

Value and Risk Advisory

Financial Viability Assessment report

Client: North Lincolnshire Council

Property: Land Off Burringham Road, Ashby Parklands,
Scunthorpe

Date: April 2025

Contents

1. Introduction.....	1
1.1. Property Address	1
1.2. Overview	1
2. Location.....	3
2.1. Location	3
2.2. Communications	4
2.3. Situation	4
3. Description.....	5
3.1. Site	5
3. Proposed Development.....	6
3.1. Proposed Development	6
3.2. Specification	7
4. Planning.....	8
4.1. Planning	8
5. Market Commentary.....	13
5.1. National Market Overview	13
5.2. Local Market Review	17
5.3. Sales Comparables	18
6. Methodology.....	26
6.1. Methodology	26
7. Sensitivity Analysis.....	41
7.1. Sensitivity Analysis	41
8. Conclusion & Recommendations.....	42
8.1. Conclusion and Recommendations	42
8.2. Confidentiality and Publication	42

Appendices

Appendix 1..... Viability Appraisal Print-Out

Land Off Burringham Road, Ashby Parklands, Scunthorpe

Executive Summary

Key Property Facts	
Macro Location:	Sub Regional
Micro Location:	Secondary
Sector:	Development
County:	Lincolnshire
Total Property Area:	Gross – 5.03 ha (12.42 acres) Net – 3.63 ha (8.96 acres)
Net Sales Area:	13,066.07 sq m (140,642 sq ft)
Tenure:	Freehold
Applicant:	Swan Homes
Current policy requirements:	20% on-site Affordable Housing
Benchmark Land Value (BLV):	£1,915,000
Residual Land Value:	£2,240,000
Gross Development Value (GDV):	£28,964,500
Build Cost:	£17,427,416
Build Cost Contingency (3%):	£522,822
Acquisition Costs:	£153,994
Abnormal Costs:	£601,842
Abnormal Costs Contingency (5%):	£30,092
Professional Fees (6.0%):	£1,045,645
Marketing and Disposal Fees:	£739,125
Finance (7.0%):	£452,609
Planning Gain:	£1,024,766 S106 Costs (Excluding any on-site Affordable Housing provision).
Developers Profit (18.5% POGDV):	£4,727,487



Site Plan

Location

- The subject site forms part of the wider Lincolnshire Lakes scheme which is a new urban extension of Scunthorpe with proposals to deliver up to 6,000 no. new homes along with a commercial park and associated uses.

- The site is located c. 2.2 miles to the south west of Scunthorpe which is an industrial town in North Lincolnshire.
- Scunthorpe is located c. 17.5 miles south west of Hull, 20 miles north east of Doncaster and c. 23 miles west of Grimsby.

Description

- The property comprises a broadly rectangular shaped development land parcel which extends to 5.03 ha (12.42 acres) gross and 3.63 ha (8.96 acres) net.
- The subject site has a Reserved Matters application pending (ref PA/2024/780) (appearance, landscaping, layout and scale reserved) pursuant to outline planning permission PA/2020/1333 dated 29/06/2021 for 128 no. dwellings Amended Description: Changes to site layout and changes to housing types and additional 2 plots proposed (total scheme 130 no. dwellings).
- The site is currently a greenfield land parcel which is used for agricultural purposes.

Transaction Summary

- This report has been produced to support S106 viability negotiations between North Lincolnshire Council and Swan Homes.
- The report is to examine the commercial viability of the proposed residential development at the address known as Land Off Burringham Road, Ashby Parklands, Scunthorpe.

Viability Assessment Findings – Non technical Summary

- We have carried out a viability appraisal on the proposed scheme assuming the required planning gain of £1,024,766 and 20% on-site Affordable Housing provision.
- We have carried out a viability appraisal on the proposed scheme assuming the required planning gain of £1,024,766 and 20% on-site Affordable Housing provision. This appraisal results in a Residual Land Value (RLV) of £2,240,000 (rounded), which is above the Benchmark Land Value (BLV) of £1,915,000. This therefore demonstrates that the development can support policy compliant levels of on-site Affordable Housing, and the full policy requirement S106 costs of £1,024,766.

This Overview forms part of the Viability Assessment Report dated April 2025 and should not be read in isolation.

This FVA has been commissioned to assess the viability of the subject site, based on all relevant national and local planning policy requirements. The Planning Practice Guidance for Viability ('PPGV') states that an executive summary of an FVA is to be made publicly available to promote greater transparency and accountability within the viability assessment process.

North Lincolnshire Council
Church Square House
30-40 High Street
Scunthorpe
DN15 6NL

Your ref N/A

Our ref HP/435004LEE



1 April 2025

Dear Directors

Terms of Reference

Addressee:

The Directors
North Lincolnshire Council
Church Square House
30-40 High Street
Scunthorpe
DN15 6NL
For the attention of Millie Arden and Kate Mills

Property Address:
("The Property")

Land Off Burringham Road, Ashby Parklands, Scunthorpe

Reliance:

This report is confidential to the party to whom it is addressed.

We appreciate that any viability assessment should be prepared on the basis that it will be made publicly available other than in exceptional circumstances, however, if at any stage it is intended to distribute the report, or any reference thereto, our written consent will be required. No part of this report may be disclosed to any third parties without our prior written approval of the form and context in which it will appear.

Save in respect of our liability for death or personal injury caused by our negligence, or the negligence of its employees, agents or subcontractors or for fraud or fraudulent misrepresentation (which is not excluded or limited in any way):

a) we shall under no circumstances whatsoever be liable, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss of revenue or loss of anticipated savings, or for any indirect, special or consequential loss arising out of or in connection with this report; and

b) Our total liability in respect of this report shall not exceed £5,000,000. Please note the exclusions and limitations of liability in our General Terms and Conditions of Business or pre-agreed terms of engagement or service agreement agreed between us.

Applicant:

Swan Homes

Tenure:

Freehold

Viability Assessment Date:

March 2025

Our assessment is provided, as at the date on this report, and as the market changes over time, the advice provided may not be valid on an earlier or later date.



Instruction Date:	5 March 2025
Instruction and Purpose:	<p>In accordance with our letter dated 5 March 2025 we are instructed to provide you with a report and Economic Viability Appraisal Review.</p> <p>The purpose of this assessment is to review the Financial Viability Assessment report dated June 2024 produced by the Applicants' consultant Aspinall Verdi Limited, and to inform discussions regarding the level of S106 obligations that can be provided on the site taking into account the proposed development, the policy requirements set by the Council, as well as national planning policy and guidance.</p>
Basis of Valuation:	<p>We confirm that our viability assessment and report has been prepared in accordance with the current RICS Professional Standard – Financial Viability in Planning: Conduct and Reporting, 1st Edition, May 2019, as well as the RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, 1st Edition March 2021.</p> <p>As per the RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, 1st Edition March 2021 “FVAs are not valuations as such, but there is significant valuation content within an FVA. The valuation aspects are within the jurisdiction of the Red Book and other RICS mandatory statements and professional guidance. All RICS members must adhere to these provisions.</p> <p>Advice given in this report is expressly provided to support S106 negotiations and is in accordance with the current UK national supplement published by the RICS (the RICS Red Book).</p> <p>The report is subject to, and should be read in conjunction with, the attached General Terms and Conditions of Business.</p> <p>No allowance has been made for any expenses of realisation, or for taxation (including VAT) that might arise in the event of a disposal and the property has been considered free and clear of all mortgages or other charges that may be secured thereon.</p>
Software:	The viability assessment has been undertaken using ARGUS Developer 8.30.3.
Personnel:	<p>The viability assessment has been prepared by Hannah Partington MRICS, Director and peer reviewed Mabel Kenyon MRICS, Director.</p> <p>We confirm that the personnel responsible for this viability assessment are in a position to provide an objective and unbiased viability assessment and are competent to undertake the assignment in accordance with the current UK national supplement and are RICS Registered Valuers.</p>
Status:	<p>In preparing this viability assessment we have acted as External Valuers, subject to any disclosures made to you.</p> <p>When carrying out the enclosed Financial Viability Assessment, the RICS members who have undertaken this report have acted objectively, impartially, and without interference.</p>
Disclosure:	We confirm there are no conflicts of interest, or risk of conflict whilst undertaking this report, although you are aware that JLL have provided previous FVA advice to yourselves in regard to the wider Lincolnshire Lakes scheme.



We can confirm that we have not advised either the applicant or the LPA on the relevant planning application and have not previously provided advice in area-wide FVAs to help formulate policy for the LPA.

Contingent Fees:

We confirm that in preparing this report, no performance-related or contingent fee has been agreed.

Sources of Information:

We have carried out all the necessary enquiries with regard to planning issues and development considerations. We have not carried out a building survey or environmental risk assessment. We have not measured the premises and have relied on the floor areas provided.

We have been provided with the following reports, which we have relied upon:

- Financial Viability Assessment report dated June 2024 produced by the Applicants' consultant Aspinall Verdi Limited.
- Site layout plan with reference 992 003 A1 D dated May 2024, produced by Ergo.

Draft Report:

Please note that this document is a draft and is provided as preliminary advice only, under PS 3.12 of the Red Book. As such and until the document is signed and finalised, we are required to state the following:

- This document is a draft, subject to completion of the final report;
- The advice within this document is provided for the client's internal purposes only; and

This draft is on no account to be published or disclosed.

Confidentiality and Publication:

Finally, and in accordance with our normal practice we confirm that the Report is confidential to the party to whom it is addressed for the specific purpose to which it refers. No responsibility whatsoever is accepted to any third party and neither the whole of the Report, nor any part, nor references thereto, may be published in any document, statement or circular, nor in any communication with third parties without our prior written approval of the form and context in which it will appear.

Yours sincerely

DRAFT

Hannah Partington MRICS

Director

For and on behalf of Jones Lang LaSalle Limited

Yours sincerely

DRAFT

Mabel Kenyon MRICS

Director

For and on behalf of Jones Lang LaSalle Limited

1. Introduction

1.1. Property Address

Property known as Land Off Burringham Road, Ashby Parklands, Scunthorpe.

1.2. Overview

This viability assessment review has been prepared by JLL on behalf of North Lincolnshire Council, the “Client” who are the “Local Authority” in relation to the proposed residential development of the Land Off Burringham Road, Ashby Parklands, Scunthorpe.

JLL have been instructed by North Lincolnshire Council to review the Financial Viability Assessment (FVA) dated June 2024, produced by Aspinall Verdi on behalf of Swan Homes, the “Applicant”, with regards to the proposed scheme at Land Off Burringham Road, Ashby Parklands, Scunthorpe comprising 130 no. residential dwellings, (planning ref PA/2024/780).

This report will include a market based S106 viability assessment to assist in discussions between North Lincolnshire Council and Swan Homes, with regards to the level of S106 contribution the scheme can support, whilst ensuring a commercial level of developers profit to ensure delivery, and a residual land value that is in line with benchmark land values in order to incentivise the release of the land for residential development (RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, 1st Edition March 2021).

The report will include:

- A Residential Market Review;
- Review of justification and costs, inputs and assumptions contained within the Applicant's FVA;
- Independent viability testing using Argus Developer and review of the Applicant's FVA viability testing;
- Independent Viability Sensitivity Analysis and review of the Applicant's FVA Sensitivity Analysis; and
- Conclusion.

Please note that where there is a grey shaded box within this report, this represents JLL's comments with regards to the comments and assumptions contained within the FVA dated June 2024, produced by Aspinall Verdi on behalf of Swan Homes.

In order to assist our assessment, and draw appropriate conclusions, we have had regard to the scheme detailed within the Reserved Matters application reference PA/2024/780; and the Financial Viability Assessment (FVA) dated June 2024, produced by Aspinall Verdi on behalf of Swan Homes, the “Applicant”, although we note and appreciate that the Aspinall Verdi report does not reflect the latest 130 no. unit scheme, and so there is likely to be some disparity between the two viability assessments. We welcome Aspinall Verdi's updated views for consideration in due course.

This report has been prepared to provide an independent review of these proposals and uses up to date assumptions to demonstrate whether the subject site has the capability to viably be delivered. It provides recommendations based on those results.

In accordance with National Planning Policy, as decision maker, the Local Planning Authority must determine the weight to be given to the submitted assessment, having regard to all circumstances, including whether the plan and viability evidence underpinning it is up to date, and whether there have been any changes in the site circumstances since the plan was brought into force.

Planning Policy

Section 38(6) of the Planning and Compulsory Purchase Act (2004) requires decisions of development proposals to be taken in accordance with the adopted development plan for the area unless material considerations indicate otherwise. The National Planning Policy Framework, Planning Practice Guidance and local planning policies, including Supplementary Planning Documents, are all material considerations.

National Planning Policy Framework

National planning policy is set within the new National Planning Policy Framework (NPPF), which was updated on December 2024. This edition replaces the previous National Planning Policy Framework published in 2023, and earlier revisions. Paragraphs 2 and 47 state that planning decisions should be made in accordance with the Development Plan unless material considerations suggest otherwise. The NPPF is a material consideration.

A presumption in favour of sustainable development lies at the heart of the Framework (Paragraphs 10 and 11). However, Paragraph 12 confirms that this does not preclude the Development Plan being the starting point for decision making. Paragraph 58 states that planning obligations must only be sought where they meet all of the following tests:

- a) necessary to make the development acceptable in planning terms;
- b) directly related to the development; and
- c) fairly and reasonably related in scale and kind to the development.

Paragraph 59 states it is for the applicant to determine whether there are circumstances to justify the need for a viability assessment as part of a planning application. The decision maker should determine the weight to be afforded to the viability statement, taking into account all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any changing circumstances that have occurred since the plan was adopted. It also states that the viability assessment should reflect the recommended approach set out in national planning guidance, including standardised inputs.

As set out in the RICS guidance note, LPAs will have objectives to secure appropriate contributions from development to meet the community and infrastructure needs within their local area. The RICS guidance further states that other stakeholder expectations need to be considered as part of the viability process; namely developers who will expect to make a suitable return, and landowner expectations which are crucial in ensuring the voluntary release of land for development.

Planning Practice Guidance

Planning Practice Guidance (PPG) provides an understanding of how to undertake viability assessments at both plan making and decision taking levels. PPG notes that it is for the applicant to demonstrate whether a planning application should be accompanied by a viability assessment. The decision taker should apply appropriate weight. The decision making for viability will strike a balance between the aspirations of developer and landowners with regard to returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through granting planning permission. Viability assessments should set out the assumptions made about costs and values. This should include gross development value, benchmark land value including the landowner premium, developer's return and costs. Where different figures from those set out in the Local Plan arise, these should be explained and supported with evidence.

