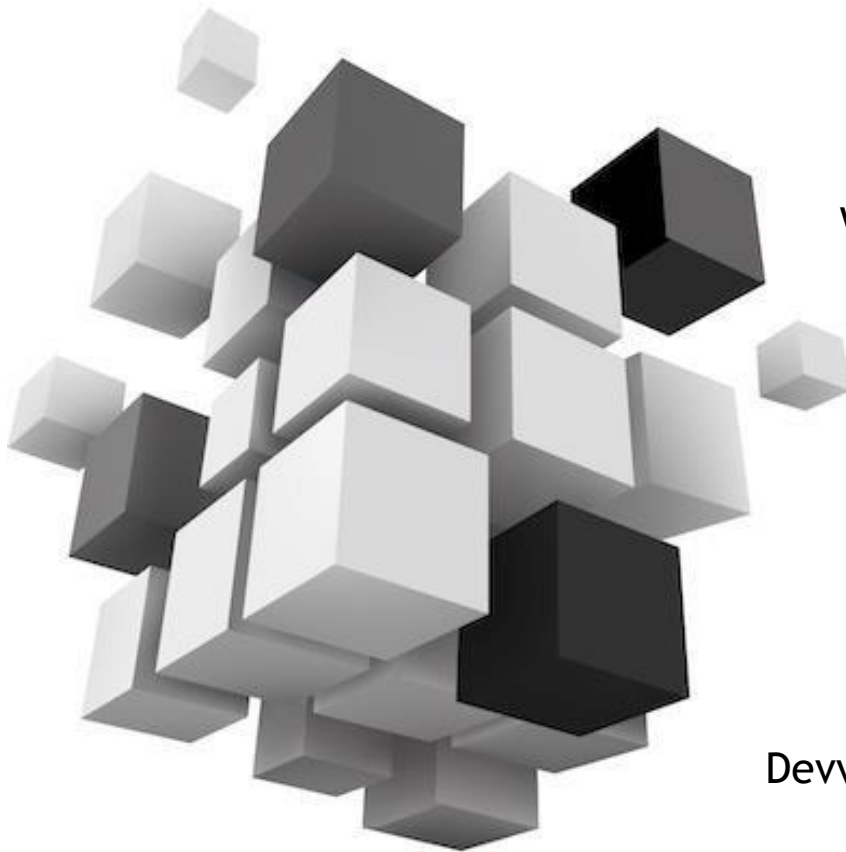


DEVVIA

PROPERTY CONSULTANCY



Viability Assessments for
Land South of Dinting Vale,
Glossop.

Prepared on behalf of:
Wain Homes (North West)
Ltd

Prepared by:
Devvia Property Consultancy

28th September 2022

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Publication exemption request

We are aware that viability submissions are in most cases placed in the public domain.

In this case, we would seek an exemption to that, as contained within the PPG (May 2019), given that negotiations relating to the ownership of the site are ongoing and the publication of this material would prejudice those negotiations:

"Any viability assessment should be prepared on the basis that it will be made publicly available other than in exceptional circumstances. Even in those circumstances, an executive summary should be made publicly available. Information used in viability assessment is not usually specific to that developer and thereby need not contain commercially sensitive data. In circumstances where it is deemed that specific details of an assessment are commercially sensitive, the information should be aggregated in published viability assessments and executive summaries and included as part of total costs figures. Where an exemption from publication is sought, the planning authority must be satisfied that the information to be excluded is commercially sensitive. This might include information relating to negotiations, such as ongoing negotiations over land purchase..."

Para 021

We have submitted a further copy of the non-technical executive summary as a separate file for publication if required.

Non-technical summary

The proposed scheme is designed to deliver a total of 100 dwellings.

The proposed development would provide a range of house types with 1 bedroom apartments, 2, 3 and 4 bedroom, new semi-detached and detached houses.

The assessment includes the following key headlines:

Total Development Value: £23,375,000

Total Development Cost: £21,909,322 (excluding profit)

Residual land value: minus £3,223,722

We have assessed the ability of the scheme to be capable of being delivered.

Assumptions

The following key assumptions are contained in our assessment:

Development programme: June 2023 to June 2026

Developer profit: 20% on GDV

1.0 Introduction

- 1.1 This Viability Assessment is provided in relation to the proposed development for housing provision on the site.
- 1.2 This report establishes the financial viability of a scheme submitted for planning consent. The planning application presently under consideration is for 100 dwellings, for market sale. The purpose of this report is to determine the viability of the scheme.
- 1.3 The report considers the impact on the viability of the scheme as a consequence of all currently known or estimated development costs, both normal and abnormal.

The site is located to the south of Dinting Vale (A57) approximately 1.6km to the west of Glossop town centre and approximately 21km east of the centre of Manchester. It is acknowledged to be a desirable place to live and for housing to remain in demand.

The site extends to 4.7 hectares, (11.61 acres) and is currently used for equestrian purposes.

- 1.6 The report is prepared on an independent basis and is in full conformity with the current RICS Guidance Note 94/12; the RICS Guidance Note 'Assessing viability in planning under the NPPF 2019' (1st edition) March 2021; the RICS Professional Statement and the PPG on viability (July 2018 and revised May 2019).
- 1.7 We have acted with objectivity and in an impartial capacity, without interference and utilising all available sources of information. Our terms of engagement confirmed that we have acted without any conflict of interest and any performance-related or contingent fee element.
- 1.8 Any requests made by the applicant are set out within this report and do not contradict the mandatory requirements of the RICS Professional Statement '*Financial viability in planning: conduct and reporting*' (May 2019).

- 1.9 This report is prepared by a suitably qualified practitioner, with more than 30 years of experience in planning and development matters.
- 1.10 No part of this report constitutes a valuation, nor should it be relied on in that respect for any purpose.
- 1.11 This report is prepared solely on behalf of the applicant in relation to their proposed scheme and to establish the viability of that scheme. In this respect, the report is neither transferable nor applicable to any other scheme or purpose. No assignment of this report is permissible.

2.0 Proposed development

2.1 The overall gross site area is approximately 4.70 hectares (ha) (11.61 acres) and comprises an open area of grassland between the A57 and Simmondley Lane.

2.3 The description of the proposed development is:

'Proposed residential development comprising 100 dwellings including areas of public open space, landscaping and associated works.'

2.4 The proposed development includes a range of dwellings that includes 1 bedroom apartments and a range of 2 to 4 bedroom mews, semi-detached and detached 2 and 3 storey houses. Dwelling sizes are across a range as shown below.

House Type	Area m2	Area sq.ft.
Chinley	46.76	503.33
Trevithick	75.81	816
Brahms	81.76	880
Brunswick	85.14	916
Nelson	94.11	1013
Jenner	102.10	1099
Newton	114.55	1233
Wordsworth	121.52	1308
Shakespeare	125.42	1350
Priestley	141.95	1528

2.5 In addition, the proposed development includes landscaping and parking provision for residential development.

3.0 Methodology and policy

3.1 In accordance with the RICS Guidance Note '*Assessing viability in planning under the NPPF 2019*' (1st edition) March 2021; the PPG (Viability) (as amended May 2019) and the RICS Professional Statement '*Financial Viability in planning: conduct and reporting*' (May 2019) the methodology used to establish the financial viability of the scheme is that of a residual appraisal.

3.2 This methodology in this instance is summarised as follows:

$$\text{GROSS DEVELOPMENT VALUE (GDV) less COSTS less PROFIT} \\ = \text{RESIDUAL LAND VALUE}$$

In this way, financial viability is tested, with a clear connection to planning policy as contained within the NPPF and PPG, which indicate that unless viability is secured development may not proceed, to the detriment of economic gain that would otherwise arise.

It is recognised that a reasonable return from development should be produced. In the absence of that reasonable return, measured by profit relating to cost, and benchmarking of the site value, such development will not proceed.

3.5 The purpose of considering financial viability is to establish how a scheme should be considered during the planning application phase with particular regard to matters such as the provision of affordable housing and other levels of planning obligations. The aim is to secure a surplus from the equation above to enhance the land value.

3.6 The following are considered to be relevant in this instance:

- High Peak Local Plan Viability Test (April 2014)
- High Peak Local Plan (April 2016)
- RICS Guidance Note 94/12
- RICS Guidance Note '*Assessing viability in planning under the NPPF 2019*' (1st edition) March 2021
- RICS Professional Statement '*Financial viability in planning: conduct and reporting*' (May 2019)
- NPPF (July 2018)
- PPG Viability (2018 and amended 2019)

- 3.7 The assessment date for viability purposes is 28th September 2022. All data sources used were current at that date.
- 3.8 An area-wide viability study was carried out on behalf of the Borough Council In 2014. This assessed the viability of sites contained within the Councils area. Whilst that report is dated and preceded the PPG, the methodology adopted and the inclusion within that report of a series of typologies means that it remains of some relevance in the context of this assessment of a specific proposal.
- 3.9 The methodology adopted within the Viability Study, concerning land value benchmarking, included the comparison between a scheme residual land value (RLV) with benchmark land values. It was recognised that where an RLV is lower than the benchmark level the scheme would not then be economically viable.
- 3.10 The Viability Study (2014) confirms that the methodology is the residual approach defined in the RICS Guidance Note 'Assessing viability in planning under the NPPF 2019' (1st edition) March 2021, alongside an acknowledgement that land for development would not come forward without sufficient incentive for the landowner. High Peak Borough Council commissioned this report. It is an area-wide study, rather than a site-specific one. However, the methodology contained was approved and is relevant in this case.
- 3.11 The area-wide study contained the testing of development scenarios and included benchmarks, in respect of elements of cost and value. We have noted the adoption of BCIS data; abnormal costs; contingency and fees. Some of these have since been refined as a result of the revised guidance, appeal decisions and the economic factors that currently exist.
- 3.12 We have noted the adoption of the following specific assumptions:
- Agent and legal fees (land): 1.75%
 - Contingency: 5%
 - Marketing: 3.5 of GDV
 - Finance costs: 7.00% inclusive of arrangement; monitoring and exit fees
 - Profit: 20% of GDV

