

**RYEDALE DISTRICT COUNCIL**

**LOCAL DEVELOPMENT FRAMEWORK**  
**VIABILITY STUDIES OF HOUSING SITES**

**JULY 2011 (AMENDED JANUARY 2012)**

**J R STROUGHAIR**

## CONTENTS

<b>1.</b>	<b><u>INTRODUCTION</u></b>	<b>5</b>
<b>2.</b>	<b><u>BACKGROUND TO THE REPORT</u></b>	<b>7</b>
<b>3.</b>	<b><u>FORM OF RESIDENTIAL DEVELOPMENT AND ‘COVERAGE’ (DENSITY &amp; HOUSING MIX)</u></b>	<b>8</b>
<b>4.</b>	<b><u>METHODOLOGY – RESIDENTIAL SALES VALUES (REVENUE)</u></b>	<b>9</b>
<b>5.</b>	<b><u>METHODOLOGY – RESIDENTIAL DEVELOPMENT COSTS (STANDARD)</u></b>	<b>10</b>
<b>6.</b>	<b><u>METHODOLOGY – RESIDENTIAL LAND VALUES AND ABNORMAL COSTS</u></b>	<b>12</b>
<b>7.</b>	<b><u>METHODOLOGY – PROFITABILITY &amp; RESIDUAL LAND VALUES</u></b>	<b>14</b>
<b>8.</b>	<b><u>AFFORDABLE HOUSING – ON-SITE PERCENTAGE REQUIREMENTS, ACQUISITION PRICES AND OFF-SITE CONTRIBUTIONS</u></b>	<b>16</b>
<b>9.</b>	<b><u>ABNORMAL COSTS / PLANNING GAIN / COMMUNITY INFRASTRUCTURE LEVY (CIL)</u></b>	<b>18</b>
<b>10.</b>	<b><u>SUSTAINABILITY</u></b>	<b>19</b>
<b>11.</b>	<b><u>LOCAL OCCUPANCY</u></b>	<b>20</b>
<b>12.</b>	<b><u>GENERAL CONCLUSIONS AND RECOMMENDATIONS</u></b>	<b>21</b>
<b>13.</b>	<b><u>VIABILITY STUDIES</u></b>	<b>23</b>
13.1	PASTURE LANE, HOVINGHAM – PRIVATE SALES ONLY SCHEME (ORIGINAL)	24
13.2	PASTURE LANE, HOVINGHAM – 35% AFFORDABLE HOUSING (ON-SITE) (ORIGINAL)	25
13.3	PASTURE LANE, HOVINGHAM – 40% AFFORDABLE HOUSING (ON-SITE) (ORIGINAL)	27
13.4	PASTURE LANE, HOVINGHAM – 35% AFFORDABLE HOUSING (ON-SITE) & WITH “5%” MORE AFFORDABLE PROVISION (I.E. “40%”) ACHIEVED BY WAY OF FINANCIAL CONTRIBUTION TO DISTRICT-WIDE FUND (ORIGINAL)	29
13.5	PASTURE LANE, HOVINGHAM – 35% AFFORDABLE HOUSING (ON-SITE) & WITH “5%” MORE AFFORDABLE PROVISION (I.E. “40%”) ACHIEVED BY WAY OF FINANCIAL CONTRIBUTION TO DISTRICT-WIDE FUND (ADAPTED – BASED ON CONTRIBUTION BEING DIFFERENCE IN SALES VALUE BETWEEN PLOT 13 (SEE VIABILITY 13.3) BEING PRIVATE OR AFFORDABLE)	31
13.6	PASTURE LANE, HOVINGHAM – PRIVATE SALES ONLY SCHEME (LIFETIME HOMES & 15K CIL)	33
13.7	PASTURE LANE, HOVINGHAM – 35% AFFORDABLE HOUSING (ON-SITE) (LIFETIME HOMES & 15K CIL)	35
13.8	PASTURE LANE, HOVINGHAM – 40% AFFORDABLE HOUSING (ON-SITE) (LIFETIME HOMES & 15K CIL)	37
13.9	PASTURE LANE, HOVINGHAM – PRIVATE SALES ONLY SCHEME (CODE LEVEL 4)	39
13.10	PASTURE LANE, HOVINGHAM – 35% AFFORDABLE HOUSING (ON-SITE) (CODE LEVEL 4)	40
13.11	PASTURE LANE, HOVINGHAM – 40% AFFORDABLE HOUSING (ON-SITE) (CODE LEVEL 4)	41

**CONTENTS ctd.**

13.12	SCARBOROUGH ROAD, NORTON – SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT DWELLING MIX ( <i>i.e.</i> 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL DWELLINGS & 37.47% OF TOTAL BUILD) (ORIGINAL)	42
13.13	SCARBOROUGH ROAD, NORTON – SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT DWELLING MIX ( <i>i.e.</i> 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL DWELLINGS & 37.47% OF TOTAL BUILD) (ADAPTED – AFFORDABLE TENURE 10% DISCOUNTED SALE & 90% SOCIAL RENTED)	44
13.14	SCARBOROUGH ROAD, NORTON – 35% AFFORDABLE HOUSING ( <i>AS OPPOSED TO</i> 44.95% ON REDROW PLANNING LAYOUT) – 76 DWELLINGS ( <i>AS OPPOSED TO</i> 98) (ORIGINAL)	45
13.15	SCARBOROUGH ROAD, NORTON – 35% AFFORDABLE HOUSING ( <i>AS OPPOSED TO</i> 44.95% ON REDROW PLANNING LAYOUT) – 76 DWELLINGS ( <i>AS OPPOSED TO</i> 98) (ADAPTED – AFFORDABLE TENURE 10% DISCOUNTED SALE & 90% SOCIAL RENTED)	47
13.16	SCARBOROUGH ROAD, NORTON – 40% AFFORDABLE HOUSING ( <i>AS OPPOSED TO</i> 44.95% ON REDROW PLANNING LAYOUT) – 87 DWELLINGS ( <i>AS OPPOSED TO</i> 98) (ORIGINAL)	49
13.17	SCARBOROUGH ROAD, NORTON – 40% AFFORDABLE HOUSING ( <i>AS OPPOSED TO</i> 44.95% ON REDROW PLANNING LAYOUT) – 87 DWELLINGS ( <i>AS OPPOSED TO</i> 98) (ADAPTED – AFFORDABLE TENURE 10% DISCOUNTED SALE & 90% SOCIAL RENTED)	51
13.18	SCARBOROUGH ROAD, NORTON – SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT DWELLING MIX ( <i>i.e.</i> 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL DWELLINGS & 37.47% OF TOTAL BUILD) (FLAT RATE CIL)	53
13.19	SCARBOROUGH ROAD, NORTON – SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT DWELLING MIX ( <i>i.e.</i> 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL DWELLINGS & 37.47% OF TOTAL BUILD) (LIFETIME HOMES)	55
13.20	SCARBOROUGH ROAD, NORTON – 35% AFFORDABLE HOUSING ( <i>AS OPPOSED TO</i> 44.95% ON REDROW PLANNING LAYOUT) – 76 DWELLINGS ( <i>AS OPPOSED TO</i> 98) (LIFETIME HOMES & FLAT RATE CIL)	57
13.21	SCARBOROUGH ROAD, NORTON – SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT DWELLING MIX ( <i>i.e.</i> 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL DWELLINGS & 37.47% OF TOTAL BUILD) (CODE LEVEL 4)	59
13.22	SCARBOROUGH ROAD, NORTON – 35% AFFORDABLE HOUSING ( <i>AS OPPOSED TO</i> 44.95% ON REDROW PLANNING LAYOUT) – 76 DWELLINGS ( <i>AS OPPOSED TO</i> 98) (CODE LEVEL 4)	60
13.23	SCARBOROUGH ROAD, NORTON – 40% AFFORDABLE HOUSING ( <i>AS OPPOSED TO</i> 44.95% ON REDROW PLANNING LAYOUT) – 87 DWELLINGS ( <i>AS OPPOSED TO</i> 98) (CODE LEVEL 4)	61
13.24	SCARBOROUGH ROAD, NORTON – “THEORETICAL” PRIVATE SALES ONLY	62
13.25	OUTGANG ROAD, PICKERING – PRIVATE SALES ONLY SCHEME (ORIGINAL)	63
13.26	OUTGANG ROAD, PICKERING – 35% AFFORDABLE HOUSING (ON-SITE) (ORIGINAL)	64
13.27	OUTGANG ROAD, PICKERING – 40% AFFORDABLE HOUSING (ON-SITE) (ORIGINAL)	66

## CONTENTS ctd.

13.28	OUTGANG ROAD, PICKERING – PRIVATE SALES ONLY SCHEME (CODE LEVEL 4)	68
13.29	VOUTGANG ROAD, PICKERING – 35% AFFORDABLE HOUSING (ON-SITE) (CODE LEVEL 4)	69
13.30	OUTGANG ROAD, PICKERING – 40% AFFORDABLE HOUSING (ON-SITE) (CODE LEVEL 4)	70
13.31	OUTGANG ROAD, PICKERING – THEORETICAL SCHEME OF 4 DWELLINGS – PRIVATE SALES ONLY SCHEME (ORIGINAL)	71
13.32	OUTGANG ROAD, PICKERING – THEORETICAL SCHEME OF 4 DWELLINGS – 35% AFFORDABLE HOUSING (ON-SITE) (ORIGINAL)	72
13.33	OUTGANG ROAD, PICKERING – THEORETICAL SCHEME OF 4 DWELLINGS – PRIVATE SALES ONLY SCHEME (CODE LEVEL 4)	74
13.34	OUTGANG ROAD, PICKERING – THEORETICAL SCHEME OF 4 DWELLINGS – 35% AFFORDABLE HOUSING (ON-SITE) (CODE LEVEL 4)	75
13.35	MEADOWSIDE, WEAVERTHORPE – PRIVATE SALES ONLY SCHEME (ORIGINAL)	76
13.36	MEADOWSIDE, WEAVERTHORPE – 35% AFFORDABLE HOUSING (ON-SITE) (ORIGINAL)	77
13.37	MEADOWSIDE, WEAVERTHORPE – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (ORIGINAL)	79
13.38	MEADOWSIDE, WEAVERTHORPE – PRIVATE SALES ONLY SCHEME (CODE LEVEL 4)	81
13.39	MEADOWSIDE, WEAVERTHORPE – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (CODE LEVEL 4)	82
13.40	MEADOWSIDE, WEAVERTHORPE – 35% AFFORDABLE HOUSING (ON-SITE) (CODE LEVEL 4)	83
13.41	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (ORIGINAL)	84
13.42	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (ORIGINAL)	85
13.43	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)	87
13.44	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (CODE LEVEL 4)	89
13.45	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (CODE LEVEL 4) (ORIGINAL)	90
13.46	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (CODE LEVEL 4) (ADAPTED – 9% OF SALES CONTRIBUTION)	91
13.47	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (ORIGINAL)	92

## **CONTENTS ctd.**

13.48	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION (ORIGINAL)	93
13.49	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (ORIGINAL)	94
13.50	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)	95
13.51	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND” (ORIGINAL)	97
13.52	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND” (ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)	99
13.53	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (CODE LEVEL 4)	100
13.54	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (CODE LEVEL 4) (ORIGINAL)	101
13.55	DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND”) (CODE LEVEL 4) (ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)	102
13.56	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION (CODE LEVEL 4)	103
13.57	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND” (CODE LEVEL 4) (ORIGINAL)	104
13.58	HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM – PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICTWIDE FUND” (CODE LEVEL 4) (ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)	106
<b>14.</b>	<b><u>COMPARISON OF VIABILITY STUDY RESIDUALS</u></b>	<b>107</b>
<b>15.</b>	<b><u>SUMMARY/ANALYSIS OF “35%” ON-SITE AFFORDABLE VIABILITIES</u></b>	<b>109</b>

## 1. **INTRODUCTION**

- 1.1 Having produced some simplified Viability Studies for the Council in 2007 relating to Affordable Housing and Local Occupancy, I was approached by the Council to advise on the Viability of a number of Housing sites of varying sizes and throughout the District as part of the Council's Local Development Framework (LDF) process and with particular regard to Affordable Housing Policies and the possible establishment of a Community Infrastructure Levy (CIL).
- 1.2 I have previously undertaken extensive similar LDF Viability Consultancy work for Hambleton District Council.
- 1.3 My report is intended to assist the Council in establishing an Affordable Housing Policy and Targets and to help negotiations between the Council and owners of potential Housing sites and for information to the public.
- 1.4 I was asked to prepare this report based on documentation available including externally prepared reports and in close consultation with the Council's Planning Policy Section so that the report's findings inform Affordable Housing and other Policy requirements for future LDF developments. Accordingly, regular and constructive dialogue took place with all relevant officers throughout the compilation of this report so as to thoroughly test 'real' Sites.
- 1.5 Viability Studies have been prepared for a variety of Sites throughout the District as directed by the Planning Policy Officer and this report gives a good cross-section of financial appraisals for key sites in each of different areas across Ryedale and that have been submitted for or granted Planning Consent.
- 1.6 This preliminary advice is based on my assessment of the sales values and development costings which I understand developers are employing at the time of compilation of this report for acquiring sites in the District coupled with the experience gained on the preparation of residential site viability studies in my 33 years direct involvement in the house building industry and the last 8 years as a house building consultant.
- 1.7 The figures contained in this report are initial viabilities and financial appraisals and not formal valuations. The figures are preliminary and approximate assessments intended to provide a guide as to the viability of certain Housing Sites where an Affordable Housing requirement is to be discharged and Planning Gain or CIL apply. As such, the contents of this report are considered sufficient to determine whether Housing Sites and what they need to deliver or contribute to are viable propositions or whether draft policy targets are relevant.

- 1.8 It must be noted that this report has been produced largely on the basis of Planning Application details provided by the Council and that I have not sought to check that such information is correct or otherwise.
- 1.9 The information contained herein as to sales values and development costings is approximate but as accurate as possible as at January 2012 but will become less accurate as time goes by.
- 1.10 Viabilities accompanying the Report seek to explore the impact of 35% on-site Affordable Housing (and in some cases 40% on-site) and where appropriate an additional 5% 'off-site' (so called 35% +5% Affordable) by way of Financial Contributions to a District Fund on small sites of 5 dwellings or more. The Viabilities are applied to a range of site/scheme sizes in different locations across the District. In addition, I seek to advise on Financial Contributions from sites below 5 dwellings to District wide Affordable Housing Funds and I was asked to recommend methods for calculating such contributions.
- 1.11 During dialogue with the Planning Policy Officer, I was asked to assess the impact of Local Occupancy Conditions (Section 11).
- 1.12 The Report looks at influences that Policy variables may have on potential affordable housing targets but it is not the role of this Report to prioritise policy variables/options relative to each other,

## **2. BACKGROUND TO THE REPORT**

- 2.1 It was requested that all viability studies within this report be based on how developers would approach such an assessment and how developers are compiling viability studies as at January 2012 in sales value and development costing terms during a time when difficult trading conditions persist (see sections 4, 5 and 7).
- 2.2 Overall, in relation to required affordable housing provision and the effect of Planning Gain or CIL, the Council asked for residual land values to be estimated to try to establish whether they would match or exceed the likely minimum price per acre acceptable to landowners bearing in mind that for safety and sustainability reasons, infrastructure requirements costed in this report are likely to be fundamental and not capable of being diminished.



**3. FORM OF RESIDENTIAL DEVELOPMENT AND 'COVERAGE' (DENSITY & HOUSING MIX)**

- 3.1 The house building industry and landowners and their agents consider land values per acre rather than per hectare and so the viabilities within this report conclude with notes of the residual land value per acre.
- 3.2 There may be some housing sites where, for example, one bed dwellings could be in demand or 3 storey houses which have become popular with developers and purchasers alike could be appropriate. In addition although a lot of places have become flooded with apartments, there could be a limited market for flats in some town centres in years to come.
- 3.3 "Coverage" and sales values and development costs per Sq. ft (and thus per acre) have become crucial to assessing the viability of a proposed housing site and in recent years, with PPG3, some developers have been able to achieve in Urban Areas as much as 22,000 sq. ft per net developable acre. However, even before the recent economic downturn, the market was seeing a return to more traditional dwelling mixes and densities; this is what the public wanted in a lot of cases, especially in more rural areas and developers gradually realised this.
- 3.4 Average densities (depending upon planning consents eventually granted) are likely to be between 15,000 Sq. ft and 17,500 Sq. ft per net developable acre (also depending upon the developer's market research). In all cases, the Viability Studies in this Report contain a note of coverage achieved including "dwellings per hectare".
- 3.5 Dwelling mixes and densities, which the Council have some influence over, will determine the coverage and in turn, coverage will help determine residual land values for housing allocations as will site specific infrastructure, affordable housing and other developer contributions or perhaps a Community Infrastructure Levy (CIL).