2. Location

2.1. Location

2.1.1. General Location

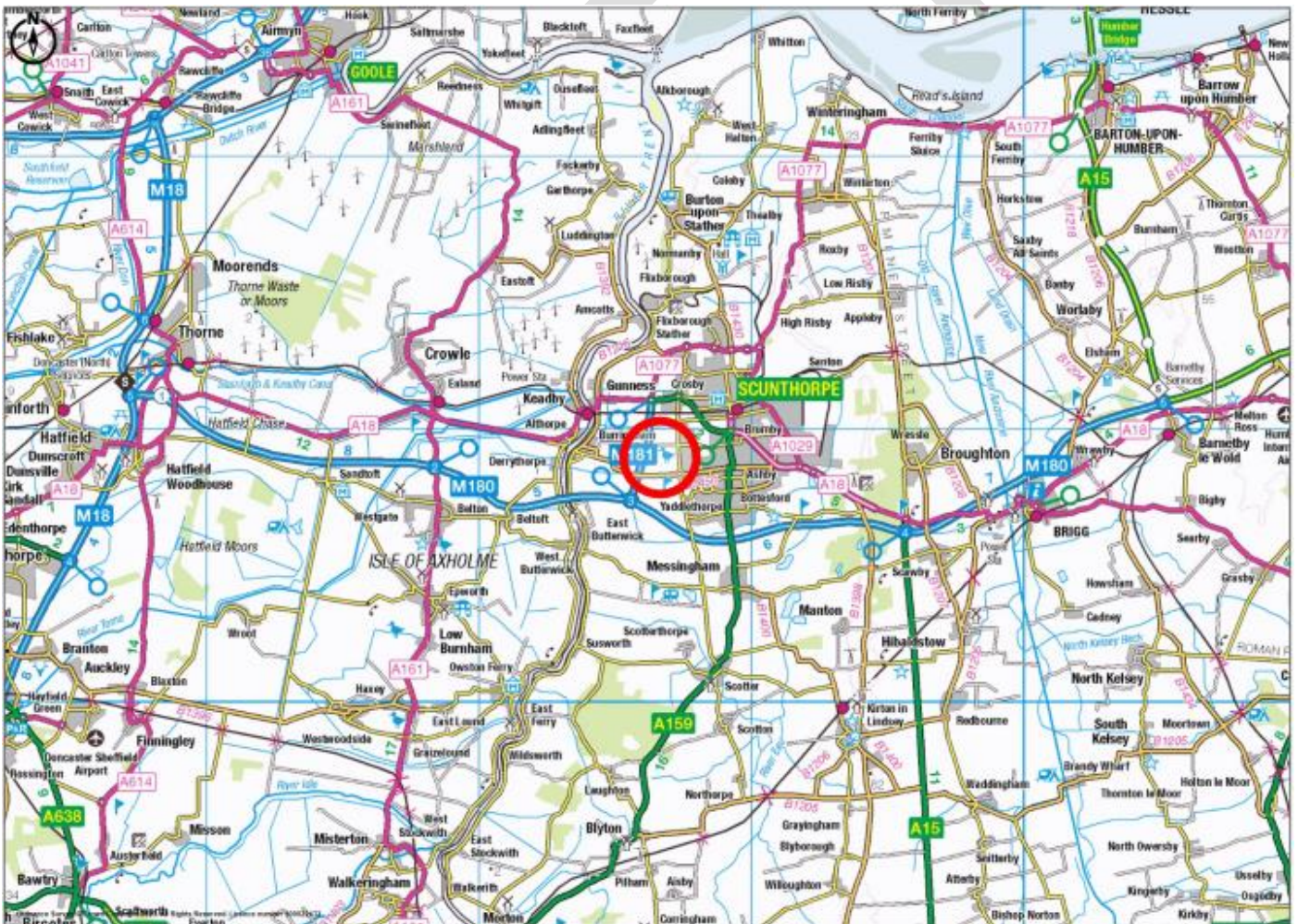
The subject site forms part of the wider Lincolnshire Lakes scheme which is a new urban extension of Scunthorpe with proposals to deliver up to 6,000 no. new homes along with a commercial park and associated uses.

The site is located c. 2.2 miles to the south west of Scunthorpe which is an industrial town in North Lincolnshire.

Scunthorpe is located c. 17.5 miles south west of Hull, 20 miles north east of Doncaster and c. 23 miles west of Grimsby.

The site is located to the north of Burringham Road (B1450).

Below is a location plan to show the location of the site in the context of the surrounding area:



2.2. Communications

Scunthorpe benefits from good transport links with junction 3 of the M180 Motorway being situated c. 1.0 mile from the subject site.

There are also a number of bus stops along the Burringham Road (B1450) which provides connections to Ashfield and Scunthorpe.

The nearest train station is Althorpe station which is c. 2.2 miles from the site which is situated on the Northern line between Doncaster and Scunthorpe. Scunthorpe train station which is located 2.4 miles from the site and is also situated on the Northern line between Doncaster and Scunthorpe.

2.3. Situation

The site is situated to the south west of the town of Scunthorpe.

To the immediate north of the site is a dense tree line separating the site from an area of scrubland and the Parklands Mobile Homes caravan site. Further north is agricultural fields which form part of the wider Lincolnshire Lakes masterplan.

To the immediate east of the site is a mature forested area, a small lake, and the Ashfield Caravan Park. Further to the east is an Asda supermarket, and predominantly residential uses.

To the immediate south of the site is Burringham Road (B1450) and beyond is the Ashby Decoy Golf Club and agricultural fields which form part of the wider Lincolnshire Lakes masterplan.

To the immediate west of the site is Lindsey Lodge Hospice, Carisbrooke Manor Assisted living centre and agricultural fields which form part of the wider Lincolnshire Lakes masterplan. Beyond is the M181.

With regards to amenities in proximity to the subject site, there is The Silica Lodge Garden Centre, Burringham Skate Park, One Stop convenience store and as already mentioned, an Asda supermarket.

With regards to schools, The Oasis Academy Parkwood is 1.2 miles from the site and is rated Ofsted Good, The Westcliffe Primary School is located 1.1 miles from the site and is rated Ofsted Good, the South Park Enterprise College is located 1.4 miles from the site and is rated Ofsted Requires Improvement, and The Enderby Road Infant School is located 1.2 miles from the site and is rated Ofsted Good.

The land use of the surrounding area is predominantly a mix of open countryside and residential uses.



3. Description

3.1. Site

3.1.1. Characteristics

The property comprises a broadly rectangular shaped development land parcel which extends to 5.03 ha (12.42 acres) gross and 3.63 ha (8.96 acres) net.

The wider Lincolnshire Lakes development has outline planning consent for 2,500 no. dwellings including a village centre (Use Classes A1, A2, A3, A4, A5, B1 and D1), a health care facility (Use Class D1), community facilities (Use Class D1), a 3-form of entry primary school (Use Class D1), new roads and footpaths, informal areas of open space, play spaces and new wildlife habitats, water bodies and wetlands with all matters reserved for subsequent approval (ref PA/2015/0396).

The subject site has a Reserved Matters application pending (ref PA/2024/780) (appearance, landscaping, layout and scale reserved) pursuant to outline planning permission PA/2020/1333 dated 29/06/2021 for 128 no. dwellings Amended Description: Changes to site layout and changes to housing types and additional 2 plots proposed (total scheme 130 no. dwellings).

The site is currently a greenfield land parcel which is used for agricultural purposes.

The site is currently accessed from Burringham Road (B1450) via an agricultural access on the southern site boundary.

The site topography is generally level.

The site covering comprises predominantly low level grass.

There are mature tree lines that run along the site boundaries.

There are overhead power cables that run across the northern part of the site in a northwest to south east direction.

The property is shown for identification purposes on the Ordnance Survey extract below.



3. Proposed Development

3.1. Proposed Development

Swan Group have submitted a Reserved Matters application (ref PA/2024/780) (appearance, landscaping, layout and scale reserved) pursuant to outline planning permission PA/2020/1333 dated 29/06/2021 for 128 no. dwellings Amended Description: Changes to site layout and changes to housing types and additional 2 plots proposed (total scheme 130 no. dwellings).

The plan below illustrates the proposed residential scheme:



Upon completion, the proposed scheme will provide 130 no. new build dwellings, as detailed in the below table, subject to achieving the required Reserved Matters planning approval.

Amongst the 11 no. house types there is a combination of bungalows, terraced, semi-detached and detached properties.

The site will be accessed from Burringham Road (B1450) on the southern site boundary. We have assumed that all internal estate roads will be adopted upon completion and that all necessary rights of access and servicing are available.

We have obtained from the North Lincolnshire planning portal, a site layout plan with reference 992 003 A1 D dated May 2024, produced by Ergo.

RICS property measurement (incorporating International Property Measurement Standards Residential) 2nd edition, May 2018, requires us to report IPMS measurements in the report for this Property. As IPMS areas are not available to us for comparable data we have reported only Net Sales Areas (NSA) as provided to us by the Applicant which we

assume have been measured on the basis of the RICS Code of Measuring Practice 6th Edition 2007. We outline the sizes adopted for the purposes of this FVA exercise below.

House										Total Sq
Type	Description	Beds	Baths	Storeys	Parking	Sq M	Sq Ft	No	Total Sq M	Ft
2A	Mid Terrace	2	1.5	2	CPS	61.97	667	2	123.93	1,334
2A	End Terrace	2	1.5	2	CPS	61.97	667	4	247.87	2,668
2A	Semi-detached	2	1.5	2	CPS	61.97	667	10	619.66	6,670
7	Semi-detached	2	1	1	CPS	78.97	850	6	473.81	5,100
3A	Semi-detached	3	1.5	2	CPS	93.00	1,001	28	2,603.89	28,028
3B	Semi-detached	3	2.5	2	CPS	93.00	1,001	22	2,045.91	22,022
C1	Mid Terrace	2	1.5	2	CPS	73.23	788	2	146.46	1,576
C1	End Terrace	2	1.5	2	CPS	73.23	788	4	292.92	3,153
C2	Mid Terrace	3	2.5	2.5	CPS	109.85	1,182	5	549.25	5,912
C2	End Terrace	3	2.5	2.5	CPS	109.85	1,182	8	878.80	9,459
C2	Semi-detached	3	2.5	2.5	CPS	109.85	1,182	2	219.70	2,365
C4	Mid Terrace	4	1.5	2.5	CPS	124.11	1,336	1	124.11	1,336
C4	End Terrace	4	1.5	2.5	CPS	124.11	1,336	2	248.22	2,672
C4	Semi-detached	4	1.5	2.5	CPS	124.11	1,336	6	744.66	8,015
4C	Detached	4	4.5	2.5	SDG	139.91	1,506	7	979.38	10,542
4D	Semi-detached	4	2.5	2.5	SDG	121.98	1,313	2	243.96	2,626
4D	Detached	4	2.5	2.5	SDG	121.98	1,313	6	731.89	7,878
4F	Detached	4	2.5	2.5	SIG	137.19	1,477	10	1,371.90	14,767
5A	Detached	5	3.5	2.5	SDG	139.91	1,506	3	419.74	4,518
								130	13,066.07	140,642

This assessment does not provide critique of the development design, our role is limited to testing the viability of the proposals as detailed in the relevant planning application.

3.2. Specification

Swan Homes are an SME house builder, who offer an attractive mid- high range specification product targeted at the mid-upper end of the market price point.

We have however for the purpose of this valuation assumed a mid/average specification product.

4. Planning

4.1. Planning

4.1.1. General

The property falls within the jurisdiction of North Lincolnshire Council.

The local planning policy falls under the North Lincolnshire Local Plan as adopted in May 2003. This plan has been replaced by the Local Development Framework.

Some of its policies have been replaced following the adoption of the Core Strategy and the Housing and Employment Land Allocations DPD.

The Lincolnshire Lakes Development falls within the Lincolnshire Lakes Area Action Plan (AAP) which was adopted on 10 May 2016 and will set out the planning policy framework to deliver the vision.

The Lincolnshire Lakes development is the creation of one of the largest residential developments, not just in the Yorkshire and Humber Region but in the whole of the UK, within North Lincolnshire on land west of Scunthorpe, creating new building jobs plus thousands more as new businesses are created.

North Lincolnshire Core Strategy which was adopted in June 2011 and provides a long term spatial planning framework for the development of North Lincolnshire up to 2026 (paragraph 5.29) identifies the following transformational principles of the Lincolnshire Lakes development:

- Residential development (6,000 no. new homes) including affordable and sustainable low density housing;
- Business developments that diversify the employment offer of the town, including offices with an attractive waterside setting;
- Flood alleviation to both the new community and existing Trentside villages through mitigation provided by the water bodies;
- Community facilities (including schools, health facilities, libraries, community centres etc);
- Leisure facilities (including water sports, sport stadia and recreational opportunities);
- A sustainable energy landscape with biomass and wind power;
- Sustainable tourism associated with the lakes unique waterside landscape setting;
- Green infrastructure throughout which compliments and improves the location's biodiversity character; and
- Sustainable transport infrastructure through improved access into the town, strong public transport, park and ride facilities and walking and cycling routes within the site that provide direct links to the existing networks.

All of which will be set within a unique lakeside setting with several large artificially created lakes connected by water channels.

A new M181 junction will be created to improve access routes to the motorway and make the area more accessible as a place to live, visit and work.

4.1.2. History

The site has been subject to the following planning applications:

PA/2024/1453 - Application to modify/discharge the S106 Agreement attached to PA/2020/1333 relating to the request for contributions be removed for viability reasons. Pending.

PA/2024/780 - Application for approval of reserved matters (appearance, landscaping, layout and scale reserved) pursuant to outline planning permission PA/2020/1333 dated 29/06/2021 for 128 no. dwellings Amended Description: Changes to site layout and changes to housing types and additional 2 plots proposed (total scheme 130 no. dwellings). Pending.

PA/2020/1333 - Outline planning permission to erect up to 144 no. dwellings with appearance, landscaping, layout and scale reserved for subsequent consideration. Granted 29 June 2021.

PA/2017/1386 - Planning permission for highway works to deliver a new terminating junction to the M181 motorway comprising a new at-grade roundabout to access the B1450 Burringham Road from the M181, new B1450 side roads and realignment of the existing B1450, two new additional roundabouts on the realigned B1450, drainage ponds and outfalls, landscaping and associated re-profiling and ancillary works. Approved with conditions. 17 January 2019.

PA/2016/1736 - Planning permission for engineering and excavation to form a lake (Lake 1) as part of the wider Lincolnshire Lakes proposal. Approved with conditions 1 November 2017.

PA/2015/0628 - Hybrid application for full planning permission for new road and footpaths, informal areas of open space, parklands, play areas and new wildlife habitats, attenuation ponds, recreational lakes and wetlands community; and outline planning permission with all matters reserved for non-residential institutions (Use Classes D1 and D2), leisure facilities (Use Classes A1 and A3) and storage (Use Class B8). Approved 5 August 2021.

PA/2015/0627 - Planning permission for highway works to deliver the new terminating junction to the M181 motorway (due to the de-trunked section of the highway to the north and south of the terminating junction) and the development of the eastern and western sections of the east west link road connecting to the B1450 Burringham Road. Approved 5 August 2021.

PA/2015/0396 - Outline planning permission for the development of up to 2,500 no. new homes including a village centre (Use Classes A1, A2, A3, A4, A5, B1 and D1), a health care facility (Use Class D1), community facilities (Use Class D1), a 3 form of entry primary school (Use Class D1), new roads and footpaths, informal areas of open space, play spaces and new wildlife habitats, water bodies and wetlands with all matters reserved for subsequent approval. Approved 5 August 2021.

4.1.3. S106 Agreement/Planning Gain

The Core Strategy states that –

- On a site of 15 no. or more dwellings in the Scunthorpe urban area a target of 20% Affordable Housing.
- A target affordable housing tenure mix of 70% Social Rented and 30% Intermediate tenure.