- 3.13 The study, whilst pre-dating the PPG, confirmed that the benchmark land value would be based on a premium above the Existing Use Value (EUV). It also confirmed the consideration of alternative uses (AUV). This approach conforms with the PPG.
- 3.14 The data contained in the areawide Viability Report (2014) was secured in 2013 and its currency is therefore significantly reduced. We do, however, note the application of that data in formulating policy and the approach to the site-specific viability assessment.
- 3.16 The benchmark land values within the Viability Report (2014) were derived from market evidence, in accord with the RICS Guidance Note and matching our approach in this case.
- 3.17 We have had particular regard to the PPG and the RICS Guidance Note 'Assessing viability in planning under the NPPF 2019' (1st edition) March 2021, in respect of the consideration of development costs and site value.
- 3.18 We have ensured that the methodology and processes followed within our assessment are in full accordance with the mandatory provisions of the RICS Professional Statement (May 2019). The mandatory provisions further apply to reviewers appointed by the local planning authority. This specifically includes the requirement for evidence to be provided if a reviewer disagrees with the conclusions reached within an assessment.
- 3.19 The process of assessing the overall scheme viability requires the consideration of the hypothetical developer and specifically excludes reference to any hope value or price paid for the land. The methodology further required includes an assessment of market evidence in establishing a benchmark land value, together with a detailed cost analysis in support of the calculated viability assessment.
- 3.20 We are aware of the extraordinary circumstances presently prevailing in the economy and the impact this will have on the property market. We have utilised recent market evidence and our current assessment of expectation in terms of risk and return. We have completed detailed market research which is appended to this report in Appendix B.

3.21 We identify that there is a significant risk of a lesser performance over time that could arise from this development in the current climate, which is usually assessed by way of sensitivity analysis to consider price levels and potential cost inflation. At this present time, we see no evidence of price growth or higher than expected sales rates and in fact note the potential for lower growth alongside a longer period to achieve sales. Development is now considered to be a higher risk investment activity and, although presently indications of market activity remain good, a variety of sources report that future house price inflation will be outstripped by high levels of development cost inflation.

4.0 Development proposal

- 4.1** As more fully described within the planning application the proposal is for 100 dwellings that will provide a range of 1 to 4 bedroom private homes of a traditional construction.
- 4.2** We have identified a development programme timescale and separately identify pre-construct, construction, and sales phases within our appraisals. This forms the basis of the cash flow contained within our appraisal.

5.0 Scheme value

Market housing

5.1 The proposed development is for 100 dwellings, of which 6 are apartments and 10 are townhouses. We have carried out an appraisal of the scheme on that basis and considered the viability based on all calculated values and costs.

5.2 The following dwelling type mix is included in our assessment:

	Type	Storey	Bedrooms	Area m ²	Area sq.ft.
Chinley	Apartment	2	1	46.76	503.33
Trevithick	Semi/Mews	2	2	75.81	816
Brahms	Semi/Mews	2	2	81.76	880
Brunswick	Semi	2	3	85.14	916
Nelson	Detached	2	3	94.11	1013
Jenner	Townhouse	3	3	102.10	1099
Newton	Detached	2	4	114.55	1233
Wordsworth	Detached	3	4	121.52	1308
Shakespeare	Detached	2	4	125.42	1350
Priestley	Detached	2	4	141.95	1528

We have considered the currently available market evidence as detailed in Appendix B of this report. This has been used to set the proposed asking prices as summarised below:

House Type	Total No.	Size (Sq. Ft)	Total Sq. Ft	Value Per Dwelling	Total GDV
Chinley	6	503	3,020	£110,000	£660,000
Trevithick	21	816	17,136	£230,000	£4,830,000
Brahms	20	880	17,600	£235,000	£4,700,000
Brunswick	14	916	12,824	£250,000	£3,500,000
Nelson	8	1013	8,104	£290,000	£2,320,000
Jenner	10	1099	10,990	£275,000	£2,750,000
Newton	11	1233	13,563	£350,000	£3,850,000
Wordsworth	3	1308	3,924	£335,000	£1,005,000
Shakespeare	3	1350	4,050	£385,000	£1,155,000
Priestley	4	1528	6,112	£435,000	£1,740,000
Total	100		97,323		£26,510,000

- 5.4 We have adopted the above asking prices, noting the variety and range of market evidence. The adopted asking prices are set with close regards to evidence as it existed and have not simply been created by the use of a single rate per square foot.
- 5.5 It is our considered opinion that the asking prices proposed reflect the current market. We note the wider economic issues that are likely to influence demand throughout the development period, especially wider inflation increases and rising costs of living. It is further noted that expectations of continued house price growth are significantly reduced, with sources including Nationwide expressing caution, noting the potential impact on affordability with interest rate rises likely.
- 5.6 Whilst noting the levels of growth that have occurred across all house types, we conclude that there is increasing uncertainty within the property market and as such arbitrary increase in the proposed prices cannot be justified. We consider the prices adopted to be robust and include any new homes price premium.

Affordable housing

- 5.7 The proposed development is for 100 dwellings and therefore the policy compliant level of affordable housing would provide 30 dwellings. The councils preferred tenure mix is for 80% of the affordable dwellings to be affordable rent and 20% intermediate or shared ownership tenures. We have carried out an appraisal of the scheme on that basis (Appendix C) and considered the viability based on all known values and costs.
- 5.8 The following affordable tenure mix is included within our appraisal on this basis:

Type	Affordable rent	Shared ownership
Chinley	6	0
Trevithick	9	3
Brahms	9	3
Total	24	6

5.9 Based on the above tenure mix we have adopted the following transfer values for the different tenures:

Type	Transfer Value	Market Value (MV)	Proportion of MV
Chinley (AR)	£49,500	£110,000	45.00%
Trevithick (AR)	£103,500	£230,000	45.00%
Brahms (AR)	£105,750	£235,000	45.00%
Trevithick (SO)	£149,500	£230,000	65.00%
Brahms (SO)	£152,750	£235,000	65.00%
		Overall	52.80%

5.10 The GDV for the affordable dwellings is therefore calculated to be as follows:

Element	GDV
Affordable Rent	£2,180,250
Shared Ownership	£906,750

Scheme GDV

5.11 The total GDV within our assessment is therefore as follows:

Element	GDV
Affordable rent	£2,180,250
Shared ownership	£906,750
Market sale	£20,270,000
Total	£23,357,000

Other s.106 Obligations

- 5.12 We understand that there is the potential for a range of S106 financial contributions being sought in this instance, to include items such as biodiversity net gain, off site play equipment, education and library contributions. For some items the level of potential contributions has yet to be confirmed. We understand that there will be further discussions during the application period however within the policy compliant appraisal we have currently made a cost allowance for Libraries at £7,822. We understand there have been pre-application discussions regarding possible education requirements and that subsequent to this the applicant has instructed Alfredson York Associates to carry out a detailed review of education requirements and current and future capacities in the vicinity of the site. In accord with their conclusions, we have included a contribution to education of £96,203 towards the cost of a SEND place though we understand there remains some uncertainty around the methodology adopted for the calculation of this cost.

6.0 Costs

- 6.1** We have assessed the potential development cost of the proposed development. We have fully considered the development programme, and how the development of this proposal would be carried out.
- 6.2** Our terms of engagement include the request to provide all known or estimated cost information relating to the scheme, together with an identification of the source of such data. We have utilised the cost information provided. The incorporation of information provided is further benchmarked.
- 6.3** The base build costs for this scheme including prelims vary dependent upon the dwelling type. They range from a rate of £1,184.04/m² (£110.00 per sq.ft) to £1,291.68/m² (£120.00 per sq.ft). In addition to the above the cost of external works has also been assessed, having consideration of the overall site layout and density of development proposed. The total basic build cost, inclusive of external works has been assessed at **£12,657,289.**

In addition to the above base build costs the appraisal includes the following, additional enhanced construction, infrastructure and abnormal costs for the policy compliant viability appraisal:

Tree works:	£50,000
Contamination hotspots	£50,000
Reduce levels	£76,325
Cart away	£375,750
Import clean stone fill	£81,362
Foul drainage	£176,125
SW drainage	£626,225
Electricity substation	£75,000
Foundation abnormalities	£703,950
Retaining structures	£303,303
Underbuild	£25,000
POS setting out	£20,000
POS maintenance	£10,500
Bus stop	£50,000
Chimney details	£97,000
Roof tiles	£550,000
Heads & cills	£80,000
Stone facings	£140,000
Habitat assessment	£60,000
Part L & F	£490,000
Future Homes Standards	£200,000

6.5 We have additionally made the following allowances:

Contingency:	3.5%
Finance:	7.5% borrowing rate (noting that this is a particularly low finance rate)

Professional fees are separately identified within the appraisal, along with marketing and legal costs.

6.6 The PPG at para 012 identifies the required and separate elements of cost data, including:

- *"...build costs based on appropriate data, for example, that of the Building Cost Information Service*
- *abnormal costs...*
- *site-specific infrastructure costs...*
- *the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards...*
- *general finance costs...*
- *professional, project management, sales, marketing and legal costs*
... Any professional site fees ...
- *explicit reference to project contingency costs ...*

6.7 Each of the separate elements is included within our appraisal and therefore this conforms with the PPG.

6.8 We have also carried out further assessment including appraisals of an alternative scheme to create an alternative use value for the site, together with a range of scenarios that represent sensitivity testing. Each of these appraisals includes the costs as outlined above and provided by the client.

7.0 Site value

7.1 The site is located within the built-up area of Glossop and allocated for housing. In terms of existing use, it is presently used for the grazing/stabling of horses and therefore has an established equestrian use.