#### **4. METHODOLOGY – RESIDENTIAL SALES VALUES (REVENUE)**

- 4.1 Establishing the likely total sales revenue is fundamental to assessing the viability of a residential development project and again, achievable densities or coverage play a significant part in this.
- 4.2 After total sales revenue has been estimated (and the size of the development “cake” established), the elements or components that the development needs to pay for or which a development needs to partly fund can be calculated and deducted.
- 4.3 The Council’s affordable housing requirements (and indeed such requirements of all the local authorities) has a significant affect on total sales revenue. Affordable housing is covered in more detail in Section 8 but typically, developers looking at Housing sites would think of affordable housing being worth considerably less than half of what private housing is worth.
- 4.4 There is a view in the development industry that high affordable housing requirements (40% or 50%) have the effect of reducing the desirability and thus the value of the remaining “private dwellings” and so in some cases the residual “development cake” could actually be reduced further.
- 4.5 As at January 2012, with general economic issues still besetting the property market and especially newbuild, it will be appreciated that there could be mixed views as to how to arrive at a realistic selling price per Sq. ft to include in viability studies but I agree with the view held amongst most developers that one has to value a housing site “going forward” on the basis that by the time possible Housing allocations become “live development sites”, the market will return to “normal”. Otherwise it would be virtually impossible to produce a report which gave meaningful comparisons with what was the position of “normality” in around mid-2007. Looking ahead, Housing sites will only progress (if at all) at a rate and with profitability and residual land values which reflect market conditions of the day. Some encouragement is offered by a recent report published by the Centre for Economics and Business Research (CEBR) which predicts that House Prices will be 16% higher by the end of 2015 following a four year recovery in the market that will start in late 2011 after falling during 2011 by 1.4%.

## **5. METHODOLOGY – RESIDENTIAL DEVELOPMENT COSTS (STANDARD)**

- 5.1 Developers employ “standard” costs when compiling viability studies (based on known costs from similar previously completed or on-going developments) for those components of a dwelling or development of dwellings which are largely the same from one site to another. The four main cost sections are housebuild (everything from DPC level including fittings), plot development (dwelling foundation, in-plot drainage and so on), infrastructure or external development (on or off-site roads and sewers, street lighting, landscaping and so on) and site overheads (site compound, site management, health and safety and so on).
- 5.2 Hence, it is accurate, with standard house types, or known internal floor areas to use standard costs although housebuild and plot development will have adjustments factored into the viability to allow for, for example, more expensive cladding materials to reflect local external materials (such as Natural Stone walls and or clay roof tiles or Slates) and difficult ground conditions revealed by a site investigation.
- 5.3 Site overheads can be calculated on a likely construction period basis (say 78 weeks for a 40 dwellings development) and by applying a known cost per week for what is entailed.
- 5.4 Infrastructure or external development is the most variable cost section as every site is different in characteristics or in terms of “developer contributions” dictated by problems in an area (e.g. drainage or flooding) or by other planning requirements. Abnormal (unexpected) costs (see Section 6 also) impact upon the actual infrastructure budget and can include Specialist Foundations where poor ground conditions are known to exist.
- 5.5 Putting abnormal (unexpected) costs to one side, (education contributions, other Section 106 requirements or infrastructure to be put in place off-site or contributed to have become “normal” in recent years), my research including discussions with national and regional housebuilders reveals that it is realistic to generally employ a figure of £95 per Sq. ft (which includes for professional services or interest) as a “standard” for total construction costs for each dwelling. This is increased, where indicated in Planning Application detail, to allow for more expensive External Materials (see 5.2).
- 5.6 Standard Development Costs account for around 60% of the development cake or Total Sales Revenue (see Section 13 Viabilities).
- 5.7 The difference between the selling price per Sq. ft and the £95 per Sq. ft or whatever Rate is used for Standard Construction Costs (.5.5) must accommodate “other development costs” (such as education contributions, affordable housing and so on), the developer’s Off-Site Margin (OSM) and the Residual Land Value (RLV).

- 5.8 The figure of £95 per Sq. ft given in 5.5 includes for building dwellings to “code level 3” but not the much more costly “energy efficient” (carbon emissions) concepts. Please refer however to 10.2 and the Adapted Viabilities which have been produced for achieving “Lifetime Homes” requirements (£1,000 per dwelling employed) and to 10.3 and the Adapted Viabilities prepared for adhering to Code Level 4.
- 5.9 There is much debate at the time of producing this report on the affect that the Code for Sustainable Homes Level 5 will have on the viability of residential development sites if it is introduced during the LDF period. Community and Local Government (CLG) commissioned research and an estimate of cost produced in October 2008 predicts that “Code Level 5” could cost an average of £15,000 per dwelling. It is to be hoped that by 2016, when “Code Level 6” is expected to come into force, developments in technology and component manufacturing volume will bring substantial reductions to the aforementioned cost per home. It should be noted that unlike Code Levels 4 & 6, Level 5 is not enshrined in Building Regulations.

## **6. METHODOLOGY – RESIDENTIAL LAND VALUES AND ABNORMAL COSTS**

- 6.1 Echoing the observations made in 4.5, it is again very difficult and a matter of opinion as to what a “headline” gross value per acre for residential development land should be as at January 2012 bearing in mind that developers have been writing down the value of landbanks and also that many landowners are holding back at present from bringing their land to the market for obvious reasons.
- 6.2 Headline land values are a starting point for negotiations as there are always abnormal costs and developer contributions to make. It is the residual land value which is the crux of the matter (see Section 7).
- 6.3 In “normal” times, competition for land is fierce and landowners and their agents have a lot of input. Large development areas are often acquired by a consortium of prominent national or regional developers which would strive very hard to secure the larger sites so as to control the market in a given town and enjoy economies of scale (bulk buying over a lengthy period).
- 6.4 Owners of parts of large developments which will accommodate sport/recreation or open space will expect an equalisation of land payments as such facilities are of course, part of what is required to bring the whole concept forward. As such, residual land values are again affected as sales revenue can only be obtained from the developable parts of composite sites.
- 6.5 As a safeguard to landowners and developers, the larger, composite, development sites are not only linked to option agreements but are sold or purchased in phases or tranches which avoids land being disposed of for too much or not enough relative to market conditions prevailing.
- 6.6 A number of Housing sites eventually allocated in the LDF will be acquired through option agreements, remembering that a lot of the sites will have been “promoted” for quite some time already and very often on a landowner’s behalf by a developer.
- 6.7 Option agreements obviously vary but typically, involve only a very small or no option fee these days at all at the outset, the developer engaging all professional expertise to promote the site and obtain planning consent (the cost of which is deducted from the land price) with landowners eventually receiving anywhere between 85% and 90% of market value of the land (at time planning consent is obtained) less abnormal costs (clauses allowing for arbitration are built in to cater for it not being possible for landowners and developers to “agree” on market value).

- 6.8 A recent development with option agreements, following the downturn in the property market referred to earlier in this report, has been to seek to include minimum land payments (per acre) without which or below which, landowners would be unwilling to part with their land.
- 6.9 The dropping to near or below a minimum land payment (per acre) could however arise from planning requirements or abnormal/unexpected costs being excessive (rather than coupled to or because of market conditions). There will always be a point when developers and landowners find it no longer possible to go through with a deal.
- 6.10 Following on from 6.7 and 6.8, as a guide, minimum land payments will be down to negotiations on an individual site basis but will be of the order of £200,000 to £250,000 per acre (as at January 2012) which is considerably less than the “headline” price for land of approaching £1m per acre (before Abnormal Costs & Planning Gain deductions) of some years ago and there is evidence that minimum land payments are going down further still in option agreements.

## **7. METHODOLOGY – PROFITABILITY & RESIDUAL LAND VALUES**

- 7.1 For each site considered, developers look to achieve a desired off-site margin (OSM) which is a percentage of estimated total sales revenue for the specific site and which is before head office overheads and which vary from company to company.
- 7.2 The target OSM will vary from time to time depending upon market conditions and the availability of and thus competition for land and between developers depending upon their overall strength, whether or not they are national, regional or just local developers and how each company is placed in a given location in terms of forthcoming outlets, available work force or a desire to have a presence in a new locality.
- 7.3 The 'target' OSM is part of total sales revenue or the "development cake" and employing known "standard costs" (see Section 5) and determining abnormal costs (including planning requirements) and deducting the OSM, standard costs and abnormals (see Section 6) from total sales revenue gives a residual land value (RLV).
- 7.4 There is a tendency currently for the larger developers with strong landbanks to reject potential sites which are too problematical or only marginally viable and also to press for an OSM of as much as 25% (of total sales revenue).
- 7.5 However, for the purposes of the viability studies included in this report, I have worked on an OSM of 20% which I consider to be a realistic "average" at the present time. Once the submission allocations have been set in the LDF however, by and large there will not be other development opportunities, so actual OSMs obtained could well be higher or lower and RLVs likewise.
- 7.6 The developer's return will drop from the "say 20%" mentioned in 7.5 after allowance for head office overheads which different developers account for in different ways and such overheads can reduce the (net) return to around 10%.
- 7.7 Returns from individual developments vary considerably based on local market conditions, competition in a given town, and local labour, materials and transport costs but sites in Ryedale have been sought after locations for many years for local and regional developers because of consistently steady local economies, quality of life and thus (normally) favourable market conditions. Trading margins in Ryedale Market Towns have usually compared very favourably with the rest of Yorkshire and Humber region, not just North Yorkshire. In fact, the market has often held up in these towns when market conditions more generally became difficult.

- 7.8 As previously mentioned, larger development sites such as Norton-Scarborough Road would probably be consortium developments of at least two if not three developers. In addition, smaller parcels of land might be sold on to smaller local developers (giving diversification of styles) and such land sales would normally bring a land profit to the larger builders as a matter of interest, as well as spreading further outlay and work in progress costs.
- 7.9 As a consequence of the property market downturn and the effect on newbuild, developers have not only been writing down land values (which will allow larger percentage profits when the market improves) they feel justified in seeking to pressure planning authorities into accepting reduced planning requirements and in particular lower percentages of affordable housing.
- 7.10 To counter the above “argument”, there is central government pressure for housing for key workers and those that cannot afford to buy and, generally speaking, affordable housing percentage targets and other planning gain is broadly the same in North Yorkshire authorities and further afield.



## **8. AFFORDABLE HOUSING – ON-SITE PERCENTAGE REQUIREMENTS, ACQUISITION PRICES AND OFF-SITE CONTRIBUTIONS**

- 8.1 Affordable housing has already been touched on quite extensively earlier in this report such is the impact it has on virtually every aspect of residential development sites but I would draw particular attention to what is said in 4.3, 4.4, 6.9, 7.9 and 7.10, as well as 8.5 and 8.8 below.
- 8.2 The total cost of building or delivering affordable housing (to the same specification/finish of private dwellings not inferior to) is the same as the “standard” cost for private dwellings and namely £95 per Sq. ft inclusive of code level 3 provisions (see 5.5 and 5.8) and all viabilities in this report have been compiled accordingly, except some Additional/Adapted Viabilities (see 10.2) which allow for all dwellings in a given Site achieving Lifetime Homes requirements (Private or Affordable) and Code Level 4 requirements (See 10.3, 10.4 & 10.5).
- 8.3 The Council asked that existing development plan policy for Sites of 5 dwellings or more of a 35% Affordable Housing Provision on site be tested but Viability Studies showing the effect of a 40% target were also requested to test Affordable Housing Targets on a range of Site sizes. It is important to note that 35% means of the total dwellings on a Site but generally consists of 2 & 3 Bed dwellings so the percentage of total build is less than 35%.
- 8.4 I have included Affordable Housing acquisition prices (prices paid to a developer) of £55,000 for a 2 bed dwelling and £60,000 for a 3 bed dwelling where the homes are to be SOCIAL RENTED and £65,000 and £75,000 respectively where the affordable units are for DISCOUNTED SALE.
- 8.5 The above acquisition prices for 2 bed and 3 bed affordable dwellings work out at much less than half of the per Sq. ft sales values used in this report’s viabilities for private houses.
- 8.6 For viability study purposes it has been assumed that only 2 and 3 bed affordable dwellings will be provided (i.e. no 1 or 4/5 bed dwellings) and also, to reflect need, that  $\frac{1}{3}$  of Affordable units would be for Discounted Sale and  $\frac{2}{3}$  would be Social Rented, this being the tenure target sought by the District Council at the start of this work.
- 8.7 However, towards the completion of this work, the emerging North and North Yorkshire Strategic Housing Market Assessment indicated that, taking into account of the new affordable rent tenure model, 90% of affordable housing contributions should be rented tenure models, with 10% intermediate (Discounted Sale) tenures. The impact of this has been tested by Adapted Norton Viabilities (see Viabilities 13.13, 13.15 & 13.17).

- 8.8 The first Viability Studies prepared for this Report assumed that the affordable housing will be physically provided on each site rather than by way of a “commuted sum” or Financial Contribution but as a result of regular dialogue with Forward Planning, alternative studies based on such payments instead were produced.
- 8.9 Including a requirement through planning for the inclusion within residential development of affordable housing has always been a significant issue for developers. However, the acquisition prices referred to in 8.4 put pressure on the viability of residential projects as it costs much more to build or deliver the affordable dwellings than is received back from an RSL in “acquisition prices”. This is even if one puts to one side the levies which have to be paid by all dwellings on a site towards other planning requirements such as education contributions, major infrastructure works and flooding alleviation. These are issues which need to be borne in mind when considering/setting CIL levels; which is the most important in a given Site – delivering Affordable targets or contributing to Community or District Infrastructure?

**9. ABNORMAL COSTS / PLANNING GAIN / COMMUNITY INFRASTRUCTURE LEVY (CIL)**

- 9.1 The Council is keen to explore the establishment of a Community Infrastructure Levy to be based on a District-wide amount per dwelling, per Sq. ft of build so that there is consistency and fairness across all development sites. This is an area of work which the Council intends to progress in parallel with the Site Allocation Document. For the purposes of this report and its use in informing Affordable Housing target policy, indicative CIL levels have been tested.
- 9.2 An approach based on 9.1 would help to ensure that the Costs of Infrastructure (Roads, School Spaces, Sports or other Community Facilities) can be met from all new development (including Commercial) and this should help to spread Infrastructure Costs over a greater number of projects. That would avoid situations which occur for example with Education Contributions where, by “timing” of a development, some developers are able to utilise available local School capacity only for subsequent developments to have to pay a large contribution towards achieving increased capacity (a School Extension for example). The cost of supporting planned housing growth over a period of time could be spread
- 9.3 In the general absence of precise guidance on Abnormal Costs or Site Specific Planning Gain requirements other than Affordable Housing, a standard percentage has generally been included in this report’s viability studies based on my experience of likely costs for off-site or abnormal works, my discussions with developers including some who have produced viability studies for various site allocations, and knowledge of how developers would seek to put even a notional figure against unknown and uncosted requirements. Generally, I have allowed 7% of Sales Revenue for Abnormal Costs/CIL and in such cases this is broken down into cost per dwelling and cost per Sq. ft.
- 9.4 Developers have indicated to the Council that it will need to set a CIL levy of £15,000 per dwelling and some Additional/Adapted viabilities have been prepared to show the effect of such a levy which equates to approximately 11% of Sales Revenue rather than the 7% referred to in 9.3 (for example, see Adapted Norton – Scarborough Road Viability 13.8 - “Flat Rate CIL”).
- 9.5 With reference to comments in 8.9, from project to project, depending on sales values, build densities and several other factors, Planning Gain delivery will have to be prioritised or balanced between Affordable Housing targets and other requirements.

## 10. **SUSTAINABILITY**

- 10.1 In the next few years, through Building Regulations, a number of new requirements are going to have to be accommodated and new cost implications will have to be addressed.
- 10.2 As stated in 5.8, generally the viability studies herein include, in cost terms, for compliance only with “Code for Sustainable Homes level 3” (see also 5.9). However, during dialogue with the Planning Department as this Report was being formulated and Viability trends were becoming apparent, it was decided to produce a limited number Viability variants to show the effect of building all dwellings at a given Site (e.g. Norton-Scarborough Road) to “Lifetime Homes” specification. Cost estimates for LHS vary widely but for those Additional/Adapted Viability Studies, £1000 per dwelling has been included.
- 10.3 As debate about the effect upon Viability of Sustainability issues and future Building Regulations requirements evolved further, it was requested by the Council that Adapted Viability Studies be prepared allowing for all dwellings achieving Code Level 4 and such Viabilities are thus included in Section 13. It should be stated that Lifetime Homes Cost implications are embedded within the extra over Cost for adhering to Code Level 4.
- 10.4 Up to date Cost information for the Adapted Viabilities referred to in 10.3 was obtained from the August 2011 publication by the Department for Communities and Local Government entitled “Cost of building to the Code for Sustainable Homes – updated cost review”. This document is very informative and a good working tool but the clarifications or information given on pages 10, 12 & 24 is particularly relevant to establishing a good average cost per Sq. ft of build for the extra-over cost of going from the (Standard) Code Level 3 to Code Level 4.
- 10.5 Extra-over costs for typical dwelling types will vary slightly from development to development as mentioned at the foot of page 24 and in page 25 of the DCLG Cost document. However, dividing the extra-over Code Level 4 costs which can be determined for typical dwelling types/scenarios in page 12 of the DCLG Cost paper by the Floor areas given in Page 24 of the same document, enables me to conclude that a rate of £4 per Sq. ft is realistic and also a good yardstick or “Rule of Thumb” (example: 3 Bed Semi House on an “Edge of Town” development – Level 3 Compliance £4730, Level 4 £8500. Difference or “extra-over” £3770 divided by 88m<sup>2</sup> = £42.84 per m<sup>2</sup> = £3.98 per Sq. ft). This £4 figure has been employed for continuity and comparison purposes but clearly, precise total costs to the penny are calculable for any specific project.