The Lincolnshire Lakes Area Action Plan (AAP) states that up to 20% of the dwellings will be required to be Affordable Homes for developments of greater than 15 no. dwellings. Affordable Housing provision of less than 20% will be subject to assessment of viability (with a full viability assessment to be provided by the developer) and subject to agreement by the Council on a case by case basis.

The Lincolnshire Lakes Area Action Plan (AAP) also indicates that contributions will be required towards –

- Primary Education
- Secondary Education
- District and Local Centre
- Sports and Leisure
- Health & Social Care

We note that there has been a previous S106 Agreement put in place for a larger 2,500 no. unit consented scheme (ref PA/2015/0396). This was subject to a S106 Agreement dated 5 August 2021 between Maltgrade Ltd, J Jackson Ltd and North Lincolnshire Council which sets out the following obligations for the wider site –

Obligation	Amount	Trigger	Comment
Affordable Housing	5%	Not to occupy more than 80% of OM housing until all AH units are complete. Not to occupy 50% of OM housing on each phase until all AH units are complete for that phase.	Any phase other than phase 1 or if earlier than the first 650 no. units Discounted Price – 80% of OMV
Allotment Land	0.5 ha		
De-trunking Contribution	£500,000	Not to occupy more than 80% of OM housing	
Temporary Primary School Contribution	£250,000	385 units occupied	
Primary School Contribution	£6,000,000	20% - prior to first occupation 20% - prior to 100 th occupation 20% - prior to 400 th occupation 20% - prior to 1,000 th occupation 20% - prior to 2,000 th occupation	
Secondary Education Contribution	£5,000,000	1 st - £100,000 – 385 no. units occupied 2 nd - £1,000,000 – 750 no. units occupied 3 rd - £2,000,000 – 1,100 no. units occupied 4 th - £1,000,000 – 1,600 no. units occupied 5 th - £900,000 – 1,900 no. units occupied	
Highways Junction Improvements	£518,000	Prior to 600 no. units	
Public Transport Contribution	£1,343,977	Not to occupy more than 80% of OM housing.	
Strategic Route Improvement Contribution	£1,000,000	Prior to 600 no. units	
Open Space		Not to occupy more than 80% of OM housing on each phase until POS is laid out.	
Viability Reassessment	Net profit over the first 20% made from the Development	1,250 th dwelling	

Therefore, whilst the subject site could be delivered under the Outline planning permission detailed above with the above planning obligations, the site has fresh Outline consent (ref PA/2020/1333) under which the subject site is subject to a S106 Agreement dated 16 June 2021, between North Lincolnshire Borough Council, William Foster-Thornton and DDM Agriculture Limited.

Obligation	Amount (Based on 144 no. units)	Trigger	Amount (Based on 130 no. units)
Affordable Housing	20% on-site provision	Complete 5 th AH unit prior to 20 th OM occupation Complete 10 th AH unit prior to 40 th OM occupation Complete 15 th AH unit prior to 60 th OM occupation Complete 20 th AH unit prior to 80 th OM occupation Complete 29 th AH unit prior to 100 th OM occupation	20% on-site provision
Education Contribution	£8,508 per market dwelling	30% on 1 st occupation 30% on 30 th occupation 40% on 80 th occupation	£8,508 per market dwelling
Highways Contribution	£29,808	Prior to 80 th occupation	£26,910
Area of Play	Onsite provision		Onsite provision
Local Equipped Area of Play	Onsite provision		Onsite provision
Recreation Contribution	£116,754	50% prior to 60 th occupation 50% prior to 90 th occupation	£105,404
TRO Contribution	£4,500	Prior to 1 st occupation	£4,500
Public Transport Contribution	£3,456	Prior to 1st occupation	£3,120
Total	£1,134,640		£1,024,766

We note that the Aspinall Verdi's FVA adopts a total S106 contributions of 20% on-site Affordable Housing provision and £1,161,138 (although we note this is based on a 128 no. unit scheme) which is broken down as follows -

- Education - £978,420
- Leisure Contribution - £117,754
- Highways Contribution - £29,808
- TRO Contribution - £4,500
- Public Transport Contribution - £3,456
- Cost of Play Land - £27,200

We welcome an updated appraisal from the Applicant based on the latest 130 no. unit scheme.

4.1.4. CIL

We note that North Lincolnshire Council have not adopted a CIL charging schedule. We have therefore assumed that the proposed scheme is not liable to pay any CIL.

4.1.5. Listed Building Consent and Conservation Area

We note that the property is not located in a Conservation Area, nor is the site impacted by any Listed Buildings.

5. Market Commentary

5.1. National Market Overview

- The Halifax House Price Index dated from March 2025 states that –
 - House prices dipped by -0.1% in February (vs +0.6% in January)
 - Average property price now £298,602 (compared to £298,815 in previous month)
 - Annual growth remains at +2.9%, unchanged from January.
- Amanda Bryden, Head of Mortgages, Halifax, said: "The typical UK house price remained stable in February, with a slight monthly dip of -0.1%. Annual growth also held steady at +2.9%, with the average house price edging down by just £213 to £298,602.
- "February's figures highlight the delicate balance within the UK housing market. While there's been talk of a last minute rush on new mortgages ahead of the changes to stamp duty, inevitably we've seen some of the demand that was brought forward start to fade as the April deadline ticks closer, given the time needed to complete a purchase.
- "That may help to explain why growth in first-time buyer property prices eased in February, falling to +2.4%, in contrast to homemover price inflation which accelerated, reaching +3.7%
- "While house price growth has slowed overall, market activity remains strong and comparable to prepandemic levels, demonstrating a resilience amongst buyers that's been evident in the face of higher borrowing costs.
- "While those affordability challenges persist, the ongoing shortage of housing supply coupled with sustained demand suggests property prices will continue to rise this year, albeit at a more measured pace compared to last year."
- Most areas of the UK saw a slowdown in house price inflation in February.
- In England, Yorkshire and Humberside recorded the strongest annual property price growth for the first time since July 2021, up +4.1% compared to the previous year, with properties now costing an average £216,130.

With regards to Housing activity –

- HMRC monthly property transaction data shows UK home sales decreased in January 2025. UK seasonally adjusted (SA) residential transactions in January 2025 totalled 95,110 – down by -1.0% from December's figure of 96,050 (down -17.1% on a non-SA basis). Quarterly SA transactions (November 2024 – January 2025) were approximately +0.1% higher than the preceding three months (August 2024 - October 2024). Year-on-year SA transactions were +14.4% higher than January 2024 (+20.7% higher on a non-SA basis). (Source: HMRC).
- Latest Bank of England figures show the number of mortgages approved to finance house purchases decreased in January 2025, by -0.5% to 66,189. Year-on-year the figure was +18.3% above January 2024. (Source: Bank of England, seasonally-adjusted figures).
- The RICS Residential Market Survey results for January 2025 show buyer demand and sales easing slightly. New buyer enquiries returned a net balance of zero compared to +4% in December 2024, with agreed sales at +3%, down from +7%. New instructions returned a net balance of +25% from 14%, representing the seventh successive positive report. (Source: Royal Institution of Chartered Surveyors (RICS) monthly report).

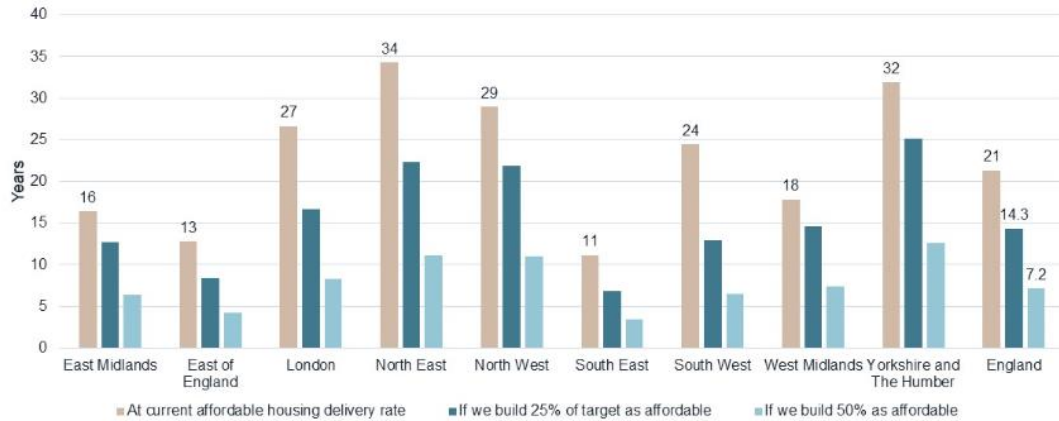
JLL Market Commentary – 14 February 2025

- Angela Rayner has committed another £350 million to address the shortfall of affordable homes. £300m has been signed off to boost the Affordable Homes Programme with a further £50m for the Local Authority Housing Fund. Every little helps for those looking to deliver affordable housing, but the scale of the problem and the years of shortfall in delivery means that further funding will be needed on top.
- The £300m injection is forecast to deliver 2,800 homes (equating to roughly £107,000 per home), but recent analysis of the housing waiting list shows the number of households on the list topped 1.33 million at last count (March 2024), up 43,000 in 12 months. Meaning that to build the 43,000 homes required just to keep the list at 2023 levels would have required £4.6 billion in funding at £107,000 a home. If we look to tackle the 1.33 million

households on the waiting list it would take 21 years at current affordable housing delivery rates to build enough homes, before we even consider new entrants over that period.

Clearing the 1.33m social housing waiting list would take 21 years

Years to clear the current affordable housing waiting list



Source: JLL Research using DLJHC, ONS

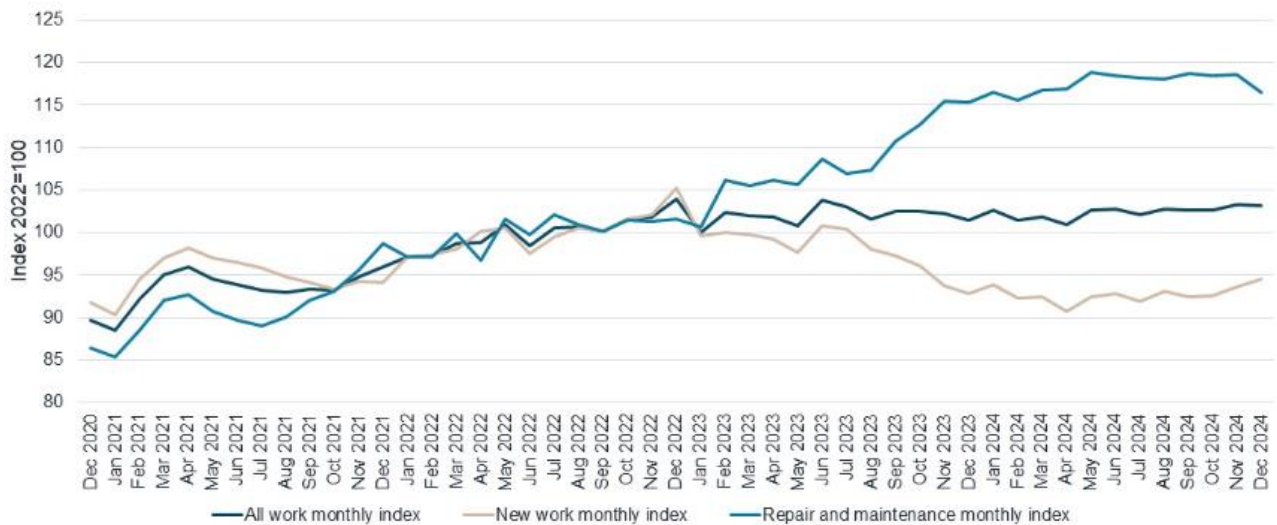
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■ Fiscal headroom disappearing

- The outlook for the UK economy has become more challenging in the last few weeks. The Bank of England cut the base rate (hurrah!) but were pessimistic about the UK's growth prospects. Their expectations for GDP growth in 2025 cut from 1.5% to 0.75%. Of course, the Bank are not the only forecasters, with the latest consensus forecasts remaining north of 1%, but we expect to see a more tempered short-term outlook emerge in the coming weeks.
- The Office for Budget Responsibility will deliver their next forecast to parliament on 26 March. The combined effect of weaker economic growth and higher borrowing costs expected to have significantly reduced Rachel Reeves' £10bn of fiscal headroom.
- But fears of a recession in the second half of 2024 have been allayed by news that UK GDP grew by 0.4% in December, up from 0.1% in November. This means estimates for Q4 2024 have tipped (marginally) into positive territory at 0.1% growth, higher than the 0.1% contraction forecasters were expecting in a recent poll by Bloomberg. Annually GDP is estimated to be 1.5% higher in December 2024 than it was a year earlier, with full year estimates lower at 0.8% year-on-year.

Construction output rises 0.5% in Q4



Source: ONS Construction output

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- Increased construction activity contributed to the latest growth figures. Government estimates suggest construction output rose 0.5% in the three months to December 2024 compared with the three months to September. The rise in activity was led by new work, which increased by 1.2%, with repairs and maintenance activity falling marginally by 0.4%. Private new housing was one of the main drivers in the growth in new work, rising 1.3%. Positive news for the sector but still 20% lower than the post-pandemic peak in September 2022.

The return of the sub 4% fix

- Both Santander and Barclays have announced new 3.99% fixed rates deals, signalling the return of the sub-4% mortgage which has been absent from the market for a few months now (although with a hefty fee and low loan-to-value). It's hoped that breaching the psychological sub 4% barrier will bring more home movers, who had become accustomed to record low rates, back to the market.
- Fewer home movers have meant the proportion of first-time buyers in the market has risen significantly. UK Finance figures crunched by Halifax show there were more than 340,000 first-time purchases in 2024, up 19% on 2023. First-time buyers accounted for more than half (54%) of mortgaged purchases last year, a record high since the data was first collected back in 2014.

Latest from the RICS

- The proliferation of lower rates will be good news for activity in the housing market, but in their absence the latest RICS Survey shows a tentative start to the year in January. Activity in the sales market remained broadly flat last month, with the same number of respondents reporting new buyer enquiries rising than falling in January. Here at JLL we're in the (marginally) more positive camp, with data from our offices showing a modest uptick in new applicants registering so far this year, up 6% on the same period in 2024.
- Sellers continue to return to the market, with more respondents (a balance of +25%) reporting an increase in new instructions, higher than the +16% recorded in December. Stock per surveyor rose too, reaching 45 homes in January, up from 41 at the same point a year ago.
- For lettings, tenant demand remained broadly flat, with the balance of opinion at +2% in January, meaning marginally more respondents reported a rise than a fall. Fewer landlord instructions were reported again in January (net balance of -19%), with March 2022 being the last month when we saw a positive net balance

recorded. Lack of stock, through fewer landlord instructions, is still expected to underpin further rental growth this year.

New Towns

- Housing Minister Matthew Pennycook has announced that more than 100 potential sites across England have been submitted to the New Towns Taskforce for consideration. The sites, the majority of which are urban extensions, aim to provide more than 10,000 homes each with the government promising spades in the ground before the end of this parliament. Initial reports suggest the government could green light around 12 schemes, or more than 120,000 homes. But few, if any, of these homes will be delivered within this parliament, meaning their (self-imposed) challenge of building 1.5 million homes remains.