7.2 The PPG at para 013 states the following in respect of site value:

"...a benchmark land value should be established based on the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land..."

7.3 This is further defined at para 015:

"...Existing use value (EUV) is the first component of calculating benchmark land value. EUV is 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..."

We have carried out an initial appraisal of the proposed scheme utilising the detailed market research appended to this report and the input from the client on the site-specific costs associated with bringing forward the development proposed. We have benchmarked those costs. The appraisal is then used to calculate a Residual Land Value (RLV), that in turn, we have benchmarked. This is summarised in Appendix C.

7.5 The appropriate methodology has been followed and a Residual Land Value (RLV) calculated that would arise from the proposed scheme given all values and costs as described within this report.

7.6 We have noted the use of other benchmark land values. The RICS Guidance Note indicates that site value should further relate to market evidence, confirmed within PPG guidance on the subject.

7.7 The assessment of site value for viability purposes, as defined by the RICS Guidance Note 94/12; the Harman Report, the PPG and appeal decisions is with reference to establishing a point at which the landowner could secure an uplift above the EUV.

Existing Use Value (EUV)

- 7.8 The assessment of site value for viability purposes, as defined by the RICS Guidance Note 94/12; the Harman Report, the PPG and appeal decisions is concerning establishing a point at which the landowner could secure an uplift above the EUV.
- 7.9 The Existing Use Value (EUV) of the site is related to the most recent use and one that could be implemented. We are aware that the site remains in an equestrian use.
- 7.10 We have therefore considered the EUV to be as follows:
- Current equestrian use value for pony paddocks: 11.61 acres at £12,500 per acre = £145,125
- 7.11 A premium would be required in addition to the EUV for the land to come forward for development, as confirmed in the Harman Report. Where no premium exists, the land may not come forward and could remain in its existing use. Whilst the PPG is not prescriptive in the level of that premium it is noted that in other viability cases a range of premiums are adopted depending on the existing use or potential alternative use of the site, planning status, etc.
- 7.12 The Existing Use Value (EUV) of the site is, as required by the PPG, the value of the site in its existing use. No regard is to be had to hope value or any extant consent, nor the price to be paid.
- 7.13 In this case a minimum of premium of £125,000 per acre has been applied. This equates to £1,451,250.
- 7.14 The EUV+ premium, in this case, is, therefore, in our considered opinion **£1,596,375**.

Alternative Use Value (AUV)

- 7.15 We have also assessed the AUV of the site, considering the most likely alternative scheme that could arise on the site on a policy-compliant basis. This would most likely be a residential scheme as is proposed, but with closer regard to the levels of market value associated than would be appropriate in establishing the EUV.
- 7.16 We have had regard to the available and limited market evidence for land with a residential redevelopment scheme within a five-mile radius of the site. This is set out below:

Location	Site area (ha)	Planning	Number of plots	Price/ date
Hawkshead Grange, Glossop	1.1	13.33% Affordable Housing	30	£1,450,000 (September 2020)

Benchmark land value

- 7.17 In order to establish a benchmark land value in this case we have considered firstly the EUV, having regard to the area-wide study as well as the limited market evidence available. We have noted that recent land transactions would take account of hope value or an extant planning consent for an alternative scheme in most cases. We have further noted the date of the area-wide study and the difference that must exist between the EUV and the level of land value associated with planning consent for residential redevelopment, or AUV.
- 7.18 As a result of this analysis, it is our considered opinion that an appropriate benchmark land value that would conform to the PPG would be the EUV plus a premium of £125,000 per acre. The resultant benchmark land value remains significantly below the AUV, confirming that the benchmark land value adopted takes no account of hope value of the benefit of consent for residential development.

Scheme RLV

7.19 The appraisal carried out is based on all known values and costs, with any assumptions as indicated earlier within this report. As the summary report at Appendix C identifies the Residual Land Value (RLV) is as follows:

Minus £3,223,722

7.20 This is notably below the assessment of EUV, with or without a premium, and significantly below the AUV for the site assuming permission. In this respect, the residual land value for the scheme with any additional cost or contribution request would not represent a level at which a reasonable landowner would bring the site forward for development

Analysis

7.21 We have compared all assessed land values, benchmarking against the EUV+ as follows:

Scheme	GDV	RLV	EUV+	Difference
Policy compliant (Appendix C)	£23,357,000	-£3,223,722	£1,596,375	-£4,820,097
Revised: Zero affordable housing. S106 obligations maintained (Appendix D)	£26,510,000	£422,000	£1,596,375	-£1,174,375
Revised - 0% affordable housing Zero other S106 obligations. (Appendix E)	£26,510,000	£520,000	£1,596,375	-£1,076,375

7.22 On this basis neither a policy compliant scheme nor one with a reduced level of S.106 obligations and affordable housing provision would be viable.

Appraisal conclusion

7.23 We have included a detailed summary appraisal report relating to the proposed scheme as at Appendix C. This is derived from ProDev Developer software and is a residual appraisal with a cashflow.

7.24 The appraisal carried out is based on all known values and costs, with any assumptions as indicated earlier within this report. As the summary report identifies the Residual Land Value (RLV) is as follows:

Minus £3,223,722

This is notably below the assessment of EUV, with a premium, and significantly below the AUV for the site assuming permission.

7.25 The level of land value derived from the proposed scheme, is at a low level when considered in the context of benchmarking. As such the scheme for the provision of 100 dwellings with any s.106 contributions is unviable.

7.26 Whilst the revised appraisals with either zero affordable housing and full S106 contributions or zero affordable housing and zero S106 contributions result in an improved RLV, both remain below the EUV+ land value. As such only the assessment with 0% affordable housing and zero S106 contributions could be considered to be, at best, at the margins of being viable, albeit below the EUV+ measure.

8.0 Viability judgement

- 8.1** We have assessed the value of the scheme and established a level of residual land value (RLV) that is less than the assessment of EUV
- 8.2** The level of RLV has been compared to market evidence within the valuation provided, which shows that a higher land value would be appropriate.
- 8.3** The assessment of values and costs carried out has established a range in each instance. We have benchmarked all value and cost data, recognising that values and costs are a matter of judgement following analysis of available data, and considering the extent of risk associated with this type of scheme. We have provided in Appendix G a sensitivity analysis to illustrate a range of scenarios for the proposed development, as required by the RICS Professional Statement.
- 8.4** Our analysis of the proposed scheme provides our professional opinion of the viability of the proposal. This opinion is formed in the context of the current and emerging guidance, together with the existing planning policy.
- 8.5** We have additionally appraised a policy-compliant market housing scheme, the summary of which is included in Appendix C.
- 8.6** We have fully considered the value and cost data provided. We believe that the data provided is reflective of the nature and type of development proposed in this instance and is not in any way overstated.
- 8.7** It is our considered opinion that the proposed scheme is capable of delivering the private housing proposed based on a market housing scheme, if there are no further S.106 contributions added or any changes to the proposed housing mix or dwelling sizes. It is our further opinion that the scheme is already at the margins of viability in terms of RLV.

- 8.8 Whilst the overall viability position remains challenging, we understand that the applicant has already allocated significant resources to the site and is fully committed to its development.
- 8.9 Whilst the development of the site will offer significant economic benefits to the area and improvements to public open space and the road network in the immediate vicinity of the site, the assessment of viability in this case clearly demonstrates that the scheme cannot be viable if any further S.106 contribution is required.

Written by:

Richard Heathcote
Consultant

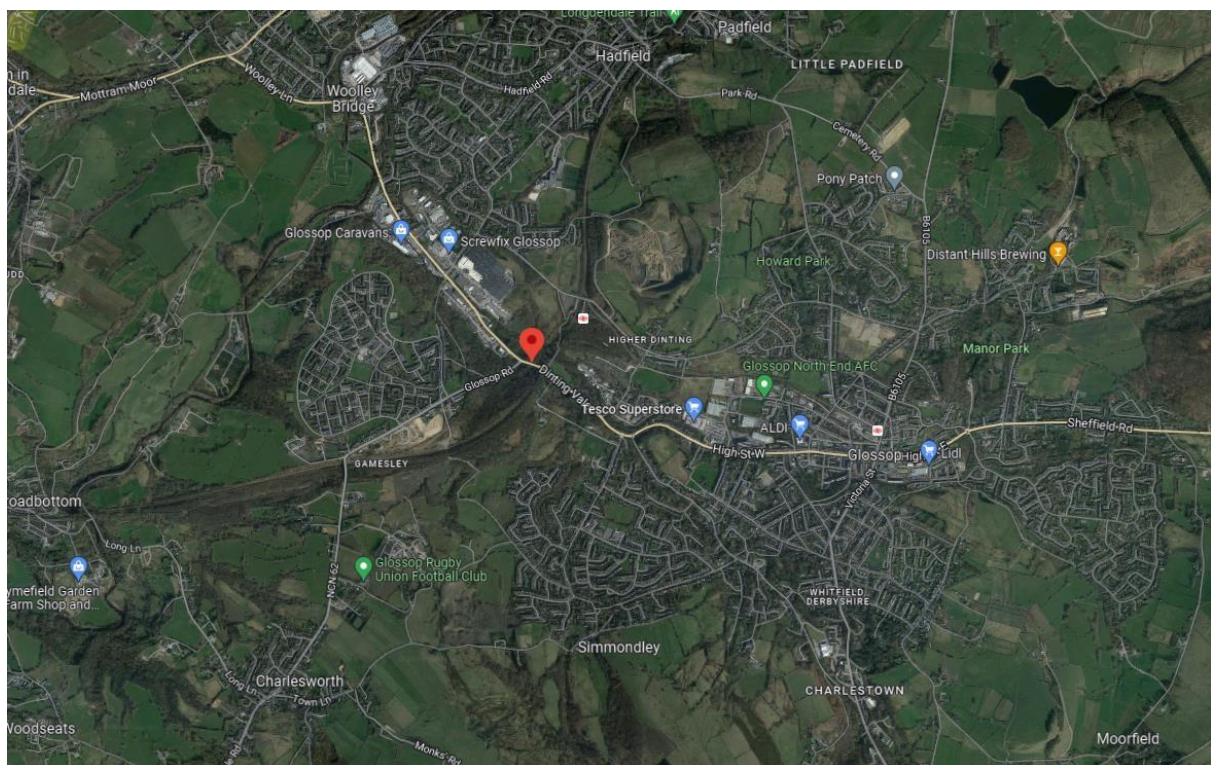
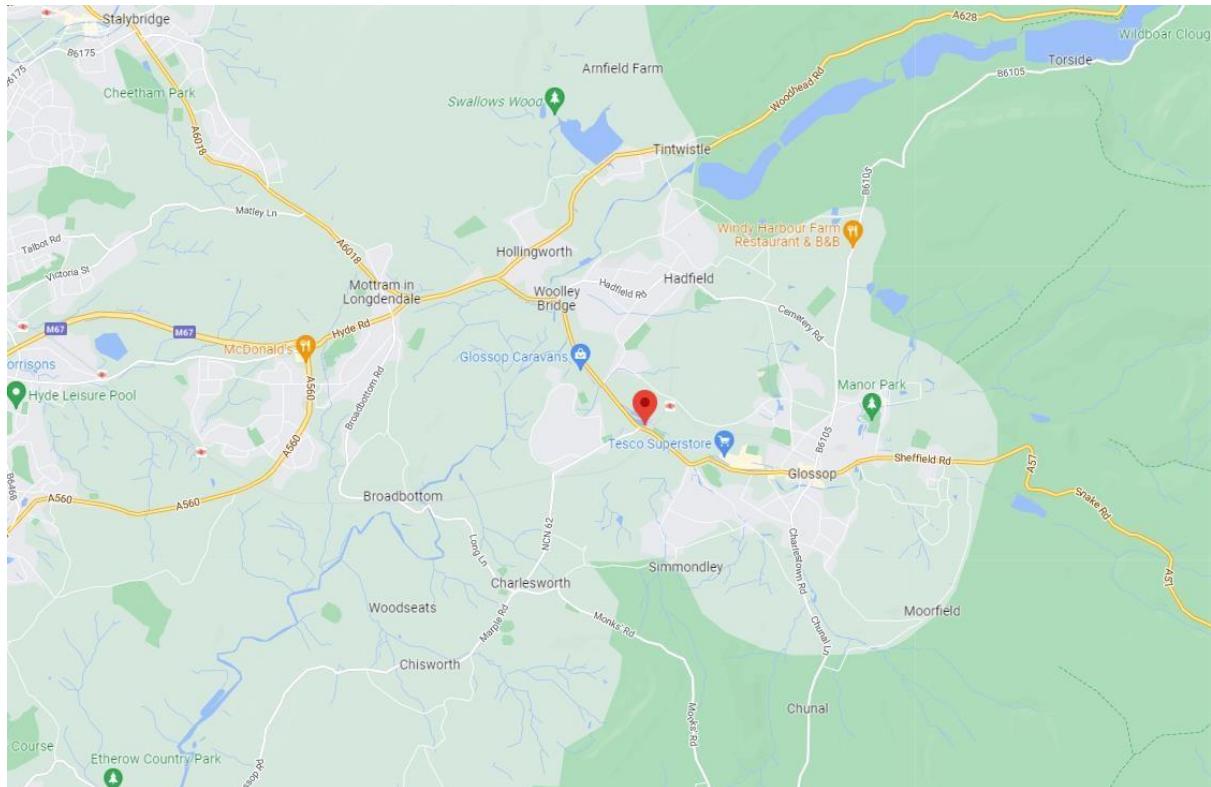
Reviewed by:

A V Martinelli FRICS
Director

Devvia Property Consultancy Ltd.
28th September 2022

B. Market Research

Location



Site Plan



Revision:	By:	Date:

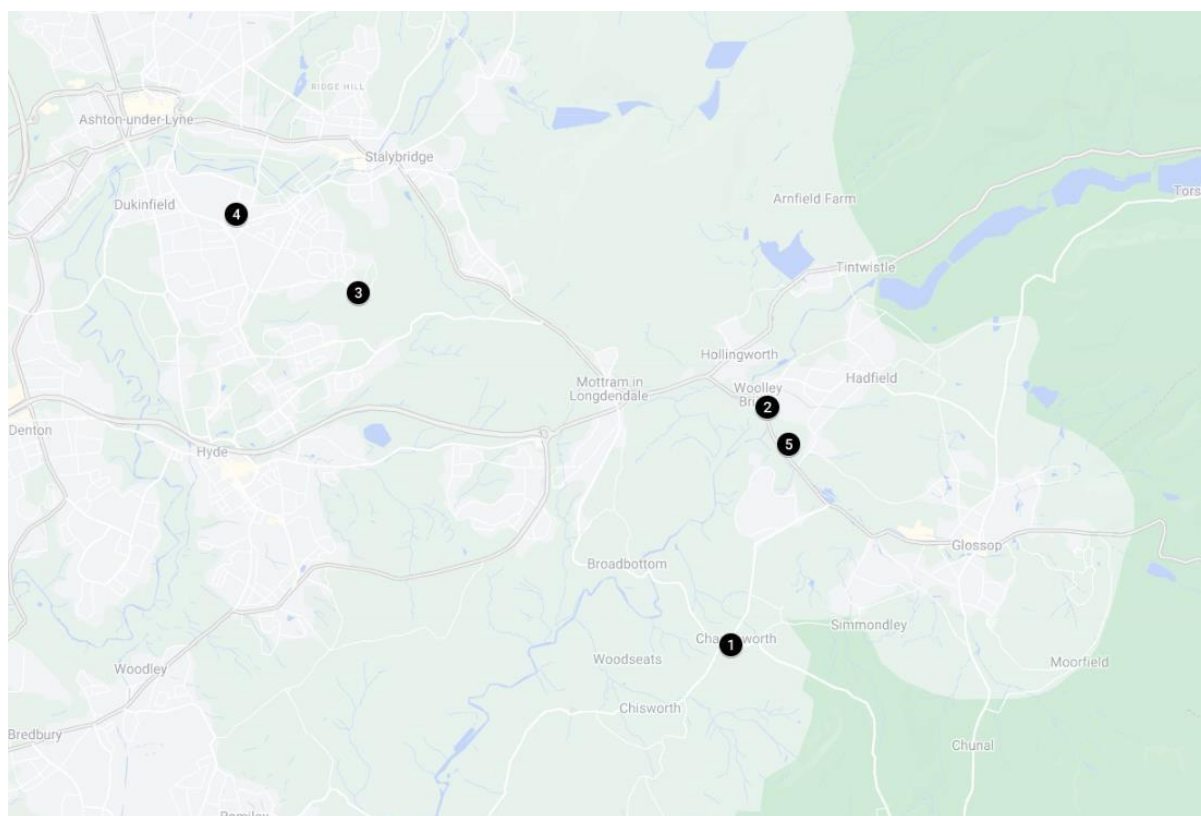
	Client:
	Project Title:
	Proposed Development
	Address:
	Dinting Vale, Glossop
	Drawing Title:
	BDC Location Plan
	Drawing No:

Average Prices and Volume of Sales

Source: Land Registry

2022	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£389,669	7	£241,358	3	£211,100	5	£0	0	£300,484	15
Total	£389,669	7	£241,358	3	£211,100	5	£0	0	£300,484	15
2021	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£360,286	40	£243,182	22	£175,279	24	£0	0	£278,699	86
Total	£360,286	40	£243,182	22	£175,279	24	£0	0	£278,699	86
2020	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£351,740	25	£279,816	19	£181,103	19	£0	0	£278,587	63
Total	£351,740	25	£279,816	19	£181,103	19	£0	0	£278,587	63
2019	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£306,933	41	£190,612	13	£168,172	32	£0	0	£237,717	86
Total	£306,933	41	£190,612	13	£168,172	32	£0	0	£237,717	86
2018	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£295,080	38	£202,212	21	£149,969	30	£96,850	1	£222,838	90
Total	£295,080	38	£202,212	21	£149,969	30	£96,850	1	£222,838	90
2017	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£286,282	47	£199,223	22	£160,907	29	£0	0	£229,637	98
Total	£286,282	47	£199,223	22	£160,907	29	£0	0	£229,637	98
2016	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£260,325	31	£195,852	21	£140,661	23	£87,500	1	£204,022	76
Total	£260,325	31	£195,852	21	£140,661	23	£87,500	1	£204,022	76
2015	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
SK13 6	£245,811	35	£186,312	17	£126,020	23	£91,000	1	£194,212	76
Total	£245,811	35	£186,312	17	£126,020	23	£91,000	1	£194,212	76

New Build Availability



1. Unknown Developer - Town Lane, Charlesworth, Glossop, Derbyshire, SK13 5HA

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft ²)	Gross Asking Price (ft ²)
House Type A	3	Detached	2	£470,000	1195	£393
House Type B	3	Detached	2	£475,000	1280	£371
Average Net Asking Value (ft ²)						£382

2. Unknown Developer - Uplands, Wooley Bridge, Hadfield, Glossop SK13 2NX

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft ²)	Gross Asking Price (ft ²)
Bayport	4	Detached	2.5	£424,950	1583	£268
Bayport	4	Detached	2.5	£424,950	1583	£268
Bayport	4	Detached	2.5	£424,950	1583	£268
Bayport	4	Detached	2.5	£424,950	1583	£268
Cortland	3	Semi	2.5	£314,950	1091	£289
Cortland	3	Semi	2.5	£319,950	1091	£293
Woodmere	4	Semi	2.5	£359,950	1321	£272
Woodmere	4	Semi	2.5	£364,950	1321	£276
Average Net Asking Value (ft ²)						£276

