to less than that assumed in the SHLAA				model variables	
Market Appraisal - Site AREA limited by overhead pylons, and density likely to be lower than that assumed by Council (41 units @ 60 dph). Type of development: Assumptions - 30 units proposed in application - 5 1-bed, 15 2-bed, 5 3-bed = 1600 m2. AREA 7 Hampden Park sales values - medium/low @ 2000/m2, taking account of neighbouring development. New Build costs average @ 900/m2.				total floorspace sq.m	1600
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2000
TURNOVER				build cost £/sq.m	900
open market housing	1,120	2,000	2,240,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	480	1,000	480,000	developer profit % of gross turnover	20
gross turnover			2,720,000	qualifying dwellings for S.106 contributions	30
less marketing/legal costs @ 2% of open market turnover			44,800	existing land value £	20,000
NET TURNOVER			2,675,200	site AREA ha	0.68
total floorspace	1,600			open market 70% total	1120
BUILD COSTS				affordable 30%	480
all housing units	1,600	900	1,440,000		
developer's profit @ 20% of gross turnover			544,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			288,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			2,272,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			403,200		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		45,000			
standard off-site drainage improvements, £1000/unit		30,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		270,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		345,000	345,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			58,200		
financing costs @ 5% of RLV			2,910		
land acquisition fee 5% of RLV inc SDLT			2,910		
NET LAND VALUE			52,380		
existing/alternative use value -abandoned allotment value		20,000			
value added by consent			32,380		
uplift factor			2.62		
viability conclusion - £32k uplift in value (x 2.6) is just sufficient to motivate a landowner (EBC) to dispose. Therefore the site can be concluded to be viable. Currently poor market, and access constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 7		SITE OP06			
Summary - greenfield site - Holly Place Play AREA - site is a used play AREA, so to be included in SHLAA a formal resolution to declare surplus is required.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for small family units - 12 2-bed units proposed = 750 m2. AREA 7 Hampden Park sales values - medium @ 2200/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m 750	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2200
TURNOVER				build cost £/sq.m 1100	
open market housing	750	2,200	1,650,000	demolition floorspace sq.m	
affordable - below threshold	0	660	0	developer profit % of gross turnover 20	
gross turnover			1,650,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			33,000	existing land value £ 10,000	
NET TURNOVER				1,617,000	
total floorspace 750				site AREA ha	
BUILD COSTS				open market 70% total 750	
all housing units 750 1,100 825,000				affordable 30%	
developer's profit @ 20% of gross turnover 330,000					
all building/planning costs fees, financing, & contingencies @ 20% of construction cost 165,000					
demolition/remediation costs @ £15/sq.m 0					
TOTAL DEDUCTIONS				1,320,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				297,000	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit 0					
standard off-site drainage improvements, £1000/unit 0					
planning obligations LSAICs @ £1000/unit				12,000	
transport 2500					
education, library, police, public art 5000					
open space equipment /maintenance 1500					
planning obligations total/unit (average between 3 Dragons £6k & £12k)				9000	
planning obligations costs @ £9000/unit 0					
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				12,000 12,000	
RESIDUAL LAND VALUE ie, ILV minus TADC				285,000	
financing costs @ 5% of RLV 14,250					
land acquisition fee 5% of RLV inc SDLT 14,250					
NET LAND VALUE				256,500	
existing/alternative use value - open space value 10,000					
value added by consent 246,500					
uplift factor 25.65					
viability conclusion - £246k uplift in value (x 25) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 7		SITE BR26			
Summary - PDL site - Edgeland Terrace, CMS Buildings. Major access constraints. Fully occupied commercial buildings & dwellings				model variables	
Market Appraisal - No pre-application discussions, but landowner wishes to relocate. Type of development: Assumptions - suitable for small family units - 10 2-bed units proposed = 650 m2. AREA 7 Hampden Park sales values - medium @ 2300/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m 650	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	1100
open market housing	650	2,300	1,495,000	demolition floorspace sq.m	
affordable - below threshold	0	690	0	developer profit % of gross turnover	20
gross turnover			1,495,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			29,900	existing land value £	400,000
NET TURNOVER			1,465,100	site AREA ha	
total floorspace	650			open market 70% total	650
BUILD COSTS				affordable 30%	
all housing units	650	1,100	715,000		
developer's profit @ 20% of gross turnover			299,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			143,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			1,157,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			308,100		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvement		100,000			
standard off-site drainage improvements, £1000/unit		0			
planning obligations LSAICs @ £1000/unit		10,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		110,000	110,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			198,100		
financing costs @ 5% of RLV			9,905		
land acquisition fee 5% of RLV inc SDLT			9,905		
NET LAND VALUE			178,290		
existing/alternative use value - commercial premises & residential value, estimated		400,000			
value added by consent			-221,710		
uplift factor			0.45		
viability conclusion - £221k negative uplift in value obviously not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. Would only be developed if owner was willing to sustain loss.					

NEIGHBOURHOOD 7		SITE BC20			
Summary - greenfield site - Land Adjacent Sumach Close/Maywood Avenue - site is part of the landscaped setting of the development, so to be included in SHLAA a formal resolution to declare surplus is required.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for small family units - 10 2-bed units proposed = 650 m2. AREA 7 Hampden Park sales values - medium @ 2200/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m	650
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2200
TURNOVER				build cost £/sq.m	1100
open market housing	650	2,200	1,430,000	demolition floorspace sq.m	
affordable - below threshold	0	660	0	developer profit % of gross turnover	20
gross turnover			1,430,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			28,600	existing land value £	10,000
NET TURNOVER				site AREA ha	
total floorspace	650		1,401,400	open market 70% total	650
BUILD COSTS				affordable 30%	
all housing units	650	1,100	715,000		
developer's profit @ 20% of gross turnover			286,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			143,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS					
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					257,400
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations LSAICs @ £1000/unit			10,000		
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				10,000	10,000
RESIDUAL LAND VALUE , ie, ILV minus TADC					247,400
financing costs @ 5% of RLV				12,370	
land acquisition fee 5% of RLV inc SDLT				12,370	
NET LAND VALUE					222,660
existing/alternative use value - open space value		10,000			
value added by consent				212,660	
uplift factor				22.27	
viability conclusion - £212k uplift in value (x 22) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 7		SITE BC36			
Summary - greenfield site - Land at end of Lottbridge Drive - site is part of the landscaped setting of the development, so to be included in SHLAA a formal resolution to declare surplus is required.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for small family units - 7 2/3-bed units proposed = 480 m2. AREA 7 Hampden Park sales values - medium @ 2100/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2100
TURNOVER				build cost £/sq.m	1100
open market housing	480	2,100	1,008,000	demolition floorspace sq.m	
affordable - below threshold	0	630	0	developer profit % of gross turnover	20
gross turnover			1,008,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			20,160	existing land value £	10,000
NET TURNOVER			987,840	site AREA ha	
total floorspace	480			open market 70% total	480
BUILD COSTS				affordable 30%	
all housing units	480	1,100	528,000		
developer's profit @ 20% of gross turnover			201,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			105,600		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			835,200		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			152,640		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg. junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations - LSAICs @ £1000/unit		7,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		7,000	7,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			145,640		
financing costs @ 5% of RLV			7,282		
land acquisition fee 5% of RLV inc SDLT			7,282		
NET LAND VALUE			131,076		
existing/alternative use value - open space value		10,000			
value added by consent			121,076		
uplift factor			13.11		
viability conclusion - £121k uplift in value (x 13) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 7		SITE BC16			
Summary - greenfield site - Land Adjacent 86 Woburn Way - site is public open space with 5 trees, part of the landscaped setting of the development, (not an underused car park as set out in SHLAA) so to be included in SHLAA a formal resolution to declare surplus is required.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for small family units - 6 2/3-bed units proposed = 420 m2. AREA 7 Hampden Park sales values - medium @ 2200/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m 420	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2200
TURNOVER				build cost £/sq.m	1100
open market housing	420	2,200	924,000	demolition floorspace sq.m	
affordable - below threshold	0	660	0	developer profit % of gross turnover	20
gross turnover			924,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			18,480	existing land value £	10,000
NET TURNOVER			905,520	site AREA ha	
total floorspace	420			open market 70% total	420
BUILD COSTS				affordable 30%	
all housing units	420	1,100	462,000		
developer's profit @ 20% of gross turnover			184,800		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			92,400		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			739,200		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			166,320		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations LSAICs @ £1000/unit		6,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		6,000	6,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			160,320		
financing costs @ 5% of RLV			8,016		
land acquisition fee 5% of RLV inc SDLT			8,016		
NET LAND VALUE			144,288		
existing/alternative use value - open space value		10,000			
value added by consent			134,288		
uplift factor			14.43		
viability conclusion - £134k uplift in value (x 14) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 7		SITE BR03			
Summary - PDL site - Station House, Station Approach, - site is Council disabled accommodation, so to be included in SHLAA a formal resolution to declare surplus is required.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for 5 semis/terraced, small family units - 5 2/3-bed units proposed = 340 m2. AREA 7 Hampden Park sales values - medium @ 2300/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m 340	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	1100
open market housing	340	2,300	782,000	demolition floorspace sq.m	
affordable - below threshold	0	690		developer profit % of gross turnover	20
gross turnover			782,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			15,640	existing land value £	150,000
NET TURNOVER			766,360	site AREA ha	
total floorspace	340			open market 70% total	340
BUILD COSTS				affordable 30%	
all housing units	340	1,100	374,000		
developer's profit @ 20% of gross turnover			156,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			74,800		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			605,200		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			161,160		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations - LSAICS @ £1000/unit			5,000		
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			5,000	5,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC				156,160	
financing costs @ 5% of RLV				7,808	
land acquisition fee 5% of RLV inc SDLT				7,808	
NET LAND VALUE				140,544	
existing/alternative use value - residential value		150,000			
value added by consent				-9,456	
uplift factor				0.94	
viability conclusion - £9k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 7		SITE BC37			
Summary - PDL site - Garages Adjacent 83 Percival Crescent,				model variables	
Market Appraisal - Type of development: Assumptions - suitable for 5 semis/terraced, small family units - 5 2/3-bed units proposed = 340 m2. AREA 7 Hampden Park sales values - medium @ 2300/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.					
				total floorspace sq.m	340
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	1100
open market housing	340	2,300	782,000	demolition floorspace sq.m	
affordable - below threshold	0	690	0	developer profit % of gross turnover	20
gross turnover			782,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			15,640	existing land value £	40,000
NET TURNOVER			766,360	site AREA ha	
total floorspace	340			open market 70% total	340
BUILD COSTS				affordable 30%	
all housing units	340	1,100	374,000		
developer's profit @ 20% of gross turnover			156,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			74,800		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			605,200		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			161,160		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg. junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations LSAICs @ £1000/unit		5,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		5,000	5,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			156,160		
financing costs @ 5% of RLV			7,808		
land acquisition fee 5% of RLV inc SDLT			7,808		
NET LAND VALUE			140,544		
existing/alternative use value - garages value		40,000			
value added by consent			100,544		
uplift factor			3.51		
viability conclusion - £100k uplift in value (x 3.5) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 8		SITE BR07			
Summary - PDL site - Derry Court, Faversham Road & Pembury Road				model variables	
Market Appraisal - Type of development: Assumptions - suitable for redevelopment for sheltered care flats. Planning application for 62 extra care flats = 2800 m2. AREA 8 Langney - special sales values for sheltered - medium/high @ 2400/m2, taking account of neighbouring development. New Build costs average/high @ 1000/m2. Probably Council development, but private/affordable assumed for viability purposes				total floorspace sq.m	
	2800				
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2400
TURNOVER				build cost £/sq.m	1000
open market housing	1,960	2,400	4,704,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	840	1,000	840,000	developer profit % of gross turnover	20
gross turnover			5,544,000	qualifying dwellings for S.106 contributions	62
less marketing/legal costs @ 2% of open market turnover			94,080	existing land value £	50,000
NET TURNOVER			5,449,920	site AREA ha	
total floorspace	2,800			open market 70% total	1960
BUILD COSTS				affordable 30%	840
all housing units + 10%	3,080	1,000	3,080,000		
developer's profit @ 20% of gross turnover			1,108,800		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			616,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			4,804,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			645,120		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		93,000			
standard off-site drainage improvements, £1000/unit		62,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit					
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		155,000	155,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			490,120		
financing costs @ 5% of RLV			24,506		
land acquisition fee 5% of RLV inc SDLT			24,506		
NET LAND VALUE			441,108		
existing/alternative use value- vacant boarded buildings		50,000			
value added by consent			391,108		
uplift factor			8.82		
viability conclusion - £391k uplift in value (x 8.8) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. As a probable Council development, planning obligations may be waived. Currently poor market, with limited public funds, and with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 8		SITE BR14			
Summary - PDL site - Vacant former Belmont Nursing Home, Pevensey Bay Road.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for redevelopment for a mix of 2-4 bed units. SHLAA proposal is for 36 units, say 15 2-bed, 15 3-bed, 6 4-bed = 2900 m2. AREA 8 Langney sales values - medium/high @ 2800/m2, taking account of neighbouring development at Sovereign Point. New Build costs average @ 900/m2.				total floorspace sq.m	
2900					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	900
open market housing	2,030	2,800	5,684,000	demolition floorspace sq.m	3,000
affordable @ £1000/sq.m (RSL capability to purchase from developer)	870	1,000	870,000	developer profit % of gross turnover	20
gross turnover			6,554,000	qualifying dwellings for S.106 contributions	36
less marketing/legal costs @ 2% of open market turnover			113,680	existing land value £	500,000
NET TURNOVER			6,440,320	site AREA ha	0.68
total floorspace	2,900			open market 70% total	2030
BUILD COSTS				affordable 30%	870
all housing units	2,900	900	2,610,000		
developer's profit @ 20% of gross turnover			1,310,800		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			522,000		
demolition/remediation costs @ £15/sq.m			45,000		
TOTAL DEDUCTIONS			4,487,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,952,520		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		54,000			
standard off-site drainage improvements, £1000/unit		36,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		324,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		414,000	414,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			1,538,520		
financing costs @ 5% of RLV			76,926		
land acquisition fee 5% of RLV inc SDLT			76,926		
NET LAND VALUE			1,384,668		
existing/alternative use value- vacant boarded nursing home buildings		500,000			
value added by consent			884,668		
uplift factor			2.77		
viability conclusion - £884k uplift in value (x 2.7) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, so development may be for delayed several years.					