## 11. **LOCAL OCCUPANCY**

- 11.1 Various small rural Sites throughout Ryedale could be subject to Local Occupancy Conditions under LDF proposals and such Conditions are considered by many to have an adverse effect on the value of the dwellings built. Accordingly, a limited number of Viability Studies have been prepared to demonstrate the effect on profitability of Sites with an LOC and whether CIL payments and or a Financial Contribution to a “District Wide” Affordable Housing Fund can be justified on such sites.

## **12. GENERAL CONCLUSIONS AND RECOMMENDATIONS**

### **GENERAL CONCLUSIONS**

- 12.1 The extent to which Affordable Housing Targets can be achieved or delivered is effected by a range of issues covered throughout this Report and which will vary on a Site by Site basis – see below.
- a) Private Dwellings Sales Values (and anticipated house price changes – increased or reduced)
  - b) The size and location of the Site (has a bearing on a) above)
  - c) The mix of Private Dwellings in the Site
  - d) Build Densities sought or permitted
  - e) Affordable Housing Tenure and Mix (Social Rented or Discounted Sale)
  - f) Future Building Specification requirements (See 10.2 & 10.3 for example)
  - g) The level of any CIL which the Authority seeks
- 12.2 The specific Viability Studies included in this Report (Section 13) have “Conclusions/Variables” sheets as appropriate.

### **RECOMMENDATIONS**

- 12.3 I would recommend that Site Specific cost assessments are prepared for potential land allocations to establish likely Affordable Housing delivery and for the purpose of informing a CIL Charging Structure.
- 12.4 **AFFORDABLE HOUSING – ON-SITE PERCENTAGE TARGETS**  
I would recommend from the Viability Studies I have prepared that the Council’s Target for the delivery of Affordable Housing On-Site should be 35% of the total number of dwellings on a development but subject to Abnormal Costs and or Planning Gain requirements (or CIL) being around 7% of Sales Revenue. The exception to this 35% recommendation would be on Sites in the Western part of the District where higher selling prices can be achieved (for example Hovingham – Pasture Lane) thus giving scope for perhaps 40% as a Target (see Viability 13.3).

12.5 **AFFORDABLE HOUSING – OFF-SITE CONTRIBUTIONS (WHOLE OR PART) – “DISTRICT FUND”**

It may prove to be in the interest of the Authority as well as the Developer/Landowner and a local community for the Affordable Housing requirement to be discharged in whole or part by an off-site Financial Contribution instead of a physical build at each and every Site – this applies especially to Small Rural Sites. Attention is drawn in particular to Viability Studies 13.4 and 13.5 and its conclusions (Hovingham – Pasture Lane) which give examples of a “35%” (on-site) + 5% (off-site) solutions and also to Viabilities 13.37, 13.39, 13.42 & 13.49. Please see also Pickering – Outgang Road Viabilities 13.26 & 13.27 and especially respective Conclusions items 13.26.4 & 13.27.5. Please also see Section 15 of this Report which summarises and analyses various 35% (On-Site) Viability Studies.

12.6 **SUSTAINABILITY – CODE LEVEL 4**

As various Viability Studies show, the Extra-Over cost of achieving Code Level 4 can be absorbed providing (generally) Affordable Housing does not exceed 35% on-site and providing CIL (or Abnormal Costs or Planning Gain) are not excessive. Code Level 4 is not in itself an onerous requirement including on Sites where the Council may be considering Local Occupancy Conditions and for the Cost involved is a justified planning requirement as well as a better product for house sales.

12.7 **LOCAL OCCUPANCY CONDITIONS** in themselves have a significant effect on viability and should be considered very carefully as Affordable Housing delivery and or CIL contributions will be restricted or not possible.

12.8 **COMMUNITY INFRASTRUCTURE LEVY (CIL) AND ABNORMAL COSTS**

If the Council decide to set a CIL this must be at a reasonable level as there are nearly always other Abnormal Costs on a development of a non-planning nature.

### 13. VIABILITY STUDIES

#### **PASTURE LANE HOVINGHAM (0.8 Hectares = 1.98 acres)**

Plot A	5 Bed Detached House	2,152 Sq. ft
Plot 1	4 Bed Semi Detached House (with Attic Floor)	1,927 Sq. ft
Plot 2	4 Bed Semi Detached House (with Attic Floor)	1,927 Sq. ft
Plot 3	4 Bed Linked House (with Attic)	1,878 Sq. ft
Plot 4	4 Bed Linked House (with Attic)	1,656 Sq. ft
Plot 5	3 Bed Linked House (2 Storey Only)	1,194 Sq. ft
Plot 6	3 Bed Linked House (2 Storey Only)	1,194 Sq. ft
Plot 7	4 Bed Linked House (with Attic)	1,673 Sq. ft
Plot 8	4 Bed Linked House (with Attic)	1,878 Sq. ft
Plot 9	5 Bed Semi Detached House	3,176 Sq. ft
Plot 10	5 Bed Semi Detached House	1,959 Sq. ft
Plot 11	4 Bed 3 Storey Detached House	2,606 Sq. ft
Plot 12	3 Bed Semi Detached House	1,438 Sq. ft
Plot 13	3 Bed Semi Detached House	1,195 Sq. ft
Plot 14	3 Bed End Terraced House	1,034 Sq. ft
Plot 15	2 Bed Mid Terraced House	838 Sq. ft
Plot 16	2 Bed Mid Terraced House	838 Sq. ft
Plot 17	3 Bed End Terraced House	1,034 Sq. ft
Plot 18	2 Bed Ground Floor Flat	600 Sq. ft
Plot 19	2 Bed First Floor Flat	600 Sq. ft
Plot 20	2 Bed Ground Floor Flat	600 Sq. ft
Plot 21	2 Bed First Floor Flat	600 Sq. ft
Plot 22	4 Bed Detached House	2,080 Sq. ft
Plot 23	3 Bed Detached House	1,374 Sq. ft
		<hr/>
		35,451 Sq. ft

(24 Dwellings)

35% Affordable = 8 Dwellings Marked

40% Affordable = 9 Dwellings Marked

Density/Coverage: 12.12 Dwellings & 17,905 Sq. ft per acre  
(30 Dwellings per Hectare)



13.1 **VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**PRIVATE SALES ONLY SCHEME**  
**(ORIGINAL)**

**VIABILITY STUDY**

A.	<b><u>SALES REVENUE</u></b> 35,451 Sq. ft @ £220	£7,799,220 (100%)
B.	<b><u>STANDARD DEVELOPMENT COSTS</u></b> (Allowing for Natural stone & Pantiles/Slates) 35,451 Sq. ft @ £105	£3,722,355 (47.73%)
C.	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £7,799,220 (Equates to £22,748 per dwelling or £15.40 per Sq. ft)	£545,945 (7%)
D.	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £7,799,220	£1,559,844 (20%)
E.	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £995,493 per each of 1.98 acres	£1,971,076 (25.27%)

**NOTE:**

OSM (20%) + RLV (25.27%) = 45.27%

**CONCLUSIONS/VARIABLES**

- 13.1.1 In reality, Developer would expect OSM to be equal at least to RLV which would be £1,765,460 each and OSM would be 22.64% and RLV would equate to a still very acceptable (and exceptional) £891,646 per acre brought about by Sales Revenue from this prestige location.

**13.2 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(ORIGINAL)**

13.2.1 8 of the 24 dwellings are Affordable and these are assumed to be Plots 14, 15, 16, 17, 18, 19, 20 & 21 (which have a Gross Floor Area of 6,144 Sq. ft equating in fact to just 17.33% of the development total Floor area of 35,451 Sq. ft).

**VIABILITY STUDY**

**A. SALES REVENUE**

(i) Private Sales (Plot A and Plots 1-13, 22 & 23)		
29,307 Sq. ft @ £220	£6,447,540	
(ii) Affordable:		
Plot 14	£75,000 (Discounted Sale)	
Plot 15	£65,000 (Discounted Sale)	
Plot 16	£65,000 (Discounted Sale)	
Plot 17	£60,000 (Social Rented)	
Plot 18	£55,000 (Social Rented)	
Plot 19	£55,000 (Social Rented)	
Plot 20	£55,000 (Social Rented)	
Plot 21	£55,000 (Social Rented)	£485,000
		£6,932,540 (100%)

**B. STANDARD DEVELOPMENT COSTS**

35,451 Sq. ft @ £105 £3,722,355 (53.69%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £6,932,540 £485,278 (7%)  
(Equates to £20,220 per dwelling or £13.69 per Sq. ft)

**D. DEVELOPERS OFF-SITE MARGIN (OSM)**

20% of £6,932,540 £1,386,508 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £675,959 per each of 1.98 acres £1,338,399 (19.31%)

**NOTE:**

OSM (20%) + RLV (19.31%) = 39.31%

**CONCLUSIONS/VARIABLES**

13.2.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £1,362,454 each and OSM would be 19.65% (acceptable) and RLV would equate to £688,108 per acre.

- 13.2.3 This 35% Affordable Housing Viability reveals a combined Value for OSM (£1,386,508) and RLV (£1,338,399) of £2,724,907 compared with the “Private Sales Only” Viability for OSM/RLV of £3,530,920 (£1,559,844 plus £1,971,076) which means the Financial benefit to the Landowner and the Developer of not having 35% Affordable Housing on Site is £806,013 (equates to £407,077 per acre, £33,584 per dwelling, £22.74 per Sq. ft of build and 10.33% of Private Sales Only total revenue of £7,799,220).
- 13.2.4 The financial Benefit mentioned in 13.2.3 above to the “Private Sales Only” scheme of £806,013 as a percentage of Private Scheme Sales Revenue of £7,799,220 is 10.33%.

**13.3 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**40% AFFORDABLE HOUSING (ON-SITE)**  
**(ORIGINAL)**

13.3.1 9 of the 24 dwellings are Affordable and these are assumed to be Plots 14, 15, 16, 17, 18, 19, 20 & 21 (which have a Gross Floor Area of 6,144 Sq. ft equating in fact to just 20.70% of the development total Floor area of 35,451 Sq. ft).

**VIABILITY STUDY**

**A. SALES REVENUE**

(i) Private Sales (Plot A and Plots 1-12, 22 & 23)		
28,112 Sq. ft @ £220	£6,184,640	
(ii) Affordable:		
Plot 13	£60,000 (Social Rented)	
Plot 14	£75,000 (Discounted Sale)	
Plot 15	£65,000 (Discounted Sale)	
Plot 16	£65,000 (Discounted Sale)	
Plot 17	£60,000 (Social Rented)	
Plot 18	£55,000 (Social Rented)	
Plot 19	£55,000 (Social Rented)	
Plot 20	£55,000 (Social Rented)	
Plot 21	<u>£55,000 (Social Rented)</u>	<u>£545,000</u>
		£6,729,640 (100%)

**B. STANDARD DEVELOPMENT COSTS**

35,451 Sq. ft @ £105 £3,722,355 (53.69%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £6,729,640 £471,075 (7%)  
(Equates to £19,628 per dwelling or £13.29 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £6,729,640 £1,345,928 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £601,153 per each of 1.98 acres £1,190,282 (17.69%)

**NOTE:**

OSM (20%) + RLV (17.69%) = 37.69%

**CONCLUSIONS/VARIABLES**

13.3.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £1,268,105 each and OSM would be 18.84% (acceptable) and RLV would equate to £640,457 per acre.

- 13.3.3 This 40% Affordable Housing Viability reveals a combined Value for OSM (£1,345,928) and RLV (£1,190,282) of £2,536,210 compared with the “Private Sales Only” Viability for OSM/RLV of £3,530,920 (£1,559,844 plus £1,971,076) which means the Financial benefit to the Landowner and the Developer if not having 40% Affordable Housing on Site is £994,710 (equates to £502,379 per acre, £41,446 per dwelling and £28.06 per Sq. ft of build).
- 13.3.4 The financial Benefit mentioned in 13.3.3 above to the “Private Sales Only” scheme of £994,710 as a percentage of Private Scheme Sales Revenue of £7,799,220 is 12.75%.

**13.4 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**35% AFFORDABLE HOUSING (ON-SITE) & WITH “5%” MORE**  
**AFFORDABLE PROVISION (i.e. “40%”) ACHIEVED BY WAY OF**  
**FINANCIAL CONTRIBUTION TO DISTRICT-WIDE FUND**  
**(ORIGINAL)**

13.4.1 Reference is made to the separate Viability Studies prepared for this site based on On-Site Affordable provisions of 35% or 40% and the “5%” FINANCIAL CONTRIBUTION included under C/2 below is the difference between the diminution in Profitability of the “Private Sales only” scheme of the 40% & 35% Viabilities (see respective Conclusions/Variables Sections - £994,710 less £806,013 = £188,697).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As 35% On-Site Viability	£6,932,540 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> As 35% On-Site Viability	£3,722,355 (53.69%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £6,932,540	£485,278 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING:</u></b> <b><u>ADDITIONAL “5%” CONTRIBUTION TO DISTRICT-WIDE FUND</u></b> As above	£188,697 (2.72%) (Equates to £7,862 per dwelling or £5.32 per Sq. ft)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £6,932,540	£1,386,508 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £580,658 per each of 1.98 acres	£1,149,702 (16.58%)

**NOTE:**  
OSM (20%) + RLV (16.58%) = 36.58%

**CONCLUSIONS/VARIABLES**

13.4.2 In reality, Landowner would insist on RLV being equal to OSM which would be £1,268,105 each and OSM would be 18.29% (acceptable) and RLV would equate to £640,457 per acre.

- 13.4.3 This 35% actual or On-Site plus “5%” Financial Contribution Affordable Housing Viability reveals a combined Value for OSM (£1,386,508) and RLV (£1,149,702) of £2,536,210 compared with the “Private Sales Only” Viability for OSM/RLV of £3,530,920 (£1,559,844 plus £1,971,076) which means the Financial benefit to the Landowner and the Developer of not having 35% (Actual) plus 5% (Financial Contribution) is £994,710 (equates to £502,379 per acre, £41,446 per dwelling and £28.06 per Sq. ft of build).
- 13.4.4 The combined OSM/RLV for this “35/5” scheme mentioned above is identical to that yielded by the 40% Actual On-Site Affordable Viability (£2,536,210) as the additional Sales Revenue of £202,900 (probably would be enhanced further by one less dwelling on Site being Affordable?) is balanced by the Additional Financial Contribution of £188,697 and £14,203 more of Abnormal Costs as these are a set % of Revenue. This could perhaps be described as a win/win situation for the authority and the Developer?
- 13.4.5 The financial Benefit mentioned in 13.4.3 above to the “Private Sales Only” scheme of £994,710 as a percentage of Private Scheme Sales Revenue of £7,799,220 is 12.75%.
- 13.4.6 With reference to the preamble to this Viability, the £188,697 stated equates to 2.72% of Sales Revenue for this Viability (£6,932,540) and purely for information purposes, 2.42% of Private Sales Only Revenue of £7,799,220. Likewise, the £188,697 used in Cost Item C/2 of this Viability is 2.93% of the Actual 35% Affordable Viability Sales Revenue of £6,447,540.