3. Elan Homes - Greenside View, Yew Tree Lane, Dukinfield, Greater High Peak, SK16 5GF

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft ²)	Gross Asking Price (ft ²)
Hattersley	3	Semi	2	£309,995	1010	£307
Average Net Asking Value (ft ²)						£307

4. Candor Property - Prospect Road, Dukinfield, Greater High Peak, SK16 5NN

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft ²)	Gross Asking Price (ft ²)
Hillcrest	4	Detached	2.5	£445,000	1345	£331
Treetops	4	Detached	2.5	£425,000	1259	£338
Average Net Asking Value (ft ²)						£334

5. Opulwood - Peak Dale Rise, Charlestown Road, Glossop, SK13 6XE

New Build Sold



1. Unknown Developer - Dinting Road/Dinting Lane, Glossop SK13 7ET

Plot	House Name	Bedrooms	Type	Date Sold	Sale Price	Size (ft ²)	Sale Price (ft ²)
11	Type 2	3	Semi-detached	Jan-21	£335,000	1506	£222
Average Sale Price (ft ²)							£222

2. Holroy Developments - Shaw Barn Farm, Glossop SK13 6AD

Plot	House Name	Bedrooms	Type	Date Sold	Sale Price	Size (ft ²)	Sale Price (ft ²)
2	Type A	3	Semi-detached	Mar-21	£262,500	936	£280
Average Sale Price (ft ²)							£280

3. Sherwood Homes - Charlestown Works, Charlestown, Glossop SK13 8LJ

Plot	House Name	Bedrooms	Type	Date Sold	Sale Price	Size (ft ²)	Sale Price (ft ²)
29	CWG7T	3	Terraced	Apr-21	£240,000	1286	£187
40	CWG4A	4	Semi-detached	Feb-21	£250,000	1281	£195
Average Sale Price (ft ²)							£191

4. Barratt Homes - Willow Gardens New Road, Tintwistle, Derbyshire, SK13 1AD

Plot	House Name	Bedrooms	Type	Date Sold	Sale Price	Size (ft ²)	Sale Price (ft ²)
48	Maidstone	3	Semi-detached	Jun-21	£214,995	850	£253
47	Maidstone	3	Semi-detached	Jun-21	£211,995	850	£249
11	Maidstone	3	Semi-detached	Mar-21	£209,995	850	£247
41	Chester	4	Detached	May-21	£271,995	1089	£250
5	Chester	4	Detached	Mar-21	£262,995	1089	£242
43	Kingsville	4	Semi-detached	Jun-21	£233,995	1073	£218
44	Kingsville	4	Semi-detached	Jun-21	£234,995	1073	£219
15	Kingsville	4	Semi-detached	Jun-21	£233,995	1073	£218
4	Kingsville	4	Semi-detached	Apr-21	£232,995	1073	£217
3	Kingsville	4	Semi-detached	Apr-21	£232,995	1073	£217
9	Kingsville	4	Semi-detached	May-21	£233,995	1073	£218
12	Kingsville	4	Semi-detached	Jun-21	£233,995	1073	£218
40	Kingsville	4	Detached	Jan-21	£271,695	1073	£253
37	Alderney	4	Detached	Apr-21	£313,995	1220	£257
15	Chester	4	Detached	Oct-21	£280,995	1089	£258
Average Sale Price (ft ²)							£236

5. Libra Homes - St James Place, Stalybridge SK15 3FS

Plot	House Name	Bedrooms	Type	Date Sold	Sale Price	Size (ft ²)	Sale Price (ft ²)
9	Type A	4	Semi-detached	Jan-21	£290,000	1313	£221
14	Type A	4	Detached	Feb-21	£310,000	1313	£236
17	Type C	4	Detached	Feb-21	£365,000	1335	£273
16	Type B	3	Detached	Mar-21	£335,000	1184	£283
19	Type C	4	Detached	Jun-21	£375,000	1335	£281
20	Type D	4	Detached	Jun-21	£390,000	1399	£279
Average Sale Price (ft ²)							£262

6. Glossop Land Ltd - Woods Mill, Milltown, Glossop SK13 8PX

Plot	House Name	Bedrooms	Type	Date Sold	Sale Price	Size (ft ²)	Sale Price (ft ²)
35	Type K	2	Flat	Apr-21	£170,000	678	£251
34	Type K	2	Flat	Nov-20	£170,000	678	£251
33	Type K	2	Flat	Jan-21	£165,000	678	£243
36	Type K	2	Flat	Mar-21	£175,000	678	£258
38	Type K	2	Flat	Jul-21	£175,000	678	£258
39	Type K	2	Flat	Jul-21	£175,000	678	£258
40	Type G	3	Terraced	Feb-20	£215,000	732	£294
Average Sale Price (ft ²)							£259

7. Pembroke - Croft Park, Glossop SK13 8GS

Plot	House Name	Bedrooms	Type	Date Sold	Sale Price	Size (ft ²)	Sale Price (ft ²)
4	Type A	3	Semi-detached	Feb-21	£255,000	904	£282
Average Sale Price (ft ²)							£282

Second Hand Sales

Search criteria: within SK13 6NY plus 1 mile. Sales Completed within past 6 months.

Source: HM Land Registry

Address	Last sale price	Last sale date	Property type	Bedrooms
33, Wessington Green, Glossop SK13 0JY	£115,000	22/12/2021	Terraced	3
8, Howards Meadow, Glossop SK13 6PZ	£345,000	10/12/2021	Detached	3 to 4
1, Duke Street, Glossop SK13 8JD	£260,000	16/12/2021	Terraced	
6, Lyne Avenue, Glossop SK13 6NW	£178,000	01/12/2021	Semi-detached	2 to 3
2, Partington Park, Glossop SK13 7AD	£850,000	10/12/2021	Detached	
48, Howard Street, Glossop SK13 7DD	£290,000	16/12/2021	Terraced	
10, Brooklands Drive, Glossop SK13 6PT	£365,000	03/12/2021	Detached	3 to 4
1, Dingle Close, Glossop SK13 6NL	£290,000	14/12/2021	Detached	2 to 3
18, Queen Street, Glossop SK13 8EL	£136,000	16/12/2021	Terraced	2 to 3
1, Overdale Drive, Glossop SK13 6GA	£340,000	20/12/2021	Detached	3 to 4
3, Cottage Court, Cottage Lane, Glossop SK13 6EH	£190,000	10/12/2021	Semi-detached	3
15, Elton Close, Glossop SK13 0DZ	£70,000	23/12/2021	Terraced	3
33, Turnlee Drive, Glossop SK13 6XA	£293,000	04/02/2022	Semi-detached	3 to 4
41, Ashton Street, Glossop SK13 8JP	£248,000	28/01/2022	Terraced	3
79, Primrose Terrace, Glossop SK13 8EJ	£280,000	18/02/2022	Semi-detached	3 to 4
19, Hurdlow Way, Glossop SK13 0DF	£80,000	07/03/2022	Terraced	2 to 3
15, Kings Court, Glossop SK13 8HD	£235,000	28/01/2022	Detached	2 to 3
18, Thorncliffe Road, Hadfield, Glossop SK13 2AZ	£190,000	10/03/2022	Semi-detached	3
72, Bakewell Lea, Glossop SK13 0AP	£100,000	10/12/2021	Terraced	2 to 3
96, Pikes Lane, Glossop SK13 8ED	£185,000	15/12/2021	Terraced	3 to 4
51, Green Lane, Hadfield, Glossop SK13 2DT	£170,000	18/02/2022	Terraced	2 to 3
16, Hadfield Place, Glossop SK13 8JE	£165,000	08/12/2021	Terraced	2 to 3
4, Brook Street, Glossop SK13 8BG	£128,500	06/12/2021	Semi-detached	2 to 3
2, Queen Street, Glossop SK13 8EL	£134,000	30/03/2022	Terraced	2 to 3
167, High Street West, Glossop SK13 8HJ	£140,000	28/03/2022	Terraced	2 to 3
29, Fitzalan Street, Glossop SK13 7DL	£295,000	07/12/2021	Semi-detached	3 to 4
14, Sandybank Close, Hadfield, Glossop SK13 2EE	£237,500	01/03/2022	Detached	3
36, Hollincross Lane, Glossop SK13 8JQ	£173,950	20/12/2021	Terraced	2 to 3
4, Simons Close, Glossop SK13 6NE	£290,000	22/03/2022	Detached	3 to 4
12, Langsett Green, Glossop SK13 0BX	£138,000	23/03/2022	Terraced	3
88, Pennine Road, Glossop SK13 6UJ	£359,950	10/12/2021	Detached	3 to 4
31, Pennine Road, Glossop SK13 6UL	£180,000	18/02/2022	Terraced	2 to 3
123, Victoria Street, Glossop SK13 8JF	£130,000	17/02/2022	Terraced	2
221, High Street West, Glossop SK13 8EX	£140,000	28/01/2022	Terraced	2 to 3
24, Talbot Street, Glossop SK13 7DG	£177,500	22/12/2021	Terraced	2 to 3
10, Shrewsbury Street, Glossop SK13 7AN	£245,000	30/03/2022	Terraced	3
5, Swift Bank, Glossop SK13 6QH	£595,000	11/02/2022	Detached	
28, Pikes Lane, Glossop SK13 8EA	£160,000	18/03/2022	Terraced	2 to 3
21, Dinting Vale, Glossop SK13 6NY	£215,000	29/04/2022	Terraced	2