NEIGHBOURHOOD 8		SITE AN02			
Summary - PDL site - 2 car parks at Langney Shopping Centre (both Housing Allocations) Landowner intentions shown by current planning application for extensions to shopping centre including housing on one of car parks				model variables	
Market Appraisal - Type of development: Assumptions - suitable for redevelopment for a mix of 2-3 bed units. SHLAA states outline consent for 36 units, say 15 2-bed, 15 3-bed, 6 4-bed = 1800 m2. AREA 8 Langney sales values - medium/low @ 2300/m2, taking account of neighbouring development. New Build costs average flats @ 1100/m2.				total floorspace sq.m	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	
open market housing	1,260	2,300	2,898,000	demolition floorspace sq.m	
affordable @ £1100/sq.m (RSL capability to purchase from developer)	540	1,100	594,000	developer profit % of gross turnover	
gross turnover			3,492,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			57,960	existing land value £	
NET TURNOVER				3,434,040	
total floorspace	1,800			site AREA ha	
BUILD COSTS				open market 70% total	
all housing units + 10%	1,980	1,100	2,178,000	affordable 30%	
developer's profit @ 20% of gross turnover			698,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			435,600		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				3,312,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				122,040	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg. junction improvements, £1500/unit		54,000			
standard off-site drainage improvements, £1000/unit		36,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		324,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				414,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC				-291,960	
financing costs @ 5% of RLV			-14,598		
land acquisition fee 5% of RLV inc SDLT			-14,598		
NET LAND VALUE				-262,764	
existing/alternative use value- car park estimate		150,000			
value added by consent			-412,764		
uplift factor			-1.75		
viability conclusion - 412k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. Currently poor market, so development may be for delayed several years, unless owners Stockland Halladale take decision to complete dwellings as part of redevelopment of Langney Shopping Centre as current proposals. The viability conclusion needs to be assessed with Stockland Halladale as part of the overall scheme, which may be viable with commercial and retail values, but the residential element individually does not appear to be viable at the current time.					

NEIGHBOURHOOD 8		SITE AN02			
Summary - PDL site - Comprehensive Redevelopment of Langney Shopping Centre. Landowner intentions shown by current planning application for extensions to shopping centre including housing on one of car parks				model variables	
Market Appraisal - Type of development: Assumptions - Comprehensive Redevelopment of Langney Shopping Centre. This would be a large and complex re-development scheme for mixed use, including retail, leisure, office, and residential. The SHLAA assumptions are based on a residential element of 253 units, and it has been assumed that 80% are flats, 20% townhouses. 203 1 and 2-bed flats, + 50 townhouses = 17,000 m2. AREA 8 Langney sales values - medium/low @ 2300/m2, taking account of neighbouring development. New Build costs average/low @ 1000/m2. Plus 36,000 m2 employment (retail/leisure) = c £5 million @ £2.7m/ha.				total floorspace sq.m	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2300
TURNOVER				build cost £/sq.m	1000
open market housing	1,260	2,300	2,898,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	540	1,000	540,000	developer profit % of gross turnover	20
gross turnover			3,438,000	qualifying dwellings for S.106 contributions	36
less marketing/legal costs @ 2% of open market turnover			57,960	existing land value £	20,000,000
NET TURNOVER			3,380,040	site AREA ha	0.52
total floorspace	1,800			open market 70% total	1260
BUILD COSTS				affordable 30%	540
all housing units + 10%	1,980	1,000	1,980,000		
developer's profit @ 20% of gross turnover			687,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			396,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			3,063,600		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			316,440		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		54,000			
standard off-site drainage improvements, £1000/unit		36,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		324,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		414,000	414,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			-97,560		
financing costs @ 5% of RLV			-4,878		
land acquisition fee 5% of RLV inc SDLT			-4,878		
NET LAND VALUE			-87,804		
add employment (retail/leisure) £5 million			5,000,000		
NET ADJUSTED LAND VALUE			4,912,196		
Langney Shopping Centre estimated value		20,000,000			
value added by consent			-15,087,804		
uplift factor			-0.33		
<p>viability conclusion - £15 million negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore this residential element of the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. However, the residential element needs to be considered in the context of a large and complex comprehensive re-development scheme. No details have been provided of any likely scheme, and therefore no conclusions can reasonably be made about the viability of such a scheme, particularly in the current recession, without full details of the proposals. The parameters of possible redevelopment schemes are almost infinite. Discussions with local agents indicate that the aspiration for such a redevelopment scheme have been mooted by the Council for a number of years, and the likelihood is that, at the current time, such a redevelopment scheme is unlikely to attract sufficient investment funding to ensure the long-term profitability necessary for economic viability. The Council should not rely on delivery of completed dwellings for its housing supply trajectory</p>					

NEIGHBOURHOOD 8		SITE BR25			
<p>Summary - PDL site - SITA Waste Transfer Station, 59-61 Pevensey Bay Road - Site been vacant for a long period. Pre-application discussions for development potential for housing with small element of family housing but mainly 1/2 bed units</p>				<p>model variables</p>	
<p>Market Appraisal - Type of development: Assumptions - suitable for redevelopment for a mix of mostly 1-4 bed units. SHLAA 25 units, say 5 1-bed, 8 2-bed, 8 3-bed, 4 4-bed = 1810 m2. AREA 8 Langney sales values - medium/high @ 2700/m2, taking account of taking account of neighbouring development at Sovereign Point. New Build costs average/low @ 900/m2.</p>				<p>total floorspace sq.m</p> <p>1810</p>	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2700
TURNOVER				build cost £/sq.m	900
open market housing	1,267	2,700	3,420,900	demolition floorspace sq.m	7,000
affordable @ £1000/sq.m (RSL capability to purchase from developer)	543	1,000	543,000	developer profit % of gross turnover	20
gross turnover			3,963,900	qualifying dwellings for S.106 contributions	25
less marketing/legal costs @ 2% of open market turnover			68,418	existing land value £	300,000
NET TURNOVER			3,895,482	site AREA ha	0.48
total floorspace	1,810			open market 70% total	1267
BUILD COSTS				affordable 30%	543
all housing units	1,810	900	1,629,000		
developer's profit @ 20% of gross turnover			792,780		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			325,800		
demolition/remediation costs @ £15/sq.m			105,000		
TOTAL DEDUCTIONS			2,852,580		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,042,902		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		37,500			
standard off-site drainage improvements, £1000/unit		25,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		225,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		287,500	287,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			755,402		
financing costs @ 5% of RLV			37,770		
land acquisition fee 5% of RLV inc SDLT			37,770		
NET LAND VALUE			679,862		
existing/alternative use value- redundant waste transfer station - employment value		300,000			
value added by consent			379,862		
uplift factor			2.27		
<p>viability conclusion - £379k uplift in value (x 2.2) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, so development may be for delayed several years.</p>					

NEIGHBOURHOOD 8		SITE BR06				
Summary - PDL site - Longford Court, Bathford Close				model variables		
Market Appraisal - Type of development: Assumptions - suitable for redevelopment of former bedsits to create 10 1-bed flats = 500 m2. AREA 8 Langney sales values - medium/low @ 2000/m2, taking account of taking account of neighbouring development. New Build costs average/low @ 1100/m2.				total floorspace sq.m		500
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m		2000
TURNOVER				build cost £/sq.m		1100
open market housing	500	2,000	1,000,000	demolition floorspace sq.m		500
affordable - below threshold	0	600	0	developer profit % of gross turnover		20
gross turnover			1,000,000	qualifying dwellings for S.106 contributions		
less marketing/legal costs @ 2% of open market turnover			20,000	existing land value £		100,000
NET TURNOVER			980,000	site AREA ha		0.18
total floorspace			500	open market 70% total		500
BUILD COSTS				affordable 30%		
all housing units + 10%			550	1,100	605,000	
developer's profit @ 20% of gross turnover					200,000	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost					121,000	
demolition/remediation costs @ £15/sq.m					7,500	
TOTAL DEDUCTIONS					933,500	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					46,500	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS			COST £			
standard highway access, eg, junction improvements, £1500/unit					0	
standard off-site drainage improvements, £1000/unit					0	
planning obligations LSAICs @ £1000/unit					10,000	
transport					2500	
education, library, police, public art					5000	
open space equipment /maintenance					1500	
planning obligations total/unit (average between 3 Dragons £6k & £12k)					9000	
planning obligations costs @ £9000/unit					0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]					10,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC					36,500	
financing costs @ 5% of RLV					1,825	
land acquisition fee 5% of RLV inc SDLT					1,825	
NET LAND VALUE					32,850	
existing/alternative use value- vacant run down residential building value					100,000	
value added by consent					-67,150	
uplift factor					0.33	
viability conclusion - £67k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. Currently poor market, so development may be for delayed several years.						