**13.5 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**35% AFFORDABLE HOUSING (ON-SITE) & WITH “5%” MORE AFFORDABLE PROVISION (i.e. “40%”) ACHIEVED BY WAY OF FINANCIAL CONTRIBUTION TO DISTRICT-WIDE FUND**  
**(ADAPTED – BASED ON CONTRIBUTION BEING DIFFERENCE IN SALES VALUE BETWEEN PLOT 13 (SEE VIABILITY 13.3) BEING PRIVATE OR AFFORDABLE)**

13.5.1 Reference is made to the separate Viability Studies prepared for this site based on On-Site Affordable provisions of 35% or 40% and the “5%” FINANCIAL CONTRIBUTION included under C/2 below is the difference between Plot 13 having a Private Sales Value of £262,900 (1,195 Sq. ft @ £220) and an Affordable (Discounted Sale) Value of £75,000 (i.e. £187,900).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As 35% On-Site Viability (13.2)	£6,932,540 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> As 35% On-Site Viability	£3,722,355 (53.69%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £6,932,540	£485,278 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING: CONTRIBUTION TO DISTRICT-WIDE FUND</u></b> As above (Equates to £7,829 per dwelling or £5.30 per Sq. ft)	£187,900 (2.71%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £6,932,540	£1,386,508 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £581,060 per each of 1.98 acres	£1,150,499 (16.60%)

**NOTE:**  
OSM (20%) + RLV (16.60%) = 36.60%

**CONCLUSIONS/VARIABLES**

13.5.2 In reality, Landowner would insist on RLV being equal to OSM which would be £1,268,504 each and OSM would be 18.30% (acceptable) and RLV would equate to £640,659 per acre.



- 13.5.3 If Plot 13 was a Social Rented Affordable unit with an Acquisition price of £60,000, the difference in Sales Value would be £202,900 (£262,900 less £60,000) and the C/2 contribution would be 2.93% of Sales Revenue. Accordingly, RLV would reduce to £1,135,499 (16.38%) and OSM (20%) + RLV (16.38%) would total 36.38%.
- 13.5.4 £187,900 and £202,900 are 2.41% or 2.60% respectively of Private Sales Only total revenue of £7,799,220.

**13.6 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**PRIVATE SALES ONLY SCHEME**  
**(LIFETIME HOMES & 15K CIL)**

13.6.1 This is an adaption of the Original Private Sales Only Viability to show the effect of building all 24 dwellings to “Lifetime Homes” specification and with a provision of £15,000 per dwelling for Abnormal Costs/Planning Gain/CIL (rather than 7% of Sales Revenue).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 35,451 Sq. ft @ £220 (as Original Viability)	£7,779,220 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> (allowing for Natural Stone or Pantiles/Slates) 35,451 Sq. ft @ £105	£3,722,355 (47.73%)
<b>B/2.</b>	<b><u>LIFETIME HOMES SPECIFICATION</u></b> 24 Dwellings @ £1,000	£24,000 (0.31%) (Equates to £0.68 per Sq. ft)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> 24 Dwellings @ £15,000	£360,000 (4.62%) (Equates to £10.15 per Sq. ft)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £7,779,220	£1,559,844 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £1,077,283 per each of 1.98 acres	£2,133,021 (27.35%)

**NOTE:**

OSM (20%) + RLV (27.35%) = 47.35%

**CONCLUSIONS/VARIABLES**

13.6.2 In reality, Landowner might expect OSM to be equal at least to RLV which would be £1,846,433 each and OSM would 23.67% and RLV would equate to a still very acceptable (and exceptional) £932,542 per acre brought about by Sales Revenue from this prestige location.

13.6.3 At this Site, with high expected Sales Revenue, allowing a flat rate £15,000 per dwelling for CIL rather than applying 7% of Sales Revenue improves the Viability of this “Private Sales Only” scheme to the tune of £161,945 (Combined OSM/RLV of £3,692,865 less Combined OSM/RLV of “7%” Viability of £3,530,920) and the aggregate of the £15,000 levy is just 4.62% of Sales Revenue.

- 13.6.4 Allowing for Lifetime Homes Specification only adds £24,000 (0.31% of Sales Revenue) and has no effect on the profitability of this up-market project.
- 13.6.5 For very different (“opposite”) reasons to the conclusions reached by the adapted Norton – Scarborough Road Viabilities (£15,000 Flat Rate CIL levy), a percentage of Sales Value is less financially advantageous to the Developer here than flat rate.

**13.7 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(LIFETIME HOMES & 15K CIL)**

13.7.1 This is an adaption of the Original such Viability to show the effect of building all 24 dwellings to “Lifetime Homes” specification and with a provision of £15,000 per dwelling for Abnormal Costs/Planning Gain/CIL (rather than 7% of Sales Revenue).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£6,932,540 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 35,451 Sq. ft @ £105	£3,722,355 (53.69%)
<b>B/2.</b>	<b><u>LIFETIME HOMES SPECIFICATION</u></b> 24 Dwellings @ £1,000	£24,000 (0.35%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> 24 Dwellings @ £15,000	£360,000 (5.19%) (Equates to £10.15 per Sq. ft)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £6,932,540	£1,386,508 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £727,110 per each of 1.98 acres	£1,439,677 (20.77%)

**NOTE:**

OSM (20%) + RLV (20.77%) = 40.77%

**CONCLUSIONS/VARIABLES**

13.7.2 In reality, Landowner would expect OSM to be equal at least to RLV which would be £1,413,093 each and OSM would 20.38% and RLV would equate to a still very acceptable (and exceptional) £713,683 per acre still sustained by Sales Revenue from this prestige location.

13.7.3 At this Site, with high expected Sales Revenue, allowing a flat rate of £15,000 per dwelling for CIL rather than applying 7% of Sales Revenue still improves the Viability of a “35% Affordable” scheme to the tune of £101,278 (Combined OSM/RLV of £2,826,185 less Combined OSM/RLV of “7%” Viability of £2,724,907) and the aggregate of the £15,000 levy is just 5.19% of Sales Revenue.

- 13.7.4 Allowing for Lifetime Homes Specification only adds £24,000 (0.36% of Sales Revenue) and has no effect on the profitability of such an up-market project as this.
- 13.7.5 For very different reasons (opposite) once more to the conclusions reached by the adapted Norton – Scarborough Road Viabilities (£15,000 Flat Rate CIL levy), a percentage of Sales Value is again more equitable than Flat Rate.

**13.8 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**40% AFFORDABLE HOUSING (ON-SITE)**  
**(LIFETIME HOMES & 15K CIL)**

13.8.1 This is an adaption of the Original such Viability to show the effect of building all 24 dwellings to “Lifetime Homes” specification and with a provision of £15,000 per dwelling for Abnormal Costs/Planning Gain/CIL (rather than 7% of Sales Revenue).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£6,729,640 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 35,451 Sq. ft @ £105	£3,722,355 (55.31%)
<b>B/2.</b>	<b><u>LIFETIME HOMES SPECIFICATION</u></b> 24 Dwellings @ £1,000	£24,000 (0.36%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> 24 Dwellings @ £15,000	£360,000 (5.35%) (Equates to £10.15 per Sq. ft)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £6,729,640	£1,345,928 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £645,129 per each of 1.98 acres	£1,277,357 (18.98%)

**NOTE:**

OSM (20%) + RLV (18.98%) = 38.98%

**CONCLUSIONS/VARIABLES**

13.8.2 In reality, Landowner might expect OSM to be equal at least to RLV which would be £1,311,643 each and OSM would 19.49% (acceptable) and RLV would still equate to £662,446 per acre.

13.8.3 At this Site, with high expected Sales Revenue, allowing a flat rate of £15,000 per dwelling for CIL rather than applying 7% of Sales Revenue still improves the Viability of a “40% Affordable” scheme to the tune of £87,075 (Combined OSM/RLV of £2,623,285 less £2,536,210) and the aggregate of the £15,000 levy is just 5.35% of Sales Revenue.

13.8.4 Allowing for Lifetime Homes Specification only adds £24,000 (0.36% of Sales Revenue) and has no effect on the profitability of such an up-market project as this.

- 13.8.5 For very different (“opposite”) reasons once more to the conclusions reached by the adapted Norton – Scarborough Road Viabilities (£15,000 Flat Rate CIL levy), a percentage of Sales Value is again more equitable than Flat Rate.

**13.9**      **VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**PRIVATE SALES ONLY SCHEME**  
**(CODE LEVEL 4)**

13.9.1      This is an adaption of the Original such Viability to show the effect of building all 24 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 35,451 Sq. ft @ £220 (as Original Viability)	£7,779,220 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 35,451 Sq. ft @ £105	£3,722,355 (47.73%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 35,451 Sq. ft @ £4	£141,804 (1.82%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £7,779,220 (Equates to £22,748 per Dwelling or £15.40 per Sq. ft)	£545,945 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £7,779,220	£1,559,844 (20%)
<b>D.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £913,713 per each of 1.98 acres	£1,809,272 (23.26%)

**NOTE:**

OSM (20%) + RLV (23.26%) = 43.26%



**13.10**     **VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(CODE LEVEL 4)**

13.10.1 This is an adaption of the Original such Viability to show the effect of building all 24 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£6,932,540 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 35,451 Sq. ft @ £105	£3,722,355 (53.69%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 35,451 Sq. ft @ £4	£141,804 (2.05%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £6,932,540 (Equates to £20,220 per Dwelling or £13.69 per Sq. ft)	£485,278 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £6,932,540	£1,386,508 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £604,341 per each of 1.98 acres	£1,196,595 (17.26%)

**NOTE:**

OSM (20%) + RLV (17.26%) = 37.26%

**13.11 VIABILITY STUDY – PASTURE LANE, HOVINGHAM**  
**40% AFFORDABLE HOUSING (ON-SITE)**  
**(CODE LEVEL 4)**

13.11.1 This is an adaption of the Original such Viability to show the effect of building all 24 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£6,729,640 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 35,451 Sq. ft @ £105	£3,722,355 (55.31%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 35,451 Sq. ft @ £4	£141,804 (2.11%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £6,729,640 (Equates to £19,628 per Dwelling or £13.29 per Sq. ft)	£471,075 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £6,729,640	£1,345,928 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £529,534 per each of 1.98 acres	£1,048,478 (15.58%)

**NOTE:**

OSM (20%) + RLV (15.58%) = 35.58%

**SCARBOROUGH ROAD, NORTON (5.64 Hectares – 13.93 Acres)**

1. Private Dwellings: 120 (124,789 Sq. ft)
2. Affordable Dwellings: 98 (74,777 Sq. ft) (44.95% of Total Dwellings & 37.47% of total build of 199,466 Sq. ft)
3. Density/Coverage: 15.65 Dwellings or 14,326 per acre (38.65 Dwellings per hectare)

**13.12 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON  
SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT  
DWELLING MIX (i.e. 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL  
DWELLINGS & 37.47% OF TOTAL BUILD)  
(ORIGINAL)**

**VIABILITY STUDY**

**A. SALES REVENUE**

(i)	Private Sales	124,789 Sq. ft @ £190	£23,709,910	
(ii)	Affordable:			
	a)	Discounted Sale ( <sup>1</sup> / <sub>3</sub> rd of 98):		
		19 Three Bed Dwellings @ £75,000	£1,425,000	} <u>Note</u> £6,095,000 from 44.95% of dwellings THE STANDARD DEVELOPMENT COST ALONE FOR WHICH IS £7,103,815
		13 Two Bed Dwellings @ £65,000	£845,000	
	b)	Social Rented ( <sup>2</sup> / <sub>3</sub> rd of 98):		
		39 Three Bed Dwellings @ £60,000	£2,340,000	
		27 Two Bed Dwellings @ £55,000	<u>£1,485,000</u>	
			£29,804,910 (100%)	

**B. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 £18,958,770 (63.61%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £29,804,910 £2,086,344 (7%)  
(Equates to £9,570 per dwelling or £10.45 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £29,804,910 £5,960,982 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £200,920 per each of 13.93 acres £2,798,814 (9.39%)

**NOTE:**

OSM (20%) + RLV (9.39%) = 29.39%

**CONCLUSIONS/VARIABLES**

- 13.12.1 In reality, Landowner would probably insist on RLV being equal to OSM which would be £4,379,898 each and OSM would be 14.70% (Questionable) and RLV would equate to £314,422 per acre.

- 13.12.2 If from what is available for OSM & RLV (29.39% of Sales Revenue or £8,759,796) the Landowner would accept say £250,000 per acre, this would be £3,482,500 which would leave an OSM for the developer of £5,277,296 which is an acceptable 17.71% for such a heavily Affordable-loaded development as might £250,000 per acre for Land be in such circumstances.
- 13.12.3 This 44.95% Affordable Housing Viability reveals a combined Value for OSM & RLV of £8,759,796 compared to the theoretical "Private Sales Only" Viability for OSM/RLV of £16,304,542 which means the Financial benefit to the Landowner & Developer of not having 44.95% Affordable Housing On-Site is £7,544,746 (equates to £541,619 per acre, £34,609 per dwelling, £37.81 per Sq. ft of build and 19.90% of Private Sales Only total revenue of £37,917,540).

**13.13 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT**  
**DWELLING MIX (i.e. 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL**  
**DWELLINGS & 37.47% OF TOTAL BUILD)**  
**(ADAPTED – AFFORDABLE TENURE 10% DISCOUNTED SALE & 90%**  
**SOCIAL RENTED)**

**VIABILITY STUDY**

**A. SALES REVENUE**

(iii)	Private Sales 124,789 Sq. ft @ £190	£23,709,910	
(iv)	Affordable:		
c)	Discounted Sale (10% of 98):		
	6 Three Bed Dwellings @ £75,000	£450,000	} <u>Note</u> £5,810,000 (19.68%) from 44.95% of dwellings THE STANDARD DEVELOPMENT COST ALONE FOR WHICH IS £7,103,815
	4 Two Bed Dwellings @ £65,000	£260,000	
d)	Social Rented (90% of 98):		
	52 Three Bed Dwellings @ £60,000	£3,120,000	
	36 Two Bed Dwellings @ £55,000	<u>£1,980,000</u>	
	(98)	£29,519,910 (100%)	

**B. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 (as Original Viability) £18,958,770 (64.22%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £29,519,910 £2,066,394 (7%)  
(Equates to £9,479 per dwelling or £10.35 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £29,519,910 £5,903,982 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £185,984 per each of 13.93 acres £2,590,764 (8.78%)

**NOTE:**

OSM (20%) + RLV (8.78%) = 28.78%

**CONCLUSIONS/VARIABLES**

13.13.1 In reality, Landowner would probably insist on RLV being equal to OSM which would be £4,247,373 each and OSM would be 14.39% (Questionable) and RLV would equate to £304,908 per acre.

**13.14 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**35% AFFORDABLE HOUSING (AS OPPOSED TO 44.95% ON REDROW**  
**PLANNING LAYOUT) – 76 DWELLINGS (AS OPPOSED TO 98)**  
**(ORIGINAL)**

13.14.1 It is assumed that 12 of the L(S) units (898 Sq. ft) and 10 of the T(S) units (589 Sq. ft) would be for Private Sale instead of being Affordable.

**VIABILITY STUDY**

**A. SALES REVENUE**

(i)	Private Sales		
	124,789 Sq. ft (as Planning Layout Dwelling		
	Mix) plus 12 @ 898 Sq. ft & 10 @ 589 Sq. ft		
	= 141,455 Sq. ft @ £190		£26,876,450
(ii)	Affordable:		
	a) Discounted Sale ( <sup>1</sup> / <sub>3rd</sub> of 76:		
	15 Three Bed Dwellings @ £75,000	£1,125,000	
	10 Two Bed Dwellings @ £65,000	£650,000	
	b) Social Rented:		
	31 Three Bed Dwellings @ £60,000	£1,860,000	
	<u>20 Two Bed Dwellings @ £55,000</u>	<u>£1,100,000</u>	
	(76)		£31,611,450(100%)

**B. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 £18,958,770 (59.97%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £31,626,450 £2,212,802 (7%)  
(Equates to £10,150 per dwelling or £11.09 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £31,626,450 £6,322,290 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £295,591 per each of 13.93 acres £4,117,588 (13.03%)

**NOTE:**

OSM (20%) + RLV (13.03%) = 33.03%

**CONCLUSIONS/VARIABLES**

13.14.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £5,219,939 each and OSM would be 16.52% (probably acceptable) and RLV would equate to £374,726 per acre.

- 13.14.3 This 35% Affordable Housing Viability reveals a combined Value for OSM (£6,322,290) and RLV (£4,117,588) of £10,439,878 compared to the theoretical "Private Sales Only" Viability for OSM/RLV of £16,304,542 which means the Financial benefit to the Landowner & Developer if not having 35% Affordable Housing on Site is £5,864,664 (equates to £421,010 per acre, £26,202 per dwelling and £29.39 per Sq. ft of build).
- 13.14.4 The Financial Benefit mentioned in 13.12.3 above to the "Private Sales only" scheme of £5,864,664 as a percentage of Private Scheme Sales Revenue of £37,917,540 is 15.47%.

**13.15 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**35% AFFORDABLE HOUSING (AS OPPOSED TO 44.95% ON REDROW**  
**PLANNING LAYOUT) – 76 DWELLINGS (AS OPPOSED TO 98)**  
**(ADAPTED – AFFORDABLE TENURE 10% DISCOUNTED SALE & 90%**  
**SOCIAL RENTED)**

13.15.1 It is assumed that 12 of the L(S) units (898 Sq. ft) and 10 of the T(S) units (589 Sq. ft) would be for Private Sale instead of being Affordable.