Second Hand Available

Search criteria: Modern houses for sale within postcode SK13 6NY plus 1 mile

Source: www.rightmove.co.uk

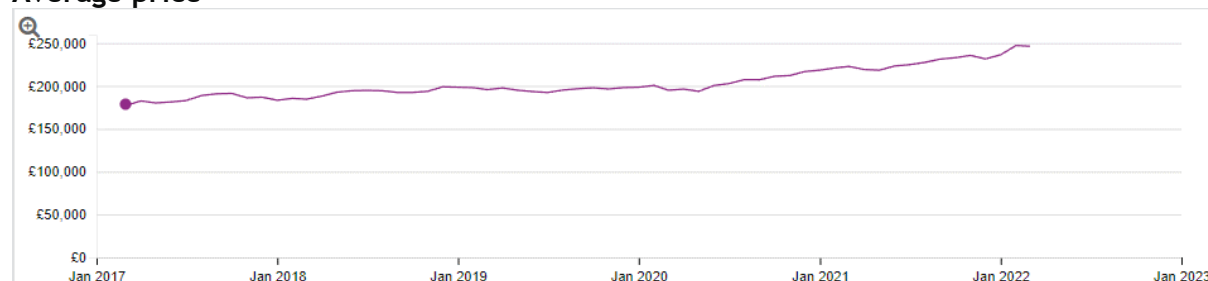
Address	Type	Bedrooms	Price
Park Dene Drive, Glossop	Detached	6	£1,500,000
Primrose Lane, Glossop, Derbyshire, SK13 6LW	Detached	5	£800,000
Shaw Lane, Glossop, Derbyshire, SK13	Detached	5	£699,000
Heath Road, Glossop, Derbyshire, SK13	Detached	4	£550,000
Spire Hollin, Glossop, Derbyshire, SK13	Detached	3	£500,000
Hadfield Road, Hadfield, Glossop	Detached	4	£485,000
Tavern Road, Hadfield	Detached	4	£425,000
Brooklands Drive, Glossop, Derbyshire, SK13	Detached	4	£425,000
Brockholes, Glossop	Semi	4	£375,000
Dinting Road, Glossop, SK13	Semi	3	£355,000
Bowland Road, Glossop	Detached	4	£340,000
Victoria Street, Glossop	Detached	3	£320,000
Pennine Road, Simmondley, Glossop	Detached	3	£299,950
Heather Bank Close, Glossop, Derbyshire, SK13	Semi	3	£295,000
Ridge Close, Hadfield, Glossop, SK13	Semi	3	£275,000
Werneth Road, Glossop, Derbyshire, SK13	Semi	3	£269,950
Simmondley Lane, Glossop	Semi	3	£265,000
Green Lane, Glossop, SK13	Semi	3	£250,000
Slatelands Avenue, Glossop	Detached	2	£249,950
Springfield Close, Hadfield, Glossop	Semi	3	£245,000
Hawthorn Drive, Glossop, Derbyshire, SK13	Semi	3	£240,000
Green Lane, Hadfield	Terraced	3	£210,000
Princess Street, Glossop, Derbyshire, SK13	Terraced	3	£199,950
Longclough Drive, Simmondley, Glossop	Terraced	3	£195,000
Mersey Bank Road, Glossop, SK13	Terraced	3	£190,000
John Street, Glossop	Terraced	2	£190,000
Charlestown Road, Glossop, Derbyshire, SK13	Terraced	2	£179,950
High Street West, Glossop, Derbyshire, SK13	Terraced	2	£179,950
Queen Street, Glossop	Terraced	2	£175,000
Dinting Vale, Glossop	Terraced	2	£164,500
Hollincross Lane, Glossop	Terraced	2	£164,500
Pennine Road, Glossop, SK13	Terraced	3	£160,000
St. Marys Road, Glossop	Terraced	2	£150,000
Victoria Street, Glossop	Terraced	1	£110,000

House Price Indices

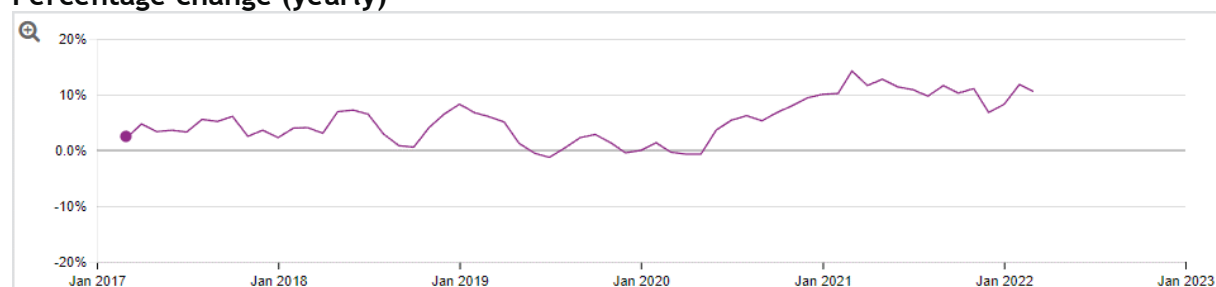
House Price Index Graph - High Peak

Source: HM Land Registry

Average price



Percentage change (yearly)



Price Trends - High Peak

Market Characteristics	High Peak	National
Market Size Indicator: no. of transactions	7,884	4,886,506
Market Size Indicator: total no. of properties	42,620	25,000,000
Market liquidity Indicator: transactions / properties	18.50%	19.55%
Market Growth Indicator: new homes built	630	570,561
Market Growth Indicator: new builds / transactions	7.99%	11.68%

Growth Rate	High Peak	National
5-year house price growth	2.10%	6.90%
Last 12 months house price growth	10.60%	5.40%

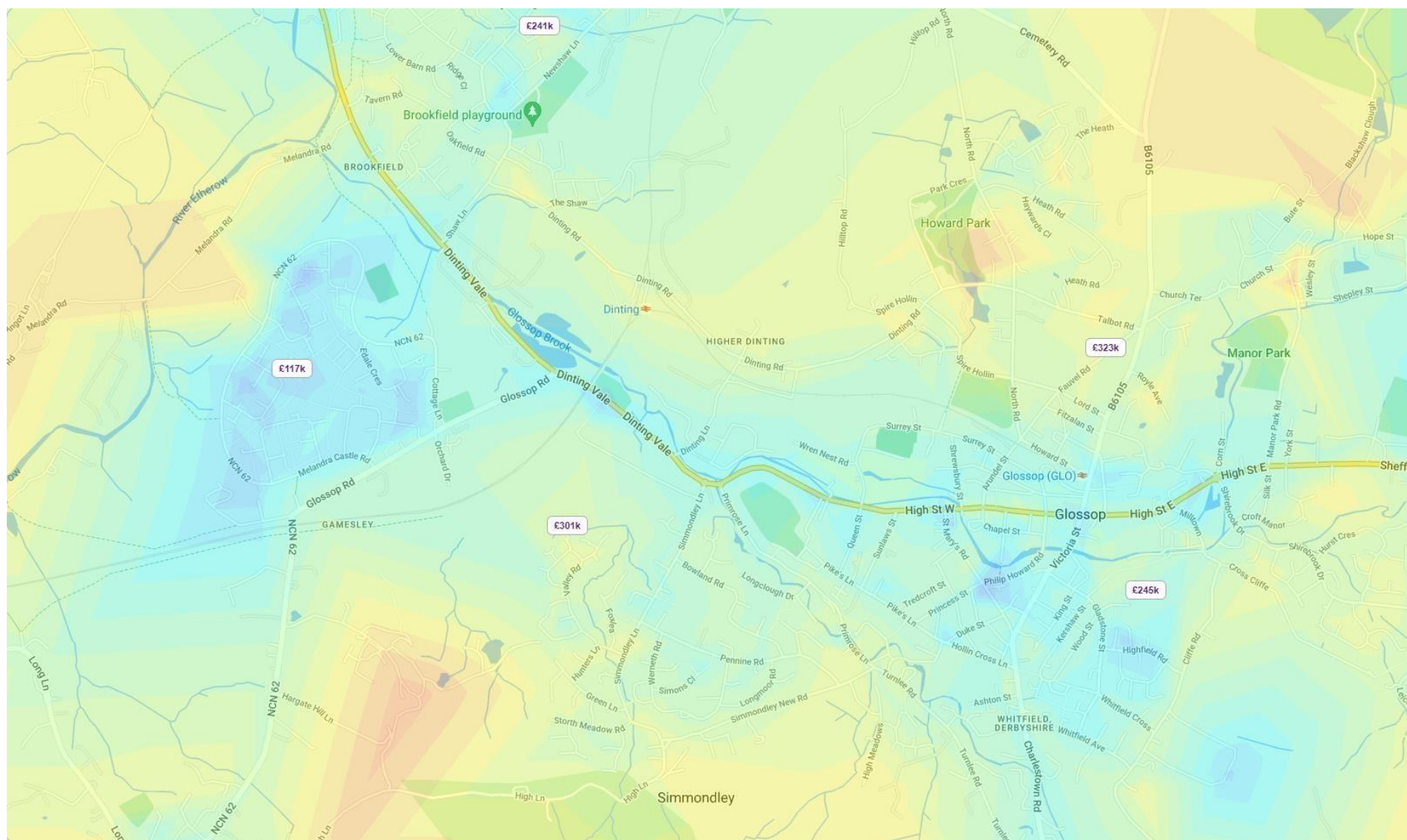
Average House Prices

Source: HM Land Registry

Postcode Area - SK13 6NY

Property Type	Mar-17	Mar-22	Change
Detached	£303,491	£310,125	2%
Semi	£151,905	£220,500	45%
Terraced	£128,921	£182,700	42%
Flat	£143,340	£61,762	-57%
All	£182,970	£204,812	12%