NEIGHBOURHOOD 8		SITE BR09			
Summary - PDL site - MVM Site, Bexhill Motors, 87-89 Pevensey Bay Road. Should be considered for comprehensive redevelopment with adjoining site BR14				model variables	
Market Appraisal - Type of development: Assumptions - suitable for redevelopment for a mix of 2-3 bed units. PP is for 7 units = 500 m2. AREA 8 Langney sales values - medium/high @ 2800/m2, taking account of neighbouring development at Sovereign Point. New Build costs average @ 1100/m2.				total floorspace sq.m 500	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m 1100	
open market housing	500	2,800	1,400,000	demolition floorspace sq.m 5,000	
affordable - below threshold	0	840	0	developer profit % of gross turnover 20	
gross turnover			1,400,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			28,000	existing land value £ 120,000	
NET TURNOVER				1,372,000	
total floorspace	500			site AREA ha 0.14	
BUILD COSTS				open market 70% total 500	
				affordable 30%	
all housing units	500	1,100	550,000		
developer's profit @ 20% of gross turnover				280,000	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				110,000	
demolition/remediation costs @ £15/sq.m				75,000	
TOTAL DEDUCTIONS				1,015,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				357,000	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit				0	
standard off-site drainage improvements, £1000/unit				0	
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	
RESIDUAL LAND VALUE , ie, ILV minus TADC				357,000	
financing costs @ 5% of RLV				17,850	
land acquisition fee 5% of RLV inc SDLT				17,850	
NET LAND VALUE				321,300	
existing/alternative use value- low value garage use				120,000	
value added by consent				201,300	
uplift factor				2.68	
viability conclusion - £201k uplift in value (x 2.6) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 8		SITE OP03			
Summary - greenfield site - Faversham Road Play AREA - site is well used public open space, part of the landscaped setting of the development, so to be included in SHLAA a formal resolution to declare surplus is required.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for redevelopment for a mix of 2-3 bed units. SHLAA proposal is for 7 units = 500 m2. AREA 8 Langney sales values - medium @ 2200/m2, taking account of neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m 500	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2200
TURNOVER				build cost £/sq.m 1100	
open market housing	500	2,200	1,100,000	demolition floorspace sq.m	
affordable - below threshold	0	660	0	developer profit % of gross turnover 20	
gross turnover			1,100,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			22,000	existing land value £ 15,000	
NET TURNOVER				1,078,000	
total floorspace	500			site AREA ha 0.14	
BUILD COSTS				open market 70% total 500	
all housing units	500	1,100	550,000	affordable 30%	
developer's profit @ 20% of gross turnover			220,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			110,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				880,000	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				198,000	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations LSAICs @ £1000/unit			7,000		
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				7,000	
RESIDUAL LAND VALUE ie, ILV minus TADC				191,000	
financing costs @ 5% of RLV				9,550	
land acquisition fee 5% of RLV inc SDLT				9,550	
NET LAND VALUE				171,900	
existing/alternative use value- low value public open space		15,000			
value added by consent			156,900		
uplift factor			11.46		
viability conclusion - £157k uplift in value (x 11) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, with Council procedures constraints, so development may be for delayed several years.					

NEIGHBOURHOOD 9		SITE AN04			
Summary - allocated greenfield site - Hide Hollow Farm - Pre-application discussions. Development for maximum of 38 net units, mix of houses and flats. No. of units limited by trees & ponds. Market is mainly for family housing .				model variables	
Market Appraisal - Type of development: Assumptions - suitable for Development for maximum of 38 houses and flats. Market is mainly for 2-4-bed family housing = 3000 m2. AREA 9 North Langney sales values - medium/high @ 2500/m2, taking account of taking account of neighbouring development. New Build costs average @ 900/m2.				total floorspace sq.m	
3000					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	900
open market housing	2,100	2,500	5,250,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	900	1,000	900,000	developer profit % of gross turnover	20
gross turnover			6,150,000	qualifying dwellings for S.106 contributions	38
less marketing/legal costs @ 2% of open market turnover			105,000	existing land value £	450,000
NET TURNOVER			6,045,000	site AREA ha	0.97
total floorspace	3,000			open market 70% total	2100
BUILD COSTS				affordable 30%	900
all housing units	3,000	900	2,700,000		
developer's profit @ 20% of gross turnover			1,230,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			540,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			4,470,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,575,000		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		57,000			
standard off-site drainage improvements, ponds, protection of trees, £1500/unit		57,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		342,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		456,000	456,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			1,119,000		
financing costs @ 5% of RLV			55,950		
land acquisition fee 5% of RLV inc SDLT			55,950		
NET LAND VALUE			1,007,100		
existing/alternative use value - detached dwelling in very large plot		450,000			
value added by consent			557,100		
uplift factor			2.24		
viability conclusion - 557k uplift in value (x 2.2) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 9		SITE CC132			
Summary - allocated greenfield site - 4 & 6 Friday Street - Permission for 6 bungalows under construction.				model variables	
Market Appraisal - Type of development: Assumptions - suitable for development for 6 bungalows = 540 m2. AREA 9 North Langney sales values - medium/high @ 3000/m2, taking account of taking account of bungalows and neighbouring development. New Build costs average @ 1100/m2.				total floorspace sq.m 540	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3000
TURNOVER				build cost £/sq.m	1100
open market housing	540	3,000	1,620,000	demolition floorspace sq.m	
affordable - below threshold	0	900	0	developer profit % of gross turnover	20
gross turnover			1,620,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			32,400	existing land value £	50,000
NET TURNOVER				site AREA ha	0.97
total floorspace	540			open market 70% total	540
BUILD COSTS				affordable 30%	
all housing units	540	1,100	594,000		
developer's profit @ 20% of gross turnover			324,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			118,800		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS					
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					550,800
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	0
RESIDUAL LAND VALUE , ie, ILV minus TADC					550,800
financing costs @ 5% of RLV			27,540		
land acquisition fee 5% of RLV inc SDLT			27,540		
NET LAND VALUE					495,720
existing/alternative use value- garden land		50,000			
value added by consent			445,720		
uplift factor			9.91		
viability conclusion - £445k uplift in value (x 9) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable, as can be seen by the fact that the site is under construction.					

NEIGHBOURHOOD 10		SITE BC101			
Summary - mixed PDL/greenfield site - Dental Estimates Board, Paradise Drive - Mixed Use Redevelopment including playingfield and car park at front.				model variables	
Market Appraisal - Type of development: mixed-use employment and residential. Assumptions - 80% housing, 20% B1 employment. Suitable for development for mix of 200 2-4 bed family houses = 31000 m2. AREA 10 Summerdown/Saffrons sales values - medium/high @ 3500/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2. Employment element assumed to break even with no added land value.				total floorspace sq.m	
31000					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	
TURNOVER				build cost £/sq.m	3500
open market housing	21,700	3,500	75,950,000	demolition floorspace sq.m	1100
affordable @ £1000/sq.m (RSL capability to purchase from developer)	9,300	1,000	9,300,000	developer profit % of gross turnover	20,000
gross turnover			85,250,000	qualifying dwellings for S.106 contributions	20
less marketing/legal costs @ 2% of open market turnover			1,519,000	existing land value £	200
NET TURNOVER			83,731,000	site AREA ha	5,000,000
total floorspace	31,000			open market 70% total	4.3
BUILD COSTS				affordable 30%	21700
all housing units	31,000	1,100	34,100,000		9300
developer's profit @ 20% of gross turnover			17,050,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			6,820,000		
demolition/remediation costs @ £15/sq.m			300,000		
TOTAL DEDUCTIONS			58,270,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			25,461,000		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		300,000			
standard off-site drainage improvements, £1000/unit		200,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		1,800,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		2,300,000	2,300,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			23,161,000		
financing costs @ 5% of RLV			1,158,050		
land acquisition fee 5% of RLV inc SDLT			1,158,050		
NET LAND VALUE			20,844,900		
existing/alternative use value- employment site with 30% buildings cover		5,000,000			
value added by consent			15,844,900		
uplift factor			4.17		
viability conclusion - £15m uplift in value (x 4) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 10		SITE EX11			
Summary - greenfield site - Land at Foredown Close - Incidental green space & part golf course. EBC needs to resolve Right of Way issue.				model variables	
Market Appraisal - Type of development: Assumptions - Only suitable for small development of 2 detached dwellings, taking account of adjoining development, = 260 m2. AREA 10 Summerdown/Saffrons sales values - medium/high @ 3500/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.				total floorspace sq.m 260	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m 1100	
open market housing	260	3,500	910,000	demolition floorspace sq.m	
affordable - below threshold	0	1,050	0	developer profit % of gross turnover 20	
gross turnover			910,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			18,200	existing land value £ 10,000	
NET TURNOVER				891,800	
total floorspace	260			site AREA ha 4.3	
BUILD COSTS				open market 70% total 260	
all housing units	260	1,100	286,000	affordable 30%	
developer's profit @ 20% of gross turnover			182,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			57,200		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				525,200	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				366,600	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations - LSAICs @ £1800/unit		3,600			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				3,600	
RESIDUAL LAND VALUE , ie, ILV minus TADC				363,000	
financing costs @ 5% of RLV			18,150		
land acquisition fee 5% of RLV inc SDLT			18,150		
NET LAND VALUE				326,700	
existing/alternative use value- incidental open space		10,000			
value added by consent			316,700		
uplift factor			32.67		
viability conclusion - £316k uplift in value (x 32) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 11		SITE CN46			
Summary -vacant cleared PDL site - 3-17 Jevington Gardens (McCarthy & Stone Development)				model variables	
Market Appraisal - Type of development: Assumptions - Redevelopment of site to create 83 sheltered flats - 59 1-bed and 24 2-bed = 4000 m2. AREA 11 Meads special sales values for sheltered- medium/high @ 3400/m2, taking account of taking account of neighbouring development. New Build costs average/high @1200/m2.				total floorspace sq.m	4500
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3400
TURNOVER				build cost £/sq.m	1200
open market housing	3,150	3,400	10,710,000	demolition floorspace sq.m	
affordable @ £1100/sq.m (RSL capability to purchase from developer)	1,350	1,100	1,485,000	developer profit % of gross turnover	20
gross turnover			12,195,000	qualifying dwellings for S.106 contributions	83
less marketing/legal costs @ 2% of open market turnover			214,200	existing land value £	800,000
NET TURNOVER			11,980,800	site AREA ha	
total floorspace	4,500			open market 70% total	3150
BUILD COSTS				affordable 30%	1350
all housing units + 10%	4,950	1,200	5,940,000		
developer's profit @ 20% of gross turnover			2,439,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,188,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			9,567,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			2,413,800		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		124,500			
standard off-site drainage improvements, £1000/unit		83,000			
planning obligations - reduced					
transport	500				
education, library, police, public art	500				
open space equipment /maintenance	500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	1500				
planning obligations costs @ £9000/unit		124,500			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		332,000	332,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			2,081,800		
financing costs @ 5% of RLV			104,090		
land acquisition fee 5% of RLV inc SDLT			104,090		
NET LAND VALUE			1,873,620		
existing/alternative use value - former hotel/residential		800,000			
value added by consent			1,073,620		
uplift factor			2.34		
viability conclusion - £1073k uplift in value (x 2.3) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Currently poor market, so development may be for delayed several years.					