**VIABILITY STUDY**

**A. SALES REVENUE**

(iii)	Private Sales			
	124,789 Sq. ft (as Planning Layout Dwelling Mix) plus 12 @ 898 Sq. ft & 10 @ 589 Sq. ft			
	= 141,455 Sq. ft @ £190		£26,876,450	
(iv)	Affordable:			
	c) Discounted Sale (10% of 76:			
	5 Three Bed Dwellings @ £75,000	£375,000		} <u>Note</u> £4,515,000 (14.38%) from 35% of dwellings THE STANDARD DEVELOPMENT COST ALONE FOR WHICH IS £5,511,045
	3 Two Bed Dwellings @ £65,000	£195,000		
	d) Social Rented: (90% of 76)			
	41 Three Bed Dwellings @ £60,000	£2,460,000		
	<u>27</u> Two Bed Dwellings @ £55,000	<u>£1,485,000</u>		
	(76)		£31,391,450(100%)	

**B. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 (as Original Viability) £18,958,770 (60.39%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £31,391,450 £2,197,402 (7%)  
(Equates to £10,080 per dwelling or £11.01 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £31,391,450 £6,278,290 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £284,062 per each of 13.93 acres £3,956,988 (12.61%)

**NOTE:**

OSM (20%) + RLV (12.61%) = 32.61%

**CONCLUSIONS/VARIABLES**

13.15.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £5,117,639 each and OSM would be 16.30% (probably acceptable) and RLV would equate to £367,383 per acre.



- 13.15.3 This 35% Affordable Housing Viability reveals a combined Value for OSM (£6,278,290) and RLV (£3,956,988) of £10,235,278 compared to the theoretical "Private Sales Only" Viability for OSM/RLV of £16,304,542 which means the Financial benefit (FB) to the Landowner & Developer if not having 35% Affordable Housing on Site is £6,069,264 (equates to £435,697 per acre, £27,841 per dwelling, £30.41 per Sq. ft of build and 16.01% of Private Sales Only Total Sales Revenue of £37,917,540).

**13.16 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**40% AFFORDABLE HOUSING (AS OPPOSED TO 44.95% ON REDROW**  
**PLANNING LAYOUT) – 87 DWELLINGS (AS OPPOSED TO 98)**  
**(ORIGINAL)**

13.16.1 It is assumed that 6 of the L(S) units (898 Sq. ft) and 5 of the T(S) units (589 Sq. ft) would be for Private Sale instead of being Affordable.

**VIABILITY STUDY**

**A. SALES REVENUE**

(i)	Private Sales		
	124,789 Sq. ft (as Planning Layout Dwelling Mix) plus 6 @ 898 Sq. ft & 5 @ 589 Sq. ft		
	= 133,122 Sq. ft @ £190		£25,293,180
(ii)	Affordable:		
	a) Discounted Sale:		
	17 Three Bed Dwellings @ £75,000	£1,275,000	
	12 Two Bed Dwellings @ £65,000	£780,000	
	b) Social Rented:		
	35 Three Bed Dwellings @ £60,000	£2,100,000	
	<u>23 Two Bed Dwellings @ £55,000</u>	<u>£1,265,000</u>	
	(87)		£30,713,180 (100%)

**B. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 £18,958,770 (61.73%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £30,713,180 £2,149,923 (7%)  
(Equates to £9,862 per dwelling or £10.72 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £30,713,180 £6,142,636 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £248,518 per each of 13.93 acres £3,461,851 (11.27%)

**NOTE:**

OSM (20%) + RLV (11.27%) = 31.27%

**CONCLUSIONS/VARIABLES**

13.16.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £4,802,244 each and OSM would be 15.64% (borderline) and RLV would equate to £344,741 per acre.

- 13.16.3 This 40% Affordable Housing Viability reveals a combined Value for OSM (£6,142,636) and RLV (£3,461,851) of £9,604,487 compared to the theoretical "Private Sales Only" Viability for OSM/RLV of £16,304,542 which means the Financial benefit to the Landowner & Developer of not having 40% Affordable Housing on Site is £6,700,055 (equates to £480,980 per acre, £30,734 per dwelling and £33.57 per Sq. ft of build).
- 13.16.4 The Financial benefit mentioned in 13.13.3 above to the "Private Sales Only" scheme of £6,700,055 as a percentage of Private Scheme Sales Revenue of £37,917,540 is 17.67%.

**13.17 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**40% AFFORDABLE HOUSING (AS OPPOSED TO 44.95% ON REDROW**  
**PLANNING LAYOUT) – 87 DWELLINGS (AS OPPOSED TO 98)**  
**(ADAPTED – AFFORDABLE TENURE 10% DISCOUNTED SALE & 90%**  
**SOCIAL RENTED)**

13.17.1 It is assumed that 6 of the L(S) units (898 Sq. ft) and 5 of the T(S) units (589 Sq. ft) would be for Private Sale instead of being Affordable.

**VIABILITY STUDY**

**A. SALES REVENUE**

(iii) Private Sales

124,789 Sq. ft (as Planning Layout Dwelling  
Mix) plus 6 @ 898 Sq. ft & 5 @ 589 Sq. ft  
= 133,122 Sq. ft @ £190 £25,293,180

(iv) Affordable:

c) Discounted Sale: (10% of 87)

5 Three Bed Dwellings @ £75,000 £375,000  
4 Two Bed Dwellings @ £65,000 £260,000

d) Social Rented: (90% of 87)

47 Three Bed Dwellings @ £60,000 £2,820,000  
31 Two Bed Dwellings @ £55,000 £1,705,000

(87) £30,453,180 (100%)

Note

£5,160,000 (16.94%) from 40%  
of dwellings THE STANDARD  
DEVELOPMENT COST  
ALONE FOR WHICH IS  
£6,312,180

**B. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 £18,958,770 (62.26%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £30,453,180 £2,131,723 (7%)  
(Equates to £9,779 per dwelling or £10.68 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £30,453,180 £6,090,636 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £234,892 per each of 13.93 acres £3,272,051 (10.74%)

**NOTE:**

OSM (20%) + RLV (10.74%) = 30.74%

**CONCLUSIONS/VARIABLES**

13.17.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £4,681,344 each and OSM would be 15.37% (borderline) and RLV would equate to £336,062 per acre.

- 13.17.3 This 40% Affordable Housing Viability reveals a combined Value for OSM (£6,090,636) and RLV (£3,272,051) of £9,362,687 compared to the theoretical "Private Sales Only" Viability for OSM/RLV of £16,304,542 which means the Financial benefit to the Landowner & Developer of not having 40% Affordable Housing on Site is £6,941,855 (equates to £498,338 per acre, £31,843 per dwelling, and £34.78 per Sq. ft of build) AND 18.30% OF Private Sales Only Total Revenue of £37,917,540.

**13.18 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT**  
**DWELLING MIX (i.e. 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL**  
**DWELLINGS & 37.47% OF TOTAL BUILD)**  
**(FLAT RATE CIL)**

13.18.1 This is an adaptation of the Original such Viability as above to show the effect of using the sum of £15,000 per Dwelling for Abnormal Costs/Planning Gain/CIL as opposed to allowing 7% of Sales Revenue for same.

**VIABILITY STUDY**

**A. SALES REVENUE**

(i)	Private Sales			
	124,789 Sq. ft @ £190		£23,709,910	
(ii)	Affordable:			
	a) Discounted Sale ( <sup>1</sup> / <sub>3rd</sub> of 98):			
	19 Three Bed Dwellings @ £75,000	£1,425,000		} <u>Note</u> £6,095,000 from 44.95% of dwellings but only 20.45% of Total Sales Revenue
	13 Two Bed Dwellings @ £65,000	£845,000		
	b) Social Rented ( <sup>2</sup> / <sub>3rds</sub> of 98):			
	39 Three Bed Dwellings @ £60,000	£2,340,000		
	27 Two Bed Dwellings @ £55,000	<u>£1,485,000</u>		
			£29,804,910 (100%)	

**B. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 £18,958,770 (63.61%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

218 Dwellings @ £15,000 £3,270,000 (10.96%)  
(Equates to £16.39 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £29,804,910 £5,960,982 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £115,948 per each of 13.93 acres £1,615,158 (5.42%)

**NOTE:**

OSM (20%) + RLV (5.42%) = 25.42%

**CONCLUSIONS/VARIABLES**

13.18.2 Employing a flat rate or across the board sum of £15,000 per dwelling produces an unsustainable Abnormal Costs/Planning Gain/CIL payment on this particular project of 10.96% compared to the 7% used in the Original such Viability which averages only £9,532 per dwelling.

- 13.18.3 The £15,000 per dwelling Levy has an adverse effect on the Viability not entirely down to the large Affordable Housing provision which formed part of the Planning Consent. An RLV of only 5.42% equating to just £115,948 is clearly unacceptable as is a combined OSM/RLV of just 25.42% which even if shared, would be an OSM of only 12.71%.
- 13.18.4 This project with 44.95% Affordable is not typical of course but on a “bread and butter” Site like this one if not more generally in fact, a CIL levy of approx. £10,000 per dwelling (7% here equates to £9,532) rather than £15,000 would improve the Viability of the scheme.

**13.19 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT**  
**DWELLING MIX (i.e. 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL**  
**DWELLINGS & 37.47% OF TOTAL BUILD)**  
**(LIFETIME HOMES)**

13.19.1 This is an adaptation of the Original such Viability to show the effect of building all 218 Dwellings to "Lifetime Homes" specification at an estimated cost of £1,000 per Dwelling.

**VIABILITY STUDY**

**A. SALES REVENUE**

(i)	Private Sales			
	124,789 Sq. ft @ £190		£23,709,910	
(ii)	Affordable:			
e)	Discounted Sale ( <sup>1</sup> / <sub>3rd</sub> of 98):			
	19 Three Bed Dwellings @ £75,000	£1,425,000		} Note £6,095,000 from 44.95% of dwellings but only 20.45% of Total Sales Revenue
	13 Two Bed Dwellings @ £65,000	£845,000		
f)	Social Rented ( <sup>2</sup> / <sub>3rds</sub> of 98):			
	39 Three Bed Dwellings @ £60,000	£2,340,000		
	27 Two Bed Dwellings @ £55,000	<u>£1,485,000</u>		
			£29,804,910 (100%)	

**B/1. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 £18,958,770 (63.61%)

**B/2. LIFETIME HOMES SPECIFICATION**

218 Dwellings @ £1,000 £218,000 (7%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £29,804,910 £2,086,344 (7%)  
(Equates to £10.45 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £29,804,910 £5,960,982 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)**

Equates to £185,270 per each of 13.93 acres £2,580,814 (8.66%)

**NOTE:**

OSM (20%) + RLV (8.66%) = 28.66%

**CONCLUSIONS/VARIABLES**

13.19.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £4,270,898 each and OSM would be 14.33% (Questionable) and RLV would equate to £306,597 per acre.



- 13.19.3 If from what is available for OSM & RLV (28.66% of Sales Revenue or £8,541,796) the Landowner would accept say £250,000 per acre, this would be £3,482,500 which would leave an OSM for the developer of £5,059,296 which is an acceptable 16.97% for such a heavily Affordable-loaded development as might £250,000 per acre for Land be in such circumstances.
- 13.19.4 If the “Lifetime Homes” Specification requirements can be accommodated for £1,000 per dwelling this represents less than 1% of Total Sales Revenue for this project which can clearly be accommodated here and naturally on developments generally where an Affordable requirement would be less onerous but provided that a CIL Levy was at a level of 7% of Revenue rather than at £15,000 per dwelling (or 11.02% here) otherwise the affordable % requirement may need reviewing.
- 13.19.5 As a matter of interest, if £2,000 per dwelling was allowed for “Lifetime Homes”, this would total £436,000 for this project and still be only 1.46% of Sales Revenue; OSM/RLV would reduce to £8,323,796 which if £250,000 per acre for Land again applied, would still permit an OSM of 16.24%.

**13.20 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**35% AFFORDABLE HOUSING (AS OPPOSED TO 44.95% ON REDROW**  
**PLANNING LAYOUT) – 76 DWELLINGS (AS OPPOSED TO 98)**  
**(LIFETIME HOMES & FLAT RATE CIL)**

13.20.1 This is an adaptation of the Original such Viability to show the effect of building all 218 Dwellings to “Lifetime Homes” specification AND with a provision of £15,000 per dwelling for Abnormal Costs/Planning Gain/CIL.

13.20.2 It is assumed that 12 of the L(S) units (898 Sq. ft) and 10 of the T(S) units (589 Sq. ft) would be for Private Sale instead of being Affordable.

**VIABILITY STUDY**

**A. SALES REVENUE**

(i) Private Sales			
124,789 Sq. ft (as Planning Layout) plus 12 @			£26,876,450
898 Sq. ft & 10 @ 589 Sq. ft = 141,455 Sq. ft			
@ £190			
(ii) Affordable:			
a) Discounted Sale ( <sup>1</sup> / <sub>3rd</sub> of 76):			
15 Three Bed Dwellings @ £75,000	£1,125,000	} <u>Note</u> £4,735,000 from 35% of dwellings but only 14.98% of Total Sales Revenue	
10 Two Bed Dwellings @ £65,000	£650,000		
b) Social Rented ( <sup>2</sup> / <sub>3rds</sub> of 76):			
31 Three Bed Dwellings @ £60,000	£1,860,000		
20 Two Bed Dwellings @ £55,000	<u>£1,100,000</u>		
			£31,611,450 (100%)

**B/1. STANDARD DEVELOPMENT COSTS**

199,566 Sq. ft @ £95 £18,958,770 (59.97%)

**B/2. LIFETIME HOMES SPECIFICATION**

218 Dwellings @ £1,000 £218,000 (0.69%)  
(Equates to £1.09 per Sq. ft)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

218 Dwellings @ £15,000 £3,270,000 (10.34%)  
(Equates to £16.39 per Sq. ft)

**D. DEVELOPER’S OFF-SITE MARGIN (OSM)**

20% of £31,611,450 £6,322,290 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £204,048 per each of 13.93 acres £2,842,390 (8.99%)

**NOTE:**

OSM (20%) + RLV (8.99%) = 28.99%

### **CONCLUSIONS/VARIABLES**

- 13.20.3 If Abnormal Costs/Planning Gain/CIL was calculated at 7% of Sales Revenue rather than at £15,000 per dwelling, this Cost Section would reduce by £1,057,198 to £2,212,802 and OSM/RLV would correspondingly be increased to £10,221,878 (32.34%) from £9,164,680 (28.99%) which if made equal would be £5,110,939 each; OSM would be 16.17% (probably acceptable) and RLV would be £366,901 per acre as opposed to just £204,048 with CIL at £15,000 per dwelling (10.34%) instead of 7% of Revenue.
- 13.20.4 With the Affordable Dwellings totalling 58,111 Sq. ft costing £5,520,545 in Standard Development Costs but only producing £4,735,000 in Sales, CIL Levy has to be kept at a reasonable level if "Lifetime Homes" Specification is to apply and the Landowner & Developer are to be permitted a fair return.

**13.21 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**SCHEME AS SHOWN ON REDROW HOMES PLANNING LAYOUT**  
**DWELLING MIX (i.e. 98 AFFORDABLE DWELLINGS & 44.95% OF TOTAL**  
**DWELLINGS & 37.47% OF TOTAL BUILD)**  
**(CODE LEVEL 4)**

13.21.1 This is an adaption of the Original such Viability to show the effect of building all 218 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£29,804,910 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 199,566 Sq. ft @ £95 (as Original Viability)	£18,958,770 (63.61%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 199,566 Sq. ft @ £4	£798,264 (2.68%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £29,804,910 (Equates to £9,570 per Dwelling or £10.45 per Sq. ft)	£2,086,344 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £29,804,910	£5,960,982 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £143,615 per each of 13.93 acres	£2,000,550 (6.71%)

**NOTE:**  
OSM (20%) + RLV (6.71%) = 26.71%

**13.22 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**35% AFFORDABLE HOUSING (AS OPPOSED TO 44.95% ON REDROW**  
**PLANNING LAYOUT) – 76 DWELLINGS (AS OPPOSED TO 98)**  
**(CODE LEVEL 4)**

13.22.1 This is an adaption of the Original such Viability to show the effect of building all 218 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£31,626,450 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 199,566 Sq. ft @ £95 (as Original Viability)	£18,958,770 (59.95%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 199,566 Sq. ft @ £4	£798,264 (2.52%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £31,626,450 (Equates to £10,155 per Dwelling or £11.09 per Sq. ft)	£2,213,852 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £31,626,450	£6,325,290 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £239,072 per each of 13.93 acres	£3,330,274 (10.53%)

**NOTE:**

OSM (20%) + RLV (10.53%) = 30.53%

**13.23 VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**40% AFFORDABLE HOUSING (AS OPPOSED TO 44.95% ON REDROW**  
**PLANNING LAYOUT) – 87 DWELLINGS (AS OPPOSED TO 98)**  
**(CODE LEVEL 4)**

13.23.1 This is an adaption of the Original such Viability to show the effect of building all 218 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£30,713,180 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 199,566 Sq. ft @ £95 (as Original Viability)	£18,958,770 (61.73%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 199,566 Sq. ft @ £4	£798,264 (2.60%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £30,713,180 (Equates to £9,862 per Dwelling or £1 0.72 per Sq. ft)	£2,149,923 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £30,713,180	£6,142,636 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £191,212 per each of 1.98 acres	£2,663,587 (8.67%)

**NOTE:**

OSM (20%) + RLV (8.67%) = 28.67%

**13.24     VIABILITY STUDY – SCARBOROUGH ROAD, NORTON**  
**“THEORETICAL” PRIVATE SALES ONLY**

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 199,566 Sq. ft @ £190	£37,917,540 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 199,566 Sq. ft @ £95	£18,958,770 (50%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £37,917,540	£2,654,228 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £37,917,540	£7,583,508 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £626,061 per each of 13.93 acres	£8,721,034 (23%)

**NOTE:**

OSM (20%) + RLV (23%) = 43%

**CONCLUSIONS/VARIABLES**

13.24.1 In reality, Developer would expect OSM to be equal at least to RLV which would be £8,152,271 each and OSM would be 21.50% (very good) and RLV would equate to £585,231 per acre.

