



Financial Viability Assessment Report

Land to the east of Owston Road, Carcroft, Doncaster, DN6 8DL

January 2023

Executive Summary

Avison Young has been instructed to undertake an updated Financial Viability Assessment on behalf of Newett Homes following amendments made to the proposed scheme by the developer. The assessment relates to the proposed redevelopment of the property known as land to the east of Owston Road, Carcroft, DN6 8DL. The proposals are to form the basis of a reserved matters planning application for a new residential development of 63 dwellings.

The property which forms the subject of this report comprises of a broadly rectangular shaped parcel of land situated to the east of Owston Road extending to 4.62 acres (1.87 ha) gross. This parcel of land will comprise of all the proposed development. It is therefore referred to as 'the site' or 'the property' hereafter. At the present time, the site comprises derelict buildings and arable land, used for grazing. There is also a watercourse running parallel to the northern boundary of the site.

The site currently benefits from extant outline planning permission (ref: 19/01514/OUTM), for residential development. As the site currently has outline planning consent for an alternative residential scheme, we consider that the market would determine the Existing Use Value (EUJ) for the site to be the value of the site with planning consent for residential housing, as opposed to the value of the land at present. This same methodology will in turn inform the Benchmark Land Value.

Financial viability for planning purposes is defined within the RICS guidance note (GN94/2012) as 'An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations, while ensuring an appropriate site value for the landowner and a market risk adjusted return to the developer in delivering that project. To improve clarity and accountability it is an expectation that any viability assessment is prepared with professional integrity by a suitably qualified practitioner and presented in accordance with National Planning Guidance. Practitioners should ensure that the findings of a viability assessment are presented clearly.

In this respect, we understand that this report is to be submitted to the Local Planning Authority (LPA) for due consideration in support of an application for full planning approval on the site. We confirm that we have undertaken all necessary due diligence to inform and support our assessment. We also confirm that we have taken full account of relevant published guidance in respect of the independent assessment of Financial Viability in Planning. This specifically includes the guidance note, Financial Viability in Planning, issued in 2012 by the RICS. Whilst not mandatory, adherence to RICS guidance notes is considered to represent 'Best Practice'. In addition, we have taken full account of the Financial Viability in Planning: Conduct and Reporting RICS Professional Statement dated May 2019, which contains mandatory requirements. We have also given due consideration to the Government's National Planning Policy Framework (NPPF). This framework was updated in July 2021 and includes the Planning Policy Guidance (PPG) for viability.

We have considered the financial viability of the proposed development by considering both the Existing Use Value of the site and the Benchmark Land Value, in reference to evidence of comparable land transactions. As the site currently benefits from implementable outline planning consent for residential development, we consider this consent to form the basis of the Existing Use Value. We have also considered the level of return for the developer based on the proposed scheme.

As defined in the PPG, the Benchmark Land Value should be established based on the Existing Use Value of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. However, in this instance, as the EUV is determined as being the value of the site with the benefit of implementable outline planning consent for residential development, we consider that this value also is reflective of the Benchmark Land Value. In this instance, we do not consider it appropriate to add a premium to the EUV to arrive at the Benchmark Land Value, as the premium the landowner would receive is implicit within the uplift in land value achieved when the site is sold in the open market with the benefit of such consent.

In this respect, our assessment has identified the following outputs:

- Existing Use Value (EUV) - £1,039,500
- Minimum Benchmark Land Value - £1,039,500
- Developer's Profit with old policy compliant scheme (i.e. 26% affordable housing) – 5.12% Profit on GDV
- Developer's Profit with assumed policy compliant scheme (i.e. 15% affordable housing) – 9.03% Profit on GDV
- Developer's Profit with a 0% affordable housing content scheme - 13.28% Profit on GDV

In this instance, given that the site benefits from extant outline planning permission for resident development, the EUV is the value of the site with its current planning permission. The compliant and non-compliant appraisals assume that planning approval is in place for the 63 residential dwellings scheme as proposed.

We have appraised three scenarios in support of this viability assessment and in keeping with acceptable practice, have undertaken sensitivity analysis to identify the impact of these scenarios of the level of return for the developer. In each scenario, we have considered the viability of the proposed development based on an old policy compliant Section 106 agreement scheme which was the old adopted planning policy at the time when outline planning consent was granted, an assumed current policy compliant Section 106 agreement scheme and a non-policy compliant scheme. In each scenario however, we have assumed the per dwelling monetary contribution in respect of additional Section 106 agreement obligations, as advised by the Developer.

The report has been prepared and signed by Dai Powell MRICS, a Director and RICS Registered Valuer in the Avison Young Land and Development team. Input has also been provided, along with review and panelling by Joe Wherity MRICS, an Associate Director in the same team. We confirm that these individuals have the necessary qualifications, knowledge and experience to provide this advice.

We confirm that we believe that this report represents a robust independent assessment of the financial viability of the proposed development. We confirm that in completing this report, we have acted with objectivity, impartially, without interference and with reference to all appropriate sources of information.

Contents

| | | |
|----|--|----|
| 1. | Instructions..... | 1 |
| 2. | Background | 3 |
| 3. | Planning Context | 5 |
| 4. | Development Proposals | 8 |
| 5. | Approach to Financial Viability Assessment | 13 |
| 6. | Viability Analysis | 15 |
| 7. | Conclusions and Additional Commentary | 41 |

Appendices

| | |
|--------------|---|
| Appendix I | Letter of Instruction |
| Appendix II | Abnormal Costs Detailed Summary |
| Appendix III | Development Appraisal of Current Policy Compliant Scheme (9 affordable units) |
| Appendix IV | Development Appraisal of Old Policy Compliant Scheme (16 affordable units) |
| Appendix V | Development Appraisal of Non - Policy Compliant Scheme (0 affordable units) |

Prepared By: Dai Powell MRICS, Director and RICS Registered Valuer.

Review and panelled by Joe Wherity MRICS, Associate Director.

Status: FINAL

Date: January 2023

For and on behalf of Avison Young (UK) Limited

1. Instructions

Avison Young has been instructed to undertake an updated Financial Viability Assessment of an amended proposed development on behalf of Newett Homes. A copy of our Letter of Instruction is attached at **Appendix 1**.

The assessment is concerned with the proposed redevelopment of the site known as land to the east of Owston Road, Carcroft, DN6 8DL. The proposals are to form the basis a reserved matters planning application a new residential development of 63 dwellings relating to a previously consented outline planning application (ref: 19/01514/OUTM). The proposed scheme will be a high-quality development, providing a collection of one, two, three and four bedroom properties, with a mixture of maisonette, semi-detached and detached dwelling types. The new development will be situated within the established residential area of Carcroft.

We understand that this report is to be submitted to the Local Planning Authority (LPA) for due consideration as part of the planning application. In this respect, we confirm that we believe that it represents a robust independent assessment of the financial viability of the proposed development.

Reliance

In preparing this assessment we confirm that we have relied upon the following documents which have been provided to us by Newett Homes, subject to the independent verification and scrutiny of details by ourselves where necessary: -

- Proposed scheme layout by Newett Homes
- Proposed abnormal costs by Newett Homes

In undertaking this assessment, it has been necessary to make various assumptions based on our own knowledge and experience of the Doncaster residential market and development sector. Any assumptions made, and the supporting rationale, are clearly stated within this report.

Date of report

The date of the report is January 2023. However, it is important to note that in undertaking this report and the accompanying viability appraisals, it has been necessary to consider evidence, which is historical, as is the case when considering comparable evidence.

We confirm that this report is not provided as, and should not be regarded as, formal valuation advice in accordance with the latest edition of the Valuation – Global Standards effective from 31 January 2022 (the Red Book) as published by the Royal Institution of Chartered Surveyors. This report should not therefore be regarded or relied upon as formal valuation advice. It is provided to inform related parties on the financial viability of the proposed development and assist potential negotiations related to the proposed full planning application on the property and related considerations.

However, we confirm that we have undertaken all necessary due diligence to inform and support our assessment. We also confirm that we have taken full account of relevant guidance as published in respect of the independent assessment of Financial Viability in Planning. This specifically includes the guidance note, Financial Viability in Planning, issued in 2012 by the RICS (Ref. 1st Edition GN 94/2012). Whilst not mandatory, adherence to RICS Guidance Notes is considered to represent 'Best Practice'. In addition, we have taken full account of the Financial Viability in Planning: Conduct and Reporting, RICS Professional Statement dated May 2019, which contains mandatory requirements. We have also given due consideration to the Government's National Planning Policy Framework (NPPF) as referenced within both of the above documents. This framework was updated in July 2021 and includes the Planning Policy Guidance (PPG) for viability.

We confirm that in completing this report, no performance related or contingent fees have been agreed. We also confirm that we are not aware of any conflict or risk of conflict of interest which exists and prevents us from providing this advice.

2. Background

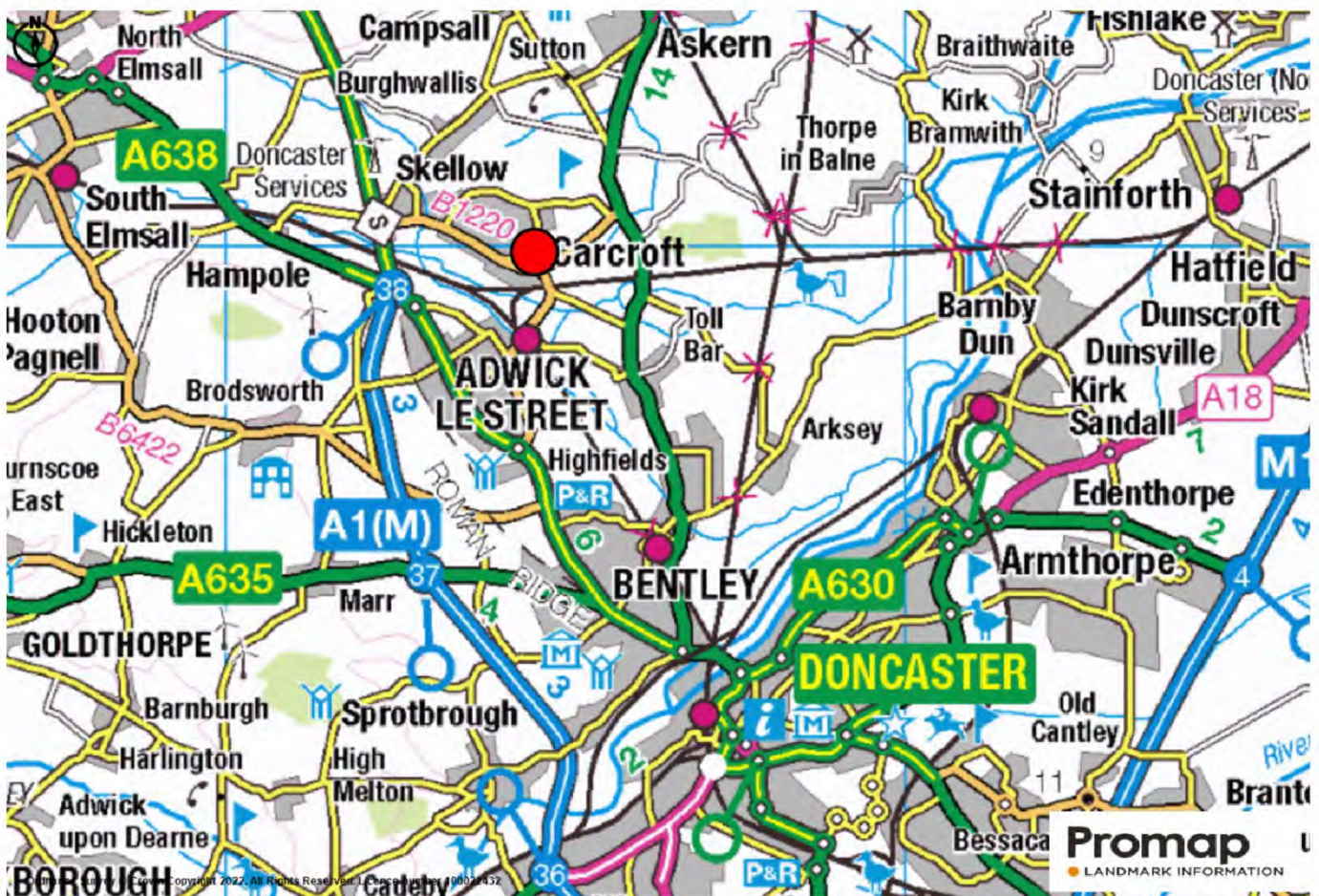
Location and Situation

The site is located on the outskirts of Carcroft, a village and civil parish in the Metropolitan Borough of Doncaster, South Yorkshire. Carcroft is situated on the B1220 between the A1 to the west and the A19 to the east. Doncaster is situated circa 5 miles to the south, South Kirkby is circa 5.5 miles to the west, Thorne is approximately 9 miles to the east and Pontefract is circa 9 miles to the north.

Carcroft benefits from good road connections and the site is situated approximately 1 mile to the east of the A1 and 1 mile west of the A19. Regular bus services run along Owston Road which provide regular connections to Doncaster and the surrounding villages. The nearest train station to the site is Adwick which is approximately 0.7 miles south of the subject site. Adwick Train Station provides regular connections to Sheffield, Doncaster and Leeds, where national connections can be made.

The property is located to the east of Owston Road and accessed via a private driveway. It is situated in an established residential area in an 'edge of town' location and therefore benefits from a semi-rural aspect and position.

The location of the site is identified approximately on the plan below:



Description

The property which forms the subject of this report comprises of a broadly rectangular shaped parcel of land situated to the east of Owston Road extending to 4.62 acres (1.87 ha) gross. We have used ProMap software to measure the site area.

The site consists of predominantly undeveloped cleared land with some small derelict buildings on the site also. Three boundaries of the site are bounded by existing residential housing and the other consists of agricultural land. There is also a watercourse running on the site parallel to the northern boundary.

The net development area is shown outlined in red on the plan below:



The property is located within an established residential area. The property comprises of a broadly rectangular parcel of land which is occupied by arable land as well some small derelict buildings which are set to be demolished as part of the development. We have included a demolition cost within our appraisal to account for this.