NEIGHBOURHOOD 11		SITE CC150			
Summary - PDL site - 27-39 Jevington Gardens				model variables	
Market Appraisal - Type of development: Assumptions - PP for redevelopment of site to create 65 1/2-bed flats = 3700 m2. AREA 11 Meads sales values - medium/high @ 2800/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.				total floorspace sq.m	
				3700	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1100
open market housing	2,590	2,800	7,252,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	1,110	1,000	1,110,000	developer profit % of gross turnover	20
gross turnover			8,362,000	qualifying dwellings for S.106 contributions	65
less marketing/legal costs @ 2% of open market turnover			145,040	existing land value £	600,000
NET TURNOVER			8,216,960	site AREA ha	
total floorspace	3,700			open market 70% total	2590
BUILD COSTS				affordable 30%	1110
all housing units + 10%	4,070	1,100	4,477,000		
developer's profit @ 20% of gross turnover			1,672,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			895,400		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			7,044,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,172,160		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		97,500			
standard off-site drainage improvements, £1000/unit		65,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		585,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		747,500	747,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			424,660		
financing costs @ 5% of RLV			21,233		
land acquisition fee 5% of RLV inc SDLT			21,233		
NET LAND VALUE			382,194		
existing/alternative use value- former hotel/residential		600,000			
value added by consent			-217,806		
uplift factor			0.64		
viability conclusion - £171k negative uplift in value is insufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, but considered likely to become viable within the next 5 years. However, currently poor market, so development may be for delayed several years.					

NEIGHBOURHOOD 11		SITE CC39			
Summary - PDL site - All Saints Hospital, King Edwards Parade - Development has started on this site, with only conversion of listed building to be completed				model variables	
Market Appraisal - Type of development: Assumptions - PP for conversion of listed building to 55 1/2-bed flats = 3200 m2. AREA 11 Meads Berkeley Homes sales values - high @ 5500/m2, taking account of taking account of neighbouring development. New Build costs average/high @1500/m2.				total floorspace sq.m	
3200					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	5500
TURNOVER				build cost £/sq.m	1500
open market housing	2,240	5,500	12,320,000	demolition floorspace sq.m	
affordable @ £1500/sq.m (RSL capability to purchase from developer)	960	1,500	1,440,000	developer profit % of gross turnover	20
gross turnover			13,760,000	qualifying dwellings for S.106 contributions	55
less marketing/legal costs @ 2% of open market turnover			246,400	existing land value £	2,000,000
NET TURNOVER			13,513,600	site AREA ha	
total floorspace	3,200			open market 70% total	2240
BUILD COSTS				affordable 30%	960
all housing units	3,200	1,500	4,800,000		
developer's profit @ 20% of gross turnover			2,752,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			960,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			8,512,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			5,001,600		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		82,500			
standard off-site drainage improvements, £1000/unit		55,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		495,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		632,500	632,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			4,369,100		
financing costs @ 5% of RLV			218,455		
land acquisition fee 5% of RLV inc SDLT			218,455		
NET LAND VALUE			3,932,190		
existing/alternative use value- former Victorian hospital		2,000,000			
value added by consent			1,932,190		
uplift factor			1.97		
viability conclusion - £1932k uplift in value (x 2) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. This is demonstrated by the fact that the site is 70% complete, with the conversion element currently being sold					

NEIGHBOURHOOD 11		SITE CN45			
Summary - PDL site - 10-12 Jevington Gardens				model variables	
Market Appraisal - Type of development: Assumptions - PP for redevelopment of site to create 13 1/2-bed flats = 710 m2. AREA 11 Meads sales values - medium @ 2800/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.				total floorspace sq.m	
				710	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1100
open market housing	710	2,800	1,988,000	demolition floorspace sq.m	
affordable - below threshold	0	840	0	developer profit % of gross turnover	20
gross turnover			1,988,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			39,760	existing land value £	400,000
NET TURNOVER			1,948,240	site AREA ha	
total floorspace	710			open market 70% total	710
BUILD COSTS				affordable 30%	
all housing units + 10%	781	1,100	859,100		
developer's profit @ 20% of gross turnover			397,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			171,820		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			1,428,520		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			519,720		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		0	0		
RESIDUAL LAND VALUE , ie, ILV minus TADC			519,720		
financing costs @ 5% of RLV			25,986		
land acquisition fee 5% of RLV inc SDLT			25,986		
NET LAND VALUE			467,748		
existing/alternative use value - 2 run down Victorian townhouses		400,000			
value added by consent			67,748		
uplift factor			1.17		
viability conclusion - £67k uplift in value (x 1.1) is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, but considered likely to become viable within the next 5 years. However, development appears to be completed, at a time when conditions were obviously more profitable					

NEIGHBOURHOOD 11		SITE CC182			
Summary - PDL site - 17 Granville Road				model variables	
Market Appraisal - Type of development: Assumptions - PP for redevelopment of site to create 12 1/2-bed flats = 660 m2. AREA 11 Meads sales values - medium/high @ 4200/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.				total floorspace sq.m	
				660	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4200
TURNOVER				build cost £/sq.m	1100
open market housing	660	4,200	2,772,000	demolition floorspace sq.m	600
affordable - below threshold	0	1,260	0	developer profit % of gross turnover	20
gross turnover			2,772,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			55,440	existing land value £	600,000
NET TURNOVER			2,716,560	site AREA ha	
total floorspace	660			open market 70% total	660
BUILD COSTS				affordable 30%	
all housing units + 10%	726	1,100	798,600		
developer's profit @ 20% of gross turnover			554,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			159,720		
demolition/remediation costs @ £15/sq.m			9,000		
TOTAL DEDUCTIONS			1,521,720		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,194,840		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		0	0		
RESIDUAL LAND VALUE , ie, ILV minus TADC			1,194,840		
financing costs @ 5% of RLV			59,742		
land acquisition fee 5% of RLV inc SDLT			59,742		
NET LAND VALUE			1,075,356		
existing/alternative use value - large detached Victorian townhouse (sold for £875k in 2008, now revalued)		600,000			
value added by consent			475,356		
uplift factor			1.79		
viability conclusion - £475k uplift in value (x 1.8) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. Development due to start Sept 2010.					

NEIGHBOURHOOD 11		SITE BC30			
Summary - PDL site - Rear of 53 Meads Road. NB - access problems, many trees on site, swimming pool in rear garden, cautious assumptions should be made about permission being granted.				model variables	
Market Appraisal - Type of development: Assumptions - SHLAA proposal is for redevelopment of rear garden to create 10 1/2-bed flats = 560 m2. AREA 11 Meads sales values - medium/high @ 4000/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.				total floorspace sq.m 560	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m 1100	
open market housing	560	4,000	2,240,000	demolition floorspace sq.m	
affordable - below threshold	0	1,200	0	developer profit % of gross turnover 20	
gross turnover			2,240,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			44,800	existing land value £ 100,000	
NET TURNOVER				2,195,200	
total floorspace	560			site AREA ha	
BUILD COSTS				open market 70% total 560	
				affordable 30%	
all housing units + 10%	616	1,100	677,600		
developer's profit @ 20% of gross turnover			448,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			135,520		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS				1,261,120	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				934,080	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations - LSAICs @ £1000/unit			10,000		
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				10,000 10,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC				924,080	
financing costs @ 5% of RLV			46,204		
land acquisition fee 5% of RLV inc SDLT			46,204		
NET LAND VALUE				831,672	
existing/alternative use value - garden space r/o substantial Listed townhouse.		100,000			
value added by consent			731,672		
uplift factor			8.32		
viability conclusion - £731k uplift in value (x 8.3) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 11		SITE BC27			
Summary - PDL site - Land Adjacent 5 Furness Road				model variables	
Market Appraisal - Type of development: Assumptions - SHLAA proposal is for redevelopment of dwelling and side garden to create 6 1/2-bed flats = 330 m2. AREA 11 Meads sales values - medium/high @ 3900/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.					
				total floorspace sq.m	330
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3900
TURNOVER				build cost £/sq.m	1100
open market housing	330	3,900	1,287,000	demolition floorspace sq.m	300
affordable - below threshold	0	1,170	0	developer profit % of gross turnover	20
gross turnover			1,287,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			25,740	existing land value £	300,000
NET TURNOVER			1,261,260	site AREA ha	
total floorspace	330			open market 70% total	330
BUILD COSTS				affordable 30%	
all housing units + 10%	363	1,100	399,300		
developer's profit @ 20% of gross turnover			257,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			79,860		
demolition/remediation costs @ £15/sq.m			4,500		
TOTAL DEDUCTIONS			741,060		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			520,200		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations LSAICs @ £1000/unit		6,000			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		6,000	6,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			514,200		
financing costs @ 5% of RLV			25,710		
land acquisition fee 5% of RLV inc SDLT			25,710		
NET LAND VALUE			462,780		
existing/alternative use value - dwelling with side garden		300,000			
value added by consent			162,780		
uplift factor			1.54		
viability conclusion - £162k uplift in value (x 1.5) should be just sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable. However, currently poor market, so development may be for delayed several years.					

NEIGHBOURHOOD 11		SITE CC137			
Summary - PDL site - 'Endsleigh' 62 Meads Road				model variables	
Market Appraisal - Type of development: Assumptions - PP proposal is for replacement of existing dwelling with 3 terraced cottages = 200 m2. AREA 11 Meads sales values - medium/high @ 4200/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.					
				total floorspace sq.m	200
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4200
TURNOVER				build cost £/sq.m	1100
open market housing	200	4,200	840,000	demolition floorspace sq.m	150
affordable - below threshold	0	1,260	0	developer profit % of gross turnover	20
gross turnover			840,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			16,800	existing land value £	500,000
NET TURNOVER			823,200	site AREA ha	
total floorspace		200		open market 70% total	200
BUILD COSTS				affordable 30%	
all housing units		200	1,100	220,000	
developer's profit @ 20% of gross turnover				168,000	
all building/planning costs fees, financing, & contingencies @ 20% of construction cost				44,000	
demolition/remediation costs @ £15/sq.m				2,250	
TOTAL DEDUCTIONS				434,250	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				388,950	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport			2500		
education, library, police, public art			5000		
open space equipment /maintenance			1500		
planning obligations total/unit (average between 3 Dragons £6k & £12k)			9000		
planning obligations costs @ £9000/unit				0	
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				0	0
RESIDUAL LAND VALUE , ie, ILV minus TADC				388,950	
financing costs @ 5% of RLV				19,448	
land acquisition fee 5% of RLV inc SDLT				19,448	
NET LAND VALUE				350,055	
existing/alternative use value - detached dwelling with garden & garage			500,000		
value added by consent				-149,945	
uplift factor				0.70	
viability conclusion - £149k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period.					