Sale Price Forecasts

Sales price growth (% pa)	2025	2026	2027	2028	2029	Change 2025-29	Average pa 2025-29
UK	3.5	4.0	4.5	3.5	3.0	19.9	3.7
Greater London	2.5	3.5	5.0	5.0	4.0	21.6	4.0

Source: JLL Research

- A new government with ambitious plans for housebuilding and more comfortable with a higher tax environment, particularly for wealthier households, could mean future growth prospects differ from the recent past. But neither of these seem a sufficient departure from the current trend to meaningfully change the path of growth over the coming five-year period (2025-2029).
- We do expect higher rates (even if they fall back from current levels) will limit growth prospects, meaning our 2025-2029 forecasts sit at the lower end of the recent five year averages.
- We expect growth of 19.9% nationally 2025-2029. London house prices are expected to increase by 21.6% over the same period, underpinned by a lack of new homes reaching the market for sale. We expect lower value markets to see stronger growth towards the beginning of our five-year forecast period, with more expensive markets outperforming once the rate cutting cycle continues into 2026 and 2027.

Rental Forecasts

Rental growth (% pa)	2025	2026	2027	2028	2029	Change 2025-29	Average pa 2025-29
UK	3.0	2.5	3.0	3.5	4.0	17.1	3.2
Greater London	2.5	3.0	3.5	4.0	4.0	18.2	3.4
UK BTR	3.0	3.5	3.5	4.5	4.5	20.5	3.8

Source: JLL Research

- In the five years to September 2024 rents rose nationally by 27%. But the rapid rise in rents in the last three years isn't reflective of the long-term trend. Five-year growth figures in early 2020 sat at around 12%, when rents broadly tracked wage growth.
- The supply demand imbalance which has in part driven rent rises (wage growth and inflation also contributed) is now becoming more balanced, but a lack of new stock entering the market means we anticipate rental growth will exceed wage growth and inflation over the next five years.
- The October Budget did little to change our view. Capital Gains Tax for residential property remained the same, meaning exit costs didn't rise, but entry costs did. Landlords looking to purchase homes now having to pay an additional 2% stamp duty over the previous already elevated bill. We expect this will mean more traditional buy-to-let landlords will leave the market than enter over the next five years.
- But activity in the sales market is expected to increase too, likely meaning an increase in tenants moving across into owner occupation, alleviating some demand side pressures in the short term.

- JLL forecast UK rents will rise 17% over the next five years, with rental growth in the London expected to total 18% over the same period.

5.2. Local Market Review

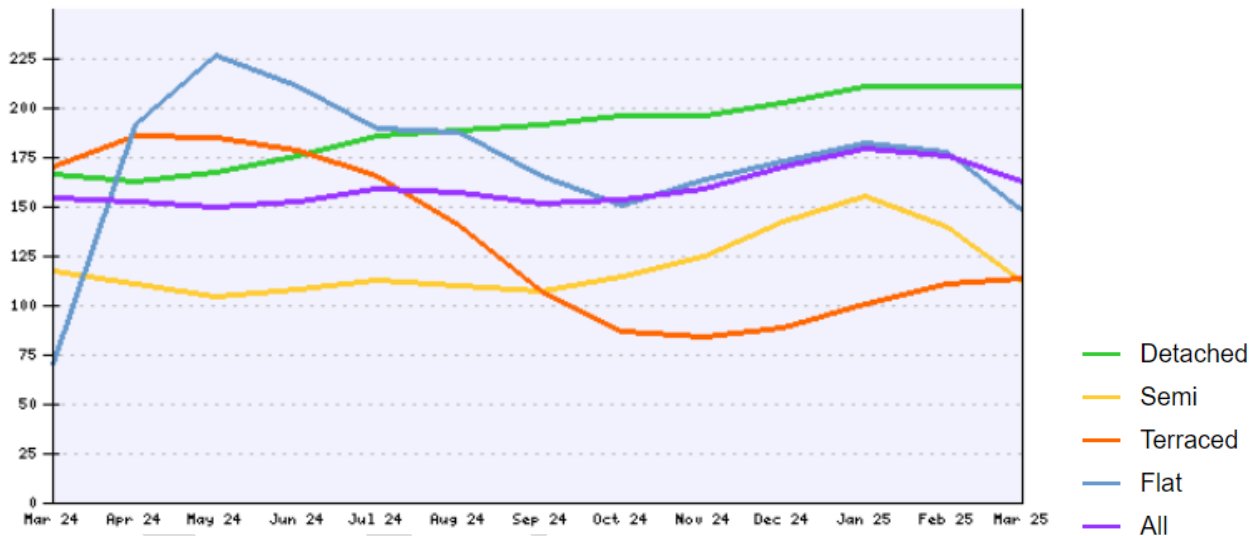
In respect of property values, average house prices in postcode area DN17 are below the national trends. According to Zoopla, as at March 2025, the average price paid was £182,379 in comparison to an average price for the UK of £333,119 (Zoopla, March 2025). Statistics prepared by Zoopla Limited (as provided by Land Registry), state the average pricing for different property types within the postcode as follows:

Property Type	Average paid (in the last 12 months)
Detached	£262,466
Semi-detached	£154,018
Terraced	£122,177
Flats	£71,667

According to [Home.co.uk](https://www.home.co.uk), the average selling time in DN17 is 162 days.

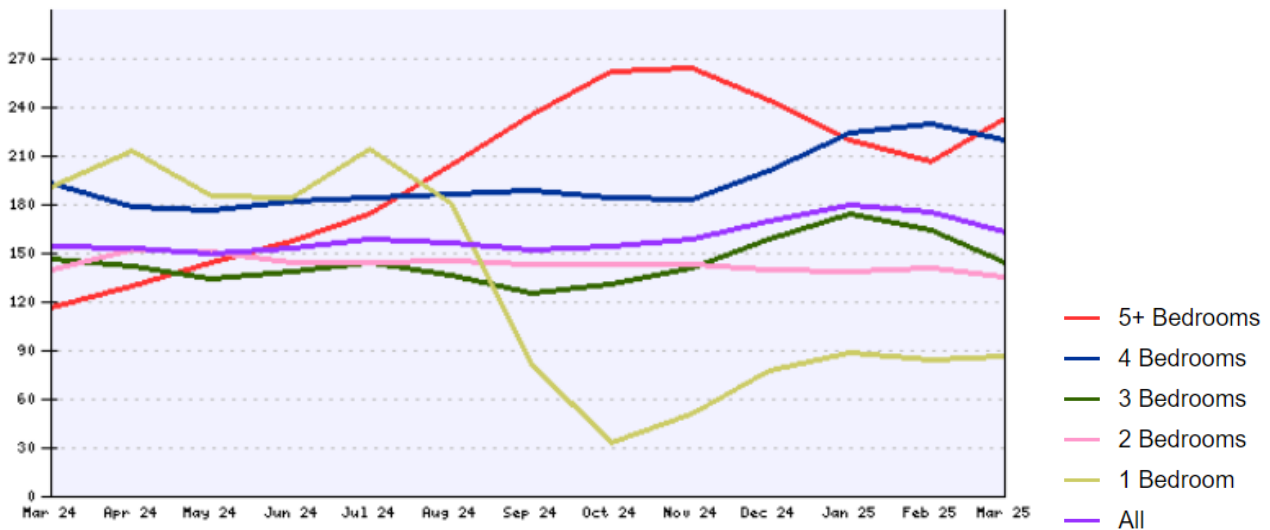
The below graph shows that average time on the market per dwelling type (Source: [Home.co.uk](https://www.home.co.uk)). The graph shows that semi-detached and terraced houses in general spent the least amount of time to sell whilst flats and detached generally took the longest to sell.

Average Time On Market By Type in DN17 (days)



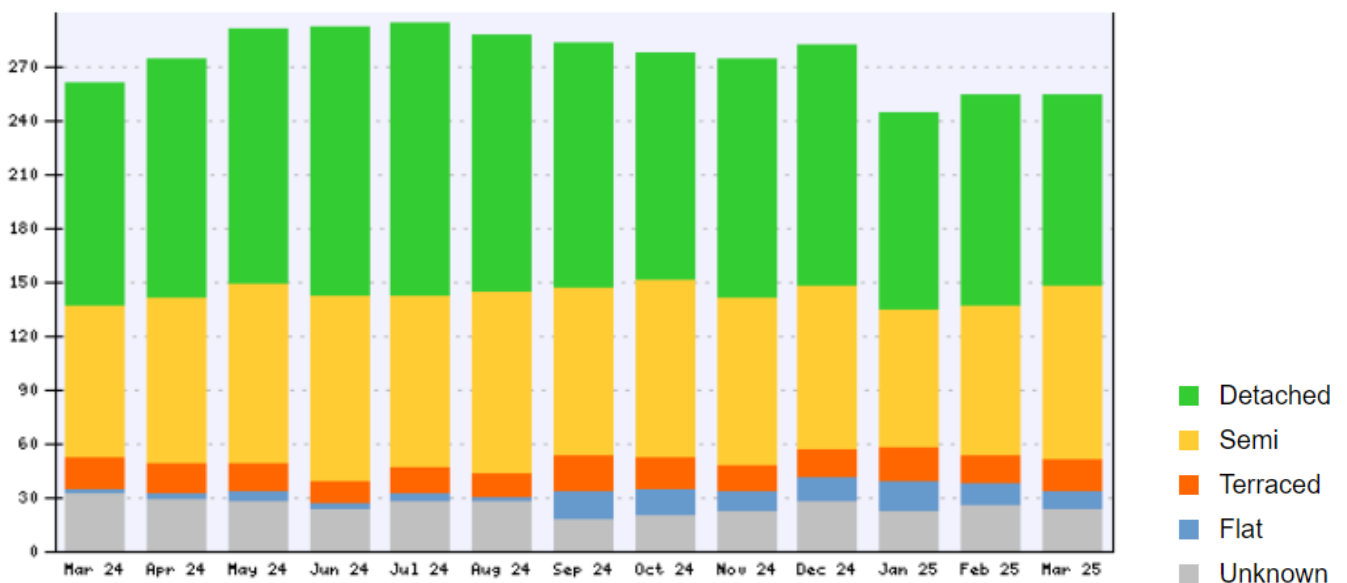
The below graph shows that average time on the market based on number of bedrooms (Source: [Home.co.uk](https://www.home.co.uk)). The graphs shows that one and two bedroom properties sell the fastest, whilst four and five bed properties appear to take the longest time to sell.

Average Time On Market By Number of Bedrooms in DN17 (days)



The below graph shows the number of properties advertised for sale in DN17 based on dwelling type (Source: [Home.co.uk](https://www.home.co.uk)). The graph shows that the majority of stock available on the market are detached and semi-detached properties, with less terraced and flatted properties available for sale.

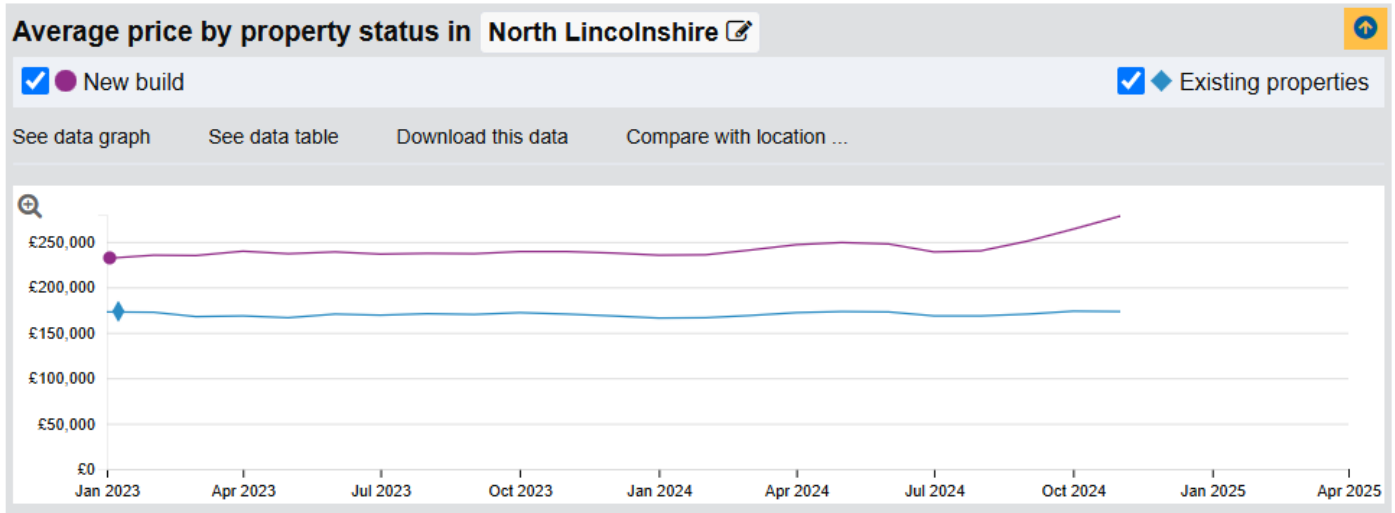
Number of Properties Found Advertised for Sale in DN17 by Type



5.3. Sales Comparables

5.3.1. New Build

- We have had regard to the below new build sales and resales evidence in order to assist in forming our opinion of Gross Development Value.
- We comment that there is some new build sales evidence in the area immediately surrounding the subject property, as well as other comparables schemes within c. 3.0 miles of the subject site.
- The new build evidence has been taken since January 2023, although note that new build house prices have increased over this time as shown in the below graph which shows new build vs. all sales evidence trends from the HPI. Note the New Build evidence does include cash incentives in the data.



- Due to the significant delays in uploading recent new build house sales evidence by the Land Registry, it is increasingly more difficult to build a picture of current market conditions given the lag in sales data.
- As such we have also had regard to new build asking prices and to a lesser extent resales evidence. With regards to new build asking prices, we have taken additional care to note the level of incentives that are being offered on each plot type to ensure that the below evidence is reflective of the net sales values.
- Below we detail the relevant new build sales evidence that is currently available.