The site is bound to the east by an open field which appears to be in agricultural use. The site is bounded to the west by residential development, which separates the site from Owston Road. To the southern boundary, the site is bound by gardens of residential properties on Askern Road. These properties back onto the site boundary. To the north, the site is bound by further residential properties and arable land on Owston Road.

The site is not located in a conservation area and there are no listed buildings on site.

Title

We understand that Newett Homes (the 'Developer') does not currently own the freehold interest in the site. The property is held under one title number. SYK416753 covers the entirety of the subject site. We have not been provided with a report on Title in respect of this interest. However, for the purposes of our appraisal, we have assumed that the Title is not affected by any encumbrances or restrictive covenants.

3. Planning Context

A Planning Statement has been compiled by the Developer. Avison Young provides a detailed assessment of the National Planning Policy Framework ("the Framework"). This section of the report outlines those elements of the documentation that are relevant to the subject site and this report.

National Planning Policy Framework (NPPF) (2019)

The Framework was updated on 20 July 2021 and sets out the Governments planning policies for England and how these are expected to be applied. At the heart of the Framework is the "presumption in favour of sustainable development" which for decision-making means: -

- "approving development proposals that accord with an up-to-date development plan without delay; or
- where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date, granting permission unless:
 - I. the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed; or
 - II. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies of this Framework taken as a whole". The Framework defines sustainable development as three overarching objectives: economic; social; environmental. Paragraph 9 of the Framework says that the objectives "should be delivered through the... application of [its] policies", but that "they are not criteria against which every decision can or should be judged".

The focus of the Framework is on the delivery of new houses. Indeed, it confirms at Paragraph 60 that Government's objective is "significantly boosting the supply of homes". To help achieve that objective, the Framework requires local planning authorities to do several things, including ensuring that there is always a specific five-year supply of deliverable housing sites (Paragraph 74). The Framework sets out how housing land supply should be calculated and sets out the implications for planning application decision-making where an LPA cannot demonstrate a five-year supply of deliverable housing land.

There is a focus towards early engagement with Local Planning Authorities by developers, which the applicant has sought to do prior to the submission of a formal planning application.

Of reference is paragraph 58, which states that: "Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available."

The Planning Practice Guidance ("the Guidance") provides greater detail regarding the inputs required in a Viability Assessment. We understand that in time this might lead to a standardised template, but that as yet has not been made available.

Regarding affordable housing, paragraph 65 states:

"Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:

- a) provides solely for Build to Rent homes;
- b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);
- c) is proposed to be developed by people who wish to build or commission their own homes; or
- d) is exclusively for affordable housing, an entry-level exception site or a rural exception site."

Local Development Plan – The Doncaster Local Plan (2021)

The development plan applicable to this residential development is The Doncaster Local Plan which was adopted on 23 September 2021. The Local Plan is now the statutory development plan for Doncaster Council and replaces the Core Strategy and the saved policies of the Unitary Development Plan. Planning applications must be determined in accordance with the development plan unless material considerations indicate otherwise. The site is allocated for new residential development within the Doncaster Local Plan, under Policy PHD09.

Planning Permissions

The site currently benefits from outline planning permission (ref: 19/01514/OUTM). These proposals are to form the basis of a reserved matters planning application for the development of 63 new residential dwellings relating to the previously consented outline planning application. The proposed scheme will be a high-quality development, providing a collection of one, two, three and four bedroom properties, with a mixture of maisonette, semi-detached and detached dwelling types.

S.106 Contributions

Details of the anticipated S106 contributions following the reserved matters planning application are as follows:

Affordable Housing

An overall requirement of 15% being nine units.

Education

As the education contribution attached to the outline planning consent is index linked, we have updated this using Retail Price Index figures. Using this approach we consider that a contribution of £248,424 is required.

Community Infrastructure Levy (CIL)

Doncaster Council has made the decision not to make CIL chargeable on new developments within the Borough at the present time, given the Government has stated an intention to replace CIL with a nationally set Infrastructure Levy.

We understand that Doncaster Council do not stipulate transfer values for affordable units and have therefore assumed all affordable rent units will achieve 55% of open market value and intermediate units will achieve 75% of open market value.

4. Development Proposals

As detailed above, we have assumed that full planning approval has been obtained on these proposals for the purposes of our assessment.

The Developer has also provided us with a copy of their most recent accommodation schedule for the proposed development. We detail this below:

| House Type | House Type Description | Area (sq ft) | Quantity | Total Area (sq ft) |
|--------------|------------------------------------|--------------|-----------|--------------------|
| Whitebream 2 | 1 bedroom maisonette 2 storey | 538 | 2 | 1,076 |
| Whitebream 2 | 1 bedroom maisonette 2 storey | 733 | 2 | 1,466 |
| Whitebream 3 | 1 bedroom maisonette 2 storey | 640 | 2 | 1,280 |
| Whitebream 3 | 2 bedroom maisonette 2 storey | 755 | 2 | 1,510 |
| Ripponden | 2 bedroom semi-detached 2 storey | 753 | 10 | 7,530 |
| Ripponden | 2 bedroom end-terrace 2 storey | 753 | 2 | 1,506 |
| Ripponden | 2 bedroom mid-terrace 2 storey | 753 | 1 | 753 |
| Dalton | 3 bedroom semi-detached 2 storey | 908 | 8 | 7,264 |
| Saxton | 3 bedroom detached 2 storey | 939 | 8 | 7,512 |
| Saxton | 3 bedroom semi-detached 2 storey | 939 | 4 | 3,756 |
| Burneston | 3 bedroom detached 2 storey | 1,012 | 2 | 2,024 |
| Grassington | 3 bedroom semi-detached 2.5 storey | 970 | 10 | 9,700 |
| Grassington | 3 bedroom end-terrace 2.5 storey | 970 | 2 | 1,940 |
| Grassington | 3 bedroom mid-terrace 2.5 storey | 970 | 1 | 970 |
| Silkstone | 4 bedroom detached 2 storey | 1,223 | 1 | 1,223 |
| Ledsham | 4 bedroom detached 2.5 storey | 1,138 | 6 | 6,828 |
| TOTAL | | | 63 | 56,338 |

We understand that the existing buildings on the site will be demolished as part of the development proposal. An area at the north of the site will include an underground surface water attenuation tank in addition to a local equipment area for play (LEAP). We provide a copy of the site plan below:



Old Policy Compliant Accommodation Schedule

As previously detailed, the site has previously obtained outline planning consent for new residential development. The adopted local planning policy at the time of this site gaining planning consent has now been replaced by updated local planning policy.

The Local Planning Authority's previous policy was for developments of this size and nature within this area of Doncaster to deliver a 26% mixed tenure affordable housing provision, where this can be supported. In our assessment of a scheme compliant with previous planning policy, we have therefore assumed the following notional tenure split:

- Private dwellings – 47 dwellings – 44,982 sq ft
- Affordable dwellings – 16 dwellings – 11,356 sq ft

For the purposes of our *past policy compliant assessment*, we have notionally assumed the following accommodation and tenure split.

| House Type | House Type Description | Area (sq ft) | Quantity | Total Area (sq ft) |
|-----------------------------------|----------------------------------|--------------|-----------|--------------------|
| AFFORDABLE DWELLINGS | | | | |
| Whitebream 2 | 1 bedroom maisonette 2 storey | 538 | 2 | 1,076 |
| Whitebream 2 | 1 bedroom maisonette 2 storey | 733 | 2 | 1,466 |
| Whitebream 3 | 1 bedroom maisonette 2 storey | 640 | 2 | 1,280 |
| Whitebream 3 | 2 bedroom maisonette 2 storey | 755 | 2 | 1,510 |
| Ripponden | 2 bedroom semi-detached 2 storey | 753 | 5 | 3,765 |
| Ripponden | 2 bedroom end-terrace 2 storey | 753 | 2 | 1,506 |
| Ripponden | 2 bedroom mid-terrace 2 storey | 753 | 1 | 753 |
| Total Affordable Dwellings | | | 16 | 11,356 |
| PRIVATE DWELLINGS | | | | |
| Ripponden | 2 bedroom semi-detached 2 storey | 753 | 5 | 3,765 |
| Dalton | 3 bedroom semi-detached 2 storey | 908 | 8 | 7,264 |
| Saxton | 3 bedroom detached 2 storey | 939 | 8 | 7,512 |

| House Type | House Type Description | Area (sq ft) | Quantity | Total Area (sq ft) |
|--------------------------------|------------------------------------|--------------|-----------|--------------------|
| Saxton | 3 bedroom semi-detached 2 storey | 939 | 4 | 3,756 |
| Burneston | 3 bedroom detached 2 storey | 1,012 | 2 | 2,024 |
| Grassington | 3 bedroom semi-detached 2.5 storey | 970 | 10 | 9,700 |
| Grassington | 3 bedroom end-terrace 2.5 storey | 970 | 2 | 1,940 |
| Grassington | 3 bedroom mid-terrace 2.5 storey | 970 | 1 | 970 |
| Silkstone | 4 bedroom detached 2 storey | 1,223 | 1 | 1,223 |
| Ledsham | 4 bedroom detached 2.5 storey | 1,138 | 6 | 6,828 |
| Total Private Dwellings | | | 47 | 44,982 |
| TOTAL OVERALL | | | 63 | 56,338 |

Current Policy Accommodation Schedule

Current adopted local planning policy in Doncaster sets out that developments of this size and nature within this area the Borough must deliver a 15% mixed tenure affordable housing provision, where this can be supported. In our assessment of a policy compliant scheme, we have therefore assumed the following notional tenure split:

- Private dwellings – 54 dwellings – 50,253 sq ft
- Affordable dwellings – 9 dwellings – 6,085 sq ft

For the purposes of our *current policy compliant assessment*, we have notionally assumed the following accommodation and tenure split.

| House Type | House Type Description | Area (sq ft) | Quantity | Total Area (sq ft) |
|-----------------------------|-------------------------------|--------------|----------|--------------------|
| AFFORDABLE DWELLINGS | | | | |
| Whitebreem 2 | 1 bedroom maisonette 2 storey | 538 | 2 | 1,076 |
| Whitebreem 2 | 1 bedroom maisonette 2 storey | 733 | 2 | 1,466 |
| Whitebreem 3 | 1 bedroom maisonette 2 storey | 640 | 2 | 1,280 |

| House Type | House Type Description | Area (sq ft) | Quantity | Total Area (sq ft) |
|-----------------------------------|------------------------------------|--------------|-----------|--------------------|
| Whitebream 3 | 2 bedroom maisonette 2 storey | 755 | 2 | 1,510 |
| Ripponden | 2 bedroom mid-terrace 2 storey | 753 | 1 | 753 |
| Total Affordable Dwellings | | | 9 | 6,085 |
| PRIVATE DWELLINGS | | | | |
| Ripponden | 2 bedroom semi-detached 2 storey | 753 | 10 | 7,530 |
| Ripponden | 2 bedroom end-terrace 2 storey | 753 | 2 | 1,506 |
| Dalton | 3 bedroom semi-detached 2 storey | 908 | 8 | 7,264 |
| Saxton | 3 bedroom semi-detached 2 storey | 939 | 4 | 3,756 |
| Saxton | 3 bedroom detached 2 storey | 939 | 8 | 7,512 |
| Burneston | 3 bedroom detached 2 storey | 1,012 | 2 | 2,024 |
| Grassington | 3 bedroom semi-detached 2.5 storey | 970 | 10 | 9,700 |
| Grassington | 3 bedroom end-terrace 2.5 storey | 970 | 2 | 1,940 |
| Grassington | 3 bedroom mid-terrace 2.5 storey | 970 | 1 | 970 |
| Silkstone | 4 bedroom detached 2 storey | 1,223 | 1 | 1,223 |
| Ledsham | 4 bedroom detached 2.5 storey | 1,138 | 6 | 6,828 |
| Total Private Dwellings | | | 54 | 50,253 |
| TOTAL OVERALL | | | 63 | 56,338 |

5. Approach to Financial Viability Assessment

To improve clarity and accountability it is an expectation that any viability assessment is prepared with professional integrity by a suitably qualified practitioner and presented in accordance with National Planning Guidance and industry guidance. Practitioners should therefore ensure that the findings of a viability assessment are presented clearly.

Financial viability for planning purposes is defined within the RICS guidance note (GN94/2012) as *'An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations, while ensuring an appropriate Site Value for the landowner and a market risk adjusted return to the developer in delivering that project.'*

The assessment of financial viability is therefore an accepted principle in national planning policy, in the context of delivering development. Planning policy identifies Existing Use Value (EUV) as the starting point for assessing the uplift in value, or premium, which is required to incentivise the release of land. This must be considered having regard to the site value in the context of the development proposed. In this respect, the residual method is recognised as the basis for establishing site value in the context of a specific development proposal. It is therefore necessary to consider the EUV in addition to the site value supported by the scheme when considering any uplift in value and financial viability.

The residual method, recognises that the value of a development scheme is a function of several elements:

- the value of the completed development, also known as the gross development value (GDV);
- the direct costs of developing the property;
- the return to the developer for taking the development risk and delivering the scheme;
- the cost of any planning obligations, and
- the cost or value of the site

The residual method of valuation is typically used in two basic ways. In the first instance (option one) it can be used to assess the level of return (profit) generated from the proposed project where the cost of the land is an input into the appraisal. In the second option it can be used to establish a 'residual site value' by inputting a predetermined level of profit. The consequential outputs of options one and two can then be compared to a benchmark to assess the viability of the scheme.

For the purposes of this assessment, we have adopted the first option. This can be expressed through the simple calculation below:

Gross Development Value (GDV) (minus) Total Costs (including Land Value) = Developer's Profit

The approach is to value the completed development as proposed, the Gross Development Value (GDV), which in this instance includes the value of the private sale and the affordable dwellings. Construction costs including housing build, externals, infrastructure, professional fees, development abnormalities and sale fees, etc. are then deducted from the resulting GDV. The amount by which the GDV exceeds the total cost equates to a surplus. This surplus can be used to support developer's profit, land value and other contributions or allowances.

Developer's Profit

A key element of viability is to allow a risk adjusted market return to the developer. Without this there is no commercial justification to a developer investing money into a site. Profit can be considered a reflection of development risk. Paragraph 018 of PPG states that 15% to 20% of Gross Development Value may be considered a suitable return to developers.