NEIGHBOURHOOD 12		SITE ON01			
Summary - greenfield site - adj 17a Buckhurst Close / 1 Badgers Brow				model variables	
Market Appraisal - Type of development: Assumptions - SHLAA proposal is for 2 detached dwellings = 300 m2. AREA 12 Ratton/Willingdon Village sales values - medium/high @ 3200/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.					
				total floorspace sq.m	300
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3200
TURNOVER				build cost £/sq.m	1100
open market housing	300	3,200	960,000	demolition floorspace sq.m	
affordable - below threshold	0	960	0	developer profit % of gross turnover	20
gross turnover			960,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			19,200	existing land value £	50,000
NET TURNOVER			940,800	site AREA ha	
total floorspace	300			open market 70% total	300
BUILD COSTS				affordable 30%	
all housing units	300	1,100	330,000		
developer's profit @ 20% of gross turnover			192,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			66,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			588,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			352,800		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		0			
standard off-site drainage improvements, £1000/unit		0			
planning obligations LSAICs @ £1800/unit		3,600			
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		0			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		3,600	3,600		
RESIDUAL LAND VALUE , ie, ILV minus TADC			349,200		
financing costs @ 5% of RLV			17,460		
land acquisition fee 5% of RLV inc SDLT			17,460		
NET LAND VALUE			314,280		
existing/alternative use value - vacant overgrown greenfield site		50,000			
value added by consent			264,280		
uplift factor			6.29		
viability conclusion - £264k uplift in value (x 6.2) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable.					

NEIGHBOURHOOD 13		SITE BC68			
Summary - PDL site hardstanding - Land next to Manton Court, Rotunda Road				model variables	
Market Appraisal - Type of development: Assumptions - SHLAA proposal is for 8 units, say 2/3 bed terraced = 480 m2. AREA 13 St Anthony's sales values - low @ 1900/m2, taking account of taking account of neighbouring development. New Build costs average/high @ 1100/m2.				total floorspace sq.m	480
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	1600
TURNOVER				build cost £/sq.m	1100
open market housing	480	1,600	768,000	demolition floorspace sq.m	
affordable - below threshold	0	480	0	developer profit % of gross turnover	20
gross turnover			768,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			15,360	existing land value £	50,000
NET TURNOVER			752,640	site AREA ha	
total floorspace	480			open market 70% total	480
BUILD COSTS				affordable 30%	
all housing units	480	1,100	528,000		
developer's profit @ 20% of gross turnover			153,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			105,600		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			787,200		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					
					-34,560
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg. junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			0		
RESIDUAL LAND VALUE ie, ILV minus TADC					-34,560
financing costs @ 5% of RLV					-1,728
land acquisition fee 5% of RLV inc SDLT					-1,728
NET LAND VALUE					-31,104
existing/alternative use value - hardstanding, possibly former car park/open storage		50,000			
value added by consent					-81,104
uplift factor					-0.62
viability conclusion - £81k negative uplift in value is not sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be unviable, with no evidence to suggest that site will become viable within the plan period. Site is in very low value AREA, probably only suitable for 100% affordable, or very low value starter homes, 2-bed flat @ £95k. Demand will be very limited.					

NEIGHBOURHOOD 14		SITES BA10			
Summary - general PDL - Sovereign Harbour - Site 1				model variables	
<p>Market Appraisal - Type of development: Mixed-use with residential/employment/leisure. This appraisal just considers the residential element. Assumptions - as SHLAA proposal for 20 new dwellings (2-bed flats @ 70m2) = 1400 m2, waterfront, 0.2 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1150/m2.</p>				total residential floorspace sq.m	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	
open market housing waterfront	980	4,000	3,920,000	demolition floorspace sq.m	
affordable 30% total. Sales @ £1050/sq.m - RSL capability to purchase from developer @ 30% of open market	420	1,200	504,000	developer profit % of gross turnover	
gross turnover			4,424,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			78,400	existing land value £	
NET TURNOVER			4,345,600	site AREA ha	
total floorspace	1,400			open market 70% total	
BUILD COSTS				affordable 30%	
all housing units + 10%	1,540	1,150	1,771,000		
developer's profit @ 20% of gross turnover			884,800		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			354,200		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			3,010,000		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,335,600		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		560,000	560,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			775,600		
financing costs @ 5% of RLV			38,780		
land acquisition fee 5% of RLV inc SDLT			38,780		
TOTAL LAND VALUE			698,040		
existing/alternative use value - general brownfield - employment use @ £800k/ha		160,000			
value added by consent			538,040		
uplift factor			4.36		
<p>viability conclusion - £538k uplift in value (x 4.3) should be sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable in theory, although this a very complex one-off site subject to detailed negotiations between EBC and the landowner.</p>					

SITES BA11

NEIGHBOURHOOD 14					
Summary - general PDL - Sovereign Harbour - Site 2				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 18 new dwellings (2-bed flats @ 70m2) = 1260 m2, non waterfront, 0.2 ha. AREA 14 Sovereign Harbour sales values - non-waterfront @ £3500/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1100/m2 .				total residential floorspace sq.m	1260
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m	1100
open market housing non-waterfront	882	3,500	3,087,000	demolition floorspace sq.m	
affordable 30% total. Sales @ £1050/sq.m - RSL capability to purchase from developer @ 30% of open market	378	1,050	396,900	developer profit % of gross turnover	20
gross turnover			3,483,900	qualifying dwellings for S.106 contributions	18
less marketing/legal costs @ 2% of open market turnover			61,740	existing land value £	160,000
NET TURNOVER			3,422,160	site AREA ha	0.2
total floorspace	1,260			open market 70% total	882
BUILD COSTS				affordable 30%	378
all housing units + 10%	1,386	1,100	1,524,600		
developer's profit @ 20% of gross turnover			696,780		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			304,920		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			2,526,300		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS			895,860		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		504,000	504,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			391,860		
financing costs @ 5% of RLV			19,593		
land acquisition fee 5% of RLV inc SDLT			19,593		
TOTAL LAND VALUE			352,674		
existing/alternative use value - general brownfield - employment use @ £800k/ha		160,000			
value added by consent			192,674		
uplift factor			2.20		
viability conclusion - £192k uplift in value (x 2.2) should be sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable in theory , although this a very complex one-off site subject to detailed negotiations between EBC and the landowner.					

SITES BA12

NEIGHBOURHOOD 14					
Summary - general PDL - Sovereign Harbour - Site 3				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 23 new dwellings (2-bed flats @ 70m2) = 1610 m2, waterfront, 0.3 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1150/m2 .				total residential floorspace sq.m	1610
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	1150
open market housing waterfront	1,127	4,000	4,508,000	demolition floorspace sq.m	
affordable 30% total. Sales @ £1200/sq.m - RSL capability to purchase from developer @ 30% of open market	483	1,200	579,600	developer profit % of gross turnover	20
gross turnover			5,087,600	qualifying dwellings for S.106 contributions	23
less marketing/legal costs @ 2% of open market turnover			90,160	existing land value £	240,000
NET TURNOVER			4,997,440	site AREA ha	0.3
total floorspace	1,610			open market 70% total	1127
BUILD COSTS				affordable 30%	483
all housing units + 10%	1,771	1,150	2,036,650		
developer's profit @ 20% of gross turnover			1,017,520		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			407,330		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			3,461,500		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,535,940		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		644,000	644,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			891,940		
financing costs @ 5% of RLV			44,597		
land acquisition fee 5% of RLV inc SDLT			44,597		
TOTAL LAND VALUE			802,746		
existing/alternative use value - general brownfield - employment use @ £800k/ha		240,000			
value added by consent			562,746		
uplift factor			3.34		
viability conclusion - £562k uplift in value (x 3.3) should be sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable , despite very high abnormal development/S.106 costs. Other sites in Sovereign Harbour in waterfront locations will be viable with a higher uplift factor due to higher sales values. No employment element has been factored into this appraisal.					

		SITES BA13			
NEIGHBOURHOOD 14					
Summary - general PDL - Sovereign Harbour - Site 4				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 19 new dwellings (2-bed flats @ 70m2) = 1330 m2, waterfront, 0.36 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1150/m2.				total residential floorspace sq.m	1330
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	1150
open market housing waterfront	931	4,000	3,724,000	demolition floorspace sq.m	
affordable 30% total. Sales @ £1200/sq.m - RSL capability to purchase from developer @ 30% of open market	399	1,200	478,800	developer profit % of gross turnover	20
gross turnover			4,202,800	qualifying dwellings for S.106 contributions	19
less marketing/legal costs @ 2% of open market turnover			74,480	existing land value £	288,000
NET TURNOVER			4,128,320	site AREA ha	0.36
total floorspace	1,330			open market 70% total	931
BUILD COSTS				affordable 30%	399
all housing units + 10%	1,463	1,150	1,682,450		
developer's profit @ 20% of gross turnover			840,560		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			336,490		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			2,859,500		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,268,820		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)			COST £		
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		532,000	532,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			736,820		
financing costs @ 5% of RLV			36,841		
land acquisition fee 5% of RLV inc SDLT			36,841		
TOTAL LAND VALUE			663,138		
existing/alternative use value - general brownfield - employment use @ £800k/ha		288,000			
value added by consent			375,138		
uplift factor			2.30		
<p>viability conclusion - £375k uplift in value (x 2.3) should be sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable, despite very high abnormal development/S.106 costs. Other sites in Sovereign Harbour in waterfront locations will be viable with a higher uplift factor due to higher sales values. No employment element has been factored into this appraisal.</p>					

SITES BA14

NEIGHBOURHOOD 14					
Summary - general PDL - Sovereign Harbour - Site 7				model variables	
<p>Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 50 new dwellings (2-bed flats @ 70m2) = 3500 m2, non waterfront, 1.6 ha. Assume residential on 0.6 ha, with 1ha for employment. AREA 14 Sovereign Harbour sales values - non-waterfront @ £3500/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1100/m2 .</p>				total residential floorspace sq.m	3500
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m	1100
open market housing non-waterfront	2,450	3,500	8,575,000	demolition floorspace sq.m	
affordable 30% total. Sales @ £1050/sq.m - RSL capability to purchase from developer @ 30% of open market	1,050	1,050	1,102,500	developer profit % of gross turnover	20
gross turnover			9,677,500	qualifying dwellings for S.106 contributions	50
less marketing/legal costs @ 2% of open market turnover			171,500	existing land value £	480,000
NET TURNOVER			9,506,000	site AREA ha	0.6
total floorspace	3,500			open market 70% total	2450
BUILD COSTS				affordable 30%	1050
all housing units + 10%	3,850	1,100	4,235,000		
developer's profit @ 20% of gross turnover			1,935,500		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			847,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			7,017,500		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			2,488,500		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		1,400,000	1,400,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			1,088,500		
financing costs @ 5% of RLV			54,425		
land acquisition fee 5% of RLV inc SDLT			54,425		
TOTAL LAND VALUE			979,650		
existing/alternative use value - general brownfield - employment use @ £800k/ha		480,000			
value added by consent			499,650		
uplift factor			2.04		
<p>viability conclusion - £500k uplift in value (x 2.0) is sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable, despite very high abnormal development/S.106 costs. Other sites in Sovereign Harbour in waterfront locations will be viable with a higher uplift factor due to higher sales values. No employment element has been factored into this appraisal.</p>					