Keigar Homes Limited – Burdock Gardens

- This development is located 1.2 miles from the subject site to the south west of Scunthorpe which would be deemed a lower average value location to the subject site.
- The development comprised 77 no. dwellings.
- We understand that this development has now reached Practical Completion.
- We note that the Keigar Homes product and specification is typically at the mid end of the range for SME housebuilders.
- Sales rate between January 2023 and October 2023 averaged c. 1.5 Open Market units per month
- The average gross price achieved between January 2023 and October 2023 was £206,793 which equates to an average £ per sq ft of £209 (av. unit size is 1,037 sq ft).
- Based on the above, we would anticipate the subject site to achieve higher sales values to this development given that this scheme is on an inferior location to the subject, but of a higher specification product, and a similar average unit size; but also given the general increase in new build house prices since the below sales completed.
- Below is a table of completed relevant sales between January 2023 and October 2023:

Address	Date	Gross Price	Type	Sq Ft	Gross £ PSF
49, Appledore Crescent	13/10/2023	£204,950	3 bed town house with SDG	1,141	£180
12, Dartmouth Road	08/09/2023	£299,950	4 bed detached with integral garage	1,345	£223
11, Dartmouth Road	04/08/2023	£379,950	5 bed detached with DDG	2,347	£162
15, Dartmouth Road	28/07/2023	£349,950	5 bed Detached with integral garage	2,174	£161
22, Appledore Crescent	31/03/2023	£169,950	3 bed terraced	807	£211
39, Appledore Crescent	31/03/2023	£149,950	2 bed terraced	689	£218
37, Appledore Crescent	24/03/2023	£149,950	2 bed terraced	657	£228
32, Appledore Crescent	24/03/2023	£169,950	3 bed terraced	807	£211

Address	Date	Gross Price	Type	Sq Ft	Gross £ PSF
31, Appledore Crescent	10/03/2023	£152,500	2 bed terraced	657	£232
29, Appledore Crescent	24/02/2023	£152,500	2 bed Semi-Detached	657	£232
25, Appledore Crescent	17/02/2023	£194,950	3 bed semi-detached	904	£216
23, Appledore Crescent	10/02/2023	£194,950	3 bed semi-detached	904	£216
19, Appledore Crescent	10/02/2023	£152,500	2 bed Semi-Detached	657	£232
27, Appledore Crescent	13/01/2023	£194,950	3 bed semi-detached	904	£216
24, Appledore Crescent	13/01/2023	£184,950	3 bed end terrace	904	£205
49, Appledore Crescent	13/10/2023	£204,950	3 bed town house with SDG	1,141	£180

SME Developer (Steve Ball Joiners) – The Link

- This development is located 1.5 miles from the subject site, to the south of Scunthorpe which would be deemed a lower value area to the subject site.
- The latest phase of the development comprised 18 no. 2, 3 and 4 bedroom dwellings.
- We understand that this development has now reached Practical Completion.
- We note that the product and specification built appears to be of a low to mid range.
- Sales rate between April 2023 to December 2023 averaged c. 0.5 Open Market units per month
- The average gross price achieved between April 2023 to December 2023 was £166,000 which equates to an average £ per sq ft of £207 (av. unit size is 844 sq ft) although this is skewed by the inclusion of a number of 3 storey units. The average £ psf sq ft on the 2-storey units only is c. £230 psf although we would comment that this is based only on small, 2 bedroom house types.
- Based on the above, we would anticipate the subject site to achieve higher sales values than this development given the inferior situation of this development, and also given the general increase in new build house prices since the below sales completed.
- Below is a table of completed relevant sales between April 2023 to December 2023:

Address	Date	Gross Price	Type	Sq Ft	Gross £ PSF
10, Grassfields Close	08/12/2023	£181,000	3 bed mid terrace town house	1,184	£153
3, Grassfields Close	18/09/2023	£165,000	2 bed semi-detached	721	£229
7, Grassfields Close	15/09/2023	£160,000	2 bed semi-detached	721	£222
4, The Link	21/08/2023	£165,000	2 bed mid terrace	721	£229
2, Grassfields Close	02/08/2023	£165,000	2 bed semi-detached	721	£229
8, Grassfields Close	02/08/2023	£160,000	2 bed semi-detached	721	£222
11, Grassfields Close	16/06/2023	£185,000	3 bed mid terrace town house	1,184	£156
2, The Link	01/06/2023	£165,000	2 bed end terrace	721	£229
6, Grassfields Close	19/05/2023	£135,000	2 bed end terrace	560	£241
9, Grassfields Close	05/04/2023	£185,000	3 bed end terrace town house	1,184	£156

Linden Homes – Falcons Place

- This development is located 2.8 miles from the subject site, to the south east of Scunthorpe which would be deemed a lower value area to the subject site.
- The latest phase of the development comprised 73 no. 2, 3 and 4 bedroom dwellings, with c. 51 affordable housing units.

- We understand that this development has now reached Practical Completion.
- We note that the Linden Homes product and specification is typically at the mid end of the range for volume housebuilders.
- Sales rate between January 2023 to December 2023 averaged c. 1.1 Open Market units per month
- The average gross price achieved between January 2023 to December 2023 was £188,918 which equates to an average £ per sq ft of £222 (av. unit size is 865 sq ft).
- Based on the above, we would anticipate the subject site to achieve higher sales values than this development given the inferior situation of the Linden Homes development, and also given the general increase in new build house prices since the below sales completed.
- Below is a table of completed relevant sales between January 2023 to December 2023:

Address	Date	Gross Price	Type	Sq Ft	Gross £ PSF
41, Greenshank Drive	20/12/2023	£218,995	4 bed semi-detached	1,109	£198
35, Greenshank Drive	28/09/2023	£217,995	4 bed semi-detached	1,109	£197
28, Bunting Mews	25/08/2023	£189,995	3 bed terraced	861	£221
33, Greenshank Drive	18/08/2023	£217,995	4 bed semi-detached	1,109	£197
31, Greenshank Drive	11/08/2023	£157,995	2 bed terraced	646	£245
30, Bunting Mews	21/07/2023	£191,995	3 bed Semi-Detached	861	£223
6, Bunting Mews	14/07/2023	£186,995	3 bed terraced	861	£217
32, Bunting Mews	10/07/2023	£203,995	3 bed Semi-Detached	969	£211
27, Greenshank Drive	30/06/2023	£157,995	2 bed semi-detached	646	£245
37, Greenshank Drive	30/06/2023	£254,995	4 bed detached	1,141	£223
28, Greenshank Drive	05/05/2023	£149,995	2 bed terraced	646	£232
32, Greenshank Drive	02/05/2023	£157,995	2 bed terraced	646	£245
18, Bunting Mews	20/01/2023	£148,995	2 bed terraced	646	£231

Gleeson Homes – Phoenix Meadows

- This development is located 3.0 miles from the subject site to the north of Scunthorpe which would be deemed a lower average value location to the subject site.
- The development comprised 160 no. 2, 3 and 4 bedroom dwellings.
- The development has only recently commenced.
- We note that the Gleeson Homes product and specification is typically at the lower end of the range for volume housebuilders.
- Sales rate between June 2023 and December 2023 averaged c. 1.2 Open Market units per month
- The average gross price achieved between June 2023 and December 2023 was £188,566 which equates to an average £ per sq ft of £227 (av. unit size is 840 sq ft).
- With regards to incentives, the scheme is currently offering 5% deposit contributions, price reductions of c. £10,000 and optional extra upgrades most plots.
- Current net asking prices range from £141,495 - £252,645 equating to an average net asking price on a £ per sq ft of £231 (av. unit size is 826 sq ft).
- Based on the above, we would anticipate the subject site to achieve higher sales values to this development given the inferior location of the Gleeson scheme, and also given the general increase in new build house prices since the below sales completed.
- Below is a table of completed relevant sales between June 2023 and December 2023:

Address	Date	Gross Price	Type	Sq Ft	Gross £ PSF
15, Plantation Drive	15/12/2023	£189,995	3 bed semi-detached	861	£221
23, Plantation Drive	14/12/2023	£154,995	2 bed semi-detached	667	£232
7, Plantation Drive	29/09/2023	£189,995	3 bed detached with SDG	775	£245
9, Plantation Drive	29/09/2023	£227,995	4 bed detached with SDG	1,066	£214
2, Plantation Drive	30/06/2023	£259,995	4 bed detached with SIG	1,216	£214
3, Plantation Drive	30/06/2023	£149,995	2 bed semi-detached	646	£232
8, Plantation Drive	30/06/2023	£146,995	2 bed semi-detached	646	£228

- Current relevant asking prices at the development are as follows:

Address	Date	Gross Price	Type	Sq Ft	Gross £ PSF	Net Price	Net £ PSF
Plot 158 - Cork	Asking	£159,995	2 bed semi-detached	651	£246	£141,495	£217
Plot 160 - Cork	Asking	£159,995	2 bed semi-detached	651	£246	£148,995	£229
Plot 157 - Tyrone	Asking	£179,995	3 bed semi-detached	759	£237	£160,495	£211
Plot 102 - Wicklow	Asking	£182,995	3 bed semi-detached	772	£237	£172,845	£224
Plot 99 - Keady	Asking	£209,995	3 bed semi-detached with SIG	839	£250	£198,995	£237
Plot 95 - Keady	Asking	£214,995	3 bed semi-detached with SIG	839	£256	£193,745	£231
Plot 73 - Renmore	Asking	£224,995	3 bed detached with SDG	811	£277	£203,245	£251
Plot 79 - Brandon	Asking	£224,995	3 bed detached with SDG	816	£276	£195,467	£240
Plot 30 - Calry	Asking	£234,995	3 bed detached with SIG	864	£272	£212,745	£246
Plot 710 - Calry	Asking	£234,995	3 bed detached with SIG	864	£272	£212,745	£246
Plot 98 - Dublin	Asking	£276,995	4 bed detached with SIG	1,221	£227	£252,645	£207

5.3.2. New Build Conclusion

We have summarised the findings of our new build comparables below.

Development	Gross Sold £ PSF	Net Asking £ PSF	Subject compared to comparable
Keigar Homes Limited – Burdock Gardens	£209	-	Similar
Steve Ball Joiners – The Link	£207	-	Superior
Linden Homes – Falcons Place	£222	-	Superior
Gleeson Homes - Phoenix Meadows	£227	£231	Superior

5.3.3. Sales Comparables – Resales







In addition to the new build sales evidence, we have also reviewed resales from March 2024 to present within 1.0 mile of the subject site as detailed below, which average a £ per sq ft of £140.





Address	Date	Price	Type	Sq Ft	£ psf
20, Churchill Road DN17 2EB	25/10/2024	£145,000	Semi-Detached	667	£217
15, Alveston Road DN17 1SJ	09/12/2024	£160,000	Semi-Detached	743	£215
			Bungalow		
45, Woodside Drive DN17 2EA	28/05/2024	£143,000	Semi-Detached	743	£193
15, Woodclose Road DN17 1RU	29/11/2024	£124,000	Semi-Detached	753	£165
			Bungalow		
39, Goodwood DN17 2TP	10/06/2024	£150,000	Semi-Detached	775	£194
37, Enderby Road, DN17 2HB	06/06/2024	£127,000	Terraced	775	£164
7, Goodwood, DN17 2TP	04/10/2024	£150,000	Semi-Detached	797	£188
24, Meadow Road, DN17 1RS	19/12/2024	£130,000	Semi-Detached	818	£159
15, Cowper Avenue, DN17 1PB	17/07/2024	£136,500	Semi-Detached	818	£167
240, Burringham Road, DN17 2BH	28/03/2024	£94,000	Semi-Detached	818	£115
55, Enderby Road, DN17 2HB	27/09/2024	£135,000	Semi-Detached	840	£161
225, Burringham Road, DN17 2BQ	29/11/2024	£105,000	Semi-Detached	861	£122
91, Enderby Road, DN17 2JL	18/09/2024	£85,000	Terraced	861	£99
16, Scawby Road, DN17 2HZ	09/10/2024	£120,000	Semi-Detached	872	£138
2, Caenby Road, DN17 2EW	23/01/2025	£50,000	Terraced	883	£57
18, Woodclose Road, DN17 1RU	23/09/2024	£120,000	Semi-Detached	883	£136
23, Byfield Road, DN17 1RW	18/12/2024	£127,000	Semi-Detached	904	£140
224, Burringham Road, DN17 2BH	11/12/2024	£90,000	Semi-Detached	904	£100
7, Clare Avenue, DN17 1NU	02/10/2024	£130,000	Semi-Detached	904	£144
64, Whitman Road, DN17 1QT	23/08/2024	£108,000	Semi-Detached	904	£119
21, Chiltern Crescent, DN17 1TG	09/07/2024	£160,000	Semi-Detached	904	£177
40, Charles Lovell Way, DN17 1YL	24/01/2025	£185,000	Detached Bungalow	915	£202
36, Enderby Road, DN17 2HD	04/10/2024	£110,000	Terraced	936	£117
5, Wellington Court, DN17 1UJ	17/05/2024	£115,000	Terraced	936	£123
14, Hardy Road, DN17 1PJ	08/03/2024	£100,000	Semi-Detached	936	£107
13, Wragby Road, DN17 2HG	19/07/2024	£86,900	Semi-Detached	947	£92
7, Mendip Road, DN17 1TN	31/05/2024	£160,000	Semi-Detached	947	£169
197, Burringham Road, DN17 2BQ	27/01/2025	£105,000	Semi-Detached	958	£110
37, Skelton Road, DN17 1RB	29/11/2024	£127,750	Terraced	958	£133
5, Hood Road, DN17 1RZ	12/07/2024	£140,000	Detached Bungalow	958	£146
10, Chaucer Avenue, DN17 1PH	14/10/2024	£95,500	Semi-Detached	969	£99
33, Meadow Road, DN17 1RS	02/08/2024	£168,000	Semi-Detached	969	£173
1, Chaucer Avenue, DN17 1PH	20/03/2024	£105,000	Semi-Detached	969	£108
9, Manor Farm Road, DN17 1LG	17/01/2025	£62,000	Semi-Detached	980	£63
6, Plymouth Road, DN17 1TL	27/08/2024	£165,000	Semi-Detached	980	£168
39, Woodside Drive, DN17 2EA	07/11/2024	£214,000	Detached	990	£216
35, Skelton Road, DN17 1RB	23/09/2024	£95,000	Semi-Detached	990	£96
26, Shakespeare Avenue, DN17 1SA	17/01/2025	£149,950	Semi-Detached	1,001	£150
246, Burringham Road, DN17 2BH	07/11/2024	£120,000	Semi-Detached	1,001	£120
207, Burringham Road, DN17 2BQ	16/08/2024	£140,000	Semi-Detached	1,001	£140
28, Plymouth Road, DN17 1TL	28/05/2024	£136,500	Semi-Detached	1,012	£135
8, Browning Close, DN17 1LY	06/03/2024	£82,000	Semi-Detached	1,012	£81
17, Marlowe Road, DN17 1QP	06/03/2024	£74,000	Semi-Detached	1,023	£72
236, Burringham Road, DN17 2BH	28/08/2024	£141,000	Semi-Detached	1,044	£135
102, Merlin Road, DN17 1LL	02/07/2024	£94,000	Semi-Detached	1,044	£90

Address	Date	Price	Type	Sq Ft	£ psf
43, St Albans Close, DN17 1QZ	21/06/2024	£72,500	Terraced	1,044	£69
228, Burringham Road, DN17 2BH	09/12/2024	£155,000	Semi-Detached	1,076	£144
29, Coventry Close, DN17 1QW	10/01/2025	£69,000	Terraced	1,098	£63
4, Porlock Court, DN17 1UZ	03/06/2024	£100,000	Terraced	1,098	£91
1, Fermont Court, DN17 2ED	19/04/2024	£190,000	Semi-Detached	1,152	£165
23, Brookdale Road, DN17 1RP	28/06/2024	£215,000	Semi-Detached Bungalow	1,195	£180
90, Woodside Drive, DN17 2EA	15/03/2024	£240,000	Detached	1,227	£196
45, Skelton Road, DN17 1RB	10/06/2024	£213,000	Detached	1,313	£162
3, Betula Way, DN17 2AF	23/08/2024	£400,000	Detached Bungalow	1,442	£277
32, Shakespeare Avenue, DN17 1SA	11/12/2024	£213,000	Detached	1,658	£129

As can be seen from the above resales evidence there is a large range in values from £57 per sq ft to £277 per sq ft. Generally speaking we would anticipate a premium for new build sales against resales values.