In our opinion, Carcroft is a reasonably good housing market area and is situated a commutable distance from the major employment areas of Doncaster, Wakefield and Leeds. The site is situated in an attractive edge of town location, which benefits from a semi-rural position and aspect.

There are several risks associated with the site, such as the significant levelling issues, which have impacted on the amount of abnormal costs associated with the proposed development. Risks associated with the site include the significant remediation work required as well as the need for a pumping station on the northern boundary of the site. These factors have impacted on the amount of abnormal costs associated with the proposed development.

As a result, we would expect that a developer would require a profit of at least 17.50% on GDV to undertake a residential scheme on the subject site.

Sensitivity Analysis

We have appraised three scenarios in support of this assessment and in keeping with acceptable practice, have undertaken sensitivity analysis to identify the impact of these scenarios on the level of Developer's profit within the proposed scheme.

The first scenario assumes a policy compliant Section 106 agreement scheme, in terms of the old adopted local planning policy which was the adopted local policy when outline planning consent for the site was achieved. This scenario assumes the provision of 26% mixed tenure affordable housing on site, together with an assumed per dwelling monetary contribution in respect of additional Section 106 agreement obligations, as advised by the Developer and discussed in more detail in Section 3 of this report.

The second scenario considers the viability of the proposed development based on an assumed current policy compliant Section 106 agreement scheme. This assumes the provision of 15% mixed tenure affordable housing on site, together with an assumed per dwelling monetary contribution in respect of additional Section 106 agreement obligations.

The third scenario assumes a non-policy compliant scheme, providing zero affordable housing but still providing the assumed per dwelling monetary contribution, in respect of additional Section 106 agreement obligations.

Viability Assessment Approach

We have carried out this Viability Assessment on a desktop basis and have relied upon the information which has been supplied by the Developer, subject to our own independent assessment where necessary. We have also undertaken our own due diligence and applied our own knowledge and experience of the local market and development sector. This includes the assessment and interpretation of comparable evidence.

Our assessment of financial viability therefore considers and the site's EUV and the value of the subject site, as supported by the proposed development. Typically, these values would be considered having regard to the level of premium that a landowner can reasonably be expected to require as an incentive to bring the site forward for the development intended, as defined by the guidance.

However, in this instance, as the EUV is determined as being the value of the site with the benefit of implementable outline planning consent for residential development, we consider that this value also is reflective of the Benchmark Land Value. In this instance, we do not consider it appropriate to add a premium to the EUV to arrive at the Benchmark Land Value, as the premium the landowner would receive is implicit within the uplift in land value achieved when the site is sold in the open market with the benefit of such consent.

Furthermore, our assessment of financial viability also seeks to address what would be considered as an appropriate level of profit for a developer to deliver this scheme in the market.

In undertaking this exercise, we have used the Argus Developer software package for assessing residual land value. This package is widely used within the development industry.

We are satisfied that the approach we have adopted reflects current industry guidance and practices.

6. Viability Analysis

As detailed above, we have approached our assessment of financial viability by considering the site's Existing Use Value (EUV) which in turn has informed the Benchmark Land Value. We have also considered what would be an appropriate level of profit or risk adjusted return for a developer to deliver this scheme in the market. We comment on each of these areas in turn, as follows:

Existing Use Value (EUV)

As the subject site currently benefits from outline planning consent for residential development, to establish the Existing Use Value, we have considered comparable land transactions in and around Carcroft, for sites which have sold with the benefit of planning consent for residential development.

In line with PPG guidance, we have made reasonable endeavours to obtain the full transaction details of the evidence below and where appropriate, identified any adjustments necessary to reflect the cost of policy compliance (including affordable housing), or differences in the quality of land and site scale.

It should be noted certain information can be difficult to verify first-hand, given the lack of transparency within the residential land sector, compared to other property sectors. Also, each site and each development proposal have specific characteristics and factors which impact on value.

We detail our evidence of relevant land transactions below, highlighting any updated evidence for clarity.

| Address | Developer | Size | Price | Date of Sale | Comments |
|--|--|---------------------------|-----------------------------------|--------------|---|
| Land lying to the north of Common Lane, Norton, Doncaster | Sold at auction | 0.54 acres (0.22 ha) | £176,500 (£326,852 per acre) | Dec-21 | <ul style="list-style-type: none"> Former grazing land which was sold at auction with planning consent for four detached residential development. |
| Land on the west side of Lakeside Boulevard, Doncaster | Keepmoat Homes - Cygnet | 3.7 acres (1.5 ha) | £1,638,000 (£442,703 per acre) | Mar-21 | <ul style="list-style-type: none"> Keepmoat Homes secured planning permission for 156 units comprising of both residential houses and flats. The scheme includes 41 affordable units reflecting a 26% affordable housing provision. S.106 contributions included an ecology contribution of £300,000, an education contribution of £778,967, an open space contribution of £346,575 and a travel plan monitoring contribution of £10,000. |
| Mount Vernon Hospital, Mount Vernon Road, Barnsley | Orion Homes - Mount Vernon Place | 6.56 acres (2.65 ha) | £1,500,000 (£228,659 per acre) | Apr-21 | <ul style="list-style-type: none"> S.106 contributions included an education contribution as well as a Public Open Space contribution. As part of the signed S.106 the developer was required to pay a commuted sum of £193,180 in a location where there is a policy requirement of 10% affordable housing. We are also aware that there was £715,014 of abnormal costs associated with the site. |
| Land at Doncaster Rail Maintenance Depot, Ramsden Road, Hexthorpe, Doncaster | Countryside Properties - Pullman Green | 70.62 acres (28.58 ha) | £7,920,000 (£112,150 per acre) | Dec-20 | <ul style="list-style-type: none"> As part of the S.106, the development was required to provide a 25% provision for affordable housing. The developer was able to negotiate out of paying any further contributions through a S.106 agreement. We understand that there was approximately £8,000,000 of abnormal costs associated with the site. |

| Address | Developer | Size | Price | Date of Sale | Comments |
|---|--|-------------------------|-----------------------------------|--------------|---|
| Former Eastfield Hall Care Home, Moss Road, Askern, Doncaster | Highstone Homes – Eastfield Hall Close | 1.27 acres (0.51 ha) | £372,000 (£292,913 per acre) | Jun-18 | <ul style="list-style-type: none"> Highstone Homes gained planning permission for 28 supported living accommodation. As the development is of a C2 Use Class it therefore benefited from limited 'planning gain' contributions and no requirement to provide affordable housing. |
| Land on the north side of Ridge Balk Lane, Woodlands, Doncaster | Heneghan Homes – Woodland Ridge | 1.09 acres (0.44 ha) | £315,000 (£288,991 per acre) | Feb-17 | <ul style="list-style-type: none"> Heneghan Homes achieved planning consent for 14 units. As this scheme comprised of less than 15 units and the site area is below 0.5 ha there was no requirement for the provision of affordable housing. We understand that the developer paid an open space commuted sum of £38,500. |
| Land on the west side of Carr House Road, Doncaster | Hooper Homes – Thorpe Gardens | 4.36 acres (1.77 ha) | £2,000,000 (£458,716 per acre) | Mar-20 | <ul style="list-style-type: none"> Hooper Homes gained planning consent for 66 units in February 2020. The developer paid a commuted sum of £280,962 in lieu of any on site affordable housing. This was in the context of an affordable housing policy requiring the provision of 26% affordable housing. As part of the S.106 agreement the developer paid an education commuted sum of £180,000 and a transport bond contribution of £7,143.84. |
| Land on the south side of Sheffield Road, Warmsworth, Doncaster | Ben Bailey Homes – The Halt | 1.67 acres (0.67 ha) | £663,000 (£397,006 per acre) | Jul-20 | <ul style="list-style-type: none"> Ben Bailey Homes achieved planning consent for 19 units in April 2020. The scheme provided an affordable provision of 26%. As part of the S.106 agreement the developer paid an education commuted sum of £60,715 and an open space commuted sum of £55,000. |

| Address | Developer | Size | Price | Date of Sale | Comments |
|--|---|--------------------------|-----------------------------------|--------------|--|
| Land at Lakeside Boulevard, Gliwice Way, Doncaster | Lovell Partnerships - Willow Grange | 13.79 acres (5.58 ha) | £6,720,000 (£487,309 per acre) | Dec-17 | <ul style="list-style-type: none"> The development consists of 147 new residential units. 5 affordable units were delivered on the scheme which equates to an affordable housing provision of 3%. As part of the S.106 the developer paid a biodiversity contribution of £18,000, a bus contribution of £10,000, a cycle path contribution of £10,000, an open space contribution of £183,354.51, a school contribution of £376,433 and a travel plan contribution of £15,442.35. |

We consider that transactions made for the land at Common Lane, the Woodland Ridge scheme by Heneghan Homes as well as both Keepmoat Homes' and Lovell Partnerships' transactions for land at Doncaster Lakeside provide a useful reference point in terms of the Existing Use Value of the subject site, given the location and quality of these developments.

The Willow Grange scheme by Lovell Partnerships and the Cygnet development by Keepmoat Homes are situated approximately 6 miles south east of the subject site in the Doncaster Lakeside area. The Willow Grange site extends to circa 5.58 hectares (13.79 acres) and was purchased in December 2017 for £6,720,000 which devalues to circa £487,309 per acre. The Cygnet site is approximately 1.5 hectares (3.7 acres) and was purchased in March 2021 for £1,638,000. This devalues to approximately £442,703 per acre.

We would consider these sites to be a relevant land comparable. However as Carcroft is a less valuable housing market and housing land market area, it may be argued that land in Carcroft is less valuable than land at the Doncaster Lakeside area and would therefore achieve lower capital values per acre in comparison. These transactions can therefore be seen as useful upper limit reference points in terms of the Existing Use Value of the subject site

The Woodland Ridge development by Heneghan Homes is situated approximately 1.5 miles south west of the subject site in Woodlands. The site extends approximately 0.44 hectares (1.09 acres) and comprises of 12 new build residential dwellings. We understand that the site was purchased in February 2017 for £315,000, equating to £288,991 per acre. We understand that this scheme did not deliver any affordable housing due delivering less than 15 units on a site of under 0.5 hectares. The developer paid an open space commuted sum of £38,500 as part of the S.106 agreement.

We would also consider this to be a relevant land comparable due to the proximity of this development to the subject site and as Woodlands is a similar value housing market area in comparison to Carcroft. Although due to recent growth in both the local housing market and the housing land market, it may be argued that this land could be more valuable now, the development did not provide any affordable housing, and this will have

significantly impacted the land value. This is also the case for the Eastfield Hall Close scheme by Highstone Homes as this scheme is of a C2 Use Class it therefore benefited from limited planning gain contributions and no requirement to provide affordable housing. We consider that due to these schemes providing no affordable housing units that the land values achieved here will be higher than what would be achieved for the subject site.

The land at Common Lane is situated approximately 3.3 miles north of the subject site in Norton. This land was sold at auction with planning permission for four detached units in December 2021. The site extends approximately 0.22 hectares (0.54 acres). We understand that the site was sold for £176,500, which equates to £326,852.

We consider that the subject site will achieve lower capital values per sq acre. This is due the smaller scale and quantum of the Common Lane site which allows it to achieve a high price per acre. Furthermore, further value is added to the land here as the development at Common Lane will likely provide no affordable housing and limited planning gain contributions.

We consider that the Pullman Green development by Countryside Properties can be seen as a lower limit reference point in terms of the Existing Use Value of the subject site. This is because of the large scale of this development which we consider to, typically, achieve lower capital values per acre than smaller sites.

Based on the location of the site, the specific site characteristics and the comparable evidence listed above, we consider the residential land value of the subject site, assuming it had planning consent for the scheme Newett Homes are proposing, to be in the order of **£225,000 per acre**. Accordingly, it is our view that this value represents the base value against which any site value should be compared with, in terms of the assessment of financial viability.

Benchmark Land Value

Para 013 of the PPG provides guidance on the issue of benchmark land values and states that:

“A benchmark land value should be established on the basis of the Existing Use Value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called ‘Existing Use Value plus (EUV+)’”

In determining the benchmark land value, PPG states at Para 014 what factors should be considered when establishing the benchmark land value. It states that the benchmark land value should:

- Be based upon Existing Use Value (EUV);
- Allow for a premium to landowners;
- Reflect the implications of abnormal costs; site specific infrastructure costs; and professional fees; and
- Be informed by market evidence including current uses, costs and values. Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

We are of the opinion that as the site currently benefits from outline planning consent for a residential development scheme, we consider the Benchmark Land Value in this instance will be in line with the Existing Use Value of the site. As discussed above, any developer purchasing the site in the open market would look to pay the landowner the value of the site with the benefit of this planning permission, rather than the value of the arable land that currently occupies the site.

Whilst it is typically accepted practice that a Benchmark land Value is the Existing Use Value plus a premium, we do not consider the addition of a premium to be appropriate in this instance, as the EUV is reflective of the uplift in land value because of the benefit of planning consent for residential development on site. This implicitly applies a premium to the land, over and above its current use.

It is therefore our opinion that a landowner’s expectation in respect of the sale of the subject site would be to achieve a value in the region of £1,039,500 for the site, which reflects a land value of £225,000 per acre. We consider this land value to be supported by the comparable evidence discussed in the EUV section above.