Property Price Heat Map



C. Summary appraisal (proposed scheme with policy compliant affordable housing and S106 contributions)

REVENUE	File: Appendix C	
Trevethick	9 units at 230,000.00 ea.	2,070,000
Brahms	8 units at 235,000.00 ea.	1,880,000
Brunswick	14 units at 250,000.00 ea.	3,500,000
Nelson	8 units at 290,000.00 ea.	2,320,000
Jenner	10 units at 275,000.00 ea.	2,750,000
Newton	11 units at 350,000.00 ea.	3,850,000
Wordsworth	3 units at 335,000.00 ea.	1,005,000
Shakespeare	3 units at 385,000.00 ea.	1,155,000
Priestley	4 units at 435,000.00 ea.	1,740,000
Chinley A R	6 units at 49,500.00 ea. -E	297,000
Trevethick A R	9 units at 103,500.00 ea. -E	931,500
Trevethick Int	3 units at 149,500.00 ea. -E	448,500
Brahms A R	9 units at 105,750.00 ea. -E	951,750
Brahms Int	3 units at 152,750.00 ea. -E	458,250
		REVENUE 23,357,000

(Revenue Totals labelled -E do not attract Fees)

COSTS

Site Legal Fee		10,000	
Site Agent Fee		15,000	
Send Place		96,203	
Library Contribution		7,822	
		Initial Payments	129,025
Apartments Construction Cost	3,020.00 sq-ft at 138.00 psf	416,760	
Housing Construction Cost	94,303.00 sq-ft at 129.80 psf	12,240,529	
Single Garages	25 units at 10,000.00 ea.	250,000	
Double Garages	4 units at 20,000.00 ea.	80,000	
Tree Works		50,000	
Contamination Hotspots		50,000	
Reduce Levels		76,235	
Cart Away		375,750	
Import Clean Stone Fill		81,362	
Foul Drainage		176,125	
Sw Drainage		626,225	
Substation		75,000	
Medium Pressure Gas Main Lower		1,055,000	
Pos Setting Out		20,000	
Pos Maintenance		10,500	
Foundation Abnormals		703,950	
Retaining Structures		303,303	
Underbuild Additional Brickwork		25,000	
Bus Stop		50,000	
Chimney Details		97,000	
Roof Tiles		550,000	
Heads & Cills		80,000	
Stone Facing		140,000	
Habitat Assessment		60,000	
Building Regs Part L Increases		490,000	
Future Homes Standard Zero Carb 25 Plots		200,000	
Contingency	at 3.50%	639,896	
Professional Fees	at 7.00%	1,279,792	
		Build Costs	20,202,427
Direct Sale Agents Fee	at 3.25%	658,775	
		Disposal Fees	658,775
Direct Sales Legal Fees		75,000	
		End Payments	75,000
			844,095

INTEREST

(See CASHFLOW)

7.50% pa	on Debt charged Quarterly and compounded Quarterly
Site Legal Fee	Month 1 (Jun 23)
Site Agent Fee	Month 1 (Jun 23)
Send Place	Month 1 (Jun 23)
Library Contribution	Month 1 (Jun 23)
Apartments Construction Cost (bld.)	Month 4 to 35 (Sep 23 - Apr 26)
Housing Construction Cost (bld.)	Month 4 to 35 (Sep 23 - Apr 26)

Single Garages (bld.)	Month 4 to 35 (Sep 23 - Apr 26)		
Double Garages (bld.)	Month 4 to 35 (Sep 23 - Apr 26)		
Tree Works	Month 2 to 9 (Jul 23 - Feb 24)		
Contamination Hotspots	Month 2 to 4 (Jul 23 - Sep 23)		
Reduce Levels	Month 2 to 6 (Jul 23 - Nov 23)		
Cart Away	Month 2 to 6 (Jul 23 - Nov 23)		
Import Clean Stone Fill	Month 4 to 9 (Sep 23 - Feb 24)		
Foul Drainage	Month 4 to 21 (Sep 23 - Feb 25)		
Sw Drainage	Month 4 to 21 (Sep 23 - Feb 25)		
Substation	Month 6 to 8 (Nov 23 - Jan 24)		
Medium Pressure Gas Main Lower	Month 4 to 8 (Sep 23 - Jan 24)		
Pos Setting Out	Month 8 to 10 (Jan 24 - Mar 24)		
Pos Maintenance	Month 11 to 34 (Apr 24 - Mar 26)		
Foundation Abnormals	Month 4 to 29 (Sep 23 - Oct 25)		
Retaining Structures	Month 4 to 29 (Sep 23 - Oct 25)		
Underbuild Additional Brickwork	Month 4 to 25 (Sep 23 - Jun 25)		
Bus Stop	Month 8 to 9 (Jan 24 - Feb 24)		
Chimney Details	Month 6 to 35 (Nov 23 - Apr 26)		
Roof Tiles	Month 6 to 35 (Nov 23 - Apr 26)		
Heads & Cills	Month 5 to 34 (Oct 23 - Mar 26)		
Stone Facing	Month 5 to 34 (Oct 23 - Mar 26)		
Habitat Assessment	Month 1 to 3 (Jun 23 - Aug 23)		
Building Regs Part L Increases	Month 4 to 35 (Sep 23 - Apr 26)		
Future Homes Standard Zero Carb 25 Plots	Month 24 to 35 (May 25 - Apr 26)		
Contingency	Month 1 to 35 (Jun 23 - Apr 26)		
Professional Fees	Month 1 to 6 (Jun 23 - Nov 23)		
Direct Sales Legal Fees	Month 11 to 37 (Apr 24 - Jun 26)		
Trevethick (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Brahms (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Brunswick (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Nelson (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Jenner (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Newton (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Wordsworth (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Shakespeare (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Priestley (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Chinley A R (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Trevethick A R (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Trevethick Int (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Brahms A R (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
Brahms Int (sale)	Month 11 to 37 (Apr 24 - Jun 26)		
PROFIT	1,447,678	COSTS	21,909,322
PROFIT/SALE	6.20%	PROFIT/COST	6.61%

D. Summary appraisal (proposed scheme with zero affordable housing and S106 contributions maintained)

REVENUE		File: Appendix D	
Chinley	6 units at 110,000.00 ea.		660,000
Trevethick	21 units at 230,000.00 ea.		4,830,000
Brahms	20 units at 235,000.00 ea.		4,700,000
Brunswick	14 units at 250,000.00 ea.		3,500,000
Nelson	8 units at 290,000.00 ea.		2,320,000
Jenner	10 units at 275,000.00 ea.		2,750,000
Newton	11 units at 350,000.00 ea.		3,850,000
Wordsworth	3 units at 335,000.00 ea.		1,005,000
Shakespeare	3 units at 385,000.00 ea.		1,155,000
Priestley	4 units at 435,000.00 ea.		1,740,000
		REVENUE	26,510,000
COSTS			
Site Value		422,000	
Site Stamp Duty		10,600	
		Site Costs	432,600
Site Legal Fee		10,000	
Site Agent Fee		15,000	
Send Place		96,203	
Library Contribution		7,822	
		Initial Payments	129,025
Apartments Construction Cost	3,020.00 sq-ft at 138.00 psf	416,760	
Housing Construction Cost	94,303.00 sq-ft at 129.80 psf	12,240,529	
Single Garages	25 units at 10,000.00 ea.	250,000	
Double Garages	4 units at 20,000.00 ea.	80,000	
Tree Works		50,000	
Contamination Hotspots		50,000	
Reduce Levels		76,235	
Cart Away		375,750	
Import Clean Stone Fill		81,362	
Foul Drainage		176,125	
Sw Drainage		626,225	
Substation		75,000	
Pos Setting Out		20,000	
Pos Maintenance		10,500	
Foundation Abnormals		703,950	
Retaining Structures		303,303	
Underbuild Additional Brickwork		25,000	
Bus Stop		50,000	
Chimney Details		97,000	
Roof Tiles		550,000	
Heads & Cills		80,000	
Stone Facing		140,000	
Habitat Assessment		60,000	
Building Regs Part L Increases		490,000	
Future Homes Standard Zero Carb 35 Plots		280,000	
Contingency	at 3.50%	605,771	
Professional Fees	at 7.00%	1,211,542	
		Build Costs	19,125,052
Direct Sale Agents Fee	at 3.25%	861,575	
		Disposal Fees	861,575

Direct Sales Legal Fees	75,000	
	End Payments	75,000
INTEREST	(See CASHFLOW)	585,325

7.50% pa on Debt charged Quarterly and compounded Quarterly

Site Costs	Month 1 (Jun 23)
Site Legal Fee	Month 1 (Jun 23)
Site Agent Fee	Month 1 (Jun 23)
Send Place	Month 1 (Jun 23)
Library Contribution	Month 1 (Jun 23)
Apartments Construction Cost (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Housing Construction Cost (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Single Garages (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Double Garages (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Tree Works	Month 2 to 9 (Jul 23 - Feb 24)
Contamination Hotspots	Month 2 to 4 (Jul 23 - Sep 23)
Reduce Levels	Month 2 to 6 (Jul 23 - Nov 23)
Cart Away	Month 2 to 6 (Jul 23 - Nov 23)
Import Clean Stone Fill	Month 4 to 9 (Sep 23 - Feb 24)
Foul Drainage	Month 4 to 21 (Sep 23 - Feb 25)
Sw Drainage	Month 4 to 21 (Sep 23 - Feb 25)
Substation	Month 6 to 8 (Nov 23 - Jan 24)
Pos Setting Out	Month 8 to 10 (Jan 24 - Mar 24)
Pos Maintenance	Month 11 to 34 (Apr 24 - Mar 26)
Foundation Abnormals	Month 4 to 33 (Sep 23 - Feb 26)
Retaining Structures	Month 4 to 33 (Sep 23 - Feb 26)
Underbuild Additional Brickwork	Month 4 to 39 (Sep 23 - Aug 26)
Bus Stop	Month 8 to 9 (Jan 24 - Feb 24)
Chimney Details	Month 6 to 39 (Nov 23 - Aug 26)
Roof Tiles	Month 6 to 39 (Nov 23 - Aug 26)
Heads & Cills	Month 5 to 38 (Oct 23 - Jul 26)
Stone Facing	Month 5 to 38 (Oct 23 - Jul 26)
Habitat Assessment	Month 1 to 3 (Jun 23 - Aug 23)
Building Regs Part L Increases	Month 4 to 39 (Sep 23 - Aug 26)
Future Homes Standard Zero Carb 35 Plots	Month 24 to 39 (May 25 - Aug 26)
Contingency	Month 1 to 39 (Jun 23 - Aug 26)
Professional Fees	Month 1 to 6 (Jun 23 - Nov 23)
Direct Sales Legal Fees	Month 11 to 41 (Apr 24 - Oct 26)
Chinley (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Trevethick (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Brahms (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Brunswick (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Nelson (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Jenner (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Newton (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Wordsworth (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Shakespeare (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Priestley (sale)	Month 11 to 41 (Apr 24 - Oct 26)