We have also had regard to some more targeted resales evidence as detailed below –

Property	Address	Date	Price	Sq Ft	£ psf	Comment
2 bed Bungalows						
	43 Hornbeam Avenue, DN16 3HT	8/12/24	£230,000	818	£281	2 bed detached bungalow with garage. Good condition but unmodernised.
	7 Appledore Crescent, DN17 1BT	21/8/24	£237,000	775	£306	2 bed detached bungalow. Modern build.
2 bed houses						
	138 Messingham Road, DN17 2DB	14/8/24	£152,000	836	£182	Good specification 2 bed semi-detached.
	28 Chancel Road, DN16 3LD	21/6/24	£165,000	574	£287	2 bed end terrace built in 2022. Garage
3 bed houses						
	28 Brumby Wood Lane, DN17 1AB	5/4/24	£255,000	1,258	£203	3 bed semi-detached. Fully modernised.
	15 Park Avenue, DN17 2PB	13/2/25	£230,000	1,163	£198	3 bed semi-detached. Fully modernised.
4 bed houses						

	1 Brumby Hall Gardens, DN17 1BP	8/5/24	£307,750	1,697	£181	4 bed detached with double garage. Good condition but unmodernised.
	18 Fieldfare Close, DN16 3GG	15/1/25	£299,950	1,414	£212	4 bed detached with garage. Good condition.
	9 Montbretia Drive, DN17 2GD	10/4/24	£380,000	1,823	£208	4 bed detached with double garage. Good condition.
5 bed houses						
	17 Dartmouth Road, DN17 1TR	Asking	£350,000	-	-	5 bed detached with SIG. Good condition.

5.3.4. Sales Rate Conclusions

In conclusion, having regard to the new-build evidence available within the local area we have adopted values ranging from £186 per sq ft to £271 per sq ft on the Open Market units. Our overall blended average value is c. £224 per sq ft on the Open Market units.

The Aspinall Verdi FVA only adopts £186 per sq ft based on a 100% Open Market scheme which the above evidence proves is deemed too low.

6. Methodology

6.1. Methodology

According to the RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, the fundamental issue in considering viability assessments in a town planning context is *to ensure that planning policies are realistic and their cumulative cost does not undermine deliverability of the plan, taking account of a variety of factors, including the reasonable expectations of landowners and developers*. It is this core principle which JLL have had regard to throughout the process. In undertaking the analysis of the proposal for development of the subject site, JLL have undertaken a residual appraisal using Argus Developer software. The appraisal explores the commercial viability of the site.

The RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, states that –

“Viability assessments is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return”

As such, development convention and guidance on assessing the viability of schemes states that where a development proposal generates a commercially viable profit which is within an appropriate benchmark range, it is deemed financially viable and therefore likely to proceed. The question of how much this value needs to be is addressed below. Conversely, if the profit expectation is lower than the benchmark, it is deemed financially unviable in that it is unlikely to be pursued and developed as a commercial enterprise. This is based on the accepted assumption that a developer will always seek to bring forward the highest value and most profitable scheme.

The RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, states that *Developer profit/return, for the purpose of plan making, the PPG states that an assumption of 15 – 20% of Gross Development Value may be considered a suitable return to developers in order to establish the viability of plan policies*. However, this is an average return and variations are anticipated depending on the anticipated level of risk to a developer. From JLL's extensive experience of working with national and regional volume housebuilders, who are the type of developers anticipated to undertake the proposed development at the subject site, the required level of profit is typically in the region of 20% on GDV (25% on costs), although 20% profit on cost could be deemed acceptable on some opportunities.

A further consideration in this regard is in relation to a funder's appetite to fund such a development. A “high street” lender will require valuation evidence that the scheme is commercially viable and returns an acceptable profit in order to be eligible for funding. General criteria in this regard requires a profit level in the region of 20% of GDV (25% on cost). However, we are aware of schemes in prime locations where funding has been made available for schemes showing a marginally lower realisable profit level has been deemed acceptable.

This type of viability appraisal is an industry standard method of assessing whether a scheme is financially viable. It involves estimating the value of the completed scheme (termed the Gross Development Value) and deducting all development costs to include, inter alia, site preparation costs, infrastructure costs, construction costs, professional fees, finance costs and the acquisition cost of the land (benchmark land value). The remaining balance is the profit derived from the development. If this reaches a commercial target level, which is in itself dependent on the nature of the scheme including the level of risk, then the scheme is viable. Alternatively a fixed/commercially acceptable level of profit can be used as an input into the appraisal, and the residual land value is compared to the Benchmark Land Value to determine viability which is the approach taken in this viability assessment.

In considering the benchmark for a commercially acceptable profit level (i.e., the competitive return to the developer), against which the profit levels of the proposed schemes are compared, we have had regard to the Government's National Planning Policy Framework (NPPF) (2023), and the RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England. The approaches outlined within these two documents both place an emphasis on enabling the delivery of development schemes.

The revision of the NPPF in 2021 (and subsequently 2023) has placed less emphasis on commercial viability of delivery, than the previous version (2012) did. The wording of the revised NPPF is much stronger, as demonstrated in paragraph 12 of the NPPF:

*"Where a planning application conflicts with an up-to-date development plan (including any neighbourhood plans that form part of the development plan), permission should not usually be granted. Local planning authorities may take decisions that depart from an up-to-date development plan, **but only if material considerations in a particular case indicate that the plan should not be followed**"*

Paragraph 34 of the NPPF states that the level of development contributions should not undermine deliverability of the wider plan to bring forward development:

*"Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). **Such policies should not undermine the deliverability of the plan**"*

Paragraph 56 of the NPPF goes on to say that:

*"Planning obligations must only be sought where they meet **all of the following** tests: a) necessary to make the development acceptable in planning terms; b) directly related to the development; and c) **fairly and reasonably related in scale and kind to the development**"* as set out in Regulation 122(2) of the Community Infrastructure Levy Regulations 2010.

Paragraph 57 of the NPPF then states that:

"It is up to the applicant to demonstrate whether particular 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".

We have approached our assessment of the site viability by way of a residual appraisal.

A residual appraisal considers the Gross Development Value of the completed development under the Special Assumption that all works are complete at the date of valuation and then makes assumptions and deductions for all development costs to arrive at either a residual Site Value or developer's return (profit). In this FVA we have adopted the developer's profit as an input to development costs, leaving a residual land value as the output from which to benchmark viability.

In summary, the viability assessment process is as follows:

GROSS DEVELOPMENT VALUE

less

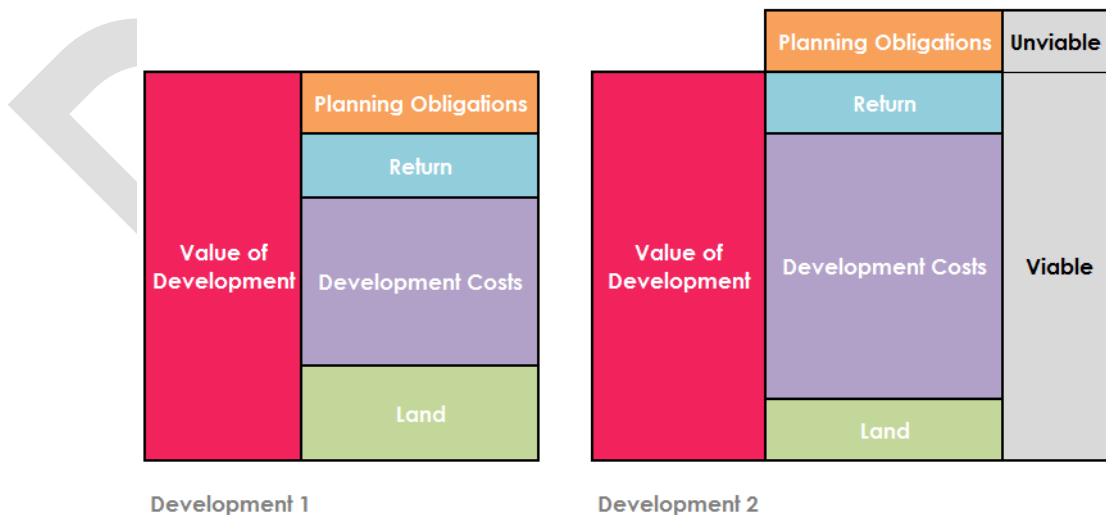
COSTS (Including Profit)
 less
 PLANNING OBLIGATIONS
 equals
 RESIDUAL LAND VALUE
 Viability
 (a comparison to)
 BENCHMARK LAND VALUE

When site value is adopted as the benchmark the test applied in establishing whether a scheme is viable at a particular level of planning obligations (including Affordable Housing) is to consider whether the residual site value of the proposed scheme exceeds the benchmark land value of the property. If it does, then the site is likely to be released for development. If the residual site value is below the benchmark land value (BLV) then the site is considered unviable.

This assessment is fundamental in determining the commercial viability of the proposed schemes.

By way of illustration, Development 1 below shows how the gross sale proceeds less the value of development, match the cost of delivering it, including the obligations required by the planning authority and the developer’s required return. This therefore highlights that the contributions are viable.

Development 2 illustrates how unusually significant development costs have an adverse impact upon the ability to deliver planning obligations in full, whilst maintaining a viable return for the land. This therefore highlights that the contributions are not viable.



6.1.1. Site Value/Benchmark Land Value

As stated above, one method of determining viability is whether the residual site value of the proposed scheme exceeds the benchmark land value of the property. If it does, then the site is likely to be released for development. If the residual site value is below the Benchmark Land Value (BLV) then the site is considered unviable.

After systematically removing the various costs and variables detailed above, the result is the Residual Land Value (RLV). To ascertain the likelihood of delivery and the level of risk associated with development viability, the resulting residual land values are measured against a benchmark value. The BLV should reflect a minimum value that a landowner would reasonably be expected to sell/release their land for development.

It is standard practice for area-wide viability studies to test the residual values of schemes against a BLV. This approach is also advocated within the PPG guidance published in 2018 and updated in 2019 (Paragraph: 014 Reference ID: 10-014-20190509). Where the residual value exceeds the benchmark, a scheme is said to be viable and where it falls below the benchmark, it is not viable.

BLVs, therefore, play a central role in viability studies and PPG Viability sets out the principles that area wide viability studies should follow when taking land values into account based on an:

“Benchmark land value should:

- *be based upon existing use value*
- *allow for a premium to landowners*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees.”*

The RICS Professional Standard – Financial Viability in Planning: Conduct and Reporting, (1st Edition, May 2019) states that in the interest of transparency, when providing benchmark land values in accordance with the PPG for an FVA, RICS members must report the:

- Current/Existing Use Value
- Premium
- Market Evidence – All market evidence will be clearly set out in this report.
- All supporting considerations, assumptions and justifications adopted – which will be fully documented throughout this report.
- Alternative use value – We do not consider there to be an alternative use value (other than the proposed residential use) and hence this has not been reported.

Current/Existing Use Value

The RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, 1st Edition March 2021 defines the Existing Use Value as *the value of land in its existing use, with no expectation of that use changing in the foreseeable future* (based on Valuation of Development property, RICS Guidance Note, 1st edition, October 2019).

With The PPG on Viability defines EUV as:

“The value of the land in its existing use together with the right to implement any development for which there are policy compliant extant planning consents, including realistic deemed consents, but without regard to alternative uses. Existing use value is not the price paid and should disregard hope value”.

The existing use of the property is greenfield agricultural land with a pending planning application for 130 no. dwellings.

PPG advises specifically that the EUV **excludes** hope value from any assessment of the EUV.

Therefore, disregarding the housing planning allocation, and the outline residential planning consent, the Current Use Value would be considered equivalent to agricultural value.

Given that the site is currently agricultural land, we have also had regard to agricultural land values within this valuation.

Below is a table of recent land sales evidence –

Date	Address/ Location	Area	Price	Price per Net acre	Comment
Asking	Alverley South Yorkshire	10.05	£105,000	£10,448	Productive Arable & Grassland across 3 land parcels.
Asking	Sprotbrough, South Yorkshire	17.34	£150,000	£8,651	Grassland and Woodland across 2 land parcels
Asking	Nettleton, Lincolnshire	13.04	£130,000	£10,000	Grassland for sale by Private Treaty as a whole or in two Lots.
Asking	Winterton, North Lincolnshire	5.03	£50,000 - £75,000	£10,000 - £14,911	Grade 2 arable land
Asking	Scopwick, Lincolnshire	53.17	£480,000	£9,028	highly productive arable and grass land.

The above comparables range from £8,651 - £14,911 per acre depending upon quantum and quality of the land available.

Excluding any element of hope value relating to the pending housing allocation, the Current Use Value would equate to c. £10,000 per acre.

Based on the 12.42 acres gross of the site, this equates to an **Existing Use Value** of the agricultural land of £124,200, say **£125,000**.

The Aspinall Verdi FVA adopts an EUV of £11,000 per gross acre (with a differing gross area of 12.95 acres) which is broadly aligned with the £10,000 per acre that JLL have adopted.

Alternative Use Value

We consider the site is best delivered as residential.

Premium

The Premium, as detailed in PPG is -

“The premium (or the ‘plus’ in EUV+) is the ... amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements”.

In assessing an appropriate Benchmark Land Value for the property, the guidance note states that the appropriate comparable evidence is essential in establishing site value for a specific scheme.

However, PPG is clear that there *‘may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.’*

The PPG is clear that market evidence can be used as a cross-check for BLV, but should not be used in place of BLV, and it is not necessarily recommended that these are used as the basis for the input to a model. Therefore, land value benchmarks used to test for viability can be less than the value at which land is being traded in the market since it will be the minimum value that a landowner will sell at and not the auction price (the highest) value that the developer will pay. Also, PPG guidance notes that the BLV should be sufficiently below the market rate for alternative use of clean

residential land to allow for possible on-costs, like policy requirements, remediation and opening costs, which would normally be expected to be within the purchased land value for a clean and ready site. These costs are considered elsewhere and therefore it should be assumed that the BLV excludes any payment for these site costs.

Therefore, there should not be an expectation that every viability assessment will accord directly with transaction market evidence. The approach set out in this guidance note acknowledges these possibilities, and the recommended approach to the assessment of BLV set out in this guidance note is designed to identify both apparent divergences and the reasons for them. BLV should not be assumed to equate to market value. It is based on PPG requirements and a prescribed method that may not accord with assumptions and methods used to assess the price paid for land in the marketplace at any particular point in time. Recognising this possible divergence between BLV for planning purposes and prices paid in the market, PPG states that *'Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan'*.

The appropriate scale of the uplift is not set out in any of the current guidance. But some guidance for the scale of the uplift on existing use value is found in two earlier reports. The first is the Homes and Communities Agency (former Homes England) guidance for its Area Wide Viability Model, which states that the required premium above the existing use value (EUV): *"Benchmarks and evidence from planning appeals tend to be in a range of 10% to 30% above EUV in urban areas. For Greenfield land, benchmarks tend to be in a range of 10 to 20 times agricultural value."*

Another report in 2011, undertaken for the then Department for Communities and Local Government, suggested that a premium of 25% over existing use value was required to bring forward industrial (i.e. Brownfield) land for redevelopment.