Residual Site Value – Proposed Development of 63 Residential Dwellings

We have appraised the proposed development using the Argus Developer software. The appraisal represents an analysis of the development intended where the land value is a residual element derived from several variables, predominantly Gross Development Value and Total Development Costs, including the return to the developer for taking the development risk and delivering the scheme (profit). We detail our assessment of each of these variables in respect of the development proposed as follows:

Comparable Residential Sales Values

To assess the likely sales values achievable at the subject site, we have undertaken research into the new homes market in and surrounding Carcroft. We consider the most comparable schemes are set out below:

Keepmoat Homes – Skylark Grange, Long Lands Lane, Woodlands, DN5

Situated circa 1.7 miles to the south west of the site is the new Keepmoat Homes scheme. Skylark Grange provides a collection of two, three and four bedrooms homes, offering a range of detached and semi-detached house types. The site occupies a similar 'edge of town' location to the subject site.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|-----------------|---------------|--------------|------------|-----------------|-----------|
| 18 Miners Drive | Semi-detached | 1,054 | £184,995 | £175 | Sep-21 |
| 10 Miners Drive | Semi-detached | 1,054 | £192,995 | £183 | Aug-21 |
| 14 Miners Drive | Semi-detached | 645 | £144,995 | £225 | Aug-21 |
| 23 Miners Drive | Semi-detached | 1,054 | £190,995 | £181 | Aug-21 |
| 17 Miners Drive | Semi-detached | 1,054 | £190,995 | £181 | Jul-21 |
| 4 Miners Drive | Semi-detached | 645 | £142,995 | £221 | Jun-21 |
| 15 Miners Drive | Semi-detached | 1,054 | £190,995 | £181 | Jun-21 |
| 39 Creek Drive | Terraced | 645 | £141,995 | £220 | May-21 |
| 21 Miners Drive | Semi-detached | 764 | £162,995 | £213 | May-21 |
| 7 Miners Drive | Semi-detached | 645 | £142,995 | £221 | Apr-21 |
| 9 Miners Drive | Semi-detached | 764 | £162,995 | £213 | Apr-21 |
| 3 Miners Drive | Semi-detached | 645 | £142,995 | £221 | Apr-21 |
| 1 Miners Drive | Semi-detached | 645 | £142,995 | £221 | Apr-21 |

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|-----------------|------------|--------------|------------|-----------------|-----------|
| 11 Miners Drive | Detached | 764 | £162,995 | £213 | Apr-21 |
| 5 Miners Drive | Detached | 645 | £142,995 | £221 | Apr-21 |
| 41 Creek Drive | Detached | 645 | £142,995 | £221 | Apr-21 |
| 37 Creek Drive | Terraced | 645 | £141,500 | £219 | Apr-21 |
| 33 Creek Drive | Detached | 861 | £187,995 | £218 | Apr-21 |
| Average | | | | £208 | |

The Skylark Grange is a useful comparable as it is the closest recent new build development which we have been able to transactional evidence from and many of the units on the scheme are of a similar size to the proposed units on the subject site. This scheme appears to have sold well, averaging a sales rate of approximately 3 units per month over the past two years. This indicates that there is strong demand for new housing in the local area.

We consider that the subject site occupies a similar value housing market area, however due to growth in the local housing market the proposed units on the subject site would achieve higher capital values per sq ft.

Keepmoat Homes – The Springs, Campsall Road, Askern, DN6

Situated circa 2.3 miles to the north of the subject site is The Springs development. This large development provides 227 new build dwellings offering a range of terraced, semi-detached, and detached properties. All of the units appear to have now been sold.

We have not been able to obtain any new build sales evidence from the Land Registry on this scheme, however, we present below the current asking prices for the scheme.

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|----------------------|------------|--------------|------------|-----------------|-----------|
| 74 Llewelyn Crescent | Terraced | 839 | £130,995 | £156 | Oct-20 |
| 84 Llewelyn Crescent | Terraced | 839 | £129,995 | £155 | Oct-20 |
| 82 Llewelyn Crescent | Terraced | 839 | £131,995 | £157 | Oct-20 |
| 76 Llewelyn Crescent | Terraced | 839 | £131,995 | £157 | Oct-20 |
| 78 Llewelyn Crescent | Detached | 1,044 | £160,995 | £154 | Sep-20 |
| 86 Llewelyn Crescent | Terraced | 1,054 | £154,995 | £147 | Sep-20 |
| 57 Llewelyn Crescent | Terraced | 839 | £130,995 | £156 | Aug-20 |

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|----------------------|---------------|--------------|------------|-----------------|-----------|
| 45 Llewelyn Crescent | Semi-detached | 839 | £129,995 | £155 | Jun-20 |
| 10 Bathhouse Lane | Detached | 1,044 | £159,995 | £153 | Mar-20 |
| 12 Bathhouse Lane | Detached | 1,044 | £159,995 | £153 | Mar-20 |
| 49 Llewelyn Crescent | Semi-detached | 839 | £129,995 | £155 | Mar-20 |
| 47 Llewelyn Crescent | Semi-detached | 839 | £129,995 | £155 | Mar-20 |
| 8 Bathhouse Lane | Detached | 1,044 | £155,995 | £149 | Feb-20 |
| 43 Llewelyn Crescent | Semi-detached | 839 | £129,995 | £155 | Feb-20 |
| 6 Bathhouse Lane | Semi-detached | 1,054 | £156,995 | £149 | Feb-20 |
| 4 Bathhouse Lane | Semi-detached | 1,054 | £156,995 | £149 | Feb-20 |
| 58 Airstone Road | Detached | 1,044 | £155,995 | £149 | Jan-20 |
| 2 Bathhouse Lane | Detached | 1,140 | £182,995 | £160 | Jan-20 |
| Average | | | | £154 | |

We consider this scheme by Keepmoat Homes to be situated in a lower value housing market area than the subject site. Due to this and growth in the local housing market the proposed units on the subject site would achieve higher capital values per sq ft.

Gleeson Homes – Spa Fields, Sutton Road, Askern, Doncaster, DN6

This scheme comprises of 76 two, three and four bedroom units. The scheme is located approximately 2.6 miles north east of the subject site, just east of The Springs scheme by Keepmoat Homes. At the time of writing four units are currently being offered to the market.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|-----------------------|---------------|--------------|------------|-----------------|-----------|
| 81 St Peters Drive | Detached | 1,044 | £159,995 | £153 | Jun-21 |
| 64 St Peters Drive | Semi-detached | 818 | £143,995 | £176 | Jun-21 |
| 105 St Peters Drive | Semi-detached | 764 | £128,995 | £169 | Mar-21 |
| 103 St Peters Drive d | Semi-detached | 645 | £107,995 | £167 | Mar-21 |

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|---------------------|---------------|--------------|------------|-----------------|-----------|
| 74 St Peters Drive | Semi-detached | 645 | £104,995 | £163 | Mar-21 |
| 109 St Peters Drive | Detached | 818 | £148,995 | £182 | Feb-21 |
| 72 St Peters Drive | Semi-detached | 764 | £134,995 | £177 | Feb-21 |
| 83 St Peters Drive | Detached | 775 | £137,995 | £178 | Sep-20 |
| 2 St Peters Drive | Detached | 1,065 | £171,995 | £161 | Aug-20 |
| 91 St Peters Drive | Detached | 1,044 | £143,995 | £138 | Jul-20 |
| 89 St Peters Drive | Detached | 775 | £169,995 | £219 | Jul-20 |
| Average | | | | £193 | |

The Gleeson Homes, Spa Fields scheme is a recent new residential development in close proximity of the subject site and therefore provides a useful comparable. However, based on our experience in the market and our visibility of the Gleeson Homes product, size and specification, we consider that the proposed units at the subject site would achieve a higher capital value per sq ft.

Persimmon Homes - Hastings Place, Watch House Lane, Bentley Rise, Doncaster, DN5

This development by Persimmon Homes is situated c. 3 miles to the south of the subject site and provides a large development of 170 homes, offering two, three and four bedroom homes. The development offers a range of terraced, semi-detached and detached homes.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|-------------------|---------------|--------------|------------|-----------------|-----------|
| 68 Dominion Road | Detached | 850 | £180,000 | £212 | Nov-20 |
| 66 Dominion Road | Detached | 1,065 | £219,999 | £206 | Oct-20 |
| 74 Dominion Road | Semi-detached | 850 | £170,000 | £200 | Sep-20 |
| 72 Dominion Road | Semi-detached | 850 | £170,000 | £200 | Sep-20 |
| 9 Union Drive | Detached | 947 | £190,000 | £201 | Aug-20 |
| 102 Dominion Road | Detached | 1,065 | £210,000 | £197 | Jul-20 |
| 110 Dominion Road | Terraced | 893 | £154,999 | £173 | Jun-20 |

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|-------------------|---------------|--------------|------------|-----------------|-----------|
| 108 Dominion Road | Terraced | 893 | £145,000 | £162 | Jun-20 |
| 98 Dominion Road | Detached | 1,205 | £225,999 | £187 | Jun-20 |
| 131 Dominion Road | Terraced | 893 | £145,000 | £162 | Jun-20 |
| 100 Dominion Road | Detached | 850 | £175,000 | £206 | Jun-20 |
| 106 Dominion Road | Terraced | 893 | £155,000 | £173 | Jun-20 |
| 104 Dominion Road | Detached | 850 | £175,000 | £206 | Jun-20 |
| 1 Dominion Road | Detached | 947 | £200,000 | £211 | May-20 |
| 129 Dominion Road | Terraced | 893 | £159,999 | £179 | May-20 |
| 1 Union Drive | Detached | 947 | £194,999 | £206 | May-20 |
| 3 Union Drive | Detached | 1,205 | £225,999 | £187 | Apr-20 |
| 5 Union Drive | Detached | 1,065 | £219,999 | £206 | Apr-20 |
| 8 Union Drive | Detached | 850 | £179,990 | £212 | Feb-20 |
| 43 Union Drive | Semi-detached | 678 | £127,999 | £189 | Feb-20 |
| 6 Union Drive | Detached | 947 | £192,999 | £204 | Feb-20 |
| 41 Union Drive | Semi-detached | 742 | £127,999 | £172 | Feb-20 |
| Average | | | | £193 | |

We consider the Hastings Place scheme to be situated in a slightly higher value housing market area to the subject site. However, due to growth in the local housing market the proposed units on the subject site would achieve higher capital values per sq ft than the units on the Persimmon Homes development.

Taylor Wimpey – Wheatley Hall Mews, Wheatley Hall Road, Doncaster, DN2

Wheatley Hall Mews is a new collection of three and four bedroom properties located in Doncaster, circa 3.8 miles to the south east of the subject site. This development of 145 units includes a range of two, three and four bedroom dwellings.

Although we have been unable to find any evidence of recent transactions on this scheme, we have collected we have conducted a search of the asking prices of units currently being marketed to provide the following evidence:

| Unit Type | House Type | Area (sq ft) | Asking Price | Asking Price per sq ft |
|----------------|---------------|--------------|--------------|------------------------|
| Gosford | Mid-Terrace | 866 | £209,995 | £242 |
| Gosford | End-terrace | 866 | £219,995 | £254 |
| Gosford | Semi-detached | 866 | £223,995 | £259 |
| Easedale | End-terrace | 931 | £219,995 | £236 |
| Easedale | Semi-detached | 931 | £221,995 | £238 |
| Braxton | Semi-detached | 1,092 | £232,995 | £213 |
| Average | | | | £241 |

The evidence in the table above is indicative of asking prices only, due to the information available.

We consider this to be useful comparable evidence as this is the current pricing that Taylor Wimpey expects to be achievable for units in the surrounding area. We note that this scheme is located within a higher value housing market area and consider that the proposed units on the subject site would achieve lower capital values per sq ft on average.

Barratt Homes – Park Edge, Wheatley Hall Road, Doncaster, DN2

This scheme is located directly to the west of Taylor Wimpey's. Wheatley Hall Mews scheme This development comprises of 188 units including a mix of two, three and four bedroom homes.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|------------------|---------------|--------------|------------|-----------------|-----------|
| 11 Farmall Drive | Detached | 850 | £205,000 | £241 | Jun-21 |
| 9 Farmall Drive | Semi detached | 828 | £186,000 | £224 | May-21 |

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|---------------------|---------------|--------------|------------|-----------------|-----------|
| 7 Farmall Drive | Semi detached | 828 | £180,000 | £217 | Apr-21 |
| 3 Farmall Drive | Semi detached | 828 | £188,000 | £227 | Apr-21 |
| 20 Harvester Lane | Semi detached | 1,119 | £206,146 | £184 | Mar-21 |
| 4 Farmall Drive | Detached | 936 | £227,000 | £242 | Mar-21 |
| 6 Farmall Drive | Detached | 1,076 | £248,000 | £230 | Mar-21 |
| 16 Harvester Lane | Detached | 1,227 | £272,995 | £222 | Mar-21 |
| 1 Farmall Drive | Detached | 936 | £224,995 | £240 | Mar-21 |
| 22 Harvester Lane | Semi detached | 1,119 | £216,995 | £194 | Mar-21 |
| 27 Yarborough Drive | Detached | 1,076 | £249,000 | £231 | Feb-21 |
| 18 Harvester Lane | Detached | 1,108 | £249,995 | £225 | Jan-21 |
| Average | | | | £223 | |

We have also contacted the sales team for this development to collect current asking prices for units currently being marketed on the scheme.

| Unit Type | House Type | Area (sq ft) | Asking Price | Asking Price per sq ft |
|------------|-------------|--------------|--------------|------------------------|
| Moresby | Detached | 855 | £230,000 | £269 |
| Moresby | Detached | 855 | £238,000 | £278 |
| Moresby | Detached | 855 | £238,000 | £278 |
| Kingsville | End-terrace | 1,072 | £245,000 | £229 |
| Kingsville | Detached | 1,072 | £245,000 | £229 |
| Denby | Detached | 880 | £255,000 | £290 |
| Chester | Detached | 1,032 | £265,000 | £257 |
| Chester | Detached | 1,032 | £267,000 | £259 |
| Windermere | Detached | 1,073 | £272,000 | £253 |

| Unit Type | House Type | Area (sq ft) | Asking Price | Asking Price per sq ft |
|----------------|------------|--------------|--------------|------------------------|
| Windermere | Detached | 1,073 | £272,000 | £253 |
| Average | | | | £260 |

The evidence in the table above is indicative of asking prices only, due to the information available.

We consider the Park Edge development to possess a superior micro-location to the subject site due having better road connections than the subject site, overlooking a large woodland are and the River Don as well as being closer to more services and amenities than the subject property. We consider that the units on the subject site will, generally, achieve lower capital values per sq ft in comparison to the units on this scheme.