NEIGHBOURHOOD 14		SITES BA15			
Summary - general PDL - Sovereign Harbour - Site 8				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 19 new dwellings (2-bed flats @ 70m2) = 1330 m2, waterfront, 0.34 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1100/m2.				total residential floorspace sq.m	1330
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	1100
open market housing waterfront	931	4,000	3,724,000	demolition floorspace sq.m	
affordable 30% total. Sales @ £1200/sq.m - RSL capability to purchase from developer @ 30% of open market	399	1,200	478,800	developer profit % of gross turnover	20
gross turnover			4,202,800	qualifying dwellings for S.106 contributions	19
less marketing/legal costs @ 2% of open market turnover			74,480	existing land value £	272,000
NET TURNOVER			4,128,320	site AREA ha	0.34
total floorspace	1,330			open market 70% total	931
BUILD COSTS				affordable 30%	399
all housing units + 10%	1,463	1,100	1,609,300		
developer's profit @ 20% of gross turnover			840,560		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			321,860		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			2,771,720		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,356,600		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		532,000	532,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			824,600		
financing costs @ 5% of RLV			41,230		
land acquisition fee 5% of RLV inc SDLT			41,230		
TOTAL LAND VALUE			742,140		
existing/alternative use value - general brownfield - employment use @ £800k/ha		272,000			
value added by consent			470,140		
uplift factor			2.73		
viability conclusion - £470k uplift in value (x 2.7) should be sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be viable , despite very high abnormal development/S.106 costs. No employment element has been factored into this appraisal.					

NEIGHBOURHOOD 14		SITE BA21			
Summary - general PDL - Sovereign Harbour - Site 9 - Martello Tower (Listed Building). EBC needs to consider tidal flood issue.				model variables	
Market Appraisal - Type of development: Assumptions - SHLAA proposal is for conversion of Listed Building to 1 dwelling = 180 m2. AREA 14 Sovereign Harbour sales values - medium/high @ 4700/m2, taking account of taking account of neighbouring development. New Build costs average/high @1300/m2.				total floorspace sq.m 200	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4700
TURNOVER				build cost £/sq.m 1300	
open market housing	200	4,700	940,000	demolition floorspace sq.m	
affordable - below threshold	0	1,410	0	developer profit % of gross turnover 20	
gross turnover			940,000	qualifying dwellings for S.106 contributions	
less marketing/legal costs @ 2% of open market turnover			18,800	existing land value £ 300,000	
NET TURNOVER			921,200	site AREA ha	
total floorspace	200			open market 70% total 200	
BUILD COSTS				affordable 30%	
all housing units	200	1,300	260,000		
developer's profit @ 20% of gross turnover			188,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			52,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			500,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			421,200		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit			0		
standard off-site drainage improvements, £1000/unit			0		
planning obligations LSAICs @ £2500/unit			2,500		
transport			2500		
education, library, police, public art			5000		
open space equipment /maintenance			1500		
planning obligations total/unit (average between 3 Dragons £6k & £12k)			9000		
planning obligations costs @ £9000/unit			0		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			2,500	2,500	
RESIDUAL LAND VALUE ie, ILV minus TADC				418,700	
financing costs @ 5% of RLV				20,935	
land acquisition fee 5% of RLV inc SDLT				20,935	
NET LAND VALUE				376,830	
existing/alternative use value - stab in the dark! Martello Tower			300,000		
value added by consent				76,830	
uplift factor				1.26	
viability conclusion - £76k uplift in value (x 1.3) may be just sufficient to motivate a landowner to dispose. Therefore the site can be concluded to be marginally viable, with no evidence to suggest that site will become viable within the plan period. However, this a one-off site from which general conclusions should not be drawn, and other uses being considered, such as Visitors' Centre.					

Site Viability Assessments

Based on affordable housing at 40%

investigating the effects of increasing the proportion of affordable housing from 30% to 40% for sites over the 15 dwelling threshold in the higher value sales areas

- 2: Upperton
- 4: Old Town
- 5: Oclynge/Rodmill
- 10: Summerdown
- 11: Meads
- 12: Ratton
- 14: Sovereign

investigating the effects of increasing the proportion of affordable housing from 30% to 40% in the higher value sales areas

investigating the effects of increasing the proportion of affordable housing from 30% to 40% in the higher value sales areas					
NEIGHBOURHOOD 2		SITE BA01			
Summary - Bedfordwell Depot, Bedfordwell Road - mixed use AREA mostly dated warehousing, industrial and commercial premises. Site acquired by Places For People.				model variables	
Market Appraisal - Type of development - Assumptions - as planning application - 40 x 1 bed flats, 64 x 2 bed flats, 21 x 2 bed houses, 21 x 3 bed house, 8 x 4 bed houses, = 10,060m2. 47 affordable. AREA 2 Upperton sales values - medium @ 2400/m2. New Build costs average/high @ 900/m2				total floorspace sq.m 10060	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2400
TURNOVER				build cost £/sq.m 900	
open market housing	6,036	2,400	14,486,400	demolition floorspace sq.m 10,060	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	4,024	1,000	4,024,000	developer profit % of gross turnover 20	
gross turnover			18,510,400	qualifying dwellings for S.106 contributions 154	
less marketing/legal costs @ 2% of open market turnover			289,728	existing land value £ 1,200,000	
NET TURNOVER				18,220,672	
total floorspace	10,060			site AREA ha 1.53	
BUILD COSTS				open market 60% total 6036	
all housing units	10,060	900	9,054,000	affordable 40% 4024	
developer's profit @ 20% of gross turnover			3,702,080		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,810,800		
demolition/remediation costs @ £15/sq.m			150,900		
TOTAL DEDUCTIONS				14,717,780	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				3,502,892	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit		231,000			
standard off-site drainage improvements, £1000/unit		154,000			
ground remediation		500,000			
planning obligations					
transport incl LSAICs	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		1,386,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				2,271,000	
RESIDUAL LAND VALUE , ie, ILV minus TADC				1,231,892	
financing costs @ 5% of RLV			61,595		
land acquisition fee 5% of RLV inc SDLT			61,595		
NET LAND VALUE				1,108,703	
existing use value -employment site, estimated value		1,200,000			
value added by consent			-91,297		
uplift factor			0.92		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £879k (x 1.7) down to -£91,000. This evidently makes the site unviable . At 30% the site was only just sufficient to motivate a landowner to dispose, or the developer to develop. In this case the proportion of affordable housing should remain at 30%.					

NEIGHBOURHOOD 4		SITE EX02			
Summary - greenfield site - Land at Burrow Down Close/Priory Heights. Currently open space for horse grazing, steeply sloping in places. Access difficult.				model variables	
Market Appraisal - developers would seek a lower density than that assumed by Council (56 units @ 50 dph). Capacity also limited by topography. Type of development: Assumptions - 40 units say 10 2-bed, 20 3-bed, 10 4-bed = 3450m2. AREA 4 Old Town sales values - medium @ 2700/m2, taking account of attractive greenfield location, but accessed through lower value AREAs. New Build costs average @ 900/m2 taking account of topography				total floorspace sq.m	
3450					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2700
TURNOVER				build cost £/sq.m	900
open market housing	2,070	2,700	5,589,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	1,380	1,000	1,380,000	developer profit % of gross turnover	20
gross turnover			6,969,000	qualifying dwellings for S.106 contributions	40
less marketing/legal costs @ 2% of open market turnover			111,780	existing land value £	40,000
NET TURNOVER			6,857,220	site AREA ha	1.15
total floorspace	3,450			open market 60% total	2070
BUILD COSTS				affordable 40%	1380
all housing units	3,450	900	3,105,000		
developer's profit @ 20% of gross turnover			1,393,800		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			621,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			5,119,800		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,737,420		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg. junction improvements, £1500/unit		60,000			
standard off-site drainage improvements, £1000/unit		40,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		360,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		460,000	460,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			1,277,420		
financing costs @ 5% of RLV			63,871		
land acquisition fee 5% of RLV inc SDLT			63,871		
NET LAND VALUE			1,149,678		
existing/alternative use value - paddocks @ £35k/ha		40,000			
value added by consent			1,109,678		
uplift factor			28.74		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £1,515k (x 38) down to £1,109k, with an uplift of 28.7, so the site remains viable .					

NEIGHBOURHOOD 5		SITE AN01			
Summary - greenfield site - Land at Kings Drive/Cross Levels Way. Currently open space for grazing, adjacent to flood plain.				model variables	
Market Appraisal - developers would seek a lower density than that assumed by Council (140 units @ 43 dph). Design has been limited by landscaping requirements. Type of development: Assumptions - 119 units proposed in application - 10 2-bed, 20 3-bed, 10 4-bed = 7800 m2. AREA 5 Ocklynge/Ratton sales values - medium @ 2600/m2, taking account of attractive greenfield location. New Build costs average @ 900/m2.				total floorspace sq.m 7800	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2600
TURNOVER				build cost £/sq.m	900
open market housing	4,680	2,600	12,168,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	3,120	1,000	3,120,000	developer profit % of gross turnover	20
gross turnover			15,288,000	qualifying dwellings for S.106 contributions	119
less marketing/legal costs @ 2% of open market turnover			243,360	existing land value £	65,000
NET TURNOVER			15,044,640	site AREA ha	3.25
total floorspace	7,800			open market 60% total	4680
BUILD COSTS				affordable 40%	3120
all housing units	7,800	900	7,020,000		
developer's profit @ 20% of gross turnover			3,057,600		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,404,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			11,481,600		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			3,563,040		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		178,500			
standard off-site drainage improvements, £1000/unit		119,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		1,071,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		1,368,500	1,368,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			2,194,540		
financing costs @ 5% of RLV			109,727		
land acquisition fee 5% of RLV inc SDLT			109,727		
NET LAND VALUE			1,975,086		
existing/alternative use value - pasture land agric value @ £20k/ha		65,000			
value added by consent			1,910,086		
uplift factor			30.39		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £2772k (x 43) down to £1,910k, with an uplift of 30, so the site remains viable .					