In order to benchmark the landowner premium in this viability assessment, we have had regard to legal precedents to provide an indication of what may be deemed an appropriate premium, though individual circumstances will dictate each case. We have focussed on decisions post-July 2018, when NPPF viability guidance was refreshed. The 'Report on the examination of the draft North Tyneside Community Infrastructure Levy Charging Schedule', (published October 2018) discussed the principle of an appropriate premium. The Planning Inspector considers the principle of applying a 20-30 multiplier to EUV for greenfield sites.

We are also aware of an appeal decision in respect of a site in Poulton-le-Fylde, Lancashire, where the applicant submitted a FVA to support a scheme of 130 no. dwellings. To assess the BLV, the consultants argued that an appropriate uplift equates to 15-25 as a multiplier of EUV for greenfield sites. The appeal was allowed by the Planning Inspector in February 2020.

The level of uplift (multiplier) established through legal precedents therefore is 15 – 30 over and above EUV, though recognising that where abnormal development costs are higher, the BLV will be reduced.

For example the Warburton Lane, Trafford appeal from Jan 2021 (ref 3243720) solidified the key viability principle that there is a relationship between the level of abnormal costs and the corresponding Benchmark Land Value (on the basis that as abnormal costs increase the benchmark land value decreases and vice versa). In this decision the Inspector agreed with the Council that a 10 times multiple of the EUV was appropriate. In that particular case the abnormal costs were c. £486,500 per net acre.

In the case of Halton Heights, Forge Weir View involving Wrenman Homes and Lancaster City Council (ref 3285794) dated 29th July 2022. The Inspector accepts an EUV of £10,000 per acre and a premium uplift of 15 times this amount to arrive at the BLV. At that scheme, the abnormal costs equated to £164,544 per net acre. The guidance states that the higher the abnormal costs, the lower the benchmark land value (as the existing use value is fixed the only way this can be accounted for is by reducing the premium uplift).

It is also likely that the premium should only apply to the net developable area of the site. This is guided by reference to the "My Community – Viability Toolkit for Neighbourhood Planning", produced by Locality, which is an MHCLG (now

DLUHC) endorsed and funded organisation that supports groups through the preparation of Neighbourhood Plans. In referring to things to consider when attempting to determine land values, it states: "Residential land – be aware that some land values are based on a gross basis (value of whole site) and net basis (value of the net developable area i.e. revenue generating land). The value on a net basis will exclude areas of open space and the like required in a Local Plan. It therefore represents the value of the net area. However, landowners must be paid for the whole site."

For this reason, the Benchmark Land Value should be decided on the EUV for the whole site, plus a premium on just the net developable area that delivers a return to the developer.

The subject site extends to 5.03 ha (12.42 acres) gross and 3.63 ha (8.96 acres) net.

Based on the above and based on the level of abnormal costs stated by the Applicant (which equates to £67,170 per net acre), assuming a premium uplift of 20 x the EUV of £10,000 per net acre would reflect a **EUV + of £1,790,000**, equating to £200,000 per net acre.

The Aspinall Verdi FVA calculates the EUV+ on the gross area rather than the net area, and concludes that the BLV is equivalent to the EUV+, which is a slightly different approach to JLL's above calculations. Whilst we have seen this approach adopted, we reiterate that the EUV+ should, in our view, only be applied to the NDA.

The Aspinall Verdi FVA adopts an EUV+/BLV of £2,850,000 per acre (20 x £11,000) X Gross area which we would suggest is over-inflated.

We consider the principle of residential development is agreed given the residential planning allocation and consider this level of BLV would reasonably incentivise the hypothetical landowner to release the site for residential redevelopment.

Reflecting on the above analysis, we have assessed the methodology of the NPPF / PPG guidance, and accounted for the adopted planning policy. The principle of residential development has been established in the immediate surrounding area, and it is reasonable to assume a suitable premium would lie above our opinion of EUV, but this would need to account for planning risk.

Assessing the BLV is a subjective exercise and often difficult to quantify, however, on the above basis we consider the **Benchmark Land Value to be £1,915,000** (EUV of £125,000, plus £1,790,000 premium), which is considered to provide a conservative, but reasonable return for the landowner.

The BLV is significantly below these indicative values, which reflects the level of abnormal costs associated with the subject site.

Use	Acres (Gross)	Acres (Net)	EUV - £ per gross acre	EUV	EUV - £ per net acre	EUV +	BLV
Residential	12.42	8.96	£10,000	£125,000	£200,000	£1,790,000	£1,915,000

6.1.2. Residual Land Value

We have run the viability assessment appraisal of the proposed scheme in ARGUS Developer, which is an established real estate software program used by the property industry to model development projects.

6.1.3. Gross Development Value

As mentioned in section 5.4 of this report, the market evidence indicates that the sales rate on a per sq ft basis for new build Open Market housing is c. £224, based on the scheme proposed by the Applicant.

Our opinion of GDV is shown below –

Type	Tenure	Description	Beds	Baths	Storeys	Parking	Sq Ft	No.	Total		£	
									Sq Ft	MV	PSF	Agg. MV
2A	AR	Mid Terrace	2	1.5	2	CPS	667	1	667	£77,500	£116	£77,500
2A	OM	Mid Terrace	2	1.5	2	CPS	667	1	667	£155,000	£232	£155,000
2A	AR	End Terrace	2	1.5	2	CPS	667	2	1,334	£80,000	£120	£160,000
2A	OM	End Terrace	2	1.5	2	CPS	667	2	1,334	£160,000	£240	£320,000
2A	AR	Semi-detached	2	1.5	2	CPS	667	2	1,334	£80,000	£120	£160,000
2A	OM	Semi-detached	2	1.5	2	CPS	667	8	5,336	£160,000	£240	£1,280,000
7	AR	Semi-detached	2	1	1	CPS	850	2	1,700	£115,000	£135	£230,000
7	OM	Semi-detached	2	1	1	CPS	850	4	3,400	£230,000	£271	£920,000
3A	AR	Semi-detached	3	1.5	2	CPS	1,001	4	4,004	£110,000	£110	£440,000
3A	OM	Semi-detached	3	1.5	2	CPS	1,001	24	24,024	£220,000	£220	£5,280,000
3B	OM	Semi-detached	3	2.5	2	CPS	1,001	22	22,022	£220,000	£220	£4,840,000
C1	AR	Mid Terrace	2	1.5	2	CPS	788	1	788	£87,500	£111	£87,500
C1	OM	Mid Terrace	2	1.5	2	CPS	788	1	788	£175,000	£222	£175,000
C1	AR	End Terrace	2	1.5	2	CPS	788	2	1,576	£90,000	£114	£180,000
C1	OM	End Terrace	2	1.5	2	CPS	788	2	1,576	£180,000	£228	£360,000
C2	AR	Mid Terrace	3	2.5	2.5	CPS	1,182	3	3,547	£110,000	£93	£330,000
C2	OM	Mid Terrace	3	2.5	2.5	CPS	1,182	2	2,365	£220,000	£186	£440,000
C2	INT	End Terrace	3	2.5	2.5	CPS	1,182	5	5,912	£180,000	£152	£900,000
C2	OM	End Terrace	3	2.5	2.5	CPS	1,182	3	3,547	£225,000	£190	£675,000
C2	INT	Semi-detached	3	2.5	2.5	CPS	1,182	2	2,365	£180,000	£152	£360,000
C4	AR	Mid Terrace	4	1.5	2.5	CPS	1,336	1	1,336	£142,500	£107	£142,500
C4	INT	End Terrace	4	1.5	2.5	CPS	1,336	1	1,336	£232,000	£174	£232,000
C4	OM	End Terrace	4	1.5	2.5	CPS	1,336	1	1,336	£290,000	£217	£290,000
C4	OM	Semi-detached	4	1.5	2.5	CPS	1,336	6	8,015	£290,000	£217	£1,740,000
4C	OM	Detached	4	4.5	2.5	SDG	1,506	7	10,542	£340,000	£226	£2,380,000
4D	OM	Semi-detached	4	2.5	2.5	SDG	1,313	2	2,626	£300,000	£228	£600,000
4D	OM	Detached	4	2.5	2.5	SDG	1,313	6	7,878	£310,000	£236	£1,860,000
4F	OM	Detached	4	2.5	2.5	SIG	1,477	10	14,767	£330,000	£223	£3,300,000
5A	OM	Detached	5	3.5	2.5	SDG	1,506	3	4,518	£350,000	£232	£1,050,000
								130	140,642		£206	£28,964,500

With regards to the Affordable Housing, we have adopted 20% on site provision split 70% Affordable Rent @ 50% of OMV and 30% Intermediate Home Ownership @ 80% OMV (with the Intermediate units being assigned to the larger house types).

Therefore, the total GDV adopted is £28,964,500 reflecting £224 per sq ft on the Open Market units and £206 per sq ft overall.

Please note, we consider these to be NET achievable figures and are not subject to further deductions.

The Aspinal Verdi FVA has adopted a GDV which equates to £22,700,000 or £172 per sq ft. This takes account of 20% Affordable Housing with a tenure split of 70% Social Rented at 50% of OMV, and 30% Intermediate tenure at 80% of OMV. Whilst we are therefore in agreement with the tenure split and discounts applied by Aspinal Verdi, we consider that the Open Market values are significantly too low.

6.1.4. Acquisition Costs

We have applied Stamp Duty Land Tax at the prevailing rate, as well as an agent fee of 1.0% and legal fee of 0.5% which is in line with commercially accepted levels.

The Aspinall Verdi FVA adopts identical assumptions with regards to SDLT, Agent and Legal fees.

6.1.5. Site Works and Abnormal Costs

Contained within the Aspinall Verdi FVA dated June 2024, produced on behalf of Swan Homes, there is a breakdown of the abnormal costs, as detailed in the below table:

Cost Item	Costs
Whole site water attenuation	£150,000
Drainage	£50,000
New utility connections	£100,000
Diversion of overhead electrics	£26,841.94
Grub up hardstanding + remove redundant Services	£25,000
Raise site levels	£250,000
Total	£601,841.94

6.1.6. Construction Costs

Project specific costs are influenced by the size of the development project, through potential economies/diseconomies of scale and by altering the length of construction period and hence exposure to economic uncertainties. Regional and local economic factors can also influence costs via the relative cost and supply of labour and materials. Macro-economic variables over time may be significant in affecting supply costs through changing interest rates and inflation.

A potential alternative data source appropriate for the estimation of such costs is the Building Cost Information Service (BCIS), a database maintained by the Royal Institution of Chartered Surveyors. The costs detailed within the BCIS reflect a rate per sq m on a gross internal floor area for the building cost with preliminaries apportioned, but excluding external works, contingencies and design fees. It relates only to the construction of the dwelling and a sum must be added to for external plot works, including the road frontage of the dwelling.

For the purpose of the viability assessment we have utilised the most recent cost information sourced from Building Cost Information Service ('BCIS') for new-build housing for the North Lincolnshire region.

Results

Rebased to North Lincolnshire (88; sample 27) [Edit](#)

£/M2 STUDY

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

Last updated: 08-Mar-2025 08:02

MAXIMUM AGE OF RESULTS:

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810.1 Estate housing							
Generally (15)	1,367	702	1,159	1,310	1,496	4,692	1341
Single storey (15)	1,568	908	1,307	1,506	1,711	4,692	214
2-storey (15)	1,316	702	1,135	1,274	1,446	2,847	1051
3-storey (15)	1,412	846	1,182	1,361	1,599	2,784	71
4-storey or above (15)	2,838	1,388	2,272	2,536	3,775	4,221	5

The 'Mean' build cost for the sample of standard estate housing (generally) stands at £1,367 per sq m (£127.00 per sq ft) inclusive of prelim costs, whilst the 'Median' of the range stands at £1,310 per sq m (£121.70 per sq ft). The Lower Quartile stands at £1,159 per sq m (£107.67 per sq ft). The detailed sample of BCIS build costs however provides a wide range of costs of between £702 and £4,692 per sq m (£65.22 and £435.90 per sq ft) for estate housing (generally).

Base Build & Preliminary Costs

Having regard to BCIS, we have adopted the Lower Quartile costs for general estate housing equating to £1,159 per sq m (£107.67 per sq ft), which is in keeping with the current market conditions. We note that the Lower Quartile is an acceptable cost benchmark for schemes above 50 no. units, assuming a mid/average specification product.

The Aspinall Verdi FVA assumes a base build cost of £124 per sq ft equivalent to the BCIS Median. This cost amount is deemed too high for base build and preliminary costs.

Externals

In addition to the cost of construction, we have also applied a cost equating to 10% of build costs to allow for plot externals, which is in keeping with the market norm. This equates to £10.77 per sq ft.

The Aspinall Verdi FVA states that they have assumed a 10% allowance for external work, however this is then not carried through into the appraisal summary appended to the FVA.

Garages

BCIS data does not account for garages and we have therefore adopted an extra-over cost for the quota of garages proposed. We have made a separate allowance for garages.

- 10 no. single integrated garages @ £5,000
- 14 no. single detached garages @ £7,500
- 2 no. double detached garages (4 garages) @ £10,000

An aggregate cost of £175,000 has therefore been assumed for garages.

The Aspinall Verdi FVA assumes –

- £8,800 per single garage (totalling £255,200) but assumes 29 no. garages which does not align with the current planning layout, but we appreciate changes have been made to the scheme since AV undertook their assessment.

Part L Regulations and Future Homes

We consider it appropriate to account for the future cost increases resulting from the introduction of the Future Homes Standards.

With regards to Part L, BCIS now includes an allowance for this and hence we have not made any additional allowance for this within our appraisal.

The “Future Homes and Buildings Standards: 2023 consultation” closed on the 27 March 2024, after being extended an additional 3 weeks from the original closing date of 6 March 2024.