Albemarle Homes – Grove Farm, Grove Road, Kirk Sandall, DN3

This development of 95 new homes which has now been completed in full. The scheme comprises of a range of two, three and four bedroom dwellings. The scheme is located circa 4.1 miles south east of the subject site and has now been completed in full.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|---------------------|---------------|--------------|------------|-----------------|-----------|
| 6 Old School Drive | Semi detached | 710 | £145,950 | £205 | Dec-20 |
| 4 Old School Drive | Semi detached | 710 | £145,950 | £205 | Dec-20 |
| 40 Old School Drive | Semi detached | 882 | £169,950 | £193 | Nov-20 |
| 42 Old School Drive | Semi detached | 882 | £170,950 | £194 | Aug-20 |
| 50 Old School Drive | Semi detached | 882 | £170,950 | £194 | Aug-20 |
| 45 Old School Drive | Semi detached | 882 | £199,950 | £227 | Jun-20 |
| 38 Old School Drive | Detached | 882 | £199,950 | £227 | Jun-20 |
| 37 Old School Drive | Semi detached | 882 | £169,000 | £191 | May-20 |
| 53 Old School Drive | Semi detached | 688 | £144,9500 | £210 | Apr-20 |
| Average | | | | £198 | |

We consider that the subject site is located in a similar value housing market area to this scheme. Due to growth in the local housing market we consider that the proposed units on the subject site would achieve higher capital values per sq ft than the sales evidence we have collected for this site.

Lovell Homes – Willow Grange, Lake View, Doncaster, DN4

This development includes a collection of new two, three and four bedroom properties located south east of Doncaster City Centre, circa 5.6 miles to the south west of the subject site. The scheme includes 147 units offering a range of detached, semi-detached and terraced units.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|--------------------|-------------------|---------------------|-------------------|------------------------|------------------|
| 42 Chester Drive | Semi-detached | 871 | £199,000 | £228 | Nov-21 |
| 28 Pond Close | Semi-detached | 871 | £200,000 | £229 | Nov-21 |
| 26 Pond Close | Terraced | 871 | £200,000 | £229 | Nov-21 |
| 12 Pond Close | Semi-detached | 871 | £200,000 | £229 | Nov-21 |
| 10 Pond Close | Semi-detached | 871 | £200,000 | £229 | Nov-21 |
| 18 Pond Close | Semi-detached | 914 | £219,495 | £240 | Sep-21 |
| 22 Pond Close | Terraced | 914 | £219,995 | £240 | Sep-21 |
| 5 Lake View | Detached | 1,453 | £348,000 | £239 | Aug-21 |
| 8 Pond Close | Semi-detached | 710 | £169,495 | £239 | Jul-21 |
| 2 Pond Close | Semi-detached | 710 | £169,495 | £239 | Jun-21 |
| 17 Swan Road | Semi-detached | 871 | £208,995 | £240 | Jun-21 |
| 39 Lake View | Detached | 1,754 | £396,995 | £226 | Jun-21 |
| 15 Blackberry Road | Semi-detached | 914 | £215,995 | £236 | May-21 |
| 6 Swan Road | Semi-detached | 871 | £211,495 | £243 | May-21 |
| 5 Blackberry Road | Semi-detached | 775 | £179,995 | £232 | May-21 |
| 3 Blackberry Road | Semi-detached | 775 | £179,995 | £232 | May-21 |
| 9 Blackberry Road | Semi-detached | 775 | £179,995 | £232 | May-21 |
| 11 Blackberry Road | Semi-detached | 914 | £217,995 | £238 | Apr-21 |

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|-------------------|---------------|--------------|------------|-----------------|-----------|
| 1 Blackberry Road | Detached | 1,033 | £239,495 | £232 | Apr-21 |
| 7 Blackberry Road | Semi-detached | 775 | £179,995 | £232 | Apr-21 |
| 23 Chester Drive | Semi-detached | 710 | £168,995 | £238 | Apr-21 |
| Average | | | | £234 | |

This Lovell Homes scheme is located in the attractive Lakeside Doncaster area which overlooks the lakeside and has great connections to local amenities and is within close proximity to Doncaster Train Station which provides national services. This development has averaged a sales rate of approximately 3 units per month over the past year highlighting demand for new build residential housing within Doncaster.

We consider that due to the superior location of the Willow Grange that the proposed units on the subject site will achieve lower capital values per sq ft on average when compared to units of a similar size.

Keepmoat Homes – Willow Heights, Thurnscoe, S63

This Keepmoat Homes development located approximately 5.8 miles south west of the subject site, consisting of 352 homes. The scheme includes a range of two, three and four bedroom units including terraced, semi-detached and detached units.

We have conducted a search of sales values on Rightmove which uses Land Registry data to provide the following evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|------------------------|---------------|--------------|------------|-----------------|-----------|
| 24 Lingamoor Leys | Detached | 861 | £172,000 | £200 | Sep-21 |
| 54 Emerald Green Grove | Detached | 861 | £172,995 | £171 | Jul-21 |
| 6 Willow Way | Semi-detached | 1,054 | £179,995 | £144 | Apr-21 |
| 4 Willow Way | Semi-detached | 1,108 | £159,995 | £144 | Apr-21 |
| 25 School Street | Semi-detached | 1,108 | £115,995 | £180 | Feb-21 |
| 32 Lingamoor Leys | Semi-detached | 1,054 | £156,995 | £149 | Jan-21 |
| 34 Lingamoor Leys | Semi-detached | 1,054 | £159,995 | £152 | Jan-21 |
| 30 Lingamoor Leys | Detached | 828 | £159,995 | £193 | Jan-21 |
| Average | | | | £167 | |

We have also contacted the sales team for this development to collect current asking prices for units currently being marketed on the scheme.

| Unit Type | House Type | Area (sq ft) | Asking Price | Asking Price per sq ft |
|----------------|---------------|--------------|--------------|------------------------|
| Abbey | Semi-detached | 668 | £164,995 | £247 |
| Abbey | Semi-detached | 668 | £164,995 | £247 |
| Danbury | Semi-detached | 818 | £177,995 | £218 |
| Bamburgh | Semi-detached | 1,005 | £206,995 | £206 |
| Bamburgh | Semi-detached | 1,005 | £207,995 | £207 |
| Bamburgh | Semi-detached | 1,005 | £207,995 | £207 |
| Average | | | | £222 |

The evidence in the table above is indicative of asking prices only, due to the information available.

We consider the subject site is located within a higher value housing market area than this scheme and therefore the proposed units on the subject site will achieve higher capital values per sq ft.

Barratt David Wilson – Torne Farm, West End Lane, Rossington, DN11

This development is also located on the former Rossington Colliery. The scheme consists of 182 new residential units which include a mixture of two, three and four bedroom homes.

We have conducted a search of sales values on Rightmove which uses Land Registry data to provide the following evidence:

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|-----------------|---------------|--------------|------------|-----------------|-----------|
| 11 Jenkin Close | Semi-detached | 613 | £145,000 | £236 | Dec-21 |
| 9 Jenkin Close | Semi-detached | 613 | £146,000 | £238 | Dec-21 |
| 7 Jenkin Close | Semi-detached | 613 | £148,000 | £241 | Dec-21 |
| 17 Jenkin Close | Semi-detached | 828 | £191,000 | £230 | Nov-21 |
| 19 Jenkin Close | Semi-detached | 828 | £191,000 | £230 | Nov-21 |
| 5 Jenkin Close | Semi-detached | 828 | £191,000 | £230 | Nov-21 |

| Address | House Type | Area (sq ft) | Sale Price | Price per sq ft | Sale Date |
|----------------|---------------|--------------|------------|-----------------|-----------|
| 1 Jenkin Close | Semi-detached | 850 | £203,000 | £239 | Nov-21 |
| 93 Davy Road | Semi-detached | 828 | £188,000 | £227 | Sep-21 |
| 89 Davy Road | Semi-detached | 828 | £190,000 | £229 | Sep-21 |
| 46 Davy Road | Semi-detached | 828 | £183,000 | £221 | Sep-21 |
| 91 Davy Road | Semi-detached | 936 | £215,000 | £230 | Sep-21 |
| 85 Davy Road | Semi-detached | 1,076 | £228,000 | £212 | Sep-21 |
| 50 Davy Road | Semi-detached | 613 | £144,000 | £235 | Sep-21 |
| 48 Davy Road | Semi-detached | 613 | £142,000 | £231 | Sep-21 |
| 52 Davy Road | Semi-detached | 613 | £142,995 | £233 | Jun-21 |
| 54 Davy Road | Semi-detached | 613 | £142,000 | £231 | Jun-21 |
| Average | | | | £231 | |

The Torne Farm scheme is located on the popular redevelopment of the former Rossington Colliery. We consider Rossington be a higher value housing market area than Carcroft. However, due to growth in the local housing market we consider that the proposed units on the subject site will achieve generally similar capital values per sq ft when compared to units of a similar size on this scheme.

Summary of New Build Values

There is limited directly comparable new build evidence within Carcroft. Where evidence is available it is for schemes which we consider to be somewhat dated, thereby affecting the price per sq ft achieved as the housing market has moved on since these sales.

Keepmoat Homes' The Springs and Skylark Grange are, in our view, the most comparable schemes in the surrounding area based on unit sizing and the proximity of the schemes, albeit we would expect the units on the proposed units on the subject site to achieve slightly higher selling prices on a £ per sq ft basis given the passage of time and improved market conditions.

Re-sale Evidence

Due to the limited transactional evidence of new build schemes near the subject site, we have considered re-sale evidence of modern estate housing within 1 mile of the postcode of the subject site, to provide further context for our opinion of unit pricing.

| Address | House Type | Area (sq ft) | Re-Sale Price | Price per sq ft | Re-Sale Date |
|---|---------------|--------------|---------------|-----------------|--------------|
| 21 Crossfield Drive, Skellow | Semi-detached | 614 | £132,000 | £215 | Aug-22 |
| 27 Osborne Avenue, Woodlands | Semi-detached | 1,130 | £190,000 | £168 | Aug-22 |
| 35 Falcon Close, Adwick-Le-Street | Detached | 710 | £156,000 | £220 | Jul-22 |
| 2 Dalecroft Road, Carcroft | Semi-detached | 732 | £170,000 | £232 | Jul-22 |
| 36 Milton Road, Carcroft | Semi-detached | 947 | £138,500 | £146 | Jun-22 |
| 62 Milton Road, Carcroft | Semi-detached | 915 | £118,000 | £129 | May-22 |
| 22 Merlin Close, Adwick Le Street | Semi-detached | 732 | £163,000 | £223 | May-22 |
| 40 Woodcock Way, Adwick Le Street | Detached | 990 | £260,000 | £263 | Apr-22 |
| 128 Markham Avenue, Carcroft | Semi-detached | 1,087 | £130,000 | £120 | Apr-22 |
| 7 Bridgewater Park Drive, Skellow | Detached | 1,744 | £250,000 | £143 | Mar-22 |
| 2 Kestrel Drive, Adwick Le Street | Detached | 1,259 | £282,000 | £224 | Mar-22 |
| 30 Manor Farm Close, Adwick-Le-Street | Detached | 1,033 | £188,000 | £182 | Nov-21 |
| 46 Kestrel Drive, Close, Adwick-Le-Street | Detached | 1,389 | £270,000 | £194 | Jun-21 |
| 51 Kingfisher Road, Adwick-Le-Street | Detached | 1,152 | £261,000 | £227 | Jun-21 |
| 21 Buttercross, Old Skellow | Detached | 1,023 | £197,500 | £193 | Jun-21 |
| Average | | | | £192 | |

Whilst all the transactions listed in the table above are for modern estate housing, we would expect that values for the units at the subject site to achieve higher than the average capital value listed above, given the units will provide high quality new build residential accommodation and therefore attract a premium in comparison to their older re-sale counterparts.

Proposed Unit Pricing

Based on the evidence above, the location and high-quality specification of the proposed development, our opinion of unit pricing for the current policy compliant scheme is as follows:

| House Type | House Type Description | Area (sq ft) | Price per sq ft | Price per unit | Quantity | GDV per unit Type |
|-----------------------------------|--|-----------------|--------------------|-------------------|----------|----------------------|
| AFFORDABLE DWELLINGS | | | | | | |
| Whitebream 2 | 1 bedroom maisonette 2 storey | 538 | £150 | £80,700 | 2 | £161,400 |
| Whitebream 2 | 1 bedroom maisonette 2 storey | 733 | £153 | £112,149 | 2 | £224,298 |
| Whitebream 3 | 1 bedroom maisonette 2 storey | 640 | £147 | £94,080 | 2 | £188,160 |
| Whitebream 3 | 2 bedroom maisonette 2 storey | 755 | £150 | £113,250 | 2 | £226,500 |
| Ripponden | 2 bedroom mid-terrace 2 storey | 753 | £138 | £103,914 | 1 | £103,914 |
| Total Affordable Dwellings | | | | | 9 | £904,272 |
| PRIVATE DWELLINGS | | | | | | |
| Ripponden | 2 bedroom semi- detached 2 storey | 753 | £240 | £180,720 | 10 | £1,807,200 |
| Ripponden | 2 bedroom end-terrace 2 storey | 753 | £235 | £176,955 | 2 | £353,910 |
| Dalton | 3 bedroom semi- detached 2 storey | 908 | £230 | £208,840 | 8 | £1,670,720 |
| Saxton | 3 bedroom semi- detached 2 storey | 939 | £230 | £215,970 | 4 | £863,880 |
| Saxton | 3 bedroom detached 2 storey | 939 | £240 | £225,360 | 8 | £1,802,880 |
| Burneston | 3 bedroom detached 2 storey | 1,012 | £235 | £237,820 | 2 | £475,640 |
| Grassington | 3 bedroom semi- detached 2.5 storey | 970 | £230 | £223,100 | 10 | £2,231,000 |

| House Type | House Type Description | Area (sq ft) | Price per sq ft | Price per unit | Quantity | GDV per unit Type |
|--------------------------------|-------------------------------------|--------------|-----------------|----------------|-----------|--------------------|
| Grassington | 3 bedroom end-terrace 2.5 storey | 970 | £225 | £218,250 | 2 | £436,500 |
| Grassington | 3 bedroom mid-terrace 2.5 storey | 970 | £220 | £213,400 | 1 | £213,400 |
| Silkstone | 4 bedroom detached 2 storey | 1,223 | £230 | £281,290 | 1 | £281,290 |
| Ledsham | 4 bedroom detached 2.5 storey | 1,138 | £235 | £267,430 | 6 | £1,604,580 |
| Total Private Dwellings | | | | | 54 | £11,741,000 |
| TOTAL OVERALL | | | | | 63 | £12,645,272 |

We have outlined an affordable housing tenure mix on the site of 75% affordable rented units and 25% intermediate units in line with the City of Doncaster Local Plan. In the absence of stipulated transfer values within Doncaster's planning policy we have assumed 55% of market value for the affordable rent units and 70% of market value for the intermediate units, hence the pricing provided above.