NEIGHBOURHOOD 5		SITE CN59			
Summary - Park College, Kings Drive				model variables	
Market Appraisal - mix of types to reflect wide market demand, but highest proportion of family units. Type of development: Assumptions - 84 units proposed in SHLAA - 30 2-bed flats/houses 34 3-bed, 20-bed = 6840m2. AREA 5 Ocklynge/Ratton sales values - medium @ 2500/m2, taking account of attractive campus location. New Build costs average @ 900/m2.				total floorspace sq.m 6840	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2500
TURNOVER				build cost £/sq.m	900
open market housing	4,104	2,500	10,260,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	2,736	1,000	2,736,000	developer profit % of gross turnover	20
gross turnover			12,996,000	qualifying dwellings for S.106 contributions	84
less marketing/legal costs @ 2% of open market turnover			205,200	existing land value £	100,000
NET TURNOVER			12,790,800	site AREA ha	2
total floorspace	6,840			open market 60% total	4104
BUILD COSTS				affordable 40%	2736
all housing units	6,840	900	6,156,000		
developer's profit @ 20% of gross turnover			2,599,200		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,231,200		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			9,986,400		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			2,804,400		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		126,000			
standard off-site drainage improvements, £1000/unit		84,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		756,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		966,000	966,000		
RESIDUAL LAND VALUE , ie, ILV minus TADC			1,838,400		
financing costs @ 5% of RLV			91,920		
land acquisition fee 5% of RLV inc SDLT			91,920		
NET LAND VALUE			1,654,560		
existing/alternative use value - education land value @ £50k/ha		100,000			
value added by consent			1,554,560		
uplift factor			16.55		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £2262k (x 23) down to £1,554k, with an uplift of 16, so the site remains viable .					

NEIGHBOURHOOD 5		SITE BA06			
Summary - St. Elizabeth's Church, Old Town - landmark massive bulk 1930s brick Listed Building				model variables	
Market Appraisal - mix of types to reflect wide market demand, but highest proportion of family units. Type of development: Assumptions - 21 units proposed - houses & flats = 1450 m2. AREA 5 Ocklynge/Ratton sales values - medium @ 2400/m2, taking account of neighbouring AREA. Conversion costs average/high @ 950/m2.				total floorspace sq.m 1150	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2400
TURNOVER				build cost £/sq.m	950
open market housing	690	2,400	1,656,000	demolition floorspace sq.m	2,000
affordable @ £1000/sq.m (RSL capability to purchase from developer)	460	1,000	460,000	developer profit % of gross turnover	20
gross turnover			2,116,000	qualifying dwellings for S.106 contributions	21
less marketing/legal costs @ 2% of open market turnover			33,120	existing land value £	150,000
NET TURNOVER				2,082,880	site AREA ha 0.2
total floorspace	1,150			open market 60% total	690
BUILD COSTS				affordable 40%	460
all housing units	1,150	950	1,092,500		
developer's profit @ 20% of gross turnover			423,200		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			218,500		
demolition/remediation costs @ £15/sq.m			30,000		
TOTAL DEDUCTIONS				1,764,200	
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS				318,680	
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS				COST £	
standard highway access, eg, junction improvements, £1500/unit		31,500			
standard off-site drainage improvements, £1000/unit		21,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		189,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]				241,500	241,500
RESIDUAL LAND VALUE ie, ILV minus TADC				77,180	
financing costs @ 5% of RLV			3,859		
land acquisition fee 5% of RLV inc SDLT			3,859		
NET LAND VALUE				69,462	
existing/alternative use value - church land value - estimate		150,000			
value added by consent			-80,538		
uplift factor			0.46		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £30k (x 1.2) down to -£80,000. This evidently makes the site unviable . At 30% the site was only just sufficient to motivate a landowner to dispose, or the developer to develop. In this case the proportion of affordable housing should remain at 30%.					

NEIGHBOURHOOD 10		SITE BC101			
Summary - mixed PDL/greenfield site - Dental Estimates Board, Paradise Drive - Mixed Use Redevelopment including playingfield and car park at front.				model variables	
Market Appraisal - Type of development: mixed-use employment and residential. Assumptions - 80% housing, 20% B1 employment. Suitable for development for mix of 200 2-4 bed family houses = 31000 m2. AREA 10 Summerdown/Saffrons sales values - medium/high @ 3500/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2. Employment element assumed to break even with no added land value.				total floorspace sq.m	
31000					
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m	1100
open market housing	18,600	3,500	65,100,000	demolition floorspace sq.m	20,000
affordable @ £1000/sq.m (RSL capability to purchase from developer)	12,400	1,000	12,400,000	developer profit % of gross turnover	20
gross turnover			77,500,000	qualifying dwellings for S.106 contributions	200
less marketing/legal costs @ 2% of open market turnover			1,302,000	existing land value £	5,000,000
NET TURNOVER			76,198,000	site AREA ha	4.3
total floorspace	31,000			open market 60% total	18600
BUILD COSTS				affordable 40%	12400
all housing units	31,000	1,100	34,100,000		
developer's profit @ 20% of gross turnover			15,500,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			6,820,000		
demolition/remediation costs @ £15/sq.m			300,000		
TOTAL DEDUCTIONS			56,720,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			19,478,000		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		300,000			
standard off-site drainage improvements, £1000/unit		200,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		1,800,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		2,300,000	2,300,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			17,178,000		
financing costs @ 5% of RLV			858,900		
land acquisition fee 5% of RLV inc SDLT			858,900		
NET LAND VALUE			15,460,200		
existing/alternative use value- employment site with 30% buildings cover		5,000,000			
value added by consent			10,460,200		
uplift factor			3.09		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £15m (x 4) down to £10.4m, with an uplift of 3, so the site remains viable .					

NEIGHBOURHOOD 11		SITE CN46					
Summary -vacant cleared PDL site - 3-17 Jevington Gardens (McCarthy & Stone Development)				model variables			
Market Appraisal - Type of development: Assumptions - Redevelopment of site to create 83 sheltered flats - 59 1-bed and 24 2-bed = 4000 m2. AREA 11 Meads special sales values for sheltered- medium/high @ 3400/m2, taking account of taking account of neighbouring development. New Build costs average/high @1200/m2.				total floorspace sq.m			4500
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3400		
TURNOVER				build cost £/sq.m	1200		
open market housing	2,700	3,400	9,180,000	demolition floorspace sq.m			
affordable @ £1100/sq.m (RSL capability to purchase from developer)	1,800	1,100	1,980,000	developer profit % of gross turnover	20		
gross turnover			11,160,000	qualifying dwellings for S.106 contributions	83		
less marketing/legal costs @ 2% of open market turnover			183,600	existing land value £	800,000		
NET TURNOVER			10,976,400	site AREA ha			
total floorspace	4,500			open market 60% total	2700		
BUILD COSTS				affordable 40%	1800		
all housing units + 10%	4,950	1,200	5,940,000				
developer's profit @ 20% of gross turnover			2,232,000				
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			1,188,000				
demolition/remediation costs @ £15/sq.m			0				
TOTAL DEDUCTIONS			9,360,000				
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,616,400				
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £					
standard highway access, eg, junction improvements, £1500/unit		124,500					
standard off-site drainage improvements, £1000/unit		83,000					
planning obligations - reduced							
transport	500						
education, library, police, public art	500						
open space equipment /maintenance	500						
planning obligations total/unit (average between 3 Dragons £6k & £12k)	1500						
planning obligations costs @ £9000/unit		124,500					
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		332,000	332,000				
RESIDUAL LAND VALUE ie, ILV minus TADC			1,284,400				
financing costs @ 5% of RLV			64,220				
land acquisition fee 5% of RLV inc SDLT			64,220				
NET LAND VALUE			1,155,960				
existing/alternative use value - former hotel/residential		800,000					
value added by consent			355,960				
uplift factor			1.44				
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £1073k (x 2.3) down to £356k, with an uplift of 1.4, so the site is only marginally viable , and the Council might want to consider a proportion between 30% and 40%.							

NEIGHBOURHOOD 11		SITE CC150			
Summary - PDL site - 27-39 Jevington Gardens				model variables	
Market Appraisal - Type of development: Assumptions - PP for redevelopment of site to create 65 1/2-bed flats = 3700 m2. AREA 11 Meads sales values - medium/high @ 2800/m2, taking account of taking account of neighbouring development. New Build costs average/high @1100/m2.				total floorspace sq.m	
				3700	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	2800
TURNOVER				build cost £/sq.m	1100
open market housing	2,220	2,800	6,216,000	demolition floorspace sq.m	
affordable @ £1000/sq.m (RSL capability to purchase from developer)	1,480	1,000	1,480,000	developer profit % of gross turnover	20
gross turnover			7,696,000	qualifying dwellings for S.106 contributions	65
less marketing/legal costs @ 2% of open market turnover			124,320	existing land value £	600,000
NET TURNOVER			7,571,680	site AREA ha	
total floorspace	3,700			open market 60% total	2220
BUILD COSTS				affordable 40%	1480
all housing units + 10%	4,070	1,100	4,477,000		
developer's profit @ 20% of gross turnover			1,539,200		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			895,400		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			6,911,600		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			660,080		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit		97,500			
standard off-site drainage improvements, £1000/unit		65,000			
planning obligations					
transport	2500				
education, library, police, public art	5000				
open space equipment /maintenance	1500				
planning obligations total/unit (average between 3 Dragons £6k & £12k)	9000				
planning obligations costs @ £9000/unit		585,000			
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]		747,500	747,500		
RESIDUAL LAND VALUE , ie, ILV minus TADC			-87,420		
financing costs @ 5% of RLV			-4,371		
land acquisition fee 5% of RLV inc SDLT			-4,371		
NET LAND VALUE			-78,678		
existing/alternative use value- former hotel/residential		600,000			
value added by consent			-678,678		
uplift factor			-0.13		
viability conclusion - This site was unviable at 30% affordable. The effect of increasing the affordable to 40% takes the uplift in value from -£171k down to -£678,000. This evidently increases the negative value .					

NEIGHBOURHOOD 11		SITE CC39			
Summary - PDL site - All Saints Hospital, King Edwards Parade - Development has started on this site, with only conversion of listed building to be completed				model variables	
Market Appraisal - Type of development: Assumptions - PP for conversion of listed building to 55 1/2-bed flats = 3200 m2. AREA 11 Meads Berkeley Homes sales values - high @ 5500/m2, taking account of taking account of neighbouring development. New Build costs average/high @1500/m2.				total floorspace sq.m 3200	
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	5500
TURNOVER				build cost £/sq.m 1500	
open market housing	1,920	5,500	10,560,000	demolition floorspace sq.m	
affordable @ £1500/sq.m (RSL capability to purchase from developer)	1,280	1,500	1,920,000	developer profit % of gross turnover 20	
gross turnover			12,480,000	qualifying dwellings for S.106 contributions 55	
less marketing/legal costs @ 2% of open market turnover			211,200	existing land value £ 2,000,000	
NET TURNOVER			12,268,800	site AREA ha	
total floorspace		3,200		open market 60% total 1920	
BUILD COSTS				affordable 40% 1280	
all housing units		3,200	1,500	4,800,000	
developer's profit @ 20% of gross turnover			2,496,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			960,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			8,256,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			4,012,800		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS		COST £			
standard highway access, eg, junction improvements, £1500/unit			82,500		
standard off-site drainage improvements, £1000/unit			55,000		
planning obligations					
transport			2500		
education, library, police, public art			5000		
open space equipment /maintenance			1500		
planning obligations total/unit (average between 3 Dragons £6k & £12k)			9000		
planning obligations costs @ £9000/unit			495,000		
TOTAL ABNORMAL AND DEVELOPMENT COSTS [TADC]			632,500	632,500	
RESIDUAL LAND VALUE , ie, ILV minus TADC				3,380,300	
financing costs @ 5% of RLV				169,015	
land acquisition fee 5% of RLV inc SDLT				169,015	
NET LAND VALUE				3,042,270	
existing/alternative use value- former Victorian hospital			2,000,000		
value added by consent				1,042,270	
uplift factor				1.52	
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £1932k (x 2) down to 1042k, with an uplift of 1.4, so the site remains viable.					