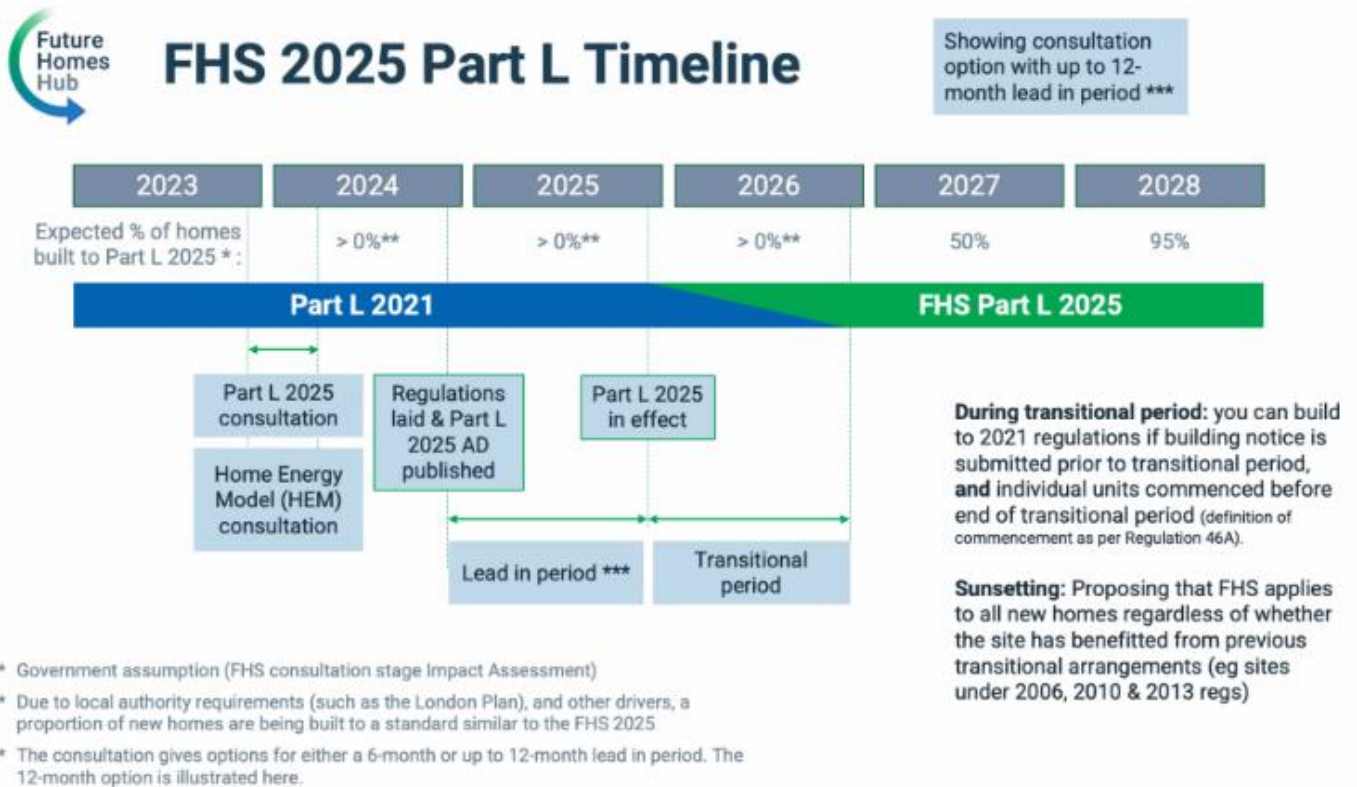
Whilst we acknowledge the minor delay in the consultation, it is our view and the view of many housebuilders that the proposed changes will be implemented with 2025 still very much being a target date; with relatively short notice, and likely during the course of the proposed development.

The consultation makes reference to the previous timeline for the last Part L uplift, being –

- Adopted into Legislation on 15 December 2021;
- Implementation - 15 June 2022;
- A 12 month “plot by plot” transitional period running to 15 June 2023.

It would therefore not be unreasonable to assume that a similar programme would be followed for the proposed Future Homes and Buildings Standards changes. Should this be the case and the proposals are adopted into Legislation in December 2024, then implementation would likely be June 2025 followed by a 12 month “plot by plot” transition to June 26.

A key question in the consultation, we understand, is whether the timescale between the legislation date and the implementation date should be 6 months (as it was before) or ‘up to’ 12 months.



Based on the above, we would consider it reasonable to apply Future Homes costs to all plots due for delivery from June 26.

Volume Housebuilders have since undertaken some cost due diligence in relation to the latest consultation, which offers two options; one which will be financially worse for the developer but better for the homeowner/occupier, and a second which is the opposite, as shown below.

- What does Option 1 look like?
 - In nearly all cases, PV and heat pump are non-negotiable
 - Concerns that PV requirement will push what is practical on real-life sites. This could impact planning layouts, roof design and cause issues with excessive generation
- What does Option 2 look like?
 - Heat pump still necessary, but PV may be offset
 - Minimal fabric improvement over current standards
 - Could lead to higher running costs than AD-L 2021

In respect of Option 1, the consultation estimates a cost to the developer of approximately £6,200 per plot. The cost doesn't account for additional upgrades needed for air tightness, which would suggest an additional £200 per plot to account for this.

In respect of Option 2, the consultation estimates a cost to the developer of approximately £1,000 per plot, but with an increased consequential increase on the householder's energy bill.

Early views on the consultation is that it is unlikely the Government will choose Option 2, and are more likely to proceed with Option 1.

As such, for the purpose of this FVA, we have adopted £6,400 per plot based on the most likely cost option outlined above, for every unit that will be built from June 2026, although note this could be pushed back to 2027/28 (93 no.

units), relating to Future Homes. This figure is in keeping with research undertaken by JLL and Homes England from House Builders, viability plan decisions and government papers (The Future Buildings Standard Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for non-domestic buildings and dwellings; and overheating in new residential buildings).

We have phased this cost on a monthly profile across the duration of the construction period, consistent with our phasing of standard build costs.

The Aspinall Verdi FVA does make an explicit allowance for Future Home Standards costs.

Total

Hence the overall build cost (excluding abnormals) adopted within our viability appraisal equates to £123.91 per sq ft. We comment that our adopted base build, preliminary and infrastructure costs combined (excluding contingency) appear broadly reasonable as we are seeing "all in" costs of between £120 - £140 psf from fully costed developments from volume house builders.

6.1.7. Contingency

We have included a 3% contingency on base build, garage costs and external works costs and a further 5% contingency on abnormal costs.

The Aspinall Verdi FVA adopts a 5.0% contingency on the base build costs only.

6.1.8. Professional Fees

In general terms, professional fees can range from 6% - 12% of construction costs depending on the complexities and scale of the scheme. Professional fees comprise of the cost to employ the services of architects, quantity surveyors, structural engineers, project managers etc.

In this instance we have adopted 6.0% on the standard development costs, which is a consistent and robust standard figure, and typical for a development of this scale, particularly given the costs already expended relating to the preparation and submission of the pending planning application.

The Aspinall Verdi FVA adopts a 8.0% professional fees on the base build costs which also falls within our anticipated range.

In addition Aspinall Verdi make an allowance of £1,500 per unit relating to NHBC warranties. Whilst a legitimate development cost, this is typically wrapped up within the professional fees allowance.

6.1.9. Planning Gain

As stated in section 4.1.3 of this report, we have adopted the current planning gain requirements amounting to £1,024,766 and 20% on site affordable housing provision within this viability assessment.

The Aspinall Verdi FVA adopts broadly similar contributions based on a 128 no. unit scheme.

6.1.10. Disposal Costs

We have applied 1.5% marketing and 1.0% agent fees to the private units, plus £750 per unit legal fees across all tenures, which are in line with market practice.

The Aspinall Verdi FVA adopts a 1.5% marketing and 1.0% agent fees against all units and 0.5% legal fees for all tenures. We are in broadly in agreement with these assumptions in general but note that marketing and agent fees should only be applied to Open Market units and any intermediate units which are to be sold directly by the house builder (e.g. First Homes or Discounted Market Housing).

6.1.11. Finance Costs

Finance rate depends on the borrowing capability of the individual developer, however it is commercially accepted to adopt finance rates of between 6.5 - 7.5%. This finance rate is made up of the Bank of England Base Rate, an element of risk to the bank, and a profit level for the bank.

Based on current market conditions, we have adopted an interest rate of 7.00%.

The Aspinall Verdi FVA adopts an 8.00% finance rate. This is thought to be high particularly given the recent interest rate falls and given that the Argus model assumes 100% debt when in reality there would be an element of equity.

6.1.12. Developer's Profit

As noted earlier in this report, the RICS Professional Standard on Assessing Viability in planning under the National Planning Policy Framework 2019 for England, 1st Edition March 2021 states that *Developer profit/return, for the purpose of plan making, the PPG states that an assumption of 15 – 20% of Gross Development Value may be considered a suitable return to developers in order to establish the viability of plan policies.*

The level of profit should reflect the level of risk associated with the development. Where they are high abnormal costs, the level of return for this risk should be higher and hence reflected in a viability scenario.

For the purpose of this viability assessment we have adopted a Profit on GDV of 17.5% on the Open Market units and 6.00% Profit on GDV on the Affordable units, which is a standard commercial assumption, based on the level of abnormal on this site.

The Aspinall Verdi FVA adopts 20% profit on GDV for the Open Market units and 6.00% profit on GDV on the Affordable units. Whilst the 20% profit on GDV sits within the acceptable range, this is at the top end of the range, we consider that 17.5% profit on GDV is an acceptable level of profit, based on the level of abnormal attributed to this development.

6.1.13. Timescale

Within our appraisal we have adopted the following timescales:

- Pre-construction – 3 months in month 1
- Construction – 42 months from month 4
- Sales – 42 months from month 10

The total development period is therefore 51 months.

We have adopted a 3 month pre-construction period to allow the site to be prepared and a site compound to be set-

up. The construction period will commence following pre-construction. We have adopted a construction period of 42 months based on a completion rate of 3.6 units per month on average (after an initial 6 month build period without any completions). We have adopted a sales period of 42 months equating to 2.5 Open Market sales per month on average. We have allowed a lag period of 6 months between start of construction and start of sales. We have assumed that final sales of units will be completed over a 6 month post-development period.

The Aspinall Verdi FVA assumes an average build rate of 8 units per month after a 6 month period of no completions and a sales period of only 3 months. This does not appear to align with the market.

6.1.14. Development Appraisal Summary

The full development appraisal summary for our appraisal is contained within the Appendix.

The key elements are summarised below (please note this is not intended as a computation of all costs deductions within the appraisal).

Gross Development Value	£28,964,500	Please see above table
Acquisition Costs	£153,994	SDLT at prevailing rate, 1.0% agent and 0.5% legal fees
Construction Costs	£15,142,924	£107.67 psf – BCIS Lower Quartile (North Lincolnshire)
Garages	£175,000	Please see above
External Works	£1,514,292	10.00% of construction costs
Future Homes	£595,000	£6,400 p/u built after June 2026 = 93 units
Contingency on standard development Costs	£522,822	3.00% of construction and external costs
Abnormals, Utilities and Infrastructure	£601,842	As per costs provided
Contingency on Abnormals	£30,092	5.00% of abnormal costs
S106 (excluding Affordable Housing)	£1,024,766	Please see above
Professional Fees	£1,045,645	6.00% of construction costs
Marketing, Incentives, Sales Agent and Sales Legal Fees	£739,125	1.5% marketing and 1% agent fees to the private units, plus £750 per unit legal fees across all tenures
Finance	£452,609	7.00% on all development costs
Profit on GDV	£4,727,487	17.50% for OM and 6.00% on Affordable
Residual Land Value	£2,238,700	
Say	£2,240,000	

The above appraisal identifies that when adopting the above assumptions and S106 obligations, the scheme, based on 20% Affordable Housing, would be deemed commercially viable, as this appraisal results in a residual land value (RLV) of £2,240,000 (rounded), which is above the Benchmark Land Value (BLV) of £1,915,000. This therefore demonstrates that the development can support policy compliant levels of on-site Affordable Housing, and the full policy requirement S106 costs of £1,024,766.

The Aspinall Verdi FVA states a RLV of -£3,290,550. The reason for the lower RLV reported is due to –

- Lower opinion of GDV
- Higher build costs
- Higher debt rate
- Higher level of professional fees
- Higher level of profit adopted
- Higher BLV calculated.

7. Sensitivity Analysis

7.1. Sensitivity Analysis

The purpose of this assessment is to test the financial viability of the proposed development, taking into account the policy requirements set by the Council as well as national planning policy guidance.

We have outlined a policy-compliant position incorporating the known planning gain contributions. We have also established a Benchmark Land Value (BLV) of £1,915,000.

This appraisal results in a residual land value (RLV) of £2,240,000 (rounded), which is above the Benchmark Land Value (BLV) of £1,915,000 and demonstrates the scheme is therefore deemed viable and able to provide 20% on site affordable housing, and the full S106 requirement of £1,024,766.

We have provided below a sensitivity analysis, which highlights the impact of build costs and revenues on the land value of the development.

Sales: Rate psf	Construction: Rate psf				
	-10.000%	-5.000%	0.000%	5.000%	10.000%
-10.000%	£1,801,187	£1,033,080	£264,091	-£505,639	-£1,339,842
-5.000%	£2,786,453	£2,019,944	£1,251,880	£482,964	-£286,600
0.000%	£3,763,027	£3,005,263	£2,238,700	£1,470,680	£701,797
5.000%	£4,730,853	£3,983,090	£3,224,046	£2,457,457	£1,689,479
10.000%	£5,698,674	£4,950,919	£4,203,101	£3,442,829	£2,676,214

Conclusion

This FVA has demonstrated a residual land value (RLV) of £2,240,000 (rounded), which is above the Benchmark Land Value (BLV) of £1,915,000. This therefore demonstrates that the development can support policy compliant levels of on-site Affordable Housing, and the full policy requirement S106 costs of £1,024,766.

8. Conclusion & Recommendations

8.1. Conclusion and Recommendations

We have carried out a viability appraisal on the proposed scheme assuming the required planning gain of £1,024,766 and 20% on-site Affordable Housing provision. This appraisal results in a Residual Land Value (RLV) of £2,240,000 (rounded), which is above the Benchmark Land Value (BLV) of £1,915,000. This therefore demonstrates that the development can support policy compliant levels of on-site Affordable Housing, and the full policy requirement S106 costs of £1,024,766.

8.2. Confidentiality and Publication

Finally, and in accordance with our normal practice we confirm that the Report is confidential to the party to whom it is addressed for the specific purpose to which it refers. No responsibility whatsoever is accepted to any third party and neither the whole of the Report, nor any part, nor references thereto, may be published in any document, statement or circular, nor in any communication with third parties without our prior written approval of the form and context in which it will appear.

Appendix

APPRAISAL SUMMARY**JLL**

Appraisal Summary for Merged Phases 1 2

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Open Market	104	114,742	223.68	246,779	25,665,000
Affordable Rent	18	16,287	110.98	100,417	1,807,500
Intermediate	8	9,613	155.21	186,500	1,492,000
Totals	130	140,642			28,964,500

NET REALISATION 28,964,500

OUTLAY

ACQUISITION COSTS

Residualised Price			2,530,683	
Residualised Price (Negative land)			(291,982)	
				2,238,700
Stamp Duty			116,034	
Effective Stamp Duty Rate		4.59%		
Agent Fee		1.00%	25,307	
Legal Fee		0.50%	12,653	
				153,994

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost	
Open Market	114,742	107.67	12,354,271	
Affordable Rent	16,287	107.67	1,753,621	
Intermediate	9,613	107.67	1,035,032	
Totals	140,642 ft²		15,142,924	
Contingency		3.00%	522,822	
Contingency		5.00%	30,092	
Abnormal			601,842	
				16,297,681

Other Construction Costs

Externals		10.00%	1,235,427	
Garages			175,000	
Future Homes - 93 x £8.4k			595,200	
Externals		10.00%	278,865	
				2,284,492

Section 106 Costs

Education Contribution	104 un	8,508.00 /un	884,832	
Highways Education			26,910	
Recreation Contribution			105,404	
TRO Contribution			4,500	
Public Transport Contribution			3,120	
				1,024,766

PROFESSIONAL FEES

Professional Fees		6.00%	1,045,645	
				1,045,645

DISPOSAL FEES

Sales Agent Fee		2.50%	641,625	
Sales Legal Fee	130 un	750.00 /un	97,500	
				739,125

TOTAL COSTS BEFORE FINANCE 23,784,404

FINANCE

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)			
Total Finance Cost			452,609

TOTAL COSTS 24,237,013

PROFIT

4,727,487

Performance Measures

Profit on Cost%	19.51%
Profit on GDV%	16.32%
Profit on NDV%	16.32%

IRR% (without Interest) 36.59%

Profit Erosion (finance rate 7.000) 2 yrs 7 mths