We have applied a blended approach to the affordable housing units using the tenure mix set out in local planning policy combined with our assumed transfer values in the absence of stipulated transfer values within Doncaster's planning policy. We have applied this approach to the equivalent private sales revenues we consider that these units would generate if sold to private purchasers.

Proposed Development Revenue – Assumed Policy Compliant Scheme

Based on an assumed policy compliant scheme (reflecting 15% Affordable Housing provision) we have undertaken our own review of the GDV having regard to our assessment of the comparable evidence as detailed above. We believe this is appropriate based on the comparable evidence considered which has highlighted the improvement in the local housing market over the past twelve months as highlighted.

Proposed Development Revenue – Old Policy Compliant Scheme

We have also undertaken a review of the GDV based on an old policy compliant scheme (reflecting 26% Affordable Housing provision). In this scenario we have calculated a total GDV for the scheme of £12,142,268. In this scenario we have complied with the increased affordable housing requirement though designating an increased amount of Ripponden house type units on the scheme as affordable housing, we consider that these units would achieve between £144 - £138 per sq ft as affordable housing units depending on their specific arrangement.

We have undertaken a development appraisal to determine the level of developer's profit that can be achieved for the proposed scheme on an old and current policy compliant basis. We detail our appraisal assumptions and development costs and inputs below:

Appraisal Assumptions

- All pricing is exclusive of VAT
- Inflation is explicitly excluded from the appraisal
- Assumed the site has the benefit of full planning permission
- The scheme is delivered is in line with the drawings and site layout for 63 residential dwellings
- No deleterious materials are present on site
- No environmental issues exist
- Access appropriate to the scale of the development can be gained from the adopted highway (Owston Road) and no additional highway works are required other than those explicitly accounted for in this report.
- There are no restrictive covenants affecting the Title
- Adequate service connections are available to the site which would not require upgrading for the purposes of the proposed scheme.

Appraisal Costs and Inputs

Standard Build Costs

We have adopted the current RICS Building Cost Information Service (BCIS) last updated on 31st December 2022 for 'Estate Housing Generally' and rebased to the Doncaster area. BCIS provides a range in build costs for Estate Housing Generally. The range for Estate Housing Generally in the past 5 years is from a lower quartile of £109 per sq ft (£1,176 per sq m) to an upper quartile of £143 per sq ft (£1,535 per sq m), with a median figure of £123 per sq ft (£1,328 sq m).

For the purposes of our assessment, we have adopted the lower quartile figure of £109 per sq ft (£1,176 per sq m) and added an additional 10% for external works and connections. Therefore, within our appraisal, we have adopted a standard build cost of £120 per sq ft. We consider this to be appropriate and proportionate for the size and nature of the proposed development.

Abnormal Development Costs

The Developer has provided us with a detailed breakdown of the abnormal costs associated with the development of this site. These costs are listed below:

These individual costs have each been provided by quantity surveyors, generated by Newett Homes' technical team based upon what they are experiencing on their other schemes. These figures represent the projected costs of constructing the scheme, based on the current proposals.

- Dwelling Structure Abnormals: £42,315
- Abnormals Off Site Works: £34,540
- Abnormals Site Clearance / Protection: £98,545
- Abnormals Main Siteworks: £1,136,419
- Abnormals Substructure: £202,390
- Abnormals Local Siteworks: £183,525
- Abnormals Utility Works: £42,500
- Abnormals Site Overheads: £25,000
- Abnormals Other: £73,550

These abnormal costs amount to a total of £1,838,784, which equates to £29,187 per plot. These abnormal costs are significant and naturally have a significant impact on the viability of this development. We attach at **Appendix 4** to this report, a detailed summary of the breakdown of the abnormal costs with costing for these from independent contractors and quantity surveyors where they have been provided with by the Developer.

Development Inputs

We detail the other additional inputs within our appraisal below:

| Proposed Policy Complaint Scheme for 63 residential dwellings (9 of which are affordable) | |
|--|--|
| Gross Development Value (GDV) | <ul style="list-style-type: none"> Based on the scheme layout we have been provided and assuming a policy compliant development of 63 residential dwellings (traditional family housing), our total GDV is £12,645,272. The GDV of the 54 private dwellings is £11,741,000. The GDV of the 9 affordable dwellings is £904,272. In the absence of stipulated transfer values within Doncaster's planning policy we have assumed 55% of market value for the affordable rent units and 70% of market value for the intermediate units, hence the pricing provided above. |
| Construction Costs | <ul style="list-style-type: none"> As discussed above we have adopted the BCIS lower quartile figure for 'Estate Housing Generally' rebased over the last 5 years to Doncaster. We have then applied a 10% uplift to this figure to represent external works, such as connections to mains services. The figure we have adopted within our appraisal is £120 per sq ft. |
| Other Construction Costs - Abnormals | <ul style="list-style-type: none"> As discussed above, we have been provided with a detailed breakdown of the abnormal costs associated with developing this site. This figure is £1,862,534, which we have adopted in our appraisal. These individual costs have each been provided by quantity surveyors, generated by Newett Homes' technical team based upon what they are experiencing on their other schemes. We are satisfied that these represent an appropriate level given the proposed development on site. A breakdown of these costs can be found at Appendix 4. |
| Contingency | <ul style="list-style-type: none"> We have adopted a 5% contingency on the construction costs. |
| Phasing and Timescales | <ul style="list-style-type: none"> We have assumed the development will be delivered in a single phase. We have assumed a 30-month development programme. Given the nature of the development on site, we have assumed that several of the private units will be sold as the wider development is ongoing. Therefore, we have assumed that private unit sales will commence in month 9. We have assumed a sales period of 22 months, which reflects a sales rate on the private units only of 2.5 units per month. We would consider a sales rate of between 2 to 3 units a month to be appropriate. |

| Proposed Policy Complaint Scheme for 63 residential dwellings (9 of which are affordable) | |
|--|--|
| | <ul style="list-style-type: none"> We have assumed that the nine affordable units will all be sold to a Registered Provider on practical completion in month 12 of the sales period. There is an overlap of 8 months from the practical completion of construction to the final unit being sold. |
| Professional Fees | <ul style="list-style-type: none"> We have assumed 8% professional fees. |
| S.106 Costs | <ul style="list-style-type: none"> We have reflected the S.106 financial contributions within our appraisal that are discussed in Section 4 of this report and are advised by the Developer. These financial contributions total £248,424 and can be disaggregated as follows: <ul style="list-style-type: none"> Education: £248,424 |
| Finance Rate | <ul style="list-style-type: none"> Assumed 100% debt financed, at a rate of 6.00% |
| Land Value | <ul style="list-style-type: none"> To determine the viability of the proposed policy compliant scheme and in accordance with the residual valuation methodology set out above, we have inputted our opinion of the land value (EUV) as a fixed cost within our appraisal. Based on the evidence detailed earlier in this section, we are of the opinion that the EUV of the site is in the order of £225,000 per acre on a net development area basis. This reflects a total land value of £1,039,500. |
| Acquisition Costs | <ul style="list-style-type: none"> We have allowed for costs associated with land acquisition, such as Stamp Duty land Tax (SDLT) at the prevailing rate, legal fees and agent's fees. We have allowed for legal fees of 0.50% of the land value. We have allowed for agent's fees of 1% of the land value. |
| Disposal Costs | <ul style="list-style-type: none"> We have assumed marketing, sales and legal fees of 2.50% of the total sales rates, for the private units only. |

Based on the current policy compliant scheme as detailed above, the development generates a Profit on GDV of 9.03% and a Profit on Cost of 9.92%. Clearly this still falls short of the minimum 17.50% Profit on GDV that we set as our minimum benchmark in Section 5 of this report and in line with the PPG.

A full copy of our old policy compliant development appraisal can be found at **Appendix 5**.

Old Policy Compliant Scheme Viability Assessment and Sensitivity Analysis

We have carried our further sensitivity analysis to determine the viability of the scheme and to understand the level at which it delivers an appropriate an appropriate risk adjusted market return for the developer.

We have based this scenario on an old policy compliant scheme (including an affordable housing provision of 26% as outlined in Section 4) which was the adopted policy at the time of outline planning consent, the development generates a Profit on GDV of 5.12% and a Profit on Cost of 5.39%. Clearly this falls short of the minimum 17.50% Profit on GDV that we set as our minimum benchmark in Section 5 of this report and in line with the PPG.

A full copy of our policy compliant development appraisal can be found at **Appendix 6**.

We have therefore followed accepted practice and carried out sensitivity analysis on our appraisal to determine the viability of the proposed development.

Non-Policy Compliant Scheme Viability Assessment and Sensitivity Analysis

We have carried our further sensitivity analysis to determine the viability of the scheme and to understand the level at which it delivers an appropriate an appropriate risk adjusted market return for the developer.

In this scenario, we have assumed that all the variables within our appraisal remain the same as the policy compliant scenario, except that all dwellings would now be for private sale within the open market and there would be no affordable housing provision on site. Our appraisal for this scenario can be found in **Appendix 7**.

In summary, this appraisal supports a developer's profit of 13.28% Profit on GDV and a Profit on Cost of 15.31%. The return to the developer is greater in this scenario but falls short of the 17.50% Profit on GDV that we set as our minimum benchmark and is the minimum profit level that a developer should expect to achieve, as stipulated in the PPG.

Whilst this level of developer's profit is somewhat below the minimum level set as our benchmark, the scheme still provides the assumed per dwelling monetary contribution in respect of additional Section 106 Agreement obligations, as advised by the Developer. Furthermore, we consider that the scheme delivers an appropriate land value to the landowner.

7. Conclusions and Additional Commentary

As detailed above, we have considered the financial viability of the proposed development by considering the Existing Use Value of the site, which in turn has informed the Benchmark Land Value and the site value supported by the proposed scheme under an old policy compliant, current policy compliant and non-policy compliant position. The approach of a financial viability assessment is to assess the land value at which a landowner would be incentivised to sell at while reflecting a reasonable market return for the developer.

Traditionally within viability assessments, the pricing level a landowner would be incentivised to sell at would be reflective of the EUV of the site plus a premium. However, in this instance, as the site currently benefits from extant outline planning consent for residential development, we consider that the premium over and above the EUV of the site that a landowner would achieve upon the sale of the site, to be implicit within the land value, given that the site benefits from this planning permission. Therefore, any developer looking to purchase this site would pay the landowner the value of the site with the benefit of planning consent for residential development, rather than the value of the land that the site currently comprises.

In this respect, our assessment has identified the following outputs:

- Existing Use Value (EUV) - £1,039,500
- Minimum Benchmark Land Value - £1,039,500
- Developer's Profit with old policy compliant scheme (i.e. 26% affordable housing) – 5.12% Profit on GDV
- Developer's Profit with assumed policy compliant scheme (i.e. 15% affordable housing) – 9.03% Profit on GDV
- Developer's Profit with a 0% affordable housing content scheme - 13.28% Profit on GDV

Accordingly, based on our analysis and the assumptions we have made as detailed above; we believe that our assessment demonstrates that the development proposed would be financially unviable in both our old policy compliant and assumed policy compliant scenarios. The old policy compliant scenario provides for 26% affordable housing as well as the full assumed monetary contributions for the additional S.106 contributions. It also provides the landowner with our opinion of the benchmark land value for the site. However, it delivers a developer's profit on GDV of 5.12% and a Profit on Cost of 5.39%. Clearly this falls short of the minimum 17.50% Profit on GDV that we set as our minimum benchmark in Section 5 of this report and in line with the PPG.

The assumed policy compliant scenario provides for 15% affordable housing as well as the full assumed monetary contributions for the additional S.106 contributions. It also provides the landowner with our opinion of the benchmark land value for the site. However, it delivers a developer's profit on GDV of 9.03% and a Profit on Cost of 9.92%. Clearly this also falls short of the minimum 17.50% Profit on GDV that we set as our minimum benchmark in Section 5 of this report and in line with the PPG.

We have then appraised the scheme assuming a non-policy complaint position (i.e., no affordable units are delivered as part of the scheme) whilst still assuming the full monetary contributions for the additional S.106 contributions, as in the previous two appraisals. The resulting developer's profit increases to a 13.28% Profit on GDV and a Profit on Cost of 15.31%. Although in this scenario the developer's profit level is somewhat less than the minimum benchmark of 17.50% on GDV, it is foreseeable that a developer might, in this instance, consider this scheme to be broadly viable and consider it reasonable to proceed with the scheme.

As a result, we conclude that to deliver this site for residential development, whilst ensuring the landowner receives an appropriate return for their land and the developer receives an appropriate market return for their investment, we do not consider that any affordable housing should be required to be delivered as part of this scheme.

The report has been prepared and signed by Dai Powell MRICS, Director and RICS Registered Valuer in the Avison Young Land and Development team. Input has also been provided by Joe Wherity MRICS, Associate Director in the Avison Young Land and Development team. Joe Wherity has reviewed and panelled this report and the appraisals contained, to provide a counter signature. We confirm that these individuals have the necessary qualifications, knowledge and experience to provide this advice.

This viability report is provided on the understanding that it is to be submitted to the LPA in support of an application for full planning approval on the property solely for the purpose of assessing the financial viability of the proposed scheme.



Dai Powell MRICS

RICS Registered Valuer

Director

Land and Development

For and on behalf of Avison Young (UK) Limited

January 2023



Joe Wherity MRICS

Associate Director

Land and Development

For and on behalf of Avison Young (UK) Limited

January 2023

Appendix I
Letter of Instruction

Clark, Jacob (Avison Young - UK)

Subject: FW: Carcroft, Doncaster - AY proposal to provide financial viability assessment support

From: [REDACTED]

Sent: 2 [REDACTED]

To: [REDACTED]

Cc: [REDACTED]

You

Subject: Carcroft, Doncaster - AY proposal to provide financial viability assessment support

Hi Ben,

Just coming back to you with a fee proposal on this one.