NEIGHBOURHOOD 14		SITES BA10			
Summary - general PDL - Sovereign Harbour - Site 1				model variables	
<p>Market Appraisal - Type of development: Mixed-use with residential/hotel/employment/leisure. This appraisal just considers the residential element. Assumptions - as SHLAA proposal for 20 new dwellings (2-bed flats @ 70m2) = 1400 m2, waterfront, 0.2 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1150/m2.</p>				total residential floorspace sq.m	1400
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	1150
open market housing waterfront	840	4,000	3,360,000	demolition floorspace sq.m	
affordable 40% total. Sales @ £1050/sq.m - RSL capability to purchase from developer @ 40% of open market	560	1,200	672,000	developer profit % of gross turnover	20
gross turnover			4,032,000	qualifying dwellings for S.106 contributions	20
less marketing/legal costs @ 2% of open market turnover			67,200	existing land value £	160,000
NET TURNOVER				site AREA ha	0.2
total floorspace	1,400		3,964,800	open market 60% total	840
BUILD COSTS				affordable 40%	560
all housing units + 10%	1,540	1,150	1,771,000		
developer's profit @ 20% of gross turnover			806,400		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			354,200		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS					
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS					
					1,033,200
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)				COST £	
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		560,000	560,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC					473,200
financing costs @ 5% of RLV			23,660		
land acquisition fee 5% of RLV inc SDLT			23,660		
TOTAL LAND VALUE					425,880
existing/alternative use value - general brownfield - employment use @ £800k/ha		160,000			
value added by consent			265,880		
uplift factor			2.66		
<p>viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £621k (x 4.9) down to 265k, with an uplift of 2.6, so the site remains viable, although this a very complex one-off site subject to detailed negotiations between EBC and the landowner.</p>					

NEIGHBOURHOOD 14		SITES BA11			
Summary - general PDL - Sovereign Harbour - Site 2				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 18 new dwellings (2-bed flats @ 70m2) = 1260 m2, non waterfront, 0.2 ha. AREA 14 Sovereign Harbour sales values - non-waterfront @ £3500/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1100/m2 .				total residential floorspace sq.m	1260
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m	1100
open market housing non-waterfront	756	3,500	2,646,000	demolition floorspace sq.m	
affordable 40% total. Sales @ £1050/sq.m - RSL capability to purchase from developer @ 40% of open market	504	1,050	529,200	developer profit % of gross turnover	20
gross turnover			3,175,200	qualifying dwellings for S.106 contributions	18
less marketing/legal costs @ 2% of open market turnover			52,920	existing land value £	160,000
NET TURNOVER			3,122,280	site AREA ha	0.2
total floorspace	1,260			open market 60% total	756
BUILD COSTS				affordable 40%	504
all housing units + 10%	1,386	1,100	1,524,600		
developer's profit @ 20% of gross turnover			635,040		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			304,920		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			2,464,560		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			657,720		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		504,000	504,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			153,720		
financing costs @ 5% of RLV			7,686		
land acquisition fee 5% of RLV inc SDLT			7,686		
TOTAL LAND VALUE			138,348		
existing/alternative use value - general brownfield - employment use @ £800k/ha		160,000			
value added by consent			-21,652		
uplift factor			0.86		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £192k (x 4.9) down to a negative uplift of £21k, so the site becomes unviable . However, this is a very complex one-off site subject to detailed negotiations between EBC and the landowner, and EBC might want to consider the entire Sovereign Harbour area.					

NEIGHBOURHOOD 14		SITES BA12			
Summary - general PDL - Sovereign Harbour - Site 3				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 23 new dwellings (2-bed flats @ 70m2) = 1610 m2, waterfront, 0.3 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1150/m2.				total residential floorspace sq.m	1610
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	1150
open market housing waterfront	966	4,000	3,864,000	demolition floorspace sq.m	
affordable 40% total. Sales @ £1200/sq.m - RSL capability to purchase from developer @ 40% of open market	644	1,200	772,800	developer profit % of gross turnover	20
gross turnover			4,636,800	qualifying dwellings for S.106 contributions	23
less marketing/legal costs @ 2% of open market turnover			77,280	existing land value £	240,000
NET TURNOVER			4,559,520	site AREA ha	0.3
total floorspace	1,610			open market 60% total	966
BUILD COSTS				affordable 40%	644
all housing units + 10%	1,771	1,150	2,036,650		
developer's profit @ 20% of gross turnover			927,360		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			407,330		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			3,371,340		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,188,180		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		644,000	644,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			544,180		
financing costs @ 5% of RLV			27,209		
land acquisition fee 5% of RLV inc SDLT			27,209		
TOTAL LAND VALUE			489,762		
existing/alternative use value - general brownfield - employment use @ £800k/ha		240,000			
value added by consent			249,762		
uplift factor			2.04		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £562k (x 3.3) down to 249k, with an uplift of 2, so the site remains viable , although this a very complex one-off site subject to detailed negotiations between EBC and the landowner.					

NEIGHBOURHOOD 14		SITES BA13			
Summary - general PDL - Sovereign Harbour - Site 4				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 19 new dwellings (2-bed flats @ 70m2) = 1330 m2, waterfront, 0.36 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1150/m2.				total residential floorspace sq.m	1330
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	1150
open market housing waterfront	798	4,000	3,192,000	demolition floorspace sq.m	
affordable 40% total. Sales @ £1200/sq.m - RSL capability to purchase from developer @ 40% of open market	532	1,200	638,400	developer profit % of gross turnover	20
gross turnover			3,830,400	qualifying dwellings for S.106 contributions	19
less marketing/legal costs @ 2% of open market turnover			63,840	existing land value £	288,000
NET TURNOVER			3,766,560	site AREA ha	0.36
total floorspace	1,330			open market 60% total	798
BUILD COSTS				affordable 40%	532
all housing units + 10%	1,463	1,150	1,682,450		
developer's profit @ 20% of gross turnover			766,080		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			336,490		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS					2,785,020
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS					981,540
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)				COST £	
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		532,000	532,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC					449,540
financing costs @ 5% of RLV			22,477		
land acquisition fee 5% of RLV inc SDLT			22,477		
TOTAL LAND VALUE					404,586
existing/alternative use value - general brownfield - employment use @ £800k/ha		288,000			
value added by consent			116,586		
uplift factor			1.40		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £375k (x 2.3) down to 116k, with an uplift of only 1.42, so the site becomes marginally viable , although this a very complex one-off site subject to detailed negotiations between EBC and the landowner.					

NEIGHBOURHOOD 14		SITES BA14			
Summary - general PDL - Sovereign Harbour - Site 7				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 50 new dwellings (2-bed flats @ 70m2) = 3500 m2, non waterfront, 1.6 ha. Assume residential on 0.6 ha, with 1ha for employment. AREA 14 Sovereign Harbour sales values - non-waterfront @ £3500/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1100/m2 .				total residential floorspace sq.m	3500
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	3500
TURNOVER				build cost £/sq.m	1100
open market housing non-waterfront	2,100	3,500	7,350,000	demolition floorspace sq.m	
affordable 40% total. Sales @ £1050/sq.m - RSL capability to purchase from developer @ 40% of open market	1,400	1,050	1,470,000	developer profit % of gross turnover	20
gross turnover			8,820,000	qualifying dwellings for S.106 contributions	50
less marketing/legal costs @ 2% of open market turnover			147,000	existing land value £	480,000
NET TURNOVER			8,673,000	site AREA ha	0.6
total floorspace	3,500			open market 60% total	2100
BUILD COSTS				affordable 40%	1400
all housing units + 10%	3,850	1,100	4,235,000		
developer's profit @ 20% of gross turnover			1,764,000		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			847,000		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			6,846,000		
INTERIM LAND VALUE [ILV] ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,827,000		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		1,400,000	1,400,000		
RESIDUAL LAND VALUE ie, ILV minus TADC			427,000		
financing costs @ 5% of RLV			21,350		
land acquisition fee 5% of RLV inc SDLT			21,350		
TOTAL LAND VALUE			384,300		
existing/alternative use value - general brownfield - employment use @ £800k/ha		480,000			
value added by consent			-95,700		
uplift factor			0.80		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £500k (x 2) down to a negative uplift of £95k, so the site becomes unviable . However, this is a very complex one-off site subject to detailed negotiations between EBC and the landowner, and EBC might want to consider the entire Sovereign Harbour area.					

NEIGHBOURHOOD 14		SITES BA15			
Summary - general PDL - Sovereign Harbour - Site 8				model variables	
Market Appraisal - Type of development: Assumptions - as SHLAA proposal for 19 new dwellings (2-bed flats @ 70m2) = 1330 m2, waterfront, 0.34 ha. AREA 14 Sovereign Harbour sales values - waterfront @ £4000/m2, taking account of neighbouring new/2nd hand development. New Build costs average/high @1100/m2.				total residential floorspace sq.m	1330
element	floorspace sq.m	sales value £/sq.m	turnover	sales value £/sq.m	4000
TURNOVER				build cost £/sq.m	1100
open market housing waterfront	798	4,000	3,192,000	demolition floorspace sq.m	
affordable 40% total. Sales @ £1080/sq.m - RSL capability to purchase from developer @ 30% of open market	532	1,200	638,400	developer profit % of gross turnover	20
gross turnover			3,830,400	qualifying dwellings for S.106 contributions	19
less marketing/legal costs @ 2% of open market turnover			63,840	existing land value £	272,000
NET TURNOVER			3,766,560	site AREA ha	0.34
total floorspace	1,330			open market 60% total	798
BUILD COSTS				affordable 40%	532
all housing units + 10%	1,463	1,100	1,609,300		
developer's profit @ 20% of gross turnover			766,080		
all building/planning costs fees, financing, & contingencies @ 20% of construction cost			321,860		
demolition/remediation costs @ £15/sq.m			0		
TOTAL DEDUCTIONS			2,697,240		
INTERIM LAND VALUE (ILV) ie, NET TURNOVER LESS TOTAL DEDUCTIONS			1,069,320		
LESS ESTIMATES OF TYPICAL ABNORMAL AND DEVELOPMENT COSTS (TADC)		COST £			
abnormal & planning obligations costs @ £28k/plot (including electricity supply contribution)		532,000	532,000		
RESIDUAL LAND VALUE, ie, ILV minus TADC			537,320		
financing costs @ 5% of RLV			26,866		
land acquisition fee 5% of RLV inc SDLT			26,866		
TOTAL LAND VALUE			483,588		
existing/alternative use value - general brownfield - employment use @ £800k/ha		272,000			
value added by consent			211,588		
uplift factor			1.78		
viability conclusion - The effect of increasing the affordable to 40% takes the uplift in value from £470k (x 2.7) down to £211k (1.78), so the site remains viable . However, this is a very complex one-off site subject to detailed negotiations between EBC and the landowner, and EBC might want to consider the entire Sovereign Harbour area.					

Baker Associates
The Crescent Centre
Temple Back
Bristol
BS1 6EZ

t 0117 933 8950
f 0117 925 7714
e all@bakerassocs.com