**OUTGANG ROAD, PICKERING (1,026m<sup>2</sup> = 0.253 acres)**

Plot 1	3 Bed Semi Detached House	938 Sq. ft
Plot 2	3 Bed Semi Detached House	938 Sq. ft
Plot 3	2 Bed Terraced House	732 Sq. ft
Plot 4	2 Bed Terraced House	732 Sq. ft
Plot 5	2 Bed Terraced House	732 Sq. ft
		4,072 Sq. ft

35% Affordable = 1 Dwelling (Plot 3)  
40% Affordable = 2 Dwellings (Plot 2 & 3)

Density/Coverage: 19.76 Dwellings & 16,095 Sq. ft per acre  
(48.73 Dwellings per Hectare)

**13.25 VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**PRIVATE SALES ONLY SCHEME**  
**(ORIGINAL)**

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 4,072 Sq. ft @ £200	£814,400 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 4,072 Sq. ft @ £100	£407,200 (50%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £814,400	£57,008 (7%) (Equates to £11,402 per dwelling of £14 per Sq. ft)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £814,400	£162,880 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £740,364 per each of 0.253 acres	£187,312 (23%)

**NOTE:**  
OSM (20%) + RLV (23%) = 43%



**13.26 VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(ORIGINAL)**

13.26.1 1 of the 5 dwellings is Affordable and this is assumed to be Plot 3 (732 Sq. ft 2 bed house) which is in fact just 17.98% of the development total floor area of 4,072 Sq. ft.

**VIABILITY STUDY**

**A. SALES REVENUE**

(i) Private Sales (Plots 1, 2, 4 & 5): 3,340 Sq. ft @ £200	£668,000
(ii) Affordable: Plot 3 @ £65,000 (Discounted Sale)	<u>£65,000</u>
	£733,000 (100%)

**B. STANDARD DEVELOPMENT COSTS**

4,072 Sq. ft @ £100 £407,200 (55.55%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £733,000 £51,310 (7%)  
(Equates to £10,262 per dwelling or £12.60 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £733,000 £146,600 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £505,494 per each of 0.253 acres £127,890 (17.45%)

**NOTE:**

OSM (20%) + RLV (17.45%) = 37.45%

**CONCLUSIONS/VARIABLES**

13.26.2 In reality, Landowner would probably expect RLV to be equal to OSM which would be £137,245 each and OSM would be 18.72% (probably acceptable) and RLV would equate to £542,470 per acre.

13.26.3 This 35% Affordable Housing Viability reveals a combined Value for OSM (£146,600) and RLV (£127,890) of £274,490 compared to the "Private Sales Only" Viability for OSM/RLV of £350,192 which means the Financial benefit to the Landowner & Developer of not having to have one of the five houses Affordable is £75,700 (equates to £299,209 per acre, £15,140 per dwelling and £18.59 per Sq. ft of build).

13.26.4 The financial Benefit of £75,700 mentioned in 13.40.3 above to the “Private Sales Only” scheme as a percentage of Private Sales Only Revenue of £814,000 is 9.30%.

**13.27 VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**40% AFFORDABLE HOUSING (ON-SITE)**  
**(ORIGINAL)**

13.27.1 2 of the 5 dwellings are Affordable and there are assumed to be Plots 3 & 4 (1,464 Sq. ft) which is in fact just 35.95% of the development total floor area of 4,072 Sq. ft (Plot 3 is assumed Discounted Sale & Plot 4, Social Rented).

**VIABILITY STUDY**

**A. SALES REVENUE**

(i) Private Sales (Plots 1, 2 & 5): 2,608 Sq. ft @ £200	£521,600
(ii) Affordable: Plot 3 @ £65,000 (Social Rented) Plot 4 @ £55,000 (Social Rented)	<u>£120,000</u>
	£641,600 (100%)

**B. STANDARD DEVELOPMENT COSTS**

4,072 Sq. ft @ £100 (Clay Pantiles) £407,200 (63.47%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £641,600 £44,912 (7%)  
(Equates to £8,982 per dwelling or £11.03 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £641,600 £128,320 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £241,770 per each of 0.253 acres £61,168 (9.53%)

**NOTE:**

OSM (20%) + RLV (9.53%) = 29.53%

**CONCLUSIONS/VARIABLES**

13.27.2 In reality, Landowner would probably insist upon RLV being equal to OSM which would be £97,744 each and OSM would be 14.77% (borderline) and RLV would equate to £374,482 per acre.

13.27.3 This 40% Affordable Housing Viability reveals a combined Value for OSM (£128,320) and RLV (£61,168) of £189,488 compared to the "Private Sales Only" Viability for OSM/RLV of £350,192 which means the Financial benefit to the Landowner & Developer of not having to have two of the five dwellings as Affordable Housing On-Site is £160,704 (equates to £635,194 per acre, £32,141 per dwelling and £39.47 per Sq. ft of build).

- 13.27.4 If SD costs were at £95 per Sq. ft (*i.e.* if the norm of Concrete Roof Tiles were used), this would yield £20,360 for OSM/RLV combined or £10,180 for each giving in total, £104,924 for each and OSM would increase to 16.35%.
- 13.27.5 The financial Benefit of £160,704 mentioned in 13.23.3 above to the “Private Sales only” scheme as a percentage of Private Scheme Sales Revenue of £814,000 is 19.74%.

**13.28     VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**PRIVATE SALES ONLY SCHEME**  
**(CODE LEVEL 4)**

13.28.1 This is an adaption of the Original such Viability to show the effect of building all 5 Dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 4,072 Sq. ft @ £200	£814,400 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 4,072 Sq. ft @ £100 (allowing for Clay Partiles)	£407,200 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 4,072 Sq. ft @ £4	£16,288 (2%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £814,400 (Equates to £11,402 per Dwelling or £14 per Sq. ft)	£57,008 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £814,400	£162,880 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £675,984 per each of 0.253 acres	£171,024 (21%)

**NOTE:**

OSM (20%) + RLV (21%) = 41%

**13.29 VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(CODE LEVEL 4)**

13.29.1 This is an adaption of the Original such Viability to show the effect of building all 5 Dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£733,000 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 4,072 Sq. ft @ £100 (Clay Pantiles)	£407,200 (55.56%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 4,072 Sq. ft @ £4	£16,288 (2.22%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £733,000 (Equates to £10,262 per Dwelling or £12.60 per Sq. ft)	£51,310 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £733,000	£146,600 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £441,036 per each of 0.253 acres	£111,582 (15.22%)

**NOTE:**

OSM (20%) + RLV (15.22%) = 35.22%

**13.30**     **VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**40% AFFORDABLE HOUSING (ON-SITE)**  
**(CODE LEVEL 4)**

13.30.1 This is an adaption of the Original such Viability to show the effect of building all 5 Dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£641,600 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 4,072 Sq. ft @ £100 (Clay Pantiles)	£407,200 (63.47%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 4,072 Sq. ft @ £4	£16,288 (2.53%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £641,600 (Equates to £8,982 per Dwelling or £11.03 per Sq. ft)	£44,912 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £641,600	£128,320 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £177,391 per each of 0.253 acres	£44,880 (7%)

**NOTE:**

OSM (20%) + RLV (7%) = 27%

**OUTGANG ROAD, PICKERING**  
**THEORETICAL SCHEME OF 4 DWELLINGS**

Density/Coverage: 19.23 Dwellings & 16,058 Sq. ft per acre  
(47.61 Dwellings per Hectare)

**13.31 VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**THEORETICAL SCHEME OF 4 DWELLINGS**  
**PRIVATE SALES ONLY SCHEME**  
**(ORIGINAL)**

13.31.1 Terrace of Plots 3, 4 & 5 reduced to a pair of 2 Bed Semi-Detached Houses.  
Total build thus reduced by 732 Sq. ft for Revenue & Cost purposes and Site  
Area reduced pro-rata by ensuing % - i.e.  $\frac{3,340}{4,072}$  Sq. ft X 0.253 acres =  
0.208 acres.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 3,340 Sq. ft @ £200	£668,000 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,340 Sq. ft @ £100	£334,000 (50%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £668,000 (Equates to £11,690 per dwelling or £14 per Sq. ft)	£46,760 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £668,000	£133,600 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £738,654 per each of 0.208 acres	£153,640 (23%)

**NOTE:**

OSM (20%) + RLV (23%) = 43%



**13.32 VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**THEORETICAL SCHEME OF 4 DWELLINGS**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(ORIGINAL)**

13.32.1 1 of the 4 dwellings is Affordable and this is assumed to be one of the 2 Bed Houses of 732 Sq. ft which is in fact only 21.92% of the development total floor area of 3,340 Sq. ft.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b>	
	(i) Private Sales:	
	2,608 Sq. ft @ £200	£521,600
	(ii) Affordable:	
	Plot 4 @ £65,000 (Discounted Sale)	<u>£65,000</u>
		£586,600 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b>	
	3,340 Sq. ft @ £100	£334,000 (56.94%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b>	
	Say 7% of £586,600	£41,062(7%)
	(Equates to £10,266 per dwelling or £12.29 per Sq. ft)	
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b>	
	20% of £586,600	£117,320 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b>	
	Equates to £452,971 per each of 0.208 acres	£94,218 (16.06%)

**NOTE:**

OSM (20%) + RLV (16.06%) = 36.06%

**CONCLUSIONS/VARIABLES**

13.32.2 In reality, Landowner would probably insist upon RLV being equal to OSM which would be £105,769 each and OSM would be 18.04% (probably acceptable) and RLV would equate to £508,505 per acre.

13.32.3 This 35% Affordable Housing Viability reveals a combined Value for OSM (£117,320) and RLV (£94,218) of £211,538 compared to the "Private Sales Only" Viability for OSM/RLV of £287,240 which means the Financial benefit to the Landowner & Developer of not having to have one of the four houses as Affordable Housing On-Site is £75,702 (equates to £363,952 per acre, £18,926 per dwelling, £22.66 per Sq. ft of build and 11.33% of Private Sales only Total Revenue of £668,000).

13.32.4 The financial Benefit of £75,702 mentioned in 13.32.3 overleaf as a percentage of Private Sales Only Scheme Revenue of £668,000 is 11.33%.

**13.33**     **VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**THEORETICAL SCHEME OF 4 DWELLINGS**  
**PRIVATE SALES ONLY SCHEME**  
**(CODE LEVEL 4)**

13.33.1 This is an adaption of the Original such Viability to show the effect of building all 4 Dwellings to "Code Level 4" specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 3,340 Sq. ft (as Original Viability)	£668,000 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,340 Sq. ft @ £100 (Clay Pantiles)	£334,000 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 3,340 Sq. ft @ £4	£13,360 (2%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £668,000 (Equates to £11,690 per Dwelling or £14 per Sq. ft)	£46,760 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £668,000	£133,600 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) (A-B1/B2+C+D)</u></b> Equates to £674,423 per each of 0.208 acres	£140,280 (21%)

**NOTE:**

OSM (20%) + RLV (21%) = 41%

**13.34**     **VIABILITY STUDY – OUTGANG ROAD, PICKERING**  
**THEORETICAL SCHEME OF 4 DWELLINGS**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(CODE LEVEL 4)**

13.34.1 This is an adaption of the Original such Viability to show the effect of building all 4 Dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£586,600 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,340 Sq. ft @ £100 (Clay Pantiles)	£334,000 (56.94%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 3,340 Sq. ft @ £4	£13,360 (2.28%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £586,600 (Equates to £10,226 per Dwelling or £12.29 per Sq. ft)	£41,062 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £586,600	£117,320 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £388,740 per each of 0.208 acres	£80,858 (13.78%)

**NOTE:**

OSM (20%) + RLV (13.78%) = 33.78%

**MEADOWSIDE, WEAVERTHORPE (0.21 Acres – 848m<sup>2</sup>)**

Plot 1 }  
Plot 2 } Assumed 6m X 8.85m X 2 Floors  
Plot 3 } = 106.20m<sup>2</sup> = 1,143 Sq. ft X 3 = 3,429 Sq. ft

35% Affordable (on-site) = 1 Dwelling

Density/Coverage: 14.29 Dwellings & 16,329 Sq. ft per acre  
(35.38 Dwellings per Hectare)

**13.35 VIABILITY STUDY – MEADOWSIDE, WEAVERTHORPE**  
**PRIVATE SALES ONLY SCHEME**  
**(ORIGINAL)**

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 3,429 Sq. ft @ £180	£617,220 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,429 Sq. ft @ £95	£325,755 (52.78%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £617,220 (Equates to £14,402 per dwelling or £12.60 per Sq. ft)	£43,205 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £617,220	£123,444 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £594,362 per each of 0.21 acres	£124,816 (20.22%)

**NOTE:**

OSM (20%) + RLV (20.22%) = 40.22%

**13.36 VIABILITY STUDY – MEADOWSIDE, WEAVERTHORPE**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(ORIGINAL)**

13.36.1 1 of the 3 dwellings is Affordable (1,143 Sq. ft = 33.33% of development total area).

**VIABILITY STUDY**

**A. SALES REVENUE**

(i) Private Sales:		
2,286 Sq. ft @ £190		£411,480
(ii) Affordable:		
1 dwelling @ £75,000 (Discounted Sale)		<u>£75,000</u>
		£486,480 (100%)

**B. STANDARD DEVELOPMENT COSTS**

3,429 Sq. ft @ £95 £325,755 (66.96%)

**C. ABNORMAL COSTS/PLANNING GAIN/CIL**

Say 7% of £486,480 £34,054 (7%)  
(Equates to £11,351 per dwelling or £9.93 per Sq. ft)

**D. DEVELOPER'S OFF-SITE MARGIN (OSM)**

20% of £486,480 £97,296 (20%)

**E. RESIDUAL LAND VALUE (RLV) A-(B+C+D)**

Equates to £139,881 per each of 0.21 acres £29,375 (6.04%)

**NOTE:**

OSM (20%) + RLV (6.04%) = 26.04%

**CONCLUSIONS/VARIABLES**

13.36.2 In reality, Landowner would probably insist on RLV being equal to OSM which would be £63,336 each and OSM would be 13.02% (not viable) and RLV would equate to £301,600 per acre (borderline).

13.36.3 This 35% Affordable Housing Viability reveals a combined Value for OSM (£97,296) and RLV (£29,375) of £126,671 compared to the theoretical "Private Sales Only" Viability for OSM/RLV of £248,260 which means the Financial benefit to the Landowner & Developer of not having to have one of the three dwellings Affordable is £121,589 (equates to £578,995 per acre, £40,530 per dwelling, £35.19 per Sq. ft of build and 19.70% of Private Sales Only Total Revenue of £617,220).

13.36.4 The financial Benefit mentioned in 13.36.3 above of £121,589 as a percentage of Private Scheme Sales Revenue of £617,220 is 19.70%.

- 13.36.5 In this case, a 35% Affordable Housing “requirement” delivered On-Site is not viable but as the “Private Sales only” Viability shows, without a CONTRIBUTION to Affordable, OSM & RLV are good at in excess of £41,000 per plot in both cases. There would seem to be justification for such a site below the “5 Unit Threshold” making a Financial Contribution to a District-Wide Affordable Fund based on a Flat Rate Capital Sum per dwelling or at a Rate per Sq. ft of build?
- 13.36.6 Or, comparing with Norton 35% On-Site Affordable Viability (13.12), OSM & RLV combined are set at 33.05% at Norton (Hovingham is 39.31%) which yields a contribution of 7.17% of Revenue resulting from the Weaverthorpe “Private” Viability showing OSM/RLV at 40.22% (*i.e.* 40.22 minus 33.05). This is 7.17% of £617,220 = £44,255 (£14,752 per dwelling or £12.91 per Sq. ft).