Very much along the line of what we are doing on your other sites, whilst also addressing the revised affordable housing percentage.

Stage 1 – Viability Assessment, scope

This will involve the following:

- Completion of a baseline appraisal adopting key market parameters and the *old* policy compliant position on affordable housing and other S106 contributions.
- Completion of an alternative baseline appraisal adopting the same assumptions as the first appraisal but using the *new* policy compliant position on affordable housing and other S106 contributions. We'll cover off the narrative you require stressing that this should be the real baseline position.
- Completion of an alternative appraisal using the same assumptions as the baseline appraisal, but with a reduced affordable/S106 provision to evidence viability.
- Write and provide a viability report setting out the assumptions behind the various inputs, market evidence and justification for non-policy compliant position on affordable housing and/or reduced contributions.

Within the report we will need to identify abnormal/infrastructure costs, the approach to land value and profit, all of which will be important in proving a viability position. As you say in your email below, we'll use the costs you've provided as placeholders and update these as you receive quotes or QS confirmed figures. Please provide the known figures as they are supplied to you.

In terms of the planning section of our report it would be helpful if you or your planning consultant (if you have one) can provide some text for this – normally a cut and paste from other documents forming the application. Please refer to the *** report as a guide for the content and level of detail.

Upon completing a draft of the report, we will run through this with you, look at the sensitivities and agree any changes together. Once this is complete we can then issue it to the Council.

The time required to complete the report will be largely dependent on the availability and speed of provision of any technical information and scheme specific costs. Albeit, the draft can be pulled together within a few weeks of our appointment.

Stage 1 – Viability Assessment, fee proposal

£*** + VAT. Payable on provision of our draft report to you.

Stage 2 – Clarification and Negotiations post submission of viability report, scope

The second stage will involve direct discussions with the council officers/their valuer and the following tasks:

- Meetings with the Council/valuer
- Responding to clarifications

- Updates to the report required due to changes to the scheme
- Negotiations
- Complete new appraisals as necessary
- Agree heads of terms on revised s106 package

This second stage is unpredictable in relation to time, but we would aim to drive these processes forwards on your behalf as efficiently as possible.

Stage 2 – Clarification and Negotiations post submission of viability report, fee proposal

£*** + VAT, payable at agreement of s106.

Terms of appointment

I attach our standard terms of appointment. This email is essentially the 'letter of appointment' for the purpose of both pieces of work (the 'Client' in the terms of appointment document being Newett Homes Limited).

If you can confirm your instructions for the job back to me in writing that would be helpful for our files and allow us to programme the work.

All the best again,

Dai.

Dai Powell

Director



Appendix II

Abnormal Costs Detailed Summary

Economic Viability Assessment (EVA)

SITE: Carcroft
73 Plots - Feasibility Layout - 1



Dwelling Structure Abnormals

Electrical Vehicle Charging £ 42,315.00 £ 42,315.00

Abnormals Off Site Works

Connection to Owston Road / Tie-In / Finishes / Drainage £ 34,540.00 £ 34,540.00

Abnormals Site Clearance / Protection

Additional Site Clearance & Demolition (inc. fly tipping) £ 74,295.00
Site Clearance of Trees & Vegetation £ 14,250.00
Tree Protection Measures £ 10,000.00 £ 98,545.00

Abnormals Main Siteworks

On-Site Abnormal Sewers (Exc. Attenuation) £ 268,460.00
On-Site Abnormal Sewers (Attenuation) £ 534,955.00
Off-Site Abnormal Sewers £ 15,000.00
On-Site Abnormal Site Works (Earthworks to Dev. Platform) £ 101,404.00
On-Site Abnormal Site Works (Other) £ 216,600.00
Off-Site Abnormal Site Works £ - £ 1,136,419.00

Abnormals Substructure

Abnormal Foundations £ 202,390.00
Tanking to Split Level Plots £ - £ 202,390.00

Abnormals Local Siteworks

Retaining Walls / Details £ 161,625.00
General Land Drainage £ 21,900.00 £ 183,525.00

Abnormals Utility Works

Utility Diversions / Lowering (Excluded) £ -
Substation £ 42,500.00 £ 42,500.00

Abnormals Site Overheads

Associated Management £ 25,000.00 £ 25,000.00

Abnormals Other

POS Works - Grading/Topsoiling & Landscaping £ 23,550.00
LEAP £ 50,000.00 £ 73,550.00

Total £ 1,838,784.00



Sirius Remediation Ltd
4245 Park Approach
Thorpe Park
Leeds
LS15 8GB

0113 264 9960
www.thesiriusgroup.com

Ben Botham
Newett Homes
Thorp Arch Grange
Walton Road
Thorp Arch
Wetherby
West Yorkshire
LS23 7BA

26th October 2022

Our Ref: SR4570/JPB/2610

Dear Ben

**RE: DEMOLITION, SITE CLEARANCE & EARTHWORKS AT OWSTON ROAD,
CARCROFT**

Ben

Further to your enquiry, we have visited site and reviewed the ground investigation provided, in order to inform the works described above.

Existing allotment/smallholding buildings have largely been either demolished or have collapsed, with associated waste being left in-situ. The Easternmost building adjacent the boundary has an asbestos cement roof, which has deteriorated and asbestos cement products are dotted around the site and within vegetation. An asbestos survey will be required, though we've tried to capture disposal costs within this quotation.

We've included for tree clearance within the costs detailed on the attached schedule and suggest surface vegetation is stockpiled on-site, to allow degradation and reduce ultimate disposal costs. We've added a provisional sum for future disposal of residual vegetation.

Topsoil is present across the Northern area of the site, at an average 300mm thickness, though it's unclear as to what percentage would be suitable for reuse within the development. Only four samples of topsoil have been tested, with two of these failing reuse criteria. Careful segregation and testing of topsoil is recommended, with a view to generating a quantity that will be reusable. Approximately 3,000m³ of topsoil will be generated and we would expect around 1,000m³ of topsoil would be required, if placed at 150mm thick to garden areas. A rate only item for disposal of unsuitable topsoil is provided on the schedule.

Localised soil contamination has been recorded around the site, including Arsenic, Zinc, Lead and Asbestos. Given the uplift in levels, there will be opportunity to delineate, process and relocate problem soils to specific areas, which will not be subject to future excavation and will receive a clean soils cover layer. Though we would look to relocate problem soils to a limited

area of open space and gardens, which will necessitate a clean soils cover layer, there will inevitably be requirement for a degree of validation for uplift of soils, above formation level, across the site. A formal Remedial Strategy will be required, for submission to local authority, which we would be happy to prepare on your behalf.

We've carried out a ground modelling exercise, using the topographical survey provided, along with development levels detailed on Pell Frischmann drawing included within the Abbeydale phase 2 ground investigation report. The levels presented on this drawing align with your advice of development levels being set at 5.87m or 600mm above existing level. When comparing a formation level 750mm below development levels to estimated underside of topsoil level, a soils shortfall of approximately 2,200m³ has been calculated. This shortfall could be made up from development arisings, imported soils, or a combination of both.

In addition to soils required to reach formation level, there will be a 2nd stage earthworks (groundworker) exercise to reach underside of topsoil in garden areas and underside of driveways, which will likely require a further 3,000m³. A better understanding of likely development arisings quantity would inform a whole development earthworks strategy, though we would expect development arisings could be reused above formation level, spread locally, if soils are well managed and protected. On this basis, we have made allowance for import and placement of 2,200m³, to reach the formation level described above (750mm below FFL). There will be alternative approaches to soil import and management and we're happy to assist with considering and costing alternative theories, as design information develops.

Level change beneath proposed highway areas are relatively minor and it is unlikely earthworks will influence performance of formation level. Abbeydale's ground investigation suggests a CBR value of 2.5% for design purposes.

Our budget quotation of **£155,600 (one hundred and fifty-five thousand six hundred pounds)** for site clearance and preparatory earthworks is outlined above and detailed on the attached schedule of works. For clarity, our quote is offered on the following basis:

- No allowance has been made for disconnection, diversion or any works associated with live services
- No allowance has been made for boundary or tree protection fencing (which we could include on provision of design)
- Separate allowance will need to be made for supply, placement and validation of soils above formation level
- The works will not be subject to retention

We trust our appraisal meets with your expectations and please let us know if you have any queries or would like to discuss in more detail.

Yours sincerely



JP Bowden
For and on behalf of
Sirius Remediation Ltd



Sirius Remediation Schedule of Works

CLIENT : Newett Homes
 CONTRACT : Owston Road, Carcroft
 CONTRACT NO: SR4570

| Description | Quant | Unit | Rate | £ Total |
|---|--------|----------------|---------------------------|------------------------|
| PRELIMINARIES & SITE CLEARANCE | | | | |
| Disconnection of live services | | | | <i>by developer</i> |
| Mobilisation/De-Mobilisation of Plant to/from site | 1 | sum | £4,400.00 | £4,400 |
| Site clearance of trees & vegetation within development area | 1 | sum | £14,250.00 | £14,250 |
| Demolition & site clearance of surface waste | 1 | sum | £39,035.00 | £39,035 |
| Contractor's Preliminary Costs (Supervision & Site Engineering, environmental controls) | 7 | weeks | £3,480.00 | £24,360 |
| | | | <u>Sub Total</u> | <u>£82,045</u> |
| EARTHWORKS TO DEVELOPMENT PLATFORM | | | | |
| Excavate topsoil to stockpile | 3,000 | m ³ | £3.25 | £9,750 |
| Excavate, process & re-locate made ground from Southern site area | 5,800 | m ³ | £4.35 | £25,230 |
| Break-out & crush concrete bases, foundations & other obstructions | | | | included |
| Import, place & compact fill to achieve formation levels | 2,200 | m ³ | £9.80 | £21,560 |
| Trim, level & compact formation | 18,800 | m ² | £0.23 | £4,324 |
| | | | <u>Sub Total</u> | <u>£60,864</u> |
| PROVISION OF CONSULTANCY SUPERVISION, TESTING & VALIDATION OF THE WORKS | | | | |
| Attendance by Resident Engineer and preparation of Validation Statement for the works | 7 | weeks | £1,010.00 | £7,070 |
| Geotechnical & chemical testing | 1 | sum | £5,620.00 | £5,620 |
| | | | <u>Sub Total</u> | <u>£12,690</u> |
| | | | <u>Grand Total</u> | <u>£155,599</u> |
| ADDITIONAL, PROVISIONAL & RATE ONLY SUMS | | | | |
| Provisional sum for future disposal of residual vegetation | 1 | sum | £17,500.00 | £17,500 |
| Disposal of unsuitable topsoil | | m ³ | £31.20 | |

Appendix III

**Development Appraisal of Current
Policy Compliant Scheme (9
affordable units)**

Appraisal Summary for Phase 1

Currency in £

REVENUE

| Sales Valuation | Units | ft ² | Sales Rate ft ² | Unit Price | Gross Sales |
|-------------------------|-----------|-----------------|----------------------------|------------|-------------------|
| Whitebream 2 - AH (Mai) | 2 | 1,076 | 150.00 | 80,700 | 161,400 |
| Whitebream 2 - AH (Mai) | 2 | 1,466 | 153.00 | 112,149 | 224,298 |
| Whitebream 3 - AH (Mai) | 2 | 1,280 | 147.00 | 94,080 | 188,160 |
| Whitebream 3 - AH (Mai) | 2 | 1,510 | 150.00 | 113,250 | 226,500 |
| Ripponden - AH (Mid) | 1 | 753 | 138.00 | 103,914 | 103,914 |
| Ripponden (Semi) | 10 | 7,530 | 240.00 | 180,720 | 1,807,200 |
| Ripponden (End) | 2 | 1,506 | 235.00 | 176,955 | 353,910 |
| Dalton (Semi) | 8 | 7,264 | 230.00 | 208,840 | 1,670,720 |
| Saxton (Semi) | 4 | 3,756 | 230.00 | 215,970 | 863,880 |
| Saxton (Det) | 8 | 7,512 | 240.00 | 225,360 | 1,802,880 |
| Burneston (Det) | 2 | 2,024 | 235.00 | 237,820 | 475,640 |
| Grassington (Semi) | 10 | 9,700 | 230.00 | 223,100 | 2,231,000 |
| Grassington (End) | 2 | 1,940 | 225.00 | 218,250 | 436,500 |
| Grassington (Mid) | 1 | 970 | 220.00 | 213,400 | 213,400 |
| Silkstone (Det) | 1 | 1,223 | 230.00 | 281,290 | 281,290 |
| Ledsham (Det) | 6 | 6,828 | 235.00 | 267,430 | 1,604,580 |
| Totals | 63 | 56,338 | | | 12,645,272 |

NET REALISATION

12,645,272

OUTLAY

ACQUISITION COSTS

| | | | |
|---|-----------|-----------|-----------|
| Fixed Price | 1,039,500 | | |
| Fixed Price (4.62 Acres @ 225,000.00 /Acre) | | 1,039,500 | |
| | | | 1,039,500 |
| Stamp Duty | | 41,475 | |
| Effective Stamp Duty Rate | 3.99% | | |
| Agent Fee | 1.00% | 10,395 | |
| Legal Fee | 0.50% | 5,198 | |
| | | | 57,067 |

CONSTRUCTION COSTS

| Construction | ft ² | Build Rate ft ² | Cost |
|-------------------------|------------------------------|----------------------------|------------------|
| Whitebream 2 - AH (Mai) | 1,076 | 120.00 | 129,120 |
| Whitebream 2 - AH (Mai) | 1,466 | 120.00 | 175,920 |
| Whitebream 3 - AH (Mai) | 1,280 | 120.00 | 153,600 |
| Whitebream 3 - AH (Mai) | 1,510 | 120.00 | 181,200 |
| Ripponden - AH (Mid) | 753 | 120.00 | 90,360 |
| Ripponden (Semi) | 7,530 | 120.00 | 903,600 |
| Ripponden (End) | 1,506 | 120.00 | 180,720 |
| Dalton (Semi) | 7,264 | 120.00 | 871,680 |
| Saxton (Semi) | 3,756 | 120.00 | 450,720 |
| Saxton (Det) | 7,512 | 120.00 | 901,440 |
| Burneston (Det) | 2,024 | 120.00 | 242,880 |
| Grassington (Semi) | 9,700 | 120.00 | 1,164,000 |
| Grassington (End) | 1,940 | 120.00 | 232,800 |
| Grassington (Mid) | 970 | 120.00 | 116,400 |
| Silkstone (Det) | 1,223 | 120.00 | 146,760 |
| Ledsham (Det) | 6,828 | 120.00 | 819,360 |
| Totals | 56,338 ft² | | 6,760,560 |
| Contingency | | 5.00% | 338,028 |
| | | | 7,098,588 |