PROFIT	5,301,423	COSTS	21,208,577
PROFIT/SALE	20.00%	PROFIT/COST	25.00%



DEVVIA
PROPERTY CONSULTANCY

E. Summary appraisal (proposed scheme with zero affordable housing and zero S106 contributions)

REVENUE		File: Appendix E	
Chinley	6 units at 110,000.00 ea.		660,000
Trevethick	21 units at 230,000.00 ea.		4,830,000
Brahms	20 units at 235,000.00 ea.		4,700,000
Brunswick	14 units at 250,000.00 ea.		3,500,000
Nelson	8 units at 290,000.00 ea.		2,320,000
Jenner	10 units at 275,000.00 ea.		2,750,000
Newton	11 units at 350,000.00 ea.		3,850,000
Wordsworth	3 units at 335,000.00 ea.		1,005,000
Shakespeare	3 units at 385,000.00 ea.		1,155,000
Priestley	4 units at 435,000.00 ea.		1,740,000
		REVENUE	26,510,000
COSTS			
Site Value		520,000	
Site Stamp Duty		15,500	
		Site Costs	535,500
Site Legal Fee		10,000	
Site Agent Fee		15,000	
		Initial Payments	25,000
Apartments Construction Cost	3,020.00 sq-ft at 138.00 psf	416,760	
Housing Construction Cost	94,303.00 sq-ft at 129.80 psf	12,240,529	
Single Garages	25 units at 10,000.00 ea.	250,000	
Double Garages	4 units at 20,000.00 ea.	80,000	
Tree Works		50,000	
Contamination Hotspots		50,000	
Reduce Levels		76,235	
Cart Away		375,750	
Import Clean Stone Fill		81,362	
Foul Drainage		176,125	
Sw Drainage		626,225	
Substation		75,000	
Pos Setting Out		20,000	
Pos Maintenance		10,500	
Foundation Abnormals		703,950	
Retaining Structures		303,303	
Underbuild Additional Brickwork		25,000	
Bus Stop		50,000	
Chimney Details		97,000	
Roof Tiles		550,000	
Heads & Cills		80,000	
Stone Facing		140,000	
Habitat Assessment		60,000	
Building Regs Part L Increases		490,000	
Future Homes Standard Zero Carb 35 Plots		280,000	
Contingency	at 3.50%	605,771	
Professional Fees	at 7.00%	1,211,542	
		Build Costs	19,125,052
Direct Sale Agents Fee	at 3.25%	861,575	
		Disposal Fees	861,575
Direct Sales Legal Fees		75,000	

End Payments 75,000

INTEREST

(See CASHFLOW)

585,104

7.50% pa	on Debt charged Quarterly and compounded Quarterly
Site Costs	Month 1 (Jun 23)
Site Legal Fee	Month 1 (Jun 23)
Site Agent Fee	Month 1 (Jun 23)
Apartments Construction Cost (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Housing Construction Cost (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Single Garages (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Double Garages (bld.)	Month 4 to 39 (Sep 23 - Aug 26)
Tree Works	Month 2 to 9 (Jul 23 - Feb 24)
Contamination Hotspots	Month 2 to 4 (Jul 23 - Sep 23)
Reduce Levels	Month 2 to 6 (Jul 23 - Nov 23)
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Underbuild Additional Brickwork	Month 4 to 39 (Sep 23 - Aug 26)
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Chimney Details	Month 6 to 39 (Nov 23 - Aug 26)
Roof Tiles	Month 6 to 39 (Nov 23 - Aug 26)
Heads & Cills	Month 5 to 38 (Oct 23 - Jul 26)
Stone Facing	Month 5 to 38 (Oct 23 - Jul 26)
Habitat Assessment	Month 1 to 3 (Jun 23 - Aug 23)
Building Regs Part L Increases	Month 4 to 39 (Sep 23 - Aug 26)
Future Homes Standard Zero Carb 35 Plots	Month 24 to 39 (May 25 - Aug 26)
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Chinley (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Trevethick (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Brahms (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Brunswick (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Nelson (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Jenner (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Newton (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Wordsworth (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Shakespeare (sale)	Month 11 to 41 (Apr 24 - Oct 26)
Priestley (sale)	Month 11 to 41 (Apr 24 - Oct 26)

PROFIT 5,302,769

COSTS 21,207,231

PROFIT/SALE 20.00%

PROFIT/COST 25.00%



F. BCIS Data

BCIS®

£/m2 study

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

Last updated: 10-Sep-2022 05:41

> Rebased to High Peak (111; sample 15)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810. Housing, mixed developments (15)	1,572	880	1,377	1,530	1,717	3,536	1222
810.1 Estate housing							
Generally (15)	1,574	766	1,344	1,513	1,720	5,429	1429
Single storey (15)	1,779	1,059	1,516	1,720	1,978	5,429	232
2-storey (15)	1,518	766	1,318	1,474	1,657	3,320	1108
3-storey (15)	1,642	986	1,324	1,560	1,857	3,222	84
4-storey or above (15)	3,320	1,619	2,650	2,958	4,449	4,923	5
810.11 Estate housing detached (15)	2,023	1,170	1,580	1,751	2,028	5,429	22
810.12 Estate housing semi detached							
Generally (15)	1,571	927	1,347	1,542	1,718	2,889	347
Single storey (15)	1,745	1,138	1,504	1,710	1,920	2,889	72
2-storey (15)	1,526	927	1,345	1,494	1,666	2,724	264
3-storey (15)	1,527	1,180	1,228	1,500	1,728	2,251	11
810.13 Estate housing terraced							
Generally (15)	1,624	985	1,320	1,518	1,783	4,923	245
Single storey (15)	1,879	1,192	1,571	1,910	2,161	2,623	19
2-storey (15)	1,555	985	1,306	1,481	1,702	3,320	186
3-storey (15)	1,675	986	1,334	1,537	1,883	3,222	38
816. Flats (apartments)							
Generally (15)	1,855	913	1,541	1,756	2,098	6,400	842
1-2 storey (15)	1,754	1,085	1,480	1,665	1,968	3,237	180
3-5 storey (15)	1,829	913	1,538	1,744	2,065	3,858	564
6 storey or above (15)	2,204	1,339	1,788	2,067	2,370	6,400	95

G. Sensitivity analysis

In accordance with the RICS Professional Statement, we have prepared a sensitivity analysis. This has been carried out in relation to values and costs and is summarised below.

1. Costs

Cost item	Cost rate	Total	-5%	+5%	Comment
Basic build cost	Housing	£1397.17/m ² (£129.80/sq.ft)	£1327.31/m ² (£123.31/sq.ft)	£1467.03/m ² (£136.29/sq.ft)	BCIS indication of increasing costs, no indicator suggests a decrease
	Apartments	£1485.43m ² (£138.00/sq.ft)	£1411.16/m ² (£131.10/sq.ft)	1559.70/m ² (£144.90/sq.ft)	
	RLV	Minus £3,223,722	Minus £2447,320	Minus £4,005,625	

Build cost sensitivity

The BCIS Quarterly briefing on the 19th August 2022 states the following:

“Tender prices in 2Q2022 rose by 3.4% compared with the previous quarter, and by 9.1% on an annual basis. Although the economic uncertainty will make contractors keen to tender, it also increases their risk of delivery. With labour site rates rising faster than wage awards and continued supply issues for some materials, tenders are likely to rise faster than basic costs over most of the forecast period. Tender prices are forecast to rise by 20% in the five years to 2Q2027.

Materials prices rose by 8.0% in 2Q2022 compared with the previous quarter, and by 22.3% compared with a year earlier. Some materials prices are easing, and this will continue if supply chains receive no further shocks.”

Wage awards over the next year will come under pressure from rising inflation. Some of the 2% and 3% increases already agreed for early 2023 may be renegotiated. The average wage awards over the forecast period will be around 3% per annum. With labour shortages expected for a while yet, site rates are expected to see higher increases and there are reports of firms making discretionary cost of living payments. Both of these will affect the market conditions element of the TPI.

The BCIS General Building Cost Index rose by 5.4% in 2Q2022 compared with 1Q2022, and by 14% compared with 2Q2021. Costs will rise by 16% over the forecast period (2Q2022 to 2Q2027).

In this respect, we consider that there is a significant risk of inflation on all elements of build costs across the development period. We have not included any such inflation within our appraisals, nor have we increased the contingency level to accommodate any such increases.

We conclude that build costs cannot be reduced arbitrarily.

2. Values

As more fully described within the report we have considered the proposed rents and the potential market values for each dwelling type.

We have calculated the potential Gross Development Value (GDV) of the scheme using standard cost allowances. The GDV of the appraisal is maximised, given the levels of rent.

In our overall consideration of the scheme, we find no evidence to support any higher values than are already included. It is our opinion that there are already at the highest level.