**13.37 VIABILITY STUDY – MEADOWSIDE, WEAVERTHORPE**  
**PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT**  
**DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE**  
**FUND”)**  
**(ORIGINAL)**

13.37.1 Item 13.32.6 of the Conclusions/Variables sheet attached to the Weavertorpe On-Site 35% Viability refers.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 3,429 Sq. ft @ £180	£617,220 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,429 Sq. ft @ £95	£325,755 (52.78%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £617,220	£43,205 (7%) (Equates to £14,402 per dwelling or £12.60 per Sq. ft)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING:</u></b> <b><u>FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 7.17% of £617,220	£44,255 (7.17%) (Equates to £14,752 per dwelling, £210,738 per acre or £12.91 per Sq. ft)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £617,220	£123,444 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C1/C2+D)</u></b> Equates to £465,038 per each of 0.21 acres	£80,561 (13.05%)

**NOTE:**

OSM (20%) + RLV (13.05%) = 33.05%

**CONCLUSIONS/VARIABLES**

13.37.2 In reality, Landowner would insist on RLV being equal to OSM which would be £102,003 each and OSM would be 16.53% (viable) and RLV would equate to an acceptable £485,729 per acre.

13.37.3 If a 5% of Sales Revenue contribution to an Off-Site Affordable Fund was demanded for ease of administration (and to simplify matters for all parties?), this would be £30,860 which would make the combined value of OSM/RLV £217,400 (35.22% of Sales Revenue) and be £108,700 each (OSM a viable 17.61% & RLV £517,619 per acre).



- 13.37.4 Likewise, a 3% contribution would be £18,517 which would make the combined value of OSM/RLV £229,743 (37.22% of Sales Revenue) and be £114,872 each (OSM a viable 18.61% & RLV £547,010 per acre).
- 13.37.5 Similarly, a 6% contribution would be £37,033 which would make the combined value of OSM/RLV £211,227 (34.22% of Sales Revenue) and be £105,614 each (OSM a viable 17.71% & RLV £502,924 per acre).

**13.38     VIABILITY STUDY – MEADOWSIDE, WEAVERTHORPE**  
**PRIVATE SALES ONLY SCHEME**  
**(CODE LEVEL 4)**

13.38.1 This is an adaption of the Original such Viability to show the effect of building all 3 dwellings to "Code Level 4" specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 3,429 Sq. ft @ £180 (as Original Viability)	£617,220 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,429 Sq. ft @ £95	£325,755 (52.78%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 3,429 Sq. ft @ £4	£13,716 (2.22%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £617,220 (Equates to £14,402 per Dwelling or £12.60 per Sq. ft)	£43,205 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £617,220	£123,444 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £529,048 per each of 0.21 acres	£111,100 (18.00%)

**NOTE:**

OSM (20%) + RLV (18.00%) = 38%

**13.39 VIABILITY STUDY – MEADOWSIDE, WEAVERTHORPE**  
**PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT**  
**DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE**  
**FUND”)**  
**(CODE LEVEL 4)**

13.39.1 This is an adaption of the Original such Viability to show the effect of building all 3 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 3,429 Sq. ft @ £180 (as Original Viability)	£617,220 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,429 Sq. ft @ £95	£325,755 (52.78%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 3,429 Sq. ft @ £4	£13,716 (2.22%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £617,220 (Equates to £14,402 per Dwelling or £12.60 per Sq. ft)	£43,205 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING</u></b> <b><u>FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 7.17% of £617,220 (Equates to £14,752 per Dwelling, £210,738 per acre, or £12.91 per Sq. ft)	£44,255 (7.17%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £617,220	£123,444 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C1/C2+D)</u></b> Equates to £318,310 per each of 0.21 acres	£66,845 (10.83%)

**NOTE:**

OSM (20%) + RLV (10.83%) = 30.83%

**13.40**     **VIABILITY STUDY – MEADOWSIDE, WEAVERTHORPE**  
**35% AFFORDABLE HOUSING (ON-SITE)**  
**(CODE LEVEL 4)**

13.40.1 This is an adaption of the Original such Viability to show the effect of building all 3 dwellings to "Code Level 4" specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> As Original Viability	£486,480 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 3,429 Sq. ft @ £95	£325,755 (66.96%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 3,429 Sq. ft @ £4	£13,716 (2.82%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £486,480 (Equates to £11,351 per Dwelling or £9.93 per Sq. ft)	£34,054 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £486,480	£97,296 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £529,048 per each of 0.21 acres	£15,659 (3.21%)

**NOTE:**  
OSM (20%) + RLV (3.21%) = 23.21%

**DEIGHTON HOUSE, VILLAGE STREET WINTERINGHAM (762m<sup>2</sup> – 0.188 acres)**

Attached (Semi Detached) Two Bed Cottage of 986 Sq. ft.

Density/Coverage: 5.32 Dwellings & 5,245 Sq. ft per acre  
(13.17 Dwellings per Hectare)

**13.41 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME**  
**(ORIGINAL)**

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 986 Sq. ft @ £200	£197,200 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 986 Sq. ft @ £100	£98,600 (50%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £197,200 (Equates to £13,804 per dwelling of £14 per Sq. ft)	£13,804 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £197,200	£39,440 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £241,255 per each of 0.188 acres	£45,356 (23%)

**NOTE:**

OSM (20%) + RLV (23%) = 43%

**13.42 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)**  
**(ORIGINAL)**

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 986 Sq. ft @ £200	£197,200 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 986 Sq. ft @ £100	£98,600 (50%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £197,200 (Equates to £13,804 per dwelling or £14 per Sq. ft)	£13,804 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING: FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 6% of £197,200 (Equates to £11,832 per dwelling, £62,936 per acre or £12 per Sq. ft)	£11,832 (6%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £197,200	£39,440 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C1/C2+D)</u></b> Equates to £178,319 per each of 0.188 acres	£33,524 (17%)

**NOTE:**

OSM (20%) + RLV (17%) = 37%

**CONCLUSIONS/VARIABLES**

- 13.42.1 In reality, Landowner would insist on RLV being equal to OSM which would be £36,482 each and OSM would be 18.50% (acceptable) and RLV would equate to £194,053 per acre.
- 13.42.2 In either case, it is the “Amount” of the RLV which is Significant: £33,524 or £36,482 out of a Selling Price of £197,200 is a reasonable Sum as to a Builder is an OSM of £39,440 or £36,482 for building and selling a one dwelling development.
- 13.42.3 If an 8% of SALES REVENUE contribution to an Off-Site Affordable Fund was demanded, this would be £15,776 which would make the combined value of OSM/RLV £69,020 (35% of Sales Revenue) and be £34,510 each (OSM a viable 17.50% & RLV £183,564 per acre).

- 13.42.4 Likewise, a 5% contribution would be £9,860 which would make the combined value of OSM/RLV £74,936 (38% of Sales Revenue) and be £37,468 each (OSM a viable 19% & RLV £199,298 per acre).
- 13.42.5 As a variation to the above Calculations, a form of calculating an Affordable Housing District Fund Contribution by charging 35% of the difference between the estimated Private Sale value of the property of £197,200 and the Discounted Sale Acquisition Price paid to a developer for a 2 Bed Dwelling of £65,000 would produce the sum of £46,270. Accordingly, the combined value of OSM/RLV would reduce significantly to £38,526 (19.54% of Sales Revenue) and be £19,263 each which would not be a viable proposition.

**13.43 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM  
PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)  
(ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)**

13.43.1 This is an adaptation of the Original such Viability to show the effect of a 9% of Sales Revenue Affordable Contribution.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 986 Sq. ft @ £200	£197,200 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 986 Sq. ft @ £100	£98,600 (50%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £197,200 (Equates to £13,804 per dwelling or £14 per Sq. ft)	£13,804 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING: FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 9% of £197,200 (Equates to £17,748 per dwelling, £94,404 per acre or £18 per Sq. ft)	£17,748 (9%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £197,200	£39,440 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C1/C2+D)</u></b> Equates to £146,851 per each of 0.188 acres	£27,608 (14%)
	<b><u>NOTE:</u></b> OSM (20%) + RLV (14%) = 34%	

**CONCLUSIONS/VARIABLES**

13.43.2 In reality, Landowner would insist on RLV being equal to OSM which would be £33,524 each and OSM would be 17% (acceptable) and RLV would equate to £178,319 per acre.

13.43.3 In either case, it is the “Amount” of the RLV which is Significant: £27,608 or £33,524 out of a Selling Price of £197,200 is a reasonable Sum as to a Builder is an OSM of £39,440 or £33,524 for building and selling a one dwelling development.



- 13.43.4 If an 8% of SALES REVENUE contribution to an Off-Site Affordable Fund was demanded, this would be £15,776 which would make the combined value of OSM/RLV £69,020 (35% of Sales Revenue) and be £34,510 each (OSM a viable 17.50% & RLV £183,564 per acre).

**13.44 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM  
PRIVATE SALES ONLY SCHEME  
(CODE LEVEL 4)**

13.44.1 This is an adaption of the Original such Viability to show the effect of building this two bed cottage to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 986 Sq. ft @ £200 (as Original Viability)	£197,200 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 986 Sq. ft @ £100	£98,600 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 986 Sq. ft @ £4	£3,944 (2%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £197,200 (Equates to £13,804 per Dwelling or £14 per Sq. ft)	£13,804 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £197,200	£39,440 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £220,277 per each of 0.188 acres	£41,412 (21%)

**NOTE:**

OSM (20%) + RLV (21%) = 41%

**13.45 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)**  
**(CODE LEVEL 4)**  
**(ORIGINAL)**

13.45.1 This is an adaption of the Original such Viability to show the effect of building all 3 dwellings to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 986 Sq. ft @ £200 (as Original Viability)	£197,200 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 986 Sq. ft @ £100	£98,600 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 986 Sq. ft @ £4	£3,944 (2%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £197,200 (Equates to £13,804 per Dwelling or £14 per Sq. ft)	£13,804 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 6% of £197,200 (Equates to £11,832 per Dwelling, £62,936 per acre, or £12 per Sq. ft)	£11,832 (20%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £617,220	£39,440 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C1/C2+D)</u></b> Equates to £157,340 per each of 0.188 acres	£29,580 (15%)

**NOTE:**

OSM (20%) + RLV (15%) = 35%

**13.46 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)**  
**(CODE LEVEL 4)**  
**(ADAPTED – AFFORDABLE CONTRIBUTION 9% OF SALES REVENUE)**

13.46.1 This is an adaption of the Original such Viability to show the effect of a 9% of Sales Revenue Affordable Contribution.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 986 Sq. ft @ £200 (as Original Viability)	£197,200 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 986 Sq. ft @ £100	£98,600 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 986 Sq. ft @ £4	£3,944 (2%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £197,200 (Equates to £13,804 per Dwelling or £14 per Sq. ft)	£13,804 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 9% of £197,200 (Equates to £17,748 per Dwelling, £94,404 per acre, or £18 per Sq. ft)	£17,748 (9%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £617,220	£39,440 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C1/C2+D)</u></b> Equates to £125,872 per each of 0.188 acres	£23,664 (12%)

**NOTE:**

OSM (20%) + RLV (12%) = 32%

**CONCLUSIONS/VARIABLES**

13.46.2 In reality, Landowner would insist on RLV being equal to OSM which would be £31,522 each and OSM would be 16% (probably acceptable) and RLV would equate to £167,670 per acre.

**HESELTINE COTTAGE, VILLAGE STREET WINTERINGHAM (19m x 33.80M = 0.159 acres)**

Pair of Semi-Detached Houses@ 923 Sq. ft each. Total Build 1,846 Sq. ft.

Density/Coverage: 12.58 Dwellings & 11,610 Sq. ft per acre  
(31.15 Dwellings per Hectare)

**13.47 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME**  
**(ORIGINAL)**

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £200	£369,200 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (50%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £369,200 (Equates to £12,922 per dwelling of £14 per Sq. ft)	£25,844 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £369,200	£73,840 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £534,063 per each of 0.159 acres	£84,916 (23%)

**NOTE:**

OSM (20%) + RLV (23%) = 43%

**13.48 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION**  
**(ORIGINAL)**

13.48.1 It is assumed that Selling Prices would be diminished by the LOC by 15% (i.e. from £200 to £170 per Sq. ft).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £170	£313,820 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (58.82%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £313,820 (Equates to £10,984 per dwelling or £11.90 per Sq. ft)	£21,967 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £313,820	£62,764 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C+D)</u></b> Equates to £270,805 per each of 0.159 acres	£44,489 (14.18%)

**NOTE:**

OSM (20%) + RLV (14.18%) = 34.18%

**CONCLUSIONS/VARIABLES**

13.48.2 In reality, Landowner might insist on RLV being equal to OSM which would be £53,627 each and OSM would be 17.09% (acceptable) and RLV would equate to £337,277 per acre.

**13.49 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)**  
**(ORIGINAL)**

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £200	£369,200 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (50%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £369,200 (Equates to £12,922 per dwelling or £14 per Sq. ft)	£25,844 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING: FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 6% of £369,200 (Equates to £11,076 per dwelling, £12 per Sq. ft or £139,321 per acre)	£22,152 (6%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £369,200	£73,840 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C1/C2+D)</u></b> Equates to £394,742 per each of 0.159 acres	£62,764 (17%)

**NOTE:**

OSM (20%) + RLV (17%) = 37%

**CONCLUSIONS/VARIABLES**

- 13.49.1 In reality, Landowner would insist on RLV being equal to OSM which would be £68,302 each and OSM would be 18.50% (acceptable) and RLV would equate to £429,752 per acre.
- 13.49.2 If an 8% of SALES REVENUE contribution to an Off-Site Affordable Fund was demanded, this would be £29,536 which would make the combined value of OSM/RLV £129,220 (35% of Sales Revenue) and be £64,610 each (OSM a viable 17.50% & RLV £406,352 per acre).
- 13.49.3 An Off-Site Affordable Fund Contribution levied at 35% of the difference between Private Sales totalling £369,200 and Discounted Sale receipts of £150,000 (2 @ £75,000) would be £76,720, would reduce OSM/RLV to £82,036 (22.22% of Sales Revenue) and be unviable.

**13.50 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM  
PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)  
(ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)**

13.50.1 This is an adaption of the Original such Viability to show the effect of a 9% of Sales Revenue Affordable Contribution.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £200	£369,200 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (50%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £369,200	£25,844 (7%) (Equates to £12,922 per dwelling or £14 per Sq. ft)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING: FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 9% of £369,200	£33,228 (9%) (Equates to £16,614 per dwelling, £18 per Sq. ft or £208,981 per acre)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £369,200	£73,840 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C1/C2+D)</u></b> Equates to £325,082 per each of 0.159 acres	£51,688 (14%)

**NOTE:**  
OSM (20%) + RLV (14%) = 34%

**CONCLUSIONS/VARIABLES**

13.50.2 In reality, Landowner would insist on RLV being equal to OSM which would be £62,764 each and OSM would be 17% (acceptable) and RLV would equate to £394,742 per acre.

13.50.3 If an 8% of SALES REVENUE contribution to an Off-Site Affordable Fund was demanded, this would be £29,536 which would make the combined value of OSM/RLV £129,220 (35% of Sales Revenue) and be £64,610 each (OSM a viable 17.50% & RLV £406,352 per acre).



- 13.50.4 An Off-Site Affordable Fund Contribution levied at 35% of the difference between Private Sales totalling £369,200 and Discounted Sale receipts of £150,000 (2 @ £75,000) would be £76,720, would reduce OSM/RLV to £82,036 (22.22% of Sales Revenue) and be unviable.

**13.51 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”**  
**(ORIGINAL)**

13.51.1 It is assumed that Selling Prices would be diminished by the LOC by 15% (i.e. from £200 to £170 per Sq. ft).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £170	£313,820 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (58.82%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £313,820 (Equates to £10,984 per dwelling or £11.90 per Sq. ft)	£21,967 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING: FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 6% of £313,820 (Equates to £9,415 per dwelling or £10.20 per Sq. ft)	£18,829 (6%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £313,820	£62,764 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C1/C2+D)</u></b> Equates to £161,384 per each of 0.159 acres	£25,660 (8.18%)

**NOTE:**  
OSM (20%) + RLV (8.18%) = 28.18%

**CONCLUSIONS/VARIABLES**

13.51.2 In reality, Landowner might insist on RLV being equal to OSM which would be £44,212 each and OSM would be 14.09% (unacceptable) and RLV would equate to £278,063 per acre.

13.51.3 If the Developer received a 17% OSM, this would be £53,349 and the Landowner would receive £35,075 which equates to £220,597 per acre (borderline).