Other Construction

| | |
|-----------------------------------|-----------|
| Dwelling Structure Abnormals | 42,315 |
| Abnormals Off Site Works | 34,540 |
| Abnormals Site Clearance / Protec | 98,545 |
| Abnormals Main Siteworks | 1,136,419 |
| Abnormals Substructure | 202,390 |
| Abnormals Local Siteworks | 183,525 |
| Abnormals Utility Works | 42,500 |
| Abnormals Site Overheads | 25,000 |
| Abnormals Other | 73,550 |

APPRAISAL SUMMARY**AVISON YOUNG**

| | | | | |
|---|-----------------|------------------|---------|-------------------|
| | | | | 1,838,784 |
| Section 106 Costs | | | | |
| Education Contribution | | | 248,424 | 248,424 |
| PROFESSIONAL FEES | | | | |
| All Professional Fees | 8.00% | | 540,845 | 540,845 |
| DISPOSAL FEES | | | | |
| Sales, Legals and Marketing | 2.50% | | 316,132 | 316,132 |
| FINANCE | | | | |
| Timescale | Duration | Commences | | |
| Construction | 22 | Jan 2023 | | |
| Sale | 22 | Sep 2023 | | |
| Total Duration | 30 | | | |
| Debit Rate 6.000%, Credit Rate 0.000% (Nominal) | | | | |
| Land | | | 120,512 | |
| Construction | | | 208,282 | |
| Other | | | 35,469 | |
| Total Finance Cost | | | | 364,264 |
| TOTAL COSTS | | | | 11,503,604 |
| PROFIT | | | | 1,141,668 |
| Performance Measures | | | | |
| Profit on Cost% | | 9.92% | | |
| Profit on GDV% | | 9.03% | | |

Appendix IV

**Development Appraisal of Old Policy
Compliant Scheme (16 affordable
units)**

Appraisal Summary for Phase 1

Currency in £

REVENUE

| Sales Valuation | Units | ft ² | Sales Rate ft ² | Unit Price | Gross Sales |
|-------------------------|-----------|-----------------|----------------------------|------------|-------------------|
| Whitebream 2 - AH (Mai) | 2 | 1,076 | 150.00 | 80,700 | 161,400 |
| Whitebream 2 - AH (Mai) | 2 | 1,466 | 153.00 | 112,149 | 224,298 |
| Whitebream 3 - AH (Mai) | 2 | 1,280 | 147.00 | 94,080 | 188,160 |
| Whitebream 3 - AH (Mai) | 2 | 1,510 | 150.00 | 113,250 | 226,500 |
| Ripponden - AH (Mid) | 1 | 753 | 138.00 | 103,914 | 103,914 |
| Ripponden - AH (Semi) | 5 | 3,765 | 144.00 | 108,432 | 542,160 |
| Ripponden - AH (End) | 2 | 1,506 | 141.00 | 106,173 | 212,346 |
| Dalton (Semi) | 8 | 7,264 | 230.00 | 208,840 | 1,670,720 |
| Saxton (Semi) | 4 | 3,756 | 230.00 | 215,970 | 863,880 |
| Saxton (Det) | 8 | 7,512 | 240.00 | 225,360 | 1,802,880 |
| Burneston (Det) | 2 | 2,024 | 235.00 | 237,820 | 475,640 |
| Grassington (Semi) | 10 | 9,700 | 230.00 | 223,100 | 2,231,000 |
| Grassington (End) | 2 | 1,940 | 225.00 | 218,250 | 436,500 |
| Grassington (Mid) | 1 | 970 | 220.00 | 213,400 | 213,400 |
| Silkstoen (Det) | 1 | 1,223 | 230.00 | 281,290 | 281,290 |
| Ledsham (Det) | 6 | 6,828 | 235.00 | 267,430 | 1,604,580 |
| Ripponden (semi) | 5 | 3,765 | 240.00 | 180,720 | 903,600 |
| Totals | 63 | 56,338 | | | 12,142,268 |

NET REALISATION

12,142,268

OUTLAY

ACQUISITION COSTS

| | | | |
|---|-----------|-----------|-----------|
| Fixed Price | 1,039,500 | | |
| Fixed Price (4.62 Acres @ 225,000.00 /Acre) | | 1,039,500 | |
| | | | 1,039,500 |
| Stamp Duty | | 41,475 | |
| Effective Stamp Duty Rate | 3.99% | | |
| Agent Fee | 1.00% | 10,395 | |
| Legal Fee | 0.50% | 5,198 | |
| | | | 57,067 |

CONSTRUCTION COSTS

| Construction | ft ² | Build Rate ft ² | Cost |
|-------------------------|------------------------------|----------------------------|------------------|
| Whitebream 2 - AH (Mai) | 1,076 | 120.00 | 129,120 |
| Whitebream 2 - AH (Mai) | 1,466 | 120.00 | 175,920 |
| Whitebream 3 - AH (Mai) | 1,280 | 120.00 | 153,600 |
| Whitebream 3 - AH (Mai) | 1,510 | 120.00 | 181,200 |
| Ripponden - AH (Mid) | 753 | 120.00 | 90,360 |
| Ripponden - AH (Semi) | 3,765 | 120.00 | 451,800 |
| Ripponden - AH (End) | 1,506 | 120.00 | 180,720 |
| Dalton (Semi) | 7,264 | 120.00 | 871,680 |
| Saxton (Semi) | 3,756 | 120.00 | 450,720 |
| Saxton (Det) | 7,512 | 120.00 | 901,440 |
| Burneston (Det) | 2,024 | 120.00 | 242,880 |
| Grassington (Semi) | 9,700 | 120.00 | 1,164,000 |
| Grassington (End) | 1,940 | 120.00 | 232,800 |
| Grassington (Mid) | 970 | 120.00 | 116,400 |
| Silkstoen (Det) | 1,223 | 120.00 | 146,760 |
| Ledsham (Det) | 6,828 | 120.00 | 819,360 |
| Ripponden (semi) | 3,765 | 120.00 | 451,800 |
| Totals | 56,338 ft² | | 6,760,560 |
| Contingency | | 5.00% | 338,028 |
| | | | 7,098,588 |

Other Construction

| | |
|-----------------------------------|-----------|
| Dwelling Structure Abnormals | 42,315 |
| Abnormals Off Site Works | 34,540 |
| Abnormals Site Clearance / Protec | 98,545 |
| Abnormals Main Siteworks | 1,136,419 |
| Abnormals Substructure | 202,390 |
| Abnormals Local Siteworks | 183,525 |
| Abnormals Utility Works | 42,500 |

APPRAISAL SUMMARY**AVISON YOUNG**

| | | | |
|---|-----------------|------------------|-------------------|
| Abnormals Site Overheads | | 25,000 | |
| Abnormals Other | | 73,550 | |
| | | | 1,838,784 |
| Section 106 Costs | | | |
| Education Contribution | | 248,424 | |
| | | | 248,424 |
| PROFESSIONAL FEES | | | |
| All Professional Fees | 8.00% | 540,845 | |
| | | | 540,845 |
| DISPOSAL FEES | | | |
| Sales, Legals and Marketing | 2.50% | 303,557 | |
| | | | 303,557 |
| FINANCE | | | |
| Timescale | Duration | Commences | |
| Construction | 22 | Jan 2023 | |
| Sale | 22 | Sep 2023 | |
| Total Duration | 30 | | |
| Debit Rate 6.000%, Credit Rate 0.000% (Nominal) | | | |
| Land | | 120,512 | |
| Construction | | 230,699 | |
| Other | | 42,851 | |
| Total Finance Cost | | | 394,062 |
| TOTAL COSTS | | | 11,520,827 |
| PROFIT | | | 621,441 |
| Performance Measures | | | |
| Profit on Cost% | 5.39% | | |
| Profit on GDV% | 5.12% | | |

Appendix V

**Development Appraisal of Non -
Policy Compliant Scheme (0
affordable units)**

Appraisal Summary for Phase 1

Currency in £

REVENUE

| Sales Valuation | Units | ft ² | Sales Rate ft ² | Unit Price | Gross Sales |
|---------------------|-----------|-----------------|----------------------------|------------|-------------------|
| Whitebream 2 (Mai) | 2 | 1,076 | 250.00 | 134,500 | 269,000 |
| Whitebream 2 (Mai) | 2 | 1,466 | 255.00 | 186,915 | 373,830 |
| Whitebream 3 (Mai) | 2 | 1,280 | 245.00 | 156,800 | 313,600 |
| Whitebream 3 (Mai) | 2 | 1,510 | 250.00 | 188,750 | 377,500 |
| Ripponden AH (Semi) | 10 | 7,530 | 240.00 | 180,720 | 1,807,200 |
| Ripponden (End) | 2 | 1,506 | 235.00 | 176,955 | 353,910 |
| Ripponden (Mid) | 1 | 753 | 230.00 | 173,190 | 173,190 |
| Dalton (Semi) | 8 | 7,264 | 230.00 | 208,840 | 1,670,720 |
| Saxton (Semi) | 4 | 3,756 | 230.00 | 215,970 | 863,880 |
| Saxton (Det) | 8 | 7,512 | 240.00 | 225,360 | 1,802,880 |
| Burneston (Det) | 2 | 2,024 | 235.00 | 237,820 | 475,640 |
| Grassington (Semi) | 10 | 9,700 | 230.00 | 223,100 | 2,231,000 |
| Grassington (End) | 2 | 1,940 | 225.00 | 218,250 | 436,500 |
| Grassington (Mid) | 1 | 970 | 215.00 | 208,550 | 208,550 |
| Silkstone (Det) | 1 | 1,223 | 230.00 | 281,290 | 281,290 |
| Ledsham (Det) | 6 | 6,828 | 235.00 | 267,430 | 1,604,580 |
| Totals | 63 | 56,338 | | | 13,243,270 |

NET REALISATION

13,243,270

OUTLAY

ACQUISITION COSTS

| | | | |
|---|-----------|-----------|-----------|
| Fixed Price | 1,039,500 | | |
| Fixed Price (4.62 Acres @ 225,000.00 /Acre) | | 1,039,500 | |
| | | | 1,039,500 |
| Stamp Duty | | 41,475 | |
| Effective Stamp Duty Rate | 3.99% | | |
| Agent Fee | 1.00% | 10,395 | |
| Legal Fee | 0.50% | 5,198 | |
| | | | 57,067 |

CONSTRUCTION COSTS

| Construction | ft ² | Build Rate ft ² | Cost |
|---------------------|------------------------------|----------------------------|------------------|
| Whitebream 2 (Mai) | 1,076 | 120.00 | 129,120 |
| Whitebream 2 (Mai) | 1,466 | 120.00 | 175,920 |
| Whitebream 3 (Mai) | 1,280 | 120.00 | 153,600 |
| Whitebream 3 (Mai) | 1,510 | 120.00 | 181,200 |
| Ripponden AH (Semi) | 7,530 | 120.00 | 903,600 |
| Ripponden (End) | 1,506 | 120.00 | 180,720 |
| Ripponden (Mid) | 753 | 120.00 | 90,360 |
| Dalton (Semi) | 7,264 | 120.00 | 871,680 |
| Saxton (Semi) | 3,756 | 120.00 | 450,720 |
| Saxton (Det) | 7,512 | 120.00 | 901,440 |
| Burneston (Det) | 2,024 | 120.00 | 242,880 |
| Grassington (Semi) | 9,700 | 120.00 | 1,164,000 |
| Grassington (End) | 1,940 | 120.00 | 232,800 |
| Grassington (Mid) | 970 | 120.00 | 116,400 |
| Silkstone (Det) | 1,223 | 120.00 | 146,760 |
| Ledsham (Det) | 6,828 | 120.00 | 819,360 |
| Totals | 56,338 ft² | | 6,760,560 |
| Contingency | | 5.00% | 338,028 |
| | | | 7,098,588 |

Other Construction

| | |
|-----------------------------------|-----------|
| Dwelling Structure Abnormals | 42,315 |
| Abnormals Off Site Works | 34,540 |
| Abnormals Site Clearance / Protec | 98,545 |
| Abnormals Main Siteworks | 1,136,419 |
| Abnormals Substructure | 202,390 |
| Abnormals Local Siteworks | 183,525 |
| Abnormals Utility Works | 42,500 |
| Abnormals Site Overheads | 25,000 |
| Abnormals Other | 73,550 |

APPRAISAL SUMMARY**AVISON YOUNG**


| | | | | |
|---|-----------------|------------------|---------|-------------------|
| | | | | 1,838,784 |
| Section 106 Costs | | | | |
| Education Contribution | | | 248,424 | 248,424 |
| PROFESSIONAL FEES | | | | |
| All Professional Fees | | 8.00% | 540,845 | 540,845 |
| DISPOSAL FEES | | | | |
| Sales, Legals and Marketing | | 2.50% | 331,082 | 331,082 |
| FINANCE | | | | |
| Timescale | Duration | Commences | | |
| Construction | 22 | Jan 2023 | | |
| Sale | 22 | Sep 2023 | | |
| Total Duration | 30 | | | |
| Debit Rate 6.000%, Credit Rate 0.000% (Nominal) | | | | |
| Land | | | 120,512 | |
| Construction | | | 181,531 | |
| Other | | | 28,587 | |
| Total Finance Cost | | | | 330,631 |
| TOTAL COSTS | | | | 11,484,921 |
| PROFIT | | | | 1,758,349 |
| Performance Measures | | | | |
| Profit on Cost% | | | 15.31% | |
| Profit on GDV% | | | 13.28% | |



Contact Details


Enquiries

Dai Powell



Joe Wherity

07985 479 561



Visit us online

avisonyoung.co.uk