- 13.51.4 The combined value of OSM/RLV for this Private Sales Scheme but with LOC and a Financial Contribution to a District-Wide Affordable Fund is £88,424 compared to the "Private Sales Only" Scheme (without LOC) OSM/RLV of £158,756 (a difference of £70,332 - £35,166 per dwelling or £38.10 per Sq. ft) and compared to the "Private Sales Only" Scheme but with LOC (and no Affordable Contribution) OSM/RLV of £107,253 (a difference of £18,829 - £9,415 per dwelling or £10.20 per Sq. ft).
- 13.51.5 If with an LOC the Financial Contribution to a District-Wide Affordable Fund was reduced to 3% of Sales Revenue (from 6%), the Combined Value of OSM/RLV would be £97,839 which would be £48,919 each and OSM would be 15.59% (unacceptable) and RLV would equate to £307,667 per acre (probably acceptable). If the Developer demanded an OSM of not less than 17% in this "3%" Affordable Contribution Scenario, that would be £53,349 and RLV would be £44,490 which equates to £279,811 per acre (possibly acceptable depending on owner). The 3% Affordable Contribution is £9,415.
- 13.51.6 Without the effect on Selling Prices of an LOC being less than 15% (would this only be 10% in some cases?) or some flexibility with Abnormal Costs/CIL, an Affordable Off-Site Contribution appears unviable and the Authority will need to assess its priorities on this type of small, rural Site.
- 13.51.7 If the diminution of Selling Prices caused by an LOC was 10% rather than 15%, Sales Revenue would be at £180 per Sq. ft and amount to £332,280 for 1,846 Sq. ft. Abnormal Costs/CIL at 7% would be £23,260, the Off-Site Affordable Contribution would be £19,937 (at 6% or £9,968 at 3%) and OSM would be £66,456 (20%) and the RLV £38,027 (£239,164 per acre). In this scenario, OSM/RLV would have a combined value of £104,483 (31.14% of Sales Revenue) and at £52,242 each, OSM would be 15.72% (possibly unacceptable) and RLV would equate to £328,566 per acre (acceptable). If in this scenario the Developer demanded an OSM of not less than 17% this would be £56,488 (17% of £332,280) and RLV would have to be £47,995 (£104,483 less £56,488) which equates to £301,855 per acre or £23,998 per dwelling (possibly acceptable in circumstances to some owners?).

**13.52 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”**  
**(ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)**

13.52.1 This is an adaption of the Original such Viability to show the effect of a 9% of Sales Revenue Affordable Contribution.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £170	£313,820 (100%)
<b>B.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (58.82%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £313,820 (Equates to £10,984 per dwelling or £11.90 per Sq. ft)	£21,967 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING: FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 9% of £313,820 (Equates to £14,122 per dwelling or £15.30 per Sq. ft)	£28,244 (9%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £313,820	£62,764 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B+C1/C2+D)</u></b> Equates to £102,170 per each of 0.159 acres	£16,245 (5.18%)

**NOTE:**  
OSM (20%) + RLV (5.18%) = 25.18%

**CONCLUSIONS/VARIABLES**

13.52.2 In reality, Landowner might insist on RLV being equal to OSM which would be £39,505 each and OSM would be 12.59% (unacceptable) and RLV would equate to £248,459 per acre.

13.52.3 If the Developer received a 17% OSM, this would be £53,349 and the Landowner would receive £25,660 which equates to £161,383 per acre (borderline).

**13.53 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM  
PRIVATE SALES ONLY SCHEME  
(CODE LEVEL 4)**

13.53.1 This is an adaption of the Original such Viability to show the effect of building the pair of Semi-Detached Houses to "Code Level 4" specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £200 (as Original Viability)	£369,200 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 1,846 Sq. ft @ £4	£7,384 (2%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £369,200 (Equates to £12,922 per Dwelling or £14 per Sq. ft)	£25,844 (7%)
<b>D.</b>	<b><u>DEVELOPER'S OFF-SITE MARGIN (OSM)</u></b> 20% of £369,200	£73,840 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £487,623 per each of 0.159 acres	£77,532 (21%)

**NOTE:**

OSM (20%) + RLV (21%) = 41%

**13.54 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM  
PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)  
(CODE LEVEL 4)  
(ORIGINAL)**

13.54.1 This is an adaption of the Original such Viability to show the effect of building the pair of Semi-Detached Houses to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £200 (as Original Viability)	£369,200 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 1,846 Sq. ft @ £4	£7,384 (2%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £369,200 (Equates to £12,922 per Dwelling or £14 per Sq. ft)	£25,844 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 6% of £369,200 (Equates to £11,076 per Dwelling, £139,321 per acre, or £12 per Sq. ft)	£22,152 (6%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £369,200	£73,840 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C1/C2+D)</u></b> Equates to £348,302 per each of 0.159 acres	£55,380 (15%)

**NOTE:**

OSM (20%) + RLV (15%) = 35%

**13.55 VIABILITY STUDY – DEIGHTON HOUSE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME (WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”)**  
**(CODE LEVEL 4)**  
**(ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)**

13.55.1 This is an adaption of the Original such Viability to show the effect of a 9% of Sales Revenue Affordable Contribution.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £200 (as Original Viability)	£369,200 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (50%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 1,846 Sq. ft @ £4	£7,384 (2%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £369,200 (Equates to £12,922 per Dwelling or £14 per Sq. ft)	£25,844 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 9% of £369,200 (Equates to £16,614 per Dwelling, £208,981 per acre, or £18 per Sq. ft)	£33,228 (9%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £369,200	£73,840 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C1/C2+D)</u></b> Equates to £278,642 per each of 0.159 acres	£44,304 (12%)

**NOTE:**

OSM (20%) + RLV (12%) = 32%

**CONCLUSIONS/VARIABLES**

13.55.2 In reality, Landowner might insist on RLV being equal to OSM which would be £59,072 each and OSM would be 16% (unacceptable) and RLV would equate to £371,522 per acre (acceptable).

**13.56 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION**  
**(CODE LEVEL 4)**

13.56.1 This is an adaption of the Original such Viability to show the effect of building the pair of Semi-Detached Houses to “Code Level 4” specification.

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £170 (as Original Viability)	£313,820 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (58.82%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 1,846 Sq. ft @ £4	£7,384 (2.35%)
<b>C.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £313,820 (Equates to £10,984 per Dwelling or £11.90 per Sq. ft)	£21,967 (7%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £313,820	£62,764 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C+D)</u></b> Equates to £233,365 per each of 0.159 acres	£37,105 (11.82%)

**NOTE:**

OSM (20%) + RLV (11.82%) = 31.82%

**CONCLUSIONS/VARIABLES**

13.56.2 In reality, Landowner might insist on RLV being equal to OSM which would be £49,935 each and OSM would be 15.91% (borderline) and RLV would equate to £314,056 per acre.

13.56.3 If the Developer insisted on an OSM of not less than 17% this would be £53,349 and RLV would be £46,521 or £290,887 per acre (borderline).



**13.57 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”**  
**(CODE LEVEL 4)**  
**(ORIGINAL)**

13.57.1 This is an adaption of the Original such Viability to show the effect of building the pair of Semi-Detached Houses to “Code Level 4” specification.

13.57.2 It is assumed that Selling Prices would be diminished by the LOC by 15% (*i.e.* from £200 to £170 per Sq. ft).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £170 (as Original Viability)	£313,820 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (58.82%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 1,846 Sq. ft @ £4	£7,384 (2.35%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £313,820 (Equates to £10,984 per Dwelling or £11.90 per Sq. ft)	£21,967 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING</u></b> <b><u>FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 6% of £313,820 (Equates to £9,415 per Dwelling or £10.20 per Sq. ft)	£18,829 (6%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £313,820	£62,764 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C1/C2+D)</u></b> Equates to £114,943 per each of 0.159 acres	£18,276 (5.82%)

**NOTE:**

OSM (20%) + RLV (5.82%) = 25.82%

**CONCLUSIONS/VARIABLES**

13.57.3 In reality, Landowner might insist on RLV being equal to OSM which would be £40,520 each and OSM would be 12.91% (not viable) and RLV would equate to £254,843 per acre (probably unacceptable).

- 13.57.4 In this Viability Scenario, something would have to give if the LOC has the Revenue effect feared and the Council demand LOC in addition to Code Level 4 and even a reduced 3% Affordable Fund Contribution.

**13.58 VIABILITY STUDY – HESELTINE COTTAGE, VILLAGE STREET, WINTERINGHAM**  
**PRIVATE SALES ONLY SCHEME BUT WITH LOCAL OCCUPANCY CONDITION AND WITH AFFORDABLE REQUIREMENT DISCHARGED BY FINANCIAL CONTRIBUTION TO “DISTRICT WIDE FUND”**  
**(CODE LEVEL 4)**  
**(ADAPTED – CONTRIBUTION 9% OF SALES REVENUE)**

13.58.1 This is an adaption of the Original such Viability to show the effect of a 9% of Sales Revenue Affordable Contribution.

13.58.2 It is assumed that Selling Prices would be diminished by the LOC by 15% (*i.e.* from £200 to £170 per Sq. ft).

**VIABILITY STUDY**

<b>A.</b>	<b><u>SALES REVENUE</u></b> 1,846 Sq. ft @ £170 (as Original Viability)	£313,820 (100%)
<b>B/1.</b>	<b><u>STANDARD DEVELOPMENT COSTS</u></b> 1,846 Sq. ft @ £100	£184,600 (58.82%)
<b>B/2.</b>	<b><u>CODE LEVEL 4 SPECIFICATION</u></b> 1,846 Sq. ft @ £4	£7,384 (2.35%)
<b>C/1.</b>	<b><u>ABNORMAL COSTS/PLANNING GAIN/CIL</u></b> Say 7% of £313,820 (Equates to £10,984 per Dwelling or £11.90 per Sq. ft)	£21,967 (7%)
<b>C/2.</b>	<b><u>AFFORDABLE HOUSING</u></b> <b><u>FINANCIAL CONTRIBUTION TO DISTRICT FUND</u></b> Say 9% of £313,820 (Equates to £14,122 per Dwelling or £15.30 per Sq. ft)	£28,244 (9%)
<b>D.</b>	<b><u>DEVELOPER’S OFF-SITE MARGIN (OSM)</u></b> 20% of £313,820	£62,764 (20%)
<b>E.</b>	<b><u>RESIDUAL LAND VALUE (RLV) A-(B1/B2+C1/C2+D)</u></b> Equates to £55,730 per each of 0.159 acres	£8,861 (2.82%)

**NOTE:**

OSM (20%) + RLV (2.82%) = 22.82%

**CONCLUSIONS/VARIABLES**

13.58.3 In reality, Landowner might insist on RLV being equal to OSM which would be £35,813 each and OSM would be 11.41% (not viable) and RLV would equate to £225,239 per acre (probably unacceptable).

#### 14. COMPARISON OF VIABILITY STUDY RESIDUALS

<u>Site</u>	<u>Viability</u>	<u>OSM</u>	<u>RLV</u>	<u>Combined</u>
Hovingham – Pasture Lane	Private Sales only	20%	25.27%	45.27%
	35% Affordable (On-Site)	20%	19.31%	39.31%
	40% Affordable (On-Site)	20%	17.69%	37.69%
	35% + 5% Affordable (Original)	20%	16.58%	36.58%
	35% + 5% Affordable (Adapted)	20%	16.60%	36.60%
	Private Sales (with Lifetime & £15k CIL)	20%	27.35%	47.35%
	35% Affordable (with Lifetime & £15k CIL)	20%	20.77%	40.77%
	40% Affordable (with Lifetime & £15k CIL)	20%	18.98%	38.98%
	Private Sales (Code Level 4)	20%	23.26%	43.26%
	35% Affordable (Code Level 4)	20%	17.26%	37.26%
	40% Affordable (Code Level 4)	20%	15.58%	35.58%
Norton – Scarborough Road	<u>As planning Layout (44.95% Affordable <sup>1/3rd</sup> / <sup>2/3rds</sup> Tenure)</u>	20%	9.39%	29.39%
	As planning Layout (44.95% Affordable - “10/90” Tenure)	20%	8.78%	28.78%
	35% Affordable (On-Site <sup>1/3rd</sup> / <sup>2/3rds</sup> Tenure)	20%	13.03%	33.03%
	35% Affordable (On-Site - “10/90” Tenure)	20%	12.61%	32.61%
	40% Affordable (On-Site <sup>1/3rd</sup> / <sup>2/3rds</sup> Tenure)	20%	11.27%	31.27%
	40% Affordable (On-Site - “10/90” Tenure)	20%	10.74%	30.74%
	As planning Layout (with £15k CIL)	20%	5.42%	25.42%
	As planning Layout (with Lifetime)	20%	8.66%	28.66%
	35% Affordable (with Lifetime & £15k CIL)	20%	8.99%	28.99%
	As planning Layout (Code Level 4)	20%	6.71%	26.71%
	35% Affordable (Code Level 4)	20%	10.53%	30.53%
40% Affordable (Code Level 4)	20%	8.67%	28.67%	
“Theoretical” Private Sales only	20%	23%	43%	
Pickering – Outgang Road (Planning 5 Dwellings)	Private Sales only	20%	23%	43%
	35% Affordable (On-Site)	20%	17.45%	37.45%
	40% Affordable (On-Site)	20%	9.53%	29.53%
	Private Sales (5) (Code Level 4)	20%	21%	41%
	35% Affordable (Code Level 4)	20%	15.22%	35.22%
	40% Affordable (Code Level 4)	20%	7%	27%
“Theoretical” 4 Dwellings – Private	20%	23%	43%	

<b>Site</b>	<b>Viability</b>	<b>OSM</b>	<b>RLV</b>	<b>Combined</b>
Pickering – Outgang Road (Planning 5 Dwellings) continued	“Theoretical” 4 Dwellings – 35 % Affordable	20%	16.06%	36.06%
	“Theoretical” 4 Dwellings – Private (Code Level 4)	20%	21%	41%
	“Theoretical” 4 Dwellings – 35 % Affordable (Code Level 4)	20%	13.78%	33.78%
Weaverthorpe – Meadowside	Private Sales only	20%	20.22%	40.22%
	35% Affordable (On-Site)	20%	6.04%	26.04%
	Private Sales (with Affordable Discharged by Financial Contribution)	20%	13.05%	33.05%
	Private Sales (Code Level 4)	20%	18%	38%
	Private Sales (with Affordable Contribution & Code Level 4)	20%	10.83%	30.83%
Winteringham – Deighton House (one 2 Bed Cottage)	35% Affordable (Code Level 4)	20%	3.21%	23.21%
	Private Sales only	20%	23%	43%
	Private Sales (with Affordable Contribution - Original)	20%	17%	37%
	Private Sales (with Affordable Contribution – 9% of Sales Revenue)	20%	14%	34%
	Private Sales (Code Level 4)	20%	21%	41%
	Private Sales (with Affordable Contribution & Code Level 4 - Original)	20%	15%	35%
Winteringham – Heseltine Cottage	Private Sales (with Affordable Contribution – 9% of Sales Revenue & Code Level 4)	20%	12%	32%
	Private Sales only	20%	23%	43%
	Private Sales (with Local Occupancy Condition (LOC))	20%	14.18%	34.18%
	Private Sales (with Affordable Contribution - Original)	20%	17%	37%
	Private Sales (with Affordable Contribution – 9% of Sales Revenue)	20%	14%	34%
	Private Sales (with LOC & Affordable Contribution - Original)	20%	8.18%	28.18%
	Private Sales (with LOC & Affordable Contribution – 9% of Sales Revenue)	20%	5.18%	25.18%
	Private Sales (Code Level 4)	20%	21%	41%
	Private Sales - Affordable Contribution & Code Level 4(Original)	20%	15%	35%
	Private Sales - Affordable Contribution & Code Level 4 (Contribution 9% of Sales Revenue)	20%	12%	32%
	Private Sales - LOC (Code Level 4)	20%	11.82%	31.82%
	Private Sales - LOC & Affordable Contribution & Code Level 4 (Original)	20%	5.82%	25.82%
	Private Sales - LOC & Affordable Contribution & Code Level 4 (Contribution – 9% of Sales Revenue)	20%	2.82%	22.82%

**15. SUMMARY/ANALYSIS OF “35%” ON-SITE AFFORDABLE VIABILITIES**

<u>Viability</u>	<u>Site</u>	<u>Financial Benefit</u> <u>(Difference between Private Sales OSM/RLV &amp;</u> <u>“35%” On-Site OSM/RLV)</u>	<u>Percentage of Financial Benefit to</u> <u>Total Private Sales</u>
13.2	Pasture Lane, Hovingham	£806,013	10.33%
13.14	Scarborough Road, Norton	£5,864,664	15.47%
13.26	Outgang Road, Pickering (5 dwellings)	£75,700	9.30%
13.32	Outgang Road, Pickering (Theoretical 4 dwellings only)	£75,702	11.33%
13.36	Meadowside, Weaverthorpe (such scheme not viable)	£121,589	19.70%